Washington State Auditor's Office

Troy Kelley

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Financial Statements and Federal Single Audit Report

Skamania County

For the period January 1, 2013 through December 31, 2013

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Washington State Auditor
Troy Kelley

September 29, 2014

Board of Commissioners
Skamania County
Stevenson, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Skamania 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,

Troy X. Kelley

TROY KELLEY

STATE AUDITOR

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Federal Summary

Skamania County
January 1, 2013 through December 31, 2013

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

FINANCIAL STATEMENTS

An unmodified opinion was issued on the financial statements.

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 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 identified 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 each of its major federal programs.

We reported findings that are required to be disclosed under section 510(a) of OMB Circular A-133.

Identification of Major Programs:

The following were major programs during the period under audit:

CFDA No.	Program Title
10.665	Forest Service Schools and Roads Cluster - Schools and Roads - Grants to States
20.205	Highway Planning and Construction Cluster - Highway Planning and Construction

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

The County qualified as a low-risk auditee under OMB Circular A-133.

Schedule of Federal Audit Findings and Questioned Costs

Skamania County
January 1, 2013 through December 31, 2013

1. The County did not have adequate internal controls to ensure compliance with federal grant requirements for allowable costs, reporting and matching requirements.

CFDA Number and Title:	10.665 Schools and Roads Grants to States
Federal Grantor Name:	U.S. Forest Service, Department of Agriculture
Federal Award/Contract Number:	NA
Pass-through Entity Name:	Office of State Treasurer
Pass-through Award/Contract Number:	NA
Questioned Cost Amount:	$74,506

Background

During 2013, the County received a total of $2,100,725 in federal forest funds from the Forest Service including $204,358 for Title II and $265,305 for Title III.

Title II funds may be used to carryout special projects approved by the Secure Rural Schools Act Resource Advisory Committee on Non-Federal Land for projects that benefit the resources on Federal Land. The County was approved to use Title II funds to treat noxious weed infestations within the Columbia River Gorge Scenic Area, on specified timber units, and perform various other noxious weed abatement activities in the Gifford Pinchot National Forest and Columbia River Gorge National Scenic Area Site-Specific Invasive Plant Treatment Project EIS.

Title III funds may be used to reimburse counties that provide emergency services on federal land, including search and rescue and firefighting, and to carry out the Firewise Communities Program, which develop community wildfire protection programs.

Description of Condition

Allowable Costs
Our audit identified the County did not have adequate controls to ensure costs charged to Titles II and III were allowable per program requirements and adequately supported. Specifically, the County was not aware of the requirements for allocating indirect costs to the federal program for Titles II and III. Additionally, we communicated concerns in the prior audit regarding the use of Title III funds which were not fully addressed. Our audit found the following:

- The County used a portion of Title III funds to cover costs related to patrolling federal forest land and public education at special events and to fund pre-planning and rescue coordination in order to prepare for emergency response activities on federal land. These activities are not allowable under the program guidelines because they were not associated with a specific emergency event. This resulted in questioned costs for salaries and benefits of $21,834.

- The County charged indirect costs of $25,633 to Title III, and $23,667 to Title II which were not adequately supported. Additionally, the County did not verify with the granting agency whether it was allowable to charge these costs to the Title III program.

- Payroll costs totaling $2,565 were charged to Title II which was not supported by appropriate time and effort.

- The County also charged equipment maintenance and fuel costs for vehicles used by the County for Title III activities using a different rate than that charged by its Equipment Services Department; this resulted in questioned costs totaling $807.

Matching/Reporting

The County is required to contribute a local share of project costs for its Title II program. The County's local share of costs is required to be reported to the granting agency per their grant agreement.

The County did not report required information regarding total project costs, including the County's share of costs to the federal granting agency for the Title II program. Further, the County did not have adequate internal controls in place to ensure it was monitoring for compliance with match requirements.

Cause of Condition

The County was not aware of all of the requirements associated with indirect costs. In addition, they did not consider the impact of the prior year audit finding to the current year.

The County also experienced a change in program staff during the audit period that were not aware of program reporting and match requirements related to Title II.

Effect of Condition and Questioned Costs

The County charged $74,506 in unallowable and unsupported costs to the program for salaries, benefits, indirect costs and fuel.

Noncompliance with grant requirements may require the County to return all or a portion of this money to the grantor. In addition, the granting agency did not receive required information from the County.

Recommendation

We recommend the County:

- Review and implement applicable program guidelines to ensure all expenditures charged to Title's II and III are allowable and that applicable match and reporting are in accordance with program requirements.

- Provide training to program staff to ensure they are aware of all applicable program requirements.

- Work with the Forest Service to determine whether any portion of these costs should be repaid.

County's Response

We began receiving Title III funds in approximately 2000 or 2001. The Title III application allowed project applicants and the county to include an administrative overhead cost of 12.5% of expended Title III funds. The County has always transferred their 12.5% to the Current Expense fund every year, except on the 2010 and 2011 Title III funds, as the federal government cut the entitlement amounts, and the Board of County Commissioners chose to award the entire amount to the projects. Beginning in 2013 on 2012 funds, the County started taking the 12.5% administrative overhead costs again.

During our audit, the SAO pointed out that these were not allowable costs. To correct the issue, we will reimburse the Title III fund for those 2012 and 2013 12.5% administrative costs that we have taken.

The County tried many times to verify with the granting agency as to whether or not these charges are allowable. After being instructed that they could provide no guidance, they suggested we contact our policy director at the Washington State Association of Counties (WSAC). The WSAC policy director gave us the granting agency personnel contact information in Washington DC. They were contacted and they mentioned the only place available for clarification is the frequently asked questions page on the USDA Forest Service website. It is stated that nothing has changed for allowable costs from the original bill except for project uses. The Washington DC contact said legislation is pending following the GAO audit in which the need for clarity was addressed, concerning the lack of information being made available to recipients of these entitled funds. Until the time legislation is passed, and clarification is given, the County will receive no administrative fees for managing these entitled funds. Out of the three allowable uses of Title III funds, only the Skamania County Search and Rescue, managed by the Skamania County Sheriff's Office, brings any of these entitled funds into the Counties budget.

Sheriff Department Response:

The County rejects the SAO claim that we have been mis-using title III funds and does not concur with the finding for the following reason:

The County was informed in late 2013 of the guidelines set forth by the USFS and BLM in late 2012 as a result of the 2012 GAO audit. The utilization of title III funds for the above purposes was a recognized issue that surfaced in the 2012 audit as well. It was discussed at the exit interview in 2013 and all parties understood that the first 4 months of 2013 would produce the same condition. Because the county was not notified of the newly implemented guidelines until late 2013, it was not possible for the county to take any corrective action with regards to ensuring compliance. Upon notice by the SAO in late 2013, the county took the following steps to gain compliance with the guidelines:

- *Changes were made to activity sheets to exclude all activities except Search and Rescue and Emergency calls for service.*
- *Regular patrol time is no longer recognized as allowable and the Sheriff no longer seeks reimbursement through Title 3 for this type of activity.*
- *Capital expenditure reimbursement request are only made for those items used, lost or damaged while being utilized on an allowable call for service.*

The SAO contends that the Sheriff's Office was incorrectly calculating title III reimbursement request that included funds for vehicle replacement. ***We do not disagree.*** *Reimbursement request for replacement of vehicles is not an allowable costs under the 2012 guidelines published for title III. In late 2013, In order to ensure consistency, we began using the overall ER&R vehicle rate of $.79/mile. We subsequently discovered that vehicle replacement of $.25/mile was included in that rate. Utilizing the actual Title 3 allowable mileage for 2013, and backing out the replacement rate of $.25/mile, the SAO was able to determine that the Sheriff's Office had been over reimbursed $807.17 for the FY 2013.*

In recognizing that our formula was flawed we are now only requesting reimbursement for actual mileage.

Auditor's Remarks

We appreciate the County's commitment to resolve this finding and thank the County for its cooperation and assistance during the audit. We will review the corrective action taken during our next regular audit.

Applicable Laws and Regulations

16 U.S.C. § 7142, Use, states in part:

(a) Authorized uses

> A participating county, including any applicable agencies of the participating county, shall use county funds, in accordance with this subchapter, only—

> (1) to carry out activities under the Firewise Communities program to provide to homeowners in fire-sensitive ecosystems education on, and assistance with implementing, techniques in home siting, home construction, and home landscaping that can increase the protection of people and property from wildfires;
>
> (2) to reimburse the participating county for search and rescue and other emergency services, including firefighting, that are—
>
> > (A) performed on Federal land after the date on which the use was approved under subsection (b);
> >
> > (B) paid for by the participating county; and
>
> (3) to develop community wildfire protection plans in coordination with the appropriate Secretary concerned.

USDA, Forest Service, Secure Rural Roads, FAQs, Authorized Uses, Section 302(a)(1), available at http://www.fs.usda.gov/main/pts/countyfunds/faqs (Aug. 31, 2012), states in part:

> What search and rescue and other emergency services, including firefighting, may be reimbursed using title III funds?
>
> > Section 302(a)(2) provides that title III funds may be used to reimburse counties for search and rescue and other emergency response activities performed on national forests and the specified BLM lands in western Oregon and paid for by the county. Specifically, the following expenses paid for by the county may be reimbursed in proportion to the amount attributable to emergency services performed on a national forest or the specified BLM lands:
> >
> > - Salary or wages of emergency response personnel deployed during an emergency response.
> > - Replacement of equipment, material and supplies expended, damaged or destroyed during an emergency response.
> > - Repair of equipment damaged during an emergency response.
> > - Maintenance of vehicles, equipment, and facilities during an emergency response.

USDA, Forest Service, Secure Rural Roads, FAQs, Authorized Uses,, Section 302(a)(1), available at http://www.fs.usda.gov/main/pts/countyfunds/faqs (Aug. 31, 2009), states in part:

> Title III funds become county funds after the federal government makes payments to the state which, in turn, makes payments to the county. County officials should confer with county legal counsel when making decisions about expenditure of title III county funds.
>
> The Secure Rural Schools and Community Self-Determination Act as reauthorized in Public Law 110-343 specifically narrowed the authorized uses of title III as compared to the earlier Act in Public Law 106-393.
>
> The Act now authorizes the use of title III only to carry out activities under the Firewise Communities program; to reimburse for emergency services such as search and rescue or firefighting paid for by the county and performed on Federal land; and, to develop community wildfire protection plans. (See Act, Section 302(a)).
>
> - Section 302 of the Act does not explicitly authorize title III funds for the following uses: construction of facilities; purchase of real property; purchase of vehicles and other capital equipment such as fire engines or aircraft in anticipation of responding to emergencies on national forests; training of emergency services personnel; purchase of equipment and supplies in anticipation of responding to emergencies on national forests.
>
> - Reimbursement for the purchase of replacement equipment, material and supplies expended, damaged or destroyed during an emergency response on national forests and paid for by the county may be authorized. Salary and maintenance of vehicles, equipment, and facilities in proportion to their actual use for emergency services performed on federal land may be authorized under the Act.

Office of Management and Budget Circular No. A-87, 2 CFR 225, *General Principles for Determining Allowable Costs*, Appendix B, Paragraph 8, states in part:

> 8. Compensation for personal services.
>
> a. General. Compensation for personnel services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under Federal awards, including

but not necessarily limited to wages, salaries, and fringe benefits. The costs of such compensation are allowable to the extent that they satisfy the specific requirements of this Circular, and that the total compensation for individual employees:

(3) Is determined and supported as provided in subsection h.

h. Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.

(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

(a) More than one Federal award,

(b) A Federal award and a non Federal award,

(c) An indirect cost activity and a direct cost activity,

(d) Two or more indirect activities which are allocated using different allocation bases, or

(e) An unallowable activity and a direct or indirect cost activity.

(5) Personnel activity reports or equivalent documentation must meet the following standards:

a. They must reflect an after the fact distribution of the actual activity of each employee,

b. They must account for the total activity for which each employee is compensated,

c. They must be prepared at least monthly and must coincide with one or more pay periods, and

d. They must be signed by the employee.

e. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:

(i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;

(ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and

(iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

Office of Management and Budget Circular No. A-87, 2 CFR 225, *General Principles for Determining Allowable Costs*, Appendix C, states in part:

D. Submission Requirements.

3. All other local governments claiming central service costs must develop a plan in accordance with the requirements described in this Circular and maintain the plan and related supporting documentation for audit. These local governments are not required to submit their plans for Federal approval unless they are specifically requested to do so by the cognizant agency. Where a local government only receives funds as a sub recipient, the primary recipient will be responsible for negotiating indirect cost rates and/or monitoring the sub recipient's plan.

F. Negotiation and Approval of Central Service Plans.

1. All proposed central service cost allocation plans that are required to be submitted will be reviewed, negotiated, and

approved by the Federal cognizant agency on a timely basis. The cognizant agency will review the proposal within six months of receipt of the proposal and either negotiate/approve the proposal or advise the governmental unit of the additional documentation needed to support/evaluate the proposed plan or the changes required to make the proposal acceptable. Once an agreement with the governmental unit has been reached, the agreement will be accepted and used by all Federal agencies, unless prohibited or limited by statute . . .

G. Other Policies.

1. Billed central service activities. Each billed central service activity must separately account for all revenues (including imputed revenues) generated by the service, expenses incurred to furnish the service, and profit/loss.

4. Adjustments of billed central services. Billing rates used to charge Federal awards shall be based on the estimated costs of providing the services, including an estimate of the allocable central service costs. A comparison of the revenue generated by each billed service (including total revenues whether or not billed or collected) to the actual allowable costs of the service will be made at least annually, and an adjustment will be made for the difference between the revenue and the allowable costs. These adjustments will be made through one of the following adjustment methods: (a) a cash refund to the Federal Government for the Federal share of the adjustment, (b) credits to the amounts charged to the individual programs, (c) adjustments to future billing rates, or (d) adjustments to allocated central service costs. Adjustments to allocated central services will not be permitted where the total amount of the adjustment for a particular service (Federal share and non Federal) share exceeds $500,000.

5. Records retention. All central service cost allocation plans and related documentation used as a basis for claiming costs under Federal awards must be retained for audit in accordance with the records retention requirements contained in the Common Rule.

Participating Agreement between USDA Forest Service and Columbia Gorge Schedule Area and Skamania County, 07-PA-11060300-043, states in part:

15. Payment/Reimbursement.

Reimburse the cooperator for the Forest Service's proportionate share (see specific Project Work Plan) of actual expenses incurred, not to exceed (see specific Project Work Plan) reduced by Program income, and other Federal and nonfederal cash contributions, as shown on the specific Project Financial Plan. The cooperator is

approved to submit quarterly billings. The Forest Service will make payment for its share of project costs upon receipt of an invoice. Each invoice shall display the cooperator's actual expenditures incurred to date of the invoice (not just the Forest Service share of actual expenditures), displayed by separate cost elements as documented in the Financial Plan, less program income and other Federal and nonfederal cash contributions and previous Forest Service payments.

Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, states in part:

Section .510

(a) Audit findings reported. The auditor shall report the following as audit findings in a schedule of findings and questioned costs:

(3) Known questioned costs which are greater than $10,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs) not just the questioned costs specifically identified (known questioned costs) The auditor shall also report known questioned costs when likely questioned costs are greater than $10,000 for a type of compliance requirement for a major program . . . .

Schedule of Audit Findings and Responses

Skamania County
January 1, 2013 through December 31, 2013

2. The County's financial condition has continued to decline which puts it at risk for not being able to meet its current obligations and maintain current services.

Background

The largest sources of revenue for counties are real property and sales tax. However, the County's ability to collect property tax revenues is extremely limited. This is due to 87.5 percent of its land is owned by the state or federal government and, therefore, tax exempt. An additional 10 percent is designated private timber lands, which are only taxed at harvest. In addition, the County has a very small retail sales tax base due to the limited land available for commercial enterprises and the seasonal nature of their tourism industry.

Description of Condition

In the prior audit, we communicated to the Board the need to monitor the County's financial condition. The County's financial condition has continued to decline.

The following table depicts how the County's General Fund expenditures have exceeded revenue over the past several years:

	2010	2011	2012	2013
Beginning General Fund Balance	$ 6,473,824	$3,402,301	$ 683,667	$ 866,296
Revenues	$12,981,273	$ 10,715,776	$ 9,620,741	$ 9,371,232
Debt Proceeds Received		$ -	$ 2,500,000	$ -
Expenditures	$ 16,134,266	$ 14,609,730	$ 10,413,094	$ 10,011,165
Excess/(Deficit)	$ (3,152,993)	$ (3,893,954)	$ (792,353)	$ (639,933)
Ending General Fund Balance	$ 3,402,301	$ 683,667	$ 866,296	*$1,180,658
Outstanding Interfund Loans		$ 1,150,000	$ 825,000	$ 675,000
Outstanding Bank Loan	$ -	$ -	$ 2,041,825	$ 1,816,925

*The County's ending cash balance for its General Fund increased in FY 2013 from the prior year due to a temporary increase in harvest tax revenues on County owned timber.

The County's General Fund Balance at August 28, 2014, was $1,415,452.

The County issued $2.5 million in debt in June 2012 to sustain current operations, of which $1,816,925 million is still outstanding. The remaining principal is due on June 1, 2015. The County intends to sell surplus property to repay the balance of this loan; however, it uncertain whether sales will occur prior to loan maturity.

In 2011 the County borrowed $1,150,000 from restricted funds, of which $527,373 is still outstanding as of August 28, 2014. These loans are set to mature by November 2014; however, the County intends to extend their maturity for an additional three year period.

In addition, our current audit noted:

- The County shifted payroll and benefits costs for general fund departments to restricted funds in an effort to reduce general fund expenditures. It did not retain adequate support to demonstrate how those funds benefited from the costs being allocated. We identified approximately $60,922 in unsupported salaries and benefits charged to restricted funds.

- Uncertainties as to whether federal forest monies will be received in 2015. This funding source accounts for approximately 16 percent of General Fund revenues, or $1.8 million annually. At the time of our audit the County had not formally established a contingency plan to address the risk of losing this funding source.

- Although the County is currently working towards implementing an integrated accounting system for both revenues and expenditures, one was not in place at the time of our audit. This makes it difficult for management to effectively create and prepare timely reports.

Cause of Condition

The County has implemented additional monitoring over the budget and has been performing an analysis of cash flows; however, the actions taken to improve financial position have not been adequate. The County has not established and implemented a plan to address both the potential loss of federal revenues and the repayment of outstanding obligations.

Effect of Condition

The County used fund balance, debt proceeds and restricted funds to meet current operating expenses and is at risk for not being able to meet future financial obligations and maintain services

Recommendation

We recommend the County:

- Ensure costs charged to restricted funds are allowable and adequately supported.

- Take prompt action to manage operations within available resources by establishing a comprehensive plan that includes:

    - Detailed financial benchmarks and guidelines to specifically target cash flow needs.

    - Repayment of outstanding obligations.

    - Decrease financial dependency on inter-fund loans and prevent a permanent diversion of funds.

    - A contingency plan to address the potential loss of major revenue sources.

- Closely monitor and evaluate the County's financial activities to ensure the plan is being followed and desired results achieved.

- Take steps to ensure accurate financial information is available to facilitate decision making by the Board of County Commissioners, such as integrating the accounting information used by various departments into the County's main financial system.

County's Response

The County understands and appreciates the findings or the State Auditor's office during this year's audit. As you so aptly stated our revenue sources are severely limited. It must be realized that over 90% of our revenue producing capability was taken from us by State and Federal confiscation. As a result revenues decreased from $5.6 million in 2008 to $1.6 million in 2014. During that period, although cuts were made, it was decided to borrow rather than making serious reductions in operations. This left the Board newly constituted in 2013 with a large deficit. With serious constraints in revenue, financial conditions don't change quickly. None the less the current board is dedicated to mitigating the counties debt situation by and orderly and planned program. Specifically the County is working with financial institutions to convert the remainder of the $2.5 million dollar loan to a conventional loan. The assertion that internal loans outstanding may become permanent diversions is unfounded as evidenced by the fact that $1.15 million borrowed has been reduced approximately in half. The County is committed to debt reduction but in an orderly manner. Our first priority however is to provide necessary and mandated services to our citizens. Secondly, manage the resources we have so that loans are not necessary, then paying existing debt in an orderly fashion.

Regarding shifting of payroll and benefits costs from the General fund to restricted funds: The verbiage leads the reader to believe this action is not legal; to the contrary, it is absolutely authorized since the employee is doing work for the restricted fund. The issue is that the employee did not record and separate the hours he/she spent working for the restricted fund and the general fund on their time sheets. That situation has been corrected.

The County recognizes the necessity to formulate a formally adopted contingency plan in the event Federal Forest funds are lost. The County has developed a procedure that has not yet been adopted. Work to complete will begin prior to year end and should be brought to resolution early next year. The lack of an integrated accounting system is and has been an issue for the County. We realize the necessity of an accounting system that allows revenues and expenses to be balanced. Since the revenue side has used a different software program the challenge is to have the revenue software program rewritten to allow a data import into our main computer system. That program has been developed. All that remains are to test, fine tune, and integrate the systems. That is planned for completion prior to year end.

Auditor's Remarks

We appreciate the County's commitment to taking action to improve its financial condition. We will review te County's corrective action during our next regular audit.

Applicable Laws and Regulations

RCW 43.09.210 Local government accounting – Separate accounts for each fund or activity—Exemption for agency surplus personal property, states in part:

> All service rendered by, or property transferred from, one department, public improvement, undertaking, institution, or public service industry to another, shall be paid for at its true and full value by the department, public improvement, undertaking, institution, or public service industry receiving the same, and no department, public improvement, undertaking, institution, or public service industry shall benefit in any financial manner whatever by an appropriation or fund made for the support of another.

Schedule of Audit Findings and Responses

Skamania County
January 1, 2013 through December 31, 2013

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

Background

It is the responsibility of the County to design and follow internal controls that provide reasonable assurance regarding the reliability of financial reporting. In the prior audit, we communicated concerns to management over the County's internal controls over financial reporting. The current audit identified deficiencies in internal controls that adversely affected the County's ability to produce reliable financial statements.

Description of Condition

We identified the following deficiencies in internal controls that when taken together, represent in a material weakness in internal controls over financial reporting:

- Financial transactions are not tracked in a comprehensive accounting system; separate systems are maintained by both the County Auditor and Treasurer which are not reconciled and the departments do not effectively communicate to ensure the information they share is accurate.

- Cash and investments of both County and agency funds are maintained in 71 separate bank accounts and the County does not reconcile this information to the accounting records on a regular basis.

- The County does not have an effective review of the financial statements to detect significant reporting errors and omissions.

Cause of Condition

The County did not prioritize the need to ensure accurate and complete financial reports were prepared. This includes dedicating sufficient resources such as training and oversight.

Effect of Condition

The County's financial information contained significant misstatements that were not detected by management. We identified the following errors in the financial statements that we received for audit:

- Revenues and expenses of $4.9 million were duplicated on the financial statements.

- Inter-fund transactions relating to managerial funds were not eliminated, resulting in an overstatement of both revenues and expenditures of $3.8 million in the Current Expense Fund.

- Activity related to the Department of Licensing, inmate welfare and bail bonds agency funds, was not included in the financial statements. This resulted in an understatement of revenues and expenditures of approximately $1 million.

- Compensated absences were overstated by $262,000.

- Cash held in department managed bank accounts totaling $44,240 was not recorded in the financial statements.

Recommendation

We recommend the County dedicate the necessary resources to establish effective internal controls, including assigning responsibility, for processes that will ensure the following:

- Maintain a comprehensive accounting system to accurately account for and track all the financial transactions of the County.

- Ensure reconciliations between the general ledger, bank activity and financial reports are performed regularly.

- Implement an effective review process over the preparation of the financial statements and related schedules to confirm activity is properly reported.

County's Response

Financial System: The Treasurer's Office is working to import revenue information into EDEN and will be changing the FUND numbers (chart of accounts) to the same ones as the Auditor in order to strengthen the information provided and strengthen internal controls over financial reports.

Cash and Investments: The 71 separate bank accounts will be less next year, we are looking into an investment system to use Journal Entries instead of accounts and will schedule a time for the Financial Management Specialist for Local Government Performance Center by the State Auditor's Office to come and make suggestions on our investment choices.

Financial Stability and Reconciliation: With the experience of the current Audit, the Treasurer's Office has a greater understanding of the need to communicate with EDEN and to obtain an accounting system to track the financial transactions.

The revenues and expenses of $4.9 million that was duplicated and the revolving funds of $44,420 not recorded in the financial statements will be taken care of in the above information before the next audit.

Auditor's Remarks

We appreciate the County making corrections for errors found in the 2013 financial statements which allowed us to issue an unmodified opinion. We will review the corrective action taken in our next audit.

Applicable Laws and Regulations

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

The American Institute of Certified Public Accountants, Statement on Auditing Standards No. 115 defines significant deficiencies and material weaknesses as follows:

a. Significant deficiency: A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

b. Material weakness: A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

RCW 43.09.200 states:

> The state auditor shall formulate, prescribe, and install a system of accounting and reporting for all local governments, which shall be uniform for every public institution, and every public office, and every public account of the same class.
>
> The system shall exhibit true accounts and detailed statements of funds collected, received, and expended for account of the public for any purpose whatever, and by all public officers, employees, or other persons.
>
> The accounts shall show the receipt, use, and disposition of all public property, and the income, if any, derived therefrom; all sources of public income, and the amounts due and received from each source; all receipts, vouchers, and other documents kept, or required to be kept, necessary to isolate and prove the validity of every transaction, all statements and reports made or required to be made, for the internal administration of the office to which they pertain; and all reports published or required to be

published, for the information of the people regarding any and all details of the financial administration of public affairs.

Budget Accounting and Reporting System (BARS) manual - Part 3 Accounting Chapter 1, Accounting Principles and General Procedures, Section B, Internal Control, states in part:

> Management and the governing body are responsible for the government's performance, compliance, and financial reporting. Therefore, the adequacy of internal control to provide reasonable assurance of achieving these objectives is also the responsibility of management and the governing body. The governing body has ultimate responsibility for ensuring adequate controls to achieve objectives, even though primary responsibility has been delegated to management
>
> Significant deficiency. 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.

Schedule of Prior Federal Audit Findings

Skamania County
September 25, 2014

This schedule presents the status of federal findings reported in prior audit periods. The status listed below is the representation of the Skamania County. The State Auditor's Office has reviewed the status as presented by the County.

Audit Period: January 1, 2012 - December 31, 2012	**Report Ref. No.:** 1010504	**Finding Ref. No.:** 1	**CFDA Number(s):** 10.665
Federal Program Name and Granting Agency: Schools and Roads – Grants to States, U.S. Forest Service, Department of Agriculture		**Pass-Through Agency Name:** Office of State Treasurer	
Finding Caption: The County did not have adequate internal controls to ensure compliance with federal grant requirements on allowable activities.			
Background: The County was not aware of the requirements which limited the use of Title III funds to specific search and rescue activities, and the firewise communities program. We found the County used a portion of Title III funds to cover unallowable costs resulting in questioned costs for salaries and benefits of $36,728, and fuel charges for employees of $4,788. In addition, the County funded a contract with a local emergency management district which included unallowable patrol services. The County also charged equipment maintenance, fuel and future replacement costs for vehicles used by the County for Title III activities totaling $6,789 which were not fully allowable or adequately supported.			
Status of Corrective Action: (check one) ☐ Fully Corrected X Partially Corrected ☐ No Corrective Action Taken ☐ Finding is considered no longer valid			
Corrective Action Taken: *The County has since revised its practice for charging employee time to the federal program to only include those activities that are allowed under the new program guidelines. However, our audit identified additional non-compliance which we have identified due to the timing of our audit recommendations and the County's implementation. We have reported those concerns as a federal audit finding for the current period.*			

Status of Prior Audit Findings

Skamania County
January 1, 2013 through December 31, 2013

The status of findings contained in the prior years' audit reports of the County is provided below:

1. The County's financial condition has continued to decline which puts it at risk for not being able to meet its current obligations and maintain current services.

Report No. 1010504, dated September 11, 2013

Background

Our previous two audits have included concerns regarding the County's financial condition. The County issued $2.5 million in debt in June 2012 to sustain current operations, a portion of which had been repaid. In addition, we noted concerns with the use of restricted funds for general government operations. At this time, the County remains uncertain if it will continue to receive federal forest monies, which represent a significant portion of their operating budget

Status

The County's financial condition has continued to decline through the current audit. As a result, we are reissuing our finding on its financial condition in the current audit.

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

Skamania County
January 1, 2013 through December 31, 2013

Board of Commissioners
Skamania County
Stevenson, 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 Skamania County, Washington, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's financial statements, and have issued our report thereon dated September 25, 2014.

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 or permitted by Washington State statutes 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.

Our report includes information about the status of the County's financial condition. This information is more fully described in Finding 2 in the Schedule of Audit Findings and Responses. The County's response to the finding was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 opinion 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Audit Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Audit Findings and Responses as Finding 3 to be material weaknesses.

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*.

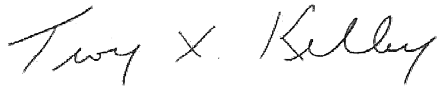
COUNTY'S RESPONSE TO FINDINGS

The County's response to the findings identified in our audit is described in the accompanying Schedule of Audit Findings and Responses. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



TROY KELLEY
STATE AUDITOR

September 25, 2014

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

Skamania County
January 1, 2013 through December 31, 2013

Board of Commissioners
Skamania County
Stevenson, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited the compliance of Skamania County, Washington, with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013. The County's major federal programs are identified in the accompanying Federal Summary.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion 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, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Federal Audit Findings and Questioned Costs as Finding 1. Our opinion on each major federal program is not modified with respect to these matters.

County's Response to Findings

The County's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Federal Audit Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Federal Audit Findings and Questioned Costs as Finding 1 that we consider to be significant deficiencies.

County's Response to Findings

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Federal Audit Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 OMB Circular A-133. 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.

Troy X. Kelley

TROY KELLEY
STATE AUDITOR

September 25, 2014

Independent Auditor's Report on Financial Statements

Skamania County
January 1, 2013 through December 31, 2013

Board of Commissioners
Skamania County
Stevenson, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Skamania County, Washington, for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's financial statements, as listed on page 35.

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 Washington State statutes 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, Skamania County has prepared these financial statements using accounting practices prescribed or permitted by Washington State statutes and 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 financial position and results of operations of Skamania County, for the year ended December 31, 2013, 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 Skamania County, as of December 31, 2013, or the changes in financial position or cash flows 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 Regarding Financial Sustainability

As discussed in Note 6 to the financial statements and described in Finding 2 in the Schedule of Audit Findings and Responses, the County's financial position continues to decline. The County has had to borrow from restricted funds, and issued $2.5 million in debt during 2012 in order to pay for operations and to address cash flow shortages. A portion of this loan has since been repaid. The County's cash flow constraints are expected to continue in the near future. As a result, there exists uncertainty about the County's ability to maintain services at present levels under these conditions. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary and Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The accompanying Schedule of 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.

County's Response to Findings

The County's response to the finding identified above is described in the accompanying Schedule of Audit Findings and Responses. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2014 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.

Troy X. Kelley

TROY KELLEY
STATE AUDITOR

September 25, 2014

Financial Section

Skamania County
January 1, 2013 through December 31, 2013

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2013
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2013
Notes to Financial Statements – 2013

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2013
Schedule of Expenditures of Federal Awards – 2013
Notes to the Schedule of Expenditures of Federal Awards – 2013

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2013

BARS Code		Total for All funds*	001 CURRENT EXPENSE (0010.000)	112 TREASURER'S M&O (1120.000)	114 COMMUNITY HEALTH (1140.000)
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	4,537,203	83,505	5,661	360,069
30880	Beg Fund Bal-Unreserved	1,085,939	788,598	0	0
38800/58800	Prior Period Adjustments, net	300	300	0	0
Operating Revenues					
310	Taxes	5,432,548	3,081,466	0	145,223
320	Licenses & Permits	138,798	136,573	0	0
330	Intergovernmental Revenues	7,796,650	3,706,450	0	705,894
340	Charges for Goods and Services	3,785,047	1,199,484	20	692,914
350	Fines & Penalties	235,635	215,455	0	0
360	Miscellaneous Revenues	1,166,110	1,031,804	0	4,238
Total Operating Revenues:		18,554,788	9,371,232	20	1,548,269
Operating Expenditures					
510	General Government	5,381,860	5,098,643	3,546	0
520	Public Safety	4,500,189	3,686,294	0	0
530	Utilities	673,111	0	0	0
540	Transportation	2,997,364	0	0	0
550	Natural and Economic Environment	1,029,799	723,994	0	0
560	Social Services	2,543,149	239,151	0	1,394,572
570	Culture And Recreation	303,280	263,083	0	0
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:		17,428,752	10,011,165	3,546	1,394,572
Net Operating Increase (Decrease):		1,126,036	-639,933	-3,526	153,697
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	2,535,093	1,295,050	0	76,427
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	144,106	20,400	0	46,706
Total Nonoperating Revenues:		2,679,199	1,315,450		123,133
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	806,454	225,534	0	0
591-593	Debt Service	315,254	16,845	0	0
594-595	Capital Expenditures	1,030,965	8,883	0	5,738
597	Transfers-Out	144,106	116,000	0	2,000
Total Nonoperating Expenditures:		2,296,779	367,262		7,738
Increase (Decrease) in Cash and Investments		1,508,456	308,255	-3,526	269,092
Ending Cash and Investments					
50810	End Fund Bal-Reserved	5,615,194	682,095	2,135	629,161
50880	End Fund Balance-Unreserved	1,516,710	498,563	0	0

The accompanying notes are an integral part of this Statement.

BARS Code		116 SENIOR SERVICES (1160.000)	117 VETERAN'S RELIEF (1170.000)	118 ELECTION RESERVE (1180.000)	119 AUDITOR'S O&M (1190.000)
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	89,260	26,653	62,543	41,429
30880	Beg Fund Bal-Unreserved	0	0	0	0
38800/58800	Prior Period Adjustments, net	0	0	0	0
Operating Revenues					
310	Taxes	0	65,474	0	0
320	Licenses & Permits	0	0	0	0
330	Intergovernmental Revenues	553,972	464	1,771	57,963
340	Charges for Goods and Services	180,799	0	41,509	1,760
350	Fines & Penalties	0	0	0	0
360	Miscellaneous Revenues	18,275	0	0	0
Total Operating Revenues:		753,046	65,938	43,280	59,723
Operating Expenditures					
510	General Government	0	0	100,316	43,838
520	Public Safety	0	0	0	0
530	Utilities	0	0	0	0
540	Transportation	0	0	0	0
550	Natural and Economic Environment	0	0	0	0
560	Social Services	806,278	44,335	0	0
570	Culture And Recreation	0	0	0	0
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:		806,278	44,335	100,316	43,838
Net Operating Increase (Decrease):		-53,232	21,603	-57,036	15,885
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	4,190	0	0	0
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	45,000	0	0	0
Total Nonoperating Revenues:		49,190			
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	0	0	0	0
591-593	Debt Service	0	0	0	0
594-595	Capital Expenditures	0	0	0	0
597	Transfers-Out	0	0	0	0
Total Nonoperating Expenditures:					
Increase (Decrease) in Cash and Investments		-4,042	21,603	-57,036	15,885
Ending Cash and Investments					
50810	End Fund Bal-Reserved	85,218	48,256	5,507	57,314
50880	End Fund Balance-Unreserved	0	0	0	0

The accompanying notes are an integral part of this Statement.

BARS Code		130 HOTEL/MOTEL TAX (1030.000)	131 CDBG - COMM. SVS (1310.000)	132 HOMELESS H&A (1320.000)	133 FAMILY SUPPORT FUND (1130.000)
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	49,594	4	121,373	8,395
30880	Beg Fund Bal-Unreserved	0	0	0	0
38800/58800	Prior Period Adjustments, net	0	0	0	0
Operating Revenues					
310	Taxes	53,353	0	0	0
320	Licenses & Permits	0	0	0	0
330	Intergovernmental Revenues	0	81,438	0	0
340	Charges for Goods and Services	0	0	67,212	3,174
350	Fines & Penalties	0	0	0	0
360	Miscellaneous Revenues	0	0	0	0
Total Operating Revenues:		53,353	81,438	67,212	3,174
Operating Expenditures					
510	General Government	0	0	0	0
520	Public Safety	0	73,578	0	0
530	Utilities	0	0	0	0
540	Transportation	0	0	0	0
550	Natural and Economic Environment	40,000	500	0	0
560	Social Services	0	0	52,000	0
570	Culture And Recreation	0	0	0	0
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:		40,000	74,078	52,000	
Net Operating Increase (Decrease):		13,353	7,360	15,212	3,174
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	0	0	0	0
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	0	0	0	0
Total Nonoperating Revenues:					
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	0	0	0	0
591-593	Debt Service	0	0	0	0
594-595	Capital Expenditures	0	0	0	0
597	Transfers-Out	0	0	0	0
Total Nonoperating Expenditures:					
Increase (Decrease) in Cash and Investments		13,353	7,360	15,212	3,174
Ending Cash and Investments					
50810	End Fund Bal-Reserved	62,947	7,364	136,585	11,569
50880	End Fund Balance-Unreserved	0	0	0	0

The accompanying notes are an integral part of this Statement.

BARS Code		134 TITLE III PROJECTS FD (1300.000)	140 CRIME VICTIM COMP (1040.000)	141 COUNTY ROAD (1400.000)	143 CNTY ROAD C/R MAINT (1410.000)
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	204,917	80,038	1,253,317	650,127
30880	Beg Fund Bal-Unreserved	0	0	0	0
38800/58800	Prior Period Adjustments, net	0	0	0	0
Operating Revenues					
310	Taxes	0	0	1,558,470	0
320	Licenses & Permits	0	0	2,225	0
330	Intergovernmental Revenues	257,985	34,556	1,521,806	0
340	Charges for Goods and Services	0	11,047	37,080	0
350	Fines & Penalties	0	0	0	0
360	Miscellaneous Revenues	0	0	2,034	745
Total Operating Revenues:		257,985	45,603	3,121,615	745
Operating Expenditures					
510	General Government	0	52,960	0	0
520	Public Safety	0	0	0	0
530	Utilities	0	0	0	0
540	Transportation	0	0	2,282,354	0
550	Natural and Economic Environment	265,305	0	0	0
560	Social Services	0	0	0	0
570	Culture And Recreation	0	0	0	0
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:		265,305	52,960	2,282,354	
Net Operating Increase (Decrease):		-7,320	-7,357	839,261	745
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	0	0	5,000	146,953
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	0	0	30,000	0
Total Nonoperating Revenues:				35,000	146,953
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	0	0	429,184	0
591-593	Debt Service	0	0	5,816	0
594-595	Capital Expenditures	0	0	629,173	0
597	Transfers-Out	0	0	0	0
Total Nonoperating Expenditures:				1,064,173	
Increase (Decrease) In Cash and Investments		-7,320	-7,357	-189,912	147,698
Ending Cash and Investments					
50810	End Fund Bal-Reserved	197,597	72,681	1,063,405	797,825
50880	End Fund Balance-Unreserved	0	0	0	0

The accompanying notes are an integral part of this Statement.

BARS Code		144 ARTERIAL PRESERV (1420.000)	146 MENTAL HEALTH (1140.020)	147 DEVELOP DISABLILITES (1140.030)	148 COMM HEALTH - CMASA (1140.040)
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	216,902	35	35	20,854
30880	Beg Fund Bal-Unreserved	0	0	0	0
38800/58800	Prior Period Adjustments, net	0	0	0	0
Operating Revenues					
310	Taxes	0	0	0	0
320	Licenses & Permits	0	0	0	0
330	Intergovernmental Revenues	128,427	-35	-35	8,396
340	Charges for Goods and Services	0	0	0	0
350	Fines & Penalties	0	0	0	0
360	Miscellaneous Revenues	4,110	0	0	-31
Total Operating Revenues:		132,537	-35	-35	8,365
Operating Expenditures					
510	General Government	0	0	0	0
520	Public Safety	0	0	0	0
530	Utilities	0	0	0	0
540	Transportation	0	0	0	0
550	Natural and Economic Environment	0	0	0	0
560	Social Services	0	0	0	6,813
570	Culture And Recreation	0	0	0	0
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:					6,813
Net Operating Increase (Decrease):		132,537	-35	-35	1,552
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	75,000	0	0	0
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	0	0	0	0
Total Nonoperating Revenues:		75,000			
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	0	0	0	0
591-593	Debt Service	0	0	0	0
594-595	Capital Expenditures	0	0	0	0
597	Transfers-Out	0	0	0	22,406
Total Nonoperating Expenditures:					22,406
Increase (Decrease) in Cash and Investments		207,537	-35	-35	-20,854
Ending Cash and Investments					
50810	End Fund Bal-Reserved	424,439	0	0	0
50880	End Fund Balance-Unreserved	0	0	0	0

The accompanying notes are an integral part of this Statement.

BARS Code		150 LAW LIBRARY (1050.000)	160 BOATING SAFETY (1060.000)	170 SHERIFF'S DEPT DRUG (1070.000)	180 911 SERVICES (1080.000)
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	4,504	2,621	41,814	567,686
30880	Beg Fund Bal-Unreserved	0	0	0	0
38800/58800	Prior Period Adjustments, net	0	0	0	0
Operating Revenues					
310	Taxes	0	0	0	92,798
320	Licenses & Permits	0	0	0	0
330	Intergovernmental Revenues	0	5,633	0	490,216
340	Charges for Goods and Services	3,483	0	0	0
350	Fines & Penalties	0	0	4,278	0
360	Miscellaneous Revenues	0	0	3,346	19
Total Operating Revenues:		3,483	5,633	7,624	583,033
Operating Expenditures					
510	General Government	350	0	0	0
520	Public Safety	0	8,185	9,584	715,714
530	Utilities	0	0	0	0
540	Transportation	0	0	0	0
550	Natural and Economic Environment	0	0	0	0
560	Social Services	0	0	0	0
570	Culture And Recreation	3,197	0	0	0
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:		3,547	8,185	9,584	715,714
Net Operating Increase (Decrease):		-64	-2,552	-1,960	-132,681
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	0	0	17	0
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	0	0	2,000	0
Total Nonoperating Revenues:				2,017	
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	0	0	0	0
591-593	Debt Service	0	0	0	0
594-595	Capital Expenditures	0	0	0	39,053
597	Transfers-Out	0	0	0	0
Total Nonoperating Expenditures:					39,053
Increase (Decrease) in Cash and Investments		-64	-2,552	57	-171,734
Ending Cash and Investments					
50810	End Fund Bal-Reserved	4,440	69	41,871	395,952
50880	End Fund Balance-Unreserved	0	0	0	0

The accompanying notes are an integral part of this Statement.

BARS Code		185 INMATE WELFARE (1085.000)	190 CRIMINAL INVESTIGATIVE (1090.000)	201 BOND/NOTE REDEMPT FD (2010.000)	230 AFFORDABLE HOUSING FD (1230.000)
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	17,934	76,694	63,762	62,953
30880	Beg Fund Bal-Unreserved	0	0	0	0
38800/58800	Prior Period Adjustments, net	0	0	0	0
Operating Revenues					
310	Taxes	0	0	0	0
320	Licenses & Permits	0	0	0	0
330	Intergovernmental Revenues	0	0	0	0
340	Charges for Goods and Services	9,114	106	0	12,865
350	Fines & Penalties	0	15,902	0	0
360	Miscellaneous Revenues	2,856	0	0	0
Total Operating Revenues:		11,970	16,008		12,865
Operating Expenditures					
510	General Government	0	0	1,452	0
520	Public Safety	2,472	4,362	0	0
530	Utilities	0	0	0	0
540	Transportation	0	0	0	0
550	Natural and Economic Environment	0	0	0	0
560	Social Services	0	0	0	0
570	Culture And Recreation	0	0	0	37,000
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:		2,472	4,362	1,452	37,000
Net Operating Increase (Decrease):		9,498	11,646	-1,452	-24,135
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	0	0	342,851	0
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	0	0	0	0
Total Nonoperating Revenues:				342,851	
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	0	0	0	0
591-593	Debt Service	0	0	291,847	0
594-595	Capital Expenditures	1,858	0	0	0
597	Transfers-Out	0	0	0	0
Total Nonoperating Expenditures:		1,858		291,847	
Increase (Decrease) in Cash and Investments		7,640	11,646	49,552	-24,135
Ending Cash and Investments					
50810	End Fund Bal-Reserved	25,574	88,340	113,314	38,818
50880	End Fund Balance-Unreserved	0	0	0	0

The accompanying notes are an integral part of this Statement.

BARS Code		250 CO CLERK COLLECTION FD (1250.000)	260 REET TECHNOLOGY FUND (1260.000)	270 TRIAL COURT IMPROVT (1270.000)	301 CAPITAL IMPROVEMENT (3010.000)
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	26,227	53,696	46,079	298,522
30880	Beg Fund Bal-Unreserved	0	0	0	0
38800/58800	Prior Period Adjustments, net	0	0	0	0
Operating Revenues					
310	Taxes	0	0	0	435,764
320	Licenses & Permits	0	0	0	0
330	Intergovernmental Revenues	2,300	0	11,996	23,513
340	Charges for Goods and Services	18,647	1,228	0	0
350	Fines & Penalties	0	0	0	0
360	Miscellaneous Revenues	0	0	0	516
Total Operating Revenues:		20,947	1,228	11,996	459,793
Operating Expenditures					
510	General Government	27,412	53,343	0	0
520	Public Safety	0	0	0	0
530	Utilities	0	0	0	0
540	Transportation	0	0	0	0
550	Natural and Economic Environment	0	0	0	0
560	Social Services	0	0	0	0
570	Culture And Recreation	0	0	0	0
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:		27,412	53,343		
Net Operating Increase (Decrease):		-6,465	-52,115	11,996	459,793
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	0	0	0	30,250
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	0	0	0	0
Total Nonoperating Revenues:		0			30,250
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	0	0	0	0
591-593	Debt Service	0	0	0	0
594-595	Capital Expenditures	0	0	0	247,618
597	Transfers-Out	0	0	3,700	0
Total Nonoperating Expenditures:				3,700	247,618
Increase (Decrease) in Cash and Investments		-6,465	-52,115	8,296	242,425
Ending Cash and Investments					
50810	End Fund Bal-Reserved	19,768	1,581	54,375	540,947
50880	End Fund Balance-Unreserved	0	0	0	0

The accompanying notes are an integral part of this Statement.

BARS Code		401 SOLID WASTE OPER (4010.000)	501 ER & R GENERAL (5010.000)	505 CENTRAL SERVICES (5050.000)
Beginning Cash and Investments				
30810	Beg Fund Bal-Reserved	0	0	0
30880	Beg Fund Bal-Unreserved	53,307	237,987	6,047
38800/58800	Prior Period Adjustments, net	0	0	0
Operating Revenues				
310	Taxes	0	0	0
320	Licenses & Permits	0	0	0
330	Intergovernmental Revenues	111,297	92,643	0
340	Charges for Goods and Services	569,825	934,780	0
350	Fines & Penalties	0	0	0
360	Miscellaneous Revenues	-13,067	111,265	0
Total Operating Revenues:		668,055	1,138,688	
Operating Expenditures				
510	General Government	0	0	0
520	Public Safety	0	0	0
530	Utilities	673,111	0	0
540	Transportation	0	715,010	0
550	Natural and Economic Environment	0	0	0
560	Social Services	0	0	0
570	Culture And Recreation	0	0	0
598	Intergovernmental Payments	0	0	0
Total Operating Expenditures:		673,111	715,010	
Net Operating Increase (Decrease):		-5,056	423,678	0
Nonoperating Revenues				
370, 380, 395, 398	Other Financing Sources	5,000	554,355	0
391-393	Debt Proceeds	0	0	0
397	Transfers-In	0	0	0
Total Nonoperating Revenues:		5,000	554,355	
Nonoperating Expenditures				
580, 596, 599	Other Financing Uses	4,782	146,954	0
591-593	Debt Service	1	745	0
594-595	Capital Expenditures	0	98,642	0
597	Transfers-Out	0	0	0
Total Nonoperating Expenditures:		4,783	246,341	
Increase (Decrease) in Cash and Investments		-4,839	731,692	0
Ending Cash and Investments				
50810	End Fund Bal-Reserved	0	0	6,047
50880	End Fund Balance-Unreserved	48,468	969,679	0

The accompanying notes are an integral part of this Statement.

FIDUCIARY FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2013

BARS Code		Total for All funds	631 COUNTY RETIREE INSUR	632 TREASURER'S TRUST	635 Court Clerk Trust Account
308	Beginning Cash and Investments	128,683	1,575	4,679	9,166
388 and 588	Prior Period Adjustments, net	22,742	0	0	0
310-360	Revenues	0	0	0	0
380-390	Other Increases and Financing Sources	1,859,287	964	84,666	303,047
510-570	Expenditures	0	0	0	0
580-590	Other Decreases and Financing Uses	1,813,901	0	0	290,568
Increase (Decrease) in Cash and Investments		45,386	964	84,666	12,479
508	Ending Cash and Investments	196,811	2,539	89,345	21,645

BARS Code		636 TIMBER TAX ACCOUNT	637 District Court Trust Account	638 Dept of License	639 Sheriff Inmate Trust
308	Beginning Cash and Investments	94,703	18,560	0	0
388 and 588	Prior Period Adjustments, net	0	0	3,405	18,036
310-360	Revenues	0	0	0	0
380-390	Other Increases and Financing Sources	0	516,290	904,607	35,062
510-570	Expenditures	0	0	0	0
580-590	Other Decreases and Financing Uses	35,643	523,983	906,882	40,875
Increase (Decrease) in Cash and Investments		-35,643	-7,693	-2,275	-5,813
508	Ending Cash and Investments	59,060	10,867	1,131	12,223

BARS Code		640 Sheriff Bail Transfer
308	Beginning Cash and Investments	0
388 and 588	Prior Period Adjustments, net	1,300
310-360	Revenues	0
380-390	Other Increases and Financing Sources	14,651
510-570	Expenditures	0
580-590	Other Decreases and Financing Uses	15,950
Increase (Decrease) in Cash and Investments		-1,299
508	Ending Cash and Investments	1

The accompanying notes are an integral part of this Statement.

Note 1 – Summary of Significant Accounting Policies

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

The County of Skamania was incorporated in 1854 and operates under the laws of the state of Washington applicable to a seventh class county with a commission form of government. The County is a general purpose government and provides public safety, road improvement, parks and recreation, judicial administration, health and social services and general administrative services. In addition, the County owns and operates a solid waste facility. The County uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

A. Fund Accounting

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

GOVERNMENTAL FUND TYPES:

General (Current Expense) Fund

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

The current expense fund includes the following twelve 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.

- 1020 C/R Insurance
- 1021 C/R Contingent Liability
- 1022 Economic Development
- 1023 C/R Salaries and Wages
- 1065 LEOFF 1 Disability Board
- 1024 Cumulative Reserve Buildings and Grounds
- 1025 C/R Land Acquisition
- 1026 C/R Facilities and Land
- 1027 C/R Loan Fund
- 1130 Cable Television
- 1280 Nuisance Control
- 1291 Wind River Business Park

Special Revenue Funds
These funds account for specific revenue sources that are legally restricted or committed to expenditures for specified purposes of the County.

Capital Project 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.

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.

PROPRIETARY FUND TYPES:

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

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

FIDUCIARY FUND TYPES:

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

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

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

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year's budget appropriations as required by state law.

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

C. Budgets

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

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting, except for the current expense fund, which for financial reporting contains twelve managerial funds. These funds are budgeted separately.

Budget 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.

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

Fund/Department	Final Appropriated Amount	Actual Expenditures	Variance
Current Expense			
Boundary Review Board	3,304	100	3,204
Commissioners	383,012	370,698	12,314
Superior Court	259,253	256,201	3,052
Clerk	275,693	274,535	1,158
District Court	431,099	425,900	5,199
Treasurer	287,913	271,720	16,193
Auditor	377,533	376,474	1,059
Assessor	325,992	322,566	3,426
Board of Equalization	3,600	1,155	2,445
Civil Service	1,000	-	1,000
Prosecutor	493,429	492,301	1,128
Support Enforcement	50,584	49,518	1,066
Sheriff	2,390,416	2,156,297	234,119
Probation	78,750	76,596	2,154
Jail	926,676	818,978	107,698
Jail Work Crew	178,243	170,651	7,592
Emergency Management	82,481	74,329	8,152
Juvenile Services	276,720	269,953	6,767
Noxious Weed	311,989	259,467	52,522
Animal Control/Code Enforcement	94,316	76,596	17,720
Community Development - Environmental Health	745,846	649,764	96,082
Coroner	27,397	24,010	3,387
Cooperative Extension	58,324	57,824	500
General Services	2,054,210	1,862,534	191,676
External Services	123,138	116,792	6,346
Operating Transfers Out & Loan Repayments	1,008,150	2,826,003	(1,817,853)
Total General Fund - Budgeted	11,249,068	12,280,962	(1,031,894)
1020 - C/R Insurance*	360,000	306,169	53,831
1021 - C/R Contingent Liability*	163,000	14,598	148,402
1022 - C/R Economic Development*	8,909	-	8,909
1023 - C/R Salaries, Wages & Benefits*	242,150	225,826	16,324
1025 - Land Acquisition*	500	-	500

Fund/Department	Final Appropriated Amount	Actual Expenditures	Variance
1026 -C/R County Facilities and Land*	1,001	-	1,001
1027 C/R Loan*	30,532	1,318,127	(1,287,595)
1030 - Hotel Motel Tax	40,000	40,000	-
1040 - Crime Victim	54,111	52,960	1,151
1050 - Law Library	5,387	3,547	1,840
1060 - Boating Safety	8,389	8,185	204
1065 - LEOFF 1 Diability Board	-		-
1070 - Sheriff Drug	18,069	9,584	8,485
1080- E 911 Services	807,689	754,767	52,922
1085 - Inmate Welfare	13,000	4,330	8,670
1090- Sheriff's Criminal Investigation	7,550	4,362	3,188
1120- Treasurer's Operation & Maint	4,750	3,546	1,204
1130 - Cable TV*	570	-	570
1140 - Community Health	1,534,813	1,402,316	132,497
1140.040 - Community Health - CMASA	12,259	29,219	(16,960)
1160 - Senior Services	910,157	806,278	103,879
1170 - Veteran's Relief	60,000	44,335	15,665
1180 - Election Reserve	126,291	100,316	25,975
1190 - Auditor's O & M	56,528	43,838	12,690
1230 - Affordable Housing	74,279	37,000	37,279
1250 - County Clerk	27,754	27,412	342
1260 - Real Estate Excise Tax - Technology	57,058	53,343	3,715
1270 - Trial Court	3,700	3,700	-
1280 - Nuisance Control*	15,000	8,373	6,627
1290/1291 -Wind River Business Park*	22,000	6,438	15,562
1300 - Title III	385,000	265,305	119,695
1310 - CDBG	100,000	74,078	25,922
1320 - Homeless Housing and Assistance	187,790	52,000	135,790
1330 - Family Support Fund	10,971	-	10,971
1400 - County Road	7,177,998	3,346,527	3,831,471
1410 - C/R County Road	-	-	-
1420 - Arterial Preservation	30,000	-	30,000
2010 - Bond Anticipation Note Fund	435,352	293,299	142,053
3010 -Capital Improvements	456,850	247,618	209,232
4010 - Solid Waste	825,617	677,894	147,723
5010 - ER & R Fund	1,438,119	961,351	476,768
5050 - Central Services	-		-
Total County Funds	26,962,211	23,507,603	3,454,608

* Managerial Funds are reported in the financial statements with the current expense Fund

D. Cash

It is the County's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is posted to the current expense fund.

E. Deposits

The County's deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation and by the Washington Public Deposit Protection Commission.

F. Investments (See Note 3)

G. Capital Assets

Capital assets are assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of 5 years. Capital assets are long-lived assets of the County and are recorded as expenditures when purchased.

H. Compensated Absences

Vacation leave may be accumulated up to 45 days and is payable upon separation, death or retirement.

Sick leave may be accumulated indefinitely. Upon death or retirement employees do receive payment for unused sick leave up to 100 days. For employees hired prior to January 1, 1980 accrued sick leave in excess of fifty days (but not to exceed fifty days pay) shall be paid at the salary level currently being paid to that employee upon separation for reasons other than retirement or death. Employees hired after January 1, 1980 shall not be entitled to payment for unused sick leave upon separation for reasons other than retirement or death.

Compensated absences payable at December 31, 2013 was $800,541.63.

I. Long-Term Debt

On June 19, 2012, the County obtained a $2.5 million bank loan for operating purposes. This debt bears an interest rate of 3.3%, and matures June 1, 2015. Interest is payable semiannually, the principal balance is due at maturity. (See Note 9)

J. Other Financing Sources or Uses

The County's "Other Financing Sources and Uses" consists of operating transfers in, operating transfers out, timber sales, sale of capital assets, purchase of capital assets and insurance recoveries.

K. Reserved Cash Balance

Cash balances are displayed as reserved when the use of the cash is reserved by internal or external requirements. These reserve balances are to be used for the following functions:

General Government	$847,620
Public Safety	$624,487
Economic Environment	$518,043
Mental and Physical Health	$629,158
Transportation	$2,285,669
Capital Improvements	$596,903
Debt Service	$113,314

L. Risk Management

Skamania County's risk management activities consist of general liability, worker's compensation, unemployment and property. Skamania County is a member of the Washington Counties Risk Pool ("Pool"). Other Washington counties that are Pool members include: Adams, Benton, Chelan and Clallam, Clark, Columbia, Cowlitz and Douglas, Franklin, Garfield, Grays Harbor and Island, Jefferson, Kittitas, Lewis and Mason, Okanogan, Pacific, Pend Oreille and San Juan, Skagit, Spokane and Thurston, Walla Walla, Whatcom and Yakima Counties. Kitsap, Klickitat and Whitman Counties are former Pool members, having voluntarily terminated their memberships beginning October 1st of 2010, 2002 and 2003 respectively.

Background: The Pool was formed August 18, 1988 after an Interlocal (Cooperative) Agreement under Chapter 39.34 RCW was approved by several Washington counties. The agreement and cooperative created a mechanism to provide member counties with "joint" programs and services including self-insurance, purchasing of insurance, and contracting for or hiring of personnel to provide administrative services, claims handling, and risk management. Washington's pools operate under the state's "pooling" laws and regulations, more specifically, RCW 48.62 RCW and WAC 200.100. They must be first approved and then are overseen by the State Risk Manager, and they are subject to annual fiscal audits performed and issued by the State Auditor's Office.

Noteworthy is the definition of "insurer" within RCW 48.01.050 for application of the Washington Insurance Code, which reflects the following:

Two or more local government entities, under any provision of law, that join together and organize to form an organization for the purpose of jointly self-insuring or self-funding are not an "insurer" under this code.

Thus, under Washington law the Pool is not an insurance company, and therefore, not subject to the rules governing insurance policy interpretation.

The Pool's mission is: To provide comprehensive and economical risk coverage; to reduce the frequency and severity of losses; and to decrease costs incurred in the managing and litigation of claims. Its core values include: being committed to learn, understand and respond to the member counties' insurance needs; being committed to establish working relationships with all members that identify business issues and jointly develop solutions; member counties commit to allocate necessary resources to risk management in their own operations. The Pool's board of directors and professional staff share a commitment to manage the organization based on sound business principles, benchmarked industry standards and measurable outcomes, and being committed to continuous planning and innovation in product development and service delivery.

A Membership Compact was added as an addendum to the Interlocal Agreement in 2000. It constitutes a commitment to strengthen the Pool by helping member counties implement and/or enhance their local risk management efforts to reduce losses and support the best management of the Pool and its resources. It obligates member counties to support these

goals through three major elements – membership involvement, risk control practices, and a targeted risk management program(s).

New members may be asked to pay modest fees to cover any costs to analyze the member's loss data and risk profile, but they are normally only required to contribute their proportional shares on their entry year's insuring assessments. Members contract initially under the Interlocal Agreement to remain in the Pool for at least five years. Following the initial term, a county may terminate its membership at the conclusion of any Pool fiscal year, provided the county timely files its required advance written notice; otherwise, the Interlocal Agreement and memberships automatically renew for another year. Even after termination, former members remain responsible for reassessments by the Pool for the members' proportional shares of any unresolved, unreported, and in-process claims for the periods that the former members were signatories to the Interlocal Agreement.

Joint Self-Insurance Liability Program ("JSILP"): The Pool, which recently celebrated its Silver Anniversary, has been providing its membership with occurrence-based, jointly purchased and/or jointly self-insured 3rd-party liability coverage since October 1, 1988 for bodily injury, personal injury, property damage, errors and omissions, and advertising injury caused by an occurrence during the policy period and occurring anywhere in the world. Total coverage limits have grown from the $1 million limit that existed during the Pool's initial two insuring months to $5 million, then to $10 million and onto $15 million before reaching the $20 million occurrence limit that has existed since October 1, 2003. (Note: Additional occurrence limits of $5 million have been available for many years for member counties to choose as an individual county-by-county option.) There are no aggregate limits to the payments the WCRP makes for any one member county or all member counties combined.

The initial $10 million in coverage is jointly self-insured. The remaining JSILP coverage, up to $15 million, is acquired as "following form" excess insurance from higher rated commercial carriers. Member counties annually select a deductible amount applicable to each occurrence from these options: $10,000, $25,000, $50,000, $100,000, $250,000 or $500,000. Reinsurance is acquired from higher rated carriers as well to protect the Pool directly and its member counties indirectly from larger-valued losses. The reinsuring program is written with a self-insured retention ("SIR") equal to the greater of the applicable member's deductible or $100,000. The reinsuring agreements also include first and second layer corridor elements – to $1 million and from $1 to $2 million – with cumulative (WCRP) retentions of $2.95 and $0.65 million and annual aggregate limits of $40 and $20 million respectively.

616 third-party liability claims (and lawsuits) were reported to the Pool by its member counties during Py2013, and added to the Pool's administrative database. This represented a 3% reduction in year-over-year filings and a continuation of recent years' decline in annual filings. The new filings raised the to-date total (Oct 1988 – Sep 2013) to 19,232. Total incurred losses (payments made plus reserve estimates for *open* claims) increased $8.1 million during Py2013 to $250.9 million. The annual amount is 50% more than the corresponding Py2012 amount of $5.4M, but it represents just 51% of the Py2011 increase of $16.0M, 46% of the $17.8M in Py2010, and only 39% of the $20.8M annual average for Py2007 through Py2009. Only 327 claims remained classified as *'open'* at year-end. With 307 additional claims projected by the

actuary from all years as incurred but not yet reported ("IBNR"), the Pool's estimated ultimate claims totaled 19,539 as of September 30, 2013.

The independent actuary's projection of total reserves for claims that are expected to be the Pool's responsibility decreased slightly (-1%) from Py2012 to $14.6 million. This amount includes $3.4 million (-21% from Py2012) for losses within the Pool's self-insured retention, $10.0 million (+7%) for losses subject to the "corridor" programs with the Pool's reinsurers, $0.2 million for losses within the Py2013 quota-shared (10%) upper reinsured layer, and $1.0 million (+3%) for estimated unallocated loss adjustment expenses. *NOTE: The corridor programs involving the WCRP's first (and now second) layer reinsurers began seven years ago. These programs included an occurrence coverage maximum of $0.5 million during the first three years, $1.0 million during the next three years, and of both $1.0 million and $2.0 million beginning with Py2013. Occurrence coverage minimums have remained since the corridor program began the greater of the applicable member deductible or $100,000.*

Washington Counties Property Program ("WCPP"): Beginning with Py2006 (October 1, 2005), WCRP added property insurance as a county-by-county option that is jointly-purchased from a consortium of higher rated commercial carriers. Since the initial offering, both participation and the total values of covered properties have nearly doubled. Twenty six WCRP counties with covered properties totaling over $2.7 billion participated in the optional insuring program during Py2013.

The WCPP includes All Other Peril coverage limits of $500 million per occurrence for losses to buildings and contents, vehicles, mobile/contractors equipment, EDP and communication equipment, etc., as well as Flood and Earthquake (catastrophe) coverages with separate occurrence limits, each being $200 million. All Other Perils coverage limits apply to any occurrence, even those affecting more than one participating county, and there are no annual (AOP) aggregate limitations. Flood and Earthquake coverages each include annual aggregate limits of $200 million. The WCPP coverage also includes sublimited items, e.g. Equipment Breakdown / Boiler & Machinery ($100 million), Special Flood Hazard Areas ($25 million). And there are endorsements for Green Construction Upgrades, Reproduction Coverage for Historic Structures, and Terrorism ($20 million).

AOP occurrence deductibles, which the participating counties select annually and which the counties are solely responsible for paying, range between $5,000 and $50,000. Higher deductibles are applicable to losses resulting from catastrophe relevant losses.

There were 15 claims filed during Py2013 by participating counties with loss estimates totaling $2.6 million and losses paid by fiscal year-end of $1.5 million. During its initial eight years as a WCRP optional insuring program, there have been 103 WCPP claims filed with to-date incurred losses totaling $15.5 million and losses paid through fiscal 2013 of $8.9 million. Considering the fact that to-date WCPP premiums have totaled $22.2 million, the WCPP's cumulative loss ratio is below 0.7.

Other Insurances: Several member counties also use the Pool's contracted producer (broker) to secure other (specialty) insurances. Examples include public officials bonds and crime (and

fidelity), cyber risks/security, special events/concessionaires, underground storage tank and other environmental hazards insurance coverages.

Governance / Oversight: The Pool is governed by a board of directors consisting of one director (and at least one alternate director) appointed by each member county. The Board, which is made up of both elected and appointed county officials, meets three times each year with the summer meeting being the Pool's Annual Meeting. The board of directors is responsible for a) determining the extent of the 3rd-party self-insured liability coverage to be offered (approving the insuring document or coverage form), b) selecting the reinsurance program(s) to acquire and the excess insurance(s) to be jointly purchased or offered for optional purchase by the member counties, c) approving the Pool's annual operating budget(s) and work program(s), and d) approving the members' deposit assessment and reassessment formulas for the policy year ensuing and for any deficient prior period(s).

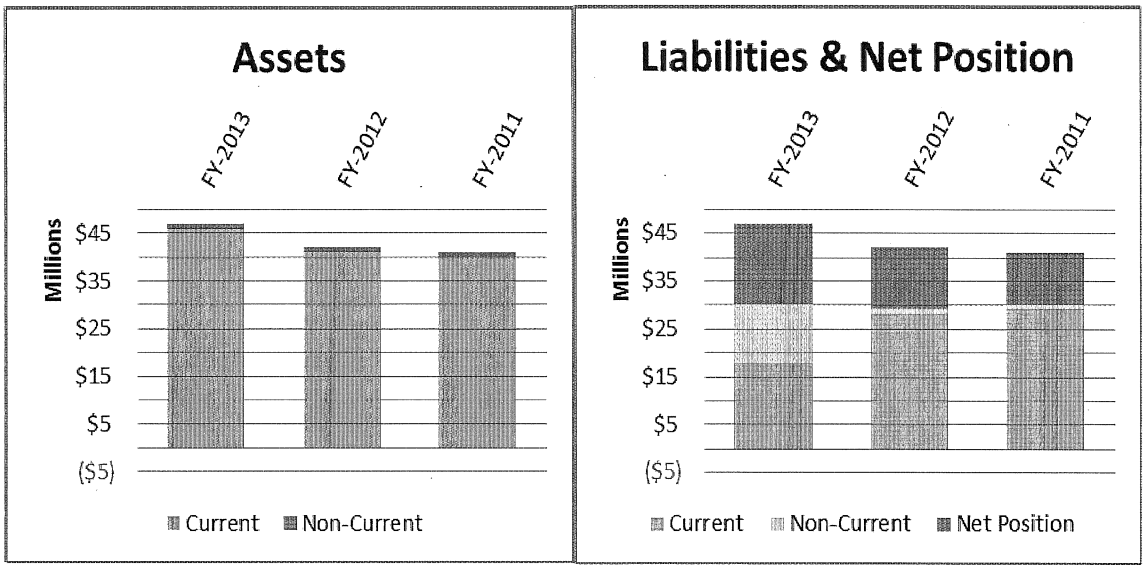
Regular oversight of the Pool's operations is provided by an 11-person executive committee selected from and by the WCRP Board. Committee members are elected to staggered, 3-year terms. The Committee meets several times throughout each policy year to: a) approve all WCRP disbursements and review the Pool's financial health; b) approve case settlements exceeding the applicable member's deductible by at least $50,000; c) review all claims with incurred loss estimates exceeding $100,000; and d) evaluate the Pool's operations and program deliverables as well as the Executive Director's performance. Committee members are expected to participate in the Board's standing committees (finance, personnel, risk management, and underwriting) for development or review/revision of the organization's policies and coverage documents.

Staffing and Support Teams: The Pool's multi-person claims staff with years of combined experience handles or oversees the handling of the several hundred liability cases each year filed upon and submitted by the Pool's member counties. This includes establishing reserves for covered events and estimating undiscounted future cash payments for losses and their related claims adjustment expenses. Other WCRP staffers provide various member services, e.g conducting member and potential member risk assessments and compliance audits, coordinating numerous Pool-sponsored trainings, researching other coverages, and marketing the Pool and its risk management services. Some address and support the organization's administrative needs.

Professionals from some of the more respected organizations worldwide are regularly called upon to address various needs of the Pool. More specifically, independent actuarial services are furnished by PricewaterhouseCoopers, LLP. Independent claims auditing is performed by Startegic Claims Direction LLC, and special claims audits are occasionally performed by the Pool's commercial reinsurers/insurers. Insurance producer (broker) and advanced loss control and prevention services are provided by Arthur J. Gallagher Risk Management Services, Inc.. Coverage counsel is furnished by J. William Ashbaugh of Hackett Beecher & Hart. These professionals are in addition to the many contracted and in-county attorneys assigned to defend the numerous Pool-covered cases, as well as the examinations by and services from both the State Risk Manager and State Auditor's Offices.

Financial Summary: During fiscal 2013, Pool assets grew 11% (+$4.8 million) and liabilities by 3% (+$1.0 million). Its net (financial) position, which is commonly referred to as "net assets" and sometimes as "owners' equity", improved 30% (+$3.9 million) during the Pool's Silver Anniversary year to $16.7 million as of September 30, 2013. Much of the net position is 'restricted' ($12.5 million) to address the Board of Directors' recently revised requirements in section D of its Underwriting Policy. *NOTE: This policy revision resulted in the Pool's own restriction increasing $7.5 million (+187%) and the unrestricted declining $3.8 million (-53%). The (State Risk Manager's) solvency provisions in WAC 200.100.03001(3) required $0.9 million for satisfaction, a year-over-year increase of $0.1 million (+15%).* Another $0.9 million is invested in capital assets (net of debt). The remaining $3.3 million is unrestricted.

$3.75 million in operating income was experienced during Py2013, an increase of 111% from Py2012. Operating revenues were 'flat', but expenses declined nearly $2.0 million (-15%). This reduction was in part due to even more favorable adjustments by the independent actuary, PricewaterhouseCoopers LLP ("PwC"), to the Pool's claims-related reserves, and to the reduction (-26%) in the premiums to acquire the reinsurance, excess insurance and property insurance policies requested by the Board.



Contingent Liability: The Pool is a cooperative program with joint liability amongst its participating members. Contingent liabilities occur when assets are not sufficient to cover liabilities. Deficits of the Pool resulting from any fiscal year are financed by reassessments (aka retroactive assessments) placed upon the deficient year's membership in proportion with the deposit assessments initially levied and collected. The Pool's reassessments receivable balance at December 31, 2013 was ZERO ($0) as there were no known contingent liabilities at that time.

Skamania County pays its claims costs through the Cumulative Reserve Contingent Liability Fund. Funds are appropriated in the Skamania County budget for these claim costs. These costs include the amount paid for a Washington Counties Risk Pool covered claim within the County's

$25,000 deductible and for any claims not covered by the Washington Counties Risk Pool's liability program. The Total Loss Reserves for Pool Year 2013 was $88,588.

UNEMPLOYMENT INSURANCE

Pursuant to Chapter 50.44.030 and 50.44.060 RCW, Skamania County makes payments for unemployment benefits to the Washington Employment Security Department in lieu of contributions. The Employment Security Department charges the full amount of unemployment benefits attributable to Skamania County.

Note 2 – Compliance and Accountability

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

There are two funds and one department of the current expense fund with expenditures exceeding legal appropriations.

Fund/Department	Amount	Explanation
Community Health - CMASA	$ (16,960)	Interfund transfers out did not have a budget supplement
C/R Loan	$(1,287,595)	Authorized Interfund Loans did not have a budget supplement
General Fund - Operating Transfers	$(1,817,853)	Interfund loan repayments authorized by the board were not included in a budget supplement

Note 3 – Investments

The County's investments are insured, registered, or held by the County or its agent in the County's name. Investments are stated at cost and classified with cash on the financial statements.

Investments by type at December 31, 2013 are as follows:

Type of Investment	County's Own Investments	Investments held by County as an agent for other local governments	Total
Time Deposits	$ 1,645,764	$ 7,207,369	$ 8,853,133
Passbook - Cash	2,500	225,090	227,590
Checking - Cash	2,526,582	11,575,626	14,102,208
State Pool	326,507	-	326,507
Municipal Investment Account	78,015	-	78,015
Total	$ 4,579,368	$ 19,008,085	$ 23,587,453

Total amount held as cash at 12/31/2013 is $$2,821,710. This represents cash on hand of $39,853 and checking accounts (less outstanding warrants) of $2,781,857.

Note 4 – Property Taxes

The County treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections are distributed at the end of each month. Property tax revenues are recognized when cash is received by the County. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied.

The County's regular levy for 2013 was $1.4427 per $1,000 on an assessed valuation of $1,346,748,598 for a total regular levy of $1,942,956.

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 governmental services. The County's road levy for 2013 was $1.4868 per $1,000 on an assessed valuation of $1,065,256,581 for a total regular levy of $1,583,899.

Note 5 – Interfund Loans and Advances

The following table displays interfund loan activity during 2013:

Borrowing Fund	Lending Fund	Balance 1/1/13	New Loans	Repayments	Balance 12/31/13
Current Expense	C/R Loan	107,863		107,863	-
Current Expense	C/R Loan	160,000		160,000	-
Current Expense	C/R Loan	170,000		170,000	-
Current Expense	C/R Loan	354,237		354,237	-
Current Expense	CAPP	400,000		75,000	325,000
Current Expense	C/R Loan (124)	-	498,127	380,267	117,860
Current Expense	C/R Loan (124)	-	60,000		60,000
Current Expense	C/R Loan (124)	-	500,000		500,000
Current Expense	C/R Loan (124)	-	260,000		260,000
County Road	ER&R	727,597		424,184	303,413
Current Expense	Community Health	425,000		75,000	350,000
Solid Waste	ER&R **	18,023			18,023
Solid Waste	ER&R **	23,534			23,534
Current Exp	ER&R **	123,279		79,321	43,958
Solid Waste	County Road	64,000			64,000
Solid Waste	County Road		5,000	5,000	-
Current Expense	C/R Loan	554,421		554,421	-
ER&R	Co. Road C/R Maintenance *	146,953		146,953	-
Total		3,274,907	1,323,127	2,532,246	2,065,787

* The beginning balance of this loan has been adjusted for payments made during 2012 that were reclassified correctly as loan payments in 2013. The change is a $5,763 decrease in the beginning balance.
**The beginning balances of these loans are adjusted for expenditures in the ER&R fund incurred on behalf of these funds in 2011. The loans were established for these funds to reimburse ER&R for those expenditures.

Note 6 – Long Term Debt

Resolution 2012-38 authorized the issuance of a Limited Tax General Obligation Bond Anticipation Note for 2012. The purpose of the note was to provide funds to support County operations.

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liability of the County and summarizes the County's debt transactions for 2013.

The debt service requirements for general obligation bonds including both principle and interest are as follows:

	Bond Anticipation Note	Total Debt
2014	62,915	62,915
2015	1,846,822	1,846,822
Total	1,909,737	1,909,737

Note 7 – Pension Plans

Substantially all County full-time and qualifying part-time employees participate in the Public Employees' Retirement System (PERS) and the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the County's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

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

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

Note 8 – Related Parties

Area Agency on Aging and Disabilities of Southwest Washington:

One County Commissioner sits on the board of the Area Agency on Aging and Disabilities of Southwest Washington. Skamania County Senior Services is a contractor with the agency. In 2013, the County contracted with this agency for:

- $45,600 each year transportation- Older Americans Act Title IIIB and SCSA state funds for transportation
- $50,300 for nutrition- Congregate Meal and Home Delivered Meals- Older Americans Act Title IIIC,
- NSIP $35,800 information and assistance through the Older Americans Act IIIB
- SCSA $3,300 for Disease Prevention/Health Promotion (Older Americans Act IIID).

Southwest Washington Behavioral Health Regional Support Network:

The Southwest Washington Behavioral Health (SWBH) was formed July 16, 2012, through an inter-local agreement between Washington's Clark, Cowlitz and Skamania counties. SWBH opened for business on October 1, 2012. SWBH is organized under RCW 71.24, Community Mental Health Services Act, and RCW 39.34, Inter-local Cooperation Act, to manage the delivery of comprehensive mental health services throughout the SWBH three county catchment areas.

The Skamania County Community Health Staff and one Commissioner from each of the three counties worked for a period of nine months to prepare for the October 1, 2012 effective date for SWBH.

During 2012, but prior to October 1, 2012, Community Health (SCCH) contracted with consultants on behalf of SWBH. Clark and Cowlitz counties made payments to Community Health to reimburse their share of the consultant professional services costs.

October 1, 2012 and ongoing:
One Skamania County Commissioner is on the Governing Board of SWBH (one commissioner from each county make up the Board).

SCCH receives five types of payments from SWBH – these are paid on contracts negotiated between SCCH and SWBH:

RSN Coordination – paid annually (334.046.303-State/346.400.502-Medicaid). Payment made to SCCH to help offset the costs of coordination with the RSN (and two other counties) was $35,043 in 2013.

RSN PHP Funds – monthly payments (346.400.500) to pay for a mental health program to provide mental health services to Medicaid eligible residents. $400,000 anticipated annually

State Consolidated Funds – monthly payments (334.046.300) to pay for a mental health program to provide 24-hour Crisis Response and other mental health services that are not allowable by Medicaid. $200,000 anticipated annually

Federal Block Grant Funds – annual contract to reimburse specific mental health expenses during the contract period, payments are received periodically through the year. (333.939.500) $10,000 anticipated annually

Jail Funds – monthly payments to pay for certain (limited) mental health services for transitioning inmates. (334.046.302) $9,000 anticipated annually

Skamania County Emergency Medical Services District 1:
In December, 2012, the County created the (Emergency Medical Services) EMS District to provide emergency medical services to county residents. The Board of County Commissioners is the governing body of the EMS District. The County, thru inter local agreement, has entered into a relationship with the North County EMS District to provide emergency medical services to the Skamania County EMS District #1.

Note 9 – Other Disclosures

Other Postemployment Benefit Plans

In addition to the pension benefits described in Note 7, the County provides two other postemployment benefit (OPEB) plans to employees as follows:

LEOFF I Healthcare Reimbursements: In accordance with state law, the County provides health insurance benefits for public safety employees who retired under LEOFF I while working for the County. This plan pays for the participant's healthcare premiums, healthcare co-payments and other medical costs. There are seven (7) retirees who receive these benefits and will receive these benefits the rest of their lives. Currently, Skamania County does not have any employees that are eligible for the LEOFF I plan actively working.

Retiree Health Premiums: The County allows certain retirees to purchase health insurance premiums at a subsidized rate. Beginning April 1, 2010, retired employees up to the age of 65, may purchase health insurance premiums through the County's health insurance provider at the same rate of active employees. Prior to this date, any retiree, regardless of their age could participate in this benefit. Those retirees have been grandfathered into the new program and can continue to purchase their health insurance premiums even after the age of 65. Out of the seven retirees the county pays health insurance premiums under a retiree plan if they are under 65. If the retiree is over 65 the County pays for their health insurance premium for a medigap plan and for their Medicare Part B and D.

Both of these plans are on a pay as you go basis. The liabilities associated with these plans have not been estimated.

Other

From 2002 to 2009 the county has received approximately $5 million in federal forest replacement funds. In 2010 that number was reduced to $4.5 million then to $3.6 million in 2011. In 2012 and 2013 forest funds were drastically reduced to $1.8 million. Reductions continue to be announced to include elimination altogether. Almost 18% of our Current Expense Budget depends on those revenues. The reductions have already required us to make drastic cuts to staff and operations. Our revised budget process allows us to forecast shortfalls early and take appropriate actions prior to final budget approval instead of during the budget year where options are limited.

Prior Period Adjustment

There is a prior period adjustment totaling $22,742, for funds that were left off of the financial statements in the prior year--Sheriff Office Bail Transfer, Dept. of License, and Inmate Trust accounts.

MCAG NO. 0160

Skamania County

Schedule 09

Schedule of Liabilities

For the year ended December 31, 2013

Debt Type	ID. No.	Description	Maturity/Payment Due Date	Beginning Balance January 1, 2013	Additions	Reductions	Ending Balance December 31, 2013
General Obligations							
	263.61	LTGO Bond Anticipation Note	6/1/2015	2,041,925	0	225,000	1,816,925
	259.11	Compensated Absences - Governmental Activities		1,070,928		295,927	775,001
		Total General Obligations:		**3,112,853**	**0**	**520,927**	**2,591,926**
Revenue Obligations							
	259.12	Compensated Absences - Solid Waste Proprietary Fund		45,634	0	20,094	25,540
		Total Revenue Obligations:		**45,634**	**0**	**20,094**	**25,540**
		Total Liabilities:		**3,158,487**	**0**	**541,021**	**2,617,466**

The accompanying notes to the financial statements are an integral part of this schedule

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2013

Federal Agency Name/Pass-Through Agency Name	Federal Program Name	CFDA Number	Other Award Number	Expenditures			Footnote Ref
				From Pass-Through Awards	From Direct Awards	Total Amount	
Food And Nutrition Service, Department Of Agriculture/Washington State Department of Health	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	Consolidated Contract 16900	45,595		45,595	2
Forest Service, Department Of Agriculture/Federal Forest Service	Schools and Roads - Grants to States	10.665	07-PA-11060300-043 M8		204,358	204,358	2
Forest Service, Department Of Agriculture/Federal Forest Service	Schools and Roads - Grants to States	10.665	Title 1 - Federal Forest Funds	1,631,062		1,631,062	
Forest Service, Department Of Agriculture/Federal Forest Service	Schools and Roads - Grants to States	10.665	Title III - Federal Forest Funds	265,305		265,305	5
			Total CFDA 10.665	**1,896,367**	**204,358**	**2,100,725**	
Forest Service, Department Of Agriculture/Federal Forest Service	Collaborative Forest Restoration	10.679	10-DG-11060300-016	27,237		27,237	
Office Of Community Planning And Development, Department Of Housing And Urban Development/State Department of Commerce	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228		85,440		85,440	4
Office Of Juvenile Justice And Delinquency Prevention, Department Of Justice/Washington State Juvenile Rehab Administration	Juvenile Accountability Block Grants	16.523	06663-98427	10,445		10,445	2
Violence Against Women Office, Department Of Justice/Washington State Commerce	Violence Against Women Formula Grants	16.588	F12-31103-085	12,230		12,230	2
Bureau Of Justice Assistance, Department Of Justice/Washington State Commerce	State Criminal Alien Assistance Program	16.606	2008-F2908-WA-AP	1,762		1,762	
Federal Highway Administration (fhwa), Department Of Transportation/Washington State Department of Transportation	Highway Planning and Construction	20.205	BHS Z930(001) LA-797 - Lundy/Morre Bridge Paint	172,341		172,341	
Federal Highway Administration (fhwa), Department Of Transportation/Washington State Department of Transportation	Highway Planning and Construction	20.205	Wind River Overlay Project		414,237	414,237	

The accompanying notes to the Schedule of Expenditures are an integral part of this schedule

Federal Agency Name/Pass-Through Agency Name	Federal Program Name	CFDA Number	Other Award Number	Expenditures			Footnote Ref
				From Pass-Through Awards	From Direct Awards	Total Amount	
Federal Highway Administration (fhwa), Department Of Transportation/Washington State Department of Transportation	Highway Planning and Construction	20.205	Safety Enhancement HSIP-000S(260), LA7438	42,335		42,335	
			Total CFDA 20.205	**214,676**	**414,237**	**628,913**	
Federal Transit Administration (fta), Department Of Transportation/Washington State Department of Transportation	Rural Mobility - Dial a Ride/Mobility	20.513	WSDOT UCB 1045	29,481		29,481	
Federal Transit Administration (fta), Department Of Transportation/Washington State Department of Transportation	Rural Mobility Competitive Grant	20.513	UCO5335-01	88,110		88,110	
			Total CFDA 20.513	**117,591**		**117,591**	
Office Of Water, Environmental Protection Agency/Washington State Department of Health	Capitalization Grants for Drinking Water State Revolving Funds	66.468	Consolidated Contract 16900	7,026		7,026	
Administration For Community Living, Department Of Health And Human Services/Southwest Washington Agency on Aging	Special Programs for the Aging_Title III, Part D_Disease Prevention and Health Promotion Services	93.043	Health Promotion	2,710		2,710	
Administration For Community Living, Department Of Health And Human Services/Southwest Washington Agency on Aging	Special Programs for the Aging_Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	Information & Assistance III-B	12,151		12,151	
Administration For Community Living, Department Of Health And Human Services/Southwest Washington Agency on Aging	Special Programs for the Aging_Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	Senior Medical Transportation III-B	23,456		23,456	3
			Total CFDA 93.044	**35,607**		**35,607**	
Administration For Community Living, Department Of Health And Human Services/Southwest Washington Agency on Aging	Special Programs for the Aging_Title III, Part C_Nutrition Services	93.045	Congregate Meals IIIC-1	41,408		41,408	3
Administration For Community Living, Department Of Health And Human Services/Southwest Washington Agency on Aging	Special Programs for the Aging_Title III, Part C_Nutrition Services	93.045	Home Delivered Meals IIIC-2	16,341		16,341	
			Total CFDA 93.045	**57,749**	**0**	**57,749**	

The accompanying notes to the Schedule of Expenditures are an integral part of this schedule

Federal Agency Name/Pass-Through Agency Name	Federal Program Name	CFDA Number	Other Award Number	Expenditures			Footnote Ref
				From Pass-Through Awards	From Direct Awards	Total Amount	
Centers For Disease Control And Prevention, Department Of Health And Human Services/Washington State Department of Health	Public Health Emergency Preparedness	93.069	PHEPR H1N1/LHJ	15,459		15,459	2
Office Of Population Affairs, Department Of Health And Human Services/Washington State Department of Health	Family Planning_Services	93.217	Consolidated Contract #C16900	4,337		4,337	2, 3
Centers For Disease Control And Prevention, Department Of Health And Human Services/Washington State Department of Health	Immunization Cooperative Agreements	93.268	Consolidated Contract #C16900	1,938		1,938	
Centers For Disease Control And Prevention, Department Of Health And Human Services/Washington State Department of Health	PPHF 2012 - Prevention and Public Health Fund (Affordable Care Act) - Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by 2012 Prevention and Public Health Funds	93.539	Consolidated Contract #C16900	3,018		3,018	2
Administration For Children And Families, Department Of Health And Human Services/Washington State Department of Social And Health Services	Child Support Enforcement	93.563	0963-73641	20,489		20,489	5
Administration For Children And Families, Department Of Health And Human Services/Washington State Department of Social And Health Services	Child Support Enforcement	93.563	0963-73641 (Contract # 6243-90938)	36,174		36,174	5
			Total CFDA 93.563	**56,663**		**56,663**	
Administration For Community Living, Department Of Health And Human Services/Secretary of State	Voting Access for Individuals with Disabilities_Grants to States	93.617	Election G-2854. US Elections Assistance Commission. Help America Vote Act	1,771		1,771	
Centers For Medicare And Medicaid Services, Department Of Health And Human Services/Southwest Washington Agency on Aging	Medical Assistance Program	93.778	Community Transformation Grant-Healthy Communities Hub	10,539		10,539	2

The accompanying notes to the Schedule of Expenditures are an integral part of this schedule

Federal Agency Name/Pass-Through Agency Name	Federal Program Name	CFDA Number	Other Award Number	Expenditures			Footnote Ref
				From Pass-Through Awards	From Direct Awards	Total Amount	
Centers For Medicare And Medicaid Services, Department Of Health And Human Services/Southwest Washington Agency on Aging	Medical Assistance Program	93.778	Title XIX Copes	12,696		12,696	2
Centers For Medicare And Medicaid Services, Department Of Health And Human Services/Medicaid	Medical Assistance Program	93.778		24,178		24,178	2
			Total CFDA 93.778	**47,413**	**0**	**47,413**	
Substance Abuse And Mental Health Services Administration, Department Of Health And Human Services/Greater Columbia Health Network - Washington State Department of Health	Block Grants for Community Mental Health Services	93.958	Skamania - MHBG 12-13	5,742		5,742	2
Substance Abuse And Mental Health Services Administration, Department Of Health And Human Services/Washington State Department of Social and Health Services	Block Grants for Prevention and Treatment of Substance Abuse	93.959	1163-27324	38,309		38,309	2
Health Resources And Services Administration, Department Of Health And Human Services/Washington State Department of Health	Maternal and Child Health Services Block Grant to the States	93.994	Consolidated Contract #C16900	27,908		27,908	2
Department Of Homeland Security/Military Department, Emergency Management Division	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4056-DR-WA, D12-050	34,237		34,237	
Department Of Homeland Security/Military Department, Emergency Management Division	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	817-DR-WA 059-99059-00 D12-050	20,478		20,478	
			Total CFDA 97.036	**54,715**	**0**	**54,715**	
Department Of Homeland Security/CRESA	Homeland Security Grant Program	97.067	K1035	1,520		1,520	2
Department Of Homeland Security/ CRESA	Homeland Security Grant Program	97.067	E12-246	40,000		40,000	2
Department Of Homeland Security/ CRESA	Homeland Security Grant Program	97.067	E11-108	9,500		9,500	2
			Total CFDA 97.067	**51,020**	**0**	**51,020**	
			Total Federal Awards Expended:	**2,822,728**	**618,595**	**3,441,324**	

The accompanying notes to the Schedule of Expenditures are an integral part of this schedule

Skamania County
Notes to the Schedule of Expenditures of Federal Awards

Note 1 BASIS OF ACCOUNTING

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

Note 2 PROGRAM COSTS

The amounts shown as current year expenditures represent only federal grant portion of the program costs. Entire program costs, including the county's portion, may be more than shown.

Note 3 PROGRAM INCOME

For certain grants, program income is generated when administering federal programs or projects. The receipt of program income is reflected on the SEFA using the deductive method. The total grant expenditures are presented net of program income. Program income was applied toward grant costs as follows:

20.509 Dial A Ride	10,202
93.044 Transportation	4,578
93.217 FRPH	911
93.045 Congregate	5,320

Note 4 AMOUNTS AWARDED TO SUBRECIPIENTS

Included in the total expended for this program is $79,008 that was passed through to a subrecipient that administered its own project.

Corrective Action Plan for Findings Reported Under OMB Circular A-133

Skamania County
January 1, 2013 through December 31, 2013

This schedule presents the corrective action planned by the auditee for findings reported in this report in accordance with OMB Circular A-133. The information in this schedule is the representation of the Skamania County.

Finding ref number: 1	**Finding caption:** The County did not have adequate internal controls to ensure compliance with federal grant requirements for allowable costs, reporting and matching requirements.
Name, address, and telephone of auditee contact person: Sheriff David S. Brown P.O. Box 790 Stevenson WA 98648	
Corrective action the auditee plans to take in response to the finding: *Condition: The county utilized title III funds for wages and benefits for patrol of federal forest lands, public education at special events and pre-planning) Use of title III funds for this purpose are not allowable.* *The County rejects the SAO claim that we have been mis-using title III funds and does not concur with the finding for the following reason:* *The County was informed in late 2013 of the guidelines set forth by the USFS and BLM in late 2012 as a result of the 2012 GAO audit. The utilization of title III funds for the above purposes was a recognized issue that surfaced in the 2012 audit as well. It was discussed at the exit interview in 2013 and all parties understood that the first 4 months of 2013 would produce the same condition. Because the county was not notified of the newly implemented guidelines until late 2013, it was not possible for the county to take any corrective action with regards to ensuring compliance. Upon notice by the SAO in late 2013, the county took the following steps to gain compliance with the guidelines:* • *Changes were made to activity sheets to exclude all activities except Search and Rescue and Emergency calls for service.* • *Regular patrol time is no longer recognized as allowable and the Sheriff no longer seeks reimbursement through Title 3 for this type of activity.* • *Capital expenditure reimbursement request are only made for those items used, lost or damaged while being utilized on an allowable call for service.*	

The SAO contends that the Sheriff's Office was incorrectly calculating title III reimbursement request that included funds for vehicle replacement. ***We do not disagree.*** *Reimbursement request for replacement of vehicles is not an allowable costs under the 2012 guidelines published for title III. In late 2013, In order to ensure consistency, we began using the overall ER&R vehicle rate of $.79/mile. We subsequently discovered that vehicle replacement of $.25/mile was included in that rate. Utilizing the actual Title 3 allowable mileage for 2013, and backing out the replacement rate of $.25/mile, the SAO was able to determine that the Sheriff's Office had been over reimbursed $807.17 for the FY 2013.*

In recognizing that our formula was flawed we are now only requesting reimbursement for actual mileage.

Anticipated date to complete the corrective action:
Corrective Actions were implemented in the fall of 2013 specific to wage and benefit reimbursement request. The current internal controls ensure consistency with established guidelines and monitoring is completed on a monthly basis. The Sheriff's Office contends that there should be no "back out" of funds for the wage and benefit condition raised by the SAO due to failure of the USFS to directly notify counties of the 2012 guidelines. The mileage issue has been resolved to reflect reimbursement request for mileage only and no longer includes replacement costs. The Sheriff's Office will make an adjustment in a future reimbursement request to account for the $807.17 error. The Sheriff will also conduct an audit of 2014 title III mileage reimbursement request and make appropriate adjustments if necessary.

Allowable Cost Concern for Title III
Skamania County is continuing their research on whether or not the 12.5% administrative costs are allowable or not. Our Forest Service contact states that they do not administer these federal funds and cannot provide us with adequate clarification as to whether these funds are allowed or not.

Recently we have found in the GAO report to the Committee on Energy and Natural Resources, US Senate document that "an association that provides guidance to Oregon counties receiving Title III funds advised the Oregon counties that reasonable overhead, administrative, and capital costs (such as equipment, overhead, training and administration) can be included for reimbursement, but recommended that the counties calculate a portion of these costs that could be fairly attributed to the services performed on federal lands." This information leads us to believe additional research is necessary before we formally agree with the determination provided from the Washington State Auditor's Office.

We will be researching this in the upcoming year, and hope to have more information by our next audit.

Finding ref number: 2	**Finding caption:** The County's financial condition has continued to decline which puts it at risk for not being able to meet its current obligations and maintain current services.
Name, address, and telephone of auditee contact person: Christopher Brong, Commissioner, P.O. Box 790 Stevenson, WA 98648 (509) 427-3701	
Corrective action the auditee plans to take in response to the finding: *The County recognizes the necessity to formulate a formally adopted contingency plan in the event Federal Forest funds are lost. The County has developed a procedure that has not yet been adopted. Work to complete will begin prior to year end and should be brought to resolution early next year.*	
Anticipated date to complete the corrective action: Early 2015	

Finding ref number: 3	**Finding caption:** The County's internal controls over accounting and financial statement preparation are inadequate to ensure accurate reporting.
Name, address, and telephone of auditee contact person: Timothy O. Todd, Skamania County Auditor (509) 427-3731 Vickie Clelland, Skamania County Treasurer (509) 427-3757 P.O. Box 790 Stevenson, WA 98648	
Corrective action the auditee plans to take in response to the finding: *The lack of an integrated accounting system is and has been an issue for the County. We realize the necessity of an accounting system that allows revenues and expenses to be balanced. Since the revenue side has used a different software program the challenge is to have the revenue software program rewritten to allow a data import into our main computer system. That program has been developed. All that remains are to test, fine tune, and integrate the systems. That is planned for completion prior to year end.*	
Anticipated date to complete the corrective action: 2015	

ABOUT THE STATE AUDITOR'S OFFICE

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

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

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

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

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

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Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Accountability Audit Report

Skamania County

For the period January 1, 2012 through December 31, 2013

Published September 29, 2014

Report No. 1012745

Washington State Auditor
Troy Kelley

September 29, 2014

Board of Commissioners
Skamania County
Stevenson, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for County operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the County's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Troy X. Kelley

TROY KELLEY

STATE AUDITOR

Insurance Building, P.O. Box 40021 ☐Olympia, Washington 98504-0021 ☐(360) 902-0370 ☐TDD Relay (800) 833-6388

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AUDIT SUMMARY

Results in brief

In the areas we audited, County operations complied with applicable requirements and provided adequate safeguarding of public resources. The County also complied with state laws and regulations and its own policies and procedures in the areas we examined.

About the audit

This report contains the results of our independent accountability audit of Skamania County from January 1, 2012 through December 31, 2013.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the County's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Assessor's Office
  - Property valuation
  - Conflicts of interest
  - Exemptions/current use programs
- Sheriff's office
  - Evidence room
  - Use of investigative funds
  - Citations/infractions
- Open Public Meetings Act – minutes
- Jail – cash receipting
- Status of prior audit recommendations
- Citizen hotline
- County treasurer investment activities
- Use of restricted funds such as E-911 and real estate technology funds

STATUS OF PRIOR AUDIT FINDINGS

The status of findings contained in the prior years' audit reports of Skamania County is provided below:

1. The County did not effectively manage its Equipment Rental and Revolving Fund, which resulted in restricted funds being used inappropriately.

Report No. 1008313, dated September 6, 2012

Background

The County operates an Equipment Rental and Revolving Fund (ER&R) to centralize the management of costs associated with equipment, vehicles and materials. This includes setting aside funds for future replacement and routine maintenance. The County is required to establish rates sufficient to recover costs of the fund. The established rate is charged to the users monthly.

Our audit found the County did not establish rates sufficient to recover costs for maintenance and operations in 2010 and did not charge users any maintenance and operation costs in 2011. Instead the County used cash reserves designated for future capital replacement for current operations. We determined departments were undercharged $828,548 for the two-year period.

The County continued to use money set aside for capital replacement to fund maintenance and operating expenses in 2012. The ending fund balance on December 31, 2011 was $173,488. We determined the fund should have had an ending balance for future capital replacement of at least $1,011,146.

Status

The County has since started to bill departments on a monthly basis for equipment maintenance and capital replacement charges. Additionally, the County has since established subfunds within ER&R to help it better track its costs for maintenance and capital replacement. In 2012 the County passed a resolution creating an inter-fund repayment plan to reimburse the Equipment Rental and Revolving Fund for the unbilled amounts identified in the prior audit. As of the end of 2013, the County still owed approximately $388,928 to its ER&R fund.

RELATED REPORTS

Financial

Our opinion on the County's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the County's financial statements.

That report includes a finding for a material weakness in internal controls over financial reporting regarding the preparation of the County's financial statements.

Federal grant programs

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the County's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report. That report includes a federal finding regarding noncompliance with allowable cost, reporting and matching requirements relating to the Federal Forest program.

INFORMATION ABOUT THE COUNTY

Skamania County serves approximately 10,833 citizens. It is governed by an elected, three-member Board of Commissioners. For fiscal year 2012, the County operated on an original budget of over $25 million and employed 220 people. For fiscal year 2013, the County operated on an original budget of over $25 million and employed 190 people. Its employees provide an array of services including general government, economic development, solid waste disposal, cultural and recreational services, senior services, building and planning, law enforcement, community health and transportation.

Contact information related to this report	
Address:	Skamania County 240 N.W. Vancouver Avenue P.O. Box 790 Stevenson, WA 98648
Contact:	Heidi Penner, Financial Management Administrator
Phone:	(509) 427-3736
Website:	www.skamaniacounty.org

Information current as of report publish date.

Audit history

You can find current and past audit reports for Skamania County at http://portal.sao.wa.gov/ReportSearch.