

**PORT OF LEWISTON**

**FINANCIAL STATEMENTS**

Years Ended June 30, 2015 and 2014

**PORT OF LEWISTON**

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## INDEPENDENT AUDITOR'S REPORT

Port Commissioners  
Port of Lewiston  
Lewiston, Idaho

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Port of Lewiston as of June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Port's basic financial statements, as listed in the table of contents

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Port of Lewiston as of June 30, 2015 and 2014, and the respective changes in financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Change in Accounting Principle***

The net position of the Port of Lewiston as of July 1, 2014, has been adjusted down by \$242,612 to reflect the Port of Lewiston's share of the net pension liability of the Public Employee's Retirement System of Idaho (PERSI). The Governmental Accounting Standards Board required entities to record this liability and reduce their net position as of July 1, 2014.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6-10 and 24-25, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Report on Summarized Comparative Information***

We have previously audited the Port of Lewiston's 2014 financial statements, and our report dated October 6, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Information***

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Port of Lewiston's basic financial statements. The details of expenses and details of capital assets are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The details of expenses and details of capital assets are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the details of expenses and details of capital assets are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 03, 2015, on our consideration of the Port of Lewiston's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port of Lewiston's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Presnell Gage, PLLC". The signature is written in a cursive, flowing style.

December 03, 2015

## PORT OF LEWISTON

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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Our discussion and analysis of the Port of Lewiston's financial performance provides an overview of the Port District's financial activities for the year ended June 30, 2015, and future economic considerations.

#### **Overview of the Financial Statements**

The Port's financial statements include two components: the Port's basic financial statements and the notes to the financial statements. This overview and analysis are intended to serve as an introduction to the Port's basic financial statements.

The financial position of the Port of Lewiston is strong. Current assets total \$4,635,638. A portion of cash assets will be utilized in the coming fiscal year to construct the initial buildout of the dark fiber optic network, infrastructure improvements at the Harry Wall Industrial Park, and design of a business incubator building. Additionally, the Port continues to show a positive Change in Net Position.

#### **Condensed Financial Position Information**

The statement of net position presents information concerning the Port's assets, liabilities, and net position. Net position is the difference between assets and liabilities. Increases or decreases in net position may indicate, over time, if either the financial position of the Port is improving or deteriorating.

The following condensed financial information provides an overview of the Port's financial position for the fiscal years ended June 30, 2015 and 2014:

	<u>Net Position</u>	
	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Total current assets	\$ 4,635,638	\$ 4,815,809
Capital assets	19,669,319	19,903,792
Noncurrent assets	15,000	15,000
Deferred outflows - defined benefit pension	51,705	
Total assets	<u>24,371,662</u>	<u>24,734,601</u>
<b>LIABILITIES AND NET POSITION</b>		
Total current liabilities	75,747	156,488
Total noncurrent liabilities	145,403	528,312
Deferred inflows – defined benefit pension	153,000	
Total liabilities	<u>374,150</u>	<u>684,800</u>
<b>TOTAL NET POSITION</b>	<u><b>\$ 23,997,512</b></u>	<u><b>\$ 24,049,801</b></u>

In 2015, the Port's Change in Net Position (synonymous to net income in the private sector) was a positive \$190,323. Nonetheless, the Port's total net position at end of year decreased \$52,289 (-0.2 percent) between fiscal years 2014 and 2015. This is after net position was decreased by \$242,612 at the beginning of the year implementing new governmental accounting standards to recognize the Port's share of PERSI's net pension liability. In 2014 and 2013, the total net position increased \$2.1 million and \$1.2 million, respectively. In 2015, total assets decreased \$362,939 (-1.5 percent), while total liabilities decreased \$310,650 (-45.4 percent). The Port Commission chose to pay off an outstanding bond in the amount of \$567,536 (\$545,641 principal and \$21,895 interest). Early pay off of the bond impacted 2015 total assets, but will realize significant interest savings over the life of the bond.

## PORT OF LEWISTON

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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The Port recognized a net pension liability of \$111,000 as a result of implementing new accounting pronouncements for pensions this year. PERSI reflects that the pensions are 95 percent funded, which is one of the best rates in the United States.

The Port had a \$401,917 operating loss during fiscal year 2015. The operating loss is principally due to depreciation expenses of \$413,806. However, the actual cash loss for Port operations in fiscal year 2015 was \$1,809. Depreciation expense is not a budgeted operating expense for the Port. The Port is a multidimensional economic development organization. For example, administrative labor expenses are not solely focused on operating revenues generated from rent and terminal operations. Administrative labor also supports economic development activities such as industrial land development and installing a dark fiber optic network in Lewiston.

#### **Summary of Operations and Changes in Net Position**

The statements of revenues, expenses, and changes in net position show how the Port's net position changed during the most recent fiscal year compared to the prior year. These changes are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, some revenues and expenses reported in this statement will only affect future periods' cash flows (e.g., uncollected revenues and earned but unused vacation leave).

The table below summarizes the fiscal years 2015 and 2014 change in net position:

	<u>2015</u>	<u>2014</u>
Revenues	\$ 1,802,716	\$ 3,920,900
Expenses	<u>1,612,393</u>	<u>1,767,160</u>
Change in net position	190,323	2,153,740
Net position, beginning	24,049,801	21,896,061
Change in accounting principle	<u>(242,612)</u>	
Net position, ending	<u>\$ 23,997,512</u>	<u>\$ 24,049,801</u>

The Port of Lewiston's operating revenue (see page 12) reflected a decrease of \$96,751 (-7.5 percent) from \$1,288,175 to \$1,191,424 in 2015. This decrease in operating revenue is primarily attributed to Terminal I (container yard) operations revenue declining 29 percent from \$435,727 to \$310,819 while container yard operating expenses decreased 21 percent. Total Port operating expenses were down 3.5 percent or \$87,669 largely due to decreases in property development expenses.

Other major revenue sources include Terminal II (warehouse) management operations revenue and building and property rental income. In 2015, Terminal II revenue rose slightly to \$306,481 and rental income increased \$31,023 from \$485,756 to \$516,779. For 2016, Terminal II and rental income are not expected to significantly change.

For a detailed breakdown of the Port's actual revenue and expenditures for fiscal year 2015 compared to the fiscal year 2015 budget, see "Budgetary Comparison Schedule" on page 25. The fiscal year 2015 Budgetary Comparison Schedule was a \$151,162 loss in net position. This loss was planned for by the Port Commission utilizing reserve funds to pay off of the \$567,536 REDIFIT bond early.

#### **Notes to the Basic Financial Statements**

The notes to the Port's basic financial statements can be found on pages 15-22 of this report. These notes provide additional information that is essential to a full understanding of the basic financial statements.

## PORT OF LEWISTON

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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#### **Capital Assets**

In 2015, the Port invested \$815,296 (\$179,333 capitalized and \$635,963 non-capitalized expense) in the Land Acquisition and Development (LA&D) Budget. This is compared to \$3,589,529 invested in 2014. Major capital projects in fiscal year 2015 included: Sanitary sewer line extension within the Harry Wall Industrial Park, a water line extension within the Business and Technology Park, early payoff on a \$567,536 REDIFIT bond and engineering design for a dark fiber optic network (approx. 14 miles of fiber cable).

The LA&D Budget is used to acquire and develop property for job creation and retention purposes. The Port strives to utilize property tax dollars for LA&D purposes. The investment of property tax revenue back into Nez Perce County provides for expansion of the tax base and diversification of the local economy.

#### **Long-Term Debt**

In FY-15, the Port Commission retired early the Rural Economic Development and Integrated Transportation (REDIFIT) loan with the Idaho Department of Agriculture in the amount of \$567,536 (\$545,641 principal and \$21,895 interest). The purpose of the loan was for assistance in funding the dock expansion.

***Net Pension Liability.*** The District recognized a net pension liability of \$111,000 for its share of PERSI's net pension liability. PERSI is one of the strongest retirement systems in the nation, with funding at 95 percent of the pension obligation. The District recognized deferred outflows of \$51,705 for payments made towards the net pension liability and deferred inflows of \$153,000 for the District's share of earnings in excess of the minimum expectation by PERSI.

#### **Economic Factors**

Steamship line service at the Port of Portland was suspended in April 2015 when Hapag-Lloyd and Hanjin steamship lines terminated service. This ended container on barge service on the Columbia/Snake River System. For years, management/labor relations at the Port of Portland have negatively impacted container yard operations/revenues at the Port of Lewiston. Due to poor productivity at the Port of Portland, steamship line service has diminished. Customers in the Portland area and inland ports are demanding that the Port of Portland recruit new steamship line service. We believe the Port of Portland will be successful in their efforts, but not until management / labor relations and productivity levels are improved. This is unlikely to happen in fiscal year 2016.

In December 2015, container on barge service resumed at the Port of Lewiston. The barge/rail transportation option moves containers from Tacoma, WA, to Boardman, OR, by rail. Containers are then transported by barge from Boardman to Lewiston. Pulse exporters have struggled to find adequate truck supply to get cargo to Puget Sound ports. This alternative will benefit regional exporters.

The Port of Lewiston is working in cooperation with the Port of Whitman County to extend dark fiber optic cable within the City of Lewiston and surrounding areas. Dark fiber development involves the installation of conduit and the fiber optic cable in a phased development plan. The fiber optic strands are then leased to internet service providers that "light" the cable. The Port completed a feasibility study in 2012 describing the proposed development plan. In the coming year, the Port plans to begin construction on the phased buildout of the fiber optic network. The Port Commission will utilize reserve funds to finance the construction of this portion of the network.

## PORT OF LEWISTON

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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#### **Economic Factors (Continued)**

All Port owned buildings available for lease are occupied and are expected to remain so in the coming year. Over the past six months, there are increased inquiries from businesses interested in locating in the Port's Business and Technology Park and the Harry Wall Industrial Park.

#### **Contacting the Port's Financial Management**

This financial report is intended to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the Port's finances and to demonstrate the Port's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Port of Lewiston, 1626 6th Avenue North, Lewiston, Idaho, 83501.

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**PORT OF LEWISTON**

STATEMENTS OF NET POSITION  
June 30, 2015 and 2014

	2015	2014
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 4,392,184	\$ 4,552,985
Taxes receivable	193,423	197,482
Accounts receivable	47,024	62,319
Workers Compensation deposit and other assets	3,007	3,023
Total current assets	4,635,638	4,815,809
 <b>CAPITAL ASSETS, at cost less accumulated</b>		
depreciation of \$9,853,092 (\$9,439,286 in 2014)	19,669,319	19,903,792
 <b>NONCURRENT ASSETS</b>		
Rental deposits	15,000	15,000
Total noncurrent assets	15,000	15,000
 <b>DEFERRED OUTFLOW OF RESOURCES</b>		
Defined benefit pension	51,705	
Total assets	24,371,662	24,734,601
 <b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	21,195	24,096
Accrued expenses	54,552	57,370
Accrued interest payable		2,843
Deferred rental income		22,204
Bonds payable, current portion		49,975
Total current liabilities	75,747	156,488
 <b>NONCURRENT LIABILITIES</b>		
Rental deposits	34,403	32,646
Bonds payable, less current portion		495,666
Net pension liability	111,000	
Total noncurrent liabilities	145,403	528,312
Total liabilities	221,150	684,800
 <b>DEFERRED INFLOW OF RESOURCES</b>		
Defined benefit pension	153,000	
 <b>NET POSITION</b>		
Invested in capital assets, net of related debt	19,669,319	19,358,151
Unrestricted	4,328,193	4,691,650
 <b>TOTAL NET POSITION</b>	\$ 23,997,512	\$ 24,049,801

See accompanying notes

**PORT OF LEWISTON**

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>OPERATING REVENUES</b>		
Rent	\$ 516,779	\$ 485,756
Terminal I - Dock	310,819	435,727
Terminal II - Warehouse	306,481	304,500
In lieu tax	57,345	62,192
	<u>1,191,424</u>	<u>1,288,175</u>
<b>OPERATING EXPENSES</b>		
Administration	356,813	280,955
Port commission	45,356	41,730
Terminal I - Dock	361,750	466,083
Terminal II - Warehouse	22,724	28,970
Legal services	18,289	34,950
Accounting services	20,766	18,078
Port promotion	33,420	26,553
Port promotion - economic development	45,000	42,500
General insurance	47,984	17,871
Facilities maintenance	83,574	66,054
Property acquisition/development expense	71,270	211,248
Utilities	15,244	23,492
In lieu tax	57,345	62,192
Depreciation	413,806	412,996
	<u>1,593,341</u>	<u>1,733,672</u>
<b>OPERATING LOSS</b>	<u>(401,917)</u>	<u>(445,497)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Property taxes	461,428	465,578
Sales tax	107,376	105,510
Grant revenue		
TIGER grant		1,299,757
State of Idaho RCBG		321,024
Interest income	12,171	11,070
Gain on disposition of property		429,786
Interest expense	(19,052)	(33,488)
PERSI retirement actuarial charges	30,317	
	<u>592,240</u>	<u>2,599,237</u>
<b>CHANGE IN NET POSITION</b>	<b>190,323</b>	2,153,740
<b>NET POSITION AT BEGINNING OF YEAR</b>	<b>24,049,801</b>	21,896,061
<b>CHANGE IN ACCOUNTING PRINCIPLE</b>	<u>(242,612)</u>	
<b>NET POSITION AT END OF YEAR</b>	<u><b>\$ 23,997,512</b></u>	<u>\$ 24,049,801</u>

See accompanying notes

**PORT OF LEWISTON**

STATEMENTS OF CASH FLOWS  
Years Ended June 30, 2015 and 2014

	<b>2015</b>	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 1,206,735	\$ 1,298,896
Cash paid to suppliers and employees	<u>(1,208,544)</u>	<u>(1,311,749)</u>
Net cash provided (used) by operating activities	<u>(1,809)</u>	<u>(12,853)</u>
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Property taxes	<b>465,487</b>	465,718
Sales tax	<b>107,376</b>	105,510
Net cash provided by noncapital financing activities	<u>572,863</u>	<u>571,228</u>
 <b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Bond/loan interest payments	<b>(19,052)</b>	(32,596)
Bond/loan principal payments	<b>(545,641)</b>	(517,781)
Loan proceeds		597,126
Grant proceeds		1,620,781
Acquisition of capital assets	<b>(179,333)</b>	(2,827,012)
Proceeds from sale of land		695,487
Net cash used by capital financing activities	<u>(744,026)</u>	<u>(463,995)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	<b>12,171</b>	11,070
Net cash provided by investing activities	<u>12,171</u>	<u>11,070</u>
Net change in cash	<b>(160,801)</b>	105,450
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u><b>4,552,985</b></u>	<u>4,447,535</u>
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><b>\$ 4,392,184</b></u>	<u>\$ 4,552,985</u>
 <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash paid for interest	<u><b>\$ 21,895</b></u>	<u>\$ 32,596</u>

See accompanying notes

**PORT OF LEWISTON**

**STATEMENTS OF CASH FLOWS**  
Years Ended June 30, 2015 and 2014

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	<u>2015</u>	<u>2014</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating loss	<b>\$ (401,917)</b>	\$ (445,497)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation	<b>413,806</b>	412,996
Changes in assets:		
Receivables	<b>15,295</b>	10,737
Other assets	<b>16</b>	(16)
Changes in liabilities:		
Accounts payable	<b>(2,901)</b>	(20,467)
Accrued liabilities	<b>(5,661)</b>	8,272
Deferred outflows	<b>(22,204)</b>	21,070
Rental deposits	<b>1,757</b>	52
	<hr/>	<hr/>
Net cash provided (used) by operating activities	<b><u>\$ (1,809)</u></b>	<b><u>\$ (12,853)</u></b>

See accompanying notes

# PORT OF LEWISTON

## NOTES TO FINANCIAL STATEMENTS

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**The Entity.** The Port of Lewiston is a municipal corporation organized in the State of Idaho. The Port operates under a Commissioner/Manager form of government.

The Port's financial statements are prepared in accordance with United States generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Port has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Port has chosen not to do so. The more significant accounting policies established in GAAP and used by the Port are discussed below.

**Budgetary Information.** The Port commission follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to June 14, the Port manager submits to the Port commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted at various times during the year to obtain taxpayer comments.

Budgets are adopted on the modified accrual basis of accounting. Expenditures for acquisition of property, plant, and equipment are budgeted as expenses but capitalized for financial reporting purposes.

**Implementation of GASB Accounting Pronouncements.** The Port implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB No. 68") for fiscal year 2015. The net effect of GASB No. 68 for the Port's financial statements is described in the note on changes in accounting principles.

**Cash and Cash Equivalents.** For the purposes of the statement of cash flows, the Port of Lewiston has included the Port's checking account, savings, money market, and certificates of deposit as cash and cash equivalents.

**Capital Assets.** The Port's property, plant, and equipment with useful lives of more than three years are stated at historical cost. Donated fixed assets are valued at their estimated fair market value on the date donated. The Port generally capitalizes assets that meet the following guidelines:

<u>Asset Category</u>	<u>Cost</u>	<u>Life</u>
Equipment and vehicles	\$ 3,000	3 years
Computer equipment	3,000	3 years
Furniture and fixtures	3,000	3 years
Improvements to property	5,000	5 years
Buildings and structures	10,000	10 years

PORT OF LEWISTON

NOTES TO FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Capital Assets (Continued).**

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets.

Assets are depreciated on the straight-line method over the following estimated useful lives:

Improvements	10 years
Port facilities	10-40 years
Downriver facilities	10-30 years
Furniture and fixtures	10 years
Buildings	30 years
Vehicles	7 years
Computer equipment	3 years

**Pensions.** For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employees Retirement System of Idaho (PERSI) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by PERSI. The liability is measured as of July 01, 2014, and current year payments are reported as deferred outflows. PERSI records investments at fair value and benefit payments are recorded when due.

**Compensated Absences.** The Port of Lewiston's personnel manual became effective March 26, 2002. In the event of termination, an employee is reimbursed for personal leave days (vacation and sick leave) accumulated. Governmental Accounting Standards Board (GASB) provides that employers shall accrue a liability for employee compensation for future absences if specific conditions are met. The Port meets these conditions with respect to personal leave benefits.

**Use of Estimates.** Management of the Port uses estimates and assumptions in preparing financial statements in accordance with United States generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that management uses.

**Economic Resources Measurement Focus and Accrual Basis of Accounting.** Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Also, this measurement focus distinguishes operating revenues and expenses from nonoperating items. Operating revenues/expenses generally result from providing services and producing and delivering goods related with the fund's principal ongoing operations. All revenues/expenses not meeting this definition are reported as nonoperating.

# PORT OF LEWISTON

## NOTES TO FINANCIAL STATEMENTS

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Fund Financial Statements.** The Port of Lewiston uses an enterprise fund to account for the operation's enterprises, where the intent of the governing body is that costs (including depreciation) of providing services be financed or recovered primarily through user charges. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The Port fund is considered a major fund for GASB reporting purposes.

**Reclassification.** Certain amounts in the 2014 financial statements have been reclassified to conform with the 2015 presentation with no effect on previously reported net position.

### 2. BANK DEPOSITS

At June 30, 2015, the carrying amount of the Port's deposits was \$4,392,184 and the bank balance was \$4,394,939. Of the bank balance, \$1,469,451 was covered by federal depository insurance. The remaining bank balance of \$2,925,488 was neither insured nor collateralized.

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will reduce the value of the Port's investments. The Port does not have a policy regarding interest rate risk.

**Custodial Risk.** Custodial risk is the risk that, in the event of the failure of the investment custodian, the Port will not be able to recover the value of its investments or collateral securities that are in the possession of the custodian. The Port does not have a policy regarding custodial risk.

**Concentration of Credit Risk.** The Port has no policy on the amount they may invest in any one issuer.

### 3. PROPERTY TAXES

In 2013, the Port certified a tax levy for the fiscal year beginning July 1, 2014, and ending June 30, 2015, totaling \$450,000. Property taxes are levied in November and payable to Nez Perce County, Idaho, on December 20 and June 20 following the levy date and are remitted to the Port in the month following collection by the County. A lien is filed on property three years from the date of delinquency.

### 4. ACCOUNTS RECEIVABLE, LAND IMPROVEMENTS, AND DEFERRED REVENUE

Historically, the Port of Lewiston has entered into agreements with tenants where the Port will provide improvements for the benefit of the tenant. These improvements are repaid with payments in addition to the tenants lease payment. These transactions are recorded as receivables from the tenant and deferred outflows.

On other occasions, the Port has entered into lease agreements where the tenant provides improvements for benefit of the Port. The tenant is repaid by receiving a credit against future lease payments. These transactions are recorded by capitalizing the improvements and reflecting the prepaid rent as deferred outflows.

**PORT OF LEWISTON**

**NOTES TO FINANCIAL STATEMENTS**

**5. CAPITAL ASSETS**

At June 30, capital assets consisted of:

	<u>Beginning Balance</u>	<u>2015 Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Industrial park development	\$ 1,012,951			\$ 1,012,951
Capital assets, being depreciated				
Land and improvements	14,583,799	\$ 171,533		14,755,332
Port facilities	11,097,714	7,800		11,105,514
Downriver facilities	2,309,772			2,309,772
Office furniture and equipment	7,168			7,168
Buildings	300,271			300,271
Vehicles	31,403			31,403
	<u>\$ 29,343,078</u>	<u>\$ 179,333</u>	<u>\$ 0</u>	<u>29,522,411</u>
Less accumulated depreciation				
Land and improvements	\$ 2,318,374	\$ 141,270		2,459,644
Port facilities	4,540,384	265,953		4,806,337
Downriver facilities	2,309,772			2,309,772
Office furniture and equipment	7,168			7,168
Buildings	232,185	6,583		238,768
Vehicles	31,403			31,403
	<u>\$ 9,439,286</u>	<u>\$ 413,806</u>	<u>\$ 0</u>	<u>9,853,092</u>
Net capital assets				<u>\$ 19,669,319</u>

	<u>Beginning Balance</u>	<u>2014 Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Industrial park development	\$ 1,080,141		\$ 67,190	\$ 1,012,951
Capital assets, being depreciated				
Land and improvements	14,663,534	\$ 152,766	232,501	14,583,799
Port facilities	8,432,220	2,674,246	8,752	11,097,714
Downriver facilities	2,309,772			2,309,772
Office furniture and equipment	7,168			7,168
Buildings	300,271			300,271
Vehicles	31,403			31,403
	<u>\$ 26,824,509</u>	<u>\$ 2,827,012</u>	<u>\$ 308,443</u>	<u>29,343,078</u>
Less accumulated depreciation				
Land and improvements	\$ 2,215,727	\$ 145,389	\$ 42,742	2,318,374
Port facilities	4,280,210	260,174		4,540,384
Downriver facilities	2,309,772			2,309,772
Office furniture and equipment	7,168			7,168
Buildings	225,602	6,583		232,185
Vehicles	30,553	850		31,403
	<u>\$ 9,069,032</u>	<u>\$ 412,996</u>	<u>\$ 42,742</u>	<u>9,439,286</u>
Net capital assets				<u>\$ 19,903,792</u>

Depreciation of \$413,806 was charged to the current year operations (\$412,996 for 2014).

PORT OF LEWISTON

NOTES TO FINANCIAL STATEMENTS

6. PARITY LIEN PORT IMPROVEMENT REVENUE BOND PAYABLE

The Port issued a Parity Lien Port Improvement Revenue Bond, Series 2011, in the amount of \$600,000, for the purpose of the construction and installation of fire suppression facilities. During the prior fiscal year, the bond was paid with the final principal payment of \$466,296.

7. LONG-TERM DEBT

The Port of Lewiston approved an agreement for a Rural Economic Development and Integrated Transportation (REDIFIT) loan program with the Idaho Department of Agriculture, in the amount of \$600,000, for the Port’s share of the dock expansion project. The Port of Lewiston made a principal payment during the year to pay off the entire amount of the loan.

A summary of changes in long-term debt at June 30, 2015, is as follows:

	Balance 6/30/14	Additions	Principal Repayment	Balance 6/30/15
REDIFit loan program	\$ 545,641		\$ 545,641	\$ 0
	<u>\$ 545,641</u>	<u>\$ 0</u>	<u>\$ 545,641</u>	<u>\$ 0</u>

8. DEFINED BENEFIT PENSION PLAN

**Plan Description.** All permanent full-time employees of the Port participate in the Public Employees Retirement System of Idaho (PERSI), a cost-sharing, multiple-employer public retirement system created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. Designed as a mandatory system for eligible state employees, the legislation provided for political subdivisions to participate by contractual agreement with PERSI. The cost to administer the Plan is financed through the contributions and investment earnings of the Plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at [www.persi.idaho.gov](http://www.persi.idaho.gov). Financial reports for the Plan are available from PERSI upon request.

**Pension Benefits.** After five years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each year of credited service, the annual service retirement allowance is 2.0 percent of the average monthly salary for the highest consecutive 42 months. The Base Plan is required to provide a 1 percent minimum cost of living increase per year provided the *Consumer Price Index* increases 1 percent or more. The PERSI board has the authority to provide higher cost of living increases to a maximum of the *Consumer Price Index* movement or 6 percent, whichever is less; however, any amount above the 1 percent minimum is subject to review by the Idaho Legislature.

**Member and Employer Contributions.** Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation and earnings from investments. Contribution rates are determined by the PERSI board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

**PORT OF LEWISTON**

NOTES TO FINANCIAL STATEMENTS

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Member and Employer Contributions (Continued).** The contribution rates for employees are set by statute at 60 percent of the employer rate. As of June 30, 2014, it was 6.79 percent. The employer contribution rate is set by the Retirement Board and was 11.32 percent of covered compensation. The Port of Lewiston's contributions required and paid were \$42,705, \$46,401, and \$42,123 for the three years ended June 30, 2015, 2014, and 2013, respectively.

**Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2015, the Port of Lewiston reported a liability of \$111,000 for its proportionate share of the net pension liability. The net pension liability was measured as of July 01, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Port of Lewiston's proportion of the net pension liability was based on the Port of Lewiston's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI employers. At June 30, 2014, the Port of Lewiston's proportion was .000151262 percent.

For the year ended June 30, 2015, the Port of Lewiston recognized a net gain on pension expense of \$30,317. At June 30, 2015, the Port of Lewiston reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Employer contributions made subsequent to the measurement date of June 30, 2014	\$ 42,705	
Differences between expected and actual experience		\$ 14,000
Changes in assumptions or other inputs	\$ 9,000	
Net difference between projected and actual earnings on pension plan investments		\$ 139,000

The employer contribution will be recognized in pension expense in the following fiscal year. Other deferred outflows and inflows are being amortized over 5.6 years. The projected amount to be included in pension expense (benefit) is as follows:

2016	\$ 6,853
2017	(35,852)
2018	(35,852)
2019	(35,852)
2020	(592)

**Actuarial Assumptions.** Valuations are based upon actuarial assumptions, benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. PERSI amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period permitted under *Idaho Code* is 25 years.

**PORT OF LEWISTON**

NOTES TO FINANCIAL STATEMENTS

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Actuarial Assumptions (Continued).** The total pension liability in the July 1, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Mortality Table - RP - 2000 combined table for healthy males and females with appropriate offsets.			
Inflation	3.25%		
Salary inflation	3.75%	Salary increases	4.5%-10.25%
Investment return	7.1%	Discount rate	7.1%

Sensitivity – a 1% change in the discount rate would affect the Port’s net pension liability as follows:			
	1% Decrease	7.1% rate used	1% Increase
Port Net Pension Liability	\$385,000 liability	\$111,000 liability	\$117,000 asset

**9. MANAGEMENT AGREEMENT**

The Port of Lewiston entered into an agreement to continue with Inland 465 to manage the Port’s 150,000 square foot warehouse. The Port’s share of the revenue generated from the warehouse operations is derived from a base monthly payment. The agreement expires December 31, 2022.

**10. RISK MANAGEMENT**

The Port has insurance coverage through a private carrier, providing liability, property, and casualty insurance. The Port is insured to \$3,000,000 for liability coverage, \$20,000,000 in property coverage, and \$10,000 to \$1,700,000 for equipment coverage. Deductible amounts range from \$100 to \$10,000 per policy period.

**11. LEASE COMMITMENTS**

The Port is the lessor of a number of leases of commercial real estate within the boundary of the Port. The future minimum rental income for non-cancelable leases is as follows:

June 30, 2016	\$ 128,400
June 30, 2017	42,079
June 30, 2018	42,079
June 30, 2019	42,079
June 30, 2020	42,079
Thereafter	86,645
	<u>\$ 383,361</u>

**12. CHANGE IN ACCOUNTING PRINCIPLE**

Net position as of June 30, 2014, has been restated as follows for the implementation of GASB Statement No. 68, as amended by GASB Statement No.71. PERSI has not completed actuarial studies to determine the balances for years prior to June 30, 2014, so comparative information has not been disclosed for the year ended June 30, 2014.

**PORT OF LEWISTON**

NOTES TO FINANCIAL STATEMENTS

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**12. CHANGE IN ACCOUNTING PRINCIPLE (CONTINUED)**

Net position as previously reported at June 30, 2014	<u>\$ 24,049,801</u>
Change in accounting principle:	
Net pension liability (measurement date as of June 30, 2014)	(289,000)
Deferred outflows:	
Port contributions made during fiscal year 2014	<u>46,388</u>
Total change in accounting principle	<u>(242,612)</u>
Net position as restated June 30, 2014	<u>\$ 23,807,189</u>

**13. CHANGE IN ACCOUNTING ESTIMATE**

Standards related to capital assets require the review of the residual value and the useful life of an asset at least each financial year-end. The Port revised the estimated useful life of the 2013 dock expansion effective July 1, 2014. The revision was accounted for prospectively as a change in accounting estimate and, as a result, the depreciation charged for the current year decreased \$52,662.

**14. SUBSEQUENT EVENT**

Management has evaluated subsequent events through December 03, 2015, the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

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**PORT OF LEWISTON**

**SCHEDULE OF PENSION FUNDING  
For the Year Ended June 30, 2015**

Fiscal Year	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll	Share of PERSI Net Pension Liability		Net Pension Liability as % of Covered Payroll
						%	Amount	
2006	\$ 35,073	\$ 35,073	0	\$ 337,600	10.39%	(1)	(1)	
2007	35,978	35,978	0	346,300	10.39%	(1)	(1)	
2008	42,452	42,452	0	408,600	10.39%	(1)	(1)	
2009	39,323	39,323	0	378,500	10.39%	(1)	(1)	
2010	34,398	34,398	0	331,100	10.39%	(1)	(1)	
2011	35,335	35,335	0	340,100	10.39%	(1)	(1)	
2012	39,039	39,039	0	375,700	10.39%	(1)	(1)	
2013	42,123	42,123	0	405,400	10.39%	(1)	(1)	
2014	46,401	46,401	0	409,900	11.32%	(1)	\$ 289,000	71%
2015	42,705	42,705	0	377,300	11.32%	0.000389%	111,000	29%

(1) PERSI has not provided calculations for years prior to implementation of GASB Statement No. 68.

**PORT OF LEWISTON**

**BUDGETARY COMPARISON SCHEDULE**  
Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Tax levy	\$ 450,000	\$ 457,000	\$ 461,428	\$ 4,428
Sales tax	105,000	105,000	107,376	2,376
Lieu tax	58,055	57,345	57,345	
Terminal revenue	857,000	661,600	617,300	(44,300)
Rentals	453,844	461,500	516,779	55,279
Other income				
Interest	8,000	12,000		(12,000)
Miscellaneous			12,171	12,171
Prior revenue carryover		288,976		(288,976)
Total revenues	<u>1,931,899</u>	<u>2,043,421</u>	<u>1,772,399</u>	<u>(271,022)</u>
<b>EXPENDITURES</b>				
General operations				
Port commission				
Per diem	11,000	13,000	13,613	(613)
Fringe benefits	1,143	1,500	1,596	(96)
Travel	9,300	9,800	11,512	(1,712)
Other expense	23,175	20,000	18,635	1,365
Port administration				
Salaries	186,421	207,000	199,853	7,147
Fringe benefits	73,500	80,000	82,710	(2,710)
Travel	21,500	16,500	15,640	860
Other expense	26,850	30,000	29,489	511
Equipment	2,500	5,000	4,321	679
Navigation issues	25,000	25,000	24,800	200
Legal services	33,000	23,000	18,289	4,711
Accounting and auditing	19,500	20,000	20,766	(766)
General promotion	29,100	35,000	33,420	1,580
Valley Vision	45,000	41,000	45,000	(4,000)
General insurance	21,000	48,100	47,984	116
Facilities maintenance	71,000	83,000	83,574	(574)
Utilities	21,000	23,000	15,244	7,756
Lieu tax	58,055	57,345	57,345	
Terminal operations	614,500	403,176	384,474	18,702
Land acquisition/development	639,355	902,000	815,296	86,704
Total expenditures	<u>1,931,899</u>	<u>2,043,421</u>	<u>1,923,561</u>	<u>119,860</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (151,162)</u>	<u>\$ (151,162)</u>

The Port budgets revenue and expenses on a comprehensive basis of accounting other than United States generally accepted accounting principles (GAAP). Bond receipts and sale of property revenues are budgeted as gross receipts. Debt principal payments and property acquisitions are budgeted as current expenses. Depreciation and amortization are not budgeted.

Change in net position, GAAP basis	\$ 190,323
Depreciation and amortization expense	413,806
Debt principal payments	(545,641)
Property acquisitions	(179,333)
PERSI retirement actuarial changes	<u>(30,317)</u>
Change in net position, budget basis	<u>\$ (151,162)</u>

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SUPPLEMENTARY INFORMATION

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## INDEPENDENT AUDITOR'S REPORT – GOVERNMENT AUDITING STANDARDS

Port Commissioners  
Port of Lewiston  
Lewiston, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Port of Lewiston as of June 30, 2015, and the related notes to the financial statements, which collectively comprise the Port of Lewiston's basic financial statements, and have issued our report thereon dated December 03, 2015.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Port of Lewiston's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Port of Lewiston's internal control. Accordingly, we do not express an opinion on the effectiveness of the Port of Lewiston's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency (Finding #2015-001).

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Port of Lewiston's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **The Port of Lewiston's Response to Findings**

The Port of Lewiston's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Port of Lewiston's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Presnell Gage, PLLC". The signature is written in a cursive, flowing style.

December 03, 2015

**PORT OF LEWISTON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended June 30, 2015

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**SIGNIFICANT DEFICIENCY**

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Finding #2015-001

*Criteria:* Internal control systems generally attempt to divide up accounting tasks among multiple individuals (segregation of duties) to improve the ability of the organization to identify errors within the accounting system.

*Condition:* The Port of Lewiston has concentrated many accounting duties to a few individuals such that the desired segregation of duties is not possible. There are a limited number of personnel available to provide for the desired "segregation of duties."

*Effect:* Many accounting duties are performed by a single individual with limited oversight available within the Port of Lewiston.

*Response:* The Port's management and Commissioners believe that the cost of hiring additional accounting staff outweighs the benefits that segregation of duties would provide.

*Recommendation:* We concur with the Port's response.

**PORT OF LEWISTON**

DETAILS OF EXPENSES  
Years Ended June 30, 2015 and 2014

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	<u>2015</u>		
	Port		
	<u>Administration</u>	<u>Commission</u>	<u>Terminals</u>
Salaries	\$ 199,853	\$ 13,613	\$ 137,793
Fringe benefits and payroll taxes	82,710	1,596	68,528
Travel	15,640	11,512	
Other	29,489	18,635	11,731
Navigational issues	24,800		
Equipment repairs and maintenance	4,321		116,645
Facilities maintenance			7,807
Insurance			18,528
Utilities			11,284
Office expenses			12,158
	<u>\$ 356,813</u>	<u>\$ 45,356</u>	<u>\$ 384,474</u>

	<u>2014</u>		
	Port		
	<u>Administration</u>	<u>Commission</u>	<u>Terminals</u>
Salaries	\$ 175,514	\$ 13,983	\$ 201,217
Fringe benefits and payroll taxes	61,949	1,589	94,430
Travel	6,912	8,305	
Other	29,576	17,853	27,813
Navigational issues	5,500		
Equipment repairs and maintenance	1,504		95,829
Facilities maintenance			6,557
Insurance			29,697
Utilities			10,507
Office expenses			29,003
	<u>\$ 280,955</u>	<u>\$ 41,730</u>	<u>\$ 495,053</u>

## PORT OF LEWISTON

### DETAILS OF CAPITAL ASSETS

June 30, 2015

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#### LAND AND IMPROVEMENTS

Fredrickson Addition to Lewiston, Idaho	
Lot 16	\$ 33,020
Lot 9	41,396
South 175 feet of Lot 17, Lot 18 except the South 175 feet thereof, Lot 19 and approximately 5.15 acres, Section 30, Township 36 North, Range 5 WBM	48,519
7th Avenue North Property	54,000
An unplatted parcel of land containing approximately 2.03 acres in Section 30, Township 36 North, Range 5 WBM	133,000
Indian Cache Ranch First Addition to Lewiston, Idaho	
Lots 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 20, 21, 22, and 26, Block 3	304,805
Lots 14, 15, 16, 17, 18, and 19, Block 5	72,552
Indian Cache Ranch Second Addition to Lewiston, Idaho	
Lots 2, 3, and 4, Block 1	72,500
Lots 5, 6, and 7, Block 1	49,719
Lots 1, 2, 3, 7, 8, 9, 10, 22, 23, 24, and 25, Block 2	87,872
Lot 4, Block 3	25,123
Lot 23, Block 9	2,250
Kaisaki Tract, approximately 32.78 acres	336,546
Weaskus Addition to Lewiston, Idaho	
Lots 7, 8, 9, 10, 11, and 12, Block 1	114,688
Lots 1, 2, 3, 10, 11, and 12, Block 2	131,062
Lots 1 through 12, Block 4	24,751
Lots 1 through 12, Block 5	23,068
Lots 1 through 12, Block 6	24,751
Lots 1 through 12, Block 7	131,120
Lots 1 through 6, and 10 through 12, Block 8	182,817
Lots 1 through 12, Block 9	84,518
Lots 1 through 12, Block 10	63,116
Lots 1 through 12, Block 11	27,338
Lots 1, 2, parts of 3, 4, 5, 6, 11, and 12, Block 12	15,000
Lots 7, 8, and 9, Block 8	68,836
An unplatted parcel of land adjoining Blocks 11 and 12 containing approximately 6 acres	70,005
An unplatted parcel of land containing approximately 9.36 acres located in the South 1/2 of Section 25, Township 36, Range 6 WBM	17,263
Lewiston Roundup Association property containing:	
Lots 2 and 3, Section 31, Township 36 North, Range 5 WBM, excepting portions belonging to U.S. Government and Lewis-Clark Terminal Association	
Indian Cache Ranch Second Addition to Lewiston, Idaho	
Lots 11 through 21, Block 2	
Indian Cache Ranch First Addition to Lewiston, Idaho	
Lots 14 through 19, Block 3	
Lots 14 through 19, Block 4	1,982,859
Balance forward	<u>4,222,494</u>

**PORT OF LEWISTON**

DETAILS OF CAPITAL ASSETS  
June 30, 2015

<b>LAND AND IMPROVEMENTS (CONTINUED)</b>	
Balance forward	\$ 4,222,494
Weaskus Addition to Lewiston, Idaho	
Parcel: Lots 4, 5, 6, 7, 8, and 9, Block 2, and Lots 3, 4, 5, 6, 7, 8, 9, and 10, Block 3	
Parcel: Lots 1, 2, 11, and 12, Block 3 and the vacated alley lying adjacent to all lots in Parcel 1 and 2 above and that portion of vacated 16th Street North lying adjacent to Lots 6 and 7 in Block 2 and Lots 1 and 12 in Block 3	945,285
Industrial park development containing approximately 115 acres in Section 30, Township 36 North, Range 5 WBM	714,809
Industrial Development District containing approximately	
Wright Property	150,000
Zelma Smith property	60,153
Business Technology Park	1,637,588
Twin City Foods Property - Parcel 1 and 2	244,468
Twin City Foods Property - Parcel 3	121,660
Twin City Foods Property - Parcel 4	115,809
Easements	29,589
Relocation	18,000
General land costs, principally engineering	486,382
Site development costs	6,963,883
Fiber Optic	58,162
	15,768,282
Accumulated depreciation	2,459,644
	13,308,638
 <b>PORT FACILITIES</b>	
Dock facilities	6,759,836
Warehouse	4,075,636
Truck area	10,756
Equipment	259,286
	11,105,514
Accumulated depreciation	4,806,337
	6,299,177
 <b>DOWNRIVER FACILITIES</b>	
Access road	121,663
Facilities	2,188,109
	2,309,772
Accumulated depreciation	2,309,772
	0
 <b>BUILDINGS</b>	
	300,272
Accumulated depreciation	238,768
	61,504
 <b>FURNITURE AND FIXTURES</b>	
	7,168
Accumulated depreciation	7,168
	0
 <b>VEHICLE</b>	
	31,403
Accumulated depreciation	31,403
	0
	<b>\$ 19,669,319</b>