

**TOWN OF WOODWAY  
COUNCIL MEETING AGENDA**

**TUESDAY, JUNE 21, 2022  
6:00 P.M.**

**Hybrid Meeting  
Woodway Town Hall | 23920 113<sup>th</sup> Place W. | Woodway, WA  
Virtually via Teams**

6:00 P.M.		Call to Order, Flag Salute, & Roll Call
6:00 P.M.		Public Comments*
6:05 P.M.	I	Approval of Payments – <i>June 21, 2022 Claims</i>
6:10 P.M.	II	Approval of Minutes – <i>June 6, 2022</i>
6:15 P.M.	III	Council Reports
6:20 P.M.	IV	Mayor’s Report
6:25 P.M.	V	Town Administrator’s Report
6:30 P.M.	VI	Public Hearing: Six-Year Transportation Improvement Plan (TIP) 2023-2028
6:35 P.M.	VII	Resolution 2022-439: Six-Year Transportation Improvement Plan (TIP) 2023-2028
6:40 P.M.	VIII	Prosecution Services Contract
6:45 P.M.	IX	Annual Report Review
6:55 P.M.		Public Comments*
7:00 P.M.		General Council Discussion – Choice of Subjects
7:05 P.M.		Adjournment

\* *Public comments: Those who wish to make a public comment for this meeting can do so via video or audio connection. Please keep yourself muted until the appropriate time. Phone callers can unmute themselves by dialing \*6.*

*Council agendas are subject to change before or during the council meetings upon motion. All times are approximate.*

*Anyone with a disability requiring special accommodations should contact the Town Clerk's Office at Town Hall or call (206)542-4443 before 1:00 p.m. the Thursday preceding the Council Meeting. For TDD relay service, call (206)587-5500, or outside the Seattle area #1-800-833-6388.*



TOWN OF WOODWAY  
CLAIMS APPROVAL

“I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is a just, due, and unpaid obligation against the Town of Woodway, Snohomish County, Washington, and that I am authorized to authenticate and certify to said claims.”

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Clerk Treasurer

The following transactions are approved for 2022 payment:

Claims checks #13833 through 13846.....\$58,602.60

This 21<sup>st</sup> day of June 2022.

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Mayor

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Councilmember

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Councilmember

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Councilmember

# TOWN OF WOODWAY COUNCIL MEETING MINUTES

MONDAY, JUNE 6, 2022  
6:00 P.M.

## Hybrid meeting

In-person at Town Hall | 23920 113<sup>th</sup> Place W. | Woodway, WA 98020  
Virtually via Teams

<b>Members Present</b>	<input checked="" type="checkbox"/> Mayor Mike Quinn	<input checked="" type="checkbox"/> Councilmember Andrew DeDonker
	<input checked="" type="checkbox"/> Councilmember Elizabeth Mitchell	<input checked="" type="checkbox"/> Councilmember John Brock
	<input checked="" type="checkbox"/> Councilmember Brian Bogen	<input checked="" type="checkbox"/> Councilmember Rajeev Thakur
<b>Staff &amp; Guests Present</b>	<input checked="" type="checkbox"/> Town Administrator Eric Faison	<input checked="" type="checkbox"/> Clerk-Treasurer Heidi Napolitano
	<input checked="" type="checkbox"/> Town Attorney Greg Rubstello	<input type="checkbox"/> Town Planner Bill Trimm
	<input type="checkbox"/> Police Chief Alan Correa	<input type="checkbox"/> Public Works Director Terry Bryant

\*Attended virtually

### CALL TO ORDER, FLAG SALUTE, ROLL CALL

Mayor Quinn called the meeting to order at 6:02 p.m.

### I - ISSUES RAISED BY THE COMMUNITY

Mayor Quinn introduced this agenda item as a time for conversation between the Council, Mayor, and members of the public to discuss several items that had previously been brought up and anything else meeting attendees would like to talk about. Mayor Quinn clarified that the purpose of the conversation was not for everyone to agree on all the issues discussed, but to make sure that attendees leave informed with correct information.

The following people commented and asked questions:

- Bill Krepick
- Tracy Westlake
- John Rettenmier
- Diane Cashman
- Greg Inglin
- Randy Rohwer
- Carla Nichols

The following topics were discussed:

- The format/function of the public comment section of each meeting
- Communication between the Town and residents
- Point Wells
- How the meeting agendas are set
- What is included in the official meeting minutes
- The Town Hall water leak issue from fall 2021
- Pavement maintenance
- Several issues related to the Town's rights-of-way
- Stormwater infrastructure/rain gardens and potential sewer installation in the Twin Maples neighborhood

#### **PUBLIC COMMENTS**

Included in agenda item #1.

#### **II - APPROVAL OF PAYMENTS – JUNE 6, 2022 CLAIMS - AMENDED**

*Councilmember Bogen* moved to approve the amended June 6, 2022 claims checks #13812 through 13832 and EFTs #667 & 668 totaling \$18,048.04. *Councilmember DeDonker* seconded the motion. The motion passed unanimously.

#### **II - APPROVAL OF PAYMENTS – MAY 2022 PAYROLL**

*Councilmember Mitchell* moved to approve the May 2022 payroll transactions EFTs #629 through 634, 636 through 647, and checks #13810 & 13811, totaling \$67,396.25. *Councilmember DeDonker* seconded the motion. The motion passed unanimously.

#### **III - APPROVAL OF MINUTES – MAY 16, 2022 MINUTES**

*Councilmember DeDonker* moved to approve the May 16, 2022 council meeting minutes. *Councilmember Mitchell* seconded the motion. The motion passed unanimously.

#### **IV - COUNCIL REPORTS**

None.

#### **V - MAYOR'S REPORT**

- Thanked the Council and residents for a robust discussion.
- Gave an update on the recent Snohomish County community meeting to discuss ARPA funding.

#### **VI - TOWN ADMINISTRATOR'S REPORT**

None.

#### **PUBLIC COMMENTS**

Resident Tracy Westlake asked a question about councilmember qualifications. A brief discussion followed.

### **GENERAL COUNCIL DISCUSSION – CHOICE OF SUBJECTS**

*Councilmember Bogen* asked that the Council discuss a prohibition on camping at a future meeting.

*Councilmember DeDonker* confirmed that the next meeting would be held on Tuesday, June 21 due to the Juneteenth holiday, observed on Monday, June 20.

*Councilmember Mitchell* asked for information about expenses for the Highlands neighborhood and expressed her disappointment in the tone of the evening's meeting.

### **ADJOURNMENT**

*Councilmember Bogen* moved to adjourn the meeting. *Councilmember DeDonker* seconded the motion. The motion passed unanimously. The meeting was adjourned at 8:50 p.m.

Respectfully Submitted,

**APPROVED BY THE TOWN COUNCIL**

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Heidi K. S. Napolitano, Clerk-Treasurer;

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Michael S. Quinn, Mayor

(These minutes accurately reflect what was said at the Council Meeting. Publication does not vouch for the veracity of these statements.)

# **TOWN OF WOODWAY**

## **RESOLUTION 2022-439**

### **A RESOLUTION ADOPTING THE SIX-YEAR TRANSPORTATION IMPROVEMENT PROGRAM FOR THE TOWN OF WOODWAY DURING THE 2023-2028 PERIOD**

WHEREAS, a public hearing was held on June 21, 2022, to consider the 2023-2028 Six-Year Transportation Improvement Program;

NOW, THEREFORE, the Town Council of the Town of Woodway does hereby resolve as follows:

Section 1. The Six-Year Transportation Improvement Program during the 2023-2028 period, as attached, is hereby adopted and that this Program be used for planning purposes only and reviewed annually prior to implementation of any of the projects.

PASSED this 21<sup>st</sup> day of June 2022 by the Town Council of the Town of Woodway.

TOWN OF WOODWAY

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Michael S. Quinn, Mayor

ATTEST:

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Heidi K. S. Napolitano, Clerk-Treasurer

Six Year Transportation Improvement Program  
From 2023 to 2028

Agency: Woodway

County: Snohomish

MPO/RTPO: PSRC

Y Inside

N Outside

Functional Class	Priority Number	A. PIN/Project No. C. Project Title D. Road Name or Number E. Begin & End Termini F. Project Description	B. STIP ID  G. Structure ID	Hearing	Adopted	Amendment	Resolution No.	Improvement Type	Utility Codes	Total Length	Environmental Type	RW Required
19		238th Street SW 238 intersection of 238 and 114 to Timberlane Road Repair and overlay of 238th from the intersection of 238th and 114th east to the intersection of 238th and Timberlane Road	WA-11222	06/21/22	06/21/22		2022-439	05			CE	No

Funding								
Status	Phase	Phase Start Year (YYYY)	Federal Fund Code	Federal Funds	State Fund Code	State Funds	Local Funds	Total Funds
P	PE	2023		0		0	55,000	55,000
Totals				0		0	55,000	55,000

Expenditure Schedule					
Phase	1st	2nd	3rd	4th	5th & 6th
PE	55,000	0	0	0	0
Totals	55,000	0	0	0	0

# Six Year Transportation Improvement Program

## From 2023 to 2028

Agency: Woodway

County: Snohomish

MPO/RTPO: PSRC

Y Inside

N Outside

Functional Class	Priority Number	A. PIN/Project No. C. Project Title D. Road Name or Number E. Begin & End Termini F. Project Description	B. STIP ID  G. Structure ID	Hearing	Adopted	Amendment	Resolution No.	Improvement Type	Utility Codes	Total Length	Environmental Type	RW Required
19		Bella Coola Bella Coola Makah Road to Chinook Road Overlay and repair Bella Coola from Makah Road to Chinook Road including the intersection and 100 feet in both directions.	WA-11225	06/21/22	06/21/22		2022-439	05		0.500	CE	No

Funding								
Status	Phase	Phase Start Year (YYYY)	Federal Fund Code	Federal Funds	State Fund Code	State Funds	Local Funds	Total Funds
P	PE	2025		0		0	150,000	150,000
Totals				0		0	150,000	150,000

Expenditure Schedule					
Phase	1st	2nd	3rd	4th	5th & 6th
PE	0	0	150,000	0	0
Totals	0	0	150,000	0	0



Six Year Transportation Improvement Program  
From 2023 to 2028

Agency: Woodway  
County: Snohomish  
MPO/RTPO: PSRC

Y InsideN Outside

Functional Class	Priority Number	A. PIN/Project No. C. Project Title D. Road Name or Number E. Begin & End Termini F. Project Description	B. STIP ID  G. Structure ID	Hearing	Adopted	Amendment	Resolution No.	Improvement Type	Utility Codes	Total Length	Environmental Type	RW Required
19		East Greystone Lane East Greystone Willowick to West Greystone Repair and overlay East Greystone.	WA-09174	06/21/22	06/21/22		2022-439	05			CE	No

Funding							
Status	Phase	Phase Start Year (YYYY)	Federal Fund Code	Federal Funds	State Fund Code	State Funds	Total Funds
P	PE	2024		0		0	100,000
Totals				0		0	100,000

Expenditure Schedule					
Phase	1st	2nd	3rd	4th	5th & 6th
PE	0	100,000	0	0	0
Totals	0	100,000	0	0	0

Six Year Transportation Improvement Program  
From 2023 to 2028

Agency: Woodway  
County: Snohomish  
MPO/RTPO: PSRC

Y InsideN Outside

Functional Class	Priority Number	A. PIN/Project No. C. Project Title D. Road Name or Number E. Begin & End Termini F. Project Description	B. STIP ID  G. Structure ID	Hearing	Adopted	Amendment	Resolution No.	Improvement Type	Utility Codes	Total Length	Environmental Type	RW Required
19		West Greystone West Greystone East Greystone to Willowick Repair and overlay West Greystone	WA-09175	06/21/22	06/21/22		2022-439	05		0.200	CE	No

Funding							
Status	Phase	Phase Start Year (YYYY)	Federal Fund Code	Federal Funds	State Fund Code	State Funds	Total Funds
P	PE	2024		0		0	125,000
Totals				0		0	125,000

Expenditure Schedule					
Phase	1st	2nd	3rd	4th	5th & 6th
PE	0	125,000	0	0	0
Totals	0	125,000	0	0	0

# Six Year Transportation Improvement Program

## From 2023 to 2028

Agency: Woodway

County: Snohomish

MPO/RTPO: PSRC

Y Inside

N Outside

Functional Class	Priority Number	A. PIN/Project No. C. Project Title D. Road Name or Number E. Begin & End Termini F. Project Description	B. STIP ID  G. Structure ID	Hearing	Adopted	Amendment	Resolution No.	Improvement Type	Utility Codes	Total Length	Environmental Type	RW Required
19		West Woodway Lane West Woodway Lane Willowick to Repair and Overlay West Woodway Lane.	WA-09176	06/21/22	06/21/22		2022-439	05		0.230	CE	No

Funding								
Status	Phase	Phase Start Year (YYYY)	Federal Fund Code	Federal Funds	State Fund Code	State Funds	Local Funds	Total Funds
P	PE	2024		0		0	75,000	75,000
Totals				0		0	75,000	75,000

Expenditure Schedule					
Phase	1st	2nd	3rd	4th	5th & 6th
PE	0	75,000	0	0	0
Totals	0	75,000	0	0	0

	Federal Funds		State Funds	Local Funds	Total Funds
Grand Totals for Woodway	0		0	505,000	505,000

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## MEMO

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**TO:** MAYOR MIKE QUINN, WOODWAY COUNCILMEMBERS  
**FROM:** HEIDI K. S. NAPOLITINO, CLERK-TREASURER  
**SUBJECT:** PROSECUTOR SERVICES CONTRACT  
**DATE:** JUNE 16, 2022  
**CC:** ERIC FAISON, TOWN ADMINISTRATOR

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Greetings Mayor & Councilmembers,

Zachor & Thomas acted as the Town's prosecutor for many years. Due to the small number of cases each year, Jim Zachor chose to not charge the Town for the prosecutor services they provided. Recently, the firm reorganized into Zachor, Stock, & Krepps, Inc., P.S. As part of their reorganization, they are renewing/refreshing contracts with their clients.

The proposed prosecutor services contract extends through the end of 2022. This fall, the Town will issue a Request for Qualifications (RFQ) to gather proposals for on-going prosecutor services.

Staff recommends approving this short-term contract.

# **AGREEMENT FOR PROSECUTION SERVICES BETWEEN THE TOWN OF WOODWAY AND ZACHOR, STOCK, & KREPPS, INC., P.S.**

THIS AGREEMENT, is made this \_\_\_\_ day of June 2022, by and between the Town of Woodway (hereinafter referred to as “Town”), a Washington Municipal Corporation, and Zachor, Stock, & Krepps, Inc., P.S., an independent contractor (hereinafter referred to as “Service Provider”).

WHEREAS, Service Provider is in the business of providing the prosecution services specified herein; and

WHEREAS, the Town desires to contract with Service Provider for the provision of prosecution services, and Service Provider agrees to contract with the Town for same;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

## **T E R M S**

1. **Description of Work.** Service Provider shall perform work as described in Attachment A, Scope of Work, which is attached hereto and incorporated herein by this reference, according to the existing standard of care for such services. Service Provider shall not perform any additional services without the expressed permission of the Town. The Service Provider warrants that they have the requisite training, skill, and experience necessary to provide the Services.
2. **Payment.**
  - A. The Town shall pay Service Provider for the work in amounts as shown 2 (C) of this Agreement. Service Provider shall submit monthly payment invoices to the Town after such services have been performed, and the Town shall make payment within thirty (30) days after the submittal of each approved invoice. Such invoice shall detail the hours worked, and a description of the tasks performed.
  - B. If the Town objects to all or any portion of any invoice, it shall so notify Service Provider of the same within ten (10) days from the date of receipt and shall pay that portion of the invoice not in dispute. The parties shall immediately make every effort to settle the disputed portion utilizing the dispute resolution process described in this agreement.
  - C. The Service Provider shall be paid by the Town for completed work for services rendered under this Agreement as provided hereinafter. Such payment shall be full compensation for work performed or services rendered and for all labor, materials,

supplies, equipment, and incidentals necessary to complete the work, and shall consist of the following:

1. **Base Rate.** The Service Provider shall receive \$350.00 per month for those duties set forth in Attachment A for services rendered.
2. **Hourly Rate.** Services performed outside the scope of work described in Attachment A, or which may be mutually agreed upon to be added at a later date, or additional court calendars or appearances by the court, shall be in addition to the base rate set forth in paragraph 3.1. Absent a separate agreement, those services shall be billed at a rate of \$150.00 per hour. Town expressly consents and understands that the following work may occur:
  - a. **Appeals.** RALJ appeals of criminal and infraction cases to the Superior Court will be billed at an hourly rate of \$150.00 per hour. Cases filed at the Court of Appeals or Washington State Supreme Court will be billed at an hourly rate of \$300.00 per hour.
  - b. **Civil Forfeitures.** Forfeitures, pursuant to RCW 10.105.010 (felony forfeitures) and RCW 69.50.505 (drug forfeitures), shall be billed a flat rate of \$300.00 per case, unless such is removed to the District or Superior Court, whereupon such shall be billed at the appellate hourly rate under 3.2.1. Forfeitures of firearms, pursuant to RCW 9.41.098, if not resolved within an accompanying misdemeanor or gross misdemeanor, shall be billed at the rate of \$300.00 per case, unless filed into District Court, whereupon such shall be billed at the appellate hourly rate at the hourly rate of \$300 per hour.
3. **Relationship of Parties.** The parties intend that an independent contractor - client relationship will be created by this Agreement. As Service Provider is customarily engaged in an independently established trade which encompasses the specific service provided to the Town hereunder, no agent, employee, representative or subcontractor of Service Provider shall be or shall be deemed to be the employee, agent, representative or subcontractor of the Town. None of the benefits provided by the Town to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the Town to the Service Provider or his employees, agents, representatives or subcontractors. Service Provider will be solely and entirely responsible for their acts and for the acts of Service Provider's agents, employees, representatives, and subcontractors during the performance of this Agreement. The Town may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that Service Provider performs hereunder. The Service Provider may perform prosecutor services for other clients during the term of this agreement so long as the performance of services for others does not interfere with the service requirements of this agreement.
4. **Duration of Work.** Service Provider shall perform the services described in Attachment A through December 31, 2022.

## 5. Termination.

- A. Termination Upon the Town's Option. The Town shall have the option to terminate this Agreement at any time. Termination shall be effective upon sixty (60) days written notice to the Service Provider.
  - B. Termination for Cause. If Service Provider refuses or fails to complete the tasks described in Attachment A, or to complete such work in a manner unsatisfactory to the Town, then the Town may, by written notice to Service Provider, give notice of its intention to terminate this Agreement. After such notice, Service Provider shall have thirty (30) days to cure, to the satisfaction of the Town or its representative. If Service Provider fails to cure to the satisfaction of the Town, the Town shall send Service Provider a written termination letter which shall be effective upon deposit in the United States mail to Service Provider's address as stated below.
  - C. Rights upon Termination. In the event of termination, the Town shall only be responsible to pay for all services satisfactorily performed by Service Provider to the effective date of termination, as described in the final invoice to the Town. The Town Administrator shall make the final determination about what services have been satisfactorily performed.
6. **Assignment and Subcontracting.** The Service Provider shall not assign any portion of this Agreement without the written consent of the Town. The parties agree that the services provided for herein are personal to the Service Provider who was accepted by the Town for this contract based upon their personal skills and experience. It is further agreed that consent for an assignment must be sought by the Service Provider not less than thirty (30) days prior to the date of any proposed assignment.
  7. **Taxes.** The Town will not withhold federal or state taxes. All compensation received by the Service Provider will be reported to the Internal Revenue Service at the end of the calendar year in accordance with applicable IRS regulations.
  8. **Indemnification / Hold Harmless.** The Service Provider agree to hold harmless and indemnify the Town, its officers, officials, agents, employees, and representatives from and against any and all claims, costs, judgments, losses, or suits including Service Provider's fees or awards, and including claims by Service Provider's own employees to which Service Provider might otherwise be immune under Title 51 arising out of or in connection with any willful misconduct or negligent error, or omission of the Service Provider, their officers or agents. It is specifically and expressly understood that the indemnification provided herein constitutes the waiver of the Service Provider's waiver of immunity under Title 51 RCW solely for the purposes of this indemnification. The parties have mutually negotiated this waiver. The Town agrees to hold harmless and indemnify the Service Provider, their officers, officials, agents, employees, and representatives from and against any and all claims, costs, judgments, losses, or suits including Service Provider's fees or awards, arising out of or in connection with any willful misconduct or negligent error or omission of the Town, their officers or agents. This clause shall survive the termination or

expiration of this agreement and shall continue to be in effect for any claims or causes of action arising hereunder.

9. **Insurance.** The Service Provider shall procure and maintain for the duration of this agreement insurance against claims for injuries to persons or property which may arise from or in connection with the performance of work hereunder by the Service Provider, or the agents, representatives, employees, or subcontractors of the Service Provider.

A. **Minimum Scope of Insurance.** Service Provider shall obtain insurance of the types described below, naming the Town as additional named insureds:

1. General Liability with a minimum limit of liability of \$2,000,000 combined single limit each occurrence bodily injury and property damage.
2. Automobile Liability covering owned and non-owned vehicles with a minimum limit of liability of \$1,000,000 combined single limit each occurrence bodily injury and property damage.
3. Professional Liability (Errors and Omissions) for Service Provider with a minimum limit of liability of \$2,000,000 each claim.
4. Workers' Compensation per statutory requirements of Washington industrial insurance RCW Title 51.

B. **Verification of Coverage.** The Service Provider shall furnish the Town with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Service Provider before commencement of the work. Policies shall provide thirty (30) days written notice of cancellation to the Town. The Service Provider shall provide the Town with proof of insurance for "tail coverage" no later than December 31 of the year of termination of the Contract. The purpose of "tail coverage" is to provide insurance coverage for all claims that might arise from occurrences during the term of the Contract or extension(s) thereof, but not filed during the term of the Contract.

10. **Entire Agreement.** The written provisions and terms of this Agreement, together with all documents attached hereto, shall supersede all prior verbal statements of any officer or other representative of the Town, and such statements shall not be effective or be construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement.

11. **Town's Right of Supervision, Limitation of Work Performed by Service Provider.** Even though Service Provider works as an independent contractor in the performance of his duties under this Agreement, the work must meet the approval of the Town and be subject to the Town's general right of inspection and supervision to secure the satisfactory completion thereof. In the performance of work under this Agreement, Service Provider shall comply with all federal, state and municipal laws, ordinances, rules and regulations that are applicable to Service Provider's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.



**12. Work Performed at Service Provider's Risk.** Service Provider shall be responsible for the safety of its employees, agents, representatives, and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at Service Provider's own risk, and Service Provider shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

**13. Ownership of Products and Premises Security.**

- A. All reports, plans, specifications, data maps, and documents produced by the Service Provider in the performance of services under this Agreement, whether in draft or final form and whether written, computerized, or in other form, shall be the property of the Town.
- B. While working on the Town's premises, the Service Provider agrees to observe and support the Town's rules and policies relating to maintaining physical security of the Town's premises.

**14. Modification.** No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the Town and Service Provider.

**15. Assignment.** Any assignment of this Agreement by Service Provider without the written consent of the Town shall be void.

**16. Written Notice.** All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

**17. Non-Waiver of Breach.** The failure of the Town to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements, or options, and the same shall be and remain in full force and effect.

**18. Dispute Resolution.** The Parties shall use their best efforts to resolve disputes and issues arising out of or related to this Agreement. Disagreements will be resolved promptly and at the lowest level of authority. Each Party shall notify the other in writing of any problem or dispute. This written notice shall include:

- A. A description of the issue to be resolved;
- B. A description of the difference between the Parties on the issue; and
- C. A summary of steps taken by the Parties to resolve the issue.

The Parties shall meet within ten (10) business days of receiving the written notice and attempt to resolve the dispute. In the event the Parties cannot resolve the dispute (and that dispute is not subject to some other formal appeal process), the Town and the Service Provider mutually agree to use a formal dispute process such as mediation, through an agreed-upon mediator and process. All costs for mediation services would be divided equally between the Town and the Service Provider. Each party would be responsible for the costs of their own legal representation. The parties shall use the mediation process in good faith. In the event of any litigation arising out of this Agreement, the forum of the litigation shall be the Superior Court of Snohomish County, Washington. The prevailing party shall be reimbursed for its reasonable Service Provider fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the day and year above written.

**TOWN OF WOODWAY**

**SERVICE PROVIDER**

By: \_\_\_\_\_  
Michael S. Quinn, Mayor

By: \_\_\_\_\_  
James Zachor

**TOWN CONTACT**

Eric A. Faison, Town Administrator  
Town of Woodway  
23920 113<sup>th</sup> Place W.  
Woodway, WA 98020  
Phone: (206) 542-4443

**SERVICE PROVIDER CONTACT**

James Zachor  
Zachor, Stock, & Krepps, Inc., P.S.  
23607 Hwy 99, Ste 1D  
Edmonds, WA 98026  
T: (425) 778-2429

**ATTEST/AUTHENTICATED**

By: \_\_\_\_\_  
Heidi K. S. Napolitano, Clerk-Treasurer

**APPROVED AS TO FORM**

By: \_\_\_\_\_  
Greg Rubstello, Town Attorney

## **Attachment A**

### **Scope of Work**

The Service Provider shall, in a capable and efficient manner and in accordance with the professional and ethical standards required of members of the Washington State Bar Association, represent the Town as Prosecuting Attorney in the enforcement of its ordinances and prosecution of criminal and criminal traffic matters (gross misdemeanors and misdemeanors). The duties of the Prosecutor shall include but are not limited to the following services:

- 1.1 Review police incident reports for charging where prosecutor review is necessary.
- 1.2 Maintain all current cases in an appropriate filing system.
- 1.3 Review and remain familiar with filed criminal misdemeanor and gross misdemeanor cases.
- 1.4 Interview witnesses as necessary in preparation of prosecution of cases.
- 1.5 Respond to discovery requests, make sentence recommendations; and prepare legal memoranda, when necessary.
- 1.6 Prepare cases for trial, including the issuance of witness subpoenas (for service by the Police Department, when applicable), conduct evidence retrieval (with assistance of the Police Department and other Town agencies), and prepare jury instructions, as necessary.
- 1.7 To assist the Town Attorney, when applicable, in response to Public Disclosure requests.
- 1.8 Represent the Town at arraignments, pretrial hearings, motion hearings, review hearings as requested by the judge, and bench and jury trials; as scheduled.
- 1.9 Prosecute contested code and traffic infraction violations as scheduled on the regular criminal calendar.
- 1.10 Represent the Town in the prosecution of drug, felony, and firearm forfeitures. Forfeitures removed to other courts shall be billed at the hourly rate set in this Agreement.
- 1.11 Conduct legal update training for officers from time to time and at a mutually agreeable time and place to include quarterly Police Department training.
- 1.12 With the assistance of the Police Department, to review and make recommendations for update of the bail book, as needed. Printing and distribution shall be the responsibility of the Town.
- 1.13 Be available to the Police Department for questions at all times, by providing appropriate telephone numbers; cell phone numbers, email addresses, and voice mail access. Calls are to be returned by the next business day.
- 1.14 Make recommendations to the Police Chief or Town attorney concerning suggested amendments, modifications, or additions to Town ordinances effecting the satisfactory prosecution of criminal matters.
- 1.15 Provide periodic feedback to the Police Command staff regarding the performance of Town police officers in the discharge of their duties and other matters of mutual concern.

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## MEMO

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**TO:** MAYOR MIKE QUINN, WOODWAY COUNCILMEMBERS  
**FROM:** HEIDI K. S. NAPOLITINO, CLERK-TREASURER  
**SUBJECT:** 2021 ANNUAL REPORT REVIEW  
**DATE:** JUNE 16, 2022  
**CC:** ERIC FAISON, TOWN ADMINISTRATOR

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Greetings Mayor & Councilmembers,

As you know, one of the Council's most important roles is to provide oversight of the Town's finances. To help facilitate your oversight, I have included a brief explanation of the components of the annual report that the State Auditor's Office (SAO) requires us to submit every year.

The annual report is made up of several schedules and documents, each with detailed requirements and instructions laid out in the Budgeting, Accounting and Reporting System (BARS) Cash Basis Manual. Below is a list of schedules with a description of each one. During the meeting, I will touch on a few key points and open the discussion for any questions you may have.

### **Annual Report Certification**

The Annual Report preparer (me!) has to submit contact information and certify several items, including that it was prepared correctly to the best of my knowledge and that we are responsible for updating and resubmitting the report if anything is subsequently identified as needing correction.

### **C-4 & C-5 - Fund Resources and Uses Arising from Cash Transactions**

The C-4 summarizes activity in all funds that hold the Town's money. For this report, we are only allowed one general fund and one fund for each type of utility. You'll notice that the Replacement Reserve and Deposit Funds are not listed – all of their revenues and expenses are included in the General Fund.

The C-5 summarizes activity in all funds that hold money that we collect on behalf of another agency, such as the traffic infraction funds we remit to Snohomish County and the State.

### **Notes to Financial Statements**

Most of the sections in the Notes to Financial Statements include language provided by SAO. We add information specific to our jurisdiction and remove those sections that don't apply. Several sections include language provided by outside organizations, such as Snohomish County 911 and Washington Cities Insurance Authority (WCIA).

**Schedule 01 – All revenues and expenses by BARS number**

The BARS manual includes BARS (account) numbers for revenues and expenses. Some are required to be used exactly as listed and some allow for more discretion. Each BARS number that has a revenue or expense in the reporting year is included in the Schedule 01. These revenues and expenses are what the C-4 & C-5 summaries are based on.

**Schedule 06 - Summary of Bank Reconciliation**

Schedule 06 is magic! It takes all of the transactions in our bank and investment accounts and reconciles them with the transactions in our funds (General Fund, Capital Projects Fund, etc.). If everything is in order, line 23 will show no unreconciled variances.

**Schedule 09 - Schedule of Liabilities**

Schedule 09 lists summaries of various liabilities, including all outstanding debt, compensated absences (the amount that the Town would have to pay out if all employees left on December 31 of the reporting year), and pension liabilities (based on a set of calculations using information from the Department of Retirement Systems).

**Schedule 16 - Expenditures of Federal Awards**

Schedule 16 includes all federal funds that the Town expends, not the amount received, in the reporting year. In this case, we received approximately \$194,000 in ARPA funds, but only spent \$55,105 in 2021. The remaining funds will be listed in future years as they are expended. If we received FEMA reimbursement after a disaster that money would be listed here as well.

**Notes To The Schedule Of Expenditures Of Federal Awards**

This Notes is similar in form to the other Notes listed above, except that it is significantly shorter. It includes required language from the BARS manual and specific information about Woodway.

**Schedule 19 - Labor Relations Consultant(s)**

This is the easiest schedule! Since we do not use a labor relations consultant, we simply check “No” and move on.

**Schedule 21 - Local Government Risk Assumption**

Schedule 21 addresses risk assumption by the Town. It asks about several kinds of risks, including property & liability insurance, health insurance, unemployment compensation, and more.

**ANNUAL REPORT CERTIFICATION**

Town of Woodway  
(Official Name of Government)

0700  
MCAG No.

Submitted pursuant to RCW 43.09.230 to the Washington State Auditor’s Office  
For the Fiscal Year Ended 12/31/2021

GOVERNMENT INFORMATION:

Official Mailing Address	<u>23920 113th Place W</u>
	<u>Woodway, WA 98020</u>
Official Website Address	<u>www.townofwoodway.com</u>
Official E-mail Address	<u>heidi@townofwoodway.com</u>
Official Phone Number	<u>206-629-5814</u>

AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title	<u>Heidi K.S. Napolitino Clerk-Treasurer</u>
Contact Phone Number	<u>206-629-5814</u>
Contact E-mail Address	<u>heidi@townofwoodway.com</u>

I certify 13th day of May, 2022, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting Systems Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Signatures  
Heidi K.S. Napolitino (heidi@townofwoodway.com)

**Town of Woodway**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2021**

		Total for All Funds (Memo Only)	001 General Fund	107 Affordable Housing Sales Tax Fund	301 Capital Projects Fund (REET)
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	2,668,368	1,647,165	494	901,443
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	2,109,870	1,683,590	2,244	424,036
320	Licenses and Permits	169,653	169,653	-	-
330	Intergovernmental Revenues	259,689	259,689	-	-
340	Charges for Goods and Services	151,971	68,384	-	-
350	Fines and Penalties	4,583	3,723	-	-
360	Miscellaneous Revenues	6,389	6,389	-	-
Total Revenues:		2,702,155	2,191,428	2,244	424,036
<b>Expenditures</b>					
510	General Government	449,522	449,522	-	-
520	Public Safety	905,810	905,810	-	-
530	Utilities	20,733	-	-	-
540	Transportation	473,975	473,975	-	-
550	Natural/Economic Environment	239,515	239,515	-	-
560	Social Services	1,764	1,764	-	-
570	Culture and Recreation	18,992	18,992	-	-
Total Expenditures:		2,110,311	2,089,578	-	-
Excess (Deficiency) Revenues over Expenditures:		591,844	101,850	2,244	424,036
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	419,561	419,561	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	4,324	4,324	-	-
Total Other Increases in Fund Resources:		423,885	423,885	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	78,864	522	-	14,546
591-593, 599	Debt Service	116,641	56,641	-	60,000
597	Transfers-Out	419,561	-	-	380,000
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		615,066	57,163	-	454,546
<b>Increase (Decrease) in Cash and Investments:</b>		<b>400,663</b>	<b>468,572</b>	<b>2,244</b>	<b>(30,510)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	873,670	-	2,738	870,932
50841	Committed	-	-	-	-
50851	Assigned	123,624	44,000	-	-
50891	Unassigned	2,071,740	2,071,740	-	-
<b>Total Ending Cash and Investments</b>		<b>3,069,034</b>	<b>2,115,740</b>	<b>2,738</b>	<b>870,932</b>

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



Town of Woodway

Fund Resources and Uses Arising from Cash Transactions

For the Year Ended December 31, 2021

		420 Stormwater Utility Fund
Beginning Cash and Investments		
308	Beginning Cash and Investments	119,266
388 / 588	Net Adjustments	-
Revenues		
310	Taxes	-
320	Licenses and Permits	-
330	Intergovernmental Revenues	-
340	Charges for Goods and Services	83,587
350	Fines and Penalties	860
360	Miscellaneous Revenues	-
Total Revenues:		84,447
Expenditures		
510	General Government	-
520	Public Safety	-
530	Utilities	20,733
540	Transportation	-
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		20,733
Excess (Deficiency) Revenues over Expenditures:		63,714
Other Increases in Fund Resources		
391-393, 596	Debt Proceeds	-
397	Transfers-In	-
385	Special or Extraordinary Items	-
381, 382, 389, 395, 398	Other Resources	-
Total Other Increases in Fund Resources:		-
Other Decreases in Fund Resources		
594-595	Capital Expenditures	63,796
591-593, 599	Debt Service	-
597	Transfers-Out	39,561
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	-
Total Other Decreases in Fund Resources:		103,357
Increase (Decrease) in Cash and Investments:		(39,643)
Ending Cash and Investments		
50821	Nonspendable	-
50831	Restricted	-
50841	Committed	-
50851	Assigned	79,624
50891	Unassigned	-
Total Ending Cash and Investments		79,624

The accompanying notes are an integral part of this statement.

**Town of Woodway**  
**Fiduciary Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2021**

		<b>Custodial</b>
308	Beginning Cash and Investments	-
388 & 588	Net Adjustments	-
310-390	Additions	4,721
510-590	Deductions	4,721
	Net Increase (Decrease) in Cash and Investments:	-
508	Ending Cash and Investments	-

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

# TOWN OF WOODWAY

## NOTES TO FINANCIAL STATEMENTS

*For the year ended December 31, 2021*

### **Note 1 - Summary of Significant Accounting Policies**

The Town of Woodway was incorporated in February of 1958 and operates under the laws of the State of Washington applicable to a Non-Charter Code City classification adopted in 1986 with a Mayor-Council form of government. The Town of Woodway is a general-purpose local government and provides general government services including law enforcement (all police officers are part time), street improvement, and general administrative services. Water and Sewer utility service is provided by Olympic View Water District. Stormwater utility service is provided by the Town of Woodway. Fire protection services are provided by Shoreline Fire Department. Full-service police services are provided the City of Edmonds.

The Town of Woodway reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from Generally Accepted Accounting Principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed but are not included in the financial statements (see *Note 5 – Joint Ventures and Related Parties*).
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications in GAAP.

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

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements, except for fiduciary funds, which are presented by fund

types. The total column is presented as “memo only” because any interfund activities are not eliminated. The following fund types are used:

#### GOVERNMENTAL FUND TYPES:

General Fund (001 – General Fund): This fund is the primary operating fund of the Town of Woodway. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Special Revenue Funds (107 – Affordable Housing Sales Tax Fund): This fund accounts for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

Capital Projects Funds (301 – Capital Projects Fund): This fund accounts for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

#### PROPRIETARY FUND TYPES:

Enterprise Funds (420 - Stormwater Utility Fund): This fund accounts for operations that provide goods or services to the general public and are supported primarily through user charges.

#### FIDUCIARY FUND TYPES:

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

Custodial Funds (645 - Custodial Fund): These funds are used to account for assets that the Town of Woodway holds on behalf of others in a custodial capacity.

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

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

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

#### C. Cash and Investments

*See Note 4, Deposits and Investments.*

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of 1 year. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

The maximum number of vacation hours which may be carried over from one calendar year to the next is 80 hours. Vacation leave is payable upon separation or retirement if the employee has worked for the Town for more than one year.

For regular full-time and regular Group A part-time employees, sick leave is payable upon separation or retirement if the employee has worked for the Town for more than one year. Payment will be at the rate of one (1) hour's pay for each four (4) hours accrued, up to a maximum of eighty (80) hours days for regular full-time employees and eighty (80) hours prorated for regular Group A part-time employees.

Payments are recognized as expenditures when paid.

F. Long-Term Debt

See *Note 6, Long-Term Debt (formerly Debt Service Requirements)*.

G. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when they are subject to restrictions on use imposed by external parties or due to internal commitments established by Ordinance. When expenditures that meet restrictions are incurred, the Town intends to use reserved resources first before using unreserved amounts.

Restrictions and commitments of Ending Cash and Investments consist of:

- \$2,737.87 in the Affordable Housing Sales Tax Fund (107), established by Ordinance 2020-616 to receive that portion of sales and use tax credited back to the Town for use the acquisition, construction, or rehabilitation of affordable housing or facilities providing supportive housing, and for the operations and maintenance costs of new units of affordable or supportive housing, and, if eligible, for providing rental assistance to tenants; and
- \$870,932.24 in the Capital Projects Fund (301), established by Ordinance 19-604 to account for and report financial resources that are restricted, committed, or assigned (intended) for expenditure for capital outlays including the acquisition or construction of capital facilities or other capital assets.

## Note 2 – Budget Compliance

The Town of Woodway adopts annual appropriated budgets for the following funds:

- Fund 001 – General
- Fund 002 – Replacement Reserve (reported in 001 – Current Expense)
- Fund 004 – Deposit (reported in 001 – Current Expense)
- Fund 107 – Affordable Housing Sales Tax
- Fund 301 - Capital Projects (REET)
- Fund 420 – Stormwater Utility

These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

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

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

<b>2021 Budget</b>	<b>Final Appropriated Amounts</b>	<b>Actual Expenditures</b>	<b>Variance</b>
<b>General Fund</b>			
<i>Fund 001 - General</i>	\$2,242,100	\$2,146,217	\$95,883
<i>Fund 002 – Replacement Reserve</i>	\$600	\$522	\$78
<i>Fund 004 – Deposit</i>	\$0	\$0	\$0
<b>Total General Fund</b>	\$2,242,700	\$2,146,739	\$95,961
 Fund 107 – Affordable Housing Sales Tax Fund	 \$1,700	 \$0	 \$1,700
Fund 301 – Capital Projects	\$470,000	\$454,546	\$15,454
Fund 420 – Stormwater Utility	\$136,134	\$124,090	\$12,044
<b>Total</b>	<b>\$2,850,534</b>	<b>\$2,725,375</b>	<b>\$125,159</b>

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

A summary of the 2021 budget amendment is as follows:

<b>2021 Budget</b>	<b>Adopted Expenditures</b>	<b>December 2021 Amendment</b>	<b>Total Amended Expenditures</b>
General Fund			
<i>Fund 001 - General</i>	<i>\$1,992,100</i>	<i>\$250,000</i>	<i>\$2,242,100</i>
<i>Fund 002 – Replacement Reserve</i>	<i>\$0</i>	<i>\$600</i>	<i>\$600</i>
<i>Fund 004 – Deposit</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
Total General Fund	\$1,992,100	\$250,600	\$2,242,700
Fund 107 – Affordable Housing Sales Tax Fund	\$1,700	\$0	\$1,700
Fund 301 – Capital Projects	\$245,000	\$225,000	\$470,000
Fund 420 – Stormwater Utility	\$136,134	\$0	\$136,134
<b>Total</b>	<b>\$2,374,934</b>	<b>\$475,600</b>	<b>\$2,850,534</b>

### **Note 3 – COVID-19 Pandemic**

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of COVID-19. Precautionary measures to slow the spread of the virus continued throughout 2021. These measures included limitations on business operations, public events, gatherings, travel, and in-person interactions.

On March 16, 2020, Woodway Mayor Carla Nichols proclaimed an emergency in the Town of Woodway because of the COVID-19 pandemic. Town Hall was closed to the public until July 2021. Staff worked remotely, when feasible, and was available to the public by phone and email during the closure. Public Safety and Public Works staff continued to perform their essential functions with appropriate social distancing measures. After reopening Town Hall to the public, visitors and staff continued to comply with masking, distancing, OPMA, and other requirements from the Governor and CDC. Town Council and Planning Commission meetings continue to be in a hybrid format to allow remote participation.

The length of time these measures will continue to be in place, and the full extent of the direct or indirect financial impact on the Town of Woodway, is unknown at this time.

#### Note 4 – Deposits and Investments

Investments are reported at amortized cost. Deposits and investments by type at December 31, 2021 are as follows:

<b>Type of Deposit or Investment</b>	<b>Town of Woodway's own deposits and investments</b>	<b>Total</b>
Bank deposits	\$395,355.20	\$395,355.20
LGIP	\$2,673,678.81	\$2,673,678.81
<b>Total</b>	<b>\$3,069,034.01</b>	<b>\$3,069,034.01</b>

It is the Town's policy to invest all temporary cash surpluses. The interest on these investments is posted to the general fund.

#### Investments in the State Local Government Investment Pool (LGIP)

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

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

#### Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the Town of Woodway would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. Woodway's deposits are mostly covered by the Federal Deposit Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered, or held by the Town of Woodway or its agent in the government's name.



## **Note 5 - Joint Ventures and Related Parties**

### **Snohomish County 911**

The Town of Woodway and other Police and Fire entities jointly operate Snohomish County 911. Snohomish County 911, a cash basis special purpose district, was created under the Interlocal Cooperation Act, as codified in RCW 39.34. This established the statutory authority necessary for Snohomish County, the cities, towns, fire districts, police districts, and other service districts to enter into a contract and agreement to jointly establish, maintain, and operate a support communications center. Control of Snohomish County 911 is with a 16-member Board of Directors, which is specified in the Interlocal Agreement. Snohomish County 911 takes 911 calls and performs emergency dispatch services for local governmental agencies including police, fire, and medical aid.

In the event of the dissolution of Snohomish County 911, the Interlocal Agreement stipulates that any money in the possession of Snohomish County 911 or the Board of Directors after payment of all costs, expenses, and charges validly incurred under this Agreement shall be returned to the parties of this Agreement and shall be apportioned between Principals based on the ratio that the average of each Principals' contributions to the operating budget over the preceding five (5) years bears to the total of all then-remaining Principals' User Fees paid during such five-year period. Please note: as the agency has only been in existence since 2018, the number below reflects a four-year average. Beginning in reporting year 2022, the shares will be based on the required five-year average. Before deducting the payment of all costs, expenses and charges validly incurred, the Town of Woodway's share was \$38,816 on December 31, 2021.

Snohomish County 911's 2021 operating budget was \$24,429,390, operating revenues received were \$25,450,056, and total operating expenditures were \$23,395,721. Complete financial statements for Snohomish County 911 can be obtained from Snohomish County 911's administrative office at 1121 SE Everett Mall Way, Suite 200, Everett, WA 98208.

### **AHA – Alliance for Housing Affordability**

In September 2013, the Town of Woodway joined the cities of Edmonds, Everett, Granite Falls, Lake Stevens, Lynnwood, Marysville, Mill Greek, Mountlake Terrace, Mukilteo, Snohomish, and Snohomish County to establish the Alliance for Housing Affordability (AHA). The agreement was amended in May 2014 to add the City of Arlington and in June 2014 to add the City of Stanwood.

The purpose of AHA is to cooperatively formulate affordable housing goals and policies and to foster efforts to provide affordable housing by providing expertise and information to member jurisdictions. Operating funding is provided by the member cities.

AHA is governed by a Joint Board composed of an elected official from each member. The Joint Board is responsible for review and approval of all budgetary, financial, policy, and contractual matters. The Board is assisted by an administrative staff housed at the Housing Authority for Snohomish County (HASCO). Fiscal agent duties were transferred to HASCO during fiscal year 2018. The values included in the table below were audited and updated by the new fiscal agent and may be different than what was reported in previous years.

Each member is responsible for contributing operating revenues as determined from the AHA annual budget. Contributions from the member cities are based on each member's population. A grant from the Gates Foundation provided \$50,000 for each of the first two years to assist with organizational start-up. The Town of Woodway's equity share to date is:

<b>Fiscal Year 7/1/XX – 6/30/XX</b>	<b>AHA's Total Fiscal Year Budget</b>	<b>Town of Woodway Share of Budget</b>	<b>Town of Woodway Share as % of Total AHA Budget</b>
2013/2014	\$89,849	\$1,000	1.11%
2014/2015	\$93,063	\$1,030	1.11%
2015/2016	\$93,652	\$1,061	1.13%
2016/2017	\$97,934	\$1,591	1.62%
2017/2018	\$102,586	\$1,639	1.60%
2018/2019	\$107,391	\$1,688	1.57%
2019/2020	\$112,408	\$1,738	1.55%
2020/2021	\$117,673	\$1,738	1.48%
2021/2022	\$118,200	\$1,738	1.47%
<b>Total</b>	<b>\$932,756</b>	<b>\$13,223</b>	<b>1.40%</b>

Members withdrawing from the agreement relinquish all rights to any reserve funds, equipment, or material purchased. Upon dissolution, the agreement provides for distribution of net assets among the members based on the percentage of the total annual contributions during the period of the Agreement paid by each member.

Budget monitoring information can be obtained from Pam Frost, Director of Finance, HASCO, 12711 4<sup>th</sup> Ave W., Everett, WA 98204 (or email: [pfrost@hasco.org](mailto:pfrost@hasco.org)) or from Chris Collier, Program Manager, Alliance for Housing Affordability, 12711 4<sup>th</sup> Ave W., Everett, WA 98204.

**Note 6 – Long-Term Debt** *(formerly Debt Service Requirements)*

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the Town of Woodway and summarizes the Town's debt transactions for the year ended December 31, 2021.

The debt service requirements for general obligation bonds, revenue bonds and other payments are as follows:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	75,000.00	41,341.26	116,341.26
2022	75,000.00	39,841.26	114,841.26
2023	75,000.00	38,341.26	113,341.26
2024	80,000.00	36,841.26	116,841.26
2025	80,000.00	35,241.26	115,241.26
2026-2030	430,000.00	143,936.30	573,936.30
2031-2035	495,000.00	80,351.30	575,351.30
2036-2037	220,000.00	10,312.50	230,312.50
<b>Total</b>	<b>\$1,530,000.00</b>	<b>\$426,206.40</b>	<b>\$1,956,206.40</b>

**Note 7 – Pension Plans****A. State Sponsored Pension Plans**

Substantially all the Town of Woodway's full-time and qualifying part-time employees participate in the PERS, administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans PERS 1 and PERS 2/3.

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

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

Department of Retirement Systems  
Communications Unit  
P.O. Box 48380  
Olympia, WA 98540-8380

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

At June 30, 2021 (the measurement date of the plans), the Town of Woodway's proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities, was as follows:

	<b>Employer Contributions</b>	<b>Allocation %</b>	<b>Liability (Asset)</b>
PERS 1	\$20,284	0.002723%	\$33,254
PERS 2/3	\$33,110	0.003495%	(\$348,158)

- B. The Town of Woodway participates in a 457(b) deferred compensation plan (administered by MissionSquare Retirement, formerly International City/County Management Association – Retirement Corporation {ICMA-RC}) in lieu of social security. The plan, available to all employees, permits them to defer a minimum of 6.2% of their salary (which is matched by the Town) until future years. In 2021, Woodway contributed \$37,481.26. The deferred compensation is not available until termination, retirement, reaching the automatic distribution date, or unforeseeable emergencies.

#### **Note 8 - Property Tax**

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed after the end of each month.

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

The Town's regular levy for the year 2021 was \$1.46971507574 per \$1,000 on an assessed valuation of \$790,704,157 for a total regular levy of \$1,162,109.82.

#### **Note 9 - Risk Management**

##### **Self Insurance**

The Town of Woodway self-insures as an individual program for unemployment compensation risk. Claims for unemployment are administered by the Washington State Employment Security Department and invoices are submitted on a quarterly basis, if applicable. The Town paid no claims in 2021.

##### **Washington Cities Insurance Authority (WCIA)**

The Town of Woodway is a member of the Washington Cities Insurance Authority (WCIA). Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-

insuring, and/or jointly contracting for risk management services. WCIA has a total of 166 members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, errors or omissions, stop gap, employment practices, prior wrongful acts, and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

Insurance for property, automobile physical damage, fidelity, inland marine, and boiler and machinery coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage is self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that to \$400 million per occurrence subject to aggregates and sublimits. Automobile physical damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

In-house services include risk management consultation, loss control field services, and claims and litigation administration. WCIA contracts for certain claims investigations, consultants for personnel and land use issues, insurance brokerage, actuarial, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, reinsurance, and other administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

## **Note 10 – Other Disclosures**

### **Health & Welfare**

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

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

As of December 31, 2021, 262 cities/towns/non-city entities participate in the AWC Trust HCP.

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

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

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

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2020, the AWC Trust HCP purchased stop loss insurance for Regence/Asuris plans at an Individual Stop Loss (ISL) of \$1.5 million through Commencement Bay Risk Management, and Kaiser ISL at \$1 million with Companion

Life through Intermediary Insurance Services. The aggregate policy is for 200% of expected medical claims.

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

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns. The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options, and benefits in compliance with Chapter 48.62 RCW. The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

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

<div>Town of Woodway</div> <div>Schedule 01</div> <div>For the year ended December 31, 2021</div>					
MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0700	001	General Fund	3089100	Unassigned Cash and Investments - Beginning	\$1,605,933
0700	001	General Fund	3089100	Unassigned Cash and Investments - Beginning	\$41,232
0700	001	General Fund	3111000	Property Tax	\$1,163,486
0700	001	General Fund	3111000	Property Tax	\$20,000
0700	001	General Fund	3131100	Local Retail Sales and Use Tax	\$262,042
0700	001	General Fund	3137100	Criminal Justice Sales and Use Tax	\$30,290
0700	001	General Fund	3164100	Business and Occupation Taxes on Utilities	\$60,717
0700	001	General Fund	3164200	Business and Occupation Taxes on Utilities	\$25,851
0700	001	General Fund	3164300	Business and Occupation Taxes on Utilities	\$44,886
0700	001	General Fund	3164400	Business and Occupation Taxes on Utilities	\$14,044
0700	001	General Fund	3164500	Business and Occupation Taxes on Utilities	\$12,422
0700	001	General Fund	3164600	Business and Occupation Taxes on Utilities	\$35,737
0700	001	General Fund	3164700	Business and Occupation Taxes on Utilities	\$9,156
0700	001	General Fund	3164800	Business and Occupation Taxes on Utilities	\$4,959
0700	001	General Fund	3219100	Franchise Fees and Royalties	\$29,566
0700	001	General Fund	3219100	Franchise Fees and Royalties	\$42,252
0700	001	General Fund	3219100	Franchise Fees and Royalties	\$24,238
0700	001	General Fund	3219900	Other Business Licenses and Permits	\$11,329
0700	001	General Fund	3221000	Buildings, Structures and Equipment	\$48,751
0700	001	General Fund	3221000	Buildings, Structures and Equipment	\$2,600
0700	001	General Fund	3221000	Buildings, Structures and Equipment	\$4,229
0700	001	General Fund	3223000	Animal Licenses	\$400
0700	001	General Fund	3224000	Street and Curb Permits	\$5,948
0700	001	General Fund	3224000	Street and Curb Permits	\$290
0700	001	General Fund	3229200	Other Non-Business Licenses and Permits	\$50



MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0700	001	General Fund	3329210	COVID-19 Non-Grant Assistance	\$194,336
0700	001	General Fund	3350091	PUD Privilege Tax	\$7,435
0700	001	General Fund	3350401	2022-2023 biennium one-time allocations	\$5,430
0700	001	General Fund	3360071	Multimodal Transportation - Cities	\$1,807
0700	001	General Fund	3360087	Motor Vehicle Fuel Tax - City Streets	\$25,621
0700	001	General Fund	3360621	Criminal Justice - Violent Crimes/Population	\$1,000
0700	001	General Fund	3360626	Criminal Justice - Special Programs	\$1,576
0700	001	General Fund	3360642	Marijuana Excise Tax Distribution	\$1,788
0700	001	General Fund	3360651	DUI and Other Criminal Justice Assistance	\$220
0700	001	General Fund	3360694	Liquor/Beer Excise Tax	\$9,414
0700	001	General Fund	3360695	Liquor Control Board Profits	\$10,745
0700	001	General Fund	3370010	Local Grants, Entitlements and Other Payments	\$317
0700	001	General Fund	3417000	Sales of Merchandise	\$27
0700	001	General Fund	3418100	Data/Word Processing, Printing, Duplicating and IT Services	\$75
0700	001	General Fund	3418200	Engineering Services	\$26,279
0700	001	General Fund	3458100	Zoning and Subdivision Services	\$7,475
0700	001	General Fund	3458300	Plan Checking Services	\$25,853
0700	001	General Fund	3458900	Other Planning and Development Services	\$8,675
0700	001	General Fund	3531000	Traffic Infraction Penalties	\$3,223
0700	001	General Fund	3599000	Non-Court Fines and Penalties	\$500
0700	001	General Fund	3611100	Investment Earnings	\$2,828
0700	001	General Fund	3614000	Other Interest	\$206
0700	001	General Fund	3614000	Other Interest	\$164
0700	001	General Fund	3671100	Contributions and Donations from Nongovernmental Sources	\$1,775
0700	001	General Fund	3693000	Confiscated and Forfeited Property	\$36
0700	001	General Fund	3694000	Judgments and Settlements	\$1,105
0700	001	General Fund	3699100	Miscellaneous Other, Operating	\$275
0700	107	Affordable Housing Sales Tax Fund	3083100	Restricted Cash and Investments - Beginning	\$494
0700	107	Affordable Housing Sales Tax Fund	3132700	Affordable and Supportive Housing Sales and Use Tax	\$2,244

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0700	301	Capital Projects Fund (REET)	3083100	Restricted Cash and Investments - Beginning	\$901,443
0700	301	Capital Projects Fund (REET)	3183400	REET 1 - First Quarter Percent	\$212,018
0700	301	Capital Projects Fund (REET)	3183500	REET 2 - Second Quarter Percent	\$212,018
0700	420	Stormwater Utility Fund	3085100	Assigned Cash and Investments - Beginning	\$119,266
0700	420	Stormwater Utility Fund	3431000	Storm Drainage Sales and Services	\$773
0700	420	Stormwater Utility Fund	3431100	Storm Drainage Sales and Services	\$82,814
0700	420	Stormwater Utility Fund	3590000	Non-Court Fines and Penalties	\$60
0700	420	Stormwater Utility Fund	3590000	Non-Court Fines and Penalties	\$800
0700	001	General Fund	5113040	Official Publication Services	\$1,043
0700	001	General Fund	5116040	Legislative Activities	\$180
0700	001	General Fund	5116040	Legislative Activities	\$3,687
0700	001	General Fund	5125040	Municipal Court	\$1,847
0700	001	General Fund	5131010	Executive Office	\$81,068
0700	001	General Fund	5131020	Executive Office	\$16,043
0700	001	General Fund	5131030	Executive Office	\$1,405
0700	001	General Fund	5131040	Executive Office	\$90
0700	001	General Fund	5142310	Financial Services	\$95,906
0700	001	General Fund	5142320	Financial Services	\$18,962
0700	001	General Fund	5142320	Financial Services	\$2
0700	001	General Fund	5142330	Financial Services	\$3,385
0700	001	General Fund	5142330	Financial Services	\$3,607
0700	001	General Fund	5142340	Financial Services	\$5,219
0700	001	General Fund	5142340	Financial Services	\$70
0700	001	General Fund	5142340	Financial Services	\$1,794
0700	001	General Fund	5142340	Financial Services	\$1,182
0700	001	General Fund	5142340	Financial Services	\$174
0700	001	General Fund	5142340	Financial Services	\$23,580
0700	001	General Fund	5142340	Financial Services	\$18,730
0700	001	General Fund	5142340	Financial Services	\$936
0700	001	General Fund	5142340	Financial Services	\$1,816
0700	001	General Fund	5142340	Financial Services	\$1,195
0700	001	General Fund	5142340	Financial Services	\$425
0700	001	General Fund	5142540	Financial Services	\$146
0700	001	General Fund	5143040	Recording Services	\$385
0700	001	General Fund	5149040	Voters Registration Services	\$1,702
0700	001	General Fund	5154140	External Legal Services - Advice	\$11,157
0700	001	General Fund	5154140	External Legal Services - Advice	\$1,352
0700	001	General Fund	5154540	External Legal Services - Claims and Litigation	\$6,625

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0700	001	General Fund	5154540	External Legal Services - Claims and Litigation	\$12,363
0700	001	General Fund	5181040	Personnel Services	\$155
0700	001	General Fund	5183030	Maintenance/Security/Insurance/Janitorial Services	\$2,217
0700	001	General Fund	5183030	Maintenance/Security/Insurance/Janitorial Services	\$12,588
0700	001	General Fund	5183030	Maintenance/Security/Insurance/Janitorial Services	\$1,246
0700	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$13,256
0700	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$3,108
0700	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$3,321
0700	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$599
0700	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$1,070
0700	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$1,758
0700	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$20,072
0700	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$46,390
0700	001	General Fund	5184040	Purchasing Services	\$120
0700	001	General Fund	5187040	Printing Services	\$4
0700	001	General Fund	5188040	Information Technology Services	\$23,512
0700	001	General Fund	5189040	Other Centralized Services	\$2,819
0700	001	General Fund	5189040	Other Centralized Services	\$1,211
0700	001	General Fund	5211010	Administration	\$77,472
0700	001	General Fund	5211020	Administration	\$8,785
0700	001	General Fund	5211020	Administration	\$1,346
0700	001	General Fund	5211030	Administration	\$193
0700	001	General Fund	5211040	Administration	\$3,677
0700	001	General Fund	5211040	Administration	\$480
0700	001	General Fund	5211040	Administration	\$7,865
0700	001	General Fund	5212040	Police Operations	\$77
0700	001	General Fund	5212240	Police Operations	\$204,825
0700	001	General Fund	5215040	Facilities	\$210
0700	001	General Fund	5217030	Traffic Policing	\$1,182
0700	001	General Fund	5217040	Traffic Policing	\$1,980

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0700	001	General Fund	5222040	Fire Suppression and Emergency Medical Services	\$575,699
0700	001	General Fund	5256030	Disaster Preparedness	\$200
0700	001	General Fund	5256040	Disaster Preparedness	\$1,744
0700	001	General Fund	5286040	Dispatch Services	\$20,075
0700	001	General Fund	5421040	Engineering	\$95
0700	001	General Fund	5421040	Engineering	\$380
0700	001	General Fund	5423030	Roadway	\$1,875
0700	001	General Fund	5425040	Structures	\$33,772
0700	001	General Fund	5426430	Traffic Control Devices	\$5,897
0700	001	General Fund	5427030	Roadside	\$778
0700	001	General Fund	5427040	Roadside	\$20
0700	001	General Fund	5427040	Roadside	\$64,142
0700	001	General Fund	5429010	Maintenance Administration and Overhead	\$241,580
0700	001	General Fund	5429020	Maintenance Administration and Overhead	\$89,973
0700	001	General Fund	5429030	Maintenance Administration and Overhead	\$1,011
0700	001	General Fund	5429030	Maintenance Administration and Overhead	\$1,101
0700	001	General Fund	5429030	Maintenance Administration and Overhead	\$6,355
0700	001	General Fund	5429030	Maintenance Administration and Overhead	\$3,181
0700	001	General Fund	5429030	Maintenance Administration and Overhead	\$3,141
0700	001	General Fund	5429040	Maintenance Administration and Overhead	\$1,329
0700	001	General Fund	5429040	Maintenance Administration and Overhead	\$1,359
0700	001	General Fund	5429040	Maintenance Administration and Overhead	\$1,325
0700	001	General Fund	5433030	General Services	\$1,959
0700	001	General Fund	5433040	General Services	\$240
0700	001	General Fund	5433040	General Services	\$175
0700	001	General Fund	5433040	General Services	\$13,630
0700	001	General Fund	5433040	General Services	\$87
0700	001	General Fund	5433040	General Services	\$570
0700	001	General Fund	5510040	Public Housing Services	\$1,738
0700	001	General Fund	5537040	Pollution Control and Remediation	\$1,951
0700	001	General Fund	5585010	Building Permits and Plan Reviews	\$56,625

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0700	001	General Fund	5585020	Building Permits and Plan Reviews	\$15,916
0700	001	General Fund	5585040	Building Permits and Plan Reviews	\$27,507
0700	001	General Fund	5586040	Planning	\$31,207
0700	001	General Fund	5586040	Planning	\$25,991
0700	001	General Fund	5586040	Planning	\$6,480
0700	001	General Fund	5586040	Planning	\$219
0700	001	General Fund	5586040	Planning	\$11,153
0700	001	General Fund	5586040	Planning	\$790
0700	001	General Fund	5587040	Economic Development	\$266
0700	001	General Fund	5593010	Property Development	\$50,636
0700	001	General Fund	5593020	Property Development	\$7,629
0700	001	General Fund	5593040	Property Development	\$420
0700	001	General Fund	5593040	Property Development	\$95
0700	001	General Fund	5593040	Property Development	\$892
0700	001	General Fund	5620040	Public Health Services	\$1,360
0700	001	General Fund	5660040	Chemical Dependency Services	\$404
0700	001	General Fund	5739030	Other Cultural and Community Events	\$557
0700	001	General Fund	5739040	Other Cultural and Community Events	\$4,030
0700	001	General Fund	5768040	General Parks	\$80
0700	001	General Fund	5769030	Other Park Facilities	\$856
0700	001	General Fund	5769040	Other Park Facilities	\$10,378
0700	001	General Fund	5769040	Other Park Facilities	\$3,091
0700	001	General Fund	5085100	Assigned Cash and Investments - Ending	\$44,000
0700	001	General Fund	5089100	Unassigned Cash and Investments - Ending	\$2,011,031
0700	001	General Fund	5089100	Unassigned Cash and Investments - Ending	\$60,709
0700	107	Affordable Housing Sales Tax Fund	5083100	Restricted Cash and Investments - Ending	\$2,738
0700	301	Capital Projects Fund (REET)	5083100	Restricted Cash and Investments - Ending	\$870,932
0700	420	Stormwater Utility Fund	5312040	Storm Drainage Utilities	\$1,176
0700	420	Stormwater Utility Fund	5313030	Storm Drainage Utilities	\$94
0700	420	Stormwater Utility Fund	5313040	Storm Drainage Utilities	\$673
0700	420	Stormwater Utility Fund	5313040	Storm Drainage Utilities	\$2,675
0700	420	Stormwater Utility Fund	5313040	Storm Drainage Utilities	\$111
0700	420	Stormwater Utility Fund	5313040	Storm Drainage Utilities	\$11,045
0700	420	Stormwater Utility Fund	5314040	Storm Drainage Utilities	\$4,959
0700	420	Stormwater Utility Fund	5085100	Assigned Cash and Investments - Ending	\$79,624
0700	001	General Fund	3823000	Non-Fiduciary Collections for Others	\$3,390

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0700	001	General Fund	3952000	Compensation for Loss/Impairment of Capital Assets (Cash Basis Only)	\$934
0700	001	General Fund	3970200	Transfers-In	\$39,561
0700	001	General Fund	3970400	Transfers-In	\$380,000
0700	645	Agency Fund	3861200	Court Remittances	\$57
0700	645	Agency Fund	3868300	Court Remittances	\$193
0700	645	Agency Fund	3868300	Court Remittances	\$386
0700	645	Agency Fund	3868300	Court Remittances	\$187
0700	645	Agency Fund	3869100	Court Remittances	\$1,818
0700	645	Agency Fund	3869200	Court Remittances	\$1,058
0700	645	Agency Fund	3869700	Court Remittances	\$885
0700	645	Agency Fund	3893000	Custodial Type Collections	\$130
0700	645	Agency Fund	3893000	Custodial Type Collections	\$3
0700	645	Agency Fund	3893000	Custodial Type Collections	\$4
0700	001	General Fund	5911870	Debt Repayment - Centralized/General Services	\$56,341
0700	001	General Fund	5921880	Interest and Other Debt Service Cost - Centralized/General Services	\$300
0700	001	General Fund	5944460	Capital Expenditures/Expenses - Roads/Streets Operations	\$522
0700	301	Capital Projects Fund (REET)	5911870	Debt Repayment - Centralized/General Services	\$18,659
0700	301	Capital Projects Fund (REET)	5921880	Interest and Other Debt Service Cost - Centralized/General Services	\$41,341
0700	301	Capital Projects Fund (REET)	5947660	Capital Expenditures/Expenses - Park Facilities	\$14,546
0700	301	Capital Projects Fund (REET)	5970400	Transfers-Out	\$380,000
0700	420	Stormwater Utility Fund	5943160	Capital Expenditures/Expenses - Storm Drainage Utilities	\$190
0700	420	Stormwater Utility Fund	5943160	Capital Expenditures/Expenses - Storm Drainage Utilities	\$63,606
0700	420	Stormwater Utility Fund	5970200	Transfers-Out	\$39,561
0700	645	Agency Fund	5860000	Court Remittances	\$4,655
0700	645	Agency Fund	5893000	Custodial Type Remittances	\$3
0700	645	Agency Fund	5893000	Custodial Type Remittances	\$4
0700	645	Agency Fund	5893000	Custodial Type Remittances	\$59

**Town of Woodway**  
**SCHEDULE SUMMARY OF BANK RECONCILIATION**  
**For the Fiscal Year ended December 31, 2021**

[CASH BARS Schedule 06 Instructions Link](#)

	FROM BANK STATEMENTS					
Bank & Investment Account name	Beginning Bank Balance	Deposits		Withdrawals		Ending Bank Balance
		Receipts	Inter-bank transfers In	Disbursements	Inter-bank transfers out	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1 - US Bank Checking Account	283391.32	2634150.09	78172.2	2286205.56	250000	459508.05
3 - LGIP Pool	2420997.17	2681.64	250000	0	0	2673678.81
5 - Xpress	1688.06	79375	0	2884.21	78172.2	6.65
Bank Totals	\$ 2,706,077	\$ 2,716,207	\$ 328,172	\$ 2,289,090	\$ 328,172	\$ 3,133,194

RECONCILING ITEMS				
Beginning Deposits in Transit (8)	\$ -	\$ -		
Year-end Deposits in Transit (9)		34010.19		34010.19
Beginning Outstanding & Open Period Items (10)	-37809.49		-37809.49	
Year-end Outstanding & Open Period Items (11)			98269.69	-98269.69
NSF Checks (12)		\$ -	\$ -	
Cancellation of unredeemed checks/warrants (13)		\$ -		
Interfund transactions (14)		419561	419561	
Netted Transactions (15)		-42396.9	-42396.9	
Authorized balance of revolving, petty cash and change funds (16)	\$ 100			\$ 100
Other Reconciling Items, net (17)	\$ -	3380.7	3380.7	+ / -
<b>Reconciling Items Totals</b>	<b>\$ (37,709)</b>	<b>\$ 414,555</b>	<b>\$ 441,005</b>	<b>\$ (64,160)</b>

FROM GENERAL LEDGER				
	Beginning Cash & Investment Balance	Revenues & Other Increases	Expenditures & Other Decreases	Ending Cash & Investment Balance
	(19)	(20)	(21)	(22)
<b>C4/C5 or Trial Balance Totals (18)</b>	2668367.06	3130761.72	2730094.77	3069034.01
<b>Unreconciled Variance (23)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Town of Woodway  
Schedule of Liabilities  
For the Year Ended December 31, 2021

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	LTGO Bonds - issued 12/12/2012	12/1/2037	1,530,000	-	75,000	1,455,000
Total General Obligation Debt/Liabilities:			1,530,000	-	75,000	1,455,000
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences		19,226	1,408	-	20,634
264.30	Pension Liabilities		136,948	-	103,694	33,254
Total Revenue and Other (non G.O.) Debt/Liabilities:			156,174	1,408	103,694	53,888
Total Liabilities:			1,686,174	1,408	178,694	1,508,888



**Town of Woodway**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2021**

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	n/a	-	55,105	55,105	-	1, 2
Total Federal Awards Expended:				-	55,105	55,105	-	

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

TOWN OF WOODWAY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL  
AWARDS

*For the year ended December 31, 2021*

**Note 1 – Basis of Accounting**

This Schedule is prepared on the same basis of accounting as the Town of Woodway's financial statements. The Town of Woodway uses the Cash Basis system of accounting in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

**Note 2 – Federal De Minimis Indirect Cost Rate**

The Town of Woodway has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Labor Relations Consultant(S)  
For the Year Ended December 31, 2021**

Has your government engaged labor relations consultants?    \_\_\_ Yes **X** No

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

Name of firm:
Name of consultant:
Business address:
Amount paid to consultant during fiscal year:
Terms and conditions, as applicable, including:  Rates (e.g., hourly, etc.)  Maximum compensation allowed  Duration of services  Services provided

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Town of Woodway  
(County/City/District)

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**Local Government Risk Assumption  
For the Year Ended December 31, 2021**

1. Self-Insurance Program Manager: Heidi K. S. Napolitano
2. Manager Phone: 206.542.4443
3. Manager Email: heidi@townofwoodway.com
4. How do you insure property and liability risks, if at all?
  - a. Formal self-insurance program for some or all perils/risks
  - b. Belong to a public entity risk pool**
  - c. Purchase private insurance
  - d. Retain risk internally without a self-insurance program (i.e., risk assumption)
5. How do you provide health and welfare insurance (e.g., medical, dental, prescription drug, and/or vision benefits) to employees, if at all?
  - a. Self-insure some or all benefits
  - b. Belong to a public entity risk pool**
  - c. All benefits provided by health insurance company or HMO
  - d. Not applicable – no such benefits offered
6. How do you insure unemployment compensation benefits, if any?
  - a. Self-insured (“Reimbursable”)**
  - b. Belong to a public entity risk pool
  - c. Pay taxes to the Department of Employment Security (“Taxable”)
  - d. Not applicable – no employees
7. How do you insure workers compensation benefits, if any?
  - a. Self-insured (“Reimbursable”)
  - b. Belong to a public entity risk pool
  - c. Pay premiums to the Department of Labor and Industries**
  - d. Not applicable – no employees
8. How do you participate in the Washington Paid Family & Medical Leave Program?
  - a. Self-insured (“Voluntary Plan”) for one or both program benefits
  - b. Pay premiums to the State’s program for both benefits**
  - c. Not Applicable – No Employees

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

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

	<b><u>Please list the title of the self-insurance program or type of risk covered by self-insurance:</u></b>				
	<i>Unemployment Compensation</i>	<i>Program/Risk 2</i>	<i>Program/Risk 3</i>	<i>Program/Risk 4</i>	<i>Program/Risk 5</i>
Self-Insurance as a <i>formal</i> program?	<b>Yes</b>				
If yes, do other governments participate?	<b>n/a</b>				
If yes, please list participating governments.	<b>n/a</b>				
Self-Insure as part of a joint program?	<b>No</b>				
Does a Third-Party Administer manage claims?	<b>No</b>				
If no, does an employee or official reconcile claims payments to the information in the claims management software or other records of approved claims? (Not applicable for self-insured unemployment compensation.)	<b>n/a</b>				
Has program had a claims audit in last three years?	<b>No</b>				
Are program resources sufficient to cover expenses?	<b>Yes</b>				
Does an actuary estimate program liability?	<b>No</b>				
Number of claims paid during the period?	<b>0</b>				
Total amount of paid claims during the period?	<b>\$0</b>				
Total amount of recoveries during the period?	<b>\$0</b>				

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

Note: According to BARS Manual Section 4.8.9.40, "The Reimbursable status is considered self-insurance. Entities must be approved for this status by the Employment Security Department. Entities report quarterly wages to the Employment Security Department, but only pay when an unemployment claim is filed." In June 2021, the Town created a formal Self-Insured Unemployment Compensation Policy. The policy requires that the Town set aside \$44,000 in a Loss Contingency Reserve to cover unemployment claim expenses.