



# Comprehensive Annual Financial Report

For the Fiscal Year Ended  
December 31, 2012

Prepared by:

Finance Department  
Financial Reporting Division

R. J. Nachlinger  
Finance Director



## OUR VISION

Leading through excellence and public trust...*let us show you*

## OUR MISSION

To enhance the quality of community life for those residing, doing business and visiting in Kent. Kent cares about honest and effective government service; protection of life and property; and ensuring that the City provides professional services to the citizens of Kent.

Our fundamental values that guide the City of Kent in fulfilling this mission are:

### INTEGRITY

Act in a fair, honest, ethical manner

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### CARING

Commitment to respect and courtesy

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### COMMUNICATION

The open exchange of information and ideas

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### TEAMWORK

We work together cooperatively

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### INNOVATION

We find better ways to do our work

---

### ACHIEVEMENT

We accomplish our goals

## KENT CARES

Together we can make it happen!

# **Comprehensive Annual Financial Report 2012**

## **Comprehensive Annual Financial Report For the Fiscal Year Ended December 31, 2012**

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## **FINANCE ADMINISTRATION**

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Kent, WA 98032  
Fax: 253-856-6255

**Phone: 253-856-5264**

September 20, 2013

Honorable Mayor,  
Members of the City Council,  
and Citizens of the  
City of Kent, Washington

This correspondence transmits to you the City of Kent's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012. This transmittal letter provides an overview of the report and the financial condition of the City. It also provides insight into the history of the City and the economic conditions affecting it. The report is prepared in accordance with the Revised Code of Washington (RCW) 43.09.230. Management's Discussion and Analysis presented on pages 5-21 has a different focus than the transmittal letter and should be read in conjunction with the transmittal letter.

The City of Kent Finance Department prepared the report and accepts complete responsibility for the accuracy, completeness, and fairness of the presentation of the information included. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to both protect the City's assets from loss, theft, or misuse and to compile complete and reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America (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. The data is believed to be accurate in all material respects, and it is believed that all significant information necessary for an understanding of the affairs and financial condition of the City has been disclosed. The report has been prepared in conformance with accounting principles generally accepted in the United States of America and in conformance with financial reporting standards issued by the Governmental Accounting Standards Board (GASB).

The City of Kent's financial statements have been audited by the Washington State Auditor's Office. 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, 2012 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 unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2012, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The Financial Section includes the independent auditor's opinion, Management's Discussion and Analysis and the basic financial statements, consisting of the Government-wide Financial Statements, the Fund Financial Statements, budget to actual comparison for the general fund and the Notes to the Financial Statements. Also included as supplemental information, are combining statements for the

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non-major governmental funds, budget to actual comparison for the public safety retiree, lodging tax and youth/teen funds, internal service funds statements, and fiduciary funds statements.

The 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 State Auditor is required to report not only on the fair presentation of the financial statements, but also on 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 grants. These reports are available in the State Auditor's Audit Report for the City.

Accounting principles generally accepted in the United States of America requires that management provide a discussion and analysis of its financial condition. This narrative introduction, overview, and analysis are described as Management's Discussion and Analysis (MD&A). The MD&A is found at the beginning of the financial section following the independent auditor's report. This letter of transmittal complements the MD&A and should be read in conjunction with it.

Following the Basic Financial Statements are statements of non-major funds, agency funds, and internal service funds. Also included are schedules for capital assets utilized in governmental operations.

The Statistical Section provides financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information pertaining to the City. Much of the information provided is designed to show comparative data over the last ten fiscal years and conforms with GASB Statement No. 44.

## **THE REPORTING ENTITY**

The City of Kent is located in southern King County, Washington state's most populous county. The City is centrally located in the Green River Valley, 18 miles south of Seattle and 18 miles northeast of Tacoma. It now serves 119,100 residents. The population increased by 25,000 as a result of the Panther Lake annexation, effective July 1, 2010. The City provides many of its municipal services to the greater Kent area that encompasses over 150,000 residents.

The City of Kent operates under an elected Council – Mayor form of government. There are seven Council members. The Mayor is full-time and responsible for carrying out the policies and ordinances of the governing council and overseeing the operations of the government. The Council and Mayor are elected on a non-partisan basis. The elected terms of office for the Council members and Mayor are four years.

The government provides a full range of services. At December 2012, the City of Kent had 630 budgeted full-time employees providing services of general government, public safety, public works, and leisure services. In the public safety area, the Police Department had 196 police officers and non-uniformed personnel providing police and correction services to an expanding business and residential area. The Public Works Department provides engineering services for the City and maintains the City streets. In addition, Public Works operates the water, sewer, and drainage utilities that also serve many outside customers. The Parks, Recreation and Community Services Department maintains parks and recreation fields located throughout the City and provides numerous opportunities for organized recreational activities for the greater Kent area. It ensures human service resources are delivered effectively and efficiently to Kent residents by developing and implementing policies that guide the funding of human service programs, providing housing assistance, and participating in regional and local issues affecting Kent residents. It also operates a senior center; a community center for social and recreational programs, including racquetball, an 18-hole and par-3 golf course, and driving range. In the cultural area, the City has established cultural arts and sports programs. The Kent Economic

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Development Corporation and the Special Events Center Public Facilities District are included in this report as component units. The Kent School District is an independent governmental unit and does not meet the established criteria for inclusion in the reporting entity and, accordingly, is excluded from this report.

The annual budget serves as the foundation for the City of Kent's financial planning and control. The City Council established its direction for the City with the development and adoption of the Strategic Goals in 2011. Those Strategic Goals are reviewed quarterly and are used in developing the budgets. The annual budget kick-off starts in May. Departments meet with Finance and develop their budgets during June and July and make their requests to Administration in August. A public hearing is held on the budget in September and the preliminary budget is prepared and submitted for Council review in October. A second public hearing is held in November and the final budget is developed and submitted for Council approval in December. Beginning with the 2013 budget cycle, the City has implemented biennial budgeting and will adopt two year budgets with a mid biennial review of the second year of the adopted budget.

## **ECONOMIC CONDITION AND OUTLOOK**

The City of Kent is a unique community with a combination of residential, banking, warehousing, light manufacturing, retailing, wholesaling, and some farming. It is unique because it is in the geographical center of the region's economic development associated with the region's proximity to its Pacific Rim neighbors. Within 20 miles of City Hall, there are two interstate highways, a regional rail center, an international airport, and two international deep water seaports. Because of this, the City is one of the leading warehouse distribution centers in the nation.

There are approximately 78,000 people who work within Kent's city limits. Large private sector employers within city limits include the Boeing Company (aircraft manufacturer) with 2,480 employees, REI Inc. (a recreational clothing and equipment retailer) with 1,026 employees and Carlisle Interconnect Technologies (designer and manufacturer of high performance wire and cable) with 650 employees.

Educational opportunities available to Kent residents are provided by five separate public school districts. Public transportation and sewage treatment services are provided by METRO, part of the King County government. These operations are not a part of the City of Kent's reporting entity, although the City does coordinate with these operations. The City has joint recreational programs with the schools and pays for sewage treatment services from the sewerage utility.

## **MAJOR INITIATIVES**

The City Council established its direction for the City with development and adoption of the Strategic Goals. Since adoption, the Council reviews the strategic goals and the status quarterly. The five strategic goals identified in the plan and the key targets for the goals are:

### Develop and implement a sustainable funding model

Create a plan to analyze current operations to identify and implement efficiencies. Research new revenue sources to sustain current operations. In light of new economic realities, prioritize public services and implement new fund reserve policies.

### Create connections for people and places

Develop and implement a plan to improve government processes. Identify a funding source and revenue generating opportunities user fiber optics throughout the community. Create connections for people and places by improving and expanding trails and roadways. Design a

# **Comprehensive Annual Financial Report 2012**

Gateways Plan to create more friendly and welcoming entries into Kent. Continue to identify neighborhoods.

## Create neighborhood urban centers

Transform zoning and planning to support the creation of new urban centers. Transform the regulatory process to be efficient and eliminate redundancy. Improve streetscapes and signage. Identify a niche, uniqueness for Kent to develop.

## Foster inclusiveness

Promote inclusiveness and broaden the opportunities to celebrate and showcase the diversity of our community. Seek ways to educate employees, employers and the community on the cultural diversity of Kent. Remove barriers to increase hiring to match the city's diverse population.

## Beautify Kent

Update design standards for residential, commercial and downtown areas of Kent. Implement a plan for "Green Kent", targeting greenways to include better use of open space and trees. Leverage code enforcement to rid the city of unsightly areas. Implement a plan for maintenance and resource management of our existing public and private infrastructure.

During the 2013-2014 budget process, the City recognized the continued economic challenges and looked at both service reductions and new revenue sources. The focus of the budget was to incorporate efficiencies, maintain the public's safety, and honor the strategic goals and it did just that. The City's Strategic Plan includes the development of a sustainable funding model. To provide a solid framework for the budget process, the City adopted a new biennial budget process which complements longer-term planning and it also updated its financial policies to include goals of a 10% fund balance in the General Fund and to establish contingency and reserve funds. In addition to these changes, the City also changed the way it calculates its human services funding from a percentage of General Fund revenues to a per capita calculation improving the stability of the funding.

The City recognized the revenue limitations associated with the budget, both in amount and source. Property tax collections are capped at 1% growth and the City had suffered substantial declines in other revenues such as Real Estate Excise Tax and Sales Tax during the recession which had not yet fully recovered. It also recognized that there are some cost drivers beyond the City's control such as rising gas prices, insurance rates of all kinds, and employee pension costs. The revenues were not keeping pace with basic cost increases.

The 2013-2014 budget included new and increased revenues. A new 6% Cable TV Utility Tax was implemented and expected to generate \$1.3 million which would be used for the City's technology needs. Permit and inspection fees were increased providing for a 75% cost recovery for these services and is estimated to generate \$1.2 million. The city also implemented a new Business & Occupation Tax projected to generate \$5 million annually to provide funding for street infrastructure. The City also increased its Internal Utility Tax by 3% on water, sewer and storm drainage utilities generating an additional \$1.76 million dedicated to pay debt service and increase the General Fund reserve.

The City did not increase revenues without also cutting expenses. Although these cuts occurred throughout the departments within the City, it was particularly felt by Public Works, Police and Parks. Overall, 20 positions were eliminated during the budget process including a Human Services resource and referral coordinator, visual arts coordinator, and administrative support to name a few. Also, cuts were made to various programs through elimination or restructuring some programs. The programs impacted included the mobile technology bus, Morford Family Carousel, restructure of the police bike patrol, and reduced General Fund subsidy for the recreation programs.

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## **FINANCIAL INFORMATION, MANAGEMENT, AND CONTROL**

### **Internal Control System**

The City's management is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. Reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

As a recipient of Federal and other governmental grants, the City is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control system is subject to periodic evaluation by management.

### **Accounting and Budgetary Control System**

The accounting and budgetary control system of the City is based on the fund structure. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts segregated for the purpose of carrying out specific functions in accordance with special regulations, restrictions, or limitations. In 2012, the City operated with 23 individual funds. These are summarized into seven standard fund types to comply with the aforementioned standards of the Governmental Accounting Standards Board. The individual funds, in addition to being the basis of the accounting system, provide the legal budgetary control level for City expenditures. Certain funds operate on an annual budget. Other funds are project oriented or controlled by bond indentures or state law. Proprietary funds have flexible budgets that allow for expenditure adjustments based on receipt of additional revenue. The Notes to Financial Statements describe the fund types and their individual operating characteristics.

Although budgetary control is at the fund level, revenue and expenditure data is maintained by project, organization, program and object code. The high level program and object codes are prescribed for all local government units by the State Auditor's Office for consistency of reporting statewide. The remainder of the coding structure is established at the City's discretion based on its operational and management needs. In addition to prescribing certain coding for consistent reporting statewide, the State Auditor's Office prescribes certain accounting formats and specialized reports.

The State Auditor's Office is required by state law to make periodic independent audits of the books of accounts, financial records, and transactions of the City. The audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, and related OMB circular A-133. The opinion of the State Auditor's Office on the General Purpose Financial Statements is included as a part of this report. Additional financial disclosure information required by the State Auditor's Office is included in the Statistical Section or where appropriate as a part of the Notes to Financial Statements.

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## **Cash Management**

The City operates with a pooled cash and investment account whereby funds not individually invested to the credit of particular funds are invested in a Treasurer's residual account to the credit of the General Fund. This is specifically allowed by state law which states that with the exception of bond covenants and local ordinances that require investment by fund, investments can be pooled and invested to the credit of the General Fund. The City has adopted Government Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*. This requires the City to record its long-term investments at fair value as determined by the market or appraised value as applicable.

The City's deposits during 2012 and at December 31, 2012, were covered by Federal depository insurance or collateralized by qualified public depositories through the Washington Public Deposit Protection Commission. The City invests in instruments allowable by state statute, which minimize credit and market risks.

On December 31, 2012, the City's cash and investment position for all funds totaled \$40,868,307. The fair value of investments, including certificates of deposit, on December 31, 2012, totaled \$36,568,951. Funds are invested overnight with the State Treasurer's Investment Pool and, for longer-term investments, in certificates of deposit and U.S. government securities. The portfolio generated \$130,393 of interest income in 2012, for a yield of 0.33 percent on average cash and investments of \$39,096,210.

## **Risk Management**

The City self insures for unemployment compensation, workers compensation, and medical and dental insurance coverage for its employees. Liability coverage consists of a self-insurance layer of \$250,000 combined with two layers of reinsurance, a \$5 million primary layer and a \$15 million secondary layer. The reinsurance layers are through the Washington Public Entity Group (WAPEG), a risk purchase group organized through the City's broker, Alliant Insurance Services, Inc. Property coverage is provided by individual insurance carriers.

## **Pension and Post Employment Benefits**

The City sponsors a single-employer defined benefit plan for its fire personnel that were hired prior to March 1, 1970. Every other year, an actuarial study is completed to ensure the plan will be able to fully meet its obligations to retired employees. As of December 31, 2012, there is no unfunded liability for the pension plan. In compliance with GASB Statement No. 45, the City recognized the Net Other Post Employment Benefit (OPEB) obligation at December 31, 2012, in the amount of \$1,002,923.

The City currently provides pension benefits for all of its permanent employees through several statewide plans managed by the Department of Retirement Systems. The City has no obligation in connection with employee benefits offered under these plans beyond its annual contributions to the plans.

The City provides medical, prescription drug, dental, vision, long-term care, and other unreimbursed medical benefits to certain eligible public safety retirees. The Firefighters Relief and Pension Fund provides some of the funding to pay for those benefits relating to eligible Firefighters along with the City's General Fund.

Additional information pertaining to the City's pension plans and post employment benefits can be found in the Notes to the Financial Statements.

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## **ACKNOWLEDGMENTS**

The preparation of this report would not have been accomplished without the dedicated efforts of the entire Finance and Information Technology departments. We would also like to thank the Mayor, Chief Administrative Officer and City Council members for their interest and support of our efforts to improve the City's Comprehensive Annual Financial Report.

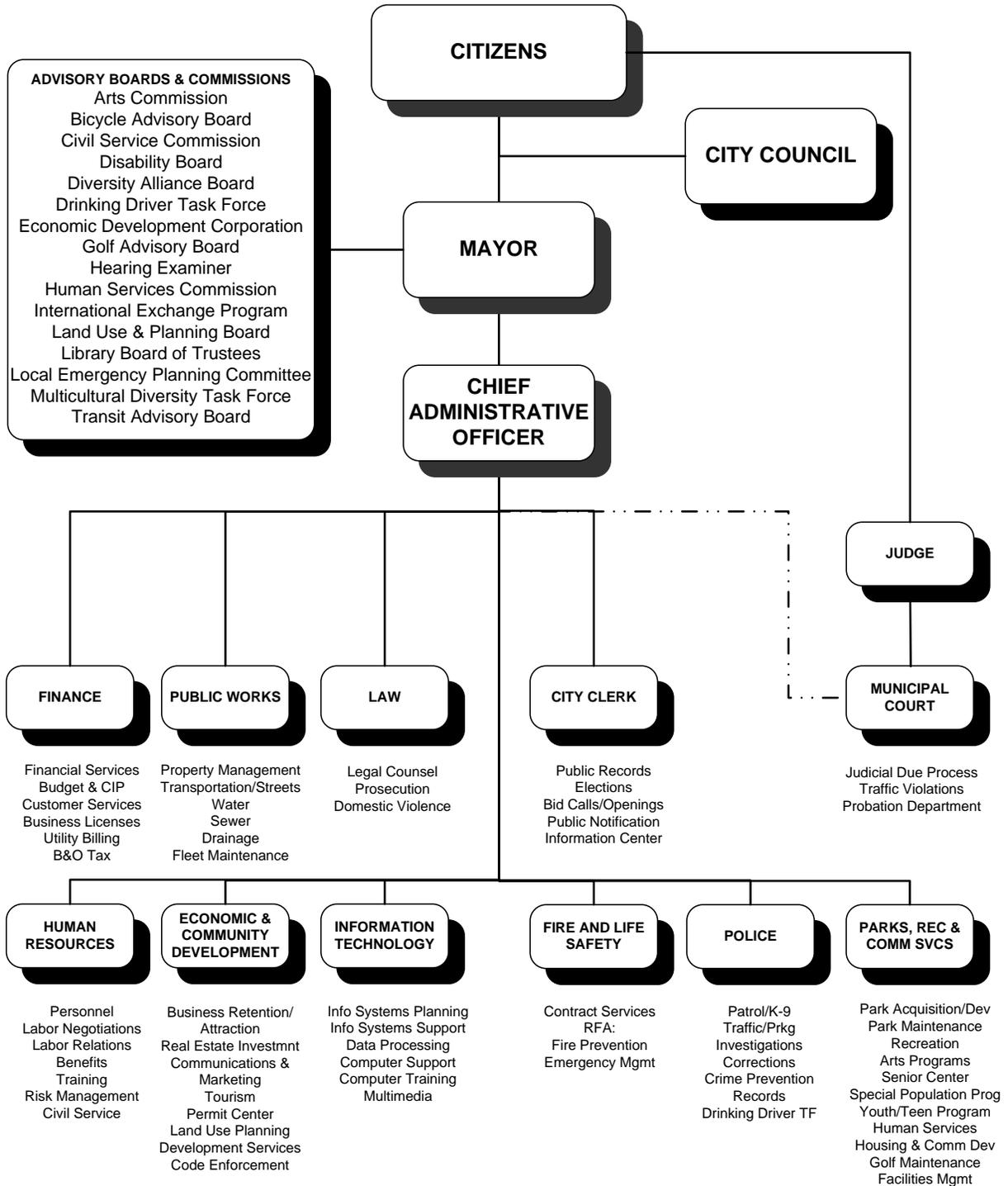
Respectfully submitted,

A handwritten signature in black ink, appearing to read 'R. J. Nachlinger', with a long horizontal flourish extending to the right.

R. J. Nachlinger  
Finance Director

# Comprehensive Annual Financial Report 2012

## City of Kent 2013 Organization Chart



# **Comprehensive Annual Financial Report 2012**

## **PRINCIPAL OFFICIALS**

Kent operates under a Mayor-Council form of government. The City Council consists of seven citizens of Kent who are elected at large to staggered, four-year terms. Members of the City council then elect one council member to serve as president of the Council. The member elected serves a two-year term as president, and can be re-elected to as many two-year terms as desired by a majority of the City council. The City Council President serves as the mayor Pro Tem during any absence from the city by the Mayor. The City Council has five committees: Economic and Community Development, Operations, Parks and Human Services, Public Safety, and Public Works.

|                           | <b>Term Expiration</b> |
|---------------------------|------------------------|
| <b>MAYOR</b>              |                        |
| Suzette Cooke             | 12-31-2013             |
| <b>COUNCIL MEMBERS</b>    |                        |
| Dennis Higgins, President | 12-31-2013             |
| Elizabeth Albertson       | 12-31-2013             |
| Bill Boyce                | 12-31-2015             |
| Jamie Perry               | 12-31-2013             |
| Dana Ralph                | 12-31-2015             |
| Deborah Ranniger          | 12-31-2015             |
| Les Thomas                | 12-31-2015             |

### **GENERAL GOVERNMENT**

John Hodgson, Interim Chief Administrative Officer  
Tom Brubaker, City Attorney  
Lorraine Patterson, Human Resources Director  
R.J. (Bob) Nachlinger, Finance Director  
Michael Carrington, Information Technology Director

### **PARKS AND RECREATION**

Jeff Watling, Parks, Recreation and Community Services Director

### **PUBLIC SAFETY**

Ken Thomas, Police Chief

### **ECONOMIC AND COMMUNITY DEVELOPMENT**

Ben Wolters, Economic and Community Development Director  
Fred Satterstrom, Planning Director  
Tim LaPorte, Public Works Director

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## **Washington State Auditor Troy Kelley**

### **INDEPENDENT AUDITOR'S REPORT**

September 20, 2013

Mayor and City Council  
City of Kent  
Kent, Washington

### ***REPORT ON FINANCIAL STATEMENTS***

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 Kent, King County, Washington, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility 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; this includes 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.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements 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.

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Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinion***

In our opinion, the 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 Kent, King County, Washington, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Matters of Emphasis***

As described in Note 1, during the year ended December 31, 2012, the City has implemented the Governmental Accounting Standards Board Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements and Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 21, information on pension trust fund information on page 97 and postemployment benefits other than pensions on page 98 be presented to supplement the basic financial statements. Such information, 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 and Other 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 accompanying information listed as combining financial statements and supplementary information on pages 100 through 132 is presented for purposes of additional analysis and is 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 financial

# **Comprehensive Annual Financial Report 2012**

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 financial statements or to the 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 taken as a whole.

The information identified in the table of contents as the Introductory and Statistical sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we will also issue our report dated September 20, 2013, 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 cursive script that reads "Troy X Kelley".

**TROY KELLEY**  
STATE AUDITOR

**Comprehensive Annual Financial Report 2012**



# **Comprehensive Annual Financial Report 2012**

## **Management's Discussion and Analysis For the Year Ended December 31, 2012**

### **City of Kent**

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This discussion and analysis of the City of Kent's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2012. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

#### **FINANCIAL HIGHLIGHTS:**

- Net position (\$1.0 billion) increased by \$22.8 million or 2.3 percent from 2011 levels, comprised of a \$10.6 million or a 1.5 percent increase resulting from governmental activities and a \$12.3 million or 4.5 percent increase as a result of business-type activities. Approximately \$45.3 million or 4.5 percent of the net position may be used to meet the City's ongoing obligations to citizens and creditors.
- Net Property, Plant and Equipment (\$1.1 billion) increased by \$3 million or 0.3 percent from 2011.
- Long-term debt (\$161.2 million) decreased by \$.3 million or 0.2 percent from 2011 levels. There was \$10.8 million in refunding debt issued in fiscal year 2012, offset by the annual debt service payments.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS:**

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

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City of Kent's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Kent's assets and liabilities, except fiduciary funds, with the difference between the two reported as net position. Over time, increases or decreases in net position provide a useful indicator as to the direction of the City's financial condition.

The statement of activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future years (e.g., uncollected property tax revenues and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Kent that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Kent include general government, judicial, public safety, community development, public works, leisure services, health and

# Comprehensive Annual Financial Report 2012

## Management's Discussion and Analysis For the Year Ended December 31, 2012

### City of Kent

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human services and library. The business-type activities of the City of Kent include water and sewerage utilities and a municipal golf complex.

The government-wide financial statements include not only the City of Kent itself (known as the primary government), but also the Kent Economic Development Corporation and the Special Events Center Public Facilities District. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 23-25 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Kent, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Kent can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

The focus of governmental funds is narrow and it is useful to compare the information provided by the government-wide financial statements for government activities with the governmental funds statement. This may give the reader a better understanding of how long-term impacts are affected by near-term financing decisions. In order to facilitate this comparison, a reconciliation is provided on the fund statements, reconciling net position to fund balances.

The City maintains 16 individual governmental funds. Information is provided separately for five funds that the City considers to be major funds, and combines the other 11 funds into one column for a single aggregated report. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The five major funds are the General Fund, Capital Improvement Fund, Special Assessments Fund, Street Capital Projects Fund, and the Other Projects Fund.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided, within the basic financial statements, for the general fund to demonstrate compliance with this budget.

The governmental major funds financial statements are found on pages 26-29 of this report.

**Proprietary funds.** The City maintains two types of proprietary funds. Enterprise funds are used to report the activities that are business-like in nature, and are included in the business-type activities in the government-wide financial statements. Enterprise funds primarily serve customers outside of the governmental unit. The City maintains three Enterprise funds: (1) Water Fund, (2) Sewerage Fund (Sewer and Storm Drainage utilities) and (3) Golf Complex Fund. Internal service funds are used to report business-type functions that operate internally within the City and allocate their services to the City's various functions. The City maintains four Internal Service Funds: (1) Equipment Rental Fund,

# **Comprehensive Annual Financial Report 2012**

## **Management's Discussion and Analysis For the Year Ended December 31, 2012**

### **City of Kent**

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(2) Central Services Fund (postage, central stores, copiers, print shop, cable media services, telephone services, and data processing services), (3) Facilities Fund, and (4) Insurance Fund (unemployment, workers' compensation, medical and dental, liability and property). Since these services mainly benefit governmental rather than business-type functions, their assets and liabilities have been included within governmental activities in the government-wide financial statement of net position, but their functions are prorated as to their usage between governmental and business-type activities in the government-wide financial statement of activities.

Proprietary funds provide detailed information of the same type of information found in the government-wide financial statements. The City reports each enterprise fund as a major fund, and includes the internal service funds in a single column in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements on pages 112-119.

The basic proprietary fund financial statements can be found on pages 32-41 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Kent's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City maintains several trust funds, as well as a pension fund instituted for firefighters who were employed by the City prior to March 1, 1970.

The basic fiduciary fund financial statements can be found on pages 42-43 of this report.

**Notes to the financial statements.** The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements and should be read in conjunction with the financial statements. The notes can be found on pages 44-95 of this report.

**Other information.** This report also includes required supplementary information concerning the City of Kent's progress in funding its pension benefit obligations and employer contributions to its Firemen's Relief and Pension Fund. In addition, it provides information on the funding of the other post-employment benefits (including long-term care). This information can be found on pages 97-98 of this report.

Combining statements for non-major governmental funds and internal service funds are also presented on pages 100-107 immediately following the other information mentioned above. Included with the combining statements are budgetary comparison schedules for the Public Safety Retiree Fund, the Lodging Tax Fund and the Youth/Teen Fund, which are found on pages 108-110. The statement of changes in assets and liabilities for the agency funds are found on pages 123-127 of this report.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS:**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Kent, assets exceeded liabilities by \$1.0 billion on December 31, 2012.

By far the largest portion of the City of Kent's net position (\$951.6 million or 94.3 percent) reflects its investment in capital assets (e.g. land, buildings, infrastructure, site improvements, and equipment) less

# Comprehensive Annual Financial Report 2012

## Management's Discussion and Analysis For the Year Ended December 31, 2012

### City of Kent

depreciation and any related outstanding debt used to acquire or construct those assets. The City of Kent uses these capital assets to provide services to its citizens; consequently, it is not the City's intention to sell these assets and they are therefore not available for future spending. Although the City of Kent's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are not intended be used to liquidate these liabilities.

### CITY OF KENT'S NET POSITION As of December 31 (in thousands)

|                                  | Governmental<br>Activities |           | Business-Type<br>Activities |           | Total Primary<br>Government |           |
|----------------------------------|----------------------------|-----------|-----------------------------|-----------|-----------------------------|-----------|
|                                  | 2012                       | 2011      | 2012                        | 2011      | 2012                        | 2011      |
| <b>Assets</b>                    |                            |           |                             |           |                             |           |
| Current and Other Assets         | \$ 45,461                  | \$ 25,396 | \$ 43,563                   | \$ 45,949 | \$ 89,024                   | \$ 71,345 |
| Capital Assets                   | 785,429                    | 792,943   | 313,721                     | 303,240   | 1,099,150                   | 1,096,183 |
| Total Assets                     | 830,890                    | 818,339   | 357,284                     | 349,189   | 1,188,174                   | 1,167,528 |
| <b>Liabilities</b>               |                            |           |                             |           |                             |           |
| Long-term Debt Outstanding       | 93,480                     | 90,556    | 67,719                      | 70,952    | 161,199                     | 161,508   |
| Other Liabilities                | 13,266                     | 14,205    | 4,100                       | 5,037     | 17,366                      | 19,242    |
| Total Liabilities                | 106,746                    | 104,761   | 71,819                      | 75,989    | 178,565                     | 180,750   |
| <b>Net Position</b>              |                            |           |                             |           |                             |           |
| Net Investment in Capital Assets | 697,830                    | 708,913   | 253,742                     | 241,630   | 951,572                     | 950,543   |
| Restricted                       | 10,288                     | 10,035    | 2,463                       | 4,497     | 12,751                      | 14,532    |
| Unrestricted                     | 16,026                     | (5,370)   | 29,260                      | 27,073    | 45,286                      | 21,703    |
| Total Net Position               | \$724,144                  | \$713,578 | \$285,465                   | \$273,200 | \$1,009,609                 | \$986,778 |

Of the City of Kent's net position, 1.3 percent represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$45.3 million, may be used to meet the city's ongoing obligations to citizens and creditors.

Following table and graphs show the changes in net position, a comparison of program costs and revenues, composition of the revenues, and a discussion of the various revenue streams for the City.

# Comprehensive Annual Financial Report 2012

City of Kent

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

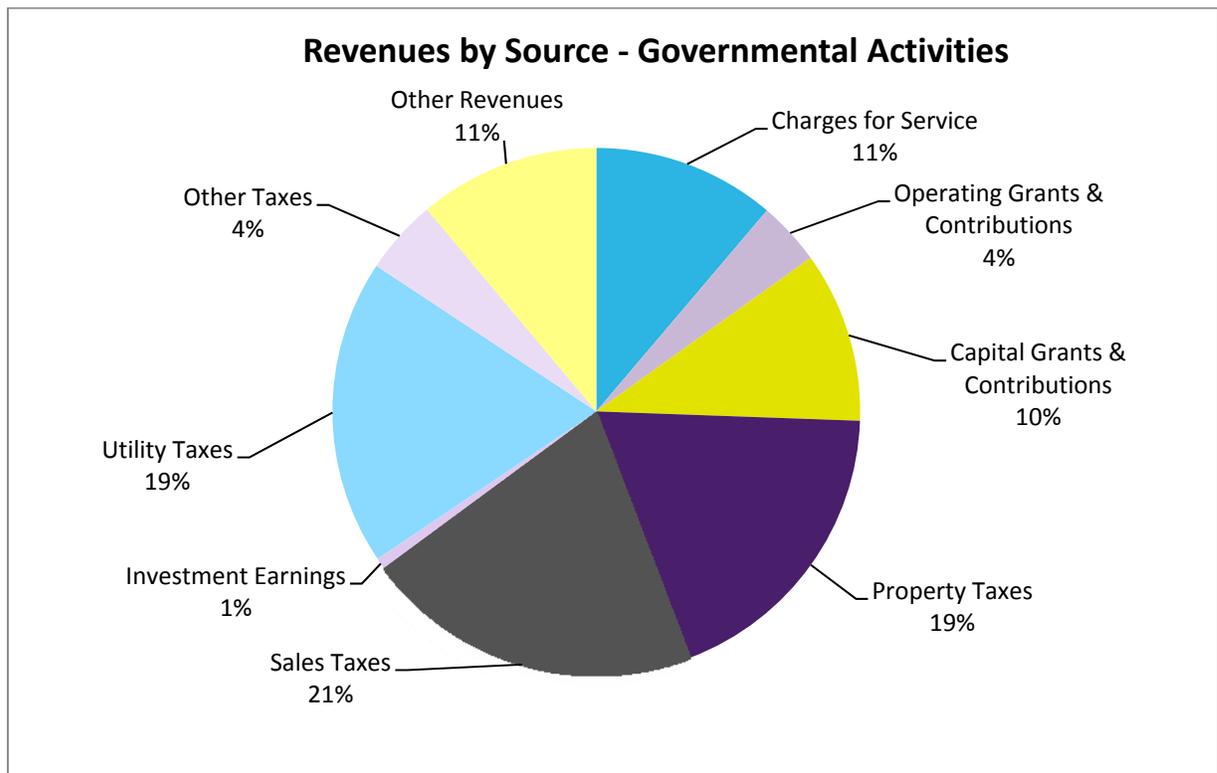
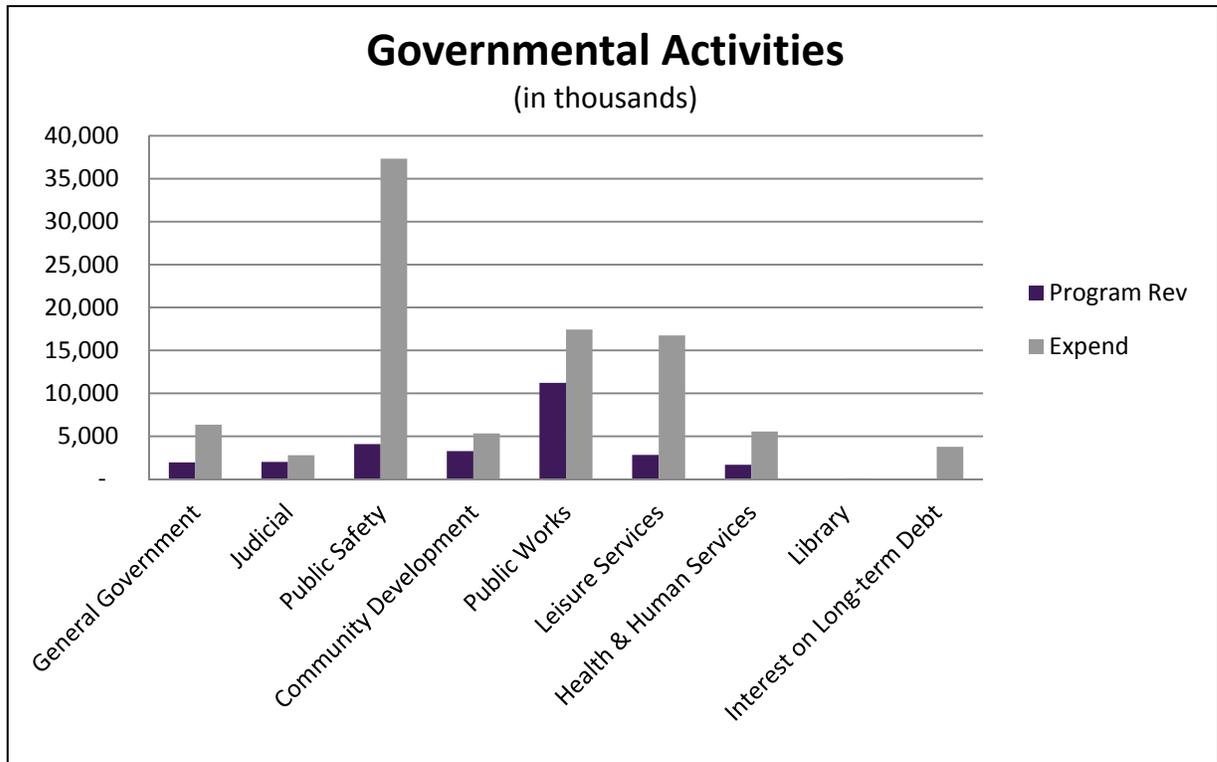
## CITY OF KENT'S CHANGES IN NET POSITION For the Years Ended December 31 (in thousands)

|   | Governmental<br>Activities |                    | Business-Type<br>Activities |                  | Total Primary<br>Government |                   |
|---|----------------------------|--------------------|-----------------------------|------------------|-----------------------------|-------------------|
|   | 2012                       | 2011               | 2012                        | 2011             | 2012                        | 2011              |
| <b>Revenues:</b>  |                            |                    |                             |                  |                             |                   |
| Program Revenues:   |                            |                    |                             |                  |                             |                   |
| Charges for Services  | \$ 11,858                  | \$ 8,801           | \$ 58,385                   | \$ 57,615        | \$ 70,243                   | \$ 66,416         |
| Operating Grants/Contributions                                  | 4,125                      | 4,402              | 771                         | 348              | 4,896                       | 4,750             |
| Capital Grants/Contributions                                    | 11,077                     | 5,311              | 5,544                       | 6,900            | 16,621                      | 12,211            |
| General Revenues:   |                            |                    |                             |                  |                             |                   |
| Property Taxes  | 19,735                     | 19,297             |                             |                  | 19,735                      | 19,297            |
| Sales Taxes   | 21,908                     | 21,458             |                             |                  | 21,908                      | 21,458            |
| Utility Taxes   | 19,869                     | 19,365             |                             |                  | 19,869                      | 19,365            |
| Other Taxes   | 4,853                      | 3,549              |                             |                  | 4,853                       | 3,549             |
| Grants and Contributions Not<br>Restricted to Specific Programs | 6,846                      | 7,103              |                             |                  | 6,846                       | 7,103             |
| Investment Earnings   | 701                        | 495                | 79                          | 120              | 780                         | 615               |
| Miscellaneous   | 4,907                      | 4,931              |                             |                  | 4,907                       | 4,931             |
| <b>Total Revenue</b>  | <b>\$ 105,879</b>          | <b>\$ 94,712</b>   | <b>\$ 64,779</b>            | <b>\$ 64,983</b> | <b>\$ 170,658</b>           | <b>\$ 159,695</b> |
| <b>Expenses:</b>  |                            |                    |                             |                  |                             |                   |
| General Government  | \$ 6,352                   | \$ 6,400           | \$                          | \$               | \$ 6,352                    | \$ 6,400          |
| Judicial  | 2,794                      | 2,745              |                             |                  | 2,794                       | 2,745             |
| Public Safety   | 37,340                     | 48,031             |                             |                  | 37,340                      | 48,031            |
| Community Development   | 5,333                      | 5,441              |                             |                  | 5,333                       | 5,441             |
| Public Works  | 17,428                     | 21,196             |                             |                  | 17,428                      | 21,196            |
| Leisure Services  | 16,745                     | 16,414             |                             |                  | 16,745                      | 16,414            |
| Health and Human Services                                       | 5,553                      | 5,915              |                             |                  | 5,553                       | 5,915             |
| Library   | 99                         | 99                 |                             |                  | 99                          | 99                |
| Interest on Long-Term Debt                                      | 3,779                      | 4,001              |                             |                  | 3,779                       | 4,001             |
| Water   |                            |                    | 12,949                      | 11,991           | 12,949                      | 11,991            |
| Sewerage  |                            |                    | 36,392                      | 29,194           | 36,392                      | 29,194            |
| Golf Complex  |                            |                    | 3,063                       | 3,226            | 3,063                       | 3,226             |
| <b>Total Expenses</b>   | <b>\$ 95,423</b>           | <b>\$ 110,242</b>  | <b>\$ 52,404</b>            | <b>\$ 44,411</b> | <b>\$ 147,827</b>           | <b>\$ 154,653</b> |
| Increase in Net Position Before Transfers                       | \$ 10,456                  | \$ (15,530)        | \$ 12,375                   | \$ 20,572        | \$ 22,831                   | \$ 5,042          |
| Transfers   | 110                        | 312                | (110)                       | (312)            |                             |                   |
| <b>Increase in Net Position</b>                                 | <b>\$ 10,566</b>           | <b>\$ (15,218)</b> | <b>\$ 12,265</b>            | <b>\$ 20,260</b> | <b>\$ 22,831</b>            | <b>\$ 5,042</b>   |
| <b>Net Position – January 1</b>                                 | <b>713,578</b>             | <b>725,377</b>     | <b>273,200</b>              | <b>256,359</b>   | <b>986,778</b>              | <b>981,736</b>    |
| Prior Period Adjustment   |                            | 3,419              |                             | (3,419)          |                             |                   |
| <b>Net Position – January 1 (Adjusted)</b>                      | <b>713,578</b>             | <b>728,796</b>     | <b>273,200</b>              | <b>252,940</b>   | <b>986,778</b>              | <b>981,736</b>    |
| <b>Net Position – December 31</b>                               | <b>\$ 724,144</b>          | <b>\$ 713,578</b>  | <b>285,465</b>              | <b>\$273,200</b> | <b>\$1,009,609</b>          | <b>\$ 986,778</b> |

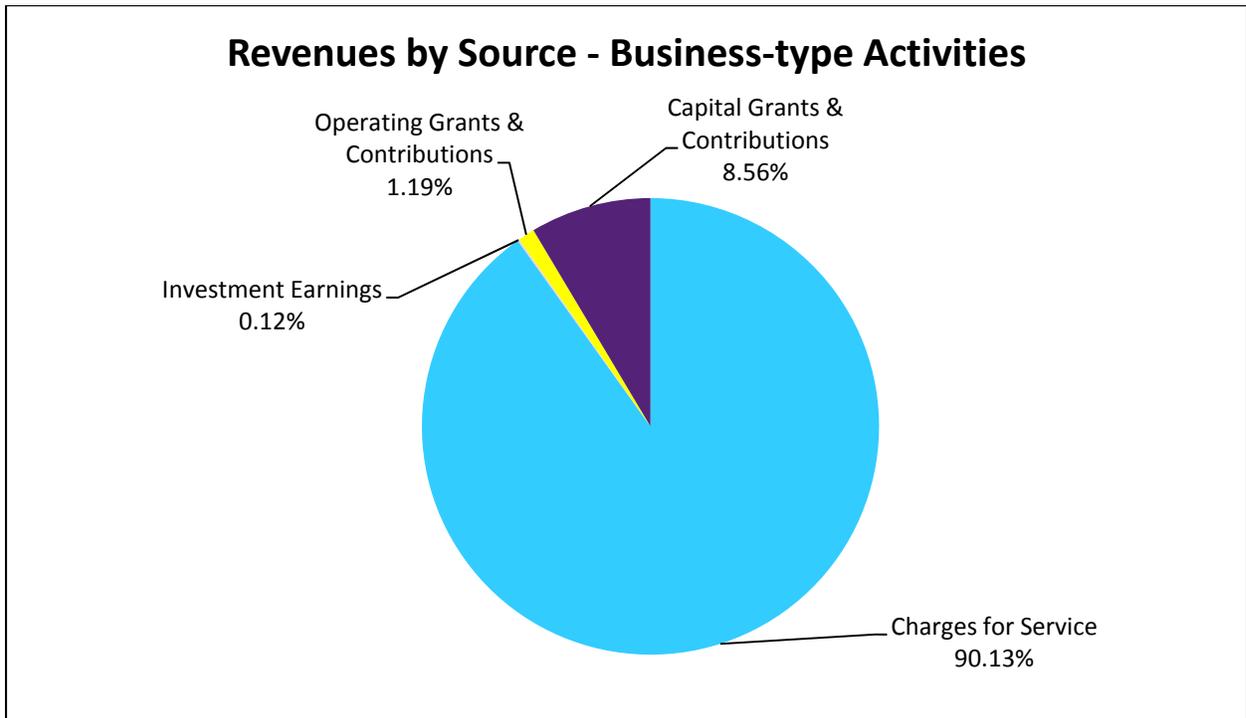
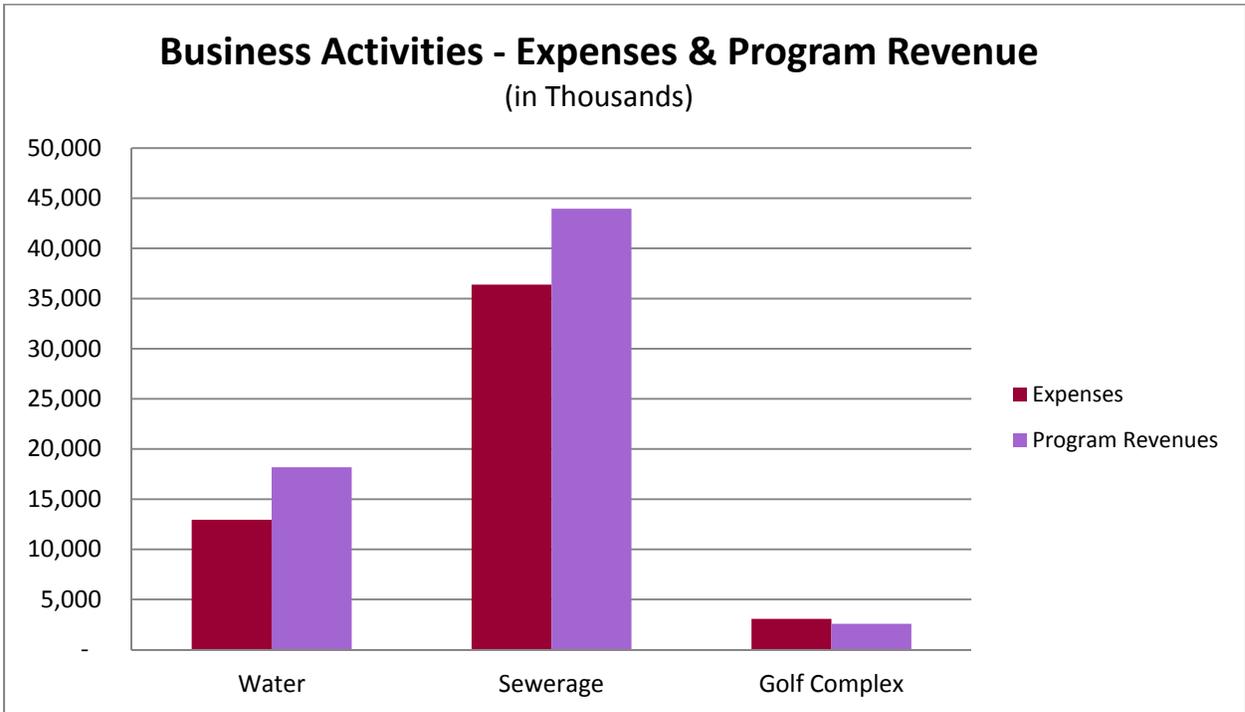
# Comprehensive Annual Financial Report 2012

City of Kent

Management's Discussion and Analysis  
For the Year Ended December 31, 2012



# Comprehensive Annual Financial Report 2012



# Comprehensive Annual Financial Report 2012

## Management's Discussion and Analysis For the Year Ended December 31, 2012

### City of Kent

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**Governmental activities.** Governmental activities net position increased \$10.6 million (1.5 percent) in fiscal year 2012. Some key revenue and expenditure highlights of governmental activities for fiscal year 2012 are as follows:

- *Taxes* – Property Taxes (\$19.7 million), Sales & Use Taxes (\$21.9 million), Utility Taxes (\$19.9 million), and Other Taxes (\$4.9 million) increased by \$.4 million or 2.3 percent, \$.4 million or 2.1 percent, \$.5 million or 2.6 percent, and \$1.3 million or 36.7 percent, respectively as the economy continues slow growth. During the recession the City saw a reduction of 70% in Real Estate Excise Tax (REET). During 2012, the commercial real estate market has begun to improve at a much greater pace than other taxes. The largest impact to our REET is the sale of property with a sales price of more than \$1 million dollars. During 2012 there were 44 of those sales totaling \$370.3 million as compared to 2011 where there were 39 of those sales totaling \$187.3 million.
- *Investment Earnings* (\$.7 million) increased by \$.2 million or 41.6 percent. Although rates have remained fairly constant during 2012 the increase in investment earning is the result of increased funds available for investing.
- *Charges for Service program revenues* (\$11.9 million) increased by \$3.1 million or 34.7 percent, with the largest increases in General Government, Community Development and Public Works.
  - The General Government increase (\$1.5 million) is primarily due to a change in how cable franchise fees are reported. They were previously reported as utility taxes, but beginning in fiscal year 2012 \$1.3 million was reported as licenses and permits and included in Charges for Service on the Statement of Activities.
  - Community Development revenues increased \$1.1 million. During the 2012 budget cycle, the permitting and development services fees were restructured originally estimating to generate an additional \$.4 million over 2011 totals. In addition to the restructuring of the fee structure we have seen increased activity in building permits and plan check fees as the result of the improved economy as evidenced by the improvement in the construction industry.
  - Public Works revenues increased \$.6 million due to increased solid waste service fees and street impact fees. During April 2011, the City entered into a contract with Allied Waste Services. The contract required Allied to pay the city a service fee of approximately \$45,000. During 2012, the City received 12 months of the fee as compared to 9 during 2011 resulting in increased revenue of approximately \$.18 million. Just as we saw Community Development revenues increase as the result of the improved economy evidenced by the improvement in the construction industry, the City has realized an increase in revenue related to street impact fees of \$.24 million as compared to 2011.
- *Grants and Contributions* – while operating grants and contributions are \$.3 million lower, capital grants increased by \$5.8 million. Public Works capital grants increased by \$3.3 million in special assessment collections primarily due to the prepayment period for LID 363 and \$1.7 million in developer contributions as a result of the improvement in the construction industry.
- *Public Safety expenditures* (\$37.3 million) decreased by \$10.7 million or 22.3 percent as compared to 2011. As the result of the formation of the Kent Regional Fire Authority on July 1, 2010, \$7.7 million of capital assets were transferred from the City to the Fire Authority in fiscal

# Comprehensive Annual Financial Report 2012

## Management's Discussion and Analysis For the Year Ended December 31, 2012

### City of Kent

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year 2011. This also reduced depreciation expense \$.5 million and other fire related expenses by \$2 million for fiscal year 2012 compared to fiscal year 2011.

- *Public Works expenditures* also decreased \$3.8 million, primary due to a \$3.4 million one-time expensing of capital assets in fiscal year 2011. In 2011, a prior period correction was made to reclassify expenditures from the Street Capital Projects Fund back to the projects where they originated. A portion of a combined water, sewerage and street project had inadvertently been charged to the Street Capital Projects Fund.

**Business-type activities.** Business-type activities net position increased \$12.2 million (4.5 percent) in fiscal year 2012. Key highlights of the change in net position are as follows:

- *Charges for Service (Operating Revenues)* (\$58.4 million) increased by \$.8 million or 1.3 percent. The increase was due to rate increases in both Water Utility and Sewerage Utility revenue resulting in a \$.3 million and a \$.5 million increase, respectively.
- *Operating Grants/Contributions* (\$.8 million) increased by \$.4 million or 121.2 percent primarily the result of activity in the Sewerage Fund. During 2012, the City received \$.8 million from King County Department of Natural Resources for Green River Flood Protection.
- *Capital Grants/Contributions* (\$5.5 million) decreased \$1.4 million (19.7 percent). While the Water Fund increased \$.6 million due to increased capital contributions and connection and system development fees, the Sewerage Fund decreased \$2.0 million with less grant monies received from the State Department of Ecology.
- *Expenses* – Water fund expenses (\$12.9 million) increased \$1.0 million (8 percent) while Sewerage Fund expenses (\$36.4 million) increased \$7.2 million (24.7 percent). Refer to the analysis of the Proprietary Funds for further detail.

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS:

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

**Governmental Funds.** The focus of the City of Kent's governmental funds is to provide information on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing the government's near-term financing requirements.

At the end of the current fiscal year, the City of Kent's governmental funds reported combined ending fund balances of \$2.2 million, an increase of \$16.9 million in comparison with the prior fiscal year. Of this amount, the unassigned fund balance is a deficit of \$9.8 million. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$.1 million), 2) restricted for particular purposes (\$7.9 million), 3) committed for particular purposes (\$2.1 million), or assigned for particular purposes (\$2.0 million).

The *General Fund* is the chief operating fund of the City of Kent. At the end of the current fiscal year, fund balance of the General Fund was \$2.4 million, representing a \$2.2 million or 1,559.2 percent increase from 2011. During 2011, the City implemented GASB 54. As a result, for reporting purposes,

# **Comprehensive Annual Financial Report 2012**

## **Management's Discussion and Analysis For the Year Ended December 31, 2012**

### **City of Kent**

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the General Fund is now comprised of the General Fund along with three funds once considered Special Revenues of the City (Public Safety Retiree Fund, Operating Grants and Projects Fund, and the Kent Events Center Fund). For budgetary purposes, these special revenue funds are still separate from the General Fund. Factors affecting the General Fund's ending fund balance include:

- Total General Fund revenues increased \$3.6 million (5.3 percent) from the previous year, generally due to slow economic growth and some fee increases.
- Property taxes of \$19.8 million were up \$.4 million from the previous year due to an increase in the tax rate, in addition to some new construction.
- Sales and use taxes (\$15.4 million) decreased \$.5 million while utility taxes (\$16.2 million) increased \$.6 million. Although sales and use taxes for the City increased overall in 2012, the portion distributed to the General Fund was reduced from 75% to 70% with the remaining recorded in the Capital Improvements Fund. The utility tax increase was in the water, sewer and drainage categories due to the City usage rate increases causing an increased taxable base.
- Building permits and other licenses and permits are up \$2.1 million from the previous year as development showed some increase and the fees were restructured and increased through that process.
- General Fund expenditures increased \$2.7 million (4.2 percent) from the previous year with the largest increases in Public Works (\$1.1 million increase) and Leisure Services (\$.9 million increase). Overall, most functions realized increases in their day to day functions due to inflation and increased costs of employee benefits. In addition, Public works expenditures increased as the result of the cost of electricity for street lighting which was up by \$.28 million or 29.8 percent due to rate increases and usage. Also during 2012, a portion of street costs which had previously been covered by the Street Special Revenue Fund were paid for out of the General Fund resulting in an increase to expenditures by \$.2 million.

Other major funds are the *Capital Improvement Fund*, the *Special Assessments Fund*, the *Street Projects Fund*, and the *Other Projects Fund*. Analysis of changes in net position from 2011 levels:

- *Capital Improvement Fund*. Fund balance increased by \$.9 million. With a beginning fund balance deficit of \$12 million, an increase in the fund's revenues of \$2.0 million, and transfers out exceeding transfers in by \$4.6 million, the fund still has a deficit fund balance of \$11.0 million at the end of 2012. The primary revenue sources for the Capital Improvement Fund are Sales and Use Tax and Real Estate Excise Tax, both of which increased in fiscal year 2012 but are still 8.3 percent below the 2008 pre-recession levels. This fund is also responsible for the General Fund debt service payments, which accounts for \$6.1 million of the \$7.5 million in 2012 transfers out.
- *Special Assessments Fund*. Fund balance increased by \$0.2 million primarily due to higher revenues. Revenue in the fund is primarily collected from property owners for special assessments related to their property and that money is used for payment of debt service related to those assessments.

# **Comprehensive Annual Financial Report 2012**

## **Management's Discussion and Analysis For the Year Ended December 31, 2012**

### **City of Kent**

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- *Street Projects Fund.* Fund balance increased \$.9 million to \$3.5 million. There was a \$.5 million drawn on the 2008 Trust Fund Loan during fiscal year 2012. Special assessment revenues increased \$1.3 million while capital expenditures increased \$1.5 million from the previous year.
- *Other Capital Projects Fund.* Fund balance increased by \$10.0 million due to the influx of \$9.7 million in installment notes to cover the previous fund balance deficit in this fund. The City also issued \$10.8 million in general obligation refunding bonds during fiscal year 2012, which were used to defease \$11.0 million in 2000 and 2002 general obligation bonds.

**Proprietary Funds.** The City of Kent's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City's Enterprise utility funds continued to provide sufficient working capital to service their debt and fund capital outlays. Approximately \$2.5 million or .9 percent of the Enterprise funds' net position (\$285.5 million) is restricted for debt service bond covenant requirements. Analysis of changes in net position from prior fiscal year levels:

- *Water Fund.* Net position increased by \$5.3 million or 5.0 percent. This increase was due to net operating income of \$3.9 million and capital contributions of \$1.8 million. Operating revenues increased by 2.0 percent or \$.3 million primarily due to a 3 percent rate increase for meter access fees and usage rates per 100 cu. ft. effective January 1, 2012. Operating expenses increased 8.6 percent or \$1 million primarily with higher intergovernmental services and taxes. The operating income for 2012 was \$3.9 million as compared to \$4.6 million in 2011. Capital contributions increased \$.6 million.
- *Sewerage Fund.* Fiscal year 2012 net position increased by \$7.5 million or 4.6 percent. While operating revenues increased \$.5 million (1.2 percent), operating expenses increased \$7.3 million (25.6 percent) compared to 2011 levels. A five percent rate increase was effective January 1, 2012 for single family drainage fees. The increase in operating expenses is primarily \$1.7 in higher tax payments, \$1.7 million in capital projects expensed in fiscal year 2012, and \$3.6 million in prior period adjustments that decreased operating expenses in fiscal year 2011.
- *Golf Complex.* Net position decreased by \$.5 million or 9.2 percent in fiscal year 2012. Operating revenues increased by \$50,160 or 2 percent, while expenditures decreased by \$44,773 or 1.4 percent. Supplies and services had small increases, while salaries, benefits and depreciation had small decreases from the previous year. .

Additional information on the City of Kent's Enterprise funds can be found in Note 12 on pages 70-72 of this report.

# Comprehensive Annual Financial Report 2012

City of Kent

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

## GENERAL FUND BUDGETARY HIGHLIGHTS:

### CITY OF KENT'S BUDGET ACTIVITY BY FUNCTION For the Year Ended December 31, 2012 (in thousands)

|                           | Original Budget | Supplemental Appropriations | Final Budget |
|---------------------------|-----------------|-----------------------------|--------------|
| General Government        | \$ 7,111        | \$ (10)                     | \$ 7,101     |
| Judicial                  | 3,012           |                             | 3,012        |
| Public Safety             | 32,976          | 55                          | 33,031       |
| Community Development     | 5,530           | (8)                         | 5,522        |
| Public Works              | 4,655           | (28)                        | 4,627        |
| Leisure Services          | 10,070          | 55                          | 10,125       |
| Health and Human Services | 4,937           | 22                          | 4,959        |
| Capital Outlay            | 55              | 86                          | 141          |
|                           | \$ 68,346       | \$ 172                      | \$ 68,518    |

The General Fund's budget was increased by \$171,617 from the original budget. There were a few significant budget changes that occurred during the year, including:

- An adjustment to the liability insurance allocation throughout the city based on the recommendation of the actuarial study performed. The net effect on the city-wide budget was zero. However, it resulted in a decrease in liability insurance expenditure in the General Fund in the amount of \$33,752. This had an impact on each of the functions. Community Development (\$1,244), Public Works (\$27,437), Judicial (\$31), and Health and Human Services (\$1,036) all saw reductions to their budgets. General Government (\$6,846), Leisure Services (\$1,739) and Public Safety (\$54,915) all saw increases to their budget as a result of this adjustment.
- An adjustment to add a budget for three new grants increased the Leisure Services, Health and Human Services and capital outlay budgets in the amount of \$20,500, \$22,200 and \$85,816, respectively, and an increase to revenue generated by these grants in the same amount (\$128,516).
- An adjustment was made to cover storm damage repairs in the amount of \$17,766. This increased the Leisure Services budget as well as a revenue offset for insurance reimbursement in the same amount.
- An adjustment was made to increase the Leisure Services budget by \$15,000 for a fun run event, offset by a revenue increase in sponsorship monies.

Significant budgetary variances between budget and actual for the General Fund are as follows:

- *Taxes.* Actual tax collections were \$1 million below budget. While property taxes were above budget (\$29,249), sales and uses taxes utility taxes and other taxes were under budget by \$531,624, \$396,624 and \$55,128 respectively.

# **Comprehensive Annual Financial Report 2012**

## **Management's Discussion and Analysis For the Year Ended December 31, 2012**

### **City of Kent**

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- *Licenses and Permits.* Licenses and permits were \$.6 million or 14.9 percent over budget. Both building permits and other licenses and permits were above budget as development activity increased.
- *Charges for Services.* Charges for services were about 5.9 percent or \$236,657 above budget. Of this revenue source, parks and recreation fees were below budget by \$17,147 or 1.5 percent. Plan check fees and plans review fees were \$149,415 or 9.3% over budget due to the recovery in the construction industry.
- *Functional Expenditures.* In general, the City is still holding open vacant positions longer thus causing savings in salaries and benefits. Departments are also closely monitoring expenditures to maintain savings wherever possible so most of the general fund functions had budget savings in fiscal year 2012.
  - *General Government Expenditures.* The general government expenses were \$1.1 million or 15.1 percent under budget. This was primarily the result of the lag in hiring and holding open of vacant positions as well as savings in the supplies and services.
  - *Leisure Services Expenditures.* Leisure services revenues were below budget with fewer participants in some programs. Expenditures were \$649,727 (6.4 percent) below budget, primarily in supplies and services due to the lower participation and savings in areas like the animal control contract. There were also savings in salaries and benefits with the hiring lag and holding open vacant positions.
  - *Community Development Expenditures.* Saved \$136,098 in other professional services contract savings or delayed contracts for consulting.
  - *Public Safety Expenditures.* Public safety had \$719,358 in budget savings. Some of the areas able to recognize savings were intergovernmental services for communications and fire inspection and investigation, as well as reducing food costs at the jail and other savings in supplies.

### **CAPITAL ASSET AND DEBT ADMINISTRATION:**

**Capital Assets.** The City of Kent's investment in capital assets for its governmental and business type activities as of December 31, 2012, was \$1.1 billion (net of accumulated depreciation), comprising 92.5% of the primary government's total assets at year-end. This investment in capital assets includes land, buildings, site improvements, equipment, infrastructure, and construction in progress as of that date.

Capital asset events during the current fiscal year included the following:

#### **Governmental Activities:**

- *Infrastructure.* During 2012, infrastructure increased as projects were closed and capitalized totaling \$32.9 million. In addition, the City received developer contributions totaling \$1.8 million.

# **Comprehensive Annual Financial Report 2012**

## **Management's Discussion and Analysis For the Year Ended December 31, 2012**

### **City of Kent**

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The annual depreciation of \$9.9 million was also recorded resulting in the net increase to infrastructure of \$24.8 million as compared to 2011.

- *Construction in Progress.* Compared to 2011, construction in progress is \$31.5 million less for 2012. This is primarily due to capitalization of completed projects in which the assets were recorded as land, building, site improvements or infrastructure. The largest project to be capitalized was the 196<sup>th</sup> corridor street project in which \$32.5 million was capitalized to buildings and \$1.5 million was capitalized to land.
- *Land.* During 2012, land increased by \$1.5 million due to capitalization of the completed 196<sup>th</sup> corridor street project.
- *Buildings.* There were no new capital assets in the buildings category in 2012. The annual depreciation of buildings in 2012 was \$1.4 million.
- *Site Improvements.* Net site improvements decreased by \$1.3 million as compared to 2011. Additions including capitalization of parks projects (\$447,139), public art projects (\$61,285), HVAC Replacements (\$366,750), and other (\$50,014), less disposals of \$15,234. The annual depreciation recorded was \$2.2 million.
- *Equipment.* Net equipment increased by \$329,213 in 2012. This was additions of \$1,213,309 less net disposals of 90,708 and depreciation of \$793,388.

#### **Business Type Activities:**

- *Construction in Progress.* Compared to 2011, construction in progress added \$3.9 million in 2012. This is primarily due to projects still in progress. Approximately \$14.9 million in ongoing projects were added to CIP in 2012, while \$10.9 million in projects were completed and capitalized from CIP into other capital asset categories.
  - The 2012 additions to some projects in CIP at December 31, 2012 are:
    - \$3.6 million for Horseshoe Bend levee improvements
    - \$3.1 million for Mill Creek/James Street Pump Station
    - \$1.8 million for various water improvements
    - \$1.8 million for Boeing levee improvements
    - \$1.2 million for second Tacoma water supply pipeline
  - Some projects that were completed and capitalized in 2012 are:
    - \$3.5 million for Green River Flood Protection
    - \$1.4 million for Drainage Master Plan
    - \$1.2 million for 196<sup>th</sup> Corridor Drainage project
    - \$1.1 million for Lower Garrison Creek project
- *Site Improvements.* Additions to site improvements for 2012 were \$11.9 million and depreciation was \$5.4 million resulting in a net reduction of \$6.5 million. The primary additions to site improvements were the result of completed projects that were part of construction in progress mentioned above plus \$1.5 million in developer contributed assets.

# Comprehensive Annual Financial Report 2012

City of Kent

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

**CITY OF KENT'S CAPITAL ASSETS**  
**(Net of Accumulated Depreciation)**  
**As of December 31**  
(in thousands)

|                                     | Governmental<br>Activities |            | Business-Type<br>Activities |            | Total Primary<br>Government |              |
|-------------------------------------|----------------------------|------------|-----------------------------|------------|-----------------------------|--------------|
|                                     | 2012                       | 2011       | 2012                        | 2011       | 2012                        | 2011         |
| Land                                | \$ 219,458                 | \$ 217,938 | \$ 11,126                   | \$ 11,122  | \$ 230,584                  | \$ 229,060   |
| Buildings                           | 98,521                     | 99,937     | 894                         | 1,048      | 99,415                      | 100,985      |
| Site Improvements                   | 38,507                     | 39,763     | 154,023                     | 147,556    | 192,530                     | 187,319      |
| Other Capital                       | 24,876                     | 24,546     | 989                         | 768        | 25,865                      | 25,314       |
| Infrastructure                      | 297,188                    | 272,412    |                             |            | 297,188                     | 272,412      |
| Construction in Progress            | 106,879                    | 138,346    | 146,689                     | 142,746    | 253,568                     | 281,092      |
| Total Property, Plant and Equipment | \$ 785,429                 | \$ 792,942 | \$ 313,721                  | \$ 303,240 | \$ 1,099,150                | \$ 1,096,182 |
| Investment in Joint Venture         | 7,140                      | 7,114      |                             |            | 7,140                       | 7,114        |
| Total Capital Assets                | \$ 792,569                 | \$ 800,056 | \$ 313,721                  | \$ 303,240 | \$ 1,106,290                | \$ 1,103,296 |

Additional information on the City of Kent's capital assets can be found in Note 7 on pages 58-60 of this report.

**Long-term Debt.** At the end of the current fiscal year, the City of Kent had total bonded debt outstanding of \$92.6 million. Of this amount, \$66.7 million or 72.0 percent comprises general obligation debt backed by the full faith and credit of the government and \$3.8 million or 4.1 percent is special assessment debt. The special assessment bonds are supported solely by the property owners and the Local Improvement Guarantee Fund and are not a general obligation of the City. The City intends \$4.6 million or 6.9% of the outstanding general obligation bonded debt to be repaid through utility fund user fees. The remainder of the City of Kent's bonded debt (\$22.1 million) represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

**CITY OF KENT'S BONDED OUTSTANDING DEBT**  
**As of December 31**  
(in thousands)

|                          | Governmental<br>Activities |           | Business-Type<br>Activities |           | Total Primary<br>Government |            |
|--------------------------|----------------------------|-----------|-----------------------------|-----------|-----------------------------|------------|
|                          | 2012                       | 2011      | 2012                        | 2011      | 2012                        | 2011       |
| General Obligation Bonds | \$ 62,050                  | \$ 65,812 | \$ 4,633                    | \$ 5,735  | \$ 66,683                   | \$ 71,547  |
| Special Assessment Bonds | 3,823                      | 5,716     |                             |           | 3,823                       | 5,716      |
| Revenue Bonds            |                            |           | 22,110                      | 23,299    | 22,110                      | 23,299     |
| Total Bonded Debt        | \$ 65,873                  | \$ 71,528 | \$ 26,743                   | \$ 29,034 | \$ 92,616                   | \$ 100,562 |

The City of Kent's total bonded debt decreased by \$7.9 million or 7.9 percent during the current fiscal year. All required debt service payments were made during 2012.

The City of Kent carries an "A+" rating from Standard and Poor's as of June 28, 2011 and an "A1" rating from Moody's as of February 6, 2012.

# **Comprehensive Annual Financial Report 2012**

**City of Kent**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2012**

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The State of Washington limits the amount of general obligation debt a governmental entity may issue with and without a vote. The City's remaining unused debt capacity at year-end was \$820.2 million.

Additional information on the City of Kent's long-term debt can be found in Note 10 on pages 61-69 of this report.

## **ECONOMIC FACTORS AND THE 2013 BUDGET:**

Beginning with the 2013 budget, the City has moved to a biennium budget process adopting a budget for 2013 and 2014.

The adopted 2013 – 2014 budget recognizes continued economic challenges and includes both service reductions and new revenue sources. It incorporates efficiencies, maintains the public's safety, and honors the strategic goal set by Council. It diversifies the City's tax base and takes bold steps towards stabilizing the City's financial future.

It is our practice to budget conservatively. Revenues are estimated cautiously, with a bias toward underestimating more volatile sources. All positions, whether filled or vacant, have been budgeted for the full year. Vacant positions are budgeted assuming family plan selection for medical insurance benefits. Cost of Living Adjustment (COLA) based on the CPI-W July – June index for the Seattle – Tacoma – Bremerton area is normally used for all labor contracts, but was not applied for the 2013-2014 budget. Since 2008, the City has eliminated 102 positions, including 20 in the 2013-2014 budget. Also, 2013 is the fourth consecutive year that City employees have gone without pay increases.

There remain a number of challenges in revenue collections. While both property taxes and Real Estate Excise Tax (REET) are showing signs of improvement, REET revenues continue to be down 40% from pre-recession receipts. Sales tax revenues remain below pre-recession levels, although showing slow growth each year.

With the 2013 – 2014 budget, the City implemented several new or increased revenue sources: A new six percent tax Cable TV Utility Tax; building permit and inspection fees were increased to provide a 75% cost recovery for these services; a new Business and Occupation Tax was implemented to provide funding for street infrastructure; and an additional three percent Internal Utility Tax was implemented on the City's water, sewer, and storm drainage utilities.

The 2013–2014 biennial operating budget totals \$287.5 million for the two years. This is a .02 percent increase from the annual budgets for 2011 and 2012 combined. The capital portion of the 2013-2014 biennial budget totals \$37.5 million. Of that, \$23 million is in Enterprise Funds, \$12.9 million applies to Capital Projects Funds (streets, parks, information technology), with the remainder in Governmental Funds such as fleet replacement.

# **Comprehensive Annual Financial Report 2012**

**City of Kent**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2012**

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## **REQUESTS FOR INFORMATION:**

This financial report is designed to provide a general overview of the City of Kent's finances. Questions concerning the information provided in this report may be addressed to:

City of Kent  
Finance Department  
220 Fourth Avenue South  
Kent, WA 98032-5895  
[www.kentwa.gov](http://www.kentwa.gov)

**Comprehensive Annual Financial Report 2012**



# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
STATEMENT OF NET POSITION  
December 31, 2012**

|   | Primary Government    |                       |                         | Component Units                        |                         |
|---|-----------------------|-----------------------|-------------------------|--|-------------------------|
|   | Governmental          | Business-Type         | Total                   | Kent                                   | Special                 |
|   | Activities            | Activities            |                         | Economic<br>Development<br>Corporation | Events<br>Center<br>PFD |
| <b>ASSETS</b>   |                       |                       |                         |  |                         |
| Cash and equity in pooled investments (Note 4)  | \$ 13,217,071         | \$ 6,864,502          | \$ 20,081,573           |  |                         |
| Cash with fiscal agent/trustee  | 595,000               | -                     | 595,000                 |  |                         |
| Investments, at fair value (Note 4)   | 11,519,874            | 5,051,500             | 16,571,374              |  |                         |
| Receivables (net of allowances) (Note 5)  | 24,432,725            | 15,223,679            | 39,656,404              |  | 123,913                 |
| Internal balances (Note 5e)   | (12,284,468)          | 12,284,468            | -                       |  |                         |
| Inventory, at cost (Note 6)   | 131,271               | 518,886               | 650,157                 |  |                         |
| Prepaid items   | 709,486               | -                     | 709,486                 |  |                         |
| Investment in Joint Venture (Note 16)   | 7,139,778             | -                     | 7,139,778               |  |                         |
| Restricted assets:  |                       |                       |                         |  |                         |
| Cash and cash equivalents (Note 4)  | -                     | 120,360               | 120,360                 |  | 77                      |
| Investments (Note 4)  | -                     | 3,500,000             | 3,500,000               |  |                         |
| Property, plant, and equipment: (Note 7)  |                       |                       |                         |  |                         |
| Not being depreciated   | 326,337,018           | 157,815,517           | 484,152,535             |  |                         |
| Being depreciated, net of depreciation  | 459,091,931           | 155,905,897           | 614,997,828             |  |                         |
| <b>TOTAL ASSETS</b>   | <b>830,889,686</b>    | <b>357,284,809</b>    | <b>1,188,174,495</b>    | <b>-</b>                               | <b>123,990</b>          |
| <b>LIABILITIES</b>  |                       |                       |                         |  |                         |
| Vouchers payable  | 2,655,538             | 1,055,701             | 3,711,239               |  |                         |
| Matured bonds/interest payable  | 595,000               | -                     | 595,000                 |  |                         |
| Accounts/payroll payable  | 3,036,235             | 2,417,988             | 5,454,223               |  |                         |
| Incurred but not reported claims payable  | 4,482,588             | -                     | 4,482,588               |  |                         |
| Due to other governments  | 31,204                | -                     | 31,204                  |  |                         |
| Accrued interest payable  | 251,572               | 211,825               | 463,397                 |  |                         |
| Unearned revenue  | 2,213,840             | 415,009               | 2,628,849               |  |                         |
| Due within one year   |                       |                       |                         |  |                         |
| Contracts, leases, notes, assessments and compensated absences (Note 10)  | 4,864,186             | 1,927,433             | 6,791,619               |  |                         |
| General obligation bonds payable (Note 10)  | 4,722,909             | 967,091               | 5,690,000               |  |                         |
| Special assessment bonds payable governmental commitment (Note 10)  | 988,666               | -                     | 988,666                 |  |                         |
| Revenue bonds payable, current portion (net of unamortized discount) (Note 10)  | -                     | 945,000               | 945,000                 |  | 730,000                 |
| Due in more than one year   |                       |                       |                         |  |                         |
| Contracts, leases, notes, assessments and compensated absences (Note 10)  | 22,248,887            | 38,670,333            | 60,919,220              |  |                         |
| General obligation bonds payable, non current portion (net of unamortized discount, premiums, and deferred) (Note 10) | 56,818,321            | 3,821,414             | 60,639,735              |  | 52,768,787              |
| Special assessment bonds payable  | 2,834,015             | -                     | 2,834,015               |  |                         |
| Revenue bonds payable, noncurrent portion (net of unamortized discount) (Note 10)                                     | -                     | 21,387,423            | 21,387,423              |  | 7,020,000               |
| Net OPEB Obligation   | 1,002,923             | -                     | 1,002,923               |  |                         |
| <b>TOTAL LIABILITIES</b>  | <b>106,745,884</b>    | <b>71,819,217</b>     | <b>178,565,101</b>      | <b>-</b>                               | <b>60,518,787</b>       |
| <b>NET POSITION</b>   |                       |                       |                         |  |                         |
| Net investment in capital assets  | 697,830,001           | 253,742,128           | 951,572,129             |  |                         |
| Restricted net position for:  |                       |                       |                         |  |                         |
| Debt service  | 10,288,377            | 2,463,535             | 12,751,912              |  |                         |
| Unrestricted net position   | 16,025,424            | 29,259,929            | 45,285,353              |  | (60,394,797)            |
| <b>TOTAL NET POSITION</b>   | <b>\$ 724,143,802</b> | <b>\$ 285,465,592</b> | <b>\$ 1,009,609,394</b> | <b>\$ -</b>                            | <b>(60,394,797)</b>     |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

**CITY OF KENT**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2012**

| FUNCTIONS/PROGRAMS                    | Expenses                     | Program Revenues            |                                    |                                  |
|---------------------------------------|------------------------------|-----------------------------|------------------------------------|----------------------------------|
|                                       |                              | Charges for Services        | Operating Grants and Contributions | Capital Grants and Contributions |
| <b>Primary Government:</b>            |                              |                             |                                    |                                  |
| Governmental Activities:              |                              |                             |                                    |                                  |
| General Government                    | \$ 6,351,823                 | \$ 1,958,626                | \$ -                               | \$ -                             |
| Judicial                              | 2,793,914                    | 1,963,025                   | 45,862                             | -                                |
| Public Safety                         | 37,340,409                   | 1,081,323                   | 3,002,468                          | -                                |
| Community Development                 | 5,332,561                    | 3,262,546                   | 4,033                              | -                                |
| Public Works                          | 17,427,549                   | 1,420,839                   | 201,963                            | 9,602,442                        |
| Leisure services                      | 16,744,687                   | 1,357,619                   | 72,282                             | 1,400,731                        |
| Health and human services             | 5,553,369                    | 814,518                     | 798,007                            | 73,448                           |
| Library                               | 99,515                       | -                           | -                                  | -                                |
| Interest on long-term debt            | 3,779,473                    | -                           | -                                  | -                                |
| Total governmental activities         | <u>95,423,300</u>            | <u>11,858,496</u>           | <u>4,124,615</u>                   | <u>11,076,621</u>                |
| Business-type Activities:             |                              |                             |                                    |                                  |
| Water                                 | 12,949,247                   | 16,253,067                  | 95,781                             | 1,835,221                        |
| Sewerage                              | 36,391,713                   | 39,562,059                  | 675,216                            | 3,709,235                        |
| Golf Complex                          | 3,062,851                    | 2,570,012                   | -                                  | -                                |
| Total business type activities        | <u>52,403,811</u>            | <u>58,385,138</u>           | <u>770,997</u>                     | <u>5,544,456</u>                 |
| <b>Total Primary Government</b>       | <b><u>\$ 147,827,111</u></b> | <b><u>\$ 70,243,634</u></b> | <b><u>\$ 4,895,612</u></b>         | <b><u>\$ 16,621,077</u></b>      |
| <b>Component Units:</b>               |                              |                             |                                    |                                  |
| Kent Economic Development Corporation | \$ 18,462                    | \$ -                        | \$ -                               | \$ -                             |
| Special Events Center PFD             | \$ 3,125,044                 | \$ -                        | \$ -                               | \$ -                             |
| <b>Total Component Units</b>          | <b><u>\$ 3,143,506</u></b>   | <b><u>\$ -</u></b>          | <b><u>\$ -</u></b>                 | <b><u>\$ -</u></b>               |

**General revenues:**

Taxes:

Property taxes levied for general purpose

Property taxes levied for debt service

Sales taxes

Utility taxes

Real Estate Excise Tax

Other taxes

Grants and contributions not restricted to specific programs

Investment earnings

Miscellaneous

Transfers

**Total general revenues, special items, and transfers**

Change in net position

**Net position - beginning**

**Net position-ending**

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

| Net (Expenses) Revenue and Changes in Net Position |                             |                  |   |                                 |
|--|-----------------------------|------------------|---|---------------------------------|
|  |                             |                  | Component Units                             |                                 |
| Primary Government                                 |                             |                  | Kent Economic<br>Development<br>Corporation | Special Events<br>Center<br>PFD |
| Governmental<br>Activities                         | Business-Type<br>Activities | Total            |   |                                 |
| \$ (4,393,197)                                     |                             | \$ (4,393,197)   |   |                                 |
| (785,027)  |                             | (785,027)        |   |                                 |
| (33,256,618)                                       |                             | (33,256,618)     |   |                                 |
| (2,065,982)  |                             | (2,065,982)      |   |                                 |
| (6,202,305)  |                             | (6,202,305)      |   |                                 |
| (13,914,055)                                       |                             | (13,914,055)     |   |                                 |
| (3,867,396)  |                             | (3,867,396)      |   |                                 |
| (99,515)   |                             | (99,515)         |   |                                 |
| (3,779,473)  |                             | (3,779,473)      |   |                                 |
| (68,363,568)                                       |                             | (68,363,568)     |   |                                 |
|  | \$ 5,234,822                | 5,234,822        |   |                                 |
|  | 7,554,797                   | 7,554,797        |   |                                 |
|  | (492,839)                   | (492,839)        |   |                                 |
| -  | 12,296,780                  | 12,296,780       |   |                                 |
| \$ (68,363,568)                                    | \$ 12,296,780               | \$ (56,066,788)  |   |                                 |
|  |                             |                  | \$ (18,462)                                 |                                 |
|  |                             |                  | \$ (18,462)                                 | (3,125,044)                     |
|  |                             |                  | \$ (18,462)                                 | (3,125,044)                     |
| 19,726,551   | -                           | 19,726,551       |   |                                 |
| 8,421  | -                           | 8,421            |   |                                 |
| 21,908,275   | -                           | 21,908,275       |   | 677,937                         |
| 19,868,738   | -                           | 19,868,738       |   |                                 |
| 3,547,963  | -                           | 3,547,963        |   |                                 |
| 1,304,761  | -                           | 1,304,761        |   |                                 |
| 6,845,773  | -                           | 6,845,773        |   |                                 |
| 701,443  | 78,534                      | 779,977          | 29  | 562                             |
| 4,907,310  | -                           | 4,907,310        |   | 3,064,025                       |
| 110,355  | (110,355)                   | -                |   |                                 |
| 78,929,590   | (31,821)                    | 78,897,769       | 29  | 3,742,524                       |
| 10,566,022   | 12,264,959                  | 22,830,981       | (18,433)                                    | 617,480                         |
| 713,577,780  | 273,200,633                 | 986,778,413      | 18,433                                      | (61,012,277)                    |
| \$ 724,143,802                                     | \$ 285,465,592              | \$ 1,009,609,394 | -   | (60,394,797)                    |

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
December 31, 2012**

|   | General<br>Fund     | Capital<br>Improvement<br>Fund | Special<br>Assessments<br>Fund | Street<br>Capital<br>Projects Fund |
|---|---------------------|--------------------------------|--------------------------------|------------------------------------|
| <b>ASSETS</b>   |                     |                                |                                |                                    |
| Cash and equity in pooled investments                         | \$ 2,811,926        | \$ 18,440                      | \$ 791,937                     | \$ 1,851,549                       |
| Cash with fiscal agent  | -                   | -                              | 595,000                        | -                                  |
| Investments, at fair value                                    | 375,000             | -                              | 280,000                        | 2,255,000                          |
| Receivables (net of allowances for estimated uncollectables): |                     |                                |                                |                                    |
| Taxes   | 4,941,614           | 1,671,326                      | -                              | -                                  |
| Accounts  | 336,115             | -                              | -                              | 282,820                            |
| Special assessments   |                     |                                |                                |                                    |
| Current   | -                   | -                              | 1,785,241                      | -                                  |
| Delinquent  | -                   | -                              | 354,076                        | -                                  |
| Deferred  | -                   | -                              | 7,447,972                      | -                                  |
| Penalty and Interest  | -                   | -                              | 783,667                        | -                                  |
| Due from other funds  | -                   | -                              | -                              | -                                  |
| Interfund loans receivable                                    | 100,000             | -                              | -                              | -                                  |
| Prepaid items   | 103,364             | -                              | -                              | -                                  |
| <b>TOTAL ASSETS</b>   | <b>\$ 8,668,019</b> | <b>\$ 1,689,766</b>            | <b>\$ 12,037,893</b>           | <b>\$ 4,389,369</b>                |
| <b>LIABILITIES AND FUND BALANCE</b>                           |                     |                                |                                |                                    |
| <b>LIABILITIES</b>  |                     |                                |                                |                                    |
| Vouchers payable  | \$ 2,450,221        | \$ 6,762                       | \$ 769                         | \$ 2,297                           |
| Matured bonds/interest payable                                | -                   | -                              | 595,000                        | -                                  |
| Accounts/payroll payable                                      | 2,409,086           | -                              | -                              | 10,698                             |
| Due to other funds  | -                   | 120,000                        | -                              | -                                  |
| Due to other governments                                      | 21,619              | -                              | -                              | 61                                 |
| Interfund loans payable                                       | -                   | 12,600,000                     | -                              | 894,468                            |
| Deposits and advances   | 1,423,330           | -                              | 10,370,956                     | -                                  |
| Total Liabilities   | 6,304,256           | 12,726,762                     | 10,966,725                     | 907,524                            |
| <b>FUND BALANCE</b>   |                     |                                |                                |                                    |
| <b>Nonspendable:</b>  |                     |                                |                                |                                    |
| Prepaid items   | 103,364             | -                              | -                              | -                                  |
| <b>Restricted:</b>  |                     |                                |                                |                                    |
| United Way  | 154                 | -                              | -                              | -                                  |
| Street capital projects                                       | -                   | -                              | -                              | 2,633,369                          |
| Lodging tax purposes  | -                   | -                              | -                              | -                                  |
| Criminal justice programs                                     | -                   | -                              | -                              | -                                  |
| Parks capital projects  | -                   | -                              | -                              | -                                  |
| Facility capital projects                                     | -                   | -                              | -                              | -                                  |
| Bond retirement   | -                   | -                              | -                              | -                                  |
| Special assessment debt                                       | -                   | -                              | 669,349                        | -                                  |
| Assessment debt guaranty                                      | -                   | -                              | 401,819                        | -                                  |
| Economic and community development                            | 59,096              | -                              | -                              | -                                  |
| Human Services  | 8,197               | -                              | -                              | -                                  |
| <b>Committed:</b>   |                     |                                |                                |                                    |
| Street operations   | -                   | -                              | -                              | -                                  |
| Youth/Teen program  | -                   | -                              | -                              | -                                  |
| Criminal justice programs                                     | -                   | -                              | -                              | -                                  |
| City arts program   | 129,557             | -                              | -                              | -                                  |
| Street capital projects                                       | -                   | -                              | -                              | 555,176                            |
| Parks capital projects  | -                   | -                              | -                              | -                                  |
| Technology systems  | -                   | -                              | -                              | -                                  |
| <b>Assigned:</b>  |                     |                                |                                |                                    |
| Public safety retiree OPEB                                    | 699,508             | -                              | -                              | -                                  |
| Human services  | 73,083              | -                              | -                              | -                                  |
| Criminal justice programs                                     | -                   | -                              | -                              | -                                  |
| Street capital projects                                       | -                   | -                              | -                              | 293,300                            |
| Parks capital Projects  | -                   | -                              | -                              | -                                  |
| Technology capital Projects                                   | -                   | -                              | -                              | -                                  |
| Facility capital projects                                     | -                   | -                              | -                              | -                                  |
| <b>Unassigned:</b>  | 1,290,804           | (11,036,996)                   | -                              | -                                  |
| Total Fund Balance  | 2,363,763           | (11,036,996)                   | 1,071,168                      | 3,481,845                          |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b>                     | <b>\$ 8,668,019</b> | <b>\$ 1,689,766</b>            | <b>\$ 12,037,893</b>           | <b>\$ 4,389,369</b>                |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

| Other<br>Projects<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds | Reconciliation of total Governmental Fund Balances to Net<br>Position of Governmental Activities as of December 31, 2012  |                       |
|---------------------------|--------------------------------|--------------------------------|---|-----------------------|
|                           |                                |                                | <b>Fund Balance-Total Governmental Funds (this page)</b>  | <b>\$ 2,242,375</b>   |
| \$ 6,880                  | \$ 3,606,088                   | \$ 9,086,820                   |   |                       |
| -                         | -                              | 595,000                        | <b>Capital assets used in governmental activities are not financial<br/>resources and, therefore, are not reported in the funds</b>   |                       |
| 280,000                   | 380,000                        | 3,570,000                      | <b>Capital assets - Note 7</b>  | <b>\$785,428,949</b>  |
|                           |                                |                                | <b>Capital Assets - Internal Service Funds</b>  | <b>779,338,561</b>    |
|                           |                                |                                | <b>Capital Assets - Internal Service Funds</b>  | <b>(\$6,090,388)</b>  |
| -                         | 1,087,543                      | 7,700,483                      |   |                       |
| -                         | 1,495,673                      | 2,114,608                      | <b>Investment in Joint Venture (Note 16)</b>  | <b>7,139,778</b>      |
| -                         | -                              | 1,785,241                      |   |                       |
| -                         | -                              | 354,076                        | <b>Internal service funds are used by management to charge the<br/>costs of fleet management, central services, management<br/>information systems, facility rental and maintenance, and<br/>insurance costs to individual funds. The assets and liabilities<br/>are included in governmental activities in the statement of net<br/>position. (page 111)</b> | <b>18,895,939</b>     |
| -                         | -                              | 7,447,972                      |   |                       |
| -                         | -                              | 783,667                        |   |                       |
| -                         | 120,000                        | 120,000                        |   |                       |
| -                         | -                              | 100,000                        |   |                       |
| -                         | 950                            | 104,314                        |   |                       |
| <u>\$ 286,880</u>         | <u>\$ 6,690,254</u>            | <u>\$ 33,762,181</u>           | <b>Interest accrued on governmental long term debt, but not due and pay-<br/>able in the current period, and not reported in the governmental funds.</b>  |                       |
|                           |                                |                                | <b>Councilmanic GO Bonds</b>  | <b>(235,463)</b>      |
|                           |                                |                                | <b>LID Bonds</b>  | <b>(15,660)</b>       |
|                           |                                |                                |   | <b>(251,123)</b>      |
| \$ -                      | \$ 45,463                      | \$ 2,505,512                   | <b>Deferred revenue reported for property taxes that are current<br/>and prior year tax levies that were not collected and available<br/>to pay current year liabilities applicable to beginning net position<br/>and current year revenues.</b>  |                       |
| -                         | -                              | 595,000                        | <b>General Fund</b>   | <b>\$532,030</b>      |
| -                         | 262,201                        | 2,681,985                      | <b>Voted Debt Service Fund</b>  | <b>\$6,602</b>        |
| -                         | -                              | 120,000                        |   | <b>538,632</b>        |
| -                         | 9,524                          | 31,204                         |   |                       |
| -                         | 140,000                        | 13,634,468                     | <b>Earned but deferred revenue:</b>   |                       |
| -                         | 157,351                        | 11,951,637                     | <b>Special Assessments</b>  | <b>9,216,126</b>      |
| <u>-</u>                  | <u>614,539</u>                 | <u>31,519,806</u>              |   |                       |
|                           |                                |                                | <b>Amortized issuance discounts, premiums, and deferred amounts<br/>on refunded debt for governmental bonds. (Note 10)</b>  |                       |
|                           |                                |                                | <b>Unamortized Premium</b>  | <b>\$358,049</b>      |
|                           |                                |                                | <b>Unamortized Discount/Deferred</b>  | <b>\$151,204</b>      |
| -                         | 950                            | 104,314                        |   | <b>509,253</b>        |
| -                         | -                              | 154                            | <b>Long-term liabilities, including bonds payable, are not due and<br/>payable in the current period and therefore are not reported in<br/>the governmental funds. (Note 2a)</b>  | <b>(93,485,739)</b>   |
| -                         | 77,122                         | 2,710,491                      |   |                       |
| -                         | 95,396                         | 95,396                         |   |                       |
| -                         | 1,337,508                      | 1,337,508                      |   |                       |
| -                         | 1,109,665                      | 1,109,665                      | <b>Net Position-ending of Governmental Activities (page 21)</b>   | <b>\$ 724,143,802</b> |
| 427,457                   | 1,082,184                      | 1,509,641                      |   |                       |
| -                         | 1,083                          | 1,083                          |   |                       |
| -                         | -                              | 669,349                        |   |                       |
| -                         | -                              | 401,819                        |   |                       |
| -                         | -                              | 59,096                         |   |                       |
| -                         | -                              | 8,197                          |   |                       |
| -                         | 788,399                        | 788,399                        |   |                       |
| -                         | 86,458                         | 86,458                         |   |                       |
| -                         | 48,855                         | 48,855                         |   |                       |
| -                         | -                              | 129,557                        |   |                       |
| -                         | -                              | 555,176                        |   |                       |
| -                         | 37,362                         | 37,362                         |   |                       |
| -                         | 413,035                        | 413,035                        |   |                       |
| -                         | -                              | 699,508                        |   |                       |
| -                         | -                              | 73,083                         |   |                       |
| -                         | 130,723                        | 130,723                        |   |                       |
| -                         | -                              | 293,300                        |   |                       |
| -                         | 611,015                        | 611,015                        |   |                       |
| -                         | 146,381                        | 146,381                        |   |                       |
| -                         | 110,240                        | 110,240                        |   |                       |
| (140,577)                 | (661)                          | (9,887,430)                    |   |                       |
| <u>286,880</u>            | <u>6,075,715</u>               | <u>2,242,375</u>               |   |                       |
| <u>\$ 286,880</u>         | <u>\$ 6,690,254</u>            | <u>\$ 33,762,181</u>           |   |                       |

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
For the Year Ended December 31, 2012**

|  | General<br>Fund     | Capital<br>Improvement<br>Fund | Special<br>Assessments<br>Fund | Street<br>Capital<br>Projects Fund |
|--|---------------------|--------------------------------|--------------------------------|------------------------------------|
| <b>REVENUES</b>  |                     |                                |                                |                                    |
| Taxes:   |                     |                                |                                |                                    |
| Property   | \$ 19,811,488       | \$ -                           | \$ -                           | \$ -                               |
| Sales and use  | 15,376,027          | 4,608,055                      | -                              | -                                  |
| Utility  | 16,153,626          | -                              | -                              | -                                  |
| Real estate excise tax   | -                   | 3,547,963                      | -                              | -                                  |
| Lodging  | -                   | -                              | -                              | -                                  |
| Other  | 1,116,790           | -                              | -                              | -                                  |
| Licenses and permits:  |                     |                                |                                |                                    |
| Building permits   | 1,515,375           | -                              | -                              | -                                  |
| Other licenses and permits                                       | 2,845,807           | -                              | -                              | -                                  |
| Intergovernmental revenue  | 7,421,763           | -                              | -                              | 955,656                            |
| Charges for services:  |                     |                                |                                |                                    |
| Park and recreation fees   | 1,107,181           | -                              | -                              | -                                  |
| Other fees and charges   | 3,141,207           | -                              | -                              | 1,840                              |
| Fines and forfeitures  | 1,499,054           | -                              | -                              | -                                  |
| Miscellaneous revenue:   |                     |                                |                                |                                    |
| Special assessments  | -                   | -                              | 1,998,544                      | 1,809,672                          |
| Interest income  | 45,135              | 2,135                          | 592,318                        | 45,537                             |
| Unrealized net gain/(loss) in fair value of investments          | 1                   | -                              | -                              | -                                  |
| Contributions and Donations                                      | 756,030             | -                              | -                              | -                                  |
| Other miscellaneous revenue                                      | 1,356,794           | -                              | -                              | 465,258                            |
| <b>TOTAL REVENUES</b>  | <u>72,146,278</u>   | <u>8,158,153</u>               | <u>2,590,862</u>               | <u>3,277,963</u>                   |
| <b>EXPENDITURES</b>  |                     |                                |                                |                                    |
| Current:   |                     |                                |                                |                                    |
| General government   | 6,121,984           | 16,221                         | -                              | -                                  |
| Judicial   | 2,726,273           | -                              | -                              | -                                  |
| Public safety  | 33,145,854          | -                              | -                              | -                                  |
| Community development  | 5,160,571           | -                              | -                              | -                                  |
| Public works   | 4,683,454           | -                              | 1,481                          | -                                  |
| Leisure services   | 10,957,575          | 2,801,542                      | -                              | -                                  |
| Health and human services  | 4,728,021           | -                              | -                              | -                                  |
| Debt service:  |                     |                                |                                |                                    |
| Principal  | -                   | -                              | 1,919,285                      | -                                  |
| Interest   | -                   | -                              | 279,818                        | -                                  |
| Capital outlay   | 224,247             | -                              | -                              | 2,730,526                          |
| <b>TOTAL EXPENDITURES</b>  | <u>67,747,979</u>   | <u>2,817,763</u>               | <u>2,200,584</u>               | <u>2,730,526</u>                   |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b> | 4,398,299           | 5,340,390                      | 390,278                        | 547,437                            |
| <b>OTHER FINANCING SOURCES (USES)</b>                            |                     |                                |                                |                                    |
| Issuance of LTGO Refunding Bonds                                 | -                   | -                              | -                              | -                                  |
| Payment to Refunded Bond Escrow Agent                            | -                   | -                              | -                              | -                                  |
| Issuance of loan contract  | -                   | -                              | -                              | 500,000                            |
| Issuance of installment note                                     | -                   | -                              | -                              | -                                  |
| Sale of capital assets   | -                   | 198,526                        | -                              | -                                  |
| Transfers in   | 1,235,202           | 2,871,618                      | -                              | 116,817                            |
| Transfers out  | (3,412,200)         | (7,486,110)                    | (185,202)                      | (251,617)                          |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                      | <u>(2,176,998)</u>  | <u>(4,415,966)</u>             | <u>(185,202)</u>               | <u>365,200</u>                     |
| <b>NET CHANGE IN FUND BALANCE</b>                                | 2,221,301           | 924,424                        | 205,076                        | 912,637                            |
| <b>FUND BALANCE, January 1</b>                                   | 142,462             | (11,961,420)                   | 866,092                        | 2,569,208                          |
| <b>FUND BALANCE (DEFICIT), December 31</b>                       | <u>\$ 2,363,763</u> | <u>\$ (11,036,996)</u>         | <u>\$ 1,071,168</u>            | <u>\$ 3,481,845</u>                |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

| Other<br>Projects<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds | Reconciliation of Statement of Revenues, Expenditures, and<br>Changes in Fund Balances of Governmental Funds to the<br>Position of Governmental Activities as of December 31, 2012   |
|---------------------------|--------------------------------|--------------------------------|--|
|                           |                                |                                | Amounts reported for governmental activities in the statement of<br>activities are different because:  |
| \$ -                      | \$ 48                          | 19,811,536                     |  |
| -                         | 1,924,193                      | 21,908,275                     | Net change in fund balances-total governmental funds (this page) \$ 16,935,489   |
| -                         | 3,715,112                      | 19,868,738                     |  |
| -                         | -                              | 3,547,963                      | Governmental funds report capital outlays as expenditures. In<br>the statement of activities, the cost of those assets is allocated<br>over their estimated lives and reported as depreciation expense.  |
| -                         | 187,971                        | 187,971                        | Capital outlays 4,208,907  |
| -                         | -                              | 1,116,790                      | Depreciation expense (14,249,074)  |
| -                         | -                              | 1,515,375                      |  |
| -                         | -                              | 2,845,807                      |  |
| -                         | 5,761,673                      | 14,139,092                     | The net effect of various miscellaneous transactions involving<br>capital assets is to increase net position. 1,865,112  |
| -                         | -                              | 1,107,181                      |  |
| -                         | 453,483                        | 3,596,530                      | Revenues in the statement of activities that do not provide current<br>financial resources are not reported as revenues in the funds.  |
| -                         | 12,708                         | 1,511,762                      | Additional accruals: Property tax (76,564)   |
| -                         | -                              | 3,808,216                      | Special assessments 48,483   |
| 1,585                     | 2,529                          | 689,239                        |  |
| -                         | -                              | 1                              | Long-term debt issuances provides current financial resources to<br>governmental funds, while the repayment of the principal of long-<br>term debt consumes the current financial resources of<br>governmental funds,. Neither transaction has any effect on net<br>position. Also governmental funds report the effect of issuance<br>costs, premiums, discounts, and similar items when debt is<br>first issued, whereas these amounts are deferred and amortized<br>in the statement of activities. (2,916,680) |
| -                         | -                              | 756,030                        |  |
| 576,879                   | 290,103                        | 2,689,034                      |  |
| 578,464                   | 12,347,820                     | 99,099,540                     |  |
| 10,325                    | -                              | 6,148,530                      |  |
| -                         | -                              | 2,726,273                      |  |
| -                         | 3,639,908                      | 36,785,762                     | Some expenses reported in the statement of activities do not<br>require the use of current financial resources and, therefore, are<br>not reported as expenditures in governmental funds.  |
| -                         | 164,500                        | 5,325,071                      | Compensated absences 61,579  |
| -                         | 2,649,829                      | 7,334,764                      | Interest expense accrual (88,776)  |
| -                         | 42,000                         | 13,801,117                     | Net OPEB Obligation (142,163)  |
| -                         | 773,435                        | 5,501,456                      |  |
| -                         | 5,747,814                      | 7,667,099                      |  |
| 385,365                   | 2,981,033                      | 3,646,216                      | Internal service funds are used by management to charge the<br>costs of fleet management, central services, management<br>information systems, facility rental and maintenance, and<br>insurance costs to individual funds. The net revenue of certain<br>activities of internal service funds is reported with governmental<br>activities.  |
| -                         | 1,103,348                      | 4,058,121                      | Revenue 4,919,709  |
| 395,690                   | 17,101,867                     | 92,994,409                     | Change in net position of governmental activities (page 23) \$ 10,566,022  |
| 182,774                   | (4,754,047)                    | 6,105,131                      |  |
| 10,840,000                | -                              | 10,840,000                     |  |
| (10,990,000)              | -                              | (10,990,000)                   |  |
| -                         | -                              | 500,000                        |  |
| 9,702,213                 | -                              | 9,702,213                      |  |
| -                         | -                              | 198,526                        |  |
| 971,088                   | 10,802,625                     | 15,997,350                     |  |
| (653,836)                 | (3,428,766)                    | (15,417,731)                   |  |
| 9,869,465                 | 7,373,859                      | 10,830,358                     |  |
| 10,052,239                | 2,619,812                      | 16,935,489                     |  |
| (9,765,359)               | 3,455,903                      | (14,693,114)                   |  |
| \$ 286,880                | \$ 6,075,715                   | \$ 2,242,375                   |  |

**Comprehensive Annual Financial Report 2012**



# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended December 31, 2012**

|   | <u>2012 Budget</u>  |                    | <u>Actual</u>       | <u>Variance</u>     |
|---|---------------------|--------------------|---------------------|---------------------|
|   | <u>Original</u>     | <u>Final</u>       |                     |                     |
| <b>REVENUES</b>   |                     |                    |                     |                     |
| Taxes:  |                     |                    |                     |                     |
| Property  | \$ 19,782,239       | \$ 19,782,239      | 19,811,488          | \$ 29,249           |
| Sales and use   | 20,715,411          | 15,907,651         | 15,376,027          | (531,624)           |
| Utility   | 17,867,837          | 16,550,270         | 16,153,626          | (396,644)           |
| Other   | 1,171,918           | 1,171,918          | 1,116,790           | (55,128)            |
| Licenses and permits:   |                     |                    |                     |                     |
| Building permits  | 1,206,422           | 1,206,422          | 1,515,375           | 308,953             |
| Other licenses and permits  | 1,273,039           | 2,590,606          | 2,845,807           | 255,201             |
| Intergovernmental revenue:  |                     |                    |                     |                     |
| Other grants and shared revenue   | 2,210,113           | 7,038,373          | 7,353,785           | 315,412             |
| Charges for services:   |                     |                    |                     |                     |
| Park and recreation fees  | 1,109,328           | 1,124,328          | 1,107,181           | (17,147)            |
| Other fees and charges  | 2,887,403           | 2,887,403          | 3,141,207           | 253,804             |
| Fines and forfeitures   | 1,498,960           | 1,498,960          | 1,499,054           | 94                  |
| Miscellaneous revenue:  |                     |                    |                     |                     |
| Interest income   | 100,512             | 100,512            | 44,305              | (56,207)            |
| Net increase (decrease) in fair value of investments  |                     |                    | 1                   | 1                   |
| Other miscellaneous revenue   | 1,086,393           | 1,213,175          | 1,333,214           | 120,039             |
| <b>TOTAL REVENUES</b>   | <u>70,909,575</u>   | <u>71,071,857</u>  | <u>71,297,860</u>   | <u>226,003</u>      |
| <b>EXPENDITURES</b>   |                     |                    |                     |                     |
| Current:  |                     |                    |                     |                     |
| General government  | 7,111,417           | 7,100,846          | 6,026,983           | 1,073,863           |
| Judicial  | 3,012,491           | 3,012,460          | 2,726,273           | 286,187             |
| Public safety   | 32,975,577          | 33,030,492         | 32,311,134          | 719,358             |
| Community development   | 5,530,037           | 5,521,793          | 5,160,571           | 361,222             |
| Public works  | 4,654,662           | 4,627,225          | 4,683,454           | (56,229)            |
| Leisure services  | 10,070,174          | 10,125,179         | 9,475,452           | 649,727             |
| Health and human services   | 4,936,912           | 4,959,076          | 4,646,503           | 312,573             |
| Capital outlay  | 55,000              | 140,816            | 120,963             | 19,853              |
| <b>TOTAL EXPENDITURES</b>   | <u>68,346,270</u>   | <u>68,517,887</u>  | <u>65,151,333</u>   | <u>3,366,554</u>    |
| <b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>   | 2,563,305           | 2,553,970          | 6,146,527           | 3,592,557           |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                     |                    |                     |                     |
| Transfers in  | 975,000             | 975,000            | 935,202             | (39,798)            |
| Transfers out   | (3,375,978)         | (3,392,978)        | (3,595,268)         | (202,290)           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(2,400,978)</u>  | <u>(2,417,978)</u> | <u>(2,660,066)</u>  | <u>(242,088)</u>    |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES<br/>OVER EXPENDITURES AND OTHER USES</b> | 162,327             | 135,992            | 3,486,461           | 3,350,469           |
| <b>FUND BALANCE, January 1</b>  | 6,511,813           | 643,515            | 643,515             |                     |
| <b>FUND BALANCE, December 31</b>  | <u>\$ 6,674,140</u> | <u>\$ 779,507</u>  | <u>\$ 4,129,976</u> | <u>\$ 3,350,469</u> |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
December 31, 2012**

|  | <b>Business-type Activities - Enterprise Funds</b> |                           |                              |
|--|--|---------------------------|------------------------------|
|  | <b>Water<br/>Fund</b>                              | <b>Sewerage<br/>Fund</b>  | <b>Golf<br/>Complex Fund</b> |
| <b>ASSETS</b>  |  |                           |                              |
| <b>Current Assets:</b>   |  |                           |                              |
| Cash and equity in pooled investments                            | \$ 3,269,809                                       | \$ 3,568,295              | \$ 26,398                    |
| Investments, at fair value                                       | 4,505,400  | 546,100                   | -                            |
| Restricted cash, equity in pooled cash,<br>and investments:      |  |                           |                              |
| For bond redemption:   |  |                           |                              |
| Cash and equity in pooled investments                            | 25,279   | 69,599                    | -                            |
| Investments, at fair value                                       | 116,947  | -                         | -                            |
| Receivables (net of allowances for<br>estimated uncollectables): | -  |                           |                              |
| Accounts   | 1,646,210  | 6,712,665                 | 56,663                       |
| Notes  | 3,458,135  | 3,350,000                 | -                            |
| Accrued interest   | 2  | 4                         | -                            |
| Interfund loan receivable  | 13,600,000   | 934,468                   | -                            |
| Inventory, at cost   | 304,198  | 75,574                    | 139,114                      |
| Prepaid expenses   | -  | -                         | -                            |
| <br>Total Current Assets   | <br>26,925,980                                     | <br>15,256,705            | <br>222,175                  |
| <b>Noncurrent Assets:</b>  |  |                           |                              |
| Restricted cash, equity in pooled cash,<br>and investments:      |  |                           |                              |
| For bond redemption:   |  |                           |                              |
| Cash and equity in pooled investments                            | -  | 828                       | -                            |
| Investments, at fair value                                       | 108,053  | 1,165,000                 | -                            |
| For bond reserve:  |  |                           |                              |
| Cash and equity in pooled investments                            | 12,330   | 12,324                    | -                            |
| Investments, at fair value                                       | 1,055,000  | 1,055,000                 | -                            |
| Property, plant and equipment                                    |  |                           |                              |
| Land   | 1,753,089  | 4,030,315                 | 5,342,508                    |
| Buildings  | 2,151,264  | 75,522                    | 2,954,818                    |
| Site Improvements  | 75,331,127   | 165,468,676               | 4,540,222                    |
| Equipment  | 1,970,342  | 1,276,850                 | 569,203                      |
| Less: Accumulated Depreciation                                   | (35,166,271)                                       | (57,144,165)              | (6,121,691)                  |
| Construction In Progress   | 87,765,785   | 58,923,820                | -                            |
| <br>Total noncurrent assets                                      | <br>134,980,719                                    | <br>174,864,170           | <br>7,285,060                |
| <br><b>TOTAL ASSETS</b>  | <br><b>\$ 161,906,699</b>                          | <br><b>\$ 190,120,875</b> | <br><b>\$ 7,507,235</b>      |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

| <b>Business-type Activities<br/>Enterprise Funds</b>   | <b>Governmental Activities</b>  |
|--|---|
| <b>Totals</b>  | <b>Internal Service Funds</b>   |
| \$ 6,864,502<br>5,051,500<br><br>94,878<br>116,947<br><br>8,415,538<br>6,808,135<br>6<br>14,534,468<br>518,886<br>-<br><br><hr style="width: 100%;"/> 42,404,860<br><br><br>828<br>1,273,053<br><br>24,654<br>2,110,000<br><br>11,125,912<br>5,181,604<br>245,340,025<br>3,816,395<br>(98,432,127)<br>146,689,605<br><br><hr style="width: 100%;"/> 317,129,949<br><br>\$ <u>359,534,809</u> | \$ 4,130,251<br>7,949,874<br><br>-<br>-<br><br>1,233,059<br>3,013,602<br>17<br>1,250,000<br>131,271<br>605,172<br><br><hr style="width: 100%;"/> 18,313,246<br><br><br>-<br>-<br><br>-<br>-<br><br>-<br>1,008,269<br>361,953<br>19,741,653<br>(17,841,226)<br>2,819,739<br><br><hr style="width: 100%;"/> 6,090,388<br><br>\$ <u>24,403,634</u> |

Continued

# Comprehensive Annual Financial Report 2012

CITY OF KENT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 December 31, 2012

|  | <b>Business-type Activities - Enterprise Funds</b> |                          |                              |
|--|--|--------------------------|------------------------------|
|  | <b>Water<br/>Fund</b>                              | <b>Sewerage<br/>Fund</b> | <b>Golf<br/>Complex Fund</b> |
| <b>LIABILITIES AND FUND EQUITY</b>               |  |                          |                              |
| <b>Current Liabilities:</b>                      |  |                          |                              |
| Vouchers payable                                 | \$ 38,926  | \$ 1,005,567             | \$ 11,208                    |
| Accounts/payroll payable                         | 371,257  | 2,287,166                | 130,751                      |
| Incurred but not reported claims payable         | -  | -                        | -                            |
| Interfund loans payable                          | -  | -                        | 2,250,000                    |
| Accrued interest payable                         | 142,226  | 69,599                   | -                            |
| General obligation bonds payable-current portion | -  | 967,091                  | -                            |
| Notes payable, current portion                   | 1,481,247  | 75,000                   | -                            |
| Revenue bonds payable, current portion           | 472,500  | 472,500                  | -                            |
| Deposits and unearned revenue                    | 86,902   | 102,691                  | 225,416                      |
|  | 2,593,058  | 4,979,614                | 2,617,375                    |
| <b>Noncurrent Liabilities:</b>                   |  |                          |                              |
| Compensated absences payable                     | 48,708   | 47,844                   | 34,896                       |
| Notes payable                                    | 37,638,885   | 900,000                  | -                            |
| General obligation bonds payable                 | -  | 3,665,426                | -                            |
| Plus: unamortized premium                        | -  | 159,469                  | -                            |
| Less: unamortized deferred refunding             | -  | (1,262)                  | -                            |
| Less: unamortized discount                       | -  | (2,219)                  | -                            |
| Revenue bonds payable                            | 10,582,500   | 10,582,500               | -                            |
| Plus: unamortized premium                        | 183,611  | 183,611                  | -                            |
| Less: unamortized deferred refunding             | (24,553)   | (24,553)                 | -                            |
| Less: unamortized discount                       | (47,846)   | (47,847)                 | -                            |
|  | 48,381,305   | 15,462,969               | 34,896                       |
| Total Liabilities                                | 50,974,363   | 20,442,583               | 2,652,271                    |
| <b>NET POSITION</b>                              |  |                          |                              |
| Net investment in capital assets                 | 87,892,047   | 158,565,021              | 7,285,060                    |
| Restricted for debt service                      | 702,883  | 1,760,652                | -                            |
| Unrestricted                                     | 22,337,406   | 9,352,619                | (2,430,096)                  |
|  | \$ 110,932,336                                     | \$ 169,678,292           | \$ 4,854,964                 |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

| <b>Business-type Activities<br/>Enterprise Funds</b>  | <b>Governmental Activities</b> |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|---|--------------------------------|-----------|--|--|--|--|--|-----------|--|--|--|--|--|---|--|--|--|--|--|-----------|--|--|--|--|--|---------|--|--|--|--|--|---------|--|--|--|--|--|-----------|--|--|--|--|--|---------|--|--|--|--|--|---------|--|--|--|--|--|------------|--|--|--|--|--|---------|--|--|--|--|--|------------|--|--|--|--|--|-----------|--|--|--|--|--|---------|--|--|--|--|--|---------|--|--|--|--|--|---------|--|--|--|--|--|------------|--|--|--|--|--|---------|--|--|--|--|--|----------|--|--|--|--|--|----------|--|--|--|--|--|------------|--|--|--|--|--|------------|--|--|--|--|--|-------------|--|--|--|--|--|-----------|--|--|--|--|--|------------|--|--|--|--|--|----------------|--|--|--|--|--|----|---------|--|--|--|--|--|---------|--|--|--|--|--|-----------|--|--|--|--|--|---|--|--|--|--|--|-----|--|--|--|--|--|---|--|--|--|--|--|---------|--|--|--|--|--|---|--|--|--|--|--|--------|--|--|--|--|--|-----------|--|--|--|--|--|---------|--|--|--|--|--|--------|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---------|--|--|--|--|--|-----------|--|--|--|--|--|-----------|--|--|--|--|--|---|--|--|--|--|--|------------|--|--|--|--|--|---------------|--|--|--|--|
| <b>Totals</b>   | <b>Internal Service Funds</b>  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
| <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 5%; text-align: right;">\$</td><td style="width: 15%;">1,055,701</td><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> <tr><td></td><td>2,789,174</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>2,250,000</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>211,825</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>967,091</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>1,556,247</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>945,000</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>415,009</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">10,190,047</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>131,448</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>38,538,885</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>3,665,426</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>159,469</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>(1,262)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>(2,219)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>21,165,000</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>367,222</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>(49,106)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>(95,693)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">63,879,170</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>74,069,217</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>253,742,128</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>2,463,535</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>29,259,929</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 285,465,592</td><td></td><td></td><td></td><td></td></tr> </table> | \$                             | 1,055,701 |  |  |  |  |  | 2,789,174 |  |  |  |  |  | - |  |  |  |  |  | 2,250,000 |  |  |  |  |  | 211,825 |  |  |  |  |  | 967,091 |  |  |  |  |  | 1,556,247 |  |  |  |  |  | 945,000 |  |  |  |  |  | 415,009 |  |  |  |  |  | 10,190,047 |  |  |  |  |  | 131,448 |  |  |  |  |  | 38,538,885 |  |  |  |  |  | 3,665,426 |  |  |  |  |  | 159,469 |  |  |  |  |  | (1,262) |  |  |  |  |  | (2,219) |  |  |  |  |  | 21,165,000 |  |  |  |  |  | 367,222 |  |  |  |  |  | (49,106) |  |  |  |  |  | (95,693) |  |  |  |  |  | 63,879,170 |  |  |  |  |  | 74,069,217 |  |  |  |  |  | 253,742,128 |  |  |  |  |  | 2,463,535 |  |  |  |  |  | 29,259,929 |  |  |  |  |  | \$ 285,465,592 |  |  |  |  | <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 5%; text-align: right;">\$</td><td style="width: 15%;">150,026</td><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> <tr><td></td><td>619,387</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>4,482,588</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>449</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>104,233</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>16,961</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">5,373,644</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>102,964</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>31,087</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">134,051</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>5,507,695</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>5,955,068</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>12,940,871</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 18,895,939</td><td></td><td></td><td></td><td></td></tr> </table> | \$ | 150,026 |  |  |  |  |  | 619,387 |  |  |  |  |  | 4,482,588 |  |  |  |  |  | - |  |  |  |  |  | 449 |  |  |  |  |  | - |  |  |  |  |  | 104,233 |  |  |  |  |  | - |  |  |  |  |  | 16,961 |  |  |  |  |  | 5,373,644 |  |  |  |  |  | 102,964 |  |  |  |  |  | 31,087 |  |  |  |  |  | - |  |  |  |  |  | - |  |  |  |  |  | - |  |  |  |  |  | - |  |  |  |  |  | - |  |  |  |  |  | - |  |  |  |  |  | - |  |  |  |  |  | - |  |  |  |  |  | - |  |  |  |  |  | 134,051 |  |  |  |  |  | 5,507,695 |  |  |  |  |  | 5,955,068 |  |  |  |  |  | - |  |  |  |  |  | 12,940,871 |  |  |  |  |  | \$ 18,895,939 |  |  |  |  |
| \$  | 1,055,701                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 2,789,174                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 2,250,000                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 211,825                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 967,091                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 1,556,247                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 945,000                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 415,009                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 10,190,047                     |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 131,448                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 38,538,885                     |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 3,665,426                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 159,469                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (1,262)                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (2,219)                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 21,165,000                     |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 367,222                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (49,106)                       |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (95,693)                       |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 63,879,170                     |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 74,069,217                     |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 253,742,128                    |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 2,463,535                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 29,259,929                     |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | \$ 285,465,592                 |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
| \$  | 150,026                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 619,387                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 4,482,588                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 449                            |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 104,233                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 16,961                         |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 5,373,644                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 102,964                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 31,087                         |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 134,051                        |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 5,507,695                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 5,955,068                      |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 12,940,871                     |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | \$ 18,895,939                  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |          |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |                |  |  |  |  |  |    |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |     |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |        |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |

Concluded

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 For the Year Ended December 31, 2012**

|   | <b>Business-type Activities - Enterprise Funds</b> |                             |                         |
|---|--|-----------------------------|-------------------------|
|   | <b>Water<br/>Utility</b>                           | <b>Sewerage<br/>Utility</b> | <b>Golf<br/>Complex</b> |
| <b>OPERATING REVENUES</b>                               |  |                             |                         |
| Sales   | \$ 15,768,625                                      | \$ -                        | \$ 509,787              |
| Charges for services                                    | 480,512  | 39,547,155                  | 1,818,978               |
| Contributions   | -  | -                           | -                       |
| Rental and lease income                                 | -  | -                           | 241,242                 |
| Other operating revenue                                 | 3,930  | 14,904                      | 5                       |
| <b>TOTAL OPERATING REVENUES</b>                         | <u>16,253,067</u>                                  | <u>39,562,059</u>           | <u>2,570,012</u>        |
| <b>OPERATING EXPENSES</b>                               |  |                             |                         |
| Salaries and wages                                      | 2,118,013  | 3,256,816                   | 991,119                 |
| Benefits  | 987,483  | 1,318,086                   | 373,665                 |
| Supplies  | 610,546  | 317,751                     | 611,422                 |
| Services and charges                                    | 6,981,047  | 26,834,059                  | 934,450                 |
| Depreciation  | 1,621,951  | 3,862,423                   | 268,581                 |
| <b>TOTAL OPERATING EXPENSES</b>                         | <u>12,319,040</u>                                  | <u>35,589,135</u>           | <u>3,179,237</u>        |
| <b>OPERATING INCOME</b>                                 | 3,934,027  | 3,972,924                   | (609,225)               |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>                |  |                             |                         |
| Interest income   | 51,509   | 27,249                      | 260                     |
| Unrealized net gain/(loss) in fair value of investments | (483)  | (1)                         | -                       |
| Miscellaneous non-operating revenues                    | 95,781   | 675,216                     | 120,137                 |
| Miscellaneous non-operating expense                     | -  | -                           | -                       |
| Interest expense  | (630,207)  | (802,578)                   | (3,751)                 |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>          | <u>(483,400)</u>                                   | <u>(100,114)</u>            | <u>116,646</u>          |
| <b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b> | 3,450,627  | 3,872,810                   | (492,579)               |
| Capital contributions                                   | 1,835,221  | 3,709,235                   | -                       |
| Transfers in  | -  | -                           | -                       |
| Transfers out   | (30,178)   | (80,177)                    | -                       |
| <b>INCREASE (DECREASE) IN NET POSITION</b>              | 5,255,670  | 7,501,868                   | (492,579)               |
| <b>NET POSITION, January 1</b>                          | 105,676,666  | 162,176,424                 | 5,347,543               |
| <b>NET POSITION, December 31</b>                        | <u>\$ 110,932,336</u>                              | <u>\$ 169,678,292</u>       | <u>\$ 4,854,964</u>     |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

| <b>Business-type Activities<br/>Enterprise Funds</b>  | <b>Governmental Activities</b> |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|---|--------------------------------|------------|--|--|--|--|--|------------|--|--|--|--|--|---|--|--|--|--|--|---------|--|--|--|--|--|--------|--|--|--|--|--|------------|--|--|--|--|--|-----------|--|--|--|--|--|-----------|--|--|--|--|--|-----------|--|--|--|--|--|------------|--|--|--|--|--|-----------|--|--|--|--|--|------------|--|--|--|--|--|-----------|--|--|--|--|--|--------|--|--|--|--|--|-------|--|--|--|--|--|---------|--|--|--|--|--|---|--|--|--|--|--|-------------|--|--|--|--|--|-----------|--|--|--|--|--|-----------|--|--|--|--|--|-----------|--|--|--|--|--|---|--|--|--|--|--|-----------|--|--|--|--|--|------------|--|--|--|--|--|-------------|--|--|--|--|--|----------------|--|--|--|--|---|----|---------|--|--|--|--|--|------------|--|--|--|--|--|------------|--|--|--|--|--|---|--|--|--|--|--|-----------|--|--|--|--|--|------------|--|--|--|--|--|-----------|--|--|--|--|--|-----------|--|--|--|--|--|-----------|--|--|--|--|--|------------|--|--|--|--|--|---------|--|--|--|--|--|------------|--|--|--|--|--|-----------|--|--|--|--|--|--------|--|--|--|--|--|---|--|--|--|--|--|-------|--|--|--|--|--|----------|--|--|--|--|--|---------|--|--|--|--|--|----------|--|--|--|--|--|-----------|--|--|--|--|--|---------|--|--|--|--|--|---------|--|--|--|--|--|-----------|--|--|--|--|--|-----------|--|--|--|--|--|------------|--|--|--|--|--|---------------|--|--|--|--|
| <b>Totals</b>   | <b>Internal Service Funds</b>  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
| <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 5%;">\$</td><td style="width: 15%;">16,278,412</td><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> <tr><td></td><td>41,846,645</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">241,242</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">18,839</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">58,385,138</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">6,365,948</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>2,679,234</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>1,539,719</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>34,749,556</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>5,752,955</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">51,087,412</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">7,297,726</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">79,018</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">(484)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>891,134</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">(1,436,536)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">(466,868)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">6,830,858</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">5,544,456</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">(110,355)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">12,264,959</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">273,200,633</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 285,465,592</td><td></td><td></td><td></td><td></td></tr> </table> | \$                             | 16,278,412 |  |  |  |  |  | 41,846,645 |  |  |  |  |  | - |  |  |  |  |  | 241,242 |  |  |  |  |  | 18,839 |  |  |  |  |  | 58,385,138 |  |  |  |  |  | 6,365,948 |  |  |  |  |  | 2,679,234 |  |  |  |  |  | 1,539,719 |  |  |  |  |  | 34,749,556 |  |  |  |  |  | 5,752,955 |  |  |  |  |  | 51,087,412 |  |  |  |  |  | 7,297,726 |  |  |  |  |  | 79,018 |  |  |  |  |  | (484) |  |  |  |  |  | 891,134 |  |  |  |  |  | - |  |  |  |  |  | (1,436,536) |  |  |  |  |  | (466,868) |  |  |  |  |  | 6,830,858 |  |  |  |  |  | 5,544,456 |  |  |  |  |  | - |  |  |  |  |  | (110,355) |  |  |  |  |  | 12,264,959 |  |  |  |  |  | 273,200,633 |  |  |  |  |  | \$ 285,465,592 |  |  |  |  | <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 5%;">\$</td><td style="width: 15%;">901,193</td><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> <tr><td></td><td>12,398,345</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>15,689,329</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">4,531,191</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">33,520,058</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">4,493,109</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>1,760,033</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>2,246,627</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>19,801,078</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>700,879</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">29,001,726</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">4,518,332</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">26,897</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">-</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>6,929</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">(61,373)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">(9,145)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black;">(36,692)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">4,481,640</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">206,454</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td>202,500</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="text-align: center;">(671,764)</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">4,218,830</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="padding-top: 10px;">14,677,109</td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 18,895,939</td><td></td><td></td><td></td><td></td></tr> </table> | \$ | 901,193 |  |  |  |  |  | 12,398,345 |  |  |  |  |  | 15,689,329 |  |  |  |  |  | - |  |  |  |  |  | 4,531,191 |  |  |  |  |  | 33,520,058 |  |  |  |  |  | 4,493,109 |  |  |  |  |  | 1,760,033 |  |  |  |  |  | 2,246,627 |  |  |  |  |  | 19,801,078 |  |  |  |  |  | 700,879 |  |  |  |  |  | 29,001,726 |  |  |  |  |  | 4,518,332 |  |  |  |  |  | 26,897 |  |  |  |  |  | - |  |  |  |  |  | 6,929 |  |  |  |  |  | (61,373) |  |  |  |  |  | (9,145) |  |  |  |  |  | (36,692) |  |  |  |  |  | 4,481,640 |  |  |  |  |  | 206,454 |  |  |  |  |  | 202,500 |  |  |  |  |  | (671,764) |  |  |  |  |  | 4,218,830 |  |  |  |  |  | 14,677,109 |  |  |  |  |  | \$ 18,895,939 |  |  |  |  |
| \$  | 16,278,412                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 41,846,645                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 241,242                        |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 18,839                         |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 58,385,138                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 6,365,948                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 2,679,234                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 1,539,719                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 34,749,556                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 5,752,955                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 51,087,412                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 7,297,726                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 79,018                         |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (484)                          |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 891,134                        |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (1,436,536)                    |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (466,868)                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 6,830,858                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 5,544,456                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (110,355)                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 12,264,959                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 273,200,633                    |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | \$ 285,465,592                 |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
| \$  | 901,193                        |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 12,398,345                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 15,689,329                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 4,531,191                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 33,520,058                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 4,493,109                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 1,760,033                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 2,246,627                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 19,801,078                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 700,879                        |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 29,001,726                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 4,518,332                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 26,897                         |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | -                              |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 6,929                          |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (61,373)                       |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (9,145)                        |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (36,692)                       |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 4,481,640                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 206,454                        |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 202,500                        |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | (671,764)                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 4,218,830                      |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | 14,677,109                     |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |
|   | \$ 18,895,939                  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |         |  |  |  |  |  |        |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |       |  |  |  |  |  |         |  |  |  |  |  |   |  |  |  |  |  |             |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |             |  |  |  |  |  |                |  |  |  |  |   |    |         |  |  |  |  |  |            |  |  |  |  |  |            |  |  |  |  |  |   |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |         |  |  |  |  |  |            |  |  |  |  |  |           |  |  |  |  |  |        |  |  |  |  |  |   |  |  |  |  |  |       |  |  |  |  |  |          |  |  |  |  |  |         |  |  |  |  |  |          |  |  |  |  |  |           |  |  |  |  |  |         |  |  |  |  |  |         |  |  |  |  |  |           |  |  |  |  |  |           |  |  |  |  |  |            |  |  |  |  |  |               |  |  |  |  |

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2012**

|   | <u>Business-type Activities - Enterprise Funds</u> |                     |
|---|--|---------------------|
|   | <u>Water</u>                                       | <u>Sewerage</u>     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                               |  |                     |
| Cash received from customers  | \$ 13,028,478                                      | \$ 37,325,705       |
| Cash received from other funds for services                               | -  | -                   |
| Cash payments to employees  | (3,161,109)  | (4,652,835)         |
| Cash payments to suppliers  | (8,318,261)  | (27,253,406)        |
| Other cash received   | 3,930  | 14,904              |
| Net cash provided by operating activities                                 | <u>1,553,038</u>                                   | <u>5,434,368</u>    |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                    |  |                     |
| Interfund loan issued for noncapital purposes                             | -  | -                   |
| Interfund loan payment for noncapital purposes                            | -  | -                   |
| Operating grants/non-operating revenue received                           | 95,781   | 675,216             |
| Net cash provided by (used for) noncapital financing                      | <u>95,781</u>                                      | <u>675,216</u>      |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>           |  |                     |
| Proceeds from capital asset removal                                       | -  | -                   |
| Transfer of plant to Governmental Capital Assets                          | -  | -                   |
| Acquisition and construction of capital assets                            | (2,730,468)  | (11,991,723)        |
| Interfund loan for capital outlays  | 4,850,000  | 8,111,711           |
| Principal paid on bonds and equipment contracts                           | (1,667,974)  | (1,445,713)         |
| Interest paid on bonds and equipment contracts                            | (712,251)  | (866,382)           |
| Transfers in  | -  | -                   |
| Transfers out   | (30,178)   | (80,177)            |
| Capital contributed by subdividers, capital grants, local impr. districts | 1,428,446  | 2,603,890           |
| Net cash (used for) capital & related financing                           | <u>1,137,575</u>                                   | <u>(3,668,394)</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                               |  |                     |
| Purchase of investment securities   | (43,720,000)                                       | (44,095,000)        |
| Proceeds from sale and maturities of investments                          | 41,637,304   | 42,270,264          |
| Interest and dividends on investments                                     | 51,509   | 27,250              |
| Net cash provided by (used for) investing activities                      | <u>(2,031,187)</u>                                 | <u>(1,797,486)</u>  |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>               | 755,207  | 643,704             |
| <b>CASH AND EQUITY IN POOLED INVESTMENTS, January 1</b>                   | 2,552,211  | 3,007,342           |
| <b>CASH AND EQUITY IN POOLED INVESTMENTS, December 31</b>                 | <u>\$ 3,307,418</u>                                | <u>\$ 3,651,046</u> |
| <b>CASH AND EQUITY IN POOLED INVESTMENTS AT DECEMBER 31 CONSISTS OF:</b>  |  |                     |
| Current Assets: Cash and equity in pooled investments                     | \$ 3,269,809                                       | \$ 3,568,295        |
| Restricted for Bond Redemption: Cash & pooled invest.                     | 25,279   | 70,427              |
| Restricted for Bond Reserve: Cash & pooled invest.                        | 12,330   | 12,324              |
|   | <u>\$ 3,307,418</u>                                | <u>\$ 3,651,046</u> |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

| <b>Business-type Activities - Enterprise Funds</b> |               | <b>Governmental Activities</b> |              |
|--|---------------|--------------------------------|--------------|
| <b>Golf</b>  |               | <b>Internal</b>                |              |
| <b>Complex</b>                                     | <b>Totals</b> | <b>Service Funds</b>           |              |
| \$   | 2,546,754     | \$                             | 52,900,937   |
|  | -             |                                | -            |
|  | (1,363,041)   |                                | (9,176,985)  |
|  | (1,524,207)   |                                | (37,095,874) |
|  | 5             |                                | 18,839       |
|  | (340,489)     |                                | 6,646,917    |
|  | 2,250,000     |                                | 2,250,000    |
|  | (2,250,000)   |                                | (2,250,000)  |
|  | 120,137       |                                | 891,134      |
|  | 120,137       |                                | 891,134      |
|  | -             |                                | -            |
|  | -             |                                | -            |
|  | -             |                                | (14,722,191) |
|  | -             |                                | 12,961,711   |
|  | -             |                                | (3,113,687)  |
|  | (3,751)       |                                | (1,582,384)  |
|  | -             |                                | -            |
|  | -             |                                | (110,355)    |
|  | -             |                                | 4,032,336    |
|  | (3,751)       |                                | (2,534,570)  |
|  | (765,000)     |                                | (88,580,000) |
|  | 770,000       |                                | 84,677,568   |
|  | 260           |                                | 79,019       |
|  | 5,260         |                                | (3,823,413)  |
|  | (218,843)     |                                | 1,180,068    |
|  | 245,241       |                                | 5,804,794    |
|  | 26,398        |                                | 6,984,862    |
|  | 26,398        |                                | 6,984,862    |
|  | -             |                                | -            |
|  | -             |                                | 24,654       |
|  | 26,398        |                                | 6,864,502    |
|  | 26,398        |                                | 6,984,862    |
|  | -             |                                | 95,706       |
|  | -             |                                | 24,654       |
|  | 26,398        |                                | 6,864,502    |
|  | 26,398        |                                | 6,984,862    |
|  | -             |                                | -            |
|  | -             |                                | -            |
|  | 26,398        |                                | 4,130,251    |
|  | 26,398        |                                | 4,130,251    |

Continued

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2012**

Business-type Activities - Enterprise Funds

|   | <u>Water</u>        | <u>Sewerage</u>     |
|---|---------------------|---------------------|
| <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  |                     |                     |
| Operating income (loss)   | \$ 3,934,027        | \$ 3,972,924        |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                     |                     |
| Depreciation expense  | 1,621,951           | 3,862,423           |
| Change in assets and liabilities:   |                     |                     |
| (Increase) in accounts receivable   | (3,232,351)         | (2,219,831)         |
| (Increase) Decrease in inventory  | 217                 | (40,162)            |
| Decrease in prepaid expenses  | 1,387               | 821                 |
| (Decrease) in vouchers payable  | (726,171)           | (1,743,372)         |
| Increase (Decrease) in accounts/payroll payable   | (38,570)            | 1,626,041           |
| (Decrease) in incurred but not reported claims payable                                  | -                   | -                   |
| Increase (Decrease) in deposits and deferred revenues                                   | 11,692              | (1,619)             |
| Increase (Decrease) in compensated absences   | (19,144)            | (22,857)            |
| Total Adjustments   | <u>(2,380,989)</u>  | <u>1,461,444</u>    |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <u>\$ 1,553,038</u> | <u>\$ 5,434,368</u> |
| <b>SCHEDULE OF NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES</b>          |                     |                     |
| Capital assets contributed  | \$ 406,775          | \$ 1,105,345        |
| (Decrease) in fair value of investments   | (483)               | (1)                 |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

| Business-type Activities - Enterprise Funds |              | Governmental Activities   |  |
|---|--------------|---------------------------|--|
| Golf<br>Complex                             | Totals       | Internal<br>Service Funds |  |
| \$ (609,225)                                | \$ 7,297,726 | \$ 4,518,332              |  |
| 268,581                                     | 5,752,955    | 700,878                   |  |
| (30,418)                                    | (5,482,600)  | (3,282,230)               |  |
| 27,170                                      | (12,775)     | 5,394                     |  |
| -   | 2,208        | (304,748)                 |  |
| (10,775)                                    | (2,480,318)  | (476,067)                 |  |
| 2,726                                       | 1,590,197    | 13,740                    |  |
| -   | -            | (985,696)                 |  |
| 7,165                                       | 17,238       | (16,543)                  |  |
| 4,287                                       | (37,714)     | (30,321)                  |  |
| 268,736                                     | (650,809)    | (4,375,593)               |  |
| \$ (340,489)                                | \$ 6,646,917 | \$ 142,739                |  |
| \$ -  | \$ 1,512,120 | \$ -                      |  |
| -   | (484)        | -                         |  |

Concluded

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
December 31, 2012**

|  | <b>Firemen's<br/>Relief &amp;<br/>Pension Fund</b> | <b>Agency<br/>Funds</b> |
|--|--|-------------------------|
| <hr/>  |  |                         |
| <b>ASSETS</b>  |  |                         |
| Cash and equity in pooled investments                  | \$ 17,764  | \$ 898,917              |
| Investments, at fair value                             |  |                         |
| State Treasurer's Investment Pool                      | 2,195,000  | -                       |
| Government Agencies (various)                          | 862,723  | -                       |
| <b>TOTAL ASSETS</b>                                    | <hr/> 3,075,487                                    | <hr/> 898,917           |
| <b>LIABILITIES</b>                                     |  |                         |
| Accounts/payroll payable                               | 6,344  | 651,508                 |
| Deposits   | -  | 247,409                 |
| <b>Total Liabilities</b>                               | <hr/> 6,344  | <hr/> 898,917           |
| <b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b> | <hr/> <b>\$ 3,069,143</b>                          | <hr/> <b>\$</b>         |

See accompanying notes to financial statements

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
For the Years Ended December 31, 2012**

|   | <b>Firemen's<br/>Relief &amp;<br/>Pension Fund</b> |
|---|--|
| <b>ADDITIONS</b>  |  |
| Contributions:  |  |
| Employer  | \$ 145,792   |
| Investment earnings:  |  |
| Interest  | 154,114  |
| Unrealized net gain/(loss) in fair value of investments             | (50,906)   |
| <b>TOTAL ADDITIONS</b>  | <u>249,000</u>                                     |
| <b>DEDUCTIONS</b>   |  |
| Benefits  | 326,298  |
| Administrative Expense  | 7,825  |
| <b>TOTAL DEDUCTIONS</b>   | <u>334,123</u>                                     |
| <b>CHANGE IN NET POSITION</b>                                       | (85,123)   |
| <b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS, January 1</b>   | 3,154,266  |
| <b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS, December 31</b> | <u>\$ 3,069,143</u>                                |

See accompanying notes to financial statements

# **Comprehensive Annual Financial Report 2012**

**Notes to the Financial Statements  
December 31, 2012**

**City of Kent**

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Kent, King County, Washington, was incorporated on May 28, 1890 and operates under a Mayor/Council form of government under the laws of the State of Washington applicable to an optional code city (RCW 35A). The City of Kent is served by a full-time Mayor and seven part-time council members, all elected at large to four-year terms. The City of Kent provides the full range of municipal services including a water utility, sewer and drainage utility, a municipal golf complex, and municipal court.

The accounting policies of the City of Kent conform to generally accepted accounting principles (GAAP) applicable to governmental units, and are regulated by the Washington State Auditor's Office.

Effective for fiscal year 2012, the City implemented the following new accounting and reporting standards issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 60 – *Service Concession Arrangements* – This Statement provides guidance for the reporting of certain public/private or public/public service arrangements. The City does not currently have any service concession arrangements reportable under this guidance.

GASB Statement No. 62 – *Codification of Pre-November 30, 1989 FASB and AICAP Pronouncements* – This statement supersedes Statement No. 20 by codifying guidance issued by other standard setting bodies prior to GASB's formation.

GASB Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* – This statement defines these new categories to be used in the statements of net position.

The following provides a summary of the City's more significant accounting policies. They are presented to assist the reader in interpreting the financial statements and other data in this report.

### **a. REPORTING ENTITY**

Based on the criteria of Statement No. 14, as amended by Statement No. 61, of the Government Accounting Standards Board (GASB), "The Financial Reporting Entity", the City's Comprehensive Annual Financial Report (CAFR) includes the financial position and results of operations of all funds, agencies and boards for which the City is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either the ability to impose the Primary Government's will, or the component unit will provide a financial benefit to or impose a financial burden on the primary government. The Kent Economic Development Corporation and the Special Events Center Public Facilities District meet these criteria. In this case, the City appointed a voting majority of the boards, and the organizations present a potential financial benefit or burden to the City. They are discretely presented in the financial statements in a separate column on the Basic Financial Statements. For further details on Component Units and how to obtain copies of the completed financial statements of each component unit, please see Note 17 – COMPONENT UNITS.

See Note 16 - JOINT VENTURE for discussion of the Valley Communications Center which is a joint public safety dispatching authority for five member cities. The City reports its equity in the joint venture.

JOINTLY GOVERNED ORGANIZATIONS – On April 27, 2010, the passage of Proposition No. 1 authorized the merger of the Kent Fire Department and King County Fire District 37 into one organization, the Kent Regional Fire authority. The new organization, effective officially on July 1, 2010, retained the name of Kent Fire Department. The RFA is not financially accountable to the City of Kent. The City of Kent does not have an ongoing financial interest in the RFA and the RFA is not

# **Comprehensive Annual Financial Report 2012**

financially dependent upon the City of Kent. The RFA imposes its own property tax levy and fire benefit charge. The RFA's board is comprised of seven members of which three are from the current Kent City Council: Dennis Higgins, Bill Boyce and Les Thomas. In addition, the board has three members from Fire District 37 and one member from the City of Covington.

b. **GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report on all non-fiduciary activities of the City and its component units. The effect of interfund activity has been mainly removed from these statements. These statements are divided between governmental and business-type activities. The primary government is separated from its component units.

The statement of activities reports the amount that direct expenses of a program or function is offset by program revenues. Direct expenses are clearly identifiable with a specific function or program. Program revenues include: charges to customers (user charges) who purchase, use or directly benefit from these programs, and grants or contributions directly related to the programs. Taxes and other revenues that are not directly identifiable with a program are included as general revenues.

Separate financial statements are included for governmental funds, proprietary funds, and fiduciary funds, though fiduciary funds are excluded from the government-wide financial statements. Major governmental and enterprise funds are reported in separate columns in the fund financial statements, while non-major funds are combined into one column.

c. **MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

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

The *modified accrual basis* of accounting is used by governmental funds. Revenues and other financial resources are recognized when they become susceptible to accrual, i.e., when the related funds become both measurable and available to finance expenditures of the current period. To be considered "available", revenue must be collected during the current period or soon enough thereafter to pay current liabilities. For this purpose, revenue is considered to be available when collected within sixty days after year-end. However, debt service expenditures, and payments for compensated absences and claims and judgments are recorded when due.

Property, sales, use, real estate excise, utility, admissions, and gambling taxes are susceptible for accrual. Intergovernmental revenues that reimburse expenditures are accrued. Investment earnings are accrued when earned. Charges for services, fines and forfeitures, licenses and permits, and other miscellaneous revenues are recorded upon receipt and are not susceptible for accrual. Expenditures are recognized when the related fund liability is incurred. Since the recognition of depreciation does not reduce net financial resources, it is not considered an expenditure. Other exceptions include (1) inventories of materials and prepaid items are reported as expenditures when purchased, (2) interest on long-term debt is not accrued, but is recorded as an expenditure when due, (3) accumulated unpaid vacation and sick pay are considered expenditures when paid.

The government reports the following major governmental funds:

**General Fund** - The General Fund is the principal operating fund of the City and accounts for the

# Comprehensive Annual Financial Report 2012

City of Kent

Notes to the Financial Statements  
December 31, 2012

financial resources of the City which are not accounted for in any other fund. Principal sources of revenue are comprised of property taxes, sales and use taxes, utility taxes, licenses and permits, state shared revenues, charges for services and interest income. Primary expenditures are for general city government, police protection, fire inspections, prevention and emergency management, park and street maintenance, cultural and recreational services, and health and human services.

**Capital Improvement Fund** – This special revenue fund accounts for a portion of the City's sales tax as well as real estate excise tax that is utilized to provide funding for governmental non-street related capital and operating projects, and debt on those projects.

**Special Assessments Fund** – This debt service fund records payments from property owners for special assessments related to those properties, and the payment of debt service of local improvement districts' bond issues. A large portion of the City's infrastructure capital improvements have been paid through the issuance of local improvement district bonds.

**Street Projects Fund** – This capital projects fund accounts for the resources and payments for transportation and related improvements to the City's infrastructure. The fund's resources include grants and contracts, street related excise taxes, and utility taxes.

**Other Projects Fund** – This capital projects fund accounts for general government bond issues. Public Safety and general government capital projects are accounted for in this fund.

The City reports the following major proprietary funds:

**Water Fund** – This enterprise fund accounts for the water distribution system of the City. The utility recovers its costs through user charges.

**Sewerage Fund** – This enterprise fund accounts for the sewer and storm drainage systems of the City. The utility recovers its costs through user charges.

**Golf Fund** – This enterprise fund accounts for the golf complex of the City that includes a par 27 9-hole golf course, an 18-hole par 72 golf course, a driving range, a mini putt facility and a merchandise center. The fund recovers its costs through user fees.

Additionally, the City reports the following fund types:

**Internal Service Funds** - Internal Service Funds are used to account for the financing of specific services performed by designated organizations within the City for other organizations within the City. The City's internal service funds are comprised of the Equipment Rental, Central Service, Facilities and Insurance funds.

**Fiduciary Funds** - Fiduciary Funds are used to account for assets held by the City as trustee or agent for individuals, private organizations or other governmental units.

The City's pension trust fund, the Firemen's Relief & Pension Fund, accounts for pension benefits for former City firefighters.

The City's agency fund functions primarily as a clearing mechanism for cash resources which are collected by the City of Kent, held for a period of time and then disbursed to authorized recipients or funds.

The *accrual basis* of accounting is used by proprietary fund types and the pension trust funds. Under this method, revenues are recognized when earned, and expenses are recognized when incurred.

# **Comprehensive Annual Financial Report 2012**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures or expenses, as appropriate. The City's resources are allocated to and accounted for in individual funds according to the purpose for which they are spent and how they are controlled.

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 City's utilities and the other functions of the City. Eliminating those charges would distort the direct costs and program revenues for the various functions reported.

Amounts that are reported as program revenues include user charges and sales, operating grants and contributions, and capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. General revenues also include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses derive from providing goods and services in connection with the fund's principle on going operation.

d. **BUDGET AND BUDGETARY ACCOUNTING**

**Budget Process**

Budgets serve as control mechanisms in the operations of governmental units. Legal budgetary (expenditure) control in the City of Kent is at the fund level, but budget and actual information is maintained by project, organization, program and object. Supplemental appropriations that amend total expenditures or in the case of Proprietary and Fiduciary Funds amend working capital require a City Council ordinance.

Annual appropriated budgets are adopted for the general and certain special revenue funds on the modified accrual basis of accounting. Budgets for project/grant related special revenue funds and capital project funds are adopted at the level of the individual project and for fiscal periods that correspond to the lives of projects. Since these funds are not budgeted on an annual basis, budgetary comparisons are not presented.

Legal budgetary control is established at the fund level, i.e., expenditures for a fund may not exceed the total appropriation amount. Any unexpended appropriation balances for annually budgeted funds lapse at the end of the year. Appropriations for other special purpose funds that are non-operating in nature are adopted on a "project-length" basis and, therefore, are carried forward from year to year without re-appropriation until authorized amounts are fully expended or the designated purpose of the fund has been accomplished.

The individual funds within each fund type which are included in the City's annual operating budget are listed below.

| <b>General Fund</b> | <b>Special Revenue Funds</b> |
|---------------------|------------------------------|
| General Fund        | Lodging Tax Fund             |
|                     | Youth/Teen Programs Fund     |

The City adopts its annual budget in December of the preceding fiscal year following almost a full year of analysis by staff and Council. The first step in analysis involves the development of service issues and goals and their prioritization by Council. The second step involves the establishment of the

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

### City of Kent

baseline budget required to carry existing programs into the next year. The emphasis is placed on the General and Special Revenue Funds since the operation of other funds are tied to ordinances, contractual agreements or separately established rate structures. Once the baseline operations have been reviewed and adjusted based on administrative policy, additional services are included to the level of projected available resources after the establishment of sufficient fund balances.

The steps in the budget process are as follows:

- (1) The Chief Administrative Officer and Mayor submit a proposed budget to the City Council. This budget is based on priorities established by the Council, cost estimates provided by the City departments and balanced with revenue estimates.
- (2) The City Council conducts public hearings on the proposed budget in September and October.
- (3) The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget no later than December 31.
- (4) The final operating budget as adopted is published and distributed within the first two months of the following year. Copies of the budget are made available to the public.

Annual appropriated budgets are adopted at the fund level. Transfers or revisions within budgets are allowed if approved by the Chief Administrative Officer. Only City Council has the authority to increase a given fund's annual budget. A single budget ordinance summarizing all the Council approved increases or adjustments is adopted by ordinance at year-end. The budget amounts in the financial statements are the final amounts as revised during the year. Budget to Actual comparisons are only prepared for annually budgeted funds.

Appropriation amounts shown on the accompanying financial statements reflect final budget values, including all adopted adjustments to original budget amounts.

| Fund                                | Original<br>Budget  | Supplemental<br>Appropriations | Final<br>Budget     |
|-------------------------------------|---------------------|--------------------------------|---------------------|
| General Fund (including Annexation) | \$71,722,248        | \$ 188,617                     | \$71,910,865        |
| Special Revenue Funds:              |                     |                                |                     |
| Lodging Tax                         | 158,500             | 20,000                         | 178,500             |
| Youth/Teen Programs                 | 817,000             |                                | 817,000             |
| <b>Total</b>                        | <b>\$72,697,748</b> | <b>\$ 208,617</b>              | <b>\$72,906,365</b> |

### Reconciliation of Budgetary Information to GAAP

For managerial purposes, the City of Kent treats the General Fund, Public Safety Retiree, Other Operating Grants and Projects, and Kent Events Center funds separately. However, the latter three funds do not meet the criteria of a special revenue fund as set forth in GASB Statement No. 54 and for reporting purposes are presented in combination with the General Fund in order to comply with GAAP. However, the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual on page 31 compares only the General Fund as adopted in the budget along with the related revenues and expenditures. It does not include the budget or actual data for the Public Safety Retiree, Other Operating Grants and Projects, or Kent Events Center Funds. The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual is also presented for the Public Safety Retirees fund and can be found on page 108. Below, you will find the combining of these funds with the General Fund for reporting purposes.

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Notes to the Financial Statements  
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City of Kent

|  | General Fund       | Public Safety Retiree | Operating Grants & Projects | Kent Events Center Fund | Eliminations | Revised General Fund |
|--|--------------------|-----------------------|-----------------------------|-------------------------|--------------|----------------------|
| <b>Revenues</b>  |                    |                       |                             |                         |              |                      |
| Taxes  | \$52,457,931       |                       |                             |                         |              | \$52,457,931         |
| Licenses & permits   | 4,361,182          |                       |                             |                         |              | 4,361,182            |
| Other grants/shared revenue                                      | 7,353,785          |                       | 67,978                      |                         |              | 7,421,763            |
| Charges for services   | 4,248,388          |                       |                             |                         |              | 4,248,388            |
| Fines & forfeitures  | 1,499,054          |                       |                             |                         |              | 1,499,054            |
| Interest Income  | 44,305             | 830                   |                             |                         |              | 45,135               |
| Unrealized net gain/(loss) in fair value of investments          | 1                  |                       |                             |                         |              | 1                    |
| Contributions & Donations  |                    | 756,030               |                             |                         |              | 756,030              |
| Other miscellaneous revenue                                      | 1,333,214          |                       | 23,580                      |                         |              | 1,356,794            |
| <b>Total Revenues</b>  | <b>71,297,860</b>  | <b>756,860</b>        | <b>91,558</b>               |                         |              | <b>72,146,278</b>    |
| <b>Expenditures</b>  |                    |                       |                             |                         |              |                      |
| General government   | 6,026,983          |                       | 95,001                      |                         |              | 6,121,984            |
| Judicial   | 2,726,273          |                       |                             |                         |              | 2,726,273            |
| Public safety  | 32,311,134         | 834,720               |                             |                         |              | 33,145,854           |
| Community development  | 5,160,571          |                       |                             |                         |              | 5,160,571            |
| Public works   | 4,683,454          |                       |                             |                         |              | 4,683,454            |
| Leisure services   | 9,475,452          |                       | 89,702                      | 1,392,421               |              | 10,957,575           |
| Health & human services  | 4,646,503          |                       | 81,518                      |                         |              | 4,728,021            |
| Capital Outlay   | 120,963            |                       | 103,284                     |                         |              | 224,247              |
| <b>Total Expenditures</b>  | <b>65,151,333</b>  | <b>834,720</b>        | <b>369,505</b>              | <b>1,392,421</b>        |              | <b>67,747,979</b>    |
| <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b> | <b>6,146,527</b>   | <b>(77,860)</b>       | <b>(277,947)</b>            | <b>(1,392,421)</b>      |              | <b>4,398,299</b>     |
| <b>Other Financing Sources (Uses)</b>                            |                    |                       |                             |                         |              |                      |
| Transfers in   | 935,202            | 250,000               | 115,610                     | 581,458                 | (647,068)    | 1,235,202            |
| Transfers out* (See Below)                                       | (3,595,268)        |                       | (450,000)                   | (14,000)                | 647,068      | (3,412,200)          |
| <b>Total Other Financing Sources (Uses)</b>                      | <b>(2,660,066)</b> | <b>250,000</b>        | <b>(334,390)</b>            | <b>567,458</b>          |              | <b>(2,176,998)</b>   |
| <b>Net Change in Fund Balance</b>                                | <b>3,486,461</b>   | <b>172,140</b>        | <b>(612,337)</b>            | <b>(824,963)</b>        |              | <b>2,221,301</b>     |
| <b>Fund Balance, January 1</b>                                   | <b>643,515</b>     | <b>527,368</b>        | <b>882,424</b>              | <b>(1,910,845)</b>      |              | <b>142,462</b>       |
| <b>Fund Balance (Deficit), December 31</b>                       | <b>\$4,129,976</b> | <b>\$ 699,508</b>     | <b>\$ 270,087</b>           | <b>\$(2,735,808)</b>    |              | <b>\$ 2,363,763</b>  |

\*Transfers Out Reconciliation to **General Fund Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual** on page 31 is shown as follows:

|   |                     |
|---|---------------------|
| Transfers Out per Budget                          | \$ 4,059,268        |
| Less Intrafund Transfer to: Public Safety Retiree | (250,000)           |
| Other Operating Grants & Projects                 | (115,610)           |
| Kent Events Center Fund                           | (281,458)           |
|   | <u>\$ 3,412,200</u> |

e. **ASSETS & DEFERED OUTFLOWS, LIABILITIES & DEFERRED INFLOWS, AND FUND EQUITY**

**(1) Cash and Cash Equivalents**

The City of Kent has defined cash and cash equivalents as cash on hand, demand deposits, and all short-term investments with original maturities of three months or less from the date of purchase. Included in this category are all funds invested in the Local Government Investment

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**Notes to the Financial Statements  
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**City of Kent**

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Pool. Excluded from this category are cash balances held by fiscal Agents since the City does not have discretionary use of these funds.

(2) **Investments** (refer to Note 4).

(3) **Receivables and Payables** (refer to Note 5).

f. **ENCUMBRANCES**

The City of Kent does not formally use the encumbrance mode of accounting. City departments that are currently utilizing the City's new purchasing system have the option to record encumbrances for their budget status reports, but the City does not take them into account for year-end reporting. For operating funds, amounts not expended within the budget year lapse. For project funds, budgets remain available until completion of the project.

g. **INTERFUND TRANSACTIONS AND TRANSFERS**

Because governmental units operate with a number of funds, each performing its specific functions, there are instances where funds are required to do business with each other. This business can be categorized as either an interfund transaction or an interfund transfer.

(1) **Interfund Transactions**

Interfund transactions are divided into two categories: interfund services provided and used transactions and reimbursement transactions.

**Interfund services provided and used transactions** are those transactions that would be treated as revenues, expenditures or expenses if they involved parties external to the City. These types of transactions are accounted for as ordinary revenues, expenditures or expenses of the funds involved. An example of this type of transaction is when the Parks Department buys water from the Water Department. This transaction is treated as an expenditure to the Parks Department and as a revenue to the Water Department.

**Reimbursement transactions** occur when expenditures are initially made from one fund but are more appropriately applicable to another fund. These items are recorded as expenditures or expenses in the reimbursing fund and as a reduction of expenditures or expenses in the fund initially charged. An example of this type of transaction occurs when the Public Works and Finance Departments allocate a certain amount of their time to provide services for the Utility Divisions administratively overseen by those departments (i.e. the Water and Sewer Utilities are administratively under the Public Works Department and Customer Service and Meter Reading are administratively under the Finance Department). The expense is transferred to the Utility Divisions with a corresponding reduction of expense in the Public Works and Finance Departments. These reductions are accounted for in a separate organizational unit so both gross and net expenditures are reported.

(2) **Interfund Transfers**

**Transfers** are required where revenue is generated in one fund and expenditures are paid for in other funds. The majority of transfers occur with respect to capital projects where certain General and Special Revenue Fund revenues are transferred to finance various capital projects. Other operating transfers of a recurring nature are required to fund debt service.

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City of Kent

Notes to the Financial Statements  
December 31, 2012

A summary of transfers by fund type is as follows:

|                              | Transfers In  | Transfers Out |
|------------------------------|---------------|---------------|
| <b><u>Governmental:</u></b>  |               |               |
| Major Funds                  |               |               |
| General Fund                 | \$ 1,235,202  | \$ 3,412,200  |
| Capital Improvement          | 2,871,618     | 7,486,110     |
| Special Assessments          |               | 185,202       |
| Street Capital Projects      | 116,817       | 251,617       |
| Other Capital Projects       | 971,088       | 653,836       |
| Subtotal                     | \$ 5,194,725  | \$ 11,988,965 |
| Non-Major Funds              |               |               |
| Street                       | \$ 251,617    | \$ 2,618,502  |
| Lodging tax                  |               | 15,000        |
| Youth/Teen                   |               | 750,000       |
| Criminal Justice             | 105,000       | 45,264        |
| Environmental Mitigation     |               |               |
| Non-Voted Debt Service       | 8,742,847     |               |
| Parks Capital Projects       | 424,262       |               |
| Technology Projects          | 639,225       |               |
| Facilities Projects          | 639,674       |               |
| Subtotal                     | \$ 10,802,625 | \$ 3,428,766  |
| <b><u>Business-Type:</u></b> |               |               |
| Major Funds                  |               |               |
| Water Enterprise             | \$            | \$ 30,178     |
| Sewerage Enterprise          |               | 80,177        |
| Subtotal                     | \$            | \$ 110,355    |
| Internal Service Funds       |               |               |
| Equipment Rental             | \$ 17,500     | \$            |
| Central Services             |               | 411,764       |
| Facilities                   | 185,000       | 260,000       |
| Subtotal                     | \$ 202,500    | \$ 671,764    |
| Total Transfers              | \$ 16,199,850 | \$ 16,199,850 |

h. **CAPITAL ASSETS**

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental and business-type columns in the government-wide financial statements. The capitalization threshold applied to the City's assets is \$5,000 and it must have a useful life of more than three years. Infrastructure assets are reported on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount.

The initial capitalization of infrastructure assets reported as governmental activities include all such

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

### City of Kent

items regardless of their acquisition date. The historical cost for the initial reporting of these assets was established through back trending. An estimated current replacement cost was calculated and deflated to the estimated acquisition year by an appropriate price-level index to determine the historical cost.

Depreciation is computed on the straight-line method over the established useful life of the asset group as shown in the table below:

| Depreciation Schedule |             |
|-----------------------|-------------|
| Buildings             | 10-50 years |
| Site Improvements     | 10-50 years |
| Infrastructure        | 15-50 years |
| Other Capital         | 3-10 years  |

Property, Plant and Equipment for governmental activities is stated at historical cost, or market value at date received in the case of contributions. Purchase and construction of such assets are recorded as expenditures in the appropriate Governmental Fund and capitalized for government-wide reporting. Incomplete capital projects, including infrastructure, are capitalized as construction in progress at year end. Street related right of way purchases are recorded as land purchases at the time the projects are complete. Maintenance and repairs are charged as expenditures in the various Governmental Funds and are not capitalized. Depreciation is recorded on the government-wide statements.

Property, Plant and Equipment in the Proprietary Funds is stated at cost, or in the case of contributions at market value at the date received. Maintenance and repairs are expensed as incurred. Replacements which improve or extend the life of the asset are capitalized.

## 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

### a. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. On that reconciliation, one element explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$93,485,739 difference are as follows:

|   |              |
|---|--------------|
| Bonds payable   | \$65,873,164 |
| Notes Payable   | 22,518,156   |
| Compensated Absences Payable  | 4,091,496    |
| Net OPEB Obligation   | 1,002,923    |
| Net adjustment to reduce <i>fund balance – total governmental funds</i><br>to arrive at <i>net position – governmental activities</i> | \$93,485,739 |

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**City of Kent**

**b. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$7,545,897 difference are as follows:

|   |               |
|---|---------------|
| Debt issued:  |               |
| Issuance of general obligation refunding bonds  | \$ 10,840,000 |
| Premium   | 540,320       |
| Less cost of issuance   | (129,210)     |
| Issuance of contracts payable   | 500,000       |
| Issuance of notes payable   | 9,702,213     |
| Principal repayments  | (7,667,099)   |
| Valley Com Contribution to Principal  | (44,090)      |
| Current year amortization   | 164,546       |
| Payment to escrow   | (10,990,000)  |
| Current year amortization   |               |
| Net adjustment to decrease <i>net changes in fund balance – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | \$2,916,680   |

**3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

There have been no material violations of finance-related legal or contractual provisions, and there have been no expenditures exceeding legal appropriations in any of the funds of the City.

**4. DEPOSITS AND INVESTMENTS**

The deposits and investment practices of the City of Kent are accounted for with a modified pooled cash arrangement. According to the investment policy presented in the Kent City Code Chapter 3.02, allowable investments consist of the State Treasurer's Investment Pool, banker's acceptances, certificates of deposit, U.S. government securities, and U.S. governmental agency securities.

**DEPOSITS**

The City's deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) up to \$100,000 and by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC) for amounts over \$100,000.

**INVESTMENTS**

Investments in the State Treasurer's Local Government Investment Pool (LGIP) are valued at amortized cost,

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City of Kent

Notes to the Financial Statements  
December 31, 2012

which approximates fair value. Certificates of deposits held by the LGIP are valued at historical costs, which also approximate fair value. Each month, earnings from the LGIP are deposited to the City's bank account. The State Investment Pool was created by State statute, and is governed by the State Finance Committee and administered by the State Treasurer.

As of December 31, 2012, the City had the following investments:

| Investment Type                   | Fair Value   | Investment Maturities (in Years) |          |           |
|-----------------------------------|--------------|----------------------------------|----------|-----------|
|                                   |              | <1                               | 1-5      | 6-10      |
| State Treasurer's Investment Pool | \$38,507,577 | \$38,507,577                     | \$       | \$        |
| Government Agencies (various)     | 864,223      |                                  | 1,500    | 862,723   |
| Certificates of Deposits          | 254,874      | 254,874                          |          |           |
| Total Investments                 | 39,626,674   | 38,762,451                       | 1,500    | 862,723   |
| Less Investments Held By:         |              |                                  |          |           |
| Fiduciary Funds                   | (3,057,723)  | (2,195,000)                      |          | (862,723) |
| Total Primary Government          | \$36,568,951 | \$36,567,451                     | \$ 1,500 | \$        |

Reconciliation of cash, cash equivalents, deposits and investments to Statement of Net Position:

## PRIMARY GOVERNMENT

### From Statement of Net Position:

|   |                      |
|---|----------------------|
| Cash & equity in pooled investments         | \$ 20,081,573        |
| Restricted cash & cash equivalents          | 120,360              |
| Cash with fiscal agent/trustee              | 595,000              |
| Investments, at fair value                  | 16,571,374           |
| Restricted investments, at fair value       | 3,500,000            |
| <b>Total From Statement of Net Position</b> | <b>\$ 40,868,307</b> |

### Summary by Type:

|                                    |                      |
|------------------------------------|----------------------|
| Cash on hand and in bank           | \$ 3,704,356         |
| Deposits with fiscal agent/trustee | 595,000              |
| Certificates of deposit            | 254,874              |
| Total                              | 4,554,230            |
| Investments                        | 36,314,077           |
| <b>Total by Type</b>               | <b>\$ 40,868,307</b> |

## COMPONENT UNITS

### Special Events Center PFD:

|                                   |              |
|-----------------------------------|--------------|
| Cash on hand and in bank          | \$ 77        |
| Investments, at fair value        | 0            |
| <b>Total Cash and Investments</b> | <b>\$ 77</b> |

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits, to the extent possible, the average life of the portfolio not exceed five years. As of December 31, 2012, the weighted average of maturity for the portfolio was 38 days. The LGIP is an unrated 2a-7 like pool, as defined by GASB Statement No. 31. Accordingly, participants' balances in the LGIP are not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days. As of

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

City of Kent

June 30, 2012, the LGIP had a weighted average maturity of 40 days.

*Credit Risk.* State statute, as well as City policy, requires at the time of purchase that an investment carry a rating of one of the three highest credit ratings of a nationally recognized rating agency. As of December 31, 2012, the ratings for all fixed rate non-callable and callable agency securities were AAA. The LGIP is an unrated 2a-7 like pool. Per GASB Statement No. 40 guidelines, the LGIP balances are not subject to custodial credit risk. The credit risk of the LGIP is limited as most investments are either obligations of the US government, government sponsored enterprises, or insured demand accounts and certificates of deposit.

*Concentration of Credit Risk.* According to the City's investment policy, with the exception of US Treasuries and the LGIP, no more than 25% of the City's total investment portfolio will be invested in securities offered by a single issuer. In accordance with GASB Statement No. 40, the City will report any investment in any one issuer that is 5% or more of the total City portfolio. As of December 31, 2012, the City did not have any investments meeting that criterion.

*Custodial Credit Risk.* All bank deposits are covered 100% by federal depository insurance and pledged collateral on deposit with the Washington State Public Deposit Protection Commission (WSPDPC).

## 5. RECEIVABLES

The following table lists the receivables and accrued revenue by fund type and by source:

|                                   | Taxes       | Accounts     | Allowance for<br>Uncollectibles | Assessments<br>& Notes | Accrued<br>Interest | Total        |
|-----------------------------------|-------------|--------------|---------------------------------|------------------------|---------------------|--------------|
| <b>Governmental Activities:</b>   |             |              |                                 |                        |                     |              |
| General Fund                      | \$4,941,614 | \$ 341,294   | \$ (5,179)                      | \$                     | \$                  | \$ 5,277,729 |
| Capital Improvements              | 1,671,326   |              |                                 |                        |                     | 1,671,326    |
| Special Assessments               |             |              |                                 | 10,370,956             |                     | 10,370,956   |
| Street Projects                   |             | 284,958      | (2,138)                         |                        |                     | 282,820      |
| Other Governmental Funds          | 1,087,543   | 1,495,673    |                                 |                        |                     | 2,583,216    |
| Internal Service Funds            |             | 1,233,138    | (79)                            | 3,013,602              | 17                  | 4,246,678    |
| Subtotal                          | \$7,700,483 | \$ 3,355,063 | \$ (7,396)                      | \$ 13,384,558          | \$ 17               | \$24,432,725 |
| <b>Business-Type Activities:</b>  |             |              |                                 |                        |                     |              |
| Water Fund                        | \$          | \$ 1,668,025 | \$ (21,815)                     | \$ 3,458,135           | \$ 2                | \$ 5,104,347 |
| Sewerage Fund                     |             | 6,744,240    | (31,575)                        | 3,350,000              | 4                   | 10,062,669   |
| Golf Fund                         |             | 58,363       | (1,700)                         |                        |                     | 56,663       |
| Subtotal                          | \$          | \$ 8,470,628 | \$ (55,090)                     | \$ 6,808,135           | \$ 6                | \$15,223,679 |
| Total Primary Government          | \$7,700,483 | \$11,825,691 | \$ (62,486)                     | \$ 20,192,693          | \$ 23               | \$39,656,404 |
| <b>Component Unit Activities:</b> |             |              |                                 |                        |                     |              |
| Special Events Center PFD         | \$ 123,913  |              |                                 |                        |                     | \$ 123,913   |
| Total Component Units             | \$ 123,913  |              |                                 |                        |                     | \$ 123,913   |

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the deferred revenue reported in the governmental funds related to special assessments was \$10,370,956. Of that amount, \$354,076 is delinquent.

# **Comprehensive Annual Financial Report 2012**

**City of Kent**

**Notes to the Financial Statements  
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The City of Kent uses the modified accrual basis of accounting for its Governmental Funds and the full accrual basis of accounting for its Proprietary and Pension Trust Funds as described in Note 1.c. In adopting this basis of accounting, the City recognizes revenue by recording various receivables and accrued revenue in its financial statements. The revenue recognition criterion by source is as follows:

a. **TAXES RECEIVABLE**

Taxes receivable consists of property taxes, sales taxes, and City assessed utility, lodging, real-estate excise taxes, and gambling taxes.

**Property taxes** are levied as of January 1 of each year. The taxes receivable at year end reflect only delinquent taxes. Revenue is recognized to the extent of collections within sixty days of year end. Taxes to be received beyond this period are recorded as deferred. See Note 13 for additional details on property taxes.

**Sales tax and lodging tax** are collected by the state and remitted to the City on the last day of each month. Sales tax revenue is accrued at year end per GASB Statement No. 33, "Accounting and financial Reporting for Non-Exchange Transactions."

City assessed **utility taxes** are primarily due monthly and **gambling taxes and admissions taxes** are due quarterly. The payment is due on the last day of the following month. Revenue is recognized to the extent of collections within sixty days of year end.

b. **ACCOUNTS RECEIVABLE**

In the General Fund, accounts receivable represent billing for miscellaneous licenses, permits, fines, and damages. In the Special Revenue and Capital Project Funds, accounts receivable represents reimbursement for grants particularly Housing and Community Development block grants for which the services have been provided. Enterprise Funds accounts receivable are primarily for utility amounts billed but uncollected at year end plus accruals for unbilled revenues. Accounts receivable are shown at net. See note 5.d. for allowance for estimated uncollectible amounts by fund type.

c. **ASSESSMENTS AND NOTES RECEIVABLE**

The Debt Service Fund accounts for assessments receivable used for redeeming assessment bonds. The City has assessments and miscellaneous notes receivable in its Proprietary Funds for development charges and notes in lieu of assessments.

d. **ACCRUED INTEREST RECEIVABLE**

Accrued investment interest totaling \$23 was recognized at December 31, 2012. This interest was recorded in each fund based on its investment position.

# Comprehensive Annual Financial Report 2012

City of Kent

Notes to the Financial Statements  
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e. **INTERFUND LOANS**

|  | Interfund Loan<br>Receivable | Interfund Loan<br>Payable |
|--|------------------------------|---------------------------|
| Governmental Funds:                          |                              |                           |
| General Fund                                 | \$ 100,000                   | \$ .                      |
| Street Projects Payable                      |                              | 894,468                   |
| Other Capital Projects Fund                  |                              | 12,600,000                |
| Other Governmental Funds                     |                              | 140,000                   |
| Business-Type Activities – Enterprise Funds: |                              |                           |
| Water Fund                                   | 13,600,000                   |                           |
| Sewerage Fund                                | 934,468                      |                           |
| Golf Fund                                    |                              | 2,250,000                 |
| Internal Service Funds:                      |                              |                           |
| Equipment Rental                             | 1,250,000                    |                           |
|  | \$ 15,884,468                | \$ 15,884,468             |

In December 2012, the Mayor approved a \$1,250,000 one-year interfund loan from the Equipment Rental Fund to the Golf Complex Fund and a \$1,000,000 one-year interfund loan from the Water Fund to the Golf Complex Fund to cover working capital. Also approved was a \$894,468 loan from the Sewerage Fund to the Street Capital Projects Fund. All loans are bearing interest at the City's daily funds rate.

Also executed by the City on December 31, 2012, was a non-interest bearing loans for \$100,000 from the General Fund to the Housing & Community Development Fund and a \$40,000 loan from the Sewer Fund to the Environmental Mitigation Fund that were needed to cover year-end expenditures.

Additionally, an interest bearing loan for \$12,600,000 from Water Fund to Other Capital Projects Fund was executed. This loan was approved to cover year-end expenditures as well as temporary cash flow shortages.

f. **INTERFUND RECEIVABLES AND PAYABLES**

The following are the interfund balances at December 31, 2012

|                             | Due From<br>Other Funds | Due To<br>Other Funds |
|-----------------------------|-------------------------|-----------------------|
| <b>Governmental Funds:</b>  |                         |                       |
| Capital Improvement         |                         | \$ 120,000            |
| Technology Capital Projects | 120,000                 |                       |
| Total                       | \$ 120,000              | \$ 120,000            |

These interfund balances are to cover short-term cash deficits at year end.

6. **INVENTORIES AND PREPAID ITEMS**

Inventories carried in Proprietary Funds are valued under the first-in first-out method. A physical count is taken at year-end. Governmental Funds use the purchase method whereby inventory items are considered expenditures when purchased. Governmental activities have not recorded inventories on the books, and they

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

City of Kent

are not presented in the basic statements. The City does not consider these to be material items when reporting governmental activities.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The City uses the consumption method to account for prepaid items.

### 7. PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION

#### a. GOVERNMENTAL ACTIVITIES CAPITAL ASSETS

Below is a summary of 2012 changes in governmental capital assets:

|   | Balance<br>Jan 1, 2012 | Additions             | Transfers &<br>Retirements | Balance<br>Dec 31, 2012 |
|---|------------------------|-----------------------|----------------------------|-------------------------|
| <b>Governmental Activities:</b>                         |                        |                       |                            |                         |
| Capital Assets, not being depreciated:                  |                        |                       |                            |                         |
| Land  | \$217,938,054          | \$ 1,520,108          | \$                         | \$219,458,162           |
| Construction in Progress                                | 138,346,272            | 4,207,365             | (35,674,781)               | 106,878,856             |
| <b>Total Capital Assets,<br/>Not depreciated</b>        | <b>\$356,284,326</b>   | <b>\$5,727,473</b>    | <b>\$ (35,674,781)</b>     | <b>\$326,337,018</b>    |
| Capital Assets, being depreciated:                      |                        |                       |                            |                         |
| Buildings   | 126,098,178            |                       | (36,558)                   | 126,061,620             |
| Site Improvements                                       | 52,379,400             | 925,188               | (15,234)                   | 53,289,354              |
| Other Capital   | 48,932,341             | 1,213,309             | (486,967)                  | 49,658,683              |
| Infrastructure  | 496,497,372            | 34,681,519            |                            | 531,178,891             |
| <b>Total Capital Assets being<br/>depreciated</b>       | <b>\$723,907,291</b>   | <b>\$ 36,820,016</b>  | <b>\$ (538,759)</b>        | <b>\$760,188,548</b>    |
| Less Accumulated Depreciation for:                      |                        |                       |                            |                         |
| Buildings   | (26,160,679)           | (1,379,569)           |                            | (27,540,248)            |
| Site Improvements                                       | (12,616,769)           | (2,170,582)           | 5,332                      | (14,782,019)            |
| Other Capital   | (24,386,070)           | (793,388)             | 396,259                    | (24,783,199)            |
| Infrastructure  | (224,085,616)          | (9,905,535)           |                            | (233,991,151)           |
| <b>Total Accumulated Depreciation</b>                   | <b>\$(287,249,134)</b> | <b>\$(14,249,074)</b> | <b>\$ 401,591</b>          | <b>\$(301,096,617)</b>  |
| <b>Total Capital Assets, being<br/>depreciated, net</b> | <b>\$ 436,658,157</b>  | <b>\$ 22,570,942</b>  | <b>\$ (137,168)</b>        | <b>\$ 459,091,931</b>   |
| <b>Governmental Activities<br/>Capital Assets, net</b>  | <b>\$ 792,942,483</b>  | <b>\$ 28,298,415</b>  | <b>\$ (35,811,949)</b>     | <b>\$ 785,428,949</b>   |

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b. **BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS**

A summary of Business-type Property, Plant and Equipment at December 31, 2012 follows:

|   | Balance<br>Jan 1, 2012 | Additions             | Transfers &<br>Retirements | Balance<br>Dec 31, 2012 |
|---|------------------------|-----------------------|----------------------------|-------------------------|
| <b>Business-type Activities:</b>                        |                        |                       |                            |                         |
| Capital Assets, not being depreciated:                  |                        |                       |                            |                         |
| Land  | \$ 11,122,413          | \$ 3,499              | \$                         | \$ 11,125,912           |
| Construction in Progress                                | 142,746,127            | 14,857,077            | (10,913,599)               | 146,689,605             |
| <b>Total Capital Assets,<br/>Not depreciated</b>        | <b>\$153,868,540</b>   | <b>\$ 14,860,576</b>  | <b>\$(10,913,599)</b>      | <b>\$157,815,517</b>    |
| Capital Assets, being depreciated:                      |                        |                       |                            |                         |
| Buildings   | 5,181,604              |                       |                            | 5,181,604               |
| Site Improvements                                       | 233,433,196            | 11,906,829            |                            | 245,340,025             |
| Other Capital   | 3,435,888              | 380,507               |                            | 3,816,395               |
| <b>Total Capital Assets being<br/>depreciated</b>       | <b>\$242,050,688</b>   | <b>\$12,287,336</b>   | <b>\$</b>                  | <b>\$254,338,024</b>    |
| Less Accumulated Depreciation for:                      |                        |                       |                            |                         |
| Buildings   | (4,133,923)            | (153,756)             |                            | (4,287,679)             |
| Site Improvements                                       | (85,877,490)           | (5,439,221)           |                            | (91,316,711)            |
| Other Capital   | (2,667,759)            | (159,978)             |                            | (2,827,737)             |
| <b>Total Accumulated Depreciation</b>                   | <b>\$(92,679,172)</b>  | <b>\$ (5,752,955)</b> | <b>\$</b>                  | <b>\$(98,432,127)</b>   |
| <b>Total Capital Assets, being<br/>depreciated, net</b> | <b>\$149,371,516</b>   | <b>\$ 6,534,381</b>   | <b>\$</b>                  | <b>\$155,905,897</b>    |
| <b>Business-type Activities<br/>Capital Assets, net</b> | <b>\$303,240,056</b>   | <b>\$21,394,957</b>   | <b>\$(10,913,599)</b>      | <b>\$313,721,414</b>    |

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Notes to the Financial Statements  
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City of Kent

## c. DEPRECIATION EXPENSE BY FUNCTION/PROGRAM

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

| <b>Governmental Activities:</b>                      |              |
|--|--------------|
| General Government                                   | \$ 348,583   |
| Judicial   | 50,746       |
| Public Safety  | 250,671      |
| Public Works   | 9,916,813    |
| Leisure Services                                     | 2,858,383    |
| Health and Human Services                            | 23,484       |
| Library  | 99,515       |
| Internal Services                                    | 700,879      |
| Total Depreciation Expense – Governmental Activities | \$14,249,074 |

| <b>Business-type Activities:</b>                      |              |
|---|--------------|
| Water   | \$ 1,621,951 |
| Sewerage  | 3,862,423    |
| Golf  | 268,581      |
| Total Depreciation Expense – Business-Type Activities | \$ 5,752,955 |

## 8. SHORT-TERM DEBT

The City of Kent did not have any short-term debt during the current fiscal year, January through December 2012.

## 9. LEASES

The City leases storage space and equipment under non-cancelable operating leases. Operating leases do not give rise to property rights or lease obligations (long-term debt), and therefore the results of the leases agreement are not reflected in the City's Statement of Net Position.

### Operating Leases

The City leases space from Charlie Perkins for storage space on Smith Street. The City pays \$4,750 per month plus the property tax each year. For 2012, the City paid \$57,000 plus \$8,148 in property taxes for a total of \$65,148. The lease term is one year expiring in March, but with a written agreement, the City has the option of extending the least for one year. The City has extended the lease agreement to March 2014.

The Golf Complex has leases with Yamaha Leasing for 76 Golf carts with payments of \$6,684 per month ending October 2012. No lease payments are due for the months of November 2012 through February 2013 when a new eight month lease of \$6,368 per month, plus taxes will begin.

The following is a schedule of future minimum lease payments under the operating leases:

| <u>Fiscal Year</u> | <u>Amount</u> |
|--------------------|---------------|
| 2013               | \$ 116,149    |
| 2014               | \$ 6,648      |

# Comprehensive Annual Financial Report 2012

Notes to the Financial Statements  
December 31, 2012

City of Kent

## 10. LONG-TERM INDEBTEDNESS

### PRIMARY GOVERNMENT:

The City of Kent has two types of long-term debt: (a) **bonded debt** (net of unamortized discount) of \$92,484,839 and (b) **nonbonded debt** of \$67,710,839 for a total of \$160,195,678 in long-term indebtedness.

#### a. BONDED DEBT

Bonded debt has three components: General Obligation, Special Assessment, and Revenue.

##### (1) General Obligation Bonds

General Obligation Bonds totaling \$66.6 million are direct obligations of the City for which its full faith and credit is pledged. They have been issued for governmental and business-type activities. Debt service for governmental activities is paid from the General Obligation Debt Service voted and non-voted funds. Debt service for voted bond issues is funded with special property tax levies. Currently, the City does not have any outstanding voted debt.

Debt service for LTGO (non-voted) bond issues is funded by transfers from operating funds. Debt service for business-type activities is paid for by the Water, Sewerage and Golf enterprise funds. Additional LTGO bond capacity at December 31, 2012 is \$99,640,930. Total additional general obligation capacity for all purposes at December 31, 2012 is \$820,226,381. The general obligation bonds have various interest rates between 2.0 percent and 5.5 percent with maturity dates to 2025. The City's general obligation bonds carry a Moody's "Baa2" rating as of February 6, 2012 and Standard and Poor's "A+" rating as of September 25, 2012.

##### (2) Special Assessment Bonds

Special Assessment Bonds totaling \$3,822,681 are paid through the collection of special assessments. In accordance with GASB Statement No. 6, special assessments debt is reported in the government's financial statements. The special assessment bonds are supported solely by the property owners and the Local Improvement Guarantee Fund and are not a general obligation of the City. As of December 31, 2012, the guaranty reserve was \$401,819, which amounts to 10.51 percent of net outstanding debt. The account is funded with transfers from closed special assessment districts, interest income and as a cost of establishing a special assessment district.

##### (3) Revenue Bonds

Revenue Bonds are payable from pledged revenues generated by the respective Proprietary Funds. The Water and Sewerage Funds' outstanding Combined Utility System Revenue Bonds, Series 2009A and Series 2009B Taxable (Build America Bonds) at December 31, 2012, totaled \$22,332,423 for the 2009 issue, split equally between each fund. The interest rates of the revenue bonds range from 3.0 percent to 6.12 percent with maturity dates to 2029. The bonds have been assigned a rating of AA by Standard & Poor's Ratings Services.

##### (4) Refundings

The City has refunded in full or partially with "advance refunding bonds" the following bond issues:

- (a) In 2004, the City refunded by the "defeasance" method its 1996 General Obligation

# **Comprehensive Annual Financial Report 2012**

City of Kent

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Bonds of \$21,785,000. The liability for the old issue was removed and the new issue was recorded. Of the new issue, \$6,340,000 related to Sewerage Fund activity and \$15,445,000 for governmental activities. The balance of the 1996 issue as of December 31, 2012 was \$2,475,000 for Sewerage Fund and \$10,045,000 for governmental activities. The transaction resulted in an economic gain of \$885,151 and a reduction of \$1,286,897 in future debt service payments.

- (b) In 2005, the City refunded by the “defeasance” method \$2,520,000 of its 1993 Revenue Bonds, \$1,485,000 of its 1995 Golf General Obligation Bonds, \$2,050,000 of its 2000 General Obligation Bonds and \$1,102,477 of its 1996 Trust Fund Loan. The liabilities of the old issues were removed and the new issue was recorded. As of December 31, 2012, the balance of the 1993 issue was \$375,000 and the balance of the 2000 issue was \$2,050,000. The other issues refunded have been fully defeased. The transaction resulted in an economic gain of \$306,920 and a reduction of \$572,047 in future debt service payments.
- (c) In 2009, the City refunded by the “defeasance” method \$8,140,000 of the remaining 1999 Limited Tax General Obligation Bonds. The liability of the old issues was removed and the new issues were recorded. As of December 31, 2012, the balance of the 1999 issue was \$6,085,000. The transaction resulted in an economic gain of \$436,890 and a reduction of \$445,879 in future debt service payments.
- (d) In 2012, the City refunded by the “defeasance” method the remaining \$3,920,000 of 2000 General Obligation Bonds and the remaining \$7,070,000 of 2002 General obligation Bonds. The liability of the old issues was removed and the new issues were recorded. As of December 31, 2012, the balance of the 2000 issue was \$3,385,000 and the balance of the 2002 issue was \$7,070,000. The transaction resulted in an economic gain of \$1,016,018 and a reduction of \$1,130,689 in future debt service payments.

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## Notes to the Financial Statements December 31, 2012

### City of Kent

The following is a summary of long-term bonded debt transactions of the City for the year ended December 31, 2012:

|   | <u>Governmental Activities</u> |                           | <u>Business-type Activities</u> |                | <u>Total</u>  |
|---|--------------------------------|---------------------------|---------------------------------|----------------|---------------|
|   | <u>General Obligation</u>      | <u>Special Assessment</u> | <u>General Obligation</u>       | <u>Revenue</u> |               |
| Net Bonded Long-Term Debt Payable at 1/1/12   | \$65,811,861                   | \$ 5,716,053              | \$ 5,734,707                    | \$23,299,522   | \$100,562,143 |
| Unamortized Discount-Prior Year               | 608,806                        |                           | 8,617                           | 159,726        | 777,149       |
| Unamortized Premium-Prior Year                | 626,103                        |                           | (200,094)                       | (429,248)      | (3,239)       |
| Bonded Long-Term Debt Payable at 1/1/12       | \$67,046,770                   | \$ 5,716,053              | \$ 5,543,230                    | \$23,030,000   | \$101,336,053 |
| New issues                                    | 10,840,000                     |                           |                                 |                | 10,840,000    |
| Debt Retired, Extinguished and Amortized      | 15,836,287                     | 1,893,372                 | 910,713                         | 920,000        | 19,560,372    |
| Bonded Long-Term Debt Payable at 12/31/12     | \$62,050,483                   | \$ 3,822,681              | \$ 4,632,517                    | \$22,110,000   | \$ 92,615,681 |
| Unamortized Premium                           | (358,049)                      |                           | 159,469                         | 367,222        | 168,642       |
| Unamortized Discount/Deferred Costs           | (151,204)                      |                           | (3,481)                         | (144,799)      | (299,484)     |
| Net Bonded Long-Term Debt Payable at 12/31/12 | \$61,541,230                   | \$ 3,822,681              | \$ 4,788,505                    | \$22,332,423   | \$92,484,839  |
| Current Portion                               | \$ 4,722,909                   | \$ 988,666                | \$ 967,091                      | 945,000        | \$ 7,623,666  |

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## Notes to the Financial Statements December 31, 2012

### City of Kent

The following is a summary of bonded debt issuance and redemption information as of December 31, 2012

|  | Issuance<br>Date | Maturity<br>Date | Interest<br>Rate | Original<br>Amount   | Redemption<br>to Date | Outstanding<br>12/31/12 | Due Within<br>One Year |
|--|------------------|------------------|------------------|----------------------|-----------------------|-------------------------|------------------------|
| <b>GENERAL BONDED DEBT</b>                                 |                  |                  |                  |                      |                       |                         |                        |
| <b>GENERAL OBLIGATION BONDS – GOVERNMENTAL ACTIVITIES</b>  |                  |                  |                  |                      |                       |                         |                        |
| <u>LTGO Bonds</u>  |                  |                  |                  |                      |                       |                         |                        |
| General Purpose  | 2003             | 2018             | 2.3-5.5%         | 7,518,000            | 6,121,000             | 1,397,000               | 599,000                |
| Less: Unamortized Discount                                 |                  |                  |                  |                      | 8,247                 | (8,247)                 |                        |
| General Purpose  | 2004             | 2021             | 2-4.13%          | 16,505,000           | 6,437,517             | 10,067,483              | 1,137,909              |
| Less: Unamortized Discount                                 |                  |                  |                  |                      | 172,160               | (172,160)               |                        |
| Less: Unamortized Deferred Refunding                       |                  |                  |                  |                      | 292,997               | (292,997)               |                        |
| General Purpose  | 2005             | 2020             | 4.05%            | 2,252,000            | 146,000               | 2,106,000               | 221,000                |
| Less: Unamortized Discount                                 |                  |                  |                  |                      | 8,456                 | (8,456)                 |                        |
| Less: Unamortized Deferred Refunding                       |                  |                  |                  |                      | 77,130                | (77,130)                |                        |
| General Purpose  | 2006             | 2024             | 4.0-5.0%         | 12,000,000           | 1,500,000             | 10,500,000              | 300,000                |
| Less: Unamortized Discount                                 |                  |                  |                  |                      | 142,186               | (142,186)               |                        |
| General Purpose  | 2008             | 2025             | 4.1-5.2%         | 24,000,000           | 2,605,000             | 21,395,000              | 675,000                |
| Less: Unamortized Discount                                 |                  |                  |                  |                      | 176,008               | (176,008)               |                        |
| General Purpose  | 2009             | 2019             | 3.0-4.0%         | 8,410,000            | 2,100,000             | 6,310,000               | 810,000                |
| Less: Unamortized Premium                                  |                  |                  |                  |                      | (54,973)              | 54,973                  |                        |
| Plus: Unamortized Deferred Refunding                       |                  |                  |                  |                      | 135,312               | (135,312)               |                        |
| General Purpose  | 2012             | 2022             | 2.0/4.5%         | 10,840,000           | 565,000               | 10,275,000              | 980,000                |
| Less: Unamortized Premium                                  |                  |                  |                  |                      | (300,880)             | 300,880                 |                        |
| Plus: Unamortized Deferred Refunding                       |                  |                  |                  |                      | (147,390)             | 147,390                 |                        |
| <b>Total General Obligation - LTGO</b>                     |                  |                  |                  | <b>\$81,525,000</b>  | <b>\$19,983,770</b>   | <b>\$61,541,230</b>     | <b>\$4,722,909</b>     |
| <b>GOVERNMENTAL ACTIVITIES</b>                             |                  |                  |                  | <b>\$81,525,000</b>  | <b>\$19,983,770</b>   | <b>\$61,541,230</b>     | <b>\$4,722,909</b>     |
| <b>GENERAL OBLIGATION BONDS – BUSINESS-TYPE ACTIVITIES</b> |                  |                  |                  |                      |                       |                         |                        |
| <u>LTGO Bonds</u>  |                  |                  |                  |                      |                       |                         |                        |
| <b>Sewerage Fund:</b>                                      |                  |                  |                  |                      |                       |                         |                        |
| Drainage   | 2004             | 2021             | 2-4.13%          | \$ 6,775,000         | \$ 2,642,483          | \$ 4,132,517            | \$ 467,091             |
| Plus: Unamortized Premium                                  |                  |                  |                  |                      | (159,469)             | 159,469                 |                        |
| Sewerage – 93 Ref.   | 2005             | 2013             | 4.05%            | 2,437,000            | 2,090,000             | 347,000                 | 347,000                |
| Less: Unamortized Discount                                 |                  |                  |                  |                      | 2,219                 | (2,219)                 |                        |
| Sewerage – 96 Ref.   | 2005             | 2013             | 4.05%            | 1,125,000            | 972,000               | 153,000                 | 153,000                |
| Less: Unamortized Deferred Costs                           |                  |                  |                  |                      | 1,262                 | (1,262)                 |                        |
| <b>Total Sewerage Fund (Net)</b>                           |                  |                  |                  | <b>\$ 10,337,000</b> | <b>\$ 5,548,495</b>   | <b>\$ 4,788,505</b>     | <b>\$ 967,091</b>      |
| <b>BUSINESS-TYPE ACTIVITIES</b>                            |                  |                  |                  | <b>\$ 10,337,000</b> | <b>\$ 5,548,495</b>   | <b>\$ 4,788,505</b>     | <b>\$ 967,091</b>      |
| <b>TOTAL GENERAL OBLIGATION BONDS</b>                      |                  |                  |                  | <b>\$91,862,000</b>  | <b>\$ 25,532,265</b>  | <b>\$66,329,735</b>     | <b>\$5,690,000</b>     |

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

City of Kent

|   | Issuance Date | Maturity Date | Interest Rate | Original Amount      | Redemption to Date   | Outstanding 12/31/12 | Due Within One Year |
|---|---------------|---------------|---------------|----------------------|----------------------|----------------------|---------------------|
| <b>SPECIAL ASSESSMENT BONDS – GOVERNMENTAL ACTIVITIES</b> |               |               |               |                      |                      |                      |                     |
| LID 347, 348  | 1998          | 2015          | 4.3-5.6%      | 942,617              | 942,617              |                      |                     |
| LID 340, 349  | 1999          | 2014          | 4.1-5.9%      | 13,221,661           | 12,966,661           | 255,000              | 255,000             |
| LID 351   | 2001          | 2015          | 3.8-5.5%      | 5,367,217            | 5,367,217            | 45,000               | 45,000              |
| LID 350, 352, 354   | 2003          | 2013          | 3.75%         | 1,363,439            | 1,310,758            | 52,681               | 43,666              |
| LID 353 et. al.   | 2004          | 2019          | 2.5-4.7%      | 11,758,557           | 8,288,557            | 3,470,000            | 645,000             |
| <b>TOTAL SPECIAL ASSESSMENT BONDS</b>                     |               |               |               | <b>\$ 32,653,491</b> | <b>\$ 28,830,810</b> | <b>\$ 3,822,681</b>  | <b>\$ 988,666</b>   |
| <b>TOTAL GENERAL BONDED DEBT</b>                          |               |               |               | <b>\$124,515,491</b> | <b>\$ 54,363,075</b> | <b>\$70,152,416</b>  | <b>\$6,678,666</b>  |

|   | Issuance Date | Maturity Date | Interest Rate | Original Amount      | Redemption to Date  | Outstanding 12/31/12 | Due Within One Year |
|---|---------------|---------------|---------------|----------------------|---------------------|----------------------|---------------------|
| <b>REVENUE BONDS - BUSINESS-TYPE ACTIVITIES</b> |               |               |               |                      |                     |                      |                     |
| <b>Water Fund:</b>                              |               |               |               |                      |                     |                      |                     |
| Revenue Bonds Series A                          | 2009          | 2018          | 3.0-5.0%      | \$4,560,000          | \$ 1,445,000        | \$ 3,115,000         | \$ 472,500          |
| Plus: Unamortized Premium                       |               |               |               |                      | (183,611)           | 183,611              |                     |
| Less Unamortized Discount                       |               |               |               |                      | 12,034              | (12,034)             |                     |
| Less Unamortized Deferred Costs                 |               |               |               |                      | 6,422               | (6,422)              |                     |
| Revenue Bonds Series B                          | 2009          | 2029          | 5.06/6.12%    | 7,940,000            |                     | 7,940,000            |                     |
| Less: Unamortized Discount                      |               |               |               |                      | 35,813              | (35,813)             |                     |
| Less Unamortized Deferred Costs                 |               |               |               |                      | 18,130              | (18,130)             |                     |
| <b>Total (Net)</b>                              |               |               |               | <b>\$ 12,500,000</b> | <b>\$ 1,333,788</b> | <b>\$ 11,166,212</b> | <b>\$ 472,500</b>   |
| <b>Sewer Fund:</b>                              |               |               |               |                      |                     |                      |                     |
| Revenue Bonds Series A                          | 2009          | 2018          | 3.0-5.0%      | \$4,560,000          | \$ 1,445,000        | \$ 3,115,000         | \$ 472,500          |
| Plus: Unamortized Premium                       |               |               |               |                      | (183,611)           | 183,611              |                     |
| Less Unamortized Discount                       |               |               |               |                      | 12,034              | (12,034)             |                     |
| Less Unamortized Deferred Costs                 |               |               |               |                      | 6,422               | (6,422)              |                     |
| Revenue Bonds Series B                          | 2009          | 2029          | 5.06/6.12%    | 7,940,000            |                     | 7,940,000            |                     |
| Less: Unamortized Discount                      |               |               |               |                      | 35,813              | (35,813)             |                     |
| Less: Unamortized Discount                      |               |               |               |                      | 18,131              | (18,131)             |                     |
| <b>Total (Net)</b>                              |               |               |               | <b>\$ 12,500,000</b> | <b>\$ 1,333,789</b> | <b>\$ 11,166,211</b> | <b>\$ 472,500</b>   |
| <b>TOTAL REVENUE BONDS</b>                      |               |               |               | <b>\$ 25,000,000</b> | <b>\$ 2,667,577</b> | <b>\$ 22,332,423</b> | <b>\$ 945,000</b>   |
| <b>TOTAL BONDED DEBT</b>                        |               |               |               | <b>\$149,515,491</b> | <b>\$57,030,652</b> | <b>\$ 92,484,839</b> | <b>\$ 7,623,666</b> |

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

City of Kent

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

| Year         | Governmental Activities |                      | Business-type Activities |                   | Total                |
|--------------|-------------------------|----------------------|--------------------------|-------------------|----------------------|
|              | Principal               | Interest             | Principal                | Interest          |                      |
| 2013         | \$ 4,722,909            | \$ 2,799,110         | \$ 967,091               | \$ 218,296        | \$ 8,707,406         |
| 2014         | 5,066,333               | 2,627,461            | 545,667                  | 174,692           | 8,414,153            |
| 2015         | 5,058,711               | 2,415,978            | 509,289                  | 147,408           | 8,131,386            |
| 2017         | 5,055,089               | 2,194,566            | 472,911                  | 120,671           | 7,843,237            |
| 2017         | 5,068,473               | 1,978,884            | 420,527                  | 95,843            | 7,563,727            |
| 2018-2022    | 24,673,968              | 6,601,947            | 1,717,032                | 183,646           | 33,176,593           |
| 2023-2027    | 12,405,000              | 1,142,888            |                          |                   | 13,547,888           |
| <b>Total</b> | <b>\$ 62,050,483</b>    | <b>\$ 19,760,834</b> | <b>\$ 4,632,517</b>      | <b>\$ 940,556</b> | <b>\$ 87,334,390</b> |

The estimated annual debt service requirements to maturity for special assessment bonds are as follows:

| Year         | Governmental Activities |                   |                     |
|--------------|-------------------------|-------------------|---------------------|
|              | Principal               | Interest          | Total               |
| 2013         | \$ 988,666              | \$ 180,806        | \$ 1,169,472        |
| 2014         | 734,015                 | 131,701           | 865,716             |
| 2015         | 750,000                 | 97,650            | 847,650             |
| 2016         | 675,000                 | 62,775            | 737,775             |
| 2017         | 560,000                 | 31,388            | 591,388             |
| 2018-2022    | 115,000                 | 5,348             | 120,348             |
| <b>Total</b> | <b>\$ 3,822,681</b>     | <b>\$ 509,668</b> | <b>\$ 4,332,349</b> |

Special assessment bonds amortization amounts are estimated since they are not term bonds, but are called as special assessment revenue is collected.

Revenue bond debt service requirements to maturity are as follows:

| Year         | Water Revenue Bonds  |                     | Sewerage Revenue Bonds |                     | Total                |
|--------------|----------------------|---------------------|------------------------|---------------------|----------------------|
|              | Principal            | Interest            | Principal              | Interest            |                      |
| 2013         | \$ 472,500           | \$ 588,147          | \$ 472,500             | \$ 588,147          | \$ 2,121,294         |
| 2014         | 487,500              | 573,972             | 487,500                | 573,972             | 2,122,944            |
| 2015         | 507,500              | 554,472             | 507,500                | 554,472             | 2,123,944            |
| 2016         | 527,500              | 534,172             | 527,500                | 534,172             | 2,123,344            |
| 2017         | 550,000              | 513,072             | 550,000                | 513,072             | 2,126,144            |
| 2018-2022    | 3,097,500            | 2,144,672           | 3,097,500              | 2,144,672           | 10,484,344           |
| 2022-2026    | 3,715,000            | 1,207,528           | 3,715,000              | 1,207,528           | 9,845,056            |
| 2028-2032    | 1,697,500            | 156,825             | 1,697,500              | 156,825             | 3,708,650            |
| <b>Total</b> | <b>\$ 11,055,000</b> | <b>\$ 6,272,860</b> | <b>\$ 11,055,000</b>   | <b>\$ 6,272,860</b> | <b>\$ 34,655,720</b> |

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

City of Kent

### DISCRETELY PRESENTED COMPONENT UNIT – SPECIAL EVENTS CENTER PFD:

The City of Kent Special Events Center Public Facilities District (PFD) has outstanding long-term **bonded debt** (net of unamortized amounts) of \$60,518,787.

The following is a summary of bonded debt issuance and redemption information as of December 31, 2012:

|                                  | Issuance Date | Maturity Date | Interest Rate | Original Amount      | Redemption to Date  | Outstanding 12/31/12 | Due Within One Year |
|----------------------------------|---------------|---------------|---------------|----------------------|---------------------|----------------------|---------------------|
| Sales Tax Bonds                  | 2008          | 2037          | 4-5.25%       | \$ 53,150,000        | \$ .                | \$ 53,150,000        | \$                  |
| Plus: Unamortized Premium        |               |               |               |                      | (990,074)           | 990,074              |                     |
| Less: Unamortized Deferred Costs |               |               |               |                      | 1,371,287           | (1,371,287)          |                     |
| Revenue Bonds                    | 2008          | 2020          | 3.16-5.75%    | \$ 10,130,000        | \$ 2,380,000        | \$ 7,750,000         | \$ 730,000          |
| <b>Total Bonded Debt</b>         |               |               |               | <b>\$ 63,280,000</b> | <b>\$ 2,761,213</b> | <b>\$ 60,518,787</b> | <b>\$ 730,000</b>   |

The Special Events Center Public Facilities District's annual debt service requirements to maturity for their sales tax and revenue bonds are as follows:

| <b>Special Events Center<br/>Public Facilities District</b> |                     |                     |                      |
|---|---------------------|---------------------|----------------------|
| Year  | Principal           | Interest            | Total                |
| 2013  | 730,000             | 3,082,428           | 3,812,428            |
| 2014  | 745,000             | 3,051,060           | 3,796,060            |
| 2015  | 865,000             | 3,016,053           | 3,881,053            |
| 2016  | 980,000             | 2,973,244           | 3,953,244            |
| 2017  | 1,100,000           | 2,921,755           | 4,021,755            |
| 2018-2022   | 7,885,000           | 13,565,331          | 21,450,331           |
| 2023-2027   | 12,975,000          | 11,109,305          | 24,084,305           |
| 2028-2032   | 20,255,000          | 7,239,163           | 27,494,163           |
| 2033-2037   | 15,365,000          | 2,438,813           | 17,803,813           |
| <b>Total</b>  | <b>\$60,900,000</b> | <b>\$49,397,152</b> | <b>\$110,297,152</b> |

### Arbitrage Compliance

All arbitrage compliance as per Section 148(f) of the Internal Revenue Service regulations, as amended, of the Internal Revenue Code for the City's tax-exempt bonds is current.

#### b. NONBONDED LONG-TERM DEBT

Special assessments on City property, notes, contracts, capital leases and compensated absences payable for a period greater than one year are recorded as long-term liabilities for Governmental Activities and in the individual Proprietary Funds.

The City has a contract with King County for road improvements. These are direct obligations of the City for which its full faith and credit is pledged. Debt service is paid from the General Obligation Debt Service Fund. It is funded by transfers from operating funds. Long-term debt for the long-term portion of compensated absences of \$1,632,230 is included with the total non-bonded long-term debt for governmental activities. See Note 14a for additional information pertaining to compensated absences.

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

### City of Kent

The City has non-bonded Proprietary Fund long-term debt payable from revenue generated by respective Proprietary Funds. The Water and Sewerage Funds have intergovernmental loans for specific capital projects. Long-term debt for the long-term portion of compensated absences of \$131,448 is recorded in the Proprietary Funds. See Note 14a for additional information pertaining to compensated absences.

The following is a summary of non-bonded debt issuance and redemption information as of December 31, 2012:

|                                      | Maturity<br>Date | Beginning<br>Balance | Additions    | Reductions  | Ending<br>Balance | Due Within<br>One Year |
|--------------------------------------|------------------|----------------------|--------------|-------------|-------------------|------------------------|
| <b>GOVERNMENTAL ACTIVITIES</b>       |                  |                      |              |             |                   |                        |
| <b>General Obligation:</b>           |                  |                      |              |             |                   |                        |
| Contract–King County 1996            |                  | \$ 1,810,709         | \$ .         | \$ .        | \$ 1,810,709      | \$ .                   |
| Contract–Valley Comm 2010 Ref        | 2015             | 848,000              |              | 201,000     | 647,000           | 215,000                |
| Trust Fund Loans (Street) 2004       | 2024             | 6,472,705            |              | 507,775     | 5,964,930         | 507,774                |
| Trust Fund Loans (Street) 2008       | 2028             | 4,026,316            | 500,000      | 236,842     | 4,289,474         | 268,092                |
| Interfund Loans 2012                 | 2022             |                      | 9,702,213    | 4,064       | 9,698,149         | 905,755                |
| LID 358 – Internal Financing         |                  | 133,808              |              | 25,914      | 107,894           | 35,965                 |
| Compensated Absences                 |                  | 4,153,075            | 3,912,219    | 3,973,798   | 4,091,496         | 2,562,230              |
| Total General Government             |                  | \$17,444,613         | \$14,114,432 | \$4,949,393 | \$26,609,652      | \$4,494,816            |
| <b>Internal Service Funds:</b>       |                  |                      |              |             |                   |                        |
| <u>Equipment Rental Fund:</u>        |                  |                      |              |             |                   |                        |
| Compensated Absences                 |                  | \$ 46,450            | \$ 64,134    | \$ 63,322   | \$ 47,262         | \$ 37,813              |
| <u>Central Services Fund:</u>        |                  |                      |              |             |                   |                        |
| Compensated Absences                 |                  | 215,911              | 150,456      | 184,786     | 181,581           | 128,315                |
| <u>Facilities Fund:</u>              |                  |                      |              |             |                   |                        |
| Energy Conservation Ln. 2003         | 2013             | 129,205              |              | 85,313      | 43,892            | 43,892                 |
| Energy Conservation Ln. 2004         | 2014             | 149,405              |              | 57,977      | 91,428            | 60,341                 |
| Compensated Absences                 |                  | 118,298              | 145,640      | 173,007     | 90,931            | 64,493                 |
| <u>Insurances Fund:</u>              |                  |                      |              |             |                   |                        |
| Compensated Absences                 |                  | 62,615               | 40,524       | 54,812      | 48,327            | 34,516                 |
| Total Internal Service Funds         |                  | \$ 721,884           | \$ 400,754   | \$ 619,217  | \$ 503,421        | \$ 369,370             |
| <b>Total Governmental Activities</b> |                  |                      |              |             |                   |                        |
| <b>Non-Bonded Long-Term Debt</b>     |                  | \$18,166,497         | \$14,515,186 | \$5,568,610 | \$27,113,073      | \$4,864,186            |

# Comprehensive Annual Financial Report 2012

City of Kent

Notes to the Financial Statements  
December 31, 2012

|  | Maturity Date | Beginning Balance | Additions    | Reductions   | Ending Balance | Due Within One Year |
|--|---------------|-------------------|--------------|--------------|----------------|---------------------|
| <b>BUSINESS-TYPE ACTIVITIES</b>        |               |                   |              |              |                |                     |
| <b>Proprietary Funds:</b>              |               |                   |              |              |                |                     |
| <i>Water Fund:</i>                     |               |                   |              |              |                |                     |
| Trust Fund Loan 2001                   | 2021          | \$ 5,277,778      | \$ .         | \$ 527,778   | \$ 4,750,000   | \$ 527,778          |
| Trust Fund Loan 2002                   | 2022          | 5,843,750         |              | 531,250      | 5,312,500      | 531,250             |
| Contract–Tacoma Pipeline               | 2032          | 17,806,578        |              | 148,946      | 17,657,632     | 162,219             |
| Contract–Tac. Pipeline 2010            | 2040          | 11,400,000        |              |              | 11,400,000     | 260,000             |
| Compensated Absences                   |               | 208,761           | 161,888      | 181,031      | 189,618        | 140,910             |
| Total Water Fund                       |               | \$40,536,867      | \$ 161,888   | \$ 1,389,005 | \$39,309,750   | \$1,622,157         |
| <i>Sewerage Fund:</i>                  |               |                   |              |              |                |                     |
| Trust Fund Loan 2004                   |               | \$ 1,050,000      | \$ .         | \$ 75,000    | \$ 975,000     | \$ 75,000           |
| Compensated Absences                   |               | 250,774           | 232,159      | 255,017      | 227,916        | 180,072             |
| Total Sewerage Fund                    |               | \$ 1,300,774      | \$ 232,159   | \$ 330,017   | \$ 1,202,916   | \$ 255,072          |
| <i>Golf Complex Fund:</i>              |               |                   |              |              |                |                     |
| Compensated Absences                   |               | \$ 80,813         | \$ 26,318    | \$ 22,031    | \$ 85,100      | \$ 50,204           |
| Total Golf Complex Fund                |               | \$ 80,813         | \$ 26,318    | \$ 22,031    | \$ 85,100      | \$ 50,204           |
| <b>Total Business-Type Activities</b>  |               |                   |              |              |                |                     |
| <b>Non-Bonded Long-Term Debt</b>       |               | \$41,918,454      | \$ 420,365   | \$ 1,741,053 | \$40,597,766   | \$1,927,433         |
| <b>TOTAL NON-BONDED LONG-TERM DEBT</b> |               | \$60,084,951      | \$14,935,551 | \$ 7,309,663 | \$67,710,839   | \$6,791,619         |

The annual debt service requirements to maturity for LID Internal Financing and Contracts, Loans and Notes are as follows:

| Year         | <u>LID Internal Financing</u>  |          | <u>Contracts, Loans, and Notes</u> |             |                                 |              | Total        |
|--------------|--------------------------------|----------|------------------------------------|-------------|---------------------------------|--------------|--------------|
|              | <u>Governmental Activities</u> |          | <u>Governmental Activities</u>     |             | <u>Business-Type Activities</u> |              |              |
|              | Principal                      | Interest | Principal                          | Interest    | Principal                       | Interest     |              |
| 2013         | 35,965                         | 4,855    | 2,000,8547                         | 228,538     | 1,556,247                       | 1,187,447    | 5,013,906    |
| 2014         | 35,965                         | 3,237    | 1,938,476                          | 199,077     | 1,573,263                       | 1,153,036    | 4,903,055    |
| 2015         | 35,964                         | 1,618    | 1,929,365                          | 172,135     | 1,602,295                       | 1,117,467    | 4,858,844    |
| 2016         |                                |          | 1,723,554                          | 145,289     | 1,619,312                       | 1,080,694    | 4,568,848    |
| 2017         |                                |          | 1,737,959                          | 127,027     | 1,654,352                       | 1,039,912    | 4,559,250    |
| 2018-2022    |                                |          | 10,719,634                         | 353,421     | 9,096,610                       | 4,532,379    | 24,702,044   |
| 2023-2027    |                                |          | 2,227,647                          | 34,826      | 8,328,424                       | 3,272,189    | 13,863,086   |
| 2028-2032    |                                |          | 268,093                            | 1,340       | 10,214,630                      | 1,824,257    | 12,308,320   |
| 2033-2037    |                                |          |                                    |             | 2,630,000                       | 627,698      | 3,257,698    |
| 2038-2042    |                                |          |                                    |             | 1,820,000                       | 134,637      | 1,954,637    |
| <b>Total</b> | \$107,894                      | \$ 9,710 | \$22,545,582                       | \$1,261,653 | \$40,095,133                    | \$15,969,716 | \$79,989,688 |

# Comprehensive Annual Financial Report 2012

Notes to the Financial Statements  
December 31, 2012

City of Kent

## 11. FUND EQUITY

### Fund Balance

Fund balance presented in the governmental fund financial statements represent the difference between assets plus deferred outflows and liabilities plus deferred inflows reported within the governmental fund. Fund balance is classified into the following categories:

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

**Restricted** – amounts constrained for specific purposes imposed by external parties.

**Committed** – amounts constrained by the City Council, either through formal budget adoption, contract approvals or for other purposes formally approved by the Council through ordinance.

**Assigned** – all amounts remaining in governmental funds, other than the general fund, not classified as nonspendable, restricted or committed. Amounts reported as assigned also include year-end encumbrances that have received approval from the city council and re-appropriated in the following year's carry forward budget.

**Unassigned** – any remaining fund balance in the general fund not classified as nonspendable, restricted, committed or assigned. The City's financial policies require a target amount of 10 percent fund balance to remain in the general fund for cash flow purposes.

- **Deficit** fund balance is excess of current liabilities and deferred inflows over current assets and deferred outflows. Of the major funds, the Capital Improvement had a deficit fund balances of \$11,036,996 as of December 31, 2012. In the non-major funds, the Environmental Mitigation Special Revenue Fund had a deficit fund balance of \$661 as December 31, 2012.

The City considers restricted amounts to have been spent first when expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available. When expenditures of unrestricted fund balance are incurred, the City considers committed amounts spent first, then assigned amounts and lastly, unassigned amounts.

## 12. INFORMATION ON ENTERPRISE FUNDS

The City has three Enterprise Funds. Information pertaining to each fund is presented below:

### a. WATER

The Water Fund collects all revenues for the City's water utility, pays the expenses of the utility, pays amounts as required by bond covenants for debt service and expends certain monies to fund improvements to the system. The water service fees include a flat monthly meter access fee and a water usage fee based on a customer's water consumption. Effective January 1, 2012, both meter access fees and usage fees increased three percent. This follows a three percent increase in fees on January 1, 2011.

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City of Kent

Notes to the Financial Statements  
December 31, 2012

Shown below are the new rates effective as of January 1, 2012 compared to 2011 rates:

**Meter Access Fee Rates (monthly)**

| <u>Meter Size</u> | <b>Effective<br/>2011</b> | <b>Effective<br/>2012</b> |
|-------------------|---------------------------|---------------------------|
| 3/4" or 5/8"      | \$11.99                   | \$12.35                   |
| 1"                | \$20.37                   | \$20.98                   |
| 1 1/2"            | \$31.09                   | \$32.03                   |
| 2"                | \$41.22                   | \$42.46                   |
| 3"                | \$87.39                   | \$90.02                   |
| 4"                | \$105.90                  | \$109.08                  |

**Usage Rates 2011**

|                    |                   | <b>Inside City Limits</b> | <b>Outside City Limits</b> |
|--------------------|-------------------|---------------------------|----------------------------|
| <u>Monthly</u>     |                   |                           |                            |
| Summer (5/1-9/30)  | First 700 cu. ft. | \$3.66 per 100 cu. ft.    | \$4.46 per 100 cu. ft.     |
|                    | Over 700 cu. ft.  | \$4.66 per 100 cu. ft.    | \$5.48 per 100 cu. ft.     |
| Winter (10/1-4/30) | First 700 cu. ft. | \$2.77 per 100 cu. ft.    | \$3.66 per 100 cu. ft.     |
|                    | Over 700 cu. ft.  | \$3.75 per 100 cu. ft.    | \$4.66 per 100 cu. ft.     |

**Usage Rates 2012**

|                    |                   | <b>Inside City Limits</b> | <b>Outside City Limits</b> |
|--------------------|-------------------|---------------------------|----------------------------|
| <u>Monthly</u>     |                   |                           |                            |
| Summer (5/1-9/30)  | First 700 cu. ft. | \$3.88 per 100 cu. ft.    | \$4.74 per 100 cu. ft.     |
|                    | Over 700 cu. ft.  | \$4.94 per 100 cu. ft.    | \$5.82 per 100 cu. ft.     |
| Winter (10/1-4/30) | First 700 cu. ft. | \$2.94 per 100 cu. ft.    | \$3.88 per 100 cu. ft.     |
|                    | Over 700 cu. ft.  | \$3.98 per 100 cu. ft.    | \$4.94 per 100 cu. ft.     |

b. **SEWERAGE**

The Sewerage Fund is a combined fund for Sewer and Drainage operations. The Fund collects all revenues for the utility, pays the expenses of the utility, and expends certain monies to fund sewer and drainage system improvements.

The sewer operation is a collection system which pumps wastes to METRO, a regional treatment agency under King County. All collection districts in King County contract with METRO for sewage treatment. Rate increases for sewer are primarily related to pass through charges from METRO. For fiscal year 2012 the single family residential rates for sewer were a City fee of \$16.61 per month and a METRO fee of \$36.10 per month for a total monthly fee of \$52.71.

The drainage operation started in May 1985 and collects revenue to fund operating charges. Effective January 1, 2012, the drainage fee for single family residences increased five percent from \$10.06 to \$10.56 per month. The rate for multi-family and commercial establishments varies based on a calculation of impervious surfaces.

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The following shows the separation of the Sewerage Fund into its components.

|                    | Amounts shown in thousands |           |           |
|--------------------|----------------------------|-----------|-----------|
|                    | Sewer                      | Drainage  | Total     |
| Operating Revenues | \$ 22,330                  | \$ 17,232 | \$ 39,562 |
| Operating Expenses | (22,806)                   | (12,783)  | (35,589)  |
| Operating Income   | \$ (476)                   | \$ 4,449  | \$ 3,973  |

c. **GOLF COMPLEX**

In 1981, the City purchased a golf facility that included a 9-hole executive golf course, a mini-putt facility, and a driving range. An 18-hole golf course was completed in 1989 funded by the issuance of revenue bonds. The revenue bonds were refunded in 1995 with a limited-tax general obligation issue that also included some new money for driving range and mini-putt improvements. On June 1, 1993, the City contracted with a private corporation to operate the City's Golf Complex. Due to the retirement of the key management person of the corporation, the management contract was terminated on December 31, 1999. The City took over all golf operations and continued a contract for merchandising at January 1, 2000. During 2000, the City entered into a separate management contract to operate the 9-hole executive course, mini-putt facility, and the driving range. The same contractor entered into a lease agreement with the City to build and operate a new restaurant at the 18-hole course. In 2010, the restaurant entered into a new lease agreement with a new contractor, Mick Kelly's Irish Pub. In 2001, the golf merchandise contractor closed its store at the complex. The City Council passed the golf merchandising program on November 20, 2001 to be effective December 1, 2001. The City operates the 18-hole course, runs the merchandising operation, and provides all of the maintenance at the complex. The Golf Complex Fund collects all revenues and pays all expenses. The complex had a decrease of net position of \$492,579 in 2012, and net position of \$4,854,964 at December 31, 2012.

13. **PROPERTY TAXES**

The County Treasurer acts as an agent in collecting property taxes for all taxing authorities in the County. Taxes are levied annually on January 1, on property value listed as of the prior July 31. They become a lien on the first day of the levy year. Assessed values are established by the County Assessor at 100 percent of fair market value. A reevaluation of all property is required every year and a physical inspection required at least once every six years.

Tax bills are mailed on February 14 and are due on April 30. They may be paid in two equal installments on April 30 and October 31. If not remitted by April 30, the whole amount becomes delinquent with penalties and delinquent interest assessed on that amount. The County Treasurer remits collections to the individual taxing districts daily by electronic funds transfer as amounts are received and allocated to taxing districts. General and Debt Service Funds receivables include \$179,367 for delinquent property taxes. No estimate of uncollectible taxes is made since state law allows for sale of property for failure to pay taxes.

The City is permitted by law to levy up to \$3.60 per \$1,000 of assessed valuation for general government services. This amount is reduced for the following reasons:

- a. The Washington State Constitution limits the total statutory property tax levy to \$10.00 per \$1,000 of assessed valuation. This 1 percent value limit is subject to additional reduction of 10 percent on all regular taxing rates except for Port and Utility Districts, Conservation Futures, Emergency Medical Services and State levies. The effective levy limit is \$5.55 per \$1,000 assessed valuation as follows: \$1.80 for the County, \$3.60 for the City and \$.15 is a floating limitation where applicable. In addition, the City has given

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## **Notes to the Financial Statements December 31, 2012**

### **City of Kent**

\$.50 to the County to fund the library and \$1.00 to the Kent Regional Fire Authority.

- b. Washington State law in RCW 84.55.010 limits the growth of regular property tax revenue. If total city assessed valuation increases by more than the allowable rate, the levy rate is proportionally decreased.
- c. Referendum 47 passed in November 1997 limited the growth of the property tax levy to the lesser of 6% or inflation.
- d. Initiative 747 passed in November 2001 further limits property tax levy growth by the lesser of 1% or inflation. As a result of Initiative 747, Washington State law in RCW 84.55.0101 limits the growth of regular property tax revenue to 1%.
- e. The City may voluntarily levy taxes below the legal limit.

Special property tax levies approved by the voters are not subject to the above limitations.

For 2012, the City's regular tax levy was \$1.568 per \$1,000 of assessed valuation based on the 2011 assessed valuation of \$12,639,004,936 for a total regular levy of \$19,782,239.

#### **14. PERSONNEL BENEFITS**

##### **a. SICK, VACATION AND COMPENSATORY LEAVE**

Eligible employees earn twelve days sick leave and twelve to twenty-two days vacation leave per year depending on the employee's length of service and union agreement. Law enforcement officers and firefighters hired on or before September 30, 1977 receive unlimited sick leave. Maximum sick leave accruable for other employees is 130 days. Compensatory leave is time off in lieu of pay, but is due and owing to employees upon termination. Employees leaving the City of Kent are entitled to be paid for all unused vacation and compensatory leave. Upon termination, police officers hired prior to January 1, 2008, who retire or separate in good standing, will be compensated for the hours, up to 1,040 hours, remaining in their sick leave bank based on their tenure as commissioned officers with the Kent Police Department. The compensation is calculated, based on their tenure, at a percentage (between 20 and 80 percent) of the employee's hourly rate. Compensated absences payable includes the sick leave buy-out for retired and separated police officers as well as vacation and compensatory leave for all employees per GASB Statement No. 16.

There are some sick leave benefits which are not paid to the employees upon termination, but instead are due in January following the year earned. Police officers are eligible to receive compensation for accrued sick leave exceeding 1,040 hours at December 31. The City also pays all eligible employees a sick leave incentive amount based on the number of sick days accrued at year end. The amount paid equates from 8 to 32 hours at base pay.

In the Governmental Activities Statement of Net Position, the current portion of compensated absences plus estimated benefits, including internal services, is estimated to be \$2,827,367 and the estimated long term, portion, including internal services is \$1,632,230. The liabilities are typically liquidated by the general fund, with exception to those related to internal services. In the Proprietary Funds, the current portion is that amount which is anticipated to be paid within the next fiscal period. The Proprietary Funds fully accrue compensated absences plus estimated benefits thereon, and separate current and long-term portions for balance sheet purposes only. In the Business-type Activities Statement of Net Position, the estimated current amount is \$371,186 and the estimated long-term portion is \$131,448.

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## Notes to the Financial Statements December 31, 2012

City of Kent

b. **RETIREMENT**

The City's contributions to retirement programs in 2012 were:

|   |                    |
|---|--------------------|
| To Federal Social Security System                 | \$3,639,299        |
| To State administered employee retirement systems | <u>3,251,044</u>   |
| Total   | <u>\$6,890,343</u> |

Retirement payments to City employees from all City funds in 2012 were:

|  |                   |
|--|-------------------|
| From Firemen's Relief and Pension Fund | <u>\$ 382,158</u> |
|--|-------------------|

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 (DRS), under cost sharing multiple employer public employee defined benefit and defined contribution retirement plans. The City of Kent contributes semi-monthly to the Public Employees Retirement System (PERS), the Law Enforcement Officers and Fire Fighters Retirement System (LEOFF), and the Public Safety Employees' Retirement System (PSERS). The State legislature is responsible for establishing and amending plan provisions.

DRS, 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 from their website [www.drs.wa.gov/administration/annualreport/cafr](http://www.drs.wa.gov/administration/annualreport/cafr) or contact them at:

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

The following disclosures are made pursuant to GASB Statement No. 27, Accounting for Pensions by State and Local Government Employers and GASB Statement No. 50, Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27.

(1) **Public Employees' Retirement System (PERS) Plans 1, 2 and 3**

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in a judicial retirement system); employees of legislative committees; college and university employees not in national higher education retirement programs; judges of district and municipal courts; and employees of local governments. Approximately 50 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component. (As used in this context, "plans" refers to tiers within PERS. The actual plan is PERS.)

PERS members who joined the system by September 30, 1977, are Plan 1 members. Those who joined on or after October 1, 1977 and by August 31, 2002 are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after September 1, 2002 have the irrevocable option of choosing membership in either PERS Plan 2 or Plan 3. The option must be exercised within 90 days of employment.

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Employees who fail to choose within 90 days default to PERS Plan 3. Notwithstanding, PERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 account for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2012, the rate was five and one-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from PERS-covered employment.

**PERS Plan 1** members are vested after completion of five years of eligible service. Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is two percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

The monthly benefit is subject to a minimum for retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. If a survivor option is chosen, the benefit is reduced. Plan 1 members retiring from inactive status prior to the age of 65 may also receive actuarially reduced benefits. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount.

A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is two percent of the AFC for each year of service reduced by two percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service while actively serving in the military, if such credit makes them eligible to retire. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

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The survivor of a PERS Plan 1 member who dies after having earned ten years of service credit has the option, upon the member's death, of either a monthly survivor benefit or the lump sum of contributions plus interest.

**PERS Plan 2** members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is two percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 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 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. The surviving spouse or eligible children of a PERS Plan 2 member who dies after having earned ten years of service credit has the option of either a monthly benefit or a lump sum payment of the member's contributions plus interest.

**PERS Plan 3** has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from five percent to 15 percent of salaries, based on member choice. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined benefit contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 investments are made in the same portfolio as that of the PERS 2/3 defined benefit plan.

For DRS' fiscal year 2012, PERS Plan 3 employee contributions were \$95.2 million, and plan refunds paid out were \$66.2 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is one percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS 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 twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

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Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

PERS Plan 3 benefit retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is two percent of the AFC per year of service. For Plan 3, the monthly benefit amount is one percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at three percent annually.

PERS Plan 2 and Plan 3 members may have up to ten years of interruptive military service credit; five years at no cost and five years that may be purchased by paying the required contributions.

PERS Plan 2 and Plan 3 a members who becomes totally incapacitated for continued employment while serving the uniformed services, or a surviving spouse or eligible children, may request interruptive military service credit.

PERS Plan 2 and Plan 3 members can purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's retirement benefit.

Beneficiaries of a PERS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of member's covered employment, if found eligible by the Department of Labor and Industries.

#### *Judicial Benefit Multiplier*

From January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The

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City of Kent

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benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of average compensation.

Members who chose to participate would: accrue service credit at the higher multiplier beginning with the date of their election; be subject to the benefit cap of 75 percent AFC; stop contributing to the Judicial Retirement Account (JRA); pay higher contributions; and be given the option to increase the multiplier on past judicial service. Members who did not choose to participate would: continue to accrue service credit at the regular multiplier; not be subject to a benefit cap; continue to participate in JRA, if applicable; continue to pay contributions at the regular PERS rate; and never be a participant in the JBM program.

Newly elected or appointed justices and judges who chose to become PERS members on or after January 1, 2007, or who have not previously opted in PERS membership, were required to participate in the JBM Program. Members required into the JBM program would: return to prior PERS Plan if membership had previously been established; be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member; accrue the higher multiplier for all judicial service; not contribute to JRA; and not have the option to increase the multiplier for past judicial service.

There are 2,248 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2011:

|  |         |
|--|---------|
| Retirees and Beneficiaries Receiving Benefits                      | 79,363  |
| Terminated Plan Members Entitled to But Not Yet Receiving Benefits | 29,925  |
| Active Plan Members Vested   | 105,578 |
| Active Plan members Nonvested                                      | 46,839  |
| Total  | 261,705 |

## Funding Policy

The State Legislature has established minimum contribution rates for the PERS plans (Chapter 56, Laws of 2009). All employers are required to contribute at the level established by the Legislature.

Each biennium, the state Pension Funding Council adopts PERS Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and PERS Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at six percent. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Plan 3 employee contribution rate ranges from five percent to 15 percent, based on member choice. Two of the options are graduated rates dependent on the employee's age.

As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program.

The methods used to determine the PERS contribution rates are established under state statute in accordance with Chapters 41.40 and 41.45 RCW.

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The City's contribution rates expressed as a percentage of current-year covered payroll, for the year ending December 31, 2012 are as follows:

Members not participating in JBM:

|           | Plan 1<br>Required | Plan 2<br>Required | Plan 3<br>Required |
|-----------|--------------------|--------------------|--------------------|
| Employer* | 7.08%**            | 7.08%****          | 7.08%***           |
| Employee  | 6.00%****          | 4.64%****          | ****               |
| Total     | 13.08%             | 11.72%****         | 7.08%              |

\*The employer rates include the employer administrative expense fee currently set at 0.16%.

\*\*The employer rate for state elected officials is 10.54% for Plan 1 and 7.08% for Plan 2 and Plan 3.

\*\*\*Plan 3 defined benefit portion only.

\*\*\*\*The employee rate for state elected officials is 7.50% for Plan 1 and 4.64% for Plan 2.

\*\*\*\*Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Members participating in JBM:

|          | Plan 1<br>Required | Plan 2<br>Required | Plan 3<br>Required |
|----------|--------------------|--------------------|--------------------|
| Employer | 7.08%              | 7.08%              | 7.08%**            |
| Employee | 12.26%             | 11.60%             | 7.50%***           |
| Total    | 19.34%             | 18.68%             | 14.58%             |

\*The employer rates include the employer administrative expense fee currently set at 0.16%.

\*\*Plan 3 defined benefit portion only.

\*\*\*Minimum rate.

Both the City and the employees made the required contribution. The City's required contributions for the years ended December 31 2012, were as follows:

|      | PERS Plan 1 | PERS Plan 2 | PERS Plan 3 |
|------|-------------|-------------|-------------|
| 2012 | \$ 70,265   | \$1,935,045 | \$414,761   |
| 2011 | \$ 83,652   | \$1,731,599 | \$381,649   |
| 2010 | \$ 86,446   | \$1,437,394 | \$282,245   |

## Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans 1 and 2

LEOFF was established in 1970 by the Legislature. Membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters and, as of July 24, 2005, emergency medical technicians. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003, being an exception. LEOFF retirement benefit provisions are established in Chapter 41.26 RCW and may be amended only the State Legislature.

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members who joined the system by September 30, 1977 are

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Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature.

LEOFF retirement benefits are financed from the combination of investment earnings, employer and employee contributions, and a special funding situation in which the state legislative appropriations. Employee contributions to the LEOFF Plan 1 and Plan 2 defined benefit plans accrue interest at a rate of specified by the Director of DRS. During DRS' fiscal year 2012, the rate was five and one-half percent compounded quarterly. Members in LEOFF Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest earnings upon separation from LEOFF-covered employment.

**LEOFF Plan 1** members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

| <b>Term of Service</b> | <b>Percent of Final Average</b> |
|------------------------|---------------------------------|
| 20+                    | 2.0%                            |
| 10 but less than 20    | 1.5%                            |
| 5 but less than 10     | 1.0%                            |

The final average salary (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 10 years of service. A cost-of-living allowance is granted (based on the Consumer Price Index).

LEOFF Plan 1 provides death and disability benefits. Death benefits for survivors of Plan 1 members on active duty consist of the following: (1) If eligible spouse, 50 percent of the FAS, plus five percent of FAS for each eligible surviving child, with a limitation on the combined benefit of 60 percent of the FAS; or (2) If no eligible spouse, eligible children received 30 percent of FAS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of FAS, divided equally.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 1 member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

The LEOFF Plan 1 disability allowance is 50 percent of the FAS plus five percent for each child up to a maximum of 60 percent. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, the benefit continues as the greater of the member's disability benefit or service retirement benefit.

LEOFF Plan 1 members may purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's benefit.

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**LEOFF Plan 2** members are vested after an employee completes five years of eligible service.

Plan 2 members are eligible for retirement at the age of 53 with five years of service, or at age 50 with 20 years of service. Plan 2 members receive a benefit of two percent of the FAS per year of service (the FAS is based on the highest consecutive 60 months), actuarially reduced to reflect the choice of a survivor option. 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. A cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 benefit amount is two percent of the FAS for each year of service. Benefits are reduced to reflect the choice of survivor option and for each year that the member's age is less than 53, unless the disability is duty-related. 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.

A disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are catastrophically disabled in the line of duty and incapable of future substantial gainful employment in any capacity. Effective June 2010, benefits to LEOFF Plan 2 members who are catastrophically disabled include payment of eligible health care insurance premiums.

Members of LEOFF Plan 2 who leave service because of a line of duty disability are allowed to withdraw 150 percent of accumulated member contributions. This withdrawal benefit is not subject to federal income tax. Alternatively, members of LEOFF Plan 2 who leave service because of a line of duty disability may be eligible to receive retirement allowance of at least ten percent of FAS and two percent per year of service beyond five years. The first ten percent of the FAS is not subject to federal income tax.

LEOFF Plan 2 retirees may return to work in an eligible position covered by another retirement system, choose membership in that system and suspend their pension benefits, or not choose membership and continue receiving pension benefits without interruption.

LEOFF Plan 2 members who apply for retirement may purchase up to five years of additional service credit. The cost of this credit is the actuarial equivalent of the resulting increase in the member's benefit.

LEOFF Plan 2 members can receive service credit for military service that interrupts employment. Additionally, LEOFF Plan 2 members who become totally incapacitated for continued employment while serving in the uniformed services, or a surviving spouse or eligible children, may request interruptive military service credit.

LEOFF Plan 2 members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a LEOFF Plan 2 member who is killed in the course of employment receive retirement benefits without actuarial reduction, if found eligible by the Director of the Department of Labor and Industries. Benefits to the eligible surviving spouses and dependent children of LEOFF Plan 2 members killed in the course of employment include the payment of on-going health care insurance premiums paid to the Washington state Health Care Authority.

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A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 2 member who dies as a result of injuries or illness sustained in the course of employment, or if death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

Legislation passed in 2009 provides to the Washington-state-registered domestic partners of LEOFF Plan 2 members the same treatment as married spouses, to the extent that the treatment is not in conflict with federal laws.

There are 427 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2011:

|  |        |
|--|--------|
| Retirees and Beneficiaries Receiving Benefits                      | 9,947  |
| Terminated Plan Members Entitled to But Not Yet Receiving Benefits | 656    |
| Active Plan Members Vested   | 13,942 |
| Active Plan Members Non-vested                                     | 3,113  |
| Total  | 27,658 |

Funding Policy

Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plans. Starting on July 1, 2000, Plan 1 employers and employees contribute zero percent as long as the plan remains fully funded. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board.

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. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute. For DRS' fiscal year 2012, the state contributed \$52.8 million to LEOFF Plan 2.

The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.26 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2012, were as follows:

|           | Plan 1<br>Required | Plan 2<br>Required |
|-----------|--------------------|--------------------|
| Employer* | 0.16%              | 5.24%              |
| Employee  | 0.00%              | 8.46%              |
| State     | N/A                | 3.38%              |
| Total     | 0.16%              | 17.08%             |

\*The employer rates include the employer administrative expense fee currently set at 0.16%.

Both the City and the employees made the required contributions. The City's required

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contributions for the years ended December 31, were as follows:

|      | LEOFF Plan 1 | LEOFF Plan 2 |
|------|--------------|--------------|
| 2012 | \$ 34        | \$ 672,934   |
| 2011 | \$ 158       | \$ 671,528   |
| 2010 | \$ 350       | \$1,118,831  |

## Public Safety Employees' Retirement System (PSERS)

### Plan Description

PSERS was created by the 2004 legislature and became effective July 1, 2006. PSERS retirement benefit provisions have been established by Chapter 41.37 RCW and may be amended only by the State Legislature.

PSERS is a cost-sharing multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2.

PSERS Plan 2 membership includes:

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

A *covered employer* is one that participates in PSERS. Covered employers include the following:

- State of Washington agencies: Department of Corrections; Department of Natural Resources, Parks and Recreation Commission, Gambling Commission, Washington State Patrol and Liquor Control Board;
- Washington state counties;
- Washington state cities except for Seattle, Tacoma and Spokane; and
- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

To be eligible for PSERS, an employee must work on a full-time basis and:

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

PSERS retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the plan accrue interest at a rate specified by the Director of DRS. During DRS' fiscal year 2012, the rate was five and one-half percent compounded quarterly. Members in PSERS Plan 2 can elect to withdraw total employee contributions and interest there on upon separation from PSERS-covered employment.

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PSERS Plan 2 members are vested after the completion of five years of eligible service.

PSERS members may retire with a monthly benefit of two percent of the average final compensation (AFC) at the age of 65 with five years of service; or at the age of 60 with at least ten years of PSERS service credit; or at age 53 with 20 years of service. The AFC is the monthly average of the member's 60 consecutive highest-paid service credit months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PSERS members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a three percent per year reduction for each year between the age at retirement and age 60 applies.

PSERS Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The monthly benefit is two percent of the AFC for each year of service. The AFC is based on the member's 60 consecutive highest creditable months of service. Benefits are actuarially reduced for each year that the member's age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years). There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Seattle Consumer Price Index), capped at three percent annually.

PSERS Plan 2 members can receive service credit for military service that interrupts employment. Additionally, PSERS members who become totally incapacitated for continued employment while serving the uniformed services, or a surviving spouse or eligible children, may request interruptive military service credit.

PSERS members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a Plan 2 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction. This provision applies to any member killed in the course of employment, if found eligible by the Director of Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PSERS member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PSERS member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

# Comprehensive Annual Financial Report 2012

There are 76 participating employers in PSERS. Membership in PSERS consisted of the following as of the latest actuarial valuation date for the plan of June 30, 2011:

|  |       |
|--|-------|
| Retirees and Beneficiaries Receiving Benefits                      | 15    |
| Terminated Plan members Entitled to but not yet Receiving Benefits | 1     |
| Active Plan Members Vested   | 167   |
| Active Plan Members Non-vested                                     | 4,020 |
| Total  | 4,203 |

Funding Policy

Each biennium, the state Pension Funding Council adopts PSERS Plan 2 employer and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2. The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.37 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2012, are as follows:

|           | <b>Plan 2<br/>Required</b> |
|-----------|----------------------------|
| Employer* | 8.74%                      |
| Employee  | 6.36%                      |
| Total     | 15.1%                      |

\*The employer rate includes an employer administrative expense fee of 0.16%.

Both the City and the employees made the required contributions. The City's required contributions for the years ended December 31 were as follows:

|      | <b>PSERS<br/>Plan 2</b> |
|------|-------------------------|
| 2012 | \$ 128,920              |
| 2011 | \$ 107,702              |
| 2010 | \$ 96,625               |

**Firemen's Relief and Pension System**

The Firemen's Relief and Pension system is a single employer defined benefit pension plan. Membership is limited to firefighters employed prior to March 1, 1970. The City's liability under the system is composed of all benefits for firefighters retired prior to March 1, 1970, who are members of the system. The system is a trust fund in the financial reports of the City, and is administered by the Firemen's Relief and Pension Board made up of two members of the system, the Mayor, and a Councilmember. The plan is governed by State statute and does not issue a stand-alone financial report.

The accrual basis of accounting was used to prepare the Firemen's Relief and Pension Fund statements. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and

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payable in accordance with the terms of the plan.

As of December 31, 2012 there were a total of 10 individuals covered by this system and drawing benefits. The City's covered payroll for year ending December 31, 2012 was \$129,298. The most recent actuarial study of the system was done by Milliman & Robertson, Inc. to determine the funding requirements as of January 1, 2012. As of that date, the fair value of all plan assets was \$3,159,301 and the actuarial present value of future benefits was \$2,729,000. The City contributed \$145,792 in 2012. The actuary computed the annual required contribution (ARC) using the Entry Age Normal Cost Method. Since nearly all members have already retired, the amount of the annual Normal Cost is small. Other actuary assumptions in the study were a 2.75% inflation rate, a 4.0% investment return, and an annual 3.75% increase in salaries and post retirement benefits. The amortization method used is level dollar of projected payroll over a 30 year closed period beginning January 1, 1999.

| <b>GASB Statement No. 27</b>                          |              |              |              |
|---|--------------|--------------|--------------|
| <b>Annual Pension Cost and Net Pension Obligation</b> |              |              |              |
|   | 12/31/10     | 12/31/11     | 12/31/12     |
| Annual required contribution (ARC)                    |              |              |              |
| 1 Annual Normal Cost (BOY)                            | \$ 0         | \$ 0         | \$ 0         |
| 2 Amortization of UAAL (BOY)                          | (46,150)     | (46,150)     | (33,607)     |
| 3 Interest to EOY $[(1)+(2)]^1 \times (i)^1$          | (1,846)      | (1,846)      | (1,344)      |
| 4 ARC at EOY $[(1)+(2)+(3)]$                          | \$ (47,996)  | \$ (47,996)  | \$ (34,951)  |
| 5 Interest on NPO                                     | (13,763)     | (12,660)     | (12,178)     |
| 6 Adjustment to ARC                                   | (25,190)     | (24,039)     | (24,063)     |
| 7 Annual pension cost $[(4)+(5)-(6)]$                 | \$ (36,569)  | \$ (36,617)  | \$ (23,066)  |
| 8 Employer Contributions <sup>2</sup>                 | (64,151)     | (48,662)     | (59,033)     |
| 9 Change in NPO $[(7)-(8)]$                           | \$ 27,582    | 12,045       | \$ 35,967    |
| 10 NPO at BOY $[(11) \text{ prior year}]$             | \$ (344,078) | \$ (316,496) | \$ (304,451) |
| 11 NPO at EOY $[(9)+(10)]$                            | \$ (316,496) | \$ (304,451) | \$ (268,484) |

<sup>1</sup>*i* is the assumed interest rate that year: 5.0% in 2009, 4.0% in 2010, 4.0% in 2011, 4.0% in 2012.

<sup>2</sup>Employer contributions for pensions are total contributions to the Fund net of disbursements from the Fund for medical expenses under RCW 41.26.150 and administrative expenses.

| <b>GASB Statement No. 27</b>        |                                 |   |                                    |
|-------------------------------------|---------------------------------|---|------------------------------------|
| <b>Three Year Trend Information</b> |                                 |   |                                    |
| Fiscal Year<br>Ending               | Annual<br>Pension Cost<br>(APC) | Contribution as<br>a Percentage<br>of APC | Net Pension<br>Obligation<br>(NPO) |
| December 31, 2010                   | (36,569)                        | N/A                                       | (316,496)                          |
| December 31, 2011                   | (36,617)                        | N/A                                       | (304,451)                          |
| December 31, 2012                   | (23,066)                        | N/A                                       | (268,484)                          |

# Comprehensive Annual Financial Report 2012

City of Kent

Notes to the Financial Statements  
December 31, 2012

## Schedule of Employer Contributions

| Fiscal Year Ending | Employer Contributions* | Fire Insurance Premiums | Total Employer Contributions | Annual Required Contribution ARC | Percentage of ARC Contributed |
|--------------------|-------------------------|-------------------------|------------------------------|----------------------------------|-------------------------------|
| December 31, 2007  | \$(191,365)             | \$121,172               | \$(70,193)                   | \$(72,177)                       | (97.25)%                      |
| December 31, 2008  | \$(191,388)             | \$131,845               | \$(59,543)                   | \$(46,550)                       | (127.91)%                     |
| December 31, 2009  | \$(194,350)             | \$132,085               | \$(62,265)                   | \$(46,550)                       | (133.76)%                     |
| December 31, 2010  | \$(210,727)             | \$146,576               | \$(64,151)                   | \$(47,996)                       | (133.66)%                     |
| December 31, 2011  | \$(200,000)             | \$151,338               | \$(48,662)                   | \$(47,996)                       | (101.39)%                     |
| December 31, 2012  | \$(204,825)             | \$145,792               | \$(59,033)                   | \$(34,951)                       | (168.90)%                     |

\*Employer contributions for pensions are total contributions to the Fund net of disbursements from the Fund for medical expenses under RCW 41.26.150 and administrative expenses.

The Firemen's Relief and Pension System's investments at December 31, 2012, of \$3,057,723 recorded at fair market value, were in the following obligations:

|                       | Market Value |
|-----------------------|--------------|
| Government Agencies   | \$ 862,723   |
| State Investment Pool | 2,195,000    |
| Total                 | \$3,057,723  |

### Retirement Health Care Benefits-LEOFF I Retirement System

During the year ended December 31, 2007, the City adopted the provisions of GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" (GASB No. 45), which requires the City to accrue other postemployment benefits (OPEB) expense related to its postretirement healthcare plan based on a computed annual required contribution (ARC) that includes the current period's service cost and an amount to amortize unfunded actuarial accrued liabilities. Instead of recording expense on a "pay-as-you-go" basis, the City, under GASB No. 45, has recorded a liability of approximately \$1,002,923 for the difference between the actuarially calculated ARC and the estimated contributions made since the adoption of GASB No. 45. Such liability is included in other noncurrent liabilities in the December 31, 2012 statement of net position. The effect of GASB No. 45 for the current fiscal year was to decrease the City's excess of revenue over expenses and the City's net position for the year ended December 31, 2012 by approximately \$142,163.

*Plan Description.* The City of Kent Health Plan for LEOFF I Retirees (the Health Plan) is a single-employer defined-benefit healthcare plan administered by the City. The Health Plan provides medical, prescription drug, dental, vision, long-term care, and other unreimbursed medical benefits to eligible retirees. The Health Plan's actuary is Healthcare. The Health Plan does not issue a separate stand-alone financial report.

*Funding policy.* Retirees are not required to contribute to the Health Plan.

For the fiscal year ended December 31, 2012, the City contributed an estimated \$945,730 to the Health Plan to prefund benefits.

*Annual OPEB Cost and Net OPEB Obligation.* The basis for the City's annual OPEB cost

# Comprehensive Annual Financial Report 2012

City of Kent

Notes to the Financial Statements  
December 31, 2012

(expense) is the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, we project will cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following displays the components of the City's annual OPEB cost, the estimated amount contributed to the Health Plan, and changes in the City's net OPEB obligation to the Health Plan:

|   |               |
|---|---------------|
|   | 12/31/12      |
| Amortization of unfunded actuarial accrued liability (UAAL) at transition | \$ 803,567    |
| ARC   | \$ 803,567    |
| Annual OPEB cost (expense)  | \$ 803,567    |
| Contributions made*   | (945,730)     |
| Increase in net OPEB obligation   | \$ (142,163)  |
| Net OPEB obligation – beginning of year                                   | (860,760)     |
| Net OPEB obligation – end of year   | \$(1,002,923) |

\*Replaced with actual contributions made.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Health Plan, and the net OPEB obligation follow:

| Fiscal Year Ending | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Obligation  |
|--------------------|------------------|--|-------------|
| December 31, 2012  | \$ 803,567       | 117.7%                                     | \$1,002,923 |
| December 31, 2011  | \$ 803,567       | 108.7%                                     | \$ 860,760  |
| December 31, 2010  | \$ 834,735       | 90.5%                                      | \$ 791,059  |

*Funded Status and Funding Progress.* The funded status of the Health Plan as of December 31, 2010, the date of the last actuarial valuation, follows:

|   |              |
|---|--------------|
| Actuarial accrued liability (AAL) – Unit Credit   | \$20,959,291 |
| Actuarial value of plan assets                    | 647,099      |
| Unfunded actuarial accrued liability (UAAL)       | \$20,312,192 |
| Funded ratio (actuarial value of plan assets/AAL) | 3.1%         |

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. GASB 45 requires that the schedule of funding progress, presented as required additional information following the notes to the financial statements, present multi-year trend information that shows whether the actuarial value of Health Plan assets in increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial methods and Assumptions.* The basis of projections of benefits for financial reporting purposes is the substantive plan (the Health Plan as understood by the City and members of the Health Plan) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and members

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

City of Kent

of the Health Plan to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The December 31, 2010 valuation used the unit credit actuarial cost method. The actuarial assumptions included a 0.26% investment rate of return (net of administrative expenses) and an initial healthcare cost trend rate of 10.5% for medical/prescription drug/unreimbursed medical expenses and 7.0% for dental, reduced by decrements to ultimate rates of 4.2% and 4.0% after 7 years and 4 years, respectively. The vision and long-term care trend rates are 4.0% for all years. All trend rates included a 3.0% inflation assumption. Recalculation of the UAAL occurs each year and the amortization is a level dollar amount on a closed basis. The remaining amortization period at December 31, 2010 was 27.0 years.

### LIFE INSURANCE

Life insurance is provided for full time employees through Standard Life Insurance Company. Full-time employees are covered immediately. All employees have paid life insurance equal to their annual salary up to \$50,000. The City contributed \$96,098 during 2012 for this coverage.

### DEFERRED COMPENSATION

In 1984 the City established a deferred compensation program for its employees in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all revenue attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) deposited to a trust. The City has no claim to these assets and, as of January 1, 1998, no longer records the fair value of the assets of the deferred compensation program on its books. The City makes no contributions to the plan, but allows its employees to contribute to the International City Managers Association (ICMA) plan.

## 15. RISK MANAGEMENT

The City maintains consolidated insurance operations in one Insurance Internal Service Fund. The Unemployment, Worker's Compensation, a portion of the Liability and Property, and Medical and Dental Insurance Programs are self insured. This fund is made up of separate sub-funds for Unemployment Compensation, Worker's Compensation, Liability and Property, and Medical and Dental Insurance. There were no significant reductions in insurance coverage and no claims exceeded insurance coverage for the past three years. Following is a table of changes in estimated claims liabilities for 2012 and 2011 as carried in the City's Internal Service Funds:

|  | Worker's Compensation |              | Medical and Dental |              | Liability    |              | Total        |              |
|--|-----------------------|--------------|--------------------|--------------|--------------|--------------|--------------|--------------|
|  | 2012                  | 2011         | 2012               | 2011         | 2012         | 2011         | 2012         | 2011         |
| Claims Liabilities,<br>January 1         | \$ 2,433,563          | \$ 1,869,584 | \$ 863,400         | \$ 1,036,700 | \$ 2,171,321 | \$ 2,125,971 | \$ 5,468,284 | \$ 5,032,255 |
| Less: Claims Paid                        | (881,630)             | (958,549)    | (12,886,016)       | (12,637,171) | (322,299)    | (523,446)    | (14,089,945) | (14,119,166) |
| Plus: Claims and<br>changes in estimates | 205,543               | 1,522,528    | 12,775,716         | 12,463,871   | 122,990      | 568,796      | 13,104,249   | 14,555,195   |
| Claims Liabilities,<br>December 31       | \$ 1,757,476          | \$ 2,433,563 | \$ 753,100         | \$ 863,400   | \$ 1,972,012 | \$ 2,171,321 | \$ 4,482,588 | \$ 5,468,284 |

# **Comprehensive Annual Financial Report 2012**

a. **UNEMPLOYMENT COMPENSATION**

The City became self-insured for unemployment compensation in 1981. Contributions are made from the operating funds based on actuarially determined costs. The City has funding and allocations for the Worker's Compensation program reviewed by an actuary on an annual basis. The latest actuarial study was done by Fallquist Actuaries, Inc., as of December 31, 2011. The study projected ultimate loss for 2012 of \$1,035,000. At December 31, 2012, incurred but not reported and claims payable were estimated at \$1,757,476. At December 31, 2012, fund equity was \$693,746, including a contingency reserve of \$81,890 for a worker's compensation claim. The City carries excess worker's compensation insurance coverage with a private carrier for losses exceeding \$500,000 per occurrence to a maximum indemnity of \$1,000,000 per occurrence or \$2,000,000 for period of coverage.

b. **WORKER'S COMPENSATION**

The City became self-insured for worker's compensation in 1981. Contributions based upon actuarially determined allocations currently meet expenses. The City authorized an actuarial study in 1999 to determine the trust's actuarial soundness and the impact on future rates. The latest study was made by Fallquist Actuaries, Inc., as of December 31, 2010. The study projected ultimate loss for 2012 of \$1,215,480. Reserves are set using a 70% confidence level. At December 31, 2012, incurred but not reported and claims payable were estimated at \$1,757,476. At December 31, 2012 fund equity was \$693,747. A contingency reserve of \$81,890 was set up for a worker's compensation claim. The City carries coverage for losses exceeding \$500,000 per occurrence for Public Safety employees and \$400,000 for all other employees with a private carrier to a maximum indemnity of \$1,000,000 per occurrence or \$2,000,000 for period of coverage.

c. **LIABILITY AND PROPERTY**

Liability coverage consists of a self-insurance layer of \$250,000 combined with two layers of reinsurance, a \$5 million primary layer and a \$15 million secondary layer. The reinsurance layers are through the Washington Public Entity Group (WAPEG), a risk purchase group organized through the City's broker, Alliant Insurance Services, Inc. Coverage is occurrence based and includes general, automobile, police, public officials' errors and omissions, employment practices, stop gap, and employee benefits liability. Loss reserves are maintained by the City on the basis of annual actuarial studies.

Property coverage is provided by Affiliated FM for all risks including earthquake and flood for buildings, contents, business income, extra expense, mobile equipment, fine arts and vehicles. Deductibles are \$10,000 per occurrence.

The City purchases additional insurance coverage for smaller risks not covered by the programs listed above. Those coverages include crime/fidelity, Neighborhood Association liability, and international liability, as well a public official bonds.

At December 31, 2012, the City booked a liability for open and incurred but not reported claims to equal estimated outstanding claims liability of \$1,972,012. The fund had sufficient equity to cover projected losses over the amount booked at December 31, 2012.

At December 31, 2012, fund equity was \$2,187,086 in its liability fund and \$141,317 in its property fund. In 2012, the City expensed \$991,044 for its liability claims and insurance coverage and \$417,122 for its property claims and insurance coverage.

# Comprehensive Annual Financial Report 2012

City of Kent

Notes to the Financial Statements  
December 31, 2012

**d. MEDICAL AND DENTAL**

The City is self insured for three medical plans administered by Premera Blue Cross, two dental plans administered by Washington Dental Service (WDS), and a vision plan administered by Vision Service Plan (VSP). Claims exceeding \$175,000 per occurrence are covered by a stop loss policy. Group Health is offered as a Health Maintenance Organization (HMO) additional plan. The 100% Preferred Provider plan provides comprehensive benefits with co-pays, the 80/20 Preferred Provider plan is a deductible plan with co-insurance, and the Health Savings Account (HSA) plan is a high deductible plan with a HSA attached. The two dental plans offered are both Preferred Provider Plans with different maximums depending on the plan enrolled. In 2012, Premera Blue Cross covered approximately 95 percent of the employees for a cost of \$10,452,842. The City authorizes an actuarial study every year to determine the fund's actuarial soundness and the impact on future rates. The most recent study was completed as of December 31, 2012. The City's incurred but not reported claims liabilities decreased from \$930,500 as of December 31, 2011 to \$805,800 as of December 31, 2012. These amounts include the estimated IBNR for LEOFF1 Retirees of \$67,100 as of December 31, 2011 and \$52,700 as of December 31, 2012.

Group Health Cooperative provided health care to approximately five percent of the employees for 2012 premiums of \$443,055.

The fund's net position increased by \$1,341,795 to \$6,050,312 at December 31, 2012. In 2012, the City's contribution rate was sufficient to provide reserves as recommended by the actuary.

**e. FINANCIAL HIGHLIGHTS**

The 2012 financial highlights for the individual insurance operations are shown below:

|   | Unemployment<br>Compensation | Worker's<br>Compensation | Medical<br>and Dental | Liability          | Property          | Total                |
|---|------------------------------|--------------------------|-----------------------|--------------------|-------------------|----------------------|
| <b>BALANCE SHEET</b>                        |                              |                          |                       |                    |                   |                      |
| <b>ASSETS</b>                               |                              |                          |                       |                    |                   |                      |
| Cash and residual investments               | \$ 171,476                   | \$ 648,691               | \$ 1,423,197          | \$ 694,073         | \$ (112,165)      | \$ 2,825,272         |
| Other investments                           | 110,000                      | 1,819,874                | 1,425,000             | 3,470,000          |                   | 6,824,874            |
| Receivables:                                |                              |                          |                       |                    |                   |                      |
| Accounts                                    |                              |                          | 4,009,342             |                    |                   | 4,009,342            |
| Accrued interest                            |                              | 17                       |                       |                    |                   | 17                   |
| Prepaid expenses                            |                              | 725                      |                       | 388                | 254,725           | 255,838              |
| <b>TOTAL ASSETS</b>                         | <b>\$ 281,476</b>            | <b>\$ 2,469,307</b>      | <b>\$ 6,857,539</b>   | <b>\$4,164,461</b> | <b>\$ 142,560</b> | <b>\$ 13,915,343</b> |
| <b>LIABILITIES</b>                          |                              |                          |                       |                    |                   |                      |
| Current:                                    |                              |                          |                       |                    |                   |                      |
| Vouchers payable                            | \$                           | \$ 726                   | \$ 2,010              | \$ 388             | \$                | \$ 3,124             |
| Accrued expenses                            | 731                          | 1,772,787                | 796,526               | 1,974,938          | 731               | 4,545,713            |
| Deposits and Deferred Revenue               |                              |                          |                       |                    |                   |                      |
| Long term:                                  |                              |                          |                       |                    |                   |                      |
| Compensated absences                        | 512                          | 2,048                    | 8,691                 | 2,048              | 512               | 13,811               |
| <b>TOTAL LIABILITIES</b>                    | <b>1,243</b>                 | <b>1,775,561</b>         | <b>807,227</b>        | <b>1,977,374</b>   | <b>1,243</b>      | <b>4,562,648</b>     |
| <b>NET POSITION</b>                         | <b>280,233</b>               | <b>693,746</b>           | <b>6,050,312</b>      | <b>2,187,087</b>   | <b>141,317</b>    | <b>9,352,695</b>     |
| <b>TOTAL LAIBILITIES &amp; NET POSITION</b> | <b>\$ 281,476</b>            | <b>\$2,469,307</b>       | <b>\$6,857,539</b>    | <b>\$4,164,461</b> | <b>\$ 142,560</b> | <b>\$13,915,343</b>  |

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

City of Kent

### INCOME STATEMENT

|                                  |            |             |              |              |            |               |
|----------------------------------|------------|-------------|--------------|--------------|------------|---------------|
| OPERATING REVENUES               | \$ 389,106 | \$1,602,992 | \$14,591,213 | \$2,340,300  | \$ 453,593 | \$ 19,377,204 |
| OPERATING EXPENSES               | 311,017    | 403,825     | 13,260,272   | 991,044      | 417,122    | 15,383,280    |
| OPERATING INCOME (LOSS)          | 78,089     | 1,199,167   | 1,330,941    | 1,349,256    | 36,471     | 3,993,924     |
| NON-OPERATING REVENUE (EXPENSES) | 354        | 3,775       | 10,854       | 6,164        | 115        | 21,262        |
| NET INCOME (LOSS)                | 78,443     | 1,202,942   | 1,341,795    | 1,355,420    | 36,586     | 4,015,186     |
| NET POSITION 1/1                 | 201,790    | (509,196)   | 4,708,517    | 831,667      | 104,731    | 5,337,509     |
| NET POSITION 12/31               | \$ 280,233 | \$ 693,746  | \$ 6,050,312 | \$ 2,187,087 | \$ 141,317 | \$ 9,352,695  |

## 16. JOINT VENTURE

The "Valley Communications Center" (Valley Com) was established August 20, 1976, by an Interlocal Agreement between the cities of Renton, Kent, Auburn, and Tukwila. The agreement is sanctioned by the provisions and terms of the Interlocal Corporation Act pursuant to R.C.W. 39.34. The initial duration of the agreement was five years, and thereafter is automatically extended for consecutive two year periods, unless terminated by one or more of the participating cities. Any such termination must be in writing and served upon the other cities on or before July 1 in any one year, and become effective on the last day of that year.

On August 4, 1999, the Administration Board of Valley Communications Center voted to include the City of Federal Way as a full participating Member City as of January 1, 2000. A new Interlocal Agreement pursuant to State RCW 39.34, et seq., was entered into by the five participating municipal corporations that include the cities of Auburn, Federal Way, Kent, Renton, and Tukwila on April 17, 2000. The duration of the agreement is five years, and will be automatically extended for additional five (5) year periods unless terminated as provided. However, the agreement shall not be terminated until all bonds issued by Valley Communications Center Development Authority have been defeased.

During 2000, the Valley Communications Center Development Authority was created to issue \$12,758,000 in General Obligation Bonds to finance construction, equipment, and land for a new facility opened in 2002. Each of the five participating cities is responsible for one-fifth of the debt obligation, which came to \$2,551,600. On March 5, 2010, Valley Communications refunded the bonds in the amount of \$5,325,000 to mature in 2015 like the original issue. With the 2010 refunding, the City reduced its portion of the 2000 bond debt by \$4,000. The five participating cities pay the debt service costs through Valley Communications Development Authority. In 2012, Valley Com contributed \$44,090 of the payment owed by the City which left a balance of \$156,910 that the City paid. The new balance of the City of Kent's obligation was \$647,000 at December 31, 2012.

The purpose of the joint operation is to provide improved consolidated emergency communications (dispatch) services for police, fire, and medical aid, to the five participating cities and to the several subscribing agencies, which include King County Fire Districts #2, #20, #39, #40, #43, #44, #47; Kent Regional Fire Authority (RFA), City of Pacific Police and Fire Departments; City of Algona Police Department; City of Des Moines Police Department, City of Black Diamond Police and Fire Departments, SeaTac Fire Department, North Highline Fire Department, Vashon Island Fire Department, and King County EMS Units. Separate agreements between Valley Com and the subscribing agencies have been executed, which set forth conditions of services and rates charged.

Valley Com is governed by an Administration Board composed of the Mayors or designated representatives from the five participating cities. The Administration Board is responsible for appointment and discharge of the Director and for review and approval of budgets, contracts, and major policy issues including personnel policies.

# Comprehensive Annual Financial Report 2012

## Notes to the Financial Statements December 31, 2012

### City of Kent

Reporting to the Administrative Board is an Operating Board which consists of two members of each participating city's Public Safety Departments including the Directors of said departments or designees. The Operating Board oversees the operation of Valley Com, and advises and makes recommendations to the Administration Board. In addition, they make recommendations on Director selection, present proposed policies and budgets to the Administrative Board and approve disbursement of funds by the Director.

The Director presents a proposed budget to the Operating Board on or before August 15 of each year. Said budget is then presented to the Administration Board by September 1 of each year. The Administration Board can make changes to the proposed budget, but final approval falls to the legislative body of each participating city in accordance with the provisions of the Interlocal Agreement.

The Interlocal Agreement calls for allocation of prorated financial participation among the five participating cities based on the percentage of estimated dispatched calls attributed to each jurisdiction compared to the total estimated dispatched calls for the current year ended December 31. Percentages are applied to the current approved budget, less revenue from all other sources.

In 2012 the cost distribution for the five participating cities was as follows:

| City        | Dispatchable<br>Calls | Percent<br>of Total |
|-------------|-----------------------|---------------------|
| Kent        | 96,126                | 28.28%              |
| Renton      | 72,004                | 21.18%              |
| Auburn      | 65,612                | 19.30%              |
| Tukwila     | 33,645                | 9.90%               |
| Federal Way | 72,547                | 21.34%              |
| Totals      | 339,934               | 100.00%             |

In August 1993, Valley Com entered into an Interlocal Cooperation Agreement, Pursuant to Chapter 39.34 RCW, with the sub regions of King County, Seattle and Eastside Public Safety Communications Agencies (EPSCA). This agreement governs the development, acquisition and installation of the 800 MHz emergency radio communications system (System) funded by the \$57 million King County levy approved in November 1992.

This agreement provides that upon voluntary termination of any sub region's participation in the System, it surrenders its radio frequencies, relinquishes its equipment and transfers any unexpended levy proceeds and associated equipment replacement reserves to another sub region or consortium of sub regions.

Thus, in accordance with this Agreement, the principals of Valley Com have no equity interest in Valley Com's 800 MHz communications system.

The share of equity belonging to the five participating cities is as follows:

|                     | Kent        | Renton      | Auburn      | Tukwila     | Federal Way | Total        |
|---------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Percent of Equity   | 30.84%      | 21.86%      | 20.66%      | 12.28%      | 14.36%      | 100.00%      |
| Equity 1/1/2012     | \$7,114,254 | \$5,044,980 | \$4,723,727 | \$2,812,717 | \$3,258,408 | \$22,843,698 |
| Current Yr Increase | 87,685      | 65,681      | 59,850      | 30,690      | 66,176      | 310,082      |
| Equity 12/31/2012   | \$7,139,778 | \$5,062,434 | \$4,783,577 | \$2,843,407 | \$3,324,584 | \$23,153,780 |

Liabilities are the responsibility of the five participating cities in direct proportion to their equity position.

A copy of Valley Communication Center's audited financial statements is available at their offices located at 27519-108<sup>th</sup> Avenue SE, Kent, WA 98030.

# **Comprehensive Annual Financial Report 2012**

**Notes to the Financial Statements  
December 31, 2012**

**City of Kent**

## **17. COMPONENT UNITS**

### **a. Economic Development Corporation**

The City of Kent established an Economic Development Corporation (the Corporation) in August of 1983. The corporation was established pursuant to State legislation enacted in 1981 and codified in Chapter 39.84 of the Revised Code of Washington. The Corporation was established for the purpose of facilitating economic development and employment opportunities through the financing of industrial development facilities by non-recourse revenue obligations. The City had no financial liability for these obligations. In May 2011, the last remaining debt obligations of the Corporation were paid off. On October 2, 2012, by Ordinance #4048, the City dissolved the Economic Development Corporation. All remaining assets of the Corporation were transferred to the City.

In 2012, the Corporation generated \$29 in revenue. Per GASB Statement No. 14, "The Financial Reporting Entity", as amended by GASB Statement No. 61, the City has chosen to include this entity in the City's financial statements utilizing the discreet presentation method. A copy of the Economic Development Corporation's financial statements is available at the City of Kent located at 220 – 4<sup>th</sup> Avenue South, Kent, WA 98032.

### **b. City of Kent Special Events Center Public Facilities District**

The City of Kent established the Kent Special Events Center Public Facilities District (PFD) in August 2007. The corporation was established pursuant to State legislation and codified under RCW 35.57, with the powers and authority set forth by law. The District is established for the sole purpose of pursuing the design, construction, ownership, operation and/or financing of a regional center comprised of a Special Events Center, individually or in cooperation with any other governmental and/or private entities as allowed by law.

On February 29, 2008, the PFD issued bonds in the amount of \$63,280,000. For the fiscal year ended December 31, 2011, the PFD generated \$3,742,524 in revenue and had net position of \$(60,394,797).

Per GASB Statement No. 14, "The Financial Reporting Entity", as amended by GASB Statement No. 61, the City has chosen to include this entity in the City's financial statements utilizing the discreet presentation method. A copy of the City of Kent's Special Events Center Public Facilities District's financial statements is available at the City of Kent located at 220 – 4<sup>th</sup> Avenue South, Kent, WA 98032.

## **18. CONTINGENT LIABILITIES**

Per the City Attorney, there is no litigation currently pending which, if settled unfavorably to the City of Kent, would materially affect the City's financial position.

## **19. COMMITMENTS**

As of December 31, 2012, the City had the following budgeted commitments for uncompleted projects:

|                                  |                     |
|----------------------------------|---------------------|
| Street Capital Projects          | \$ 6,803,582        |
| Parks Capital Projects           | 1,030,940           |
| Miscellaneous Projects           | 5,389,004           |
| Technology Capital Projects      | 722,188             |
| Facilities Fund Capital Projects | 1,245,137           |
| Facilities Fund                  | 427,110             |
| Water Capital Projects           | 19,130,007          |
| Sewerage Capital Projects        | 6,016,077           |
| <b>Total</b>                     | <b>\$40,764,045</b> |

# **Comprehensive Annual Financial Report 2012**

**Notes to the Financial Statements  
December 31, 2012**

**City of Kent**

## **20. SUBSEQUENT EVENTS**

### **Business & Occupation Tax**

On October 16, 2012, Ordinances #4052 and #4053 were adopted establishing a Business and Occupation Tax effective January 1, 2013. The B&O Tax has two components: gross receipts and square footage. The tax will be used primarily to support the City's transportation infrastructure improvement program. The quarterly tax rates applied to gross receipts, less an exemption of \$65,000, are as follows:

|   |        |
|---|--------|
| Manufacturing<br>Processing for Hire<br>Retailing<br>Printing/Publishing                      | 0.046% |
| Wholesaling<br>Services/Retail Services<br>Extracting/Extracting for Hire<br>Other Activities | 0.152% |

Businesses with total warehouse business floor space within Kent city limits of greater than 4,000 square feet or other office space greater than 12,000 square feet will also be subject to a square footage tax. The tax rate applies each quarter to the square footage as follows:

|                               |                           |
|-------------------------------|---------------------------|
| Business Warehouse Facilities | \$0.03 per<br>square foot |
| All Other Facilities          | \$0.01 per<br>square foot |

More information on the City's Business and Occupation Tax can be found at [www.KentWA.gov](http://www.KentWA.gov).

### **Cable Utility Tax**

On December 11, 2012, Ordinance #4061 was adopted establishing a 6% Cable Television Services Utility Tax effective beginning January 1, 2013. This tax is to be used to support the City's technology needs.

**Comprehensive Annual Financial Report 2012**



# Comprehensive Annual Financial Report 2012

City of Kent

Required Supplementary Information

## FIREMEN'S RELIEF AND PENSION SYSTEM Schedule of Funding Progress (rounded to thousands)

| Actuarial<br>Valuation<br>Date | Actuarial<br>Value of<br>Assets<br>(a) | Actuarial Accrued<br>Liabilities (AAL)<br>Entry Age<br>(b) | Unfunded<br>Actuarial Accrued<br>Liabilities (UAAL)<br>(b-a) | Funded<br>Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a<br>Percentage of<br>Covered Payroll<br>[(b-a)/c] |
|--------------------------------|--|--|--|--------------------------|---------------------------|--|
| Jan. 1, 2000                   | \$3,295                                | \$2,169  | (\$1,126)  | 152%                     | \$153                     | (736)%   |
| Jan. 1, 2002                   | \$3,644                                | \$1,999  | (\$1,645)  | 182%                     | \$160                     | (1,028)%   |
| Jan. 1, 2004                   | \$3,661                                | \$2,380  | (\$1,281)  | 154%                     | \$184                     | (696)%   |
| Jan. 1, 2006                   | \$3,522                                | \$2,507  | (\$1,015)  | 140%                     | \$90                      | (1,128)%   |
| Jan. 1, 2008                   | \$3,455                                | \$2,859  | (\$596)  | 121%                     | \$99                      | (602)%   |
| Jan. 1, 2010                   | \$3,260                                | \$2,630  | (\$630)  | 124%                     | \$0                       | N/A  |
| Jan. 1, 2012                   | \$3,154                                | \$2,729  | (\$425)  | 116%                     | \$0                       | N/A  |

## FIREMEN'S RELIEF AND PENSION SYSTEM Schedule of Employer Contributions

| Fiscal<br>Year<br>Ended | Employer<br>Contributions* | Fire Insurance<br>Premiums | Total Employer<br>Contributions | Annual Required<br>Contribution<br>ARC | Percentage of<br>ARC Contributed |
|-------------------------|----------------------------|----------------------------|---------------------------------|--|----------------------------------|
| Dec 31, 2007            | (\$191,365)                | \$121,172                  | (\$70,193)                      | (\$72,177)                             | N/A                              |
| Dec 31, 2008            | (\$191,388)                | \$131,845                  | (\$59,543)                      | (\$46,550)                             | N/A                              |
| Dec 31, 2009            | (\$187,000)                | \$132,085                  | (\$54,915)                      | (\$46,550)                             | N/A                              |
| Dec 31, 2010            | (\$210,727)                | \$146,576                  | (\$64,151)                      | (\$47,996)                             | N/A                              |
| Dec 31, 2011            | (\$200,000)                | \$151,338                  | (\$48,662)                      | (\$47,996)                             | N/A                              |
| Dec 31, 2012            | (\$204,825)                | \$145,792                  | (\$59,033)                      | (\$34,951)                             | N/A                              |

\* Employer contributions for pensions are total contributions to the Fund net of disbursements from the Fund for medical expenses under 41.26.150 and administrative expenses.

Continued on the following page

# Comprehensive Annual Financial Report 2012

City of Kent

Required Supplementary Information

**RETIREMENT HEALTH CARE BENEFITS -- LEOFF 1 RETIREMENT SYSTEM**  
**Schedule of Funding Progress**  
**As of December 31, 2010**

| Fiscal Year<br>Ending | Actuarial<br>Value of<br>Assets<br>(a) | Actuarial Accrued<br>Liabilities (AAL)<br>Entry Age<br>(b) | Unfunded<br>Actuarial Accrued<br>Liabilities (UAAL)<br>(b-a) | Funded<br>Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a<br>Percentage of<br>Covered Payroll<br>[(b-a)/c] |
|-----------------------|--|--|--|--------------------------|---------------------------|--|
| December 31, 2007     | \$251,263                              | \$8,609,653  | \$8,358,390  | 2.9%                     | \$113,000                 | 7397%  |
| December 31, 2008     | \$607,604                              | \$8,609,653  | \$8,002,049  | 7.1%                     | \$123,981                 | 6454%  |
| December 31, 2009     | \$734,159                              | \$8,609,653  | \$7,875,494  | 8.5%                     | \$124,404                 | 6331%  |
| December 31, 2010     | \$647,099                              | \$20,959,291   | \$20,312,192   | 3.1%                     | \$119,207                 | 17039%   |

# **Comprehensive Annual Financial Report 2012**

## **NON-MAJOR GOVERNMENTAL FUNDS**

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The SPECIAL REVENUE FUNDS are used to account for proceeds of specific taxes or other earmarked revenues. This revenue is segregated into individual SPECIAL REVENUE FUNDS to insure expenditures for a specific purpose. The Street Fund uses 1.0% of 6.0% local utility taxes to fund transfers for street debt service and construction projects. The Lodging Tax Fund uses a 1% tax on the rental of any hotel, motel, rooming house, tourist court or trailer camp to be utilized for the acquisition of or operation of tourism-related facilities. The Youth/Teen Programs Fund uses .3% of 6.0% local utility taxes to fund youth/teen programs. The Criminal Justice Fund uses state grants and a King County voter approved sales tax levy of .1% to fund criminal justice activity. The Environmental Mitigation Fund uses ongoing grants and permit fees paid by site owners to monitor the cleanup of landfills and toxic waste sites. The Housing and Community Development Fund uses federal grant monies to fund designated programs. With the implementation of GASB Statement No. 54, the Public Safety Retiree Special Revenue Fund, which uses contributions from the City to fund the OPEB obligation and pay healthcare costs of LEOFF 1 retirees is now combined with the General Fund due. For budgetary purposes, however, it is included and presented as a *Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual* just as the Lodging Tax and Youth/Teen Special Revenue Funds are.

DEBT SERVICE FUNDS are used to account for payment of principal and interest on general obligation long-term debt. The non-major Debt Service Funds are: one to provide debt service payments on voted General Obligation Bonds, one to provide debt service payments on Councilmanic General Obligation Bonds and other non-voted debt. Property tax revenue provides the financing source for voted General Obligation Bonds. Transfers from other funds provide the financing source for Councilmanic General Obligation Bonds, and other non-voted debt.

The CAPITAL PROJECTS FUNDS are used to account for the financial resources segregated for the construction of capital facilities other than those financed by Proprietary Funds. Capital project activity is financed by the issuance of debt both general obligation and special assessment, by grants, and by transfers from such other funds as may be approved by ordinance. The City's non-major capital projects funds are for: parkland acquisition and improvements, information technology projects including computer software and hardware, and facilities related projects including major remodels, building renovations, and major maintenance.

# Comprehensive Annual Financial Report 2012

CITY OF KENT  
 NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 2012

|   | Special Revenue   |                  |                     |
|---|-------------------|------------------|---------------------|
|   | Street            | Lodging Tax      | Youth/Teen Programs |
| <b>ASSETS</b>   |                   |                  |                     |
| Cash and equity in pooled investments                         | \$ 372,768        | \$ 16,115        | \$ 7,037            |
| Investments, at fair value                                    | -                 | 55,000           | -                   |
| Receivables (net of allowances for estimated uncollectables): |                   |                  |                     |
| Taxes   | 561,434           | 24,281           | 79,421              |
| Accounts  | -                 | -                | -                   |
| Due from other funds  | -                 | -                | -                   |
| Prepaid items   | -                 | -                | -                   |
| <b>TOTAL ASSETS</b>   | <b>\$ 934,202</b> | <b>\$ 95,396</b> | <b>\$ 86,458</b>    |
| <b>LIABILITIES AND FUND BALANCE</b>                           |                   |                  |                     |
| <b>LIABILITIES</b>  |                   |                  |                     |
| Vouchers payable  | \$ 49             | \$ -             | \$ -                |
| Accounts/payroll payable                                      | 68,359            | -                | -                   |
| Due to other governments                                      | 273               | -                | -                   |
| Interfund loans payable                                       | -                 | -                | -                   |
| Deposits and advances   | -                 | -                | -                   |
| <b>Total Liabilities</b>                                      | <b>68,681</b>     | <b>-</b>         | <b>-</b>            |
| <b>FUND BALANCE</b>   |                   |                  |                     |
| <b>Nonspendable:</b>  |                   |                  |                     |
| Prepaid items   | -                 | -                | -                   |
| <b>Restricted:</b>  |                   |                  |                     |
| Street capital projects                                       | 77,122            | -                | -                   |
| Lodging tax purposes  | -                 | 95,396           | -                   |
| Criminal justice programs                                     | -                 | -                | -                   |
| Parks capital projects  | -                 | -                | -                   |
| Facility capital projects                                     | -                 | -                | -                   |
| Bond retirement   | -                 | -                | -                   |
| <b>Committed:</b>   |                   |                  |                     |
| Street operations   | 788,399           | -                | -                   |
| Youth/Teen programs   | -                 | -                | 86,458              |
| Criminal justice programs                                     | -                 | -                | -                   |
| Parks capital projects  | -                 | -                | -                   |
| Technology capital projects                                   | -                 | -                | -                   |
| <b>Assigned:</b>  |                   |                  |                     |
| Criminal justice programs                                     | -                 | -                | -                   |
| Parks capital projects  | -                 | -                | -                   |
| Technology capital projects                                   | -                 | -                | -                   |
| Facility capital projects                                     | -                 | -                | -                   |
| <b>Unassigned</b>   |                   |                  |                     |
|   | -                 | -                | -                   |
| <b>Total Fund Balance</b>                                     | <b>865,521</b>    | <b>95,396</b>    | <b>86,458</b>       |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b>                     | <b>\$ 934,202</b> | <b>\$ 95,396</b> | <b>\$ 86,458</b>    |

# Comprehensive Annual Financial Report 2012

| Special Revenue     |                             |                                       |   |
|---------------------|-----------------------------|---------------------------------------|---|
| Criminal<br>Justice | Environmental<br>Mitigation | Housing &<br>Community<br>Development | Total Non-Major<br>Special Revenue<br>Funds |
| \$ 560,202          | \$ 7,822                    | \$ 18,126                             | \$ 982,070                                  |
| 325,000             | -                           | -                                     | 380,000                                     |
| 414,021             | -                           | -                                     | 1,079,157                                   |
| 548,738             | 32,085                      | 109,262                               | 690,085                                     |
| -                   | -                           | -                                     | -   |
| 950                 | -                           | -                                     | 950   |
| <u>\$ 1,848,911</u> | <u>\$ 39,907</u>            | <u>\$ 127,388</u>                     | <u>\$ 3,132,262</u>                         |
|                     |                             |                                       |   |
| \$ 11,687           | \$ 568                      | \$ 5,793                              | \$ 18,097                                   |
| 161,202             | -                           | 20,278                                | 249,839                                     |
| 7,479               | -                           | 1,317                                 | 9,069                                       |
| -                   | 40,000                      | 100,000                               | 140,000                                     |
| 150,507             | -                           | -                                     | 150,507                                     |
| <u>330,875</u>      | <u>40,568</u>               | <u>127,388</u>                        | <u>567,512</u>                              |
|                     |                             |                                       |   |
| 950                 | -                           | -                                     | 950   |
| -                   | -                           | -                                     | 77,122                                      |
| -                   | -                           | -                                     | 95,396                                      |
| 1,337,508           | -                           | -                                     | 1,337,508                                   |
| -                   | -                           | -                                     | -   |
| -                   | -                           | -                                     | -   |
| -                   | -                           | -                                     | 788,399                                     |
| -                   | -                           | -                                     | 86,458                                      |
| 48,855              | -                           | -                                     | 48,855                                      |
| -                   | -                           | -                                     | -   |
| -                   | -                           | -                                     | -   |
| 130,723             | -                           | -                                     | 130,723                                     |
| -                   | -                           | -                                     | -   |
| -                   | -                           | -                                     | -   |
| -                   | -                           | -                                     | -   |
| -                   | (661)                       | -                                     | (661)                                       |
| <u>1,518,036</u>    | <u>(661)</u>                | <u>-</u>                              | <u>2,564,750</u>                            |
| <u>\$ 1,848,911</u> | <u>\$ 39,907</u>            | <u>\$ 127,388</u>                     | <u>\$ 3,132,262</u>                         |

Continued

# Comprehensive Annual Financial Report 2012

CITY OF KENT  
 NONMAJOR GOVERNMENTAL FUNDS (continued)  
 COMBINING BALANCE SHEET (continued)  
 December 31, 2012

|  | Debt Service       |             |  |
|--|--------------------|-------------|--|
|  | General Obligation |             | Total Non-Major<br>Debt Service<br>Funds |
|  | Voted              | Non-voted   |  |
| <b>ASSETS</b>  |                    |             |  |
| Cash and equity in pooled investments                            | \$ 1,040           | \$ -        | \$ 1,040                                 |
| Investments, at fair value                                       | -                  | -           | -  |
| Receivables (net of allowances for<br>estimated uncollectables): |                    |             |  |
| Taxes  | 6,887              | -           | 6,887                                    |
| Accounts   | -                  | -           | -  |
| Due from other funds   | -                  | -           | -  |
| Prepaid items  | -                  | -           | -  |
| <b>TOTAL ASSETS</b>  | <b>\$ 7,927</b>    | <b>\$ -</b> | <b>\$ 7,927</b>                          |
| <b>LIABILITIES AND FUND BALANCE</b>                              |                    |             |  |
| <b>LIABILITIES</b>   |                    |             |  |
| Vouchers payable   | \$ -               | \$ -        | \$ -                                     |
| Accounts/payroll payable   | -                  | -           | -  |
| Due to other governments   | -                  | -           | -  |
| Interfund loans payable  | -                  | -           | -  |
| Deposits and deferred revenue                                    | 6,844              | -           | 6,844                                    |
| Total Liabilities  | 6,844              | -           | 6,844                                    |
| <b>FUND BALANCE</b>  |                    |             |  |
| <b>Nonspendable:</b>   |                    |             |  |
| Prepaid items  | -                  | -           | -  |
| <b>Restricted:</b>   |                    |             |  |
| Street Projects  | -                  | -           | -  |
| Lodging Tax Purposes   | -                  | -           | -  |
| Criminal Justice Programs  | -                  | -           | -  |
| Parks Capital Projects   | -                  | -           | -  |
| Facility Capital Projects  | -                  | -           | -  |
| Bond retirement  | 1,083              | -           | 1,083                                    |
| <b>Committed:</b>  |                    |             |  |
| Street Operating Programs  | -                  | -           | -  |
| Youth/Teen Programs  | -                  | -           | -  |
| Criminal justice programs  | -                  | -           | -  |
| Parks capital projects   | -                  | -           | -  |
| Technology capital projects                                      | -                  | -           | -  |
| <b>Assigned:</b>   |                    |             |  |
| Criminal Justice Programs  | -                  | -           | -  |
| Parks Capital Projects   | -                  | -           | -  |
| Technology Capital Projects                                      | -                  | -           | -  |
| Facility Capital Projects  | -                  | -           | -  |
| <b>Unassigned:</b>   |                    |             |  |
| -  | -                  | -           | -  |
| Total Fund Balance   | 1,083              | -           | 1,083                                    |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b>                        | <b>\$ 7,927</b>    | <b>\$ -</b> | <b>\$ 7,927</b>                          |

# Comprehensive Annual Financial Report 2012

| Capital Projects          |                                   |                                 |  |  |
|---------------------------|-----------------------------------|---------------------------------|--|--|
| Parks Capital<br>Projects | Technology<br>Capital<br>Projects | Facility<br>Capital<br>Projects | Total Non-Major<br>Capital Projects<br>Funds | Total Non-Major<br>Governmental<br>Funds |
| \$ 967,356                | \$ 458,100                        | \$ 1,197,522                    | \$ 2,622,978                                 | \$ 3,606,088                             |
| -                         | -                                 | -                               | -  | 380,000                                  |
| 1,499                     | -                                 | -                               | 1,499  | 1,087,543                                |
| 804,436                   | 1,152                             | -                               | 805,588                                      | 1,495,673                                |
| -                         | 120,000                           | -                               | 120,000                                      | 120,000                                  |
| -                         | -                                 | -                               | -  | 950                                      |
| <u>\$ 1,773,291</u>       | <u>\$ 579,252</u>                 | <u>\$ 1,197,522</u>             | <u>\$ 3,550,065</u>                          | <u>\$ 6,690,254</u>                      |
|                           |                                   |                                 |  |  |
| \$ 2,860                  | \$ 19,408                         | \$ 5,098                        | \$ 27,366                                    | \$ 45,463                                |
| 11,934                    | 428                               | -                               | 12,362                                       | 262,201                                  |
| 455                       | -                                 | -                               | 455  | 9,524                                    |
| -                         | -                                 | -                               | -  | 140,000                                  |
| -                         | -                                 | -                               | -  | 157,351                                  |
| <u>15,249</u>             | <u>19,836</u>                     | <u>5,098</u>                    | <u>40,183</u>                                | <u>614,539</u>                           |
|                           |                                   |                                 |  |  |
| -                         | -                                 | -                               | -  | 950                                      |
| -                         | -                                 | -                               | -  | 77,122                                   |
| -                         | -                                 | -                               | -  | 95,396                                   |
| -                         | -                                 | -                               | -  | 1,337,508                                |
| 1,109,665                 | -                                 | -                               | 1,109,665                                    | 1,109,665                                |
| -                         | -                                 | 1,082,184                       | 1,082,184                                    | 1,082,184                                |
| -                         | -                                 | -                               | -  | 1,083                                    |
| -                         | -                                 | -                               | -  | 788,399                                  |
| -                         | -                                 | -                               | -  | 86,458                                   |
| -                         | -                                 | -                               | -  | 48,855                                   |
| 37,362                    | -                                 | -                               | 37,362                                       | 37,362                                   |
| -                         | 413,035                           | -                               | 413,035                                      | 413,035                                  |
| -                         | -                                 | -                               | -  | 130,723                                  |
| 611,015                   | -                                 | -                               | 611,015                                      | 611,015                                  |
| -                         | 146,381                           | -                               | 146,381                                      | 146,381                                  |
| -                         | -                                 | 110,240                         | 110,240                                      | 110,240                                  |
| -                         | -                                 | -                               | -  | (661)                                    |
| <u>1,758,042</u>          | <u>559,416</u>                    | <u>1,192,424</u>                | <u>3,509,882</u>                             | <u>6,075,715</u>                         |
| <u>\$ 1,773,291</u>       | <u>\$ 579,252</u>                 | <u>\$ 1,197,522</u>             | <u>\$ 3,550,065</u>                          | <u>\$ 6,690,254</u>                      |

Concluded

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Year Ended December 31, 2012**

|  | Special Revenue    |                  |                     |
|--|--------------------|------------------|---------------------|
|  | Street             | Lodging Tax      | Youth/Teen Programs |
| <b>REVENUES</b>  |                    |                  |                     |
| Taxes:   |                    |                  |                     |
| Property tax   | \$ -               | \$ -             | \$ -                |
| Sales and use  | -                  | -                | -                   |
| Utility  | 2,857,809          | -                | 857,303             |
| Lodging tax  | -                  | 187,971          | -                   |
| Intergovernmental revenue:                               |                    |                  |                     |
| Federal grants   | -                  | -                | -                   |
| State shared fuel tax - general street                   | 1,865,667          | -                | -                   |
| State shared revenue-criminal justice                    | -                  | -                | -                   |
| State grants   | 40,704             | -                | -                   |
| Local government grants                                  | -                  | -                | -                   |
| Charges for services                                     | 338,309            | -                | -                   |
| Fines and forfeitures                                    | -                  | -                | -                   |
| Miscellaneous revenue:                                   |                    |                  |                     |
| Interest income  | 625                | 115              | 576                 |
| Other miscellaneous revenue                              | 28,000             | -                | -                   |
| <b>TOTAL REVENUES</b>                                    | <b>5,131,114</b>   | <b>188,086</b>   | <b>857,879</b>      |
| <b>EXPENDITURES</b>                                      |                    |                  |                     |
| Current:   |                    |                  |                     |
| Public safety  | -                  | -                | -                   |
| Community development                                    | -                  | 164,500          | -                   |
| Public works   | 2,466,650          | -                | -                   |
| Leisure services   | -                  | -                | 42,000              |
| Health and human services                                | -                  | -                | -                   |
| Debt service:  |                    |                  |                     |
| Principal  | -                  | -                | -                   |
| Interest and fiscal charges                              | -                  | -                | -                   |
| Capital outlay   | -                  | -                | -                   |
| <b>TOTAL EXPENDITURES</b>                                | <b>2,466,650</b>   | <b>164,500</b>   | <b>42,000</b>       |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b> | <b>2,664,464</b>   | <b>23,586</b>    | <b>815,879</b>      |
| <b>OTHER FINANCING SOURCES (USES)</b>                    |                    |                  |                     |
| Transfers in   | 251,617            | -                | -                   |
| Transfers out  | (2,618,502)        | (15,000)         | (750,000)           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>              | <b>(2,366,885)</b> | <b>(15,000)</b>  | <b>(750,000)</b>    |
| <b>NET CHANGE IN FUND BALANCES</b>                       | <b>297,579</b>     | <b>8,586</b>     | <b>65,879</b>       |
| <b>FUND BALANCES (DEFICIT), January 1</b>                | <b>567,942</b>     | <b>86,810</b>    | <b>20,579</b>       |
| <b>FUND BALANCES, December 31</b>                        | <b>\$ 865,521</b>  | <b>\$ 95,396</b> | <b>\$ 86,458</b>    |

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| Special Revenue     |                             |                                       |   |
|---------------------|-----------------------------|---------------------------------------|---|
| Criminal<br>Justice | Environmental<br>Mitigation | Housing &<br>Community<br>Development | Total Non-Major<br>Special Revenue<br>Funds |
| \$ -                | \$ -                        | \$ -                                  | \$ -  |
| 1,924,193           | -                           | -                                     | 1,924,193                                   |
| -                   | -                           | -                                     | 3,715,112                                   |
| -                   | -                           | -                                     | 187,971                                     |
| 403,274             | -                           | 773,435                               | 1,176,709                                   |
| -                   | -                           | -                                     | 1,865,667                                   |
| 275,630             | -                           | -                                     | 275,630                                     |
| 906,582             | 72,432                      | -                                     | 1,019,718                                   |
| 147,279             | 88,827                      | -                                     | 236,106                                     |
| 107,600             | -                           | -                                     | 445,909                                     |
| 12,708              | -                           | -                                     | 12,708                                      |
| -                   | -                           | -                                     | -   |
| 1,213               | -                           | -                                     | 2,529                                       |
| 49,215              | -                           | -                                     | 77,215                                      |
| 3,827,694           | 161,259                     | 773,435                               | 10,939,467                                  |
| 3,639,908           | -                           | -                                     | 3,639,908                                   |
| -                   | -                           | -                                     | 164,500                                     |
| -                   | 183,179                     | -                                     | 2,649,829                                   |
| -                   | -                           | -                                     | 42,000                                      |
| -                   | -                           | 773,435                               | 773,435                                     |
| -                   | -                           | -                                     | -   |
| -                   | -                           | -                                     | -   |
| 25,332              | -                           | -                                     | 25,332                                      |
| 3,665,240           | 183,179                     | 773,435                               | 7,295,004                                   |
| 162,454             | (21,920)                    | -                                     | 3,644,463                                   |
| 105,000             | -                           | -                                     | 356,617                                     |
| (45,264)            | -                           | -                                     | (3,428,766)                                 |
| 59,736              | -                           | -                                     | (3,072,149)                                 |
| 222,190             | (21,920)                    | -                                     | 572,314                                     |
| 1,295,846           | 21,259                      | -                                     | 1,992,436                                   |
| \$ 1,518,036        | \$ (661)                    | \$ -                                  | \$ 2,564,750                                |

Continued

# Comprehensive Annual Financial Report 2012

**CITY OF KENT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (continued)**  
**For the Year Ended December 31, 2012**

|  | Debt Service       |                    |  |
|--|--------------------|--------------------|--|
|  | General Obligation |                    | Total Non-Major<br>Debt Service<br>Funds |
|  | Voted              | Non-voted          |  |
| <b>REVENUES</b>  |                    |                    |  |
| Taxes:   |                    |                    |  |
| Property tax   | \$ 48              | \$ -               | \$ 48                                    |
| Sales and use  | -                  | -                  | -  |
| Utility  | -                  | -                  | -  |
| Lodging tax  | -                  | -                  | -  |
| Intergovernmental revenue:                               |                    |                    |  |
| Federal grants   | -                  | -                  | -  |
| State shared fuel tax - general street                   | -                  | -                  | -  |
| State shared revenue-criminal justice                    | -                  | -                  | -  |
| State grants   | -                  | -                  | -  |
| Local government grants                                  | -                  | -                  | -  |
| Charges for services                                     | -                  | -                  | -  |
| Fines and forfeitures                                    | -                  | -                  | -  |
| Miscellaneous revenue:                                   |                    |                    |  |
| Interest income  | -                  | -                  | -  |
| Other miscellaneous revenue                              | -                  | -                  | -  |
| <b>TOTAL REVENUES</b>                                    | <b>48</b>          | <b>-</b>           | <b>48</b>                                |
| <b>EXPENDITURES</b>                                      |                    |                    |  |
| Current:   |                    |                    |  |
| Public safety  | -                  | -                  | -  |
| Community development                                    | -                  | -                  | -  |
| Public works   | -                  | -                  | -  |
| Leisure services   | -                  | -                  | -  |
| Health and human services                                | -                  | -                  | -  |
| Debt service:  |                    |                    |  |
| Principal  | -                  | 5,747,814          | 5,747,814                                |
| Interest and fiscal charges                              | -                  | 2,981,033          | 2,981,033                                |
| Capital outlay   | -                  | -                  | -  |
| <b>TOTAL EXPENDITURES</b>                                | <b>-</b>           | <b>8,728,847</b>   | <b>8,728,847</b>                         |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b> | <b>48</b>          | <b>(8,728,847)</b> | <b>(8,728,799)</b>                       |
| <b>OTHER FINANCING SOURCES (USES)</b>                    |                    |                    |  |
| Transfers in   | -                  | 8,742,847          | 8,742,847                                |
| Transfers out  | -                  | -                  | -  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>              | <b>-</b>           | <b>8,742,847</b>   | <b>8,742,847</b>                         |
| <b>SOURCES OVER EXPENDITURES AND OTHER USES</b>          | <b>48</b>          | <b>14,000</b>      | <b>14,048</b>                            |
| <b>FUND BALANCES, January 1</b>                          | <b>1,035</b>       | <b>(14,000)</b>    | <b>(12,965)</b>                          |
| <b>FUND BALANCES, December 31</b>                        | <b>\$ 1,083</b>    | <b>\$ -</b>        | <b>\$ 1,083</b>                          |

# Comprehensive Annual Financial Report 2012

| Capital Projects          |                                   |                                 |  |  |
|---------------------------|-----------------------------------|---------------------------------|--|--|
| Parks Capital<br>Projects | Technology<br>Capital<br>Projects | Facility<br>Capital<br>Projects | Total Non-Major<br>Capital Projects<br>Funds | Total Non-Major<br>Governmental<br>Funds |
| \$ -                      | \$ -                              | \$ -                            | \$ -   | \$ 48                                    |
| -                         | -                                 | -                               | -  | 1,924,193                                |
| -                         | -                                 | -                               | -  | 3,715,112                                |
| -                         | -                                 | -                               | -  | 187,971                                  |
| 18,404                    | -                                 | -                               | 18,404                                       | 1,195,113                                |
| 9,424                     | -                                 | -                               | 9,424  | 1,875,091                                |
| -                         | -                                 | -                               | -  | 275,630                                  |
| 148,474                   | -                                 | -                               | 148,474                                      | 1,168,192                                |
| 1,011,541                 | -                                 | -                               | 1,011,541                                    | 1,247,647                                |
| 7,574                     | -                                 | -                               | 7,574  | 453,483                                  |
| -                         | -                                 | -                               | -  | 12,708                                   |
| -                         | -                                 | -                               | -  | 2,529                                    |
| 212,888                   | -                                 | -                               | 212,888                                      | 290,103                                  |
| 1,408,305                 |                                   |                                 | 1,408,305                                    | 12,347,820                               |
| -                         | -                                 | -                               | -  | 3,639,908                                |
| -                         | -                                 | -                               | -  | 164,500                                  |
| -                         | -                                 | -                               | -  | 2,649,829                                |
| -                         | -                                 | -                               | -  | 42,000                                   |
| -                         | -                                 | -                               | -  | 773,435                                  |
| -                         | -                                 | -                               | -  | 5,747,814                                |
| -                         | -                                 | -                               | -  | 2,981,033                                |
| 575,402                   | 101,019                           | 401,595                         | 1,078,016                                    | 1,103,348                                |
| 575,402                   | 101,019                           | 401,595                         | 1,078,016                                    | 17,101,867                               |
| 832,903                   | (101,019)                         | (401,595)                       | 330,289                                      | (4,754,047)                              |
| 424,262                   | 639,225                           | 639,674                         | 1,703,161                                    | 10,802,625                               |
| -                         | -                                 | -                               | -  | (3,428,766)                              |
| 424,262                   | 639,225                           | 639,674                         | 1,703,161                                    | 7,373,859                                |
| 1,257,165                 | 538,206                           | 238,079                         | 2,033,450                                    | 2,619,812                                |
| 500,877                   | 21,210                            | 954,345                         | 1,476,432                                    | 3,455,903                                |
| \$ 1,758,042              | \$ 559,416                        | \$ 1,192,424                    | \$ 3,509,882                                 | \$ 6,075,715                             |

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# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
PUBLIC SAFETY RETIREE SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL  
For the Year Ended December 31, 2012**

|   | <u>2012 Budget</u> |                   | <u>Actual</u>     | <u>Variance</u>   |
|---|--------------------|-------------------|-------------------|-------------------|
|   | <u>Original</u>    | <u>Final</u>      |                   |                   |
| <b>REVENUES</b>   |                    |                   |                   |                   |
| Contributions and Donations   | \$ 879,367         | \$ 879,367        | \$ 756,030        | \$ (123,337)      |
| Miscellaneous revenue:  |                    |                   |                   |                   |
| Interest income   | 2,500              | 2,500             | 830               | (1,670)           |
| <b>TOTAL REVENUES</b>   | <u>881,867</u>     | <u>881,867</u>    | <u>756,860</u>    | <u>(125,007)</u>  |
| <b>EXPENDITURES</b>   | 1,079,177          | 1,079,177         | 834,720           | (244,457)         |
| <b>TOTAL EXPENDITURES</b>   | <u>1,079,177</u>   | <u>1,079,177</u>  | <u>834,720</u>    | <u>(244,457)</u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>                                  | (197,310)          | (197,310)         | (77,860)          | 119,450           |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                    |                   |                   |                   |
| Transfers in  | 250,000            | 250,000           | 250,000           | -                 |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>250,000</u>     | <u>250,000</u>    | <u>250,000</u>    | <u>-</u>          |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b> | 52,690             | 52,690            | 172,140           | 119,450           |
| <b>FUND BALANCES, January 1</b>   | 517,801            | 527,368           | 527,368           | -                 |
| <b>FUND BALANCES, December 31</b>   | <u>\$ 570,491</u>  | <u>\$ 580,058</u> | <u>\$ 699,508</u> | <u>\$ 119,450</u> |

# Comprehensive Annual Financial Report 2012

CITY OF KENT  
 LODGING TAX SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL  
 For the Year Ended December 31, 2012

|   | 2012 Budget      |                  | Actual           | Variance        |
|---|------------------|------------------|------------------|-----------------|
|   | Original         | Final            |                  |                 |
| <b>REVENUES</b>   |                  |                  |                  |                 |
| Taxes:  |                  |                  |                  |                 |
| Lodging Tax   | \$ 181,160       | \$ 181,160       | \$ 187,971       | \$ 6,811        |
| Miscellaneous revenue:  |                  |                  |                  |                 |
| Interest income   | 300              | 300              | 115              | (185)           |
| <b>TOTAL REVENUES</b>   | <u>181,460</u>   | <u>181,460</u>   | <u>188,086</u>   | <u>6,626</u>    |
| <b>EXPENDITURES</b>   | 158,500          | 163,500          | 164,500          | 1,000           |
| <b>TOTAL EXPENDITURES</b>   | <u>158,500</u>   | <u>163,500</u>   | <u>164,500</u>   | <u>1,000</u>    |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>                                  | 22,960           | 17,960           | 23,586           | 5,626           |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                  |                 |
| Transfers out   | -                | (15,000)         | (15,000)         | 0               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>         | <u>(15,000)</u>  | <u>(15,000)</u>  | <u>0</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b> | 22,960           | 2,960            | 8,586            | 5,626           |
| <b>FUND BALANCES, January 1</b>   | 66,302           | 86,810           | 86,810           | -               |
| <b>FUND BALANCES, December 31</b>   | <u>\$ 89,262</u> | <u>\$ 89,770</u> | <u>\$ 95,396</u> | <u>\$ 5,626</u> |

# Comprehensive Annual Financial Report 2012

CITY OF KENT  
 YOUTH/TEEN PROGRAMS SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL  
 For the Year Ended December 31, 2012

|   | 2012 Budget      |                  | Actual           | Variance          |
|---|------------------|------------------|------------------|-------------------|
|   | Original         | Final            |                  |                   |
| <b>REVENUES</b>   |                  |                  |                  |                   |
| Taxes:  |                  |                  |                  |                   |
| Utility   | \$ 889,155       | \$ 889,155       | \$ 857,303       | \$ (31,852)       |
| Miscellaneous revenue:  |                  |                  |                  |                   |
| Interest income   | 474              | 474              | 576              | 102               |
| <b>TOTAL REVENUES</b>   | <u>889,629</u>   | <u>889,629</u>   | <u>857,879</u>   | <u>(31,750)</u>   |
| <b>EXPENDITURES</b>   |                  |                  |                  |                   |
| <b>TOTAL EXPENDITURES</b>   | <u>42,000</u>    | <u>42,000</u>    | <u>42,000</u>    | <u>-</u>          |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>                                  | 847,629          | 847,629          | 815,879          | (31,750)          |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                  |                   |
| Transfers out   | (775,000)        | (775,000)        | (750,000)        | 25,000            |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(775,000)</u> | <u>(775,000)</u> | <u>(750,000)</u> | <u>25,000</u>     |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b> | 72,629           | 72,629           | 65,879           | (6,750)           |
| <b>FUND BALANCES, January 1</b>   | 22,436           | 20,579           | 20,579           | -                 |
| <b>FUND BALANCES, December 31</b>   | <u>\$ 95,065</u> | <u>\$ 93,208</u> | <u>\$ 86,458</u> | <u>\$ (6,750)</u> |

# **Comprehensive Annual Financial Report 2012**

## **INTERNAL SERVICE FUNDS**

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The INTERNAL SERVICE FUNDS are used to account for services performed by designated operations within the City of Kent for other operations/functions within the city. INTERNAL SERVICE FUNDS generate revenue by billing the organization/function to which the service was provided. In this manner, the efficiency of centralized city services can be obtained while being able to distribute the cost of those services to user organizations/functions. The Equipment Rental Fund rents vehicles and other maintenance equipment and provides fuel and maintenance services for its fleet. The Central Services Fund provides central stores, photocopying, printing, graphics, data processing, cable media, and telephone services. The Facilities Fund provides custodial and maintenance for most of the city owned buildings. The Insurance Fund accounts for the city's unemployment and workers' compensation programs, dental and health insurance program, and liability and property insurance program.

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
December 31, 2012**

|  | <b>Equipment<br/>Rental</b> | <b>Central<br/>Services</b> |
|--|-----------------------------|-----------------------------|
| <b>ASSETS</b>  |                             |                             |
| <b>CURRENT ASSETS</b>  |                             |                             |
| Cash and equity in pooled investments                            | \$ 540,099                  | \$ 136,656                  |
| Investments, at fair value                                       | 120,000                     | -                           |
| Receivables (net of allowances for<br>estimated uncollectables): |                             |                             |
| Accounts   | 167                         | 221,700                     |
| Notes  | 15,452                      | -                           |
| Accrued interest   | -                           | -                           |
| Interfund loan receivable  | 1,250,000                   | -                           |
| Inventory, at cost   | 107,364                     | 23,907                      |
| Prepaid expenses   | 140                         | 345,976                     |
| Total Current Assets   | <u>2,033,222</u>            | <u>728,239</u>              |
| <b>PROPERTY, PLANT AND EQUIPMENT</b>                             |                             |                             |
| Buildings  | 108,702                     | 675,071                     |
| Site improvements  | 253,569                     | 28,964                      |
| Equipment  | 13,991,400                  | 5,644,905                   |
| Less: accumulated depreciation                                   | (11,213,839)                | (6,328,634)                 |
| Construction in progress   | -                           | -                           |
| Total Property, Plant and Equipment                              | <u>3,139,832</u>            | <u>20,306</u>               |
| <b>TOTAL ASSETS</b>  | <b>\$ <u>5,173,054</u></b>  | <b>\$ <u>748,545</u></b>    |
| <b>LIABILITIES AND FUND EQUITY</b>                               |                             |                             |
| <b>CURRENT LIABILITIES</b>                                       |                             |                             |
| Vouchers payable   | \$ 56,568                   | \$ 24,543                   |
| Accounts/payroll payable   | 94,639                      | 301,757                     |
| Incurred but not reported claims payable                         | -                           | -                           |
| Accrued interest payable   | -                           | -                           |
| Contracts, leases and notes payable-current portion              | -                           | -                           |
| Deposits and unearned revenue                                    | 15,711                      | -                           |
| Total Current Liabilities  | <u>166,918</u>              | <u>326,300</u>              |
| <b>LONG-TERM LIABILITIES</b>                                     |                             |                             |
| Compensated absences payable                                     | 9,449                       | 53,266                      |
| Contracts, leases and notes payable                              | -                           | -                           |
| Total Long-Term Liabilities                                      | <u>9,449</u>                | <u>53,266</u>               |
| <b>Total Liabilities</b>   | <b>176,367</b>              | <b>379,566</b>              |
| <b>NET POSITION</b>  |                             |                             |
| Net investment in capital assets                                 | 3,139,832                   | 20,306                      |
| Unrestricted   | 1,856,855                   | 348,673                     |
| <b>TOTAL NET POSITION</b>  | <b>\$ <u>4,996,687</u></b>  | <b>\$ <u>368,979</u></b>    |



# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
For the Year Ended December 31, 2012**

|  | <b>Equipment<br/>Rental</b> | <b>Central<br/>Services</b> |
|--|-----------------------------|-----------------------------|
| <b>OPERATING REVENUES</b>                      |                             |                             |
| Sales  | \$ 799,957                  | \$ 101,236                  |
| Charges for services                           | 2,500,817                   | 5,618,239                   |
| Contributions                                  | -                           | -                           |
| Other operating revenue                        | -                           | -                           |
| <b>TOTAL OPERATING REVENUES</b>                | <b>3,300,774</b>            | <b>5,719,475</b>            |
| <b>OPERATING EXPENSES</b>                      |                             |                             |
| Salaries and wages                             | 562,792                     | 2,124,098                   |
| Benefits                                       | 247,041                     | 713,302                     |
| Supplies                                       | 1,596,596                   | 349,863                     |
| Services and charges                           | 786,363                     | 1,986,448                   |
| Depreciation                                   | 670,963                     | 4,362                       |
| <b>TOTAL OPERATING EXPENSES</b>                | <b>3,863,755</b>            | <b>5,178,073</b>            |
| <b>OPERATING INCOME (LOSS)</b>                 | <b>(562,981)</b>            | <b>541,402</b>              |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>       |                             |                             |
| Interest income                                | 3,335                       | -                           |
| Miscellaneous non-operating revenues           | 525                         | 20                          |
| Miscellaneous non-operating (expense)          | (61,373)                    | -                           |
| Interest expense                               | -                           | -                           |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b> | <b>(57,513)</b>             | <b>20</b>                   |
| <b>NET INCOME (LOSS)</b>                       | <b>(620,494)</b>            | <b>541,422</b>              |
| Contributed capital                            | 206,454                     | -                           |
| Transfers in                                   | 17,500                      | -                           |
| Transfers out                                  | -                           | (411,764)                   |
| <b>CHANGE IN NET POSITION</b>                  | <b>(396,540)</b>            | <b>129,658</b>              |
| <b>NET POSITION, January 1</b>                 | <b>5,393,227</b>            | <b>239,321</b>              |
| <b>NET POSITION, December 31</b>               | <b>\$ 4,996,687</b>         | <b>\$ 368,979</b>           |

# Comprehensive Annual Financial Report 2012

| Facilities   | Insurance    | Totals        |
|--------------|--------------|---------------|
| \$ -         | \$ -         | \$ 901,193    |
| 4,279,289    | -            | 12,398,345    |
| -            | 15,689,329   | 15,689,329    |
| 843,316      | 3,687,875    | 4,531,191     |
| 5,122,605    | 19,377,204   | 33,520,058    |
| 1,430,706    | 375,513      | 4,493,109     |
| 679,303      | 120,387      | 1,760,033     |
| 285,587      | 14,581       | 2,246,627     |
| 2,155,468    | 14,872,799   | 19,801,078    |
| 25,554       | -            | 700,879       |
| 4,576,618    | 15,383,280   | 29,001,726    |
| 545,987      | 3,993,924    | 4,518,332     |
| 2,300        | 21,262       | 26,897        |
| 6,384        | -            | 6,929         |
| -            | -            | (61,373)      |
| (9,145)      | -            | (9,145)       |
| (461)        | 21,262       | (36,692)      |
| 545,526      | 4,015,186    | 4,481,640     |
| -            | -            | 206,454       |
| 185,000      | -            | 202,500       |
| (260,000)    | -            | (671,764)     |
| 470,526      | 4,015,186    | 4,218,830     |
| 3,707,052    | 5,337,509    | 14,677,109    |
| \$ 4,177,578 | \$ 9,352,695 | \$ 18,895,939 |

# Comprehensive Annual Financial Report 2012

**CITY OF KENT - DRAFT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
Year Ended December 31, 2012**

|   | <b>Equipment<br/>Rental</b> | <b>Central<br/>Services</b> |
|---|-----------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                             |                             |
| Cash received from customers                                    | \$ 3,298,687                | \$ 5,546,663                |
| Cash received from other funds for services                     | -                           | -                           |
| Cash payments to employees                                      | (801,533)                   | (2,802,948)                 |
| Cash payments to suppliers                                      | (2,394,165)                 | (2,517,471)                 |
| Other cash received   | -                           | -                           |
| Net cash provided by (used for) operating activities            | 102,989                     | 226,244                     |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>          |                             |                             |
| Interfund loan payment for noncapital purposes                  | 1,250,000                   | -                           |
| Interfund loan issued for noncapital purposes                   | (1,250,000)                 | -                           |
| Operating grants/non-operating revenue received                 | 525                         | 20                          |
| Net cash provided by noncapital financing                       | 525                         | 20                          |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b> |                             |                             |
| Proceeds on sale of assets                                      | 29,335                      | -                           |
| Transfer of plant from Governmental Capital Assets              | 206,454                     | -                           |
| Acquisition and construction of capital assets                  | (1,044,859)                 | -                           |
| Principal paid on general obligation bonds                      | -                           | -                           |
| Interest paid on general obligation bonds                       | -                           | -                           |
| Transfers in  | 17,500                      | -                           |
| Transfers out   | -                           | (411,764)                   |
| Net cash used for capital and related financing                 | (791,570)                   | (411,764)                   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                             |                             |
| Purchase of investment securities                               | (3,210,000)                 | -                           |
| Proceeds from sale and maturities of investment securities      | 3,090,000                   | -                           |
| Interest and dividends on investments                           | 3,335                       | -                           |
| Net cash provided by (used for) investing activities            | (116,665)                   | -                           |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>     | (804,721)                   | (185,500)                   |
| <b>CASH AND EQUITY IN POOLED INVESTMENTS, January 1</b>         | 1,344,820                   | 322,156                     |
| <b>CASH AND EQUITY IN POOLED INVESTMENTS, December 31</b>       | \$ 540,099                  | \$ 136,656                  |

# Comprehensive Annual Financial Report 2012

| Facilities   | Insurance    | Total         |
|--------------|--------------|---------------|
| \$ 4,312,894 | \$ -         | \$ 13,158,244 |
| -            | 12,531,849   | 12,531,849    |
| (2,156,775)  | (508,467)    | (6,269,723)   |
| (2,483,387)  | (16,413,799) | (23,808,822)  |
| 843,316      | 3,687,875    | 4,531,191     |
| 516,048      | (702,542)    | 142,739       |
| -            | -            | 1,250,000     |
| -            | -            | (1,250,000)   |
| 6,384        | -            | 6,929         |
| 6,384        | -            | 6,929         |
| -            | -            | 29,335        |
| -            | -            | 206,454       |
| 267,108      | -            | (777,751)     |
| (143,290)    | -            | (143,290)     |
| (9,613)      | -            | (9,613)       |
| 185,000      | -            | 202,500       |
| (260,000)    | -            | (671,764)     |
| 39,205       | -            | (1,164,129)   |
| (3,830,000)  | (15,179,874) | (22,219,874)  |
| 3,375,000    | 16,754,874   | 23,219,874    |
| 2,300        | 21,262       | 26,897        |
| (452,700)    | 1,596,262    | 1,026,897     |
| 108,937      | 893,720      | 12,436        |
| 519,287      | 1,931,552    | 4,117,815     |
| \$ 628,224   | \$ 2,825,272 | \$ 4,130,251  |

Continued

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
Year Ended December 31, 2012**

|   | <b>Equipment<br/>Rental</b> | <b>Central<br/>Services</b> |
|---|-----------------------------|-----------------------------|
| <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  |                             |                             |
| Operating income (loss)   | \$ (562,981)                | \$ 541,402                  |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                             |                             |
| Depreciation expense  | 670,963                     | 4,361                       |
| Change in assets and liabilities:   |                             |                             |
| (Increase) Decrease in accounts receivable  | 221                         | (159,433)                   |
| (Increase) Decrease in inventory  | 13,615                      | (8,221)                     |
| (Increase) Decrease in prepaid expenses   | 151                         | (56,662)                    |
| Increase (Decrease) in vouchers payable   | (24,972)                    | (116,277)                   |
| Increase (Decrease) in accounts/payroll payable   | 11,606                      | 44,153                      |
| Increase in incurred but not reported claims payable                                    |                             |                             |
| Increase (Decrease) in deposits & deferred revenues                                     | (2,308)                     | (13,378)                    |
| Increase (Decrease) in compensated absences   | (3,306)                     | (9,701)                     |
| Total Adjustments   | 665,970                     | (315,158)                   |
| Net cash provided by operating activities   | \$ 102,989                  | \$ 226,244                  |

# Comprehensive Annual Financial Report 2012

| Facilities | Insurance    | Total        |
|------------|--------------|--------------|
| \$ 545,987 | \$ 3,993,924 | \$ 4,518,332 |
| 25,554     | -            | 700,878      |
| 34,441     | (3,157,459)  | (3,282,230)  |
| -          | -            | 5,394        |
| 6,876      | (255,113)    | (304,748)    |
| (49,208)   | (285,610)    | (476,067)    |
| (34,507)   | (7,512)      | 13,740       |
|            | (985,696)    | (985,696)    |
| (836)      | (21)         | (16,543)     |
| (12,259)   | (5,055)      | (30,321)     |
| (29,939)   | (4,696,466)  | (4,375,593)  |
| \$ 516,048 | \$ (702,542) | \$ 142,739   |

Concluded

**Comprehensive Annual Financial Report 2012**



# **Comprehensive Annual Financial Report 2012**

The AGENCY FUNDS function primarily as clearing mechanisms for cash resources, which are collected by the City of Kent, held a brief period, and then disbursed to authorized recipients.

**Comprehensive Annual Financial Report 2012**



# Comprehensive Annual Financial Report 2012

CITY OF KENT  
 AGENCY FUNDS  
 COMBINING STATEMENT OF NET POSITION  
 December 31, 2012

|                                       | Trust<br>Funds   | Impact<br>Fees    | Municipal<br>Court | Total             |
|---------------------------------------|------------------|-------------------|--------------------|-------------------|
| <b>ASSETS</b>                         |                  |                   |                    |                   |
| Cash and equity in pooled investments | \$ 17,571        | \$ 174,225        | \$ 707,121         | \$ 898,917        |
| <b>TOTAL ASSETS</b>                   | <u>\$ 17,571</u> | <u>\$ 174,225</u> | <u>\$ 707,121</u>  | <u>\$ 898,917</u> |
| <b>LIABILITIES</b>                    |                  |                   |                    |                   |
| Vouchers payable                      | \$ -             | \$ 174,225        | \$ 127,429         | \$ 301,654        |
| Due to other governments              | -                | -                 | 346,676            | 346,676           |
| Deposits and deferred revenue         | 17,571           | -                 | 233,016            | 250,587           |
| <b>TOTAL LIABILITIES</b>              | <u>\$ 17,571</u> | <u>\$ 174,225</u> | <u>\$ 707,121</u>  | <u>\$ 898,917</u> |

# Comprehensive Annual Financial Report 2012

CITY OF KENT  
 AGENCY FUNDS  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 For the Year Ended December 31, 2012

|                                       | Trust Funds                     |                  |                  |                                 |
|---------------------------------------|---------------------------------|------------------|------------------|---------------------------------|
|                                       | Balance<br>December 31,<br>2011 | Increases        | Decreases        | Balance<br>December 31,<br>2012 |
| <b>ASSETS</b>                         |                                 |                  |                  |                                 |
| Cash and equity in pooled investments | \$ 7,059                        | \$ 23,328        | \$ 12,816        | \$ 17,571                       |
| <b>TOTAL ASSETS</b>                   | <b>\$ 7,059</b>                 | <b>\$ 23,328</b> | <b>\$ 12,816</b> | <b>\$ 17,571</b>                |
| <b>LIABILITIES</b>                    |                                 |                  |                  |                                 |
| Vouchers payable                      | \$ -                            | \$ -             | \$ -             | \$ -                            |
| Due to other governments              | -                               | -                | -                | -                               |
| Deposits and deferred revenue         | 7,059                           | 10,512           | -                | 17,571                          |
| <b>TOTAL LIABILITIES</b>              | <b>\$ 7,059</b>                 | <b>\$ 10,512</b> | <b>\$ -</b>      | <b>\$ 17,571</b>                |

# Comprehensive Annual Financial Report 2012

| Impact Fees                     |              |              |                                 |
|---------------------------------|--------------|--------------|---------------------------------|
| Balance<br>December 31,<br>2011 | Increases    | Decreases    | Balance<br>December 31,<br>2012 |
| \$ 137,510                      | \$ 2,196,880 | \$ 2,160,165 | \$ 174,225                      |
| \$ 137,510                      | \$ 2,196,880 | \$ 2,160,165 | \$ 174,225                      |
| \$ 137,510                      | \$ 1,316,880 | \$ 1,280,165 | \$ 174,225                      |
| -                               | -            | -            | -                               |
| -                               | -            | -            | -                               |
| \$ 137,510                      | \$ 1,316,880 | \$ 1,280,165 | \$ 174,225                      |

Continued

# Comprehensive Annual Financial Report 2012

CITY OF KENT  
 AGENCY FUNDS  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 For the Year Ended December 31, 2012

|                                       | Municipal Court                 |                     |                     |                                 |
|---------------------------------------|---------------------------------|---------------------|---------------------|---------------------------------|
|                                       | Balance<br>December 31,<br>2011 | Increases           | Decreases           | Balance<br>December 31,<br>2012 |
| <b>ASSETS</b>                         |                                 |                     |                     |                                 |
| Cash and equity in pooled investments | \$ 767,206                      | \$ 4,131,326        | \$ 4,191,411        | \$ 707,121                      |
| <b>TOTAL ASSETS</b>                   | <b>\$ 767,206</b>               | <b>\$ 4,131,326</b> | <b>\$ 4,191,411</b> | <b>\$ 707,121</b>               |
| <b>LIABILITIES</b>                    |                                 |                     |                     |                                 |
| Vouchers payable                      | \$ 565,369                      | \$ 3,756,244        | \$ 4,194,184        | \$ 127,429                      |
| Due to other governments              | (2,576)                         | 1,873,696           | 1,524,444           | 346,676                         |
| Deposits and deferred revenue         | 204,413                         | 28,603              | -                   | 233,016                         |
| <b>TOTAL LIABILITIES</b>              | <b>\$ 767,206</b>               | <b>\$ 5,658,543</b> | <b>\$ 5,718,628</b> | <b>\$ 707,121</b>               |

# Comprehensive Annual Financial Report 2012

| Total                           |              |              |                                 |
|---------------------------------|--------------|--------------|---------------------------------|
| Balance<br>December 31,<br>2011 | Increases    | Decreases    | Balance<br>December 31,<br>2012 |
| \$ 911,775                      | \$ 6,351,534 | \$ 6,364,392 | \$ 898,917                      |
| \$ 911,775                      | \$ 6,351,534 | \$ 6,364,392 | \$ 898,917                      |
| \$ 702,879                      | \$ 5,073,124 | \$ 5,474,349 | \$ 301,654                      |
| (2,576)                         | 1,873,696    | 1,524,444    | 346,676                         |
| 211,472                         | 39,115       | -            | 250,587                         |
| -                               | -            | -            | -                               |
| \$ 911,775                      | \$ 6,985,935 | \$ 6,998,793 | \$ 898,917                      |

Concluded

**Comprehensive Annual Financial Report 2012**



# **Comprehensive Annual Financial Report 2012**

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS includes those capital assets of the City of Kent which are not accounted for in the Enterprise or Internal Service Funds. For an item to be classified as a capital asset, it must cost at least \$5,000 and have a useful life of more than three years.

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
COMPARATIVE SCHEDULE BY SOURCE  
December 31, 2012  
With Comparison to December 31, 2011**

|  | <b>2012</b>                    | <b>2011</b>                    |
|--|--------------------------------|--------------------------------|
| <b>GOVERNMENTAL FUNDS CAPITAL ASSETS:</b>                    |                                |                                |
| Land   | \$ 219,458,162                 | \$ 217,938,054                 |
| Buildings  | 125,053,351                    | 125,089,910                    |
| Site improvements  | 52,927,401                     | 52,017,448                     |
| Equipment  | 29,917,030                     | 29,748,579                     |
| Infrastructure   | 531,178,891                    | 496,497,372                    |
| Construction in progress                                     | 104,059,117                    | 135,259,426                    |
| Investment in joint venture                                  | 7,139,778                      | 7,114,254                      |
| <b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>               | <b>\$ <u>1,069,733,730</u></b> | <b>\$ <u>1,063,665,043</u></b> |
| <b>INVESTMENTS IN GOVERNMENTAL CAPITAL ASSETS BY SOURCE:</b> |                                |                                |
| General governmental revenues                                | \$ 260,484,712                 | \$ 269,228,430                 |
| General obligation bonds                                     | 207,704,399                    | 197,559,200                    |
| Federal grants   | 70,535,348                     | 69,947,902                     |
| State grants   | 328,259,177                    | 327,824,751                    |
| County and local grants                                      | 19,388,508                     | 18,645,772                     |
| Special assessments  | 42,417,507                     | 42,115,493                     |
| Gifts and contributions                                      | 140,944,079                    | 138,343,495                    |
| <b>TOTAL INVESTMENTS IN GOVERNMENTAL CAPITAL ASSETS</b>      | <b>\$ <u>1,069,733,730</u></b> | <b>\$ <u>1,063,665,043</u></b> |

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

# Comprehensive Annual Financial Report 2012

**CITY OF KENT  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY  
December 31, 2012**

|  | Land                  | Buildings             | Site<br>Improvements | Equipment            | Infrastructure        | Total                   |
|--|-----------------------|-----------------------|----------------------|----------------------|-----------------------|-------------------------|
| <b>GENERAL GOVERNMENT</b>                      |                       |                       |                      |                      |                       |                         |
| Administration                                 | \$ 239,582            | \$ 240,855            | \$ -                 | \$ 52,101            | \$ -                  | \$ 532,538              |
| Attorney                                       | -                     | -                     | -                    | 51,966               | -                     | 51,966                  |
| Finance  | -                     | -                     | -                    | 316,779              | -                     | 316,779                 |
| Planning                                       | -                     | -                     | 33,553               | 140,991              | -                     | 174,544                 |
| Public office buildings                        | 4,244,809             | 30,498,406            | 3,229,334            | 2,922,209            | -                     | 40,894,758              |
| Other  | -                     | -                     | -                    | 16,886,426           | -                     | 16,886,426              |
| Total  | 4,484,391             | 30,739,261            | 3,262,887            | 20,370,472           | -                     | 58,857,011              |
| <b>PUBLIC SAFETY</b>                           |                       |                       |                      |                      |                       |                         |
| Police   | 450,258               | 2,193,973             | 585,206              | 3,410,443            | -                     | 6,639,880               |
| Fire   | 283,568               | 2,727,721             | 125,122              | 132,667              | -                     | 3,269,078               |
| Total  | 733,826               | 4,921,694             | 710,328              | 3,543,110            | -                     | 9,908,958               |
| <b>PUBLIC WORKS</b>                            |                       |                       |                      |                      |                       |                         |
| Engineering                                    | 2,650,000             | -                     | 1,302,586            | 570,692              | -                     | 4,523,278               |
| Streets  | 159,975,984           | -                     | 210,179              | 122,152              | 531,178,891           | 691,487,206             |
| Total  | 162,625,984           | -                     | 1,512,765            | 692,844              | 531,178,891           | 696,010,484             |
| <b>PARKS, RECREATION AND CULTURE</b>           |                       |                       |                      |                      |                       |                         |
| Parks and recreation                           | 47,235,730            | 1,556,893             | 46,309,143           | 99,296               | -                     | 95,201,062              |
| Senior center                                  | 1,955,066             | 3,821,545             | 24,386               | 28,626               | -                     | 5,829,623               |
| Parks maintenance                              | -                     | 101,218               | 167,599              | 301,986              | -                     | 570,803                 |
| Kent commons                                   | 200,704               | 3,521,822             | 246,830              | 137,668              | -                     | 4,107,024               |
| ShoWare Center                                 | -                     | 76,456,164            | -                    | 3,962,585            | -                     | 80,418,749              |
| Cultural arts                                  | -                     | -                     | 693,463              | 734,029              | -                     | 1,427,492               |
| Total  | 49,391,500            | 85,457,642            | 47,441,421           | 5,264,190            | -                     | 187,554,753             |
| <b>LIBRARY</b>                                 |                       |                       |                      |                      |                       |                         |
|  | 2,222,461             | 3,934,754             | -                    | 46,414               | -                     | 6,203,629               |
| Total  | 2,222,461             | 3,934,754             | -                    | 46,414               | -                     | 6,203,629               |
| <b>TOTAL</b>                                   | 219,458,162           | 125,053,351           | 52,927,401           | 29,917,030           | 531,178,891           | 958,534,835             |
| Construction in progress                       | -                     | -                     | -                    | -                    | -                     | 104,059,117             |
| Investment in joint venture                    | -                     | -                     | -                    | -                    | -                     | 7,139,778               |
| <b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b> | <u>\$ 219,458,162</u> | <u>\$ 125,053,351</u> | <u>\$ 52,927,401</u> | <u>\$ 29,917,030</u> | <u>\$ 531,178,891</u> | <u>\$ 1,069,733,730</u> |

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

# Comprehensive Annual Financial Report 2012

**CITY OF KENT**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
**Year Ended December 31, 2012**

|  | Governmental<br>Fund Capital<br>Assets<br>1-1-12 | Additions            | Retirements<br>and<br>Transfers | Governmental<br>Fund Capital<br>Assets<br>12-31-12 |
|--|--|----------------------|---------------------------------|--|
| <b>GENERAL GOVERNMENT</b>                      |  |                      |                                 |  |
| Administration                                 | \$ 532,538                                       | \$ -                 | \$ -                            | \$ 532,538   |
| Attorney                                       | 51,966   | -                    | -                               | 51,966   |
| Finance  | 316,779  | -                    | -                               | 316,779  |
| Planning                                       | 174,544  | -                    | -                               | 174,544  |
| Public office buildings                        | 40,528,008                                       | 366,750              | -                               | 40,894,758   |
| Other  | 16,886,426                                       | -                    | -                               | 16,886,426   |
| Total  | <u>58,490,261</u>                                | <u>366,750</u>       | <u>-</u>                        | <u>58,857,011</u>                                  |
| <b>PUBLIC SAFETY</b>                           |  |                      |                                 |  |
| Police   | 6,475,422  | 164,458              | -                               | 6,639,880  |
| Fire   | 3,269,078  | -                    | -                               | 3,269,078  |
| Total  | <u>9,744,500</u>                                 | <u>164,458</u>       | <u>-</u>                        | <u>9,908,958</u>                                   |
| <b>PUBLIC WORKS</b>                            |  |                      |                                 |  |
| Engineering                                    | 4,523,278  | -                    | -                               | 4,523,278  |
| Streets  | 655,285,579                                      | 36,201,627           | -                               | 691,487,206  |
| Total  | <u>659,808,857</u>                               | <u>36,201,627</u>    | <u>-</u>                        | <u>696,010,484</u>                                 |
| <b>PARKS, RECREATIONS AND CULTURE</b>          |  |                      |                                 |  |
| Parks and recreation                           | 94,773,221                                       | 443,075              | 15,234                          | 95,201,062   |
| Senior center                                  | 5,829,623  | -                    | -                               | 5,829,623  |
| Parks maintenance                              | 570,803  | -                    | -                               | 570,803  |
| Kent commons                                   | 4,107,024  | -                    | -                               | 4,107,024  |
| ShoWare Center                                 | 80,455,308                                       | -                    | 36,559                          | 80,418,749   |
| Cultural arts                                  | 1,308,137  | 119,355              | -                               | 1,427,492  |
| Total  | <u>187,044,116</u>                               | <u>562,430</u>       | <u>51,793</u>                   | <u>187,554,753</u>                                 |
| <b>LIBRARY</b>                                 |  |                      |                                 |  |
| Total  | <u>6,203,629</u>                                 | <u>-</u>             | <u>-</u>                        | <u>6,203,629</u>                                   |
| Construction in progress                       | 135,259,426                                      | 4,207,372            | 35,407,681                      | 104,059,117  |
| Investment in joint venture                    | 7,114,254  | 25,524               | -                               | 7,139,778  |
| <b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b> | <u>\$ 1,063,665,043</u>                          | <u>\$ 41,528,161</u> | <u>\$ 35,459,474</u>            | <u>\$ 1,069,733,730</u>                            |

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

# **Comprehensive Annual Financial Report 2012**

## **STATISTICAL SECTION**

This part of the City of Kent's comprehensive annual 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.

| <b><u>Contents</u></b>  | <b><u>Page</u></b> |
|---|--------------------|
| <b>Financial Trends</b>   | <b>134</b>         |
| <i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.</i>  |                    |
| <b>Revenue Capacity</b>   | <b>144</b>         |
| <i>These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.</i>   |                    |
| <b>Debt Capacity</b>  | <b>154</b>         |
| <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>                        |                    |
| <b>Demographic and Economic Information</b>   | <b>159</b>         |
| <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.</i> |                    |
| <b>Operating Information</b>  | <b>161</b>         |
| <i>These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.</i>         |                    |

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

# Comprehensive Annual Financial Report 2012

**Schedule 1**  
**City of Kent**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

|   | Fiscal Year           |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | <u>2003</u>           | <u>2004</u>           | <u>2005</u>           | <u>2006</u>           |
| Governmental activities                         |                       |                       |                       |                       |
| Invested in capital assets, net of related debt | \$ 208,333,330        | \$ 217,630,057        | \$ 261,167,805        | \$ 643,727,989        |
| Restricted                                      | 2,460,179             | 3,563,661             | 3,444,592             | 23,292,082            |
| Unrestricted                                    | 13,874,512            | 28,057,598            | 42,909,071            | 33,742,641            |
| Total governmental activities net position      | <u>\$ 224,668,021</u> | <u>\$ 249,251,316</u> | <u>\$ 307,521,468</u> | <u>\$ 700,762,712</u> |
| Business-type activities                        |                       |                       |                       |                       |
| Invested in capital assets, net of related debt | \$ 170,311,604        | \$ 168,160,887        | \$ 176,318,621        | \$ 186,009,250        |
| Restricted                                      | 1,285,477             | 1,221,643             | 1,578,076             | 1,509,777             |
| Unrestricted                                    | 19,794,301            | 27,602,761            | 32,236,084            | 28,789,356            |
| Total business-type activities net position     | <u>\$ 191,391,382</u> | <u>\$ 196,985,291</u> | <u>\$ 210,132,781</u> | <u>\$ 216,308,383</u> |
| Primary government                              |                       |                       |                       |                       |
| Net investment in capital assets                | \$ 378,644,934        | \$ 385,790,944        | \$ 437,486,426        | \$ 829,737,239        |
| Restricted                                      | 3,745,656             | 4,785,304             | 5,022,668             | 24,801,859            |
| Unrestricted                                    | 33,668,813            | 55,660,359            | 75,145,155            | 62,531,997            |
| Total primary government net position           | <u>\$ 416,059,403</u> | <u>\$ 446,236,607</u> | <u>\$ 517,654,249</u> | <u>\$ 917,071,095</u> |

# Comprehensive Annual Financial Report 2012

| Fiscal Year    |                |                |                |                |                  |
|----------------|----------------|----------------|----------------|----------------|------------------|
| <u>2007</u>    | <u>2008</u>    | <u>2009</u>    | <u>2010</u>    | <u>2011</u>    | <u>2012</u>      |
| \$ 667,980,093 | \$ 713,371,701 | \$ 710,700,685 | \$ 727,782,834 | \$ 708,913,377 | \$ 697,830,001   |
| 20,821,401     | 17,491,729     | 14,297,401     | 12,145,319     | 10,034,770     | 10,288,377       |
| 21,120,567     | 20,686,229     | 11,612,766     | (14,550,823)   | (5,370,367)    | 16,025,424       |
| \$ 709,922,061 | \$ 751,549,659 | \$ 736,610,852 | \$ 725,377,330 | \$ 713,577,780 | \$ 724,143,802   |
| \$ 191,875,855 | \$ 200,774,256 | \$ 184,890,067 | \$ 214,631,648 | \$ 241,629,839 | \$ 253,742,128   |
| 722,344        | 803,354        | 2,119,806      | 3,065,319      | 4,497,103      | 2,463,535        |
| 29,736,610     | 25,617,802     | 49,908,497     | 38,662,226     | 27,073,691     | 29,259,929       |
| \$ 222,334,809 | \$ 227,195,412 | \$ 236,918,370 | \$ 256,359,193 | \$ 273,200,633 | \$ 285,465,592   |
| \$ 859,855,948 | \$ 914,145,957 | \$ 895,590,752 | \$ 942,414,482 | \$ 950,543,216 | \$ 951,572,129   |
| 21,543,745     | 18,295,083     | 16,417,207     | 15,210,638     | 14,531,873     | 12,751,912       |
| 50,857,177     | 46,304,031     | 61,521,263     | 24,111,403     | 21,703,324     | 45,285,353       |
| \$ 932,256,870 | \$ 978,745,071 | \$ 973,529,222 | \$ 981,736,523 | \$ 986,778,413 | \$ 1,009,609,394 |

# Comprehensive Annual Financial Report 2012

**Schedule 2**  
**City of Kent**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

|   | Fiscal Year           |                       |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | <u>2003</u>           | <u>2004</u>           | <u>2005</u>           | <u>2006</u>           | <u>2007</u>           |
| <b>Expenses</b>                                 |                       |                       |                       |                       |                       |
| Governmental activities:                        |                       |                       |                       |                       |                       |
| General Government                              | \$ 5,833,696          | \$ 5,773,165          | \$ 5,704,405          | \$ 7,670,278          | \$ 7,024,180          |
| Judicial  | 1,821,975             | 1,782,114             | 1,867,345             | 1,968,044             | 2,147,737             |
| Public Safety                                   | 39,830,381            | 40,883,387            | 43,315,168            | 45,707,880            | 50,255,708            |
| Community Development                           | 3,767,904             | 3,722,914             | 4,024,190             | 4,363,668             | 4,683,786             |
| Public Works                                    | 5,616,775             | 5,553,671             | 10,002,252            | 19,318,340            | 20,483,858            |
| Leisure services                                | 7,978,519             | 8,489,334             | 8,695,931             | 8,856,821             | 10,376,916            |
| Health and human services                       | 4,941,168             | 5,349,446             | 5,286,639             | 5,248,403             | 6,004,932             |
| Library   | 99,243                | 99,515                | 99,243                | 99,243                | 99,243                |
| Interest on long-term debt                      | 4,930,082             | 6,871,723             | 4,821,064             | 4,803,588             | 4,263,751             |
| Total governmental activities expenses          | <u>74,819,743</u>     | <u>78,525,269</u>     | <u>83,816,237</u>     | <u>98,036,265</u>     | <u>105,340,111</u>    |
| Business-type activities:                       |                       |                       |                       |                       |                       |
| Water   | 7,746,675             | 8,054,179             | 8,037,342             | 8,991,114             | 8,998,124             |
| Sewerage  | 21,187,225            | 23,512,763            | 22,524,649            | 23,866,177            | 26,097,746            |
| Golf  | 2,816,183             | 2,845,989             | 2,753,449             | 2,861,007             | 3,078,174             |
| Total business-type activities expenses         | <u>31,750,083</u>     | <u>34,412,931</u>     | <u>33,315,440</u>     | <u>35,718,298</u>     | <u>38,174,044</u>     |
| Total primary government expenses               | <u>\$ 106,569,826</u> | <u>\$ 112,938,200</u> | <u>\$ 117,131,677</u> | <u>\$ 133,754,563</u> | <u>\$ 143,514,155</u> |
| <b>Program Revenues</b>                         |                       |                       |                       |                       |                       |
| Governmental activities:                        |                       |                       |                       |                       |                       |
| Charges for services:                           |                       |                       |                       |                       |                       |
| General Government                              | \$ 208,496            | \$ 221,405            | \$ 220,034            | \$ 228,938            | \$ 365,124            |
| Judicial  | 1,825,154             | 1,628,674             | 1,408,560             | 1,442,322             | 1,676,314             |
| Public Safety                                   | 450,230               | 564,781               | 1,002,235             | 994,770               | 1,105,526             |
| Community Development                           | 1,854,042             | 2,312,737             | 3,110,206             | 2,902,293             | 3,080,526             |
| Public Works                                    | 3,183,429             | 6,337,902             | 6,109,139             | 2,367,161             | 2,100,155             |
| Leisure services                                | 1,355,857             | 1,283,203             | 1,111,552             | 1,253,149             | 1,301,497             |
| Health and human services                       | 813,245               | 604,449               | 760,568               | 777,522               | 1,055,544             |
| Operating grants and contributions              | 5,843,572             | 6,289,737             | 7,126,887             | 6,881,204             | 8,723,491             |
| Capital grants and contributions                | 7,971,138             | 8,553,692             | 15,566,905            | 10,879,385            | 13,389,132            |
| Total governmental activities program revenues  | <u>23,505,163</u>     | <u>27,796,580</u>     | <u>36,416,086</u>     | <u>27,726,744</u>     | <u>32,797,309</u>     |
| Business-type activities                        |                       |                       |                       |                       |                       |
| Charges for services:                           |                       |                       |                       |                       |                       |
| Water   | 7,609,119             | 7,833,929             | 7,735,500             | \$ 8,255,311          | \$ 8,342,104          |
| Sewerage  | \$ 22,277,646         | \$ 22,213,930         | \$ 23,357,426         | 25,063,532            | 27,000,243            |
| Golf Complex                                    | 2,710,001             | 2,757,423             | 2,765,037             | 2,807,934             | 2,816,789             |
| Operating grants and contributions              | (28,388)              | 2,533,578             | 9,025,542             | 69,870                | 84,629                |
| Capital grants and contributions                | 6,630,324             | 4,476,206             | 2,845,980             | 3,865,640             | 4,448,759             |
| Total business-type activities program revenues | <u>39,198,702</u>     | <u>39,815,066</u>     | <u>45,729,485</u>     | <u>40,062,287</u>     | <u>42,692,524</u>     |
| Total primary government program revenues       | <u>\$ 62,703,865</u>  | <u>\$ 67,611,646</u>  | <u>\$ 82,145,571</u>  | <u>\$ 67,789,031</u>  | <u>\$ 75,489,833</u>  |

Source: Statement Activities

# Comprehensive Annual Financial Report 2012

| Fiscal Year    |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|
| <u>2008</u>    | <u>2009</u>    | <u>2010</u>    | <u>2011</u>    | <u>2012</u>    |
| \$ 26,661,964  | \$ 7,230,905   | \$ 6,931,002   | \$ 6,400,374   | \$ 6,351,823   |
| 2,388,567      | 2,487,918      | 2,544,075      | 2,745,430      | 2,793,914      |
| 57,177,887     | 58,880,087     | 60,147,355     | 48,030,603     | 37,340,409     |
| 5,030,233      | 4,487,550      | 5,524,342      | 5,441,202      | 5,332,561      |
| 20,097,918     | 19,453,467     | 16,219,754     | 21,195,696     | 17,427,549     |
| 11,426,192     | 14,096,689     | 15,050,502     | 16,414,532     | 16,744,687     |
| 6,175,999      | 6,198,375      | 5,996,524      | 5,915,128      | 5,553,369      |
| 99,515         | 99,243         | 99,243         | 99,243         | 99,515         |
| 4,149,135      | 4,933,465      | 4,295,374      | 4,000,555      | 3,779,473      |
| 133,207,410    | 117,867,699    | 116,808,171    | 110,242,763    | 95,423,300     |
| 10,250,612     | 10,401,686     | 11,241,367     | 11,991,035     | 12,949,247     |
| 27,231,263     | 28,947,993     | 29,668,499     | 29,194,159     | 36,391,713     |
| 2,941,512      | 2,896,509      | 3,123,644      | 3,226,066      | 3,062,851      |
| 40,423,387     | 42,246,188     | 44,033,510     | 44,411,260     | 52,403,811     |
| \$ 173,630,797 | \$ 160,113,887 | \$ 160,841,681 | \$ 154,654,023 | \$ 147,827,111 |
| <br>           |                |                |                |                |
| \$ 392,469     | \$ 369,217     | \$ 385,644     | \$ 433,840     | \$ 1,958,626   |
| 1,847,107      | 1,878,098      | 2,128,646      | 2,140,781      | 1,963,025      |
| 1,148,454      | 1,092,168      | 1,174,585      | 996,471        | 1,081,323      |
| 2,186,907      | 1,411,773      | 2,058,564      | 2,171,303      | 3,262,546      |
| 1,362,739      | 967,622        | 475,866        | 834,042        | 1,420,839      |
| 1,343,048      | 1,308,717      | 1,328,562      | 1,549,202      | 1,357,619      |
| 793,590        | 834,782        | 698,819        | 674,983        | 814,518        |
| 10,575,098     | 10,298,875     | 9,432,962      | 4,402,255      | 4,124,615      |
| 75,635,801     | 12,596,207     | 9,459,649      | 5,311,483      | 11,076,621     |
| 95,285,213     | 30,757,459     | 27,143,297     | 18,514,360     | 27,059,732     |
| <br>           |                |                |                |                |
| \$ 8,778,926   | \$ 11,876,537  | \$ 15,426,293  | \$ 15,986,832  | \$ 16,253,067  |
| 28,118,989     | 31,298,410     | 35,841,828     | 39,108,510     | 39,562,059     |
| 2,895,616      | 2,698,663      | 2,394,945      | 2,519,852      | 2,570,012      |
| 793,473        | 112,236        | 2,799,480      | 348,478        | 770,997        |
| 3,628,766      | 5,939,641      | 6,761,033      | 6,900,419      | 5,544,456      |
| 44,215,770     | 51,925,487     | 63,223,579     | 64,864,091     | 64,700,591     |
| \$ 139,500,983 | \$ 82,682,946  | \$ 90,366,876  | \$ 83,378,451  | \$ 91,760,323  |

(continued)

# Comprehensive Annual Financial Report 2012

**Schedule 2 - continued**  
**City of Kent**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

|   | Fiscal Year            |                        |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
|   | <u>2003</u>            | <u>2004</u>            | <u>2005</u>            | <u>2006</u>            | <u>2007</u>            |
| <b>Net (Expense)/Revenue</b>                              |                        |                        |                        |                        |                        |
| Governmental activities                                   | \$ (51,314,580)        | \$ (50,728,689)        | \$ (47,400,151)        | \$ (70,309,521)        | \$ (72,542,802)        |
| Business-type activities                                  | 7,448,619              | 5,402,135              | 12,414,045             | 4,343,989              | 4,518,480              |
| Total primary government net expense                      | <u>\$ (43,865,961)</u> | <u>\$ (45,326,554)</u> | <u>\$ (34,986,106)</u> | <u>\$ (65,965,532)</u> | <u>\$ (68,024,322)</u> |
| <b>General Revenues and Other Changes in Net Position</b> |                        |                        |                        |                        |                        |
| Governmental activities:                                  |                        |                        |                        |                        |                        |
| Taxes   |                        |                        |                        |                        |                        |
| Property taxes levied for general purpose                 | \$ 21,680,559          | \$ 22,234,770          | \$ 23,912,889          | \$ 24,360,387          | \$ 25,594,680          |
| Property taxes levied for debt service                    | 1,767,370              | 1,770,182              | 1,786,244              | 1,781,124              | 609,561                |
| Sales taxes   | 20,274,191             | 22,246,215             | 22,820,585             | 26,099,325             | 26,812,760             |
| Utility taxes   | 12,170,246             | 13,674,524             | 14,542,310             | 16,414,038             | 17,417,969             |
| Real Estate taxes   | 3,650,413              | 3,775,658              | 5,930,310              | 5,514,863              | 4,952,380              |
| Other taxes   | 418,966                | 414,720                | 476,354                | 707,963                | 768,973                |
| Unrestricted grants and contributions                     | 836,652                | 941,613                | 998,572                | 1,333,120              | 1,023,819              |
| Investment earnings                                       | 1,870,565              | 1,880,861              | 3,366,907              | 4,489,127              | 3,904,796              |
| Miscellaneous   | 9,771,414              | 8,137,324              | 5,122,930              | 595,018                | 737,751                |
| Transfers   | 584,228                | 236,116                | 294,353                | (6,793)                | 50,690                 |
| Total governmental activities                             | <u>73,024,604</u>      | <u>75,311,983</u>      | <u>79,251,454</u>      | <u>81,288,172</u>      | <u>81,873,379</u>      |
| Business-type activities                                  |                        |                        |                        |                        |                        |
| Investment earnings                                       | 415,658                | 427,890                | 1,027,798              | 1,547,289              | 1,558,636              |
| Transfers   | (584,228)              | (236,116)              | (294,353)              | 6,793                  | (50,690)               |
| Total business-type activities                            | <u>(168,570)</u>       | <u>191,774</u>         | <u>733,445</u>         | <u>1,554,082</u>       | <u>1,507,946</u>       |
| Total primary government                                  | <u>\$ 72,856,034</u>   | <u>\$ 75,503,757</u>   | <u>\$ 79,984,899</u>   | <u>\$ 82,842,254</u>   | <u>\$ 83,381,325</u>   |
| <b>Change in Net Position</b>                             |                        |                        |                        |                        |                        |
| Governmental activities                                   | \$ 21,710,024          | \$ 24,583,294          | \$ 31,851,303          | \$ 10,978,651          | \$ 9,330,577           |
| Business-type activities                                  | 7,280,049              | 5,593,909              | 13,147,490             | 5,898,071              | 6,026,426              |
| Total primary government                                  | <u>\$ 28,990,073</u>   | <u>\$ 30,177,203</u>   | <u>\$ 44,998,793</u>   | <u>\$ 16,876,722</u>   | <u>\$ 15,357,003</u>   |

# Comprehensive Annual Financial Report 2012

| Fiscal Year     |                 |                 |                 |                 |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| <u>2008</u>     | <u>2009</u>     | <u>2010</u>     | <u>2011</u>     | <u>2012</u>     |
| \$ (37,922,197) | \$ (87,110,240) | \$ (89,664,874) | \$ (91,728,403) | \$ (68,363,568) |
| 3,792,383       | 9,679,299       | 19,190,069      | 20,452,831      | 12,296,780      |
| \$ (34,129,814) | \$ (77,430,941) | \$ (70,474,805) | \$ (71,275,572) | \$ (56,066,788) |

|               |               |               |               |               |
|---------------|---------------|---------------|---------------|---------------|
| \$ 26,576,727 | \$ 27,048,764 | \$ 29,272,194 | \$ 19,287,114 | \$ 19,726,551 |
| 598,922       | 596,696       |               | 9,750         | 8,421         |
| 25,460,470    | 17,234,352    | 18,600,976    | 21,458,253    | 21,908,275    |
| 17,569,974    | 17,379,153    | 17,725,934    | 19,365,153    | 19,868,738    |
| 3,225,515     | 1,888,137     | 1,805,871     | 2,235,174     | 3,547,963     |
| 771,055       | 889,426       | 1,147,963     | 1,313,231     | 1,304,761     |
| 1,876,367     | 5,407,702     | 6,328,500     | 7,102,872     | 6,845,773     |
| 2,133,806     | 1,173,891     | 818,063       | 495,029       | 701,443       |
| 1,479,608     | 374,306       | 2,825,148     | 4,931,321     | 4,907,310     |
| (142,649)     | 175,974       | 14,400        | 312,344       | 110,355       |
| 79,549,795    | 72,168,401    | 78,539,049    | 76,510,241    | 78,929,590    |

|               |               |               |               |               |
|---------------|---------------|---------------|---------------|---------------|
| 925,571       | 219,633       | 157,457       | 119,565       | 78,534        |
| 142,649       | (175,974)     | (14,400)      | (312,344)     | (110,355)     |
| 1,068,220     | 43,659        | 143,057       | (192,779)     | (31,821)      |
| \$ 80,618,015 | \$ 72,212,060 | \$ 78,682,106 | \$ 76,317,462 | \$ 78,897,769 |

|               |                 |                 |                 |               |
|---------------|-----------------|-----------------|-----------------|---------------|
| \$ 41,627,598 | \$ (14,941,839) | \$ (11,125,825) | \$ (15,218,162) | \$ 10,566,022 |
| 4,860,603     | 9,722,958       | 19,333,126      | 20,260,052      | 12,264,959    |
| \$ 46,488,201 | \$ (5,218,881)  | \$ 8,207,301    | \$ 5,041,890    | \$ 22,830,981 |

(concluded)

# Comprehensive Annual Financial Report 2012

**Schedule 3**  
**City of Kent**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

|                                    | Fiscal Year   |               |               |               |
|------------------------------------|---------------|---------------|---------------|---------------|
|                                    | 2003          | 2004          | 2005          | 2006          |
| General Fund                       |               |               |               |               |
| Reserved                           | \$ 250,792    | \$ 480,456    | \$ 219,303    | \$ 251,540    |
| Unreserved                         | 4,137,323     | 4,793,227     | 5,719,490     | 6,885,799     |
| Nonspendable                       | -             | -             | -             | -             |
| Restricted                         | -             | -             | -             | -             |
| Committed                          | -             | -             | -             | -             |
| Assigned                           | -             | -             | -             | -             |
| Unassigned                         | -             | -             | -             | -             |
| Total general fund                 | \$ 4,388,115  | \$ 5,273,683  | \$ 5,938,793  | \$ 7,137,339  |
| All Other Governmental Funds       |               |               |               |               |
| Reserved                           | \$ 1,512,806  | \$ 2,504,694  | \$ 2,394,628  | \$ 3,486,406  |
| Unreserved, reported in:           |               |               |               |               |
| Special revenue funds              | 3,830,470     | 5,879,346     | 7,639,675     | 4,653,558     |
| Debt service funds                 | 947,578       | 1,058,967     | 1,056,261     | -             |
| Capital projects funds             | 16,667,629    | 24,522,238    | 14,559,622    | 10,582,468    |
| Nonspendable                       | -             | -             | -             | -             |
| Restricted                         | -             | -             | -             | -             |
| Committed                          | -             | -             | -             | -             |
| Assigned                           | -             | -             | -             | -             |
| Unassigned                         | -             | -             | -             | -             |
| Total all other governmental funds | \$ 22,958,483 | \$ 33,965,245 | \$ 25,650,186 | \$ 18,722,432 |

\* Fund balances restated for GASB Statement No. 54 implementation.

Source: Governmental Funds Balance Sheet

# Comprehensive Annual Financial Report 2012

| Fiscal Year  |               |              |                 |                 |              |
|--------------|---------------|--------------|-----------------|-----------------|--------------|
| 2007         | 2008          | 2009         | 2010            | 2011*           | 2012         |
| \$ 2,532,147 | \$ 256,156    | \$ 60,569    | \$ 57,586       | \$ -            | \$ -         |
| 5,493,860    | 6,672,432     | 1,999,665    | 768,523         | -               | -            |
| -            | -             | -            | -               | 59,539          | 103,364      |
| -            | -             | -            | -               | 5,028           | 5,028        |
| -            | -             | -            | -               | 283,678         | 283,678      |
| -            | -             | -            | -               | -               | -            |
| -            | -             | -            | -               | (205,783)       | 1,971,693    |
| \$ 8,026,007 | \$ 6,928,588  | \$ 2,060,234 | \$ 826,109      | \$ 142,462      | \$ 2,363,763 |
| \$ 2,965,944 | \$ 2,107,366  | \$ 1,278,319 | \$ 1,727,814    | \$ -            | \$ -         |
| 9,018,627    | 4,627,119     | (3,886,045)  | (9,756,662)     | -               | -            |
| -            | -             | -            | -               | -               | -            |
| (8,618,307)  | 11,402,348    | 3,782,839    | (3,936,907)     | -               | -            |
| -            | -             | -            | -               | 4,318           | 950          |
| -            | -             | -            | -               | 5,602,450       | 6,372,694    |
| -            | -             | -            | -               | 1,849,238       | 2,949,075    |
| -            | -             | -            | -               | 519,918         | 2,377,391    |
| -            | -             | -            | -               | (22,811,500)    | (11,821,498) |
| \$ 3,366,264 | \$ 18,136,833 | \$ 1,175,113 | \$ (11,965,755) | \$ (14,835,576) | \$ (121,388) |

# Comprehensive Annual Financial Report 2012

**Schedule 4**  
**City of Kent**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

|  | Fiscal Year           |                      |                       |                     |                        |
|--|-----------------------|----------------------|-----------------------|---------------------|------------------------|
|  | <u>2003</u>           | <u>2004</u>          | <u>2005</u>           | <u>2006</u>         | <u>2007</u>            |
| <b>Revenues</b>  |                       |                      |                       |                     |                        |
| Taxes (see Schedule 5)                                     | \$ 59,910,914         | \$ 64,122,276        | \$ 69,385,293         | \$ 74,785,604       | \$ 75,827,108          |
| Licenses and permits                                       | 1,730,573             | 1,909,492            | 2,643,393             | 2,608,064           | 2,809,392              |
| Intergovernmental  | 11,918,320            | 14,388,605           | 21,392,337            | 15,588,288          | 17,748,774             |
| Charges for services                                       | 3,077,954             | 3,371,266            | 5,473,845             | 5,204,130           | 5,110,691              |
| Fines and forfeitures                                      | 1,553,071             | 1,364,041            | 1,171,934             | 1,227,897           | 1,492,780              |
| Special assessments  | 2,347,459             | 5,482,303            | 3,676,698             | 3,667,926           | 2,439,661              |
| Investment earnings  | 1,765,927             | 1,742,440            | 3,001,655             | 3,883,343           | 3,203,446              |
| Other revenues   | 3,770,425             | 3,768,110            | 3,093,620             | 2,183,209           | 3,499,918              |
| <b>Total Revenues</b>                                      | <b>86,074,643</b>     | <b>96,148,533</b>    | <b>109,838,775</b>    | <b>109,148,461</b>  | <b>112,131,770</b>     |
| <b>Expenditures</b>  |                       |                      |                       |                     |                        |
| General government   | 5,494,883             | 4,950,640            | 5,327,140             | 6,882,585           | 5,798,802              |
| Judicial   | 1,811,801             | 1,726,236            | 1,872,295             | 1,947,553           | 2,115,342              |
| Public safety  | 38,866,999            | 39,351,050           | 43,218,034            | 45,090,400          | 48,730,640             |
| Community development                                      | 3,747,600             | 3,603,513            | 4,210,727             | 4,434,360           | 4,641,802              |
| Public works   | 5,344,774             | 4,797,335            | 5,306,468             | 6,479,232           | 7,275,763              |
| Leisure services   | 6,828,869             | 7,089,535            | 7,362,855             | 7,436,780           | 8,808,851              |
| Health and human services                                  | 4,796,032             | 5,227,751            | 5,269,934             | 5,170,441           | 5,838,255              |
| Debt Service   |                       |                      |                       |                     |                        |
| Principal  | 18,037,152            | 29,071,344           | 8,854,245             | 9,646,741           | 9,344,892              |
| Interest   | 4,839,185             | 6,570,116            | 4,638,657             | 4,605,109           | 4,034,925              |
| Capital Outlay   | 13,214,404            | 19,405,538           | 36,163,362            | 32,955,075          | 41,109,628             |
| <b>Total expenditures</b>                                  | <b>102,981,699</b>    | <b>121,793,058</b>   | <b>122,223,717</b>    | <b>124,648,276</b>  | <b>137,698,900</b>     |
| Excess of revenues over<br>(under) expenditures            | (16,907,056)          | (25,644,525)         | (12,384,942)          | (15,499,815)        | (25,567,130)           |
| <b>Other Financing Sources (Uses)</b>                      |                       |                      |                       |                     |                        |
| Bonds issued   | 7,889,287             | 33,733,676           | 2,252,000             | 11,929,507          | -                      |
| Refunding bonds issued                                     | -                     | -                    | (2,050,000)           | -                   | -                      |
| Loans/contracts issued                                     | -                     | -                    | -                     | 8,218,892           | -                      |
| Issuance of installment notes                              | -                     | -                    | -                     | -                   | -                      |
| Payments to escrow agent                                   | -                     | -                    | -                     | -                   | -                      |
| Sale of capital assets                                     | 169,810               | 3,275,936            | 4,518,249             | 1,165,137           | 311,894                |
| Transfers in   | 16,416,984            | 13,731,222           | 16,158,803            | 29,236,665          | 23,932,686             |
| Transfers out  | (14,210,983)          | (13,204,184)         | (16,124,572)          | (28,938,139)        | (24,537,645)           |
| <b>Total other financing<br/>sources (uses)</b>            | <b>10,265,098</b>     | <b>37,536,650</b>    | <b>4,754,480</b>      | <b>21,612,062</b>   | <b>(293,065)</b>       |
| <b>Net change in fund balances</b>                         | <b>\$ (6,641,958)</b> | <b>\$ 11,892,125</b> | <b>\$ (7,630,462)</b> | <b>\$ 6,112,247</b> | <b>\$ (25,860,195)</b> |
| Debt service as a percentage<br>of noncapital expenditures | 25.5%                 | 34.8%                | 15.7%                 | 15.5%               | 13.9%                  |

Source: Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

# Comprehensive Annual Financial Report 2012

| Fiscal Year   |                 |                 |                |               |
|---------------|-----------------|-----------------|----------------|---------------|
| 2008          | 2009            | 2010            | 2011           | 2012          |
| \$ 73,895,588 | \$ 64,986,755   | \$ 68,488,317   | \$ 63,739,861  | \$ 66,441,273 |
| 2,364,302     | 1,849,252       | 2,091,190       | 2,249,021      | 4,361,182     |
| 85,192,892    | 24,279,630      | 20,956,542      | 14,716,457     | 14,139,092    |
| 3,995,114     | 2,874,696       | 3,328,744       | 3,622,562      | 4,703,711     |
| 1,705,410     | 1,583,731       | 1,737,615       | 1,626,615      | 1,511,762     |
| 2,589,995     | 2,627,522       | 1,939,156       | 2,285,686      | 3,808,216     |
| 1,732,781     | 1,066,402       | 786,379         | 711,753        | 689,240       |
| 2,388,171     | 3,069,013       | 3,529,510       | 2,680,263      | 3,445,064     |
| 173,864,253   | 102,337,001     | 102,857,453     | 91,632,218     | 99,099,540    |
| 6,441,299     | 6,191,850       | 5,821,839       | 6,051,000      | 6,148,530     |
| 2,266,382     | 2,411,494       | 2,415,602       | 2,639,800      | 2,726,273     |
| 53,453,187    | 55,681,381      | 57,122,596      | 36,927,061     | 36,785,762    |
| 4,910,964     | 4,419,094       | 5,237,571       | 5,252,066      | 5,325,071     |
| 6,805,027     | 6,118,684       | 5,877,368       | 6,677,579      | 7,334,764     |
| 9,621,646     | 12,318,938      | 12,603,919      | 13,112,883     | 13,801,117    |
| 5,876,570     | 5,995,763       | 5,641,216       | 5,537,197      | 5,501,456     |
| 7,707,320     | 7,624,942       | 7,246,851       | 7,669,145      | 7,667,099     |
| 4,005,422     | 4,899,979       | 4,126,828       | 3,846,564      | 3,646,216     |
| 85,302,585    | 21,500,239      | 10,754,848      | 11,074,228     | 4,058,121     |
| 186,390,402   | 127,162,364     | 116,848,638     | 98,787,523     | 92,994,409    |
| (12,526,149)  | (24,825,363)    | (13,991,185)    | (7,155,305)    | 6,105,131     |
| 26,420,777    | -               | -               | -              | -             |
| -             | 8,757,076       | -               | -              | 10,840,000    |
| -             | 2,500,000       | -               | -              | 500,000       |
| -             | -               | -               | -              | 9,702,213     |
| -             | (8,140,000)     | -               | -              | (10,990,000)  |
| 304,979       | -               | 150             | -              | 198,526       |
| 17,209,577    | 14,941,530      | 16,091,163      | 24,573,238     | 15,997,350    |
| (18,133,279)  | (15,066,349)    | (16,262,423)    | (24,390,014)   | (15,417,731)  |
| 25,802,054    | 2,992,257       | (171,110)       | 183,224        | 10,830,358    |
| \$ 13,275,905 | \$ (21,833,106) | \$ (14,162,295) | \$ (6,972,081) | \$ 16,935,489 |
| 11.6%         | 11.9%           | 10.7%           | 13.1%          | 12.7%         |

# Comprehensive Annual Financial Report 2012

**Schedule 5**

**City of Kent**

**Tax Revenue by Source - Governmental Funds**

**Last Ten Fiscal Years**

(modified accrual basis of accounting)

| Fiscal<br>Year      | Property      | Sales & Use    | Utility        | Real Estate<br>Excise | Lodging | Other         | Total      |
|---------------------|---------------|----------------|----------------|-----------------------|---------|---------------|------------|
| 2003                | 23,397,098    | 20,274,191     | 12,170,246     | 3,650,413             | 119,198 | 299,768       | 59,910,914 |
| 2004                | 24,011,159    | 22,246,215     | 13,674,524     | 3,775,658             | 121,007 | 293,713       | 64,122,276 |
| 2005                | 25,615,734    | 22,820,585     | 14,542,310     | 5,930,310             | 138,854 | 337,500       | 69,385,293 |
| 2006                | 26,049,415    | 26,099,325     | 16,414,038     | 5,514,863             | 167,426 | 540,537       | 74,785,604 |
| 2007                | 25,875,026    | 26,812,760     | 17,417,969     | 4,952,380             | 195,667 | 573,306       | 75,827,108 |
| 2008*               | 26,868,574    | 25,460,470     | 17,569,974     | 3,225,515             | 207,066 | 563,989       | 73,895,587 |
| 2009*               | 27,595,687    | 17,234,352     | 17,379,153     | 1,888,137             | 145,239 | 744,187       | 64,986,755 |
| 2010*               | 29,207,573    | 18,600,976     | 17,725,934     | 1,805,871             | 162,706 | 985,257       | 68,488,317 |
| 2011*               | 19,368,050 ** | 21,458,253 *** | 19,365,153 *** | 2,235,174             | 182,840 | 1,130,391 *** | 63,739,861 |
| 2012*               | 19,811,536 ** | 21,908,275 *** | 19,868,738 *** | 3,547,963             | 187,971 | 1,116,790 *** | 66,441,273 |
| Change<br>2003-2012 | -15.3%        | 8.1%           | 63.3%          | -2.8%                 | 57.7%   | 272.6%        | 10.9%      |

\* Under Sales & Use Tax--Streamline Sales Tax (SST) implementation. Mitigation payments received from the state under Other Grants and Shared Revenue category:

2008 = \$1,159,921  
 2009 = \$4,379,387  
 2010 = \$4,891,833  
 2011 = \$4,961,619  
 2012 = \$4,744,454

\*\* Property tax was reduced due to the formation of the Regional Fire Authority (RFA) effective July 1, 2010. This reduced the City's levy assessment by 1 percent.

\*\*\* Increase due to Panther Lake Annexation effective July 1, 2010.

Sales & Use Tax - City receives 0.2% of state sales tax collected within the City for 10 yrs--this totaled \$4.2 million and \$4.4 million for 2011 and 2012 respectively.

Utility Taxes - Annexation revenues totaled \$2.6 million for 2011 and \$2.4 million for 2012.

Other Taxes - Annexation revenues totaled \$.3 million for 2011 and \$.3 million for 2012.

Source: City financial records

Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

# Comprehensive Annual Financial Report 2012

Schedule 6  
City of Kent  
Assessed Value of Taxable Property  
Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>Real Property</u> | <u>Personal Property</u> | <u>Total Assessed Value</u> | <u>Total Direct Tax Rate</u> |
|--------------------|----------------------|--------------------------|-----------------------------|------------------------------|
| 2003               | 7,481,591,559        | 1,001,392,967            | 8,482,984,526               | 2.873                        |
| 2004               | 7,843,980,330        | 986,668,376              | 8,830,648,706               | 2.847                        |
| 2005               | 8,400,023,599        | 993,616,797              | 9,393,640,396               | 2.935                        |
| 2006               | 9,190,267,772        | 1,075,601,911            | 10,265,869,683              | 2.804                        |
| 2007               | 10,351,653,984       | 1,204,420,660            | 11,556,074,644              | 2.563                        |
| 2008               | 11,555,227,640       | 1,241,561,849            | 12,796,789,489              | 2.364                        |
| 2009               | 10,369,540,574       | 1,363,755,233            | 11,733,295,807              | 2.180                        |
| 2010*              | 11,833,000,822       | 1,345,088,821            | 13,178,089,643              | 2.362                        |
| 2011               | 11,450,528,835       | 1,269,326,234            | 12,719,855,069              | 1.484                        |
| 2012               | 10,844,075,182       | 1,165,682,338            | 12,009,757,520              | 1.568                        |

**Source:** King County Assessor's Office

**Notes:** Tax rates applied to previous years assessed valuation to determine levy. Assessed values are established by the County Assessor at 100 percent of fair market value. A reevaluation of all property is required every year and a physical inspection is required at least once every six years.

\* Increased assessed value due to Panther Lake annexation

# Comprehensive Annual Financial Report 2012

**Schedule 7**

**City of Kent**

**Direct and Overlapping Property Tax Rates**

**Last Ten Fiscal Years**

| Fiscal Year | City Direct Rates |                    |                   | Overlapping Rates |        |                       |                 |                      |                   |               |                           |                        |
|-------------|-------------------|--------------------|-------------------|-------------------|--------|-----------------------|-----------------|----------------------|-------------------|---------------|---------------------------|------------------------|
|             | Basic Rate        | Voted Debt Service | Total Direct Rate | State             | County | Voter Approved County | Port of Seattle | Kent School District | Hospital District | Rural Library | Emergency Medical Service | Green River Flood Zone |
| 2003        | 2.655             | 0.218              | 2.873             | 2.897             | 1.106  | 0.244                 | 0.259           | 4.737                | 0.093             | 0.500         | 0.241                     | 0.047                  |
| 2004        | 2.636             | 0.210              | 2.846             | 2.757             | 1.242  | 0.189                 | 0.254           | 4.717                | 0.092             | 0.492         | 0.237                     | 0.047                  |
| 2005        | 2.730             | 0.203              | 2.933             | 2.690             | 1.214  | 0.168                 | 0.253           | 4.798                | 0.090             | 0.533         | 0.232                     | 0.047                  |
| 2006        | 2.633             | 0.191              | 2.824             | 2.498             | 1.154  | 0.175                 | 0.233           | 4.593                | 0.590             | 0.534         | 0.220                     | 0.045                  |
| 2007        | 2.503             | 0.059              | 2.562             | 2.325             | 1.139  | 0.150                 | 0.232           | 4.176                | 0.557             | 0.500         | 0.206                     | 0.042                  |
| 2008        | 2.312             | 0.052              | 2.364             | 2.132             | 1.208  | 0.119                 | 0.224           | 4.393                | 0.509             | 0.453         | 0.300                     | 0.100                  |
| 2009        | 2.133             | 0.047              | 2.180             | 1.963             | 1.098  | 0.103                 | 0.197           | 4.070                | 0.471             | 0.417         | 0.274                     | 0.091                  |
| 2010        | 2.355             | -                  | 2.355             | 2.223             | 1.285  | 0.074                 | 0.216           | 4.809                | 0.533             | 0.485         | 0.300                     | 0.105                  |
| 2011        | 1.484             | -                  | 1.484             | 2.280             | 1.338  | 0.720                 | 0.224           | 5.387                | 0.558             | 0.566         | 0.300                     | 0.110                  |
| 2012        | 1.568             | -                  | 1.568             | 2.422             | 1.416  | 0.071                 | 0.230           | 5.600                | 0.500             | 0.500         | 0.300                     | 0.116                  |

**Source:** King County Assessor's Office

Note: The City is permitted by law to levy up to \$3.60 per \$1,000 assessed valuation for general government services. Due to formation of the Regional Fire Authority (RFA) on July 1, 2010, \$1 per \$1,000 assessed valuation now goes to the RFA and \$.5 per \$1,000 goes to the library. Therefore, the City is limited to assess a total of \$2.10 per \$1,000. Statutory levy rate cannot exceed \$10 per \$1,000 of assessed valuation. This 1% value limit does not include tax levies for Port and Utility Districts. This limit is subject to further reduction per State statute limiting overlapping levy rate excluding the State (school) levy to \$5.90 per \$1,000 of assessed valuation. Other levies not subject to the limitation are excess levies approved by the voters to pay off bonds for capital construction or for providing supplemental funds for operating purposes particularly for schools.

# Comprehensive Annual Financial Report 2012

Schedule 8  
 City of Kent  
 Principal Property Tax Payers  
 Current Year and Nine Years Ago

| Taxpayer  | 2012                   |      |   | 2003                   |      |   |
|---|------------------------|------|---|------------------------|------|---|
|   | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Boeing  | \$ 321,073,963         | 1    | 2.67%   | \$362,043,300          | 1    | 4.27%   |
| PSE/Electric & Gas                              | 177,537,603            | 2    | 1.48%   | 124,806,596            | 2    | 1.47%   |
| AMB Property                                    | 114,369,200            | 3    | 0.95%   | 94,079,800             | 4    | 1.11%   |
| Calstrs (formerly McElroy George)               | 106,645,500            | 4    | 0.89%   | 107,782,600            | 3    | 1.27%   |
| Segale Properties (formerly La Terra Ltd)       | 83,337,900             | 5    | 0.69%   | 37,665,900             | 8    | 0.44%   |
| Qwest Corporation (formerly U.S. West)          | 42,926,636             | 6    | 0.36%   | 60,839,568             | 5    | 0.72%   |
| CSHV Kent North LLC (formerly Ellis CB Richard) | 42,346,400             | 7    | 0.35%   |                        |      |   |
| Fred Meyer                                      | 37,588,200             | 7    | 0.31%   |                        |      |   |
| Red Mortgage Capital Inc.                       | 36,161,000             | 9    | 0.30%   | 20,543,000             | 10   | 0.24%   |
| Pacific NW Group A                              | 28,827,000             | 10   | 0.24%   | 40,776,200             | 6    | 0.48%   |
| First American Tax Valuation                    |                        |      |   | 38,049,400             | 7    | 0.45%   |
| Mikron Industries                               |                        |      |   | 23,967,473             | 9    | 0.28%   |
|   | <u>\$ 990,813,402</u>  |      | <u>8.25%</u>                                    | <u>\$910,553,837</u>   |      | <u>10.73%</u>                                   |

Source: King County Assessor's Office

**Comprehensive Annual Financial Report 2012**



# Comprehensive Annual Financial Report 2012

Schedule 9  
 City of Kent  
 Property Tax Levies and Collections  
 Last Ten Fiscal Years

| Fiscal Year Ended Dec 31, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy |                    | Collections in Subsequent Years | Total Collections to Date |                    |
|---------------------------|----------------------------------|--|--------------------|---------------------------------|---------------------------|--------------------|
|                           |                                  | Amount                                       | Percentage of Levy |                                 | Amount                    | Percentage of Levy |
| 2003                      | 23,479,266                       | 23,003,573                                   | 97.97%             | 475,693                         | 23,479,266                | 100.00%            |
| 2004                      | 24,073,724                       | 23,663,292                                   | 98.30%             | 410,432                         | 24,073,724                | 100.00%            |
| 2005                      | 25,800,548                       | 25,324,613                                   | 98.16%             | 475,988                         | 25,800,601                | 100.00%            |
| 2006                      | 26,400,938                       | 25,723,330                                   | 97.43%             | 667,237                         | 26,390,567                | 99.96%             |
| 2007                      | 26,194,032                       | 25,750,298                                   | 98.31%             | 440,272                         | 26,190,570                | 99.99%             |
| 2008                      | 27,225,624                       | 26,564,249                                   | 97.57%             | 654,248                         | 27,218,497                | 99.97%             |
| 2009                      | 27,815,136                       | 27,136,428                                   | 97.56%             | 658,982                         | 27,795,410                | 99.93%             |
| 2010                      | 29,273,116                       | 28,806,516                                   | 98.41%             | 370,291                         | 29,176,808                | 99.67%             |
| 2011*                     | 19,298,192                       | 18,981,959                                   | 98.36%             | 174,701                         | 19,156,659                | 99.27%             |
| 2012                      | 19,896,581                       | 19,593,500                                   | 98.48%             | -                               | 19,593,500                | 98.48%             |

Source: King County Assessor's Office

\* The levy was reduced by \$1 per \$1,000 of assessed valuation due to the formation of the Regional Fire Authority (RFA) in July 2010.

# Comprehensive Annual Financial Report 2012

**Schedule 10  
City of Kent  
Taxable Sales by Category  
Last Ten Fiscal Years**

|                                | <u>Fiscal Year</u>      |                         |                         |                         |
|--------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                | <u>2003</u>             | <u>2004</u>             | <u>2005</u>             | <u>2006</u>             |
| Unknown                        | 2,788,565               | 2,860,967               | 2,889,211               | 2,562,325               |
| Agriculture, Forestry, Fishing | 241,811                 | 259,927                 | 324,202                 | 556,164                 |
| Mining                         | 165,812                 | 76,669                  | 276,815                 | 143,563                 |
| Utilities                      | 12,592,843              | 13,066,851              | 17,444,817              | 25,929,247              |
| Construction                   | 200,883,086             | 241,657,790             | 280,567,441             | 339,844,719             |
| Manufacturing                  | 124,167,116             | 133,711,143             | 145,756,409             | 153,080,983             |
| Wholesale Trade                | 421,817,406             | 572,981,503             | 471,349,351             | 507,855,299             |
| Retail Trade                   | 859,359,112             | 965,767,217             | 1,034,703,327           | 1,191,891,094           |
| Transportation and Warehousing | 6,941,953               | 9,242,882               | 6,944,753               | 8,279,538               |
| Information                    | 141,101,281             | 114,599,268             | 110,148,507             | 157,065,993             |
| Finance and Insurance          | 28,310,575              | 20,123,087              | 21,205,368              | 20,019,726              |
| Real Estate, Rental, Leasing   | 79,714,100              | 89,459,326              | 94,843,961              | 102,929,495             |
| Prof, Sci, Technical Svcs      | 30,250,721              | 29,642,946              | 29,052,029              | 30,635,428              |
| Company Management             | 10,581                  | 168,253                 | 354,019                 | 434,919                 |
| Admin, Supp, Remed Svcs        | 46,697,067              | 40,321,875              | 37,873,104              | 39,221,048              |
| Educational Services           | 2,302,294               | 2,291,215               | 2,433,927               | 2,803,957               |
| Health Care Social Assistance  | 2,292,399               | 3,270,662               | 4,187,207               | 3,761,970               |
| Arts, Entertain, Recreation    | 11,039,253              | 11,477,093              | 12,372,720              | 12,997,168              |
| Accommodation and Food Svcs    | 123,047,958             | 129,577,791             | 137,351,291             | 156,165,384             |
| Other Services                 | 59,484,659              | 57,895,065              | 63,107,841              | 65,088,034              |
| Public Administration          | 9,694,552               | 13,042,626              | 16,662,522              | 13,378,848              |
| <br>                           |                         |                         |                         |                         |
| Total                          | <u>\$ 2,162,903,145</u> | <u>\$ 2,451,494,158</u> | <u>\$ 2,489,848,823</u> | <u>\$ 2,834,644,903</u> |

City direct sales tax rate 0.9%.

**Source:** Taxtools 4.1.0 Database by Microflex, Inc.

# Comprehensive Annual Financial Report 2012

| Fiscal Year      |                  |                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|------------------|------------------|
| <u>2007</u>      | <u>2008</u>      | <u>2009</u>      | <u>2010</u>      | <u>2011</u>      | <u>2012</u>      |
| 743,328          | 960,908          | 999,746          | 858,268          | 477,054          | 339,351          |
| 480,758          | 421,594          | 518,595          | 718,861          | 692,359          | 877,496          |
| 126,143          | 1,111,403        | 540,569          | 647,324          | 617,757          | 607,282          |
| 32,804,185       | 20,292,827       | 23,789,845       | 17,472,906       | 5,078,454        | 7,112,634        |
| 314,927,177      | 329,122,168      | 242,972,325      | 188,425,022      | 186,982,818      | 224,155,491      |
| 271,089,687      | 171,095,850      | 69,750,959       | 96,582,517       | 81,988,703       | 88,519,357       |
| 537,750,994      | 376,973,038      | 301,507,123      | 217,175,584      | 252,503,957      | 232,141,988      |
| 1,093,635,050    | 864,206,993      | 616,882,158      | 647,338,680      | 681,641,901      | 682,878,774      |
| 9,709,071        | 8,606,606        | 6,983,433        | 8,256,303        | 6,620,144        | 6,843,425        |
| 114,296,024      | 138,282,101      | 111,604,712      | 113,484,774      | 112,088,847      | 115,588,551      |
| 18,444,097       | 19,337,663       | 22,253,860       | 18,871,102       | 16,381,423       | 21,585,061       |
| 100,269,365      | 87,787,763       | 74,188,983       | 67,979,949       | 73,151,966       | 71,912,403       |
| 34,514,927       | 47,004,048       | 40,297,213       | 48,470,587       | 41,794,489       | 46,798,059       |
| 395,740          | 203,812          | 170,204          | 646,516          | 13,351           | 20,847           |
| 46,233,624       | 38,659,998       | 30,272,316       | 31,230,882       | 42,594,079       | 41,021,656       |
| 5,386,733        | 4,705,329        | 3,167,476        | 3,205,201        | 3,968,920        | 3,243,933        |
| 3,882,634        | 4,134,840        | 2,726,198        | 2,254,145        | 1,783,015        | 1,505,938        |
| 14,199,392       | 15,543,553       | 19,222,372       | 18,658,668       | 19,773,143       | 19,055,120       |
| 166,220,492      | 164,615,802      | 143,820,138      | 146,494,696      | 159,382,256      | 171,055,204      |
| 72,939,468       | 75,835,651       | 66,338,283       | 73,591,515       | 82,917,327       | 77,191,369       |
| 21,778,264       | 30,271,537       | 20,201,288       | 19,850,671       | 24,692,051       | 24,752,900       |
| \$ 2,859,827,153 | \$ 2,399,173,484 | \$ 1,798,207,796 | \$ 1,722,214,171 | \$ 1,795,144,014 | \$ 1,837,206,839 |

# Comprehensive Annual Financial Report 2012

Schedule 11  
 City of Kent  
 Direct and Overlapping Sales Tax Rates  
 Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>City Direct Rate</u> | <u>State</u> | <u>Metro</u> | <u>RTA</u> | <u>County</u> | <u>Criminal Justice</u> | <u>Stadium</u> | <u>Total Overlapping Rate</u> |
|--------------------|-------------------------|--------------|--------------|------------|---------------|-------------------------|----------------|-------------------------------|
| 2003               | 0.85%                   | 6.50%        | 0.80%        | 0.40%      | 0.16%         | 0.10%                   | 0.50%          | 9.31%                         |
| 2004               | 0.85%                   | 6.50%        | 0.80%        | 0.40%      | 0.15%         | 0.10%                   | 0.50%          | 9.30%                         |
| 2005               | 0.85%                   | 6.50%        | 0.80%        | 0.40%      | 0.15%         | 0.10%                   | 0.50%          | 9.30%                         |
| 2006               | 0.85%                   | 6.50%        | 0.80%        | 0.40%      | 0.15%         | 0.10%                   | 0.50%          | 9.30%                         |
| 2007               | 0.85%                   | 6.50%        | 0.80%        | 0.40%      | 0.25%         | 0.10%                   | 0.50%          | 9.40%                         |
| 2008               | 0.85%                   | 6.50%        | 0.80%        | 0.40%      | 0.35%         | 0.10%                   | 0.50%          | 9.50%                         |
| 2009               | 0.85%                   | 6.50%        | 0.80%        | 0.90%      | 0.35%         | 0.10%                   | 0.50%          | 10.00%                        |
| 2010               | 0.85%                   | 6.50%        | 0.80%        | 0.90%      | 0.35%         | 0.10%                   | 0.50%          | 10.00%                        |
| 2011               | 0.85%                   | 6.50%        | 0.80%        | 0.90%      | 0.35%         | 0.10%                   | 0.00% *        | 9.50%                         |
| 2012               | 0.85%                   | 6.50%        | 0.80%        | 0.90%      | 0.35%         | 0.10%                   | 0.00%          | 9.50%                         |

\* Effective 10/1/11 the King County food and beverage tax for Stadium of 0.5% was discontinued.

**Source:** Washington State Department of Revenue

# Comprehensive Annual Financial Report 2012

**Schedule 12  
City of Kent  
Sales Tax Revenue Payers by Industry  
Current Year and Nine Years Ago**

|                                | <b>Fiscal Year 2012</b>     |                                |                          |                                | <b>Fiscal Year 2003</b>     |                                |                          |                                |
|--------------------------------|-----------------------------|--------------------------------|--------------------------|--------------------------------|-----------------------------|--------------------------------|--------------------------|--------------------------------|
|                                | <u>Number<br/>of Filers</u> | <u>Percentage<br/>of Total</u> | <u>Tax<br/>Liability</u> | <u>Percentage<br/>of Total</u> | <u>Number<br/>of Filers</u> | <u>Percentage<br/>of Total</u> | <u>Tax<br/>Liability</u> | <u>Percentage<br/>of Total</u> |
| Unknown                        | 25                          | 0.1%                           | 30,900                   | 0.2%                           | 62                          | 0.6%                           | 50,266                   | 0.3%                           |
| Agriculture, Forestry, Fishing | 52                          | 0.3%                           | 6,960                    | 0.0%                           | 26                          | 0.2%                           | 2,035                    | 0.0%                           |
| Mining                         | 13                          | 0.1%                           | 5,068                    | 0.0%                           | 7                           | 0.1%                           | 1,395                    | 0.0%                           |
| Utilities                      | 15                          | 0.1%                           | 76,168                   | 0.5%                           | 13                          | 0.1%                           | 105,676                  | 0.6%                           |
| Construction                   | 3,850                       | 21.8%                          | 1,805,308                | 11.7%                          | 3,047                       | 27.8%                          | 1,645,745                | 9.5%                           |
| Manufacturing                  | 1,217                       | 6.9%                           | 710,271                  | 4.6%                           | 560                         | 5.1%                           | 1,084,232                | 6.3%                           |
| Wholesale Trade                | 2,662                       | 15.1%                          | 1,938,671                | 12.6%                          | 1,674                       | 15.3%                          | 3,554,733                | 20.6%                          |
| Retail Trade                   | 4,336                       | 24.6%                          | 5,774,249                | 37.4%                          | 2,068                       | 18.9%                          | 7,081,959                | 40.9%                          |
| Transportation and Warehousing | 137                         | 0.8%                           | 60,539                   | 0.4%                           | 73                          | 0.7%                           | 55,610                   | 0.3%                           |
| Information                    | 564                         | 3.2%                           | 1,001,933                | 6.5%                           | 288                         | 2.6%                           | 833,848                  | 4.8%                           |
| Finance and Insurance          | 161                         | 0.9%                           | 171,027                  | 1.1%                           | 145                         | 1.3%                           | 238,909                  | 1.4%                           |
| Real Estate, Rental, Leasing   | 426                         | 2.4%                           | 628,059                  | 4.1%                           | 378                         | 3.4%                           | 64,093                   | 0.4%                           |
| Prof, Sci, Technical Svcs      | 1,002                       | 5.7%                           | 391,584                  | 2.5%                           | 434                         | 4.0%                           | 254,755                  | 1.5%                           |
| Company Management             | 5                           | 0.0%                           | 148                      | 0.0%                           | 3                           | 0.0%                           | 89                       | 0.0%                           |
| Admin, Supp, Remed Svcs        | 1,307                       | 7.4%                           | 345,437                  | 2.2%                           | 877                         | 8.0%                           | 396,843                  | 2.3%                           |
| Educational Services           | 135                         | 0.8%                           | 29,225                   | 0.2%                           | 30                          | 0.3%                           | 19,380                   | 0.1%                           |
| Health Care Social Assistance  | 169                         | 1.0%                           | 12,474                   | 0.1%                           | 94                          | 0.9%                           | 19,291                   | 0.1%                           |
| Arts, Entertain, Recreation    | 115                         | 0.7%                           | 162,377                  | 1.1%                           | 60                          | 0.5%                           | 92,902                   | 0.5%                           |
| Accommodation and Food Svcs    | 415                         | 2.4%                           | 1,422,671                | 9.2%                           | 342                         | 3.1%                           | 1,035,124                | 6.0%                           |
| Other Services                 | 998                         | 5.7%                           | 662,589                  | 4.3%                           | 770                         | 7.0%                           | 501,677                  | 2.9%                           |
| Public Administration          | 24                          | 0.1%                           | 199,660                  | 1.3%                           | 10                          | 0.1%                           | 256,984                  | 1.5%                           |
| <b>Total</b>                   | <u>17,628</u>               | <u>100.01%</u>                 | <u>\$ 15,435,318</u>     | <u>100.00%</u>                 | <u>10,961</u>               | <u>100.00%</u>                 | <u>\$ 17,295,546</u>     | <u>100.00%</u>                 |

**Source:** Taxtools 4.1.0 Database by Microflex, Inc.

**Note:** Due to confidentiality issues, the names of the ten largest revenue payers are not provided. The categories presented are intended to provide alternate information regarding the sources of the city's revenue.

# Comprehensive Annual Financial Report 2012

Schedule 13  
City of Kent  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

| Fiscal Year | General Bonded Debt      |                                      |               | Percentage of Assessed Taxable Value of Property <sup>a</sup> | Per Capita <sup>b</sup> | Other Governmental Activities Debt      |                          |
|-------------|--------------------------|--------------------------------------|---------------|---|-------------------------|---|--------------------------|
|             | General Obligation Bonds | Less: Amounts Available In Debt Fund | Total         |   |                         | Loans, Notes and Contracts <sup>d</sup> | Special Assessment Bonds |
| 2003        | \$ 70,393,000            | \$ (1,341)                           | \$ 70,394,341 | 0.83%   | \$ 835.94               | \$ 4,709,978                            | \$ 14,923,439            |
| 2004        | 63,838,000               | -                                    | 63,838,000    | 0.72%   | 754.94                  | 7,754,491                               | 24,135,652               |
| 2005        | 59,137,115               | 23,350                               | 59,113,765    | 0.63%   | 696.11                  | 7,459,864                               | 20,230,867               |
| 2006        | 65,399,001               | 49,075                               | 65,349,926    | 0.64%   | 762.99                  | 14,858,916                              | 17,028,602               |
| 2007        | 60,913,311               | 42,024                               | 60,871,287    | 0.53%   | 702.42                  | 12,471,829                              | 14,512,651               |
| 2008        | 80,578,443               | 26,246                               | 80,552,197    | 0.63%   | 926.10                  | 14,137,927                              | 11,851,450               |
| 2009        | 76,196,081               | 3,587                                | 76,192,494    | 0.65%   | 862.10                  | 15,800,512                              | 9,588,769                |
| 2010        | 71,815,583               | -                                    | 71,815,583    | 0.56%   | 609.28                  | 14,688,266                              | 7,698,091                |
| 2011        | 67,046,770               | 1,035                                | 67,045,735    | 0.53%   | 567.22                  | 13,570,148                              | 5,716,053                |
| 2012        | 62,050,483               | 1,083                                | 62,049,400    | 0.52%   | 520.99                  | 22,653,476                              | 3,822,681                |

### Business-type Activities

| Fiscal Year | General Obligation Bonds | Revenue Bonds | Loans, Notes and Contracts <sup>d</sup> | Total Primary Government <sup>c</sup> | Percentage of Personal Income <sup>b</sup> | Per Capita <sup>b</sup> |
|-------------|--------------------------|---------------|---|---------------------------------------|--|-------------------------|
| 2003        | \$ 9,730,000             | \$ 4,445,000  | \$ 39,328,494                           | \$ 143,531,252                        | 3.76%                                      | \$ 1,704.44             |
| 2004        | 9,524,000                | 3,600,000     | 38,166,932                              | 147,019,075                           | 3.47%                                      | 1,738.64                |
| 2005        | 12,546,885               | 415,000       | 35,840,360                              | 135,606,741                           | 3.22%                                      | 1,596.88                |
| 2006        | 11,500,998               | -             | 34,625,250                              | 143,363,692                           | 3.08%                                      | 1,673.83                |
| 2007        | 10,270,688               | -             | 35,193,351                              | 133,319,806                           | 2.68%                                      | 1,538.42                |
| 2008        | 8,994,557                | -             | 33,738,999                              | 149,275,130                           | 2.95%                                      | 1,716.20                |
| 2009        | 7,822,919                | 24,790,000    | 32,536,165                              | 166,730,859                           | 3.32%                                      | 1,886.52                |
| 2010        | 6,487,417                | 23,925,000    | 42,654,670                              | 167,269,027                           | 2.57%                                      | 1,419.11                |
| 2011        | 5,543,230                | 23,030,000    | 41,378,106                              | 156,283,272                           | 2.29%                                      | 1,322.19                |
| 2012        | 4,632,517                | 22,110,000    | 40,095,132                              | 155,363,206                           | 2.26%                                      | 1,304.48                |

**Note:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Schedule 6 for taxable assessed property value data.

<sup>b</sup> See Schedule 17 for population and personal income data.

<sup>c</sup> Includes general bonded debt, other governmental activities debt, and business-type activities debt.

<sup>d</sup> Excludes compensated absences.

**Source:** City financial records

# Comprehensive Annual Financial Report 2012

**Schedule 14  
City of Kent  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2012**

|  | <u>Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable<sup>a</sup></u> | <u>Estimated<br/>Share of<br/>Direct and<br/>Overlapping<br/>Debt</u> |
|--|-----------------------------|--|---|
| <b><u>Governmental Unit</u></b>          |                             |  |   |
| King County                              | 845,528,000                 | 3.8157%  | 32,262,812  |
| Port of Seattle                          | 312,005,000                 | 3.8157%  | 11,905,175  |
| School District No. 210                  | 184,672,863                 | 6.5827%  | 12,156,461  |
| School District No. 401                  | 273,410,812                 | 1.5919%  | 4,352,427   |
| School District No. 403                  | 324,490,856                 | 4.2387%  | 13,754,194  |
| School District No. 408                  | 83,503,363                  | 0.3735%  | 311,885   |
| School District No. 409                  | 18,697,123                  | 0.0312%  | 5,834   |
| School District No. 415                  | 183,426,761                 | 66.5949%   | 122,152,868   |
| Hospital District No. 1                  | -                           | 34.5539%   | -   |
| Kent Regional Fire Authority No. 62      | -                           | 84.7534%   | -   |
| Rural Library District                   | 136,748,287                 | 6.1395%  | 8,395,661   |
| Subtotal Overlapping Debt                |                             |  | 205,297,316   |
| <b>City of Kent direct debt</b>          |                             |  | <u>89,228,583</u>   |
| <b>Total direct and overlapping debt</b> |                             |  | <u><u>\$ 294,525,899</u></u>  |

**Source:** King County: County Assessor, and Department of Finance

**Note:**

<sup>a</sup> 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 the City of Kent. This process recognizes that, when considering the government'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.

# Comprehensive Annual Financial Report 2012

**Schedule 15  
City of Kent  
Legal Debt Margin Information  
Last Ten Fiscal Years**

|  | Fiscal Year      |                  |                  |                   |
|--|------------------|------------------|------------------|-------------------|
|  | <u>2003</u>      | <u>2004</u>      | <u>2005</u>      | <u>2006</u>       |
| Debt limit   | \$ 636,223,839   | \$ 662,298,654   | \$ 704,523,030   | \$ 769,940,226    |
| Total net debt applicable to limit                                       | 86,193,050       | 82,353,084       | 79,179,555       | 91,259,633        |
| Legal debt margin  | \$ 550,030,789   | \$ 579,945,570   | \$ 625,343,475   | \$ 678,680,593    |
| Total net debt applicable to the limit<br>as a percentage of debt limit  | 13.55%           | 12.43%           | 11.24%           | 11.85%            |
| Assessed Value   | \$ 8,482,984,526 | \$ 8,830,648,706 | \$ 9,393,640,396 | \$ 10,265,869,683 |
| Debt limit:  |                  |                  |                  |                   |
| 2.5% of General purpose limit, voted & non-voted                         | \$ 212,074,613   | \$ 220,766,218   | \$ 234,841,010   | \$ 256,646,742    |
| 2.5% Utility purpose limit, voted  | 212,074,613      | 220,766,218      | 234,841,010      | 256,646,742       |
| 2.5% Open Space, Park Facilities, voted                                  | 212,074,613      | 220,766,218      | 234,841,010      | 256,646,742       |
| Total debt limit   | 636,223,839      | 662,298,654      | 704,523,030      | 769,940,226       |
| Debt applicable to limit:  |                  |                  |                  |                   |
| Voted  | 6,250,000        | 4,950,000        | 3,380,000        | 1,735,000         |
| Non-voted  | 79,944,391       | 77,403,984       | 75,822,905       | 89,573,709        |
| Less: Amount set aside for repayment<br>of voted general obligation debt | (1,341)          | (900)            | (23,350)         | (49,076)          |
| Total net debt applicable to limit                                       | 86,193,050       | 82,353,084       | 79,179,555       | 91,259,633        |

Source: City's financial records

# Comprehensive Annual Financial Report 2012

|    |                | Fiscal Year       |                   |                   |                   |                   |                   |
|----|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|    |                | <u>2007</u>       | <u>2008</u>       | <u>2009</u>       | <u>2010</u>       | <u>2011</u>       | <u>2012</u>       |
| \$ | 866,705,598    | \$ 866,705,598    | \$ 959,759,211    | \$ 879,997,185    | \$ 988,356,723    | \$ 953,989,131    | \$ 900,731,814    |
|    | 84,703,586     | 84,703,586        | 104,733,011       | 100,819,968       | 93,942,781        | 87,076,339        | 80,505,433        |
| \$ | 782,002,012    | \$ 782,002,012    | \$ 855,026,200    | \$ 779,177,217    | \$ 894,413,942    | \$ 866,912,792    | \$ 820,226,381    |
|    |                | 9.77%             | 10.91%            | 11.46%            | 9.50%             | 9.13%             | 8.94%             |
| \$ | 11,556,074,644 | \$ 11,556,074,644 | \$ 12,796,789,489 | \$ 11,733,295,807 | \$ 13,178,089,643 | \$ 12,719,855,069 | \$ 12,009,757,520 |
| \$ | 288,901,866    | \$ 288,901,866    | \$ 319,919,737    | \$ 293,332,395    | \$ 329,452,241    | \$ 317,996,377    | \$ 300,243,938    |
|    | 288,901,866    | 288,901,866       | 319,919,737       | 293,332,395       | 329,452,241       | 317,996,377       | 300,243,938       |
|    | 288,901,866    | 288,901,866       | 319,919,737       | 293,332,395       | 329,452,241       | 317,996,377       | 300,243,938       |
|    | 866,705,598    | 866,705,598       | 959,759,211       | 879,997,185       | 988,356,723       | 953,989,131       | 900,731,814       |
|    | 1,175,000      | 1,175,000         | 600,000           | -                 | -                 | -                 | -                 |
|    | 83,567,685     | 83,567,685        | 104,159,257       | 100,819,968       | 93,942,781        | 87,076,339        | 80,505,433        |
|    | (39,099)       | (39,099)          | (26,246)          | -                 | -                 | -                 | -                 |
|    | 84,703,586     | 84,703,586        | 104,733,011       | 100,819,968       | 93,942,781        | 87,076,339        | 80,505,433        |

# Comprehensive Annual Financial Report 2012

Schedule 16  
City of Kent  
Pledged-Revenue Coverage  
Last Ten Fiscal Years

| Fiscal Year       | Water Revenue Bonds     |                                       |                       |              |            |          |
|-------------------|-------------------------|---------------------------------------|-----------------------|--------------|------------|----------|
|                   | Water Operating Revenue | Less: Operating Expenses <sup>2</sup> | Net Available Revenue | Debt Service |            | Coverage |
|                   |                         |                                       |                       | Principal    | Interest   |          |
| 2003              | \$ 7,609,119            | \$ 6,180,031                          | \$ 1,429,088          | \$ 195,000   | \$ 119,770 | 4.54     |
| 2004 <sup>3</sup> | 7,833,929               | 6,493,433                             | 1,340,496             | 205,000      | 9,430      | 6.25     |
| 2009 <sup>5</sup> | 11,876,537              | 8,498,185                             | 3,378,352             | 105,000      | 154,366    | 13.03    |
| 2010              | 15,426,293              | 9,029,965                             | 6,396,328             | 432,500      | 628,347    | 6.03     |
| 2011              | 15,986,832              | 9,730,377                             | 6,256,455             | 447,500      | 615,372    | 5.89     |
| 2012              | 16,253,067              | 10,697,089                            | 5,555,978             | 460,000      | 601,947    | 5.23     |

| Fiscal Year       | Sewerage Revenue Bonds <sup>1</sup> |                                       |                       |              |            |          |
|-------------------|-------------------------------------|---------------------------------------|-----------------------|--------------|------------|----------|
|                   | Sewerage Operating Revenue          | Less: Operating Expenses <sup>2</sup> | Net Available Revenue | Debt Service |            | Coverage |
|                   |                                     |                                       |                       | Principal    | Interest   |          |
| 2003              | \$ 22,277,646                       | \$ 18,352,023                         | \$ 3,925,623          | \$ 610,000   | \$ 651,785 | 3.11     |
| 2004              | 22,213,930                          | 19,405,392                            | 2,808,538             | 640,000      | 227,295    | 3.24     |
| 2005              | 23,357,426                          | 19,044,556                            | 4,312,870             | 665,000      | 125,615    | 5.46     |
| 2006 <sup>4</sup> | 25,063,532                          | 20,244,531                            | 4,819,001             | 992,571      | 445,806    | 3.35     |
| 2009 <sup>5</sup> | 31,298,410                          | 24,995,990                            | 6,302,420             | 105,000      | 154,366    | 24.30    |
| 2010              | 35,841,828                          | 25,196,002                            | 10,645,826            | 432,500      | 628,347    | 10.04    |
| 2011              | 39,108,510                          | 24,602,591                            | 14,505,919            | 447,500      | 615,372    | 13.65    |
| 2012              | 39,562,059                          | 31,726,712                            | 7,835,347             | 460,000      | 601,947    | 7.38     |

| Fiscal Year | Special Assessment Bonds |              |            |          |
|-------------|--------------------------|--------------|------------|----------|
|             | Revenues                 | Debt Service |            | Coverage |
|             |                          | Principal    | Interest   |          |
| 2003        | \$ 3,571,155             | \$ 2,605,000 | \$ 900,600 | 1.02     |
| 2004        | 3,473,210                | 2,546,344    | 801,481    | 1.04     |
| 2005        | 5,085,487                | 3,911,886    | 1,115,120  | 1.01     |
| 2006        | 4,672,771                | 3,202,265    | 955,342    | 1.12     |
| 2007        | 3,650,209                | 2,721,699    | 839,175    | 1.03     |
| 2008        | 3,570,767                | 2,697,676    | 714,711    | 1.05     |
| 2009        | 2,845,669                | 2,289,806    | 588,439    | 0.99     |
| 2010        | 2,444,174                | 1,916,737    | 478,481    | 1.02     |
| 2011        | 2,397,011                | 2,021,715    | 382,060    | 1.00     |
| 2012        | 2,590,862                | 1,919,285    | 279,818    | 1.18     |

**Source:** City financial records

**Notes:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Golf revenue bonds were refunded in 1995 through the issuance of Councilmanic General Obligation bonds which are recorded in the Golf Complex Enterprise Fund.

<sup>1</sup> Amounts include Sewer and Drainage operations.

<sup>2</sup> Operating expenses do not include interest, depreciation or amortization expenses.

<sup>3</sup> Water revenue bonds matured in 2004.

<sup>4</sup> Sewerage revenue bonds matured in 2006.

<sup>5</sup> Issued in 2009--Combined Utility System Revenue Bonds, Series 2009A, and Combined Utility System Revenue Bonds,

Series 2009B Taxable (BABs) issued for a total of \$25,000,000--split between Water and Sewerage Fund.

Details regarding coverage can be found in the Official Statements.

# Comprehensive Annual Financial Report 2012

**Schedule 17  
City of Kent  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

| <u>Calendar<br/>Year</u> | <u>Population<sup>1</sup></u> | <u>County<br/>Personal<br/>Income<sup>2</sup></u><br>(thousands<br>of dollars) | <u>County<br/>Per<br/>Capita<br/>Income<sup>3</sup></u> | <u>Median<br/>Age<sup>4</sup></u> | <u>School<br/>Enrollment<sup>5</sup></u> | <u>County<br/>Unemployment<br/>Rate<sup>6</sup></u> |
|--------------------------|-------------------------------|--|---|-----------------------------------|--|---|
| 2003                     | 84,210                        | 80,127,397   | 45,276  | 36.38                             | 26,870                                   | 6.2%  |
| 2004                     | 84,560                        | 89,382,311   | 50,132  | 36.60                             | 26,891                                   | 5.1%  |
| 2005                     | 84,920                        | 89,431,448   | 49,582  | 36.83                             | 27,571                                   | 4.8%  |
| 2006                     | 85,650                        | 99,608,475   | 54,370  | 36.94                             | 27,590                                   | 4.2%  |
| 2007                     | 86,660                        | 106,637,605  | 57,409  | 36.98                             | 26,861                                   | 3.7%  |
| 2008                     | 86,980                        | 109,551,329  | 58,141  | 37.00                             | 27,582                                   | 4.3%  |
| 2009                     | 88,380                        | 109,053,408  | 56,904  | 37.08                             | 26,764                                   | 8.1%  |
| 2010 <sup>7</sup>        | 117,869                       | 106,806,333  | 55,136  | 37.24                             | 27,050                                   | 8.8%  |
| 2011                     | 118,200                       | 113,922,436  | 57,837  | 37.49                             | 27,397                                   | 7.6%  |
| 2012                     | 119,100                       | *  | *   | 37.70                             | 26,975                                   | 6.8%  |

<sup>1</sup> City of Kent Economic & Community Development Department & 2010 US Census.

<sup>2</sup> Personal Income for King County: US Bureau of Economic Analysis.

<sup>3</sup> Per Capita Income for King County: US Bureau of Economic Analysis.

<sup>4</sup> Median Age for Washington State: Washington State Office of Financial Management.

<sup>5</sup> Per Kent School District student headcount, as of October.

<sup>6</sup> Annual average for King County: Washington State Employment Security Department

<sup>7</sup> Increase in population due to Panther Lake Annexation effective 7/1/10.

\*2012 information is not available, will be included in 2013 CAFR.

# Comprehensive Annual Financial Report 2012

**Schedule 18  
City of Kent  
Principal Employers  
Current Year and Nine Years Ago**

| <u>Employer</u>                          | <u>2012</u>      |             |  | <u>2003</u>      |             |  |
|--|------------------|-------------|--|------------------|-------------|--|
|  | <u>Employees</u> | <u>Rank</u> | <u>Percentage<br/>of Total City<br/>Employment</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage<br/>of Total City<br/>Employment</u> |
| Kent Public Schools                      | 3,714            | 1           | 4.76%  | 3,000            | 1           | 7.50%  |
| Boeing Company                           | 2,480            | 2           | 3.18%  | 888              | 2           | 2.22%  |
| REI Inc.                                 | 1,026            | 3           | 1.32%  | 675              | 5           | 1.69%  |
| Carlisle Interconnect Industries         | 650              | 4           | 0.83%  |                  |             |  |
| City of Kent                             | 630              | 5           | 0.81%  | 732              | 3           | 1.83%  |
| King County Regional Justice Center      | 630              | 6           | 0.81%  | 630              | 6           | 1.58%  |
| Coho Distributing LLC dba Columbia Dist. | 620              | 7           | 0.79%  |                  |             |  |
| Exotic Metals Forming Co                 | 613              | 8           | 0.79%  |                  |             |  |
| Sysco                                    | 510              | 9           | 0.65%  | 680              | 4           | 1.70%  |
| Oberto Sausage                           | 507              | 10          | 0.65%  | 437              | 8           | 1.09%  |
| Mikron Industries                        |                  |             |  | 600              | 7           | 1.50%  |
| Patient Accounting Service Center        |                  |             |  | 430              | 9           | 1.08%  |
| Starbucks Coffee Company                 |                  |             |  | 409              | 10          | 1.02%  |
|  | <u>7,666</u>     |             | <u>13.11%</u>                                      | <u>8,481</u>     |             | <u>13.70%</u>                                      |

**Source:** City of Kent Business License System

# Comprehensive Annual Financial Report 2012

**Schedule 19**  
**City of Kent**  
**Full-time-Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

| Function/Program              | Full-time-Equivalent Employees as of December 31 |               |               |               |               |               |                   |                   |               |               |
|-------------------------------|--|---------------|---------------|---------------|---------------|---------------|-------------------|-------------------|---------------|---------------|
|                               | 2003 <sup>a</sup>                                | 2004          | 2005          | 2006          | 2007          | 2008          | 2009 <sup>b</sup> | 2010 <sup>c</sup> | 2011          | 2012          |
| General government            |  |               |               |               |               |               |                   |                   |               |               |
| Mayor's Office                | 8.00   | 8.00          | 10.00         | 11.00         | 11.00         | 12.00         | 9.00              | 13.00             | 13.00         | 10.50         |
| Employee Services             | 12.00  | 12.00         | 13.00         | 13.00         | 13.00         | 13.00         | 11.00             | 11.00             | 12.00         | 12.00         |
| Finance                       | 22.00  | 22.00         | 22.00         | 22.00         | 22.00         | 21.00         | 19.50             | 19.00             | 20.55         | 18.55         |
| Information Technology        | 27.00  | 26.00         | 25.00         | 25.00         | 26.00         | 29.00         | 25.00             | 25.00             | 28.70         | 25.00         |
| Other                         | 39.00  | 37.75         | 39.00         | 42.00         | 42.50         | 43.50         | 43.00             | 43.50             | 45.90         | 41.25         |
| Judicial                      | 18.00  | 18.00         | 18.00         | 18.00         | 18.00         | 19.00         | 18.00             | 21.00             | 21.53         | 21.28         |
| Public Safety                 |  |               |               |               |               |               |                   |                   |               |               |
| Police                        | 178.00   | 176.00        | 176.00        | 178.00        | 183.00        | 187.00        | 179.00            | 193.00            | 201.28        | 196.28        |
| Fire                          | 158.00   | 160.00        | 161.00        | 161.00        | 176.00        | 177.00        | 169.00            | -                 | -             | -             |
| Law-Criminal                  | 7.00   | 7.25          | 9.00          | 10.00         | 10.50         | 10.50         | 9.50              | 10.00             | 11.70         | 10.60         |
| Community Development         | 37.00  | 40.00         | 40.00         | 41.00         | 42.00         | 42.00         | 42.00             | 43.00             | 43.60         | 36.60         |
| Public Works                  |  |               |               |               |               |               |                   |                   |               |               |
| Engineering                   | 9.25   | 9.50          | 5.25          | 5.25          | 5.58          | 5.58          | 5.33              | 5.33              | 5.33          | 5.33          |
| Operations                    | 12.00  | 13.00         | 13.00         | 13.00         | 13.00         | 13.00         | 13.00             | 12.00             | 12.00         | 12.00         |
| Streets                       | 59.50  | 59.50         | 71.75         | 72.75         | 77.75         | 77.75         | 65.50             | 70.50             | 73.02         | 71.02         |
| Leisure Services              | 59.00  | 62.00         | 57.00         | 59.00         | 60.00         | 63.00         | 60.00             | 60.00             | 61.63         | 59.13         |
| Health and Human Services     | 18.00  | 17.00         | 19.00         | 18.00         | 18.00         | 18.00         | 17.00             | 18.00             | 21.34         | 17.53         |
| Water                         | 28.25  | 29.50         | 26.00         | 26.00         | 26.00         | 27.00         | 25.00             | 26.00             | 26.00         | 26.00         |
| Sewerage                      |  |               |               |               |               |               |                   |                   |               |               |
| Sewer                         | 9.75   | 10.50         | 10.25         | 10.25         | 10.58         | 10.58         | 10.33             | 10.33             | 10.33         | 10.33         |
| Storm                         | 24.25  | 25.00         | 25.75         | 26.75         | 27.09         | 27.09         | 26.34             | 34.34             | 34.34         | 34.34         |
| Water & Sewer Utility Billing | 8.00   | 7.00          | 7.00          | 7.00          | 9.00          | 10.00         | 9.50              | 10.00             | 11.11         | 11.11         |
| Golf                          | 9.00   | 9.00          | 9.00          | 9.00          | 9.00          | 9.00          | 8.00              | 8.00              | 11.35         | 11.35         |
| <b>Total</b>                  | <b>743.00</b>                                    | <b>749.00</b> | <b>757.00</b> | <b>768.00</b> | <b>800.00</b> | <b>815.00</b> | <b>765.00</b>     | <b>633.00</b>     | <b>664.71</b> | <b>630.20</b> |

**Source:** City of Kent Financial Planning Department

**Notes:** A full-time employee is scheduled to work 2,080 hours per year (including paid leave used). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

<sup>a</sup> Beginning mid-2001, the city began to delay filling vacant employee positions. The 2003 adopted budget eliminated or removed the funding of 35 positions as a result of citywide budget cuts. In June 2003, the city eliminated an additional 34 positions.

<sup>b</sup> Beginning 2009, the city began to delay filling vacant employee positions. The 2009 adopted budget was adjusted, due to reductions and reorganization, down by 53 FTEs from 818 FTEs to 765 FTEs.

<sup>c</sup> Full-Time Equivalent (FTE) employees were reduced by 166 Fire Department employees that transferred to the Regional Fire Authority (RFA) on July 1, 2010.

# Comprehensive Annual Financial Report 2012

**Schedule 20**  
**City of Kent**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

| Function   | Fiscal Year |         |         |         |         |                      |         |         |         |         |
|--|-------------|---------|---------|---------|---------|----------------------|---------|---------|---------|---------|
|  | 2003        | 2004    | 2005    | 2006    | 2007    | 2008                 | 2009    | 2010    | 2011    | 2012    |
| General government   |             |         |         |         |         |                      |         |         |         |         |
| Business licenses issued                                       | 3,821       | 3,821   | 3,856   | 3,856   | 3,796   | 3,834                | 3,787   | 4,183   | 3,658   | 5,048   |
| Judicial   |             |         |         |         |         |                      |         |         |         |         |
| Number of court filings <sup>a</sup>                           | 23,100      | 19,990  | 20,240  | 18,710  | 19,216  | 21,285               | 23,466  | 20,330  | 18,377  | 17,992  |
| Public Safety  |             |         |         |         |         |                      |         |         |         |         |
| Police   |             |         |         |         |         |                      |         |         |         |         |
| Physical arrests   | 4,296       | 3,550   | 4,100   | 4,119   | 4,808   | 4,658                | 4,704   | 4,249   | 4,673   | 4,678   |
| Parking violations   | 2,468       | 3,240   | 2,516   | 2,594   | 2,439   | 2,557                | 2,295   | 2,115   | 2,367   | 2,272   |
| Traffic violations   | 30,287      | 32,476  | 20,240  | 18,681  | 19,219  | 18,713               | 18,188  | 15,343  | 13,079  | 12,774  |
| Community Development  |             |         |         |         |         |                      |         |         |         |         |
| Building permits issued <sup>b</sup>                           | 1,206       | 1,189   | 1,478   | 1,672   | 1,437   | 1,123                | 913     | 1,004   | 2,074   | 2,277   |
| Building inspections conducted                                 | 19,141      | 17,108  | 17,569  | 20,984  | 16,912  | 16,226               | 15,480  | 12,883  | 13,375  | 14,050  |
| Public Works   |             |         |         |         |         |                      |         |         |         |         |
| Street resurfacing (sq yds) <sup>f</sup>                       | 76,329      | 110,493 | 117,701 | 169,000 | 126,097 | 156,091              | 467,777 | 12,200  | 26,190  | 22,488  |
| Leisure Services   |             |         |         |         |         |                      |         |         |         |         |
| Recreation programs offered                                    | 1,508       | 1,494   | 1,516   | 1,694   | 1,911   | 2,050                | 2,050   | 1,791   | 2,147   | 2,096   |
| Number of recreation participants <sup>e</sup>                 | 71,118      | 79,950  | 74,672  | 79,438  | 98,616  | 102,939              | 106,027 | 73,600  | 16,705  | 33,462  |
| Health and Human Services                                      |             |         |         |         |         |                      |         |         |         |         |
| Citizens served in specialized recreation setting <sup>e</sup> | 2,014       | 2,188   | 3,092   | 2,500   | 3,200   | 3,200                | 3,250   | 3,150   | 1,575   | 1,632   |
| Participants in Senior programs/ workshops <sup>e</sup>        | 7,715       | 8,000   | 9,000   | 12,242  | 18,339  | 22,714               | 23,395  | 34,697  | 14,157  | 17,115  |
| Water  |             |         |         |         |         |                      |         |         |         |         |
| New connections  | 104         | 256     | 191     | 279     | 258     | 171                  | 141     | 189     | 136     | 164     |
| Average daily consumption (million gallons-estimated)          | 8.1         | 8.0     | 7.72    | 8       | 8       | 8                    | 8       | 8       | 7.5     | 7.0     |
| Golf   |             |         |         |         |         |                      |         |         |         |         |
| Number of participants   | 177,575     | 171,885 | 173,970 | 170,361 | 171,033 | 156,580 <sup>d</sup> | 156,950 | 153,750 | 151,950 | 153,800 |
| Number of tournaments  | 118         | 108     | 106     | 103     | 117     | 100                  | 85      | 83      | 76      | 72      |
| Library  |             |         |         |         |         |                      |         |         |         |         |
| Number of Items  | 150,497     | 150,497 | 150,497 | 150,497 | 150,497 | 156,050              | 151,605 | 159,246 | 159,246 | 159,300 |
| Items circulated   | *           | *       | *       | *       | *       | *                    | *       | *       | *       | 745,994 |

**Source:** Various City Departments

\* Not available

<sup>a</sup> Includes parking violations

<sup>b</sup> Reflects a shift in the way minor repairs are counted. Beginning in 2011, data includes all building permits issued, with no exclusions--from Permit C

<sup>c</sup> Information not available for years indicated.

<sup>d</sup> Levee Project shut down Driving Range - Mid September - October 2008 and 18 Hole under construction June - August/9 holes only from September - December 2008.

<sup>e</sup> Beginning in 2011, only registered participants are counted.

<sup>f</sup> Grinding and paving counted for 2011 as no resurfacing was done.

# Comprehensive Annual Financial Report 2012

**Schedule 21**  
**City of Kent**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

| Function   | Fiscal Year |       |       |       |                  |                 |                 |                 |                 |                 |
|--|-------------|-------|-------|-------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|  | 2003        | 2004  | 2005  | 2006  | 2007             | 2008            | 2009            | 2010            | 2011            | 2012            |
| Public Safety                                    |             |       |       |       |                  |                 |                 |                 |                 |                 |
| Police:  |             |       |       |       |                  |                 |                 |                 |                 |                 |
| Stations   | 1           | 1     | 1     | 1     | 1                | 1               | 1               | 1               | 1               | 1               |
| Patrol units                                     | 40          | 41    | 42    | 42    | 42               | 44 <sup>b</sup> | 51 <sup>b</sup> | 50 <sup>b</sup> | 50 <sup>b</sup> | 51 <sup>b</sup> |
| Public Works                                     |             |       |       |       |                  |                 |                 |                 |                 |                 |
| Streets (lane miles)                             | 728         | 550   | 555   | 551   | 556              | 569             | 725             | 725             | 726             | 726             |
| Streetlights                                     | 4,475       | 4,475 | 4,883 | 4,950 | 5,171            | 5,176           | 6,573           | 6,573           | 6,573           | 6,600           |
| Traffic signals                                  | 108         | 109   | 109   | 111   | 130              | 103             | 104             | 119             | 119             | 119             |
| Traffic beacons/advisory devices                 |             |       |       |       |                  |                 |                 |                 | 57              | 58              |
| Leisure Services                                 |             |       |       |       |                  |                 |                 |                 |                 |                 |
| Acres of parks/open space                        | 1,349       | 1,338 | 1,346 | 1,346 | 860 <sup>a</sup> | 870             | 982             | 1,434           | 1,434           | 1,434           |
| Parks  | 68          | 68    | 75    | 75    | 75               | 90              | 80              | 58 <sup>c</sup> | 58 <sup>c</sup> | 58 <sup>c</sup> |
| Miles of trails                                  | 20          | 20    | 23    | 23    | 23               | 19              |                 | 23              | 23              | 28              |
| Ball fields                                      | 31          | 31    | 24    | 24    | 24               | 18              | 18              | 21              | 21              | 21              |
| Tennis courts                                    | 15          | 15    | 15    | 15    | 15               | 12              | 13              | 15              | 15              | 15              |
| Water  |             |       |       |       |                  |                 |                 |                 |                 |                 |
| Water mains (miles)                              | 260         | 269   | 269   | 272   | 274              | 281             | 280             | 280             | 280             | 280             |
| Water customers *                                | N/A         | N/A   | N/A   | N/A   | N/A              | 13,061          | 13,130          | 13,202          | 13,327          | 13,469          |
| Reservoir/Tanks                                  | 8           | 8     | 8     | 8     | 8                | 8               | 8               | 8               | 9               | 9               |
| Reservoir storage capacity (millions of gallons) | 23.3        | 23.3  | 23.3  | 23.3  | 23.3             | 23.3            | 23.3            | 21.0            | 23.2            | 23.2            |
| Sewerage   |             |       |       |       |                  |                 |                 |                 |                 |                 |
| Sanitary sewers (miles)                          | 209         | 209   | 193   | 201   | 206              | 209             | 209             | 209             | 209             | 215             |
| Storm sewers (miles)                             | 233         | 233   | 228   | 238   | 247              | 248             | 248             | 248             | 249             | 324             |
| Sewer customers *                                | N/A         | N/A   | N/A   | N/A   | N/A              | 26,653          | 26,876          | 27,000          | 27,268          | 27,662          |
| Drainage customers *                             | N/A         | N/A   | N/A   | N/A   | N/A              | 16,915          | 17,051          | 22,122          | 24,750          | 25,100          |
| Golf   |             |       |       |       |                  |                 |                 |                 |                 |                 |
| 18-Hole course (yards)                           | 6,666       | 6,666 | 6,666 | 6,666 | 6,666            | 6,666           | 6,666           | 6,701           | 6,701           | 6,701           |
| Par 3 course (yards)                             | 1,174       | 1,174 | 1,174 | 1,174 | 1,174            | 1,174           | 1,174           | 1,174           | 1,174           | 1,174           |
| Driving range (stalls)                           | 32          | 32    | 32    | 32    | 32               | 32              | 32              | 32              | 32              | 32              |
| Miniature golf course 18-hole                    | 1           | 1     | 1     | 1     | 1                | 1               | 1               | 1               | 1               | 1               |
| Merchandise center                               | 1           | 1     | 1     | 1     | 1                | 1               | 1               | 1               | 1               | 1               |
| Libraries  | 1           | 1     | 1     | 1     | 1                | 1               | 1               | 1               | 1               | 1               |

**Source:** Various City Departments

**Notes:**

\*Information not available for years indicated.

<sup>a</sup> Does not include Commons Playfield.

<sup>b</sup> Includes 1 Patrol boat

**Comprehensive Annual Financial Report 2012**

