

Washington State Auditor's Office
Financial Statements and Federal Single Audit Report

Klickitat County

Audit Period
January 1, 2010 through December 31, 2010

Report No. 1006375

Issue Date
September 26, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

September 26, 2011

Board of Commissioners
Klickitat County
Goldendale, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Klickitat County's financial statements and compliance with federal laws and regulations.

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

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

Table of Contents

Klickitat County January 1, 2010 through December 31, 2010

Federal Summary	1
Schedule of Audit Findings and Responses	3
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with <i>Government Auditing Standards</i>	8
Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	10
Independent Auditor's Report on Financial Statements.....	12
Financial Section.....	14

Federal Summary

Klickitat County January 1, 2010 through December 31, 2010

The results of our audit of Klickitat County are summarized below in accordance with U.S. Office of Management and Budget Circular A-133.

FINANCIAL STATEMENTS

An unqualified opinion was issued on the financial statements.

Internal Control Over Financial Reporting:

- **Significant Deficiencies:** We identified deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- **Material Weaknesses:** We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the County.

FEDERAL AWARDS

Internal Control Over Major Programs:

- **Significant Deficiencies:** We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- **Material Weaknesses:** We identified no deficiencies that we consider to be material weaknesses.

We issued an unqualified opinion on the County's compliance with requirements applicable to each of its major federal programs.

We reported no findings that are required to be disclosed under section 510(a) of OMB Circular A-133.

Identification of Major Programs:

The following were major programs during the period under audit:

<u>CFDA No.</u>	<u>Program Title</u>
20.205	Highway Planning and Construction
20.509	Formula Grants for Other Than Urban Areas

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by OMB Circular A-133, was \$300,000.

The County did not qualify as a low-risk auditee under OMB Circular A-133.

Schedule of Audit Findings and Responses

Klickitat County January 1, 2010 through December 31, 2010

1. The County's internal controls over accounting and financial statement preparation are inadequate to ensure accurate reporting.

Background

County management, the state Legislature, state and federal agencies and bondholders rely on the information included in financial statements and reports to make decisions. It is the responsibility of County management to design and follow internal controls that provide reasonable assurance regarding the reliability of financial reporting. Our audit identified significant deficiencies in controls that adversely affect the County's ability to produce reliable and accurate financial reports.

Government Auditing Standards, prescribed by the Comptroller General of the United States, require the auditor to communicate significant deficiencies, as defined in the Applicable Laws and Regulations section below, as a finding.

The County has elected to prepare financial statements using the cash-basis method of reporting, in accordance with the *Budgeting, Accounting and Reporting System (BARS) Manual*. This manual, published by the State Auditor's Office, prescribes a comprehensive basis of accounting and reporting. A cash-basis entity recognizes revenues and expenses at the time physical cash is actually received and paid out. However, some County departments record transactions in the general ledger using the accrual method of accounting, which recognizes revenues and expenses before physical cash is actually received and paid out.

Description of Condition

We identified the following deficiencies that, when taken together, result in a significant deficiency in internal controls over financial reporting:

- The County does not have an adequate system to transition the accrual general ledger system used by its departments to the cash-basis reporting model used to report its financial statements. The County Auditor's Office performs significant adjustments of the accounting information for financial statement preparation. Departments do not communicate to ensure required adjustments are accurate. In addition, the adjustments are not reviewed by a knowledgeable individual to ensure they are accurate and complete.
- The County lacks an adequate process to ensure the reported ending cash and investment balances in its financial statements reconciled with the amounts in the bank. While the County was able to identify the individual funds that did not reconcile, it lacked a process to isolate specific accounting entries that caused the variances.

- The County does not have an adequate process in place to ensure the Schedule of Expenditures of Federal Awards (SEFA) is accurately prepared and reported. The County has no centralized grant management and reporting function. Departments manage the grants and submit information to the County's Auditor's Office to prepare the schedule.

Cause of Condition

The County has not prioritized nor dedicated the necessary resources to ensure accurate financial reporting. Individuals responsible for submitting information to the County's Auditor's Office are not knowledgeable of grant reporting requirements and the County's Auditor's Office does not adequately confirm the information submitted.

Effect of Condition

The County's financial information contained significant errors, some of which were known and others that were not detected by County management. We identified the following errors in the original financial statements we received for audit:

- Ending cash and investments as reported on the financial statements did not reconcile to actual amounts held by financial institutions in the County's name. The financial statements over-reported cash and investments by \$215,402. The majority of the difference was attributed the following funds:

Fund	Reported	Audited	Difference
General	\$2,265,591	\$2,268,127	(2,536)
Road	1,089,515	699,533	389,982
Senior Services	272,528	213,329	59,199
Equipment R&R	1,038,737	1,269,839	(231,102)

- Adjustments made to revenue and expenses to transition activity from generally accepted accounting principles to reporting on a cash basis were not performed accurately or completely resulting in revenues and expenses being understated by \$624,107 and \$196,535, respectively.
- The County originally over-reported its federal expenditures by \$583,731. The County reported two programs that did not meet the criteria to be included on the SEFA. In addition, the County reported revenues for several other programs instead of expenditures. The determination of which program will be audited and audit costs are affected by the accuracy of the SEFA at the time of the audit. Our single audit work had to be changed as the result of these errors. Further, an incorrect SEFA can delay an audit beyond the required nine-month reporting deadline, cause additional, unnecessary audit costs, jeopardize future federal funding and report an entity's financial information inaccurately.

The deficiencies in internal controls make it reasonably possible that serious misstatements could continue to occur and not be prevented or detected by the County in future years.

Recommendation

We recommend the County:

- Establish a process that ensures accurate and complete financial information is communicated between County departments to prepare financial statements in accordance with its elected reporting model.
- Ensure sufficient time is spent by a knowledgeable person performing a detailed review to ensure accurate preparation and reporting of the County's financial statements, including ending cash and investment balances.
- Implement a process to ensure information received from departments used to prepare the SEFA is complete and accurate.

County's Response

The process of converting accruals to cash is cumbersome and is a time consuming, manual process. Financial reports are customarily generated through information gathered directly from electronic data. For Klickitat County, this is not the case. We acknowledge this process is difficult and communications between certain offices has, at times, not been what it could be. Efforts will be made to correct balancing deficiencies.

The financial report is balanced against documentation submitted to the Auditor's office. Although the Auditor's staff reviewing the report is qualified and knowledgeable to perform the financial review, access to certain areas of the financial system are not available to audit beyond the documentation presented.

In the future, every effort will be made to ascertain that all SEFA documentation submitted to the Auditor's office has sufficient supporting documentation necessary for accurate reporting.

Auditor's Remarks

We thank the County for its cooperation and assistance during the audit and look forward to reviewing the corrective action taken during our next audit.

Applicable Laws and Regulations

Statement on Auditing Standards No. 115, issued by the Auditing Standards Board of the American Institute of Certified Public Accountants, defines material weakness and significant deficiency as follows:

a. Material weakness:

A material weakness is a deficiency, or 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.

b. Significant deficiency:

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.

Government Auditing Standards, July 2007 Revision – Section 5.11, provides that auditors should report significant deficiencies and material weaknesses in internal control.

RCW 43.09.200, Local government accounting -- Uniform system of accounting, states:

The state auditor shall formulate, prescribe, and install a system of accounting and reporting for all local governments, which shall be uniform for every public institution, and every public office, and every public account of the same class.

The system shall exhibit true accounts and detailed statements of funds collected, received, and expended for account of the public for any purpose whatever, and by all public officers, employees, or other persons. The accounts shall show the receipt, use, and disposition of all public property, and the income, if any, derived there from; all sources of public income, and the amounts due and received from each source; all receipts, vouchers, and other documents kept, or required to be kept, necessary to isolate and prove the validity of every transaction; all statements and reports made or required to be made, for the internal administration of the office to which they pertain; and all reports published or required to be published, for the information of the people regarding any and all details of the financial administration of public affairs.

Budget Accounting and Reporting System (BARS) Manual – Part 3, Accounting, Chapter 1, Accounting Principles and General Procedures, Section C, Internal control, states in part:

Controls over Financial Reporting

This objective refers to fair presentation of financial statements and required schedules in all material respects in accordance with the stated basis of accounting.

In meeting this objective, the government should have controls that accomplish the following key functions:

- Identification of financial events – Controls should ensure financial events and transactions are properly identified and recorded.
- Properly applying accounting standards – Controls should ensure correct criteria and methodology is applied when accounting for financial events. When the correct method of accounting for or reporting a transaction is unclear, the government should seek clarification by performing research, contracting for accounting

assistance, or communicating with the State Auditor's Office or standard setting bodies.

- Correctly accounting for all financial events – Controls should ensure that:
 - Only valid transactions are recorded and reported.
 - All transactions occurred during the period are recorded and reported.
 - Transactions are recorded and reported at properly valued and calculated amounts.
 - Recorded and reported transactions accurately reflect legal rights and obligations.
 - Transactions are recorded and reported in the account and fund to which they apply.
- Preparation of the annual report – Controls should ensure that financial statements and required schedules are properly compiled and prepared from source accounting records. Controls should also ensure correct presentation of statements and schedules in accordance with the stated basis of accounting.

Controls and processes should generate adequate documentation to demonstrate achievement of objectives. This is not only important for audit, oversight and public records purposes, but also to enable effective monitoring of controls over financial reporting by management.

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

**Klickitat County
January 1, 2010 through December 31, 2010**

Board of Commissioners
Klickitat County
Goldendale, Washington

We have audited the financial statements of Klickitat County, Washington, as of and for the year ended December 31, 2010, and have issued our report thereon dated September 8, 2011.

We conducted our audit 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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 County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Audit Findings and Responses as Finding 1 that we consider to be significant deficiencies in internal control over financial reporting. 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.

COMPLIANCE AND OTHER MATTERS

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

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

The County's response to the finding identified in our audit is described in the accompanying Schedule of Audit Findings and Responses. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended for the information and use of management, the Board of Commissioners, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag", is positioned above the printed name and title.

BRIAN SONNTAG, CGFM
STATE AUDITOR

September 8, 2011

**Independent Auditor's Report on Compliance
with Requirements That Could Have a Direct
and Material Effect on Each Major Program and
on Internal Control over Compliance in
Accordance with OMB Circular A-133**

**Klickitat County
January 1, 2010 through December 31, 2010**

Board of Commissioners
Klickitat County
Goldendale, Washington

COMPLIANCE

We have audited the compliance of Klickitat County, Washington, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010. The County's major federal programs are identified in the Federal Summary. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

INTERNAL CONTROL OVER COMPLIANCE

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended for the information of management, the Board of Commissioners, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



BRIAN SONNTAG, CGFM
STATE AUDITOR

September 8, 2011

Independent Auditor's Report on Financial Statements

Klickitat County
January 1, 2010 through December 31, 2010

Board of Commissioners
Klickitat County
Goldendale, Washington

We have audited the accompanying financial statements of Klickitat County, Washington, for the year ended December 31, 2010. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of Klickitat County, for the year ended December 31, 2010, on the basis of accounting described in Note 1.

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

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular

A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The accompanying Schedule of Long-Term Debt is also presented for purposes of additional analysis as required by the prescribed BARS manual. These schedules are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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

BRIAN SONNTAG, CGFM
STATE AUDITOR

September 8, 2011

Financial Section

Klickitat County
January 1, 2010 through December 31, 2010

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions - 2010
Notes to Financial Statements - 2010

SUPPLEMENTAL INFORMATION

Schedule of Long-Term Debt - 2010
Schedule of Expenditures of Federal Awards - 2010
Notes to the Schedule of Expenditures of Federal Awards - 2010

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	CURRENT EXPENSE FUND #001		ROAD FUND #101	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	64,715	1,190,085.59	(749,364)	1,312,209.28
REVENUES AND OTHER SOURCES				
310 Taxes	4,253,573	5,126,099.78	3,195,109	3,099,950.70
320 Licenses and Permits	457,030	454,648.04	35,000	88,112.50
330 Intergovernmental	2,521,604	2,477,304.21	7,139,000	4,430,303.01
340 Charges for Goods and Services	5,606,119	5,345,275.29	1,001,900	1,003,677.39
350 Fines and Forfeits	367,537	313,815.26	-	-
360 Miscellaneous	224,679	222,847.45	86,000	122,984.78
390 Other Financing Sources	735,874	665,861.77	1,915,000	1,343,599.43
TOTAL REVENUES AND OTHER SOURCES	14,166,416	14,605,851.80	13,372,009	10,088,627.81
TOTAL RESOURCES	14,231,131	15,795,937.39	12,622,645	11,400,837.09
OPERATING EXPENDITURES				
510 General Government	5,664,475	5,155,469.31	80,000	125,016.61
520 Security of Persons & Property	5,635,107	5,304,088.16	-	-
530 Physical Environment	200	200.00	-	-
540 Transportation	-	-	5,730,900	5,390,595.26
550 Economic Environment	593,431	558,983.52	-	-
560 Mental and Physical Health	1,986,827	1,895,075.60	-	-
570 Culture and Recreational	423,724	409,835.64	-	-
TOTAL OPERATING EXPENDITURE	14,303,764	13,323,652.23	5,810,900	5,515,611.87
591-93 Debt Service	-	-	1,000	14,996.21
594-96 Capital Outlay	5,000	69.19	8,023,000	4,780,713.67
TOTAL EXPENDITURES	14,308,764	13,323,721.42	13,834,900	10,311,321.75
597-99 Other Financing Uses	215,750	206,454.00	5,000	-
TOTAL EXPENDITURES AND OTHER USES	14,524,514	13,530,175.42	13,839,900	10,311,321.75
Excess (deficit) of Resources Over Uses	(293,383)	2,265,761.97	(1,217,255)	1,089,515.34
380 Non-Revenues	1,000	(170.97)	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	(292,383)	2,265,591.00	(1,217,255)	1,089,515.34

The accompanying notes are an integral part of these Statements.

Klickitat County
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	GIS FUND #103		SENIOR SERVICES FUND #104	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	15,717	47,217.82	20,819	160,038.01
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	1,500,502	1,412,300.52
340 Charges for Goods and Services	35,348	34,208.15	207,957	214,891.14
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	-	89,782	103,969.13
390 Other Financing Sources	-	-	25,000	4,308.87
TOTAL REVENUES AND OTHER SOURCES	35,348	34,208.15	1,823,241	1,735,469.66
TOTAL RESOURCES	51,065	81,425.97	1,844,060	1,895,507.67
OPERATING EXPENDITURES				
510 General Government	58,718	29,183.60	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	1,726,711	1,616,267.54
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	58,718	29,183.60	1,726,711	1,616,267.54
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	58,718	29,183.60	1,726,711	1,616,267.54
597-99 Other Financing Uses	-	-	3,530	6,712.00
TOTAL EXPENDITURES AND OTHER USES	58,718	29,183.60	1,730,241	1,622,979.54
Excess (deficit) of Resources Over Uses	(7,653)	52,242.37	113,819	272,528.13
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	(7,653)	52,242.37	113,819	272,528.13

The accompanying notes are an integral part of these Statements.

Klickitat County
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	EMERGENCY 911 FUND #107		VETERANS RELIEF FUND #110	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	567,042	688,410.31	35,614	47,563.40
REVENUES AND OTHER SOURCES				
310 Taxes	128,100	127,050.71	-	451.70
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	392,000	410,811.73	-	-
340 Charges for Goods and Services	-	-	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	635.12	-	-
390 Other Financing Sources	-	-	-	-
TOTAL REVENUES AND OTHER SOURCES	520,100	538,497.56	-	451.70
TOTAL RESOURCES	1,087,142	1,226,907.87	35,614	48,015.10
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	444,883	427,980.33	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	8,800	5,068.25
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	444,883	427,980.33	8,800	5,068.25
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	140,000	132,640.59	-	-
TOTAL EXPENDITURES	584,883	560,620.92	8,800	5,068.25
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	584,883	560,620.92	8,800	5,068.25
Excess (deficit) of Resources Over Uses	502,259	666,286.95	26,814	42,946.85
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	502,259	666,286.95	26,814	42,946.85

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	ELECTION RESERVE FUND #111		FLOOD CONTROL FUND #112	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	(26,195)	58,423.80	148,238	146,680.96
REVENUES AND OTHER SOURCES				
310 Taxes	106,400	206,620.20	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	19,140	30,417.77	6,773	11,722.50
340 Charges for Goods and Services	53,150	38,864.54	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	80	355.81	1,100	461.97
390 Other Financing Sources	-	683.13	-	-
TOTAL REVENUES AND OTHER SOURCES	178,770	276,941.45	7,873	12,184.47
TOTAL RESOURCES	152,575	335,365.25	156,111	158,865.43
OPERATING EXPENDITURES				
510 General Government	188,636	161,024.84	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	188,636	161,024.84	-	-
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	188,636	161,024.84	-	-
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	188,636	161,024.84	-	-
Excess (deficit) of Resources Over Uses	(36,061)	174,340.41	156,111	158,865.43
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	(36,061)	174,340.41	156,111	158,865.43

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	TREASURER'S O&M FUND #113		LAW LIBRARY FUND #114	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	(5,714)	40,693.06	(1,791)	4,155.16
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	34,000	16,485.00	10,100	11,425.69
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	-	-	-
390 Other Financing Sources	-	-	-	-
TOTAL REVENUES AND OTHER SOURCES	34,000	16,485.00	10,100	11,425.69
TOTAL RESOURCES	28,286	57,178.06	8,309	15,580.85
OPERATING EXPENDITURES				
510 General Government	34,000	28,784.72	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	34,000	28,784.72	-	-
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	10,000	9,952.99
TOTAL EXPENDITURES	34,000	28,784.72	10,000	9,952.99
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	34,000	28,784.72	10,000	9,952.99
Excess (deficit) of Resources Over Uses	(5,714)	28,393.34	(1,691)	5,627.86
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	(5,714)	28,393.34	(1,691)	5,627.86

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	VICTIM/WITNESS FUND #115		COUNTY FAIR FUND #116	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	(9,648)	17,072.66	8,778	131,091.35
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	66,726	61,700.87	35,000	34,526.00
340 Charges for Goods and Services	19,850	18,290.84	102,725	106,703.15
350 Fines and Forfeits	300	351.52	-	-
360 Miscellaneous	-	62.66	18,680	15,060.82
390 Other Financing Sources	9,296	-	3,500	3,500.00
TOTAL REVENUES AND OTHER SOURCES	96,172	80,405.89	159,905	159,789.97
TOTAL RESOURCES	86,524	97,478.55	168,683	290,881.32
OPERATING EXPENDITURES				
510 General Government	83,647	73,534.40	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	186,620	159,277.23
TOTAL OPERATING EXPENDITURE	83,647	73,534.40	186,620	159,277.23
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	21,500	16,609.26	-	-
TOTAL EXPENDITURES	105,147	90,143.66	186,620	159,277.23
597-99 Other Financing Uses	-	-	20,000	-
TOTAL EXPENDITURES AND OTHER USES	105,147	90,143.66	206,620	159,277.23
Excess (deficit) of Resources Over Uses	(18,623)	7,334.89	(37,937)	131,604.09
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	(18,623)	7,334.89	(37,937)	131,604.09

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	WEED CONTROL FUND #117		AUDITOR'S O&M FUND #118	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	(41,431)	71,055.35	146,825	378,113.77
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	77,000	83,677.84	60,000	48,615.68
340 Charges for Goods and Services	3,500	3,537.90	17,085	13,177.30
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	73,000	74,749.50	2,000	671.18
390 Other Financing Sources	-	1,359.11		
TOTAL REVENUES AND OTHER SOURCES	153,500	163,324.35	79,085	62,464.16
TOTAL RESOURCES	112,069	234,379.70	225,910	440,577.93
OPERATING EXPENDITURES				
510 General Government	-	-	22,085	13,047.77
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	174,465	151,776.57	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	174,465	151,776.57	22,085	13,047.77
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	161,700	806.25
TOTAL EXPENDITURES	174,465	151,776.57	183,785	13,854.02
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	174,465	151,776.57	183,785	13,854.02
Excess (deficit) of Resources Over Uses	(62,396)	82,603.13	42,125	426,723.91
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	(62,396)	82,603.13	42,125	426,723.91

The accompanying notes are an integral part of these Statements.

Klickitat County
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	ECONOMIC DEV FUND #119		COUNTY TAX REFUND FUND #122	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	41,900	103,606.61	38,001	38,001.05
REVENUES AND OTHER SOURCES				
310 Taxes	29,000	35,904.63	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	46,910	53,256.00	-	-
340 Charges for Goods and Services	235,000	238,245.43	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	142.39	-	-
390 Other Financing Sources	-	-	-	-
TOTAL REVENUES AND OTHER SOURCES	310,910	327,548.45	-	-
TOTAL RESOURCES	352,810	431,155.06	38,001	38,001.05
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	354,346	329,750.81	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	354,346	329,750.81	-	-
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	354,346	329,750.81	-	-
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	354,346	329,750.81	-	-
Excess (deficit) of Resources Over Uses	(1,536)	101,404.25	38,001	38,001.05
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	10,000.00	-	-
ENDING CASH & INVESTMENTS	(1,536)	91,404.25	38,001	38,001.05

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KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	INVESTIGATIONS FUND #124		CUMULATIVE RESERVE FUND #125	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	(115,064)	82,410.28	12,441,697	19,270,916.04
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	195,000	288,147.06
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	-	-	250,000	295,193.36
350 Fines and Forfeits	25,500	17,277.28	-	-
360 Miscellaneous	100,000	101,958.12	150,800	64,951.28
390 Other Financing Sources	1,000	-	-	10,000.00
TOTAL REVENUES AND OTHER SOURCES	126,500	119,235.40	595,800	658,291.70
TOTAL RESOURCES	11,436	201,645.68	13,037,497	19,929,207.74
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	30,700	28,648.46	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	63,950	27,198.95
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	15,000	15,000.00
TOTAL OPERATING EXPENDITURE	30,700	28,648.46	78,950	42,198.95
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	94,000	11,911.32	25,075	25,074.07
TOTAL EXPENDITURES	124,700	40,559.78	104,025	67,273.02
597-99 Other Financing Uses	-	-	3,234,524	2,555,099.88
TOTAL EXPENDITURES AND OTHER USES	124,700	40,559.78	3,338,549	2,622,372.90
Excess (deficit) of Resources Over Uses	(113,264)	161,085.90	9,698,948	17,306,834.84
380 Non-Revenues	-	-	30,100	30,100.00
580 Non-Expenditures	-	-	500,000	500,000.00
ENDING CASH & INVESTMENTS	(113,264)	161,085.90	9,229,048	16,836,934.84

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	EMERGENCY MGT FUND #127		COMM DEV BLOCK GRANT FUND #131	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	139,249	72,829.52	3,044	38,700.42
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	194,300	76,654.61	44,000	42,084.17
340 Charges for Goods and Services	16,800	16,800.00	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	-	-	-
390 Other Financing Sources	-	-	-	-
TOTAL REVENUES AND OTHER SOURCES	211,100	93,454.61	44,000	42,084.17
TOTAL RESOURCES	350,349	166,284.13	47,044	80,784.59
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	66,926	57,722.21	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	50,700	42,084.17
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	66,926	57,722.21	50,700	42,084.17
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	137,000	29,868.74	-	-
TOTAL EXPENDITURES	203,926	87,590.95	50,700	42,084.17
597-99 Other Financing Uses	5,640	5,640.00	-	-
TOTAL EXPENDITURES AND OTHER USES	209,566	93,230.95	50,700	42,084.17
Excess (deficit) of Resources Over Uses	140,783	73,053.18	(3,656)	38,700.42
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	30,100	30,100.00
ENDING CASH & INVESTMENTS	140,783	73,053.18	(33,756)	8,600.42

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	WATERSHED FUND #132		AFFORDABLE HOUSING FUND #133	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	78,423	294,599.67	142,511	197,072.68
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	573,839	152,781.53	-	-
340 Charges for Goods and Services	-	-	46,500	41,262.68
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	142.39	1,380	600.26
390 Other Financing Sources	122,000	122,000.00	-	-
TOTAL REVENUES AND OTHER SOURCES	695,839	274,923.92	47,880	41,862.94
TOTAL RESOURCES	774,262	569,523.59	190,391	238,935.62
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	698,510	538,782.79	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	125,000	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	698,510	538,782.79	125,000	-
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	-	25,000.00
TOTAL EXPENDITURES	698,510	538,782.79	125,000	25,000.00
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	698,510	538,782.79	125,000	25,000.00
Excess (deficit) of Resources Over Uses	75,752	30,740.80	65,391	213,935.62
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	14,961	14,960.64
ENDING CASH & INVESTMENTS	75,752	30,740.80	50,430	198,974.98

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	TRIAL COURT IMPRV FUND #134		COMMUNICATIONS FUND #135	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	6,397	19,873.78	-	99.57
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	13,000	36,911.00	50,000	129,765.41
340 Charges for Goods and Services	-	-	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	-	-	-
390 Other Financing Sources	-	-	-	-
TOTAL REVENUES AND OTHER SOURCES	13,000	36,911.00	50,000	129,765.41
TOTAL RESOURCES	19,397	56,784.78	50,000	129,864.98
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	13,675	10,201.16	129,866	129,864.98
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	13,675	10,201.16	129,866	129,864.98
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	13,675	10,201.16	129,866	129,864.98
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	13,675	10,201.16	129,866	129,864.98
Excess (deficit) of Resources Over Uses	5,722	46,583.62	(79,866)	-
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	5,722	46,583.62	(79,866)	-

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	INDIGENT DEFENSE SERVICES FUND #136		LANDFILL GAS IMP FUND #139	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	-	25,823.00	154,376	539,850.16
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	29,885.00	250,000	250,000.00
340 Charges for Goods and Services	-	-	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	-	2,590	1,699.33
390 Other Financing Sources	67,919	67,919.00	-	-
TOTAL REVENUES AND OTHER SOURCES	67,919	97,804.00	252,590	251,699.33
TOTAL RESOURCES	67,919	123,627.00	406,966	791,549.49
OPERATING EXPENDITURES				
510 General Government	25,823	54,823.74	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	25,823	54,823.74	-	-
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	25,823	54,823.74	-	-
597-99 Other Financing Uses	-	-	300,000	84,707.68
TOTAL EXPENDITURES AND OTHER USES	25,823	54,823.74	300,000	84,707.68
Excess (deficit) of Resources Over Uses	42,096	68,803.26	106,966	706,841.81
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	42,096	68,803.26	106,966	706,841.81

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	SOLID WASTE FUND #140		REET ELECTRONIC TECH FUND #142	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	(58,707)	194,668.31	57,535	105,777.75
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	95,301	49,103.95	20,000	12,473.32
340 Charges for Goods and Services	360,245	329,266.26	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	347.44	1,000	279.07
390 Other Financing Sources	-	2,260.75	-	-
TOTAL REVENUES AND OTHER SOURCES	455,546	380,978.40	21,000	12,752.39
TOTAL RESOURCES	396,839	575,646.71	78,535	118,530.14
OPERATING EXPENDITURES				
510 General Government	-	-	98,000	35,421.44
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	407,469	352,603.96	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	407,469	352,603.96	98,000	35,421.44
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	407,469	352,603.96	98,000	35,421.44
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	407,469	352,603.96	98,000	35,421.44
Excess (deficit) of Resources Over Uses	(10,630)	223,042.75	(19,465)	83,108.70
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	(10,630)	223,042.75	(19,465)	83,108.70

The accompanying notes are an integral part of these Statements.

Klickitat County
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	LTD GO BOND FUND #201		CAPITAL IMPROV FUND #303	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	-	0.11	368,263	1,088,440.80
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	70,000	506,382.73
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	189,885	189,885.00	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	-	5,000	22,247.25
390 Other Financing Sources	-	-	20,000	-
TOTAL REVENUES AND OTHER SOURCES	189,885	189,885.00	95,000	528,629.98
TOTAL RESOURCES	189,885	189,885.11	463,263	1,617,070.78
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	-	-	-	-
591-93 Debt Service	189,885	189,885.00	-	-
594-96 Capital Outlay	-	-	608,000	389,781.10
TOTAL EXPENDITURES	189,885	189,885.00	608,000	389,781.10
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	189,885	189,885.00	608,000	389,781.10
Excess (deficit) of Resources Over Uses	-	0.11	(144,737)	1,227,289.68
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	-	0.11	(144,737)	1,227,289.68

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	CGRAIRPORT CAP IMP FUND #305		CAP IMP; RADIO SYSTEM FUND #306	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	-	250,675.00	-	-
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	500,000	-	-	-
340 Charges for Goods and Services	-	-	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	-	37.49	-	-
390 Other Financing Sources	500,000	-	-	-
TOTAL REVENUES AND OTHER SOURCES	1,000,000	37.49	-	-
TOTAL RESOURCES	1,000,000	250,712.49	-	-
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	-	-	-	-
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	1,253,325	-	500,000	120,211.44
TOTAL EXPENDITURES	1,253,325	-	500,000	120,211.44
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	1,253,325	-	500,000	120,211.44
Excess (deficit) of Resources Over Uses	(253,325)	250,712.49	(500,000)	(120,211.44)
380 Non-Revenues	-	-	500,000	500,000.00
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	(253,325)	250,712.49	-	379,788.56

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	DALLESFORT WW FUND #401		VEHICLE R&R FUND #502	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	6,565,021	912,933.03	795,202	967,190.26
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	798,843	717,621.73	-	-
350 Fines and Forfeits	-	(721.61)	-	-
360 Miscellaneous	7,000	14,798.51	4,350	2,759.18
390 Other Financing Sources	-	-	142,175	161,637.40
TOTAL REVENUES AND OTHER SOURCES	805,843	731,698.63	146,525	164,396.58
TOTAL RESOURCES	7,370,864	1,644,631.66	941,727	1,131,586.84
OPERATING EXPENDITURES				
510 General Government	-	-	500	500.00
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	314,704	210,312.63	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	314,704	210,312.63	500	500.00
591-93 Debt Service	574,608	572,186.24	-	-
594-96 Capital Outlay	-	-	132,500	98,546.39
TOTAL EXPENDITURES	889,312	782,498.87	133,000	99,046.39
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	889,312	782,498.87	133,000	99,046.39
Excess (deficit) of Resources Over Uses	6,481,552	862,132.79	808,727	1,032,540.45
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	(77,427.00)	-	-
ENDING CASH & INVESTMENTS	6,481,552	939,559.79	808,727	1,032,540.45

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	EQUIPMENT R&R FUND #504		SENIOR VEHICLE R&R FUND #505	
	Budget	Actual	Budget	Actual
BEGINNING CASH & INVESTMENTS	7,655,972	2,612,668.94	15,040	61,157.94
REVENUES AND OTHER SOURCES				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	58,031	57,174.05
340 Charges for Goods and Services	2,876,800	3,297,303.77	-	-
350 Fines and Forfeits	-	-	-	-
360 Miscellaneous	2,239,000	1,872,814.94	-	-
390 Other Financing Sources	5,000	(3,069.60)	3,530	6,712.00
TOTAL REVENUES AND OTHER SOURCES	5,120,800	5,167,049.11	61,561	63,886.05
TOTAL RESOURCES	12,776,772	7,779,718.05	76,601	125,043.99
OPERATING EXPENDITURES				
510 General Government	-	-	-	-
520 Security of Persons & Property	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	5,031,000	5,878,009.12	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreational	-	-	-	-
TOTAL OPERATING EXPENDITURE	5,031,000	5,878,009.12	-	-
591-93 Debt Service	-	-	-	-
594-96 Capital Outlay	-	862,972.43	72,539	71,536.06
TOTAL EXPENDITURES	5,031,000	6,740,981.55	72,539	71,536.06
597-99 Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER USES	5,031,000	6,740,981.55	72,539	71,536.06
Excess (deficit) of Resources Over Uses	7,745,772	1,038,736.50	4,062	53,507.93
380 Non-Revenues	-	-	-	-
580 Non-Expenditures	-	-	-	-
ENDING CASH & INVESTMENTS	7,745,772	1,038,736.50	4,062	53,507.93

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

BARS CODE	INFO SERVICES R&R FUND #506	
	Budget	Actual
BEGINNING CASH & INVESTMENTS	68,784	223,857.23
REVENUES AND OTHER SOURCES		
310 Taxes	-	-
320 Licenses and Permits	-	-
330 Intergovernmental	-	-
340 Charges for Goods and Services	268,154	267,954.00
350 Fines and Forfeits	-	-
360 Miscellaneous	-	100.00
390 Other Financing Sources	70,000	70,000.00
TOTAL REVENUES AND OTHER SOURCES	338,154	338,054.00
TOTAL RESOURCES	406,938	561,911.23
OPERATING EXPENDITURES		
510 General Government	201,575	166,538.92
520 Security of Persons & Property	-	-
530 Physical Environment	-	-
540 Transportation	-	-
550 Economic Environment	-	-
560 Mental and Physical Health	-	-
570 Culture and Recreational	-	-
TOTAL OPERATING EXPENDITURE	201,575	166,538.92
591-93 Debt Service	-	-
594-96 Capital Outlay	181,320	88,987.99
TOTAL EXPENDITURES	382,895	255,526.91
597-99 Other Financing Uses	-	-
TOTAL EXPENDITURES AND OTHER USES	382,895	255,526.91
Excess (deficit) of Resources Over Uses	24,043	306,384.32
380 Non-Revenues	-	-
580 Non-Expenditures	-	-
ENDING CASH & INVESTMENTS	24,043	306,384.32

The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

Fund Type: Special Revenue	TREASURER TRUST FUND #632		A/P CLEARING FUND #633	
	Budget	Actual	Budget	Actual
Beginning Cash & Investments	-	189,921.95	-	876,114.50
Revenues and Other Financing Sources	-	-	-	-
Total Resources	-	189,921.95	-	876,114.50
Expenditures and Other Financing Uses	-	-	-	-
Excess (Deficit) of Resources Over Uses	-	189,921.95	-	876,114.50
Nonrevenues (except 384)	-	277,924.41	-	52,384,253.02
Nonexpenditures (except 584)	-	299,673.98	-	52,297,902.58
Ending Cash & Investments	-	168,172.38	-	962,464.94

Fund Type: Special Revenue	RE TAX SALE TRUST FUND #634		SALARY CLEARING FUND #636	
	Budget	Actual	Budget	Actual
Beginning Cash & Investments	-	59,210.47	-	6,121.77
Revenues and Other Financing Sources	-	-	-	-
Total Resources	-	59,210.47	-	6,121.77
Expenditures and Other Financing Uses	-	-	-	-
Excess (Deficit) of Resources Over Uses	-	59,210.47	-	6,121.77
Nonrevenues (except 384)	-	-	-	16,503,542.91
Nonexpenditures (except 584)	-	5,326.57	-	16,503,308.68
Ending Cash & Investments	-	53,883.90	-	6,356.00

Fund Type: Special Revenue	STATE SCHOOL #639		FIRE PATROL FUND #640	
	Budget	Actual	Budget	Actual
Beginning Cash & Investments	-	53,650.59	-	1,908.76
Revenues and Other Financing Sources	-	6,213,298.53	-	273,492.68
Total Resources	-	6,266,949.12	-	275,401.44
Expenditures and Other Financing Uses	-	6,169,601.60	-	273,745.38
Excess (Deficit) of Resources Over Uses	-	97,347.52	-	1,656.06
Nonrevenues (except 384)	-	-	-	-
Nonexpenditures (except 584)	-	-	-	-
Ending Cash & Investments	-	97,347.52	-	1,656.06

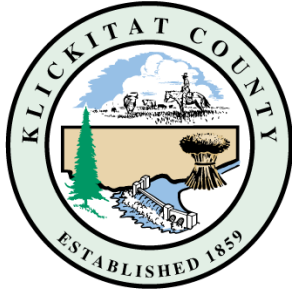
The accompanying notes are an integral part of these Statements.

KLICKITAT COUNTY
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
 For the Year Ended December 31, 2010

Fund Type: Special Revenue	COUNTY TIMB TAX RES		STATE GENERAL	
	FUND #644		FUND #646	
	Budget	Actual	Budget	Actual
Beginning Cash & Investments	-	209,568.43	-	60,851.17
Revenues and Other Financing Sources	-	-	-	249,322.01
Total Resources	-	209,568.43	-	310,173.18
Expenditures and Other Financing Uses	-	-	-	-
Excess (Deficit) of Resources Over Uses	-	209,568.43	-	310,173.18
Nonrevenues (except 384)	-	132,447.97	-	281,281.77
Nonexpenditures (except 584)	-	6,208.25	-	572,844.38
Ending Cash & Investments	-	335,808.15	-	18,610.57

Fund Type: Special Revenue	CO HUMAN SERV TAX		SPECIAL PSEA	
	FUND #647		FUND #649	
	Budget	Actual	Budget	Actual
Beginning Cash & Investments	-	26,596.64	-	38,586.47
Revenues and Other Financing Sources	-	-	-	-
Total Resources	-	26,596.64	-	38,586.47
Expenditures and Other Financing Uses	-	-	-	-
Excess (Deficit) of Resources Over Uses	-	26,596.64	-	38,586.47
Nonrevenues (except 384)	-	75,193.39	-	269,497.44
Nonexpenditures (except 584)	-	75,557.08	-	270,649.32
Ending Cash & Investments	-	26,232.95	-	37,434.59

The accompanying notes are an integral part of these Statements.



Klickitat County, Washington

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Klickitat County reports financial activity using the revenue and expenditure classifications, statements, and schedules contained in the Cash Basis Budgeting, Accounting and Reporting System (BARS) manual. This basis of accounting and reporting is another comprehensive basis of accounting (OCBOA) that is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

Klickitat County was established by the Territorial Legislature on December 20, 1859 as a statute county, which means that the organization of the County is prescribed by state statute. Locally elected officials include the County Assessor, Auditor, Clerk, Prosecuting Attorney, Sheriff, Treasurer, one Superior Court Judge, two District Court Judges, and the three-member Board of County Commissioners. These elected officials govern the County and establish policies on the basis of the local community's needs and preferences and provide the following services to its constituents: public safety, road maintenance, solid waste management, planning and zoning, parks and recreation, judicial administration, health, social services, and general administrative services.

The County uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

Excluded from the reporting entity:

Various School Districts, Drainage Districts, Fire Protection Districts, Irrigation Districts, Cities and Towns, Public Utility District, Port District, Cemetery Districts, Library Districts, and Hospital Districts. Each of these entities represents a separate political subdivision with elected representation and individual taxing powers. Klickitat County does not significantly contribute to or control the operations of these districts.

A. Fund Accounting

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

GOVERNMENTAL FUND TYPES:

General (Current Expense) Fund

This fund is the primary operating fund of the County. 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 revenues that are restricted or committed to expenditures for specified purposes of the County.

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.

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 County on a cost-reimbursement basis.

FIDUCIARY FUND TYPES:

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

Agency Funds

These funds are used to account assets that County holds for others in an agency capacity.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received with the exception of federal grant revenues received during thirty days after the close of the fiscal year when two conditions exist: first, it must be included in the prior year budget and second, it must be a reimbursement for an allowable expenditure.

Expenditures are recognized when paid, including those properly chargeable against the report year's budget appropriations as required by state law. In accordance with state law, the County also recognizes expenditures paid during thirty days after the close of the fiscal year for claims incurred during the previous period.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

C. Budgetary Information

Budgets are adopted for funds using the modified accrual basis of accounting. Budgetary accounts are integrated in fund ledgers for all budgeted funds, but the financial statements do not include budgetary comparisons for trust funds.

Annual appropriated budgets are adopted at the fund level, except the General (Current Expense) Fund, where budgets are adopted at the department level. The budgets constitute the legal authority for expenditures at that level. Subsidiary revenue and expenditure ledgers are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class. Annual appropriations for governmental funds lapse at year end.

The County Commissioners must approve revisions that alter the total expenditures of a fund or department of the General Fund. Also, any changes that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the Commissioners.

After holding one public hearing, the Commissioners determine whether it is in the best interest of the County to increase or decrease the appropriation for a particular fund or department. Approval is made by a resolution adopted by a majority of the Board.

D. Cash

It is the County's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is posted to the General Fund except where prohibited by statute or bond covenant.

E. Deposits

The County deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation.

F. Investments - See Note 3 – Deposits and Investments**G. Capital Assets**

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

H. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave.

County employees receive vacation and sick leave monthly at rates established by county policy or union contract. At termination of employment, employees with vested length of service may receive cash payment for accumulated vacation leave based upon length of service, pay plan policy and/or bargaining unit provisions. Sick leave is paid out on a prorated basis based upon length of service, pay plan policy, and/or bargaining unit provisions. The payment is based upon current wages at termination.

I. Long-Term Debt – See Note 6

J. Other Financing Sources or Uses

The County's other financing sources or uses consist of Transfers In/Out, proceeds from sale of Fixed Assets, debt service, and Intergovernmental Agreements/Subsidies.

K. Risk Management

Klickitat County is a member of the Washington Rural Counties Insurance Pool ("Pool"). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The pool was formed on September 1, 1998 when 3 counties 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. Eight counties have joined the pool.

The pool provides the following forms of joint self-insurance and reinsurance coverage for its members: property, including automobile comprehensive and collision, equipment breakdown, crime protection, and liability, including general automobile and wrongful acts are included to fit members' various needs.

The pool acquires liability insurance through their insurance broker, Apex Insurance. Liability coverage is purchased to an aggregate limit of \$45,000 with a self-insured retention of \$50,000. Members are responsible for the first \$1,000 to \$5,000 of this amount with the pool bearing the responsibility for the remaining \$45,000 to \$49,000. Since the pool is a cooperative program, there is a joint liability among the participating members towards the sharing of the remaining portion of the deductible.

Property insurance is subject to a per-occurrence deductible of \$25,000. Members are responsible for the first \$1,000 - \$5,000 per occurrence with the pool bearing the responsibility for the remaining amount.

Equipment breakdown insurance is subject to a per-occurrence deductible of \$2,500 (\$5,000 for sewer plants). Members are responsible for the full deductible amount of each claim.

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

The pool is governed by an eight-member Board of Directors elected by each member's designated voting representative. It is felt the individual counties are best able to select their own representatives to manage their insurance association. The pool has no employees, but has contracted with Canfield to perform the daily administration of the pool, including account education, risk management and loss control, and claims administration.

L. Reserved Fund Balance

Emergency Management Plan Reserves, Emergency Management Fund #127 = \$4,925.28.

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions.

Expenditures exceeded the legal appropriations in the following fund/departments of the County:

FUND/DEPARTMENT	AMOUNT
Fund #136, Indigent Defense Services	\$29,001
Fund #504, Equipment Repair & Replacement	\$1,709,982

NOTE 3 - INVESTMENTS

The County’s investments are either insured, registered or held by the County or its agent in the County’s name.

Investments by Type at December 31, 2010 are as follows:

Investments	Fair Value of County’s Own Investments	Fair Value of Investments Held by County as Agent for Other Local Governments, Individuals or Private Organizations	Total
State investment pool	10,795,169	68,321,115	79,116,284
Certificates of Deposit	2,500,000		2,500,000
Money Market			
TOTAL	13,295,169	68,321,115	81,616,284

NOTE 4 - 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 County. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied.

The County’s regular levy for 2010 was \$0.995388 per \$1,000 on an assessed valuation of \$3,067,233,083 for a total regular levy of \$3,053,087.63. The 2010 levy for County Roads was \$1.323417 per \$1,000 on an assessed valuation of \$2,356,009,442 for a levy of \$3,117,982.97.

NOTE 5 - INTERFUND LOANS AND ADVANCES

The following table displays interfund loan activity during 2010:

Borrowing Fund	Lending Fund	Beginning Balance 01/01/10	New Loans	Repayments	Ending Balance 12/31/10
CDBG	Cumulative Reserve	\$30,100	\$0	\$30,100	\$0
Radio Imp Fund	Cumulative Reserve	\$0	\$500,000	\$0	\$500,000

NOTE 6 - LONG-TERM DEBT

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the County and summarizes the County debt transactions for 2010. The debt service requirements, including interest, are as follows:

YEAR	GO Bonds	Revenue Bonds	Other Debt	Total Debt
2011	191,210		584,620	775,830
2012	192,360		582,057	774,417
2013	193,047		579,495	772,542
2014	193,547		576,932	770,480
2015	193,860		574,370	768,230
2016-2020	963,925		2,764,089	3,728,014
2021-2024	766,015		633,939	1,399,954
TOTAL	\$2,693,965		\$6,295,503	\$8,989,468

NOTE 7 - PENSION PLANS

Substantially all Klickitat County full-time and qualifying part-time employees participate in Public Employees' Retirement System (PERS) Plans 1, 2, and 3; Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans 1 and 2; or Public Safety Employees' Retirement System (PSERS) Plan 2 administered by the Washington State 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 County's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems
 Communications Unit
 PO Box 48380
 Olympia, WA 98504-8380

NOTE 8 - OTHER DISCLOSURES**A. Joint Ventures**

On November 1, 2002 the County and the City of The Dalles, OR, entered into an agreement for equal joint ownership of the Columbia Gorge Regional/The Dalles Airport, located in Dallesport, Washington. The transfer and recording of Klickitat County's 50% ownership was done on September 29, 2003. Klickitat County expects to contribute a minimum of \$50,000 each year for operational expenses and fully expects to receive 50% of net income when the airport is on a profitable footing. No profits have been received by the County as of the end of 2010.

An Enterprise Fund was established under the authority of the City of The Dalles, OR for the purpose of advancing funding necessary to carry out the provisions of the Joint Operating Agreement. The County and City will deposit money related to maintenance, operation, and capital improvements at the Airport into the City's Enterprise Fund.

In 2010, the County created a Capital Project Fund (#305) and the remaining funds were transferred to the County. In 2010, Klickitat County provided \$65,000 for maintenance, operations, and capital improvements at the Airport.

B. Postemployment Benefits Other Than Pension Benefit

In addition to the pension benefits described in Note 7, the County provides post employment health care benefits, in accordance with Revised Code of Washington (RCW) 41.26.150 to all LEOFF 1 retirees. There are currently six LEOFF 1 retirees on the rolls of the County.

The County's post employment health care benefits for each retiree include payment of the total cost of the health insurance premium and any remaining balance of medical costs not paid by insurance.

During the year, total expenditures of \$35,454 recognized for post employment health care.

C. Closure and Postclosure Care Cost

State and federal laws and regulations require that Klickitat County place a final cover on its landfill when closed. Horsethief Landfill was 100% full and closed in 1996. Maintenance and monitoring functions must be performed at the landfill each year for 30 years after closure. Each year the Solid Waste Budget includes the annual post-closure costs needed for the Horsethief Landfill. 2010 annual costs associated with the landfill were \$9,950 to cover permits, groundwater monitoring, and quarterly inspections. It has been estimated that these costs will remain constant (adjusted for inflation) throughout the 30 year period. Post-closure care is funded as a regular part of the Solid Waste budget process. A small portion of landfill revenues from Host fees as described in the contract between Allied Waste (owner/operators of Roosevelt Landfill) and Klickitat County, which funds the entire Solid Waste Department, is used to finance post closure care. The Solid Waste Department uses no general fund monies.

D. Roosevelt Regional Landfill

A major source of revenue for the County is the Roosevelt Regional Landfill. On April 15, 2002, Klickitat County entered into a contractual agreement effective January 1, 2002 with Allied Waste Industries, Inc. (AWIN) to continue operating a landfill at Roosevelt, Washington. AWIN pays the County a fixed administrative fee along with other fees based upon the number of tons of solid waste disposed of at the landfill. The money is apportioned to the various funds in the County. The contract is for 25 years with the option to extend it by three five year periods. This would take the contract out to 2042. The fees each year will vary.

The fees and distribution for 2010 are:

FUND	FEES
General Fund # 001	\$4,771,304
Road Fund # 101	\$1,000,000
GIS Fund #103	\$33,348
Senior Services # 104	\$136,563
Law Library # 114	\$4,000
Victim/Witness Fund # 115	\$1,500
County Fair # 116	\$25,000
Economic Development # 119	\$238,245
Cumulative Reserve # 125	\$295,193
Emergency Management #127	\$16,800
Solid Waste # 140	\$320,000
LTD GO Bond Fund #201	\$189,885
Dallesport WW System #401	\$575,000
Information Services # 506	\$265,954
TOTAL	\$7,872,792

E. Subsequent Events

Subsequent to December 31, 2010, Klickitat County approved Resolution #05811 increasing the Interfund loan from Cumulative Reserve Fund #125 to the Radio System Fund #306 by \$1,400,000 making for a total loan of \$1,900,000. The intent of this loan is to provide interim funding pending receipt of bond proceeds. Repayment is to be from bond proceeds as they become available. Interest will be based on the State Pool's average throughout the duration of the loan.

KLICKITAT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2010

1 Federal Agency Name/Pass-Through Agency Name	2 Federal Program Name	3 CFDA Number	4 Other I.D. Number	5 Expenditures			6 Foot-note Ref.
				From Pass-Through Awards	From Direct Awards	Total	
US Dept of Agri through WA CTED	Special Supplemental Nutrition Program for Women, Infants &	10.557	C-14953	\$ 11,633	\$ -	\$ 11,633	
			Total for CFDA 10.557			\$ 11,633	
US Dept of Agri through WA CTED	Schools & Roads - Grants to States	10.665	RCW 36.34.220	\$ 61,878	\$ -	\$ 61,878	
US Dept of Agri through Forest Service	Schools & Roads - Grants to States	10.665	10-PA-11060300-18	\$ 25,000	\$ -	\$ 25,000	
			Total for CFDA 10.665			\$ 86,878	
US Dept of Commerce through WA Recreation & Conservation Office	Pacific Coast Salmon Recovery Treaty Program	11.438	RCO # 09-501N	\$ 32,627	\$ -	\$ 32,627	
			Total for CFDA 11.438			\$ 32,627	
US Dept of HUD through WA CTED	Community Development Block Grant State Program	14.228	06-64006-053	\$ 42,084	\$ -	\$ 42,084	
			Total for CFDA 14.228			\$ 42,084	
US Dept of Justice through WA DSHS	Juvenile Accountability Incentive Block Grant	16.523	0663-98331	\$ 10,000	\$ -	\$ 10,000	
			Total for CFDA 16.523			\$ 10,000	
US Dept of Justice through Dept of Commerce	Violence Against Women	16.588	F09-31103-061	\$ 37,883	\$ -	\$ 37,883	
			Total for CFDA 16.588			\$ 37,883	
US Dept of Justice	State Criminal Alien Assistnace Program (SCAAP)	16.606	2009	\$ -	\$ 9,679	\$ 9,679	
			Total for CFDA 16.606			\$ 9,679	
US Dept of Justice through WASPC	Public Safety Partnership and Community Policing Grant	16.710	2009 CKWX0392	\$ 18,000	\$ -	\$ 18,000	
US Dept of Justice	Public Safety Partnership and Community Policing Grant	16.711	2006 CKWX0535	\$ -	\$ 129,765	\$ 129,765	Note 2
			Total for CFDA 16.710			\$ 147,765	
US Dept of Justice through Dept of Commerce	ARRA Justice Assistance Grant (JAG)	16.803	F09-34721-150	\$ 9,984	\$ -	\$ 9,984	Note 3
US Dept of Justice through WA DSHS	ARRA Justice Assistance Grant (JAG)	16.803	F09-34721-044	\$ 25,546	\$ -	\$ 25,546	Note 3
			Total for CFDA 16.803			\$ 35,530	
US Dept of Transportation through WA DOT	Highway Planning & Construction	20.205	BROS	\$ 620,221	\$ -	\$ 620,221	
US Dept of Transportation through WA DOT	Highway Planning & Construction	20.205	STP-R	\$ 5,939	\$ -	\$ 5,939	
US Dept of Transportation through WA DOT	Highway Planning & Construction	20.205	HRRR	\$ 148,749	\$ -	\$ 148,749	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule

KLICKITAT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2010

1 Federal Agency Name/Pass-Through Agency Name	2 Federal Program Name	3 CFDA Number	4 Other I.D. Number	5 Expenditures			6 Foot-note Ref.
				From Pass-Through Awards	From Direct Awards	Total	
US Dept of Transportation through WA DOT	Highway Planning & Construction	20.205	STP-E	\$ 141,710	\$ -	\$ 141,710	
Total for CFDA 20.205							\$ 916,619
US Dept of Transportation through WA DOT	Formula Grants for Other Than Urbanized Areas	20.509	GCA 6179	\$ 313,384	\$ -	\$ 313,384	
Total for CFDA 20.509							\$ 313,384
US Dept of Transportation through WA DOT	Capital Assistance Programs for Elderly Persons and Persons with Disabilities	20.513	GCA 6180	\$ 56,474	\$ -	\$ 56,474	
Total for CFDA 20.513							\$ 56,474
US Dept of Transportation through WASPC	State and Community Highway Safety	20.600	2008-2009	\$ 8,127	\$ -	\$ 8,127	
Total for CFDA 20.600							\$ 8,127
US Dept of Education through WA CTED	Safe and Drug-Free Schools and Communities State Grants	84.186	M08-66100-120 M09-66100-120	\$ 15,885	\$ -	\$ 15,885	
Total for CFDA 84.186							\$ 15,885
US Elections Assistance Commission through Sec of State HAVA	Help America Vote Act	90.401	G-2851-A7	\$ 5,808	\$ -	\$ 5,808	
Total for CFDA 90.401							\$ 5,808
US Dept of Health & Human Services through WA DHHS	Special Programs for Aging Title III, Part D Disease Prevention & Health	93.043	CONTRACT 00910	\$ 2,500	\$ -	\$ 2,500	
Total for CFDA 93.043							\$ 2,500
US Dept of Health & Human Services through WA DHHS	Special Programs for Aging Title III, Part B Grants for Supportive Service	93.044	CONTRACT 00910	\$ 858	\$ -	\$ 858	
US Dept of Health & Human Services through WA DHHS	Special Programs for Aging Title III, Part B Grants for Supportive Service	93.044	CONTRACT 02210	\$ 22,723	\$ -	\$ 22,723	
US Dept of Health & Human Services through WA DHHS	Special Programs for Aging Title III, Part B Grants for Supportive Service	93.044	CONTRACT 00510	\$ 10,203	\$ -	\$ 10,203	
Total for CFDA 93.044							\$ 33,783
US Dept of Health & Human Services through WA DHHS	Special Programs for aging Title III part C nutrition services	93.045	CONTRACT 00510	\$ 42,517	\$ -	\$ 42,517	
US Dept of Health & Human Services through WA DHHS	Special Programs for aging Title III part C nutrition services	93.045	CONTRACT 00510	\$ 10,200	\$ -	\$ 10,200	
Total for CFDA 93.045							\$ 52,717
US Dept of Health & Human Services through WA DHHS	Nutrition Services Incentive Program	93.053	CONTRACT 00510	\$ 6,174	\$ -	\$ 6,174	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule

KLICKITAT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2010

1 Federal Agency Name/Pass-Through Agency Name	2 Federal Program Name	3 CFDA Number	4 Other I.D. Number	5 Expenditures			6 Foot-note Ref.
				From Pass-Through Awards	From Direct Awards	Total	
US Dept of Health & Human Services through WA DHHS	Nutrition Services Incentive Program	93.053	CONTRACT 00510	\$ 1,444	\$ -	\$ 1,444	
Total for CFDA 93.053						\$ 7,618	
US Dept of Health & Human Services through WA DHHS	Public Health Emergency Preparedness	93.069	C-14953	\$ 19,874	\$ -	\$ 19,874	
Total for CFDA 93.069						\$ 19,874	
US Dept of Health & Human Services through WA DHHS	Family Planning Services	93.217	C-14953	\$ 19,874	\$ -	\$ 19,874	
Total for CFDA 93.217						\$ 19,874	
US Dept of Health & Human Services through WA DHHS	Immunization Grants	93.268	C-14953	\$ 12,160	\$ -	\$ 12,160	
Total for CFDA 93.268						\$ 12,160	
US Dept of Health & Human Services through WA DHHS	Center for Disease Control & Prevention Investigations & Technical Assistance	93.283	C-14953	\$ 1,616	\$ -	\$ 1,616	
US Dept of Health & Human Services through WA DHHS	Center for Disease Control & Prevention Investigations & Technical Assistance	93.283	C-14953	\$ 2,303	\$ -	\$ 2,303	
US Dept of Health & Human Services through WA DHHS	Center for Disease Control & Prevention Investigations & Technical Assistance	93.283	KLCH-08	\$ 6,294	\$ -	\$ 6,294	
Total for CFDA 93.283						\$ 10,213	
US Dept of Health & Human Services through WA DHHS	Child Support Enforcement	93.563	75-1501-0- 1-609	\$ 46,187	\$ -	\$ 46,187	
US Dept of Health & Human Services through WA DHHS	Child Support Enforcement	93.563	2110-80742	\$ 22,806	\$ -	\$ 22,806	
Total for CFDA 93.563						\$ 68,993	
US Dept of Health & Human Services through WA DHHS	Child Care & Development Block Grant	93.575	C-14953	\$ 7,233	\$ -	\$ 7,233	
Total for CFDA 93.575						\$ 7,233	
US Elections Assistance Commission through Sec of State HAVA	Voting access for individuals with disabilities grants to states	93.617	G-10/330	\$ 4,650	\$ -	\$ 4,650	
Total for CFDA 93.617						\$ 4,650	
US Dept of Health & Human Services through WA DHHS	ARRA - Aging home delivered Nutrition services for states	93.705	CONTRACT 00510	\$ 432	\$ -	\$ 432	Note 3
Total for CFDA 93.705						\$ 432	
US Dept of Health & Human Services through WA DHHS	ARRA - Aging congregate Nutrition services for states	93.707	CONTRACT 00510	\$ 16,725	\$ -	\$ 16,725	Note 3
Total for CFDA 93.707						\$ 16,725	
US Dept of Health & Human Services through WA DHHS	ARRA - Immunization	93.712	C-14953	\$ 450	\$ -	\$ 450	Note 3
Total for CFDA 93.712						\$ 450	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule

KLICKITAT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2010

1 Federal Agency Name/Pass-Through Agency Name	2 Federal Program Name	3 CFDA Number	4 Other I.D. Number	5 Expenditures			6 Foot-note Ref.
				From Pass-Through Awards	From Direct Awards	Total	
US Dept of Health & Human Services through WA DHHS	Medical Assistance Program	93.778	0563-81117	\$ 113,990	\$ -	\$ 113,990	
US Dept of Health & Human Services through WA DHHS	Medical Assistance Program	93.778	CONTRACT 27608	\$ 1,088	\$ -	\$ 1,088	
Total for CFDA 93.778						\$ 115,078	
US Dept of Health & Human Services through WA DHHS	Block Grants for Prevention & Treatment of Substance Abuse	93.959	0763-20320	\$ 46,552	\$ -	\$ 46,552	
Total for CFDA 93.959						\$ 46,552	
US Dept of Health & Human Services through WA DHHS	Maternal & Child Health Services Block Grant	93.994	C-14953	\$ 33,364	\$ -	\$ 33,364	
Total for CFDA 93.994						\$ 33,364	
US Dept of Homeland Security through State Military Department	Emergency Management Performance Grant	97.042	E10-159	\$ 26,407.00	\$ -	\$ 26,407	
US Dept of Homeland Security through State Military Department	Emergency Management Performance Grant	97.042	E10-279	\$ 555.43	\$ -	\$ 555	
Total for CFDA 97.042						\$ 26,962	
US Dept of Homeland Security through State Military Department	Homeland Security Grant Program	97.067	E10-180	\$ 33,928.62	\$ -	\$ 33,929	
US Dept of Homeland Security through State Military Department	Homeland Security Grant Program	97.067	E10-181	\$ 7,065.46	\$ -	\$ 7,065	
US Dept of Homeland Security through State Military Department	Homeland Security Grant Program	97.067	E09-168	\$ 938.01	\$ -	\$ 938	
US Dept of Homeland Security through State Military Department	Homeland Security Grant Program	97.067	E09-149	\$ 10,000.00	\$ -	\$ 10,000	
US Dept of Homeland Security through State Military Department	Homeland Security Grant Program	97.067	K698	\$ 120.00	\$ -	\$ 120	
Total for CFDA 97.067						\$ 52,052	

****TOTAL EXPENDITURES OF FEDERAL AWARDS****

\$ 2,261,606

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule

KLICKITAT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2010

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the County's financial statements. The county 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 County's portion, may be more than shown.

NOTE 3 - AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) of 2009

Expenditures for this program were funded by ARRA.



ABOUT THE STATE AUDITOR'S OFFICE

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

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

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

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

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

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

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Deputy Chief of Staff
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