



INCORPORATED

Teresa D. Johnson CPA, Inc.

## Accountant's Compilation Report

### **To the City Council, City of North Bonneville**

Management is responsible for the accompanying statement of fund resources and uses arising from cash transactions of the City of North Bonneville as of December 31, 2015, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The Schedule of Expenditures of Federal Awards on page 12 to 13, the Schedule of State Financial Assistance on page 14, and the Schedule of Liabilities on page 15, the Schedule of Disbursement Activity on page 16, and the Schedule of Cash Activity on page 17 are not a required part of the basic financial statements, but are supplementary information required by the Washington State Auditor's Office. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any form of assurance on the supplementary information.

We are not independent with respect to the City of North Bonneville.

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April 4, 2016

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**City of North Bonneville**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2015**

		<b>Total for All Funds (Memo Only)</b>	<b>001 Current Expense Fund</b>	<b>101 City Street Fund</b>	<b>104 Tourism Promotion &amp; Develop.</b>
<b>Beginning Cash and Investments</b>					
30810	Reserved	184,345	-	-	143,322
30880	Unreserved	173,235	16,758	15,194	-
388 & 588	Prior Period Adjustments, Net	-	-	-	-
<b>Operating Revenues</b>					
310	Taxes	583,149	451,819	39,344	91,986
320	Licenses and Permits	6,710	6,710	-	-
330	Intergovernmental Revenues	142,422	74,599	21,177	-
340	Charges for Goods and Services	536,703	34,898	-	-
350	Fines and Penalties	15,040	15,040	-	-
360	Miscellaneous Revenues	29,809	17,678	411	179
Total Operating Revenues:		1,313,833	600,744	60,932	92,165
<b>Operating Expenditures</b>					
510	General Government	203,335	203,335	-	-
520	Public Safety	99,301	99,301	-	-
530	Utilities	406,916	-	-	-
540	Transportation	108,984	-	66,303	-
550	Natural and Economic Environment	142,232	79,315	-	62,918
560	Social Services	-	-	-	-
570	Culture and Recreation	77,672	77,672	-	0
598	Miscellaneous Expenses	-	-	-	-
Total Operating Expenditures:		1,038,441	459,624	66,303	62,918
Net Operating Increase (Decrease):		275,393	141,121	(5,371)	29,247
<b>Nonoperating Revenues</b>					
370-380, 395 & 398	Other Financing Sources	89,248	23,605	-	39,300
391-393	Debt Proceeds	-	-	-	-
397	Transfers-In	357	-	-	278
Total Nonoperating Revenues:		89,605	23,605	-	39,577
<b>Nonoperating Expenditures</b>					
580, 596 & 599	Other Financing Uses	93,723	44,416	-	-
591-593	Debt Service	43,373	30,677	-	-
594-595	Capital Expenditures	54,731	-	-	-
597	Transfers-Out	357	357	-	-
Total Nonoperating Expenditures:		192,185	75,450	-	-
<b>Net Increase (Decrease) in Cash and Investments:</b>		<b>172,814</b>	<b>89,276</b>	<b>(5,371)</b>	<b>68,825</b>
<b>Ending Cash and Investments</b>					
5081000	Reserved	271,849	-	-	212,147
5088000	Unreserved	258,545	106,034	9,823	-
<b>Total Ending Cash and Investments</b>		<b>530,393</b>	<b>106,034</b>	<b>9,823</b>	<b>212,147</b>

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

**City of North Bonneville**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2015**

		<u>106 Skate Park</u>	<u>302 Capital Improvement Fund</u>	<u>400 Water Fund</u>	<u>401 Sewer Fund</u>
<b>Beginning Cash and Investments</b>					
30810	Reserved	871	40,152	-	-
30880	Unreserved	-	-	122,919	92
388 & 588	Prior Period Adjustments, Net	-	-	-	-
<b>Operating Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	46,646
340	Charges for Goods and Services	-	-	202,202	260,278
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	75	11,102	364
Total Operating Revenues:		-	75	213,304	307,288
<b>Operating Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	183,134	223,781
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
598	Miscellaneous Expenses	-	-	-	-
Total Operating Expenditures:		-	-	183,134	223,781
Net Operating Increase (Decrease):		-	75	30,170	83,507
<b>Nonoperating Revenues</b>					
370-380, 395 & 398	Other Financing Sources	-	18,525	7,818	-
391-393	Debt Proceeds	-	-	-	-
397	Transfers-In	-	79	-	-
Total Nonoperating Revenues:		-	18,604	7,818	-
<b>Nonoperating Expenditures</b>					
580, 596 & 599	Other Financing Uses	-	-	23,605	25,702
591-593	Debt Service	-	-	12,603	94
594-595	Capital Expenditures	-	-	-	54,731
597	Transfers-Out	-	-	-	-
Total Nonoperating Expenditures:		-	-	36,208	80,527
<b>Net Increase (Decrease) in Cash and Investments:</b>		-	<b>18,679</b>	<b>1,780</b>	<b>2,980</b>
<b>Ending Cash and Investments</b>					
5081000	Reserved	871	58,831	-	-
5088000	Unreserved	-	-	124,699	3,071
<b>Total Ending Cash and Investments</b>		<b>871</b>	<b>58,831</b>	<b>124,699</b>	<b>3,071</b>

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

**City of North Bonneville**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2015**

	<b>501 Equipment Fund</b>
<b>Beginning Cash and Investments</b>	
30810	Reserved -
30880	Unreserved 18,273
388 & 588	Prior Period Adjustments, Net -
<b>Operating Revenues</b>	
310	Taxes -
320	Licenses and Permits -
330	Intergovernmental Revenues -
340	Charges for Goods and Services 39,326
350	Fines and Penalties -
360	Miscellaneous Revenues -
Total Operating Revenues:	
	39,326
<b>Operating Expenditures</b>	
510	General Government -
520	Public Safety -
530	Utilities -
540	Transportation 42,681
550	Natural and Economic Environment -
560	Social Services -
570	Culture and Recreation -
598	Miscellaneous Expenses -
Total Operating Expenditures:	
	42,681
Net Operating Increase (Decrease):	
	(3,355)
<b>Nonoperating Revenues</b>	
370-380, 395 & 398	Other Financing Sources -
391-393	Debt Proceeds -
397	Transfers-In -
Total Nonoperating Revenues:	
	-
<b>Nonoperating Expenditures</b>	
580, 596 & 599	Other Financing Uses -
591-593	Debt Service -
594-595	Capital Expenditures -
597	Transfers-Out -
Total Nonoperating Expenditures:	
	-
<b>Net Increase (Decrease) in Cash and Investments:</b>	
	<b>(3,355)</b>
<b>Ending Cash and Investments</b>	
5081000	Reserved -
5088000	Unreserved 14,917
<b>Total Ending Cash and Investments</b>	
	<b>14,917</b>

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

**City of North Bonneville**  
**Fiduciary Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2015**

		<b>Total for All Funds (Memo Only)</b>	<b>602 Deposit Fund</b>	<b>633 Municipal Court Fund</b>
308	Beginning Cash and Investments	10,257	8,318	1,938
388 & 588	Prior Period Adjustments, Net	-	-	-
310-360	Revenues	-	-	-
380-390	Other Increases and Financing Sources	6,650	6,650	-
510-570	Expenditures	-	-	-
580-590	Other Decreases and Financing Uses	2,492	2,492	-
	Net Increase (Decrease) in Cash and Investments:	4,158	4,158	-
508	Ending Cash and Investments	14,415	12,476	1,938

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

**City of North Bonneville**  
**Notes to the Financial Statements**  
**Fiscal Year Ending December 31, 2015**

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

The City of North Bonneville was incorporated in 1935 and operates under the laws of the State of Washington applicable to a non-charter code city with a Mayor-Council form of government. The City is a general purpose government and provides general government services, fire protection, street improvement, parks and recreation and contracts for law enforcement. In addition the city operates a water and sewer utility.

The City of North Bonneville 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.
- 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 are not presented using the classifications defined 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.

The following are the fund types used by the City of North Bonneville:

**GOVERNMENTAL FUND TYPES**

General (Current Expense) Fund

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

Special Revenue Funds

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

Capital Projects Funds

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

**PROPRIETARY FUND TYPES**

Enterprise Funds

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

Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the City of North Bonneville on a cost reimbursement basis.

**City of North Bonneville**  
**Notes to the Financial Statements**  
**Fiscal Year Ending December 31, 2015**

**FIDUCIARY FUND TYPES**

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

Agency Funds

These funds are used to account assets that City of North Bonneville holds for others in an agency capacity.

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

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year(s) budget appropriations as required by state law. In accordance with state law the city also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

**C. Budgets**

The City of North Bonneville adopts annually appropriated budgets for all funds. These budgets are appropriated at the fund level fund. 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:

Fund/Department	Final	Actual	Variance
	Appropriated Amounts	Expenditures	
Current Expense	\$ 569,444	\$ 535,073	\$ 34,371
City Street	74,000	66,303	7,697
Hotel/Motel	109,868	62,918	46,950
Capital Improvement	18,000	-	18,000
Water	235,000	219,342	15,658
Sewer	604,013	304,308	299,705
Equipment	66,340	42,681	23,659
Totals	\$ 1,676,665	\$ 1,230,625	\$ 446,040

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

**City of North Bonneville**  
**Notes to the Financial Statements**  
**Fiscal Year Ending December 31, 2015**

**D. Cash**

It is the City's policy to invest temporary cash surpluses. The amount is included in the cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is deposited into the General Fund per RCW 35A.40.050 and the City of North Bonneville Resolution #300 then redistributed to the applicable restricted funds of Lodging Tax and Real Estate Excise Tax.

**E. Deposits**

The City's deposits are covered by the Federal Deposit Insurance Corporation (FDIC) and/or the Washington Public Deposit Protection Commission (WPDPC).

**F. Investments**

See Note 2, *Investments*.

**G. Capital Assets**

Capital assets are assets with an initial individual cost of more than \$1000 and an estimated useful life in excess of one year. Capital assets and inventory are long-lived assets of the City and are recorded as expenditures when purchased.

**H. Compensated Absences**

Vacation leave may be accumulated up to 300 hours and is payable upon separation or retirement.

Sick leave may be accumulated up to 960 hours. Upon separation or retirement employees receive payment for unused sick leave at 25% if they have at least 10 years of service.

**I. Long-Term Debt**

See Note 5, *Debt Service Requirements*.

**J. Other Financing Sources or Uses**

The City's *Other Financing Sources or Uses* consist of debt service.

**K. Risk Management**

The City of North Bonneville 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 179 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, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self-insured layer, and \$16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$20 million per occurrence subject to aggregate sublimits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property



**City of North Bonneville**  
**Notes to the Financial Statements**  
**Fiscal Year Ending December 31, 2015**

insurance and auto physical damage are self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, 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, and 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.

**L. Reserved Fund Balance**

The funds received into the Lodging Tax Funds (Tourism Promotion and Development Fund and Tourist Facility Reserve Fund) are considered reserved as they are restricted by RCW 35.101.010-.130.

The Capital Improvement Fund of the city accumulates Real Estate Excise Tax (REET). These revenues are restricted to expenditures as defined by RCW for specified capital projects.

The Skate Park Fund balance consists of donated resources for constructing a skate park. These revenues are restricted externally by the donors.

**NOTE 2- DEPOSITS AND INVESTMENTS**

It is the City's policy to invest all temporary cash surpluses. All deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation. The City of North Bonneville's investments are either insured, registered or held by the City of North Bonneville or its agent in the City of North Bonneville's name. Investments are presented at cost.

Investments by type at December 31, 2015 are as follows:

Type of Investment	City's Own Investments
LGIP	\$ 251,699
Sterling Money Market	39,926
	<u>\$ 291,625</u>

**NOTE 3 -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 City of North Bonneville. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

**City of North Bonneville**  
**Notes to the Financial Statements**  
**Fiscal Year Ending December 31, 2015**

The City of North Bonneville's regular levy rate for the year 2015 was \$2.58617 per \$1,000 on an assessed valuation of \$79,729,877 for a total regular levy of \$206,194.

**NOTE 4 - INTERFUND LOANS AND ADVANCES**

The following tables displays interfund loan activity during 2015:

Borrowing Fund	Lending Fund	Balance 1/1/15	New Loans	Repayments	Ending Balance 12/31/15
General	Lodging Tax	\$ 23,351	-	\$ 11,953	\$ 11,398
General	Tourist Facility	18,271	-	9,463	8,808
General	Capital Projects	36,895	-	18,525	18,370
Water	General	34,627	-	16,434	18,193
Water	General	14,943	-	7,171	7,772
Sewer	Tourist Facility	13,534	-	13,534	-
Sewer	Tourist Facility	4,350	-	4,350	-
Sewer	Water Reserve	15,625	-	7,818	7,807
		<u>\$ 161,596</u>	<u>\$ -</u>	<u>\$ 89,248</u>	<u>\$ 72,348</u>

The City continues to be challenged with infrastructure problems. The waste water treatment plant was rebuilt in 2009; however, the treatment plant is only one component of the City's sewer system. The remaining parts, such as its lift stations, are continually requiring emergency maintenance, which leads to unexpected costs that play havoc on the City's forecasting ability. A community development block grant was awarded to the City in 2015 to assist with upgrading infrastructure and abate a substantial cause of emergency maintenance costs. The City plans to repay all interfund loans by the end of 2017. No long-term interfund loans were made in 2015.

**NOTE 5 - DEBT SERVICE REQUIREMENTS**

The accompanying Schedule of Long-Term Liabilities (09) provides more details of the outstanding debt and liabilities of the City of North Bonneville and summarizes the city's debt transactions for year ended December 31, 2015.

The debt service requirements for general obligation debt and other debt are as follows:

	Principal	Interest	Total Payments
2016	\$ 34,905	\$ 8,120	\$ 43,025
2017	36,444	6,582	43,026
2018	38,057	4,969	43,026
2019	9,230	3,278	12,508
2020	9,416	3,092	12,508
2021-2024	149,461	9,869	159,330
	<u>\$ 277,513</u>	<u>\$ 35,910</u>	<u>\$ 313,422</u>

**City of North Bonneville**  
**Notes to the Financial Statements**  
**Fiscal Year Ending December 31, 2015**

**NOTE 6- PENSION PLANS**

Substantially all City full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans.

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

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

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

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

At June 30, 2015 (the measurement date of the plans), the City's proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

Plan	Allocation %	Liability (Asset)
PERS 1	.002379%	\$124,444
PERS 2/3	.003072%	\$109,764

**NOTE 7 - OTHER DISCLOSURES**

Construction Commitments

Work began in 2015 to replace a lift station, with the anticipation that work will be completed in 2016. At December 31, 2015, \$303,096 remains on the construction contract. The City has received a community development block grant which is partially funding the project; total grant funding approved including amounts received in 2015 is \$350,000.

Health and Welfare

The City 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.

**City of North Bonneville**  
**Notes to the Financial Statements**  
**Fiscal Year Ending December 31, 2015**

As of December 31, 2015, 261 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. 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 insurance through Group Health, Regence BlueShield and Asuris Northwest Health, dental insurance through Delta Dental of Washington, and vision insurance through 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. The AWC Trust HCP purchases stop loss insurance for Regence/Asuris plans at an Individual Stop Loss (ISL) of \$1.5 million through Life Map, and Group Health ISL at \$750,000 through Sun Life. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC 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 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 HCP. Similarly, the terminating member forfeits all rights and interest to the 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 Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). 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.

**City of North Bonneville**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Note
				From Pass- Through Awards	From Direct Awards	Total	
CDBG - State-Administered CDBG Cluster							
Office Of Community Planning And Development, Department Of Housing And Urban Development	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	14-65400-25	-	46,646	46,646	1,2
Total CDBG - State-Administered CDBG Cluster:				-	46,646	46,646	
Total Federal Awards Expended:				-	46,646	46,646	

***City of North Bonneville***  
***Notes to the Schedule of Expenditures of Federal Awards***

**Note 1 BASIS OF ACCOUNTING**

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

**Note 2 PROGRAM COSTS**

The amounts shown as current year expenditures represent only federal grant portion of the program costs. Entire program costs, including the city's portion, may be more than shown.

MCAG NO. 0650

City of North Bonneville

Schedule 15

**City/Town**

**SCHEDULE OF STATE FINANCIAL ASSISTANCE**

**For the Year Ended December 31, 2015**

Grantor	Program Title	Identificaton Number	Amount
State Grant from Department of Ecology			
	Shoreline Grant	G1200037	24,223
			<b>Sub-total: 24,223</b>
			<b>Grand total: 24,223</b>

**City of North Bonneville  
Schedule of Liabilities  
For the Year Ended December 31, 2015**

<b>ID. No.</b>	<b>Description</b>	<b>Due Date</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
<b>General Obligations</b>						
263.51	2007 Fire Truck Lease/Purchase	4/21/2018	111,219	-	28,423	82,796
<b>Total General Obligations:</b>			<b>111,219</b>	<b>-</b>	<b>28,423</b>	<b>82,796</b>
<b>Revenue Obligations</b>						
259.12	Compensated absences		5,565	175	-	5,740
259.12	Water - Compensated absence liability		6,424	-	1,277	5,147
259.12	Sewer - Compensated absence liability		6,424	-	1,277	5,147
263.82	2002 CTED W/S Loan #2	8/31/2026	203,042	-	8,325	194,717
264.30	Net Pension Liability		-	234,208	-	234,208
<b>Total Revenue Obligations:</b>			<b>221,455</b>	<b>234,383</b>	<b>10,879</b>	<b>444,959</b>
<b>Total Liabilities:</b>			<b>332,674</b>	<b>234,383</b>	<b>39,302</b>	<b>527,755</b>



MCAG NO. 0650

**SCHEDULE OF DISBURSEMENT ACTIVITY****For the Year Ending December 31, 2015**

Fund No.	Fund Title	Beginning Outstanding Items 01/01/2015	Issued During the Year	Redeemed During the Year	Canceled During the Year	Ending Outstanding Items 12/31/2015	Prior Year Open Period Items	Current Year Open Period Items	Disbursements 12/31/2015
001	Current Expense Fund	\$38,301	\$88,457	\$107,399	\$0	\$19,359	\$0	\$0	\$88,457
101	City Street Fund	\$2,873	\$8,723	\$9,915	\$0	\$1,681	\$0	\$0	\$8,723
104	Tourism Promotion & Develop.	\$2,165	\$10,155	\$11,869	\$0	\$451	\$0	\$0	\$10,155
400	Water Fund	\$11,135	\$38,603	\$32,183	\$0	\$17,555	\$0	\$0	\$38,603
401	Sewer Fund	\$12,292	\$33,822	\$39,545	\$0	\$6,569	\$0	\$0	\$33,822
501	Equipment Fund	\$4,660	\$7,551	\$10,792	\$0	\$1,419	\$0	\$0	\$7,551
602	Deposit Fund	\$200	\$0	\$150	\$0	\$50	\$0	\$0	\$0
631	Payroll Fund	\$11,081	\$0	\$0	\$0	\$11,081	\$0	\$0	\$0
632	Claims Clearing Fund	\$623	\$0	\$0	\$0	\$623	\$0	\$0	\$0
633	Municipal Court Fund	\$100	\$0	\$0	\$0	\$100	\$0	\$0	\$0
<b>TOTAL</b>		<b>\$83,430</b>	<b>\$187,311</b>	<b>\$211,853</b>	<b>\$0</b>	<b>\$58,888</b>	<b>\$0</b>	<b>\$0</b>	<b>\$187,311</b>

**SCHEDULE OF CASH ACTIVITY**  
**For the Fiscal Year ended December 31, 2015**

1	2	3	4	5	6	7	8	9	10	11	12	13
Fund No.	Fund Title	Beginning Cash & Investments	Receipts	Transfers-In	Other Revenue	Netted Transactions	Total Increase (4+5+6-7)	Disbursements	Transfers-Out	Other Expenditures	Total Decrease (9+10+11-7)	Ending Cash & Investments (3+8-12)
1	Current Expense	16,758	481,572	-	152,824	10,047	624,349	495,072	357	49,691	535,073	106,034
101	City Street	15,194	60,932	-	-	-	60,932	56,743	-	9,560	66,303	9,823
104	Tourism	143,322	92,519	278	39,445	500	131,742	62,117	-	1,300	62,917	212,147
106	Skate Park	871	-	-	-	-	-	-	-	-	-	871
302	Capital	40,152	-	79	18,600	-	18,679	-	-	-	-	58,831
400	Water	122,919	213,283	-	7,850	10	221,123	140,998	-	78,355	219,343	124,699
401	Sewer	92	307,312	-	-	25	307,287	185,193	-	119,140	304,308	3,071
501	Equipment	18,273	-	-	39,326	-	39,326	42,682	-	-	42,682	14,917
602	Deposit	8,319	6,107	-	-	(543)	6,650	1,950	-	-	2,493	12,476
633	Municipal Court	1,938	-	-	-	-	-	-	-	-	-	1,938
		367,839	1,161,725	357	258,045	10,039	1,410,088	984,755	357	258,046	1,233,119	544,808