



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Columbia County

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

Published December 16, 2024

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

December 16, 2024

Board of Commissioners
Columbia County
Dayton, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Columbia 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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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Columbia County January 1, 2023 through December 31, 2023

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Columbia 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>
20.205	Highway Planning and Construction

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.



Columbia
County
Washington

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Columbia County January 1, 2023 through December 31, 2023

This schedule presents the status of findings reported in prior audit periods.

Audit Period: January 1, 2022 through December 31, 2022	Report Ref. No.: 1033967	Finding Ref. No.: 2022-001
Finding Caption: The County lacked adequate internal controls for ensuring the Schedule of Expenditures of Federal Awards was accurate and complete.		
Background: State and federal agencies, the County Commissioners, and the public rely on information included in the financial statements and schedules to make decisions. Management is responsible for designing and following internal controls that provide reasonable assurance the County's financial reporting is reliable and the financial statements and schedules are accurate. The County prepares its financial statements in accordance with the Budgeting, Accounting and Reporting System (BARS Manual). State law (RCW 43.09.230) requires local governments to submit annual financial reports to the State Auditor's Office. As part of the report, all local governments that spend federal funds must prepare a Schedule of Expenditures of Federal Awards (SEFA). Local governments that spend \$750,000 or more in federal funds must receive a federal single audit. Our audit found deficiencies in internal controls over accounting and financial reporting that affected the County's ability to produce reliable financial statements. Government Auditing Standards requires the State Auditor's Office to communicate significant deficiencies as a finding.		
Status of Corrective Action: (check one) <div><input checked="checked" type="checkbox"/> Fully Corrected</div> <div><input type="checkbox"/> Partially Corrected</div> <div><input type="checkbox"/> Not Corrected</div> <div><input type="checkbox"/> Finding is considered no longer valid</div>		

Corrective Action Taken:

Columbia County dedicated more time to preparing the SEFA this year. Rather than hire someone to prepare it, the Auditor was able prepare the SEFA using guidance from the SAO website and knowledge gained from the previous year's audit process. Extra emphasis was placed on making sure amounts reported only included expenditures, and all dates were checked to make sure the expenditures occurred during 2023. After preparing the SEFA, the Auditor Chief Deputy Accountant reviewed several different ALNs for accuracy. Grants reported and total expenditures were sent to department heads for verification. This process resulted in accurate reporting of the SEFA for FY2023.

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*

Columbia County January 1, 2023 through December 31, 2023

Board of Commissioners
Columbia County
Dayton, 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 Columbia 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 December 6, 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.

We noted certain other matters that we have reported to the management of the County in a separate letter dated December 6, 2024.

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

Pat McCarthy, State Auditor

Olympia, WA

December 6, 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

Columbia County January 1, 2023 through December 31, 2023

Board of Commissioners
Columbia County
Dayton, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of Columbia 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 that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

December 6, 2024

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Columbia County January 1, 2023 through December 31, 2023

Board of Commissioners
Columbia County
Dayton, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of Columbia 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 Columbia 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 Columbia 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.

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 December 6, 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 fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

December 6, 2024

FINANCIAL SECTION

Columbia 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 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

Columbia 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	102 Mental Health
Beginning Cash and Investments					
308	Beginning Cash and Investments	12,050,971	3,865,067	1,447,221	58,037
388 / 588	Net Adjustments	773	773	-	-
Revenues					
310	Taxes	5,283,651	2,783,427	1,836,574	140,438
320	Licenses and Permits	96,040	76,281	3,491	-
330	Intergovernmental Revenues	8,217,902	1,424,804	3,283,622	63
340	Charges for Goods and Services	3,258,592	798,084	178,557	-
350	Fines and Penalties	65,875	65,309	-	-
360	Miscellaneous Revenues	730,439	448,633	12,002	-
Total Revenues:		17,652,499	5,596,538	5,314,246	140,501
Expenditures					
510	General Government	3,849,949	2,860,365	9,031	3,712
520	Public Safety	2,695,038	1,983,661	-	-
530	Utilities	307,889	-	-	-
540	Transportation	3,827,197	-	3,055,658	-
550	Natural/Economic Environment	701,149	311,310	-	107,261
560	Social Services	850,863	-	-	59,064
570	Culture and Recreation	494,936	72,891	-	-
Total Expenditures:		12,727,021	5,228,227	3,064,689	170,037
Excess (Deficiency) Revenues over Expenditures:		4,925,478	368,311	2,249,557	(29,536)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	749,488	264,714	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	265,853	53,965	1,268	-
Total Other Increases in Fund Resources:		1,015,341	318,679	1,268	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	3,959,103	252,693	2,665,688	-
591-593, 599	Debt Service	294,611	64,621	21,533	-
597	Transfers-Out	749,488	237,500	124,121	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	122,060	36,239	1,270	-
Total Other Decreases in Fund Resources:		5,125,262	591,053	2,812,612	-
Increase (Decrease) in Cash and Investments:		815,557	95,937	(561,787)	(29,536)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	6,199,305	-	885,438	28,500
50841	Committed	610,712	-	-	-
50851	Assigned	2,095,514	-	-	-
50891	Unassigned	3,961,777	3,961,777	-	-
Total Ending Cash and Investments		12,867,308	3,961,777	885,438	28,500

The accompanying notes are an integral part of this statement.

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

		103 Growth Management	105 County Fair	106 Soldiers/Sailors Relief	107 Weed Control
Beginning Cash and Investments					
308	Beginning Cash and Investments	1,079	98,345	45,625	75,848
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	12,936	59,805
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	146,766	46,973	28	4,000
340	Charges for Goods and Services	-	26,368	-	117,662
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	28,787	1,749	750
Total Revenues:		146,766	102,128	14,713	182,217
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	126,809	-	-	151,769
560	Social Services	-	-	10,850	-
570	Culture and Recreation	-	78,915	-	-
Total Expenditures:		126,809	78,915	10,850	151,769
Excess (Deficiency) Revenues over Expenditures:		19,957	23,213	3,863	30,448
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	33,950	-	-	-
Total Other Increases in Fund Resources:		33,950	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	99	-	-	2,100
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	33,950	163	-	673
Total Other Decreases in Fund Resources:		34,049	163	-	2,773
Increase (Decrease) in Cash and Investments:		19,858	23,050	3,863	27,675
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	20,937	-	49,488	103,523
50841	Committed	-	-	-	-
50851	Assigned	-	121,396	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		20,937	121,396	49,488	103,523

The accompanying notes are an integral part of this statement.

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

		108 Rural County Sales/Use Tax	109 American Rescue Plan Act	110 Snowmobile	111 Substance Abuse
Beginning Cash and Investments					
308	Beginning Cash and Investments	71,965	1,055,298	14,930	270
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	101,432	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	504,520	-	914
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	1,062	-	534	-
Total Revenues:		102,494	504,520	534	914
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	183	-	1,089
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	183	-	1,089
Excess (Deficiency) Revenues over Expenditures:		102,494	504,337	534	(175)
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	11,468	423,305	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	45,000	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		56,468	423,305	-	-
Increase (Decrease) in Cash and Investments:		46,026	81,032	534	(175)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	1,136,330	15,464	95
50841	Committed	-	-	-	-
50851	Assigned	117,991	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		117,991	1,136,330	15,464	95

The accompanying notes are an integral part of this statement.

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

		112 Sales & Use Reserve Fund	118 Crime Victims/Witness Assistance	119 Domestic Violence A/P/P	120 Reet Technology
Beginning Cash and Investments					
308	Beginning Cash and Investments	582,685	50,383	32	45,957
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	55,726	9,187	6,558
340	Charges for Goods and Services	-	4,520	327	1,358
350	Fines and Penalties	-	5	236	-
360	Miscellaneous Revenues	28,027	-	-	1,085
Total Revenues:		28,027	60,251	9,750	9,001
Expenditures					
510	General Government	-	57,913	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	11,076	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	57,913	11,076	-
Excess (Deficiency) Revenues over Expenditures:		28,027	2,338	(1,326)	9,001
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	-	-	1,672	-
Total Other Increases in Fund Resources:		-	-	1,672	-
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:		28,027	2,338	346	9,001
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	52,721	379	54,958
50841	Committed	610,712	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		610,712	52,721	379	54,958

The accompanying notes are an integral part of this statement.

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

		121 Trial Court Improvement	122 Special Purpose Paths & Trails	123 Treasurer's O & M	124 Affordable Housing/Homel essness
Beginning Cash and Investments					
308	Beginning Cash and Investments	8,101	41,139	4,278	244,977
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	11,396
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	11,240	-	-	-
340	Charges for Goods and Services	-	-	666	37,939
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	354	-	20,561
Total Revenues:		11,240	354	666	69,896
Expenditures					
510	General Government	2,174	-	3,262	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	2,462	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	30,000
570	Culture and Recreation	-	-	-	-
Total Expenditures:		2,174	2,462	3,262	30,000
Excess (Deficiency) Revenues over Expenditures:		9,066	(2,108)	(2,596)	39,896
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	7,000	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	7,000	-	-
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:		9,066	4,892	(2,596)	39,896
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	17,168	-	1,681	284,872
50841	Committed	-	-	-	-
50851	Assigned	-	46,031	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		17,168	46,031	1,681	284,872

The accompanying notes are an integral part of this statement.

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

		125 Law and Justice	126 Auditor's O & M	127 Hotel/Motel Tax	128 Enhanced 911
Beginning Cash and Investments					
308	Beginning Cash and Investments	865,569	546,766	58,692	244,241
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	46,416	-	10,273	148,851
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	495,309	28,809	-	650,145
340	Charges for Goods and Services	-	2,971	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	40,327	24,756	2,261	9,231
Total Revenues:		582,052	56,536	12,534	808,227
Expenditures					
510	General Government	144,000	55,482	-	-
520	Public Safety	7,969	-	-	680,855
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	4,000	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		151,969	55,482	4,000	680,855
Excess (Deficiency) Revenues over Expenditures:		430,083	1,054	8,534	127,372
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	-	-	-	1,956
591-593, 599	Debt Service	-	-	-	824
597	Transfers-Out	250,000	-	-	14,714
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	6	-	-
Total Other Decreases in Fund Resources:		250,000	6	-	17,494
Increase (Decrease) in Cash and Investments:		180,083	1,048	8,534	109,878
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	1,045,652	547,819	67,226	354,118
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		1,045,652	547,819	67,226	354,118

The accompanying notes are an integral part of this statement.

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

		129 Sheriff Reserve Officers	130 Senior Citizen's Center	131 Auditor's Auto Licensing	133 Homeland Security
Beginning Cash and Investments					
308	Beginning Cash and Investments	119,883	10,387	188,309	10,516
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	136,014	12,601
340	Charges for Goods and Services	14,480	-	43,081	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	1,602	6,476	4,610	-
Total Revenues:		16,082	6,476	183,705	12,601
Expenditures					
510	General Government	-	-	103,873	-
520	Public Safety	5,879	-	-	12,544
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	9,286	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		5,879	9,286	103,873	12,544
Excess (Deficiency) Revenues over Expenditures:		10,203	(2,810)	79,832	57
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	-	-	309	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	309	-
Increase (Decrease) in Cash and Investments:		10,203	(2,810)	79,523	57
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	10,573
50841	Committed	-	-	-	-
50851	Assigned	130,085	7,577	267,832	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		130,085	7,577	267,832	10,573

The accompanying notes are an integral part of this statement.

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

		135 Columbia County Public Health	137 Columbia County Park & Recreation	139 Meth Clean Up	140 Boating Safety
Beginning Cash and Investments					
308	Beginning Cash and Investments	922,310	13,410	18,162	41,779
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	16,268	-	-	-
330	Intergovernmental Revenues	1,211,951	-	-	5,627
340	Charges for Goods and Services	547	74,283	-	-
350	Fines and Penalties	-	250	-	-
360	Miscellaneous Revenues	4,800	52,175	-	-
Total Revenues:		1,233,566	126,708	-	5,627
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	4,130
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	729,315	-	-	-
570	Culture and Recreation	-	343,130	-	-
Total Expenditures:		729,315	343,130	-	4,130
Excess (Deficiency) Revenues over Expenditures:		504,251	(216,422)	-	1,497
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	17,500	188,500	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	29,793	-	-
Total Other Increases in Fund Resources:		17,500	218,293	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	54,035	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	163	12,128	-	-
Total Other Decreases in Fund Resources:		54,198	12,128	-	-
Increase (Decrease) in Cash and Investments:		467,553	(10,257)	-	1,497
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	1,389,863	-	18,162	43,275
50841	Committed	-	-	-	-
50851	Assigned	-	3,153	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		1,389,863	3,153	18,162	43,275

The accompanying notes are an integral part of this statement.

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

		201 Debt Service Fund	304 Columbia County Capital Improvement	401 Solid Waste	501 Equipment Rental & Revolving
Beginning Cash and Investments					
308	Beginning Cash and Investments	-	144,292	40,752	794,665
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	132,103	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	47,700	85,540	-
340	Charges for Goods and Services	-	-	258,882	1,092,060
350	Fines and Penalties	-	-	75	-
360	Miscellaneous Revenues	-	21,027	664	7,387
Total Revenues:		-	200,830	345,161	1,099,447
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	307,889	-
540	Transportation	-	-	-	769,077
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	307,889	769,077
Excess (Deficiency) Revenues over Expenditures:		-	200,830	37,272	330,370
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	117,121	-	87,000	67,653
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	44,757	5,101	95,347
Total Other Increases in Fund Resources:		117,121	44,757	92,101	163,000
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	192,837	-	319,584
591-593, 599	Debt Service	117,121	-	81	87,923
597	Transfers-Out	-	10,500	67,653	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	31,329	6,139
Total Other Decreases in Fund Resources:		117,121	203,337	99,063	413,646
Increase (Decrease) in Cash and Investments:		-	42,250	30,310	79,724
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	71,063	-
50841	Committed	-	-	-	-
50851	Assigned	-	186,542	-	874,390
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		-	186,542	71,063	874,390

The accompanying notes are an integral part of this statement.

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

		502 Risk Pool	503 IT/Server Maintenance	504 Unemployment Compensation
Beginning Cash and Investments				
308	Beginning Cash and Investments	40,758	40,435	238,808
388 / 588	Net Adjustments	-	-	-
Revenues				
310	Taxes	-	-	-
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	-	49,805	-
340	Charges for Goods and Services	369,444	237,363	-
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	534	-	11,045
Total Revenues:		369,978	287,168	11,045
Expenditures				
510	General Government	383,342	223,600	3,195
520	Public Safety	-	-	-
530	Utilities	-	-	-
540	Transportation	-	-	-
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	-
Total Expenditures:		383,342	223,600	3,195
Excess (Deficiency) Revenues over Expenditures:		(13,364)	63,568	7,850
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	-	37,537	-
591-593, 599	Debt Service	-	-	-
597	Transfers-Out	-	-	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		-	37,537	-
Increase (Decrease) in Cash and Investments:		(13,364)	26,031	7,850
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	-	-	-
50841	Committed	-	-	-
50851	Assigned	27,394	66,465	246,658
50891	Unassigned	-	-	-
Total Ending Cash and Investments		27,394	66,465	246,658

The accompanying notes are an integral part of this statement.

Columbia 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	Private-Purpose Trust	Custodial
308	Beginning Cash and Investments	12,728,370	-	273,659	12,454,711
388 & 588	Net Adjustments	-	3,211,235	-	(3,211,235)
310-390	Additions	64,610,682	2,609,402	43,242	61,958,038
510-590	Deductions	65,072,401	559,338	22,235	64,490,828
	Net Increase (Decrease) in Cash and Investments:	(461,719)	2,050,064	21,007	(2,532,790)
508	Ending Cash and Investments	12,266,650	5,261,299	294,667	6,710,684

The accompanying notes are an integral part of this statement.

COLUMBIA COUNTY, WASHINGTON
NOTES TO FINANCIAL STATEMENTS
For the Year Ending December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Columbia County was incorporated in November 1885 and operates under the laws of the State of Washington applicable to a seventh-class county with a commissioner form of government. The county is a general-purpose government and provides public safety, road improvement, parks and recreation, judicial administration, health and social services, and general administrative services.

The 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.
- 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 (Current Expense) Fund

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

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

Debt Service Funds

These funds account for the financial resources that are restricted, committed or assigned to expenditures for principal, interest and related costs on general long-term debt.

Capital Projects Funds

These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

Permanent Funds

These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.

PROPRIETARY FUND TYPES:

Enterprise Funds

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

Internal Service Funds

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

FIDUCIARY FUND TYPES:

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

Private-Purpose Trust Funds

These funds report all trust arrangements under which principal and income benefit individuals, private organizations or other governments.

Investment Trust Funds

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

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

B. Basis of Accounting and Measurement Focus

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

C. Cash and Investments

See Note 5 - Deposits and Investments.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5000 and an estimated useful life in excess of 5 years. 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 or retirement.

Sick leave may accumulate up to 120 days, of which 50% is payable upon retirement, death, or separation for employees hired before January 1, 2002 with five years of full-time service. Employees hired on or after January 1, 2002, will be paid on a 3 to 1 basis upon retirement or death.

Payments are recognized as expenditures when paid.

F. Long-Term Debt

See Note 7.

G. Restricted and Committed Portion of Ending Cash and Investments

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

NOTE 2 – BUDGET COMPLIANCE

Budgets

The county adopts annual appropriated budgets for all governmental and proprietary funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

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

Budgeted amounts are authorized to be transferred between 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 commissioners.

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

Fund	Final Appropriated Amounts	Actual Expenditures	Variance
001000 - CURRENT EXPENSE	6,418,365	5,783,041	635,324
001R00 - CURRENT EXPENSE RESERVE	50,060	36,239	13,821
101000 - COUNTY ROAD	17,672,781	5,877,297	11,795,484
102000 - MENTAL HEALTH	170,037	170,037	-
103000 - GROWTH MANAGEMENT	284,050	160,858	123,192
105000 - COUNTY FAIR FUND	81,300	79,077	2,223
106000 - SOLDIERS RELIEF FUND	18,600	10,850	7,750
107000 - WEED BOARD FUND	166,500	154,542	11,958
108000 - RURAL CO SALE/USE TA	140,000	56,468	83,532
109000 - American Rescue Plan Act	423,514	423,488	26
110000 - SNOWMOBILE	14,892	-	14,892
111000 - ALCOHOL	1,115	1,089	26
112000 - Sales & Use Tax Reserve	5,000	-	5,000
118000 - CRIME VICTIM/WITNESS	59,368	57,913	1,455
119000 - DVAPP	15,040	11,075	3,965
120000 - REET	15,000	-	15,000
121000 - TRIAL COURT IMPROVEM	3,700	2,174	1,526
122000 - SPECIAL PATHS/TRAILS	45,000	2,462	42,538
123000 - TREASURER'S O & M	4,150	3,262	888
124000 - AFFORD HOUSE/HOMELES	70,000	30,000	40,000
125000 - LAW & JUSTICE FUND	431,000	401,969	29,031
126000 - AUDITOR'S O & M	69,652	55,488	14,164
127000 - HOTEL/MOTEL TAX FUND	20,000	4,000	16,000
128000 - E-911 FUND	876,597	698,350	178,247
129000 - SHERIFF DPTY RESERVE	102,834	5,879	96,955
130000 - SR CITIZEN'S CENTER	9,485	9,286	199
131000 - AUDITOR'S AUTO LICENSING FUND	131,712	104,183	27,529
133000 - HOMELAND SECURITY	18,551	12,544	6,007
135000 - PUBLIC HEALTH	1,047,887	783,513	264,374
137000 - COLUMBIA CO PARK & R	364,622	355,258	9,364
139000 - METH CLEANUP	12,500	-	12,500
140000 - BOATING SAFETY	36,000	4,131	31,869
304000 - COL CO CAPITAL IMPRO	486,750	203,337	283,413
401000 - SOLID WASTE	453,740	406,951	46,789
501000 - E R & R	1,690,124	1,182,722	507,402
502000 - RISK POOL FUND	403,518	383,342	20,176
503000 - IT/SERVER	274,823	261,138	13,685
504000 - UNEMPLOYMENT	50,000	3,195	46,805
636000 - DRUG ENFORCEMENT	1,000	-	1,000

NOTE 3 – EMERGENCY DECLARATION FLOOD

In February 2020, the Governor of Washington State declared a state of emergency for 25 counties in response to major storms, flooding and landslides. In the months following the declaration, emergency response activities were undertaken by the county to repair bridges, roads and to protect and repair public and private property from severe damage.

Columbia County received FEMA Public Assistance funding for response and recovery actions in an indeterminate amount to be approved by individual project worksheets submitted to the government by the county. In 2020, the county expended and has submitted project approvals to reimburse \$1,379,810 for flood damage response and recovery efforts. The County received \$108,558 from FEMA for flood damage response and recovery in 2022 and \$198,221 in 2023. Federal FEMA funding is available to the county until the contractual end date of April 2024.

NOTE 4 – FINANCIAL CONDITIONS

As stated in Note 3, Columbia County was approved for FEMA funding in 2020 to mitigate the impacts of the February 2020 flood. The award will cover 75% of approved project expenditures and the County will be required to pay any remaining 25% for flood-related activities. FEMA began reimbursing the County for flood-related remediation and mitigation in 2022, and this is expected to continue into 2024.

In 2022, one of the County's largest property taxpayers, Columbia Pulp I LLC, went into receivership. The company did not pay its 2022 property taxes, causing a revenue shortfall of more than \$960,000. The company's assets were sold in the summer of 2023 and the County was able to recover all of its lost tax revenue. The company that purchased Columbia Pulp's assets plans to use them for a similar business, so the negative impacts of the factory closure could be less than previously expected.

The two largest local revenue sources that the County has to meet award match requirements and sustain governmental operations are property tax and sales/use tax resources. Columbia County will review and amend budgets to proactively prepare for any expected revenue shortfalls.

Some of the funds received from the American Recovery Plan Act (ARPA) for State and Local Fiscal Recovery (SLFRF) were used to help build a fiber optic network in the County. The first phase of the project was finished in October 2023. The County may benefit from an increase in economic activity related to the improved technology. The county used a portion of the funds in 2023 to upgrade the County Courthouse HVAC system, and of the original \$774,040, approximately \$350,000 remains to be spent. These funds must be obligated by December 31, 2024, and spent by December 31, 2026.

In December 2023, the County received the second half of a \$787,000 Local Assistance and Tribal Consistency Fund award. The direct federal grant has few constraints for what it can be spent on, and the County Commissioners are deliberating over what the most effective use of the funds will be.

NOTE 5 – DEPOSITS AND INVESTMENTS

Investments are reported at original cost. Investments by type as of December 31, 2023 are as follows:

Type of Funds	County Funds	External Funds	Total
Bank Deposits	3,692,432	6,992,953	10,685,385
Certificates of Deposit		600,000	600,000
LGIP	1,672,402	3,511,177	5,183,580
U.S. Government Securities	453,163		453,163
Money Market Accounts	7,049,309	1,162,521	8,211,830
	<u>12,867,306</u>	<u>12,266,651</u>	<u>25,133,957</u>

It is the county's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds less a 5% investment service fee which is receipted into Current Expense.

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 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 value as the value of the pool per share. The county investment pools do not impose liquidity fees or redemption gates on participant withdrawals.

The County also invests excess funds on behalf of external districts which receive funds through the County Treasurer. Excess funds that are not currently needed by the districts are invested in low-risk investments such as money market accounts or the LGIP. All investment activity is voluntary; there are no involuntary participants.

The County does not impose liquidity fees or redemption gates on participants. Investments are reconciled monthly; the interest on these investments is prorated to the various funds. When the funds are withdrawn, a 5% investment service fee (up to a maximum of \$50) is taken out of the investment interest and receipted into Current Expense. Investment value is also reported within the various participant funds.

The investments are managed by the County Treasurer, who reports the activity to the County Finance Committee on a quarterly basis. The County Treasurer investment activity is subject to annual investment policy review, compliance oversight, quarterly financial review, and annual financial reporting. Oversight is provided by the County Finance Committee in accordance with RCW 36.48.070. The Committee is responsible for adopting investment objectives and policies, for hiring investment advisors, and for monitoring policy implementation and investment performance.

The Treasurer maintains individual investment accounts, as directed by external depositors, which are invested pursuant to the Revised Code of Washington. Income from specific investments acquired for external depositors, as well as changes in the value of the investments, affect only the district who invested the funds and are aggregated in the Investment Trust Funds.

Reclassification of Funds

Following the FY2022 audit, the County re-examined how it classifies the funds it oversees for external districts. After consultation with nearby counties and the State Auditor's Office, the County Auditor determined that the districts whose funds the County invests should be reported as investment trust funds instead of custodial funds. Thus, these districts' funds were grouped together (Investment Trust 605) for reporting purposes on the Schedule 01.

The districts included in this reclassification are: Columbia County Public Transportation District (previously reported on Schedule 01 as fund 633), Port of Columbia (650), Columbia County Fire Protection District #1 (655), Columbia County Fire Protection District #2 (657), Columbia County Fire Protection District #3 (658), Columbia County Rural Library District (659), Dayton School District #2 (660), and Starbuck School District (662).

The reclassification caused a significant shift on the C-5 statement. The total for investment trust funds increased by \$9,349,502, while the custodial fund total decreased by a corresponding amount. In reconciling the changes, the Auditor found that the ending balance of the Columbia County Fire Protection District #3 fund had been understated by \$145,000 in the 2022 annual report due to a missed transfer between one of the district's reserve funds. The beginning balance for 2023 was corrected to reflect the additional funds.

Fund 304 – Columbia County Capital Improvement was previously reported as a special revenue fund. It is correctly classified in this report as a capital project fund, per BARS manual.

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. Deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). All investments are insured, registered or held by the county or its agent in the government's name.

NOTE 6 - INTERFUND LOANS

The following table displays interfund loan activity during 2023:

Borrowing Fund	Lending Fund	Balance 01/01/2023	New Loans	Repayments	Balance 12/31/2023
Solid Waste	Current Expense Reserve	\$35,064	\$0	\$20,014	\$15,050
Growth Management	Current Expense Reserve	\$0	\$33,950	\$33,950	\$0
DVAAP	Current Expense Reserve	\$0	\$1,672	\$0	\$1,672
Totals		\$35,064	\$35,622	\$53,964	\$16,722

NOTE 7 – LONG TERM DEBT

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the county and summarizes the county's debt transactions for the year ending December 31, 2023. The debt service requirements for future general obligation and revenue obligations are as follows:

	Principal	Interest	Total
2024	\$589,766.02	\$22,892.33	\$612,658.35
2025	\$94,791.83	\$18,278.38	\$113,070.21
2026	\$99,581.42	\$13,419.05	\$113,000.47
2027	\$104,385.49	\$8,319.88	\$112,705.37
2028	\$114,204.76	\$2,855.12	\$117,059.88
2029	\$0	\$0	\$0
Totals	\$1,002,729.52	\$65,764.76	\$1,068,494.28

The County Road department procured two County Road Administration Board ELP 2-year loans, in 2020 and 2021, one of which had not been paid off at the end of 2023.

The unpaid loan was for \$500,000, with monthly simple interest based on LGIP net rates. The loan was received by the County in April of 2020 and payoff was originally due in April of 2022, but the agreement was amended and is now set to be paid off in April 2024. Interest due at life of loan is estimated at 5% to be paid in April 2024.

The County Road department can choose to make payments earlier than maturity of the loan, which would change the amounts due based on variable interest rates and principal reductions.

The other long-term obligation included in the table is the repayment of the loan on the County Road office building. The loan is set to be paid off in June 2028. Beyond 2028, the County does not currently have any long-term debt obligations.

NOTE 8 – LEASES

1. County leases can be grouped into four categories: buildings (offices), communication towers, copiers, and equipment.

The County leases buildings from private entities for offices for the commissioners, human resources department, extension agent, and GIS department. The commissioners (\$600/mo. in 2023), human resources department (\$330/mo.), and extension agent (avg. \$808/mo.) leases are all renewable up to five years. The GIS department lease (\$1250/mo.), signed in 2022, will automatically transition to month-to-month after the original thirteen-month term ends. The HR department lease was added at the beginning 1/1/2023, which added \$20,100 to the beginning lease obligation for FY2023.

The County leases space on communication towers from Columbia REA. The "Dayton North" tower lease (\$2472 for 2023) is split between the Sheriff's Department, Emergency Management, and Public Works. The "Hartsock" tower lease (\$618 for 2023) is the responsibility of the Public Works department. In reporting this year's lease obligations, we found that the number of years remaining had been understated by one year, so we included that in the beginning balance for 2023. These leases automatically renew unless the County gives six months written notice of intent to terminate the leases.

The County leases eight copiers from three different vendors, currently Leaf Financial, Kelley Connect (Create) and Canon Financial Services. These leases range in length from 36 to 60 months. Each department negotiates its own leases as necessary, so the leases end intermittently between 2024 and 2027. The total obligations for copier leases in 2023 was \$14,503.

The County's Public Works department has five-year leases for three road graders with combined annual payments of \$84,901. The leases began in 2020, 2021, and 2023. The leases contain options to purchase the graders that the County does not plan to execute.

2. The total amount paid for leases in 2023 was \$176,245. As of December 31, 2023, the future lease payments are as follows:

Year ended December 31	Total
2024	123,027
2025	85,350
2026	40,566
2027	36,241
2028	3,090
2029-2033	15,450
2034-2038	15,450
2039-2043	3,090
Total	322,264

NOTE 9 – OTHER DISCLOSURES

- Compensated absence beginning balance (Schedule 09) – County policy states that employees hired prior to 2002 are eligible for a 50% payout for accrued sick leave hours upon separation. For the 2022 annual report, sick leave payout liability was incorrectly calculated using the accrued sick leave hours for all employees, including those hired in 2022 or later. The beginning balance for the 2023 report has been adjusted to correct the error.
- Leases beginning balance (Schedule 09) – The 2023 building lease beginning balance was adjusted upward after more determining that the likelihood of renewal on the commissioners' office was higher than previously thought. Also, the HR building lease (total liability \$20,100) was added at the beginning of 2023 and was included in the beginning balance instead of as an addition.

NOTE 10 – SOFTWARE BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

During the year ended 12/31/2023, the County adopted guidance for the presentation and disclosure of Subscription Based 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 obligation for 2023 was the beginning balance.

The SBITA contract ended in 2023 and was automatically renewed for one year with a payment of \$19,425, which was included as an addition on the Schedule 09. The County plans to discuss a longer-term agreement with its vendor in 2024, but at the time of this report, it currently has no future SBITA obligations.

NOTE 11 – PENSION PLANS

Substantially all county full-time and qualifying part-time employees participate in 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, PERS and LEOFF.

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 annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for each plan. The DRS ACFR may be obtained by writing to:

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

Also, the DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

As of June 30, 2023, the County's proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

	EMPLOYER CONTRIBUTIONS	ALLOCATION %	LIABILITY (ASSET)
PERS 1	\$147,557	0.021654%	\$494,303
PERS 2/3	\$245,951	0.027974%	\$(1,146,566)
LEOFF 1		0.006753%	\$(200,431)
LEOFF 2	\$43,495	0.019270%	\$(462,210)
VFFRPF		0.02%	\$3,433.42

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. Starting on July 1, 2000, employers and employees contribute zero percent. If the plan becomes underfunded, funding of the remaining liability will require new legislation.

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.

The county also participates in the Volunteer Fire Fighter's and Reserve Officers' Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. Detailed information about the plan is included in the State of Washington CAFR available from the Office of Financial Management website at www.ofm.wa.gov.

DEFERRED COMPENSATION PLAN

The county offers its employees four deferred compensation plans created in accordance with Internal Revenue Code Section 457. These plans are with independent plan administrators. The plans are available to eligible employees and allow them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Compensation deferred under the plans and all income attributable to the plans is solely the property of the county. The county's rights to this property are subject only to the claims of the county's general creditors until paid to the employee or other beneficiary and are not restricted to the benefit provisions under the plan. Participants' rights under the plan are equal to those of general creditors of the county in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the county's legal counsel that the county has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The county believes that it is highly unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 12 - PROPERTY TAXES

The county treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed after the end of each month.

Property tax revenues are recognized when cash is received by the county. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied.

The county's regular levy for 2023 was \$1.72548215 per \$1,000 on an assessed valuation of \$1,039,008,554 for a total regular levy of \$1,792,789.82.

The county is also authorized to levy \$2.2500000 per \$1,000 assessed valuation in unincorporated areas for road construction and maintenance. This levy is subject to the same limitations as the levy for general governmental services. The county road levy for 2023 was \$1.97933277 per \$1,000 on an assessed valuation of \$812,806,176 for a total road levy of \$1,608,814.15. The County also diverted at a levy rate of 0.27066723 on the assessed valuation of \$812,806,176 totaling \$220,000.13 of the total road levy into Current Expense as authorized by RCW 84.52.043(1)(d).

NOTE 13 - RISK MANAGEMENT

Columbia County is a member of Washington Counties Risk Group (WCRG). 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.

Columbia County is self-insured for unemployment compensation. See Schedule 21.

NOTE 14 - CONTINGENCIES AND LITIGATION

Columbia County is named as a defendant in a few legal actions that could have a negative impact on its fiscal health. The following claims, if asserted, would have a reasonable possibility of an unfavorable outcome for the County:

1. *Eric Hood v. Columbia County*, Benton County Superior Court No. 20-2-50007-11
 - This is a suit filed alleging violations of the Public Records Act by a well-known serial PRA plaintiff, alleging that the Columbia County Auditor's Office failed to fully fulfill his PRA request. The matter is currently pending in the Benton County Superior Court; The County is not currently interested in settling, because it did nothing wrong, and settlement would only encourage this Plaintiff to further abuse the Public Records Act for his own monetary gain.
 - Outside counsel has been retained, Kerr Ferguson Law, PLLC of Richland, Washington.
 - The County does not believe that a loss over \$50,000 will be incurred, but PRA lawsuits are not covered by insurance so any judgment against the County will be paid with County funds.
2. *Ashley Strickland v. Columbia County*, Walla Walla County Superior Court No. 23-2-00447-36
 - This is a suit filed by a former employee alleging adverse employment action based on protected activities, defamation, breach of employment contract, negligent hiring/retention/supervision, public records violations, general negligence, and NIED.
 - This matter is currently pending in Walla Walla County Superior Court, and is being handled by the County's insurer, Washington Counties Risk Group (WCRG). The case is still in preliminary stages; an answer has been filed.
 - WCRG has retained Evans, Craven, and Lackie, P.S. of Spokane, Washington.
 - Any successful claims would be covered by insurance, less the County's deductible, up to the County's policy amount.
3. *Delphine Bailey v. Columbia County*, Walla Walla County Superior Court No. 23-2-00446-36
 - This is a suit filed by a current employee alleging invasion of privacy through unlawful recording/surveillance, violation of free speech, defamation, breach of employment contract, negligent hiring/retention/supervision, general negligence, and NIED.
 - This matter is currently pending in Walla Walla County Superior Court, and is being handled by the County's insurer, WCRG. It is still in preliminary stages; an answer has been filed.
 - WCRG has retained Evans, Craven, and Lackie, P.S. of Spokane, Washington.
 - Any successful claims would be covered by insurance, less the County's deductible, up to the County's policy amount.
4. Ryan Kelty Tort Claim
 - This matter is a tort claim by a former inmate of the Columbia County Jail and Walla Walla County Jail alleging personal injury due to lack of medical care during a 2021 incarceration.
 - This matter has been referred to the County's former insurers, Washington Counties' Risk Pool, and is being evaluated presently.
 - No complaint has been filed in court at this time.
 - Any successful claims would be covered by insurance, less the County's deductible, up to the County's policy amount.

5. *Theresa Eier v. Columbia County Sheriff's Office, et al.*, Columbia County Superior Court No. 23-2-00048-07
 - This is a suit filed alleging violations of the Public Records Act by a local citizen alleging that PRA requests were not fulfilled by the Columbia County Sheriff's Office.
 - This matter is currently pending in the Columbia County Superior Court; the County Prosecutor is working with the CCSO to fulfill all requests alleged to be unfulfilled and have hopes that the matter can be settled for a very favorable monetary amount.
 - No outside counsel has been retained; the cost of outside counsel will be around \$15,000-\$25,000 for average pretrial work, and likely in the realm of \$50,000-\$60,000 for trial work. If the case can be settled for less than the cost of hiring outside counsel, I would prefer that option.
 - The County does not believe that a loss over \$50,000 will be incurred, but PRA lawsuits are not covered by insurance so any judgment against the County will be paid with County funds.
6. *Eric Hood v. Columbia County (Hood II)*, Whitman County Superior Court No. 24-2-00126-38
 - This is another lawsuit filed by Eric Hood against the County. Plaintiff alleges that a PRA request was sent and not responded to.
 - This matter is in the initial stages of litigation—a NOA has been filed by this office until it can be determined whether outside counsel will be necessary. A plethora of defenses are available to the allegations.
 - No outside counsel has been retained at this time pending further conversation with outside counsel on *Hood I*, supra.
 - The County does not believe that a loss over \$50,000 will be incurred, but PRA lawsuits are not covered by insurance so any judgment against the County will be paid with County funds.

Any other claims not listed here are either believed to lack have merit or are far under the \$50,000 limit.

**Columbia 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						
263.56	SBITA		-	37,955	37,955	-
263.56	Building		104,468	-	35,796	68,672
263.56	Communication		52,530	-	3,090	49,440
263.56	Copiers		36,121	4,320	14,503	25,938
263.56	Equipment		164,051	99,067	84,901	178,217
263.96	Public Works Bldg Construction	6/1/2028	592,471	-	89,741	502,730
Total General Obligation Debt/Liabilities:			949,641	141,342	265,986	824,997
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Countywide Compensated Absences		378,124	-	16,626	361,498
263.84	Loan to WA State CRAB 2007-01	6/1/2024	500,000	-	-	500,000
264.30	Pension Liabilities		686,012	-	191,709	494,303
Total Revenue and Other (non G.O.) Debt/Liabilities:			1,564,136	-	208,335	1,355,801
Total Liabilities:			2,513,777	141,342	474,321	2,180,798

Columbia 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		
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via Pass- Through WA State Dept of Health)	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	CLH31007	21,165	-	21,165	-	1,3
SNAP Cluster								
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via Pass- Through WA People for People)	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	2213-44421-01	7,008	-	7,008	-	1,2,3
Total SNAP Cluster:				7,008	-	7,008	-	
Forest Service Schools and Roads Cluster								
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via Pass-Through Wa State Treasurer)	Schools and Roads - Grants to States	10.665	N/A	51,492	-	51,492	-	1
Total Forest Service Schools and Roads Cluster:				51,492	-	51,492	-	
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via Pass- Through WA State Dept. of Commerce)	Violence Against Women Formula Grants	16.588	F22-31103-053	11,075	-	11,075	-	1,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Pass- Through WA State Dept. of Transportation)	Highway Planning and Construction	20.205	LA-10100	300,990	-	300,990	-	1,3

The accompanying notes are an integral part of this schedule.

Columbia 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		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Pass- Through WA State Dept. of Transportation)	Highway Planning and Construction	20.205	LA-7970	52,602	-	52,602	-	1,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Pass- Through WA State Dept. of Transportation)	Highway Planning and Construction	20.205	LA-10536	1,298,326	-	1,298,326	-	1,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Pass- Through WA State Dept. of Transportation)	Highway Planning and Construction	20.205	LA-7976	507,423	-	507,423	-	1,3
			Total ALN 20.205:	2,159,341	-	2,159,341	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via N/A)	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	N/A	312,274	-	312,274	-	1,3
ELECTION ASSISTANCE COMMISSION, ELECTION ASSISTANCE COMMISSION (via Pass-Through WA Office of the Secretary of State)	HAVA Election Security Grants	90.404	IG-6926	9,947	-	9,947	-	1,3

The accompanying notes are an integral part of this schedule.

Columbia 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		
	CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Pass-Through WA Department of Health)	Public Health Emergency Preparedness	93.069	CLH31007	21,144	-	21,144	-	1,3
	CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Pass-Through WA Department of Health)	Immunization Cooperative Agreements	93.268	CLH31007	10,455	-	10,455	-	1,3
	CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Pass-Through WA Department of Health)	COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	CLH31007	7,245	-	7,245	-	1,3
	ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Pass-Through WA Department of Health and Human Services)	Child Support Services	93.563	0463-42397	48,351	-	48,351	-	1,2,3

The accompanying notes are an integral part of this schedule.

Columbia 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		
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Pass-Through WA Department of Health and Human Services)	Child Support Services	93.563	0463-42397	12,620	-	12,620	-	1,2,3
		Total ALN 93.563:			60,971	-	60,971	-
Medicaid Cluster CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Pass-Through Walla Walla County Dept. of Community Health)	Medical Assistance Program	93.778	19-53	1,700	-	1,700	-	1,3
		Total Medicaid Cluster:			1,700	-	1,700	-
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Pass- Through WA State Health Care Authority)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	K3910/K6946-01	118,836	-	118,836	-	1,2,3
		Total Medicaid Cluster:			1,700	-	1,700	-

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

	Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Expenditures			Passed through to Subrecipients	Note
				Other Award Number	From Pass- Through Awards	From Direct Awards	Total	
	HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Pass-Through WA Department of Health and Human Services)	Maternal and Child Health Services Block Grant to the States	93.994	CLH31007	25,366	-	25,366	1,3
	U.S. COAST GUARD, HOMELAND SECURITY, DEPARTMENT OF (via Pass- Through WA State Parks and Recreation Commission)	Boating Safety Financial Assistance	97.012	FAIN#3322FAS 220153/ MILE 123-398	5,627	-	5,627	1,3
	FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Pass- Through WA State Military Dept)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	013-99031-00 PW 223; D20- 2026	27,982	-	27,982	1,3
	FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Pass- Through WA State Military Dept)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	13-USFP6-00 PW 207; D20- 2085	159,807	-	159,807	1,3
				Total ALN 97.036:	187,789	-	187,789	
	FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Pass- Through WA State Military Dept)	Hazard Mitigation Grant	97.039	D24-041	20,889	-	20,889	1,3

The accompanying notes are an integral part of this schedule.

Columbia 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			Note
				From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Pass- Through WA State Military Dept)	Emergency Management Performance Grants	97.042	E22-191	14,205	-	14,205	1,3
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Pass- Through WA State Military Dept)	Emergency Management Performance Grants	97.042	E23-220	20,836	-	20,836	1,3
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Pass- Through WA State Military Dept)	Emergency Management Performance Grants	97.042	E24-281	4,636	-	4,636	1,3
Total ALN 97.042:				39,677	-	39,677	-
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Pass Through WA State Military Dept & Spokane County)	Homeland Security Grant Program	97.067	E21-086	12,601	-	12,601	1,3
Total Federal Awards Expended:				3,084,602	-	3,084,602	-

The accompanying notes are an integral part of this schedule.

COLUMBIA COUNTY, WASHINGTON
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ending December 31, 2023

NOTE 1 - BASIS OF ACCOUNTING

This schedule is prepared on the same basis of accounting as the county's financial statements. The county uses the cash basis of accounting described in Note 1 of the notes to the Financial Statements.

NOTE 2 – FEDERAL DE MINIMIS INDIRECT COST RATE

The county has elected to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

NOTE 3 - PROGRAM COSTS

The amounts shown as current year expenditures represent only federal grant portions of the program costs. Entire program costs, including the county's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

ABOUT THE STATE AUDITOR'S OFFICE

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

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

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

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

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

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

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

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