

Washington State Auditor's Office
Financial Statements and Federal Single Audit Report

Clallam County

Audit Period
January 1, 2010 through December 31, 2010

Report No. 1006380

Issue Date
September 26, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

September 26, 2011

Board of Commissioners
Clallam County
Port Angeles, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Clallam 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,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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Clallam County January 1, 2010 through December 31, 2010

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Federal Summary

Clallam County January 1, 2010 through December 31, 2010

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

FINANCIAL STATEMENTS

An unqualified 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 no deficiencies that we consider to be material weaknesses.

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

FEDERAL AWARDS

Internal Control Over Major Programs:

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

We issued an unqualified opinion on the County's compliance with requirements applicable to each of its major federal programs.

We reported no 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:

<u>CFDA No.</u>	<u>Program Title</u>
11.555	Public Safety Interoperable Communications Grant (PSIC)
16.738	Byrne Memorial Justice Assistance Grant Program
97.067	Homeland Security Grant Program

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.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with *Government Auditing Standards*

Clallam County
January 1, 2010 through December 31, 2010

Board of Commissioners
Clallam County
Port Angeles, Washington

We have audited the financial statements of Clallam County, Washington, as of and for the year ended December 31, 2010, and have issued our report thereon dated September 8, 2011.

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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

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

This report is intended for the information and use of management, the Board of Commissioners, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag", with a stylized, flowing script.

BRIAN SONNTAG, CGFM
STATE AUDITOR

September 8, 2011

Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

Clallam County
January 1, 2010 through December 31, 2010

Board of Commissioners
Clallam County
Port Angeles, Washington

COMPLIANCE

We have audited the compliance of Clallam 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, 2010. The County's major federal programs are identified in the Federal Summary. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the 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, 2010.

INTERNAL CONTROL OVER COMPLIANCE

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of management, the Board of Commissioners, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag", with a stylized, cursive script.

BRIAN SONNTAG, CGFM
STATE AUDITOR

September 8, 2011

Independent Auditor's Report on Financial Statements

Clallam County
January 1, 2010 through December 31, 2010

Board of Commissioners
Clallam County
Port Angeles, Washington

We have audited the accompanying financial statements of Clallam County, Washington, for the year ended December 31, 2010. These financial statements are the responsibility of the County's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1b to the financial statements, the County prepares its financial statements on the basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of Clallam County, for the year ended December 31, 2010, on the basis of accounting described in Note 1b.

In accordance with *Government Auditing Standards*, we have also issued our report 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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 Long-Term Debt 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 has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Brian Sonntag", with a stylized, cursive script.

BRIAN SONNTAG, CGFM
STATE AUDITOR

September 8, 2011

Financial Section

Clallam County
January 1, 2010 through December 31, 2010

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2010
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2010
Notes to Financial Statements – 2010

SUPPLEMENTAL INFORMATION

Schedule of Long-Term Debt – 2010
Schedule of Expenditures of Federal Awards – 2010
Notes to the Schedule of Expenditures of Federal Awards – 2010

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Total for All Funds	Fund Number and Title 001 General	Fund Number and Title 101 Roads	Fund Number and Title 101 Flood Control
	Total Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 43,669,629	\$ 11,466,176	\$ 8,628,431	\$ 20,202
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	26,627,808	14,387,524	6,428,234	-
320 Licenses and Permits	716,893	674,146	42,747	-
330 Intergovernmental	17,918,452	5,514,283	5,297,867	-
340 Charges for Goods and Services	4,562,748	2,923,618	172,893	-
350 Fines and Penalties	771,950	728,805	-	-
360 Miscellaneous	8,971,773	3,181,906	499,256	56
370 Capital Contributions	3,000	-	-	-
390 Other Financing Sources	7,654,769	2,367,921	1,114,434	5,000
Total Revenues and Other Financing Sources	67,227,393	29,778,203	13,555,431	5,056
Total Resources	110,897,022	41,244,379	22,183,862	25,258
Operating Expenditures				
510 General Government	14,987,899	12,224,448	561,054	-
520 Public Safety	13,825,273	11,169,199	242,409	-
530 Physical Environment	1,808,844	1,181,935	41,776	8,699
540 Transportation	8,989,188	-	7,051,548	-
550 Economic Environment	3,360,192	2,104,414	12,423	-
560 Mental and Physical Health	6,034,295	1,086,585	-	-
570 Culture and Recreation	2,410,884	2,410,884	-	-
Total Operating Expenditures	51,416,575	30,177,465	7,909,210	8,699
591-593 Debt Service	17,084	-	-	-
594-595 Capital Outlay	7,455,846	108,824	2,811,495	-
Total Expenditures	58,889,505	30,286,289	10,720,705	8,699
597-599 Other Financing Uses	6,046,107	756,995	65,568	-
Total Expenditures and Other Financing Uses	64,935,612	31,043,284	10,786,273	8,699
Excess (Deficit) of Resources Over Uses	45,961,410	10,201,095	11,397,589	16,559
380 Nonrevenues	6,430	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	234,595	45,225	1,000	-
508.80 Unreserved	45,733,245	10,155,870	11,396,589	16,559

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	110 Sheriff Honor Guard	110 Recreation and Boating	110 Sheriff's Office Drug	110 Sheriff's OPNET Drug
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 3,842	\$ 62,567	\$ 107,036	\$ 121,004
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	68,413	-	467,310
340 Charges for Goods and Services	-	120	-	-
350 Fines and Penalties	-	-	-	42,719
360 Miscellaneous	-	3,102	234	414,810
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	-	71,635	234	924,839
Total Resources	3,842	134,202	107,270	1,045,843
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	-	57,480	5,097	473,855
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	-	57,480	5,097	473,855
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	-	-
Total Expenditures	-	57,480	5,097	473,855
597-599 Other Financing Uses	-	-	-	200,000
Total Expenditures and Other Financing Uses	-	57,480	5,097	673,855
Excess (Deficit) of Resources Over Uses	3,842	76,722	102,173	371,988
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	8,500
508.80 Unreserved	3,842	76,722	102,173	363,488

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title 110 Sheriff's Equipment Reserve	Fund Number and Title 110 Emergency Services	Fund Number and Title 110 Nine-One- One Enhanced	Fund Number and Title 110 OPSCAN Operations
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 182,996	\$ -	\$ 133,807	\$ 18,245
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	502,025	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	5,314	170,651	10,880	78,316
340 Charges for Goods and Services	8,669	-	-	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	24,231	-	278	-
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	32,000	124,722	-	-
Total Revenues and Other Financing Sources	70,214	295,373	513,183	78,316
Total Resources	253,210	295,373	646,990	96,561
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	18,936	207,606	526,254	59,105
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	18,936	207,606	526,254	59,105
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	29,168	21,754	-	-
Total Expenditures	48,104	229,360	526,254	59,105
597-599 Other Financing Uses	-	66,013	-	-
Total Expenditures and Other Financing Uses	48,104	295,373	526,254	59,105
Excess (Deficit) of Resources Over Uses	205,106	-	120,736	37,456
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	205,106	-	120,736	37,456

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	110 PSIC Grant	110 IECGP Grant	110 Operation Stonegarden	113 Health and Human Services
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 186,748	\$ -	\$ -	\$ 711,527
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	-	1,158
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	2,186,714	108,824	217,765	1,007,398
340 Charges for Goods and Services	-	-	-	218,937
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	-	-	-	2,705
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	-	-	511,000
Total Revenues and Other Financing Sources	2,186,714	108,824	217,765	1,741,198
Total Resources	2,373,462	108,824	217,765	2,452,725
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	118,736	108,824	5,581	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	1,700,586
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	118,736	108,824	5,581	1,700,586
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	2,258,214	-	220,190	21,601
Total Expenditures	2,376,950	108,824	225,771	1,722,187
597-599 Other Financing Uses	-	-	-	1,000
Total Expenditures and Other Financing Uses	2,376,950	108,824	225,771	1,723,187
Excess (Deficit) of Resources Over Uses	(3,488)	-	(8,006)	729,538
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	800
508.80 Unreserved	(3,488)	-	(8,006)	728,738

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	113 Alcohol and Drug Abuse	113 Homeless Task Force	113 Chemical Dependency Mental Health	113 Affordable Housing
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 381,959	\$ 248,886	\$ 2,056,295	\$ 245,443
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	972,968	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	694,975	295,485	56,002	-
340 Charges for Goods and Services	102,285	290,183	-	66,678
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	5,365	1,269	-	-
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	12,000	-	-	-
Total Revenues and Other Financing Sources	814,625	586,937	1,028,970	66,678
Total Resources	1,196,584	835,823	3,085,265	312,121
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	504,763	-	89,616
560 Mental and Physical Health	1,066,007	-	1,245,199	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	1,066,007	504,763	1,245,199	89,616
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	-	-
Total Expenditures	1,066,007	504,763	1,245,199	89,616
597-599 Other Financing Uses	-	-	-	-
Total Expenditures and Other Financing Uses	1,066,007	504,763	1,245,199	89,616
Excess (Deficit) of Resources Over Uses	130,577	331,060	1,840,066	222,505
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	87,908	-	-	-
508.80 Unreserved	42,669	331,060	1,840,066	222,505

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	113 Developmental Disabilities	114 Law Library	117 Crime Victim Compensation	119 Racketeering
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 584,053	\$ 8,135	\$ 225,866	\$ 1,099
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	207,627	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	645,900	-	46,863	-
340 Charges for Goods and Services	-	23,385	45,739	-
350 Fines and Penalties	-	-	2	424
360 Miscellaneous	2,098	-	1,002	4
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	18,539	-	-	-
Total Revenues and Other Financing Sources	874,164	23,385	93,606	428
Total Resources	1,458,217	31,520	319,472	1,527
Operating Expenditures				
510 General Government	-	19,702	100,717	-
520 Public Safety	-	-	-	17
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	912,918	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	912,918	19,702	100,717	17
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	-	-
Total Expenditures	912,918	19,702	100,717	17
597-599 Other Financing Uses	-	-	-	-
Total Expenditures and Other Financing Uses	912,918	19,702	100,717	17
Excess (Deficit) of Resources Over Uses	545,299	11,818	218,755	1,510
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	91,062	-	-	-
508.80 Unreserved	454,237	11,818	218,755	1,510

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	121 Water Quality Cleanup	121 Shoreline Wetland Restoration	121 Shoreline Block Grant	122 Treasurer Operation and Maintenance
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 49,203	\$ 16,256	\$ 109,935	\$ 138,010
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	-	-	-	32,198
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	781	46	-	1,517
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	781	46	-	33,715
Total Resources	49,984	16,302	109,935	171,725
Operating Expenditures				
510 General Government	-	-	-	37,245
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	22,565	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	-	-	22,565	37,245
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	-	-
Total Expenditures	-	-	22,565	37,245
597-599 Other Financing Uses	-	-	-	-
Total Expenditures and Other Financing Uses	-	-	22,565	37,245
Excess (Deficit) of Resources Over Uses	49,984	16,302	87,370	134,480
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	49,984	16,302	87,370	134,480

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	122 REET Electronic Technology	122 Land Assessment	124 Document Preservation	129 Drug Court
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 153,611	\$ 15,085	\$ 437,288	\$ 20,848
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	9,975	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	113,626	-	61,100	-
340 Charges for Goods and Services	-	-	37,068	25,010
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	-	59	-	-
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	890	-	-
Total Revenues and Other Financing Sources	113,626	10,924	98,168	25,010
Total Resources	267,237	26,009	535,456	45,858
Operating Expenditures				
510 General Government	-	7,014	51,150	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	23,000
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	-	7,014	51,150	23,000
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	121,130	-	1,937	-
Total Expenditures	121,130	7,014	53,087	23,000
597-599 Other Financing Uses	-	-	-	22,858
Total Expenditures and Other Financing Uses	121,130	7,014	53,087	45,858
Excess (Deficit) of Resources Over Uses	146,107	18,995	482,369	-
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	146,107	18,995	482,369	-

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title 129 Dispute Resolution Center	Fund Number and Title 129 Courthouse Facilitator	Fund Number and Title 130 Noxious Weed Control	Fund Number and Title 130 LMD #2 Lake Sutherland
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 550	\$ 580	\$ 178,659	\$ 37,199
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	89,607	19,010
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	36,558	-
340 Charges for Goods and Services	9,520	11,588	350	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	-	-	-	-
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	-	17,500	-
Total Revenues and Other Financing Sources	9,520	11,588	144,015	19,010
Total Resources	10,070	12,168	322,674	56,209
Operating Expenditures				
510 General Government	9,385	11,308	-	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	167,160	5,069
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	9,385	11,308	167,160	5,069
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	-	-
Total Expenditures	9,385	11,308	167,160	5,069
597-599 Other Financing Uses	-	-	-	17,500
Total Expenditures and Other Financing Uses	9,385	11,308	167,160	22,569
Excess (Deficit) of Resources Over Uses	685	860	155,514	33,640
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	100	-
508.80 Unreserved	685	860	155,414	33,640

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	135 Probation District Court I	135 Probation District Court II	199 Criminal Justice	199 Local Criminal Justice
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 195,289	\$ 19,905	\$ 246,327	\$ 223,473
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	-	618,881
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	467,108	21,773
340 Charges for Goods and Services	247,504	23,351	-	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	441	-	-	-
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	247,945	23,351	467,108	640,654
Total Resources	443,234	43,256	713,435	864,127
Operating Expenditures				
510 General Government	270,221	23,596	-	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	270,221	23,596	-	-
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	-	-
Total Expenditures	270,221	23,596	-	-
597-599 Other Financing Uses	-	-	400,000	800,000
Total Expenditures and Other Financing Uses	270,221	23,596	400,000	800,000
Excess (Deficit) of Resources Over Uses	173,013	19,660	313,435	64,127
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	173,013	19,660	313,435	64,127

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	199 Trial Court Improvements	199 Veteran's Relief	199 Federal Forest Replacement	199 Hotel/Motel Tax
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 37,579	\$ 302,984	\$ 3,004	\$ 308,872
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	93,938	-	425,264
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	38,515	3	20,283	-
340 Charges for Goods and Services	-	-	-	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	-	2,294	-	-
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	8,343	-	-
Total Revenues and Other Financing Sources	38,515	104,578	20,283	425,264
Total Resources	76,094	407,562	23,287	734,136
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	134,236	-	377,946
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	-	134,236	-	377,946
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	-	-
Total Expenditures	-	134,236	-	377,946
597-599 Other Financing Uses	50,000	-	-	-
Total Expenditures and Other Financing Uses	50,000	134,236	-	377,946
Excess (Deficit) of Resources Over Uses	26,094	273,326	23,287	356,190
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	26,094	273,326	23,287	356,190

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	199 Opportunity	199 Community Economic Development	199 Emergency Communication Tax	251 RID #123
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 1,985,343	\$ 42,251	\$ 355,668	\$ -
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	878,248	-	971,597	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	12,910	-	-	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	5,616	-	1,067	1,597
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	198,316	-	-	-
Total Revenues and Other Financing Sources	1,095,090	-	972,664	1,597
Total Resources	3,080,433	42,251	1,328,332	1,597
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	-	-	832,174	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	136,794	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	136,794	-	832,174	-
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	-	-
Total Expenditures	136,794	-	832,174	-
597-599 Other Financing Uses	1,515,000	-	-	1,597
Total Expenditures and Other Financing Uses	1,651,794	-	832,174	1,597
Excess (Deficit) of Resources Over Uses	1,428,639	42,251	496,158	-
380 Nonrevenues	6,430	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	1,435,069	42,251	496,158	-

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title 254 RID #142	Fund Number and Title 256 RID #141	Fund Number and Title 259 LMD #1	Fund Number and Title 261 RID#138
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 1,256	\$ 2,931	\$ 1,265	\$ 114
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	-	-	-	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	868	5,121	2,434	103
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	868	5,121	2,434	103
Total Resources	2,124	8,052	3,699	217
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	-	-	-	-
591-593 Debt Service	1,256	2,931	1,265	114
594-595 Capital Outlay	-	-	-	-
Total Expenditures	1,256	2,931	1,265	114
597-599 Other Financing Uses	-	-	-	-
Total Expenditures and Other Financing Uses	1,256	2,931	1,265	114
Excess (Deficit) of Resources Over Uses	868	5,121	2,434	103
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	868	5,121	2,434	103

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	274 RID #149	295 LID #2007-1	301 Real Estate Excise Tax Projects	302 Real Estate Excise Tax 2
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 919	\$ 10,562	\$ 1,386,053	\$ 2,501,544
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	510,866	510,886
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	-	-	-	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	1,718	497	-	-
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	1,718	497	510,866	510,886
Total Resources	2,637	11,059	1,896,919	3,012,430
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	-	-	-	-
591-593 Debt Service	919	10,599	-	-
594-595 Capital Outlay	-	-	148,626	-
Total Expenditures	919	10,599	148,626	-
597-599 Other Financing Uses	-	-	-	850,000
Total Expenditures and Other Financing Uses	919	10,599	148,626	850,000
Excess (Deficit) of Resources Over Uses	1,718	460	1,748,293	2,162,430
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	1,718	460	1,748,293	2,162,430

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title 305 Capital Projects	Fund Number and Title 305 East UGA Sewer	Fund Number and Title 306 Dungeness Estuary	Fund Number and Title 307 Capital Projects Info Tech
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 3,315,908	\$ 297,243	\$ 226,596	\$ 911,885
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	215,054	-	-	36,773
340 Charges for Goods and Services	-	-	-	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	-	-	-	22,304
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	19,889	-	-	-
Total Revenues and Other Financing Sources	234,943	-	-	59,077
Total Resources	3,550,851	297,243	226,596	970,962
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	-	-	-	-
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	965,920	1,684	-	111,993
Total Expenditures	965,920	1,684	-	111,993
597-599 Other Financing Uses	700,000	198,316	-	-
Total Expenditures and Other Financing Uses	1,665,920	200,000	-	111,993
Excess (Deficit) of Resources Over Uses	1,884,931	97,243	226,596	858,969
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	1,884,931	97,243	226,596	858,969

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	308 Carlsborg Sewer Project	402 Solid Waste	414 Clallam Bay - Sekiu Sewer	415 Sewer Capital Replacement
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ -	\$ 6,159	\$ 157,808	\$ 292,679
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	34,699	-	-
340 Charges for Goods and Services	-	-	24,783	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	-	54	259,365	10,099
370 Capital Contributions	-	-	-	3,000
390 Other Financing Sources	3,050,000	10,513	34,593	-
Total Revenues and Other Financing Sources	3,050,000	45,266	318,741	13,099
Total Resources	3,050,000	51,425	476,549	305,778
Operating Expenditures				
510 General Government	-	-	-	-
520 Public Safety	-	-	-	-
530 Physical Environment	-	29,346	352,294	-
540 Transportation	-	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	-	29,346	352,294	-
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	-	-	1,260	-
Total Expenditures	-	29,346	353,554	-
597-599 Other Financing Uses	-	-	-	1,260
Total Expenditures and Other Financing Uses	-	29,346	353,554	1,260
Excess (Deficit) of Resources Over Uses	3,050,000	22,079	122,995	304,518
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	3,050,000	22,079	122,995	304,518

The accompanying notes are an integral part of these financial statements.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

BARS CODE	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	503 Equipment Rental and Revolving	504 Risk Management	505 Workers' Compensation Claims	506 Employee Health Care Benefit
	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Net Cash and Investments	\$ 2,991,143	\$ 861,268	\$ 398,210	\$ 33,850
Prior Period Adjustments (388.80 and 588.80)	-	-	-	-
Revenues and Other Sources				
310 Taxes	-	-	-	-
320 Licenses and Permits	-	-	-	-
330 Intergovernmental	-	-	-	-
340 Charges for Goods and Services	285,959	-	-	-
350 Fines and Penalties	-	-	-	-
360 Miscellaneous	2,463,552	1,112,118	912,408	31,398
370 Capital Contributions	-	-	-	-
390 Other Financing Sources	129,109	-	-	-
Total Revenues and Other Financing Sources	2,878,620	1,112,118	912,408	31,398
Total Resources	5,869,763	1,973,386	1,310,618	65,248
Operating Expenditures				
510 General Government	79,705	1,045,218	518,813	28,323
520 Public Safety	-	-	-	-
530 Physical Environment	-	-	-	-
540 Transportation	1,937,640	-	-	-
550 Economic Environment	-	-	-	-
560 Mental and Physical Health	-	-	-	-
570 Culture and Recreation	-	-	-	-
Total Operating Expenditures	2,017,345	1,045,218	518,813	28,323
591-593 Debt Service	-	-	-	-
594-595 Capital Outlay	632,050	-	-	-
Total Expenditures	2,649,395	1,045,218	518,813	28,323
597-599 Other Financing Uses	-	-	400,000	-
Total Expenditures and Other Financing Uses	2,649,395	1,045,218	918,813	28,323
Excess (Deficit) of Resources Over Uses	3,220,368	928,168	391,805	36,925
380 Nonrevenues	-	-	-	-
580 Nonexpenditures	-	-	-	-
Ending Cash and Investments				
508.10 Reserved	-	-	-	-
508.80 Unreserved	3,220,368	928,168	391,805	36,925

The accompanying notes are an integral part of these financial statements.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

	Total for All Funds	Fund Number and Title	624 Unclaimed Warrants	Fund Number and Title	625 Workers Compensation Reserve	Fund Number and Title	625 Risk Management Reserve	Fund Number and Title	629 RID Guaranty Trust
	Total Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	4,216,093	33,946	869,468	1,343,000	26,397				
Prior Period Adjustments	-	-	-	-	-				
Revenues and Other Financing Sources	25,859,757	10,854	514,835	-	1,671				
Total Resources	30,075,850	44,800	1,384,303	1,343,000	28,068				
Expenditures and Other Financing Uses	74,089	2,337	-	-	-				
Excess (Deficit) of Resources Over Uses	30,001,761	42,463	1,384,303	1,343,000	28,068				
Nonrevenues	90,042,311	-	-	-	-				
Nonexpenditures	114,428,041	-	-	-	-				
Ending Cash and Investments	5,616,031	42,463	1,384,303	1,343,000	28,068				

The accompanying notes are an integral part of these financial statements.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	633 Inmate Commissary	633 Drug Task Force Suspende	644 Claims	645 Payroll	690 Deposit Fund
	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	150,132	21,510	863,018	(170,063)	200
Prior Period Adjustments	-	-	-	-	-
Revenues and Other Financing Sources	53,444	61	-	-	-
Total Resources	203,576	21,571	863,018	(170,063)	200
Expenditures and Other Financing Uses	56,752	15,000	-	-	-
Excess (Deficit) of Resources Over Uses	146,824	6,571	863,018	(170,063)	200
Nonrevenues	-	-	53,351,165	36,691,146	-
Nonexpenditures	-	-	52,953,036	36,712,209	-
Ending Cash and Investments	146,824	6,571	1,261,147	(191,126)	200

The accompanying notes are an integral part of these financial statements.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	690 Private Timber Harvest Tax	690 School Real Estate Excise Tax	690 Surplus Tax Sale	690 Tax Refund	690 Advanced Tax
	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	-	146,854	107,943	54,573	14,922
Prior Period Adjustments	-	-	-	-	-
Revenues and Other Financing Sources	804,594	3,229,635	-	717	-
Total Resources	804,594	3,376,489	107,943	55,290	14,922
Expenditures and Other Financing Uses	-	-	-	-	-
Excess (Deficit) of Resources Over Uses	804,594	3,376,489	107,943	55,290	14,922
Nonrevenues	-	-	-	-	-
Nonexpenditures	804,594	3,233,745	69,570	-	8,291
Ending Cash and Investments	-	142,744	38,373	55,290	6,631

The accompanying notes are an integral part of these financial statements.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	690 Real Estate Tax Suspense	691 State Document Preservation	691 State Auditor Surcharge	691 State Mortgage Lending Fraud	691 State Community Development
	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	122,562	2,432	4,868	268	139
Prior Period Adjustments	-	-	-	-	-
Revenues and Other Financing Sources	-	29,037	58,091	2,851	1,872
Total Resources	122,562	31,469	62,959	3,119	2,011
Expenditures and Other Financing Uses	-	-	-	-	-
Excess (Deficit) of Resources Over Uses	122,562	31,469	62,959	3,119	2,011
Nonrevenues	-	-	-	-	-
Nonexpenditures	109,966	28,726	57,472	2,855	1,890
Ending Cash and Investments	12,596	2,743	5,487	264	121

The accompanying notes are an integral part of these financial statements.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	691 State Housing Trust	691 State District Court	691 State Fire Patrol	691 State General Schools	691 State Juvenile Judicial Info System
	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	16,696	52,450	3,655	432,435	2,103
Prior Period Adjustments	-	-	-	-	-
Revenues and Other Financing Sources	190,994	709,840	328,875	19,449,947	29,706
Total Resources	207,690	762,290	332,530	19,882,382	31,809
Expenditures and Other Financing Uses	-	-	-	-	-
Excess (Deficit) of Resources Over Uses	207,690	762,290	332,530	19,882,382	31,809
Nonrevenues	-	-	-	-	-
Nonexpenditures	189,311	720,056	328,070	18,805,631	30,053
Ending Cash and Investments	18,379	42,234	4,460	1,076,751	1,756

The accompanying notes are an integral part of these financial statements.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	691 State Judicial Info System	691 State Marriages	691 State Superior Court	691 State Survey	691 State Vital Statistics
	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	2,359	375	15,106	1,026	1,918
Prior Period Adjustments	-	-	-	-	-
Revenues and Other Financing Sources	52,060	6,810	186,099	9,040	78,691
Total Resources	54,419	7,185	201,205	10,066	80,609
Expenditures and Other Financing Uses	-	-	-	-	-
Excess (Deficit) of Resources Over Uses	54,419	7,185	201,205	10,066	80,609
Nonrevenues	-	-	-	-	-
Nonexpenditures	50,180	6,780	187,960	8,983	74,018
Ending Cash and Investments	4,239	405	13,245	1,083	6,591

The accompanying notes are an integral part of these financial statements.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title	Fund Number and Title
	691 State School Safety Zone	697 Franchise Suspense	697 Retainage Suspense	697 Treasurer General Suspense	697 Bruch and Bruch Suspense
	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	833	32,040	118,771	(100,269)	162
Prior Period Adjustments	-	-	-	-	-
Revenues and Other Financing Sources	8,845	384	-	100,564	-
Total Resources	9,678	32,424	118,771	295	162
Expenditures and Other Financing Uses	-	-	-	-	-
Excess (Deficit) of Resources Over Uses	9,678	32,424	118,771	295	162
Nonrevenues	-	-	-	-	-
Nonexpenditures	9,358	-	35,287	-	-
Ending Cash and Investments	320	32,424	83,484	295	162

The accompanying notes are an integral part of these financial statements.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2010

	Fund Number and Title	Fund Number and Title	Fund Number and Title
	697 Western Cable Suspense	697 Heart of the Hills Water Suspense	697 Chatfield Trust
	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	14,274	18,205	11,785
Prior Period Adjustments	-	-	-
Revenues and Other Financing Sources	125	115	
Total Resources	14,399	18,320	11,785
Expenditures and Other Financing Uses	-	-	-
Excess (Deficit) of Resources Over Uses	14,399	18,320	11,785
Nonrevenues	-	-	-
Nonexpenditures	-	-	-
Ending Cash and Investments	14,399	18,320	11,785

The accompanying notes are an integral part of these financial statements.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Clallam County reports financial activity using the revenue and expenditure classification, statements, and schedules contained in the Cash Basis Budgeting, Accounting, and Reporting System (BARS) manual. The Washington State Auditor's Office allows local governments to report on cash basis of accounting as an alternative to generally accepted accounting principles (GAAP) as described in a letter issued on July 5, 2007. Clallam County has elected to report on cash basis of accounting.

Clallam County was incorporated on April 26, 1854 and operates under State of Washington laws applicable to a Home Rule Charter County. The county is a general purpose government and provides Sheriff, Jail, Fire Marshall, Sewage Collection/Treatment, Road Maintenance, Planning and Zoning, Parks, Fair, Judicial Administration, Health and Social Services, Juvenile, and General Administrative Services.

The county's financial statements include the financial position and operating results for all funds controlled by or dependent on the county. Additionally, the financial statements include all fund accounts for which the county has a custodial or trust responsibility. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Control by the county was determined by the county's obligation to redeem the organization's deficits, and the extent to which subsidies from the county constitute a major portion of the organization's total non-grant resources. Applying these criteria, no component units were identified for presentation in the financial statements.

A. Basis of Presentation - Fund Accounting

The county accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Each fund is accounted for using a separate set of self-balancing accounts that include its cash and cash equivalents, fund equity, revenues, and expenditures, as appropriate. The county's resources are allocated to and accounted for in individual funds depending on how they are to be spent and how they are controlled.

Fund types and account groups used are described as follows:

Governmental Fund Types

All governmental funds are accounted for on cash basis of accounting in which only cash, cash equivalents, and fund balances are included on their balance sheets. Governmental fund operating statements focus on measuring changes in financial position. They present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in cash and cash equivalents. The unreserved fund balance is a measure of resources immediately available for use.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

General Fund (00100)

This is the county's general operating fund; accounting for all financial resources and transactions except those required to be accounted for in another fund.

Special Revenue Funds (10000)

These account for revenues derived from specific taxes, grants, or other sources that are designated to finance particular county activities by agreements or state statutes.

Debt Service Funds (20000)

These account for the accumulation of resources to pay principal, interest and associated general long-term debt costs.

Capital Project Funds (30000)

These account for financial resources designated for the acquisition or construction of general government capital improvements.

Proprietary Fund Types

Enterprise Funds (40000)

Enterprise Funds account for operations that provide goods or services to the general public and are supported primarily through user charges; or for which the applicable governing body has decided that periodic determination of net income is needed.

Internal Service Funds (50000)

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

Fiduciary Fund Types

Assets held by the county on behalf of individuals, private organizations, other governments, and other funds are reported as Fiduciary Funds. Different categories of Fiduciary fund types are described below. The county does not necessarily have funds of each type.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

Nonexpendable Trust Funds (60100-61000)

These funds earn revenue on behalf of the parties for which the trust was established and are accounted for in essentially the same manner as proprietary funds, but with capital maintenance as a primary consideration.

Pension Trust Funds (61100-62000)

These account for the operations of trusts established for employee retirement benefits, and are accounted for in essentially the same manner as proprietary funds due to the need to determine periodic trust income.

Expendable Trust Funds (62100-63000)

These earn revenue and make expenditures on behalf of parties for which a trust was established. All trust income and principal (or corpus) may be disbursed in the course of its operations. Accordingly, these trusts are accounted for in essentially the same manner as governmental funds.

Agency Funds (63100-69900)

These funds are custodial in nature (assets equal liabilities) and do not involve operating results measurement.

B. Basis of Accounting

Basis of Accounting determines 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 cash is paid.

Purchases of capital assets are expensed at the time of acquisition. There is no capitalization of capital assets or allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principals generally accepted in the United States of America.

C. Budgets and Budgetary Accounting

1. Annual appropriated budgets are adopted for governmental funds on cash basis of accounting with no significant differences between the budgetary basis and the accounting basis. The financial statements include budgetary comparisons for those funds. Budgets are adopted at the fund level, or the department level in the

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

general fund, which constitute the legal authority for expenditures at that level. Appropriations lapse at year end.

2. Procedures for Adopting the Original Budget

The county's budget procedures are per Clallam County Charter Chapter 5.16 as mandated by Clallam County Code Article IX and RCW 36.40. The steps in the budget process are as follows:

- a. The County Commissioners request preliminary budget information from the various funds and departments.
- b. The County Commissioner's office prepares the Preliminary Budget from the information received from the funds and departments.
- c. The Administrator gives recommendations to the County Commissioners that balance the budget.
- d. The County Commissioners review the budget, submit it to the public for comment through a series of public meetings, approve any necessary changes, and adopt it by resolution.

3. Amending the Budget

The County Administrator is authorized to transfer budget amounts between departments within any fund/department. However, any revisions that alter the total expenditures of the county, amount of capital purchases, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the County Commissioners. Revisions within funds are allowed, but supplemental or additional appropriations must be approved by the legislative authority following public hearings. The county's budget was amended 116 times during 2010.

4. Encumbrances - The County does not employ encumbrance accounting.

5. The appropriated and actual expenditures for the legally adopted budgets were:

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Variance
GENERAL FUND			
ASSESSOR	1,227,583	1,189,708	37,875
AUDITOR	1,014,441	988,091	26,350
TREASURER	558,370	558,365	5

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

BOCC OPERATIONS	605,607	591,635	13,972
BOUNDARY REVIEW BOARD	11,669	1,170	10,499
PORT CRESCENT CEMETARY	1,500	1,500	0
BOARD OF EQUALIZATION	51,636	41,085	10,551
NON-DEPARTMENTAL	2,496,785	2,128,451	368,334
OPERATING TRANSFERS OUT	793,568	756,995	36,573
DCD ADMINISTRATION	456,383	439,961	16,422
DCD ENVIRONMENTAL QUALITY	1,555,167	771,491	783,676
DCD BUILDING	551,402	540,279	11,123
DCD PLANNING	1,241,139	1,089,806	151,333
DCD PERMIT CENTER	0	0	0
HEARING EXAMINER	71,568	69,111	2,457
INFORMATION TECHNOLOGY	1,264,713	1,173,802	90,911
HUMAN RESOURCES	780,145	610,811	169,334
ENVIRONMENTAL HEALTH	1,431,015	1,197,727	233,288
SHERIFF OPERATIONS	4,805,918	4,676,212	129,706
SHERIFF COMMUNITY PROJECTS	175,022	151,068	23,954
ANIMAL CONTROL	188,804	172,882	15,922
SEARCH & RESCUE	18,150	14,395	3,755
JAIL	3,170,300	3,068,318	101,982
JAIL MEDICAL	489,886	445,106	44,780
PROSECUTING ATTORNEY	1,706,911	1,641,655	65,256
CHILD SUPPORT	227,324	207,153	20,171
CORONER	118,661	97,979	20,682
JUVENILE SERVICES	3,026,184	2,912,842	113,342
SUPERIOR COURT	1,468,995	1,465,978	3,017
DISTRICT COURT I	775,987	756,259	19,728
DISTRICT COURT II	342,234	336,117	6,117
CLERK	579,813	536,454	43,359
PARKS AND FACILITIES	2,004,752	1,922,549	82,203
FAIR	393,004	367,118	25,886
WSU EXTENSION	121,688	121,212	476
TOTAL GENERAL FUND	33,726,324	31,043,285	2,683,039
ROADS	20,748,689	10,786,273	9,962,416
FLOOD CONTROL	19,648	8,699	10,949
SHERIFF'S HONOR GUARD DONATI	5,000	0	5,000
RECREATIONAL AND BOATING FUND	75,645	57,480	18,165
SHERIFF OFFICE DRUG FUND	26,680	5,097	21,583
SHERIFF OPNET DRUG FUND	684,797	673,855	10,942
SHERIFF EQUIPMENT RESERVE	219,959	48,104	171,855
SHERIFF EMERGENCY SERVICES	351,427	295,372	56,055
NINE-ONE-ONE ENHANCED	555,503	526,254	29,249
OPSCAN OPERATIONS	140,114	59,105	81,009
SHERIFF PSIC GRANT	6,680,683	2,376,950	4,303,733
SHERIFF IECGP GRANT	113,300	108,824	4,476
SHERIFF STONEGARDEN GRANT	525,905	225,771	300,134
HEALTH & HUMAN SERVICES	1,878,142	1,723,187	154,955

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

ALCOHOL/DRUG ABUSE	1,322,903	1,066,007	256,896
HOMELESS TASK FORCE	701,661	504,763	196,898
CHEMICAL DEPENDENCY	1,427,996	1,245,199	182,797
AFFORDABLE HOUSING	250,000	89,616	160,384
DEVELOPMENTAL DISABILITIES	1,057,254	912,918	144,336
LAW LIBRARY	27,541	19,702	7,839
CRIME VICTIM COMP/LOCAL	106,087	100,716	5,371
RACKETEERING FUND	125	17	108
WATER QUALITY CLEANUP	15,000	0	15,000
SHORELINE/WETLAND/RESTORATIO	5,000	0	5,000
SHORELINE BLOCK GRANT	89,313	22,565	66,748
TREASURER'S O & M	39,526	37,245	2,281
REET ELECTRONIC TECHNOLOGY	130,000	121,130	8,870
LAND ASSESSMENT	10,586	7,014	3,572
DOCUMENT PRESERVATION	262,604	53,087	209,517
DRUG COURT	51,322	45,858	5,464
DISPUTE RESOLUTION CENTER	17,400	9,385	8,015
COURTHOUSE FACILITATOR	13,000	11,308	1,692
NOXIOUS WEED CONTROL	194,269	167,161	27,108
LMD#2 LAKE SUTHERLAND	33,786	22,570	11,216
PROBATION DISTRICT COURT I	341,598	270,221	71,377
PROBATION DISTRICT COURT II	25,372	23,596	1,776
CRIMINAL JUSTICE	400,000	400,000	0
LOCAL CRIMINAL JUSTICE	800,000	800,000	0
TRIAL COURT IMPROVEMENTS	50,000	50,000	0
VETERANS' RELIEF	128,517	134,237	-5,720
FEDERAL FOREST REPLACEMENT	360,500	0	360,500
HOTEL/MOTEL TAX	379,200	377,946	1,254
OPPORTUNITY FUND	1,658,193	1,651,794	6,399
COMMUNITY ECONOMIC REVITALIZ	42,251	0	42,251
EMERGENCY COMMUNICATIONS TAX	1,229,820	832,174	397,646
R I D #123 ELK VALLEY	2,436	1,597	839
R I D #142 BUSINESS PARK LOOP	1,256	1,256	0
R I D #141 SCHOOL HOUSE ROAD	2,931	2,931	0
LAKE DAWN MANAGEMENT	2,525	1,265	1,260
R I D #138 MARCH BANKS ROAD	114	114	0
R I D #149 OSBORN ROAD	2,482	919	1,563
LID 2007-01	12,200	10,599	1,601
REAL ESTATE EXCISE TAX PROJECT	382,500	148,626	233,874
REAL ESTATE EXCISE TAX 2	2,850,000	850,000	2,000,000
CAPITAL PROJECTS	3,618,000	1,665,921	1,952,079
EAST UGA SEWER PROJECT	200,000	200,000	0
CAPITAL PROJECTS DUNGENESS	540,000	0	540,000
CAPITAL PROJECTS INFO TECH	369,200	111,993	257,207
CAPITAL PROJECTS CARLSBORG			
SEWER	3,050,000	0	3,050,000
SOLID WASTE	34,914	29,347	5,567
CLALLAM BAY-SEKIU SEWER	390,374	353,554	36,820
CL BAY-SEKIU SEWER CAPITAL R	27,000	1,260	25,740

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

EQUIPMENT RENTAL & REVOLVING	3,379,477	2,649,395	730,082
RISK MANAGEMENT	1,434,618	1,045,218	389,400
WORKERS' COMPENSATION CLAIMS	1,159,109	918,813	240,296
EMPLOYEE HEALTH CARE BENEFIT	51,925	28,324	23,601

D. Cash

It is the county's policy to invest all temporary cash surpluses. At December 31, 2010, the Treasurer was holding \$44,920,676 in short-term residual surplus cash investments. This amount is classified on the balance sheet as cash and equivalents in various funds. The associated investment interest is credited to the General Fund.

E. Deposits - See Note 3.

F. Investments - See Note 3.

G. Derivatives and Similar Transactions - See Note 3.

H. Capital Assets

Assets with anticipated useful lives in excess of one year and with a purchase price of \$5,000 or more are deemed capital assets. Under cash basis of accounting they are recorded as expenditures when purchased.

I. Compensated Absences

The contracts with employees call for the accumulation of vacation and sick leave, and for certain employees, compensatory time. In most cases at termination of employment, employees with required length of service will receive cash payment for accumulated vacation and compensatory time, and 10% of accumulated sick leave, (20% of sick leave if retiring). The payment is based on current wages at termination. Under cash accounting, this liability is not recognized in governmental fund types before payments to employees are made.

J. Long-Term Debt - See Note 6.

K. Other Financing Sources and Uses

The county's Other Financing Sources consist of transfers-in and sales of county owned timber. Other Financing Uses consist of transfers out.

L. Risk Management - See Note 9.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

M. Reserved Fund Balance

In 2010, the County adopted policies to classify the fund balance in the General Fund. Accordingly, at December 31, 2010 the General Fund balance contained the following amounts:

Non-spendable	45,225
Committed	6,500,000
Assigned	1,424,796
Unassigned	2,231,074

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There were no material violations of finance-related or contractual provisions identified in 2010.

NOTE 3 - DEPOSITS AND INVESTMENTS

As required by state law, all deposits and investments of the county's funds (except as noted below) are obligations of the U. S. Government, the State Treasurer's Investment Pool, bankers' acceptances, or deposits with Washington State banks and savings and loan institutions. (Investments of nonexpendable trust funds are not subject to the preceding limitations.)

The county's deposits and investments are categorized to give an indication of the risk assumed at year-end. Category 1 includes deposits and investments that are insured, registered or held by the county or its agent in the county's name. Category 2 includes uninsured and unregistered investments that are held by the broker's or dealer's trust department or agent in the county's name. Category 3 includes uninsured and unregistered deposits and investments for which the securities are held by the broker or dealer, or its trust department or agent, but not in the county's name. Clallam County holds no deposits or investments that would qualify for either Category 2 or 3. All deposits are stated at cost, there is no material difference between cost and market value. As of December 31, 2010 the County had the following investments:

	Fair value of County investments	Fair value of investments held by County as agent	Total
Demand Deposits	\$ 2,820,329	\$ 794,852	\$ 3,615,181
Time Deposits	23,606,001	9,567,678	33,173,679
US Government Securities	0	0	0
State Investment Pool	19,502,467	45,193,025	64,695,492
Total	<u>\$ 45,928,797</u>	<u>\$ 55,555,555</u>	<u>\$ 101,484,352</u>

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

The County's deposits and certificates of deposit are entirely covered by federal deposit insurance under the FDIC or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission. All temporary investments are stated at cost plus accrued interest which approximates market.

Management intends to hold the time deposits and securities until maturity.

In addition to the investments scheduled above, the County holds \$142,958 in registered warrants issued by the William Shore Memorial Pool District, a Metropolitan Park District formed in 2009 in Port Angeles, Washington. See Note 17D.

The county did not use, hold, or sell any derivatives or similar instruments in 2010.

In accordance with generally accepted accounting principles applicable to regulated industries, reductions in market value are not reflected on the financial statements. Similarly, gains or losses on bond swaps are deferred and amortized over the life of the replacement investment. Other gains or losses on investments sold or exchanged are recognized at the time the transactions are completed.

Proprietary fund restricted assets as of December 31, 2010 consist of the following:

	Carrying
Time Deposit	\$ 200,000
State Investment Pool	104,518
Total Investments of Restricted Assets	\$ 304,518

NOTE 4 - PROPERTY TAXES

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections during the month are distributed to each applicable fund at the end of the month except for the cities and state which are distributed on the 10th and 20th respectively.

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

Property Tax Calendar	
January 1	Taxes are levied and become an enforceable lien against properties.
February	Tax bills are mailed.
April 30	First of two equal installment payments is due.
May 31	Assessed property values established for next year's levy at 100% of market.
October 31	Second installment is due.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

During the year, property tax revenues are recognized when cash is collected. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible.

The county may levy up to \$1.80 per \$1,000 of assessed valuation for general governmental services, subject to two limitations:

1. Washington State Law in RCW 84.55.010 limits the growth of regular property taxes to 1% per year, after adjustments for new construction. Referendum 47, passed in 1997, altered provisions of RCW 84.55 (formerly the 106% limit) that apply to a taxing district's highest prior lawful levy since 1985. For a taxing district with a population greater than 10,000 this referendum limits its levy capacity to an inflationary increase over its highest allowable levy since 1985, unless the district chooses to override this limitation with a finding of substantial need.
2. The Washington State Constitution limits the total regular property taxes to 1% of assessed valuation or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the 1% limit.

The county's regular tax levy rate for 2010 was \$1.1003536996 per \$1,000 on a total assessed valuation of \$8,243,327,771 for a regular levy total of \$9,070,576. The total 2010 levy rate of \$1.1378036996 was comprised of four funds: Operating at \$1.1003536996; Veterans' Relief at \$.01125; Land Assessment at \$.00120; and Human Services at \$.02500.

NOTE 5 – INTERFUND TRANSACTIONS AND BALANCES

Interfund transactions are classified as follows:

- A. Transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the county.
- B. Transfers to support the operations of other funds are recorded as "Transfers" and classified with "Other Financial Sources or Uses."
- C. At December 31, 2009 there was a loan payable balance outstanding payable by the Road Improvement funds as a group to the Roads fund in the total of \$37,130. There were no new loans on this balance in 2010, and after payments of \$4,096 the balance at December 31, 2010 was \$33,034.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

In 2008 the General Fund loaned the OPNET Drug Fund \$200,000 to fund a settlement agreement related to a property seizure. This loan was repaid in 2010 from the proceeds of the sale of the seized property.

NOTE 6 – LONG-TERM DEBT

A. Opportunity Fund Long-Term Debt

In 2004 the Clallam County Opportunity Fund borrowed \$750,000 from the Washington State Community Economic Revitalization Board and re-loaned that amount to the Clallam Business Incubator, Inc. to aid in the construction of the Incubator facilities. The County is obligated to repay the loan in installments beginning in 2008 and continuing through 2025. Interest on the loan is stated at 1%. The Incubator is obligated to repay its loan from the County on essentially identical terms. At December 31, 2010 the principal outstanding on this loan payable by the Opportunity Fund was \$668,206.

In 2009, the board of the Incubator determined that it would not be able to replace its existing operating grant, and that without the grant could not continue to operate in its current form. Accordingly, five of the seven board members of the Incubator resigned and were replaced by representatives of local governmental units including the City of Port Angeles, Clallam County, and the Port of Port Angeles as part of an effort to secure new funding to continue the operation of the Incubator. These efforts have not been successful, and in the opinion of the management of Clallam County, it is unlikely that the Incubator will repay its loan to the County. This unpaid balance was \$709,306.46 at December 31, 2010.

B. Changes In General Long-Term Liabilities:

This table summarizes the county's general debt transactions for 2010.

Category	Balance 12/31/09	Additions	Retirements	Balance 12/31/10
Compensated Absences for Governmental Activities and Business-Type Activities	\$ 2,393,647	\$ 0	\$ 21,899	\$ 2,371,748

Restricted assets in proprietary funds contain neither sinking funds nor reserves as there is no applicable debt to require these provisions.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

Legal Debt Margin - The County's limitation on external long-term debt is set by state law as follows:

Purpose of Indebtedness	Remaining Capacity
General Government (No vote required)	\$ 123,649,917
General Government (With 3/5 majority vote)	\$ 206,083,194

- C. Refunded Debt - The County currently has no refunded debt.
- D. Capitalized Leases - The County currently has no capitalized leases in effect.
- E. Conduit Debt - The County currently has no conduit debt.

NOTE 7 - PENSION PLANS

Substantially all Clallam County full-time and qualifying part-time employees participate in one of the following statewide local government retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer defined public employee retirement systems.

The Washington State Department of Retirement Systems 2010 annual financial report presents historical trend and other information regarding each plan. A copy may be obtained at the following address:

Department of Retirement Systems
Administrative Services Division
Post Office Box 48380
Olympia, WA 98504-8380

A. Public Employee's Retirement System (PERS) Plans I, II, & III

PERS is a cost-sharing multiple-employer defined benefit pension plan. Membership in the plan includes: elected officials; state employees; Supreme, Appeals, and Superior court employees other than judges; legislative committee employees; college and university employees not in national higher education retirement programs; district and municipal court judges; noncertified school district employees; and local government employees.

PERS contains three "plans". (As used in this context, the term "plans" refers to tiers within PERS. The actual plan is PERS.) Participants who joined the system by September 30, 1977 are Plan I members. Those joining thereafter choose either Plan II or Plan III. Retirement benefits are financed from employee and employer contributions and

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

investment earnings. Employees vest in their own contributions immediately and in their employer's contributions after completion of five years of eligible service.

Plan I members are eligible for retirement after 30 years of service, or at the age of 60 with 5 years of service, or at the age of 55 with 25 years of service. The percentage for the annual pension is 2% per year of service. This percentage is applied against the average yearly salary of the employee's highest two years of earnings. Retirement benefits are capped at 60%. If qualified, after reaching age 66, a cost-of-living allowance is granted based on years of service credit and is capped at 3 percent annually.

Plan II members may retire at the age of 65 with 5 years of service, or at 55 with 20 years of service, with an allowance of 2% per year of service. This percentage is applied against the average yearly salary of the employees highest five years of earnings. Plan II retirements prior to 65 are actuarially reduced. There is no cap on years of service credit and a cost-of-living allowance is included, capped at 3% annually.

Plan III has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. The defined benefit portion provides a benefit calculated at 1 percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible consecutive 60-month period. Plan III members become eligible for retirement if they have at least ten years of service, five years including twelve months that were earned after age 54, or five service credit years earned in PERS Plan II prior to June 1, 2003. Plan III retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a 3 percent per year reduction applies; otherwise an actuarial reduction will apply. There is no cap on years of service credit; and Plan III provides the same cost-of-living allowance as Plan II. The defined contribution portion can be distributed in accordance with an option selected by the member, either as a lump sum or pursuant to other options authorized by the Employee retirement Benefits Board.

Each biennium, the State Pension Funding Council adopts Plan I employer contribution rates, Plan II employer and employee contribution rates, and Plan III employer contribution rates. Employee contribution rates for Plan I are established by legislative statute, at 6 percent, and do not vary from year to year. The employer and employee contribution rates for Plan II and the employer contribution rate for Plan III are developed by the Office of State Actuary to fully fund the Plan II and the defined benefit portion of Plan III. All employers are required to contribute at the level established by the Legislature. PERS Plan III defined contribution is a non-contributing plan for employers. Employees who participate in the defined contribution portion of PERS Plan III do not contribute to the defined benefit portion of PERS Plan III. The Employee Retirement Benefits Board sets Plan III employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

employee's age. The methods used to determine the contribution rates are established under state statute in accordance with chapters 41.40 and 41.45 of the RCW.

The county's contribution rates, as a percentage of covered payrolls, as of December 31, 2010 were:

	PERS Plan I	PERS Plan II	PERS Plan III
Employer*	5.31%	5.31%	**5.31%
Employee	6.00%	3.90%	***

*The employer rates include the employer administration expense fees currently set at 0.16.

**Plan III defined benefit portion only.

***Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS III member.

Both the county and its employees made the required contributions. The county's required contributions for the years ended December 31 were as follows:

Year	PERS Plan I	PERS Plan II	PERS Plan III
2010	\$ 70,021	\$ 797,660	\$ 107,367
2009	\$ 69,706	\$ 1,044,569	\$ 161,630
2008	\$ 141,551	\$ 958,159	\$ 144,491

B. Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans I & II

LEOFF is a cost-sharing multiple-employer defined benefit pension plan. Membership includes all full-time, fully compensated, local law enforcement officers and fire fighters. Retirement benefits are financed from employee and employer contributions, investment earnings, and state contributions. LEOFF is comprised solely of non-state employees.

The LEOFF system contains two plans. Participants who joined the system by September 30, 1977, are Plan I members. Those who joined thereafter are enrolled in Plan II. Retirement benefits are vested after completion of five years of eligible service.

Plan I participants are eligible to retire with five years of service at age 50. The benefit per year of service is as follows: with a cost-of-living allowance granted, capped at 3 percent annually:

Term of Service	Percent of Final Average
20 or more years	2.0
10 but less than 20 years	1.5
5 but less than 10 years	1.0

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

Plan II participants are eligible to retire at the age of 50 with 20 years of service or at 53 with five years of service. Retirement benefits prior to age 55 are actuarially reduced. The benefit is 2% of average salary per year of service. The average salary is based on the highest 5-year period. There is no cap on years of service credit and a cost-of-living allowance is included, capped at 3% annually.

Starting on July 1, 2000, Plan I employers and employees will contribute zero percent as long as the plan remains fully funded. Employer and employee contribution rates are developed by the Office of the State actuary to fully fund the plan. Plan II employers and employees are required to pay at the level adopted by the Department of Retirement systems in accordance with 41.45 RCW. All employers are required to contribute at the level required by state law. The Legislature, by means of a special funding arrangement, appropriated money from the state General Fund to supplement the current service liability of Plan II and to fund the prior service cost of Plan I in accordance with the requirements of the Pension Funding Council. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute. The methods used to determine the contribution rates are established under state statute in accordance with chapters 41.26 and 41.45 RCW.

The county's December 31, 2010 contribution rates expressed as a percentage of covered payroll were:

	LEOFF Plan I	LEOFF Plan II
Employer	.16%	5.24%
Employee	0%	8.46%

The employer rates include administrative expense fees currently set at 0.16%.

Both the county and its employees made the required contributions. The county's required contributions for the years ended December 31, were:

Year	LEOFF Plan I	LEOFF Plan II
2010	\$ 0	\$ 120,631
2009	\$ 0	\$ 125,051
2008	\$ 30	\$ 110,160

C. Public Safety Employees' Retirement Systems (PSERS) Plan II

PSERS II is a cost-sharing multiple-employer defined benefit pension plan. Membership includes certain public employees whose jobs contain a high degree of physical risk to their own personal safety, but who are not eligible for LEOFF retirement. Members of

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

PERS II and III who were employed full time by a PSERS II employer and who met PSERS II criteria could elect by September 30, 2006 to join PSERS II. Absent such election, they would remain in PERS II or III. Employees hired on or after July 1, 2006 by a PSERS employer who meet PSERS II requirements will become PSERS II members. Retirement benefits are financed from employee and employer contributions and from investment earnings.

PSERS members are eligible to retire at age 65 with five years of service or at age 60 with ten years of service. Members with 20 years of service can retire between ages 53 and 60 with benefit reductions of 3% for each year before 60. The benefit is 2% of annual salary for each credited year of service such salary calculated as the average of the 60 highest paid consecutive credited months. There is no cap on years of service credit and a cost-of-living allowance is included, capped at 3% annually.

In 2010 required contributions to PSERS by employees and the County were 6.55% and 7.85% of employee pay, respectively.

The county's required contributions for the years ended December 31, were:

Year	PSERS Plan II
2010	\$ 67,031
2009	\$ 78,414
2008	\$ 70,466

NOTE 8 - DEFERRED COMPENSATION PLAN, RETIREMENT HEALTH SAVINGS PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is independently administered, available to all employees and permits deferring a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

As of December 31, 2010, the value of the Deferred Compensation Plan & Trust was \$10,062,850. The County also has a 401(a) Plan that has trust reserves of \$5,432,468.

In 2002 the County instituted a Retirement Health Savings Plan in which participants can make a one-time irrevocable election to divert a percentage of their salaries into individual accounts administered by an independent trustee for the purpose of paying their and their dependent's medical costs upon retirement or other separation from county employment. As of December 31, 2010 the balances of these accounts totaled \$381,219. In 2006 the administrator of the Retirement Health Savings Plan advised the County that the plan was under review by the Internal Revenue Service. In 2007 the administrator and the Internal Revenue Service reached agreement materially changing provisions of the plan that the administrator could offer to the

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

County. In response the County elected to close its plan to new contributions as of December 31, 2007. The plan will remain active until all of its assets have been distributed to participants or their dependents under the terms of the plan.

NOTE 9 - RISK MANAGEMENT

A. Liability Risk Pool

Clallam County is a member of the Washington Counties Risk Pool ("Pool"). Chapter 48.62 RCW authorizes the governing body of two or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The Pool was formed on August 18, 1988 when several counties in the state of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and related administrative services. Thirty counties have belonged to the Pool at some point since its inception, and twenty seven counties were members at December 31, 2010. The Pool is overseen by the State Risk Manager and is subject to annual audit by the State Auditor.

The Pool currently carries \$20 million (with another \$5 million optional) of joint liability coverage on a "per occurrence" basis for third-party bodily injury, personal injury, property damage, errors and omissions, and advertising injury, and includes public officials' errors and omissions. Annually, members select a per occurrence deductible amount of \$10,000, \$25,000, \$50,000, \$100,000, \$250,000 or \$500,000. Clallam County has selected a \$100,000 deductible and purchases the additional \$5 million coverage. The initial \$10 million of coverage, less the retention (the greater of the member's deductible or \$100,000), is fully reinsured. The remaining insurance, up to \$15 million, is acquired as "following form" excess insurance. There are no aggregate limits to the payments made for any one member county or all member counties combined.

Property insurance, with composite limits of \$500 million for normal ("All Other Perils") coverage and \$250 million for catastrophe coverage and participant deductibles between \$5,000 and \$50,000, is also available through the Pool as an individual county option. Covered property includes structures, vehicles, mobile equipment, and EDP equipment. Participants are responsible for their claims' deductibles. The insurers are responsible for covered losses exceeding the participant deductibles to the maximum limits of the policy. Clallam County participates in this property insurance with a \$5,000 deductible.

Pool member counties are required to timely submit their third-party liability claims to the Pool which are then managed by the Pool's staff. This management includes establishing reserves for both reported and unreported covered events, as well as

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

estimates of the undiscounted future cash payments for losses and related claims adjustment expenses. Because the Washington State Counties Risk Pool is a cooperative program, there is joint liability among the participating members at such times as the Pool's assets are insufficient to cover the Pool's liabilities. Deficits resulting from any Pool fiscal year are financed by proportional reassessments against that year's member counties. As of December 31, 2010, the Pool has no reassessments receivable balance.

Each new member pays the Pool an admittance fee. This amount covers the member's share of organizational expenses and the cost of analyzing their loss data and risk profile. Members contract to remain in the Pool for a minimum of five years, and may terminate their memberships at the conclusion of any Pool fiscal year if the county timely files the required twelve months' notice. The Interlocal Governmental Agreement is renewed automatically each year after the initial 5-year period. Even after termination, a member is still responsible for contributions to the Pool for any unresolved, unreported, and in-process claims for the period it was a signatory to the Interlocal Governmental Agreement.

The Pool is fully funded by its member participants. Claims are filed by members and handled by the Pool's claims staff. Reserves are established for both reported and unreported insured events and include estimates of the undiscounted future cash payments of losses and related claim adjustment expenses.

The Pool is administered by a board of directors which is comprised of one designated representative from each participating member. An executive committee is elected from the member-designated directors and alternate directors at the annual meeting. Also at the annual meeting, the Pool's officers (president and secretary-treasurer) are elected from the executive committee persons. The officers and the executive committee are responsible for conducting the business affairs of the Pool.

See Note 11 - Claims and Judgments for discussion of claims liabilities against the County as of December 31, 2010.

B. Unemployment and Workers Compensation

The county has elected to partially self insure its risk for unemployment and worker's compensation claims. The county is responsible for losses up to \$350,000 per occurrence. Losses in excess of \$350,000 are insured by private insurance companies to the specific statutory excess limit, except that losses for law enforcement and marine cases which have \$500,000 self coverage per the Jones Act.

Independent claims manager's process claims. Based on the claims managers' estimates, the county's liability for possible losses at December 31, 2010 was as follows:

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

Unemployment	\$ 79,951
Workers' Compensation	\$ 885,000

The county is required by the State to set aside, for protection to the Workers' Compensation Fund, \$250,000 in cash reserves. Clallam County reserves exceed that requirement.

Claims' settlements and loss expenses are accrued in the Workers' Compensation Claims and Risk Management funds for the estimated settlement value of both reported and unreported claims up to the statutory excess limit. These funds are responsible for collecting interfund premiums from insured funds and departments, for paying claims settlements and for purchasing certain insurance policies. Interfund premiums are assessed on the basis of claims experience and are reported as revenues and expenses. Unemployment insurance claims are anticipated by a budgeted expense in the General Fund.

NOTE 10 - SHORT-TERM DEBT

The County has no short term debt outstanding as of December 31, 2010.

NOTE 11 - CLAIMS AND JUDGMENTS

Clallam County is named as the defendant in several legal actions. Claims and/or costs and fees, which are reasonably possible at December 31, 2010, are estimated by the Washington Counties Risk Pool to be \$994,840. Reserves within the Risk Management Funds exceed this requirement. See Note 9 - Risk Management for a description of the Public Entity Risk Pool. In the opinion of county management, the county's insurance policies and self-insurance reserves are adequate to pay known and pending claims.

NOTE 12 - COMMITMENTS

None at December 31, 2010.

NOTE 13 – SEGMENT INFORMATION

The county had no reportable segments as of December 31, 2010.

NOTE 14 - JOINT VENTURES

None at December 31, 2010.

NOTE 15 – LEOFF MEDICAL COSTS

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2010

Under the terms of LEOFF I, the county pays all the medical costs of its current and retired LEOFF I employees. This totaled \$32,691 in 2010 for ten retired employees. In addition, the county paid \$68,232 in medical insurance premiums for six of these retired employees in 2010. Only LEOFF I employees are eligible for this benefit.

NOTE 16 - CLOSURE AND POSTCLOSURE CARE COST

None at December 31, 2010.

NOTE 17 - OTHER DISCLOSURES

A. Prior Period Adjustment

There were no prior period adjustments in the year ended December 31, 2010.

B. Accounting and Reporting Changes

There were no material changes in accounting principles or accounting estimates in the year ended December 31, 2010.

C. Real Estate Excise Tax

During 2009, the Clallam county Treasurer noted a discrepancy in the accounting for Real Estate Excise Tax collections and reported it to the Washington State Auditor for investigation. The State Auditor determined that during the period 2004 to 2009 a sum of \$617,467 had been misappropriated. Clallam County terminated the employee deemed responsible for the misappropriation, and strengthened controls in Real Estate Excise Tax accounting and in other areas. In 2010 the County received \$597,516 from its insurance carrier in compensation for this loss.

D. William Shore Memorial Pool

The William Shore Memorial Pool District was created in 2009 to operate a municipal pool that was previously run by the City of Port Angeles. During 2010, Clallam County entered into an agreement with the Pool District to purchase the Pool District's registered warrants until June 1, 2015. These registered warrants totaled \$142,958 at December 31, 2010 which is shown netted against cash in the Pool District's accounts in these financial statements.

Clallam County
Schedule of Long Term Debt
For the Year Ended December 31, 2010

ID. No.	Description	Balance 12/31/2009	Additions	Reductions	Balance 12/31/2010	BARS Code for Debt Redemption
263.81	Washington State CERB Loan	\$ 709,306	-	41,100	\$ 668,206	591.52.00.0000
259.11	Compensated Absenses	\$ 2,393,647	-	21,899	\$ 2,371,748	

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2010

1 Federal Agency Name / Pass-Through Agency Name	2 Federal Program Name	3 CFDA #	4 Other ID Number	5 Expenditures			6 Foot-note Ref
				From Pass-Through Awards	From Direct Awards	Total	
Dept of Justice / WA State Patrol	High Intensity Drug Trafficking Area Initiatives	07.000	C100540FED	3,042		3,042	
Dept of Agriculture / WA State Office of the Superintendent of Public Instruction	National School Lunch Program	10.555	05-121-9761	31,407		31,407	
Dept of Health and Human Services / WA State Dept of Health	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	C14942	292			
			C14942	3,833			
			C14942	232,383			
Dept of Agriculture	Schools and Roads Grants to States - Title I	10.665	Title I	236,508	862,033	236,508	*
Dept of Agriculture / Olympic National Forest	Schools and Roads Grants to States - Title II	10.665	08-PA-11060900-003		50,500	50,500	
Dept of Agriculture	Schools and Roads Grants to States - Title III	10.665	Title III		20,283	20,283	
Dept of Agriculture	Schools and Roads Grants to Counties	10.666	07-CA-11060900-029		1,807	1,807	
Dept of Commerce / State of WA Dept of Ecology	Coastal Zone Management Administration	11.419	G1000003	90,914		90,914	
Dept of Commerce / WA State Recreation and Conservation Office	Pacific Coast Salmon Recovery / Pacific Coast Salmon Treaty Program	11.438	09-1503N	179,809			
			09-1504N	39,096			
				218,905		218,905	
Dept of Homeland Security / WA State Military Dept	Public Safety Interoperable Communications Grant Program	11.555	E08-356	2,376,950		2,376,950	2*
Dept of the Interior / WA State Dept of Fish and Wildlife	Coastal Wetlands Planning, Protection, and Restoration Act	15.614	05-1296	27,244		27,244	
Dept of Justice / WA State Patrol	Domestic Cannabis Eradication/Suppression	16.000	C100868FED	6,647		6,647	
Dept of Justice / WA State Dept of Social and Health Services	Office of Juvenile Justice and Delinquency Prevention	16.523	0663-99177	10,000		10,000	2
			S11-31102-504	17,899		17,899	
Dept of Justice / WA State Dept of Commerce	Crime Victim Assistance	16.575					
Dept of Justice / WA State Dept of Commerce	Violence Against Women Formula Grants	16.588	F09-31103-052	30,089		30,089	2
Dept of Justice	Bulletproof Vest Partnership Program	16.607	OMB 1121-0235		4,703	4,703	5

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2010

1	2	3	4	5		6
Dept of Justice / WA State Dept of Commerce	Public Safety Partnership and Community Policing Grants	16.710	M08-66100-105		2,338	2
Dept of Justice / WA Assoc of Sheriffs and Police Chiefs			WSMI 09104	18,051		20,389
Dept of Justice	Reduction and Prevention of Children's Exposure to Violence	16.730	2007-DJ-BX-1220		2,277	
Dept of Justice	Edward Byrne Memorial Justice Assistance Grant	16.738	2009-DJ-BX-1354		2,508	
Dept of Justice / WA State Dept of Commerce			M09-34021-005	171,865		
			M10-34021-005	<u>159,603</u> 331,468		333,976
Dept of Justice / WA State Dept of Commerce	ARRA Edward Byrne Memorial Justice Assistance Grant	16.803	F09-34721-033	28,739		6
Dept of Justice / WA State Dept of Social and Health Services			F09-34721-033 0963-68024	1,617 <u>67,764</u>		6 4,6
Dept of Justice	ARRA Edward Byrne Memorial Justice Assistance Grant	16.804	2009-SB-B9-2961	98,120	28,934	6
Dept of Transportation / WA State Dept of Transportation	Highway Planning and Construction	20.205	SB-WASB (805) / LA7005 ER0801(134) / LA7214 STPE2005 (078) / LA7259 TCSP 008 / LA5358 STPR-05 AK(001) / LA6760	11,188 12,623 213,683 146,570 <u>208,728</u>		
Dept of Transportation / WA State Dept of Transportation	ARRA Highway Planning and Construction	20.205	ARRA-7541(001) / LA6882	592,792 2,242		6
Environmental Protection Agency	Puget Sound Watershed Management Assistance	66.120	PO-00J08801-1		30,010	
Environmental Protection Agency / WA State Dept of Health	Surveys, Studies, Investigations, Demonstrations, and Training Grants Section 1442 of the Safewater Drinking Act	66.424	C14942	2,750		
			C14942	2,500 5,250		5,250
Environmental Protection Agency	Targeted Watershed Grants	66.439	WS- 96074701-0		178,639	
Environmental Protection Agency / State of WA Dept of Ecology	Nonpoint Source Implementation Grants	66.460	G0900091	39,494		39,494

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2010

1	2	3	4	5		6
Environmental Protection Agency / WA State Dept of Health	Beach Monitoring and Notification Program Implementation Grants	66,472	C14942	8,158	8,158	
Dept of Energy / WA State Dept of Commerce	ARRA Energy Efficiency and Conservation Block Grant (Non- Construction	81,128	F10-52110-059	20,251	20,251	6
Dept of Justice / WA State Dept of Commerce	Safe and Drug Free Schools and Communities - State Grants	84,186B	M08-66100-105	44,594	44,594	2
Election Assistance Commission / State of WA Office of the Secretary of State	Help America Vote Act	90,401	G2830	40,277	40,277	
Dept of Health and Human Services / WA State Dept of Health	Public Health Emergency Preparedness	93,069	C14942	40,091		
			C14942	4,551		
			C14942	37,977		
				82,619	82,619	
Dept of Health and Human Services/ WA State Dept of Health	Immunization Grants	93,268	C14942	4,671		
			C14942	29,734		3
			Vaccine in Lieu of Cash	66,127		
				100,532	100,532	
Dept of Health and Human Services / WA State Dept of Social and Health Services	Centers for Disease Control and Prevention-Investigations and Technical Assistance	93,283	0763-20239 & 0963-68024	7,172	7,172	
Dept of Health and Human Services / WA State Dept of Social and Health Services	Temporary Assistance for Children and Families	93,558	0963-65364-03	325	325	
Dept of Health and Human Services / WA State Dept of Social and Health Services	Child Support Enforcement	93,563	2110-80577	149,993		
			0763-15052 0763-15052	40,862 31,875		
				222,730	222,730	
Dept of Health and Human Services / WA State Dept of Health	Child Care and Development Block Grant	93,575	C14942	16,923	16,923	
Dept of Health and Human Services / WA State Dept of Social and Health Services	Medical Assistance Program	93,778	0963-86546 & 1012-98210	16,297		
			N/A 02-68MAA N/A	87,645 15,269 5,431		
			0963-53322-01	16,857	141,499	
				141,499	141,499	

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2010

1	2	3	4	5		6
Dept of Health and Human Services / WA State Dept of Health	National Bioterrorism Hospital Preparedness Program	93.889	C14942	2,341	2,341	
Dept of Health and Human Services / Clark County Public Health	HIV Care Formula Grants	93.917	HDC 268 & HDC293	40,408	40,408	
Dept of Health and Human Services / WA State Dept of Social and Health Services	Block Grants for Prevention and Treatment of Substance Abuse	93.959	0763-20239 & 0963-68024 0763-20239 & 0963-68024	111,543 <u>93,969</u> 205,512		4
Dept of Health and Human Services / WA State Dept of Health	Maternal and Child Health Services Block Grant to the States	93.994	C14942	78,115	78,115	
Dept of Homeland Security / WA State Military Dept	State Domestic Preparedness Equipment Support Program	97.004	E09-209	108,824	108,824	
Dept of Homeland Security / WA State Parks and Recreation Commission	Boating Safety Financial Assistance	97.012	LE911-202 2009-26	5,708 22,289 27,997		
Dept of Homeland Security / WA State Military Dept	Disaster Grants - Public Assistance	97.036	1817-DR-WA D09- 011	322,515	322,515	*
Dept of Homeland Security / WA State Military Dept	Emergency Management Performance Grants	97.042	E10-302	36,727	36,727	
Dept of Homeland Security / Kitsap County Dept of Emergency Management Dept of Homeland Security / WA State Military Dept Dept of Homeland Security / Kitsap County Dept of Emergency Management	Homeland Security Grant Program	97.067	KC440-07, KS469- 08, KC504-07, E08-084, E09-137 E10-297 E09-137 K692	9,277 65,409 9,277 83,963	227,571 311,534	
Total Federal Awards Expended				\$5,728,504	\$1,411,603	\$7,140,107

Note 1 - Basis of Accounting

The Schedule of Financial Assistance is prepared on the same basis as the county's financial statement. The county uses a cash accounting basis.

Note 2 - Program Costs

The amounts shown as current year expenditures represent only federal/state/local grant portion of the program cost. Entire program cost, including the county's portion may be more than shown. An asterisk (*) marks awards over \$300,000.

Note 3 - Noncash Awards

The amount of Vaccine reported on the schedule is the value of vaccine distributed by the county during current year and priced as prescribed by Federal and State Agencies.

Note 4 - Amounts Awarded to Subrecipients

Included in the total amount expended for this program is money that was passed through to a subrecipient that administered its own project.

Note 5 - Prior Year Expenses

Federal CFDA 16.607 expenditures of \$4,704 occurred in 2009 and were not reported; revenue received in 2010.

Note 6 - American Recovery and Reinvestment Act (ARRA) of 2009

Expenditures for this program were funded by ARRA.



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.

Our mission is to work with our audit clients and citizens as an advocate for government accountability. 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.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

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 and fraud, whistleblower and citizen hotline investigations.

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

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

State Auditor
Chief of Staff
Deputy Chief of Staff
Chief Policy Advisor
Director of Audit
Director of Performance Audit
Director of Special Investigations
Director for Legal Affairs
Director of Quality Assurance
Local Government Liaison
Communications Director
Public Records Officer
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