



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Asotin County

For the period January 1, 2020 through December 31, 2020

Published December 23, 2021

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**Office of the Washington State Auditor
Pat McCarthy**

December 23, 2021

Board of Commissioners
Asotin County
Asotin, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Asotin 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,

Pat McCarthy, State Auditor
Olympia, WA

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Asotin County January 1, 2020 through December 31, 2020

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Asotin County are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the County’s financial statements in accordance with its regulatory basis of accounting. Separately, we issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared using a basis of accounting other than GAAP.

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no 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 unmodified opinion on the County’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>CFDA No.</u>	<u>Program or Cluster Title</u>
21.019	COVID-19 – Coronavirus Relief Fund

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The County did not qualify as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Asotin County January 1, 2020 through December 31, 2020

Board of Commissioners
Asotin County
Asotin, Washington

We have audited, 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, the financial statements of Asotin County, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's financial statements, and have issued our report thereon dated December 15, 2021.

We issued an unmodified opinion on the fair presentation of the County's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the County using accounting practices prescribed by state law and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

As discussed in Note 4 to the 2020 financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the County is unknown. Management's plans in response to this matter are also described in Note 4.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the County'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's

internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County'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.

In addition, we noted certain matters that we have reported to the management of the County in a separate letter dated December 15, 2021.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the County's financial statements are free from 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*.

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. 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 that reads "Pat McCarthy". The signature is written in a cursive style with a large, stylized "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

December 15, 2021

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Asotin County January 1, 2020 through December 31, 2020

Board of Commissioners
Asotin County
Asotin, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited the compliance of Asotin County, with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2020. The County's major federal programs are identified in the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of 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, 2020.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. 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 that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

December 15, 2021

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

Asotin County January 1, 2020 through December 31, 2020

Board of Commissioners
Asotin County
Asotin, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Asotin County, for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's financial statements, as listed on page 15.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of state law and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for 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 opinions 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 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 County'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 County'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 opinions.

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, Asotin County has prepared these financial statements to meet the financial reporting requirements of state law using accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and investments of Asotin County, and its changes in cash and investments, for the year ended December 31, 2020, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. The effects on the financial statements of the variances between GAAP and the accounting practices the County used, as described in Note 1, although not reasonably determinable, are presumed to be material. As a result, we are required to issue an adverse opinion on whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Asotin County, as of December 31, 2020, or the changes in financial position or cash flows thereof for the year then ended, due to the significance of the matter discussed in the above "Basis for Adverse Opinion on U.S. GAAP" paragraph.

Matters of Emphasis

As discussed in Note 4 to the 2020 financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the County is unknown. Management's plans in

response to this matter are also described in Note 4. Our opinion is not modified with respect to this matter.


Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule of Liabilities 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2021 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 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 County's internal control over financial reporting and compliance.



Pat McCarthy, State Auditor

Olympia, WA

December 15, 2021

FINANCIAL SECTION

Asotin County January 1, 2020 through December 31, 2020

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2020
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2020
Notes to the Financial Statements – 2020

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2020
Schedule of Expenditures of Federal Awards – 2020
Notes to the Schedule of Expenditures of Federal Awards – 2020

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		Total for All Funds (Memo Only)	001 Current Expense	101 County Road	103 Capital Improvement
Beginning Cash and Investments					
308	Beginning Cash and Investments	31,232,688	3,199,839	3,215,860	1,904,897
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	7,967,984	4,529,391	1,414,805	211,491
320	Licenses and Permits	281,675	269,638	7,412	-
330	Intergovernmental Revenues	8,420,869	4,068,771	2,188,447	-
340	Charges for Goods and Services	8,354,294	1,524,166	525,909	-
350	Fines and Penalties	84,006	84,006	-	-
360	Miscellaneous Revenues	985,641	539,325	10,195	-
Total Revenues:		26,094,469	11,015,297	4,146,768	211,491
Expenditures					
510	General Government	4,986,228	4,605,998	-	-
520	Public Safety	4,292,498	3,959,174	-	-
530	Utilities	2,451,054	-	-	-
540	Transportation	3,692,416	-	3,067,749	-
550	Natural/Economic Environment	238,135	10,868	4,886	-
560	Social Services	1,294,109	44,835	-	-
570	Culture and Recreation	674,846	618,496	-	-
Total Expenditures:		17,629,286	9,239,371	3,072,635	-
Excess (Deficiency) Revenues over Expenditures:		8,465,183	1,775,926	1,074,133	211,491
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	924,364	665,720	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	270,426	81,528	-	-
Total Other Increases in Fund Resources:		1,194,790	747,248	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	3,915,356	376,397	1,494,339	309,764
591-593, 599	Debt Service	910,891	-	-	-
597	Transfers-Out	924,364	636,000	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	94,005	414	-	-
Total Other Decreases in Fund Resources:		5,844,616	1,012,811	1,494,339	309,764
Increase (Decrease) in Cash and Investments:		3,815,357	1,510,363	(420,206)	(98,273)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	25,230,987	656,885	2,795,652	1,806,623
50841	Committed	6,610,907	860,040	-	-
50851	Assigned	310,315	297,449	-	-
50891	Unassigned	2,895,833	2,895,833	-	-
Total Ending Cash and Investments		35,048,042	4,710,207	2,795,652	1,806,623

The accompanying notes are an integral part of this statement.

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		104 County Fair	106 Law Library	107 Veterans Relief
Beginning Cash and Investments				
308	Beginning Cash and Investments	86,829	68,273	24,484
388 / 588	Net Adjustments	-	-	-
Revenues				
310	Taxes	-	-	20,271
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	32,576	-	51
340	Charges for Goods and Services	27,870	7,981	-
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	9,831	-	-
Total Revenues:		70,277	7,981	20,322
Expenditures				
510	General Government	-	-	-
520	Public Safety	-	-	-
530	Utilities	-	-	-
540	Transportation	-	-	-
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	21,799
570	Culture and Recreation	51,983	750	-
Total Expenditures:		51,983	750	21,799
Excess (Deficiency) Revenues over Expenditures:		18,294	7,231	(1,477)
Other Increases in Fund Resources				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	-	-	-
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-
Total Other Increases in Fund Resources:		-	-	-
Other Decreases in Fund Resources				
594-595	Capital Expenditures	-	793	-
591-593, 599	Debt Service	2,152	-	-
597	Transfers-Out	-	-	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	14,000	-	-
Total Other Decreases in Fund Resources:		16,152	793	-
Increase (Decrease) in Cash and Investments:		2,142	6,438	(1,477)
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	-	74,711	23,006
50841	Committed	76,105	-	-
50851	Assigned	12,866	-	-
50891	Unassigned	-	-	-
Total Ending Cash and Investments		88,971	74,711	23,006

The accompanying notes are an integral part of this statement.

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		109 Emergency Management	110 Auditor's O&M	111 Public Safety	112 Noxious Weed Control
Beginning Cash and Investments					
308	Beginning Cash and Investments	8,495	841,692	-	69,686
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	432,536	68,996
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	44,879	49,652	-	6,721
340	Charges for Goods and Services	13,250	9,816	248,146	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	10	3,642	-	12,974
Total Revenues:		58,139	63,110	680,682	88,691
Expenditures					
510	General Government	-	5,270	-	-
520	Public Safety	44,389	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	51,576
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		44,389	5,270	-	51,576
Excess (Deficiency) Revenues over Expenditures:		13,750	57,840	680,682	37,115
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	2,000	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		2,000	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	7,371	8,510	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		7,371	8,510	-	-
Increase (Decrease) in Cash and Investments:		8,379	49,330	680,682	37,115
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	874	891,021	-	106,800
50841	Committed	16,000	-	680,681	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		16,874	891,021	680,681	106,800

The accompanying notes are an integral part of this statement.

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		117 Anatone Community Hall	123 Community Development Block Grant	125 Boating Safety
Beginning Cash and Investments				
308	Beginning Cash and Investments	16,397	-	54,402
388 / 588	Net Adjustments	-	-	-
Revenues				
310	Taxes	-	-	-
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	-	87,529	6,116
340	Charges for Goods and Services	-	-	-
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	596	-	24
Total Revenues:		596	87,529	6,140
Expenditures				
510	General Government	-	-	-
520	Public Safety	-	-	4,982
530	Utilities	-	-	-
540	Transportation	-	-	-
550	Natural/Economic Environment	-	74,832	-
560	Social Services	-	-	-
570	Culture and Recreation	3,617	-	-
Total Expenditures:		3,617	74,832	4,982
Excess (Deficiency) Revenues over Expenditures:		(3,021)	12,697	1,158
Other Increases in Fund Resources				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	-	-	-
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-
Total Other Increases in Fund Resources:		-	-	-
Other Decreases in Fund Resources				
594-595	Capital Expenditures	-	12,697	-
591-593, 599	Debt Service	-	-	-
597	Transfers-Out	-	-	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		-	12,697	-
Increase (Decrease) in Cash and Investments:		(3,021)	-	1,158
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	-	-	55,559
50841	Committed	13,376	-	-
50851	Assigned	-	-	-
50891	Unassigned	-	-	-
Total Ending Cash and Investments		13,376	-	55,559

The accompanying notes are an integral part of this statement.

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		127 Emergency Services Communication	128 Hotel/Motel	129 Community Services	135 Public Facilities
Beginning Cash and Investments					
308	Beginning Cash and Investments	507,230	408,186	225,241	835,096
388 / 588	Net Adjustments	-	-	-	(223,863)
Revenues					
310	Taxes	192,238	86,279	45,036	396,662
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	28,293	-	702,754	-
340	Charges for Goods and Services	44,250	-	518,512	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	8,847	-	407	-
Total Revenues:		273,628	86,279	1,266,709	396,662
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	282,032	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	80,973	-	-
560	Social Services	-	-	1,227,475	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		282,032	80,973	1,227,475	-
Excess (Deficiency) Revenues over Expenditures:		(8,404)	5,306	39,234	396,662
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	8,189	-
Total Other Increases in Fund Resources:		-	-	8,189	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	5,204	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	256,644
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	5,204	256,644
Increase (Decrease) in Cash and Investments:		(8,404)	5,306	42,219	140,018
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	498,825	413,491	267,458	751,250
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		498,825	413,491	267,458	751,250

The accompanying notes are an integral part of this statement.

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		140 Affordable Housing	146 Special Real Estate Excise Tax	170 Trial Court Improvements
Beginning Cash and Investments				
308	Beginning Cash and Investments	232,882	65,470	75,944
388 / 588	Net Adjustments	-	-	-
Revenues				
310	Taxes	38,744	-	-
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	-	9,823	22,059
340	Charges for Goods and Services	201,019	2,450	-
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	368	1	2
Total Revenues:		240,131	12,274	22,061
Expenditures				
510	General Government	-	17,347	8,032
520	Public Safety	-	-	-
530	Utilities	-	-	-
540	Transportation	-	-	-
550	Natural/Economic Environment	15,000	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	-
Total Expenditures:		15,000	17,347	8,032
Excess (Deficiency) Revenues over Expenditures:		225,131	(5,073)	14,029
Other Increases in Fund Resources				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	-	-	-
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-
Total Other Increases in Fund Resources:		-	-	-
Other Decreases in Fund Resources				
594-595	Capital Expenditures	-	-	-
591-593, 599	Debt Service	-	-	-
597	Transfers-Out	-	-	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		-	-	-
Increase (Decrease) in Cash and Investments:		225,131	(5,073)	14,029
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	458,013	60,397	89,974
50841	Committed	-	-	-
50851	Assigned	-	-	-
50891	Unassigned	-	-	-
Total Ending Cash and Investments		458,013	60,397	89,974

The accompanying notes are an integral part of this statement.

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		220 Bond Fund 2001	240 GO Bond Aquatic Center	245 Bond Fund 2003B	330 Project Fund 2001
Beginning Cash and Investments					
308	Beginning Cash and Investments	(108,345)	34,819	(95,292)	17,943
388 / 588	Net Adjustments	119,881	-	103,982	-
Revenues					
310	Taxes	-	531,535	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	1,375	-	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	-	-	-
Total Revenues:		-	532,910	-	-
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		-	532,910	-	-
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	125,000	-	131,644	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		125,000	-	131,644	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	126,900	542,300	131,944	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		126,900	542,300	131,944	-
Increase (Decrease) in Cash and Investments:		(1,900)	(9,390)	(300)	-
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	9,636	25,429	8,390	17,943
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		9,636	25,429	8,390	17,943

The accompanying notes are an integral part of this statement.

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		410 Regional Landfill	460 Regional Stormwater	501 ER&R/Central Services
Beginning Cash and Investments				
308	Beginning Cash and Investments	15,957,673	1,735,085	1,849,902
388 / 588	Net Adjustments	-	-	-
Revenues				
310	Taxes	-	-	-
320	Licenses and Permits	-	4,625	-
330	Intergovernmental Revenues	401,952	454,077	315,794
340	Charges for Goods and Services	2,865,011	785,735	1,580,179
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	206,527	190,374	2,518
Total Revenues:		3,473,490	1,434,811	1,898,491
Expenditures				
510	General Government	-	-	349,581
520	Public Safety	-	-	1,921
530	Utilities	1,445,605	1,005,449	-
540	Transportation	-	-	624,667
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	-
Total Expenditures:		1,445,605	1,005,449	976,169
Excess (Deficiency) Revenues over Expenditures:		2,027,885	429,362	922,322
Other Increases in Fund Resources				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	-	-	-
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	80,054	30,200	70,455
Total Other Increases in Fund Resources:		80,054	30,200	70,455
Other Decreases in Fund Resources				
594-595	Capital Expenditures	784,475	32,781	883,025
591-593, 599	Debt Service	107,595	-	-
597	Transfers-Out	-	-	31,720
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	79,591	-	-
Total Other Decreases in Fund Resources:		971,661	32,781	914,745
Increase (Decrease) in Cash and Investments:		1,136,278	426,781	78,032
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	14,057,181	2,161,869	-
50841	Committed	3,036,773	-	1,927,932
50851	Assigned	-	-	-
50891	Unassigned	-	-	-
Total Ending Cash and Investments		17,093,954	2,161,869	1,927,932

The accompanying notes are an integral part of this statement.

Asotin County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		Total for All Funds (Memo Only)	Investment Trust	Custodial
308	Beginning Cash and Investments	13,289,010	1,210,227	12,078,783
388 & 588	Net Adjustments	-	-	(8,065,448)
310-390	Additions	68,901,133	(50,604)	68,951,737
510-590	Deductions	67,719,803	-	67,719,803
	Net Increase (Decrease) in Cash and Investments:	1,181,330	(50,604)	1,231,934
508	Ending Cash and Investments	14,470,342	1,159,623	5,245,271

The accompanying notes are an integral part of this statement.

Asotin County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		External Investment Pool Fund
308	Beginning Cash and Investments	-
388 & 588	Net Adjustments	8,065,448
310-390	Additions	-
510-590	Deductions	-
	Net Increase (Decrease) in Cash and Investments:	-
508	Ending Cash and Investments	8,065,448

The accompanying notes are an integral part of this statement.

Asotin County
Notes to the Financial Statements
For the year ended December 31, 2020

Note 1 - Summary of Significant Accounting Policies

Asotin County was incorporated in 1883 and operates under the laws of the state of Washington applicable to a commissioner form of government. The County is a general purpose local government and provides general government services, security of persons and property, transportation, economic environment, mental and physical health, and culture and recreation.

Asotin County reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements (see *Notes 3 – Component Unit, Joint Ventures, and Related Parties*).
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are presented using classifications that are similar to the ending balance classification in GAAP.

A. Fund Accounting

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements, except for fiduciary funds, which are presented by fund types. The total column is presented as "memo only" because any interfund activities are not eliminated. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund 000-099

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Special Revenue Funds 100-199

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

Debt Service Funds 200-299

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 300-399

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 400-499

These funds account for operations that provide goods or services to the general public and are supported primarily through user charges.

Internal Service Funds 500-599

These funds account for operations that provide goods or services to other departments or funds of the government on a cost reimbursement basis.

FIDUCIARY FUND TYPES:

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

Investment Trust Funds 600-609

These funds are used to report fiduciary activities from the external portion of investment pools and individual investment accounts that are held in trust.

Custodial Funds 630-699

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

B. Basis of Accounting and Measurement Focus

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

C. Cash and Investments

See Note 5 - *Deposits and Investments*.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of 1 year. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to 30 days and is payable upon separation, retirement, or death. Annually, an employee who uses 80 hours of vacation during the calendar year can request to buy back 40 hours of vacation paid out with December payroll hours.

Sick leave may be accumulated indefinitely. Upon separation, death, or retirement employees do receive payment for unused sick leave, not to exceed one thousand (1000) hours at the rate of fifty (50) percent (maximum of five (500) hundred hours, not to be used to calculate retirement benefits (other than PERS1). Payments are recognized as expenditures when paid.

Sick leave during the month of an employee's anniversary date can be requested to sell back the unused portion of their accumulated sick leave for the proceeding twelve months at twenty-five percent of the amount accrued. The maximum amount is six (6) days at twenty-five percent. A minimum of 240 hours must be maintained after the buyback has occurred.

F. Long-Term Debt

See Note 9 – *Long-Term Debt (formerly Debt Service Requirements)*.

G. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by County Commissioners. When expenditures that meet restrictions are incurred, the County intends to use the most restricted resources first.

Restrictions and commitments of Ending Cash and Investments consist of:

<u>Restricted/Committed Funds</u>	<u>Ending Cash/Investments</u>	<u>Reserved by:</u>
101 – County Road	\$384,774	RCW 36.82, Fed/State Grants
102 – Criminal Justice	\$355,415	RCW 82.14.310
103 – Capital Improvements	\$1,806,623	RCW 82.46.035
105 – County Fair Building	\$76,105	Res. 07-03
106 – Law Library	\$74,711	RCW 27.24.070
107 – Veteran's Relief	\$23,006	RCW 73.08.010
109 – Emergency Services	\$874	RCW 38.52.070
109.001 – Emergency Services Capital	\$16,000	Res. 19-05
110 – Auditor's O&M	\$891,021	RCW 36.22.170
111 – Public Safety	\$680,681	RCW 82.14.450, Res. 19-24, Interlocal
112 – Noxious Weed	\$106,800	RCW 17.10
113- Flood Control	\$2,300,739	RCW 86.12
114 – Paths & Trails	\$110,139	RCW 47.30 & 46.68.090
115 – DUI	\$42,826	RCW 82.14.310
117 – Anatone Community Hall	\$13,376	Res. 03-10
118 – Drug Seizure	\$23,470	RCW 69.50.505 & 46.61.5058

119 – Crime Victim Witness	\$127,590	RCW 7.68.035
122 – Insurance Premium	\$860,040	Res. 87-36
125 – Boating Safety	\$55,559	RCW 88.02.650
127 – Emergency Services Comm.	\$498,825	RCW 82.14B.030, .063, .050
128 – Hotel/Motel Tax Fund	\$413,491	RCW 67.28.180
129 – Community Services	\$267,458	RCW 71.20.110, Fed/State Grants
131 – Inmate Monitoring	\$107,584	RCW 26.50.060 & Res. 05-04
135 – Public Facilities Improvements	\$751,250	RCW 82.14.370
140 – Affordable Housing	\$458,013	RCW 36.22.178
146 – Special REET	\$60,397	RCW 82.45.180
170 – Trial Court Improvement	\$89,974	RCW 43.08.250
220 – Bond Fund 2001	\$9,636	RCW 82.14.370
240 - GO Bond Aquatic Center	\$25,429	Res. 16-03 Voter Approved Bond Debt, Property Tax
245 – Bond Fund 2003B	\$8,390	RCW 82.14.370
330 – Project Fund 2001	\$17,943	Res. 01-13, 01-10
410 – Regional Landfill	\$3,833,043	RCW 70.95 & WAC 173-351, State Grants, RCW 36.58
412 – Landfill Closure	\$5,264,370	RCW 70.95 & WAC 173-351-500
413 – Landfill Post-Closure	\$4,959,768	RCW 70.95 & WAC 173-351-500
414 – Landfill Capital	\$3,036,773	Res. 19-03
460 – Regional Stormwater	\$2,161,869	RCW 36.89.080 & Res. 10-25
501 – ER&R/Central Services	\$1,927,932	Res. 20-03, Res. 08-12

Note 2 - Budget Compliance

The County adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund level (except the general (current expense) fund, where budget is adopted at the department level). The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

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

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

	Final Appropriated	Actual Expenditures	
Fund/Department	Amounts		Variance
General Fund:			
001.100 County Agent	\$120,662	\$111,991	\$8,671

001.105 Animal Control	\$12,000	\$8,368	\$3,632
001.110 Assessor	\$367,798	\$317,029	\$50,769
001.120 Auditor	\$252,198	\$234,001	\$18,197
001.125 Civil Service	\$6,732	\$6,105	\$627
001.130 Clerk	\$266,391	\$253,239	\$13,152
001.140 Commissioner	\$289,035	\$267,616	\$21,419
001.150 District Court	\$420,886	\$415,757	\$5,129
001.155 Elections	\$422,354	\$222,971	\$199,383
001.156 General Admin	\$670,649	\$630,154	\$40,495
001.160 Juvenile Services	\$282,885	\$269,253	\$13,632
001.170 Jail	\$1,966,347	\$1,719,398	\$246,949
001.180 Prosecutor	\$750,620	\$699,831	\$50,789
001.180.001 OSE	\$136,787	\$124,010	\$12,777
001.190 Sheriff	\$1,754,692	\$1,717,873	\$36,819
001.200 Superior Court	\$604,712	\$536,114	\$68,598
001.210 Treasurer	\$206,714	\$200,792	\$5,922
001.220 Non-Departmental	\$1,345,934	\$1,240,488	\$105,446
001.225 Law & Justice	\$428,000	\$300,973	\$127,027
001.230 Voter & Registration	\$2,024	\$1,819	\$205
Total General Fund	\$10,307,420	\$9,277,782	\$1,029,638
101.000 County Road	\$6,489,809	\$4,561,792	\$1,928,017
102.000 Criminal Justice	\$600,000	\$600,000	\$0
103.000 Capital Improvement	\$350,000	\$309,764	\$40,236
104.000 County Fair	\$293,154	\$68,135	\$225,019
106.000 Law Library	\$10,500	\$1,543	\$8,957
107.000 Veteran's Relief	\$36,980	\$21,780	\$15,200
109.000 Emergency Services	\$99,994	\$51,781	\$48,213
110.000 Auditor O&M	\$45,550	\$13,781	\$31,769
112.000 Noxious Weed Control	\$113,151	\$51,576	\$61,575
113.000 Flood Control	\$23,000	\$4,886	\$18,114
114.000 Paths & Trails	\$17,500	\$296	\$17,204
115.000 DUI County	\$13,800	\$9,272	\$4,528
117.000 Anatone Community Hall	\$14,169	\$3,617	\$10,552
118.000 Drug Seizure	\$1,000	\$0	\$1,000
119.000 Crime Victim Witness	\$41,500	\$35,591	\$5,909
122.000 Insurance Premium	\$681,575	\$30,772	\$650,803
123.000 Community Block Grant	\$164,832	\$87,529	\$77,303
124.000 Treasurer's O&M	\$17,575	\$6,219	\$11,356
125.000 Boating Safety	\$8,200	\$4,982	\$3,218
126.000 Building & Planning	\$365,345	\$292,032	\$73,313

127.000 Emergency Services Comm	\$329,959	\$282,032	\$47,927
128.000 Hotel/Motel	\$96,139	\$80,973	\$15,166
129.000 Community Services	\$1,370,620	\$1,232,679	\$137,941
131.000 Inmate Monitoring	\$5,500	\$506	\$4,994
135.000 Public Facilities Improvement	\$480,644	\$480,507	\$137
140.000 Affordable Housing	\$15,000	\$15,000	\$0
146.000 Special REET	\$18,500	\$17,347	\$1,153
170.000 Trial Court Improvements	\$38,200	\$8,031	\$30,169
220.000 Bond Fund 2001	\$127,100	\$126,900	\$200
240.000 Aquatic Center Bond	\$542,500	\$542,300	\$200
245.000 Bond 2003-B	\$132,644	\$131,944	\$700
330.000 Project Fund 2001	\$17,936	\$0	\$17,936
410.000 Regional Landfill	\$3,475,733	\$2,685,584	\$790,149
413.100 Old Landfill Post-Closure	\$15,000	\$12,800	\$2,200
460.000 Stormwater	\$1,521,075	\$1,151,575	\$369,500
460.001 Stormwater Asotin Co. Capital	\$111,300	\$28,357	\$82,943
460.002 Stormwater Asotin City Capital	\$10,880	\$626	\$10,254
460.003 Stormwater Clarkston Capital	\$101,840	\$0	\$101,840
460.004 Stormwater ER&R	\$37,033	\$32,419	\$4,614
501.000 ER&R	\$1,450,181	\$1,305,744	\$144,437
502.000 Central Services	\$588,891	\$585,171	\$3,720
Total	\$30,181,729	\$24,153,625	\$6,028,104

Budgeted amounts are authorized to be transferred between (departments within any fund/object classes within departments); however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the County legislative body.

Note 3 – Component Unit(s), Joint Ventures, and Related Parties

The County Commissioner's appoint the board members of the Asotin Housing Authority, but it is not a component unit of the County. There is no legal or financial interdependency. According to GASB Statement 14, Asotin County and the Asotin Housing Authority are a related organization.

The County Commissioner's appoint the board members of the Public Facilities District, which was formed by the vote of citizens and by Resolution #13-25 created July 15, 2013. There is no legal or financial interdependency. According to GASB Statement 14, Asotin County and the Public Facilities District are a related organization. The Public Facilities District is a component unit due to the unique structure of the Aquatic Center, which was constructed and financed under the County. The County has retained the initial debt, but the operations of the Aquatic Center has been transferred to the Public Facilities District. In 2020 Asotin County paid \$674,244 in bond debt. Further, per RCW 36.100.020 the board member can be removed by the appointing organization at will.

Note 4 – COVID-19 Pandemic

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of the deadly new virus known as COVID-19. In the months following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, cancelling public events, limiting public and private gatherings, and restricting business operations, travel and non-essential activities.

Measures have been put in place to try and mitigate the unknown potential financial impacts. Such as, a hiring freeze, unless authorized by the Board of County Commissioners, department meetings to address what we don't know and what we do know regarding the COVID19 emergency, notice to Offices/Departments regarding the unknown impacts and to monitor budgets closely as reductions to budgets are likely to occur with the loss of revenue (sales tax, taxes, new construction, fuel tax, State reductions (potential grants), and others. The length of time these measures will be in place, and the full extent of the financial impact on the County is unknown at this time.

Note 5 – Deposits and Investments

Investments are reported as amortized cost. Deposits and investments by type at December 31, 2020 are as follows:

Type of deposit or investment	<u>County</u> own deposits and investments	Deposits and investments held by the County as custodian for other local governments, individuals, or private organizations	Total
Bank deposits	\$940,371	\$	\$940,371
Bonds	\$17,534,990	\$1,159,623	\$18,694,613
Local Government Investment Pool	\$21,517,953	\$8,065,448	\$29,583,401
U.S. Government securities	\$299,995		\$299,995
Total	\$40,293,309	\$9,225,071	\$49,518,380

The \$40,293,309 reported above under County includes funds of \$5,245,270 held for other local governments as residual cash.

It is the County policy to invest all temporary cash surpluses. The interest on these investments is posted to the Current Expense Fund, unless special provisions require the fund to receive the investment interest.

Investments in the State Local Government Investment Pool (LGIP)

The County is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the

SEC. Rather, oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at www.tre.wa.gov.

Investments in County Investment Pool

The County is a voluntary participant in the county investment pool, an external investment pool operated by the County Treasurer. The pool is not rated or registered with the SEC. Rather, oversight is provided by the County Finance Committee in accordance with RCW 36.48.070. The County reports its investment in the pool at amortized cost, which is the same as the value of the pool per share. The pool does not impose liquidity fees or redemption gates on participant withdrawals.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the County would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The County deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered or held by the County or its agent in the government's name.

Note 6 – External Investment Pool

The External Investment Pool sponsored by the County was established years ago with the latest Resolution on file of July 8, 2013, #13-23. Revised Code of Washington (RCW) 36.29.022, 36.29.010, 36.29.020, authorize the County Treasurer to invest its surplus cash and any funds of municipal corporations which are not required for immediate expenditure and are in the custody or control of the county treasurer. The External Investment Pool's investments are invested pursuant to the Revised Code of Washington. Any credits or payments to pool participants are calculated and made in a manner as required by RCW 36.29.024.

The investments are managed by the Treasurer, which reports investment activity to the County Finance Committee quarterly. Additionally, the County treasurer investment activity is subject to an annual investment policy review, compliance oversight, quarterly financial review, and annual financial reporting. The County has not provided nor obtained any legally binding guarantees during the year ended December 31, 2020, to support the value of shares in the Pool.

The External Investment Pool is not registered with the SEC and is not subject to any formal oversight other than that provided by the County Finance Committee. The Committee is responsible for adopting investment objectives and policies, for hiring investment advisors, and for monitoring policy

implementation and investment performance. The Committee's primary role is to oversee the allocation of the Pool's portfolio among the asset classes, investment vehicles, and investment managers.

The interest or other earnings of income from the funds of any municipal corporation of which the governing body has not taken any action pertaining to the investment of funds and that have been invested in accordance with state statutes, shall be deposited in the current expense fund of the county and may be used for general county purposes. The total amount of income from the External Investment Pool assigned to the County's general fund for the year was \$97,099. These investments made by the County Treasurer on behalf of the participants is involuntary participation in the County Treasurer's Investment Pool as they are required to be invested by statute.

55% of the County Treasurer's Pool consists of these involuntary participants. Voluntary participants in the County Treasurer's Pool include Special Purpose Districts and a Port. The deposits held for both involuntary and voluntary entities are included in the Investment Trust Fund.

The Treasurer also maintains Individual Investment Accounts, as directed by external depositors, which are invested pursuant to the Revised Code of Washington. This investment activity occurs separately from the County's Pool and is reported in the Individual Investment Trust Fund in the amount of \$1,159,623. Income from the specific investments acquired for the individual municipalities, and changes in the value of those investments, affect only the municipality for which they are acquired, and are aggregated in the Individual Investment Fund.

Note 7 – Fiduciary Activities

Washington State law requires counties to act as a fiscal agent on behalf of special purpose districts. The resources collected and held for these districts in a custodial capacity were previously omitted from the financial statements. Starting in fiscal year 2017, counties are required to report the custodial amounts on their financial statements. This requirement resulted in addition of \$68,901,133 in custodial deposits reported in the statement of *Fiduciary Fund Resources and Uses Arising from Cash Transactions* for the year ended December 31, 2020. In addition, these amounts are now required to be presented by fund type rather than by individual fund.

Note 8 - Interfund Loans

The following table displays interfund loan activity during 2020:

Borrowing Fund	Lending Fund	Balance 1/1/2020	New Loans	Payments	Balance 12/31/2020
County Fair	General Fund	\$14,000	\$0	\$14,000	\$0
Totals		\$14,000	\$0	\$14,000	\$0

Note 9 – Long-Term Debt *(formerly Debt Service Requirements)*

The accompanying Schedule of Liabilities provides more details of the outstanding debt and liabilities of the County and summarizes the County debt transactions for year ended December 31, 2020.

The debt service requirements for general obligation bonds, revenue bonds, and Public Works Trust Fund Loan are as follows:

Year	Principal	Interest	Total
2021	\$714,208	\$224,064	\$938,272
2022	\$659,208	\$202,497	\$861,705
2023	\$714,208	\$181,380	\$895,588
2024	\$864,208	\$157,145	\$1,021,353
2025	\$959,208	\$126,934	\$1,086,142
2026 - 2030	\$2,546,041	\$214,313	\$2,760,354
2031 - 2033	\$568,416	\$29,982	\$598,398
Total	\$7,025,498	\$1,136,314	\$8,161,813

The following debt is secured by assets that are pledged as collateral:

Debt:	Asset:
Western States Equip. Co.	2019 Caterpillar Loader (i) declare the sales price immediately due and payable; (ii) require customer to make equipment available to WSECO at a place and time designated, (iii) WSECO shall have full power to enter upon property and take possession, (iv) shall have full power and authority sell, lease, transfer or otherwise deal with the equip. or proceeds thereof (v) if WSECO chooses to sell lease the reclaimed equip., WSECO may obtain a judgement for any deficiency remaining on the sales price, (vi) all rights and remedies of a secured creditor under the provisions of the Idaho Uniform Commercial Code.. Customers agrees to pay all costs incurred by WSECO.

Significant Debt Agreement Terms

The following financial instruments contain debt agreement terms with finance related consequences:

Debt:	Clause:
220.000 Courthouse L.T.G.O. Bond 245.000 Aquatic Center L.T.G.O. Bond 240.000 Aquatic Center U.T.G.O. Bond	Res. 11-20, 13-01, 16-03 Pledge of Taxes – For as long as any principal of the Bonds remains outstanding, the County irrevocably pledges to levy taxes annually without limitation as to rate or amount on all of the taxable property within the County in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the Bonds, and the full faith, credit and resources of the County are pledged irrevocably for the annual levy and collection of those taxes and the prompt payment of that principal and interest.
220.000 Courthouse L.T.G.O. Bond 245.000 Aquatic Center L.T.G.O. Bond	Res. 11-20 Failure to Redeem Bonds – “If any Bond is not redeemed when properly presented at its maturity or mandatory redemption date, the County shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or mandatory redemption date until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund and the Bond has been called for payment by giving notice of that call to the Registered Owner.”
240.000 Aquatic Center U.T.G.O. Bond	Res. 16-03 Failure To Pay Principal – “ If the principal of any Bond, or installment payment thereon, is not paid when due, the County shall be obligated to pay interest on that principal amount at the same rate provided in the Bond from and after the scheduled payment date until that principal, including interest accrued thereon, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund, or in a trust account established to refund or defease that principal amount, and that principal amount has been called for payment by giving notice of that call to the Registered Owner.”

Public Works Trust Fund Loan	A payment not received within thirty (30) days of the due date shall be declared delinquent. Delinquent payments shall be assessed a monthly penalty beginning on the first (1 st) day past the due date. The penalty will be assessed on the entire payment amount. The penalty will be one percent (1%) per month or twelve percent (12%) per annum.
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Note 10 – OPEB Plans

The County is a participating employer in the state’s Public Employees Benefits Board (PEBB) program, a defined benefit plan administered by the Washington State Health Care Authority. The plan provides medical, dental, and life insurance benefits for public employees and retirees and their dependents on a pay-as-you-go basis. The plan provides OPEB benefits through both explicit and implicit subsidies. The explicit subsidy is a set dollar amount that lowers the monthly premium paid by members over the age of 65 enrolled in Medicare Parts A and B. PEBB determines the amount of the explicit subsidy annually. The implicit subsidy results from the inclusion of active and non-Medicare eligible retirees in the same pool when determining premiums. There is an implicit subsidy from active employees since the premiums paid by retirees are lower than they would have been if the retirees were insured separately. The County had 95 active plan members and 20 retired plan members as of December 31, 2020. As of December 31, 2020, the County’s total OPEB liability was \$5,698,191 as calculated using the alternative measurement method. The County contributed \$69,840 to the plan for the year ended December 31, 2020.

Note 11 – Pension Plans

A. State Sponsored Pension Plans

Substantially all County full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans Public Employee’s Retirement System (PERS), Law Enforcement Officers and Fire Fighters Retirement System (LEOFF), and Public Safety Employees’ Retirement System (PSERS).

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

Also, the DRS Comprehensive Annual Financial Report may be downloaded from the DRS website at www.drs.wa.gov.

At June 30, 2020 (the measurement date of the plans), the County proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities, was as follows:

Plan	Employer Contributions	Allocation %	Liability (Asset)
PERS 1	252,660	0.034862	1,230,817
PERS 2/3	357,184	0.038772	495,872
PSERS 2	53,825	0.121863	(16,768)
LEOFF 1		0.001301	(24,570)
LEOFF 2	48,088.46	0.024583	(501,457)

LEOFF Plan 1

The County also participates in LEOFF Plan 1. The LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.

LEOFF Plan 2

The County also participates in the LEOFF Plan 2. The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute.

Note 12 - Property Tax

The county treasurer acts as an agent to collect property tax 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 tax is levied.

The County's regular levy, after a levy shift of \$600,000 from the Road Department to Current Expense for the year 2020 was \$1.795011684600 per \$1,000 on an assessed valuation of \$1,831,205,907 for a total regular levy of \$3,287,036.

The Mental Health levy for 2020 was \$0.025000000000 per \$1,000 on an assessed valuation of \$1,831,205,906 for a total tax amount of \$45,780.

The Veterans Relief Levy for 2020 was \$0.011250000000 per \$1,000 on an assessed valuation of \$1,831,205,906 for a total tax amount of \$20,601.

The Road Levy for 2020 was \$0.988894288100 per thousand dollars on an assessed valuation of \$1,227,169,785 for a total tax amount of \$1,213,541.

The Flood District Levy for 2020 was \$0.178066230255 per \$1,000 on an assessed valuation of \$1,231,848,283 for a total tax amount of \$219,350.

The levy rate for the Asotin County Family Aquatic Center was \$0.305971223200 per \$1,000 on an assessed valuation of \$1,771,408,416 for a total tax amount of \$542,000.

Note 13 – Risk Management

Asotin County is a member of Washington Rural Counties Insurance Program (WRCIP). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a program or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire, or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The program was formed on September 1, 1998, when three counties in the state of Washington joined together by signing an Interlocal Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. As of December 1, 2020, there are eight counties in the program.

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

The program acquires re-insurance through their administrator, Clear Risk Solutions. Liability coverage is purchased to an aggregate limit of \$45,000,000 with a self-insured retention (SIR) of \$50,000. Members are responsible for a \$1,000 to \$10,000 deductible for each claim, while the program is responsible for the \$50,000 self-insured retention. Since the program is a cooperative program, there is joint liability among the participating members toward the sharing of the \$50,000 self-insured retention, in addition to the deductible. The program also purchases a Stop Loss Policy as another layer of protection to its membership, with an attachment point of \$602,223.

Property insurance is subject to a per occurrence self-insured retention of \$25,000. Members are responsible for a \$1,000 to \$10,000 per occurrence deductible. The program bears the \$25,000 self-insured retention, in addition to the deductible.

Privacy and Network Liability coverage is offered with a \$10,000 member deductible and \$25,000 self-insured retention. The deductible is part of, and not in addition to, the \$25,000 retention.

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. There is no program self-insured retention on this coverage. Members contract to remain in the program for a minimum of one year and must give notice prior to December 31 before terminating participation the following December 1. The Interlocal Agreement is renewed automatically each year. Even after termination, a member remains responsible for contributions to the program for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Agreement.

The program 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 program is funded by its member participants and has no employees. Claims are filed by members/brokers with Clear Risk Solutions, who has been contracted to perform program administration, underwriting, claims adjustment, and loss prevention for the program. Fees paid to the third-party administrator under this arrangement for the policy year ending December 1, 2020, were \$1,098,009.

Asotin County is self-insured for unemployment claims. Asotin County had 5 claims for the year ending December 31, 2020. The total amount of these claims was \$4,937.76. The County reviews the prior year claims and fiscal condition to determine the possible exposure.

Note 14 – Other Disclosures

In the Schedule of Liabilities (Schedule 9), landfill closure and post-closure costs are in 2017 dollars and assume a full build-out (with inflation) of the landfill, with closure costs beginning in 2034 and post-closure expenses beginning in 2036.

Per Washington State Auditor's Office requirements, the following funds were consolidated for reporting purposes:

1. 128.000 (Hotel/Motel Tax Fund) and 128.001 (Hotel/Motel Tax Fund – Stadium)
2. 410.000 (Landfill) 412.000 (Landfill Closure) 413.000 (Landfill Post-Closure)
413.001 (Old Landfill Post-Closure), and 414.000 (Capital Outlay Reserve Fund)
3. 001.000 (Current Expense), 102.000(Criminal Justice), 115.000 (DUI County),
118.000 (Drug Seizure), 119.000 (Crime Victim Witness),
122.000 (Insurance Premium), 124.000 (Treasurer's O&M), 126.000 (Building & Planning),
131.000 (Inmate Monitoring)
4. 104.000 (County Fair), 105.000 (County Fair Building)
5. 101.000 (County Road), 113.000 (Flood Control District), 114.000 (Paths & Trails)

6. 501.000 (ER&R), 502.000 (Central Services)
7. 460.000 (Regional Stormwater), 460.001 (Asotin Co. Capital), 460.002 (Asotin City Capital), 460.003 (Clarkston Capital), 460.004 (Stormwater ER&R)

- **Subsequent Events:**

Public Safety Sales Tax was passed in November of 2019 and Fund 111.000 – Public Safety Fund for the collection of sales tax was created. Asotin County approved bond Resolution #20-39, and sold limited tax general obligation bonds on February 11, 2021 in the amount of, \$12,640,000.

- **Contingencies and Litigations:**

- **Lawsuits**

Claim #40557, Tort Claim received June 22, 2015, pending, Clear Risk Solutions. General Liability Property Damage, Water Trespass, contract matter (March 25, 2013). This claim is partially covered the County will be subject to a \$10,000.00 deductible. Exclusions for breach of contract and inverse condemnation. Court of Appeals granted new trial.

Claim #40282, December 30, 2015, pending, Law Enforcement Excessive Force Issue, Clear Risk Solutions. This claim is covered under policy and the County will be subject to a \$10,000 deductible.

Claim #W1009, W1153 & 49710, March 11 2019, pending, Wrongful Acts, Sexual Harassment, Clear Risk Solutions. This claim is covered under policy and the County will be subject to a \$10,000 deductible.

Claim #W1074, March 22, 2017, Wrongful Acts, Failure in hiring attorney, Clear Risk Solutions. This claim is covered under policy and the County will be subject to a \$10,000 deductible.

- **Prior Period Adjustment:**

Asotin County reported External Investment Pool Funds under Custodial Funds for other governmental agencies where the Asotin County Treasurer holds and manages investments on behalf of these entities. The funds were subsequently reported as a prior period adjustment and moved from Custodial Funds to External Investment Pool Funds, in the amount of \$8,065,448. As a result, the Fiduciary Fund Resources and Uses Arising from Cash Transactions (C-5) had a zero net effect. The County determined that it was not practical to go back to January 1, 2020 due to the number of funds impacted and unknown amount of journal entries that would need to be prepared for additions and deductions from the beginning of the year.

Asotin County
Schedule of Liabilities
For the Year Ended December 31, 2020

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	Courthouse Bond (220.000)	12/1/2021	240,000	-	120,000	120,000
251.11	Aquatic Center (245.000)	12/1/2033	1,420,000	-	85,000	1,335,000
251.12	Aquatic Center (240.000)	12/1/2027	4,675,000	-	355,000	4,320,000
263.83	DSHS Working Advance	6/30/2021	65,697	-	-	65,697
Total General Obligation Debt/Liabilities:			6,400,697	-	560,000	5,840,697
Revenue and Other (non G.O.) Debt/Liabilities						
263.88	Public Works Trust Fund Loan #PC13 -961-016	6/1/2032	1,354,708	-	104,208	1,250,500
263.52	Landfill Capital Lease (CAT)	9/1/2023	608,699	-	143,022	465,677
263.22	Landfill Closure and Post Closure		23,404,073	-	-	23,404,073
259.12	Compensated Absences		468,396	7,607	-	476,003
264.30	Net Pension Liabilities		1,783,028	-	56,339	1,726,689
264.40	OPEB Liabilities		4,864,490	833,701	-	5,698,191
Total Revenue and Other (non G.O.) Debt/Liabilities:			32,483,394	841,308	303,569	33,021,133
Total Liabilities:			38,884,091	841,308	863,569	38,861,830

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Federal Agency (Pass-Through Agency)	Expenditures							
	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
Forest Service Schools and Roads Cluster								
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via Forest Service)	Schools and Roads - Grants to States	10.665	Federal Forest Title I	25,916	-	25,916	-	
	Total Forest Service Schools and Roads Cluster:			25,916	-	25,916	-	
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via Dept of Commerce)	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	16-62210-018	16,929	-	16,929	-	3c
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via Dept of Commerce)	COVID 19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	19-62210-001	81,405	-	81,405	74,832	
Total CFDA 14.228:				98,334	-	98,334	74,832	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Dept of Commerce)	Crime Victim Assistance	16.575	20-31101- 501/21-31101- 501	72,963	-	72,963	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Dept of Commerce)	Crime Victim Assistance	16.575	F17-31219-56	3,263	-	3,263	-	
Total CFDA 16.575:				76,226	-	76,226	-	
OFFICE ON VIOLENCE AGAINST WOMEN (OVW), JUSTICE, DEPARTMENT OF (via Dept of Commerce)	Violence Against Women Formula Grants	16.588	F19-31103-002	14,064	-	14,064	-	

The accompanying notes are an integral part of this schedule.

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Highway Planning and Construction Cluster								
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Dept of Transportation)	Highway Planning and Construction	20.205	CRP 261	70,351	-	70,351	-	3d
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Dept of Transportation)	Highway Planning and Construction	20.205	CRP 262	452,861	-	452,861	-	3e
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Dept of Transportation)	Highway Planning and Construction	20.205	CRP 265	24,574	-	24,574	-	3f
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Dept of Transportation)	Highway Planning and Construction	20.205	CRP 266	1,730	-	1,730	-	3g
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Dept of Transportation)	Highway Planning and Construction	20.205	CRP 259	64,496	-	64,496	-	
Total Highway Planning and Construction Cluster:				614,012	-	614,012	-	
Highway Safety Cluster								
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Assoc. Of Sheriffs & Police Chiefs)	State and Community Highway Safety	20.600	120-6200-00	2,800	-	2,800	-	

The accompanying notes are an integral part of this schedule.

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
				Total Highway Safety Cluster:				
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via Dept of Commerce)	COVID 19 - Coronavirus Relief Fund	21.019	20-6541C-002	1,689,000	-	1,689,000	544,986	
	OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, EDUCATION, DEPARTMENT OF (via Dept of Children, Youth, & Families)	Special Education- Grants for Infants and Families	84.181	21-1103/21- 1145-01	22,012	-	22,012	-
ELECTION ASSISTANCE COMMISSION, ELECTION ASSISTANCE COMMISSION (via Secretary of State)	2018 HAVA Election Security Grants	90.404	IG-6921 HAVA Election Security	24,382	-	24,382	-	
ELECTION ASSISTANCE COMMISSION, ELECTION ASSISTANCE COMMISSION (via Secretary of State)	COVID 19 - 2018 HAVA Election Security Grants	90.404	IG-6874 HAVA CARES Act	35,194	-	35,194	-	
Total CFDA 90.404:				59,576	-	59,576	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Social & health Services)	Child Support Enforcement	93.563	2110-80336	22,961	-	22,961	-	3a
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Social & health Services)	Child Support Enforcement	93.563	2110-80336	181,230	-	181,230	-	3b

The accompanying notes are an integral part of this schedule.

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Federal Agency (Pass-Through Agency)	Federal Program	Expenditures					Passed through to Subrecipients	Note
		CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total		
		Total CFDA 93.563:		204,191	-	204,191	-	
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Dev. Disabilities Council)	Developmental Disabilities Basic Support and Advocacy Grants	93.630	1901WASCDD- 02	4,166	-	4,166	-	
Medicaid Cluster								
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Amerigroup)	Medical Assistance Program	93.778	07505870	1,744	-	1,744	-	
Total Medicaid Cluster:				1,744	-	1,744	-	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Health Care Authority)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	K3903	83,736	-	83,736	20,647	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Emergency Management Performance Grants	97.042	E20-108/E21- 114	21,225	-	21,225	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	BRIC: Building Resilient Infrastructure and Communities	97.047	E19-188	22,343	-	22,343	-	

The accompanying notes are an integral part of this schedule.

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

	Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
					From Pass- Through Awards	From Direct Awards	Total		
	FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Spokane Emergency Management)	Homeland Security Grant Program	97.067	GSEM-1812	12,858	-	12,858	-	
					2,952,203	-	2,952,203	640,465	

Total Federal Awards Expended:

Asotin County

Notes to the Schedule of Expenditures of Federal Awards
for the Year Ended December 31, 2020

Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the county financial statements. The county uses the cash basis of accounting.

Note 2 – Federal De Minimis Indirect Cost Rate

The county has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 – Federal Indirect Cost Rate

The amount expended includes \$18,964.27 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.

- a) The above amount includes \$1,634 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.
- b) The above amount includes \$13,385.46 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.
- c) The above amount includes \$444.97 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.
- d) The above amount includes \$371.48 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.
- e) The above amount includes \$1,729.83 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.
- f) The above amount includes \$33.48 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.
- g) The above amount includes \$111.17 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.

h) The above amount includes \$1,253.88 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.

Note 4 – Donated Personal Protective Equipment (PPE)

The amount of PPE received under CFDA 97.036 – Disaster Grants – Public Assistance has a fair market value of \$1,260,060. Unknown amount provided by a federal entity without a corresponding CFDA is \$3,810. (Unaudited)

Note 5 – 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 portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

ABOUT THE STATE AUDITOR'S OFFICE

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

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

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

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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