



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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NEWS RELEASE

FOR RELEASE

May 4, 2011

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Auditor of State David A. Vaudt today released an audit report on Washington County, Iowa.

The County had local tax revenue of \$30,851,453 for the year ended June 30, 2010, which included \$1,144,878 in tax credits from the state. The County forwarded \$21,373,472 of the local tax revenue to the townships, school districts, cities and other taxing bodies in the County.

The County retained \$9,477,981 of the local tax revenue to finance County operations, a 4.3% increase over the prior year. Other revenues included charges for service of \$2,547,838, operating grants, contributions and restricted interest of \$5,459,514, capital grants, contributions and restricted interest of \$2,269,779, local option sales and services tax of \$872,690, gaming wager tax of \$425,823, unrestricted investment earnings of \$95,861 and other general revenues of \$232,223.

Expenses for County operations totaled \$17,477,647, a less than one percent increase over the prior year. Expenses included \$5,509,754 for roads and transportation, \$3,971,904 for public safety and legal services and \$2,419,706 for physical health and social services.

A copy of the audit report is available for review in the County Auditor's office, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/1010-0092-B00F.pdf>.

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WASHINGTON COUNTY
INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS

JUNE 30, 2010

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Washington County

Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Steve Davis	Board of Supervisors	Jan 2011
James Rosien	Board of Supervisors	Jan 2011
Adam Mangold	Board of Supervisors	Jan 2013
Jim Miksch	Board of Supervisors	Jan 2013
Wesley Rich	Board of Supervisors	Jan 2013
Bill Fredrick	County Auditor	Jan 2013
Jeffrey A. Garrett	County Treasurer	Jan 2011
Connie Pence	County Recorder	Jan 2011
Jerry A. Dunbar	County Sheriff	Jan 2013
Barbara A. Edmondson	County Attorney	Jan 2011
Lil Perry	County Assessor	Jan 2016

Washington County



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Independent Auditor's Report

To the Officials of Washington County:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Washington County, Iowa, as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements listed in the table of contents. These financial statements are the responsibility of Washington County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Washington County at June 30, 2010, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated April 12, 2011 on our consideration of Washington County's internal control over financial reporting and 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.

Management's Discussion and Analysis, Budgetary Comparison Information and the Schedule of Funding Progress for the Retiree Health Plan on pages 7 through 14 and 46 through 50 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Washington County's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the nine years ended June 30, 2009 (which are not presented herein) and expressed unqualified opinions on those financial statements. Other supplementary information included in Schedules 1 through 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

April 12, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

Washington County provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2010. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

2010 FINANCIAL HIGHLIGHTS

- Revenues of the County's governmental activities increased 8.1%, or approximately \$1,598,000, from fiscal year 2009 to fiscal year 2010. Property and other County tax increased approximately \$387,000, charges for service increased approximately \$407,000, operating grants, contributions and restricted interest increased approximately \$27,000 and capital grants, contributions and restricted interest increased approximately \$871,000.
- Program expenses were 0.2%, or approximately \$34,000, more in fiscal year 2010 than in fiscal year 2009.
- The County's net assets increased 9.2%, or approximately \$3,904,000, from June 30, 2009 to June 30, 2010.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the County's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of Washington County as a whole and present an overall view of the County's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Washington County's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Washington County acts solely as an agent or custodian for the benefit of those outside of County government (Agency Funds).

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the County's budget for the year, as well as presenting the Schedule of Funding Progress for the Retiree Health Plan.

Other Supplementary Information provides detailed information about the nonmajor governmental and the individual Internal Service and Agency Funds.

REPORTING THE COUNTY'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information which helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The Statement of Net Assets presents all of the County's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in the County's net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal years.

The County's governmental activities are presented in the Statement of Net Assets and the Statement of Activities. Governmental activities include public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, interest on long-term debt and non-program activities. Property tax and state and federal grants finance most of these activities.

Fund Financial Statements

The County has three kinds of funds:

1) Governmental funds account for most of the County's basic services. These focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Mental Health, Rural Services and Secondary Roads, 3) the Debt Service Fund and 4) the Capital Projects Fund. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed, short-term view of the County's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

The required financial statements for governmental funds include a balance sheet and a statement of revenues, expenditures and changes in fund balances.

2) Proprietary funds account for the County's Internal Service, Employee Group Health and Flexible Benefits Funds. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions.

The required financial statements for proprietary funds include a statement of net assets, a statement of revenues, expenses and changes in fund net assets and a statement of cash flows.

3) Fiduciary funds are used to report assets held in a trust or agency capacity for others which cannot be used to support the County's own programs. These fiduciary funds include Agency Funds that account for the Public Safety Commission, E911 Services, Emergency Management Services and the County Assessor, to name a few.

The required financial statement for fiduciary funds is a statement of fiduciary assets and liabilities.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of financial position. Washington County's combined net assets increased \$3,904,062 from a year ago, from \$42,549,014 to \$46,453,076. The analysis that follows focuses on the net assets of governmental activities.

Net Assets of Governmental Activities		
	June 30,	
	2010	2009
Current and other assets	\$ 17,060,655	15,652,350
Capital assets	49,768,901	48,511,635
Total assets	66,829,556	64,163,985
Long-term liabilities	11,613,563	13,215,501
Other liabilities	8,762,917	8,399,470
Total liabilities	20,376,480	21,614,971
Net assets:		
Invested in capital assets, net of related debt	45,431,175	43,874,635
Restricted	3,997,116	3,272,471
Unrestricted	(2,975,215)	(4,598,092)
Total net assets	\$ 46,453,076	42,549,014

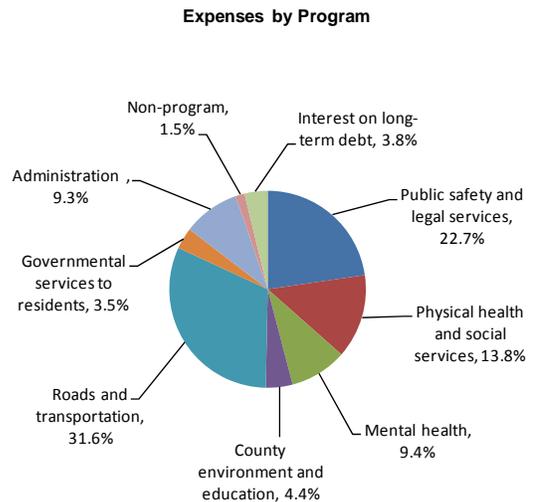
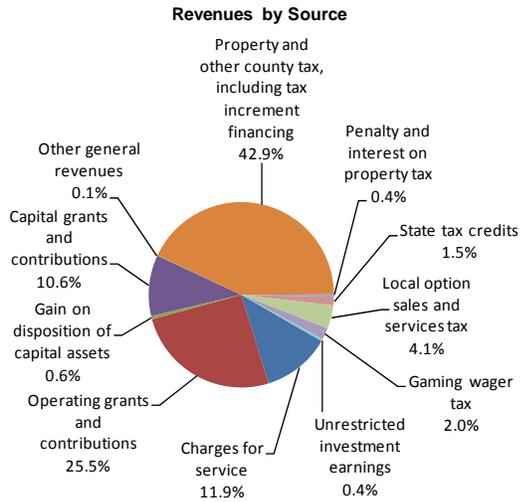
The largest portion of the County's net assets is invested in capital assets (e.g., land, infrastructure, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets.

Restricted net assets represent resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. Restricted net assets increased from approximately \$3,272,000 at June 30, 2009 to approximately \$3,997,000 at the end of this year, an increase of 22.1%. This increase is primarily the result of increases of approximately \$473,000 in the amount restricted for mental health and approximately \$438,000 for secondary roads, offset by decreases of approximately \$199,000 and \$43,000 in the amounts restricted for supplemental levy purposes and capital projects, respectively.

Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements—increased from approximately (\$4,598,000) at June 30, 2009 to approximately (\$2,975,000) at the end of this year, an increase of 35.3%. The negative unrestricted net assets balance is due to the County incurring debt for assets which are not the County's.

Changes in Net Assets of Governmental Activities

	Year ended June 30,	
	2010	2009
Revenues:		
Program revenues:		
Charges for service	\$ 2,547,838	2,140,865
Operating grants, contributions and restricted interest	5,459,514	5,432,940
Capital grants, contributions and restricted interest	2,269,779	1,399,008
General revenues:		
Property and other county tax, including tax increment financing	9,158,651	8,771,676
Penalty and interest on property tax	79,213	72,916
State tax credits	319,330	319,126
Local option sales and services tax	872,690	907,821
Gaming wager tax	425,823	432,286
Unrestricted investment earnings	95,861	152,281
Gain on disposition of capital assets	132,037	108,600
Other general revenues	20,973	46,365
Total revenues	21,381,709	19,783,884
Program expenses:		
Public safety and legal services	3,971,904	3,680,438
Physical health and social services	2,419,706	2,274,781
Mental health	1,634,981	1,638,684
County environment and education	776,247	594,032
Roads and transportation	5,509,754	6,147,641
Governmental services to residents	616,000	587,014
Administration	1,621,899	1,728,990
Non-program	262,600	65,212
Interest on long-term debt	664,556	726,929
Total expenses	17,477,647	17,443,721
Increase in net assets	3,904,062	2,340,163
Net assets beginning of year	42,549,014	40,208,851
Net assets end of year	\$ 46,453,076	42,549,014



Washington County's net assets of governmental activities increased approximately \$3,904,000 during the year. Revenues for governmental activities (a major portion from property tax, charges for service and capital grants) increased approximately \$1,598,000 over the prior year. Property and other county tax revenue increased approximately \$387,000, or 4.4%, over the prior year. Charges for service increased approximately \$407,000, or 19.0%, from the prior year, primarily due to increased revenues from other counties for care of prisoners. Capital grants and contributions increased approximately \$871,000, or 62.2%, from the prior year due to an increase in farm to market contributions from the Iowa Department of Transportation (IDOT) in fiscal year 2010.

The County decreased property tax rates \$.0037 per \$1,000 of taxable valuation in the rural levy and decreased property tax rates \$.12158 per \$1,000 of taxable valuation in the countywide levy. The rural property valuation increased \$27,159,199 and the countywide property valuation increased \$48,386,048.

The cost of all governmental activities this year was \$17,477,647 compared to \$17,443,721 last year. However, as shown in the Statement of Activities, the amount taxpayers ultimately financed for these activities this year was \$7,200,516 as \$2,547,838 of the cost was paid by those directly benefiting from the programs and \$7,729,293 of the cost was paid by other governments and organizations which subsidized certain programs with grants and contributions. Overall, the County's governmental activities revenues, including intergovernmental aid and fees for services, increased in fiscal year 2010 from \$8,972,813 to \$10,277,131, principally due to an increase in capital grant activity. The County paid for the remaining "public benefit" portion of governmental activities with taxes (some of which could only be used for certain programs) and other revenues, such as local option sales tax, interest and general entitlements.

INDIVIDUAL MAJOR FUND ANALYSIS

As Washington County completed the year, its governmental funds reported a combined fund balance of \$7,357,736, an increase of \$921,055 above last year's total of \$6,436,681. The following are the major reasons for the changes in fund balances of the major funds from the prior year:

- The General Fund ending fund balance decreased \$87,370, or 2.4%, from the prior year to \$3,494,240. Revenues increased approximately \$28,000, primarily due to an increase in property and other county tax, while expenditures increased approximately \$203,000 over fiscal year 2009.
- The Mental Health Fund balance increased \$472,895, or 95.4%, over the prior year to \$968,699. The County has continued to look for ways to effectively manage the cost of mental health services. Revenues for the year decreased approximately \$177,000 while expenditures decreased approximately \$9,000, from approximately \$1,643,000 to approximately \$1,634,000.
- The Rural Services Fund balance increased \$93,524, or 19.2%, from \$487,903 at the end of fiscal year 2009 to \$581,427 at the end of fiscal year 2010.
- Secondary Roads Fund expenditures decreased approximately \$576,000 and revenues increased approximately \$538,000 over the prior year. The Secondary Roads Fund ending fund balance increased approximately \$438,000, or 28.8%, over the prior year to \$1,958,922. Revenues increased primarily due to an increase in road use tax for fiscal year 2010. Expenditures decreased due to a decrease in road improvement projects.

- The City of Riverside Tax Increment Financing Fund revenues consist primarily of property tax. These funds are used to retire debt, including interest, on the Riverside infrastructure projects. This fund had a balance of \$24,075 at June 30, 2010.
- Debt Service Fund expenditures increased approximately \$149,000 and revenues increased approximately \$166,000 over the prior fiscal year. Expenditures increased primarily due to the first payment of principal and interest on the general obligation building improvement note for the Orchard Hill project. Revenues increased due to the collection of debt service property tax for the Orchard Hill project being levied to make principal and interest payments on the general obligation note issued.
- The Capital Projects Fund ended fiscal year 2010 with an \$82,617 fund balance compared to the prior fiscal year balance of \$125,385. The decrease of \$42,768 is primarily due to the completion of jail construction and Orchard Hill improvement projects.

Budgetary Highlights

Over the course of the year, Washington County amended its certified budget one time. The amendment was made in April 2010, primarily for increased intergovernmental receipts for public health and hazard mitigation grants. Physical health, capital projects and roads and transportation disbursements increased for additional project costs, including jail construction and public health relocation projects.

Actual net receipts for fiscal year 2010 were \$18,707,544, which was \$754,153 less than budgeted, due primarily to an overall decrease in intergovernmental receipts because of less state funding available and prisoner care receipts from other counties was significantly less than budgeted. Actual net disbursements for the year were \$17,883,095, which was \$2,826,935 less than the amount budgeted for disbursements. Public safety and legal services, mental health and capital projects function disbursements were significantly less than anticipated during fiscal year 2010.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

On June 30, 2010, Washington County had approximately \$49.8 million invested in a broad range of capital assets, including public safety equipment, buildings, roads and bridges, computers and audio-visual equipment, transportation equipment and administrative offices. This is a net increase of approximately \$1.3 million over June 30, 2009.

	Capital Assets of Governmental Activities at Year End	
	June 30,	
	2010	2009
Land	\$ 726,024	617,172
Intangibles, road network	3,060,717	3,060,717
Buildings	7,666,911	7,858,767
Improvements other than buildings	83,642	-
Equipment and vehicles	2,844,311	2,781,706
Infrastructure	35,387,296	34,193,273
Total	\$ 49,768,901	48,511,635

Washington County had depreciation expense of \$1,590,836 in fiscal year 2010 and total accumulated depreciation of \$17,305,108 at June 30, 2010.

The County's fiscal year 2010 budget included \$726,513 for capital projects, principally for roadway and Orchard Hill complex improvements and completion of jail construction. More detailed information about the County's capital assets is presented in Note 5 to the financial statements.

Long-Term Debt

At the end of fiscal year 2010, Washington County had \$3,905,000 of general obligation bonds outstanding compared to \$4,075,000 at the end of fiscal year 2009. The County also has a \$432,726 general obligation county building improvement note outstanding and \$6,909,748 of urban renewal tax increment revenue bonds outstanding at June 30, 2010, as shown below:

	Outstanding Debt of Governmental Activities at Year-End	
	June 30,	
	2010	2009
General obligation county building improvement note	\$ 432,726	562,000
General obligation bonds	3,905,000	4,075,000
Urban renewal tax increment revenue bonds	6,909,748	8,234,859
Total	\$ 11,247,474	12,871,859

The County has not had a general obligation bond rating assigned by national rating agencies to the County's debt since 1995. The constitution of the State of Iowa limits the amount of general obligation debt counties can issue to 5% of the assessed value of all taxable property within the County's corporate limits. Washington County's outstanding general obligation debt is significantly below its constitutional debt limit of \$78,537,733. The County continues paying off the \$9.4 million TIF revenue bonds committed to in fiscal year 2006 for the Riverside infrastructure projects as well as the jail and Orchard Hill renovation debts. Additional information about the County's long-term debt is presented in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Washington County's elected and appointed officials and citizens considered many factors when setting the fiscal year 2011 budget, tax rates and fees charged for various County activities. One of those factors is the economy. Washington County's unemployment rate has decreased 0.4% this past year, which is a very positive sign for our local economy as the U.S. economy struggles to recover from a major recession. Unemployment in the County now stands at 5.2% versus 5.6% a year ago, compared with the State's unemployment rate of 6.1% and the national rate of 9.5% for the same period ended June 30, 2010.

The State experienced a period of significant deflation from June 2008 to June 2009 but has experienced a moderate increase in the Consumer Price Index (CPI) for the period ending June 30, 2010. The State's CPI increase was 1.2% for fiscal year 2010 compared to the national CPI increase of 1.1%. Inflation has increased modestly here due, in part, to increases in the price of food and energy. Based on preliminary 2010 census information, it appears the population of the County has increased 5.0% since the last decennial census. This increase makes Washington County the eleventh fastest growing county in the State since the 2000 census.

In an ongoing effort to maintain County services without a major increase in tax askings, the Washington County Board of Supervisors continues to limit departmental expenditure increases. Amounts appropriated in the fiscal year 2011 cash operating budget are \$20,958,104, a 1.2% increase from the final budget for fiscal year 2010 and an increase of 17.2% over actual final fiscal year 2010 cash disbursements, mainly due to anticipated increases in public safety and capital projects function disbursements. A property tax revenue increase, due to increases in the County's taxable valuations and a decision by the Board of Supervisors to impose a general basic levy rate of \$3.80 per \$1,000 of taxable valuation (exceeding the statutory maximum of

\$3.50 per \$1,000 of taxable valuation), will be supplemented by an anticipated increase in local option sales and services tax (LOSST) collections and intergovernmental revenues. The decision to increase the general county services basic levy was made by the Board to ensure adequate operating balances. Washington County will attempt to use these receipts to finance eligible programs we are currently involved in and offset the effects of increasing program costs. The Board has also included funding necessary for consulting/architectural costs relating to the potential relocation of the Public Health Department. Increased wage and cost of living adjustments, increased insurance costs, costs associated with public safety and planned capital projects represent the largest expenditure increases. The County has added no other major new programs or initiatives to the fiscal year 2011 budget, with the exception of the possible relocation of the County Public Health Department.

If these estimates are realized, the County's budgetary operating balance is expected to decrease from the previous fiscal year.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Washington County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Washington County Auditor's Office, 222 West Main Street, PO Box 889, Washington, Iowa 52353.

Basic Financial Statements

Exhibit A

Washington County
Statement of Net Assets
June 30, 2010

	<u>Governmental Activities</u>
Assets	
Cash and pooled investments	\$ 7,946,516
Receivables:	
Property tax:	
Delinquent	6,187
Succeeding year	7,752,000
Interest and penalty on property tax	129
Accounts	170,359
Accrued interest	4,963
Due from other governments	890,459
Inventories	185,885
Prepaid insurance	104,157
Capital assets (net of accumulated depreciation)	49,768,901
Total assets	<u>66,829,556</u>
Liabilities	
Accounts payable	520,867
Accrued interest payable	48,887
Salaries and benefits payable	244,204
Due to other governments	196,959
Deferred revenue:	
Succeeding year property tax	7,752,000
Long-term liabilities:	
Portion due or payable within one year:	
General obligation note and bonds	314,416
Urban renewal tax increment revenue bond	1,196,454
Compensated absences	240,151
Portion due or payable after one year:	
General obligation note and bonds	4,023,310
Urban renewal tax increment revenue bond	5,713,294
Compensated absences	82,306
Net OPEB liability	43,632
Total liabilities	<u>20,376,480</u>
Net Assets	
Invested in capital assets, net of related debt	45,431,175
Restricted for:	
Supplemental levy purposes	821,594
Mental health purposes	965,421
Secondary roads purposes	1,874,873
Capital projects	82,617
Other purposes	252,611
Unrestricted	(2,975,215)
Total net assets	<u>\$ 46,453,076</u>

See notes to financial statements.

Washington County
Statement of Activities
Year ended June 30, 2010

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	
Functions/Programs:					
Governmental activities:					
Public safety and legal services	\$ 3,971,904	1,150,525	85,484	-	(2,735,895)
Physical health and social services	2,419,706	333,504	1,013,733	-	(1,072,469)
Mental health	1,634,981	1,342	1,331,502	-	(302,137)
County environment and education	776,247	6,775	24,759	534	(744,179)
Roads and transportation	5,509,754	260,891	2,897,320	2,269,245	(82,298)
Governmental services to residents	616,000	376,282	16,720	-	(222,998)
Administration	1,621,899	88,328	14,772	-	(1,518,799)
Non-program	262,600	330,191	75,224	-	142,815
Interest on long-term debt	664,556	-	-	-	(664,556)
Total	\$ 17,477,647	2,547,838	5,459,514	2,269,779	(7,200,516)
General Revenues:					
Property and other county tax levied for:					
General purposes					6,886,854
Debt service					476,522
Tax increment financing					1,795,275
Penalty and interest on property tax					79,213
State tax credits					319,330
Local option sales tax					872,690
Gaming wager tax					425,823
Unrestricted investment earnings					95,861
Gain on disposition of capital assets					132,037
Miscellaneous					20,973
Total general revenues					11,104,578
Change in net assets					3,904,062
Net assets beginning of year					42,549,014
Net assets end of year					\$ 46,453,076

See notes to financial statements.

Washington County

Balance Sheet
Governmental Funds

June 30, 2010

	Special Revenue			
	General	Mental Health	Rural Services	Secondary Roads
Assets				
Cash and pooled investments	\$ 3,394,556	1,175,575	460,146	1,576,046
Receivables:				
Property tax:				
Delinquent	4,506	643	673	-
Succeeding year	5,247,000	749,000	1,278,000	-
Interest and penalty on property tax	129	-	-	-
Accounts	101,388	-	-	21,132
Accrued interest	4,963	-	-	-
Due from other funds	98	-	-	4,952
Due from other governments	190,502	6,642	140,457	552,364
Inventories	-	-	-	185,885
Prepaid insurance	104,157	-	-	-
Total assets	\$ 9,047,299	1,931,860	1,879,276	2,340,379
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 103,963	27,974	14,455	323,168
Salaries and benefits payable	177,542	5,086	4,731	56,845
Due to other funds	4,952	34	5	59
Due to other governments	15,143	180,431	-	1,385
Deferred revenue:				
Succeeding year property tax	5,247,000	749,000	1,278,000	-
Other	4,459	636	658	-
Total liabilities	5,553,059	963,161	1,297,849	381,457
Fund balances:				
Reserved for:				
Supplemental levy purposes	871,105	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Unreserved, reported in:				
General fund	2,623,135	-	-	-
Special revenue funds	-	968,699	581,427	1,958,922
Total fund balances	3,494,240	968,699	581,427	1,958,922
Total liabilities and fund balances	\$ 9,047,299	1,931,860	1,879,276	2,340,379

See notes to financial statements.

City of Riverside Tax Increment Financing	Debt Service	Capital Projects	Nonmajor	Total
29,155	19,216	82,617	234,505	6,971,816
-	365	-	-	6,187
-	478,000	-	-	7,752,000
-	-	-	-	129
-	-	-	1,750	124,270
-	-	-	-	4,963
-	-	-	-	5,050
-	-	-	494	890,459
-	-	-	-	185,885
-	-	-	-	104,157
29,155	497,581	82,617	236,749	16,044,916
5,080	-	-	8,213	482,853
-	-	-	-	244,204
-	-	-	-	5,050
-	-	-	-	196,959
-	478,000	-	-	7,752,000
-	361	-	-	6,114
5,080	478,361	-	8,213	8,687,180
-	-	-	-	871,105
-	19,220	-	-	19,220
-	-	82,617	-	82,617
-	-	-	-	2,623,135
24,075	-	-	228,536	3,761,659
24,075	19,220	82,617	228,536	7,357,736
29,155	497,581	82,617	236,749	16,044,916

Washington County

Washington County

Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Assets

June 30, 2010

Total governmental fund balances (page 19) \$ 7,357,736

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. The cost of assets is \$67,074,009 and the accumulated depreciation is \$17,305,108. 49,768,901

Other long-term assets are not available to pay current year expenditures and, therefore, are deferred in the governmental funds. 6,114

The Internal Service Funds are used by management to charge the costs of partial self funding of the County's health insurance benefit plan and flexible benefits plan to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the Statement of Net Assets. 982,775

Long-term liabilities, including general obligation note and bonds payable, urban renewal tax increment revenue bond payable, compensated absences payable, other postemployment benefits payable and accrued interest payable, are not due and payable in the current year and, therefore, are not reported in the governmental funds. (11,662,450)

Net assets of governmental activities (page 16) \$ 46,453,076

See notes to financial statements.

Washington County

Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds

Year ended June 30, 2010

	Special Revenue			
	General	Mental Health	Rural Services	Secondary Roads
Revenues:				
Property and other county tax	\$ 5,227,664	741,610	1,349,055	-
Local option sales tax	-	-	872,690	-
Interest and penalty on property tax	79,213	-	-	-
Intergovernmental	2,451,810	1,363,884	58,241	3,179,939
Licenses and permits	50,997	-	-	2,185
Charges for service	665,246	1,342	1,600	873
Use of money and property	129,444	-	-	-
Miscellaneous	60,345	-	23	263,073
Total revenues	8,664,719	2,106,836	2,281,609	3,446,070
Expenditures:				
Operating:				
Public safety and legal services	3,549,924	-	222,574	-
Physical health and social services	2,370,986	-	200	-
Mental health	-	1,633,941	-	-
County environment and education	412,645	-	334,365	-
Roads and transportation	-	-	141,934	4,518,957
Governmental services to residents	587,748	-	3,001	-
Administration	1,572,228	-	-	-
Non-program	46,241	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	112,329
Total expenditures	8,539,772	1,633,941	702,074	4,631,286
Excess (deficiency) of revenues over (under) expenditures	124,947	472,895	1,579,535	(1,185,216)
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Operating transfers in	-	-	-	1,623,328
Operating transfers out	(212,317)	-	(1,486,011)	-
Total other financing sources (uses)	(212,317)	-	(1,486,011)	1,623,328
Net change in fund balances	(87,370)	472,895	93,524	438,112
Fund balances beginning of year	3,581,610	495,804	487,903	1,520,810
Fund balances end of year	\$ 3,494,240	968,699	581,427	1,958,922

See notes to financial statements.

City of Riverside Tax Increment Financing	Debt Service	Capital Projects	Nonmajor	Total
1,795,275	476,966	-	-	9,590,570
-	-	-	-	872,690
-	-	-	-	79,213
-	19,040	-	28,691	7,101,605
-	-	-	1,126	54,308
-	1,255	-	34,015	704,331
3,137	-	20,764	21,740	175,085
-	-	-	34,769	358,210
1,798,412	497,261	20,764	120,341	18,936,012
-	-	-	5,221	3,777,719
-	-	-	11,352	2,382,538
-	-	-	-	1,633,941
39,062	-	-	10,302	796,374
-	-	-	-	4,660,891
-	-	-	4,170	594,919
-	-	-	-	1,572,228
-	-	-	-	46,241
1,802,174	495,603	-	-	2,297,777
-	-	78,532	63,979	254,840
1,841,236	495,603	78,532	95,024	18,017,468
(42,824)	1,658	(57,768)	25,317	918,544
-	-	-	2,511	2,511
60,000	-	15,000	-	1,698,328
-	-	-	-	(1,698,328)
60,000	-	15,000	2,511	2,511
17,176	1,658	(42,768)	27,828	921,055
6,899	17,562	125,385	200,708	6,436,681
24,075	19,220	82,617	228,536	7,357,736

Washington County

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances -
Governmental Funds to the Statement
of Activities

Year ended June 30, 2010

Net change in fund balances - Total governmental funds (page 23) \$ 921,055

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Capital outlay expenditures and contributed capital assets exceeded depreciation expense in the current year, as follows:

Expenditures for capital assets	\$ 731,950	
Capital assets contributed by the Iowa Department of Transportation	1,986,626	
Depreciation expense	<u>(1,590,836)</u>	1,127,740

In the Statement of Activities, the gain on the disposition of capital assets is reported, whereas the proceeds from the disposition increase financial resources in the governmental funds. 129,526

Because some property tax revenues will not be collected for several months after the County's year end, they are not considered available revenues and are deferred in the governmental funds. (6,094)

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 1,624,385

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds, as follows:

Compensated absences	(81)	
Other postemployment benefits	(22,366)	
Interest on long-term debt	<u>8,836</u>	(13,611)

The Internal Service Funds are used by management to charge the costs of partial self funding of the County's employee health insurance benefit plan and flexible benefits plan to individual funds. The change in net assets of the Internal Service Funds is reported with governmental activities. 121,061

Change in net assets of governmental activities (page 17) \$ 3,904,062

See notes to financial statements.

Washington County
Statement of Net Assets
Proprietary Funds

June 30, 2010

	<u>Internal Service</u>
Assets	
Cash and cash equivalents	\$ 974,700
Accounts receivable	46,089
Total assets	<u>1,020,789</u>
Liabilities	
Accounts payable	<u>38,014</u>
Net Assets	
Unrestricted	<u>\$ 982,775</u>

See notes to financial statements.

Exhibit H

Washington County
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds

Year ended June 30, 2010

		<u>Internal Service</u>
Operating revenues:		
Reimbursements from operating funds		\$ 1,143,605
Reimbursements from employees and others		7,037
Reimbursements from agency funds		127,437
Stop loss reimbursements		190,588
Contributions for flexible benefits		59,552
Total operating revenues		<u>1,528,219</u>
Operating expenses:		
Medical claims	\$ 1,060,846	
Administrative fees	292,862	
Flexible benefits claims	<u>56,388</u>	<u>1,410,096</u>
Operating income		118,123
Non-operating revenues:		
Interest income		<u>2,938</u>
Net income		121,061
Net assets beginning of year		<u>861,714</u>
Net assets end of year		<u><u>\$ 982,775</u></u>

See notes to financial statements.

Washington County
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2010

	Internal Service
Cash flows from operating activities:	
Cash received from operating funds	\$ 1,198,028
Cash received from employees and others	151,536
Cash received from agency funds	132,566
Cash paid to suppliers for services	(1,439,045)
Net cash provided by operating activities	43,085
Cash flows from investing activities:	
Interest on investments	2,938
Net increase in cash and cash equivalents	46,023
Cash and cash equivalents beginning of year	928,677
Cash and cash equivalents end of year	\$ 974,700
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 118,123
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts receivable	(46,089)
Decrease in accounts payable	(28,949)
Net cash provided by operating activities	\$ 43,085

See notes to financial statements.

Washington County
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2010

Assets

Cash and pooled investments:	
County Treasurer	\$ 1,912,506
Other County officials	123,527
Receivables:	
Property tax:	
Delinquent	16,460
Succeeding year	20,780,000
Accounts	47,382
Due from other governments	31,856
Total assets	<u>22,911,731</u>

Liabilities

Accounts payable	11,535
Salaries and benefits payable	28,843
Due to other governments	22,782,925
Trusts payable	63,016
Compensated absences	25,412
Total liabilities	<u>22,911,731</u>

Net assets

\$ -

See notes to financial statements.

Washington County

Notes to Financial Statements

June 30, 2010

(1) Summary of Significant Accounting Policies

Washington County is a political subdivision of the State of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The County operates under the Board of Supervisors form of government. Elections are on a partisan basis. Other elected officials operate independently with the Board of Supervisors. These officials are the Auditor, Treasurer, Recorder, Sheriff and Attorney. The County provides numerous services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, roadway construction and maintenance and general administrative services.

The County's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Washington County has included all funds, organizations, agencies, boards, commissions and authorities. The County has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the County.

These financial statements present Washington County (the primary government) and its component unit. The component unit discussed below is included in the County's reporting entity because of the significance of its operational or financial relationships with the County.

Blended Component Unit – The following component unit is an entity which is legally separate from the County, but is so intertwined with the County it is, in substance, the same as the County.

The Washington County Conservation Foundation (Foundation) has been incorporated under Chapter 504A of the Code of Iowa to receive donations for the benefit of the Washington County Conservation Board. These donations are to be used to purchase items not included in the County's budget and to pay for special projects. The financial transactions of the Foundation have been displayed as a Special Revenue Fund.

Jointly Governed Organizations – The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: County Assessor’s Conference Board, County Emergency Management Commission, County Public Safety Commission and County Joint E911 Service Board. Financial transactions of these organizations are included in the County’s financial statements only to the extent of the County’s fiduciary relationship with the organization and, as such, are reported in the Agency Funds of the County.

The County also participates in the following jointly governed organizations established pursuant to Chapter 28E of the Code of Iowa: Washington County Public Safety Commission, East Central Iowa Council of Governments, Washington County Recycling Center, Heartland Group, South Iowa Case Management, Washington County Mini Bus and Southeast Multi-County Solid Waste Agency.

Related Organization – Although the County periodically provides significant financial assistance, primarily through the purchase of ambulances, the County does not appoint a voting majority of Washington County Ambulance, Inc. Board members. Therefore, the financial activity of Washington County Ambulance, Inc. has been excluded from the reporting entity.

B. Basis of Presentation

Government-wide Financial Statements – The Statement of Net Assets and the Statement of Activities report information on all of the nonfiduciary activities of the County and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by property tax, intergovernmental revenues and other nonexchange transactions.

The Statement of Net Assets presents the County’s nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories, as follows:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets not meeting the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The County reports the following major governmental funds:

The General Fund is the general operating fund of the County. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs not paid from other funds.

Special Revenue:

The Mental Health Fund is used to account for property tax and other revenues designated to be used to fund mental health, mental retardation and developmental disabilities services.

The Rural Services Fund is used to account for property tax and other revenues to provide services which are primarily intended to benefit those persons residing in the county outside of incorporated city areas.

The Secondary Roads Fund is used to account for secondary road construction and maintenance.

The City of Riverside Tax Increment Financing Fund is used to account for activity within an established TIF district.

The Debt Service Fund is utilized to account for the payment of interest and principal on the County's general long-term debt.

The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities.

Additionally, the County reports the following funds:

Proprietary Funds - Internal Service Funds are utilized to account for the financing of goods or services purchased by one department of the County and provided to other departments or agencies on a cost reimbursement basis.

Fiduciary Funds - Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, certain jointly governed organizations, other governmental units and/or other funds.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recorded as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

The proprietary funds of the County apply all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the County's Internal Service Funds is charges to customers for sales and services. Operating expenses for Internal Service Funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County maintains its financial records on the cash basis. The financial statements of the County are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most County funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except for the investment in the Iowa Public Agency Investment Trust which is valued at amortized cost and non-negotiable certificates of deposit which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable – Property tax in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the County Board of Supervisors. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Supervisors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Supervisors is required to certify its budget in March of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2008 assessed property valuations; is for the tax accrual period July 1, 2009 through June 30, 2010 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2009.

Due from and Due to Other Funds – During the course of its operations, the County has numerous transactions between funds. To the extent certain transactions between funds had not been paid or received as of June 30, 2010, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital Assets – Capital assets, which include land, equipment and vehicles, intangibles and infrastructure assets acquired after July 1, 1980 (e.g., roads, bridges, curbs, gutters, sidewalks and similar items which are immovable and of value only to the County), are reported in the governmental activities column in the government-wide Statement of Net Assets. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the County as assets with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Infrastructure	\$ 50,000
Land, buildings and improvements	25,000
Intangibles	25,000
Equipment and vehicles	5,000

Capital assets of the County are depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful lives (In Years)
Buildings	40 - 50
Building improvements	20 - 50
Infrastructure	30 - 50
Intangibles	5 - 20
Equipment	2 - 20
Vehicles	3 - 10

Due to Other Governments – Due to other governments represents taxes and other revenues collected by the County and payments for services which will be remitted to other governments.

Trusts Payable – Trusts payable represents amounts due to others which are held by various County officials in fiduciary capacities until the underlying legal matters are resolved.

Deferred Revenue – Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred revenue consists of unspent grant proceeds as well as property tax receivable and other receivables not collected within sixty days after year end.

Deferred revenue in the Statement of Net Assets consists of succeeding year property tax receivable which will not be recognized as revenue until the year for which it is levied.

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation and comp time hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide, proprietary fund and fiduciary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2010. The compensated absences liability attributable to the governmental activities will be paid primarily by the General, Mental Health, Rural Services and Secondary Roads Funds.

Long-Term Liabilities – In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund Statement of Net Assets. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity – In the governmental fund financial statements, reservations of fund balance are reported for amounts not available for appropriation or legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net Assets – The net assets of the Internal Service, Employee Group Health Fund is designated for anticipated future catastrophic losses of the County.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information.

(2) Cash and Pooled Investments

The County's deposits in banks at June 30, 2010 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The County is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Supervisors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The County had investments in the Iowa Public Agency Investment Trust which are valued at an amortized cost of \$46,136 pursuant to Rule 2a-7 under the Investment Company Act of 1940 and are not subject to risk categorization.

Interest rate risk. The County's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and uses of the County.

Credit risk. The investment in the Iowa Public Agency Investment Trust is unrated.

(3) Due From and Due to Other Funds

The detail of interfund receivables and payables at June 30, 2010 is as follows:

Receivable Fund	Payable Fund	Amount
General	Special Revenue:	
	Mental Health	\$ 34
	Rural Services	5
	Secondary Roads	59
Special Revenue:	General	4,952
Secondary Roads		<u>4,952</u>
Total		<u>\$ 5,050</u>

These balances result from the time lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

(4) Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2010 is as follows:

Transfer to	Transfer from	Amount
Special Revenue:	General	\$ 137,317
Secondary Roads	Special Revenue:	
	Rural Services	1,486,011
City of Riverside Tax	General	60,000
Increment Financing		
Capital Projects	General	<u>15,000</u>
Total		<u>\$ 1,698,328</u>

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

(5) Capital Assets

Capital assets activity for the year ended June 30, 2010 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 617,172	108,852	-	726,024
Intangibles, road network	3,060,717	-	-	3,060,717
Construction in progress	-	1,986,626	(1,986,626)	-
Total capital assets not being depreciated	3,677,889	2,095,478	(1,986,626)	3,786,741
Capital assets being depreciated:				
Buildings	11,124,141	-	-	11,124,141
Improvement other than buildings	-	88,044	-	88,044
Equipment and vehicles	7,443,131	683,797	(495,430)	7,631,498
Infrastructure, road network	42,456,959	1,986,626	-	44,443,585
Total capital assets being depreciated	61,024,231	2,758,467	(495,430)	63,287,268
Less accumulated depreciation for:				
Buildings	3,265,374	191,856	-	3,457,230
Improvements other than buildings	-	4,402	-	4,402
Equipment and vehicles	4,661,425	601,975	(476,213)	4,787,187
Infrastructure, road network	8,263,686	792,603	-	9,056,289
Total accumulated depreciation	16,190,485	1,590,836	(476,213)	17,305,108
Total capital assets being depreciated, net	44,833,746	1,167,631	(19,217)	45,982,160
Governmental activities capital assets, net	\$ 48,511,635	3,263,109	(2,005,843)	49,768,901

Depreciation expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	\$ 306,031
Physical health and social services	15,052
County environment and education	28,866
Roads and transportation	1,169,892
Governmental services to residents	12,520
Administration	58,475
Total depreciation expense - governmental activities	\$ 1,590,836

Governmental Accounting Standards Board Statement No. 51, Accounting and Financial Reporting for Intangible Assets, was implemented during fiscal year 2010. Right of way totaling \$3,060,717, which was previously reported as land, was reclassified as intangibles, road network. Restatement of the beginning net assets and capital assets for governmental activities was not necessary because the right of way has an indefinite useful life and, therefore, is not subject to amortization.

(6) Due to Other Governments

The County purchases services from other governmental units and also acts as a fee and tax collection agent for various governmental units. Tax collections are remitted to those governments in the month following collection. A summary of amounts due to other governments is as follows:

Fund	Description	Amount
General	Services	\$ 15,143
Special Revenue:		
Mental Health	Services	180,431
Secondary Roads	Services	1,385
		<u>181,816</u>
Total for governmental funds		<u>\$ 196,959</u>
Agency:		
County Offices	Collections	\$ 61,560
Agriculture Extension Education		188,558
County Assessor		500,572
Schools		13,549,259
Community Colleges		785,563
Corporations		5,151,996
Townships		295,082
Public Safety Commission		109,381
Auto License and Use Tax		403,429
All other		<u>1,737,525</u>
Total for agency funds		<u>\$ 22,782,925</u>

(7) Changes in Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2010 is as follows:

	General Obligation Building Improvements Note	General Obligation Bonds	Urban Renewal Tax Increment Revenue Bond	Compen- sated Absences	Other Post- employment Benefits	Total
Balance beginning of year	\$ 562,000	4,075,000	8,234,859	322,376	21,266	13,215,501
Increases	-	-	-	355,150	28,034	383,184
Decreases	129,274	170,000	1,325,111	355,069	5,668	1,985,122
Balance end of year	<u>\$ 432,726</u>	<u>3,905,000</u>	<u>6,909,748</u>	<u>322,457</u>	<u>43,632</u>	<u>11,613,563</u>
Due within one year	<u>\$ 139,416</u>	<u>175,000</u>	<u>1,196,454</u>	<u>240,151</u>	<u>-</u>	<u>1,751,021</u>

General Obligation Building Improvements Note

On December 15, 2008, the County issued a \$562,000 general obligation building improvements note to finance a portion of the cost of renovations, improvements and equipment at Orchard Hill Building Four for relocation of the Sheriff's Department and parking improvements to serve the Orchard Hill complex, the County jail and the Conservation Education Center. During the year ended June 30, 2010, the County retired \$129,274 of the note.

A summary of the County's June 30, 2010 general obligation note indebtedness is as follows:

Year Ending June 30,	Interest Rates	Principal	Interest	Total
2011	2.60%	\$ 139,416	10,584	150,000
2012	2.60	143,188	6,812	150,000
2013	2.60	150,122	2,997	153,119
Total		\$ 432,726	20,393	453,119

General Obligation Bonds

A summary of the County's June 30, 2010 general obligation bonded indebtedness is as follows:

Year Ending June 30,	Interest Rates	Principal	Interest	Total
2011	3.90%	\$ 175,000	168,658	343,658
2012	3.95	185,000	161,833	346,833
2013	4.00	190,000	154,525	344,525
2014	4.05	200,000	146,925	346,925
2015	4.10	205,000	138,825	343,825
2016- 2020	4.15 - 4.35	1,175,000	557,550	1,732,550
2021- 2025	4.40 - 4.60	1,445,000	279,060	1,724,060
2026	4.65	330,000	15,345	345,345
Total		\$ 3,905,000	1,622,721	5,527,721

During the year ended June 30, 2010, the County retired \$170,000 of bonds. The bonds were issued to construct a county jail.

Urban Renewal Tax Increment Revenue Bond

On April 3, 2006, the County issued a \$9,400,000 urban renewal tax increment revenue bond on behalf of the City of Riverside. The bond bears interest at 5.95% per annum with final maturity on June 1, 2017. The first payment on the bond was due December 1, 2008. The bond was purchased by Dubuque Bank and Trust, which also retained the bond proceeds. The County drew down proceeds from Dubuque Bank and Trust and forwarded them to the City of Riverside to pay for expenditures incurred in conjunction with the City's Water and Sewer Infrastructure Project. During the year ended June 30, 2010, the County retired \$1,325,111 of the urban renewal tax increment revenue bond.

Since repayment of the bond is dependent upon the amount of tax increment financing (TIF) revenues collected each year, a formal repayment schedule has not been established for the revenue bond. Interest is due and payable from tax increment financing revenues on June 1, 2006 and semi-annually thereafter until final maturity on June 1, 2017. On January 20, 2006, the County entered into a Tax Revenue Shortfall Agreement with Dubuque Bank and Trust, the City of Riverside, Washington County Casino Resort, L.L.C. (WCCR) and Riverside Casino and Golf Resort, L.L.C. (RCGR). Pursuant to the agreement, if for any reason the TIF revenues are insufficient to pay the principal and/or interest on the bond, WCCR and RCGR shall, jointly and severably, make up the shortfall.

The bond is not a general obligation of the County. However, the debt is subject to the constitutional debt limitation of the County.

(8) Pension and Retirement Benefits

The County contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Most regular plan members are required to contribute 4.30% of their annual covered salary and the County is required to contribute 6.65% of annual covered payroll. Certain employees in special risk occupations and the County contribute an actuarially determined contribution rate. Contribution requirements are established by state statute. The County's contributions to IPERS for the years ended June 30, 2010, 2009 and 2008 were \$428,055, \$392,728 and \$349,309, respectively, equal to the required contributions for each year.

(9) Other Postemployment Benefits (OPEB)

Plan Description. The County operates a single-employer retiree benefit plan which provides medical benefits for retirees and their spouses. There are 131 active and 1 retired members in the plan. Retired participants must be age 55 or age 50 with twenty-two years of service at retirement.

The medical benefits are provided through a partially self-funded plan administered by First Administrators. Retirees under age 65 pay the same premium for the medical benefit as active employees, which results in an implicit rate subsidy and an OPEB liability.

Funding Policy. The contribution requirements of plan members are established and may be amended by the County. The County currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost is calculated based on the annual required contribution (ARC) of the County, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the County's annual OPEB cost for the year ended June 30, 2010, the amount actually contributed to the plan and changes in the County's net OPEB obligation:

Annual required contribution	\$ 28,028
Interest on net OPEB obligation	851
Adjustment to annual required contributions	<u>(845)</u>
Annual OPEB cost	28,034
Contribution made	<u>(5,668)</u>
Increase in net OPEB obligation	22,366
Net OPEB obligation beginning of year	<u>21,266</u>
Net OPEB obligation end of year	<u><u>\$ 43,632</u></u>

For calculation of the net OPEB obligation, the actuary has set the transition day as July 1, 2008. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2010.

For the year ended June 30, 2010, the County contributed \$5,668 to the medical plan. Plan members eligible for benefits contributed \$6,045, or 52%, of the premium costs.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2010 are summarized as follows:

Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 28,034	20.2%	\$ 43,632

Funded Status and Funding Progress. As of July 1, 2009, the most recent actuarial valuation date for the period July 1, 2009 through June 30, 2010, the actuarial accrued liability was \$204,556, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$204,556. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$6,172,000 and the ratio of UAAL to covered payroll was 3.3%. As of June 30, 2010, there were no trust fund assets.

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information in the section following the Notes to Financial Statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of the July 1, 2009 actuarial valuation date, the unit credit actuarial cost method was used. The actuarial assumptions include a 4% discount rate based on the County's funding policy. The projected annual medical trend rate is 10%. The ultimate medical trend rate is 5%. The medical trend rate is reduced 0.5% each year until reaching the 5% ultimate trend rate.

Mortality rates are from the RP2000 Combined Mortality Table projected to 2010 using Scale AA, applied on a gender-specific basis.

The salary increase rate was assumed to be 3% per year. The UAAL is being amortized as a level percentage of projected payroll expense on an open basis over 30 years.

(10) Risk Management

The County is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 331.301 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 634 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property and inland marine and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses due and payable in the current year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained to equal 200 percent of the total current members' basis rates or to comply with the requirements of any applicable regulatory authority having jurisdiction over the Pool.

The Pool also provides property coverage. Members who elect such coverage make annual operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, all of which are due and payable in the current year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The County's property and casualty contributions to the risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The County's contributions to the Pool for the year ended June 30, 2010 were \$159,279.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$350,000 per claim. Claims exceeding \$350,000 are reinsured in an amount not to exceed \$2,650,000 per claim and \$10,000,000 in the aggregate per year. For members requiring specific coverage from \$3,000,000 to \$10,000,000, such excess coverage is also reinsured. Property and automobile physical damage risks are retained by the Pool up to \$150,000 each occurrence, each location, with excess coverage reinsured by The Travelers Insurance Company.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim or series of claims exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event a series of casualty claims exhausts total members' equity plus any reinsurance and any excess risk-

sharing recoveries, then payment of such claims shall be the obligation of the respective individual member. The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2010, no liability has been recorded in the County's financial statements. As of June 30, 2010, settled claims have not exceeded the risk pool or reinsurance coverage since the pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days prior written notice may withdraw from the Pool. Upon withdrawal, payments for all claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Members withdrawing within the first six years of membership may receive a partial refund of their capital contributions. If a member withdraws after the sixth year, the member is refunded 100 percent of its capital contributions. However, the refund is reduced by an amount equal to the annual operating contribution which the withdrawing member would have made for the one-year period following withdrawal.

The County also carries commercial insurance purchased from other insurers for coverage associated with workers compensation and employee blanket bond in the amount of \$1,000,000 and \$200,000, respectively. The County assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(11) Employee Health Insurance Plan

The Internal Service, Employee Group Health Fund was established to account for the partial self funding of the County's health insurance benefit plan. The plan is funded by both employee and County contributions and is administered through a service agreement with First Administrators. The agreement is subject to automatic renewal provisions. The County assumes liability for claims up to the individual stop loss limitation of \$20,000. Claims in excess of coverage are insured through purchase of stop loss insurance.

Monthly payments of service fees and plan contributions to the Employee Group Health Fund are recorded as expenditures from the operating funds. Under the administrative services agreement, monthly payments of service fees and claims processed are paid to First Administrators from the Employee Group Health Fund. The County's contribution for the year ended June 30, 2010 was \$1,143,605.

Amounts payable from the Employee Group Health Fund at June 30, 2010 total \$38,014, which is for incurred but not reported (IBNR) and reported but not paid claims. The amounts are based on actuarial estimates of the amounts necessary to pay prior year and current year claims and to establish a reserve for catastrophic losses. That reserve was \$975,619 at June 30, 2010 and is reported as a designation of the Internal Service, Employee Group Health Fund net assets. A liability has been established based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settlements have not exceeded the stop-loss coverage in any of the past three years. A reconciliation of changes in the aggregate liability for claims for the current year is as follows:

Unpaid claims beginning of year	\$ 66,963
Incurred claims (including claims incurred but not reported at June 30, 2010)	1,060,846
Payments	<u>(1,089,795)</u>
Unpaid claims end of year	<u>\$ 38,014</u>

(12) County Hospital Revenue Bonds

On July 1, 1997 and April 11, 2006, the County entered into loan agreements pursuant to Chapter 331.402(3) of the Code of Iowa and issued \$5,200,000 and \$18,500,000, respectively, of Hospital Revenue Bonds for constructing, remodeling and expanding the Washington County Hospital. The bonds and related interest are payable solely out of the net earnings of the Washington County Hospital and do not constitute liabilities of the County. The outstanding balance on the bonds at June 30, 2010 was \$19,830,000.

(13) Jointly Governed Organization

The County participates in the Washington County Public Safety Commission, a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa. Financial transactions of this organization are included in the County's financial statements as an Agency Fund because of the County's fiduciary relationship with the organization. The following financial data is for the year ended June 30, 2010:

Additions:

Contributions from governmental units:		
Washington County	\$ 219,630	
City of Washington	220,032	
Other cities	155,737	
Reimbursement from Joint E-911 Service Board	18,000	
Miscellaneous	<u>129</u>	\$ 613,528

Deductions:

Salaries	462,085	
Benefits	76,742	
Office supplies and postage	1,494	
Uniforms	2,118	
Travel	9,940	
Telephone and fax services	9,240	
Training	650	
Professional services	16,463	
Equipment maintenance	11,306	
Radio equipment maintenance	5,243	
Office equipment and furniture	500	
Utilities	11,337	
Miscellaneous	<u>5,699</u>	<u>612,817</u>

Net		711
Balance beginning of year		<u>147,284</u>
Balance end of year		<u>\$ 147,995</u>

(14) Subsequent Event

On October 26, 2010, the Board approved a resolution authorizing the County to enter into a loan agreement with the intent to issue \$8,000,000 of general obligation bonds to pay for a secondary roads improvement plan and levying a tax for repayment of the bonds. The proceeds will be used to pay the costs of various road projects.

Required Supplementary Information

Washington County
 Budgetary Comparison Schedule of
 Receipts, Disbursements and Changes in Balances -
 Budget and Actual (Cash Basis) – All Governmental Funds

Required Supplementary Information

Year ended June 30, 2010

	Actual	Less Funds not Required to be Budgeted	Net
Receipts:			
Property and other county tax	\$ 10,529,147	-	10,529,147
Interest and penalty on property tax	79,930	-	79,930
Intergovernmental	6,812,717	-	6,812,717
Licenses and permits	54,187	-	54,187
Charges for service	700,624	-	700,624
Use of money and property	175,255	-	175,255
Miscellaneous	355,893	209	355,684
Total receipts	18,707,753	209	18,707,544
Disbursements:			
Public safety and legal services	3,790,664	-	3,790,664
Physical health and social services	2,369,253	-	2,369,253
Mental health	1,663,571	-	1,663,571
County environment and education	789,625	300	789,325
Roads and transportation	4,407,314	-	4,407,314
Governmental services to residents	592,481	-	592,481
Administration	1,603,903	-	1,603,903
Non-program	60,211	-	60,211
Debt service	2,297,776	-	2,297,776
Capital projects	308,597	-	308,597
Total disbursements	17,883,395	300	17,883,095
Excess (deficiency) of receipts over (under) disbursements	824,358	(91)	824,449
Other financing sources, net	3,556	-	3,556
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	827,914	(91)	828,005
Balance beginning of year	6,143,902	3,021	6,140,881
Balance end of year	\$ 6,971,816	2,930	6,968,886

See accompanying independent auditor's report.

Budgeted Amounts		Final to
Original	Final	Net
		Variance
10,538,294	10,538,294	9,147
62,000	62,000	(17,930)
7,288,384	7,667,975	855,258
53,830	53,830	(357)
671,485	671,485	(29,139)
150,523	150,523	(24,732)
252,170	317,590	(38,094)
<u>19,016,686</u>	<u>19,461,697</u>	<u>754,153</u>
4,267,967	4,352,607	561,943
2,453,616	2,568,593	199,340
2,265,632	2,265,632	602,061
786,956	846,956	57,631
4,573,332	4,755,332	348,018
670,828	670,828	78,347
1,839,629	1,848,629	244,726
54,700	149,700	89,489
2,525,240	2,525,240	227,464
505,300	726,513	417,916
<u>19,943,200</u>	<u>20,710,030</u>	<u>2,826,935</u>
(926,514)	(1,248,333)	2,072,782
-	-	3,556
(926,514)	(1,248,333)	2,076,338
4,652,804	6,137,847	3,034
<u>3,726,290</u>	<u>4,889,514</u>	<u>2,079,372</u>

Washington County
 Budgetary Comparison Schedule - Budget to GAAP Reconciliation
 Required Supplementary Information
 Year ended June 30, 2010

	Governmental Funds		
	Cash Basis	Accrual Adjust- ments	Modified Accrual Basis
Revenues	\$ 18,707,753	228,259	18,936,012
Expenditures	17,883,395	134,073	18,017,468
Net	824,358	94,186	918,544
Other financing sources (uses), net	3,556	(1,045)	2,511
Beginning fund balances	6,143,902	292,779	6,436,681
Ending fund balances	\$ 6,971,816	385,920	7,357,736

See accompanying independent auditor's report.

Washington County

Notes to Required Supplementary Information – Budgetary Reporting

June 30, 2010

This budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds except the blended component unit, Internal Service Funds and Agency Funds, and appropriates the amount deemed necessary for each of the different County offices and departments. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon 10 major classes of expenditures known as functions, not by fund. These 10 functions are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, one budget amendment increased budgeted disbursements by \$766,830. The budget amendment is reflected in the final budgeted amounts.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County Extension Office by the County Agricultural Extension Council, for the County Assessor by the County Conference Board, for the E911 System by the Joint E911 Service Board and for Emergency Management Services by the County Emergency Management Commission.

During the year ended June 30, 2010, disbursements did not exceed the amounts budgeted by function.

Washington County

Schedule of Funding Progress for the
Retiree Health Plan
(In Thousands)

Required Supplementary Information

Year Ended June 30,	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2009	Jul 1, 2009	-	\$ 183	183	0.00%	\$ 5,892	3.1%
2010	Jul 1, 2009	-	205	205	0.00	6,172	3.3

See Note 9 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB cost, net OPEB obligation, funded status and funding progress.

Other Supplementary Information

Washington County
 Combining Balance Sheet
 Nonmajor Governmental Funds

June 30, 2010

	County Recorder's Records Management	County Recorder's Electronic Transaction Fee	Resource Enhance- ment and Protection	Law Enforcement County Attorney
Assets				
Cash and pooled investments	\$ 25,278	243	104,040	13,204
Accounts receivable	-	-	-	-
Due from other governments	494	-	-	-
Total assets	\$ 25,772	243	104,040	13,204
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	-	1,822	-
Fund balances:				
Unreserved	25,772	243	102,218	13,204
Total liabilities and fund balances	\$ 25,772	243	104,040	13,204

See accompanying independent auditor's report.

Special Revenue						
Law Enforcement County Sheriff	Federal Emergency Management Assistance	Supplemental Environmental Projects	Conservation Land Acquisition	Washington County Conservation Foundation		Total
4,193	-	11,415	73,202	2,930		234,505
-	-	-	1,750	-		1,750
-	-	-	-	-		494
4,193	-	11,415	74,952	2,930		236,749
-	-	-	6,391	-		8,213
4,193	-	11,415	68,561	2,930		228,536
4,193	-	11,415	74,952	2,930		236,749

Washington County

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds

Year ended June 30, 2010

	County Recorder's Records Management	County Recorder's Electronic Transaction Fee	Resource Enhance- ment and Protection	Law Enforcement County Attorney
Revenues:				
Intergovernmental	\$ -	-	18,546	-
Licenses and permits	-	-	-	-
Charges for service	5,220	-	-	-
Use of money and property	238	-	918	-
Miscellaneous	-	-	6,063	-
Total revenues	5,458	-	25,527	-
Expenditures:				
Operating:				
Public safety and legal services	-	-	-	-
Physical health and social services	-	-	-	-
County environment and education	-	-	-	-
Governmental services to residents	4,170	-	-	-
Capital projects	-	-	18,538	-
Total expenditures	4,170	-	18,538	-
Excess (deficiency) of revenues over (under) expenditures	1,288	-	6,989	-
Other financing sources:				
Sale of capital assets	-	-	-	-
Fund balances beginning of year	24,484	243	95,229	13,204
Fund balances end of year	\$ 25,772	243	102,218	13,204

See accompanying independent auditor's report.

Special Revenue						
Law Enforcement County Sheriff	Federal Emergency Management Assistance	Supplemental Environmental Projects	Conservation Land Acquisition	Washington County Conservation Foundation		Total
-	8,145	-	2,000	-		28,691
-	-	-	1,126	-		1,126
-	-	-	28,795	-		34,015
-	-	151	20,433	-		21,740
925	-	4,701	22,871	209		34,769
925	8,145	4,852	75,225	209		120,341
5,221	-	-	-	-		5,221
-	11,352	-	-	-		11,352
-	-	10,002	-	300		10,302
-	-	-	-	-		4,170
-	-	-	45,441	-		63,979
5,221	11,352	10,002	45,441	300		95,024
(4,296)	(3,207)	(5,150)	29,784	(91)		25,317
-	-	-	2,511	-		2,511
8,489	3,207	16,565	36,266	3,021		200,708
4,193	-	11,415	68,561	2,930		228,536

Schedule 3

Washington County
Combining Schedule of Net Assets
Internal Service Funds

June 30, 2010

	Employee Group Health	Flexible Benefits	Total
Assets			
Cash and cash equivalents	\$ 967,544	7,156	974,700
Accounts receivable	46,089	-	46,089
Total assets	1,013,633	7,156	1,020,789
Liabilities			
Accounts payable	38,014	-	38,014
Net Assets			
Unrestricted	\$ 975,619	7,156	982,775

See accompanying independent auditor's report.

Washington County
 Combining Schedule of Revenues, Expenses
 and Changes in Fund Net Assets
 Internal Service Funds

Year ended June 30, 2010

	Employee Group Health	Flexible Benefits	Total
Operating revenues:			
Reimbursements from operating funds	\$ 1,143,605	-	1,143,605
Reimbursements from employees and others	7,037	-	7,037
Reimbursements from agency funds	127,437	-	127,437
Stop loss reimbursements	190,588	-	190,588
Contributions for flexible benefits	-	59,552	59,552
Total operating revenues	1,468,667	59,552	1,528,219
Operating expenses:			
Medical claims	1,060,846	-	1,060,846
Administrative fees	292,862	-	292,862
Flexible benefits claims	-	56,388	56,388
Total operating expenses	1,353,708	56,388	1,410,096
Operating income	114,959	3,164	118,123
Non-operating revenues:			
Interest income	2,938	-	2,938
Net income	117,897	3,164	121,061
Net assets beginning of year	857,722	3,992	861,714
Net assets end of year	\$ 975,619	7,156	982,775

See accompanying independent auditor's report.

Washington County

Washington County
Combining Schedule of Cash Flows
Internal Service Funds

Year ended June 30, 2010

	Employee Group Health	Flexible Benefits	Total
Cash flows from operating activities:			
Cash received from operating funds	\$ 1,143,605	54,423	1,198,028
Cash received from others	151,536	-	151,536
Cash received from agency funds	127,437	5,129	132,566
Cash paid to suppliers for services	(1,382,657)	(56,388)	(1,439,045)
Net cash provided by operating activities	39,921	3,164	43,085
Cash flows from investing activities:			
Interest on investments	2,938	-	2,938
Net increase in cash and cash equivalents	42,859	3,164	46,023
Cash and cash equivalents at beginning of year	924,685	3,992	928,677
Cash and cash equivalents at end of year	\$ 967,544	7,156	974,700
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 114,959	3,164	118,123
Adjustments to reconcile operating income to net cash provided by operating activities:			
Changes in assets and liabilities:			
Increase in accounts receivable	(46,089)	-	(46,089)
Decrease in accounts payable	(28,949)	-	(28,949)
Net cash provided by operating activities	\$ 39,921	3,164	43,085

See accompanying independent auditor's report.

Washington County
Combining Schedule of Fiduciary Assets and Liabilities
Agency Funds

June 30, 2010

	County Offices	Agricultural Extension Education	County Assessor	Schools	Community Colleges
Assets					
Cash and pooled investments:					
County Treasurer	\$ -	3,408	145,173	242,824	12,952
Other County officials	123,527	-	-	-	-
Receivables:					
Property tax:					
Delinquent	-	150	303	10,435	611
Succeeding year	-	185,000	372,000	13,296,000	772,000
Accounts	1,049	-	-	-	-
Due from other governments	-	-	-	-	-
Total assets	\$ 124,576	188,558	517,476	13,549,259	785,563
Liabilities					
Accounts payable	\$ -	-	572	-	-
Salaries and benefits payable	-	-	9,470	-	-
Due to other governments	61,560	188,558	500,572	13,549,259	785,563
Trusts payable	63,016	-	-	-	-
Compensated absences	-	-	6,862	-	-
Total liabilities	\$ 124,576	188,558	517,476	13,549,259	785,563

See accompanying independent auditor's report.

Corporations	Townships	Public Safety Commission	Auto License and Use Tax	Other	Total
114,852	3,926	147,995	403,429	837,947	1,912,506
-	-	-	-	-	123,527
4,144	156	-	-	661	16,460
5,033,000	291,000	-	-	831,000	20,780,000
-	-	-	-	46,333	47,382
-	-	-	-	31,856	31,856
5,151,996	295,082	147,995	403,429	1,747,797	22,911,731
-	-	3,506	-	7,457	11,535
-	-	16,558	-	2,815	28,843
5,151,996	295,082	109,381	403,429	1,737,525	22,782,925
-	-	-	-	-	63,016
-	-	18,550	-	-	25,412
5,151,996	295,082	147,995	403,429	1,747,797	22,911,731

Washington County

Combining Schedule of Changes in Fiduciary Assets and Liabilities
Agency Funds

Year ended June 30, 2010

	County Offices	Agricultural Extension Education	County Assessor	Schools	Community Colleges
Assets and Liabilities					
Balances beginning of year	\$ 114,616	183,510	511,632	12,529,359	698,955
Additions:					
Property and other county tax	-	183,088	368,814	13,169,327	765,579
E911 surcharge	-	-	-	-	-
State tax credits	-	7,784	15,814	534,932	29,255
Office fees and collections	549,152	-	-	-	-
Auto licenses, use tax, postage and drivers license fees	-	-	-	-	-
Assessments	-	-	-	-	-
Trusts	229,972	-	-	-	-
Miscellaneous	66,655	-	125	-	-
Total additions	845,779	190,872	384,753	13,704,259	794,834
Deductions:					
Agency remittances:					
To other funds	128,410	-	-	-	-
To other governments	484,486	185,824	378,909	12,684,359	708,226
Trusts paid out	222,923	-	-	-	-
Total deductions	835,819	185,824	378,909	12,684,359	708,226
Balances end of year	\$ 124,576	188,558	517,476	13,549,259	785,563

See accompanying independent auditor's report.

Corpora- tions	Townships	Public Safety Commission	Auto License and Use Tax	Other	Total
4,877,452	283,093	147,284	361,710	1,597,294	21,304,905
4,944,461	293,195	-	-	823,460	20,547,924
-	-	-	-	199,440	199,440
190,464	11,975	-	-	35,324	825,548
-	-	-	-	275,620	824,772
-	-	-	5,119,069	53,448	5,172,517
-	-	-	-	4,141	4,141
-	-	-	-	321,316	551,288
-	-	613,528	-	151,939	832,247
5,134,925	305,170	613,528	5,119,069	1,864,688	28,957,877
-	-	-	219,231	-	347,641
4,860,381	293,181	612,817	4,858,119	1,392,804	26,459,106
-	-	-	-	321,381	544,304
4,860,381	293,181	612,817	5,077,350	1,714,185	27,351,051
5,151,996	295,082	147,995	403,429	1,747,797	22,911,731

Washington County

Schedule of Revenues by Source and Expenditures by Function -
All Governmental Funds

For the Last Ten Years

	2010	2009	2008	2007
Revenues:				
Property and other county tax	\$ 9,590,570	9,186,776	7,538,777	6,906,888
Local option sales tax	872,690	907,821	945,907	1,061,073
Interest and penalty on property tax	79,213	72,916	68,492	64,707
Intergovernmental	7,101,605	6,721,217	6,694,683	5,286,299
Licenses and permits	54,308	51,350	48,946	46,203
Charges for service	704,331	718,783	688,056	714,464
Use of money and property	175,085	206,634	424,237	605,055
Fines, forfeitures and defaults	-	-	-	-
Miscellaneous	358,210	444,509	382,126	499,479
Total	\$ 18,936,012	18,310,006	16,791,224	15,184,168
Expenditures:				
Operating:				
Public safety and legal services	\$ 3,777,719	3,671,315	3,447,365	2,680,060
Physical health and social services	2,382,538	2,316,409	2,183,902	2,239,164
Mental health	1,633,941	1,642,744	1,793,564	1,830,624
County environment and education	796,374	733,200	637,552	624,445
Roads and transportation	4,660,891	4,141,415	4,521,177	3,927,041
Governmental services to residents	594,919	587,746	559,917	513,407
Administration	1,572,228	1,523,319	1,354,082	1,221,558
Non-program	46,241	62,187	56,424	4,082,771
Debt service	2,297,777	2,061,861	905,179	853,834
Capital projects	254,840	2,392,295	2,323,948	3,998,616
Total	\$ 18,017,468	19,132,491	17,783,110	21,971,520

See accompanying independent auditor's report.

Modified Accrual Basis					
2006	2005	2004	2003	2002	2001
5,967,872	5,591,648	5,559,921	5,633,767	5,615,499	5,542,139
668,312	748,083	681,633	351,225	-	-
63,726	59,045	53,893	54,570	61,136	48,799
8,240,176	6,161,660	5,083,478	5,450,236	5,474,357	5,189,339
50,678	50,816	49,619	53,794	46,699	40,097
919,552	649,381	686,167	617,076	533,446	444,212
315,561	206,180	171,402	183,428	309,182	549,223
-	-	3,116	8,106	2,465	11,339
179,197	419,137	384,648	725,576	311,702	180,510
16,405,074	13,885,950	12,673,877	13,077,778	12,354,486	12,005,658
2,660,864	2,781,551	2,575,845	2,658,121	2,340,040	2,311,759
2,004,389	1,900,854	1,906,677	1,825,272	1,716,620	1,596,445
1,338,335	1,368,581	1,379,236	1,524,813	1,573,706	1,745,113
525,778	540,426	478,857	411,633	372,007	328,888
3,998,812	4,109,636	3,766,210	3,566,052	3,321,231	3,076,050
640,779	474,804	465,193	480,007	441,334	458,178
1,247,345	1,224,129	1,293,299	1,133,910	1,041,540	997,963
4,656,959	63,080	86,951	327,280	67,589	481,519
143,920	136,507	68,254	138,675	138,835	73,645
2,979,542	1,045,744	1,305,961	1,833,034	838,276	710,471
20,196,723	13,645,312	13,326,483	13,898,797	11,851,178	11,780,031

Washington County



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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

To the Officials of Washington County:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Washington County, Iowa, as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements listed in the table of contents, and have issued our report thereon dated April 12, 2011. We conducted our audit in accordance with U.S. generally accepted auditing standards 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 Washington County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Washington County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Washington 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 a material misstatement of Washington 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 preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings, we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings as items (A) and (B) to be significant deficiencies.

Compliance and Other Matters

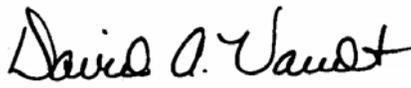
As part of obtaining reasonable assurance about whether Washington County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material 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 non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters which are described in of the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2010 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Washington County's responses to findings identified in our audit are described in the accompanying Schedule of Findings. While we have expressed our conclusions on the County's responses, we did not audit Washington County's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Washington County and other parties to whom Washington County may report and is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Washington County during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

April 12, 2011

Washington County

Schedule of Findings

Year ended June 30, 2010

Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCIES:

- (A) Information Systems – During our review of internal control, the existing control activities in the County’s computer based systems were evaluated in order to determine activities, from a control standpoint, were designed to provide reasonable assurance regarding the achievement of objectives in the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The following weaknesses in the County’s computer based systems were noted:

The County does not have written policies for:

- Requiring a lock out function to prevent unauthorized access.
- Password privacy and confidentiality policy and other security measures.

Also, the County does not have a written disaster recovery plan.

Recommendation – A lock out function should be utilized to protect against unauthorized access. A written disaster recovery plan should be developed. Also, formal information systems security and password policies should be developed.

Response – Disaster recovery is addressed in our maintenance agreement. However, a written policy will be developed to include these concerns. The lock out function has been enabled. A formal security policy and password policy will be researched and a written policy will be developed.

Conclusion – Response accepted.

- (B) Sheriff’s Bank Reconciliations – Although monthly bank reconciliations were performed, the variances between the book balance and the bank balance at June 30, 2010 for the inmate and the commissary accounts were not investigated and resolved.

Recommendation – To improve financial accountability and control, the cashbook and bank accounts should be reconciled monthly. Any differences should be investigated and resolved in a timely manner.

Response – I will meet with administrative assistant Gina Greiner to discuss and correct differences in bank accounts and cashbook in a timely manner.

Conclusion – Response accepted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Washington County

Schedule of Findings

Year ended June 30, 2010

Other Findings Related to Required Statutory Reporting:

- (1) Certified Budget – Disbursements during the year ended June 30, 2010 did not exceed the amounts budgeted.
- (2) Questionable Expenditures – No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- (3) Travel Expense – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.
- (4) Business Transactions – No business transactions between the County and County officials or employees were noted.
- (5) Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of surety bond coverage should be reviewed annually to ensure the coverage is adequate for current operations.
- (6) Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

Although claims were published, the reason for each claim was not published as required by Chapter 349.18 of the Code of Iowa. In addition, certain minutes were not submitted for publication timely as required by the Code of Iowa.

Recommendation – Minutes should be submitted for publication in a timely manner and claims should be published as required by Chapter 349.18 of the Code of Iowa.

Response – Minutes are currently published in the three official County newspapers, two of which are weekly papers. Due to deadlines for submission for publication (on Monday - three days prior to publication on Thursday), it is difficult (impossible) to meet publication requirements for these two papers. The County Auditor has been working on a schedule and system to enhance the completion and submission of Board of Supervisor's minutes in a timely fashion.

Based on comments received from the State Auditor's Office following the completion of the prior year's annual audit, Washington County now includes the purpose for the claim with publication of Board of Supervisor's minutes.

Conclusion – Response accepted.

- (7) Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the County's investment policy were noted.
- (8) Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).

Washington County

Schedule of Findings

Year ended June 30, 2010

- (9) County Extension Office – The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by an Extension Council separate and distinct from County operations and, consequently, is not included in Exhibits A or B.

Disbursements during the year ended June 30, 2010 for the County Extension Office did not exceed the amount budgeted.

Washington County

Staff

This audit was performed by:

Ronald D. Swanson, CPA, Manager
Scott P. Boisen, Senior Auditor II
Michael D. Field, Staff Auditor
Casey L. Johnson, Staff Auditor
Gelu Sherpa, Staff Auditor
Daryl L. Hart, Assistant Auditor
Brooke A. Lytle, Assistant Auditor
Brandon J. Vogel, Assistant Auditor

A handwritten signature in black ink that reads "Andrew E. Nielsen". The signature is written in a cursive style with a large, prominent initial "A".

Andrew E. Nielsen, CPA
Deputy Auditor of State