

**Prosser Transportation
Benefit District**



2014

**ANNUAL
REPORT**

Unaudited

2014 Annual Report

Revenue &
Expenditure
Schedule 1

Fund
Resources &
Uses Arising
from Cash
Transactions
Schedule C4

Labor
Relations
Consultant
Schedule 19

Audit
Assessment
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Schedule 22

Audit
Assessment
Questionnaire-
Attachments
Schedule 22

**2014
Annual
Report**

**Revenue &
Expenditure**
Schedule 1

| MCAG NO. | Fund Number | Fund Name | Account Code | Account Description | |
|-----------------|--------------------|------------------|---------------------|---------------------------------|--------|
| 2960 | 001 | tation Benef | 3088000 | Beginning Fund Balance | 109719 |
| 2960 | 001 | tation Benef | 3176000 | Transportation Benefit District | 87968 |
| 2960 | 001 | tation Benef | 3611000 | Investment Interest | 0 |
| 2960 | 001 | tation Benef | 3699000 | Other Miscellaneous Revenue | 0 |
| 2960 | 001 | tation Benef | 5433041 | Professional Services | 0 |
| 2960 | 001 | tation Benef | 5423051 | Intergovernmental and Other | 93550 |
| 2960 | 001 | tation Benef | 5088000 | Ending Cash Balance | 104137 |

A blue oval graphic with a gradient from light blue at the top to a darker blue at the bottom, containing the text '2014 Annual Report'.

**2014
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Fund Resources & Uses Arising from Cash Transactions Schedule C4

**Prosser Transportation Benefit District
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2014**

| | | 001 Transportation Benefit District |
|---------------------------------------|---------------------------------------------------------|----------------------------------------------------|
| Beginning Cash and Investments | | |
| 30810 | Reserved | - |
| 30880 | Unreserved | 109,719 |
| 388 & 588 | Prior Period Adjustments, Net | - |
| Operating Revenues | | |
| 310 | Taxes | 87,968 |
| 330 | Intergovernmental Revenues | - |
| 360 | Miscellaneous Revenues | - |
| | Total Operating Revenues: | 87,968 |
| Operating Expenditures | | |
| 540 | Transportation | 93,550 |
| | Total Operating Expenditures: | 93,550 |
| | Net Operating Increase (Decrease): | (5,582) |
| Nonoperating Revenues | | |
| 370-380, 395 & 398 | Other Financing Sources | - |
| 391-393 | Debt Proceeds | - |
| | Total Nonoperating Revenues: | - |
| Nonoperating Expenditures | | |
| 591-593 | Debt Service | - |
| 594-595 | Capital Expenditures | - |
| | Total Nonoperating Expenditures: | - |
| | Net Increase (Decrease) in Cash and Investments: | (5,582) |
| Ending Cash and Investments | | |
| 50810 | Reserved | - |
| 50880 | Unreserved | 104,137 |

The accompanying notes are an integral part of this statement.

An orange oval graphic with a gradient, containing the text '2014 Annual Report'.

2014
Annual
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Labor Relations
Consultant
Schedule 19

**LABOR RELATIONS CONSULTANT(S)
For the Year Ended December 31, 2014**

Has your government engaged labor relations consultants? ___ Yes 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. _____ _____ |

| |
|--------------------------------------------------------------------------------------------|
| Certified Correct this _____ day of _____, 20__ to the best of my knowledge and belief: |
| Signature |
| Name Toni Yost |
| Title Finance Director |



**2014
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**Audit Assessment
Questionnaire**
Schedule 22

Schedule 22 - Audit Assessment Questionnaire

Entity Name: Prosser Transportation Benefit District

MCAG: 2960 **Entity's Year Ended:** 2014

| Reference | # | Question | Answer | Explanation |
|-----------|---|----------|--------|-------------|
|-----------|---|----------|--------|-------------|

The term "entity" as used in this Schedule 22 refers to the local government completing this Schedule 22. The term "governing body" is used in this Schedule 22 to describe the elected or appointed governing board of your entity.

For guidance to these questions, please refer to the document at, <http://www.sao.wa.gov/local/Pages/BARSReportingTemplates.aspx>.

Some questions may ask for additional information. Please be sure to enter an explanation for any question when requested. You will not be able to submit the Annual Report until all questions and text boxes are completed.

Please click, "**Next**," to begin the Schedule 22. You may use the numbers above circled in blue to quickly navigate to a specific section of the Schedule 22. As with the rest of the Annual Report submission, it does not need to be completed all at once; you may leave and return to the Schedule 22 as needed.

CASH AND INVESTMENTS

| | | | | |
|---------------------------------------|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--|
| <i>BARS</i> | 1 | Are county/in house treasurer reports reviewed by the governing body at least monthly? | Yes | |
| <i>Informational</i> | 6 | Did the entity bill for any goods or services during the year? | No | |
| <i>Informational</i> | 11 | Did the entity receive any revenues, other than those collected directly through the County Treasurer (charges for goods, services, fees, donations, grants, etc.)? | No | |
| <i>State and Federal Payroll Laws</i> | 18 | Are governing body members compensated for attending meetings or providing services to the entity? | No | |
| <i>Informational</i> | 22 | Other than governing body members, did the entity pay employees or volunteers? | No Paid Employees or Volunteers | |

| Reference | # | Question | Answer | Explanation |
|-------------------------------|----|--------------------------------------------------------------------------------------------------------------------------|--------|-------------|
| <i>BARS and RCW 42.24.180</i> | 30 | Were conditions of RCW 42.24.180 met for any expenditures made prior to approval by the governing body? | Yes | |
| <i>BARS</i> | 32 | If the entity writes checks or warrants, are all checks/warrants accounted for and blank stock secured, including voids? | Yes | |
| <i>Best Practice</i> | 33 | Are voided checks physically altered and available for inspection? | Yes | |
| <i>BARS</i> | 34 | Are checks or vouchers always completed before they are presented for signature? | Yes | |

PROCUREMENT CARDS AND CHARGE ACCOUNTS

FINANCIAL CONDITION

| | | | | |
|----------------------------|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|--|
| <i>Best Practice</i> | 62 | Is the entity currently involved in any lawsuits? If yes please provide details. | No | |
| <i>RCW 42.32.030</i> | 66 | Are official minutes of all regular and special governing body meetings recorded and available for public inspection? | Yes | |
| <i>RCW 42.30.020</i> | 67 | Are all official actions, motions (passed and not passed), governing member discussions, audience comments, and approval of budgets, assessments, and payments, etc. documented in the minutes? | Yes | |
| <i>RCW 42.30.020, .060</i> | 68 | Were all official actions of the governing body taken during an open public meeting, with a quorum of governing body members present? | Yes | |
| <i>RCW 42.30.110</i> | 69 | Were executive sessions only held for purposes allowed by law and recorded in the meeting minutes? | Yes | |
| <i>RCW 40.14.070</i> | 72 | Have public records been preserved in compliance with the Secretary of State's, Local Government Records Retention Schedule? | Yes | |

OPERATIONS

| Reference | # | Question | Answer | Explanation |
|----------------------|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------|
| <i>Informational</i> | 74 | Did the entity essentially operate the same as in prior years (no new programs, services, mergers, contracted services)? If no, describe significant changes. | Yes | |
| <i>Informational</i> | 76 | Did the entity make any large purchases or start any public works (construction) projects? | No | |
| <i>Advised</i> | 80 | Has the entity addressed all findings, management letter items, or recommendations made by the State Auditor's Office during the last audit? | No prior recommendations | |

TBD/EDC/IDC SPECIFIC QUESTIONS

| | | | | |
|----------------------|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------------------------------|
| <i>Informational</i> | 100 | What transportation improvement projects may be funded by the entity per the entity's plan or establishing ordinance? | Chip Seal Program | |
| <i>Informational</i> | 101 | Are all revenues received by the entity immediately transferred to the creating government? | No | Revenues are deposited directly in the TBDs checking account. |
| <i>RCW 36.73.170</i> | 102 | Does the establishing ordinance give a date when the entity will terminate operations? If yes, then when? | No | |
| <i>Best Practice</i> | 103 | Are all entity operations accounted for in the creating government's general ledger and subject to the same processes and controls over the creating government's transactions? | No | while they are subject to the same process and controls, the entity's operations are accounted for separately. |
| <i>BARS</i> | 104 | How is the entity accounted for on the creating government's financial statements? | N/A | |
| <i>Informational</i> | 105 | Does the entity have an original financing plan and material changes policy? | Yes | |

REQUIRED ATTACHMENTS (see instructions for required details)

| Reference | # | Question | Answer | Explanation |
|----------------------|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Informational</i> | 123 | Attach the meeting minutes and resolutions for all governing body meetings held during the last year. | See Web Page | http://cityofprosser.com/index.asp?Type=B_BASIC&SEC={35976BB4-86C7-45D6-852D-32AEC97C7BBA} |
| <i>Informational</i> | 124 | Attach yearend county revenue report by revenue source for the year. | County not treasurer | |
| <i>Informational</i> | 125 | Attach warrant registers, payroll register, check registers and petty cash log detailing all expenditures made during the year. | Attached | Attachments tbd ck book reconciliation 2014.pdf |
| <i>Informational</i> | 126 | Attach a detailed description of the entity's invoicing, cash and check receiving and deposit process. The description should include name of positions completing tasks in the process and all reconciliations and reviews performed. Include a copy of your written Cash and Check Receipting Policy or procedure if you have one. This request applies to all districts that invoice for a service (including third party billing services) or receive funds other than at the county treasurer (including charges for services or goods, fees, donations, grants, etc.). | Attached | Attachments TBD financial procedures and process.pdf |
| <i>Informational</i> | 127 | Attach a listing of all governing body members during the year including names of spouses, places of employment and all business interests of household members. Also include a list of the names of all paid and unpaid employees and volunteers. Please avoid sending employees/volunteers SSI numbers or other personal information. | Attached | Attachments TBD schedule 22 additional information.docx |
| <i>Informational</i> | 128 | Attach rate and fee schedule in effect during the fiscal year and any related billing or fee policy. | Other | TBD Car Tab Fee of \$20. |

| Reference | # | Question | Answer | Explanation |
|-----------------------------------------------------------------------------------------------------------------|-----|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| | 131 | ENTITY CONTACT INFORMATION - COMPLETE ALL FIELDS Telephone number: E-mail address: Web site address: | Prosser Transportation Benefit District 601 7th St. Prosser, WA 99350 509-786-2332 tyost@cityofprosser.com www.cityofprosser.com | |
| <i>Preparer</i> | 132 | Name: Telephone number: E-mail address: | Toni Yost 509-786-2332 tyost@cityofprosser.com | |
| <i>Governing Body Member who reviewed this Annual Report for accuracy and completeness prior to submission.</i> | 133 | Name: Day time telephone number: E-mail address: | Morgan Everett 509-786-2332 meverett@cityofprosser.com | |

**2014
Annual
Report**

**Audit Assessment
Questionnaire-
Attachments
Schedule 22-
Attachments**

Prosser Transportation Benefit District

Account Reconciliation

Activity through December 30, 2014

| Number | Date | Description of Transaction | c | Debit (-) | Credit (+) | Balance |
|--------|---------|----------------------------|---|-----------|------------|--------------|
| 1226 | 1/14/14 | Lilia Zepeda | x | \$20.00 | | \$109,698.75 |
| 1227 | 1/14/14 | Daniel Owens | x | \$20.00 | | \$109,678.75 |
| 1228 | 1/14/14 | MARIA AVALOZ | x | \$20.00 | | \$109,658.75 |
| 1229 | 1/14/14 | VOID | x | \$0.00 | | \$109,658.75 |
| 1230 | 1/14/14 | Richard Olsen | x | \$20.00 | | \$109,638.75 |
| 1231 | 1/14/14 | PRISCILLA PRAXEL | x | \$20.00 | | \$109,618.75 |
| | 1/31/14 | Department of Revenue | | | \$5,608.32 | \$115,227.07 |
| 1232 | 2/25/14 | Vernon Rice | x | \$20.00 | | \$115,207.07 |
| 1233 | 2/25/14 | Jose Avalos | x | \$20.00 | | \$115,187.07 |
| 1234 | 2/25/14 | Rebecca Cook | x | \$20.00 | | \$115,167.07 |
| | 2/28/14 | Department of Revenue | | | \$6,811.20 | \$121,978.27 |
| 1235 | 3/11/14 | Vernon Rice | x | \$20.00 | | \$121,958.27 |
| 1236 | 3/11/14 | Pedro Zepeda | x | \$20.00 | | \$121,938.27 |
| 1237 | 3/11/14 | Tonya Steinbock | x | \$20.00 | | \$121,918.27 |
| 1238 | 3/11/14 | James Tittle | x | \$20.00 | | \$121,898.27 |
| 1239 | 3/11/14 | James Tittle | x | \$20.00 | | \$121,878.27 |
| 1240 | 3/11/14 | Daniel Owens | x | \$20.00 | | \$121,858.27 |

| Number | Date | Description of Transaction | c | Debit (-) | Credit (+) | Balance |
|--------|---------|----------------------------|---|-------------|------------|--------------|
| 1241 | 3/11/14 | Daniel Owens | x | \$20.00 | | \$121,838.27 |
| 1242 | 3/11/14 | Nellie Bowsby | x | \$20.00 | | \$121,818.27 |
| | 3/31/14 | Department of Revenue | | | \$6,415.20 | \$128,233.47 |
| 1243 | 4/8/14 | Tim Brown | x | \$20.00 | | \$128,213.47 |
| 1244 | 4/8/14 | Jose Avalos | x | \$20.00 | | \$128,193.47 |
| | 4/30/14 | Department of Revenue | | | \$6,870.60 | \$135,064.07 |
| 1245 | 5/7/14 | Tim Brown | x | \$20.00 | | \$135,044.07 |
| 1246 | 5/7/14 | Tonya Steinbock | x | \$20.00 | | \$135,024.07 |
| 1247 | 5/7/14 | Tadd Bowsby | x | \$20.00 | | \$135,004.07 |
| 1248 | 5/7/14 | Tadd Bowsby | x | \$20.00 | | \$134,984.07 |
| 1249 | 5/7/14 | Tadd Bowsby | x | \$20.00 | | \$134,964.07 |
| 1250 | 5/7/14 | Tonya Steinbock | x | \$20.00 | | \$134,944.07 |
| 1251 | 5/7/14 | City of Prosser | x | \$74,312.00 | | \$60,632.07 |
| 1252 | 5/13/14 | VOID | x | \$0.00 | | \$60,632.07 |
| 1253 | 5/13/14 | VOID | x | \$0.00 | | \$60,632.07 |
| 1254 | 5/13/14 | VOID | x | \$0.00 | | \$60,632.07 |
| 1255 | 5/13/14 | Daniel Owens | x | \$20.00 | | \$60,612.07 |
| | 5/30/14 | Department of Revenue | | | \$9,702.00 | \$70,314.07 |
| 1256 | 6/10/14 | Pedro Zepeda | x | \$20.00 | | \$70,294.07 |
| 1257 | 6/10/14 | James Tittle | x | \$20.00 | | \$70,274.07 |
| 1258 | 6/10/14 | James Tittle | x | \$20.00 | | \$70,254.07 |
| 1259 | 6/10/14 | Theodore Mains | x | \$20.00 | | \$70,234.07 |
| 1260 | 6/10/14 | Tim Brown | x | \$20.00 | | \$70,214.07 |
| | 6/30/14 | Department of Revenue | | | \$9,207.00 | \$79,421.07 |

| Number | Date | Description of Transaction | c | Debit (-) | Credit (+) | Balance |
|--------|----------|----------------------------|---|-------------|------------|--------------|
| 1261 | 7/8/14 | Richard Olsen | x | \$20.00 | | \$79,401.07 |
| 1262 | 7/8/14 | Peter Steinbock | x | \$20.00 | | \$79,381.07 |
| 1263 | 7/8/14 | Lilia Zepeda | x | \$20.00 | | \$79,361.07 |
| | 7/31/14 | Department of Revenue | | | \$9,543.60 | \$88,904.67 |
| 1264 | 8/5/14 | Gerald Sherman | x | \$20.00 | | \$88,884.67 |
| 1265 | 8/5/14 | Ozene Dodson | x | \$20.00 | | \$88,864.67 |
| 1266 | 8/5/14 | Eduardo Garcia | x | \$20.00 | | \$88,844.67 |
| 1267 | 8/5/14 | Eduardo Garcia | x | \$20.00 | | \$88,824.67 |
| 1268 | 8/26/14 | Penny Olsen | x | \$20.00 | | \$88,804.67 |
| 1269 | 8/26/14 | Pedro Zepeda | x | \$20.00 | | \$88,784.67 |
| | 8/31/14 | Department of Revenue | | | \$7,128.00 | \$95,912.67 |
| 1270 | 9/2/14 | Marta Garcia | x | \$20.00 | | \$95,892.67 |
| | 9/30/14 | Department of Revenue | | | \$7,306.20 | \$103,198.87 |
| 1271 | 10/7/14 | Irvin & Beverly Stone | x | \$20.00 | | \$103,178.87 |
| 1272 | 10/7/14 | Jerry & Melissa Lemmon | x | \$20.00 | | \$103,158.87 |
| | 10/31/14 | Department of Revenue | | | \$7,464.60 | \$110,623.47 |
| 1273 | 11/4/14 | Jerry & Melissa Lemmon | x | \$20.00 | | \$110,603.47 |
| | 11/30/14 | Department of Revenue | | | \$6,890.40 | \$117,493.87 |
| 1274 | 12/2/14 | City of Prosser | x | \$14,932.93 | | \$102,560.94 |
| 1275 | 12/10/14 | City of Prosser | x | \$4,304.72 | | \$98,256.22 |
| | 12/31/14 | Department of Revenue | | | \$5,880.60 | \$104,136.82 |



Transportation Benefit District

Prosser, WA

Financial Process and Procedures

Purpose:

The purpose of this document is to outline the financial processes and procedures of the Prosser Transportation Benefit District (TBD) and provide for transparency to the public, Commissioners, and all other interested parties.

Receipt of Funds:

Funds are usually received monthly from the Washington State Treasurer on the last working day of the month. These electronic funds are deposited directly into the TBD's bank account.

It is important to note, that these funds and account are maintained separately from all other City of Prosser funds.

Refunds:

From time to time, the TBD will be notified that a vehicle was assigned the TBD car tab fee in error. Typically, these errors are related to customers outside the city limits being charged for tab fee that should only be assigned to city residents. The following process will be followed when issuing refunds:

Preparation:

- *Customer must submit a copy of the applicable "Vehicle Registration Certificate"*
- *The Finance Manager will attach a "Payment Voucher" slip to the certificate and route the item to the Building Official and Finance Director for approval.*

Verification:

- *Building Official: The Building Official will review the registration and determine whether the address listed on the certificate is inside or outside of the city limits. If it is determined that the property is outside the city limits he will initial the voucher form, showing his approval for the refund.*
- *Finance Director: The Finance Director will review the registration to verify that the fee was paid by the individual and will ensure that a refund has not already been issued for this vehicle for the requested registration year. If it is determined that the fee was paid by the customer and that a*



refund has not already been issued, she will initial voucher form, show her approval for the refund.

Processing:

- *The Finance Manager will prepare the refund check for signature and will ensure that the payment is approved at the next TBD business meeting.*
 - *Approved Signatories:*
 - *Board Chair*
 - *Board Vice Chair*
 - *Treasure*
- *The Finance Manager will also report to the Washington State Department of Revenue and/or Washington State Department of Licensing the error and request that they correct their records.*

Projects, Administration, and Other Expenditures

The TBD has contributed to the City's Chip Seal Program for several years. Once bids are received, the results are presented to the TBD and City Council for approval. Upon approval, the TBD will issue a check to the City of Prosser for the budgeted amount. This project will then be monitored closely by the City to ensure that TBD funds are spent solely for the intended purpose. The City accomplishes this by maintaining a separate fund for TBD related projects and expenditures. It at project completion additional funds are needed, the City may make that request to the TBD Board. Additionally, any remaining funds un-used, shall be promptly returned to the TBD.

The TBD has provided the City of Prosser \$5,000 which is to be kept in a separate fund. These funds are intended to support routine charges such as postage, copy costs, and annual insurance costs. At each business meeting, the Finance Director will report to the TBD Board regarding the balance of these funds and recent expenditures. At least once annually, the TBD will replenish these funds back to the \$5,000 balance.

From time to time, the TBD may chose to participate in other street improvement projects. As these projects come up a financial plan will be prepared dictating funding levels and anticipated costs. If the project includes cost sharing with the City of Prosser, it will be outlined if a contribution will be made to the City for the TBD's portion of the project or if certain costs will be paid directly by the TBD.

Reconciling and Reporting

Monthly the accounts of the TBD are reconciled by the Finance Director. Financial Statements are prepared quarterly for the first 6 month of the year and then, beginning in June, reports are prepared on a monthly basis. These reports are posted on the City's webpage and provided to the Board for review, discussion and approval.

Prosser Transportation Benefit District

MCAG# 2960

Annual Report for the period ending 12/31/2014

Schedule 22 – Required Attachments

123: http://cityofprosser.com/index.asp?Type=B_BASIC&SEC={35976BB4-86C7-45D6-852D-32AEC97C7BBA}

12: see attached file

13: n/a

14: see attached file

15: Deposits are received directly from the State of WA and deposited into TBD account.

16: 2014 Chip Seal Maintenance Project \$89,244.93

127: 2014 Board Members

| |
|----------------------------------------|
| Morgan Everett , TBD Chair |
| Scott Hamilton , TBD Vice Chair |
| Don Aubrey |
| Marvin Ward |
| Bob Elder |
| Randy Taylor |
| Steve Becken |
| Rachel Shaw , TBD Secretary |

18: Americanwest Bank 4100603952; \$104,176.82

128: TBD Car Tab Fee of \$20