



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Asotin County

For the period January 1, 2023 through December 31, 2023

Published September 30, 2024

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

September 30, 2024

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 activities and condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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TABLE OF CONTENTS

Schedule of Findings and Questioned Costs.....	4
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	6
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance With the Uniform Guidance	9
Independent Auditor's Report on the Financial Statements.....	13
Financial Section.....	17
About the State Auditor's Office.....	52

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Asotin County January 1, 2023 through December 31, 2023

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>ALN</u>	<u>Program or Cluster Title</u>
21.027	COVID 19 – Coronavirus State and Local Fiscal Recovery Funds

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, 2023 through December 31, 2023

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, 2023, and the related notes to the financial statements, which collectively comprise the County's financial statements, and have issued our report thereon dated September 24, 2024.

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.

REPORT ON 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) as a basis for designing 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 above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

REPORT ON 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 its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

September 24, 2024

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, 2023 through December 31, 2023

Board of Commissioners
Asotin County
Asotin, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of Asotin County, with the types of compliance requirements identified as subject to audit 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, 2023. The County's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on

compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed; and

- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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, reading "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

September 24, 2024

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Asotin County January 1, 2023 through December 31, 2023

Board of Commissioners
Asotin County
Asotin, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of Asotin County, as of and for the year ended December 31, 2023, and the related notes to the financial statements, as listed in the financial section of our report.

Unmodified Opinion on the Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the County has prepared these financial statements to meet the financial reporting requirements of state law and 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 accompanying 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, 2023, on the basis of accounting described in Note 1.

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, 2023, or the changes in financial position or cash flows thereof for the year then ended, because of the significance of the matter discussed below.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit unmodified and adverse opinions.

Matter Giving Rise to 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. As described in Note 1 of the financial statements, the financial statements are prepared by the County in accordance with state law using accounting practices prescribed by the BARS Manual, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Matters of Emphasis

As discussed in Note 16 to the financial statements, in 2023, the County adopted new accounting guidance for presentation and disclosure for Subscription-Based Information Technology Arrangements (SBITA) as required by the BARS Manual. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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 BARS Manual 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.


Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County's financial statements. The accompanying 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 as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2024 on our consideration of the County's internal control over financial reporting and on the 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 effectiveness of the County's 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.

A handwritten signature in black ink, reading "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

September 24, 2024

FINANCIAL SECTION

Asotin County January 1, 2023 through December 31, 2023

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2023
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2023
Notes to the Financial Statements – 2023

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2023
Schedule of Expenditures of Federal Awards – 2023
Notes to the Schedule of Expenditures of Federal Awards – 2023

Asotin County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2023

		Total for All Funds (Memo Only)	001 Current Expense	101 County Road	103 Capital Improvements
Beginning Cash and Investments					
308	Beginning Cash and Investments	56,634,382	3,668,412	3,486,601	2,343,712
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	9,666,866	5,198,652	1,578,881	229,049
320	Licenses and Permits	259,716	253,665	6,051	-
330	Intergovernmental Revenues	9,298,284	2,379,569	3,644,776	-
340	Charges for Goods and Services	8,963,600	2,042,279	52,308	-
350	Fines and Penalties	34,747	34,747	-	-
360	Miscellaneous Revenues	2,995,651	1,641,466	5,358	-
Total Revenues:		31,218,864	11,550,378	5,287,374	229,049
Expenditures					
510	General Government	6,683,386	6,039,816	-	-
520	Public Safety	5,321,430	4,617,211	21,236	-
530	Utilities	2,479,315	-	-	-
540	Transportation	3,969,744	-	3,029,082	-
550	Natural/Economic Environment	340,173	11,608	64,020	-
560	Social Services	1,880,870	48,372	-	-
570	Culture and Recreation	1,096,462	794,398	-	-
Total Expenditures:		21,771,380	11,511,405	3,114,338	-
Excess (Deficiency) Revenues over Expenditures:		9,447,484	38,973	2,173,036	229,049
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	1,554,603	789,720	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	576,616	80,397	-	365,100
Total Other Increases in Fund Resources:		2,131,219	870,117	-	365,100
Other Decreases in Fund Resources					
594-595	Capital Expenditures	8,301,516	16,955	2,806,683	58,291
591-593, 599	Debt Service	1,571,059	20,424	2,003	-
597	Transfers-Out	1,554,603	768,500	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	188,819	58,123	-	-
Total Other Decreases in Fund Resources:		11,615,997	864,002	2,808,686	58,291
Increase (Decrease) in Cash and Investments:		(37,294)	45,088	(635,650)	535,858
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	47,115,221	355,635	2,850,951	2,879,570
50841	Committed	6,345,246	236,459	-	-
50851	Assigned	381,463	366,270	-	-
50891	Unassigned	2,755,137	2,755,137	-	-
Total Ending Cash and Investments		56,597,067	3,713,501	2,850,951	2,879,570

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, 2023

		104 County Fair	106 Law Library	107 Veterans Relief	109 Emergency Management
Beginning Cash and Investments					
308	Beginning Cash and Investments	126,702	76,264	19,326	35,439
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	23,379	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	257,531	-	30,055	48,629
340	Charges for Goods and Services	161,653	8,344	-	13,250
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	47,016	-	23	-
Total Revenues:		466,200	8,344	53,457	61,879
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	44,517
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	55,309	-
570	Culture and Recreation	287,524	1,200	-	-
Total Expenditures:		287,524	1,200	55,309	44,517
Excess (Deficiency) Revenues over Expenditures:		178,676	7,144	(1,852)	17,362
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	14,500
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	45,000	-	-	-
Total Other Increases in Fund Resources:		45,000	-	-	14,500
Other Decreases in Fund Resources					
594-595	Capital Expenditures	212,994	6,136	-	827
591-593, 599	Debt Service	1,087	-	-	5,275
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	45,000	-	-	-
Total Other Decreases in Fund Resources:		259,081	6,136	-	6,102
Increase (Decrease) in Cash and Investments:		(35,405)	1,008	(1,852)	25,760
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	77,272	17,475	53,538
50841	Committed	76,105	-	-	7,661
50851	Assigned	15,193	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		91,298	77,272	17,475	61,199

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, 2023

		110 Auditor's O&M	111 Public Safety	112 Noxious Weed Control	117 Anatone Community Hall
Beginning Cash and Investments					
308	Beginning Cash and Investments	940,023	2,220,336	225,030	20,345
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	898,413	70,009	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	31,401	-	-	-
340	Charges for Goods and Services	5,538	592,095	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	6,780	22,538	1,598	15,708
Total Revenues:		43,719	1,513,046	71,607	15,708
Expenditures					
510	General Government	70,080	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	98,402	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	13,340
Total Expenditures:		70,080	-	98,402	13,340
Excess (Deficiency) Revenues over Expenditures:		(26,361)	1,513,046	(26,795)	2,368
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	8,091	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	624,258	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		8,091	624,258	-	-
Increase (Decrease) in Cash and Investments:		(34,452)	888,788	(26,795)	2,368
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	905,571	-	198,234	-
50841	Committed	-	3,109,124	-	22,714
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		905,571	3,109,124	198,234	22,714

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, 2023

		120 Rural EMS	123 Community Development Block Grant	125 Boating Safety	127 Emergency Services Communication
Beginning Cash and Investments					
308	Beginning Cash and Investments	21,985	-	69,071	443,760
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	18,937	-	-	197,698
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	634	24,655	-	31,537
340	Charges for Goods and Services	-	-	-	149,290
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	-	20	2,367
Total Revenues:		19,571	24,655	20	380,892
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	25,300	-	2,306	503,266
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	24,487	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		25,300	24,487	2,306	503,266
Excess (Deficiency) Revenues over Expenditures:		(5,729)	168	(2,286)	(122,374)
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:		(5,729)	168	(2,286)	(122,374)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	168	66,784	321,388
50841	Committed	16,255	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		16,255	168	66,784	321,388

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, 2023

		128 Hotel/Motel	129 Community Services	135 Public Facilities	140 Affordable Housing
Beginning Cash and Investments					
308	Beginning Cash and Investments	602,485	353,684	1,300,876	873,223
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	205,650	51,785	488,846	40,138
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	1,542,212	-	-
340	Charges for Goods and Services	-	189,278	-	118,118
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	279	-	10,356
Total Revenues:		205,650	1,783,554	488,846	168,612
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	125,000	-	-	16,656
560	Social Services	-	1,750,824	-	26,365
570	Culture and Recreation	-	-	-	-
Total Expenditures:		125,000	1,750,824	-	43,021
Excess (Deficiency) Revenues over Expenditures:		80,650	32,730	488,846	125,591
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	-	5,538	-	-
591-593, 599	Debt Service	-	20,672	-	-
597	Transfers-Out	-	-	126,125	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	26,210	126,125	-
Increase (Decrease) in Cash and Investments:		80,650	6,520	362,721	125,591
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	683,134	360,203	1,663,597	998,814
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		683,134	360,203	1,663,597	998,814

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, 2023

		142 Opioid Settlement	143 American Rescue Plan Act (ARPA)	146 Special Real Estate Excise Tax	170 Trial Court Improvements
Beginning Cash and Investments					
308	Beginning Cash and Investments	-	3,928,578	57,185	67,776
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	171,673	7,151	21,128
340	Charges for Goods and Services	-	-	1,983	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	113,750	165,330	1	-
Total Revenues:		113,750	337,003	9,135	21,128
Expenditures					
510	General Government	-	302,819	5,102	9,956
520	Public Safety	-	99,530	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	402,349	5,102	9,956
Excess (Deficiency) Revenues over Expenditures:		113,750	(65,346)	4,033	11,172
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	-	475,087	-	3,560
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	4,000
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	475,087	-	7,560
Increase (Decrease) in Cash and Investments:		113,750	(540,433)	4,033	3,612
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	113,750	3,388,145	61,218	71,388
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		113,750	3,388,145	61,218	71,388

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, 2023

		210 2021 (A)	230 2021 (B)	240 GO Bond	245 Bond Fund
		Bond Jail	Bond Jail	Aquatic Center	2003B
Beginning Cash and Investments					
308	Beginning Cash and Investments	596	597	33,453	8,293
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	665,429	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	1,611	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	-	-	-
Total Revenues:		-	-	667,040	-
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:		-	-	667,040	-
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	263,900	360,358	-	126,125
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		263,900	360,358	-	126,125
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	263,900	360,358	663,350	126,125
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		263,900	360,358	663,350	126,125
Increase (Decrease) in Cash and Investments:		-	-	3,690	-
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	596	597	37,143	8,293
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		596	597	37,143	8,293

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, 2023

		310 Capital Projects Jail	330 Project Fund 2001	410 Regional Landfill	460 Regional Stormwater
Beginning Cash and Investments					
308	Beginning Cash and Investments	12,861,707	17,943	17,142,711	3,008,102
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	367,165	640,521
340	Charges for Goods and Services	-	-	3,054,816	900,880
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	611,516	-	215,320	107,443
Total Revenues:		611,516	-	3,637,301	1,648,844
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	1,772,909	706,406
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	1,772,909	706,406
Excess (Deficiency) Revenues over Expenditures:		611,516	-	1,864,392	942,438
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	-	-	86,119	-
Total Other Increases in Fund Resources:		-	-	86,119	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	2,864,759	-	664,423	810,408
591-593, 599	Debt Service	-	-	107,865	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	85,696	-
Total Other Decreases in Fund Resources:		2,864,759	-	857,984	810,408
Increase (Decrease) in Cash and Investments:		(2,253,243)	-	1,092,527	132,030
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	10,608,464	17,943	18,235,216	3,140,134
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		10,608,464	17,943	18,235,216	3,140,134

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, 2023

		501
		ER&R/Central
		Services
		<hr/>
Beginning Cash and Investments		
308	Beginning Cash and Investments	2,680,167
388 / 588	Net Adjustments	-
Revenues		
310	Taxes	-
320	Licenses and Permits	-
330	Intergovernmental Revenues	98,036
340	Charges for Goods and Services	1,673,768
350	Fines and Penalties	-
360	Miscellaneous Revenues	28,782
Total Revenues:		<hr/> 1,800,586
Expenditures		
510	General Government	255,613
520	Public Safety	8,064
530	Utilities	-
540	Transportation	940,662
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		<hr/> 1,204,339
Excess (Deficiency) Revenues over Expenditures:		<hr/> 596,247
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:		<hr/> -
Other Decreases in Fund Resources		
594-595	Capital Expenditures	367,764
591-593, 599	Debt Service	-
597	Transfers-Out	31,720
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	-
Total Other Decreases in Fund Resources:		<hr/> 399,484
Increase (Decrease) in Cash and Investments:		<hr/> 196,763
Ending Cash and Investments		
50821	Nonspendable	-
50831	Restricted	-
50841	Committed	2,876,928
50851	Assigned	-
50891	Unassigned	-
Total Ending Cash and Investments		<hr/> 2,876,928

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, 2023

		Total for All Funds (Memo Only)	Investment Trust	Custodial	External Investment Pool Fund
308	Beginning Cash and Investments	18,537,497	55,730	7,556,081	10,925,686
388 & 588	Net Adjustments	-	-	-	-
310-390	Additions	96,164,119	-	88,004,017	8,160,102
510-590	Deductions	93,258,121	55,730	87,934,819	5,267,572
	Net Increase (Decrease) in Cash and Investments:	2,905,998	(55,730)	69,198	2,892,530
508	Ending Cash and Investments	21,443,502	-	7,625,290	13,818,212

The accompanying notes are an integral part of this statement.

Asotin County
Notes to the Financial Statements
For the year ended December 31, 2023

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 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 *Note 8 – Component Unit(s), 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 for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications 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 principle, 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 630-698

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

External Investment Pool Fund 699

The external portion of the investment pools that are not held in trust and meet criteria. Although this is considered a custodial fund, the external portion of investments is reported in a separate external investment pool fund column under the custodial funds classification.

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 4 – *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 (1,000) hours at the rate of fifty (50) percent (maximum of five hundred (500) hours, not to be used to calculate retirement benefits (other than PERS 1). 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 preceding 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 10 – *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 (such as resolutions or ordinances). 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	\$118,200	RCW 36.82, Fed/State Grants
102 – Criminal Justice	\$84,884	RCW 82.14.310
103 – Capital Improvements	\$2,879,570	RCW 82.46.035
105 – County Fair Building	\$76,105	Res 07-03
106 – Law Library	\$77,272	RCW 27.24.070
107 – Veteran's Relief	\$17,475	RCW 73.08.010
109 – Emergency Services	\$53,538	RCW 38.52.070
109.001 – Emergency Services Capital	\$7,661	Res 19-05
110 – Auditor's O&M	\$905,571	RCW 36.22.170
111 – Public Safety	\$3,109,124	RCW 82.14.450, Res 19-24, Interlocal
112 – Noxious Weed	\$198,234	RCW 17.10
113- Flood Control	\$2,634,881	RCW 86.12
114 – Paths & Trails	\$97,870	RCW 47.30 & 46.68.090
115 – DUI	\$34,689	RCW 82.14.310
117 – Anatone Community Hall	\$22,714	Res 03-10
118 – Drug Seizure	\$23,590	RCW 69.50.505 & 46.61.5058
119 – Crime Victim Witness	\$103,791	RCW 7.68.035

120 - Rural EMA	\$16,255	Ord 20-21, RCW 84.52.069 & 36.32.480(1)
122 – Insurance Premium	\$231,529	Res 87-36
125 – Boating Safety	\$66,784	RCW 88.02.650
127 – Emergency Services Comm.	\$321,388	RCW 82.14B.030, .063, .050
128 – Hotel/Motel Tax Fund	\$683,134	RCW 67.28.180
129 – Community Services	\$360,203	RCW 71.20.110, Fed/State Grants
131 – Inmate Monitoring	\$108,681	RCW 26.50.060 & Res 05-04
135 – Public Facilities Improvements	\$1,663,597	RCW 82.14.370
140 – Affordable Housing	\$998,814	RCW 36.22.178
142 – Opioid Settlement	\$113,750	One WA MOU, MOU Opioid Abatement Council, Res.23-05
143 – ARPA	\$3,388,145	Res 21-19
146 – Special REET	\$61,218	RCW 82.45.180
170 – Trial Court Improvement	\$71,388	RCW 43.08.250
210 - 2021 (A) Bond Jail	\$596	Res 20-39
230 – 2021 (B) Bond Jail	\$597	Res 20-39
240 - GO Bond Aquatic Center	\$37,143	Res 16-03 Voter Approved Bond Debt, Property Tax
245 – Bond Fund 2003B	\$8,293	RCW 82.14.370
310 – Capital Projects Jail	\$10,608,464	Res 20-39 & 21-07
330 – Project Fund 2001	\$17,943	Res 01-13, 01-10
410 – Regional Landfill	\$2,780,678	RCW 70.95 & WAC 173-351, State Grants, RCW 36.58
412 – Landfill Closure	\$5,820,794	RCW 70.95 & WAC 173-351-500
413 – Landfill Post-Closure	\$5,614,655	RCW 70.95 & WAC 173-351-500
414 – Landfill Capital	\$4,019,089	Res 19-03
460 – Regional Stormwater	\$3,140,134	RCW 36.89.080 & Res 10-25
501 – ER&R/Central Services	\$2,876,928	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 used for financial reporting.

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

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Variance
General Fund:			
001.100 County Agent	\$139,539	\$130,336	\$9,203
001.105 Animal Control	\$10,500	\$9,108	\$1,392
001.110 Assessor	\$393,366	\$377,490	\$15,876
001.120 Auditor	\$285,583	\$267,186	\$18,397

001.125 Civil Service	\$9,333	\$6,335	\$2,998
001.130 Clerk	\$470,446	\$312,250	\$158,196
001.140 Commissioner	\$318,287	\$310,225	\$8,062
001.150 District Court	\$647,848	\$625,151	\$22,697
001.155 Elections	\$197,117	\$157,348	\$39,769
001.156 General Admin	\$767,243	\$742,933	\$24,310
001.160 Juvenile Services	\$427,598	\$395,033	\$32,565
001.170 Jail	\$2,711,208	\$1,747,187	\$964,021
001.180 Prosecutor	\$800,471	\$748,124	\$52,347
001.180.001 OSE	\$154,308	\$140,581	\$13,727
001.190 Sheriff	\$2,003,273	\$1,813,740	\$189,533
001.200 Superior Court	\$803,642	\$705,250	\$98,392
001.210 Treasurer	\$239,584	\$237,311	\$2,273
001.220 Non-Departmental	\$968,400	\$930,521	\$37,879
001.225 Law & Justice	\$333,250	\$332,229	\$1,021
001.230 Voter & Registration	\$2,519	\$1,920	\$599
Total General Fund	\$11,683,515	\$9,990,260	\$1,693,255
101.000 County Road	\$7,863,005	\$5,810,131	\$2,052,874
102.000 Criminal Justice	\$700,000	\$700,000	\$0
103.000 Capital Improvement	\$150,000	\$58,291	\$91,709
104.000 County Fair	\$550,999	\$546,604	\$4,395
106.000 Law Library	\$9,400	\$7,336	\$2,064
107.000 Veteran's Relief	\$68,100	\$55,308	\$12,792
109.000 Emergency Services	\$53,299	\$49,792	\$3,507
109.001 Emergency Comm Capital	\$8,000	\$827	\$7,173
110.000 Auditor's O&M	\$89,751	\$78,170	\$11,581
111.000 Public Safety Fund	\$1,332,208	\$624,258	\$707,950
112.000 Noxious Weed Control	\$93,154	\$98,402	(\$5,248)
113.000 Flood Control	\$437,350	\$85,257	\$352,093
114.000 Paths & Trails	\$37,000	\$27,639	\$9,361
115.000 DUI County	\$17,100	\$16,161	\$939
117.000 Anatone Community Hall	\$20,821	\$13,339	\$7,482
118.000 Drug Seizure	\$1,000	\$0	\$1,000
119.000 Crime Victim Witness	\$39,000	\$36,083	\$2,917
120.000 Rural EMS	\$25,500	\$25,300	\$200
122.000 Insurance Premium	\$1,415,500	\$1,079,549	\$335,951
123.000 Community Block Grant	\$50,000	\$24,487	\$25,513
124.000 Treasurer O&M	\$16,075	\$6,178	\$9,897
125.000 Boating Safety	\$11,000	\$2,307	\$8,693

126.000 Building & Planning	\$602,467	\$547,172	\$55,295
127.000 Emergency Services Comm	\$519,097	\$503,265	\$15,832
128.000 Hotel/Motel	\$125,000	\$125,000	\$0
129.000 Community Services	\$1,886,210	\$1,777,036	\$109,174
131.000 Inmate Monitoring	\$1,000	\$0	\$1,000
135.000 Public Facilities Improvement	\$126,275	\$126,125	\$150
140.000 Affordable Housing	\$73,550	\$43,021	\$30,529
143.000 ARPA	\$1,891,597	\$877,437	\$1,014,160
146.000 Special REET	\$18,500	\$5,102	\$13,398
170.000 Trial Court Improvement	\$27,200	\$17,516	\$9,684
210.000 2021(A) Bond Jail	\$264,550	\$263,900	\$650
230.000 2021(B) Bond Jail	\$361,008	\$360,358	\$650
240.000 Aquatic Center Bond	\$663,500	\$663,350	\$150
245.000 Bond 2003B	\$126,275	\$126,125	\$150
310.000 Capital Projects Jail	\$12,700,000	\$2,864,759	\$9,835,241
410.000 Regional Landfill	\$3,462,534	\$2,918,795	\$543,739
460.000 Stormwater	\$867,980	\$833,640	\$34,340
460.001 Stormwater Asotin Co. Capital	\$1,553,500	\$492,122	\$1,061,378
460.002 Stormwater Asotin City Capital	\$10,880	\$0	\$10,880
460.003 Stormwater Clarkston Capital	\$151,000	\$617	\$150,383
460.004 Stormwater ER&R	\$396,594	\$379,455	\$17,139
501.000 ER&R	\$1,660,009	\$1,224,431	\$435,578
502.000 Central Services	\$397,933	\$379,395	\$18,538
Total	\$52,558,436	\$33,864,299	\$18,694,137

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.

Noxious Weed Control Fund 112.000 exceeded expenditure authority by \$5,248, although they had the available cash the timing of December expenses crossed. Finance addressed this with Noxious Weed on 01/19/2024 with the closing of December 2023.

Note 3 – COVID-19 Pandemic

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of COVID-19. Precautionary measures to slow the spread of the virus continued through 2021. These measures included limitations on business operations, public events, gatherings, travel, and in-person interactions.

Measures have been put in place to try to mitigate the unknown potential financial impacts. Such as, a hiring freeze, unless authorized by the Board of County Commissioners. The County continues to monitor

and adapt to the changing conditions while watching budgets and areas of further or potential impact (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 4 – Deposits and Investments

Investments are reported as amortized costs. Deposit and investments by type at December 31, 2023 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	\$936,938	\$	\$936,938
U.S. Government Securities - Bonds	\$17,247,971	\$	\$17,247,971
Local Government Investment Pool	\$46,037,447	\$13,818,213	\$59,855,660
Total	\$64,222,356	\$13,818,213	\$78,040,569

The \$64,222,356 reported above under the County includes funds of \$7,625,291 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 5 – Environmental and Certain Asset Retirement Liabilities

Based on the engineering firm's estimate, the county has the following liabilities associated with the closure of its landfill. These amounts were updated in 2021 to values determined by the engineering firm. The amounts were last updated for inflation as of 2021 assuming a full build-out (with inflation), with closure costs beginning in 2057 and post-closure expenses beginning in 2059. The amount of closure and post-closure costs reported on the Schedule of Liabilities is \$40,196,221.

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, 2023, 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 \$1,408,179. 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.

40% 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 External Investment Pool – Custodial Fund.

Note 7 – Interfund Loads

The following table displays interfund loan activity during 2023:

Borrowing Fund	Lending Fund	Balance 1/1/2023	New Loans	Repayments	Balance 12/31/2023
Fair	General Fund	\$0	\$45,000	\$45,000	\$0
	TOTALS	\$0	\$45,000	\$45,000	\$0

Note 8 – 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 have been transferred to the Public Facilities District. In 2023 Asotin County paid \$789,475 in bond debt. Further, per RCW 36.100.020 the board member can be removed by the appointing organization at will. Under Resolution #07-26 the County passed a 0.3% optional sales tax, which currently is designated for the Aquatic Center. The amount for 2023 was \$662,063.

The financial statements for the component unit, or related party can be obtained at www.sao.wa.gov.

Note 9 – Leases (Lessees)

During the year ended December 31, 2022, the county adopted guidance for the presentation and disclosure of leases, as required by the BARS manual. This requirement resulted in the addition of a lease liability reported on the Schedule of Liabilities.

The county leases 6 postage machines. Most new lease agreements are from 3-5 year terms.
 Community Services, Pitney Bowes Postage Machine, \$112.44 quarterly payments (3 qtrs.)
 Courthouse Annex, Pitney Bowes Postage Machines, \$253.58 quarterly
 Landfill, Pitney Bowes Postage Machine \$91.65 (6 months), \$97.15 (5 months)

County Road, Pitney Bowes Postage Machine, \$226.75 quarterly
District Court Postage Machine, Quadient, \$320.75 quarterly
Treasurer Postage Machine, Quadient, \$644.43 quarterly.

The county leases 2 office spaces for Community Services – Birth to Three Program, 2-year lease, \$695.00 monthly and Employment Support for a three-year term, \$1,645 monthly for 2023 (Oct/Nov), and \$2,380 (Dec.).

The county leases 1 copier (which termed in 2023), County Road Copier, Xerox, \$182.84 monthly (6 months).

The total amount paid for leases in 2023 was \$22,279. As of December 31, 2023, the future lease payments are as follows:

Year Ended December 31	Total
2024	\$38,403
2025	\$33,631
2026	\$25,281
2027	\$1,288
Total	\$98,603

Note 10 – 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, 2023.

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

Year	Principal	Interest	Total
2024	\$ 1,189,208	\$ 454,380	\$ 1,643,588
2025	\$ 1,289,208	\$ 422,275	\$ 1,711,483
2026	\$ 1,379,208	\$ 385,811	\$ 1,765,019
2027	\$ 1,194,208	\$ 345,422	\$ 1,539,650
2028	\$ 544,208	\$ 311,959	\$ 856,167
2029-2033	\$ 2,751,833	\$ 1,424,165	\$ 4,175,997
2034-2038	\$ 2,000,000	\$ 1,112,100	\$ 3,112,100
2039-2043	\$ 2,315,000	\$ 793,650	\$ 3,108,650
2044-2048	\$ 2,685,000	\$ 425,100	\$ 3,110,100
2048-2050	\$ 1,190,000	\$ 53,850	\$ 1,243,850
Total	\$ 16,537,874	\$ 5,728,732	\$ 22,266,606

Significant Debt Agreement Terms

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

Debt:	Clause:
245.000 Aquatic Center L.T.G.O. Bond 240.000 Aquatic Center U.T.G.O. Bond	Res. 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.
245.000 Aquatic Center L.T.G.O. Bond	Res. 13-01 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.”
210.000 2021 (A) Bond Jail 230.000 2021 (B) Bond Jail	Res. 20-39 The Bonds constitute a general indebtedness of the County and are payable from tax revenues of the County, the increase in the sales and use tax

	<p>approved by the voters in the County pursuant to RCW 82.14.450, and such other money as is lawfully available and pledged by the County for the payment of principal of and interest on the Bonds. For as long as any of the Bonds are outstanding, the County irrevocably pledges that it shall, in the manner provided by law within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, to pay principal of and interest on the Bonds as the same become due. The full faith, credit and resources of the County are pledged irrevocably for the prompt payment of the principal of and interest on the Bonds and such pledge shall be enforceable in mandamus against the County.</p> <p>If the principal of any Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption, 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 date fixed for redemption 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, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.</p>
Public Works Trust Fund Loan	<p>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 (1st) 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.</p>

Note 11 – Other Disclosures

In the Schedule of Liabilities (Schedule 9), landfill closure and post-closure costs are in 2021 dollars and assume a full build-out (with inflation) of the landfill, with closure costs beginning in 2057 and post-closure expenses beginning in 2059.

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)

- Contingencies and Litigations:
Lawsuits

Claim #40557, April 5, 2013, 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. This claim is with the Court of Appeals requesting a new trial.

On February 25, 2021, the Washington State Supreme Court vacated the felony possession of controlled substance statute in State v. Blake, affecting possession of controlled substance cases dating back to 1971. The continued potential liability for repayment of Legal Financial Obligations is unknown.

Note 12 – 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 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 99 active plan members and 19 retired plan members as of December 31, 2023. As of December 31, 2023, the County's total OPEB liability was \$3,057,799 as calculated using the alternative measurement method. The County contributed \$1,042,474 to the plan for the year ended December 31, 2023.

Note 13 – 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 Annual Comprehensive Financial Report may be downloaded from the DRS website at www.drs.wa.gov.

At June 30, 2023 (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	202,377	0.029699%	677,949
PERS 2/3	293,214	0.033349%	(1,366,870)
PSERS 2	45,637	0.090639%	(96,113)
LEOFF 1		0.001095%	(32,500)
LEOFF 2	50,240	0.022258%	(533,880)

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 14 - 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 2023 was \$1.676158408676 per \$1,000 on an assessed valuation of \$2,084,489,310 for a total tax amount of \$3,493,884.

The Mental Health levy for 2023 was \$0.025000000000 per \$1,000 on an assessed valuation of \$2,084,459,310 for a total tax amount of \$52,111.

The Veterans Relief levy for 2023 was \$0.011250000000 per \$1,000 on an assessed valuation of \$2,084,459,310 for a total tax amount of \$23,450.

The Road levy for 2023 was \$0.960701614177 per \$1,000 on an assessed valuation of \$1,389,255,509 for a total tax amount of \$1,334,660.

The Flood District levy for 2023 was \$0.168395034955 per \$1,000 on an assessed valuation of \$1,389,255,509 for a total tax amount of \$233,943.

The levy rate for 2023 for the Asotin County Family Aquatic Center was \$0.331211177600 per \$1,000 on an assessed valuation of \$2,033,445,866 for a total tax amount of \$673,500.

The Rural EMS levy for 2023 was \$0.130282705097 per \$1,000 on assessed valuation of \$147,373,360 for a total tax amount of \$19,200.

Note 15 – 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 November 30, 2023, membership includes 10 members 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, Crime Protection, and Liability: including General, Automobile, Wrongful Acts, and Cyber, which are included to fit the member's various needs.

The program acquires reinsurance through their administrator, Clear Risk Solutions. Liability coverage is purchased to a group aggregate limit of \$45,000,000 with a self-insured retention (SIR) of \$500,000. Members are responsible for a \$1,000 to \$25,000 deductible for each claim, while the program is responsible for the \$500,000 SIR. Since the program is a cooperative program, there is joint liability among the participating members toward the sharing of the \$500,000 SIR, 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 \$2,542,271 which is fully funded in its annual budget.

Property insurance is subject to a per occurrence SIR of \$500,000. Members are responsible for a \$1,000 to \$50,000 per occurrence deductible. The program bears the \$500,000 SIR, in addition to the deductible.

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 SIR on this coverage.

Cyber liability insurance is subject to a per-occurrence SIR of \$50,000. Members are responsible for a \$10,000 deductible for each claim, while the program is responsible for the remaining \$40,000 SIR.

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 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, 2023, were \$1,282,507.60.

The program is governed by a ten-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.

Asotin County is self-insured for unemployment claims. Asotin County had 4 claims for the year ending December 31, 2023. The total amount of these claims was \$26,726.80. The County reviews the prior year claims and fiscal condition to determine the possible exposure.

Note 16 – Subscription Based Information Technology Arrangements (SBITA)

During the year ended December 31, 2023, the County adopted guidance for the presentation and disclosure of Subscription Bases Information Technology Arrangements (SBITA), as required by the BARS manual. This requirement resulted in the addition of a subscription liability reported on the Schedule of Liabilities.

The County has a majority of SBITA on annual paid renewals. The County identified subscription liabilities reportable for three arrangements.

- The County has election software with a ten-year agreement with annual payments of \$15,549.
- SetWorks for Community Services customer files with HIPAA compliance with an agreement for 3 years with monthly payments of \$575
- Hyper – Reach an emergency notification software for three years with the final payment of \$5,275 in 2023.

The total amount paid for SBITAs in 2023 was \$27,149. As of December 31, 2023, the future SBITA payments are as follows:

Year ended December 31	Total
2024	\$21,874
2025	\$17,274
2026	\$15,549
2027	\$15,549
2028	\$15,549
Total	\$85,795

**Asotin County
Schedule of Liabilities
For the Year Ended December 31, 2023**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	Aquatic Center (245.000)	12/1/2033	1,160,000	-	85,000	1,075,000
251.11	Jail Bond A (210.000)	12/1/2050	8,785,000	-	-	8,785,000
251.11	Jail Bond B (230.000)	12/1/2032	3,140,000	-	325,000	2,815,000
251.12	Aquatic Center (240.000)	12/1/2027	3,450,000	-	525,000	2,925,000
263.83	DSHS Working Advance	6/30/2024	65,697	-	-	65,697
Total General Obligation Debt/Liabilities:			16,600,697	-	935,000	15,665,697
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences		480,485	58,609	-	539,094
263.22	Landfill Closure and Post Closure		40,196,221	-	-	40,196,221
263.52	Landfill Capital Lease (CAT)	9/1/2023	161,579	-	161,578	1
264.30	Net Pension Liabilities		915,667	-	237,718	677,949
264.40	OPEB Liabilities		3,503,154	-	445,355	3,057,799
263.88	Public Works Trust Fund	6/1/2032	1,042,084	-	104,208	937,876
263.57	Community Services Postage Machine	4/1/2026	1,350	-	337	1,013
263.57	District Court Postage Machine	2/1/2026	5,132	-	1,283	3,849
263.57	Treasurer Postage Machine	5/1/2027	11,600	-	2,578	9,022
263.57	Annex Postage Machine	9/30/2025	2,789	-	1,014	1,775
263.57	Community Services - Birth to 3 Office Lease	6/1/2024	11,120	-	8,340	2,780
263.57	Landfill Postage Machine	2/24/2024	2,678	-	1,052	1,626
263.57	County Road Postage Machine	12/29/2023	907	-	907	-
263.57	County Road Copier	6/19/2023	1,097	-	1,097	-
263.57	Community Services Office Lease	10/31/2026	-	84,210	5,670	78,540
263.57	Elections Hart Intercivic	12/31/2028	93,294	-	15,549	77,745
263.57	Hyper-Reach	10/1/2023	5,275	-	5,275	-
263.57	SETWorks	2/16/2025	14,375	-	6,325	8,050
Total Revenue and Other (non G.O.) Debt/Liabilities:			46,448,807	142,819	998,286	45,593,340
Total Liabilities:			63,049,504	142,819	1,933,286	61,259,037

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Forest Service Schools and Roads Cluster								
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via Forest Services)	Schools and Roads - Grants to States	10.665	2023	28,179	-	28,179	-	
Total Forest Service Schools and Roads Cluster:				28,179	-	28,179	-	
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	20-6221C-102	7,722	-	7,722	7,555	
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	22-62210-001	18,469	-	18,469	16,933	
Total ALN 14.228:				26,191	-	26,191	24,488	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Dept. of Commerce)	Crime Victim Assistance	16.575	S23-31101- 002/S24-31101- 011 Victim Witness	65,868	-	65,868	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Dept. of Commerce)	Crime Victim Assistance	16.575	F22-31103-051 STOP	13,719	-	13,719	-	

The accompanying notes are an integral part of this schedule.

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Dept. of Commerce)	Crime Victim Assistance	16.575	F19-31219-475 VOCA	63,413	-	63,413	-	
		Total ALN 16.575:			143,000	-	143,000	-
		16.607	BVP 2022	114	-	114	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Office of Justice Programs)	Bulletproof Vest Partnership Program	20.205	LA-6541 - CRP 239	4,293	-	4,293	-	
		Total Highway Safety Cluster:			111,753	-	111,753	-
		20.616	2023-AG-4711- Asotin County Let's Walk Safely	111,753	-	111,753	-	3c
Highway Safety Cluster NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic Safety Commission)	National Priority Safety Programs	21.027	SLFRF	-	870,968	870,968	-	
		Total Highway Safety Cluster:			111,753	-	111,753	-
		21.027	SLFRF	-	870,968	870,968	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	SLFRF	-	870,968	870,968	-	

The accompanying notes are an integral part of this schedule.

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, EDUCATION, DEPARTMENT OF (via Dept of Children, Youth, and Families)	COVID 19 - Special Education-Grants for Infants and Families	84.181	21-1145-07/21- 1145-08	26,445	-	26,445	-	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Health Care Authority)	Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	K3903/K6932	20,000	-	20,000	20,000	3f
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via DSHS)	Child Support Services	93.563	2110-80336	22,693	-	22,693	-	3a
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via DSHS)	Child Support Services	93.563	2110-80336	187,753	-	187,753	-	3b
Medicaid Cluster			Total ALN 93.563:	210,446	-	210,446	-	
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Amerigroup)	Medical Assistance Program	93.778	07505870	3,780	-	3,780	-	
			Total Medicaid Cluster:	3,780	-	3,780	-	

The accompanying notes are an integral part of this schedule.

Asotin County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Health Care Authority)	Opioid STR	93.788	K3903/K6931	25,002	-	25,002	25,002	3d
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/K6931	106,124	-	106,124	106,124	3e
U.S. COAST GUARD, HOMELAND SECURITY, DEPARTMENT OF (via Washington State Parks & Recreation Commission)	Boating Safety Financial Assistance	97.012	2023	4,132	-	4,132	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Emergency Management Performance Grants	97.042	E23-194/E24-229	28,550	-	28,550	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Spokane County Emergency Management)	Homeland Security Grant Program	97.067	GSEM-2112	16,000	-	16,000	-	
Total Federal Awards Expended:				754,009	870,968	1,624,977	175,614	

The accompanying notes are an integral part of this schedule.

Asotin County

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

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 \$22,854.26 claimed as an indirect cost recovery using an approved indirect cost rate of 12.25% percent.

- a) The above amount includes \$1,543.08 claimed as an indirect cost recovery using an approved indirect cost rate of 12.25% percent.
- b) The above amount includes \$14,931.84 claimed as an indirect cost recovery using an approved indirect cost rate of 12.25% percent.
- c) The above amount includes \$736.26 claimed as an indirect cost recovery using an approved indirect cost rate of 11.75% percent.
- d) The above amount includes \$2,000.00 claimed as an indirect cost recovery using an approved indirect cost rate of 8% percent.
- e) The above amount includes \$1,643.11 claimed as an indirect cost recovery using an approved indirect cost rate of 10% percent.
- f) The above amount includes \$1,999.97 claimed as an indirect cost recovery using an approved indirect cost rate of 10% percent.

Note 4– Program Costs

The amounts shown as current year expenditures represent only the federal award portion of the program costs. Entire program costs, including the county portion, are more than shown. Such expenditures are recognized following 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.

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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.

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