

CITY OF REDMOND  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2014

	General	Capital Investments Program Fund	Other Governmental Funds	Governmental Funds Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,486,136	\$ 3,509,120	\$ 974,444	\$ 7,969,700
Cash with outside agency	-	-	10,000	10,000
Investments	25,671,603	29,290,706	8,798,797	63,761,106
Receivables:				
Taxes	5,610,988	-	268,240	5,879,228
Accounts	66,018	102,122	63,715	231,855
Interest	76,383	66,015	19,392	161,790
Due from other funds	267,923	-	-	267,923
Due from other governments	386,202	2,116,554	1,620,259	4,123,015
Prepayments	80,777	-	-	80,777
Restricted assets:				
Deposit investments	3,884,730	3,188	11,274	3,899,192
Cash	994,040	-	72,042	1,066,082
Total Assets	\$ 40,524,800	\$ 35,087,705	\$ 11,838,163	\$ 87,450,668
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts/claims payable	\$ 1,382,588	\$ 1,282,232	\$ 141,148	\$ 2,805,968
Employee wages payable	17,719	585	40,512	58,816
Due to other funds	-	-	267,923	267,923
Due to other governments	288,110	17,758	1,296	307,164
Payable from restricted assets:				
Deposits payable	3,884,730	3,188	11,274	3,899,192
Unearned revenues	134,509	-	148,258	282,767
Total Liabilities	5,707,656	1,303,763	610,411	7,621,830
Fund balances: (Note 5)				
Spendable:				
Restricted	7,379,980	15,006,776	10,213,439	32,600,195
Committed	8,946,649	-	1,014,313	9,960,962
Assigned	10,166,153	18,777,166	-	28,943,319
Unassigned	8,324,362	-	-	8,324,362
Total Fund Balances	34,817,144	33,783,942	11,227,752	79,828,838
Total Liabilities and Fund Balances	\$ 40,524,800	\$ 35,087,705	\$ 11,838,163	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.	351,743,545
Internal service funds are used by management to charge the costs of certain activities, such as insurance, information services, and fleet maintenance, to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Position.	21,531,573
Some liabilities, including bonds, loans, and compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds. (Note 3)	(72,190,445)
The Net Pension Asset is reported in the government-wide statement of net position but not in the governmental balance sheet	1,000,994
Net position of governmental activities	\$ 381,914,505

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

CITY OF REDMOND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund	Capital Investments Program Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 60,050,946	\$ -	\$ 4,293,167	\$ 64,344,113
Licenses and permits	8,960,519	-	207,268	9,167,787
Contributions	160,510	278,815	30,639	469,964
Intergovernmental	10,586,831	4,693,950	6,388,343	21,669,124
Charges for services	5,280,343	4,137,190	2,684,762	12,102,295
Fines and forfeitures	602,893	-	34,415	637,308
Investment income	269,522	255,130	82,441	607,093
Net change in fair value of investments	(48,122)	(29,565)	(4,809)	(82,496)
Miscellaneous	167,527	826	352,705	521,058
Total Revenues	<u>86,030,969</u>	<u>9,336,346</u>	<u>14,068,931</u>	<u>109,436,246</u>
<b>EXPENDITURES</b>				
Current:				
General government	14,393,459	-	-	14,393,459
Security of persons and property	41,244,592	-	5,746,526	46,991,118
Physical environment	2,495,394	-	674,638	3,170,032
Transportation	6,602,015	-	1,385,996	7,988,011
Economic environment	4,727,295	-	455,506	5,182,801
Culture and recreation	9,184,500	-	2,494,373	11,678,873
Capital outlay	578,172	14,296,286	233,366	15,107,824
Debt service:				
Principal	94,451	71,886	3,500,000	3,666,337
Interest and debt issue costs	616,841	1,438	2,157,553	2,775,832
Total Expenditures	<u>79,936,719</u>	<u>14,369,610</u>	<u>16,647,958</u>	<u>110,954,287</u>
Excess (deficiency) of revenues Over (under) expenditures	<u>6,094,250</u>	<u>(5,033,264)</u>	<u>(2,579,027)</u>	<u>(1,518,041)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	44,733	-	-	44,733
Disposition of capital assets	83,800	-	-	83,800
Transfers in (Note 11)	939,875	6,933,454	6,389,971	14,263,300
Transfers out (Note 11)	(9,581,015)	(896,491)	(3,592,199)	(14,069,705)
Total other financing sources and uses	<u>(8,512,607)</u>	<u>6,036,963</u>	<u>2,797,772</u>	<u>322,128</u>
Net change in fund balances	<u>(2,418,357)</u>	<u>1,003,699</u>	<u>218,745</u>	<u>(1,195,913)</u>
Fund balances-beginning	37,235,501	32,780,243	11,009,007	81,024,751
Fund balances-ending	<u>\$ 34,817,144</u>	<u>\$ 33,783,942</u>	<u>\$ 11,227,752</u>	<u>\$ 79,828,838</u>

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

CITY OF REDMOND  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

Amounts reported for governmental funds in the statement of activities are different because:

Net change in fund balances-total governmental funds.	\$ (1,195,913)
Governmental funds report capital outlays as expenditures. However in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$15,107,825 exceed depreciation expense of \$8,928,524 and disposals of \$83,800 in the current period.	6,095,501
A CIP reduction that does not result in an increase in depreciable assets reflects an increase in expenses on the Statement of Activities but not in the governmental funds. (Note 7)	(5,412)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (Note 3)	829,705
Repayment of long-term debt is an expenditure in the governmental funds, yet the repayment reduces long-term liabilities in the statement of net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the government-wide statement of activities:	3,786,958
Internal service funds are used by management to charge the costs of certain activities, such as insurance, information services, and fleet maintenance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	1,546,630
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (Note 3)	<u>583,978</u>
Change in net position of governmental activities.	\$ <u><u>11,641,447</u></u>

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

CITY OF REDMOND  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
December 31, 2014

	Business-type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Water/ Wastewater	UPD Water/ Wastewater	Stormwater Management	Totals	
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and cash equivalents	\$ 2,860,183	\$ 1,740,258	\$ 3,442,552	\$ 8,042,993	\$ 1,914,883
Investments	19,825,900	13,562,435	27,045,778	60,434,113	15,938,970
Accounts and contracts receivable	3,001,788	545,234	955,264	4,502,286	-
Interest receivable	54,139	32,851	64,700	151,690	36,074
Due from other Governments	24,952	-	3,166,660	3,191,612	-
Inventory	73,053	-	-	73,053	46,316
Prepaid insurance	-	-	-	-	443,754
<b>Restricted assets:</b>					
<b>Customer deposits:</b>					
Cash and cash equivalents	16,373	32,000	7,308	55,681	-
<b>Revenue Bond Reserve:</b>					
Investments	1,175,500	-	1,634,409	2,809,909	-
<b>Rate stabilization fund:</b>					
Investments	2,927,811	1,179,266	-	4,107,077	-
<b>Total current assets</b>	<u>29,959,699</u>	<u>17,092,044</u>	<u>36,316,671</u>	<u>83,368,414</u>	<u>18,379,997</u>
<b>Noncurrent assets:</b>					
Advance on service contract	58,642	3,776	-	62,418	-
<b>Capital assets:</b>					
Land	4,452,817	3,274,106	14,421,155	22,148,078	584,292
Buildings	25,377,864	11,031,564	1,549,496	37,958,924	619,494
Improvements other than buildings	164,402,107	62,566,400	70,646,115	297,614,622	356,198
Equipment	235,854	262,471	362,600	860,925	13,442,674
Construction in progress	2,031,641	100,753	36,963,448	39,095,842	-
Less accumulated depreciation	(50,003,406)	(14,415,847)	(14,902,227)	(79,321,480)	(9,454,561)
<b>Total capital assets (net of depreciation)</b>	<u>146,496,877</u>	<u>62,819,447</u>	<u>109,040,587</u>	<u>318,356,911</u>	<u>5,548,097</u>
<b>Total noncurrent assets</b>	<u>146,555,519</u>	<u>62,823,223</u>	<u>109,040,587</u>	<u>318,419,329</u>	<u>5,548,097</u>
<b>Total assets</b>	<u>\$ 176,515,218</u>	<u>\$ 79,915,267</u>	<u>\$ 145,357,258</u>	<u>\$ 401,787,743</u>	<u>\$ 23,928,094</u>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable	\$ 734,738	\$ 278,512	\$ 738,089	\$ 1,751,339	\$ 2,114,800
Employee wages payable	70,033	691	42,343	113,067	33,061
Compensated absences	241,470	-	190,832	432,302	171,164
Due to other governments	14,571	-	32,357	46,928	34,704
Current portion of revenue bonds payable	725,000	-	765,000	1,490,000	-
Accrued interest payable	31,549	-	83,730	115,279	-
<b>Current liabilities payable from restricted assets:</b>					
Customer deposits payable	16,373	32,000	7,308	55,681	-
<b>Total current liabilities</b>	<u>1,833,734</u>	<u>311,203</u>	<u>1,859,659</u>	<u>4,004,596</u>	<u>2,353,729</u>
<b>Noncurrent liabilities:</b>					
Revenue bonds payable, net	7,470,033	-	25,080,429	32,550,462	-
Compensated absences	60,367	-	47,708	108,075	42,792
<b>Total noncurrent liabilities</b>	<u>7,530,400</u>	<u>-</u>	<u>25,128,137</u>	<u>32,658,537</u>	<u>42,792</u>
<b>Total liabilities</b>	<u>9,364,134</u>	<u>311,203</u>	<u>26,987,796</u>	<u>36,663,133</u>	<u>2,396,521</u>
<b>NET POSITION</b>					
Net investment in capital assets	138,301,844	62,819,447	86,087,423	287,208,714	5,548,097
Restricted for debt service	1,175,500	-	1,634,409	2,809,909	-
Restricted for rate stabilization	2,927,811	1,179,266	-	4,107,077	-
Unrestricted	24,745,929	15,605,351	30,647,630	70,998,910	15,983,476
<b>Total net position</b>	<u>\$ 167,151,084</u>	<u>\$ 79,604,064</u>	<u>\$ 118,369,462</u>	<u>\$ 365,124,610</u>	<u>\$ 21,531,573</u>

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

CITY OF REDMOND  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS

For the Year Ended December 31, 2014

	Business-type Activities- Enterprise Funds			Totals	Governmental Activities- Internal Service Funds
	Water/ Wastewater	UPD Water/ Wastewater	Stormwater Management		
Operating revenues:					
Charges for services	\$ 20,053,881	\$ 4,919,144	\$ 11,736,786	\$ 36,709,811	\$ 15,418,691
Metro service	13,001,027	1,878,896	-	14,879,923	-
Charges for replacement	-	-	-	-	2,651,692
Charges for insurance	-	-	-	-	932,948
Total operating revenues	<u>33,054,908</u>	<u>6,798,040</u>	<u>11,736,786</u>	<u>51,589,734</u>	<u>19,003,331</u>
Operating expenses:					
Administrative and general	3,580,133	532,703	2,217,657	6,330,493	-
Purchased water	6,932,675	1,553,550	-	8,486,225	-
Metro service	12,603,267	1,764,594	-	14,367,861	-
Supplies	-	-	-	-	259,850
Maintenance and operations	3,332,309	633,597	3,494,970	7,460,876	16,631,554
Taxes	695,203	160,035	182,243	1,037,481	-
Depreciation and amortization	3,888,777	1,336,044	1,686,275	6,911,096	1,074,681
Total operating expenses	<u>31,032,364</u>	<u>5,980,523</u>	<u>7,581,145</u>	<u>44,594,032</u>	<u>17,966,085</u>
Operating income (loss)	<u>2,022,544</u>	<u>817,517</u>	<u>4,155,641</u>	<u>6,995,702</u>	<u>1,037,246</u>
Nonoperating revenues (expenses):					
Interest and investment revenue	201,754	122,098	212,565	536,417	139,557
Net change in fair value of investments	(40,034)	(17,839)	(78,218)	(136,091)	(17,383)
Grant income	100,965	-	5,577,101	5,678,066	-
Interest expense	(380,138)	-	(289,353)	(669,491)	-
Gain (Loss) on disposal of capital assets	(478,462)	-	-	(478,462)	-
Insurance recovery	-	-	-	-	493,302
Lease and other revenue	128,776	68,182	-	196,958	87,503
Total nonoperating revenues (expenses)	<u>(467,139)</u>	<u>172,441</u>	<u>5,422,095</u>	<u>5,127,397</u>	<u>702,979</u>
Income before contributions and transfers	1,555,405	989,958	9,577,736	12,123,099	1,740,225
Capital contributions	3,280,121	989,869	4,171,896	8,441,886	-
Transfers out	-	-	-	-	(193,595)
Change in net position	4,835,526	1,979,827	13,749,632	20,564,985	1,546,630
Total net position - beginning, as previously reported	162,315,558	77,624,237	104,619,830	344,559,625	19,984,943
Total net position - ending	<u>\$ 167,151,084</u>	<u>\$ 79,604,064</u>	<u>\$ 118,369,462</u>	<u>\$ 365,124,610</u>	<u>\$ 21,531,573</u>

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

CITY OF REDMOND  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2014

	Business-type Activities- Enterprise Funds			Totals	Governmental Activities- Internal Service Funds
	Water/ Wastewater	UPD Water/ Wastewater	Stormwater Management		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$ 32,874,358	\$ 6,630,306	\$ 11,703,144	\$ 51,207,808	\$ 16,722,722
Cash received for replacement	-	-	-	-	2,651,692
Cash payments to suppliers	(20,813,436)	(3,386,112)	(1,207,290)	(25,406,838)	(3,432,931)
Cash payments to employees	(3,611,766)	(51)	(2,610,976)	(6,222,793)	(12,432,147)
Cash payments to other governments	(694,969)	(160,482)	(166,563)	(1,022,014)	(135,706)
Internal activity - payments to other funds	(2,116,512)	(1,001,024)	(2,099,562)	(5,217,098)	(599,645)
Net cash provided (used) by operating activities	<u>5,637,675</u>	<u>2,082,637</u>	<u>5,618,753</u>	<u>13,339,065</u>	<u>2,773,985</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Grant proceeds	93,677	-	400,308	493,985	(193,595)
Other non-operating revenues (expenses)	128,776	68,182	-	196,958	580,807
Net cash provided by noncapital financing activities	<u>222,453</u>	<u>68,182</u>	<u>400,308</u>	<u>690,943</u>	<u>387,212</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition and construction of capital assets	(1,348,134)	(252,832)	(27,493,720)	(29,094,686)	(1,416,495)
Cash payments to suppliers - Capital related	(14,081)	29,066	(965,686)	(950,701)	-
Capital contributions	1,920,199	43,987	1,618,787	3,582,973	-
Bond Proceeds	-	-	26,001,940	26,001,940	-
Grant Proceeds	-	-	6,457,007	6,457,007	-
Interest paid on revenue bonds	(406,587)	-	(356,362)	(762,949)	-
Principal paid on other debt	(700,000)	-	(270,000)	(970,000)	-
Net cash provided (used) for capital and related financing activities	<u>(548,603)</u>	<u>(179,779)</u>	<u>4,991,966</u>	<u>4,263,584</u>	<u>(1,416,495)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Internal activity, net investment purchases	(4,978,884)	(2,125,385)	(10,194,474)	(17,298,743)	(2,020,052)
Interest on investments	173,790	115,572	130,733	420,095	203,102
Net cash provided (used) in investing activities	<u>(4,805,094)</u>	<u>(2,009,813)</u>	<u>(10,063,741)</u>	<u>(16,878,648)</u>	<u>(1,816,950)</u>
Net increase (decrease) in cash and cash equivalents	506,431	(38,773)	947,286	1,414,944	(72,248)
Cash and cash equivalents-beginning of year	2,370,125	1,811,031	2,502,574	6,683,730	1,987,131
Cash and cash equivalents-end of year	<u>\$ 2,876,556</u>	<u>\$ 1,772,258</u>	<u>\$ 3,449,860</u>	<u>\$ 8,098,674</u>	<u>\$ 1,914,883</u>

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

CITY OF REDMOND  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2014

	Business-type Activities- Enterprise Funds			Totals	Governmental Activities- Internal Service Funds
	Water/ Wastewater	UPD Water/ Wastewater	Stormwater Management		
Cash and cash equivalents					
Operating fund cash	\$ 2,860,183	\$ 1,740,258	\$ 3,442,552	\$ 8,042,993	\$ 1,914,883
Customer deposits	16,373	32,000	7,308	55,681	-
Cash and cash equivalents-end of year	<u>\$ 2,876,556</u>	<u>\$ 1,772,258</u>	<u>\$ 3,449,860</u>	<u>\$ 8,098,674</u>	<u>\$ 1,914,883</u>

Reconciliation of operating income to net cash provided by operating activities:

Operating income (loss)	\$ 2,022,544	\$ 817,517	\$ 4,155,641	\$ 6,995,702	\$ 1,037,246
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	3,888,777	1,336,044	1,686,275	6,911,096	1,074,681
Decrease (increase) in accounts receivable	(168,822)	(42,734)	(33,642)	(245,198)	407,502
Decrease (increase) in inventory	(9,456)	-	-	(9,456)	10,457
Decrease (increase) in prepaid expenses	-	-	-	-	(30,477)
Decrease (increase) in due from other governments	-	-	-	-	-
Increase (decrease) in accounts payable	(86,495)	97,308	(183,940)	(173,127)	541,927
Increase (decrease) due to other governments	234	(447)	15,680	15,467	(135,706)
Increase (decrease) in employee wages payable	(6,159)	(51)	(7,763)	(13,973)	(5,418)
Increase (decrease) in due to other funds	-	-	-	-	(124,512)
Increase (decrease) in compensated absences payable	8,779	-	(13,498)	(4,719)	(1,715)
Increase (decrease) in customer deposits payable	(11,727)	(125,000)	-	(136,727)	-
Increase (decrease) in unearned revenue	-	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 5,637,675</u>	<u>\$ 2,082,637</u>	<u>\$ 5,618,753</u>	<u>\$ 13,339,065</u>	<u>\$ 2,773,985</u>

Noncash investing, capital and financing activities:

Developers contributed infrastructure valued at	\$ 1,359,923	\$ 945,882	\$ 2,553,109	\$ 4,858,914	\$ -
Fair value of investments decreased by	(106,526)	(65,626)	(127,676)	(299,828)	(70,956)

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

CITY OF REDMOND  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
As of December 31, 2014

	Firefighters Pension Fund	Agency Funds		
		Redmond Community Facilities District	Other Agency Funds	Total Agency Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 162,192	\$ 367,126	\$ 696,766	\$ 1,063,892
Investments:				
U.S. Government Securities	1,148,275	2,552,706	574,605	3,127,311
Money Market Funds	126,462	281,135	63,282	344,417
Local Government Investment Pool	44,547	99,033	22,292	121,325
Receivables:				
Interest	2,951	-	-	-
<b>Total Assets</b>	<u>1,484,427</u>	<u>3,300,000</u>	<u>1,356,945</u>	<u>4,656,945</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ 4,064	\$ 4,064
Due to other governments	-	-	496,242	496,242
Custodial	-	3,300,000	38,582	3,338,582
Trust account	-	-	818,057	818,057
<b>Total Liabilities</b>	<u>-</u>	<u>3,300,000</u>	<u>1,356,945</u>	<u>4,656,945</u>
<b>NET POSITION</b>				
Held in trust for pension benefits	<u>\$ 1,484,427</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF REDMOND  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
For the year ended December 31, 2014

	Firefighters Pension Fund
<b>ADDITIONS</b>	
Intergovernmental revenue	\$ 145,808
Investment interest	10,994
<b>Total additions</b>	<u>156,802</u>
<b>DEDUCTIONS</b>	
Benefit payments	12,372
Administrative expenses	5,261
<b>Total deductions</b>	<u>17,633</u>
Change in net position	139,169
Net position-beginning	1,345,258
<b>Net position-ending</b>	<u>\$ 1,484,427</u>

The notes to the financial statements are an integral part of these statements