

Washington State Auditor's Office
Financial Statements Audit Report

City of Waitsburg
Walla Walla County

Audit Period
January 1, 2006 through December 31, 2007

Report No. 1000814

Issue Date
March 16, 2009



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

March 16, 2009

Mayor and City Council
City of Waitsburg
Waitsburg, Washington

Report on Financial Statements

Please find attached our report on the City of Waitsburg's financial statements.

We are issuing this report in order to provide information on the City's financial condition.

In addition to this work, we look at other areas of our audit client's operations for compliance with state laws and regulations. The results of that audit will be included in a separately issued accountability report.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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Walla Walla County
January 1, 2006 through December 31, 2007**

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with *Government Auditing Standards*

**City of Waitsburg
Walla Walla County
January 1, 2006 through December 31, 2007**

Mayor and City Council
City of Waitsburg
Waitsburg, Washington

We have audited the financial statements of the City of Waitsburg, Walla Walla County, Washington, as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated February 13, 2009.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audits, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management and the Mayor and City Council. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag", with a stylized, flowing script.

BRIAN SONNTAG, CGFM
STATE AUDITOR

February 13, 2009

Independent Auditor's Report on Financial Statements

City of Waitsburg Walla Walla County January 1, 2006 through December 31, 2007

Mayor and City Council
City of Waitsburg
Waitsburg, Washington

We have audited the accompanying financial statements of the City of Waitsburg, Walla Walla County, Washington, for the years ended December 31, 2007 and 2006, as listed on page 5. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audits.


We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

As described in Note 1 to the financial statements, the City prepares its financial statements on the basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the City of Waitsburg, for the years ended December 31, 2007 and 2006, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting

or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is fluid and cursive, with the first name "Brian" and last name "Sonntag" clearly distinguishable.

BRIAN SONNTAG, CGFM
STATE AUDITOR

February 13, 2009

Financial Section

**City of Waitsburg
Walla Walla County
January 1, 2006 through December 31, 2007**

FINANCIAL STATEMENTS

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MCAG NO. 0771		CITY OF WAITSBURG		Statement C-4	
Fund Resources and Uses Arising from Cash Transactions					
For the Year Ending December 31, 2007					
BARS					
CODE	Description	Current Expense #001		Street Fund #102	
		Budget	Actual	Budget	Actual
Beginning Cash & Investments		\$72,500.74	\$73,552.78	\$111,275.00	\$114,729.93
Revenues & Other Sources					
310	Taxes	241,563.00	248,167.09	40,808.00	49,594.21
320	License & Permits	2,400.00	3,211.72	0.00	0.00
330	Intergovernmental	110,750.00	100,611.04	60,000.00	65,379.47
340	Charges for Services	118,045.00	126,565.87	0.00	0.00
350	Fines & Forfeits	50.00	537.00	0.00	0.00
360	Miscellaneous	17,150.00	27,378.29	1,650.00	4,840.83
380	Miscellaneous	0.00	0.00	0.00	0.00
390	Other Financing	124,821.93	141,107.00	0.00	0.00
	Total Revenues&Other	614,779.93	647,578.01	102,458.00	119,814.51
	Total Resources	687,280.67	721,130.79	213,733.00	234,544.44
Operating Expenditures:					
510	General Govn't	93,576.38	89,387.65	8,500.00	1,255.00
520	Security of Persons	158,446.43	155,076.45	0.00	0.00
530	Physical Enviro	259,732.23	267,573.23	0.00	0.00
540	Transportation	0.00	0.00	158,887.09	93,577.15
550	Economic Enviro	0.00	0.00	0.00	0.00
560	Mental & Phy Health	0.00	0.00	0.00	0.00
570	Culture & Rec	83,325.63	81,757.07	0.00	0.00
580	Contingency Res.	10,000.00		0.00	0.00
	Total Operating	605,080.67	593,794.40	167,387.09	94,832.15
591-93	Debt Service	5,000.00	5,002.91	13,774.50	14,049.34
596	Capital Outlay	0.00	0.00	8,821.41	0.00
	Total Expenditures	610,080.67	598,797.31	189,983.00	108,881.49
597-99	Other Financing Uses	12,200.00	12,777.09	3,750.00	4,470.52
	Total Expend & Other	622,280.67	611,574.40	193,733.00	113,352.01
Excess of Resources Over Uses		65,000.00	109,556.39	20,000.00	121,192.43
380	Non Revenues	0.00	0.00	0.00	0.00
580	Non Expenditures	0.00	0.00	20,000.00	0.00
Ending Net Cash & Invest		\$65,000.00	\$109,556.39	\$0.00	\$121,192.43
The accompanying notes are an integral part of this statement					

MCAG NO. 0771		CITY OF WAITSBURG		Statement C-4	
Fund Resources and Uses Arising from Cash Transactions					
For the Year Ending December 31, 2007					
BARS					
CODE	Description	Water & Sewer Fund #401			
		Budget	Actual		
Beginning Cash & Investments		\$128,285.00	\$165,497.45		
Revenues & Other Sources					
310	Taxes	0.00	0.00		
320	License & Permits	0.00	0.00		
330	Intergovernmental	0.00	0.00		
340	Charges for Services	510,850.00	518,405.27		
350	Fines & Forfeits	0.00	0.00		
360	Miscellaneous	10,750.00	16,873.44		
390	Other Financing	0.00	0.00		
	Total Revenues&Other	521,600.00	535,278.71		
	Total Resources	649,885.00	700,776.16		
Operating Expenditures:					
510	General Govn't	0.00	0.00		
520	Security of Persons	0.00	0.00		
530	Physical Enviro	348,009.51	330,319.89		
540	Transportation	0.00	0.00		
550	Economic Enviro	0.00	0.00		
560	Mental & Phy Health	0.00	0.00		
570	Culture & Rec	0.00	0.00		
	Total Operating	348,009.51	330,319.89		
591-93	Debt Service				
596	Capital Outlay	31,085.78	4,769.30		
	Total Expenditures	379,095.29	335,089.19		
597-99	Other Financing Uses	211,600.00	212,494.58		
	Total Expend & Other	590,695.29	547,583.77		
Excess of Resources Over Uses		59,189.71	153,192.39		
380	Non Revenues	0.00	0.00		
580	Non Expenditures	59,189.71	0.00		
Ending Net Cash & Invest		\$0.00	\$153,192.39		
The accompanying notes are an integral part of this statement					

**Fund Resources and Uses Arising from Cash Transactions
For the Year Ending December 31, 2007**

Investment Trust Funds

	601	Water Deposit	602	Cem Endow	603	Lib Endow
	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Cash & Investment	0.00	18,337.10	0.00	155,716.81	0.00	6,702.68
Revenues and Other Finc Sources	0.00	0.00	0.00	0.00	0.00	0.00
Total Resources	0.00	18,337.10	0.00	155,716.81	0.00	6,702.68
Expenditures & Other Finc Sources	0.00	1,110.15	0.00	0.00	0.00	0.00
Excess(Deficit) of Resources	0.00	17,226.95	0.00	155,716.81	0.00	6,702.68
NonRevenues (except 384)	0.00	4,778.65	0.00	827.55	0.00	286.63
NonExpenditures(except 584)	0.00	0.00	0.00	0.00	0.00	0.00
Ending Net Cash & Investments	\$0.00	\$22,005.60	\$0.00	\$156,544.36	\$0.00	\$6,989.31

Special Revenue Funds

	501	City Equipment	107	Mun Cap Im	110	Fire Dept Cap
	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Cash & Investment	30,800.00	37,845.25	35,416.00	35,919.30	8,000.00	8,088.65
Revenues and Other Finc Sources	100.00	1,726.33	7,800.00	18,553.27	5,150.00	5,310.13
Total Resources	30,900.00	39,571.58	43,216.00	54,472.57	13,150.00	13,398.78
Expenditures & Other Finc Sources	42,150.00	541.46	43,216.00	5,658.83	13,150.00	0.00
Excess(Deficit) of Resources	(11,250.00)	39,030.12	0.00	48,813.74	0.00	13,398.78
NonRevenues (except 384)	11,250.00	12,247.61	0.00	0.00	0.00	0.00
NonExpenditures(except 584)	0.00	0.00	0.00	0.00	0.00	0.00
Ending Net Cash & Investments	\$0.00	\$51,277.73	\$0.00	\$48,813.74	\$0.00	\$13,398.78

Special Revenue Funds

	106	Promotion	115	Com Revital	120	Flour Mill
	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Cash & Investment	1,075.00	1,177.18	3,300.00	3,335.04	1,950.00	2,578.51
Revenues and Other Finc Sources	120.00	282.93	383,100.00	30,780.17	19,620.00	19,676.19
Total Resources	1,195.00	1,460.11	386,400.00	34,115.21	21,570.00	22,254.70
Expenditures & Other Finc Sources	1,195.00	250.00	386,400.00	31,514.35	21,570.00	21,567.00
Excess(Deficit) of Resources	0.00	1,210.11	0.00	2,600.86	0.00	687.70
NonRevenues (except 384)	0.00	0.00	0.00	0.00	0.00	0.00
NonExpenditures(except 584)	0.00	0.00	0.00	0.00	0.00	0.00
Ending Net Cash & Investments	\$0.00	\$1,210.11	\$0.00	\$2,600.86	\$0.00	\$687.70

Enterprise Funds

	406	W&S Bond Red	410	Water System Improvements
	Budget	Actual	Budget	Actual
Beginning Cash & Investment	152,818.00	157,836.81	58,737.00	66,324.25
Revenues and Other Finc Sources	750.00	7,894.92	500.00	2,458.79
Total Resources	153,568.00	165,731.73	59,237.00	68,783.04
Expenditures & Other Finc Sources	165,115.00	109,830.20	31,907.13	32,472.38
Excess(Deficit) of Resources	(11,547.00)	55,901.53	27,329.87	36,310.66
NonRevenues (except 384)	112,000.00	110,859.42	31,200.00	30,028.30
NonExpenditures(except 584)	100,453.00	0.00	58,529.87	0.00
Ending Net Cash & Investments	\$0.00	\$166,760.95	\$0.00	\$66,338.96

The accompanying notes are an integral part of this statement

**Fund Resources and Uses Arising from Cash Transactions
For the Year Ending December 31, 2007**

	411	GSFP&I	409	Water System Capital	414	Sewer Cap Maint
Enterprise Funds	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Cash & Investment	105,000.00	114,998.88	88,550.00	89,255.46	73,460.00	74,941.78
Revenues and Other Finc Sources	2,500.00	4,304.24	1,000.00	2,390.26	850.00	1,760.93
Total Resources	107,500.00	119,303.12	89,550.00	91,645.72	74,310.00	76,702.71
Expenditures & Other Finc Sources	45,622.22	45,388.89	91,550.00	9,126.20	42,015.00	0.00
Excess(Deficit) of Resources	61,877.78	73,914.23	-2,000.00	82,519.52	32,295.00	76,702.71
NonRevenues (except 384)	46,000.00	45,915.56	16,000.00	15,972.50	8,000.00	8,102.80
NonExpenditures(except 584)	107,877.78	0.00	14,000.00	0.00	40,295.00	0.00
Ending Net Cash & Investments	\$0.00	\$119,829.79	\$0.00	\$98,492.02	\$0.00	\$84,805.51

	631	Claims	632	Payroll
Agency Funds	Budget	Actual	Budget	Actual
Beginning Cash & Investment	\$0.00	\$7,198.80	\$0.00	\$8,607.44
Revenues and Other Finc Sources	\$0.00	(\$0.12)	\$0.00	\$0.00
Total Resources	\$0.00	\$7,198.68	\$0.00	\$8,607.44
Expenditures & Other Finc Sources	\$0.00	\$0.00	\$0.00	\$0.00
Excess(Deficit) of Resources	\$0.00	\$7,198.68	\$0.00	\$8,607.44
NonRevenues (except 384)	\$0.00	\$959,782.29	\$0.00	\$350,468.64
NonExpenditures(except 584)	\$0.00	\$965,171.32	\$0.00	\$349,397.60
Ending Net Cash & Investments	\$0.00	\$1,809.65	\$0.00	\$9,678.48

The accompanying notes are an integral part of this statement

MCAG NO. 0771			CITY OF	WAITSBURG		Statement C-4	
		Fund Resources and Uses Arising from Cash Transactions					
		For the Year Ending December 31, 2006					
BARS							
CODE	Description		Current Expense #001			Street Fund #102	
			Budget	Actual		Budget	Actual
Beginning Cash & Investments			\$85,623.00	\$50,218.21		\$103,970.00	\$77,180.73
Revenues & Other Sources							
310	Taxes		225,133.00	245,415.34		47,268.00	53,922.92
320	License & Permits		2,775.00	3,863.08		0.00	0.00
330	Intergovernmental		92,916.00	113,229.03		25,000.00	151,644.85
340	Charges for Services		110,025.00	111,126.16		0.00	0.00
350	Fines & Forfeits		150.00	106.68		0.00	0.00
360	Miscellaneous		12,950.00	31,738.27		1,650.00	3,582.37
380	Miscellaneous		0.00	0.00		45,000.00	49,947.00
390	Other Financing		0.00	1,562.40		0.00	0.00
	Total Revenues&Other		443,949.00	507,040.96		118,918.00	259,097.14
	Total Resources		529,572	557,259.17		222,888.00	336,277.87
Operating Expenditures:							
510	General Govn't		65,761.67	55,470.69		1,000.00	871.50
520	Security of Persons		188,011.15	187,521.02		0.00	0.00
530	Physical Enviro		150,964.84	135,771.48		0.00	0.00
540	Transportation		0.00	0.00		148,138.00	146,388.25
550	Economic Enviro		0.00	0.00		0.00	0.00
560	Mental & Phy Health		0.00	0.00		0.00	0.00
570	Culture & Rec		96,934.34	91,385.07		0.00	0.00
580	Contingency Res.		10,000.00	0.00		0.00	0.00
	Total Operating		511,672.00	470,148.26		149,138.00	147,259.75
591-93	Debt Service		5,700.00	5,002.92		0.00	0.00
596	Capital Outlay		0.00	0.00		70,000.00	70,000.00
	Total Expenditures		517,372.00	475,151.18		219,138.00	217,259.75
597-99	Other Financing Uses		12,200.00	8,555.21		3,750.00	4,288.19
	Total Expend & Other		529,572.00	483,706.39		222,888.00	221,547.94
Excess of Resources Over Uses			0.00	73,552.78		0.00	114,729.93
380	Non Revenues		0.00	0.00		0.00	0.00
580	Non Expenditures		0.00	0.00		0.00	0.00
Ending Net Cash & Invest			\$0.00	\$73,552.78		\$0.00	\$114,729.93
The accompanying notes are an integral part of this statement							

MCAG NO. 0771			CITY OF	WAITSBURG		Statement C-4	
		Fund Resources and Uses Arising from Cash Transactions					
		For the Year Ending December 31, 2006					
BARS							
CODE	Description			Water & Sewer Fund #401			
				Budget	Actual		
Beginning Cash & Investments				\$179,982.00	\$144,382.66		
Revenues & Other Sources							
310	Taxes			0.00	0.00		
320	License & Permits			0.00	0.00		
330	Intergovernmental			0.00	0.00		
340	Charges for Services			508,200.00	563,323.16		
350	Fines & Forfeits			0.00	0.00		
360	Miscellaneous			8,750.00	15,287.19		
390	Other Financing			0.00	0.00		
	Total Revenues&Other			516,950.00	578,610.35		
	Total Resources			696,932.00	722,993.01		
Operating Expenditures:							
510	General Govn't			0.00	0.00		
520	Security of Persons			0.00	0.00		
530	Physical Enviro			361,856.02	345,081.48		
540	Transportation			0.00	0.00		
550	Economic Enviro			0.00	0.00		
560	Mental & Phy Health			0.00	0.00		
570	Culture & Rec			0.00	0.00		
	Total Operating			361,856.02	345,081.48		
591-93	Debt Service						
596	Capital Outlay			52,374.63	0.00		
	Total Expenditures			414,230.65	345,081.48		
597-99	Other Financing Uses			218,200.00	212,414.08		
	Total Expend & Other			632,430.65	557,495.56		
Excess of Resources Over Uses				64,501.35	165,497.45		
380	Non Revenues			0.00	0.00		
580	Non Expenditures			64,501.35	0.00		
Ending Net Cash & Invest				\$0.00	\$165,497.45		
The accompanying notes are an integral part of this statement							

**Fund Resources and Uses Arising from Cash Transactions
For the Year Ending December 31, 2006**

Investment Trust Funds	601	Water Deposit	602	Cem Endow	603	Lib Endow
	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Cash & Investment	0.00	16,759.50	0.00	154,997.56	0.00	6,687.68
Revenues and Other Finc Sources	0.00	0.00	0.00	0.00	0.00	0.00
Total Resources	0.00	16,759.50	0.00	154,997.56	0.00	6,687.68
Expenditures & Other Finc Sources	0.00	1,166.10	0.00	0.00	0.00	0.00
Excess(Deficit) of Resources	0.00	15,593.40	0.00	154,997.56	0.00	6,687.68
NonRevenues (except 384)	0.00	2,743.70	0.00	719.25	0.00	15.00
NonExpenditures(except 584)	0.00	0.00	0.00	0.00	0.00	0.00
Ending Net Cash & Investments	\$0.00	\$18,337.10	\$0.00	\$155,716.81	\$0.00	\$6,702.68

Special Revenue Funds	501	City Equipment	107	Mun Cap Im	110	Fire Dept Cap
	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Cash & Investment	44,645.00	48,584.98	27,964.00	29,407.38	7,786.00	7,812.00
Revenues and Other Finc Sources	1,000.00	1,530.36	8,000.00	10,416.08	5,150.00	276.65
Total Resources	45,645.00	50,115.34	35,964.00	39,823.46	12,936.00	8,088.65
Expenditures & Other Finc Sources	56,595.00	25,113.49	35,964.00	3,904.16	12,936.00	0.00
Excess(Deficit) of Resources	(10,950.00)	25,001.85	0.00	35,919.30	0.00	8,088.65
NonRevenues (except 384)	10,950.00	12,843.40	0.00	0.00	0.00	0.00
NonExpenditures(except 584)	0.00	0.00	0.00	0.00	0.00	0.00
Ending Net Cash & Investments	\$0.00	\$37,845.25	\$0.00	\$35,919.30	\$0.00	\$8,088.65

Special Revenue Funds	106	Promotion	115	Com Revital	120	Flour Mill
	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Cash & Investment	1,141.00	1,145.22	2,185.00	3,162.44	1,867.00	1,875.53
Revenues and Other Finc Sources	120.00	281.96	393,050.00	18,319.77	50.00	702.98
Total Resources	1,261.00	1,427.18	395,235.00	21,482.21	1,917.00	2,578.51
Expenditures & Other Finc Sources	1,261.00	250.00	420,235.00	18,147.17	1,917.00	0.00
Excess(Deficit) of Resources	0.00	1,177.18	(25,000.00)	3,335.04	0.00	2,578.51
NonRevenues (except 384)	0.00	0.00	25,000.00	0.00	0.00	0.00
NonExpenditures(except 584)	0.00	0.00	0.00	0.00	0.00	0.00
Ending Net Cash & Investments	\$0.00	\$1,177.18	\$0.00	\$3,335.04	\$0.00	\$2,578.51

Enterprise Funds	406	W&S Bond Red	410	Water System Improvements
	Budget	Actual	Budget	Actual
Beginning Cash & Investment	123,860.00	149,297.39	58,737.00	66,329.04
Revenues and Other Finc Sources	750.00	7,436.93	500.00	1,889.96
Total Resources	124,610.00	156,734.32	59,237.00	68,219.00
Expenditures & Other Finc Sources	165,721.00	109,830.19	31,907.13	31,849.05
Excess(Deficit) of Resources	-41,111.00	46,904.13	27,329.87	36,369.95
NonRevenues (except 384)	112,000.00	110,932.68	31,200.00	29,954.30
NonExpenditures(except 584)	70,889.00	0.00	58,529.87	0.00
Ending Net Cash & Investments	\$0.00	\$157,836.81	\$0.00	\$66,324.25

The accompanying notes are an integral part of this statement

**Fund Resources and Uses Arising from Cash Transactions
For the Year Ending December 31, 2006**

	411	GSFP&I	409	Water System Capital	414	Sewer Cap Maint
Enterprise Funds	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Cash & Investment	98,754.00	111,710.88	74,106.00	78,705.43	66,445.00	68,649.44
Revenues and Other Finc Sources	2,500.00	2,930.91	2,750.00	2,113.03	850.00	1,692.23
Total Resources	101,254.00	114,641.79	76,856.00	80,818.46	67,295.00	70,341.67
Expenditures & Other Finc Sources	45,622.22	45,600.00	91,550.00	7,460.50	35,000.00	3,510.00
Excess(Deficit) of Resources	55,631.78	69,041.79	(14,694.00)	73,357.96	32,295.00	66,831.67
NonRevenues (except 384)	46,000.00	45,957.09	17,000.00	15,897.50	8,000.00	8,110.11
NonExpenditures(except 584)	101,631.78	0.00	2,306.00	0.00	40,295.00	0.00
Ending Net Cash & Investments	\$0.00	\$114,998.88	\$0.00	\$89,255.46	\$0.00	\$74,941.78

	631	Claims	632	Payroll
Agency Funds	Budget	Actual	Budget	Actual
Beginning Cash & Investment	0.00	36,051.35		3,203.23
Revenues and Other Finc Sources	0.00	0.12	0.00	
Total Resources	0.00	36,051.47	0.00	3,203.23
Expenditures & Other Finc Sources	0.00	0.00	0.00	0.00
Excess(Deficit) of Resources	0.00	36,051.47	0.00	3,203.23
NonRevenues (except 384)	0.00	947,012.60	0.00	369,572.77
NonExpenditures(except 584)	0.00	975,865.27		364,168.56
Ending Net Cash & Investments	\$0.00	\$7,198.80	\$0.00	\$8,607.44

The accompanying notes are an integral part of this statement

CITY OF WAITSBURG
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 1, 2007 through DECEMBER 31, 2007

NOTE 1—SUMMARY OF ACCOUNTING POLICIES

The City of Waitsburg utilized the revenue and expenditure classifications contained in the *Budgeting, Accounting and Reporting System* (BARS) manual. The manual is prescribed by the State Auditor's Office under the authority of Washington State Law, Chapter 43.09 RCW.

The City of Waitsburg was incorporated in 1865 and operates under the original Territorial Charter as an Unclassified City with a Mayor/Council form of government. The City of Waitsburg is a general purpose government and provides several services including water and wastewater utilities, law enforcement and fire protection, parks and recreation programs, library services and operation and maintenance of the City's street system. The following is a summary of the more significant policies, including identification of those policies resulting in material departures from Generally Accepted Accounting Principles. Per the BARS manual: "The City uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP)."

A. Fund Accounting

The accounts of the City of Waitsburg are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The City's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types and account groups used by the City of Waitsburg.

GOVERNMENTAL FUND-TYPES:

General (Current Expense) Fund

The General (Current Expense) Fund is the primary operating fund of the City. It accounts for all financial resources and transactions except those required or elected to be accounted for in another fund.

Special Revenue Funds

Special Revenue Funds account for revenues that are legally restricted or designated to finance particular activities of the City.

Debt Service Funds

The Funds in the Debt Service account for the accumulation of resources to pay principal, interest and related costs on certain long-term debt.

Capital Project's Funds

Capital Project Funds account for financial resources which are designated for the acquisition or construction of general government capital projects.

Permanent Funds

Funds in this account are for the financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government of its citizenry.

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 on a cost-reimbursement basis.

FIDUCIARY FUND TYPES:

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

Non-Expendable Trust Funds

These funds account for assets of which the principle may not be spent.

Agency Funds

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

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report years' budget appropriations as required by state law.

Purchases of fixed assets are expensed during the year of acquisition. There is no capitalization of fixed assets, or allocation of depreciation expense. Inventory is expensed when purchased.

C. Budgets

Annual appropriated budgets are adopted for all funds. The financial statements include budgetary comparisons for each fund.

Annual appropriated budgets are adopted at the fund level. The budgets constitute the legal authority for expenditures at the level. Annual appropriations for all funds lapse at the fiscal period end.

The Clerk/Treasurer is authorized to transfer budgeted amounts within any object class in any department; 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.

D. Cash

It is the City's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is prorated to the various funds.

E. Deposits

The City's deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation and the Washington Public Deposit Protection Commission.

F. Investments

See Note 3.

G. Capital Assets

Capital assets are long-lived assets of the City and are recorded as expenditures when purchased.

H. Compensated Absences

The City does not record accumulated unused vacation in its funds. Vacation hours, not to exceed forty (40) hours, may be carried over from December 31 of one year to January 1 of the next year. Employees will be paid for unused vacation during the year upon termination of employment.

Sick leave may be accumulated for up to 120 days. Upon separation or retirement, employees are not compensated for any of their unused sick leave.

I. Long-Term Debt

See Note 6.

J. Other Financing Sources or Uses

The City's "Other Financing Sources or Uses" consists of operating transfers, proceeds from the sale of fixed assets and proceeds of refunding long-term debt.

K. Risk Management

The City of Waitsburg is a member of the Cities Insurance Association of Washington. Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The pool was formed on September 1, 1988, when 34 cities in the State of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Currently, the CIAW has 95 member cities and 161 associate members.

The pool allows members to jointly purchase insurance coverage and provide related services, such as administration, risk management, claims administration, etc. Coverage for Public Officials Liability is on a "claims made basis." All other coverage's are on an "occurrence basis." The pool provides the following forms of group purchased insurance

coverage for its members: Property, liability, vehicle liability, other mobile equipment, boiler and machinery, bonds of various types, excess liability and public official liability.

The pool acquired liability insurance from unrelated underwriters that are subject to a per-occurrence deductible of \$100,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$99,000. Insurance carriers cover insured losses over \$100,000 to the limits of each policy. Since the pool is a cooperative program, there is a joint liability among the participating members toward the sharing of the \$99,000 portion of the deductible. The pool, however, purchases a Stop Loss Policy in the amount of \$5,500,000 to eliminate any risk to members and, in addition, fully funds the Stop Loss in the budget.

Property insurance is subject to a per-occurrence deductible of \$10,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$9,000.

Boiler and machinery insurance is subject to a per-occurrence deductible of \$2,500. Members are responsible for the deductible amount of each claim.

Each new member now pays the pool an admittance fee. This amount covers the member's share of unrestricted reserves. Members contract to remain in the pool for a minimum of one year, and must give notice prior to August 31 before terminating participation the following September 1. The Interlocal Governmental Agreement is renewed automatically each year. Even after termination, a member remains responsible for contributions to the pool for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Governmental Agreement.

The pool is fully funded by its member participants. Claims are filed by members with Canfield & Associates, Inc., which has been contracted to perform pool administration, claims adjustment and administration and loss prevention for the pool. Fees paid to the third party administrator under this arrangement for the year ending August 31, 2006 and 2007 were \$1,153,031 and \$1,242,382 respectively.

A governing board is selected by the membership and is responsible for conducting the business affairs of the pool. The Board of Directors has contracted with Canfield & Associates, Inc., to perform day-to-day administration of the pool. This pool does not have any employees. Copies of the pool's annual report may be obtained by writing to 451 Diamond Drive, Ephrata, WA 98823.

NOTE 2—COMPLIANCE AND ACCOUNTABILITY

In 2007, the City of Waitsburg exceeded its appropriated amount along some of its wage line items due to additional compensated hours to its workers, compensatory time cash outs, reimbursable unemployment and leave cash outs by a retiring employee as follows by fund and department:

Current Expense	City Streets	Water/Sewer
Clerk/Treasurer – \$493.75	\$2,010.05	\$3,000.77
Health & Sanitation – \$801.48		\$3,201.61
Parks – \$3,652.68		
Cemetery – \$657.46		

In 2007, the City of Waitsburg increased its budget \$130,281.93 in the Current Expense Fund, \$35,000 in the City Street Fund, and \$19,570 in the Flour Mill Fund to offset expenditures related mainly to the timber harvesting expense in the Current Expense Fund, Street Maintenance in the City Street Fund and a feasibility study of the Flour Mill in the Flour Mill Fund.

NOTE 3—INVESTMENTS

The City's investments are insured, registered, or held by the City or its agent in the City's name.

Investments by type as of December 31, 2007:

Type of Investment	2007 Balance	2006 Balance
CDs/Money Markets	<u>\$ 1,177,393.92</u>	<u>\$1,049,484.25</u>
Other	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>
Totals	<u>\$ 1,182,393.92</u>	<u>\$1,054,484.25</u>

NOTE 4—PROPERTY TAXES

Historically, the City Treasurer acted as an agent to collect property taxes levied in the City of Waitsburg per authority of the Territorial Charter.

In 2006, the Waitsburg City Council passed Ordinance 2006-906, which assigns the distribution and collection of Waitsburg Property Taxes to the Walla Walla County Treasurer. An interlocal agreement was then approved by the City and the County outlining roles and responsibilities. The County began distribution and collection of the City's taxes in 2007; remitting the amounts monthly to City based on amounts collected against the City's approved levy.

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

The City may levy up to \$3.375 per \$1,000 of assessed valuation for general governmental services, subject to the following limitation:

- a) Washington State Law, RCW 84.55.010, limits the amount of regular property taxes to one (1) percent of assessed valuation or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, then are proportionately reduced until the total is at or below the one (1) percent limit.

The City's regular levy for the year 2007 as \$2.6708547 per \$1,000 on assessed valuation of \$48,673,558 for a total levy of \$130,000.

NOTE 5—INTERFUND LOANS AND ADVANCES

There was no interfund loan activity during 2007.

NOTE 6—LONG-TERM DEBT

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt principle of the City and summarizes the City's debt transactions for fiscal 2007. The debt service requirements including interest are as follows:

*Totals reflect year 2008plus thereafter.

	General Obligation <u>Principal</u>	Revenue Bonds <u>Principal</u>	Other LTD <u>Principal</u>	Total <u>Debt</u>
2008	\$ 14,745.76	\$ 160,451.63	\$ 69,212.93	\$ 244,410.32
2009-2013	\$ 26,403.05	\$ 194,651.42	\$ 346,064.65	\$ 567,119.12
2014-2018	\$	\$ 244,649.62	\$ 346,064.64	\$ 590,714.26
2019-2023	\$	\$ 307,490.36	\$ 261,620.21	\$ 569,110.57
2024-2028	\$	\$ 225,127.54	\$.00	\$ 225,127.54
Totals	<u>\$ 41,148.81</u>	<u>\$ 1,132,370.57</u>	<u>\$1,022,962.43</u>	<u>\$ 2,196,481.81</u>

In 2008, the City of Waitsburg has made plans to payoff an existing revenue bond with the outstanding principal balance of \$126,582.20.

NOTE 7—PENSION PLANS

Substantially, all City full-time, as well as qualifying part-time employees participate in the Public Employees' Retirement system (PERS). This is administered by the Washington State Department Systems; under cost-sharing multiple employer, public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the City's financial statements. Contributions to the system by both employee and the employer are based upon gross wages covered by plan benefits.

Historical trends or any other information regarding each plan is presented in the Washington State Department of Retirement Systems Annual Financial Report. A copy of this report may be obtained by writing to:

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

OTHER DISCLOSURES

The City received SAFETEA-LU street funding in the amount \$35,576 from the State of Washington; which was passed through Walla Walla County Public Works. These funds were six year program monies from year 2007.

CITY OF WAITSBURG
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 1, 2006 through DECEMBER 31, 2006

NOTE 1—SUMMARY OF ACCOUNTING POLICIES

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Special Revenue Funds account for revenues that are legally restricted or designated to finance particular activities of the City.

Debt Service Funds

The Funds in the Debt Service account for the accumulation of resources to pay principal, interest and related costs on certain long-term debt.

Capital Project's Funds

Capital Project Funds account for financial resources which are designated for the acquisition or construction of general government capital projects.

Permanent Funds

Funds in this account are for the financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government of its citizenry.

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.

FIDUCIARY FUND TYPES:

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

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These funds account for assets of which the principle may not be spent.

Agency Funds

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

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report years' budget appropriations as required by state law.

Purchases of fixed assets are expensed during the year of acquisition. There is no capitalization of fixed assets, or allocation of depreciation expense. Inventory is expensed when purchased.

C. Budgets

Annual appropriated budgets are adopted for all funds. The financial statements include budgetary comparisons for each fund.

Annual appropriated budgets are adopted at the fund level. The budgets constitute the legal authority for expenditures at the level. Annual appropriations for all funds lapse at the fiscal period end.

The Clerk/Deputy and Treasurer is authorized to transfer budgeted amounts within any object class in any department; 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.

D. Cash

It is the City's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is prorated to the various funds.

E. Deposits

The City's deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation and the Washington Public Deposit Protection Commission.

F. Investments

See Note 3.

G. Capital Assets

Capital assets are long-lived assets of the City and are recorded as expenditures when purchased.

H. Compensated Absences

The City does not record accumulated unused vacation in its funds. Vacation hours, not to exceed forty (40) hours, may be carried over from December 31 of one year to January 1 of the next year. Employees will be paid for unused vacation during the year upon termination of employment.

Sick leave may be accumulated for up to 120 days. Upon separation or retirement, employees are not compensated for any of their unused sick leave.

I. Long-Term Debt

See Note 6.

J. Other Financing Sources or Uses

The City's "Other Financing Sources or Uses" consists of operating transfers, proceeds from the sale of fixed assets and proceeds of refunding long-term debt.

K. Risk Management

The City of Waitsburg is a member of the Cities Insurance Association of Washington. Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The pool was formed on September 1, 1988, when 34 cities in the State of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Currently, the CIAW has 110 member cities and 172 associate members.

The pool allows members to jointly purchase insurance coverage and provide related services, such as administration, risk management, claims administration, etc. Coverage for Public Officials Liability is on a "claims made basis." All other coverage's are on an "occurrence basis." The pool provides the following forms of group purchased insurance coverage for its members: Property, liability, vehicle liability, other mobile equipment, boiler and machinery, bonds of various types, excess liability and public official liability.

The pool acquired liability insurance from unrelated underwriters that are subject to a per-occurrence deductible of \$100,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$99,000. Insurance carriers cover insured losses over \$100,000 to the limits of each policy. Since the pool is a cooperative program, there is a joint liability among the participating members toward the sharing of the \$99,000 portion of the deductible. The pool, however, purchases a Stop Loss Policy in the amount of \$5,200,000 to eliminate any risk to members and, in addition, fully funds the Stop Loss in the budget.

Property insurance is subject to a per-occurrence deductible of \$10,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$9,000.

Boiler and machinery insurance is subject to a per-occurrence deductible of \$2,500. Members are responsible for the deductible amount of each claim.

Each new member now pays the pool an admittance fee. This amount covers the member's share of unrestricted reserves. Members contract to remain in the pool for a minimum of one year, and must give notice prior to August 31 before terminating participation the following September 1. The Interlocal Governmental Agreement is renewed automatically each year. Even after termination, a member remains responsible for contributions to the pool for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Governmental Agreement.

The pool is fully funded by its member participants. Claims are filed by members with Canfield & Associates, Inc., which has been contracted to perform pool administration, claims adjustment and administration and loss prevention for the pool. Fees paid to the third party administrator under this arrangement for the year ending August 31, 2005 and 2006 were \$1,057,063 and \$1,153,031 respectively.

A governing board is selected by the membership and is responsible for conducting the business affairs of the pool. The Board of Directors has contracted with Canfield & Associates, Inc., to perform day-to-day administration of the pool. This pool does not have any employees. Copies of the pool's annual report may be obtained by writing to 451 Diamond Drive, Ephrata, WA 98823.

NOTE 2—COMPLIANCE AND ACCOUNTABILITY

In 2006, the City of Waitsburg exceeded its appropriated amount along some of its wage line items due to additional compensated hours to its workers, compensatory time cash outs and reimbursable unemployment as follows by fund and department:

Current Expense	City Streets	Water/Sewer
Clerk/Treasurer – \$150.84	\$1,742.43	\$1,337.66
Health & Sanitation – \$840.84		\$ 467.40
Parks – \$377.82		
Pool – \$1,191.51		
Cemetery – \$1,559.10		

In 2006, the City of Waitsburg increased its budget \$45,000 in the Street and Road Fund to offset expenditures related to the purchase of a new street sweeper.

NOTE 3—INVESTMENTS

The City's investments are insured, registered, or held by the City or its agent in the City's name.

Investments by type as of December 31, 2006:

Type of Investment	2006 Balance	2005 Balance
CDs/Money Markets	\$ 1,049,484.25	\$ 957,762.15
Other	\$ 5,000.00	\$ 5,000.00
Totals	\$ 1,054,484.25	\$ 962,762.15

NOTE 4—PROPERTY TAXES

Historically, the City Treasurer acted as an agent to collect property taxes levied in the City of Waitsburg per authority of the Territorial Charter.

In 2006, the Waitsburg City Council passed Ordinance 2006-906, which assigns the distribution and collection of Waitsburg Property Taxes to the Walla Walla County Treasurer. An interlocal agreement was then approved by the City and the County outlining roles and responsibilities. The County will begin distribution and collection of the City's taxes; beginning with the 2006 for 2007 tax collection year.

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

The City may levy up to \$3.375 per \$1,000 of assessed valuation for general governmental services, subject to the following limitation:

- a) Washington State Law, RCW 84.55.010, limits the amount of regular property taxes to one (1) percent of assessed valuation or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, then are proportionately reduced until the total is at or below the one (1) percent limit.

The City's regular levy for the year 2006 was \$2.655736 per \$1,000 on assessed valuation of \$46,673,685 for a total levy of \$123,953.

NOTE 5—INTERFUND LOANS AND ADVANCES

There was no interfund loan activity during 2006.

NOTE 6—LONG-TERM DEBT

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt principle of the City and summarizes the City's debt transactions for fiscal 2006. The debt service requirements including interest are as follows:

*Totals reflect year 2007 plus thereafter.

	General Obligation <u>Principal</u>	Revenue Bonds <u>Principal</u>	Other LTD <u>Principal</u>	Total <u>Debt</u>
2007	\$ 16,124.46	\$ 53,365.27	\$ 69,212.93	\$ 138,693.66
2008	\$ 14,745.76	\$ 160,451.63	\$ 69,212.93	\$ 244,410.32
2009-2013	\$ 26,403.05	\$ 194,651.42	\$ 346,064.65	\$ 567,119.12
2014-2018	\$	\$ 244,649.62	\$ 346,064.64	\$ 590,714.26
2019-2023	\$	\$ 307,490.36	\$ 261,620.21	\$ 569,110.57
2024-2028	\$	\$ 225,127.54	\$.00	\$ 225,127.54
Totals	\$ 57,273.27	\$ 1,185,726.84	\$1,092,175.36	\$ 2,335,175.47

NOTE 7—PENSION PLANS

Substantially, all City full-time, as well as qualifying part-time employees participate in the Public Employees' Retirement system (PERS). This is administered by the Washington State Department Systems; under cost-sharing multiple employer, public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the City's financial statements. Contributions to the system by both employee and the employer are based upon gross wages covered by plan benefits.

Historical trends or any other information regarding each plan is presented in the Washington State Department of Retirement Systems Annual Financial Report. A copy of this report may be obtained by writing to:

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

OTHER DISCLOSURES

In 2006, the City took out a low interest equipment loan from American West Bank to help fund the replacement of the City's aging street sweeper. The loan amount was \$50,000 and repayable over 4 years from 2007 thru 2010.

Additionally, the City received SAFETEA-LU street funding in the amount \$103,057 from the State of Washington; which was passed through Walla Walla County Public Works. These funds were six year program monies from years 2003-2006.

MCAG# 771

CITY OF WAITSBURG

SCHEDULE 09

SCHEDULE OF LONG TERM DEBT - REVENUE DEBT
For the Year Ending December 31, 2007

ID NO.	Date of Original Issue	Date of Maturity	Beg Outstanding Debt as of 1/1/2007	Issued Current Yr	Amount Redeemed Current Yr	BARS Code for Redemption	Redeeming Fund No.	Ending Debt Bal. As of 12/31/2007
252.11	11/1/1999	10/1/2012	147,582.80		21,000.60	582.34.72	406	126,582.20
263.92	4/1/2001	7/1/2021	633,333.34		42,222.22	582.35.72	411	591,111.12
252.11	10/1/2002	10/1/2042	1,038,144.04		32,355.68	582.35.72.02	406	1,005,788.36
263.92	10/1/2003	10/1/2023	458,842.03	0.00	26,990.71	592.34.72	410	431,851.32
TOTALS			<u>\$2,277,902.21</u>	<u>\$0.00</u>	<u>\$122,569.21</u>			<u>\$2,155,333.00</u>

MCAG# 771

CITY OF WAITSBURG

SCHEDULE 09

SCHEDULE OF LONG TERM DEBT - G.O. DEBT
For the Year Ending December 31, 2007

ID NO.	Date of Original Issue	Date of Maturity	Beg Outstanding Debt as of 1/1/2007	Issued Current Yr	Amount Redeemed Current Yr	BARS Code for Redemption	Redeeming Fund No.	Ending Debt Bal. As of 12/31/2007
263.53	6/1/2004	6/1/2008	7,273.27		4,810.73	582.35.71	1	2,462.54
263.53	9/13/2006	11/10/2010	50,000.00		11,313.73	591.42.75	102	38,686.27
TOTALS			<u>\$57,273.27</u>	<u>\$0.00</u>	<u>\$16,124.46</u>			<u>\$41,148.81</u>

MCAG# 771

CITY OF WAITSBURG

SCHEDULE 09

SCHEDULE OF LONG TERM DEBT - REVENUE DEBT
For the Year Ending December 31, 2006

ID NO.	Date of Original Issue	Date of Maturity	Beg Outstanding Debt as of 1/1/2006	Issued Current Yr	Amount Redeemed Current Yr	BARS Code for Redemption	Redeeming Fund No.	Ending Debt Bal. As of 12/31/2006
252.11	11/1/1999	10/1/2012	167,339.50		19,756.70	582.34.72	406	147,582.80
263.92	4/1/2001	7/1/2021	675,555.56		42,222.22	582.35.72	411	633,333.34
252.11	10/1/2002	10/1/2042	1,069,053.62		30,909.58	582.35.72.02	406	1,038,144.04
263.92	10/1/2003	10/1/2023	485,832.73	0.00	26,990.70	592.34.72	410	458,842.03
TOTALS			<u>\$2,397,781.41</u>	<u>\$0.00</u>	<u>\$119,879.20</u>			<u>\$2,277,902.21</u>

MCAG# 771

CITY OF WAITSBURG

SCHEDULE 09

SCHEDULE OF LONG TERM DEBT - G.O. DEBT
For the Year Ending December 31, 2006

ID NO.	Date of Original Issue	Date of Maturity	Beg Outstanding Debt as of 1/1/2006	Issued Current Yr	Amount Redeemed Current Yr	BARS Code for Redemption	Redeeming Fund No.	Ending Debt Bal. As of 12/31/2006
263.53	6/1/2004	6/1/2008	11,935.48		4,662.21	582.35.71	1	7,273.27
TOTALS			<u>\$11,935.48</u>	<u>\$0.00</u>	<u>\$4,662.21</u>			<u>\$7,273.27</u>



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver our services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

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Deputy Chief of Staff
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Director of Special Investigations
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