



Office of the Washington State Auditor  
Pat McCarthy

# Financial Statements and Federal Single Audit Report

## Klickitat County

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

*Published January 24, 2022*

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

January 24, 2022

Board of Commissioners  
Klickitat County  
Goldendale, Washington

**Report on Financial Statements and Federal Single Audit**

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

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

Sincerely,

Olympia, WA

***Americans with Disabilities***

*In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at [webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov).*

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# SCHEDULE OF FINDINGS AND QUESTIONED COSTS

## Klickitat County January 1, 2020 through December 31, 2020

### SECTION I – SUMMARY OF AUDITOR’S RESULTS

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

#### Financial Statements

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

##### Internal Control over Financial Reporting:

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

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

#### Federal Awards

##### Internal Control over Major Programs:

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

We issued an unmodified opinion on the County’s compliance with requirements applicable to its major federal program.

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

## **Identification of Major Federal Programs**

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

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

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

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

## **SECTION II – FINANCIAL STATEMENT FINDINGS**

None reported.

## **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None reported.

## INDEPENDENT AUDITOR'S REPORT

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

#### **Klickitat County January 1, 2020 through December 31, 2020**

Board of Commissioners  
Klickitat County  
Goldendale, 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 Klickitat County, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's financial statements, and have issued our report thereon dated January 18, 2022.

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

As discussed in Note 12 to the 2020 financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the County is unknown.

### **INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

In addition, we noted certain matters that we have reported to the management of the County in a separate letter dated January 18, 2022.

## COMPLIANCE AND OTHER MATTERS

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

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

## PURPOSE OF THIS REPORT

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

report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large, stylized "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

January 18, 2022



## 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

#### **Klickitat County January 1, 2020 through December 31, 2020**

Board of Commissioners  
Klickitat County  
Goldendale, Washington

### **REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM**

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

#### **Management's Responsibility**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

## **REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

January 18, 2022

# INDEPENDENT AUDITOR'S REPORT

## Report on the Financial Statements

### **Klickitat County** **January 1, 2020 through December 31, 2020**

Board of Commissioners  
Klickitat County  
Goldendale, Washington

## **REPORT ON THE FINANCIAL STATEMENTS**

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

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of state law and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)**

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

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

### **Basis for Adverse Opinion on U.S. GAAP**

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

### **Adverse Opinion on U.S. GAAP**

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

### **Matters of Emphasis**

As discussed in Note 12 to the 2020 financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the County is unknown. Our opinion is not modified with respect to this matter.

## Other Matters

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule of Liabilities is also presented for purposes of additional analysis, as required by the prescribed BARS manual. These schedules are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

## OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2022 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Pat McCarthy, State Auditor

Olympia, WA

January 18, 2022

## **FINANCIAL SECTION**

### **Klickitat County January 1, 2020 through December 31, 2020**

#### **FINANCIAL STATEMENTS**

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

#### **SUPPLEMENTARY AND OTHER INFORMATION**

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

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

		<b>Total for All Funds (Memo Only)</b>	<b>001 GENERAL FUND</b>	<b>101 ROADS</b>	<b>104 SENIOR SERVICES</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	32,718,099	18,778,364	3,041,814	145,392
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	13,510,246	6,819,776	5,197,082	-
320	Licenses and Permits	543,406	392,157	2,050	-
330	Intergovernmental Revenues	11,080,168	3,524,069	4,354,360	876,348
340	Charges for Goods and Services	15,996,043	6,092,332	1,014,965	1,304,713
350	Fines and Penalties	588,361	494,528	89,987	-
360	Miscellaneous Revenues	894,212	598,927	37,454	100,288
Total Revenues:		42,612,436	17,921,789	10,695,898	2,281,349
<b>Expenditures</b>					
510	General Government	8,465,285	7,990,483	17,207	-
520	Public Safety	8,476,484	6,829,053	-	-
530	Utilities	1,044,446	389,724	-	-
540	Transportation	9,700,997	156,096	6,485,028	-
550	Natural/Economic Environment	1,397,695	465,725	-	-
560	Social Services	4,901,522	821,632	-	2,164,479
570	Culture and Recreation	542,310	541,143	-	-
Total Expenditures:		34,528,739	17,193,856	6,502,235	2,164,479
Excess (Deficiency) Revenues over Expenditures:		8,083,697	727,933	4,193,663	116,870
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	4,648,629	-	-	-
397	Transfers-In	1,578,386	4,000	-	113,454
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	121,984	-	-	-
Total Other Increases in Fund Resources:		6,348,999	4,000	-	113,454
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	11,906,434	15,055	2,685,070	-
591-593, 599	Debt Service	1,149,824	-	-	-
597	Transfers-Out	1,578,386	1,520,665	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	120,800	120,800	-	-
Total Other Decreases in Fund Resources:		14,755,444	1,656,520	2,685,070	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(322,748)</b>	<b>(924,587)</b>	<b>1,508,593</b>	<b>230,324</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	4,098,607	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	12,743,319	1,726,557	4,550,407	375,716
50891	Unassigned	15,553,425	16,127,220	-	-
<b>Total Ending Cash and Investments</b>		<b>32,395,351</b>	<b>17,853,777</b>	<b>4,550,407</b>	<b>375,716</b>

The accompanying notes are an integral part of this statement.



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

		<b>107 E-911</b>	<b>108 MARINE</b>	<b>110 VETERANS RELIEF</b>	<b>111 ELECTION RESERVE</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	133,675	19,699	37,632	151,608
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	196,964	-	62,247	189,825
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	454,176	5,940	-	254,221
340	Charges for Goods and Services	-	-	-	132,623
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	233	-	-	11,135
Total Revenues:		651,373	5,940	62,247	587,804
<b>Expenditures</b>					
510	General Government	-	-	-	270,689
520	Public Safety	647,902	12,001	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	61,648	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		647,902	12,001	61,648	270,689
Excess (Deficiency) Revenues over Expenditures:		3,471	(6,061)	599	317,115
<b>Other Increases in Fund Resources</b>					
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:		-	-	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	44,719	-	-	48,520
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		44,719	-	-	48,520
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(41,248)</b>	<b>(6,061)</b>	<b>599</b>	<b>268,595</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	92,427	13,638	38,231	205,470
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	214,733
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>92,427</b>	<b>13,638</b>	<b>38,231</b>	<b>420,203</b>

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

		113 TREASURER'S O & M	114 LAW LIBRARY	115 VICTIM/WITNES S	117 WEED CONTROL
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	107,758	50,899	61,028	100,492
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	59,707	-
340	Charges for Goods and Services	2,079	4,806	45,258	88,568
350	Fines and Penalties	-	-	321	-
360	Miscellaneous Revenues	-	-	-	101,183
Total Revenues:		2,079	4,806	105,286	189,751
<b>Expenditures</b>					
510	General Government	1,660	-	115,059	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	220,215
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		1,660	-	115,059	220,215
Excess (Deficiency) Revenues over Expenditures:		419	4,806	(9,773)	(30,464)
<b>Other Increases in Fund Resources</b>					
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:		-	-	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	870	-	14,387
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	4,000	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		4,000	870	-	14,387
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(3,581)</b>	<b>3,936</b>	<b>(9,773)</b>	<b>(44,851)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	104,177	47,835	38,711	-
50841	Committed	-	-	-	-
50851	Assigned	-	7,000	12,544	55,641
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>104,177</b>	<b>54,835</b>	<b>51,255</b>	<b>55,641</b>

The accompanying notes are an integral part of this statement.

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

		<b>118 AUDITOR'S O &amp; M</b>	<b>119 ECONOMIC DEVELOPMENT</b>	<b>123 TOURISM</b>	<b>124 INVESTIGATION S</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	462,448	372,057	186,078	103,434
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	145,397	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	49,681	50,000	-	-
340	Charges for Goods and Services	22,890	196,383	-	317,576
350	Fines and Penalties	-	-	-	3,525
360	Miscellaneous Revenues	2,318	-	-	-
Total Revenues:		74,889	246,383	145,397	321,101
<b>Expenditures</b>					
510	General Government	45,373	-	-	-
520	Public Safety	-	-	-	37,853
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	345,893	96,673	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		45,373	345,893	96,673	37,853
Excess (Deficiency) Revenues over Expenditures:		29,516	(99,510)	48,724	283,248
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	88,378	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	88,378	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	8,988	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	8,988	-	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>29,516</b>	<b>(20,120)</b>	<b>48,724</b>	<b>283,248</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	491,964	-	234,802	386,682
50841	Committed	-	-	-	-
50851	Assigned	-	351,937	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>491,964</b>	<b>351,937</b>	<b>234,802</b>	<b>386,682</b>

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

		<b>127 EMERGENCY MANAGEMENT</b>	<b>132 NATURAL RESOURCES</b>	<b>133 AFFORDABLE HOUSING</b>	<b>134 TRIAL COURT IMPROVEMENT</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	65,933	95,597	36,719	171,236
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	57,132	97,075	-	29,103
340	Charges for Goods and Services	-	-	39,584	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	-	-	-
Total Revenues:		57,132	97,075	39,584	29,103
<b>Expenditures</b>					
510	General Government	-	-	-	24,814
520	Public Safety	51,355	-	-	-
530	Utilities	-	216	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	269,189	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		51,355	269,405	-	24,814
Excess (Deficiency) Revenues over Expenditures:		5,777	(172,330)	39,584	4,289
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	142,451	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	142,451	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	6,570	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	3,424	5,356	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		3,424	5,356	6,570	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>2,353</b>	<b>(35,235)</b>	<b>33,014</b>	<b>4,289</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	69,733	175,525
50841	Committed	-	-	-	-
50851	Assigned	68,286	60,362	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>68,286</b>	<b>60,362</b>	<b>69,733</b>	<b>175,525</b>

The accompanying notes are an integral part of this statement.

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

		<b>135 COMMUNICATI ONS</b>	<b>137 PUBLIC HEALTH</b>	<b>138 PUBLIC HEALTH-DDA</b>	<b>142 REET ELECTRONIC TECH</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	195,479	65,472	127,280	90,414
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	447,915	-	3,126	-
320	Licenses and Permits	-	149,199	-	-
330	Intergovernmental Revenues	-	806,051	-	9,824
340	Charges for Goods and Services	670,756	550,492	29,779	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	9,443	24	-	-
Total Revenues:		1,128,114	1,505,766	32,905	9,824
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	898,320	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	1,817,525	36,238	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		898,320	1,817,525	36,238	-
Excess (Deficiency) Revenues over Expenditures:		229,794	(311,759)	(3,333)	9,824
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	15,000	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	120,800	-	-
Total Other Increases in Fund Resources:		-	135,800	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	5,256	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	13,488	22,465	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		18,744	22,465	-	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>211,050</b>	<b>(198,424)</b>	<b>(3,333)</b>	<b>9,824</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	71,748	123,947	100,238
50841	Committed	-	-	-	-
50851	Assigned	406,529	-	-	-
50891	Unassigned	-	(204,700)	-	-
<b>Total Ending Cash and Investments</b>		<b>406,529</b>	<b>(132,952)</b>	<b>123,947</b>	<b>100,238</b>

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

		<b>144 FAIR IMPROVEMENT S</b>	<b>201 LTD GO BOND</b>	<b>303 CAPITAL IMPROVEMENT</b>	<b>305 CAP IMPROVEMENT S-</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	1,504,145	-	541,049	7,163
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	447,914	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	30,625	-	-
340	Charges for Goods and Services	-	652,024	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	10,765	-	77	-
Total Revenues:		10,765	682,649	447,991	-
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		10,765	682,649	447,991	-
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	52,000	125,000
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	52,000	125,000
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	848	-	585,899	124,817
591-593, 599	Debt Service	-	601,848	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		848	601,848	585,899	124,817
<b>Increase (Decrease) in Cash and Investments:</b>		<b>9,917</b>	<b>80,801</b>	<b>(85,908)</b>	<b>183</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	1,514,062	-	389,417	-
50841	Committed	-	-	-	-
50851	Assigned	-	80,801	65,724	7,346
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>1,514,062</b>	<b>80,801</b>	<b>455,141</b>	<b>7,346</b>

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

		<b>306 CAP IMPROVEMENT S-RADIO</b>	<b>307 CAP IMPROVEMENT S-MAJOR</b>	<b>401 DALLESFORT WASTEWATER</b>	<b>402 FIREARMS TRAINING FACILITY</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	683,225	1,166,459	901,227	65,677
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	281,155	-	-
340	Charges for Goods and Services	-	-	926,176	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	4,429	1,200	-
Total Revenues:		-	285,584	927,376	-
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	654,506	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	1,167
Total Expenditures:		-	-	654,506	1,167
Excess (Deficiency) Revenues over Expenditures:		-	285,584	272,870	(1,167)
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	4,648,629	-	-
397	Transfers-In	300,000	100,000	175,000	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		300,000	4,748,629	175,000	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	359,644	6,569,767	-	-
591-593, 599	Debt Service	-	-	547,976	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		359,644	6,569,767	547,976	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(59,644)</b>	<b>(1,535,554)</b>	<b>(100,106)</b>	<b>(1,167)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	623,581	-	801,121	64,510
50891	Unassigned	-	(369,095)	-	-
<b>Total Ending Cash and Investments</b>		<b>623,581</b>	<b>(369,095)</b>	<b>801,121</b>	<b>64,510</b>

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

		<b>502 VEHICLE RENTAL &amp; REPLACEMENT</b>	<b>504 EQUIPMENT RENTAL &amp;</b>	<b>505 SENIOR VEHICLE RENTAL &amp;</b>
<b>Beginning Cash and Investments</b>				
308	Beginning Cash and Investments	1,184,795	2,046,998	16,853
388 / 588	Net Adjustments	-	-	-
<b>Revenues</b>				
310	Taxes	-	-	-
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	-	-	140,701
340	Charges for Goods and Services	-	3,885,039	20,000
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	8,194	8,542	-
Total Revenues:		8,194	3,893,581	160,701
<b>Expenditures</b>				
510	General Government	-	-	-
520	Public Safety	-	-	-
530	Utilities	-	-	-
540	Transportation	6,258	3,053,615	-
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	-
Total Expenditures:		6,258	3,053,615	-
Excess (Deficiency) Revenues over Expenditures:		1,936	839,966	160,701
<b>Other Increases in Fund Resources</b>				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	458,103	5,000	-
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	1,184	-	-
Total Other Increases in Fund Resources:		459,287	5,000	-
<b>Other Decreases in Fund Resources</b>				
594-595	Capital Expenditures	312,673	956,463	175,876
591-593, 599	Debt Service	-	-	-
597	Transfers-Out	-	-	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		312,673	956,463	175,876
<b>Increase (Decrease) in Cash and Investments:</b>		<b>148,550</b>	<b>(111,497)</b>	<b>(15,175)</b>
<b>Ending Cash and Investments</b>				
50821	Nonspendable	-	-	-
50831	Restricted	-	-	-
50841	Committed	-	-	-
50851	Assigned	1,333,345	1,935,501	1,678
50891	Unassigned	-	-	-
<b>Total Ending Cash and Investments</b>		<b>1,333,345</b>	<b>1,935,501</b>	<b>1,678</b>

The accompanying notes are an integral part of this statement.



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

		<b>Total for All Funds (Memo Only)</b>	<b>Custodial</b>	<b>External Investment Pool Fund</b>
308	Beginning Cash and Investments	81,227,163	81,227,163	-
388 & 588	Net Adjustments	(1,891,818)	(59,681,570)	57,789,752
310-390	Additions	474,529,836	344,252,869	130,276,967
510-590	Deductions	451,680,481	336,232,151	115,448,330
	Net Increase (Decrease) in Cash and Investments:	22,849,355	8,020,718	14,828,637
508	Ending Cash and Investments	102,184,700	29,566,311	72,618,389

*The accompanying notes are an integral part of this statement.*

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

**Note 1 - Summary of Significant Accounting Policies**

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

The County 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 are presented using classifications that are similar to the ending balance classification in GAAP.

A. **Fund Accounting**

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

**GOVERNMENTAL FUND TYPES:**

**General Fund**

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.

The current expense fund includes the following 8 managerial funds. Managerial funds are funds which do not have restricted or committed revenue sources. The interfund activity between the

current expense fund and the managerial funds is eliminated from the financial statements. The following funds were consolidated with the current expense fund.

- 103 – GIS
- 112 – Flood Control
- 116 – County Fair
- 125 – Cumulative Reserve
- 131 – Community Development Block Grant (CDBG)
- 136 – Indigent Defense Services
- 139 – Landfill Gas Improvements
- 140 – Solid Waste
- 506 – Information Services Rental & Replacement

#### Special Revenue Funds

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

#### Debt Service Funds

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

#### Capital Projects Funds

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

#### PROPRIETARY FUND TYPES:

##### Enterprise Funds

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

##### Internal Service Funds

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

#### FIDUCIARY FUND TYPES:

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

##### External Investment Pool

These funds are used to report fiduciary activities from the external portion of investment pools that are not held in trust.

### Custodial Funds

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

#### B. Basis of Accounting and Measurement Focus

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

In accordance with state law the County also recognizes expenditures paid during thirty days after the close of the fiscal year for claims incurred during the previous period.

#### C. Cash and Investments

See Note 3 - Deposits and Investments.

#### D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of three years. Capital assets and inventory are recorded as capital expenditures when purchased.

#### E. Compensated Absences

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

County employees accrue vacation leave monthly at rates established by county policy or union contract. Vacation leave maximum accumulations and the amount payable upon separation or retirement vary by length of service, pay plan policy and/or bargaining unit.

Sick leave is accrued and paid out on a prorated basis based up length of service, pay plan policy, and/or bargaining unit provisions.

All payments are based upon current wages at termination. Payments are recognized as expenditures when paid.

Compensated absences payable at December 31, 2020 of \$946,868 is included in Schedule 09.

#### F. Long-Term Debt

See Note 5 – Long-Term Debt.

#### G. Restricted and Committed Portion of Ending Cash and Investments

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

Restrictions of Ending Cash and Investments as of December 31, 2020 is \$4,098,607. Amounts collected and expended at year end were restricted for the following purposes:

- Fees to support marine activity, treasury processes, law library operations, victim / witness support, affordable and homeless housing efforts, drug investigations and trial court improvements needed.
- Taxes for emergency services support, veteran's relief efforts, increasing tourism, improving technology, and performing capital improvements
- Grants supporting the Help America Vote Act and COVID Disaster response
- Donations to implement fair improvements

## **Note 2 – Budget Compliance**

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

Annual appropriated budgets are adopted on the accrual basis of accounting, while the financial statements are reported on the cash basis. Several funds, including Public Works and ER&R, account for their activity on an accrual basis during the year, then convert to a cash basis for financial statement reporting; budgeting on the accrual basis allows budget variances to be more easily recognized for these funds. The cash-basis reporting adjustments include reversing revenues and expenses for which cash has not been received or paid during the fiscal year and adding back cash receipts received and payments made during the year that were accrued in 2020 or have only a balance sheet effect under the accrual basis (e.g., debt payments). It also reverses non-cash expenses such as depreciation as well as eliminating managerial fund activity and inter-fund transfers within the agency funds.

Budgets are appropriated at the fund level as reported on the financial statements except for the current expense fund, which for financial reporting contains eight managerial funds. These funds are budgeted separately.

Budgeted amounts are authorized to be transferred between departments within any fund; 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's legislative body.

Appropriated and accrual and cash basis expenditures as well as cash-basis reporting adjustments were as follows:

<b>Fund</b>	<b>Fund/Department</b>	<b>Budget (Accrual Basis)</b>	<b>Actual Expenditures (Accrual Basis)</b>	<b>Adjustments</b>	<b>Actual Expenditures (Cash Basis)</b>	<b>Budget Variance (Accrual Basis)</b>
001	CE/ADULT PROBATION	\$ 303,986	\$ 269,837	\$ (1)	\$ 269,836	\$ 34,149
001	CE/ASSESSOR	789,910	749,058	(790)	748,268	40,852
001	CE/AUDITOR	755,019	639,270	(241)	639,029	115,749
001	CE/AUDITOR'S NON- DEPARTMENTAL	115,350	101,459	-	101,459	13,891
001	CE/BOARD OF EQUALIZATION	5,674	3,022	-	3,022	2,652
001	CE/BUDGET & TECHNICAL SERVICES	1,358,357	1,104,607	-	1,104,607	253,750
001	CE/BUILDING INSPECTION	572,512	480,571	575	481,146	91,941
001	CE/BUILDING & GROUNDS	2,434,400	1,713,389	(13,161)	1,700,228	721,011
001	CE/CIVIL SERVICE COMMISSION	8,650	3,538	-	3,538	5,112
001	CE/CLERK	431,744	329,831	(1,322)	328,509	101,913
001	CE/COMMISSIONERS	521,466	472,310	-	472,310	49,156
001	CE/EAST DISTRICT COURT	459,455	446,258	-	446,258	13,197
001	CE/HISTORIC PRESERVATION	7,250	7,226	-	7,226	24
001	CE/HUMAN RESOURCES	366,094	331,168	-	331,168	34,926
001	CE/JUVENILE	982,608	949,711	-	949,711	32,897
001	CE/LEOFF DISABILITY BOARD	400	108	-	108	292
001	CE/NON-DEPARTMENTAL	300,785	273,503	-	273,503	27,282
001	CE/PLANNING	547,787	445,073	9	445,082	102,714
001	CE/PROSECUTING ATTORNEY	1,051,705	850,870	972	851,842	200,835
001	CE/PUBLIC DEFENSE	353,000	299,014	-	299,014	53,986
001	CE/SHERIFF	5,265,594	5,111,471	(2,926)	5,108,545	154,123
001	CE/SUPERIOR COURT	405,702	355,258	-	355,258	50,444
001	CE/TREASURER	538,595	496,139	-	496,139	42,456
001	CE/WEST DISTRICT COURT	374,520	360,978	-	360,978	13,542
001	CE/WSU EXTENSION	178,596	162,867	-	162,867	15,729
103	GIS *	78,350	32,799	-	32,799	45,551
112	FLOOD CONTROL *	26,000	-	-	-	26,000
116	COUNTY FAIR *	165,850	31,237	(10,000)	21,237	134,613
125	CUMULATIVE RESERVE	7,415,998	3,411,522	(970,006)	2,441,516	4,004,476
131	PASS THROUGH GRANTS *	-	-	-	-	-
136	INDIGENT DEFENSE SERVICES *	25,000	2,438	-	2,438	22,562
139	LANDFILL GAS IMPROVEMENTS *	200,000	-	-	-	200,000
140	SOLID WASTE *	451,838	410,728	(8,450)	402,278	41,110
506	INFORMATION SERVICES RENTAL & REPLACEMENT *	129,000	69,457	(59,000)	10,457	59,543
	GENERAL FUND SUBTOTAL	26,621,195	19,914,717	(1,064,341)	18,850,376	6,706,478

\* Managerial funds are reported in the financial statements with the current expense fund. Interfund transfers of \$998,336 between these funds were eliminated.

101	ROADS	10,945,000	9,252,327	(65,022)	9,187,305	1,692,673
104	SENIOR SERVICES	2,832,339	2,163,926	553	2,164,479	668,413
107	E-911	725,421	694,341	(1,720)	692,621	31,080
108	MARINE	23,742	12,002	(1)	12,001	11,740
110	VETERANS RELIEF	74,432	61,648	-	61,648	12,784
111	ELECTION RESERVE	408,239	319,095	114	319,209	89,144
113	TREASURER'S O & M	30,000	5,660	-	5,660	24,340
114	LAW LIBRARY	1,000	867	3	870	133
115	VICTIM/WITNESS	117,809	115,059	-	115,059	2,750
117	WEED CONTROL	258,763	234,646	(44)	234,602	24,117
118	AUDITOR'S O & M	68,828	45,372	1	45,373	23,456
119	ECONOMIC DEVELOPMENT	481,226	433,784	(78,903)	354,881	47,442
123	TOURISM	120,346	96,310	363	96,673	24,036
124	INVESTIGATIONS	47,050	37,526	327	37,853	9,524
127	EMERGENCY MANAGEMENT	164,617	54,702	77	54,779	109,915
132	NATURAL RESOURCES	563,255	162,813	111,948	274,761	400,442
133	AFFORDABLE HOUSING	30,000	6,571	(1)	6,570	23,429
134	TRIAL COURT IMPROVEMENT	35,000	24,813	1	24,814	10,187
135	COMMUNICATIONS	1,001,065	917,844	(780)	917,064	83,221
137	PUBLIC HEALTH	3,285,728	1,840,642	(652)	1,839,990	1,445,086
138	PUBLIC HEALTH-DDA	113,735	22,198	14,040	36,238	91,537
142	REET ELECTRONIC TECH	20,000	-	-	-	20,000
144	FAIR IMPROVEMENTS	20,000	-	848	848	20,000
201	LTD GO BOND	682,649	601,848	-	601,848	80,801
303	CAPITAL IMPROVEMENT	804,500	621,975	(36,076)	585,899	182,525
305	CAP IMPROVEMENTS- COMMUNITIES	125,000	124,816	1	124,817	184
306	CAP IMPROVEMENTS-RADIO SYSTEM	1,500,000	362,633	(2,989)	359,644	1,137,367
307	CAP IMPROVEMENTS-MAJOR PROJECTS	11,928,000	6,865,683	(295,916)	6,569,767	5,062,317
401	DALLESPORE WASTEWATER SYSTEM	1,841,587	748,116	454,366	1,202,482	1,093,471
402	GUN RANGE	1,000	1,090	77	1,167	(90)
501	INSURANCE CLAIMS-HRA			-		-
502	VEHICLE RENTAL & REPLACEMENT	523,525	318,931	-	318,931	204,594
504	EQUIPMENT RENTAL & REVOLVING	5,500,000	3,640,621	369,457	4,010,078	1,859,379
505	SENIOR VEHICLE RENTAL & REPLACEMENT	182,000	175,876	-	175,876	6,124
<b>TOTAL</b>		<b>\$ 71,077,051</b>	<b>\$ 49,878,452</b>	<b>\$ (594,269)</b>	<b>\$ 49,284,183</b>	<b>\$ 21,198,599</b>

### **Note 3 – Deposits and Investments**

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

Type of Investment and Deposit	County's Own Investments and Deposits	Investments and Deposits held by County as an agent for other local governments	Total
Bank Deposits	\$ (27,573,012)	\$ 29,566,311	\$ 1,993,299
State Pool	59,968,363	72,618,389	132,586,752
Total	\$ <u>32,395,351</u>	\$ <u>102,184,700</u>	\$ <u>134,580,051</u>

The Bank deposits for the County's Own Investments and Deposits are presented as a negative amount for the following reasons: a) Open period transactions of \$2,639,490 are deducted from the County financial statements in 2020, but represent bank transactions in 2021, b) Outstanding warrants of \$5,056,113 as of December 31, 2020 are fully invested and c) RCE 36.29.020 allows the county to invest surplus cash of municipal corporations. The investment earnings and investment amounts are deposited to the County, not the custodial activities. Bank deposits also include cash on hand consisting of petty cash totaling \$17,000.

It is the County's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

#### **Investments in the State Local Government Investment Pool**

The County is a voluntary participant in the Local Government Investment Pool (LGIP), 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](http://www.tre.wa.gov).

#### **Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the County would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The County's deposits and certificates of deposit are covered by federal depository insurance (FDIC) and/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 4 - Property Tax**

The County Treasurer acts as an agent to collect property tax levied in the County for all taxing authorities. Collections are distributed at the end of each month.

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

The County's regular levy for the year 2020 was \$1.29 per \$1,000 on an assessed valuation of \$3,826,647,626 for a total regular levy of \$4,934,453.

The County is also authorized to levy \$2.25 per \$1,000 of assessed valuation in unincorporated areas for road construction and maintenance. This levy is subject to the same limitations as the levy for general government services. The County's road levy for 2020 was \$1.61 per \$1,000 on an assessed valuation of \$2,999,758,078 for a total road levy of \$4,831,629.

#### **Note 5 – Long-Term Debt**

##### **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 year ended December 31, 2020.

The debt service requirements for general obligation bonds and other debt to maturity are as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL
2021	\$ 5,376,763	\$ 52,922	\$ 5,429,685
2022	253,923	27,673	281,596
2023	229,462	20,073	249,535
2024	210,000	12,172	222,172
2025	25,000	3,750	28,750
2026-2030	125,000	13,125	138,125
2031-2034	100,000	3,750	103,750
<b>Total</b>	<b>\$ 6,320,148</b>	<b>\$ 133,465</b>	<b>\$ 6,453,613</b>

#### **Note 6 – OPEB Plans**

The County is a participating employer in the state's Public Employees Benefits Board (PEBB) program, a defined benefit plan administered by the Washington State Health Care Authority. The plan provides medical, dental, and life insurance benefits for public employees and retirees and their dependents on a pay-as-you-go basis. The plan provides OPEB benefits through both explicit and implicit subsidies. The explicit subsidy is a set dollar amount that lowers the monthly premium paid by members over the age of 65 enrolled in Medicare Parts A and B. PEBB determines the amount of the explicit subsidy annually. The implicit subsidy results from the inclusion of active and non-Medicare eligible retirees in the same pool when determining premiums. There is an implicit subsidy from active employees since the premiums paid by retirees are lower than they would have been if the retirees were insured separately. The County had 270 active plan members and 9 retired plan members as of December 31, 2020. As of December 31, 2020, the County's total OPEB liability was \$13,168,988 as calculated using the alternative measurement method. The County did not contribute to the plan for the year ended December 31, 2020.

The LEOFF I Retiree Medical Plan is a closed, single-employer, defined-benefit OPEB plan administered by the County as required by RCW 41.26.150. The plan pays for 100% of eligible retirees' health insurance premiums and any remaining balance of eligible medically necessary healthcare costs not paid by insurance on a pay-as-you-go basis. As of December 31, 2020, the plan had 7 members, one active and 6 retirees. As of December 31, 2020, the County's total OPEB liability was \$3,709,906, as calculated using the alternative measurement method. For the year ended December 31, 2020, the County paid \$50,132 in benefits.

Total OPEB liability as of December 31, 2020 is \$16,878,894.

## **Note 7 – Pension Plans**

### **A. State Sponsored Pension Plans**

Substantially all County's full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans: Public Employees' Retirement System (PERS) Plans 1, 2 and 3; Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans 1 and 2; or Public Safety Employees' Retirement System (PSERS) Plan 2.

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

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

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

Also, the DRS CAFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

The County also participates in the Volunteer Fire Fighters' 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](http://www.ofm.wa.gov).

At June 30, 2020 (the measurement date of the plans), 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	\$611,080	0.084316%	\$2,976,810
PERS 2/3	930,792	0.101038%	1,292,249
PSERS 2	58,699	0.132898%	(18,287)
LEOFF 1	-	0.008783%	(165,868)*
LEOFF 2	69,880	0.035722%	(728,677)*
VFFRPF	NA*	N/A*	N/A*

*\* Note: Pension assets are not reported on Schedule 9. VFFRPF allocation % and pension asset data not yet available for FY20 for Klickitat County.*

#### LEOFF Plan 1

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

#### LEOFF Plan 2

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

#### **Note 8– Risk Management**

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

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

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

Property insurance is subject to a per occurrence self-insured retention of \$25,000. Members are responsible for a \$1,000 to \$10,000 per occurrence deductible. The program bears the \$25,000 self-insured retention, in addition to the deductible. Privacy and Network Liability coverage is offered with a \$10,000 member deductible and \$25,000 self-insured retention. The deductible is part of, and not in addition to, the \$25,000 retention.

Equipment Breakdown insurance is subject to a per occurrence deductible of \$2,500 (\$5,000 for sewer plants). Members are responsible for the full deductible amount of each claim. There is no program self-insured retention on this coverage. Members contract to remain in the program for a minimum of one year and must give notice prior to December 31 before terminating participation the following December 1. The Interlocal Agreement is renewed automatically each year. Even after termination, a member remains responsible for contributions to the program for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Agreement.

The program is governed by an eight-member board of directors elected by each member's designated voting representative. It is felt the individual counties are best able to select their own representatives to manage their insurance association. The program is funded by its member participants and has no employees. Claims are filed by members/brokers with Clear Risk Solutions, who has been contracted to perform program administration, underwriting, claims adjustment, and loss prevention for the program. Fees paid to the third-party administrator under this arrangement for the policy year ending December 1, 2020, were \$1,098,009.

#### **Note 9 - Interfund Loans**

The following table displays interfund loan activity during 2020:

<b>Borrowing Fund</b>	<b>Lending Fund</b>	<b>Balance 1/1/2020</b>	<b>New Loans</b>	<b>Repayments</b>	<b>Balance 12/31/2020</b>
125 - Cumulative Reserve	137 - Public Health	-	120,800	-	120,800
	<b>TOTALS</b>	-	<b>120,800</b>	-	<b>120,800</b>

#### **Note 10 – Component Unit(s), Joint Ventures, and Related Parties**

##### **A. Related Parties**

##### **1. *Area Agency on Aging & Disabilities of Southwest Washington (AAADSW)***

The AAADSW is governed by a Council of Governments which consists of elected officials from the five-county service area of Klickitat, Skamania, Clark, Cowlitz, & Wahkiakum Counties. Rex Johnston, Klickitat County Commissioner currently serves as the elected official and Sharon Carter, Director of Klickitat County Senior Services serves as his alternate but cannot vote in his absence on any budget/financial decisions.

Klickitat County Senior Services is a contracted provider and provides services through funding from AAADSW. On some contracts we are a sub-recipient and on some a vendor.

In 2020, the County contracted with this agency for:

- \$59,300 cost reimbursement with limit for transportation-Older Americans Act Title IIIB and SCSA state funds for Senior transportation
- \$104,800 for nutrition-Congregate Meal and Home Delivered Meals-Older Americans Act Title IIIC and NSIP
- \$5,132 for nutrition – home delivered meals expansion SB5736
- \$3,500 for MIPPA (Medicaid Improvement for Patients & Providers Act for Beneficiary Outreach and Assistance)
- \$45,534 for information and assistance/Aging & Disability Resources network-Older Americans Act IIIB
- \$7,500 for FCSP (Family Caregiver Support) Access Service

- SCSA \$5,170 for Disease Prevention/Health Promotion-Older Americans Act IIID
- Family Caregiver Support Program. FCSP Assessment Cost Reimbursement with limit of \$5,000; FCSP supplemental services \$3,000 - FCSP-Older Americans Act TIIIB and IIIIE
- Medicaid Case Management. Fee for Service of \$155.31 per client per month January through June 2020 and \$168.67 July through December 2020 Title XIX.
- Home Care Agency Services -Title XIX Medicaid; SCSA, SFCSP, CHORE and Older Americans Act TIIIB and IIIIE Fee for service. Hourly rate changes with state Management Bulletins per emergency orders and state negotiated rates.
- 2020 Home Care Amendment EVV (Electronic Visit Verification) Grant \$21,389.
- COPES Home Delivered Meal Services – January through June 2020 \$6.80 per meal then increased to \$8.50 July through December 2020-temporary increase.
- \$33,000 Respite Home Care Services-Older Americans Act Title IIIB & IIIIE, SCSA, SFCSP
- Medicaid Transformation Demonstration Project (Medicaid Alternative Care and Tailored Supports for Older Adults Access \$17,600 - cost reimbursement with limit.

In addition to the above contracts, the following was received for COVID FFCRA and CARES Funds:

- \$32,157 FFCRA Nutrition Funds
- \$185,004.56 CARES Nutrition and Transportation Funds

## 2. *Southwest Washington Regional Health Care Advisory Committee*

The Southwest Washington Regional Health Care Advisory Committee consists of a member of the legislative body for Clark, Skamania and Klickitat Counties, a state senator and a state representative from each county, a representative of any local tribe and a consumer representative from the regional Behavioral Health Advisory Board. The committee meets up to three times a year to help ensure the region's integrated health care system continues to meet the needs of the most vulnerable after physical and behavioral health services were absorbed by Medicaid managed care.

Klickitat County joined the committee beginning January of 2019. In January 2021, Jacob Anderson, Klickitat County Commissioner was appointed to serve on the committee with Erinn Quinn, Public Health Director, appointed as an alternate member on the committee.

## 3. *Columbia Gorge Housing Authority*

The Mid-Columbia Housing Authority and Columbia Gorge Housing Authority work together to address the housing and self-help needs of lower income households in the five counties that border the Columbia River including Klickitat and Skamania Counties in Washington and Hood River, Sherman and Wasco counties in Oregon. Through an inter-local government agreement, the Mid-Columbia Housing Authority provides staff support and administers the Section 8 Housing Choice Voucher Program and other housing programs for the Columbia Gorge Housing Authority. David Sauter, Klickitat County Commissioner, currently serves on the Columbia Gorge Housing Authority Board of Directors in addition to serving on the board of the Columbia Cascade Housing Corporation including the Budget Committee. A total of \$6,571 was paid to Columbia Gorge Housing Authority in 2020 representing the County's share of Shelter Plus Care grant match funds related to homeless residents of Klickitat County for the period of April 1, 2019 to March 31, 2020. The current contract in effect for the period of April 1, 2019 to March 31, 2020 commits the County

to provide funding in the amount of \$10,000 in the event the Shelter Plus Care program is awarded HUD McKinney funds.

#### 4. *Mid-Columbia Economic Development District*

The Mid-Columbia Economic Development District (MCEDD) is composed of 5 counties bordering the Columbia River including Klickitat County. These counties established MCEDD in 1969 and its 21-member Board of Directors includes David Sauter, Klickitat County Commissioner who also serves on the Columbia Gorge Bi-State Renewable Energy Zone Committee. MCEDD's mission is to promote the creation of family-wage jobs, the diversification of the economic base, and the growth, development and retention of business and industry within the five-county district. Klickitat County pays annual dues to MCEDD of \$0.67 per capita on U.S. Census population data for the period of July 1, 2020 through June 30, 2021.

#### 5. *Washington Gorge Action Programs*

The Klickitat-Skamania Community Action Committee was formed in 1966 to service Skamania and Klickitat Counties to function as a multipurpose human service organization dedicated to helping individuals, families and communities address basic human needs including homeless housing services. In 2005 the name was changed to Washington Gorge Action Programs (WGAP) to more adequately reflect the purpose of providing services to low-income people in both counties. WGAP is governed by a Board of Directors that consist of 1/3 public/elected officials, 1/3 low-income representatives, and 1/3 community members. David Quesnel, Klickitat County Prosecuting Attorney serves on the Board. The County and WGAP have a professional services contract to provide funding and oversight for homeless housing services provided by WGAP. Under the terms of this contract, payments totaling \$150,459 were made to WGAP in 2020 of which \$113,391 were Federal grant funds passed on to them as a grant sub-recipient.

#### 6. *Substitute House Bill 1406*

In January of 2020 the County, City of Bingen, City of White Salmon and City of Goldendale signed an MOU to implement Substitute House Bill 1406 via the County, with the three cities opting out of directly adopting this legislation, to maximize funding and effectiveness for all four local governments. The rate imposed by Klickitat is .0146 percent.

In September 2019 the County adopted resolution 11916 stating its intent to adopt this legislation with the ordinance to levy the tax credit passed on March 10, 2020. This legislation was effective as of May 1, 2020 with funding calculations based on the state fiscal year of July 1 through June 30. The Department of revenue calculates a maximum to be received based on prior fiscal year revenues and the County will cease receiving revenues through this funding source once that cap has been reached within the state fiscal year. Tax revenues imposed through this legislation expire 20 years after first imposed.

The revenues may be used as follows:

- Projects must serve those at or below 60% of the median income of the County.
- Acquiring, rehabilitating, or constructing affordable housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing services.
- Funding the operations and maintenance costs of new units of affordable or supportive housing,



- For counties with a population of under 400,000, the funds can also be used for rental assistance to tenants.

As of December 31, 2020 the County received \$34,177 in revenues through this funding source with none of this funding used to date. The County will manage these activities within its existing Affordable Housing fund and will work closely with the cities to develop and administer a program that meets the needs of all four local governments before funding is expended.

## B. Joint Ventures

On November 1, 2002 the County and the City of The Dalles, OR, entered into an agreement for equal joint ownership of the Columbia Gorge Regional/The Dalles Airport, located in Dallesport, Washington. The transfer and recording of Klickitat County's 50% ownership was done on September 29, 2003. Klickitat County expects to contribute a minimum of \$50,000 each year for operational expenses and fully expects to receive 50% of net income when the airport is on a profitable footing. No profits have been received by the County as of the end of 2020.

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

On April 30, 2014, the County entered into an inter-local agreement with the cities within the County (the City of Bingen, the City of White Salmon and the City of Goldendale) to form the Klickitat County Emergency Medical Services District No. 1 ("District"), for the purpose of providing emergency medical services to the unincorporated areas of the County and incorporated areas within city boundaries. The areas within the boundaries of the Bickleton Fire Protection District No.2 and Alderdale Fire Protection District No. 10 are excluded from the inter-local agreement. The County residents had formerly been provided emergency services by Klickitat County Public Hospital Districts No.1 and No.2. The District has authority to levy tax, and a levy was approved by voters to support the operations of the new District beginning 2014. The District was governed by the County Commissioners until the new board was established in June 2014. The board comprises five members: one representing the Cities, one representing both hospital districts, and three remaining Directors appointed by the County Commissioners, one from each Commission District.

## **Note 11 – External Investment Pool**

The External Investment Pool sponsored by the County was first reported on January 1, 2020 and has been utilizing the same investment methodologies for several years. Revised Code of Washington (RCW) 36.29.022, 36.29.010, 36.29.020, authorize the County Treasurer to invest its surplus cash and any funds of municipal corporations which are not required for immediate expenditure and are in the custody or control of the County treasurer. The External Investment Pool's investments are invested pursuant to the Revised Code of Washington. Any credits or payments to pool participants are calculated and made in a manner as required by RCW 36.29.024.

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

The External Investment Pool is not registered with the SEC and is not subject to any formal oversight other than that provided by the County Finance Committee. The Committee is responsible for adopting investment objectives and policies, for hiring investment advisors, and for monitoring policy implementation and investment performance. The Committee's primary role is to oversee the allocation of the Pool's portfolio among the asset classes, investment vehicles, and investment managers.

The interest or other earnings of income from the funds of any municipal corporation of which the governing body has not taken any action pertaining to the investment of funds and that have been invested in accordance with state statutes, shall be deposited in the current expense fund of the County and may be used for general county purposes. The total amount of income from the External Investment Pool assigned to the County's general fund for the year was \$198,827. These investments made by the County Treasurer on behalf of the participants is involuntary participation in the County Treasurer's Investment Pool as they are required to be invested by statute.

Twenty nine percent of the County Treasurer's Pool consists of these involuntary participants. Voluntary participants in the County Treasurer's Pool include school districts, port districts, hospital districts, fire districts, EMS districts and the public utility district. The deposits held for both involuntary and voluntary entities are included in the External Investment Pool - Custodial Fund.

## **Note 12 - Other Disclosures**

### **A. Closure and Post-closure Care Cost**

State and Federal laws and regulations require that Klickitat County conduct post-closure maintenance of landfills once closed. Horsethief Landfill was 100% full and closed in 1994.

Maintenance and monitoring functions must be performed at the landfill each year for 20 years after closure, given that it was closed under the authority of WAC 173-304, so the post-closure period expired in 2014. \$575 was spent on Horsethief Landfill in 2020 for air quality registration fees. Although the cessation of post-closure activities remains an unresolved issue between Klickitat County and the Washington State Dept. of Ecology, post-closure activities have ceased under the solid waste rule. An active air quality permit remains and there are expected expenditures in 2020 related to decommissioning of water wells and air vent maintenance. The Solid Waste Department used no general fund monies.

### **B. Roosevelt Regional Landfill**

A major source of revenue for the County is the Roosevelt Regional Landfill. On April 15, 2002, Klickitat County entered into a contractual agreement effective January 1, 2002 with Allied Waste Industries, Inc. (AWIN), now Republic Services, to continue operating a landfill in Roosevelt, Washington. Republic Services pays the County a fixed administrative fee along with other fees based upon the number of tons of solid waste disposed of at the landfill. The money is apportioned to the various funds in the County. The contract is for 25 years with the option to extend it by three, five-year periods. This would take the contract out to 2042. The fees each year will vary. The fees and fund distributions for 2020 are:



<b>FUND</b>	<b>FEES</b>
001 GENERAL FUND	\$ 4,198,987
101 ROADS	1,000,000
103 GIS	68,778
104 SENIOR SERVICES	540,648
115 VICTIM/WITNESS	12,223
116 COUNTY FAIR	25,000
119 ECONOMIC DEVELOPMENT	196,383
125 CUMULATIVE RESERVE	289,659
135 COMMUNICATIONS	576,772
137 PUBLIC HEALTH	358,000
140 SOLID WASTE	218,090
201 LTD GO BOND	652,024
401 DALLESPORE WASTEWATER SYSTEM	555,000
505 SENIOR VEHICLE RENTAL & REPLACEMENT	20,000
<b>TOTAL</b>	<b>\$ 8,711,564</b>

#### C. Retirement of Certain Assets

The County has six ground leases that require the County to remove all equipment and restore the leased land back to original condition or remove the equipment. The estimated potential liability for these activities is \$244,000.

Additionally, the County has three quarries that it leases. The leased quarries are permitted through the Washington State Department of Natural Resources. When the leases are terminated, the County is responsible for reclamation of the quarry. The estimated potential liability for these activities is \$1,148,410.

Based upon engineering estimates, the County has recorded these \$1,392,410 on the Schedule of Liabilities. During 2020, the County made no payments toward retirement of these assets in 2020.

In addition to the above identified assets having known retirement obligations as of December 31, 2020; the County has dams, wells, unleased quarries and an underground storage tank that if the County makes the decision to retire these assets are expected to have associated retirement obligations. The retirement obligations for these assets will be reported on the County's schedule 09 for the costs of the specific nature and extent of the retirement obligations if the County decides to retire these assets.

#### D. Contingencies and Litigations

The County is a defendant in various legal actions and claims which arise during the normal course of business. In the opinion of management, the outcomes of these matters are either adequately covered by insurance or would not materially affect the financial statements except for a single matter that would not be covered by insurance for which the plaintiffs claim is over a million in damages.

#### E. Significant Commitments

##### Construction Commitment

The County has one significant active construction project, County Administration Building, as of December 31, 2020. The County's total commitment with contractors on this project at year-end is shown in the table below:

<b>Project</b>	<b>Total Contracts</b>	<b>Spent to Date</b>	<b>Remaining Commitment</b>
County Administration Building	\$ 16,230,108	\$ 6,044,054	\$ 10,186,054

In July 2020, the State of Washington issued Certificate of Participation, Series 2020 in the amount of \$20,502,410, with an interest rate of 2.22%. The principal amount of the lease is \$15,950,000 and is payable over 20 years. As of December 31, 2020, no proceeds were drawn on the lease. However, interest payments in the amount of \$354,444 were made in December 2020.

See Subsequent Event Note below which further describes funding sources for this project in the 2<sup>nd</sup> bullet point.

#### F. Subsequent Events

- The Cashmere Valley Bank loan of \$4,648,629 will expire on June 1, 2021. It will be paid off with the State of Washington Certificate of Participation
- In April 2021, the County established a \$1,500,000 interfund loan between the Cumulative Reserve Fund (125), a managerial fund of the general fund and The Capital Projects Fund (307) to provide cash flow during construction of the County Administration Building.

#### G. COVID 19 Pandemic

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

On March 19, 2020 the Klickitat County Emergency Operation Center (EOC) Policy Group was activated and committed resources to pay their share of EOC operating expenses in order to take the necessary actions to protect public health, safety, and welfare of Klickitat County residents, visitors, and staff. Due to the aggressive Logistics team ordering supplies through the state EOC, the County EOC was able to keep expenses low, only needing to purchase for agency needs outside of the state tiers.

The County EOC established quarantine and isolation housing, participated in a Joint Information System (JIS) with Public Health, Klickitat Valley Health, and Skyline Health to release information to the public, supplied personal protection equipment (PPE) to agencies, essential businesses, and individuals countywide, coordinated outreach to agriculture and local businesses, and aided community members with grocery, medical, and other essential supply deliveries.

The County received various forms of funding to help offset financial impacts of the pandemic on the County and its residents. Most of the COVID funding \$1,682,250 was through new funding sources

such as the US Department of Treasury CARES Act passed through from the Washington Department of Commerce as Coronavirus Relief Fund (CRF). Other County departments such as Seniors and Public Health also received COVID specific funding through pre-established federal and state funding sources as either supplemental or replacement funding.

Public Health focused on supporting increased public health needs related to COVID response efforts as well as upgrading outdated vaccination equipment and further focused on providing services more effectively and increasing remote access in some instances.

Klickitat County Senior Services and Mt. Adams Transportation Service had substantial operational and financial impacts through most of 2020. The Department's services are considered essential, so operations and policies were adjusted to provide essential and emergency services to clients while maintaining a safe work environment.

Flexibility allowed with emergency orders supported shifting of programs that could not be provided in group settings to providing services to clients in their home, such as congregate nutrition services switching to home delivered/meals on wheels services. Additionally, the transportation service increased services to include things like grocery and prescription pick-up and delivery. The fixed route service was suspended through most of 2020 and the dial a ride transportation service shifted to essential medical and service transportation. Further, shared rides were suspended unless passengers were in the same household which resulted in the inability to combine trips which created inefficiencies and higher cost to carry out service. However, the transportation needs among clients also decreased with canceled and virtual appointments occurring. This resulted in a substantial decrease in revenue.

COVID significantly impacted the volunteer base, and it was necessary to use paid staff to carry out the nutritional program services which was hindered by state mandated staffing restrictions; however, services such as phone, outreach, coordination support, essential supply pickup and delivery as well as transport for clients to access COVID vaccine clinics and testing were provided. Electronic access and support for carrying out services has become essential as well as ongoing staff and client education about safety protocols and services.

Public Works department experienced inefficiencies in processing and completing applications for permits by the public as the offices were closed and staff worked remotely. An inability to rent or use county parks and facilities caused a loss of revenue to public works, while still requiring the routine maintenance of all county facilities. Once county facilities were able to be opened, restrictions and limits placed on gatherings at county parks, fairgrounds, shooting ranges and campgrounds continued to impact revenues from user fees. Additionally, public works staff spent many hours modifying workspaces to accommodate social distancing and isolation requirements through construction of temporary walls and cubicle spaces to provide necessary isolation of employees in addition to the time and efforts spent obtaining PPE and sanitizing supplies required by state agencies to allow employees to work in assigned office spaces. Generally, adherence to social distancing requirements increased costs of routine operations, such as that associated with vehicle usage when staff that typically worked in pairs had to drive separately.

Once the CRF distributions were announced, the Board of County Commissioners approved the development of a committee to identify the entire county's COVID-19 expenses. The County used the majority (70%) of this funding to support public safety efforts dedicated to COVID-19, a small amount on employee wages performing duties within the EOC and approximately 12% was infused into the local business community throughout Klickitat County. The remaining funds were used for public health, personal protective equipment (PPE) expenses and costs associated with adherence to state

mandates while keeping employees connected for effective work efforts. The County additionally received PPE supplies from FEMA and the Department of Health to support the County in providing resources to the community. The County realized a significant decrease in landfill revenues, an overall significant revenue source for the County, throughout 2020 as a direct result of diminished business activity and construction efforts as State stay at home order was adhered to. The County is hopeful to obtain additional funding in 2021 to help offset these lost revenues in 2020.

The length of time these measures will continue to be in place, and the full extent of the financial impact on the County is unknown at this time.

#### H. Cash Balances

Klickitat County ending the year with total positive cash and investments of \$32,395,351 which is minimal decrease of \$322,748 over fiscal year end 2019 despite financial impacts of revenues and expenses from the COVID-19 Pandemic. The County had two funds ending the year with negative cash and investment balances. The County will work bring these balances positive throughout 2021.

The Public Health Fund realized expenses that exceeded revenues in 2020 of \$152,231 which also absorbed the 2019 ending cash balance for a reported ending cash and investments of (\$132,952). The Public Health department staff was heavily focused on COVID-19 activity including staffing clinics and experienced a lag in funding from grant reimbursements contributing to this negative ending balance. The Department is up to date on grant reimbursement billings and actively monitoring cash flow while continuing their focus on COVID-19 efforts.

The Capital Improvements – Major Projects Fund reported ending cash and investments of (\$369,095). The County has initiated construction efforts on the County Administration Building which significantly increased financial activity of this fund in 2020. The County has established bond and note funding sources to complete this project. The fund is reporting the negative cash balance as of December 31, 2020 based on timing of expenditures for this project to draws on funding sources. See Notes 11 E Significant Commitments and 11 F Subsequent Events for additional information on this project and associated financial activity.

#### I. Prior Period Adjustments

The Fiduciary Fund Resources and Uses Arising from Cash Transactions show Net Adjustments in the amount of \$1,891,818. This is made up of the following:

- Warrants payable in the amount of \$1,848,478 was not subtracted from cash. Warrants payable represent checks written that have not cleared the bank.
- Deposit of \$3,096 represents a bank error. This should have been a reconciling item, not a receipt.
- Activity reducing cash occurring prior to January 2020 and recorded in January 2020 of \$40,244 reduced cash as reported in 2020.
- Custodial activity pooled investments were pulled out of the custodial activities' column. This change of \$59,638,230 is presented as a prior period adjustment that nets to \$0.

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

<b>ID. No.</b>	<b>Description</b>	<b>Due Date</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
<b>General Obligation Debt/Liabilities</b>						
251.11	County LTGO 2005	12/1/2024	845,000	-	155,000	690,000
263.61	CVB Loan	7/1/2021	-	4,648,629	-	4,648,629
<b>Total General Obligation Debt/Liabilities:</b>			<b>845,000</b>	<b>4,648,629</b>	<b>155,000</b>	<b>5,338,629</b>
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
264.30	Pension Liabilities		4,308,579	-	39,520	4,269,059
263.82	PW-01-691-038	7/1/2021	968,417	-	484,206	484,211
263.82	SRF-L0200013	2/28/2023	206,231	-	58,923	147,308
263.82	S10-790A0-002	7/31/2034	375,000	-	25,000	350,000
259.12	Compensated Absences		800,005	146,863	-	946,868
263.93	ARO		-	1,392,410	-	1,392,410
263.22	Horsethief Landfill		35,000	-	-	35,000
264.40	Other Post Employment Benefits		14,485,680	2,393,214	-	16,878,894
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>			<b>21,178,912</b>	<b>3,932,487</b>	<b>607,649</b>	<b>24,503,750</b>
<b>Total Liabilities:</b>			<b>22,023,912</b>	<b>8,581,116</b>	<b>762,649</b>	<b>29,842,379</b>

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

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Note
				From Pass- Through Awards	From Direct Awards	Passed through to Subrecipients	
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via WA State Dept of Health)	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	CLH18250	140,720	-	140,720	12
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via WA State Dept of Health)	WIC Farmers' Market Nutrition Program (FMNP)	10.572	CLH18250	352	-	352	12
<b>Forest Service Schools and Roads Cluster</b>							
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via WA State Dept of Agriculture)	Schools and Roads - Grants to States	10.665	Title I - Schools and Roads	18,262	-	18,262	12
<b>Total Forest Service Schools and Roads Cluster:</b>				<b>18,262</b>	<b>-</b>	<b>18,262</b>	
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, COMMERCE, DEPARTMENT OF (via WA State Recreation & Conservation Office)	Pacific Coast Salmon Recovery Pacific Salmon Treaty Program	11.438	RCO #19- 1656P	36,997	-	36,997	12
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA State Dept of Commerce)	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-6221C-009	33,446	-	33,446	12
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA State Dept of Commerce)	COVID 19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-6221C-116	81,580	-	81,580	12

*The accompanying notes are an integral part of this schedule.*

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

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Note
				From Pass- Through Awards	From Direct Awards	Total	
			<b>Total CFDA 14.228:</b>	<b>115,026</b>	<b>-</b>	<b>115,026</b>	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via WA State Dept of Commerce)	Crime Victim Assistance	16.575	F17-31219-554	64,794	-	64,794	12
OFFICE ON VIOLENCE AGAINST WOMEN (OVW), JUSTICE, DEPARTMENT OF (via WA State Dept of Commerce)	Violence Against Women Formula Grants	16.588	F18-31103-080	3,630	-	3,630	12
<b>Highway Planning and Construction Cluster</b>							
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	HISP	11,991	-	11,991	12
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STP-R	2,401	-	2,401	12
<b>Total Highway Planning and Construction Cluster:</b>				<b>14,392</b>	<b>-</b>	<b>14,392</b>	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via Department of Commerce)	COVID 19 - Coronavirus Relief Fund	21.019	20-6541C-020	1,682,250	-	1,682,250	1
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via Department of Commerce)	COVID 19 - Coronavirus Relief Fund	21.019	21-00021-219	165,906	-	165,906	1

The accompanying notes are an integral part of this schedule.

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

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA State Dept of Health)	COVID 19 - Coronavirus Relief Fund	21.019	CLH18250	317,713	-	317,713	-	1, 2
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via Administrative Office of the Courts)	COVID 19 - Coronavirus Relief Fund	21.019	COVID - CARES Act	26,400	-	26,400	-	1
<b>Total CFDA 21.019:</b>				<b>2,192,269</b>	<b>-</b>	<b>2,192,269</b>	<b>-</b>	
ELECTION ASSISTANCE COMMISSION, ELECTION ASSISTANCE COMMISSION (via WA State Secretary of State)	COVID 19 - 2018 HAVA Election Security Grants	90.404	IG- 6892/C07520	61,952	-	61,952	-	12
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	C18919	5,170	-	5,170	-	1
<b>Aging Cluster</b>								
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	COVID 19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	C08220/C2002 0	96,607	-	96,607	-	12
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	C16419	41,792	-	41,792	-	125

*The accompanying notes are an integral part of this schedule.*



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

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	COVID 19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	C19219	7,941	-	7,941	-	12
				<b>Total CFDA 93.044:</b>	-	<b>146,340</b>	-	
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	COVID 19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	C08220/C2002 0	54,000	-	54,000	-	12
				<b>Total CFDA 93.045:</b>	-	<b>32,157</b>	-	
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	COVID 19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	C19219	70,995	-	70,995	-	125
				<b>Total CFDA 93.045:</b>	-	<b>157,152</b>	-	
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	Nutrition Services Incentive Program	93.053	C19219	8,314	-	8,314	-	1
				<b>Total Aging Cluster:</b>	-	<b>311,806</b>	-	

The accompanying notes are an integral part of this schedule.

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

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Note
				From Pass- Through Awards	From Direct Awards	Passed through to Subrecipients	
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	COVID 19 - National Family Caregiver Support, Title III, Part E	93.052	C08220/C2002 0	41,718	-	-	12
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	National Family Caregiver Support, Title III, Part E	93.052	C19219	901	-	-	12
			<b>Total CFDA 93.052:</b>	<b>42,619</b>	<b>-</b>	<b>-</b>	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Public Health Emergency Preparedness	93.069	CLH18250	8,289	-	-	12
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	Immunization Cooperative Agreements	93.268	CLH18250	11,200	-	-	12
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	COVID 19 - Immunization Cooperative Agreements	93.268	CLH18250	2,800	-	-	12
			<b>Total CFDA 93.268:</b>	<b>14,000</b>	<b>-</b>	<b>-</b>	

*The accompanying notes are an integral part of this schedule.*

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

Federal Agency (Pass-Through Agency)	Expenditures					Passed through to Subrecipients	Note
	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	CLH18250	20,242	-	20,242	1
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Health)	COVID 19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	CLH18250	79,110	-	79,110	1
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	Child Support Enforcement	93.563	2110-80742	17,000	-	17,000	123
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Administrative Office of the Courts)	COVID 19 - State Court Improvement Program	93.586	COVID PPE	991	-	991	1
<b>Medicaid Cluster</b>							
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Dept of Social & Health Services)	Medical Assistance Program	93.778	C16519	16,400	-	16,400	1
<b>Total Medicaid Cluster:</b>				<b>16,400</b>	<b>-</b>	<b>16,400</b>	<b>-</b>

The accompanying notes are an integral part of this schedule.

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

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Note
				From Pass- Through Awards	From Direct Awards	Total	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Hazard Mitigation Grant	97.039	(15 HMGP) D16 -022 A FM 5094 -2-P	8,025	-	8,025	12
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Emergency Management Performance Grants	97.042	19EMPG E20- 120	11,984	-	11,984	12
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	COVID 19 - Emergency Management Performance Grants	97.042	19EMPG E20- 120	1,657	-	1,657	12
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	COVID 19 - Emergency Management Performance Grants	97.042	20EMPG E20- 254 A	7,653	-	7,653	12
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Emergency Management Performance Grants	97.042	20EMPG E21- 105	2,125	-	2,125	12
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	COVID 19 - Emergency Management Performance Grants	97.042	20EMPG E21- 105	5,388	-	5,388	12
<b>Total CFDA 97.042:</b>				<b>28,807</b>	<b>-</b>	<b>28,807</b>	

The accompanying notes are an integral part of this schedule.

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

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	18 SHSP E19- 092A	1,864	-	1,864	-	1
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	19SHSP E20- 065A	2,611	-	2,611	-	1
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	20 SHSP E21- 079	735	-	735	-	1
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	E19217-17 SHSP	615	-	615	-	1
<b>Total CFDA 97.067:</b>				<b>5,825</b>	<b>-</b>	<b>5,825</b>	<b>-</b>	
<b>Total Federal Awards Expended:</b>				<b>3,206,678</b>	<b>-</b>	<b>3,206,678</b>	<b>113,391</b>	

## Klickitat County

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

#### Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the County's financial statements. The County reports on the cash basis of accounting.

#### Note 2 – Program Costs

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the County's portion, 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.

#### Note 3 – Indirect Cost Rate

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

The amount expended includes \$1,338 claimed as an indirect cost recovery using an approved indirect cost rate of 15.187 percent.

#### Note 4 – Donated COVID PPE

Klickitat County received donated personal protective equipment (PPE) items such as various types of masks, gloves, goggles, face shields, hand sanitizer, sanitizing wipes and other necessary protective supplies indirectly through various federal funding sources and respective market value amounts as follows:

<u>From</u>	<u>Market Value</u>	<u>CFDA #</u>
State Military Dept	\$ 457,505	97.036
State Military Dept	6,838	Unknown
DSHS	1,703	Unknown
WSDOT	1,703	Unknown
Total	\$ 467,751	

#### Note 5 – Program Income

The Seniors Special Programs for the Aging, Title III, Part C Nutrition Services and Part B, Transportation programs under respective CFDA numbers of 93.045 and 93.044 earned and utilized \$12,562 and \$15,988 amount of program income in 2020

## 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](http://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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