



## CITY OF BLACK DIAMOND

### 2014 ANNUAL REPORT

NOTE: The following is an internal compilation of reports submitted to the Washington State Auditor's Office. The annual report was not published at the time of this printing. It should be available in its entirety at [www.sao.wa.gov](http://www.sao.wa.gov).

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**City of Black Diamond**

**For the Year Ended December 31, 2014**

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

The City of Black Diamond was incorporated in 1959, and operates under the laws of the State of Washington applicable to a Non-Charter code City classification adopted in 1990 with a Mayor-Council form of government. The City is a general-purpose governmental entity that provides general government services including law enforcement, fire services, street improvements, parks and recreation, cemetery, and general administrative services. In addition, the City owns and operates Water, Sewer and Stormwater Utilities.

The City 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 types 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 type is reported as a separate column in the financial statements. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund

This fund is the primary operating fund of the government. 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 government.

### Debt Service Funds

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs on general long-term debt.

### 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.

### Permanent Funds

These funds account for 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 or 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 government on a cost reimbursement basis.

### FIDUCIARY FUND TYPES:

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

#### Private-Purpose Trust Funds

These funds report all trust arrangements under which principal and income benefit individuals, private organizations or other governments.

#### Agency Funds

These funds are used to account assets that the government holds on behalf of others in a custodial capacity.

### B. Basis of Accounting and Measurement Focus

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

In accordance with state law the 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 adopts annual appropriated budgets for all funds except Fiduciary and Agency Funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

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

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

| Fund | Fund Name                          | Final Approp. Amount | Actual Expenses  | Variance         |
|------|------------------------------------|----------------------|------------------|------------------|
| 001  | General Fund                       | 6,106,790            | 4,769,864        | 1,336,926        |
| 101  | Street Fund                        | 347,107              | 199,018          | 148,089          |
| 107  | Fire Impact Fee                    | 25,366               | 15,366           | 10,000           |
| 310  | General Government Capital Fund    | 434,272              | 202,867          | 231,405          |
| 311  | REET I                             | 293,343              | 107,873          | 185,470          |
| 320  | Street & Public Works Capital Fund | 1,168,147            | 511,768          | 656,379          |
| 321  | REET II                            | 342,757              | 187,400          | 155,357          |
| 401  | Water Operating Fund               | 941,458              | 803,077          | 138,381          |
| 402  | Water-WSFFA Project Fund           | 165,180              | 20,451           | 144,729          |
| 404  | Water Capital Project Fund         | 724,962              | 137,949          | 587,013          |
| 407  | Wastewater Operating fund          | 933,112              | 793,449          | 139,663          |
| 408  | Wastewater Capital Project Fund    | 964,858              | 175,230          | 789,628          |
| 410  | Stormwater Operating Fund          | 666,012              | 385,070          | 280,942          |
| 510  | Equipment Replacement Fund         | 341,176              | 36,216           | 304,960          |
|      | <b>Total</b>                       | <b>13,454,540</b>    | <b>8,345,599</b> | <b>5,108,941</b> |

Budgeted amounts are authorized to be transferred between (departments within any fund/object classes within funds); 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 legislative body.

### D. Cash and Investments

#### Cash

It is the City's policy to invest all temporary cash surpluses. At December 31, 2014 the City had an ending cash balance of \$258,793.33 in short-term cash. This amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The total includes \$400 in petty cash as authorized by ordinance 08-860 in 2008. Interest earned on bank cash partially offsets bank costs.

#### Deposits

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

Investments

All Black Diamond funds are at the General/State Investment Pool (LGIP). Interest earned is distributed to the various funds in proportion to their investment amounts. The balance in the State Local Investment Pool saving account as of December 31, 2014 was \$3,652,790.26. See Note #3

E. Capital Assets

General fixed assets are long-lived assets with an initial individual cost of more than \$1,000 and an estimated useful life of more than three years. The Capital Assets of the City are recorded under cash basis accounting, as expenditures when purchased.

F. Compensated Absences

Vacation leave for regular employees may be accumulated based on years of service with the City, and is payable upon separation or retirement.

**VACATION LEAVE**

| Length of Service | Days per Year | Maximum Accrual at any Time* |
|-------------------|---------------|------------------------------|
| 0 - 5 Years       | 12            | 144 hours                    |
| 6 - 9 Years       | 15            | 180 hours                    |
| 10-15 Years       | 18            | 216 hours                    |
| 16-19 Years       | 21            | 252 hours                    |
| Over 20 Years     | 24            | 288 hours                    |

*\*The Mayor may adjust maximum accruals during periods when furlough hours are used to help balance the budget.*

Sick leave for regular employees may be accumulated up to 1040 hours. Upon separation or retirement employees are compensated for unused sick leave as follows:

**SICK LEAVE**

|               |     |
|---------------|-----|
| 0-1 Year      | 0%  |
| 1-5 Year      | 10% |
| 6-12 Year     | 20% |
| 13-20 Year    | 30% |
| Over 20 Years | 40% |

Sick leave for retiring Police Officers Association employees is cashed out at 25% of accumulated hours at their current rate of pay as long as their LEOFF plan requirements are fulfilled.

Comp time is overtime compensated for in time off rather than overtime pay. It can be accrued by non-exempt employees up to 40 hours at any given time and should be taken as time off within 90 days. Any balance of comp time hours remaining at separation or retirement are paid at 100%.

The following table illustrates the potential total liability if all compensated absences were paid as of December 31, 2014. The totals include the liability costs of required Taxes. The total of \$273,000 represents a \$13,199.00 decrease from 2013. Compensated absence liabilities are shown in Note F, and on **Schedule S9**.

| Group                                | Sick Leave    | Comp Time    | Annual Leave   | Total          |
|--------------------------------------|---------------|--------------|----------------|----------------|
| General Government                   | 23,730        | 2,306        | 57,063         | 83,099         |
| Police Department                    | 39,379        | 4,048        | 70,394         | 113,821        |
| Street                               | 8,949         | 62           | 8,849          | 17,860         |
| <b>GG Total Compensated Absences</b> | <b>72,058</b> | <b>6,416</b> | <b>136,306</b> | <b>214,780</b> |
| Water                                | 8,498         | 304          | 10,933         | 19,735         |
| Wastewater                           | 8,581         | 323          | 11,052         | 19,956         |
| Stormwater                           | 7,868         | 238          | 10,423         | 18,529         |
| <b>ENTERPRISE FUNDS</b>              |               |              |                |                |
| Total Compensated Absences           | <b>24,947</b> | <b>865</b>   | <b>32,408</b>  | <b>58,220</b>  |
| <b>Total Compensated Absences</b>    | <b>97,005</b> | <b>7,281</b> | <b>168,714</b> | <b>273,000</b> |

G. Long-Term Debt See Note #4 (Debt Service Requirements)

H. Other Financing Sources or Uses

The Cities other Financing Sources include Internal Transfers in, Developer or Capital Contributions, or Insurance Recoveries. Other Financing Uses include Internal Transfer out, Capital Expenditures or Debt Service,

I. Risk Management

The City of Black Diamond is a member of 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 program 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 program 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. As of December 1, 2014, there are 223 members in the program.

The program provides the following forms of joint self-insurance and excess coverage for its members: Property, including Automobile Comprehensive, and Collision; Equipment Breakdown, and Crime Protection; and Liability, including General, Automobile, and Wrongful Acts, are included to fit members' various needs.

The program acquires liability insurance through their Administrator, Canfield that is subject to a per-occurrence self-insured retention of \$100,000. The standard member deductible is \$1,000 for each claim (deductible may vary per member), while the program is responsible for the \$100,000 self-insured retention. Insurance carriers cover insured losses over \$101,000 to the limits of each policy. Since the program is a cooperative program, there is a joint liability among the participating members towards the sharing of the \$100,000 of the self-insured retention. The program also purchases a Stop Loss Policy, with an attachment point of \$3,259,396, to cap the total claims paid by the program in any one year.

Property insurance is subject to a per-occurrence self-insured retention of \$25,000. Members are responsible for a \$1,000 deductible for each claim. The program bears the \$25,000 self-insured retention, in addition to the deductible.

Equipment Breakdown insurance is subject to a per-occurrence deductible of \$2,500, which may vary per member with the exception of Pumps & Motors which is \$10,000. Members are responsible for the deductible amount of each claim. There is no program self-insured retention on this coverage, with the exception of Pumps & Motors which is \$15,000 and is covered by the CIAW.

Members contract to remain in the program for a minimum of one year, and must give notice before August 31 terminating participation the following September 1. The Interlocal Agreement is renewed automatically each year. In the event of termination, a member is still responsible for contributions to the program for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Agreement.

A board of ten members is selected by the membership from three geographic areas of the state on a staggered term basis and is responsible for conducting the business affairs of the program. On July 21, 2014, the Board passed a resolution changing the CIAW's renewal date from September 1, to December 1<sup>st</sup> beginning with the 2014-15 policy term. An endorsement was added to the 2013-14 Memorandum of Coverage, extending coverage to December 1, 2014. The next full policy year will begin on December 1, 2014. Premiums were prorated for the extension period. Invoices and certificates were issued.

The program has no employees. Claims are filed by members/brokers with Canfield, who has been contracted to perform program administration, claims adjustment and administration, and loss prevention for the program. Fees paid to the third party administrator under this arrangement for the year ending December 1, 2014, were \$1,817,654.59.

#### J. Reserved Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as reserved when it is subject to restrictions on use imposed by external parties or due to internal commitments established by enabling legislation. When expenditures that meet restrictions are incurred, the city intends to use reserved resources first before using unreserved amounts.

The City of Black Diamond has the following funds identified as Reserved Fund Balances:

Street Special Revenue Funds-\$153,589.40- the State requires that the gas tax resources only be used for Street purposes.

Fire Impact Fees -\$28,982.29- restricted by State RCW 82.02 and Ordinance 12-980 for Future Fire Protection .

Water Utility Fun-\$157,282.12 -Developer pre-funding of Capital Projects per the Water Facility Funding Agreement with the Developers.

**Note 2 - Property Tax**

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed by King County daily following the receipt of collections..

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 tax is levied.

The city’s regular levy for the year 2014 was \$2.61455 per \$1,000 on an assessed valuation of \$548,399,243 for a total collected regular levy of \$1,436,203, including taxes on new construction.

**Note 3 – Deposits and Investments**

Deposits and Investments

It is the City of Black Diamonds policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

All deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission. All investments are insured, registered or held by the City of Black Diamond or its agent in the government’s name.

Investments are reported at original cost. Investments by type at December 31, 2014 are as follows:

| <b>Investment Type</b>   | <b>City Invested</b> | <b>Held Investment<br/>for other entities</b> | <b>Total</b>        |
|--------------------------|----------------------|---|---------------------|
| Black Diamond LGIP 00160 | 3,173,141.23         | 0   | 3,173,141.23        |
| Soos Creek LGIP 00161    | 479,649.03           | 0   | 479,649.03          |
|                          |                      |   |                     |
| <b>Total Investment</b>  | <b>3,652,790.26</b>  | <b>0</b>                                      | <b>3,652,790.26</b> |

Securities Lending Transactions

The City of Black Diamond does not engage in securities lending.

Derivatives

The City of Black Diamond does not engage in derivatives trading.

**Note 4 – Debt Service Requirements**

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the City and summarizes the City’s debt transactions for year ended December 31, 2014.

The City of Black Diamond has no General Obligation or Revenue Bond Debt.

The Water fund has other Long Term Debt for Three Public Works Trust Fund Loans for Water Projects. A portion of one of the Public Works Trust Loans is reimbursed by a developer and the city holds a Bank letter of Credit for their portion.

The accompanying Schedule of Other Long-Term Debt (Schedule 09) provides a listing of the outstanding long term debt of the Water Fund which includes both Principal and Interest and the amount the developer reimbursed toward the debt.

Water Fund Other Long Term Debt is as follows:

| Year        | Total     | Developer Debt Reimbursement | Net City Debt Principal & Interest |
|-------------|-----------|------------------------------|------------------------------------|
| 2015        | 333,158   | 98,891                       | 234,267                            |
| 2016        | 320,429   | 98,419                       | 222,010                            |
| 2017        | 318,896   | 97,948                       | 220,948                            |
| 2018        | 317,362   | 97,477                       | 219,885                            |
| 2019        | 315,828   | 97,006                       | 218,822                            |
| 2020 - 2024 | 1,563,800 | 477,965                      | 1,085,835                          |
| 2025        | 130,172   | 39,052                       | 91,120                             |

**Note 4 – Debt Service Requirements (Continued)**

Private developers reimburse the City annually for their portion of Public Works trust debt payment. A Developer line of credit cover their portion of the debt service. The Bank Credit Lines are reduced each year after their portion of the debt principal is paid. See schedule of debt below.

| #  | Water Fund Debt                   | Original Date of | Year of Final | Original Amount     | Interest Rate | Purpose of Loan   | Principal Only Debt Balance |
|--|-----------------------------------|------------------|---------------|---------------------|---------------|---|-----------------------------|
|  |                                   |                  |               |                     |               |   | 12/31/2014                  |
| 1  | PW Trust Loan<br>5 95 791 ELP 061 | 1995             | 2015          | 200,000             | 5%            | Emergency Water Repair  | 10,650                      |
| 2  | PW Trust Loan<br>02 691 005       | 2006             | 2022          | 180,000             | 0.5%          | Corrosion Control   | 90,000                      |
| 3  | PW Trust Loan<br>5 691 006        | 2005             | 2025          | 5,447,820           | 0.5%          | \$3,407,063 - 500 mp Tacoma Water \$2,040,757 - Reservoir Pump & Waterline<br>* Developer reimburses \$2,053,160 at \$94,182 per year plus interest for 20 years. Letter of Credit held for security. | *<br>2,954,889              |
| <b>Total Water Debt (principal only)</b>                   |                                   |                  |               | <b>\$ 5,827,820</b> |               |   | <b>3,055,539</b>            |
| Less * Public Works Trust Fund Loan - Developer Reimbursed |                                   |                  |               |                     |               | Loan 3  | (941,820)                   |
| <b>Net City Debt Responsibility</b>                        |                                   |                  |               |                     |               |   | <b>2,113,719</b>            |

**Note 5 - Interfund Loans**

In 2009 Council authorized Ordinance 09-902 for a loan of \$50,000 from Sewer Capital to the Stormwater Utility for needed working cash flow. This is a five year loan with annual payment of \$10,000 per year plus interest at the current LGIP rate at time of payment. The final repayment was made in 2014. In 2010 Council authorized Ordinance 10-953, a \$230,000 loan from the Sewer Capital Fund to the Water Fund to fund the replacement and upgrading of the Water Meter system. The interfund loan will be paid back with five annual installments of \$46,000 plus interest at the current LGIP pool rate. The final payment will be made in 2015. All internal loans charge interest at the current LGIP rate at the time of payments.

| <b>Loan Originated</b> | <b>Lending Fund</b> | <b>Receiving Fund</b> | <b>Balance of Loan 2013</b> | <b>Repayment 2014</b> | <b>Balance 12/31/14</b> |
|------------------------|---------------------|-----------------------|-----------------------------|-----------------------|-------------------------|
| 2009                   | Sewer               | Stormwater            | 10,000                      | 10,000                | -                       |
| 2010                   | Sewer               | Stormwater            | 92,000                      | 46,000                | 46,000                  |
| <b>Total</b>           |                     |                       | <b>102,000</b>              | <b>56,000</b>         | <b>46,000</b>           |

**Note 6 - Pension Plans**

Substantially all City full-time and qualifying part-time employees participate in PERS 1, 2 or 3, or LEOFF 2 as administered by the Department of Retirement 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 systems by both employee and employer are based upon gross wages covered by the plan.

The City also has a commitment to pay for post employment medical benefits for one employee belonging to LEOFF1. The amount paid to Regence Insurance in 2014 was \$18,925.45.

Historical trend information showing each system’s progress in accumulating sufficient assets to pay benefits when due is presented in the State of Washington’s Comprehensive Annual Financial Report. Please refer to said report for detailed information.

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

**Note 7 - Other Disclosures**

**Construction Commitment Disclosure**

|  | 2014 Capital Budget | 2014 Capital Expenditures | Capital Project Commitment Balance | Source of Funding-Past, 2014 and Future   |
|--|---------------------|---------------------------|------------------------------------|---|
| <b>General Government Capt Projects</b>    |                     |                           |                                    |   |
| Trails                                     | \$49,863            | \$14,444                  | \$35,419                           | County Sales Tax Levy                     |
| Various General Govt Capital Proj.         | \$384,609           | \$188,424                 | \$196,185                          | State Real Estate Tax                     |
|  |                     |                           |                                    |   |
| <b>Street Capital Projects</b>             |                     |                           |                                    |   |
| Rock Creek Bridge                          | \$574,000           | \$9,314                   | \$564,686                          | State Transportation Grant                |
| Lawson Street Sidewalks                    | \$288,622           | \$284,640                 | \$3,982                            | State Transportation Grant                |
| Traffic Sign Replacement                   | \$12,830            | \$12,403                  | \$427                              | Pass thru Fed. Grant                      |
| Asphalt Overlays & Misc Street Prj.        | \$292,695           | \$205,412                 | \$87,283                           | State Real Estate Tax                     |
|  |                     |                           |                                    |   |
| <b>Water Utility Capital Projects</b>      |                     |                           |                                    |   |
| WSFFA Water Project                        | \$165,180           | \$20,451                  | \$144,729                          | Developer Pre Funded                      |
| Water Line Replacement                     | \$271,254           | \$3,357                   | \$267,897                          | Indirect Federal Grant                    |
|  |                     |                           |                                    |   |
| Misc Water Capital Projects                | \$81,281            | \$54,593                  | \$26,688                           | State Real Estate Tax/Water Capital Funds |
|  |                     |                           |                                    |   |
| <b>Sewer Utility Capital Projects</b>      |                     |                           |                                    |   |
|  |                     |                           |                                    |   |
| Misc Sewer Capital Projects                | \$181,505           | \$95,231                  | \$86,274                           | Sewer Capital Funds                       |
|  |                     |                           |                                    |   |
| <b>Stormwater Utility Capital Projects</b> |                     |                           |                                    |   |
|  |                     |                           |                                    |   |
| Misc Stormwater Capt Prj                   | \$230,000           | \$39,472                  | \$190,528                          | State Department of Ecology Grant         |
|  |                     |                           |                                    |   |
| <b>Total Capital Projects</b>              | <b>\$2,531,839</b>  | <b>\$927,741</b>          | <b>\$1,604,098</b>                 |   |

### **Funding Agreement**

On June 21, 2007, Council passed ordinance 07-451 authorizing a Funding Agreement between BD Lawson Partners, LP and BD Village Partners, LP and the City of Black Diamond. This was a major implementation step in our “growth pays for growth” philosophy providing funds for Core City staff, modular facilities on Roberts Drive and other resources required to respond to the large developments planned for our community. On April 16, 2009 Council amended ordinance 09-589 clarifying some definitions.

On December 12, 2011, Council passed ordinances 11-970 and 11-971 adopting the Development Agreements for the two Master Planned Developments. This included Exhibit N for the replaced Funding Agreement.

In March 2013, the City of Black Diamond received a proposed funding reduction notice from the Master Plan Developer. The notice outlined their proposed reduction of Revenue to the city over the next few years. Council adopted budgets or budget amendment to reduce the Master Plan Revenue Reimbursement by the cumulative amount of \$120,000 in 2013, \$360,000 in 2014 and \$519,616 in 2015. Fund balance in the General Fund was maintained by eliminating vacant positions, reducing expenditures and increasing Fees. The 2015 General Fund Ending Fund Balance is Budgeted to maintain 2015 at \$855,080 or 20.8% of operating expenditures.

### **Subsequent Events**

No subsequent events.

| BARS<br>CODE                                       |                                | Total for             | 001                     | 101                  |
|--|--------------------------------|-----------------------|-------------------------|----------------------|
|  |                                | C4 Funds              | CURRENT<br>EXPENSE FUND | CITY STREET<br>FUND  |
|  |                                | Total Amount          | Actual Amount           | Actual Amount        |
| <b>Beginning Cash and Investments</b>              |                                |                       |                         |                      |
| 30810  | Beg Fund Bal-Reserved          | \$257,168.73          | \$0.00                  | \$186,951.79         |
| 30880  | Beg Fund Bal-Unreserved        | \$3,745,092.13        | \$943,327.44            | \$0.00               |
| 38880/58880  | Prior Period Adjustments, net  | \$0.00                | \$0.00                  | \$0.00               |
| <b>Operating Revenues</b>                          |                                |                       |                         |                      |
| 310  | Taxes                          | \$2,553,066.85        | \$2,422,947.96          | \$0.00               |
| 320  | Licenses and Permits           | \$149,124.18          | \$140,708.18            | \$8,416.00           |
| 330  | Intergovernmental Revenues     | \$611,934.63          | \$210,451.34            | \$86,017.16          |
| 340  | Charges for Goods and Services | \$2,238,674.17        | \$610,530.17            | \$2,412.43           |
| 350  | Fines and Penalties            | \$114,777.09          | \$114,777.09            | \$0.00               |
| 360  | Miscellaneous Revenues         | \$1,452,707.82        | \$1,359,749.16          | \$18,809.68          |
| <b>Total Operating Revenues:</b>                   |                                | <b>\$7,120,259.62</b> | <b>\$4,859,163.90</b>   | <b>\$115,655.27</b>  |
| <b>Operating Expenditures:</b>                     |                                |                       |                         |                      |
| 510  | General Government             | \$1,352,111.08        | \$1,337,148.30          | \$0.00               |
| 520  | Public Safety                  | \$2,107,455.24        | \$2,107,455.24          | \$0.00               |
| 530  | Utilities                      | \$1,581,010.70        | \$32,623.76             | \$0.00               |
| 540  | Transportation                 | \$219,201.43          | \$0.00                  | \$189,017.66         |
| 550  | Economic Environment           | \$1,193,301.77        | \$1,236,755.24          | \$0.00               |
| 560  | Social Services                | \$844.83              | \$844.83                | \$0.00               |
| 570  | Culture And Recreation         | \$50,293.00           | \$50,293.00             | \$0.00               |
| 598  | Intergovernmental Payments     | \$0.00                | \$0.00                  | \$0.00               |
| <b>Total Operating Expenditures:</b>               |                                | <b>\$6,504,218.05</b> | <b>\$4,765,120.37</b>   | <b>\$189,017.66</b>  |
| <b>Net Operating Increase (Decrease):</b>          |                                | <b>\$616,041.57</b>   | <b>\$94,043.53</b>      | <b>(\$73,362.39)</b> |
| <b>Nonoperating Revenues</b>                       |                                |                       |                         |                      |
| 370,380,395,398                                    | Other Financing Sources        | \$307,491.71          | \$0.00                  | \$0.00               |
| 391-393  | Debt Proceeds                  | \$0.00                | \$0.00                  | \$0.00               |
| 397  | Transfers-In                   | \$269,585.00          | \$0.00                  | \$50,000.00          |
| <b>Total Nonoperating Revenues:</b>                |                                | <b>\$577,076.71</b>   | <b>\$0.00</b>           | <b>\$50,000.00</b>   |
| <b>Nonoperating Expenditures</b>                   |                                |                       |                         |                      |
| 580,596,599  | Other Financing Uses           | \$56,000.00           | \$0.00                  | \$0.00               |
| 591-593  | Debt Service                   | \$335,771.78          | \$0.00                  | \$0.00               |
| 594-595  | Capital Expenditures           | \$661,279.68          | \$4,743.96              | \$0.00               |
| 597  | Transfers-Out                  | \$269,585.00          | \$0.00                  | \$10,000.00          |
| <b>Total Nonoperating Expenditures:</b>            |                                | <b>\$1,322,636.46</b> | <b>\$4,743.96</b>       | <b>\$10,000.00</b>   |
| <b>Increase (Decrease in Cash and Investments)</b> |                                | <b>(\$129,518.18)</b> | <b>\$89,299.57</b>      | <b>(\$33,362.39)</b> |
| <b>Ending Cash and Investments</b>                 |                                |                       |                         |                      |
| 50810  | End Fund Bal-Reserved          | \$339,853.81          | \$0.00                  | \$153,589.40         |
| 50880  | End Fund Balance-Unreserved    | \$3,532,888.87        | \$1,032,627.01          | \$0.00               |

1/ This column summarizes ALL reported funds, not just funds listed on this page  
 The Accompanying Notes Are An Integral Part Of This Statement.

| BARS<br>CODE                                       |                                | 107                              | 310                               | 320                  |
|--|--------------------------------|----------------------------------|-----------------------------------|----------------------|
|  |                                | IMPACT<br>MITIGATION FEE<br>FUND | CIP FUND<br>GENERAL<br>GOVERNMENT | CIP FUND-<br>STREETS |
|  |                                | Actual Amount                    | Actual Amount                     | Actual Amount        |
| <b>Beginning Cash and Investments</b>              |                                |                                  |                                   |                      |
| 30810  | Beg Fund Bal-Reserved          | \$10,366.05                      | \$0.00                            | \$0.00               |
| 30880  | Beg Fund Bal-Unreserved        | \$0.00                           | \$509,526.20                      | \$436,600.06         |
| 38880/58880  | Prior Period Adjustments, net  | \$0.00                           | \$0.00                            | \$0.00               |
| <b>Operating Revenues</b>                          |                                |                                  |                                   |                      |
| 310  | Taxes                          | \$0.00                           | \$65,059.46                       | \$65,059.43          |
| 320  | Licenses and Permits           | \$0.00                           | \$0.00                            | \$0.00               |
| 330  | Intergovernmental Revenues     | \$0.00                           | \$24,836.47                       | \$289,629.66         |
| 340  | Charges for Goods and Services | \$18,616.24                      | (\$25.00)                         | \$0.00               |
| 350  | Fines and Penalties            | \$0.00                           | \$0.00                            | \$0.00               |
| 360  | Miscellaneous Revenues         | \$0.00                           | \$177.84                          | \$958.73             |
| <b>Total Operating Revenues:</b>                   |                                | \$18,616.24                      | \$90,048.77                       | \$355,647.82         |
| <b>Operating Expenditures:</b>                     |                                |                                  |                                   |                      |
| 510  | General Government             | \$0.00                           | \$13,625.00                       | \$13,625.00          |
| 520  | Public Safety                  | \$0.00                           | \$0.00                            | \$0.00               |
| 530  | Utilities                      | \$0.00                           | \$0.00                            | \$0.00               |
| 540  | Transportation                 | \$0.00                           | \$0.00                            | \$0.00               |
| 550  | Economic Environment           | \$0.00                           | \$15,978.20                       | \$0.00               |
| 560  | Social Services                | \$0.00                           | \$0.00                            | \$0.00               |
| 570  | Culture And Recreation         | \$0.00                           | \$0.00                            | \$0.00               |
| 598  | Intergovernmental Payments     | \$0.00                           | \$0.00                            | \$0.00               |
| <b>Total Operating Expenditures:</b>               |                                | \$0.00                           | \$29,603.20                       | \$13,625.00          |
| <b>Net Operating Increase (Decrease):</b>          |                                | \$18,616.24                      | \$60,445.57                       | \$342,022.82         |
| <b>Nonoperating Revenues</b>                       |                                |                                  |                                   |                      |
| 370,380,395,398                                    | Other Financing Sources        | \$0.00                           | \$0.00                            | \$0.00               |
| 391-393  | Debt Proceeds                  | \$0.00                           | \$0.00                            | \$0.00               |
| 397  | Transfers-In                   | \$0.00                           | \$15,000.00                       | \$0.00               |
| <b>Total Nonoperating Revenues:</b>                |                                | \$0.00                           | \$15,000.00                       | \$0.00               |
| <b>Nonoperating Expenditures</b>                   |                                |                                  |                                   |                      |
| 580,596,599  | Other Financing Uses           | \$0.00                           | \$0.00                            | \$0.00               |
| 591-593  | Debt Service                   | \$0.00                           | \$0.00                            | \$0.00               |
| 594-595  | Capital Expenditures           | \$0.00                           | \$108,045.14                      | \$372,390.27         |
| 597  | Transfers-Out                  | \$15,366.00                      | \$89,219.00                       | \$110,000.00         |
| <b>Total Nonoperating Expenditures:</b>            |                                | \$15,366.00                      | \$197,264.14                      | \$482,390.27         |
| <b>Increase (Decrease in Cash and Investments)</b> |                                | \$3,250.24                       | (\$121,818.57)                    | (\$140,367.45)       |
| <b>Ending Cash and Investments</b>                 |                                |                                  |                                   |                      |
| 50810  | End Fund Bal-Reserved          | \$13,616.29                      | \$0.00                            | \$0.00               |
| 50880  | End Fund Balance-Unreserved    | \$0.00                           | \$387,707.63                      | \$296,232.61         |

1/ This column summarizes ALL reported funds, not just funds listed on this page  
 The Accompanying Notes Are An Integral Part Of This Statement.

| BARS<br>CODE                                       |                                | 401           | 407            | 410                |
|--|--------------------------------|---------------|----------------|--------------------|
|  |                                | WATER FUND    | SEWER FUND     | STORMWATER<br>FUND |
|  |                                | Actual Amount | Actual Amount  | Actual Amount      |
| <b>Beginning Cash and Investments</b>              |                                |               |                |                    |
| 30810  | Beg Fund Bal-Reserved          | \$59,850.89   | \$0.00         | \$0.00             |
| 30880  | Beg Fund Bal-Unreserved        | \$567,148.94  | \$1,027,539.80 | \$81,656.49        |
| 38880/58880  | Prior Period Adjustments, net  | \$0.00        | \$0.00         | \$0.00             |
| <b>Operating Revenues</b>                          |                                |               |                |                    |
| 310  | Taxes                          | \$0.00        | \$0.00         | \$0.00             |
| 320  | Licenses and Permits           | \$0.00        | \$0.00         | \$0.00             |
| 330  | Intergovernmental Revenues     | \$0.00        | \$0.00         | \$0.00             |
| 340  | Charges for Goods and Services | \$634,043.79  | \$708,966.31   | \$335,849.12       |
| 350  | Fines and Penalties            | \$0.00        | \$0.00         | \$0.00             |
| 360  | Miscellaneous Revenues         | \$26,063.96   | \$21,235.75    | \$18,590.10        |
| <b>Total Operating Revenues:</b>                   |                                | \$660,107.75  | \$730,202.06   | \$354,439.22       |
| <b>Operating Expenditures:</b>                     |                                |               |                |                    |
| 510  | General Government             | \$0.00        | \$0.00         | \$0.00             |
| 520  | Public Safety                  | \$0.00        | \$0.00         | \$0.00             |
| 530  | Utilities                      | \$406,405.39  | \$778,449.24   | \$320,497.81       |
| 540  | Transportation                 | \$0.00        | \$0.00         | \$0.00             |
| 550  | Economic Environment           | \$0.00        | \$0.00         | \$0.00             |
| 560  | Social Services                | \$0.00        | \$0.00         | \$0.00             |
| 570  | Culture And Recreation         | \$0.00        | \$0.00         | \$0.00             |
| 598  | Intergovernmental Payments     | \$0.00        | \$0.00         | \$0.00             |
| <b>Total Operating Expenditures:</b>               |                                | \$406,405.39  | \$778,449.24   | \$320,497.81       |
| <b>Net Operating Increase (Decrease):</b>          |                                | \$253,702.36  | (\$48,247.18)  | \$33,941.41        |
| <b>Nonoperating Revenues</b>                       |                                |               |                |                    |
| 370,380,395,398                                    | Other Financing Sources        | \$243,620.91  | \$63,870.80    | \$0.00             |
| 391-393  | Debt Proceeds                  | \$0.00        | \$0.00         | \$0.00             |
| 397  | Transfers-In                   | \$0.00        | \$0.00         | \$60,000.00        |
| <b>Total Nonoperating Revenues:</b>                |                                | \$243,620.91  | \$63,870.80    | \$60,000.00        |
| <b>Nonoperating Expenditures</b>                   |                                |               |                |                    |
| 580,596,599  | Other Financing Uses           | \$46,000.00   | \$0.00         | \$10,000.00        |
| 591-593  | Debt Service                   | \$335,671.78  | \$0.00         | \$100.00           |
| 594-595  | Capital Expenditures           | \$78,400.10   | \$95,229.76    | \$39,472.38        |
| 597  | Transfers-Out                  | \$15,000.00   | \$15,000.00    | \$15,000.00        |
| <b>Total Nonoperating Expenditures:</b>            |                                | \$475,071.88  | \$110,229.76   | \$64,572.38        |
| <b>Increase (Decrease in Cash and Investments)</b> |                                | \$22,251.39   | (\$94,606.14)  | \$29,369.03        |
| <b>Ending Cash and Investments</b>                 |                                |               |                |                    |
| 50810  | End Fund Bal-Reserved          | \$157,282.12  | \$0.00         | \$0.00             |
| 50880  | End Fund Balance-Unreserved    | \$491,969.10  | \$932,933.66   | \$111,025.52       |

1/ This column summarizes ALL reported funds, not just funds listed on this page

The Accompanying Notes Are An Integral Part Of This Statement.

| BARS<br>CODE                                       |                                | 510                      |               |               |
|--|--------------------------------|--------------------------|---------------|---------------|
|  |                                | INTERNAL<br>SERVICE FUND |               |               |
|  |                                | Actual Amount            | Actual Amount | Actual Amount |
| <b>Beginning Cash and Investments</b>              |                                |                          |               |               |
| 30810  | Beg Fund Bal-Reserved          | \$0.00                   | \$0.00        | \$0.00        |
| 30880  | Beg Fund Bal-Unreserved        | \$179,293.20             | \$0.00        | \$0.00        |
| 38880/58880  | Prior Period Adjustments, net  | \$0.00                   | \$0.00        | \$0.00        |
| <b>Operating Revenues</b>                          |                                |                          |               |               |
| 310  | Taxes                          | \$0.00                   | \$0.00        | \$0.00        |
| 320  | Licenses and Permits           | \$0.00                   | \$0.00        | \$0.00        |
| 330  | Intergovernmental Revenues     | \$1,000.00               | \$0.00        | \$0.00        |
| 340  | Charges for Goods and Services | \$0.00                   | \$0.00        | \$0.00        |
| 350  | Fines and Penalties            | \$0.00                   | \$0.00        | \$0.00        |
| 360  | Miscellaneous Revenues         | \$7,097.48               | \$0.00        | \$0.00        |
| <b>Total Operating Revenues:</b>                   |                                | \$8,097.48               | \$0.00        | \$0.00        |
| <b>Operating Expenditures:</b>                     |                                |                          |               |               |
| 510  | General Government             | \$0.00                   | \$0.00        | \$0.00        |
| 520  | Public Safety                  | \$0.00                   | \$0.00        | \$0.00        |
| 530  | Utilities                      | \$0.00                   | \$0.00        | \$0.00        |
| 540  | Transportation                 | \$0.00                   | \$0.00        | \$0.00        |
| 550  | Economic Environment           | \$0.00                   | \$0.00        | \$0.00        |
| 560  | Social Services                | \$0.00                   | \$0.00        | \$0.00        |
| 570  | Culture And Recreation         | \$0.00                   | \$0.00        | \$0.00        |
| 598  | Intergovernmental Payments     | \$0.00                   | \$0.00        | \$0.00        |
| <b>Total Operating Expenditures:</b>               |                                | \$0.00                   | \$0.00        | \$0.00        |
| <b>Net Operating Increase (Decrease):</b>          |                                | \$8,097.48               | \$0.00        | \$0.00        |
| <b>Nonoperating Revenues</b>                       |                                |                          |               |               |
| 370,380,395,398                                    | Other Financing Sources        | \$0.00                   | \$0.00        | \$0.00        |
| 391-393  | Debt Proceeds                  | \$0.00                   | \$0.00        | \$0.00        |
| 397  | Transfers-In                   | \$144,585.00             | \$0.00        | \$0.00        |
| <b>Total Nonoperating Revenues:</b>                |                                | \$144,585.00             | \$0.00        | \$0.00        |
| <b>Nonoperating Expenditures</b>                   |                                |                          |               |               |
| 580,596,599  | Other Financing Uses           | \$0.00                   | \$0.00        | \$0.00        |
| 591-593  | Debt Service                   | \$0.00                   | \$0.00        | \$0.00        |
| 594-595  | Capital Expenditures           | \$36,216.34              | \$0.00        | \$0.00        |
| 597  | Transfers-Out                  | \$0.00                   | \$0.00        | \$0.00        |
| <b>Total Nonoperating Expenditures:</b>            |                                | \$36,216.34              | \$0.00        | \$0.00        |
| <b>Increase (Decrease in Cash and Investments)</b> |                                | \$116,466.14             | \$0.00        | \$0.00        |
| <b>Ending Cash and Investments</b>                 |                                |                          |               |               |
| 50810  | End Fund Bal-Reserved          | \$15,366.00              | \$0.00        | \$0.00        |
| 50880  | End Fund Balance-Unreserved    | \$280,393.34             | \$0.00        | \$0.00        |

1/ This column summarizes ALL reported funds, not just funds listed on this page  
 The Accompanying Notes Are An Integral Part Of This Statement.

City of Black Diamond

FIDUCIARY FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2014

| BARS Code                                   |                               | Total for     | 631                   | 632                  | 633                    | 634                         | 635                     |
|---|-------------------------------|---------------|-----------------------|----------------------|------------------------|-----------------------------|-------------------------|
|   |                               | New Fund      | PAYROLL CLEARING FUND | CLAIMS CLEARING FUND | TREASURER'S TRUST FUND | TREASURER'S TRUST-RETAINAGE | TREASURER'S TRUST-COURT |
| 308   | Beginning Cash and            | \$53,141.96   | \$362.24              | \$7,834.89           | \$8,461.15             | \$33,544.93                 | \$2,938.75              |
| 388 and 588                                 | Prior Period Adjustments, net | \$0.00        | \$0.00                | \$0.00               | \$0.00                 | \$0.00                      | \$0.00                  |
| 310-360                                     | Revenues                      | \$25.12       | \$0.00                | \$0.00               | \$0.00                 | \$25.12                     | \$0.00                  |
| 380-390                                     | Other Increases and Financing | \$502,084.77  | \$0.00                | \$0.00               | \$266,027.60           | \$857.63                    | \$235,199.54            |
| 510-570                                     | Expenditures                  | \$0.00        | \$0.00                | \$0.00               | \$0.00                 | \$0.00                      | \$0.00                  |
| 580-590                                     | Other Decreases and Financing | \$516,410.94  | \$0.00                | \$0.00               | \$266,919.19           | \$11,670.81                 | \$237,820.94            |
| Increase (Decrease) in Cash and Investments |                               | (\$14,301.05) | \$0.00                | \$0.00               | (\$891.59)             | (\$10,788.06)               | (\$2,621.40)            |
| 508   | Ending Cash and Investments   | \$38,840.91   | \$362.24              | \$7,834.89           | \$7,569.56             | \$22,756.87                 | \$317.35                |

1/ This column summarizes ALL reported funds, not just funds listed on this page

The Accompanying Notes Are An Integral Part Of This Statement.

City of Black Diamond

SCHEDULE OF DISBURSEMENT ACTIVITY

For the Year Ending December 31, 2014

| Fund No.     | Fund Title                  | Beginning Outstanding Items<br>01/01/2014 | Issued During the Year | Redeemed During the Year | Canceled During the Year | Ending Outstanding Items<br>12/31/2014 | Prior Year Open Period Items | Current Year Open Period Items | Disbursements<br>12/31/2014 |
|--------------|-----------------------------|---|------------------------|--------------------------|--------------------------|--|------------------------------|--------------------------------|-----------------------------|
| 001          | CURRENT EXPENSE FUND        | \$267,414                                 | \$4,703,722            | \$4,723,763              | \$0                      | \$247,373                              | \$0                          | \$0                            | \$4,703,722                 |
| 101          | CITY STREET FUND            | \$14,335                                  | \$208,634              | \$215,375                | \$0                      | \$7,594                                | \$0                          | \$0                            | \$208,634                   |
| 310          | CIP FUND GENERAL GOVERNMENT | \$12,843                                  | \$120,428              | \$98,781                 | \$0                      | \$34,489                               | \$0                          | \$0                            | \$120,428                   |
| 320          | CIP FUND-STREETS            | \$14,990                                  | \$345,767              | \$347,973                | \$0                      | \$12,783                               | \$0                          | \$0                            | \$345,767                   |
| 401          | WATER FUND                  | \$53,719                                  | \$725,815              | \$763,384                | \$0                      | \$16,150                               | \$0                          | \$0                            | \$725,815                   |
| 407          | SEWER FUND                  | \$15,221                                  | \$778,645              | \$786,351                | \$0                      | \$7,515                                | \$0                          | \$0                            | \$778,645                   |
| 410          | STORMWATER FUND             | \$29,008                                  | \$280,879              | \$282,366                | \$0                      | \$27,522                               | \$0                          | \$0                            | \$280,879                   |
| 510          | INTERNAL SERVICE FUND       | \$0                                       | \$36,216               | \$20,178                 | \$0                      | \$16,039                               | \$0                          | \$0                            | \$36,216                    |
| 631          | PAYROLL CLEARING FUND       | \$362                                     | \$0                    | \$0                      | \$0                      | \$362                                  | \$0                          | \$0                            | \$0                         |
| 632          | CLAIMS CLEARING FUND        | \$7,835                                   | \$0                    | \$0                      | \$0                      | \$7,835                                | \$0                          | \$0                            | \$0                         |
| 633          | TREASURER'S TRUST FUND      | \$65,588                                  | \$267,041              | \$323,923                | \$0                      | \$8,705                                | \$0                          | \$0                            | \$267,041                   |
| 634          | TREASURER'S TRUST-RETAINAGE | \$0                                       | \$11,671               | \$11,671                 | \$0                      | \$0                                    | \$0                          | \$0                            | \$11,671                    |
| 635          | TREASURER'S TRUST-COURT     | \$0                                       | \$237,821              | \$237,821                | \$0                      | \$0                                    | \$0                          | \$0                            | \$237,821                   |
| <b>TOTAL</b> |                             | <b>\$481,315</b>                          | <b>\$7,716,638</b>     | <b>\$7,811,586</b>       | <b>\$0</b>               | <b>\$386,367</b>                       | <b>\$0</b>                   | <b>\$0</b>                     | <b>\$7,716,638</b>          |

**City of Black Diamond  
Schedule of Liabilities  
For the Year Ended December 31, 2014**

**Schedule 9**

| ID. No. | Description            | Maturity/Payment<br>Due Date | Beginning Balance<br>01/01/2014 | Additions | Reductions | BARS Code for<br>Redemption of<br>Debt Only | Ending Balance<br>12/31/2014 |
|---------|------------------------|------------------------------|---------------------------------|-----------|------------|---|------------------------------|
| 259.11  | Compensated Absences   | As of 12/31/2014             | \$215,868                       |           | \$1,088    |   | \$214,780                    |
| 263.82  | 1995 PWFT Loan 595 791 | 1/1/2015                     | \$21,300                        |           | \$10,650   | 58234                                       | \$10,650                     |
| 263.82  | Water Purchase 2005    | 1/1/2024                     | \$3,250,377                     |           | \$295,488  | 58234                                       | \$2,954,889                  |
| 263.82  | Corrosion Control 2006 | 1/1/2022                     | \$101,250                       |           | \$11,250   | 58234                                       | \$90,000                     |
| 259.11  | Compensated Absences   |                              | \$22,215                        |           | \$2,480    |   | \$19,735                     |
| 259.11  | Compensated Absences   |                              | \$24,050                        |           | \$4,094    |   | \$19,956                     |
| 259.11  | Compensated Absences   |                              | \$24,066                        |           | \$5,537    |   | \$18,529                     |

City of Black Diamond

SCHEDULE OF CASH ACTIVITY

MCAG NO. 0379

For the Year Ended December 31, 2014

| Fund Number  | Fund Title                  | Beginning Cash and Investments | Receipts              | Transfers-In        | Other Revenue       | Netted Transactions |
|--------------|-----------------------------|--------------------------------|-----------------------|---------------------|---------------------|---------------------|
| 001          | CURRENT EXPENSE FUND        | \$943,327.44                   | \$4,651,629.51        | \$0.00              | \$218,475.62        | \$10,657.21         |
| 101          | CITY STREET FUND            | \$186,951.79                   | \$114,681.31          | \$50,000.00         | \$7,155.55          | \$118.47            |
| 107          | IMPACT MITIGATION FEE FUND  | \$10,366.05                    | \$18,616.24           | \$0.00              | \$0.00              | \$0.00              |
| 310          | CIP FUND GENERAL GOVERNMENT | \$509,526.20                   | \$89,888.42           | \$15,000.00         | \$185.35            | \$25.00             |
| 320          | CIP FUND-STREETS            | \$436,600.06                   | \$355,612.47          | \$0.00              | \$185.35            | \$150.00            |
| 401          | WATER FUND SEWER FUND       | \$626,999.83                   | \$907,464.01          | \$0.00              | \$1,067.10          | \$4,802.45          |
| 407          | STORMWATER FUND             | \$1,027,539.80                 | \$740,040.51          | \$0.00              | \$57,449.25         | \$3,416.90          |
| 410          | INTERNAL SERVICE FUND       | \$81,656.49                    | \$354,748.67          | \$60,000.00         | \$533.55            | \$843.00            |
| 510          | PAYROLL CLEARING FUND       | \$179,293.20                   | \$8,097.48            | \$144,585.00        | \$0.00              | \$0.00              |
| 631          | CLAIMS CLEARING FUND        | \$362.24                       | \$0.00                | \$0.00              | \$0.00              | \$0.00              |
| 632          | TREASURER'S TRUST FUND      | \$7,834.89                     | \$0.00                | \$0.00              | \$0.00              | \$0.00              |
| 633          | TREASURER'S TRUST-RETAINAGE | \$8,461.15                     | \$95,958.10           | \$0.00              | \$170,191.00        | \$121.50            |
| 634          | TREASURER'S TRUST-COURT     | \$33,544.93                    | \$882.75              | \$0.00              | \$0.00              | \$0.00              |
| 635          |                             | \$2,938.75                     | \$235,199.54          | \$0.00              | \$0.00              | \$0.00              |
| <b>TOTAL</b> |                             | <b>\$4,055,402.82</b>          | <b>\$7,572,819.01</b> | <b>\$269,585.00</b> | <b>\$455,242.77</b> | <b>\$20,134.53</b>  |

MCAG NO. 0379

City of Black Diamond

SCHEDULE OF CASH ACTIVITY

For the Year Ended December 31, 2014

| Total Increase (4+5+6-7) | Disbursements         | Transfers-Out       | Other Expenditures  | Total Decrease (9+10+11-7) | Ending Cash & Investments (3+8-12) |
|--------------------------|-----------------------|---------------------|---------------------|----------------------------|------------------------------------|
| \$4,859,447.92           | \$4,703,721.82        | \$0.00              | \$77,083.74         | \$4,770,148.35             | \$1,032,627.01                     |
| \$171,718.39             | \$208,633.79          | \$10,000.00         | (\$13,434.54)       | \$205,080.78               | \$153,589.40                       |
| \$18,616.24              | \$0.00                | \$15,366.00         | \$0.00              | \$15,366.00                | \$13,616.29                        |
| \$105,048.77             | \$120,427.84          | \$89,219.00         | \$17,245.50         | \$226,867.34               | \$387,707.63                       |
| \$355,647.82             | \$345,766.50          | \$110,000.00        | \$40,398.77         | \$496,015.27               | \$296,232.61                       |
| \$903,728.66             | \$725,814.84          | \$15,000.00         | \$145,464.88        | \$881,477.27               | \$649,251.22                       |
| \$794,072.86             | \$778,645.18          | \$15,000.00         | \$98,450.72         | \$888,679.00               | \$932,933.66                       |
| \$414,439.22             | \$280,879.49          | \$15,000.00         | \$90,033.70         | \$385,070.19               | \$111,025.52                       |
| \$152,682.48             | \$36,216.34           | \$0.00              | \$0.00              | \$36,216.34                | \$295,759.34                       |
| \$0.00                   | \$0.00                | \$0.00              | \$0.00              | \$0.00                     | \$362.24                           |
| \$0.00                   | \$0.00                | \$0.00              | \$0.00              | \$0.00                     | \$7,834.89                         |
| \$266,027.60             | \$267,040.69          | \$0.00              | \$0.00              | \$266,919.19               | \$7,569.56                         |
| \$882.75                 | \$11,670.81           | \$0.00              | \$0.00              | \$11,670.81                | \$22,756.87                        |
| \$235,199.54             | \$237,820.94          | \$0.00              | \$0.00              | \$237,820.94               | \$317.35                           |
| <b>\$8,277,512.25</b>    | <b>\$7,716,638.24</b> | <b>\$269,585.00</b> | <b>\$455,242.77</b> | <b>\$8,421,331.48</b>      | <b>\$3,911,583.59</b>              |

| CITY OF BLACK DIAMOND                  | Schedule 15-State                      | WASHINGTON STATE GRANT AWARDS |         | 2014 |
|--|--|-------------------------------|---------|------|
| Grantor                                | Program Title                          | Identification Number         | Amount  |      |
| Department of Ecology                  | Phase II Stormwater Pass-Through Grant | G1400243                      | 39,472  |      |
| State Department of Transportation-TIB | Lawson Street Sidewalk-Phase 1         | P-P-800(P05)-1                | 284,640 |      |
| State Department of Transportation-TIB | Roberts Drive-Engineering              | G1200433                      | 9,314   |      |
| State Department of Transportation-TIB | SE 288th Street Overlay                | 2-P-800(003)-1                | 7025    |      |
| Department of Conservation             | Comp Plan Update                       | G1463200-005                  | 9000    |      |
|  |  |                               |         |      |

| CITY OF BLACK DIAMOND |                     | SCHEDULE 16: FEDERAL GRANT AWARDS        |                                     |                              | 2014    |              |  |
|-----------------------|---------------------|--|-------------------------------------|------------------------------|---------|--------------|--|
| CFDA #                | Federal Agency Name | Federal Program Name                     | Pass-Through Agency Name            | Other Award I.D. Number ARRA | Total   | Footnote Ref |  |
| 16.607                | US Dept of Justice  | Bulletproof Vest Partnership             | WA State Patrol                     | OMB #1121-0235               | 1855.11 | 1            |  |
| 20.601                | NHTSA , DOT         | Alcohol Impaired Driving Countermeasures | WA Traffic Safety Commission        |                              | 1503.96 | 1            |  |
| 20.602                | NHTSA , DOT         | Occupant Protection Incentive            | WA Traffic Safety Commission        |                              | 624.56  | 1            |  |
| 20.600                | NHTSA , DOT         | State and Community Highway Safety       | WA Assoc Sheriffs and Police Chiefs |                              | 1525.58 | 1            |  |

CITY OF BLACK DIAMOND WASHINGTON

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2014**

NOTE 1 - BASIS OF ACCOUNTING

This schedule is prepared on the same basis of accounting as the City financial statements. The City uses the Cash Basis of Accounting.

NOTE 2 - PROGRAM COSTS

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

NOTE 3 - REVOLVING LOAN - PROGRAM INCOME

The City has a revolving loan program for low income housing renovation. Under this federal program, repayments to the City are considered program revenues (income) and loans of such funds to eligible recipients are considered expenditures. The amount of loan funds disbursed to program participants for the year was \$ \_\_\_\_\_ and is presented in this schedule. The amount of principal and interest received in loan repayments for the year was \$ \_\_\_\_\_.

NOTE 4 - FEDERAL LOANS

(a) The City was approved by the USDA Rural Utilities Service to receive a loan totaling \$ \_\_\_\_\_ to build a sewer treatment plant.

(b) The City was approved by the EPA and the PWB to receive a loan totaling \$ \_\_\_\_\_ to improve its drinking water system.

The amount listed for each loan includes the proceeds received during the year and the outstanding loan balance from prior years. Both the current and prior year loans are also reported on the City Schedule of Long-Term Liabilities.

NOTE 5 - NONCASH AWARDS - VACCINATIONS

The amount of (vaccine/dental items/commodities/surplus property/etc.) reported on the schedule is the value of (vaccine/dental items/commodities/surplus property/etc.) received by the City during current year and priced as prescribed by \_\_\_\_\_.

NOTE 6 - NONCASH AWARDS - EQUIPMENT

The City received equipment and supplies that were purchased with federal Homeland Security funds by the state of Washington. The amount reported on the schedule is the value of the property on the date it was received by the City and priced by the state of Washington.

NOTE 7 - INDIRECT COST RATE

The amount expended includes \$ \_\_\_\_\_ claimed as an indirect cost recovery using an approved indirect cost rate of \_\_\_\_\_ percent.

NOTE 8 - AMOUNTS AWARDED TO SUBRECIPIENTS

Included in the total amount expended for this program is \$ \_\_\_\_\_ that was passed through to a subrecipient that administered its own project.

NOTE 9 - AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) of 2009

Expenditures for this program were funded by ARRA.

**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: Summit Law Group   |
| Name of consultant: Various Partners & Staff   |
| Business address: 315 5 <sup>th</sup> Avenue S, Suite 1000<br>Seattle, WA 98104-2682   |
| Amount paid to consultant during fiscal year: \$46,270.34  |
| Terms and conditions, as applicable, including: Hourly Billing, Billed Monthly as needed.<br><br>Rates (e.g., hourly, etc.) Various with standard partner rate of \$225.00/Hr.<br><br>Maximum compensation allowed N/A<br><br>Duration of services: Hourly<br><br>Services provided: Collective Bargaining Contract Negotiation, Terminated Employee Complaint |

**LOCAL GOVERNMENT RISK-ASSUMPTION  
For the Year Ended December 31, 2014**

Program Manager: Brenda Martinez

Address: PO Box 599  
Black Diamond, WA 98050

Phone: (360) 886-5700

Email: bmartinez@ci.blackdiamond.wa.us