

ANNUAL REPORT

PORT OF KLICKITAT

1741
MCAG No.

Submitted pursuant to RCW 43.09.230

to the

STATE AUDITOR'S OFFICE

FOR THE FISCAL YEAR ENDED December 31, 2003

Certified correct this 4th day of March, 2004

to the best of my knowledge and belief:

NAME Vickie L. Drew

TITLE Administrative Assistant / Auditor

PREPARED BY Vickie L. Drew

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PORT OF KLICKITAT
COMPARATIVE STATEMENT OF REVENUES AND EXPENSES
ARISING FROM CASH TRANSACTIONS
For the Years Ended December 31, 2002 and 2003

	<u>12/31/2003</u>	<u>12/31/2002</u>
OPERATING REVENUES:		
Airport operations	\$ _____	\$ _____
Marina operations	_____	_____
Marine terminal operations	26,144	40,751
Property lease/rental operations	171,214	193,839
General and administrative	_____	_____
Other: Sale of water	22,665	16,214
Total Operating Revenues	<u>220,023</u>	<u>250,804</u>
OPERATING EXPENSES:		
General operations	_____	_____
Maintenance	83,199	74,994
General and administrative (781 + 783 - 785)	219,961	183,695
Other:	_____	_____
Total Operating Expenses	<u>303,160</u>	<u>258,689</u>
Income (Loss) from Operations	<u>(83,137)</u>	<u>(7,885)</u>
NONOPERATING REVENUES (EXPENSES):		
Interest income	25,124	24,148
Federal/state/local grants and contracts	608,616	206,746
Taxes levied for:		
General purposes (Note 3)	160,319	152,880
Debt service principal/interest (Note __)	_____	_____
Debt Proceeds - LTGO Bonds	1,100,000	_____
Sale of fixed assets	46,379	46,297
Purchase of fixed assets / Construction in progress	(1,479,895)	(458,862)
Principal paid on long-term debt	(90,546)	(54,900)
Interest paid on long-term debt	(55,484)	(14,710)
Election expense	0	0
Other nonoperating revenues (expenses) See attached Sch. 04A	(6,140)	32,124
Total Nonoperating Revenues (Expenses)	<u>308,373</u>	<u>(66,277)</u>
Net increase (decrease) in net cash and investments	<u>225,236</u>	<u>(74,162)</u>
Beginning balance of net cash and investments	<u>601,337</u>	<u>675,499</u>
ENDING BALANCE OF NET CASH AND INVESTMENTS	<u><u>\$826,573</u></u>	<u><u>\$601,337</u></u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

PORT OF KLICKITAT
Notes to Financial Statements
January 1, 2003 through December 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Port of Klickitat (the "Port"), was incorporated in 1945 and operates under the laws of the State of Washington applicable to public port districts.

1. **Reporting Entity** - The Port of Klickitat is a special purpose government entity which provides marine terminal, marina and industrial park facilities and services to the general public. Port operations are supported through a combination of user charges, ad valorem taxes levied for operations, capital improvements and debt service, and timber taxes.

The following is a summary of the more significant policies, including identification of those policies which result in material departures from generally accepted accounting principles.

2. **Basis of Accounting and Presentation** - The accounting records of the Port of Klickitat are maintained in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW. The Port uses the Budgeting, Accounting and Reporting System (BARS) for Proprietary-Type Districts (unclassified).

The accounts of the Port are maintained on the basis of funds. For reporting purposes, the activities of all the Port's funds are combined.

The Port uses the cash basis at accounting where revenues are recognized only when received and expenses are recognized when paid.

3. **Cash** - It is the Port's policy to invest all temporary cash surpluses. The amount is included on the statement of revenues and expenses arising from cash transactions as net cash and investments.

4. **Deposits** - The Port's deposits are covered by the Federal Deposit Insurance Corporation.

5. **Fixed Assets** - Major expenses for fixed assets, including capital leases and major repairs that increase useful lives, are recorded as expenses when purchased. There is no capitalization of fixed assets, nor allocation of depreciation expense. Inventory is expensed when purchased. Maintenance, repairs, and minor renewals are accounted for as expenses when paid. (Obligations under capital leases are disclosed in Note #4).

6. **Investments** - See Note (Investments Note #2)

7. **Compensated Absences** - Vacation pay may be accumulated to a maximum amount which is limited to the employee's amount of vacation hours accrued during a 24-month period, (which may not exceed 240 hours) and is payable upon separation or retirement.

Sick leave may accumulate up to 1,056 hours. Upon separation or retirement, employees do receive payment of unused sick leave up to a maximum of 120 hours.

Compensatory leave time may accumulate up to 80 hours per hourly employee, unless approved by both the employee and Port manager. The employee may elect to receive compensatory time off instead of cash payment for overtime pay (both are computed at 1.5 times the hours worked).

8. **Long-Term Debt** - See Note (Long-Term Debt and Capital Leases Note #4)

9. **Risk Management** - The Port of Klickitat is a member of the Washington Governmental Entity Pool (WGEP). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entity 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. 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 July 10, 1987, when two (2) counties and two (2) 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. The Pool now services cities, counties, health districts, port districts, water and irrigation districts, fire districts, mosquito and weed control districts, library districts, air pollution districts, area on aging, regional mental health support networks, cemetery, park & recreation and conservation districts.

The Pool allows members to jointly purchase excess insurance coverage, share in the self-insured retention, establish a plan for total self-insurance, and provide excellent risk management services and other related services. The Pool provides "occurrence" policies for all lines of liability coverage including Public Official's Liability. The Property coverage is written on an "all risk" basis, blanket form using current Statement of Values. The Property coverage includes mobile equipment, electronic data processing equipment, valuable papers, building ordinance coverage, property in transit, extra expense, consequential loss, accounts receivable, fine arts, inventory or appraisal cost, automobile physical damage to insured vehicles. Boiler and machinery coverage is included on a blanket limit of \$50 million for all members. The Pool offers employee dishonesty coverage up to a liability limit of \$1,000,000.

Members make an annual contribution to fund the Pool. The Pool acquires insurance from unrelated underwriters that are subject to a "per occurrence" \$250,000 deductible on liability loss, \$25,000 deductible on property loss, and \$2,500 deductible on boiler and machinery loss. The member is responsible for the first \$1,000 of the deductible amount of each claim, while the Pool is responsible for the remaining \$249,000 on liability losses, \$24,000 on property loss, \$1,500 on boiler and machinery loss. Insurance carriers cover all losses over the deductibles as shown to the policy maximum limits. Since the Pool is a cooperative program, there is a joint liability among the participating members.

The contract requires members to remain in the pool for a minimum of three (3) years and must give notice 60 days before terminating participation. Members joining after October 2000 join the pool with one (1) full fiscal year commitment and must give notice six (6) months before terminating participation. The Interlocal Governmental Agreement is renewed automatically each year after the initial three (3) year period. Even after termination, a member is still responsible for contribution 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 the Washington Governmental Entity Pool, and are administered in house.

A Board of Directors consisting of seven (7) board members governs the Pool. Its members elect the Board and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for conducting the business affairs of the Pool.

Due to the extremely low risk factor, the Port elected to purchase named position bonds for all employees having bank signatory authority, rather than a dishonesty blanket bond. The Port experienced no claims in 2003, and anticipates none in 2004.

NOTE 2 - INVESTMENTS

1. **Investments** - The Port's investments are either insured, registered or held by the Port or its agent in the Port's name.

Investments by type at December 31, 2003 are as follows:

<u>Type of Investment</u>	<u>Balance</u>
Local Governmental Investment Pool (L.G.I.P.)	
L.G.I.P. - General	\$ 339,931
L.G.I.P. - '70 Bond (Defeased) Reserve Fund	\$ 27,920
L.G.I.P. - Security Deposits-Property Rentals	\$ 5,069
L.G.I.P. - '03 LTGO Bond Investment	\$ 383,000

2. Derivatives and Similar Transactions - The Port held no derivatives or similar transactions.

NOTE 3 - PROPERTY TAXES

The county Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed at the end of each month. Property tax revenues are recognized when cash is received by the Port. Delinquent taxes are considered fully collectible because a lien affixes to the property when taxes are levied. The Port's regular levy for 2003 was \$0.233121370 per \$1,000 on an assessed valuation of \$674,579,930 for a total regular levy of \$157,259.

NOTE 4 - LONG-TERM DEBT AND CAPITAL LEASES

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the Port and summarizes the Port's debt transactions for 2003. More detailed listings of long-term debt are attached as Exhibits "A" and "B". The debt service requirements, including interest (and capital lease payments) are as follows:

	<u>G.O. Bonds</u>	<u>Other Debt</u>	<u>Total Debt</u>
2004	91,523	41,128	132,651
2005	90,643	58,671	149,314
2006	89,593	58,671	148,264
2007	88,333	58,671	147,004
2008	91,833	58,671	150,553
Thereafter	<u>1,250,594</u>	<u>529,463</u>	<u>1,780,058</u>
TOTALS	\$1,702,569	\$ 805,275	\$2,507,844

As of December 31, 2003 the Klickitat County Treasurer was holding \$27,920 in a 1970 Bond Reserve Fund-Cash (of which the bonds have been defeased). These funds are expected to fund the redemption of the 1970 bonds which have been called.

1970 (Defeased) Revenue Bonds

Balance 12/31/02	\$ 15,000.00
Redeemed in 2003	< 0.00
Balance 12/31/03	\$ 15,000.00

Limited-Tax General Obligation Bonds

	<u>Outstanding</u>
2003 <u>Bingen Point Bldg 1D</u> , \$1,100,000	\$1,070,000
1.5 - 5.5%, Variable interest semi-annually and variable principal annually to 2022	

SHORT TERM DEBT

As of December 31, 2003 the Port held no short-term debt.

NOTE 5 - CONSTRUCTION IN PROGRESS

Below are actual expenditures and approximated project completion costs (for the next five (5) years) associated with Construction in Progress projects. Financing for the completion of the projects will be secured via loans, grants or obtained from operational income.

Project	Projected Budget	Funds Expended 12/1-31/03	Funds Still Committed	Required Future Financing
Bingen Point Development	75,295	68,710	6,585	307,000
Bingen Point Building 1D	2,404,712	1,383,812	1,020,900	0
DIP Infrastructure Eng/Const	72,403	20,171	52,232	2,422,500
Totals	\$2,552,410	\$1,472,693	\$1,079,717	\$2,729,500

NOTE 6 - PENSION PLANS

In 1995, the Port Commission authorized participation for the Port's present eligible employees to enter into the Public Employees Retirement System. At that time, the Port elected to pay PERS the employer's portion of prior service credits for Port employees (amounting to \$11,454) at an installment rate over 15 years. One employee did not satisfy his employee's portion of his prior service credits prior to separating, so the Port is servicing his expense of \$3,995.01 at an installment rate over 15 years. The adjusted monthly payment due is \$91.98 and the outstanding balance on December 31, 2003 was \$7,476.63.

Substantially all Port of Klickitat full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. The Department of Retirement System (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380. The following disclosures are made pursuant to GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*.

Public Employees' Retirement System (PERS) Plans 1 and 2

Plan Description

PERS is a cost-sharing multiple-employer retirement system. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges in a judicial retirement system); employees of legislative committees; college and university employees (not in national higher education retirement programs); judges of district and municipal courts; and employees of local governments. The PERS system includes two defined benefit pension plans. Participants who joined the system by September 30, 1977, are Plan 1 members. Those joining thereafter are enrolled in Plan 2. Retirement benefits are financed from employee and employer contributions and investment earnings. Retirement benefits in both Plan 1 and Plan

2 are vested after completion of five years of eligible service. Retirement benefit provisions are established in state statute and may be amended only by the state legislature.

Plan 1 members are eligible for retirement at any age after 30 years of service, or at age 60 with five years of service, or at age 55 with 25 years of service. The annual pension is two percent of the average final compensation per year of service, capped at 60 percent. The average final compensation is based on the greatest compensation during any 24 eligible consecutive compensation months. If qualified, after reaching age 66 a cost-of-living allowance is granted based on years of service credit and is capped at three percent annually.

Plan 2 members may retire at age 65 with five years of service, or at age 55 with 20 years of service, with an allowance of two percent per year of service of the average final compensation. Plan 2 retirements prior to 65 receive reduced benefits. If retirement is at age 55 with 30 years of service, a 3 percent per year reduction applies, otherwise an actuarial reduction will apply. There is no cap on years of service credit and a cost-of-living allowance is granted, capped at three percent annually.

There are 1,177 participating employers in PERS. Membership in PERS consisted of the following at December 31, 2000:

Retirees and Beneficiaries Receiving Benefits	61,088
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	17,314
Active Plan Members Vested	98,018
Active Plan Members Nonvested	54,243
Total	230,663

Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates and Plan 2 employer and employee contribution rates. Employee contribution rates for Plan 1 are established by statute at six percent and do not vary from year to year. The employer and employee contribution rates for Plan 2 are set by the director of the Department of Retirement Systems based on recommendation by the Office of the State Actuary to continue to fully fund the plan. All employers are required to contribute at the level established by state law. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current year covered payroll, as of December 31, 2001, were:

	PERS Plan 1	PERS Plan 2
Employer	1.40% *	1.40% *
Employee	6.00%	1.18%

* The employer rates include the employer administrative expense fee currently set at 0.22%.

Both the Port of Klickitat and the employees made the required contributions. The Port's required contributions for the years ending December 31 were:

	PERS Plan 1	PERS Plan 2
2003	\$ 0	\$1,589.58
2002	\$ 0	\$ 1,500.93
2001	\$ 0	\$ 3,350.57

NOTE 7 - CONTINGENCIES AND LITIGATIONS

In the opinion of management, the Port's insurance policies are adequate to pay all known or pending claims.

In various years, the Port participates in a number of federal-and state-assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. Port management believes that such disallowances, if any, will be immaterial.

The Port's employee's share of their PERS prior service credits was \$3,769.62 as of December 31, 2003, which is addressed in Note 6 - Pension Plans.

NOTE 8 - OTHER DISCLOSURES

The Port executed a building/property sale September 18, 1997, in the amount of \$352,767. which granted a Real Estate Contract in the amount of \$309,319. requiring monthly payments of \$5,000 for principal and interest beginning October 1, 1997, at a rate of 10% interest. The contract balance as of December 31, 2003 was \$64,492. The principal balance will be due in full on October 1, 2004.

DETAIL OF REVENUES AND OTHER SOURCES

For Year Ended December 31, 2003

BARS Revenue Account No.	Description	Actual Revenues
631.10	Marine Terminal Dockage	\$5,075
631.20	Marine Terminal Wharfage	21,069
631	TOTAL MARINE TERMINAL	\$26,144
640.81	Sale of Water	\$22,665
	TOTAL SALE OF WATER	\$22,665
664/665	Property Rentals	\$171,214
671.90	Debt Proceeds - LTGO Bonds	1,100,000
673.10	Sale of Fixed Assets	46,379
693.07	Operating Grants - Local (BPT)	500,000
693.10	Operating Grants - Federal (BPT)	55,600
693.20	Operating Grants - State (BPT)	53,016
	See Schedules 16	
699.10	Non-Operating Interest Income	25,124
699.20	Ad Valorem Tax	160,319
699.30	Non-Operating Income - Misc. Taxes	65,746
699.90	Non-Operating Income - Misc. Income *	12,085
	TOTAL REVENUES	\$2,238,292
	Rounding Adj. + \$1.00	

DETAIL OF REVENUES AND OTHER SOURCES

For Year Ended December 31, 2003

BARS Revenue Account No.	Description	Actual Revenues
699.30	Non-Operating Income - Misc. Taxes	\$65,746
699.90	Non-Operating Income - Misc.	12,085
	TOTAL NON-OPERATING REVENUES	\$77,831
799.90	Non-Operating Expenses - Misc.	\$83,971
	TOTAL NON-OPERATING EXPENSES	\$83,971
	TOTAL NON-OPERATING REVENUES	
	(EXPENSES)	(6,140)

DETAIL OF EXPENSES AND OTHER USES

For Year Ended December 31, 2003

BARS Expense Account No.	Description	Actual Expenses
720.00	Marina Expenditures	\$3,738
740/743	Water System Expenditures	9,955
763.00	Maintenance Expenditures	69,506
	TOTAL MAINTENANCE EXPENSES	\$83,199
771.10	Debt Redemption - LTGO Bonds	\$30,000
771.20	Debt Redemption - Revenue Bonds	40,000
771.60	Debt Redemption - Intergovernmental Loans	20,546
	TOTAL PRINCIPAL/LONG-TERM DEBT	\$90,546
773.00	Purchase of Fixed Assets	\$15,879
773.70	Construction In Progress	1,464,016
	TOTAL PURCHASE OF FIXED ASSETS	\$1,479,895
781.00	General & Administrative Expenses	\$219,961
799.90	Non-Operating Expenses - Misc. *	83,971
799.91	Non-Operating Expenses - Interest	55,484
799.92	Non-Operating Expenses - Election	
700.00	TOTAL EXPENSES	\$2,013,056
	Rounding Adj. + \$1.00	

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2003

1 Grantor/ Pass-Through Grantor/ Program Title	2 CFDA Number	3 Other Identification Number	4 Current Year Expenses
USFS - B.Pt. Master Plan	10.67	WANW-99-001	\$5,600
USFS - B.Pt. Bldg. 1D		WANW-02-016	50,000
			\$55,600

SCHEDULE OF STATE AND LOCAL FINANCIAL ASSISTANCE

For Year Ended December 31, 2003

1	2	3
Grantor/Program Title	Identification Number	Current Year Expenses
Klickitat Co. B.Pt. Bldg. 1D	Resolution # 02303	\$500,000
IAC - Bingen Marina Dev. Project	00-1597-D	3,016
OTED - B.Pt. Bldg. 1D	F02-7600-488	50,000
TOTAL RECEIPTS		\$553,016
TOTAL EXPENDITURES		553,016
TOTAL UNEXPENDED FUNDS		\$0

PORT OF KLICKITAT
NOTES TO THE SCHEDULE OF STATE/LOCAL FINANCIAL ASSISTANCE
January 1, 2002 through December 31, 2002

NOTE 1 - BASIS OF ACCOUNTING

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

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenses represent only state/local grant portion of the program costs. Entire program costs, including the Port of Klickitat's portion, may be more than shown.

MCAG NO. 1741

PORT OF KLICKITAT

Schedule 19

SCHEDULE OF LABOR RELATIONS CONSULTANT(S)

For Year Ended December 31, 2003

Has your government engaged labor relations consultants? ___ Yes X No

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

Name Of Firm
Name Of Consultant
Business Address
Amount Paid To Consultant During Fiscal Year
Terms And Conditions, As Applicable, Including: <u>Rates (e.g., Hourly, etc.)</u> <u>Maximum Compensation Allowed</u> <u>Duration Of Services</u> <u>Services Provided</u>

Certified Correct this <u>4th</u> day of <u>March</u> , 2004 to the best of my knowledge and belief:
Signature <u>Vickie L. Drew</u>
Name <u>Vickie L. Drew</u>
Title <u>Administrative Assistant / Auditor</u>

PORT OF KLICKITAT
LONG-TERM DEBT

	Principal Payment	Interest Payment	Total Debt Pmts	Year End Bal. Due
2003				
'94 REV BONDS	40,000	2,200	42,200	0
'03 LTGO BONDS	30,000	43,310	73,310	1,070,000
CERB-Infra	5,124	3,408	8,531	80,067
CERB-SBDC	15,422	6,566	21,989	203,453
CERB-B.Pt. Bldg. 1B	0	0	0	353,606
	20,546	9,974	30,520	637,126
GRAND TOTALS	90,546	55,484	146,030	1,707,126
2004				
'03 LTGO BONDS	40,000	51,523	91,523	1,030,000
CERB-Infra	5,329	3,203	8,531	74,738
CERB-SBDC	15,885	6,104	21,989	187,568
CERB-B.Pt. Bldg. 1B	0	10,608	10,608	353,606
	21,214	19,915	41,128	615,912
GRAND TOTALS	61,214	71,438	132,651	1,645,912
2005				
'03 LTGO BONDS	40,000	50,643	90,643	990,000
CERB-Infra	5,542	2,990	8,531	69,196
CERB-SBDC	16,362	5,627	21,989	171,207
CERB-B.Pt. Bldg. 1B	17,543	10,608	28,151	336,063
	39,447	19,225	58,671	576,466
GRAND TOTALS	79,447	69,868	149,313	1,566,466
2006				
'03 LTGO BONDS	40,000	49,593	89,593	950,000
CERB-Infra	5,763	2,768	8,531	63,433
CERB-SBDC	16,853	5,136	21,989	154,354
CERB-B.Pt. Bldg. 1B	18,069	10,082	28,151	317,994
	40,685	17,986	58,671	535,781
GRAND TOTALS	80,685	67,578	148,263	1,485,781

EXHIBIT A

PORT OF KLICKITAT
LONG-TERM DEBT

	Principal Payment	Interest Payment	Total Debt Pmts	Year End Bal. Due
2007				
'03 LTGO BONDS	40,000	48,333	88,333	910,000
CERB-Infra	5,994	2,537	8,531	57,439
CERB-SBDC	17,358	4,631	21,989	136,996
CERB-B.Pt. Bldg. 1B	18,611	9,540	28,151	299,383
	41,963	16,708	58,671	493,818
2007				
GRAND TOTALS	81,963	65,040	147,003	1,403,818
2008				
'03 LTGO BONDS	45,000	46,883	91,883	865,000
CERB-Infra	6,234	2,298	8,531	51,205
CERB-SBDC	17,879	4,110	21,989	119,117
CERB-B.Pt. Bldg. 1B	19,169	8,982	28,151	280,214
	43,282	15,390	58,671	450,536
2008				
GRAND TOTALS	88,282	62,272	150,553	1,315,536
2009				
'03 LTGO BONDS	45,000	45,128	90,128	820,000
CERB-Infra	6,483	2,048	8,531	44,722
CERB-SBDC	18,415	3,574	21,989	100,702
CERB-B.Pt. Bldg. 1B	19,744	8,406	28,151	260,469
	44,642	14,028	58,671	405,893
2009				
GRAND TOTALS	89,642	59,156	148,798	1,225,893
2010				
'03 LTGO BONDS	45,000	43,238	88,238	775,000
CERB-Infra	6,742	1,789	8,531	37,980
CERB-SBDC	18,968	3,021	21,989	81,734
CERB-B.Pt. Bldg. 1B	20,337	7,814	28,151	240,133
	46,047	12,624	58,671	359,847
2010				
GRAND TOTALS	91,047	55,862	146,908	1,134,847

PORT OF KLIKKITAT
LONG-TERM DEBT

	Principal Payment	Interest Payment	Total Debt Pmts	Year End Bal. Due
2011	50,000	41,213	91,213	725,000
'03 LTGO BONDS				
CERB-Infra	7,012	1,519	8,531	30,968
CERB-SBDC	19,537	2,452	21,989	62,198
CERB-B.Pt. Bldg. 1B	20,947	7,204	28,151	219,186
	47,496	11,175	58,671	312,352
2011	97,496	52,387	149,883	1,037,352
GRAND TOTALS				
2012	50,000	38,838	88,838	675,000
'03 LTGO BONDS				
CERB-Infra	7,293	1,239	8,531	23,675
CERB-SBDC	20,123	1,866	21,989	42,075
CERB-B.Pt. Bldg. 1B	21,575	6,576	28,151	197,611
	48,991	9,681	58,671	263,361
2012	98,991	48,518	147,508	938,361
GRAND TOTALS				
2013	55,000	36,388	91,388	620,000
'03 LTGO BONDS				
CERB-Infra	7,584	947	8,531	16,091
CERB-SBDC	20,726	1,262	21,989	21,348
CERB-B.Pt. Bldg. 1B	22,223	5,928	28,151	175,388
	50,533	8,137	58,671	212,827
2013	105,533	44,525	150,058	832,827
GRAND TOTALS				
2014	55,000	33,500	88,500	565,000
'03 LTGO BONDS				
CERB-Infra	7,888	644	8,531	8,203
CERB-SBDC	21,348	640	21,989	0
CERB-B.Pt. Bldg. 1B	22,889	5,262	28,151	152,499
	52,125	6,546	58,671	160,702
2014	107,125	40,046	147,171	725,702
GRAND TOTALS				

**PORT OF KLIKITAT
LONG-TERM DEBT**

	Principal Payment	Interest Payment	Total Debt Pmts	Year End Bal. Due
2015	60,000	30,613	90,613	505,000
	8,203	328	8,531	0
	23,576	4,575	28,151	128,923
	31,779	4,903	36,682	128,923
2015	91,779	35,515	127,294	633,923
2016	60,000	27,463	87,463	445,000
	24,283	3,868	28,151	104,640
2016	84,283	31,330	115,613	549,640
2017	65,000	24,313	89,313	380,000
	25,012	3,139	28,151	79,628
2017	90,012	27,452	117,463	459,628
2018	70,000	20,900	90,900	310,000
	25,762	2,389	28,151	53,866
2018	95,762	23,289	119,051	363,866
2019	70,000	17,050	87,050	240,000
	26,535	1,616	28,151	27,331
2019	96,535	18,666	115,201	267,331
2020	75,000	13,200	88,200	165,000
	27,331	820	28,151	0
2020	102,331	14,020	116,351	165,000
2021	80,000	9,075	89,075	85,000
2021	80,000	9,075	89,075	85,000
2022	85,000	4,675	89,675	0
2022	85,000	4,675	89,675	0

PORT OF KLIICKITAT
LONG-TERM DEBT

	Principal Payment	Interest Payment	Total Debt Pmts	Year End Bal. Due
2003	90,546	55,484	146,030	1,707,126
2004	61,214	71,438	132,651	1,645,912
2005	79,447	69,868	149,313	1,566,466
2006	80,685	67,578	148,263	1,485,781
2007	81,963	65,040	147,003	1,403,818
2008	88,282	62,272	150,553	1,315,536
2009	89,642	59,156	148,798	1,225,893
2010	91,047	56,862	146,908	1,134,847
2011	97,496	52,387	149,883	1,037,352
2012	98,991	48,518	147,508	938,361
2013	105,533	44,525	150,058	832,827
2014	107,125	40,046	147,171	725,702
2015	91,779	35,515	127,294	633,923
2016	84,283	31,330	115,613	549,640
2017	90,012	27,452	117,463	459,628
2018	96,762	23,289	119,051	363,866
2019	96,535	18,666	115,201	267,331
2020	102,331	14,020	116,351	165,000
2021	80,000	9,075	89,075	85,000
2022	85,000	4,675	89,675	0

SUMMARY

TOTALS: YEARS 2002 THROUGH 2022 1,797,673 856,196 2,653,866

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**PORT OF KLICKITAT
LONG TERM DEBT PAYMENT SCHEDULE**

	'94 REV BONDS	CERB (Infra)	CERB (SBDC)	CERB (Bldg. 1B)	'03 LTGO Bonds	TOTAL
Original Balance	\$310,000	\$108,000	\$350,000	\$353,606	\$1,100,000	\$2,221,606
12/31/2003 Balance	\$0	\$80,067	\$203,453	\$353,606	\$1,070,000	\$1,707,126
	Princ. & Int.	Princ. & Int.	Princ. & Int.	Princ. & Int.	Princ. & Int.	
2004		\$8,531	\$21,989	\$10,608	\$91,523	\$132,651
2005		\$8,531	\$21,989	\$28,151	\$90,643	\$149,314
2006		\$8,531	\$21,989	\$28,151	\$89,593	\$148,264
2007		\$8,531	\$21,989	\$28,151	\$88,333	\$147,004
2008		\$8,531	\$21,989	\$28,151	\$91,883	\$150,554
2009		\$8,531	\$21,989	\$28,151	\$90,128	\$148,799
2010		\$8,531	\$21,989	\$28,151	\$88,238	\$146,909
2011		\$8,531	\$21,989	\$28,151	\$91,213	\$149,884
2012		\$8,531	\$21,989	\$28,151	\$88,838	\$147,509
2013		\$8,531	\$21,989	\$28,151	\$91,388	\$150,059
2014		\$8,531	\$21,989	\$28,151	\$88,500	\$147,171
2015		\$8,531		\$28,151	\$90,613	\$127,295
2016				\$28,151	\$87,463	\$115,614
2017				\$28,151	\$89,313	\$117,464
2018				\$28,151	\$90,900	\$119,051
2019				\$28,151	\$87,050	\$115,201
2020				\$28,151	\$88,200	\$116,351
2021				\$28,151	\$89,075	\$89,075
2022				\$28,151	\$89,675	\$89,675
TOTALS	\$0	\$102,372	\$241,879	\$461,024	\$1,702,563	\$2,507,838

EXHIBIT B