

# BENTON COUNTY WASHINGTON



## COMPREHENSIVE ANNUAL FINANCIAL REPORT



For The Year Ended December 31, 2011

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR**

**BENTON COUNTY, WASHINGTON**

**For The Fiscal Year Ended**

**December 31, 2011**

**Prepared by the Benton County Auditor's Office**

**Brenda Chilton, Auditor**

**Van H. Pettey, CPA, CGMA, MBA, Chief Accountant**

**Patrick L. Powell, Accounting Services Officer**

**Rosie Sparks, Accounting Support Officer**

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**BENTON COUNTY, WASHINGTON**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended December 31, 2011**

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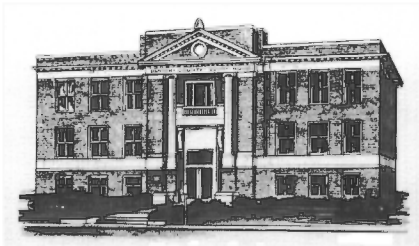
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# BENTON COUNTY

## BRENDA CHILTON, AUDITOR



Van H. Pettey, CPA, CGMA, MBA, Chief Accountant  
Patti McKelvy, Licensing/Recording Supervisor  
Stuart Holmes, Election Supervisor  
Denise Webb, Office Manager-Richland  
Shawn Bohlinger, Office Manager-Prosser

June 26, 2012

### TO THE CITIZENS OF BENTON COUNTY

We are pleased to present, for your review, the 2011 Comprehensive Annual Financial Report (CAFR) of the Benton County government. The CAFR is designed to provide information to satisfy the public, legislative bodies, creditors, investors, students of public finance, and political scientists. The primary objective of the CAFR is to describe the County's financial condition and the financial results of its operations. The financial statements are presented in conformity with Generally Accepted Accounting Principles (GAAP), and audited in accordance with generally accepted auditing standards by the Office of the Washington State Auditor. This report is formatted to comply with the financial reporting model established by Government Accounting Standards Board (GASB) Statement 34. It is intended to improve financial reporting by including significant additional information not previously available in local government financial statements.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the financial statements. Benton County's MD&A can be found immediately following the State Auditor's report.

In addition to the fund-by-fund financial information in the County's financial statements, the report includes government-wide financial statements. The government-wide financial statements include a Statement of Net Assets that provides the total net equity of the County, including infrastructure, and the Statement of Activities that shows the cost of providing government services. These statements have been prepared using the accrual basis of accounting versus the modified accrual method used in the fund financial statements. The GASB 34 reporting model includes an emphasis on the County's major funds as shown in the Governmental Fund Statements. These statements combined with other information are further analyzed in the MD&A narrative section. The MD&A provides "financial highlights" and interprets the financial reports by analyzing trends and by explaining changes, fluctuations, and variances in the financial data. In addition, the MD&A is intended to disclose any known significant events or decisions that affect the financial condition of the County.

### MANAGEMENT RESPONSIBILITY

Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including disclosure, rests with the County. We believe that the data contained in this CAFR is presented in a manner that fairly states the financial position and operational results of the County, as measured by the financial activity of its various funds. The CAFR includes all of the disclosures necessary to enable the reader to gain a general understanding of the County's financial affairs. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects.

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## **THE REPORTING ENTITY AND ITS SERVICES**

The Benton County government provides a range of municipal services, prescribed by statutes and/or prompted by public support, including: law enforcement and judicial services, construction and maintenance of roads and bridges, health and social services, cultural and recreational facilities, planning and zoning services, animal control, and general administrative services.

This CAFR includes financial data for all funds within the County. It also includes the activities of component units meeting the entity definition, within the County, as prescribed by the Governmental Accounting Standards Board Pronouncement 14 (GASB 14). A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. To prepare the financial statements of a reporting entity, GASB 14 requires the financial statements of all component units to be combined with the financial statements of the primary government. Furthermore, the primary government must have a separately elected governing body and be legally separate and fiscally independent from other state and local governmental entities.

## **INTERNAL CONTROLS**

In developing and evaluating the County's accounting systems, County management has considered the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, not absolute assurance regarding: accountability for assets, safeguarding against their loss through unauthorized use or disposition; and the reliability of financial records as the basis for preparation of financial statements. The concept of reasonable assurance recognizes that the costs of control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

Benton County management recognizes the importance of adequate internal controls, and constantly strives to improve the effectiveness and efficiency of administrative and financial controls. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance that financial transactions have been recorded properly.

There were no significant impacts on the current period financial statements that resulted from administering and/or changes in financial policies.

## **BUDGETARY CONTROLS**

Budgetary control is maintained at the fund-department level. Budget overruns are prevented by a control structure at the voucher-approval level. Budget supplements, as requested by the responsible department directors or elected officials and properly authorized by the Board of County Commissioners, are required prior to execution of expenditures that would exceed appropriation(s).

Monthly budget ledgers and reports are available to the elected official or department director who is responsible for each particular fund or department. The monthly budget ledger provides a detailed listing of monthly expenditures by line item. The monthly budget report summarizes current month expenditures, year-to-date totals, budgeted amounts and adjustments, and unexpended amounts available until completion of the given budget period.

## **LONG-TERM FINANCIAL PLANNING**

The Board of County Commissioners is committed to providing a high level of services at a reasonable cost to residents of Benton County and to maintaining a cooperative relationship with incorporated areas of the County. The annual budget serves as the foundation for the County's financial planning and control. At the request of the County Auditor's office all agencies of Benton County are required to submit requests for appropriations. A compilation of these requests and projections is submitted to the Board of County Commissioners. The Commissioners schedule budget hearings in October, November and in December. At the conclusion of the hearings, the Commissioners adopt the budget. Budget goals include avoiding creating future unsustainable obligations rather than cutting costs later when they may exceed revenues. The County also maintains a five-year Capital Facilities Plan that provides a planned and programmed approach to utilizing the County's financial resources in the most efficient manner to meet its service and facility needs.

## **ECONOMIC CONDITIONS AND OUTLOOK**

During 2011, the Tri-Cities economy lost 6,120 jobs. In 2009, DOE Hanford began receiving what would total \$1.9 billion in federal stimulus money from the American Reinvestment and Recovery Act (ARRA), which was estimated to retain or create about 4,000 Hanford jobs as the money was spent through Sept. 30, 2011. With the end of the ARRA funding, reductions in employment were expected. Employment at the three largest employers at Hanford decreased from 11,245 in 2010 to 9,137 jobs in 2011. The DOE budget continues to be a dominant part of the overall economy with the waste vitrification plant, vital to the planned Hanford cleanup activities. Fluctuations in the activity levels at the Hanford area have historically influenced the economy of Benton County and will continue to do so in the future, however the area is experiencing a “discovery” in that more diversified industries are seeing an attractive area to conduct business. The area continues to be noted nationally as having good infrastructure, an intelligent workforce, affordable housing and a deepening local economy. These features should combine to decrease the impact of Hanford fluctuations in the future. The agricultural economy remains strong, however, water supply concerns to support irrigation casts uncertainty on continued agricultural growth. Efforts to address water needs in the future are a major part of Benton County governmental activities. The area is agriculturally diverse and has historically experienced relative economic stability during periods of unfavorable market prices in several crops. The area has been recognized as a significant viticulture area with wineries continuing to flourish. The state’s largest winery is located within the County. The majority of Washington State’s wine industry related jobs are in the Tri-Cities. As reported in previous comprehensive annual financial reports, the food processing industry continues to grow due to the presence and investment of industry leaders such as JR Simplot and ConAgra/Lamb Weston. Unemployment, within Benton County, increased to 9.1% at year-end 2011 compared to 7.2% in 2010.

Benton County population has increased steadily from 138,900 in 1999 to 177,900 in 2011, an average annual increase of nearly 2.0%. New construction permits issued decreased from 225 in 2010 to 216 in 2011. The value of new construction increased from \$60,382,377 in 2010 to \$66,538,975 in 2011. Public education continued to report enrollment increases.

Hanford activities have historically driven our economy, however diversification of our economic foundation remains foremost in the minds of our regions leadership. Continued promotion of agriculture and food processing, energy technology, health services and tourism has reduced our reliance on Hanford activities. With the end of ARRA funding the challenge to our community will be to sustain employment levels. The completion of the Vitrification plant was over 60% with construction completion scheduled for 2016 and operations in 2019. As stated above, diversification activities have helped to decrease the economic reliance on Hanford activities. Water rights allocation and efforts to increase water storage capacity present uncertainties on the direction of the area’s agricultural economy. However, there is leadership working to find solutions, in a balanced manner, to best serve all interests. Benton County continues to work with Yakima County on these issues. The Healthcare industry continues to provide new jobs and strong growth to the local economy. It is likely that local agricultural output will continue to grow and attract additional investment in the local food processing industry. The wine industry continues to expand. The County plans to continue maintaining and developing good infrastructure, combining port, rail and road connections to major markets. With favorable federal DOE budget plans, resolution of water issues, and diversified economic development, Benton County does not anticipate significant employment fluctuations in the next few years.

## **MAJOR INITIATIVES AND SERVICE EFFORTS**

The County has continued to make progress on its major capital projects and plans to continue making investments in capital and administrative improvements as outlined in the County’s Capital Facilities Plan.

In 2011 projects and improvements completed included the Animal Control Facility, the Human Services Building Tenant Improvement project and updated control panels in the Juvenile Detention Facility. The Juvenile facility also updated its intercom system. The jail received safer bunk bed ladders. Improvements were made in the County phone system and IT storage capability. In addition to twenty replacement vehicles and a Work Crew van the Sheriff’s department purchased an Eyepole search camera and thermal scope for the SWAT team. Central Services also purchased a replacement Finger Print Scanner system for the Sheriff. Two servers each were purchased by Central Services and Human services. The courts purchased a Jury management system. The Fairgrounds purchased a new pickup truck, upgraded the communications system and improved the parking lot in the RV and horse parking areas. Parks enhanced the Badger Mountain Westgate trailhead.

Additional efforts carrying on into 2012 included improvements to the Courts facilities, an upgraded dishwasher for the jail, realignment of the system for processing Real Estate Tax documents and a restroom for the Rattlesnake Shooting facility.

The County is continuing to provide needed improvements to important infrastructure assets for the region's economic development. The County Infrastructure budgeted expenditures to maintain roads and bridges for 2011 were over \$7.6 million. Actual expenditures were over \$6.6 million. Preservation accounted for \$1.8 million of the expenditures.

A continuing variety of projects for new road construction and expansion of existing roads were ongoing during the year. The County spent over \$0.2 million in 2011 on preliminary engineering and right-of-way for future road projects. Another \$0.3 million was spent on completing projects from 2010.

A contract with Tapani Underground Inc. was executed of which the scope of work consists of improvements to 2.6 miles of Clodfelter Road, by reconstructing a section of roadway from Bently Road to C. Williams Road and the new construction of 1.6 miles of Locust Grove Road from Clodfelter Road to Edwards Road. This work consists of clearing, grubbing, removing pavement, excavation, embankment, culvert pipe installation, crushed surfacing, paving, erosion control, beam guardrail, pavement markings and other work. \$0.8 million of the \$3.5 million contract was expended in 2011.

Benton County is currently working on over 47.7 miles of projects that fall under the range of "preliminary engineering" to "under construction".

Benton County currently has 857.50 miles of roads (reduced from previously reported due to annexations) being maintained on behalf of the citizens of Benton County and the general traveling public.

#### **INDEPENDENT AUDIT**

The statutes of the State of Washington require an annual audit, by the Washington State Auditor's Office, of the books of account, financial records and the transactions of all administrative departments of Benton County. These legally mandated audits have been consistently performed.

#### **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Benton County for its comprehensive annual financial report for the fiscal year ended December 31, 2010. This was the eighth consecutive year that Benton County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report could not have been accomplished without the professional, efficient and dedicated services of the accounting department of the Auditor's Office. I wish to express my appreciation to these staff members for their contributions to the development of this report. Also, I appreciate the efforts of accounting staff members and managers in all County departments, who contributed information necessary for compilation of this report. I wish to express my thanks to the Benton County Board of Commissioners for their responsible interest in, and progressive support of, the conduct of financial operations and systems for Benton County government.

**Respectfully Submitted,**



**Brenda Chilton  
Benton County Auditor**

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Benton County  
Washington

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



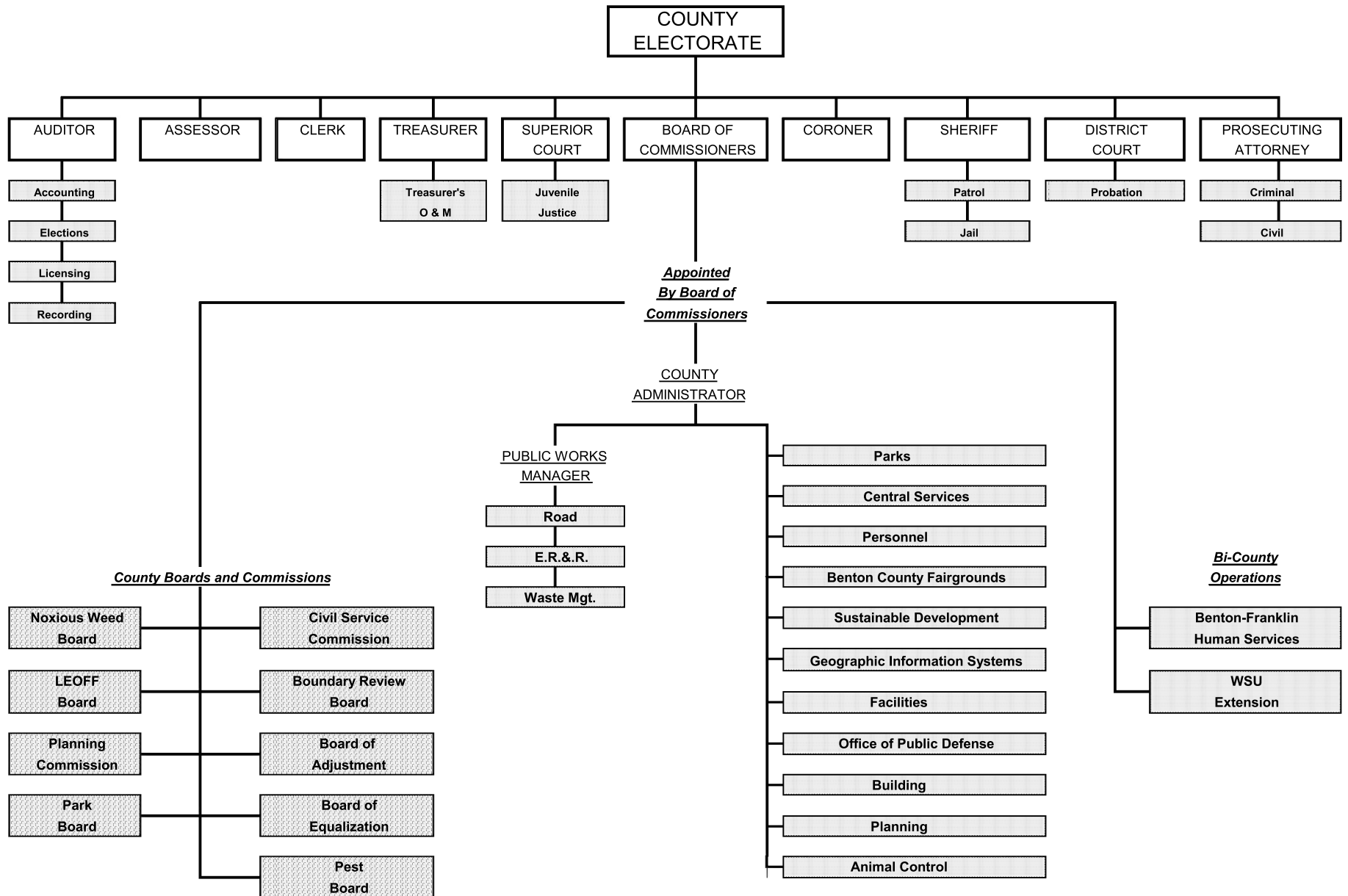
*Linda C. Davison*

President

*Jeffrey R. Egan*

Executive Director

**BENTON COUNTY GOVERNMENT ORGANIZATIONAL CHART**  
2011



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**BENTON COUNTY, WASHINGTON**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
Year Ended December 31, 2011

**DIRECTORY OF COUNTY OFFICIALS**

**ELECTED OFFICIALS**

<u>Position</u>	<u>Name</u>	<u>Term</u>	<u>Expiration</u>
Board of Commissioners:			
District 1-Chairperson	Honorable Leo Bowman	4	December 2012
District 2	Honorable Shon Small	4	December 2014
District 3	Honorable James Beaver	4	December 2012
Assessor	Honorable Barbara Wagner	4	December 2014
Auditor	Honorable Brenda Chilton	4	December 2014
Clerk	Honorable Josie Delvin	4	December 2014
Coroner	Honorable John Hansens	4	December 2014
District Court Judge	Honorable Terry M. Tanner	4	December 2014
District Court Judge	Honorable Robert J. Ingvalson	4	December 2014
District Court Judge	Honorable Dan Kathren	4	December 2014
District Court Judge	Honorable Joseph Burrowes	4	December 2014
District Court Judge	Honorable Katharine Butler	4	December 2014
Prosecutor	Honorable Andrew Miller	4	December 2014
Sheriff	Honorable Steve Keane	4	December 2014
Superior Court Judge	Honorable Cameron Mitchell	4	December 2012
Superior Court Judge	Honorable Craig Matheson	4	December 2012
Superior Court Judge	Honorable Robert Swisher	4	December 2012
Superior Court Judge	Honorable Carrie Runge	4	December 2012
Superior Court Judge	Honorable Vic Vanderschoor	4	December 2012
Superior Court Judge	Honorable Bruce Spanner	4	December 2012
Treasurer	Honorable Duane Davidson	4	December 2014

**APPOINTED OFFICIALS**

<u>Position</u>	<u>Name</u>	<u>Length in Position</u>
County Administrator	David A. Sparks	12 Years
Human Services Administrator	Ed Thornbrugh	1 Year

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**Washington State Auditor  
Brian Sonntag**

**INDEPENDENT AUDITOR'S REPORT**

June 26, 2012

Board of Commissioners  
Benton County  
Prosser, Washington

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Benton County, Washington, as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Benton County, Washington, as of December 31, 2011, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, County Road and Human Services funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, during the year ended December 31, 2011, the County has implemented the Governmental Accounting Standards Board Statement No. 54 - Fund Balance Reporting and Governmental Fund Type Definitions and Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position.

In accordance with *Government Auditing Standards*, we will also issue our report dated June 26, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant



agreements and other matters. That report will be issued under separate cover in the County's Single Audit Report. 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 18, infrastructure modified approach on pages 72 through 75, and information on postemployment benefits other than pensions on page 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as combining financial statements and supplementary information on pages 77 through 180 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Section is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is stylized and cursive.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Benton County's discussion and analysis offers readers of the County's financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, and in the financial statements and notes to the financial statements (which immediately follow this discussion).

### **FINANCIAL HIGHLIGHTS**

- The total assets of Benton County exceeded its liabilities at December 31, 2011 by nearly \$196 million dollars. Net position invested in capital assets (net of depreciation and related debt) account for nearly 51% of this amount, with a value of approximately \$99.5 million. Of the remaining net position, \$61.8 million may be used to meet the government's ongoing obligations to citizens and creditors, without legal restriction.
- Fund balance for the General Fund was over \$15.2 million at December 31, 2011.
- Fund balance for the County Road fund was over \$3.9 million at December 31, 2011.
- Fund balance for the Human Services fund was over \$4.7 million at December 31, 2011.
- Fund balance for the Capital Acquisition fund was over \$16.3 million at December 31, 2011.
- Benton County's total long-term debt at December 31, 2011 was over \$26.7 million, with a remaining capacity for non-voted debt at over \$184 million.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to Benton County's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

#### **Government-wide Financial Statements**

There are two government-wide financial statements, which are designed to provide readers with a broad overview of Benton County's finances in a manner similar to a private-sector business. Classical government-wide financial statements distinguish functions of a governmental entity that are principally supported by taxes and intergovernmental revenues (referred to as "governmental activities") from functions that are intended to recover all or a significant portion of their costs through user fees and charges (referred to as enterprise "business-type activities"). Benton County does not have any enterprise "business-type activities", therefore, its government-wide financial statements reflect only "governmental activities". The governmental activities of Benton County include a full range of local government services provided to the public, such as law enforcement and public safety; the superior, juvenile, and district court systems; legal prosecution and indigent defense; jails and corrections; road construction and maintenance; animal control; community planning and development; parks and open space preservation; and

care and welfare of the disadvantaged and mentally ill. In addition, other general government services are provided, such as elections, property assessment, tax collection, and the issuance of licenses.

The statement of net position presents information on all of Benton County's assets and liabilities, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. However, this is just one indicator of financial health of the County. Other indicators include the condition of the County's infrastructure systems (roads, drainage systems, bridges, etc.), changes in property tax base, and general economic conditions within the County.

The statement of activities presents information showing how the government's net position changed during 2011. Because it separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on taxes for funding. All changes in net position are reported using the accrual basis of accounting, similar to the method used by most private-sector companies. The accrual basis of accounting requires that revenues be reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of the cash flow. Items such as uncollected taxes, unpaid vendor invoices for items received in 2011, and earned but unused vacation leave, are included in the statement of activities as revenue and expense, even though the cash associated with these items was not received or distributed in 2011.

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Benton County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Benton County can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds. Governmental Funds are used to account for most, if not all, of a government's tax-supported activities. Proprietary Funds are used to account for a government's internal business activities, where all or part of the costs of activities are supported by fees and charges that are paid directly by those in county governmental operations who benefit from the activities. Fiduciary Funds are used to account for resources that are held by the government as a trustee or agent for parties outside of the government. The resources of fiduciary funds cannot be used to support the government's own programs.

## **Governmental Funds**

The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances present separate columns of financial data for the General Fund, Human Services Fund and the Capital Acquisition Fund, all of which are considered to be major funds, based on criteria established by GASB Statement #34. GASB Statement #34 defines a major fund as a fund whose assets, liabilities, revenues or expenditures comprise 1) at least 10% of the total dollar amount of the same category within either all government or all enterprise funds, as appropriate, and 2) at least 5% of the total dollar amount of all governmental and enterprise funds combined for the same category. Benton County has also

elected to present the Road Fund as a major fund because of its public interest to financial statement users. Data from the remaining governmental funds are combined into a single, aggregated presentation. The governmental fund financial statements can be found immediately following the government-wide financial statements. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements, outside of the basic financial statements

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements' use of accrual accounting, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government's near-term financing requirements in comparison to near-term resources available.

Because the focus of governmental fund financial statements is narrower than that of government-wide financial statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to the governmental activities column in the government-wide statements, in order to facilitate this comparison.

The County maintains budgetary controls over its operating funds. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Budgets for governmental funds are established in accordance with state law, and are adopted on a fund level, except for the General Fund, which is adopted on a department level. Capital outlays are approved on an item-by-item basis or project basis. A budgetary comparison statement is provided for the General Fund and all special revenue and capital funds, to demonstrate compliance with the budget.

### **Proprietary Funds**

There are two types of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. As stated earlier, Benton County does not have any Enterprise Funds (business-type activities). Internal Service Funds (the second type of proprietary fund) accumulate and allocate costs internally among the County's various functions. The revenues and expenses of the internal service funds that are duplicated in other funds through allocations are eliminated in the government-wide statements, with the remaining balances included in the governmental activities column.

Proprietary fund statements follow the governmental fund statements in this report. They provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting.

Individual fund data for each of the non-major proprietary funds is provided in the form of combining statements. The proprietary fund combining statements follow the governmental fund combining statements in this report.

## Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Benton County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Benton County has one type of fiduciary fund: Agency Funds (which are clearing accounts for assets held by Benton County in its role as custodian until the funds are identified for use by the private parties, organizations, or government agencies to which they belong). The basic fiduciary fund financial statements can be found following the proprietary fund financial statements.

## Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements in this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Benton County's net position totals \$195,822,738 at December 31, 2011. Benton County's net position has increased in comparison to total net position of \$185,249,684 at December 31, 2010. This net increase of \$10,573,054 is discussed in the following paragraphs. The following table reflects the condensed Government-Wide Statement of Net Position for 2011 and the previous year comparable data.

#### Benton County's Net Position

	2011	2010
Current and Other Assets	\$ 102,982,946	\$ 95,428,557
Capital Assets and Construction		
In Progress (Net of Depreciation)	<u>131,327,462</u>	<u>134,307,735</u>
Total Assets	234,310,408	229,736,292
Long-Term Liabilities	31,169,618	36,683,620
Other Liabilities	<u>7,318,052</u>	<u>7,802,988</u>
Total Liabilities	38,487,670	44,486,608
Net Position:		
Invested in Capital Assets,		
Net of Related Debt	99,475,184	95,456,488
Restricted	34,559,089	31,893,596
Unrestricted	<u>61,788,465</u>	<u>57,899,600</u>
Total Net Position	\$ 195,822,738	\$ 185,249,684

Benton County's total assets stand at over \$234 million as of December 31, 2011 (up from over \$229 million at December 31, 2010). Of this amount, over \$131.3 million is accounted for by capital assets (down from \$134.3 million in 2010), which includes infrastructure and construction in progress. Historically, infrastructure (roads, bridges, drainage systems, etc.) has not been included in capital asset reporting for governmental activities. GASB Statement #34 requires that

all capital assets, including infrastructure, be reported. Out of \$131.3 million in net capital assets reported at December 31, 2011, \$5.4 million, or 4.1%, (down from \$5.9 million, or 4.3% in 2010) is accounted for by infrastructure acquisitions and construction in progress during 2011 (including the right-of-way land associated with these projects).

Of the remaining County assets, over \$91.1 million were accounted for in cash, cash equivalents, equity in pooled investments and other investments (up from \$84.8 million in 2010), over \$10.1 million in accounts receivable (up from \$9.1 million in 2010), and \$1.7 million spread among miscellaneous assets (compared to \$1.5 million in 2010). At December 31, 2011, cash/cash equivalents, equity in pooled investments and other investments accounted for 88.4% (down from 88.9% in 2010) of current and other assets, while accounts receivable accounted for 9.8% (up from 9.5% in 2010).

At December 31, 2011, the County had outstanding liabilities of over \$38.4 million (down from \$44.4 million in 2010), with nearly \$31.2 million in long-term liabilities (a decrease from nearly \$36.7 million in 2010). Of the long-term liabilities, nearly \$2.4 million was due within a year, with the remainder due over an extended period of time. Refer to the notes to the financial statements (Note 9.) for a more in depth discussion of long term debt.

Included in other liabilities in the table are approximately \$1.7 million in accounts payable and over \$5.5 million in accrued liabilities. The total other liabilities of \$7.32 million is down 6.2% from the total at December 31, 2010 (\$7.80 million). Over 76% of the balance in other liabilities (\$5.6 million) is due to accrued liabilities for wages payable and the various trust accounts.

Over half of the County's net position (50.8%) reflects its investment in capital, less any outstanding related debt used to acquire those assets. The County's capital assets are used to provide services to citizens. Consequently, investments in capital are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A little over \$34.6 million of the County's net position are subject to restrictions on how they may be used. The balance of over \$61.7 million (unrestricted net position), represents the amount that may be used to meet the County's ongoing obligations.

At December 31, 2011, Benton County reports positive balances in all categories of net position, for the government as a whole.

## Statement of Changes in Net Position

The County's total net position increased by over \$10.5 million in 2011. Key elements in changes in net position are shown in the following table.

	2011	2010
	Governmental Activities	Governmental Activities
<b><u>Revenues:</u></b>		
Program Revenues		
Charges for Services	\$39,678,488	\$39,820,369
Operating Grants and Contributions	8,891,473	9,302,788
Capital Grants and Contributions	1,344,774	2,931,543
General Revenues		
Taxes	51,212,000	48,451,515
Interest Earnings on Investments	976,068	1,376,880
Gain/(Loss) on Sale of Assets	0	0
Total Revenues	<u>102,102,803</u>	<u>101,883,096</u>
<b><u>Program Expenses:</u></b>		
General Government	24,539,863	24,603,860
Public Safety	35,717,729	31,525,425
Physical Environment	1,752,381	1,815,012
Transportation	8,183,961	9,195,881
Economic Environment	2,026,527	2,014,223
Health and Human Services	16,720,998	18,064,698
Culture and Recreation	1,109,123	1,015,100
Interest on Long-Term Debt	1,479,168	1,605,040
Total Expenses	<u>91,529,750</u>	<u>89,839,239</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	10,573,053	12,043,856
Special Item	0	0
<b>Change in Net Position</b>	10,573,053	12,043,856
Net Position as of January 1	<u>185,249,685</u>	<u>173,205,828</u>
<b><u>Net Position as of December 31</u></b>	<u><u>\$195,822,738</u></u>	<u><u>\$185,249,684</u></u>

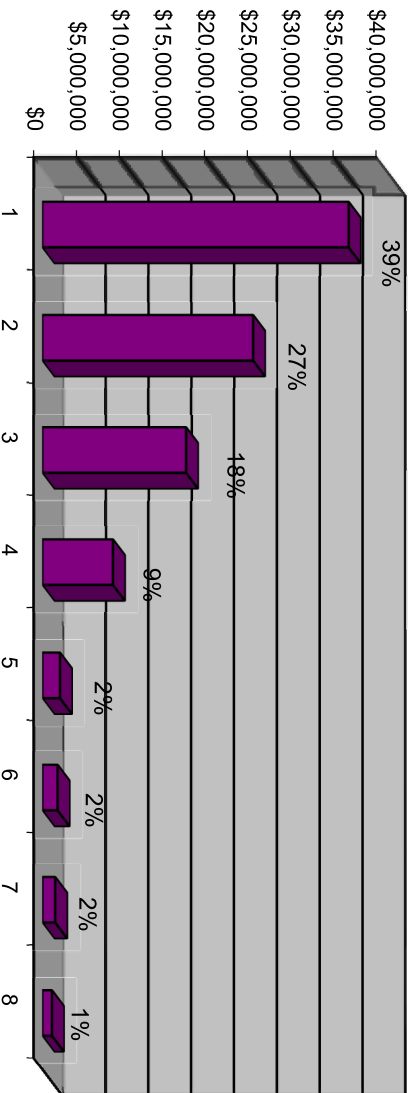
Total revenues for Benton County were over \$102.1 million, a 0.2% increase (\$0.2 million) from 2010 total revenues. Program revenues decreased 4.1% (\$2.1 million) and accounted for 48.9% of total revenue sources. Significant changes in program revenues were in the areas of General Government (up \$0.6 million), Transportation (down \$1.3 million) and Health & Human Services (down \$2.2 million). General Government revenue changes reflected a decrease in jail contracts with outside entities plus across-the-board decreases in most other areas for chargeable services provided, reflecting the soft economy. Transportation decreases were related to decreased federal and state revenues and donated capital (down \$0.9 million). The decrease in federal funding was primarily in the Federal-Aid Secondary Program and the American Recovery & Reinvestment Act program. Decreases for Health & Human Services came in the area of federal and state grants for substance abuse and Mental Health programs. Within governmental

activities, tax revenue increased \$2.8 million and accounted for 50.2% of total revenue sources. The remaining 1.0% of revenues was provided by interest income (down \$0.4 million due to reduced interest rates resulting from the recession and actions of the Federal Reserve).

Total expenses for the County were over \$91.5 million, an increase of nearly \$1.7 million from 2010 (a 1.9% increase). Governmental activities with the largest program expenses were in the areas of Public Safety, General Government, Health & Human Services and Transportation respectively. These four programs accounted for 93.0% of total government-wide expenses. General Government Services expenses decreased 0.3% (approximately \$63.9 thousand). Public Safety increased 13.3% (approximately \$4.2 million). The major portion of the increase in Public Safety expenses is attributable to accounting for Benton County's share of upgrades to the Benton County Emergency Services (Joint Venture) 800 MHz Radio system in 2009 and the addition of a Gang Task Force and Animal Control operation. Transportation expenses decreased 11.1% (approximately \$1.0 million), and Health and Human Services expenses decreased 7.4% (over \$1.3 million) compared to 2010. These reductions were managed reductions to meet economic restrictions.

The following illustrates, by program, where funds were spent in 2011.

### Program Expenses - Government-wide



#### Legend

- 1. Public Safety
- 2. General Government
- 3. Health and Human Services
- 4. Transportation
- 5. Economic Environment
- 6. Physical Environment
- 7. Interest on Long Term Debt
- 8. Culture and Recreation

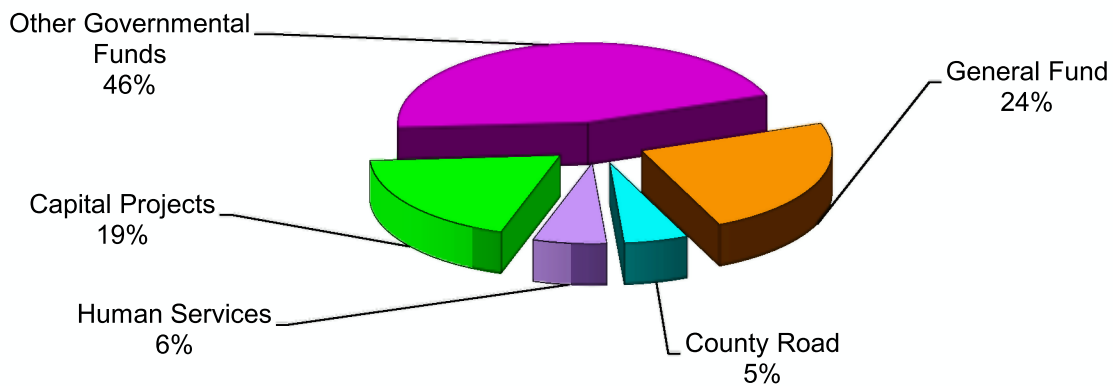
## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Benton County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Following are financial analyses of the County's governmental and proprietary funds.

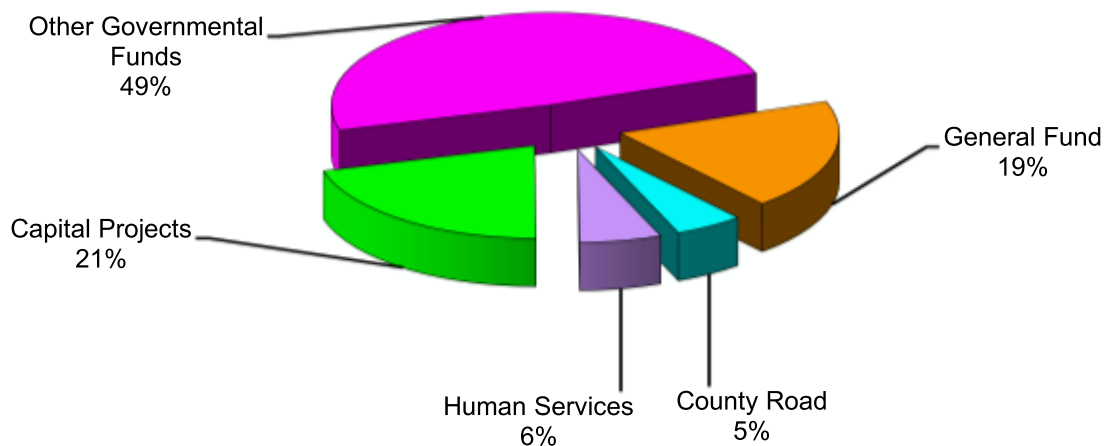
### Governmental Funds Balance Sheet Analysis

The General Fund, County Road fund, Human Services fund and Capital Acquisition fund were the County's major funds in 2011. Together these funds accounted for 54.5% of total governmental fund assets and 51.2% of total governmental fund balance.

#### Total Assets – Governmental Funds



#### Fund Balance – Governmental Funds

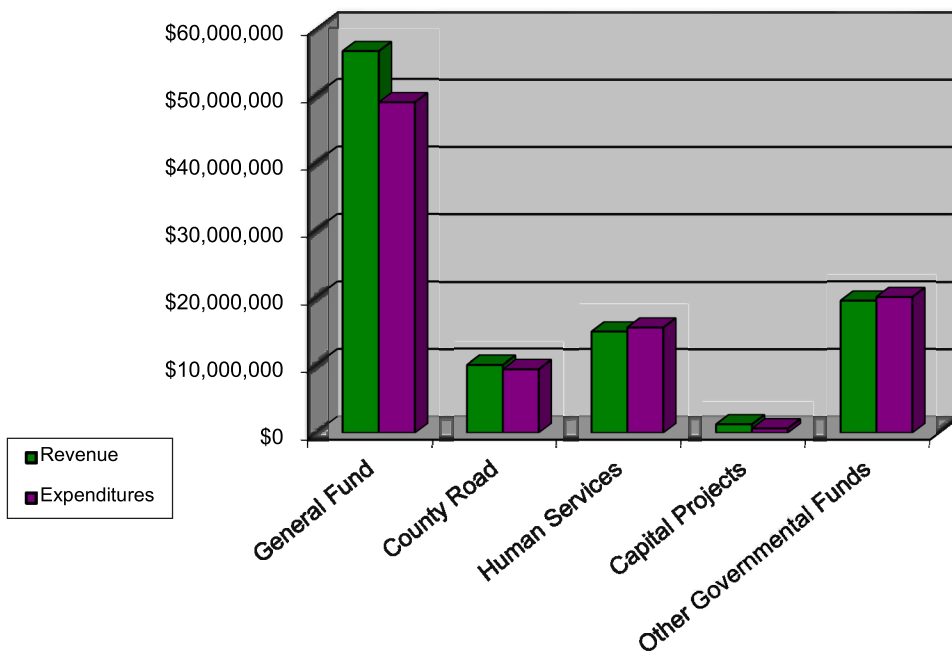


The focus of Benton County’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. As of December 31, 2011, the county’s governmental funds reported combined fund balances of over \$78.8 million. All of this amount is available for spending within the designated funds. The \$78.8 million compares to a combined ending fund balance of \$71.3 million in 2010, an increase of nearly \$7.5 million that can be mostly attributed to increased property taxes (up \$0.4 million) and increased retail sales and use taxes (up \$ 1.5 million) in the General Fund; decreased state and federal assistance (down \$1.0 million) and decreased capital outlay (down \$0.5 million) in the Road Fund; increased revenue in the Capital Acquisition Fund (up \$0.5 million) and revenues and expenditures in Other Governmental Funds (increasing fund balance by over \$1.7 million) which were comparable to those experienced in 2010. Major funds experience a combined \$5.8 million increase in fund balances, while other special revenue funds increased their fund balances by nearly \$4.9 million and debt service funds decreased their fund balances by nearly \$3.2 million as the County’s paid off the balance of 2001 Justice Center Third Floor debt.

The General Fund is the chief operating fund of Benton County. On December 31, 2011, total fund balance of the General Fund was nearly \$15.3 million (up over \$5.0 million from 2010), all but \$83 thousand of which was unrestricted. Total assets in the General Fund amounted to over \$20.7 million, accounting for 23.9% of total governmental fund assets. General Fund total assets were up over \$5.3 million over total assets at the end of 2010 (\$15.4 million). Most of this increase (\$4.8 million) was in cash, cash equivalents and deposits with fiscal agents. Reflective of this increase was the increase in Fund Balance of over \$5.0 million. Reduced Transfers Out to other funds (down \$5.6 million compared to 2010) were chiefly responsible for the increase in General Fund balance.

### Governmental Funds Revenue/Expenditure Analysis

The following chart shows the revenue and expenditure amounts for the four major governmental funds and for all other governmental funds.



The revenue indicators in the chart do not include one-time only financing sources or uses such as transfers (in and out), proceeds from new debt or the sale of assets. The General fund, County Road and Human Services funds account for 79.7% of all governmental fund revenue and 78.1% of all expenditures. The Capital Acquisition fund is considered a major fund by the merits of its total assets. In 2011, the Capital Acquisition fund received \$1,268,093 in revenue with most of this coming from intergovernmental resources and miscellaneous revenues.

The net change in fund balance for the General fund in 2010 was an increase of nearly \$5.1 million. This increase is largely due to decreased transfers out (\$5.6 million less than 2010) from the General Fund to the Capital Acquisition fund during the year. 2011 revenues increased 7.3% (\$3.8 million) during the year reflecting increases in the areas of Property Taxes (\$0.4 million) and Retail Sales and Use Taxes (\$1.5 million) and increases in Interest Earnings (\$0.1 million) and Intergovernmental Services (\$2.1 million in grants and services). 2011 expenditures were relatively unchanged from 2010, increasing 2.9% (\$1.4 million). The Road fund had a net increase in fund balance of over \$0.7 million reflecting efficient utilization of resources while dealing with reductions in funding from state and federal assistance (\$0.9 million). The Human Services fund had a net decrease in fund balance of nearly \$0.6 million due to reductions in State Mental Health funding revenues. The Capital Acquisition fund had a net increase in fund balance of over \$0.6 million, largely due to reduced Capital Outlay (down \$0.2 million) and increased miscellaneous revenues (up \$0.5 million). Other governmental funds had an overall positive net change in fund balance of over \$1.7 million for 2011.

## GENERAL FUND BUDGETARY HIGHLIGHTS

### General Fund Changes in Budget

In 2011, Benton County adopted a biennial budget. The following table shows the changes between the original and the final General Fund budget as of December 31, 2011.

	2011/2012		Changes Over (Under)
	Original Budget	Final Budget	
<i>Revenues</i>			
Taxes	\$56,080,442	\$56,080,442	\$ 0
Licenses and Permits	96,000	96,000	0
Intergovernmental	33,065,307	33,073,307	8,000
Charges For Services	7,817,395	7,817,395	0
Fines and Forfeits	6,014,051	6,014,051	0
Miscellaneous Revenues	2,662,038	2,662,038	0
Total Revenues	<u>\$105,735,233</u>	<u>\$105,743,233</u>	<u>8,000</u>
<i>Expenditures</i>			
General Governmental Services	43,706,640	43,898,453	191,813
Public Safety	49,632,513	50,232,454	599,941
Physical Environment	2,588,739	2,588,739	0
Transportation	0	0	0
Economic Environment	1,319,012	1,319,012	0
Mental and Physical Health	1,555,537	1,569,037	13,500
Culture and Recreation	1,023,248	1,023,248	0
Capital Outlay	886,328	1,050,814	164,486
Total Expenditures	<u>100,712,017</u>	<u>101,681,757</u>	<u>969,740</u>
Excess (Deficit) Revenues Over Expenditures	<u>5,023,216</u>	<u>4,061,476</u>	<u>(961,740)</u>

<u>Other Financing Sources (Uses)</u>			
Sale of Capital Assets	3,000	3,000	0
Operating Transfers In	3,271,137	4,027,564	756,427
Operating Transfers Out	(8,387,883)	(8,182,570)	205,313
Total Other Financing Sources (Uses)	<u>(5,113,746)</u>	<u>(4,152,006)</u>	<u>961,740</u>
Excess (Deficit) Resources Over Uses	(90,530)	(90,530)	0
Fund Balance, January 1	6,900,000	6,900,000	0
Fund Balance, December 31	<u>\$ 6,809,470</u>	<u>\$ 6,809,470</u>	<u>\$ 0</u>

Budgeted expenditure increases combined with transfer activity equaled budgeted revenue increases combined with transfers in.

The General Fund revenue and expenditure budgets were increased in the areas of:

A new Gang Task Force which was funded with a Buffer Zone grant (\$8,000) and a transfer in from the Justice Center Bond fund of \$756,427. This funded one Sergeant and three Deputies plus supporting supplies, services and capital expenditures. The Drug Court, originally funded for one year, was funded in November for an additional year by redirecting \$205,313, of the budgeted transfer out to Election Reserve (\$1,000,000 originally) to the Drug Court budget. This allowed continued funding of the Drug Court Case Manager and Secretary plus supporting supplies and services for the year 2012.

## General Fund Budget to Actual

The following table shows the changes between the final budget of the General Fund and actual revenues and expenditures of the General Fund during 2011.

**Benton County, Washington  
General Fund – Budget vs. Actual  
As of December 31, 2011**

	2011/2012		Variance Over (Under)
	Final Budget 2011/2012	Actual Thru 12/31/2011	
<i><u>Revenues</u></i>			
Taxes	\$56,080,442	\$30,659,755	(\$25,420,687)
Licenses and Permits	96,000	51,306	(44,694)
Intergovernmental	33,073,307	17,341,828	(15,731,479)
Charges For Services	7,817,395	3,956,955	(3,860,440)
Fines and Forfeits	6,014,051	2,863,155	(3,150,896)
Miscellaneous Revenues	2,662,038	1,635,380	(1,026,658)
Total Revenues	<u>105,743,233</u>	<u>56,508,379</u>	<u>(49,234,855)</u>
<i><u>Expenditures</u></i>			
General Governmental Services	43,898,453	20,733,901	(23,164,552)
Public Safety	50,232,454	24,452,647	(25,779,807)
Physical Environment	2,588,739	1,240,805	(1,347,934)
Transportation	0	0	0
Economic Environment	1,319,012	630,140	(688,872)
Mental and Physical Health	1,569,037	758,854	(810,183)
Culture and Recreation	1,023,248	440,325	(582,923)
Capital Outlay	1,050,814	683,383	(367,431)
Total Expenditures	<u>101,681,757</u>	<u>48,940,055</u>	<u>(52,741,702)</u>
Excess (Deficit) Revenues Over Expenditures	<u>4,061,476</u>	<u>7,568,323</u>	<u>3,506,847</u>
<i><u>Other Financing Sources (Uses)</u></i>			
Sale of Capital Assets	3,000	17,566	14,566
Operating Transfers In	4,027,564	1,650,796	(2,376,768)
Operating Transfers Out	(8,182,570)	(4,151,149)	(4,031,421)
Total Other Financing Sources (Uses)	<u>(4,152,006)</u>	<u>(2,482,787)</u>	<u>(1,669,219)</u>
Excess (Deficit) Resources Over Uses	(90,530)	5,085,536	5,176,066
Fund Balance, January 1	6,900,000	10,171,184	3,271,184
Fund Balance, December 31	<u>\$ 6,809,470</u>	<u>\$15,256,720</u>	<u>\$ 8,447,250</u>

The above table compares the two year budget against the actual values recognized in the first year of that budget. This explains why the variances are large. Significant increases in the revenues include \$1.5 million in retail sales and use taxes over 2010 while significant expenditure increases in Public Safety (\$.80 Million) and Capital Outlay (\$.45 million, early purchase of budgeted 2012 vehicles) over 2010 were recorded. No other significant increases or decreases were recorded.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

Benton County's total investment in capital assets, including construction in progress, for its governmental activities as of December 31, 2011, amounts to over \$131 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, system improvements, machinery and equipment, park facilities, infrastructure, and construction in progress on buildings and systems. The County has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the County expenses certain maintenance and preservation costs and does not report depreciation expense. Information about infrastructure assets is found in the Required Supplementary Information (RSI) section of the CAFR. Major capital asset events during the current year included the following:

- The infrastructure target is that no more than 20% of the arterial road pavements shall be rated below "Good". Benton County has taken a proactive approach to improve the condition of its roads. This is in part due to overlay and crack sealing programs. Assessments are performed on a biannual basis; the last assessment in 2011 had 98% of the arterial road pavements rated as "Good", exceeding the target.
- Infrastructure budgeted expenditures to maintain roads and bridges for 2011 were over \$7.6 million. Actual expenditures were over \$6.6 million. Preservation accounted for \$1.8 million of the expenditures.
- A contract with Tapani Underground Inc. was executed with a scope of work consisting of improvements to 2.6 miles of Clodfelter Road, by reconstructing a section of roadway from Bently Road to C. Williams Road and new construction of 1.6 miles of Locust Grove Road from Clodfelter Road to Edwards Road. This work consists of clearing, grubbing, removing pavement, excavation, embankment, culvert pipe installation, crushed surfacing, paving, erosion control, beam guardrail, pavement markings and other work. \$0.8 million of the \$3.5 million contract was expended in 2011.
- A continuing variety of projects for new road construction and expansion of existing roads were ongoing during the year. The County spent over \$0.2 million in 2011 on preliminary engineering and right-of-way for future road projects. Another \$.3 million was spent on completing projects from 2010.
- Improvements carried over from 2010 and completed in 2011 included the Animal Control Facility (\$1,060,500), the Human Services Building Tenant Improvement project (\$304,303 and updated control panels in the Juvenile Detention Facility (50,967
- Vehicles added to the fleet included;: 20 vehicles: 2011 and 2012 replacement vehicles for the Sheriff (\$490,247) and a Work Crew van (\$26,101.69), and a pickup for the Fairgrounds (\$24,998).
- Human Services purchased two servers (\$21,329).

- The Sheriff's Office purchased an Eyepole search camera and monitoring system (\$10,143) for the SWAT Team. They also purchased a Thermal Scope (\$13,538), and the Jail received improvements in the way of safer bunk bed ladders (\$27,075).
- The Courts purchased a software jury management system (\$81,559).
- The Juvenile Facility intercom received an upgrade (\$12,772).
- The Fairgrounds received a communication cable upgrade (\$14,126) and parking lot improvements in the RV & horse parking lot areas (\$5,517)..
- In Park development improvements were made in the Badger Mountain Westgate Trailhead (\$7,415).
- Central Services' capital purchases included a Finger Print Scanner system for the Sheriff (\$32,885) and two servers (\$13,896).
- Capital equipment added by the Capital Improvements fund included a Storage Area Network (\$75,337) and an upgrade in the phone system (\$45,103).
- At the end of 2011 Construction in Progress projects included a restroom for the Rattlesnake Shooting facility (\$75,164), an upgraded dishwasher for the Jail (\$146,034), a realignment of the system for processing Real Estate Excise Tax documents, (eConvey, \$37,486), County Courthouse improvements (\$48,934), County facility studies for storage and improvements, a study for a new administration building (\$28,,230) and a study for a Jail work Release facility (\$18,845).

Additional information on Benton County's capital assets can be found in Note 6 and in the RSI section of this report.

### **Long-Term Debt**

At December 31, 2011, Benton County had total bonded debt outstanding of over \$23.4 million, all of which is classified as governmental activity and backed by the full faith and credit of the County. An additional amount of \$525,000 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment.

Benton County's total bonded debt had a net decrease of over \$5.4 million during 2011. Significant debt activity in 2011 included the repayment of debt according to the repayment schedules and paying off the balance of 2001 Justice Center Third Floor debt. The County's remaining capacity for non-voted debt at December 31, 2011 was approximately \$184.6 million. On July 16, 2007, Benton County Road accepted the first draw on a loan from the Washington State Department of Community Trade and Economic Development in the amount of \$1,462,500. On July 24, 2008, an additional draw of \$812,500 was accepted by Benton County Road and on December 29, 2008 one more draw of \$812,500 was accepted. The final draw was completed on March 31, 2009, in the amount of \$162,500. This loan was for the development of the I-82 to SR397 Intertie Project. The loan is low-interest of 0.50% and the repayment term is approximately 20 years from completion of the project. On June 28, 1985, the County began receiving working advance funds from the Washington State Department of Social and Health Services (DSHS). The amount is currently at \$207,667. The amount has no repayment schedule and is available for use until DSHS requests its return. Benton County overall maintains an "A2"

rating from Moody's for general obligation debt. During 2009, Standard and Poors raised its rating for Benton County's general obligation debt from "A+" to "AA" "based on a history of very strong operating reserves". Additional information on the County's long-term debt can be found in Note 9.

## **ECONOMIC FACTORS**

There have been a series of voter initiatives over the past years, as well as State of Washington and Federal legal changes that have an ongoing impact on future finances of the County. A listing of conditions and decisions that affect the future financial condition of the County follows:

- Voters approved Referendum 47 in 1997, which limited property tax levy increases to the rate of inflation (as measured by the national Implicit Price Deflator); and repealed laws which allowed for stockpiling tax revenues.
- In November 1999, the voters in Washington approved Initiative 695, which eliminated the annual motor vehicle excise tax and replaced it with a \$30 annual fee on motor vehicles. Although this initiative was later ruled unconstitutional by the courts, the Legislature moved to enact the \$30 annual fee in special session.
- Voters also approved Initiative 747 in 2001, which capped property tax growth each year at a maximum of 1%, plus any additions for new construction. This initiative compounds the already limiting Referendum 47. In 2007 the Governor signed HB 2416, reinstating the 1% property tax limit adopted under Initiative 747. For the third straight year Benton County did not increase property tax.
- On November 29, 2007, the Washington State Legislature met in emergency session and amended RCW 84.55.005 and RCW 84.55.0101 to limit the increase in property tax growth to 1% plus new construction.
- Effective July 1, 2008, the Washington State Legislature adopted the Streamlined Sales Tax Bill that effected destination-based sourcing. Sales tax to be allocated on the basis of the destination of the sale rather than where the sale was made.
- The Washington State projected revenue budget shortfall and is now \$590 million for 2012. The Governor proposed more than \$2 billion in spending cuts and reductions in local revenue sharing. Benton County expects to see a decrease in state funding in 2012.
- The unemployment rate (9.1% as of December 2011) in the County was higher than 2010, and higher than the State average of 8.5%. Decreases in employment at the Vitrification Project reduced jobs in 2011 by about 2,200 after being increased since the low in June, 2006, due to site requirements and the budget revisions. The Vitrification Project construction is considered to be over 60% complete.
- During 2010, the Tri-Cities economy lost 6,120 jobs. Reduced employment during 2011 came from Hanford, professional and business services, retail trade, health services and the trade, transportation, warehousing and utilities sectors. DOE Hanford received a total of \$2.2 billion in federal stimulus money from the American Reinvestment and Recovery Act (ARRA), which was estimated to retain or create about 4,000 Hanford jobs as the money is spent

through Sept. 30, 2011, and by year end the end of the ARRA money was reflected in job cuts. Continuing growth of the local health care industry into a regional health care center is expected to help to reduce the impact of Hanford reductions. Continued expansion of Pacific Northwest National Lab and private sector research in energy and biotechnology, continued development of the wine industry and agricultural "value added" processing, and increased tourism are also anticipated to help offset this loss of Hanford jobs.

- Looking ahead to 2012, sales and use tax revenue outlook is uncertain with the ARRA funding ending in September, 2011. Low interest rates will continue to limit interest earnings on invested funds

### **Requests for Information**

This financial report is designed to provide a general overview of Benton County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Brenda Chilton, Auditor  
Benton County Auditor's Office  
P.O. Box 470  
Prosser, Washington 99350-0470  
(509) 786-5620

## **Basic Financial Statements**

The basic financial statements and note disclosure comprise the minimum acceptable fair presentation in conformity with Generally Accepted Accounting Principles (GAAP). Basic financial statements are designed to be “liftable” from the Financial Section of the Comprehensive Annual Financial Report (CAFR) for widespread distribution to users requiring less detailed information than is contained in the full CAFR. Basic Financial Statements include:

### **Government-wide Financial Statements**

- (1) **Government-wide Statement of Net Position** – presents information on all County governmental and proprietary assets and liabilities, with the difference reported as net position.
- (2) **Government-wide Statement of Activities** – presents information on all County governmental and proprietary revenues and expenses, with the difference reported as change in net assets.

### **Fund Financial Statements**

- (3) **Balance Sheet – Governmental Funds** – presents the balance sheets for major funds and aggregate amounts for all other governmental funds.
- (4) **Reconciliation of the Balance Sheet to the Government-wide Statement of Net Position.**
- (5) **Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds** – presents information for each major fund and aggregate information for all other governmental funds.
- (6) **Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities.**
- (7) **Statement of Revenues, Expenditures, and Changes in fund Balance – budget (GAAP Basis) and Actual** – presents budget information, along with actual results, on separate statements for each major fund which has a legally adopted budget. Departmental information is included for the General Fund, in accordance with the County’s legally adopted budget.
- (8) **Statement of Net Position – Proprietary Funds** – presents information on all assets and liabilities, with the difference reported as change in net assets for the internal service funds.

- (9) **Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds** – presents information for the County’s internal service funds.
- (10) **Statement of Cash Flows** – presents information on the sources and uses of cash for the County’s internal service funds.
- (11) **Statement of Fiduciary Net Position** – presents information on agency fund assets and liabilities.
- (12) **Notes to the Basic Financial Statements** – present disclosure and further detail information to assist the reader in better understanding the financial statements and the data presented within them.

# BENTON COUNTY, WASHINGTON

## Statement of Net Position

December 31, 2011

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
<i>ASSETS</i>	
Cash/Cash Equivalents and Equity in Pooled Investments	\$ 75,446,848
Deposits with Fiscal Agent	1,479,308
Investments	14,175,773
Receivables	6,525,786
Due From Other Governments	3,599,806
Inventories/Prepayments	1,742,334
Deferred Charges	13,090
Joint Ventures	4,888,109
Land	2,711,839
Infrastructure	68,032,852
Construction in Progress	2,834,272
Other Capital Assets (Net of Depreciation)	<u>52,860,390</u>
 Total Assets	 \$ <u><u>234,310,408</u></u>
 <i>LIABILITIES</i>	
Accounts Payable and Other Current Liabilities	\$ 1,727,512
Accrued Liabilities	5,590,540
Long-Term Liabilities:	
Due to Other Governments	207,667
Accrued Liabilities	101,428
Special Assessment Debt with Governmental Commitment	
Due Within One Year	0
Due In More Than One Year	525,000
Other Due Within One Year	2,393,340
Other Due In More Than One Year	<u>27,942,183</u>
 Total Liabilities	 <u>38,487,670</u>
 <i>NET POSITION</i>	
Net Investment in Capital Assets	99,475,184
Restricted for:	
General Government	11,008,355
Public Safety	8,743,341
Mental & Health Services	6,161,466
Economic Environment	4,115,085
Transportation	4,044,230
Culture & Recreation	448,498
Utilities & Environment	38,113
Unrestricted (Deficit)	<u>61,788,465</u>
Total Net Position	<u>\$ <u><u>195,822,738</u></u></u>

**BENTON COUNTY, WASHINGTON**

Statement of Activities  
 Year Ended December 31, 2011

	Program Revenues			Net (Expenses) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Functions/Programs</b>					
<b>Primary Government:</b>					
Governmental Activities:					
General Government	\$ 24,539,863	\$ 14,107,073	\$ 1,288,242	\$ 0	\$ (9,144,548)
Public Safety	35,717,729	14,167,933	1,652,244	0	(19,897,552)
Physical Environment	1,752,381	579,539	142,788	0	(1,030,054)
Transportation	8,183,961	311,699	504,836	1,344,774	(6,022,652)
Economic Environment	2,026,527	813,307	40,000	0	(1,173,220)
Health and Human Services	16,720,998	9,656,202	5,262,440	0	(1,802,356)
Culture and Recreation	1,109,123	42,735	923	0	(1,065,465)
Interest on Long Term Debt	1,479,168	0	0	0	(1,479,168)
Total Governmental Activities	<u>91,529,750</u>	<u>39,678,488</u>	<u>8,891,473</u>	<u>1,344,774</u>	<u>(41,615,015)</u>
Total Primary Government	\$ <u>91,529,750</u>	\$ <u>39,678,488</u>	\$ <u>8,891,473</u>	\$ <u>1,344,774</u>	\$ <u>(41,615,015)</u>
<b>General Revenues</b>					
Taxes:					
Property					23,766,386
Sales					18,512,667
Entitlements, Impact & In-lieu Payments					6,756,755
Excise Taxes					784,437
Penalties & Interest on Delinquent Taxes					1,391,756
Interest and Investment Earnings					976,068
Total General Revenues and Transfers					<u>52,188,068</u>
Change in Net Position					10,573,053
Net Position as of January 1					185,249,685
Net Position as of December 31					<u>\$ 195,822,738</u>

See accompanying notes to the basic financial statements

Balance Sheet  
 Governmental Funds  
 December 31, 2011

	Major Funds		
	General Fund	County Road	Human Services
<i>ASSETS</i>			
Cash/Cash Equivalents	\$ 16,336,921	\$ 300,318	\$ 4,339,867
Deposits with Fiscal Agent	1,479,108	200	0
Investments	0	3,435,000	0
Taxes Receivable	557,415	191,072	10,453
Accounts Receivable	374,939	798,047	477
Assessments Receivable	0	0	0
Interest Receivable	69,305	380	0
Due From Other Funds	2,087	8,754	21,569
Due From Other Governmental Units	1,928,225	0	1,066,511
Inventories/Prepayments	14,506	0	0
	<u>20,762,506</u>	<u>4,733,771</u>	<u>5,438,877</u>
Total Assets	\$ 20,762,506	\$ 4,733,771	\$ 5,438,877
<i>LIABILITIES AND FUND BALANCES</i>			
<i>Liabilities</i>			
Accounts/Vouchers Payable	\$ 457,861	\$ 161,191	\$ 271,797
Due To Other Funds	7,588	142,817	327
Due To Other Governmental Units	0	0	207,667
Accrued Wages Payable	2,905,622	252,091	187,408
Custodial Accounts	1,479,108	0	0
Deferred Revenue	655,607	191,072	10,453
Total Liabilities	<u>5,505,786</u>	<u>747,171</u>	<u>677,652</u>
<i>Fund Balance</i>			
Nonspendable	0	0	0
Restricted	83,686	3,986,600	4,761,225
Committed	0	0	0
Assigned	0	0	0
Unassigned	15,173,034	0	0
Total Fund Balances	<u>15,256,720</u>	<u>3,986,600</u>	<u>4,761,225</u>
Total Liabilities and Fund Balances	\$ 20,762,506	\$ 4,733,771	\$ 5,438,877

Balance Sheet  
 Governmental Funds  
 December 31, 2011

	Major Funds		Total
	Capital Acquisition	Other Governmental Funds	
<i>ASSETS</i>			
Cash/Cash Equivalents	\$ 16,442,037	\$ 34,509,035	\$ 71,928,178
Deposits with Fiscal Agent	0	0	1,479,308
Investments	0	4,236,873	7,671,873
Taxes Receivable	0	4,726	763,666
Accounts Receivable	17,885	172,146	1,363,494
Assessments Receivable	0	18,268	18,268
Interest Receivable	0	579	70,264
Due From Other Funds	0	3,123	35,533
Due From Other Governmental Units	0	605,070	3,599,806
Inventories/Prepayments	0	0	14,506
Total Assets	\$ 16,459,922	\$ 39,549,820	\$ 86,944,896
<i>LIABILITIES AND FUND BALANCES</i>			
<i>Liabilities</i>			
Accounts/Vouchers Payable	\$ 123,740	\$ 293,763	\$ 1,308,352
Due To Other Funds	0	79,063	229,795
Due To Other Governmental Units	0	0	207,667
Accrued Wages Payable	0	631,835	3,976,956
Custodial Accounts	0	0	1,479,108
Deferred Revenue	0	22,994	880,126
Total Liabilities	123,740	1,027,655	8,082,004
<i>Fund Balance</i>			
Nonspendable	0	0	0
Restricted	0	25,727,577	34,559,088
Committed	0	12,794,588	12,794,588
Assigned	16,336,182	0	16,336,182
Unassigned	0	0	15,173,034
Total Fund Balances	16,336,182	38,522,165	\$ 78,862,892
Total Liabilities and Fund Balances	\$ 16,459,922	\$ 39,549,820	

# BENTON COUNTY, WASHINGTON

## Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position December 31, 2011

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Total fund balances as shown on the Governmental Fund Balance Sheet:	<b>\$ 78,862,892</b>
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. This amount reflects the initial investment in capital assets, including construction in progress at 12/31/11. This amount does not include internal service fund capital assets, which are included as a reconciling item in a note further down on this page.	<b>199,465,228</b>
Life to date depreciation on capital assets is reflected in the statement of net position. This amount does not include internal service fund depreciation which is included reconciling item in a note further down on this page.	<b>(72,394,338)</b>
Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred in the funds.	<b>5,065,166</b>
Internal Service funds are used to charge the costs of services to individual funds. The assets and liabilities of the Internal Service funds are included in governmental activities in the statement of net position.	<b>15,318,779</b>
Long-term liabilities that are not due and payable in the current period and are not reported in the funds.	<b>(30,494,989)</b>
Total Net Position, as reflected on the Statement of Net Position:	<b>\$ 195,822,738</b>

Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Governmental Funds  
 For the Year Ended December 31, 2011

	Major Funds		
	General Fund	County Roads	Human Services
<u>Revenues</u>			
Property Taxes	\$ 18,300,110	\$ 5,041,019	\$ 347,184
Sales and Use Taxes	10,613,662	0	0
Other Taxes	1,745,983	69,958	1,044
Licenses and Permits	51,306	4,500	0
Intergovernmental	17,341,828	4,705,511	14,518,561
Charges for Services	3,956,955	168,892	76,772
Fines and Forfeits	2,863,155	0	0
Interest Earnings	1,240,661	5,910	0
Donations	10,298	0	0
Other Revenues	384,420	14,051	23,420
 Total Revenues	 <u>56,508,378</u>	 <u>10,009,841</u>	 <u>14,966,981</u>
<u>Expenditures</u>			
Current:			
General Governmental Services	20,733,901	166,935	0
Public Safety	24,452,647	0	0
Physical Environment	1,240,805	0	0
Transportation	0	6,411,826	0
Economic Environment	630,140	0	59,167
Mental and Physical Health	758,854	0	15,476,517
Culture and Recreation	440,325	0	0
Debt Service:			
Principal	0	197,748	0
Interest	0	13,842	0
Capital Outlay	683,383	2,569,549	29,861
 Total Expenditures	 <u>48,940,055</u>	 <u>9,359,899</u>	 <u>15,565,545</u>
Excess (Deficit) Revenues Over Expenditures	<u>7,568,323</u>	<u>649,942</u>	<u>(598,564)</u>
<u>Other Financing Sources (Uses)</u>			
Proceeds of Capital Assets	17,566	0	1,225
Transfers In	1,650,796	72,891	50,286
Transfers Out	(4,151,149)	0	(30,796)
 Total Other Financing Source (Uses)	 <u>(2,482,787)</u>	 <u>72,891</u>	 <u>20,715</u>
Net Change in Fund Balance	5,085,536	722,833	(577,849)
Fund Balance-January 1	10,171,184	3,263,767	5,339,074
Fund Balance-December 31	<u>\$ 15,256,720</u>	<u>\$ 3,986,600</u>	<u>\$ 4,761,225</u>

## Statement of Revenues, Expenditures, and Changes in Fund Balance

## Governmental Funds

For the Year Ended December 31, 2011

	Major Funds		Total
	Capital Acquisition	Other Governmental Funds	
<u>Revenues</u>			
Property Taxes	\$ 0	\$ 156,911	\$ 23,845,224
Sales and Use Taxes	0	7,899,005	18,512,667
Other Taxes	100,801	258,407	2,176,193
Licenses and Permits	0	779,792	835,598
Intergovernmental	483,880	5,312,365	42,362,145
Charges for Services	0	3,274,854	7,477,473
Fines and Forfeits	0	11,247	2,874,402
Interest Earnings	0	53,027	1,299,598
Donations	0	280,944	291,242
Other Revenues	683,412	1,501,178	2,606,481
Total Revenues	<u>1,268,093</u>	<u>19,527,730</u>	<u>102,281,023</u>
<u>Expenditures</u>			
Current:			
General Governmental Services	0	2,509,378	23,410,214
Public Safety	0	7,885,215	32,337,862
Physical Environment	0	539,124	1,779,929
Transportation	0	0	6,411,826
Economic Environment	0	1,365,102	2,054,409
Mental and Physical Health	0	0	16,235,371
Culture and Recreation	0	522,744	963,069
Debt Service:			
Principal	0	5,515,000	5,712,748
Interest	0	1,316,178	1,330,020
Capital Outlay	660,767	412,798	4,356,358
Total Expenditures	<u>660,767</u>	<u>20,065,539</u>	<u>94,591,805</u>
Excess (Deficit) Revenues Over Expenditures	<u>607,326</u>	<u>(537,809)</u>	<u>7,689,218</u>
<u>Other Financing Sources (Uses)</u>			
Proceeds of Capital Assets	0	6,567	25,358
Transfers In	0	7,624,825	9,398,798
Transfers Out	0	(5,374,162)	(9,556,107)
Total Other Financing Source (Uses)	<u>0</u>	<u>2,257,230</u>	<u>(131,951)</u>
Net Change in Fund Balance	607,326	1,719,421	7,557,267
Fund Balance-January 1	15,728,856	36,802,744	71,305,625
Fund Balance-December 31	<u>\$ 16,336,182</u>	<u>\$ 38,522,165</u>	<u>\$ 78,862,892</u>

# BENTON COUNTY, WASHINGTON

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities For the Year Ended December 31, 2011

Net change in fund balances as shown on Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance:	\$ 7,557,267
Internal Service Fund Interest, Misc Rev/Exp and Proceeds From Capital Asset Sales and Transfers	7,916
Governmental funds report capital outlays as expenditures and proceeds from the sale of capital assets as revenues. In the Statement of Activities, the cost of those assets is capitalized and depreciated over the period of the asset's useful life. When capital assets are disposed of, the difference between original cost and depreciation, and the proceeds are booked as a gain or (loss) on the sale. This entry takes into account the differences in how capital costs are treated between the Statement of Activities and the governmental fund statements.	(2,812,519)
Internal service fund expenses are allocated to other funds. The net expense of certain internal service fund activities is reported with governmental activities on the Statement of Activities.	759,816
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This entry is the net effect of these differences in the treatment of long-term debt issuance and payments.	5,712,748
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(303,818)
Some expenses reported in the statement of activities do not require the use of current financial resources, and accordingly, are not reported as expenditures in governmental funds.	(348,357)
Change in Net Position, as reflected on the Statement of Activities	<b>\$ 10,573,053</b>

# BENTON COUNTY, WASHINGTON

## Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (GAAP Basis) and Actual General Fund For the Year Ended December 31, 2011

	2011			Variance with Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
<i>Revenues</i>				
Taxes	\$ 56,080,442	\$ 56,080,442	\$ 30,659,755	\$ (25,420,687)
Licenses and Permits	96,000	96,000	51,306	(44,694)
Intergovernmental Revenues	33,065,307	33,073,307	17,341,828	(15,731,479)
Charges for Services	7,817,395	7,817,395	3,956,955	(3,860,440)
Fines and Forfeitures	6,014,051	6,014,051	2,863,155	(3,150,896)
Miscellaneous Revenue	2,662,038	2,662,038	1,635,380	(1,026,658)
<b>Total Revenues</b>	<b>105,735,233</b>	<b>105,743,233</b>	<b>56,508,378</b>	<b>(49,234,855)</b>
<i>Expenditures</i>				
General Government Services	43,706,640	43,898,453	20,733,901	(23,164,552)
Public Safety	49,632,513	50,232,454	24,452,647	(25,779,807)
Physical Environment	2,588,739	2,588,739	1,240,805	(1,347,934)
Economic Environment	1,319,012	1,319,012	630,140	(688,872)
Mental and Physical Health	1,555,537	1,569,037	758,854	(810,183)
Culture and Recreation	1,023,248	1,023,248	440,325	(582,923)
Capital Outlay	886,328	1,050,814	683,383	(367,431)
<b>Total Expenditures</b>	<b>100,712,017</b>	<b>101,681,757</b>	<b>48,940,055</b>	<b>(52,741,702)</b>
Excess(Deficiency) of Revenues over Expenditures	5,023,216	4,061,476	7,568,323	3,506,847
<i>Other Financing Sources (Uses)</i>				
Sale of Capital Assets	3,000	3,000	17,566	14,566
Transfers In	3,271,137	4,027,564	1,650,796	(2,376,768)
Transfers Out	(8,387,883)	(8,182,570)	(4,151,149)	(4,031,421)
<b>Total Other Financing Sources(Uses)</b>	<b>(5,113,746)</b>	<b>(4,152,006)</b>	<b>(2,482,787)</b>	<b>(1,669,219)</b>
Excess(Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	(90,530)	(90,530)	5,085,536	5,176,066
Fund Balance, January 1	6,900,000	6,900,000	10,171,184	3,271,184
Fund Balance, December 31	\$ 6,809,470	\$ 6,809,470	\$ 15,256,720	\$ 8,447,250

# BENTON COUNTY, WASHINGTON

## Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

County Road

For the Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Property Taxes	\$ 10,262,408	\$ 10,262,408	\$ 5,041,019	\$ (5,221,389)
Excise and Other Taxes	130,000	130,000	69,958	(60,042)
Total Taxes	<u>10,392,408</u>	<u>10,392,408</u>	<u>5,110,977</u>	<u>(5,281,431)</u>
Licenses and Permits	5,500	5,500	4,500	(1,000)
Intergovernmental Revenues	14,390,592	14,390,592	4,705,511	(9,685,081)
Charges for Services	362,700	362,700	168,892	(193,808)
Interest Earnings	30,000	30,000	5,910	(24,090)
Donations	342,000	342,000	0	(342,000)
Miscellaneous Revenues	6,000	6,000	14,051	8,051
Total Revenues	<u>25,529,200</u>	<u>25,529,200</u>	<u>10,009,841</u>	<u>(15,519,359)</u>
<u>Expenditures</u>				
General Governmental Services	1,026,100	1,026,100	166,935	(859,165)
Transportation	18,414,435	18,414,435	6,411,826	(12,002,609)
Debt Service:				
Principal	396,000	396,000	197,748	(198,252)
Interest	27,000	27,000	13,842	(13,158)
Capital Outlay	10,938,573	10,938,573	2,569,549	(8,369,024)
Total Expenditures	<u>30,802,108</u>	<u>30,802,108</u>	<u>9,359,899</u>	<u>(21,442,209)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(5,272,908)</u>	<u>(5,272,908)</u>	<u>649,942</u>	<u>5,922,850</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds of Capital Assets	1,415,639	1,415,639	0	(1,415,639)
Intergovernmental Payments	(225,000)	(225,000)	0	225,000
Transfers In	0	0	72,891	72,891
Total Other Financing Sources (Uses)	<u>1,190,639</u>	<u>1,190,639</u>	<u>72,891</u>	<u>(1,117,748)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>(4,082,269)</u>	<u>(4,082,269)</u>	<u>722,833</u>	<u>4,805,102</u>
Fund Balance, January 1	4,082,269	4,082,269	3,263,767	(818,502)
Fund Balance, December 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,986,600</u>	<u>\$ 3,986,600</u>

# BENTON COUNTY, WASHINGTON

## Statement of Revenues, Expenditures, and Changes in Fund Balance

### Budget (GAAP Basis) and Actual

#### Human Services

For the Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Property Taxes	\$ 680,000	\$ 680,000	\$ 347,184	\$ (332,816)
Excise and Other Taxes	800	800	1,044	244
Total Taxes	<u>680,800</u>	<u>680,800</u>	<u>348,228</u>	<u>(332,572)</u>
Intergovernmental Revenues	37,823,192	37,823,192	14,518,561	(23,304,631)
Charges for Services	130,200	130,200	76,772	(53,428)
Miscellaneous Revenues	37,000	37,000	23,420	(13,580)
Total Revenues	<u>38,671,192</u>	<u>38,671,192</u>	<u>14,966,981</u>	<u>(23,704,211)</u>
<u>Expenditures</u>				
Economic Environment	0	1,325,000	59,167	(1,265,833)
Mental and Physical Health	43,034,271	41,709,271	15,476,517	(26,232,754)
Capital Outlay	275,000	275,000	29,861	(245,139)
Total Expenditures	<u>43,309,271</u>	<u>43,309,271</u>	<u>15,565,545</u>	<u>(27,743,726)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,638,079)</u>	<u>(4,638,079)</u>	<u>(598,564)</u>	<u>4,039,515</u>
<u>Other Financing Sources (Uses)</u>				
Issuance of Long-Term Debt	(207,667)	(207,667)	0	207,667
Proceeds of Capital Assets	0	0	1,225	1,225
Transfers In	7,200	7,200	50,286	43,086
Transfers Out	(31,137)	(31,137)	(30,796)	341
Total Other Financing Sources (Uses)	<u>(231,604)</u>	<u>(231,604)</u>	<u>20,715</u>	<u>252,319</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>(4,869,683)</u>	<u>(4,869,683)</u>	<u>(577,849)</u>	<u>4,291,834</u>
Fund Balance, January 1	5,100,000	5,100,000	5,339,074	239,074
Fund Balance, December 31	<u>\$ 230,317</u>	<u>\$ 230,317</u>	<u>\$ 4,761,225</u>	<u>\$ 4,530,908</u>

# BENTON COUNTY, WASHINGTON

## Statement of Net Position

### Proprietary Funds

December 31, 2011

	Governmental Activities
	<u>Internal Service Funds</u>
<i>ASSETS</i>	
<u>Current Assets</u>	
Cash/Cash Equivalents	\$ 3,518,669
Investments	6,503,900
Accounts Receivable	137,517
Interest Receivable	627
Due From Other Funds	208,164
Inventories/Prepayments	1,727,828
Total Current Assets	<u>12,096,705</u>
<u>Noncurrent Assets</u>	
Projects In Progress	75,596
Capital Assets	
Land	246,520
Buildings	3,023,609
Improvements Other Than Buildings	451,516
Machinery and Equipment	9,291,922
Less Accumulated Depreciation	(8,832,590)
Total Noncurrent Assets	<u>4,256,573</u>
Total Assets	<u>\$ 16,353,278</u>
 <i>LIABILITIES AND FUND EQUITY</i>	
<u>Current Liabilities</u>	
Accounts/Vouchers Payable	\$ 419,160
Capital Leases Payable	134,292
Due To Other Funds	13,902
Accrued Wages Payable	134,476
Total Current Liabilities	<u>701,830</u>
<u>Noncurrent Liabilities</u>	
Compensated Absences	47,929
Capital Leases Payable	284,741
Total Noncurrent Liabilities	<u>332,670</u>
Total Liabilities	<u>1,034,500</u>
<u>Net Position</u>	
Net Investment in Capital Assets	3,837,540
Unrestricted	11,481,239
Total Net Position	<u>\$ 15,318,779</u>

# BENTON COUNTY, WASHINGTON

## Statement of Revenues, Expenses, and Changes in Fund Net Position

### Proprietary Funds

Year Ended December 31, 2011

	Governmental Activities
	<u>Internal Services</u>
	\$
<u>Operating Revenues</u>	
Net Charges for Services	5,619,951
Other Operating Revenue	1,840,121
 Total Operating Revenues	 <u>7,460,072</u>
<u>Operating Expenses</u>	
Personal Services	1,721,840
Contractual services	2,538,773
Other Supplies and Expenses	1,057,940
Depreciation	825,114
Payment to Claimants	556,844
 Total Operating Expenses	 <u>6,700,511</u>
 Operating Income (Loss)	 <u>759,561</u>
<u>Non-Operating Revenue (Expenses)</u>	
Interest Revenue	11,838
Interest Expense	(149,148)
Gain (Loss) on Disposition of Capital Assets	(12,082)
Other Non-Operating Revenues (Expenses)	255
 Total Non-Operating Revenue (Expenses)	 <u>(149,137)</u>
 Income (Loss) before Transfers	 610,424
 Transfers In	 157,308
 Change in Net Assets	 <u>767,733</u>
 Net Position as of January 1	 14,551,046
 Net Position as of December 31	 <u>\$ 15,318,779</u>

## Statement of Cash Flows

## Proprietary Funds

Year Ended December 31, 2011

	Governmental Activities
	<u>Internal Services</u>
<u>Cash Flows From Operating Activities:</u>	
Receipts from Customers	\$ (22,102)
Receipts from Interfund Services Provided	6,313,316
Miscellaneous Receipts	1,852,111
Payments to Employees	(2,070,622)
Payments to Suppliers	(3,836,289)
Payments for Interfund Services Used	<u>(721,399)</u>
Net cash provided (used) by operating activities	<u>1,515,015</u>
<u>Cash Flows From Noncapital Financing Activities:</u>	
Transfers from Other Funds	<u>157,308</u>
Net cash provided (used) by noncapital financing activities	<u>157,308</u>
<u>Cash Flows From Capital And Related Financing Activities</u>	
Interest Paid on Capital Lease	(149,148)
Principal Paid on Capital Lease	(99,170)
Proceeds from sale of capital assets	15,477
Purchases of capital assets	<u>(659,689)</u>
Net cash provided (used) by capital and related financing activities	<u>(892,530)</u>
<u>Cash Flows From Investing Activities:</u>	
Proceeds from Sale of Investment	816,700
Purchase of Investments	(645,000)
Interest Earnings	<u>11,358</u>
Net Cash Provided by Investing Activities	<u>183,058</u>
Net Increase in Cash & Cash Equivalents	962,852
Balances as of January 1	<u>2,555,817</u>
Balances as of December 31	<u>\$ 3,518,669</u>

Statement of Cash Flows  
Proprietary Funds  
Year Ended December 31, 2011

	<u>Governmental Activities Internal Services</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</u>	
Operating Income/(Loss)	\$ <u>759,561</u>
<u>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</u>	
Depreciation Expense	825,114
Other Non-Cash Expense	(24,976)
<u>Changes in assets and liabilities:</u>	
Receivables, net	131,166
Inventories	(288,724)
Accounts and other payables	<u>112,874</u>
Net Cash Provided by Operating Activities	\$ <u><u>1,515,015</u></u>

# BENTON COUNTY, WASHINGTON

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## Statement of Fiduciary Net Position

Agency Funds

December 31, 2011

	Agency Funds
<b>ASSETS</b>	
Cash	\$ 24,454,651
Investments	141,816,288
Taxes Receivable	4,267,721
Total Assets	<u>170,538,660</u>
<b>LIABILITIES</b>	
Warrants Payable	10,553,665
Vouchers Payable	5,281,513
Due to Other Governments	154,703,482
Total Liabilities	<u>\$ 170,538,660</u>

*Benton County, Washington*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Benton County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

**A. Reporting Entity**

Benton County was incorporated in March, 1905 and operates under the laws of the state of Washington applicable to a non-charter county. The County operates under a commissioner form of government and provides the following services to its constituents: police, road maintenance, planning and zoning, parks and recreation, judicial administration, health, social services, and general administrative services. As required by GAAP, the financial statements present Benton County, the primary government.

The County participates in three joint ventures. These include the Benton County Emergency Services (BCES), the Bi-County Police Information Network (BI-PIN) and the Metro Drug Forfeiture Fund. These organizations are not part of the County. The County's equity interest in these entities is presented in the Government-wide financial statements. See Note 15, Joint Ventures, which more fully describes these three organizations.

**B. Government-Wide and Fund Financial Statements**

Government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Benton County's reports present Governmental activities, which normally are supported by taxes and intergovernmental revenues. Benton County does not have, and, therefore, does not report any business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Additionally, the County's accounting system allocates a portion of its indirect costs to individual functions. These indirect costs have been included as part of the program expenses reported for the various functional activities.

Program revenue includes:

- Charges to customers for applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements are used to report additional and more detailed information about the primary government. 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.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Agency fund financial statements do not have a measurement focus and are prepared using the accrual basis of accounting. Under the economic resources measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Benton County, Washington**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2011**

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 period or as soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues susceptible to accrual are earned interest, certain charges for services, and intergovernmental revenues, such as grants, where program expenditures are the prime factor for determining reimbursement. Other revenues such as sales based taxes, licenses, fines and fees are not considered susceptible for accrual since they are not generally measurable until received. Expenditures are generally recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Benton County reports the following major governmental funds:

- The *General Fund* is the County's primary operating fund. It is used to account for all activities of the general government not accounted for in another fund.
- The *County Road Fund* accounts for the design, construction, and maintenance of County roads.
- The *Human Services Fund* accounts for the financial operations of County health programs including, but not limited to, mental health, developmental disabilities, alcoholism and drug abuse treatment and prevention programs.
- The *Capital Acquisition Fund* accounts for the expenditures incurred for the acquisition or construction of capital assets that are not identified with other capital funds.

Additionally, the County reports the following fund types:

- *Internal Service Funds* account for equipment rental, central services, worker's compensation insurance, insurance management and accumulated leave, provided to other departments or agencies of the government, or to other governments on a cost reimbursement basis.
- *Agency Funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. These funds account for the cash balances that the County holds for others (such as local taxing districts and other governmental entities) in an agency capacity.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include a) charges to customers or applicants for goods, services or privileges provided, b) operating grants and contributions, and c) capital grants and contributions, including special assessments. Internally, dedicated resources are reported as general revenues rather than program revenues. General revenues include all taxes.

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 revenues of the internal service funds are charges to customers for sales and services. Operating expenses for internal service funds include the cost of personal services, contractual services, other supplies and expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## **D. Budgets and Budgetary Accounting**

### **1. Scope of Budget**

Biennial appropriated budgets are adopted for the general and special revenue funds and for all proprietary funds on the modified accrual basis of accounting. For governmental funds, there are no differences between the budgetary basis and generally accepted accounting principles. Budgetary accounts are integrated into fund ledgers for all budgeted funds, but the financial

*Benton County, Washington*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

statements include budgetary comparisons for biennially budgeted governmental funds only. Budgets for debt service and capital project funds are adopted at the level of the individual debt issue or project and for fiscal periods that correspond to the lives of debt issues or projects. National Council on Governmental Accounting (NCGA) Statement 1 does not require, and the financial statements do not present, budgetary comparisons for proprietary fund types.

Biennial appropriated budgets are adopted at the level of the fund, except in the general fund, where expenditures may not exceed appropriations at the department level and the budgets constitute the legal authority for expenditures at that level. Subsidiary revenue and expenditure ledgers are used to compare budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class.

Appropriations for governmental funds lapse at the end of the biennium.

2. Procedures for Adopting the Original Budget

The County's budget procedures are mandated by RCW 36.40. The steps in the budget process are as follows:

- a. Prior to the first Tuesday in September, in even number years, the County Auditor submits a proposed budget to the County Commission. This budget is based on priorities established by the Commission and estimates provided by County departments, during the preceding months, and balanced with revenue estimates made by the County Auditor.
- b. The Commission conducts public hearings on the proposed budget in October, November and December.
- c. The Commission makes its adjustments to the proposed budget and adopts, by resolution, a final balanced biennial budget no later than December 31.
- d. Within 30 days of adoption, the final biennial budget is available to the public.

3. Amending the Budget

The County Auditor is authorized to transfer budgeted amounts between the supplies and professional service categories of any department. Any revisions that alter the total expenditures of a department or fund, or that affect the number of authorized employee positions; salary ranges, hours, or other conditions of employment must be approved by the County Commission.

When the County Commission determines that it is in the best interest of the County to increase or decrease the appropriation for a particular fund or department, it may do so by resolution, approved by a simple majority, after holding two public hearings.

Unless stated otherwise, the budget amounts shown in the financial statements are the final authorized amounts as revised during the biennium.

The financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriation, and other legally authorized changes.

**E. Assets, Liabilities, Fund Balance and Net Position**

1. Cash/Cash Equivalents and Equity in Pooled Investments

It is the County's policy to invest all temporary cash surpluses. At December 31, 2011, the County Treasurer was holding \$88,637,767 in short-term residual investments of surplus cash as reported

*Benton County, Washington*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

on the Benton County Treasurer's investment activity report. This amount is classified on the Statement of Net Position as Cash/Cash Equivalents and Equity in Pooled Investments. This amount is classified on the Governmental Balance Sheet of the various funds as Cash/Cash Equivalents. The interest on these investments is credited to the General Fund.

The amounts reported as cash and cash equivalents also include compensating balances maintained with certain banks in lieu of payments for services rendered. The average compensating balances maintained during 2011 were approximately \$8,080,461.

For purposes of the Statement of Cash Flows, the County considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

2. Temporary Investments - See Note 4

3. Receivables

Taxes receivable consists of property taxes and related interest and penalties (See Note 5). Accrued interest receivable consists of amounts earned on investments, notes, and contracts at the end of the year.

Special Assessments are recorded when levied. Special assessments receivable consist of current and delinquent assessments and related interest and penalties. Deferred assessments on the fund financial statements consist of unbilled special assessments that are liens against the property benefited. As of December 31, 2011, \$18,268 of special assessments receivable were delinquent.

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. Notes and contracts receivable consist of amounts owed on open account from private individuals or organizations for goods and services rendered.

4. Amounts Due to and from Other Funds; Interfund Loans and Advances Receivable

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund loans receivable/payable" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." A separate schedule of interfund receivables and payables is included in Note 13.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve accounting in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

5. Inventories

Inventories in governmental funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased.

Inventories in proprietary funds are valued by the first in, first out (FIFO) method, which approximates the market value. In accordance with GASB Statement 54, nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact, including items that are not expected to be converted to cash.

6. Capital Assets - See Note 6

7. Other Property and Investments - See Note 4.

*Benton County, Washington*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

8. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. In governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for them. In proprietary funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

Vacation pay, which may be accumulated up to 240 hours, is payable upon resignation, retirement or death. Sick leave may be accumulated up to 1040 hours. Employees hired prior to July 1, 1992, are eligible for half of their accumulated sick leave upon voluntary termination, retirement or death. Employees hired on or after July 1, 1992, may be eligible for twenty-five percent of their accumulated sick leave upon retirement with a maximum amount of \$5,000.

Compensated absences are reported in governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement).

9. Other Accrued Liabilities

These accounts consist of accrued wages and accrued employee benefits.

10. Long-Term Debt - See Note 9

11. Deferred Revenues

This account includes amounts recognized as receivables, but not revenues, in governmental funds (i.e., tax assessments) because the revenue recognition criteria has not been met.

12. Fund Balance Classifications

In February, 2009, the GASB issued Statement no. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). The County is implementing GASB Statement 54 for fiscal year December 31, 2011, including a reclassification of ending fund balances from our previous fiscal year ending December 31, 2010.

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. For the classification of fund balances, the County considers amounts to have been spent when an expenditure is incurred for purposes for which fund balance is both available and can be used. In accordance with GASB Statement 54, the fund balances of the County are classified into the following categories: nonspendable, restricted, committed, assigned or unassigned.

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not spendable form or (b) legally or contractually required to be maintained intact, including items that are not expected to be converted to cash.

Restricted fund balance includes amounts where constraints have been placed on the use of resources by either (a) external imposition by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposition by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of County Commissioners (BOCC). Committed amounts cannot be used for any other purpose unless the BOCC removes or changes the specified use by taking the same type of formal action (for example, resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Benton County, Washington**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2011**

Assigned fund balance includes amounts that are constrained by the County Board of Commissioner's intent to be used for specific purposes, but are neither restricted nor committed. The BOCC has delegated the authority to assign amounts to be used for specific purposes to the County Administrator or his/her designee.

Unassigned fund balance represents fund balance that has not been restricted, committed or assigned.

It is the County's policy to use restricted amounts first, then committed, then assigned, and then unassigned, as they are needed.

13. Detailed Fund Balance Constraints

Fund Balances:	General Fund	Major Special Revenue Funds		Major Capital Acquisition Fund	Other Funds	Total
		County Roads	Human Services			
<b>Restricted for:</b>						
Public defense	83,686					83,686
Health & welfare			4,761,225			4,761,225
Detention and/or correction					8,724,252	8,724,252
Education					86,859	86,859
Financial & records services					9,172,772	9,172,772
Housing & community development					3,633,813	3,633,813
Judicial					1,538,417	1,538,417
Juvenile services					19,089	19,089
Legal					213,480	213,480
Mental & health services					1,400,241	1,400,241
Park facilities					361,639	361,639
Planning & community development					374,657	374,657
Transportation		3,986,600			57,630	4,044,230
Veterans services					106,615	106,615
Weed control					38,113	38,113
<b>Committed to:</b>						
Central services					1,582,506	1,582,506
Cultural & recreational facilities					3,595,617	3,595,617
Debt service					1,418,270	1,418,270
Detention and/or correction					141,781	141,781
Garbage & solid waste utilities					670,009	670,009
Housing & community development					180,054	180,054
Judicial					557,423	557,423
Juvenile services					1,263,024	1,263,024
Law enforcement					322,280	322,280
Legislative					1,664,369	1,664,369
Substance abuse					17,284	17,284
Transportation					1,381,971	1,381,971
<b>Assigned for:</b>						
Capital projects				3,852,500		3,852,500
Capital contingencies				12,483,682		12,483,682
<b>Unassigned:</b>	15,173,034					15,173,034
<b>Total fund balances</b>	<b>15,256,720</b>	<b>3,986,600</b>	<b>4,761,225</b>	<b>16,336,182</b>	<b>38,522,165</b>	<b>78,862,892</b>

*Benton County, Washington*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

14. Net Position

In July, 2011, the GASB issued Statement no. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of resources, and Net Position* (GASB 63). The County is implementing GASB Statement 63 for fiscal year December 31, 2011.

In Government-wide Statements and Internal Service Fund statements, net position consists of assets invested in capital assets (net of related debt), restricted and unrestricted net positions. The restricted net positions are restricted by governmental statutes, actions and third parties.

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position**

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position – governmental activities reported in the government-wide statement of net position. One element of that reconciliation explains, “Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the funds.” The details of this reconciliation are as follows:

Unavailable Deferred Revenue	\$ 880,126
Deferred Charges - Bond Discounts	13,090
Interest Earned, unavailable for >90 days	40,560
A/R Superior & District Courts, Treasurers O&M	4,131,390
 Net Adjustment to Increase Total Governmental Funds to Arrive At Net Position Governmental Funds	 <u>\$5,065,166</u>

Another element of that reconciliation explains, “Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this reconciliation are as follows:

Bonds Payable	\$23,425,000
Special Assessment Debt	525,000
Long-Term Loans	2,570,726
Compensated Absences	2,932,856
Less Internal Service Funds Amount	<u>(47,929)</u>
Net Compensated Absences	2,884,927
Interest Payable	101,428
OPEB Accrual	950,408
Deferred Charges - Bond Premiums	<u>37,500</u>
Net Adjustment to Reduce - Total Governmental Funds to Arrive at Net Position – Governmental Activities	 <u>\$30,494,989</u>

**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. When capital assets are disposed of, the difference between original cost minus depreciation, and the proceeds is booked as a gain or (loss) on the sale.

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The details of this difference is as follows:

Capital Outlay	\$ 4,356,358
Donated Capital Assets	106,807
Change in Joint Venture Equity	(1,223,633)
Depreciation Expense	(5,730,894)
Other Changes in General Capital Assets	<u>(321,157)</u>
Net Adjustment to Increase Net Changes in Fund Balance - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ (2,812,519)</u>

Another element of that reconciliation states “The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

The details of this difference are as follows:

Net Issuance of Debt	\$ -0-
Principal Payments:	
General Obligation Debt	<u>5,712,748</u>
Net Adjustment to Increase Net Changes in Fund Balances Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ 5,712,748</u>

One further element of that reconciliation states “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.”

The details of this difference are as follows:

Change in Accrual for Superior Court A/R	\$ 115,252
Change in Accrual for District Court A/R	790
Change in Accrual for Treasurers O&M A/R	(7,529)
Amortization of Debt Premium	1,875
Change in Interest Receivable between 2010 & 2011	(335,368)
Change in Deferred Tax Revenue between 2010 & 2011	<u>(78,838)</u>
Net Adjustment to Increase Net Changes in Fund Balance - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ (303,818)</u>

One further element of that reconciliation states “Some expenses in the statement of activities that do not require the use of current financial resources, and accordingly, are not reported as expenditures in governmental funds.”

The details of this difference are as follows:

OPEB for LEOFF	\$ (194,634)
Change in Interest Payable between 2010 & 2011	19,947
Amortization of Debt Discount	(38,456)
Change in Compensated Absences, 2010 to 2011	(125,104)
Less Internal Service Funds Change	<u>(10,110)</u>
Net Change in Compensated Absences between 2010 & 2011	<u>(135,214)</u>
Net Adjustment to Increase Net Changes in Fund Balance - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ (348,357)</u>

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**NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

There have been no material violations of finance-related legal or contractual provisions, and there have been no expenditures exceeding legal appropriations in any of the funds of the County.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

**DEPOSITS**

The County's deposits and certificates of deposit are fully covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). Interest bearing certificates of deposit amounting to \$3,000,000 are on the government-wide and agency fund financial statements at cost.

**INVESTMENTS**

All County held investments are either insured or registered in the County's name and held by the County or its agent in the County's name. Due to the current economic environment, most banks would not take public funds for investing in Certificate of Deposits. Monies that normally would have been invested as Certificate of Deposits were sent to the State Pool.

The County uses a variety of financial institutions to determine the fair value of securities purchased on behalf of Benton County. A minimum of three quotes from brokers/dealers are used to determine the fair value of the securities on that specified date. A quarterly analysis is prepared for the County by different financial institutions.

Benton County does not report any securities at amortized cost. All securities reported are disclosed using the securities fair market value.

As of December 31, 2011, the County had the following investments:

Investment	Weighted Average Maturity Years	Fair value of County's own investments	Fair value of invest- ments held by County as an agent for other local governments, individuals or private organizations	Total
Certificates of Deposit	.47	\$2,000,000	\$ 1,000,000	\$ 3,000,000
Federal Farm Credit Bank	1.64	1,000,200	-0-	1,000,200
Federal Home Loan Bank	2.52	4,007,100	-0-	4,007,100
Federal Home Loan Mortgage Corporation	1.84	1,998,002	-0-	1,998,002
Federal National Mortgage Association	3.68	10,132,465	-0-	10,132,465
State Pool	1.00	69,500,000	154,992,062	224,492,062
<b>Total</b>		<b>\$88,637,767</b>	<b>\$155,992,062</b>	<b>\$244,629,829</b>

Custodial credit risk - Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. By County policy, all negotiable security transactions are settled "delivery versus payment". This means that payment is made simultaneously with the receipt of the security. These securities are delivered to the County's third party custodian.

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Interest rate risk - Investments. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the County manages its exposure to the risk that the market value of securities in the portfolio will fall due to changes in market interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter-term securities. The policy also states that no single security will be purchased with a maturity date of more than five and one-half years from the date of purchase without approval of the Treasurer or Chief Deputy Treasurer.

Credit risk - Investments. Credit risk is the risk that an issuer or other counterparts to an investment will not fulfill its obligations. The County investment policy minimizes its credit risk by limiting investments to selected types of securities and pre-qualifying the financial institutions, broker/dealers and intermediaries with which the County will do business. Presented below is the minimum rating required by the state statute and the actual rating as of the end of the year 2011 for each type of investment of which the Primary Government participates.

<u>Investment Type</u>	<u>Minimum Rating</u>	<u>Year End Rating</u>
Fixed Rate Agency Securities	AAA	AAA
Certificates of Deposit	N/A	N/A
State Local Government Investment Pool	N/R	N/R

Management intends to hold the time deposits and securities until maturity. In accordance with GAAP applicable to regulated industries and GASB Statement #31, changes in fair value are reflected as unrealized income in the financial statements. Other gains or losses on investments sold or exchanged are recognized at the time transactions are completed.

With regards to the County’s participation in the Washington State Local Government Pool (LGIP), the State Treasurer’s Office maintains a third-party custodial arrangement with Bank of New York in order to provide the maximum degree of safety possible. All investment transactions conducted by the County are done on a delivery versus payment (DVP) basis. In addition, in 1995 the LGIP developed an Advisory Committee to aid the Office of the State Treasurer in an advisory and oversight capacity. Other forms of oversight include the annual state and independent audits that the LGIP undergoes and as a result of that extensive oversight, the LGIP publishes monthly, quarterly and annual reports that allow participants to stay abreast of LGIP issues and activity. The LGIP is an unrated 2a-7 like pool, as defined by GASB 31. Accordingly, participants’ balances in the LGIP are not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days. Per GASB 40 guidelines the balances are also not subject to custodial credit risk. The credit risk of the LGIP is limited as most investments are either obligations of the US government, government sponsored enterprises, or insured demand deposit accounts and certificates of deposit. The fair value of County shares in the LGIP is dollar for dollar equal to the value of pool shares.

Due to bleak economic conditions affecting interest rates, the BOCC, Finance Committee and County Treasurer have authorized the expansion of the Treasurer Investment Pool (TIP). This would provide an alternative investment vehicle to the districts within the County. Both the County and districts would be able take advantage of higher yielding investment opportunities by combining purchasing power. While the TIP currently has only one participant, it is expected that many more will be joining in 2012. An RFP was issued in 2011 to analyze investment software programs that would assist in calculating and distributing interest income to the participating districts.

**NOTE 5 - PROPERTY TAXES**

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

Property taxes are levied and become an enforceable lien against properties on January 1, with collection beginning after the Treasurer has completed the tax roll for the current year’s collection and provided the notification required. They may be paid in two installments—one half by April 30 and the second half by October 31. Interest is charged at the rate of 12% per annum, computed on a monthly basis from date of delinquency, until paid. A penalty of 3% of total delinquent tax is added on June 1 and an additional penalty of 8% is added December 1. On January 1, the assessed value of property is established for the next year’s levy at 100% of market value.

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Property taxes are recorded as a receivable when levied, offset by deferred revenue. During the year, property tax revenues are recognized when cash is collected. At year-end, property tax revenues are recognized for collections that occur in January. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible.

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

- Washington State law, RCW 84.55.010, limits the growth of regular property taxes to the lesser rate of the implicit price deflator per year or 1%, excluding new construction.
- RCW Chapter 84.52 establishes a limitation on the levies for ports, public utilities, state schools, emergency medical services, counties, roads, cities and towns. Counties, roads, cities, towns and all other regular levies are proportionately reduced if a composite rate of \$5.90 per thousand is exceeded. Levies not subject to the \$5.90 Aggregate Limit: State, Ports, Public Utility Districts, Emergency Medical Services, Affordable Housing, Conservation Futures, County Ferry Districts, Criminal Justice, and County Transit.
- The Washington State Constitution limits the total regular property taxes to 1% of assessed valuation or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the 1% limit. Exceptions include port districts and public utility districts.

For 2011, the County levied the following property taxes:

Purpose of Levy	Per \$1,000	Levy Amount
General Government (A)	\$1.2901	\$17,938,287
County Roads (B)	1.8364	5,558,952
Human Services (A)	0.0250	347,591
Veterans' Assistance (A)	0.0113	157,111
Totals	\$3.1628	\$24,001,941

(A) assessed value of \$13,903,637,676

(B) assessed value of \$ 3,027,078,081

**NOTE 6 – CAPITAL ASSETS**

Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Infrastructure assets are long-lived assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include roads, bridges, drainage systems, water and sewer systems, and lighting systems. The County has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the County expenses certain maintenance and preservation costs and does not report depreciation expense. Information about infrastructure assets is found in the Required Supplementary Information (RSI) section of the CAFR.

When capital assets are purchased, they are capitalized and depreciated in the government-wide financial statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the government fund financial statements.

Capital assets are valued at cost where historical records are available and at an estimated historical cost where no records exist. Donated capital assets are valued at their estimated fair value on the date received.

Improvements to capital assets that materially add to the value or extend the life of the asset are capitalized. Other repairs and normal maintenance are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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Depreciation of buildings, equipment, vehicles, and improvements is computed using the straight-line method. Estimated useful lives are the lesser of the projects' estimated lives or the following:

Buildings - 20 years	Autos, Light Trucks – 5 years
Furniture & Equip - 10 years	Heavy Trucks – 7 years
Information Systems - 4 years	Land Improvements - 20 Years
Data Handling Equip - 4 years	Heavy Road Equipment - 10 Years

Machinery and equipment purchased on capital leases are treated as capital assets indicating a constructive or actual transfer of the benefits and risks of ownership to the County, and are valued at the lesser of the fair value of the leased property or the net present value of the minimum lease payments required by the contract.

Capital asset activity for the year ended December 31, 2011, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets, not being depreciated				
Land	\$ 2,654,787	\$ 0	\$ 0	\$ 2,654,787
Infrastructure	49,353,491	1,719,438	195,934	50,876,995
Construction in progress	3,446,866	803,177	1,415,771	2,834,272
<b>Total capital assets, not being depreciated</b>	<b>55,455,144</b>	<b>2,522,615</b>	<b>1,611,705</b>	<b>56,366,054</b>
Capital assets, being depreciated:				
Quarries	89,020	0	6,690	82,330
Buildings	86,325,251	1,054,288	0	87,379,539
Improvements	7,713,537	459,270	0	8,172,807
Machinery and equipment	12,153,466	1,606,711	783,278	12,976,899
Infrastructure	41,745,586	968,344	0	42,713,930
<b>Total capital assets being depreciated</b>	<b>148,026,860</b>	<b>4,088,613</b>	<b>789,968</b>	<b>151,325,505</b>
Less accumulated depreciation for:				
Quarries	(25,278)	0	0	(25,278)
Buildings	(41,095,576)	(2,831,096)	13,117	(43,939,789)
Improvements	(1,416,744)	(392,983)	269	(1,809,996)
Machinery and equipment	(9,142,487)	(1,379,784)	(603,200)	(9,919,071)
Infrastructure	(23,605,928)	(1,952,145)	0	(25,558,073)
<b>Total accumulated depreciation</b>	<b>(75,286,013)</b>	<b>(6,556,008)</b>	<b>(589,814)</b>	<b>(81,252,207)</b>
Total capital assets being depreciated, net	72,740,847	(2,467,395)	200,154	70,073,298
Governmental activities capital assets, net	<b>\$ 128,195,991</b>	<b>\$ 55,220</b>	<b>\$ 1,811,859</b>	<b>\$ 126,439,352</b>

Depreciation expense was charged to functions as follows:

General Government	718,110
Public Safety	2,379,346
Physical Environment	13,084
Transportation	1,952,145
Economic Environment	0
Health and Human Services	513,213
Culture and Recreation	154,996
	5,730,894

Depreciation on capital assets held by the County's internal service funds (included in the totals above) is charged to the various functions based upon their usage of the assets.

Total governmental activities depreciation expense	<b>\$ 6,556,008</b>
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**NOTE 7 - PENSION PLANS**

Substantially all county full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov). The following disclosures are made pursuant to GASB Statements No. 27, *Accounting for Pensions by State and Local Government Employers* and No. 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27*.

**Public Employees' Retirement System (PERS) Plans 1, 2, and 3**

Plan Description

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in the Judicial Retirement System); employees of legislative committees; community and technical colleges, college and university employees not participating in higher education retirement programs; judges of district and municipal courts; and employees of local governments. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to PERS Plan 3. Notwithstanding, PERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS Plan 1 and Plan 2 defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions.

PERS Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is 2 percent of the average final compensation (AFC) per year of service. (AFC is the monthly average of the 24 consecutive highest-paid service credit months.) The retirement benefit may not exceed 60 percent of AFC. The monthly benefit is subject to a minimum for PERS Plan 1 retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. If a survivor option is chosen, the benefit is further reduced. A cost-of-living allowance (COLA) was granted at age 66 based upon years of service times the COLA amount. This benefit was eliminated by the Legislature, effective July 1, 2011. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity payable to the age of 60. The allowance amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the

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allowance amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. A cost-of-living allowance was granted at age 66 based upon years of service times the COLA amount. This benefit was eliminated by the Legislature, effective July 1, 2011. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. (AFC is the monthly average of the 60 consecutive highest-paid service months.)

PERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by 3 percent for each year before age 65.
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

The surviving spouse or eligible child or children of a PERS Plan 2 member who dies after leaving eligible employment having earned ten years of service credit may request a refund of the member's accumulated contributions.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. The defined benefit portion provides a monthly benefit that is 1 percent of the AFC per year of service. (AFC is the monthly average of the 60 consecutive highest-paid service months.)

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service, if twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 prior to June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

PERS Plan 3 defined benefit retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. There is no cap on years of service credit and Plan 3 provides the same cost-of-living allowance as Plan 2.

PERS Plan 3 defined contribution retirement benefits are solely dependent upon contributions and the results of investment activities.

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The defined contribution portion can be distributed in accordance with an option selected by the member, either as a lump sum or pursuant to other options authorized by the Director of the Department of Retirement Systems.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service.

These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS Plan 2 and Plan 3 members may have up to ten years of interruptive military service credit; five years at no cost and five years that may be purchased by paying the required contributions. Effective July 24, 2005, a member who becomes totally incapacitated for continued employment while serving the uniformed services, or a surviving spouse or eligible children, may apply for interruptive military service credit. Additionally, PERS Plan 2 and Plan 3 members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's retirement benefit.

Beneficiaries of a PERS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of said member's covered employment, if found eligible by the Department of Labor and Industries.

*Judicial Benefit Multiplier*

During January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to participate in the Judicial Benefit Multiplier Program (JBM) enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make a one-time irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Members who chose to participate in JBM would: accrue service credit at the higher multiplier beginning with the date of their election; be subject to the benefit cap of 75 percent of AFC, pay higher contributions; stop contributing to the Judicial Retirement Account (JRA); and be given the option to increase the multiplier on past judicial service. Members who did not choose to participate would: continue to accrue service credit at the regular multiplier; continue to participate in JRA, if applicable; never be a participant in the JBM Program; and continue to pay contributions at the regular PERS rate.

Newly elected or appointed justices and judges who chose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM Program. Members required into the JBM program would: return to prior PERS Plan if membership had previously been established; be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member; accrue the higher multiplier for all judicial service; not contribute to JRA; and not have the option to increase the multiplier for past judicial service.

There are 1,197 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2010:

Retirees and Beneficiaries Receiving Benefits	76,889
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	28,860
Active Plan Members Vested	105,521
Active Plan Members Non-vested	51,005
<b>Total</b>	<b>262,285</b>

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Funding Policy

Each biennium, the state Pension Funding Council adopts PERS Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and PERS Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent, based on member choice. Two of the options are graduated rates dependent on the employee's age. As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program.

The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2011, are as follows:

Members Not Participating in JBM:

	<b>PERS Plan 1</b>	<b>PERS Plan 2</b>	<b>PERS Plan 3</b>
Employer*	7.25%**	7.25%**	7.25%***
Employee	6.00%****	4.64%****	*****

- \* The employer rates include the employer administrative expense fee currently set at 0.16%.
- \*\* The employer rate for state elected officials is 10.80% for Plan 1 and 7.25% for Plan 2 and Plan 3.
- \*\*\* Plan 3 defined benefit portion only.
- \*\*\*\* The employee rate for state elected officials is 7.50% for Plan 1 and 4.64% for Plan 2.
- \*\*\*\*\* Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Members Participating in JBM:

	<b>PERS Plan 1</b>	<b>PERS Plan 2</b>	<b>PERS Plan 3</b>
Employer-State Agency*	9.75%	9.75%	9.75%**
Employer-Local Govt.*	7.25%	7.25%	7.25%**
Employee-State Agency	9.76%	9.10%	7.50%***
Employee-Local Govt.	12.26%	11.60%	7.50%***

- \* The employer rates include the employer administrative expense fee currently set at 0.16%.
- \*\* Plan 3 defined benefit portion only.
- \*\*\*Minimum rate.

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

<b>Year</b>	<b>PERS Plan 1</b>	<b>PERS Plan 2</b>	<b>PERS Plan 3</b>
2011	\$82,990	\$1,403,797	\$136,052
2010	\$81,450	\$1,190,669	\$106,265
2009	\$122,798	\$1,513,914	\$142,458

*Benton County, Washington*  
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**Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans 1 and 2**

Plan Description

The Legislature established LEOFF in 1970. Membership in the system includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters and, as of July 24, 2005, emergency medical technicians. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003, being an exception. LEOFF retirement benefit provisions are established in Chapter 41.26 RCW and may be amended only by the State Legislature.

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members.

LEOFF defined benefit retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through state legislative appropriations.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature for the LEOFF Plan 2 retirement plan.

LEOFF Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50.

The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

<b>Term of Service</b>	<b>Percent of Final Average Salary</b>
20 or more years	2.0%
10 but less than 20 years	1.5%
5 but less than 10 years	1.0%

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last 10 years of service. A cost-of-living allowance is granted (based on the Consumer Price Index).

LEOFF Plan 1 provides death and disability benefits. Death benefits for survivors of Plan 1 members on active duty consist of the following: (1) If eligible spouse, 50 percent of the FAS, plus 5 percent of FAS for each eligible surviving child, with a limitation on the combined allowances of 60 percent of the FAS; or (2) If no eligible spouse, eligible children receive 30 percent of FAS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of FAS, divided equally.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 1 member who dies as a result of injuries or illness sustained in the course of employment, if found eligible by the Department of Labor and Industries.

The LEOFF Plan 1 disability allowance is 50 percent of the FAS plus 5 percent for each child up to a maximum of 60 percent. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, the benefit continues as the greater of the member's disability allowance or service retirement allowance.

LEOFF Plan 1 members may purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's allowance.

LEOFF Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members may retire at the age of 50 with 20 years of service, or at the age of 53 with five years of service, with an allowance of 2 percent of the FAS per year of service. (FAS is based on the highest consecutive 60 months). Plan 2 members who

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retire prior to the age of 53 receive reduced benefits. Benefits are actuarially reduced for each year that the benefit commences prior to age 53 and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53. A cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 allowance amount is 2 percent of the FAS for each year of service. Benefits are actuarially reduced for each year that the member's age is less than 53, unless the disability is duty-related, and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53. A catastrophic disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are severely disabled in the line of duty and incapable of future substantial gainful employment in any capacity.

Effective June 2010, benefits to LEOFF Plan 2 members who are catastrophically disabled include payment of eligible health care insurance premiums.

Members of LEOFF Plan 2 who leave service because of a line of duty disability are allowed to withdraw 150 percent of accumulated member contributions. This withdrawal benefit is not subject to federal income tax. Alternatively, members of LEOFF Plan 2 who leave service because of a line of duty disability may be eligible to receive a retirement allowance of at least 10 percent of FAS and 2 percent per year of service beyond five years. The first 10 percent of the FAS is not subject to federal income tax.

LEOFF Plan 2 retirees may return to work in an eligible position covered by another retirement system, choose membership in that system and suspend their pension benefits, or not choose membership and continue receiving pension benefits without interruption.

LEOFF Plan 2 members who apply for retirement may purchase up to five years of additional service credit. The cost of this credit is the actuarial equivalent of the resulting increase in the member's benefit.

LEOFF Plan 2 members can receive service credit for military service that interrupts employment. Additionally, LEOFF Plan 2 members who become totally incapacitated for continued employment while servicing in the uniformed services may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible child (ren) may request service credit on behalf of the deceased member.

LEOFF Plan 2 members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a LEOFF Plan 2 member who is killed in the course of employment receive retirement benefits without actuarial reduction, if found eligible by the Director of the Department of Labor and Industries.

Benefits to eligible surviving spouses and dependent children of LEOFF Plan 2 members killed in the course of employment include the payment of on-going health care insurance premiums paid to the Washington state Health Care Authority.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 2 member who dies as a result of injuries or illness sustained in the course of employment, if found eligible by the Department of Labor and Industries.

There are 374 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2010:

Retirees and Beneficiaries Receiving Benefits	9,647
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	782
Active Plan Members Vested	13,420
Active Plan Members Non-vested	3,656
<b>Total</b>	<b>27,505</b>

**Benton County, Washington**  
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Funding Policy

Starting on July 1, 2000, LEOFF Plan 1 employers and employees contribute zero percent as long as the plan remains fully funded. Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plan. LEOFF Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The Legislature, by means of a special funding arrangement, appropriated money from the state General Fund to supplement the current service liability and fund the prior service costs of LEOFF Plan 2 in accordance with the requirements of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2011, are as follows:

	<b>LEOFF Plan 1</b>	<b>LEOFF Plan 2</b>
Employer*	0.16%	5.24%**
Employee	0.00%	8.46%
State	N/A	3.38%

\*The employer rates include the employer administrative expense fee currently set at 0.16%.

\*\* The employer rate for ports and universities is 8.62%.

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

	<b>LEOFF Plan 1</b>	<b>LEOFF Plan 2</b>
2011	\$0	\$229,517
2010	\$165	\$232,058
2009	\$161	\$238,162

**Public Safety Employees' Retirement System (PSERS) Plan 2**

Plan Description

The Legislature created PSERS in 2004 and the system became effective July 1, 2006. PSERS Plan 2 membership includes full-time employees of a covered employer on or before July 1, 2006, who met at least one of the PSERS eligibility criteria, and elected membership during the election period of July 1, 2006 to September 30, 2006; and those full-time employees, hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria. PSERS retirement benefit provisions are established in Chapter 41.37 RCW and may be amended only by the State Legislature.

PSERS is a cost-sharing multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2.

PSERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions.

A "covered employer" is one that participates in PSERS. Covered employers include the following:

- State of Washington agencies: Department of Corrections, Department of Natural Resources, Gambling Commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol;
- Corrections departments of Washington State counties;
- Corrections departments of Washington State cities except for Seattle, Tacoma and Spokane; and
- Interlocal corrections agencies.

To be eligible for PSERS, an employee must work on a full-time basis and:

- Have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington and carry a firearm as part of the job; or
  - Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals;
- or

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- Function as a Washington peace officer, as defined in RCW 10.93.020; or
- Have primary responsibility to supervise eligible members who meet the above criteria.

PSERS Plan 2 members are vested after completing five years of eligible service. PSERS Plan 2 members may retire at the age of 65 with five years of service, or at the age of 60 with at least 10 years of PSERS service credit, with an allowance of 2 percent of the average final compensation (AFC) per year of service. The AFC is the monthly average of the member's 60 consecutive highest-paid service credit months, excluding any severance pay such as lump-sum payments for deferred sick leave, vacation or annual leave. Plan 2 members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a 3 percent per year reduction for each year between the age at retirement and age 60 applies. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PSERS Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. Eligibility is based on the member being totally incapacitated for continued employment with a PSERS employer and leaving that employment as a result of the disability. The disability allowance is 2 percent of the average final compensation (AFC) for each year of service. AFC is based on the member's 60 consecutive highest creditable months of service. Service credit is the total years and months of service credit at the time the member separates from employment. Benefits are actuarially reduced for each year that the member's age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years).

PSERS Plan 2 members can receive service credit for military service that interrupts employment. Additionally, PSERS members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible child (ren) may request service credit on behalf of the deceased member.

PSERS members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a PSERS Plan 2 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, if found eligible by the Director of the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PSERS member who dies as a result of injuries or illness sustained in the course of employment, if found eligible by the Department of Labor and Industries.

There are 76 participating employers in PSERS. Membership in PSERS consisted of the following as of the latest actuarial valuation date for the plan of June 30, 2010:

Retirees and Beneficiaries Receiving Benefits	7
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members Vested	0
Active Plan Members Non-vested	4,210
<b>Total</b>	<b>4,217</b>

Funding Policy

Each biennium, the state Pension Funding Council adopts PSERS Plan 2 employer and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2. All employers are required to contribute at the level established by the Legislature. The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.37 and 41.45 RCW.

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The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2011, are as follows:

<b>PSERS Plan 2</b>	
Employer*	8.86%
Employee	6.36%

- The employer rate includes an employer administrative expense fee of 0.16%.

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

<b>PSERS Plan 2</b>	
2011	\$402,094
2010	\$364,652
2009	\$389,523

**NOTE 8A - RISK POOL**

Benton County is one of twenty-seven members of the Washington Counties Risk Pool ("Pool"). Other members include: Adams, Chelan and Clallam, Clark, Columbia, Cowlitz and Douglas, Franklin, Garfield, Grays Harbor and Island, Jefferson, Kittitas, Lewis and Mason, Okanogan, Pacific, Pend Oreille and San Juan, Skamania, Skagit, Spokane and Thurston, Walla Walla, Whatcom and Yakima Counties. Kitsap, Klickitat and Whitman Counties are former Pool members, having terminated their memberships September 30, 2010, 2002 and 2003 respectively.

**Contingent Liability:** The Pool is a cooperative program with joint liability amongst its participating members. Contingent liabilities occur when assets are not sufficient to cover liabilities. Deficits resulting from any of the Pool's fiscal years are financed by proportional reassessments (aka retroactive assessments) amongst the deficient year's membership. The Pool's reassessments receivable balance at December 31, 2011 was \$0 as no contingent liabilities were known to exist at that time.

**Joint Self-Insurance Liability Program:** The Pool has provided its member counties occurrence-based, jointly self-insured and/or jointly purchased liability coverage for 3<sup>rd</sup>-party bodily injury, personal injury, property damage, errors and omissions, and advertising injury, including public officials' errors and omissions, since October 1, 1988. Total coverage limits have grown over time, from the \$1 million limit during the Pool's initial two months to \$5 million, then to \$10 million and onto \$15 million before reaching the \$20 million limit the past eight years. (Note: Additional limits of \$5 million were offered the past several years for acquisition as a member-by-member option.) Except for the Pool's self-insured retention (the greater of the member's deductible or \$100,000), the initial coverage of at least \$10 million has been fully reinsured since October 1994 by superior-rated commercial carriers. Members annually select a deductible amount of \$10,000, \$25,000, \$50,000, \$100,000, \$250,000 or \$500,000. The remaining insurance (up to \$15 million) is acquired as "following form" excess insurance, also from superior-rated commercial carriers. There are no aggregate limits to the payments made for any one member county or all member counties combined.

The Pool's claims database increased during Py2011 with the addition of 744 new claims (and lawsuits) raising the 3<sup>rd</sup>-party liability claims to-date total submitted by member counties to 17,982. Estimates of total incurred losses (payments made plus reserved estimates for *open* claims) increased \$16.0 million during the year to \$237.4 million.

**Washington Counties Property Program:** Since the Pool began offering the jointly-purchased, fully-insured property insurance coverage to its membership in October 2005 as an individual county option, participation has grown by more than 50% and the total value of covered properties has nearly doubled. Twenty seven member counties with covered properties totaling \$2.6 billion participated in this program during Py2011.

Coverage is for structures, vehicles, mobile equipment, EDP equipment, etc., and composite limits include \$500 million for normal (All Other Perils) exposures and \$200 million for catastrophe (Flood / Earthquake) exposures. Occurrence deductibles, which the participating counties annually select from and which they are solely responsible for, range between \$5,000 and \$50,000 for the AOP coverage.

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Superior-rated commercial insurers are responsible for covered losses exceeding the participant deductibles to the maximum limits of the policy. There were 13 property claims submitted for processing during Py2011 with incurred losses-to-date totaling nearly \$0.85 million. During its first six years being offered through the WCRP as an optional insuring program, there have been 78 property claims filed with incurred losses-to-date totaling nearly \$9.75 million. With to-date premiums for this coverage totaling \$13.75 million, the resulting to-date loss ratio is 0.71.

**Other Insurances:** Several member counties also use the Pool's producer (broker) for other insurance placements. Public officials bonds, or crime & fidelity, special events/concessionaires and environmental hazards insurance coverages are a few examples.

**Background:** The Pool was formed August 18, 1988 when several Washington counties approved an Interlocal (Cooperative) Agreement under Chapter 39.34 RCW to provide its member counties with "joint" programs and services including self-insurance, purchasing of insurance, and contracting for or hiring of personnel to provide administrative services, claims handling and risk management. The Pool operates under Washington's "pooling" laws, more specifically Chapters 48.62 RCW and 200.100 WAC. It is overseen by the State Risk Manager and subject to fiscal audits performed annually by the State Auditor.

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

The enabling Interlocal Agreement was amended once (in 2000) to add a Membership Compact, a commitment to strengthen the Pool by helping its member counties implement and/or enhance local risk management efforts to reduce losses and support the best management of the Pool and its resources. The intent of the Compact was to obligate member counties to support these goals through three major elements; membership involvement, risk control practices, and a targeted risk management program.

A new member may be asked to pay modest admittance fees to cover that member's share of the Pool's organizational expenses and costs to analyze its loss data and risk profile. Members contract initially to remain in the Pool for at least five years. Counties may terminate their memberships at the conclusion of any Pool fiscal year following the initial term if the county timely files its required advance written notice. Otherwise, the Interlocal Agreement is renewed automatically for another year. Even after termination, a former member remains responsible for reassessments from the Pool for its proportional shares of any unresolved, unreported, and in-process claims for the periods they were a signatory to the Interlocal Agreement.

**Governance / Oversight:** The Pool is governed by a board of directors consisting of one director (and at least one alternate director) appointed by each member county. The Pool's board of directors, made up of both elected and appointed county officials, meets three times each year with the summer meeting being the Pool's Annual Meeting. The board of directors is responsible for determining the 3<sup>rd</sup>-party liability coverage to be offered (approving the insuring document or coverage form), the reinsurance program(s) to acquire and the excess insurance(s) to be jointly purchased or offered for optional purchase by the member counties, for approval of the Pool's annual operating budget(s) and work program(s), and for approval of the member deposit assessment formulas applicable to the ensuing policy year.

Regular oversight of the Pool's operations is furnished by an 11-person executive committee. The committee persons are elected by the Pool's board of directors from its membership to staggered, 3-year terms during each Annual Meeting. The committee meets several times throughout the year to approve all Pool disbursements and examine the Pool's financial health; to approve any case settlement exceeding the member's deductible by at least \$50,000, and to review all claims with incurred loss estimates exceeding \$100,000; to evaluate the Executive Director and the Pool's operations and program deliverables; and to participate in the board's standing committees (finance, personnel, risk management, and underwriting) for development or review/revision of the organization's policies and coverage documents.

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**Staffing and Support Teams:** The Pool's 5-person claims staff with more than eighty years combined claims-handling experience handles or oversees the handling of the several hundred liability cases filed upon the Pool's member counties each year. This includes establishing reserves for covered events and estimating undiscounted future cash payments for losses and their related claims adjustment expenses. Other Pool staffers provide various member services, e.g. conducting risk assessments and compliance audits, coordinating numerous trainings, researching other coverages and marketing. Some address and support the organization's administrative needs. Professionals from some of the most respected organizations worldwide are called upon regularly to address specific needs of the Pool. For example, independent actuarial services are furnished by PricewaterhouseCoopers, LLP; independent claims auditing is performed by Startegic Claims Direction with special claims audits frequently performed by the Pool's commercial reinsurers / insurers; insurance producer (broker) and advanced loss control services are provided by Arthur J. Gallagher Risk Management Services, Inc.; and coverage counsel is provided by J. William Ashbaugh of Hackett Beecher & Hart. These professionals are in addition to the many contracted and in-county attorneys assigned to defend Pool cases, as well as the examinations by and services from the State Risk Manager and the State Auditor.

**Financial Summary:** The following constitute the most significant highlights from the Pool's most recently completed Policy (Fiscal) Year (October 2010 through September 2011):

- *Net Operating Income* was realized of \$0.8 million, a 58% decrease from the prior year.
- *Total Assets* grew \$2.2 million (6%) to \$41.1 million. Current assets increased \$2.3 million (6%) while non-current assets decreased 4%.
- Total *Claims Reserves* for the Pool's direct reserving exposures increased to \$15.0 million, up 6.7% from the prior year. This total includes: \$5.6 million for losses in the coverage layer retained by the Pool, down 9.3%; \$8.6 million for the aggregated stop losses in the retained layers associated with the "corridor" program for automobile and general liabilities, up 22%; and \$0.8 million for unallocated loss adjustment expenses, down 5% from one year ago. *NOTE: The corridor program referenced is now five years old yet still not fully matured. Further, its occurrence coverage maximum was increased to one million dollars beginning with Py2010, up from the half million level that existed during the program's first three years, while the program's occurrence minimum remains the greater of the applicable member's deductible or \$100,000.*
- *Net Position* (formerly referred to as *Net Assets* and also known as *Members' Equity*) increased \$.08 million to \$11.0 million as of September 30, 2011. Of the total, \$5.5 million is classified as *Restricted Net Position* — \$0.9 million to satisfy the State's solvency provisions (WAC 200.100.03001) plus \$4.6 million for the Pool's Underwriting Policy requirements. \$0.2 million is invested in a real property (fraud) recovery, and another \$1 million in *Capital Assets* (net of debt). The remaining \$4.4 million held as *Non-Restricted Net Position* is available for use as directed by the Pool's Board of Directors.

**NOTE 8B - UNPAID CLAIMS LIABILITIES**

Benton County maintains insurance coverage for the following: General liability, auto liability, property damage, excess workers' compensation and employers' liability, surety bonds, and employee dishonesty. These coverages insure against most normal hazards such as torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters.

Claims settlements and loss expenses are accrued in the Insurance Management Fund. This fund is responsible for collecting interfund premiums from insured funds and departments, and for purchasing insurance policies, and claim settlements. Every two years, Benton County has an actuarial review of the liability program that determines the interfund premiums to be allocated to each department. The interfund assessments are based on total budget dollars, worker hours and vehicle counts, as well as the loss history of each department. Claims settlements have not exceeded insurance coverage during the past three years.

Benton County maintains reserves at a funding confidence level as recommended by the actuary. The reserves are sufficient to cover estimated future payments on claims incurred and/or outstanding as of the year-end.

**NOTE 8C - RISK MANAGEMENT**

The County maintains insurance against most normal hazards, except for workers' compensation and unemployment, where it has elected to become self-insured. The County is required by the State to set aside for protection, to the Workers' Compensation Fund, \$100,000 in cash reserves. Workers' Compensation Fund reserves, at December 31, 2011, were \$2,323,239.

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**NOTE 9 - LONG-TERM DEBT**

A. Advance Due to Other Governments

On June 28, 1985, Benton County entered into a contract with the Washington State Department of Social and Health Services (DSHS) and began receiving funding to be used as working advances for specific client services. The current amount of the advance is \$207,667. The contract has been renewed every two years since it was first signed. Since its inception, the contract with DSHS has required that the County “shall record” these advances as “Long-Term Payables in its financial records”. The County has complied with this requirement and listed them in the governmental balance sheets for the Human Services Special Revenue Fund and on the combining Balance Sheet for Governmental Funds as “Due To Other Governmental Units”. The County recognizes that this is a departure from GAAP but has chosen to continue presenting the advances in this manner since the amount is not material and presenting them in this format meets the specific contractual requirement mandated by the DSHS.

On July 16, 2007, Benton County accepted the first draw on a loan from the Washington State Department of Community Trade and Economic Development in the amount of \$1,462,500. On July 24, 2008, a second draw of \$812,500 was accepted by Benton County and on December 29, 2008 an additional draw of \$812,500 was accepted. The final draw was completed on March 31, 2009 in the amount of \$162,500. This loan is for the development of the I-82 to SR397 Intertie Project. The loan is low-interest of 0.50% and the repayment term is approximately 20 years from completion of the project.

The completion of the Intertie road in 2008 resulted in a route jurisdictional transfer of the road to the state that was signed by the Governor and became effective July 26, 2009. Benton County remains accountable for the loan.

Public Works Trust Fund Loan debt service requirements to maturity are as follows:

<b>Year Ending December 31</b>	<b>Trust Fund Loan</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 197,748	\$ 12,854	\$ 210,602
2013	197,748	11,865	209,613
2014	197,748	10,876	208,624
2015	197,749	9,887	207,636
2016	197,748	8,899	206,647
2017-2021	988,741	29,662	1,018,403
2022-2024	593,244	5,932	599,177
<b>Totals</b>	<b>\$2,570,726</b>	<b>\$89,975</b>	<b>\$2,660,702</b>

B. Special Assessment Bonds

On May 1, 2003 Benton County issued \$382,995 in Special Assessment bonds payable by levy against real property in the County’s Road Improvement District numbers 11 and 12. These bonds bear an interest rate of 2.05% to 5.55% and reach maturity in the year 2023. The principal outstanding on December 31, 2011 is \$155,000. There was \$31,292 in delinquent special assessment receivables on December 31, 2011. Debt service requirements for special assessment bonds will be met by the collection of assessment receivable that have been levied against property owners. Benton County has established a CRID Guaranty fund whereby the County will cover expenses if the property owners do not pay the assessments necessary to finance the debt. The County will recover all funds spent in this manner, as the assessments are liens against the property and subject to foreclosure.

On December 31, 2005, Benton County issued \$899,598 in Special Assessment bonds payable by levy against real property in the County’s Road Improvement District numbers 15 and 16. These bonds bear an interest rate of 3.80% to 5.25% and reach maturity in the year 2025. The principal outstanding on December 31, 2011 is \$370,000. There was \$93,016 in delinquent special assessment receivables on December 31, 2011. Debt service requirements for special assessment bonds will be met by the collection of assessment receivable that have been levied against

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property owners. Benton County has established a CRID Guaranty fund whereby the County will cover expenses if the property owners do not pay the assessments necessary to finance the debt. The County will recover all funds spent in this manner, as the assessments are liens against the property and subject to foreclosure.

Year Ending December 31	Special Assessment Bonds		
	Principal	Interest	Total
2012	\$ 0	\$ 27,060	\$ 27,060
2013	0	27,060	27,060
2014	0	27,060	27,060
2015	15,000	27,060	42,060
2016	35,000	26,333	61,333
2017-2021	300,000	91,057	391,057
2022-2025	175,000	21,072	196,072
<b>Totals</b>	<b>\$525,000</b>	<b>\$246,702</b>	<b>\$771,702</b>

C. Long-Term Debt

The County issues general obligation bonds to finance the purchase of land and the acquisition or construction of buildings. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. General obligation bonds are being repaid from the applicable resources using debt service funds.

On November 1, 2003 Benton County issued \$20,885,000 in General Obligation bonds to refinance portions of the bonds issued in July of 2000 and September of 1996. These bonds bear an interest rate of 2.00% to 5.00% and reach maturity in the year 2020. The principal outstanding on December 31, 2011 is \$16,775,000.

On July 15, 2006 Benton County issued \$7,245,000 in General Obligation bonds for the cost of acquiring, designing, constructing, furnishing and equipping a new facility to accommodate the Benton Franklin Health District Center. These bonds bear an interest rate of 3.95% to 4.75% and reach maturity in the year 2031. The principal outstanding on December 31, 2011 is \$6,650,000.

On November 1, 2001 Benton County issued \$5,410,000 in General Obligation bonds for completion of the third floor of the Justice Center Jail. These bonds bear an interest rate of 3.00% to 4.95% and reach maturity in the year 2021. The County elected to redeem the balance of this debt in 2011. Therefore, the principal outstanding on December 31, 2011 is \$0.

The annual requirements to amortize outstanding debt, including interest, are as follows:

Year(s)	Health Building	CRID Special Assessment Debt 2005	CRID Special Assessment Debt 2003	G.O. Bonded Debt 2003	G.O. Bonded Debt 2001	Public Works Trust Fund Loan	Total Debt Payments
2012	\$ 513,575	\$ 19,000	\$ 8,060	\$ 2,537,960	\$ 0	\$ 210,602	\$ 3,289,197
2013	514,438	19,000	8,060	2,537,100	0	209,613	3,288,211
2014	515,212	19,000	8,060	2,538,300	0	208,624	3,289,196
2015	515,225	19,000	23,060	2,541,500	0	207,636	3,306,421
2016	514,813	34,000	27,333	2,541,500	0	206,647	3,324,293
2017 to 2031	7,703,757	442,911	144,218	8,065,500	0	1,617,580	17,973,966
<b>Totals</b>	<b>\$10,277,020</b>	<b>\$552,911</b>	<b>\$218,791</b>	<b>\$20,761,860</b>	<b>\$0</b>	<b>\$2,660,702</b>	<b>\$34,471,284</b>

\*Partially refunded with issuance of the 2003 General Obligation bonds.

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General Obligation bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount
Refinance portions of outstanding bonds for reduced rate	2.77%-5.00%	\$16,775,000
Juvenile Justice Center Jail	3.00%-4.95%	0
Construction, expansion and renovations to Justice Center	4.70%-5.10%	0
Health Building	3.95%-4.75%	6,650,000
<b>Total</b>		<b>\$23,425,000</b>

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

Year Ending December 31	Governmental Activities		
	Principal	Interest	Total
2012	\$ 1,995,000	\$ 1,056,535	\$ 3,051,535
2013	2,070,000	981,538	3,051,538
2014	2,155,000	898,512	3,053,512
2015	2,245,000	811,725	3,056,725
2016	2,335,000	721,313	3,056,313
2017-2021	8,595,000	2,039,481	10,634,481
2022-2026	1,795,000	776,075	2,571,075
2027-2031	2,235,000	328,701	2,563,701
n/a	0	0	0
	<b>\$23,425,000</b>	<b>\$7,613,880</b>	<b>\$31,038,880</b>

During 2011, Benton County engaged Arbitrage Compliance Specialists, Inc., to perform the arbitrage rebate calculation on the County's Limited Tax General Obligation Bonds, the 2001 Justice Center Completion Bonds. On December 1, 2011, the remaining bonds for \$3,245,000 were called. The County's Limited Tax General Obligation Bonds, the 2001 Justice Center Completion Bonds have been paid in full. As of December 14, 2011, there were no Final Rebate payments due or filing requirements regarding arbitrage rebate for the IRS.

At December 31, 2011, the County has \$1,418,270 available in debt service funds to service the general obligation bonded debt.

The County's legal non-voted debt limit is \$208,554,565 with \$184,604,565 still available. The legal voted debt limit (with 3/5 vote) is \$347,590,942 with \$323,640,942 still available.

At December 31, 2011, the County estimates that it has \$66,300 of compensated absences due within one year.

**NOTE 10 – LEASES**

**A. Operating Leases**

The County leases copiers and other office machines and equipment under non-cancelable operating leases. Total cost for such leases was \$200,435 for the year ended December 31, 2011. The future minimum lease payments for these leases are as follows:

Year Ending December 31	Amount
2012	\$190,147
2013	140,005
2014	100,292
2015	66,472
2016	22,655
2017-2021	263
<b>Total</b>	<b>\$519,834</b>

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**B. Capital Leases**

The County has entered into lease agreements for financing telecommunication equipment with no down payment and no purchase option at the end of the lease. The equipment is accounted for in the Central Services Internal Service Fund.

These lease agreements qualify as capital leases for accounting purposes, and therefore have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through the capital leases are as follows:

Asset	Central Services Internal Service Fund
2009 Telecommunications Equipment	\$ 345,735
2010 Telecommunications Equipment	263,599
Less Accumulated Depreciation	(296,963)
<b>Total</b>	<b>\$ 312,371</b>

The future minimum lease obligation and the net present value of these minimum lease payments as of December 31, 2011 were as follows:

Year Ending December 31	Amount
2012	\$ 243,770
2013	243,769
2014	99,258
2015	5,863
2016	0
2016-2020	0
Total Minimum Lease Payments	\$ 592,660
Less: Interest	(173,627)
<b>Present Value Of Minimum Lease Payments</b>	<b>\$ 419,033</b>

**NOTE 11 – CHANGES IN GENERAL LONG-TERM LIABILITIES**

During the year ended December 31, 2011, the following changes occurred in Long-Term Liabilities:

Description	Balance 01/01/11	Additions	Reductions	Balance 12/31/11	Due Within One Year
Employee Leave Benefits*	\$ 2,807,752	\$4,094,674	3,969,570	\$ 2,932,856	\$ 66,300
DSHS Working Advances	207,667	0	0	207,667	0
Economic Development Loan	2,768,474	0	197,748	2,570,726	197,748
2003 CRID Special Assessment	170,000	0	15,000	155,000	0
2005 CRID Special Assessment	445,000	0	75,000	370,000	0
Health Building	6,855,000	0	205,000	6,650,000	215,000
2001 Justice Center Third Floor	3,500,000	0	3,500,000	0	0
2003 Refinancing	18,495,000	0	1,720,000	16,775,000	1,780,000
OPEB Benefit For LEOFF**	755,774	398,046	203,412	950,408	0
Capital Leases	518,203	0	99,170	419,033	134,292
<b>Total Debt</b>	<b>\$36,522,870</b>	<b>\$4,492,720</b>	<b>\$9,984,900</b>	<b>\$31,030,690</b>	<b>\$2,393,340</b>

\*Departments are reimbursed leave expenditures from the Accumulated Leave fund.

\*\*OPEB benefits for LEOFF obligations are liquidated through the Current Expense Fund.

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Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end \$47,929 of internal service funds compensated absences and \$419,033 of internal service funds capital leases are included in the above amounts.

**NOTE 12 – CONTINGENCIES AND LITIGATIONS**

The County participates in a number of federal and state grant assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. County management believes that such disallowances, if any, will be immaterial.

Benton County's financial statements include all material liabilities. There are no material contingent liabilities to record. In the opinion of management the County's insurance policies and self-insurance reserves are adequate to pay all known pending claims without adversely affecting the financial viability of the County.

**NOTE 13 - INTERFUND BALANCES AND TRANSFERS**

A. Classification of Interfund Transactions

Interfund transactions are classified as follows:

1. Transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payment in lieu of taxes, are similarly treated when they involve other funds of the County.
2. Transfers to support the operations of other funds are recorded as "Transfers" and classified with "Other Financing Sources or Uses".
3. Loans between funds are classified as interfund loans receivable and payable or as advances to and from other funds on the balance sheet depending on the time period for which the loan was made. Interfund loans do not affect total fund equity, but advances to other funds are offset by a reservation of fund equity. The County did not have any interfund loans as of December 31, 2011.

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B. Interfund Reconciliations

1. Interfund Due Tos & Due Froms

The composition of interfund Due Tos and Due Froms as of December 31, 2011, is as follows:

Due To	Due From	Amount
General Fund	County Roads	\$ 114
	Human Services	275
	NonMajor Governmental Funds	1,560
	Internal Service Funds	138
	<b>Sub-total</b>	<b>2,087</b>
County Roads	General Fund	47
	NonMajor Governmental Funds	3
	Internal Service Funds	8,704
<b>Sub-total</b>	<b>8,754</b>	
Human Services	NonMajor Governmental Funds	20,664
	Internal Service Funds	905
<b>Sub-total</b>	<b>21,569</b>	
Non Major Governmental Funds	General Fund	50
	County Roads	154
	NonMajor Governmental Funds	216
	Internal Service Funds	2,703
<b>Sub-total</b>	<b>3,123</b>	
Internal Service Funds	General Fund	7,492
	County Roads	142,550
	Human Services	52
	NonMajor Governmental Funds	56,618
	Internal Service Funds	1,452
<b>Sub-total</b>	<b>208,164</b>	
<b>Total</b>	<b>\$ 243,697</b>	

These interfund transactions usually involve the exchange of goods and services in a normal business relationship.

2. Transfers

Transfers represent subsidies and contributions provided to operating funds and capital project funds with no corresponding debt or promise to repay. Transfers out on non-major governmental funds generally represents debt service and capital project funding. Interfund transfers occurring between individual major funds, non-major governmental, and internal service funds of the County during the year ended December 31, 2011 are as follows:

Transferring In Fund	Transferring Out Fund	Amount
General Fund	NonMajor Governmental Funds	\$ 1,620,000
	Major Governmental Funds	30,796
	<b>Sub-total</b>	<b>1,650,796</b>
County Roads	NonMajor Governmental Funds	72,891
	<b>Sub-total</b>	<b>72,891</b>
Human Services	General Fund	2,686
	NonMajor Governmental Funds	47,600
	<b>Sub-total</b>	<b>50,286</b>
NonMajor Governmental Funds	General Fund	4,148,463
	NonMajor Governmental Funds	3,476,362
	<b>Sub-total</b>	<b>7,624,825</b>
Internal Service Funds	NonMajor Governmental Funds	157,308
	<b>Sub-total</b>	<b>157,308</b>
<b>Total</b>	<b>\$ 9,556,107</b>	

*Benton County, Washington*  
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**NOTE 14 – RESTRICTED NET POSITION**

The government-wide statement of net position reports \$34,559,088 of restricted net position, of which \$33,155,578 is restricted by enabling legislation.

**NOTE 15 - JOINT VENTURES**

A. Benton County Emergency Services

Benton County Emergency Services (BCES), providing public safety communications and emergency management services, was formed January 1, 1997, when an Inter-local Agreement was entered into by the Cities of Kennewick, Richland, West Richland, Benton City, Prosser and the County. This Inter-local superseded an Inter-local Agreements previously associated with Benton County Emergency Management and the Southeast Communications Center. The 1997 Inter-local Agreement shall continue indefinitely, unless terminated by a participant.

Benton County Emergency Services is served by an Executive Board composed of the City Managers or designees of Kennewick and Richland, City Administrators for Prosser and West Richland, a Council member from Benton City and a County Commissioner.

Benton County Emergency Services is comprised of three funds: the Southeast Communications (SECOMM), 800 MHz Radio and Benton County Emergency Management (BCEM).

1. SECOMM

The Southeast Communications Center provides public safety communications services to three principal participating jurisdictions: The Cities of Kennewick and Richland and the County. The three principal participating jurisdictions own an equal share of net assets. Allocation of financial participation among the three principle jurisdictions is based on an equal share of capital expense, and an equal share of predetermined fixed costs, direct costs and percent of use.

The Southeast Communications Center also provides public safety communication services via contract to the City of West Richland, Benton County Fire Protection Districts #1, #2 and #4. These agencies contract with SECOMM and are assessed on a cost per capita or cost per call basis.

2. 800 MHz Radio

The 800 MHz Radio fund provides communication infrastructure and technology for the dispatching of public safety agencies throughout Benton County. Participating agencies (Benton County Sheriff's Office, City of Richland Police and Fire, City of Kennewick Police and Fire, Benton County Fire Protection District's Nos. 1, 2, and 4, Benton County Public Utility District, Benton County Public Works, City of Prosser, City of West Richland Police, and Columbia Dive and Rescue) are assessed an annual fee per radio to fund system maintenance. Upon dissolution of the Interlocal Agreement, the net assets will be shared equitably among the participants.

3. BCEM

Benton County Emergency Management provides disaster response planning, event and response coordination and disaster recovery for the County and its political subdivisions per RCW 38.52. BCEM is funded by five grant programs: Radiological Emergency Preparedness, Emergency Management Program, Department of Energy Emergency Preparedness, Chemical Stockpile Emergency Preparedness, and State Homeland Security Program. The six participating jurisdictions own an equal share of net assets unless it is otherwise defined in the grant programs. Financial participation for the County and the Cities of Kennewick, Richland, West Richland, Prosser and Benton City are allocated based on an equal share of a predetermined basic charge and a value determined by percent of population and assessed value.

Effective January 1, 1997, the City of Richland assumed responsibility for operation of Benton County Emergency Services. As the Operating Jurisdiction, the City of Richland provides all of the necessary

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administrative services for the operation of BCES. The total amount paid by BCES in 2011 for these services was \$298,615.

The County's equity interests in SECOMM, 800 MHZ Radio and BCEM were \$833,339, \$3,475,887 and \$81,043 on December 31, 2011, which is reported as a capital asset in the government-wide statement of net assets. The change in equity is reflected in the government-wide statement of activities under Public Safety. The County does not anticipate any income distributions from BCEM since charges are assessed only to recover anticipated expenses. The County received a refund of \$568,162 (received into the Capital Acquisition Fund) in 2011 for unused funding from \$2 million provided to BCES in 2007 for upgrading communications equipment. Complete and separate financial statements for BCES may be obtained at the City of Richland, 505 Swift Boulevard, Richland, WA.

B. Bi-County Police Information Network

The Bi-County Police Information Network (BI-PIN) was established November 24, 1982, when an Inter-local Agreement was entered into by five participant municipal corporations: the Cities of Kennewick, Pasco and Richland, and Benton and Franklin Counties. BI-PIN was established to assist the participating police and sheriff's departments in the deterrence and solution of criminal incidents. BI-PIN is served by an Executive Committee composed of the City Manager for each city and a member from each Board of County Commissioners. A liaison from the Bi-County Chiefs and Sheriffs is an ex-officio, non-voting member.

The allocation of financial participation among the participating jurisdictions is based upon the approved budget for that year and is billed quarterly in advance to each agency. On dissolution of the Inter-local Agreement, the net assets will be shared based upon participant contribution.

Effective January 1, 1992, the City of Kennewick assumed responsibility for operation of the BI-PIN system. As the Operating Jurisdiction, the City of Kennewick provides all of the necessary support services for the operation of BI-PIN. These services include accounting and legal services, risk management and information systems. The total amount paid by BI-PIN, in 2011, for these transactions was \$118,999.

The County's equity interest in BI-PIN was \$463,681 on December 31, 2011. The change in equity is reflected in the government-wide statement of activities under Public Safety. Complete and separate financial statements for BI-PIN may be obtained at the City of Kennewick, 210 West Sixth Avenue, Kennewick, WA.

C. Metro Drug Forfeiture Fund

The Metropolitan Controlled Substance Enforcement Group (Metro) was established in 1987, when an Inter-local Agreement was entered into by six participating municipal corporations, the cities of Kennewick, Pasco, Richland, and West Richland, and Benton and Franklin Counties (West Richland has subsequently opted out of the task force). Metro was established to account for the proceeds of forfeitures, federal grants, and court ordered contributions, and to facilitate the disbursement of those proceeds for the purpose of drug enforcement and investigations.

Metro is served by an Executive Committee composed of the City Manager or designee of each of the cities and a member or designee from each of the Boards of County Commissioners of Benton and Franklin Counties. In addition, a Governing Board, consisting of the Chiefs of Police from the cities and the Sheriffs from the counties administers daily activity.

Effective July 1, 2009, the City of Kennewick assumed responsibility for the operation of Metro. As the Operating Jurisdiction, the City provides all necessary support services for the operation of Metro such as accounting, legal services and risk management.

The County's equity interest in Metro was \$34,159 on June 30, 2011. The County does not anticipate any income distribution from Metro since charges are assessed only to recover anticipated expense. Complete separate financial statements for Metro may be obtained at the City of Kennewick, 210 West Sixth Avenue, Kennewick, WA.

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The following table presents the share of equity belonging to the five participating entities:

<b>Metro Participants</b>	<b>% Of Equity</b>	<b>Equity at 7/1/2010</b>	<b>Increase/ (Decrease)</b>	<b>Equity at 6/30/2011</b>
City of Kennewick	27.91%	\$ 54,871	\$ 13,468	\$ 68,339
City of Pasco	27.91%	54,871	13,468	68,339
City of Richland	13.95%	27,451	6,708	34,159
City of West Richland	2.33%	-0-	5,705	5,705
Benton County	13.95%	27,451	6,708	34,159
Franklin County	13.95%	27,451	6,707	34,158
<b>TOTAL</b>	<b>100%</b>	<b>\$ 192,095</b>	<b>\$ 52,764</b>	<b>\$ 244,859</b>

**NOTE 16 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

In addition to the pension benefits described in Note 7, the County provides post-retirement health care benefits, in accordance with RCW 41.26.150, to LEOFF Plan I employees who were employed on or before September 30, 1977. Currently, 18 retirees meet eligibility requirements.

The County reimburses 100 percent of the amount of validated claims for medical and hospitalization costs incurred by pre-Medicare retirees. The County also reimburses a fixed amount up to \$96.50 per month as a Medicare supplement for each retiree eligible for Medicare. Employer contributions are financed on pay-as-you-go basis. Expenditures for post-retirement health care benefits are recognized as retirees report claims and include a provision for estimated claims incurred, but not yet reported to the County.

During the year, expenditures of \$203,412 were recognized for post-retirement health care.

During 2008, the County adopted GASB Statement No. 45 (GASB 45), Accounting and Financial reporting by Employers for Postemployment Benefits Other than Pensions. Accordingly, the government-wide financial statements include activity for the LEOFF retiree healthcare plan as discussed below. This liability is included in the long-term accrued liabilities in the accompanying December 31, 2011 Statement of Net Position.

Due to the size of the plan (less than 100 participants) the County elected to use the alternative measurement method permitted under GASB 45. A single retirement age of 56.24 was assumed for all active members for the purpose of determining the Actuarial Accrued Liability (AAL) and normal cost. Interest discount rates for retirement, disablement, termination, and mortality were assumed to follow the LEOFF 1 rates used in the June 30, 2007 actuarial valuation report issued by the Office of the State Actuary (OSA). Healthcare costs and trends were determined by Milliman and used by OSA in the state-wide LEOFF 1 medical study performed in 2007. The results were based on grouped data with 4 active groupings and 4 inactive groupings. The actuarial cost method used to determine the AAL was Projected Unit Credit. Medical inflation rates were expected to start at 8.5% and decrease to 5.0% for years beginning in 2016. A return on investment earnings rate of 4.5% was assumed. General inflation was projected at 3.5%. General salary increases (including inflation) were projected at 4.5%. The AAL and Net OPEB Obligation (NOO) are amortized on an open basis as a level dollar over 15 years. These assumptions are individually and collectively reasonable for the purposes of this valuation and reflect a long-term perspective. The above described valuations for OPEB involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and any actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

As of January 1, 2011 the plan was unfunded as allowed by GASB 45. The accrued liability for benefits was \$4.7 million, and the actuarial value of plan assets was zero, resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$4.7 million. The UAAL is being amortized on a closed basis. The remaining amortization period at January 1, 2011 was 12 years.

Annual costs include the annual required contribution (ARC), an amount actuarially determined based on certain assumptions. The ARC represents the annual contribution to fund plan benefits that, if paid on an ongoing basis, would fully fund normal costs of benefits earned each year and would provide sufficient funding to amortize a portion of any unfunded actuarial liability over a period of 12 years as of January 1, 2011.

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Calculations of OPEB benefits are based on the OPEB benefits provided under the terms of the LEOFF 1 plan in effect at the time of each valuation and on the costs paid by the County to that point. A summary of the components of annual OPEB cost, current employer contributions, and changes in the net OPEB obligation for 2011 follows:

**Components of Other Postemployment Employee Benefit Plan – LEOFF**  
**Prior Three Years**

	<b>2011</b>	<b>2010</b>	<b>2009</b>
Determination of Annual Required Contribution (ARC)			
Normal cost – 2011	\$ -0-	\$ -0-	\$ 9,939
Amortization of UAAL	434,410	451,402	470,917
<b>ARC</b>	<b>\$434,410</b>	<b>\$451,402</b>	<b>\$480,855</b>
Annual OPEB Cost			
ARC	\$434,410	\$451,402	\$480,855
NOO Interest	34,010	24,027	12,352
NOO Amortization	(70,373)	(49,717)	(25,559)
<b>Annual OPEB Cost</b>	<b>\$398,046</b>	<b>\$425,712</b>	<b>\$467,649</b>
NOO			
Starting NOO	\$755,774	\$533,940	\$274,492
Annual OPEB Cost	398,046	425,712	467,649
Less Contributions Paid to LEOFF Retirees	(203,412)	(203,878)	(208,201)
<b>NOO</b>	<b>\$950,408</b>	<b>\$755,774</b>	<b>\$533,940</b>
<b>Percentage of Annual OPEB Cost Contributed</b>	<b>51.1%</b>	<b>47.9%</b>	<b>44.5%</b>

*Funding Status*

As of December 31, 2011, the most recent actuarial valuation date, the plan was 0% funded. The accrued liability for benefits was \$4,665,361 and the actuarial value of the assets was \$0 resulting in a UAAL of \$4,665,361. The annual covered payroll was \$0 and the ratio of the UAAL to annual covered payroll could not be calculated due to having zero as the divisor.

Additional information, presenting multi-year trend information about the actuarial value of plan assets relative to the AAL for benefits for OPEB is found in the Required Supplementary Information (RSI) section of the CAFR following the Notes. The same actuarial method used to determine the ARC for the County was employed to prepare the RSI.

**NOTE 17 – OTHER DISCLOSURES**

A. Related Parties

In 2002 Benton County established a Public Facilities District as provided by RCW 36.100. The district was established to account for the receipting and disbursing of cash for the development of a regional center (convention, conference and/or special events center) at a cost of at least \$10 million.

The County has reviewed the District as a potential component unit. It is a legally separate entity. Although the District's board members are appointed by the Benton County Commissioners, the County receives no financial benefit and assumes no financial responsibility, whatsoever, for the District.

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B. Reporting Change

Implementation of GASB 54 & GASB 63 during 2011 resulted in a reevaluation of the amounts classified as “Restricted” for the Statement of Net Position for 2010. To properly compare the 2011 amounts with the “Restricted” amounts in the Statement of Net Assets for 2010 it was necessary to reapportion the 2010 balances. This necessitates an adjustment to the Net Assets portion of the Statement of Net Assets for 2010 so that they are comparable to the amounts as properly classified for 2011. The Statement of Activities for 2010 was not affected by this correction.

Statement of Net Assets

	<u>2010 Financial Statement</u>	<u>Adjustments</u>	<u>2010 Revised Financial Statement</u>
Current and Other Assets	\$ 95,428,557	\$ 0	\$ 95,428,557
Capital Assets and Construction In Progress (Net of Depreciation)	<u>134,307,735</u>	<u>0</u>	<u>134,307,735</u>
Total Assets	229,736,292	0	229,736,292
Long-Term Liabilities	36,683,620	0	36,683,620
Other Liabilities	<u>7,802,988</u>	<u>0</u>	<u>7,802,988</u>
Total Liabilities	44,486,608	0	44,486,608
Net Assets:			
Invested in Capital Assets, Net of Related Debt	95,456,488	0	95,456,488
Restricted	12,810,550	19,083,046	31,893,596
Unrestricted	<u>76,982,646</u>	<u>(19,083,046)</u>	<u>57,899,600</u>
Total Net Assets	\$ 185,249,684	\$ 0	\$ 185,249,684

## BENTON COUNTY

### Required Supplementary Information

#### Information About Infrastructure Assets Reported Using the Modified Approach

As allowed by GASB Statement No. 34, Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments, the County has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the County expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include approximately 344 lane miles of arterial roads and approximately 54 bridges that the County is responsible to maintain. Access roads are accounted for under the depreciation method in 2011.

In order to utilize the modified approach, the County is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the County.
- Document that the assets are being preserved approximately at, or above, the established condition level.

## ROADS

### Measurement Scale

The Benton County Department of Public Works uses a number of methods to determine the condition of roadway pavements; however, the Pavement Condition Index (PCI) serves as the County’s primary method to measure and monitor pavement conditions of its arterial roads. The PCI is a visual analysis conducted by an engineering technician and includes a 5-point scale, as follows:

Letter Grade	Number Rating	Verbal Group	Condition Group	Surface	Typical Maint/Repair
A	90-100	Excellent	I	Pavements which have little or no distress.	Seal Cracks
B	70-89	Very Good			Single Chip Seal
C	50-69	Good	II & III	Pavements which have a significant level of distress, nonload related. Pavements which have a significant level of distress, load related.	Thin Overlay
D	20-49	Fair/Poor	IV	Pavements which have major distress.	Treat base with cement and thin overlay or thick overlay
E	0-19	Very Poor/Failed	V	Pavements which have extensive amounts of major distress.	Reconstruct Surface

**Established Condition Level**

No more than 20% of the arterial road pavements shall be rated as “poor” or “very poor”.

**Assessed Conditions**

The County generally assesses condition on a biannual basis. The 2010 assessment has been delayed until 2011. The following table reports the percentage of pavements meeting rating of “Good” or “Poor”, for the past three assessment years. “Good” represents ratings of A through C and “Poor” represents ratings of D and E.

Rating	2011	2008	2006
Good	98%	98%	98%
Poor	2%	2%	2%

**BRIDGES**

The National Bridge Inspection Standards (NBIS) published in the Code of Federal Regulations defines a bridge as follows:

“A structure including supports erected over a depression or an obstruction, such as water, highway, or railway, and having a track or passageway for carrying traffic or other moving loads, and having an opening measured along the center of the roadway of more than 20 feet between under copings of abutments or spring lines of arches, or extreme ends of openings for multiple boxes: it may also include multiple pipes, where the clear distance between openings is less than half of the smaller contiguous opening.”

### **Measurement Scale**

The sufficiency rating (SR) is the basis for establishing eligibility and priority for replacement or rehabilitation of bridges with Federal Highway Bridge Replacement and Rehabilitation Program (HBRRP) funds. The sufficiency rating is a numeric value that indicates a bridge’s relative ability to serve its intended purpose. The value ranges from 100 (a bridge in new condition) to a 0 (a bridge incapable of carrying traffic). The sufficiency rating is the summation of four calculated values: Structural Adequacy and Safety, Serviceability and Functional Obsolescence, Essentiality for Public Use, and Special Reductions.

There are two types of deficient bridges – structurally deficient (SD) and functionally obsolete (FO). A structurally deficient bridge, as defined by the Federal Highway Administration (FHWA), is one whose condition or design has impacted its ability to adequately carry its intended traffic loads. A functionally obsolete bridge is one in which the deck geometry, load carrying capacity, clearance or approach roadway alignment has reduced its ability to adequately meet the traffic needs. Those bridges meeting the criteria for both SD and FO are only considered SD. The structural deficiency overrides the functional obsolescence and the bridge will be considered in the SD classification.

In general, the lower the sufficiency rating, the higher the priority. To qualify for replacement, a bridge must have a sufficiency rating of less than 50.0 and be structurally deficient or functionally obsolete. To be eligible for rehabilitation, a bridge must have a SR of 80.0 or less and be structurally deficient or functionally obsolete. The bridges must be greater than ten years old. Federal funding only applies to bridges or structures that meet the NBIS definition. Currently, sufficiency ratings prioritize the funding for these bridges or structures.

Bridges or structures 20 feet or less in length along the centerline of the roadway do not qualify for Federal funding. State and Local funding sources are used for these structures. There are no priority-rating systems established for the replacement fund from the Federal or State governments for these structures. The replacement priority is determined by the owner agency.

### **Established Condition Level**

No more than 10% of the bridges shall be rated as “structurally deficient”.

### **Assessed Conditions**

“Structurally deficient” results when a sufficiency rating of 50 or less is assessed to the summation of four calculated values (e.g. Structural Adequacy and Safety, Serviceability and Functional Obsolescence, Essentiality for Public Use, and Special Reductions). The following table reports the percentage of bridges whose condition was assessed as “structurally deficient” during the past five years.

Calendar Year	Structurally Deficient
2011	0%
2010	0%
2009	0%
2008	0%
2007	0%

## **BUDGETED AND ESTIMATED COSTS TO MAINTAIN INFRASTRUCTURE**

The following table presents the County’s estimate of spending necessary to preserve and maintain the roads and bridges at, or above, the “Established Condition Levels” cited above, and the actual amount spent during the past five fiscal years (in millions):

Fiscal Year	Estimated Spending	Actual Spending
2011	7.015	5.463
2010	6.607	5.971
2009	5.576	5.609
2008	5.168	4.879
2007	5.027	4.956

## Required Supplementary Information

### Other Post Employment Benefit Schedule of Funding Progress Year Ended December 31, 2011

#### Benton County LEOFF 1 Retiree Healthcare Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	Unfunded Actuarial Accrued Liabilities (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2011	\$ 0	\$4,665,361	\$4,665,361	0.00%	\$-0-	n/a
12/31/2010	\$ 0	\$4,847,852	\$4,847,852	0.00%	\$103,556	4,681.38%
12/31/2009	\$ 0	\$5,057,431	\$5,057,431	0.00%	\$102,782	4,920.54%
12/31/2008	\$ 0	\$5,128,064	\$5,128,064	0.00%	\$ 98,125	5,226.05%

# BENTON COUNTY, WASHINGTON

## Combining Balance Sheet

### Nonmajor Governmental Funds

December 31, 2011

	Nonmajor Funds			Total
	Special Revenue	Debt Service	Capital Projects	
<i>ASSETS</i>				
Cash/Cash Equivalents	\$ 33,097,757	\$ 1,408,495	\$ 2,783	\$ 34,509,035
Investments	4,213,312	9,061	14,500	4,236,873
Taxes Receivable	4,726	0	0	4,726
Accounts Receivable	171,739	407	0	172,146
Assessments Receivable	18,268	0	0	18,268
Interest Receivable	271	307	1	579
Due From Other Funds	3,123	0	0	3,123
Due From Other Governmental Units	605,070	0	0	605,070
	<u>38,114,266</u>	<u>1,418,270</u>	<u>17,284</u>	<u>39,549,820</u>
Total Assets	\$ 38,114,266	\$ 1,418,270	\$ 17,284	\$ 39,549,820
<i>LIABILITIES AND FUND BALANCES</i>				
<u>Liabilities</u>				
Accounts/Vouchers Payable	\$ 293,763	\$ 0	\$ 0	\$ 293,763
Due To Other Funds	79,063	0	0	79,063
Accrued Wages Payable	631,835	0	0	631,835
Deferred Revenue	22,994	0	0	22,994
Total Liabilities	<u>1,027,655</u>	<u>0</u>	<u>0</u>	<u>1,027,655</u>
<u>Fund Balance</u>				
Nonspendable	0	0	0	0
Restricted	25,727,577	0	0	25,727,577
Committed	11,359,034	1,418,270	17,284	12,794,588
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	<u>37,086,611</u>	<u>1,418,270</u>	<u>17,284</u>	<u>38,522,165</u>
Total Liabilities and Fund Balances	\$ 38,114,266	\$ 1,418,270	\$ 17,284	\$ 39,549,820

# BENTON COUNTY, WASHINGTON

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

### Nonmajor Governmental Funds

Year Ended December 31, 2011

	Nonmajor Funds			Total
	Special Revenue	Debt Service	Capital Projects	
<u>Revenues</u>				
Property Taxes	\$ 156,911	\$ 0	\$ 0	\$ 156,911
Sales and Use Taxes	7,899,005	0	0	7,899,005
Other Taxes	258,407	0	0	258,407
Licenses and Permits	779,792	0	0	779,792
Intergovernmental	5,312,365	0	0	5,312,365
Charges for Services	3,274,854	0	0	3,274,854
Fines and Forfeits	11,247	0	0	11,247
Interest Earnings	7,048	45,953	26	53,027
Donations	280,944	0	0	280,944
Other Revenues	1,108,699	392,479	0	1,501,178
 Total Revenues	<u>19,089,272</u>	<u>438,432</u>	<u>26</u>	<u>19,527,730</u>
 <u>Expenditures</u>				
Current:				
General Governmental Services	2,509,378	0	0	2,509,378
Public Safety	7,885,215	0	0	7,885,215
Physical Environment	539,124	0	0	539,124
Economic Environment	1,365,102	0	0	1,365,102
Culture and Recreation	522,744	0	0	522,744
Debt Service:				
Principal	0	5,515,000	0	5,515,000
Interest	0	1,316,178	0	1,316,178
Capital Outlay	412,798	0	0	412,798
 Total Expenditures	<u>13,234,361</u>	<u>6,831,178</u>	<u>0</u>	<u>20,065,539</u>
 Excess (Deficit) Revenues Over Expenditures	<u>5,854,911</u>	<u>(6,392,746)</u>	<u>26</u>	<u>(537,809)</u>
 <u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	6,567	0	0	6,567
Transfers In	4,425,463	3,199,362	0	7,624,825
Transfers Out	(5,374,162)	0	0	(5,374,162)
Total Other Financing Source (Uses)	<u>(942,132)</u>	<u>3,199,362</u>	<u>0</u>	<u>2,257,230</u>
 Net Change in Fund Balance	<u>4,912,779</u>	<u>(3,193,384)</u>	<u>26</u>	<u>1,719,421</u>
 Fund Balance-January 1	32,173,832	4,611,654	17,258	36,802,744
 Fund Balance-December 31	<u>\$ 37,086,611</u>	<u>\$ 1,418,270</u>	<u>\$ 17,284</u>	<u>\$ 38,522,165</u>

# SPECIAL REVENUE FUNDS

Special Revenue Funds are utilized to account for the proceeds from specific revenue sources other than Expendable Trusts or major capital projects that are legally restricted for the purposes so designated. Both revenues and expenditures are budgeted in compliance with the Revised Code of Washington 36.40. The modified accrual basis of accounting is applied. The descriptions of the funds are as follows:

**County Road Improvement** - A fund to account for PILT monies to be utilized by the Public Works Department to gain funding through state and federal highway programs to improve the County road system.

**Flood Control** - A fund to finance the control of waters subject to flood conditions.

**Veterans' Assistance** - A fund to finance emergency financial assistance to qualifying veterans and their dependents.

**Auditor's O & M** - Established, by the state, for restoration and preservation of recorded documents.

**Treasurer's Investment Pool** – A fund to collect fees from Treasurer Investment Pool participants in accordance with the County Investment policy.

**Park Development** - A fund to finance the planning, development and maintenance of a comprehensive parks and recreation program.

**Election Reserve** - Established to finance all County voter maintenance and elections.

**Treasurer's O & M** - A fund to account for extraordinary costs incurred collecting delinquent real and personal property taxes.

**Paths and Trails Reserve** - Established for the development of paths and trails within the County.

**Benton Franklin Juvenile Center** -A fund established to provide justice, detention and treatment services for juveniles.

**Inmate Benevolence** - A fund to account for the purchase and sale of personal supplies to prisoners.

**Juvenile Kitchen** – A fund established to provide for the repair and replacement costs for the detention kitchen.

**Crime Victim Compensation** - A fund established to provide assistance to the victims of crimes.

**Fairgrounds Improvement** - A fund created to provide funding for the capital improvement of the Benton/Franklin Fairgrounds.

**Fairgrounds Operating Budget** - A fund created to provide for the operations of the fairgrounds.

**Sheriff's Investigations** - A fund created to support the special investigative needs of the Sheriff's office.

**Canine and Boat Patrol** - A fund established to maintain the Sheriff's canine and boat patrol programs.

**Treasurer's Service Fee Fund** - A fund established to collect fees charged for property tax payments using Automatic Clearing House (ACH) transactions and payment of expenses for administering the program.

**REET Technology** – A fund established per State of Washington Legislature SSHB 1240, section 2 to increase excise fees on Real Estate Excise Tax to provide for the development and implementation of an automated system for the electronic processing of the real estate excise tax compatible with the system developed by the Washington State Department of Revenue.

**1/4 Percent Real Estate Excise Tax** - A fund to account for the revenues generated by a special 1/4 of 1 percent excise tax levied on the sale of real property within the County.

**Probation Assessment** - A fund created to account for probation counseling in district court.

# SPECIAL REVENUE FUNDS

## (CONTINUED)

**Central Services Computer Replacement** - An accumulative reserve fund created to provide funding for the replacement of computer equipment.

**1/10% Criminal Justice Jail-Juvenile** - A fund established to collect the voted 1/10th of 1 percent sales tax to help finance the construction and M & O of an adult and juvenile jails.

**Noxious Weed Control** - A fund established to control noxious weeds within the County.

**Sustainable Development** - Established to promote economic development and diversity within the County.

**Courthouse Facilitator** - A fund established to provide legal document assistance to domestic violence litigants. Revenues are generated from domestic, probate and adoption filings.

**Family Services** - A fund created to provide family services within the juvenile court system.

**Family Services Superior Court** - Established to provide family services within the superior court system.

**Jail Depreciation Reserve** - Established for the purpose of holding the monies charged for depreciation on the County jail.

**Distressed County Tax** - A fund established to receive money from the Department of Revenue for sales tax in distressed rural areas for the purpose of financing public facilities.

**Rural County Capital** - A fund established for the purpose of financing public facilities.

**Clerks Collection Fund** - A fund providing tracking and collection of overdue Court costs and restitution fees.

**Protective Inspection Services Fund** - Established to provide tracking and collection of building permits and inspection services.

**Pest Board** - Providing tracking and collection of activities associated with pest control.

**Work Crew Replacement** - A fund established to track fees received from inmates, assigned to work crews, and assist in the purchase of replacement vehicles for the work crew program.

**State Housing Income** - To account for 60% of a surcharge on recording fees to fund housing projects for very low-income persons. Established by amendment to RCW 36.22, effective 6/13/02.

**Vit Impact** – A fund created to aid the County in accommodating the impact of labor force changes during the construction of the radioactive waste vitrification plant.

**Homeless Housing & Assistance** – A fund established per State of Washington Legislature SSHB 2163, to collect a surcharge of ten dollars on recorded documents by the County Auditor to prevent and end homelessness in the State of Washington.

**Solid Waste Collection** – A fund established to collect fees and assist in the planning and administration of solid waste management plans.

**Trial Court Improvement** – A fund established per State of Washington Legislature 2ESSB 5454 for improvements to superior and district court staffing, programs, facilities and services. An amount equal to 100 per cent of the State's contribution received by the county for district court judge's salaries is to be retained for the fund.

**Historical Preservation** – A fund established to promote historical preservation or historical programs, which may include preservation of historical documents.

**Domestic Violence Assessment** – A fund created per RCW 10.99.080, which established a penalty assessment for any person convicted of a crime involving domestic violence. The fund's purpose is to support domestic violence advocacy and domestic violence prevention and prosecution programs.

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2011

<i>ASSETS</i>	County Road Improvement	Flood Control	Veteran's Assistance	Auditor's O & M
Cash/Cash Equivalents	\$ 1,971	\$ 1,125	\$ 111,291	\$ 487,261
Investments	1,380,000	56,500	0	0
Taxes Receivable	0	0	4,726	0
Accounts Receivable	0	5	0	372
Assessments Receivable	0	0	0	0
Interest Receivable	0	0	0	0
Due From Other Funds	0	0	0	2
Due From Other Governments	0	0	0	0
 Total Assets	 <u>\$ 1,381,971</u>	 <u>\$ 57,630</u>	 <u>\$ 116,017</u>	 <u>\$ 487,635</u>
 <i>LIABILITIES AND FUND BALANCE</i>				
<u>Liabilities</u>				
Vouchers Payable	\$ 0	\$ 0	\$ 4,676	\$ 843
Due To Other Funds	0	0	0	0
Accrued Liabilities	0	0	0	4,180
Deferred Revenue	0	0	4,726	0
 Total Liabilities	 <u>0</u>	 <u>0</u>	 <u>9,402</u>	 <u>5,023</u>
 <u>Fund Balance</u>				
Restricted	0	57,630	106,615	482,612
Committed	1,381,971	0	0	0
Unassigned	0	0	0	0
 Total Fund Balance	 <u>1,381,971</u>	 <u>57,630</u>	 <u>106,615</u>	 <u>482,612</u>
 Total Liabilities and Fund Balance	 <u>\$ 1,381,971</u>	 <u>\$ 57,630</u>	 <u>\$ 116,017</u>	 <u>\$ 487,635</u>

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2011

<i>ASSETS</i>	Treasurer's Investment Pool	Park Development	Election Reserve	Treasurer's O & M
Cash/Cash Equivalents	\$ 752	\$ 222,750	\$ 1,491,989	\$ 15,925
Investments	0	100,000	0	303,836
Taxes Receivable	0	0	0	0
Accounts Receivable	0	50	0	0
Assessments Receivable	0	0	0	0
Interest Receivable	0	9	0	29
Due From Other Funds	0	0	2,703	120
Due From Other Governments	0	0	216,544	0
 Total Assets	 \$ <u>752</u>	 \$ <u>322,809</u>	 \$ <u>1,711,236</u>	 \$ <u>319,910</u>
 <i>LIABILITIES AND FUND BALANCE</i>				
<u>Liabilities</u>				
Vouchers Payable	\$ 0	\$ 10,762	\$ 817	\$ 406
Due To Other Funds	0	0	0	0
Accrued Liabilities	0	0	46,050	6,107
Deferred Revenue	0	0	0	0
 Total Liabilities	 <u>0</u>	 <u>10,762</u>	 <u>46,867</u>	 <u>6,513</u>
 <u>Fund Balance</u>				
Restricted	752	312,047	0	313,397
Committed	0	0	1,664,369	0
Unassigned	0	0	0	0
 Total Fund Balance	 <u>752</u>	 <u>312,047</u>	 <u>1,664,369</u>	 <u>313,397</u>
 Total Liabilities and Fund Balance	 \$ <u>752</u>	 \$ <u>322,809</u>	 \$ <u>1,711,236</u>	 \$ <u>319,910</u>

Paths and Trails Reserve	Benton Franklin Juvenile Center	Inmate Benevolence	Juvenile Kitchen	Crime Victim Compen- sation	Fairgrounds Improve- ments
\$ 2,692	\$ 1,506,335	\$ 145,132	\$ 38,148	\$ 199,654	\$ 306,406
46,896	0	0	0	0	0
0	0	0	0	0	0
0	2,965	30,056	0	6,251	0
0	0	0	0	0	0
4	0	0	0	0	0
0	50	0	0	0	0
0	217,530	0	0	0	0
<u>\$ 49,592</u>	<u>\$ 1,726,880</u>	<u>\$ 175,188</u>	<u>\$ 38,148</u>	<u>\$ 205,905</u>	<u>\$ 306,406</u>
\$ 0	\$ 116,120	\$ 33,199	\$ 1,578	\$ 150	\$ 15,815
0	1,776	0	0	0	0
0	382,530	8,752	0	17,859	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>500,426</u>	<u>41,951</u>	<u>1,578</u>	<u>18,009</u>	<u>15,815</u>
49,592	0	133,237	0	187,896	0
0	1,226,454	0	36,570	0	290,591
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>49,592</u>	<u>1,226,454</u>	<u>133,237</u>	<u>36,570</u>	<u>187,896</u>	<u>290,591</u>
<u>\$ 49,592</u>	<u>\$ 1,726,880</u>	<u>\$ 175,188</u>	<u>\$ 38,148</u>	<u>\$ 205,905</u>	<u>\$ 306,406</u>

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2011

<i>ASSETS</i>	Fairgrounds Operating Budget	Sheriff's Investi- gations	Canine/Boat Patrol	Treasurer's Service Fee
Cash/Cash Equivalents	\$ 295,534	\$ 175,847	\$ 89,331	\$ 256
Investments	0	0	0	0
Taxes Receivable	0	0	0	0
Accounts Receivable	3,424	0	0	0
Assessments Receivable	0	0	0	0
Interest Receivable	0	0	0	0
Due From Other Funds	0	0	0	0
Due From Other Governments	0	2,225	61,336	0
 Total Assets	 <u>\$ 298,958</u>	 <u>\$ 178,072</u>	 <u>\$ 150,667</u>	 <u>\$ 256</u>
 <i>LIABILITIES AND FUND BALANCE</i>				
<u>Liabilities</u>				
Vouchers Payable	\$ 20,235	\$ 0	\$ 2,084	\$ 0
Due To Other Funds	0	0	164	0
Accrued Liabilities	12,657	0	4,211	0
Deferred Revenue	0	0	0	0
 Total Liabilities	 <u>32,892</u>	 <u>0</u>	 <u>6,459</u>	 <u>0</u>
 <u>Fund Balance</u>				
Restricted	0	0	0	256
Committed	266,066	178,072	144,208	0
Unassigned	0	0	0	0
 Total Fund Balance	 <u>266,066</u>	 <u>178,072</u>	 <u>144,208</u>	 <u>256</u>
 Total Liabilities and Fund Balance	 <u>\$ 298,958</u>	 <u>\$ 178,072</u>	 <u>\$ 150,667</u>	 <u>\$ 256</u>

<u>REET Technology</u>	<u>1/4 Percent Real Estate Excise Tax</u>	<u>Probation Assessment</u>	<u>Central Services Computer Replacement</u>	<u>1/10 Percent Criminal Justice Jail - Juvenile</u>	<u>Noxious Weed Control</u>
\$ 132,115	\$ 1,400,241	\$ 573,510	\$ 1,607,406	\$ 7,645,848	\$ 59,517
0	0	0	0	0	0
0	0	0	0	0	0
0	0	39,788	0	0	0
0	0	0	0	0	12,999
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 132,115</u>	<u>\$ 1,400,241</u>	<u>\$ 613,298</u>	<u>\$ 1,607,406</u>	<u>\$ 7,645,848</u>	<u>\$ 72,516</u>
\$ 0	\$ 0	\$ 19,988	\$ 24,900	\$ 0	\$ 972
27,579	0	0	0	0	0
0	0	35,887	0	0	20,432
0	0	0	0	0	12,999
<u>27,579</u>	<u>0</u>	<u>55,875</u>	<u>24,900</u>	<u>0</u>	<u>34,403</u>
104,536	1,400,241	0	0	7,645,848	38,113
0	0	557,423	1,582,506	0	0
0	0	0	0	0	0
<u>104,536</u>	<u>1,400,241</u>	<u>557,423</u>	<u>1,582,506</u>	<u>7,645,848</u>	<u>38,113</u>
<u>\$ 132,115</u>	<u>\$ 1,400,241</u>	<u>\$ 613,298</u>	<u>\$ 1,607,406</u>	<u>\$ 7,645,848</u>	<u>\$ 72,516</u>

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2011

<i>ASSETS</i>	Sustainable Development	Courthouse Facilitator	Family Services	Family Services Superior Court
Cash/Cash Equivalents	\$ 384,426	\$ 54,744	\$ 22,032	\$ 19,338
Investments	0	0	0	0
Taxes Receivable	0	0	0	0
Accounts Receivable	0	429	570	102
Assessments Receivable	0	0	0	0
Interest Receivable	0	0	0	0
Due From Other Funds	0	0	216	0
Due From Other Governments	0	0	0	0
 Total Assets	 <u>\$ 384,426</u>	 <u>\$ 55,173</u>	 <u>\$ 22,818</u>	 <u>\$ 19,440</u>
 <i>LIABILITIES AND FUND BALANCE</i>				
<u>Liabilities</u>				
Vouchers Payable	\$ 1,753	\$ (24,480)	\$ 0	\$ 0
Due To Other Funds	0	24,900	0	0
Accrued Liabilities	8,016	4,751	3,729	0
Deferred Revenue	0	0	0	0
 Total Liabilities	 <u>9,769</u>	 <u>5,171</u>	 <u>3,729</u>	 <u>0</u>
 <u>Fund Balance</u>				
Restricted	374,657	50,002	19,089	19,440
Committed	0	0	0	0
Unassigned	0	0	0	0
 Total Fund Balance	 <u>374,657</u>	 <u>50,002</u>	 <u>19,089</u>	 <u>19,440</u>
 Total Liabilities and Fund Balance	 <u>\$ 384,426</u>	 <u>\$ 55,173</u>	 <u>\$ 22,818</u>	 <u>\$ 19,440</u>

Jail Depreciation Reserve	Distressed County Tax	Rural County Capital	Clerk's Collection	Protective Inspection Services	Pest Board
\$ 96,071	\$ 111,752	\$ 8,086,710	\$ 1,301,056	\$ 215,896	\$ 94,515
876,080	0	0	0	0	0
0	0	0	0	0	0
0	0	0	10,971	673	0
0	0	0	0	0	5,269
91	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 972,242</u>	<u>\$ 111,752</u>	<u>\$ 8,086,710</u>	<u>\$ 1,312,027</u>	<u>\$ 216,569</u>	<u>\$ 99,784</u>
\$ 27,075	\$ 0	\$ 0	\$ 24	\$ 902	\$ 58
0	0	0	0	3	1,452
0	0	0	28,298	35,610	6,146
0	0	0	0	0	5,269
<u>27,075</u>	<u>0</u>	<u>0</u>	<u>28,322</u>	<u>36,515</u>	<u>12,925</u>
945,167	111,752	8,086,710	1,283,705	0	86,859
0	0	0	0	180,054	0
0	0	0	0	0	0
<u>945,167</u>	<u>111,752</u>	<u>8,086,710</u>	<u>1,283,705</u>	<u>180,054</u>	<u>86,859</u>
<u>\$ 972,242</u>	<u>\$ 111,752</u>	<u>\$ 8,086,710</u>	<u>\$ 1,312,027</u>	<u>\$ 216,569</u>	<u>\$ 99,784</u>

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2011

<i>ASSETS</i>	Work Crew Replacement	State Housing	Vit Impact	Homeless Housing & Assistance
Cash/Cash Equivalents	\$ 140,828	\$ 732,168	\$ 3,038,960	\$ 1,460,542
Investments	0	1,100,000	0	350,000
Taxes Receivable	0	0	0	0
Accounts Receivable	953	701	0	3,038
Assessments Receivable	0	0	0	0
Interest Receivable	0	105	0	33
Due From Other Funds	0	6	0	25
Due From Other Governments	0	0	0	18,179
 Total Assets	 \$ <u>141,781</u>	 \$ <u>1,832,980</u>	 \$ <u>3,038,960</u>	 \$ <u>1,831,817</u>
 <i>LIABILITIES AND FUND BALANCE</i>				
<u>Liabilities</u>				
Vouchers Payable	\$ 0	\$ 3,553	\$ 0	\$ 6,767
Due To Other Funds	0	2,227	0	18,437
Accrued Liabilities	0	0	0	0
Deferred Revenue	0	0	0	0
 Total Liabilities	 <u>0</u>	 <u>5,780</u>	 <u>0</u>	 <u>25,204</u>
 <u>Fund Balance</u>				
Restricted	0	1,827,200	0	1,806,613
Committed	141,781	0	3,038,960	0
Unassigned	0	0	0	0
 Total Fund Balance	 <u>141,781</u>	 <u>1,827,200</u>	 <u>3,038,960</u>	 <u>1,806,613</u>
 Total Liabilities and Fund Balance	 \$ <u>141,781</u>	 \$ <u>1,832,980</u>	 \$ <u>3,038,960</u>	 \$ <u>1,831,817</u>

Solid Waste Collection	Trial Court Improvement	Historical Preservation	Domestic Violence Assessment	2011 Totals
\$ 539,336	\$ 190,475	\$ 72,570	\$ 25,302	\$ 33,097,757
0	0	0	0	4,213,312
0	0	0	0	4,726
69,363	1,560	186	282	171,739
0	0	0	0	18,268
0	0	0	0	271
0	0	1	0	3,123
89,256	0	0	0	605,070
<u>\$ 697,955</u>	<u>\$ 192,035</u>	<u>\$ 72,757</u>	<u>\$ 25,584</u>	<u>\$ 38,114,266</u>
\$ 20,890	\$ 4,676	\$ 0	\$ 0	\$ 293,763
436	2,089	0	0	79,063
6,620	0	0	0	631,835
0	0	0	0	22,994
<u>27,946</u>	<u>6,765</u>	<u>0</u>	<u>0</u>	<u>1,027,655</u>
0	185,270	72,757	25,584	25,727,577
670,009	0	0	0	11,359,034
0	0	0	0	0
<u>670,009</u>	<u>185,270</u>	<u>72,757</u>	<u>25,584</u>	<u>37,086,611</u>
<u>\$ 697,955</u>	<u>\$ 192,035</u>	<u>\$ 72,757</u>	<u>\$ 25,584</u>	<u>\$ 38,114,266</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

	County Road Improve- ment	Flood Control	Veteran's Assistance	Auditor's O & M
<u>Revenues</u>				
Property Taxes	\$ 0	\$ 0	\$ 156,911	\$ 0
Sales and Use Taxes	0	0	0	0
Other Taxes	0	0	0	0
Licenses and Permits	0	0	0	0
Intergovernmental	688,782	900	4,238	84,611
Charges for Services	0	0	0	76,925
Fines and Forfeitures	0	0	0	0
Interest Earnings	1,629	115	0	0
Donations	0	0	0	0
Other Revenue	0	0	146	0
Total Revenues	<u>690,411</u>	<u>1,015</u>	<u>161,295</u>	<u>161,536</u>
<u>Expenditures</u>				
Current:				
General Governmental Services	0	0	0	167,202
Public Safety	0	0	0	0
Physical Environment	0	0	0	0
Economic Environment	0	0	133,886	0
Health and Human Services	0	0	0	0
Culture and Recreation	0	0	0	0
Capital Outlay	0	0	0	11,366
Total Expenditures	<u>0</u>	<u>0</u>	<u>133,886</u>	<u>178,568</u>
Excess (Deficiency) of				
Revenues over Expenditures	<u>690,411</u>	<u>1,015</u>	<u>27,409</u>	<u>(17,032)</u>
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	690,411	1,015	27,409	(17,032)
Fund Balance as of January 1	691,560	56,615	79,206	499,644
Fund Balance, December 31	<u>\$ 1,381,971</u>	<u>\$ 57,630</u>	<u>\$ 106,615</u>	<u>\$ 482,612</u>

Treasurer's Investment Pool	Park Development	Election Reserve	Treasurer's O & M	Paths and Trails Reserve	Benton Franklin Juvenile Center
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	14,817	3,144,819
0	18,398	464,990	99,120	0	146,573
0	0	0	0	0	0
0	183	0	565	70	0
0	923	0	0	0	278,892
0	3,756	0	400	0	8,418
<u>0</u>	<u>23,260</u>	<u>464,990</u>	<u>100,085</u>	<u>14,887</u>	<u>3,578,702</u>
0	0	708,464	127,948	0	0
0	0	0	0	0	7,094,231
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	14,152	0	0	0	0
0	75,164	0	0	0	12,772
<u>0</u>	<u>89,316</u>	<u>708,464</u>	<u>127,948</u>	<u>0</u>	<u>7,107,003</u>
0	(66,056)	(243,474)	(27,863)	14,887	(3,528,301)
0	0	0	0	0	0
0	0	500,000	0	0	3,670,171
0	0	0	0	(67)	(12,000)
<u>0</u>	<u>0</u>	<u>500,000</u>	<u>0</u>	<u>(67)</u>	<u>3,658,171</u>
0	(66,056)	256,526	(27,863)	14,820	129,870
752	378,103	1,407,843	341,260	34,772	1,096,584
<u>\$ 752</u>	<u>\$ 312,047</u>	<u>\$ 1,664,369</u>	<u>\$ 313,397</u>	<u>\$ 49,592</u>	<u>\$ 1,226,454</u>

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

<u>Revenues</u>	Inmate Benevolence	Juvenile Kitchen	Crime Victim Compen- sation	Fairgrounds Improve- ments
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Sales and Use Taxes	0	0	0	0
Other Taxes	0	0	0	0
Licenses and Permits	0	0	0	0
Intergovernmental	0	0	33,469	0
Charges for Services	453,343	0	221,866	0
Fines and Forfeitures	0	0	0	0
Interest Earnings	0	0	0	0
Donations	0	0	1,000	0
Other Revenue	154,310	0	0	0
Total Revenues	<u>607,653</u>	<u>0</u>	<u>256,335</u>	<u>0</u>
 <u>Expenditures</u>				
Current:				
General Governmental Services	0	0	257,668	0
Public Safety	496,589	3,259	0	0
Physical Environment	0	0	0	0
Economic Environment	0	0	0	0
Health and Human Services	0	0	0	0
Culture and Recreation	0	0	0	28,979
Capital Outlay	0	0	0	71,783
Total Expenditures	<u>496,589</u>	<u>3,259</u>	<u>257,668</u>	<u>100,762</u>
 Excess (Deficiency) of				
Revenues over Expenditures	<u>111,064</u>	<u>(3,259)</u>	<u>(1,333)</u>	<u>(100,762)</u>
 <u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	0	0	0	5,317
Transfers In	0	12,000	0	100,000
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>12,000</u>	<u>0</u>	<u>105,317</u>
Net change in fund balances	111,064	8,741	(1,333)	4,555
Fund Balance as of January 1	22,173	27,829	189,229	286,036
Fund Balance, December 31	<u>\$ 133,237</u>	<u>\$ 36,570</u>	<u>\$ 187,896</u>	<u>\$ 290,591</u>

Fairgrounds Operating Budget	Sheriff's Investi- gations	Canine/Boat Patrol	Treasurer's Service Fee	REET Technology	1/4 Percent Real Estate Excise Tax	Probation Assessment
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	187,352	0
0	0	0	0	0	0	0
0	10,975	118,865	0	0	0	0
0	0	0	256	0	0	577,603
0	6,784	0	0	0	0	0
0	0	0	0	0	0	0
0	0	129	0	0	0	0
258,448	0	0	0	0	0	0
<u>258,448</u>	<u>17,759</u>	<u>118,994</u>	<u>256</u>	<u>0</u>	<u>187,352</u>	<u>577,603</u>
0	0	0	0	44,355	0	558,529
0	22,538	130,657	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
384,211	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>384,211</u>	<u>22,538</u>	<u>130,657</u>	<u>0</u>	<u>44,355</u>	<u>0</u>	<u>558,529</u>
(125,763)	(4,779)	(11,663)	256	(44,355)	187,352	19,074
1,250	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	(246,424)	0
<u>1,250</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(246,424)</u>	<u>0</u>
(124,513)	(4,779)	(11,663)	256	(44,355)	(59,072)	19,074
390,579	182,851	155,871	0	148,891	1,459,313	538,349
<u>\$ 266,066</u>	<u>\$ 178,072</u>	<u>\$ 144,208</u>	<u>\$ 256</u>	<u>\$ 104,536</u>	<u>\$ 1,400,241</u>	<u>\$ 557,423</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

	Central Services Computer Replacement	1/10 Percent Criminal Justice Jail - Juvenile	Noxious Weed Control	Sustainable Development
<u>Revenues</u>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Sales and Use Taxes	0	3,594,498	0	0
Other Taxes	0	0	0	71,055
Licenses and Permits	0	0	0	0
Intergovernmental	0	0	28,432	0
Charges for Services	0	0	0	0
Fines and Forfeitures	0	0	0	0
Interest Earnings	0	0	0	0
Donations	0	0	0	0
Other Revenue	349,158	0	239,667	0
Total Revenues	<u>349,158</u>	<u>3,594,498</u>	<u>268,099</u>	<u>71,055</u>
<u>Expenditures</u>				
Current:				
General Governmental Services	0	0	0	0
Public Safety	0	0	0	0
Physical Environment	0	0	297,631	0
Economic Environment	0	0	0	158,227
Health and Human Services	0	0	0	0
Culture and Recreation	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>297,631</u>	<u>158,227</u>
Excess (Deficiency) of				
Revenues over Expenditures	<u>349,158</u>	<u>3,594,498</u>	<u>(29,532)</u>	<u>(87,172)</u>
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
Transfers Out	(157,309)	(2,679,778)	0	0
Total Other Financing Sources (Uses)	<u>(157,309)</u>	<u>(2,679,778)</u>	<u>0</u>	<u>0</u>
Net change in fund balances	191,849	914,720	(29,532)	(87,172)
Fund Balance as of January 1	1,390,657	6,731,128	67,645	461,829
Fund Balance, December 31	<u>\$ 1,582,506</u>	<u>\$ 7,645,848</u>	<u>\$ 38,113</u>	<u>\$ 374,657</u>

Courthouse Facilitator	Family Services	Family Services Superior Court	Jail Depreciation Reserve	Distressed County Tax	Rural County Capital
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	3,215,438
0	0	0	0	0	0
0	29,190	15,931	0	0	0
0	0	0	61,179	0	0
58,700	0	0	0	0	0
0	0	0	0	0	0
0	0	0	1,838	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>58,700</u>	<u>29,190</u>	<u>15,931</u>	<u>63,017</u>	<u>0</u>	<u>3,215,438</u>
71,410	0	0	0	0	0
0	34,252	0	103,689	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	173,109	0	0
<u>71,410</u>	<u>34,252</u>	<u>0</u>	<u>276,798</u>	<u>0</u>	<u>0</u>
<u>(12,710)</u>	<u>(5,062)</u>	<u>15,931</u>	<u>(213,781)</u>	<u>0</u>	<u>3,215,438</u>
0	0	0	0	0	0
0	0	0	116,821	0	0
0	0	(20,000)	0	0	(2,038,160)
<u>0</u>	<u>0</u>	<u>(20,000)</u>	<u>116,821</u>	<u>0</u>	<u>(2,038,160)</u>
(12,710)	(5,062)	(4,069)	(96,960)	0	1,177,278
62,712	24,151	23,509	1,042,127	111,752	6,909,432
<u>\$ 50,002</u>	<u>\$ 19,089</u>	<u>\$ 19,440</u>	<u>\$ 945,167</u>	<u>\$ 111,752</u>	<u>\$ 8,086,710</u>

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

<u>Revenues</u>	Clerk's Collection	Protective Inspection Services	Pest Board	Work Crew Replacement	State Housing
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sales and Use Taxes	0	0	0	0	0
Other Taxes	0	0	0	0	0
Licenses and Permits	0	734,671	0	0	0
Intergovernmental	694,016	0	0	392	0
Charges for Services	11	5,959	0	37,945	164,525
Fines and Forfeitures	0	0	0	0	0
Interest Earnings	0	0	0	0	2,009
Donations	0	0	0	0	0
Other Revenue	0	0	94,396	0	0
Total Revenues	<u>694,027</u>	<u>740,630</u>	<u>94,396</u>	<u>38,337</u>	<u>166,534</u>
<u>Expenditures</u>					
Current:					
General Governmental Services	467,192	0	0	0	0
Public Safety	0	0	0	0	0
Physical Environment	0	0	0	0	0
Economic Environment	0	686,708	0	0	67,820
Health and Human Services	0	0	0	0	0
Culture and Recreation	0	0	95,141	0	261
Capital Outlay	0	0	0	26,102	0
Total Expenditures	<u>467,192</u>	<u>686,708</u>	<u>95,141</u>	<u>26,102</u>	<u>68,081</u>
Excess (Deficiency) of					
Revenues over Expenditures	<u>226,835</u>	<u>53,922</u>	<u>(745)</u>	<u>12,235</u>	<u>98,453</u>
<u>Other Financing Sources (Uses)</u>					
Sale of Capital Assets	0	0	0	0	0
Transfers In	0	26,471	0	0	0
Transfers Out	0	0	0	0	(47,600)
Total Other Financing Sources (Uses)	<u>0</u>	<u>26,471</u>	<u>0</u>	<u>0</u>	<u>(47,600)</u>
Net change in fund balances	226,835	80,393	(745)	12,235	50,853
Fund Balance as of January 1	1,056,870	99,661	87,604	129,546	1,776,347
Fund Balance, December 31	<u>\$ 1,283,705</u>	<u>\$ 180,054</u>	<u>\$ 86,859</u>	<u>\$ 141,781</u>	<u>\$ 1,827,200</u>

Vit Impact	Homeless Housing & Assistance	Solid Waste Collection	Trial Court Improv- ment	Historical Preserva- tion	Domestic Violence Assess- ment	2011 Totals
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 156,911
1,089,069	0	0	0	0	0	7,899,005
0	0	0	0	0	0	258,407
0	0	0	0	0	0	779,792
54,913	87,970	165,739	118,248	0	0	5,312,365
0	716,417	171,811	21,914	38,498	0	3,274,854
0	0	0	0	0	4,463	11,247
0	639	0	0	0	0	7,048
0	0	0	0	0	0	280,944
0	0	0	0	0	0	1,108,699
<u>1,143,982</u>	<u>805,026</u>	<u>337,550</u>	<u>140,162</u>	<u>38,498</u>	<u>4,463</u>	<u>19,089,272</u>
0	0	0	50,167	54,328	2,115	2,509,378
0	0	0	0	0	0	7,885,215
0	0	241,493	0	0	0	539,124
0	318,461	0	0	0	0	1,365,102
0	0	0	0	0	0	0
0	0	0	0	0	0	522,744
0	0	0	42,502	0	0	412,798
<u>0</u>	<u>318,461</u>	<u>241,493</u>	<u>92,669</u>	<u>54,328</u>	<u>2,115</u>	<u>13,234,361</u>
<u>1,143,982</u>	<u>486,565</u>	<u>96,057</u>	<u>47,493</u>	<u>(15,830)</u>	<u>2,348</u>	<u>5,854,911</u>
0	0	0	0	0	0	6,567
0	0	0	0	0	0	4,425,463
(172,824)	0	0	0	0	0	(5,374,162)
<u>(172,824)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(942,132)</u>
971,158	486,565	96,057	47,493	(15,830)	2,348	4,912,779
2,067,802	1,320,048	573,952	137,777	88,587	23,236	32,173,832
<u>\$ 3,038,960</u>	<u>\$ 1,806,613</u>	<u>\$ 670,009</u>	<u>\$ 185,270</u>	<u>\$ 72,757</u>	<u>\$ 25,584</u>	<u>\$ 37,086,611</u>

## DEBT SERVICE FUNDS

Debt Service Funds are established to account for the accumulation of resources to be used for the payment of general long-term debt, principal, interest and related costs. Expenditure limits are determined by the terms of each debt issue. The modified accrual basis of accounting is applied. The descriptions of the funds are as follows:

**CRID #11 & #12 Debt Service** – A fund to accumulate monies for the payment of principal and interest on the \$382,995 to make county road improvements to which the residents assessed will receive the benefit. Installments will be made over twenty years.

**CRID #15 Debt Service** – A fund to accumulate monies for the payment of principal and interest on the \$803,109 to make county road improvements to which the residents assessed will receive the benefit. Installments will be made over twenty years.

**CRID #16 Debt Service** – A fund to accumulate monies for the payment of principal and interest on the \$96,489 to make county road improvements to which the residents assessed will receive the benefit. Installments will be made over twenty years.

**Health Building Bond** - A fund to accumulate monies for payment of principal and interest on the \$7,245,000 in General Obligation bonds issued for the cost of acquiring, designing, constructing, furnishing and equipping a new facility to accommodate the Benton Franklin Health District Center.

**Justice Center Expansion Refunding Bond** – A fund to accumulate monies for the payment of principal and interest on \$23,615,000 (issued 2000) for the Justice Center and Jail Expansion Project and principal and interest on \$5,410,000 (issued 2001) for Completion of the third floor of the Jail. The year 2000 bonds are part of the 2003 Refunding bond (reducing the outstanding portion to \$6,865,000 at 12/31/03); installments are made annually with maturity at 2020. The 2001 bonds are paid in annual installments with maturity at 2021. The 2003 Refunding bonds, used to reduce the above mentioned bonds, are paid in annual installments over twenty years.

Combining Balance Sheet  
 Nonmajor Debt Service Funds  
 December 31, 2011

	CRID #11 & #12 <u>Debt Service</u>	CRID #15 <u>Debt Service</u>	CRID #16 <u>Debt Service</u>
<i>ASSETS</i>			
Cash/Cash Equivalents	\$ 1,853	\$ 1,757	\$ 1
Investments	7,670	932	459
Lease Payments Receivable	310	97	0
Interest Receivable	<u>227</u>	<u>80</u>	<u>0</u>
Total Assets	<u>\$ 10,060</u>	<u>\$ 2,866</u>	<u>\$ 460</u>
<i>LIABILITIES AND FUND BALANCE</i>			
<u>Liabilities</u>			
Custodial Accounts	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fund Balance</u>			
Committed	10,060	2,866	460
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>10,060</u>	<u>2,866</u>	<u>460</u>
Total Liabilities and Fund Balance	<u>\$ 10,060</u>	<u>\$ 2,866</u>	<u>\$ 460</u>

Combining Balance Sheet  
 Nonmajor Debt Service Funds  
 December 31, 2011

	<u>Health Building Bond</u>	<u>Justice Center Bond</u>	<u>2011 Total</u>
<i>ASSETS</i>			
Cash/Cash Equivalents	\$ 87,398	\$ 1,317,486	\$ 1,408,495
Investments	0	0	9,061
Lease Payments Receivable	0	0	407
Interest Receivable	<u>0</u>	<u>0</u>	<u>307</u>
Total Assets	<u>\$ 87,398</u>	<u>\$ 1,317,486</u>	<u>\$ 1,418,270</u>
<i>LIABILITIES AND FUND BALANCE</i>			
<u>Liabilities</u>			
Custodial Accounts	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fund Balance</u>			
Committed	87,398	1,317,486	1,418,270
Unreserved	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>87,398</u>	<u>1,317,486</u>	<u>1,418,270</u>
Total Liabilities and Fund Balance	<u>\$ 87,398</u>	<u>\$ 1,317,486</u>	<u>\$ 1,418,270</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Nonmajor Debt Service Funds  
 For the Year Ended December 31, 2011

	CRID #11 & #12 <u>Debt Service</u>	CRID #15 <u>Debt Service</u>	CRID #16 <u>Debt Service</u>
<u>Revenues</u>			
Interest	\$ 11,183	\$ 30,533	\$ 4,237
Other Revenue	14,623	47,390	4,583
Total Revenues	<u>25,806</u>	<u>77,923</u>	<u>8,820</u>
<u>Expenditures</u>			
Debt Service:			
Principal	15,000	59,000	16,000
Interest	8,778	17,698	4,992
Total Expenditures	<u>23,778</u>	<u>76,698</u>	<u>20,992</u>
Excess (Deficiency) of Revenues over Expenditures	2,028	1,225	(12,172)
<u>Other Financing Sources (Uses)</u>			
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	2,028	1,225	(12,172)
Fund Balance as of January 1	8,032	1,641	12,632
Fund Balance as of December 31	<u>\$ 10,060</u>	<u>\$ 2,866</u>	<u>\$ 460</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Nonmajor Debt Service Funds  
 For the Year Ended December 31, 2011

	Health Building Bond	Justice Center Bond	2011 Total
<u>Revenues</u>			
Interest	\$ 0	\$ 0	\$ 45,953
Other Revenue	325,883	0	392,479
Total Revenues	<u>325,883</u>	<u>0</u>	<u>438,432</u>
<u>Expenditures</u>			
Debt Service:			
Principal	205,000	5,220,000	5,515,000
Interest	306,672	978,038	1,316,178
Total Expenditures	<u>511,672</u>	<u>6,198,038</u>	<u>6,831,178</u>
Excess (Deficiency) of Revenues over Expenditures	(185,789)	(6,198,038)	(6,392,746)
<u>Other Financing Sources (Uses)</u>			
Transfers In	246,424	2,952,938	3,199,362
Total Other Financing Sources (Uses)	<u>246,424</u>	<u>2,952,938</u>	<u>3,199,362</u>
Net Change in Fund Balance	60,635	(3,245,100)	(3,193,384)
Fund Balance as of January 1	26,763	4,562,586	4,611,654
Fund Balance as of December 31	<u>\$ 87,398</u>	<u>\$ 1,317,486</u>	<u>\$ 1,418,270</u>

## CAPITAL PROJECTS FUNDS

Capital Projects Funds are established to account for programs involving the acquisition or construction of major capital facilities. Both revenues and expenditures are budgeted in compliance with the procedures established in the Revised Code of Washington. The modified accrual basis of accounting is applied. The descriptions of the funds are as follows:

**Detox Center Construction** - A fund to account for the cost of constructing the Detoxification Center.

**Health Building Construction** - A fund to account for the cost of constructing the Benton Franklin Health District Center.

# BENTON COUNTY, WASHINGTON

## Combining Balance Sheet

### Nonmajor Capital Projects Funds

December 31, 2011

<i>ASSETS</i>	<u>Detox Center Construction</u>	<u>Health Building Construction</u>	<u>2011 Totals</u>
Cash/Cash Equivalents	\$ 2,783	\$ 0	\$ 2,783
Investments	14,500	0	14,500
Interest Receivable	1	0	1
 Total Assets	 <u>\$ 17,284</u>	 <u>\$ 0</u>	 <u>\$ 17,284</u>
 <i>LIABILITIES AND FUND BALANCE</i>			
<u>Liabilities</u>			
Vouchers Payable	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
 <u>Fund Balance</u>			
Committed	17,284	0	17,284
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>17,284</u>	<u>0</u>	<u>17,284</u>
 Total Liabilities and Fund Balance	 <u>\$ 17,284</u>	 <u>\$ 0</u>	 <u>\$ 17,284</u>

**BENTON COUNTY, WASHINGTON**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2011**

	Detox Center Construction	Health Building Construction	2011 Totals
<u>Revenues</u>			
Interest Earnings	26	0	26
Total Revenues	<u>26</u>	<u>0</u>	<u>26</u>
<u>Expenditures</u>			
Debt Service:			
Debt Issuance Costs	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of			
Revenues over Expenditures	<u>26</u>	<u>0</u>	<u>26</u>
Net change in fund balances	26	0	26
Fund Balance as of January 1	17,258	0	17,258
Fund Balance, December 31	<u>\$ 17,284</u>	<u>\$ 0</u>	<u>\$ 17,284</u>

BENTON COUNTY, WASHINGTON

Schedule of Revenues - Budget (GAAP Basis) and Actual

General Fund

For the Year Ended December 31, 2011

	2011			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<i><u>Taxes</u></i>				
General Property Taxes	\$ 36,543,742	\$ 36,543,742	\$ 18,300,110	\$ (18,243,632)
Retail Sales and Use Taxes	15,908,000	15,908,000	10,613,662	(5,294,338)
Excise Taxes	728,400	728,400	354,227	(374,173)
Interest and Penalty on Taxes	2,900,300	2,900,300	1,391,756	(1,508,544)
<b>Total Taxes</b>	<b>56,080,442</b>	<b>56,080,442</b>	<b>30,659,755</b>	<b>(25,420,687)</b>
<i><u>Licenses and Permits</u></i>				
Business Licenses and Permits	0	0	0	0
Non-Business Licenses and Permits	96,000	96,000	51,306	(44,694)
<b>Total Licenses and Permits</b>	<b>96,000</b>	<b>96,000</b>	<b>51,306</b>	<b>(44,694)</b>
<i><u>Intergovernmental Revenues</u></i>				
Federal Grants	155,000	155,000	65,401	(89,599)
Federal Entitlements	203,600	203,600	102,627	(100,973)
Federal Shared Revenues	1,639,324	1,647,324	817,843	(829,481)
State Grants	1,264,912	1,264,912	681,709	(583,203)
State Shared Revenues	2,356,663	2,356,663	1,137,016	(1,219,647)
State Entitlements	2,108,400	2,108,400	1,100,969	(1,007,431)
Intergovernmental Service Revenues	25,337,408	25,337,408	13,436,263	(11,901,145)
ARRA Grants	0	0	0	0
<b>Total Intergovernmental Revenues</b>	<b>33,065,307</b>	<b>33,073,307</b>	<b>17,341,828</b>	<b>(15,731,479)</b>
<i><u>Charges For Services</u></i>				
General Government	5,135,973	5,135,973	2,576,458	(2,559,515)
Security of Persons and Property	1,467,920	1,467,920	759,926	(707,994)
Physical Environment	0	0	17,490	17,490
Economic Environment	52,800	52,800	20,735	(32,065)
Interfund Charges	1,160,702	1,160,702	582,346	(578,356)
<b>Total Charges for Services</b>	<b>7,817,395</b>	<b>7,817,395</b>	<b>3,956,955</b>	<b>(3,860,440)</b>
<i><u>Fines and Forfeitures</u></i>				
Superior Court Penalties	998,100	998,100	506,255	(491,845)
Civil Penalties	37,000	37,000	18,532	(18,468)
Non-Parking Infractions	2,400,001	2,400,001	1,147,636	(1,252,365)
Civil Parking Infractions	50	50	235	185
Criminal Traffic Penalties	973,000	973,000	419,767	(553,233)
Non-Traffic Penalties	392,800	392,800	141,897	(250,903)
Criminal Costs	1,213,100	1,213,100	628,833	(584,267)
<b>Total Fines and Forfeitures</b>	<b>6,014,051</b>	<b>6,014,051</b>	<b>2,863,155</b>	<b>(3,150,896)</b>
<i><u>Miscellaneous Revenues</u></i>				
Sale of Capital Assets	3,000	3,000	17,566	14,566
Transfers In	3,271,137	4,027,564	1,650,796	(2,376,768)
Interest Earnings	1,909,900	1,909,900	1,240,661	(669,239)
Rents and Royalties	485,136	485,136	232,029	(253,107)
Interfund/Interdepartmental	216,502	216,502	106,400	(110,102)
Contributions & Donations	20,500	20,500	10,298	(10,202)
Other Miscellaneous Revenue	30,000	30,000	45,991	15,991
<b>Total Miscellaneous Revenue</b>	<b>5,936,175</b>	<b>6,692,602</b>	<b>3,303,741</b>	<b>(3,388,861)</b>
<b>TOTAL REVENUES</b>	<b>\$ 109,009,370</b>	<b>\$ 109,773,797</b>	<b>\$ 58,176,740</b>	<b>\$ (51,597,057)</b>

Schedule of Expenditures - Budget (GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2011

	2011			Variance with Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
<i>GENERAL GOVERNMENT</i>				
<u>County Commissioners</u>				
Personnel	\$ 1,626,980	\$ 1,626,980	\$ 778,014	\$ (848,966)
Personnel Benefits	503,323	503,323	238,923	(264,400)
Supplies	25,438	25,438	12,264	(13,174)
Other Services and Charges	47,056	43,596	17,456	(26,140)
Interfund Charges	245,813	249,273	128,898	(120,375)
Total County Commissioners	\$ 2,448,610	\$ 2,448,610	\$ 1,175,555	\$ (1,273,055)
<u>Superior Court</u>				
Personnel	\$ 3,274,436	\$ 3,274,236	\$ 1,602,024	\$ (1,672,212)
Personnel Benefits	733,427	733,427	343,618	(389,809)
Supplies	39,700	40,700	6,332	(34,368)
Other Services and Charges	328,798	326,798	139,885	(186,913)
Intergovernmental Services	800	800	210	(590)
Interfund Charges	446,784	447,984	220,895	(227,089)
Total Superior Court	\$ 4,823,945	\$ 4,823,945	\$ 2,312,963	\$ (2,510,982)
<u>County Clerk</u>				
Personnel	\$ 2,327,649	\$ 2,327,649	\$ 1,104,290	\$ (1,223,359)
Personnel Benefits	962,605	962,605	446,716	(515,889)
Supplies	42,692	42,692	15,020	(27,672)
Other Services and Charges	428,186	428,186	145,943	(282,243)
Interfund Charges	485,115	485,115	240,178	(244,937)
Total County Clerk	\$ 4,246,247	\$ 4,246,247	\$ 1,952,148	\$ (2,294,099)
<u>District Court</u>				
Personnel	\$ 3,658,710	\$ 3,658,710	\$ 1,781,218	\$ (1,877,492)
Personnel Benefits	1,315,131	1,315,131	610,891	(704,240)
Supplies	109,344	109,344	56,868	(52,476)
Other Services and Charges	668,485	668,485	342,733	(325,752)
Interfund Charges	484,254	484,254	232,146	(252,109)
Total District Court	\$ 6,235,924	\$ 6,235,924	\$ 3,023,855	\$ (3,212,069)
<u>County Auditor</u>				
Personnel	\$ 1,670,317	\$ 1,670,317	\$ 815,766	\$ (854,551)
Personnel Benefits	646,157	646,157	300,462	(345,695)
Supplies	19,302	19,302	11,106	(8,196)
Other Services and Charges	94,955	94,955	46,446	(48,509)
Interfund Charges	580,963	580,963	288,232	(292,731)
Total County Auditor	\$ 3,011,694	\$ 3,011,694	\$ 1,462,011	\$ (1,549,683)

Schedule of Expenditures - Budget (GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2011

	2011			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>County Treasurer</u>				
Personnel	\$ 1,309,905	\$ 1,294,905	\$ 612,776	\$ (682,129)
Personnel Benefits	505,266	505,266	231,280	(273,986)
Supplies	26,732	31,732	13,122	(18,610)
Other Services and Charges	161,542	171,542	88,159	(83,383)
Interfund Charges	504,159	504,159	246,947	(257,212)
Total County Treasurer	\$ 2,507,604	\$ 2,507,604	\$ 1,192,285	\$ (1,315,319)
<u>Board of Equalization</u>				
Personnel	\$ 57,417	\$ 55,392	\$ 26,393	\$ (28,999)
Personnel Benefits	4,392	4,392	2,019	(2,373)
Supplies	800	800	279	(521)
Other Services and Charges	8,928	10,953	5,581	(5,372)
Interfund Charges	7,921	7,921	3,653	(4,268)
Total Board of Equalization	\$ 79,458	\$ 79,458	\$ 37,925	\$ (41,533)
<u>County Assessor</u>				
Personnel	\$ 2,561,127	\$ 2,551,127	\$ 1,151,236	\$ (1,399,891)
Personnel Benefits	961,258	961,258	421,227	(540,031)
Supplies	36,714	35,714	16,129	(19,585)
Other Services and Charges	75,676	85,676	37,574	(48,102)
Interfund Charges	744,371	745,371	365,126	(380,245)
Total County Assessor	\$ 4,379,146	\$ 4,379,146	\$ 1,991,293	\$ (2,387,853)
<u>County Prosecuting Attorney</u>				
Personnel	\$ 5,621,462	\$ 5,621,462	\$ 2,617,135	\$ (3,004,327)
Personnel Benefits	1,984,750	1,984,750	893,750	(1,091,000)
Supplies	75,932	75,932	35,404	(40,528)
Other Services and Charges	384,771	384,771	152,664	(232,107)
Interfund Charges	451,774	451,774	220,402	(231,372)
Total County Prosecuting Attorney	\$ 8,518,689	\$ 8,518,689	\$ 3,919,355	\$ (4,599,334)
<u>Personnel Department</u>				
Personnel	\$ 329,107	\$ 329,107	\$ 161,179	\$ (167,928)
Personnel Benefits	117,192	117,192	53,821	(63,371)
Supplies	9,000	9,000	915	(8,085)
Other Services and Charges	41,852	41,852	21,466	(20,386)
Interfund Charges	66,808	66,808	32,125	(34,684)
Total Personnel Department	\$ 563,959	\$ 563,959	\$ 269,506	\$ (294,453)
<u>L.E.O.F.F.</u>				
Personnel Benefits	\$ 341,362	\$ 341,362	\$ 162,215	\$ (179,147)
Other Services and Charges	97,302	97,302	44,293	(53,009)
Total L.E.O.F.F.	\$ 438,664	\$ 438,664	\$ 206,508	\$ (232,156)

Schedule of Expenditures - Budget (GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2011

	2011			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>GIS Department</u>				
Personnel	\$ 354,238	\$ 354,238	\$ 174,198	\$ (180,040)
Personnel Benefits	132,854	132,854	62,222	(70,632)
Supplies	2,000	2,000	676	(1,324)
Other Services and Charges	12,186	12,186	4,907	(7,279)
Interfund Charges	140,089	140,089	69,110	(70,980)
Total GIS Department	\$ 641,367	\$ 641,367	\$ 311,112	\$ (330,255)
<u>Indigent Public Defense</u>				
Personnel	\$ 527,043	\$ 532,043	\$ 250,908	\$ (281,135)
Personnel Benefits	187,069	187,069	83,951	(103,118)
Supplies	9,674	9,674	2,998	(6,676)
Other Services and Charges	4,091,198	4,086,198	2,094,863	(1,991,335)
Interfund Charges	59,914	59,914	29,540	(30,374)
Total Indigent Public Defense Department	\$ 4,874,898	\$ 4,874,898	\$ 2,462,260	\$ (2,412,638)
<u>Adult &amp; Juvenile Drug Court</u>				
Personnel	\$ 91,258	\$ 185,701	\$ 87,049	\$ (98,652)
Personnel Benefits	27,701	57,957	26,968	(30,989)
Supplies	3,250	6,500	1,400	(5,100)
Other Services and Charges	74,990	150,966	69,084	(81,882)
Intergovernmental Services	316	316	306	(10)
Interfund Charges	1,342	2,730	886	(1,845)
Total Adult & Juvenile Drug Court	\$ 198,857	\$ 404,170	\$ 185,693	\$ (218,477)
<u>Non-Departmental</u>				
Personnel Benefits	\$ 150,800	\$ 150,800	\$ 23,405	\$ (127,395)
Other Services and Charges	577,982	564,482	205,806	(358,676)
Intergovernmental Services	8,796	8,796	2,221	(6,575)
Transfers Out	8,387,883	8,182,570	4,151,149	(4,031,421)
Total Non-Departmental	\$ 9,125,461	\$ 8,906,648	\$ 4,382,581	\$ (4,524,067)
TOTAL GENERAL GOVERNMENT	\$ 52,094,523	\$ 52,081,023	\$ 24,885,050	\$ (27,195,973)
<i>PUBLIC SAFETY</i>				
<u>County Sheriff-Administration</u>				
Personnel	\$ 1,167,907	\$ 1,167,907	\$ 572,866	\$ (595,041)
Personnel Benefits	362,481	361,931	179,851	(182,080)
Supplies	26,370	33,770	14,634	(19,136)
Other Services and Charges	54,522	47,672	20,880	(26,792)
Intergovernmental Services	1,061	1,061	481	(580)
Interfund Charges	192,250	192,250	92,202	(100,048)
Total County Sheriff-Administration	\$ 1,804,591	\$ 1,804,591	\$ 880,915	\$ (923,676)

Schedule of Expenditures - Budget (GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2011

	2011			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Civil Service</u>				
Personnel	\$ 48,411	\$ 48,411	\$ 23,910	\$ (24,501)
Personnel Benefits	20,099	20,099	9,400	(10,699)
Supplies	6,000	11,000	6,328	(4,672)
Other Services and Charges	68,110	63,110	10,565	(52,545)
Interfund Charges	25,997	25,997	12,998	(13,000)
Total Civil Service	\$ 168,617	\$ 168,617	\$ 63,200	\$ (105,417)
<u>County Sheriff-Patrol</u>				
Personnel	\$ 7,207,085	\$ 7,527,517	\$ 3,671,169	\$ (3,856,348)
Personnel Benefits	2,160,531	2,302,556	1,031,029	(1,271,527)
Supplies	449,414	544,159	350,196	(193,963)
Other Services and Charges	254,747	255,887	100,988	(154,899)
Intergovernmental Services	197,335	199,296	90,252	(109,045)
Interfund Charges	1,332,606	1,372,244	678,726	(693,518)
Total County Sheriff-Patrol	\$ 11,601,718	\$ 12,201,659	\$ 5,922,360	\$ (6,279,299)
<u>County Sheriff-Traffic Control</u>				
Personnel	\$ 600,783	\$ 600,783	\$ 282,034	\$ (318,749)
Personnel Benefits	184,058	184,058	75,194	(108,864)
Supplies	47,424	47,424	29,373	(18,051)
Other Services and Charges	14,300	14,300	1,302	(12,998)
Intergovernmental Services	2,426	2,426	1,692	(734)
Interfund Charges	66,267	66,267	29,843	(36,424)
Total County Sheriff-Traffic Control	\$ 915,258	\$ 915,258.00	\$ 419,436.94	\$ (495,821)
<u>County Sheriff-Corrections</u>				
Personnel	\$ 17,480,392	\$ 17,480,392	\$ 8,628,181	\$ (8,852,211)
Personnel Benefits	6,684,081	6,684,081	3,084,081	(3,600,000)
Supplies	1,085,016	1,080,756	662,414	(418,342)
Other Services and Charges	3,487,964	3,492,224	1,715,894	(1,776,330)
Intergovernmental Services	308,202	308,202	182,373	(125,829)
Interfund Charges	3,187,042	3,187,042	1,534,981	(1,652,061)
Total County Sheriff-Corrections	\$ 32,232,697	\$ 32,232,697	\$ 15,807,923	\$ (16,424,774)
<u>County Sheriff-Communications and Records</u>				
Personnel	\$ 643,556	\$ 643,556	\$ 285,647	\$ (357,909)
Personnel Benefits	256,308	256,308	113,443	(142,865)
Supplies	13,812	11,812	5,277	(6,535)
Other Services and Charges	36,467	38,467	19,703	(18,764)
Intergovernmental Services	1,365,455	1,365,455	653,188	(712,267)
Interfund Charges	124,281	124,281	60,628	(63,653)
Total County Sheriff-Communications and Records	\$ 2,439,879	\$ 2,439,879	\$ 1,137,886	\$ (1,301,993)

Schedule of Expenditures - Budget (GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2011

	2011			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Animal Control</u>				
Personnel	\$ 260,076	\$ 258,308	\$ 119,182	\$ (139,126)
Personnel Benefits	91,293	93,061	41,789	(51,272)
Supplies	36,100	34,415	11,692	(22,723)
Other Services and Charges	13,550	13,550	16,422	2,872
Interfund Charges	12,832	14,517	7,084	(7,433)
Total Animal control	\$ 413,851	\$ 413,851	\$ 196,169	\$ (217,682)
<u>Non-Departmental</u>				
Intergovernmental Services	\$ 55,902	\$ 55,902	\$ 24,756	\$ (31,146)
Total Non-Departmental	\$ 55,902	\$ 55,902	\$ 24,756	\$ (31,146)
TOTAL PUBLIC SAFETY	\$ 49,632,513	\$ 50,232,454	\$ 24,452,647	\$ (25,779,807)
<i>PHYSICAL ENVIRONMENT</i>				
<u>Facilities Department</u>				
Personnel	\$ 742,622	\$ 746,693	\$ 382,576	\$ (364,117)
Personnel Benefits	301,765	302,077	146,269	(155,808)
Supplies	171,140	171,140	62,585	(108,555)
Other Services and Charges	1,105,800	1,101,417	522,914	(578,503)
Interfund Charges	198,630	198,630	92,070	(106,560)
Total Facilities Department	\$ 2,519,957	\$ 2,519,957	\$ 1,206,415	\$ (1,313,542)
<u>Non-Departmental</u>				
Intergovernmental Services	\$ 68,782	\$ 68,782	\$ 34,390	\$ (34,391)
Total Non-Departmental	\$ 68,782	\$ 68,782	\$ 34,390	\$ (34,391)
TOTAL PHYSICAL ENVIRONMENT	\$ 2,588,739	\$ 2,588,739	\$ 1,240,805	\$ (1,347,933)
<i>ECONOMIC ENVIRONMENT</i>				
<u>Planning Department</u>				
Personnel	\$ 813,932	\$ 813,932	\$ 397,434	\$ (416,498)
Personnel Benefits	301,574	301,574	139,281	(162,293)
Supplies	10,270	10,170	3,771	(6,399)
Other Services and Charges	61,510	61,610	23,546	(38,064)
Interfund Charges	131,726	131,726	66,109	(65,618)
Total Planning Department	\$ 1,319,012	\$ 1,319,012	\$ 630,140	\$ (688,872)
TOTAL ECONOMIC ENVIRONMENT	\$ 1,319,012	\$ 1,319,012	\$ 630,140	\$ (688,872)
<i>MENTAL AND PHYSICAL HEALTH</i>				
<u>County Coroner</u>				
Personnel	\$ 317,395	\$ 330,895	\$ 168,154	\$ (162,741)
Personnel Benefits	102,221	102,221	42,583	(59,638)
Supplies	13,208	13,208	7,259	(5,949)
Other Services and Charges	186,670	186,670	90,104	(96,566)
Interfund Charges	57,723	57,723	31,098	(26,625)
Total County Coroner	\$ 677,217	\$ 690,717	\$ 339,198	\$ (351,519)

Schedule of Expenditures - Budget (GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2011

	2011			Variance with Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
<u>TB Hospital</u>				
Supplies	\$ 24,600	\$ 24,600	\$ 1,808	\$ (22,792)
Other Services and Charges	22,500	22,500	2,237	(20,263)
Intergovernmental Services	93,750	93,750	46,875	(46,875)
Total TB Hospital	\$ 140,850	\$ 140,850	\$ 50,920	\$ (89,930)
<u>Non-Department</u>				
Intergovernmental Services	\$ 737,470	\$ 737,470	\$ 368,735	\$ (368,735)
Total Non-Departmental	\$ 737,470	\$ 737,470	\$ 368,735	\$ (368,735)
TOTAL MENTAL AND PHYSICAL HEALTH	\$ 1,555,537	\$ 1,569,037	\$ 758,854	\$ (810,183)
<i>CULTURE AND RECREATION</i>				
<u>WSU Extension Department</u>				
Personnel	\$ 205,135	\$ 205,135	\$ 85,397	\$ (119,738)
Personnel Benefits	50,810	50,810	21,502	(29,308)
Supplies	12,162	12,162	4,690	(7,472)
Other Services and Charges	205,030	205,030	93,940	(111,090)
Intergovernmental Services	0	0	174	174
Interfund Charges	83,879	83,879	41,257	(42,622)
Total WSU Extension Department	\$ 557,016	\$ 557,016	\$ 246,960	\$ (310,056)
<u>Parks Department</u>				
Personnel	\$ 247,897	\$ 247,897	\$ 93,751	\$ (154,146)
Personnel Benefits	97,069	97,069	35,798	(61,271)
Supplies	46,788	46,788	18,902	(27,887)
Other Services and Charges	46,904	46,904	30,550	(16,354)
Interfund Charges	27,574	27,574	14,365	(13,209)
Total Parks Department	\$ 466,232	\$ 466,232	\$ 193,365	\$ (272,867)
TOTAL CULTURE AND RECREATION	\$ 1,023,248	\$ 1,023,248	\$ 440,325	\$ (582,923)
<i>CAPITAL OUTLAY</i>				
Public Safety	886,328	1,050,814	683,383	(367,431)
TOTAL CAPITAL OUTLAY	\$ 886,328	\$ 1,050,814	\$ 683,383	\$ (367,431)
TOTAL EXPENDITURES	\$ 109,099,900	\$ 109,864,327	\$ 53,091,204	\$ (56,773,122)

# BENTON COUNTY, WASHINGTON

## Schedule of Revenues, Expenditures, and Changes in Fund Balance

### Budget (GAAP Basis) and Actual

#### Capital Acquisition

For the Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Other Taxes	\$ 130,000	\$ 130,000	\$ 100,801	\$ (29,199)
Intergovernmental Revenues	2,170,000	2,170,000	483,880	(1,686,120)
Miscellaneous Revenues	200,000	200,000	683,412	483,412
Total Revenues	<u>2,500,000</u>	<u>2,500,000</u>	<u>1,268,093</u>	<u>(1,231,907)</u>
<u>Expenditures</u>				
Capital Outlay	10,300,000	10,300,000	660,767	(9,639,233)
Total Expenditures	<u>10,300,000</u>	<u>10,300,000</u>	<u>660,767</u>	<u>(9,639,233)</u>
Excess (Deficiency) of Revenues over Expenditures	(7,800,000)	(7,800,000)	607,326	8,407,326
<u>Other Financing Sources (Uses)</u>				
Intergovernmental Agreement	(100,000)	(100,000)	0	100,000
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>0</u>	<u>100,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(7,900,000)	(7,900,000)	607,326	8,507,326
Fund Balance, January 1	8,900,000	8,900,000	15,728,856	6,828,856
Fund Balance, December 31	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 16,336,182</u>	<u>\$ 15,336,182</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

County Road Improvement				
Revenues	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 1,200,000	\$ 1,200,000	\$ 688,782	\$ (511,218)
Interest Earnings	3,000	3,000	1,629	(1,371)
Total Revenues	1,203,000	1,203,000	690,411	(512,589)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	(1,200,000)	(1,200,000)	0	1,200,000
Total Other Sources (Uses)	(1,200,000)	(1,200,000)	0	1,200,000
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	3,000	3,000	690,411	687,411
Fund Balance as of January 1	691,000	691,000	691,560	560
Fund Balance as of December 31	\$ 694,000	\$ 694,000	\$ 1,381,971	\$ 687,971

Flood Control				
Revenues	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 2,000	\$ 2,000	\$ 900	\$ (1,100)
Interest Earnings	300	300	115	(185)
Total Revenues	2,300	2,300	1,015	(1,285)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	(113,750)	(113,750)	0	113,750
Total Other Sources (Uses)	(113,750)	(113,750)	0	113,750
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(111,450)	(111,450)	1,015	112,465
Fund Balance as of January 1	111,450	111,450	56,615	(54,835)
Fund Balance as of December 31	\$ 0	\$ 0	\$ 57,630	\$ 57,630

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual  
 Nonmajor Special Revenue Funds  
 For the Year Ended December 31, 2011

Veteran's Assistance				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Taxes	\$ 350,000	\$ 350,000	\$ 156,911	\$ (193,089)
Intergovernmental	7,000	7,000	4,238	(2,762)
Miscellaneous	0	0	146	146
Total Revenues	<u>357,000</u>	<u>357,000</u>	<u>161,295</u>	<u>(195,705)</u>
<u>Expenditures</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Economic Environment	313,027	313,027	133,886	(179,141)
Total Expenditures	<u>313,027</u>	<u>313,027</u>	<u>133,886</u>	<u>(179,141)</u>
Excess (Deficiency) of Revenues over Expenditures	43,973	43,973	27,409	(16,564)
Fund Balance as of January 1	95,000	95,000	79,206	(15,794)
Fund Balance as of December 31	<u>\$ 138,973</u>	<u>\$ 138,973</u>	<u>\$ 106,615</u>	<u>\$ (32,358)</u>

Auditor's O & M				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 200,000	\$ 200,000	\$ 84,611	\$ (115,389)
Charges For Services	160,000	160,000	76,925	(83,075)
Total Revenues	<u>360,000</u>	<u>360,000</u>	<u>161,536</u>	<u>(198,464)</u>
<u>Expenditures</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
General Government Services	594,030	594,030	167,202	(426,828)
Capital Outlay	128,835	128,835	11,366	(117,469)
Total Expenditures	<u>722,865</u>	<u>722,865</u>	<u>178,568</u>	<u>(544,297)</u>
Excess (Deficiency) of Revenues over Expenditures	(362,865)	(362,865)	(17,032)	345,833
Fund Balance as of January 1	363,206	363,206	499,644	136,438
Fund Balance as of December 31	<u>\$ 341</u>	<u>\$ 341</u>	<u>\$ 482,612</u>	<u>\$ 482,271</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Tressurer's Investment Pool				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Interest Earnings	\$ 5,000	\$ 5,000	\$ 0	\$ (5,000)
Total Revenues	5,000	5,000	0	(5,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	5,000	5,000	0	(5,000)
Fund Balance as of January 1	752	752	752	0
Fund Balance as of December 31	\$ 5,752	\$ 5,752	\$ 752	\$ (5,000)
Park Development				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Charges For Services	25,000	\$ 25,000	18,398	\$ (6,602)
Interest Earnings	2,000	2,000	183	(1,817)
Donations	2,000	2,000	923	(1,077)
Miscellaneous	4,900	4,900	3,756	(1,144)
Total Revenues	33,900	33,900	23,260	(10,640)
<u>Expenditures</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Culture and Recreation	50,000	14,153	14,152	(1)
Capital Outlay	47,771	83,618	75,164	(8,454)
Total Expenditures	97,771	97,771	89,316	(8,455)
Excess (Deficiency) of Revenues over Expenditures	(63,871)	(63,871)	(66,056)	(2,185)
Fund Balance as of January 1	63,871	63,871	378,103	314,232
Fund Balance as of December 31	\$ 0	\$ 0	\$ 312,047	\$ 312,047

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

	Election Reserve			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Charges For Services	\$ 854,775	\$ 854,775	\$ 464,990	\$ (389,785)
Total Revenues	854,775	854,775	464,990	(389,785)
<u>Expenditures</u>				
General Government Services	1,882,016	1,882,016	708,464	(1,173,552)
Total Expenditures	1,882,016	1,882,016	708,464	(1,173,552)
Excess (Deficiency) of Revenues over Expenditures	(1,027,241)	(1,027,241)	(243,474)	783,767
<u>Other Financing Sources (Uses)</u>				
Transfers In	1,000,000	1,000,000	500,000	(500,000)
Total Other Sources (Uses)	1,000,000	1,000,000	500,000	(500,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(27,241)	(27,241)	256,526	283,767
Fund Balance as of January 1	1,244,005	1,244,005	1,407,843	163,838
Fund Balance as of December 31	\$ 1,216,764	\$ 1,216,764	\$ 1,664,369	\$ 447,605
<u>Treasurer's O &amp; M</u>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Charges For Services	\$ 226,000	\$ 226,000	\$ 99,120	\$ (126,880)
Interest Earnings	3,300	3,300	565	(2,735)
Miscellaneous	0	0	400	400
Total Revenues	229,300	229,300	100,085	(129,215)
<u>Expenditures</u>				
General Government Services	405,871	406,581	127,948	(278,633)
Capital Outlay	4,000	3,290	0	(3,290)
Total Expenditures	409,871	409,871	127,948	(281,923)
Excess (Deficiency) of Revenues over Expenditures	(180,571)	(180,571)	(27,863)	152,708
<u>Other Financing Sources (Uses)</u>				
Sale of Fixed Assets	1,000	1,000	0	(1,000)
Total Other Sources (Uses)	1,000	1,000	0	(1,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(179,571)	(179,571)	(27,863)	151,708
Fund Balance as of January 1	343,005	343,005	341,260	(1,745)
Fund Balance as of December 31	\$ 163,434	\$ 163,434	\$ 313,397	\$ 149,963

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

	Paths and Trails Reserve			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Intergovernmental	\$ 30,625	\$ 30,625	\$ 14,817	\$ (15,808)
Interest Earnings	125	125	70	(55)
Total Revenues	30,750	30,750	14,887	(15,863)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	(100,889)	(100,889)	(67)	100,822
Total Other Sources (Uses)	(100,889)	(100,889)	(67)	100,822
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(70,139)	(70,139)	14,820	84,959
Fund Balance as of January 1	70,139	70,139	34,772	(35,367)
Fund Balance as of December 31	\$ 0	\$ 0	\$ 49,592	\$ 49,592

	Benton Franklin Juvenile Center			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Intergovernmental	\$ 6,633,070	\$ 6,633,070	\$ 3,144,819	\$ (3,488,251)
Charges For Services	439,962	439,962	146,573	(293,389)
Donations	335,944	335,944	278,892	(57,052)
Miscellaneous	0	0	8,418	8,418
Total Revenues	7,408,976	7,408,976	3,578,702	(3,830,274)
<u>Expenditures</u>				
Public Safety	15,432,858	15,432,858	7,094,231	(8,338,627)
Capital Outlay	0	0	12,772	12,772
Total Expenditures	15,432,858	15,432,858	7,107,003	(8,325,855)
Excess (Deficiency) of Revenues over Expenditures	(8,023,882)	(8,023,882)	(3,528,301)	4,495,581
<u>Other Financing Sources (Uses)</u>				
Transfers In	7,422,247	7,422,247	3,670,171	(3,752,076)
Transfers Out	(24,000)	(24,000)	(12,000)	12,000
Total Other Sources (Uses)	7,398,247	7,398,247	3,658,171	(3,740,076)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(625,635)	(625,635)	129,870	755,505
Fund Balance as of January 1	979,685	979,685	1,096,584	116,899
Fund Balance as of December 31	\$ 354,050	\$ 354,050	\$ 1,226,454	\$ 872,404

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Inmate Benevolence				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Charges For Services	\$ 1,004,200	\$ 1,004,200	\$ 453,343	\$ (550,857)
Miscellaneous	304,200	304,200	154,310	(149,890)
Total Revenues	<u>1,308,400</u>	<u>1,308,400</u>	<u>607,653</u>	<u>(700,747)</u>
<u>Expenditures</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Public Safety	1,365,946	1,365,946	496,589	(869,357)
Total Expenditures	<u>1,365,946</u>	<u>1,365,946</u>	<u>496,589</u>	<u>(869,357)</u>
Excess (Deficiency) of Revenues over Expenditures	(57,546)	(57,546)	111,064	168,610
Fund Balance as of January 1	59,000	59,000	22,173	(36,827)
Fund Balance as of December 31	<u>\$ 1,454</u>	<u>\$ 1,454</u>	<u>\$ 133,237</u>	<u>\$ 131,783</u>
Juvenile Kitchen				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Charges For Services	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Public Safety	53,200	53,200	3,259	(49,941)
Total Expenditures	<u>53,200</u>	<u>53,200</u>	<u>3,259</u>	<u>(49,941)</u>
Excess (Deficiency) of Revenues over Expenditures	(53,200)	(53,200)	(3,259)	49,941
<u>Other Financing Sources (Uses)</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Transfers In	24,000	24,000	12,000	(12,000)
Total Other Sources (Uses)	<u>24,000</u>	<u>24,000</u>	<u>12,000</u>	<u>(12,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(29,200)	(29,200)	8,741	37,941
Fund Balance as of January 1	29,200	29,200	27,829	(1,371)
Fund Balance as of December 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 36,570</u>	<u>\$ 36,570</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual  
 Nonmajor Special Revenue Funds  
 For the Year Ended December 31, 2011

Crime Victim Compensation				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 73,452	\$ 73,452	\$ 33,469	\$ (39,983)
Charges For Services	400,000	400,000	221,866	(178,134)
Donations	0	0	1,000	1,000
Total Revenues	<u>473,452</u>	<u>473,452</u>	<u>256,335</u>	<u>(217,117)</u>
<u>Expenditures</u>				
General Government Services	613,583	613,583	257,668	(355,915)
Total Expenditures	<u>613,583</u>	<u>613,583</u>	<u>257,668</u>	<u>(355,915)</u>
Excess (Deficiency) of Revenues over Expenditures	(140,131)	(140,131)	(1,333)	138,798
Fund Balance as of January 1	190,272	190,272	189,229	(1,043)
Fund Balance as of December 31	<u>\$ 50,141</u>	<u>\$ 50,141</u>	<u>\$ 187,896</u>	<u>\$ 137,755</u>
Fairgrounds Improvements				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>				
Culture and Recreation	100,000	103,030	28,979	(74,051)
Capital Outlay	618,638	615,608	71,783	(543,825)
Total Expenditures	<u>718,638</u>	<u>718,638</u>	<u>100,762</u>	<u>(617,876)</u>
Excess (Deficiency) of Revenues over Expenditures	(718,638)	(718,638)	(100,762)	617,876
<u>Other Financing Sources (Uses)</u>				
Sale of Fixed Assets	0	0	5,317	5,317
Transfers In	522,670	522,670	100,000	(422,670)
Total Other Sources (Uses)	<u>522,670</u>	<u>522,670</u>	<u>105,317</u>	<u>(417,353)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(195,968)	(195,968)	4,555	200,523
Fund Balance as of January 1	273,939	273,939	286,036	12,097
Fund Balance as of December 31	<u>\$ 77,971</u>	<u>\$ 77,971</u>	<u>\$ 290,591</u>	<u>\$ 212,620</u>

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Fairgrounds Operating Budget				
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Miscellaneous	\$ 538,656	\$ 538,656	\$ 258,448	\$ (280,208)
Total Revenues	538,656	538,656	258,448	(280,208)
<u>Expenditures</u>				
Culture and Recreation	857,868	857,868	384,211	(473,657)
Total Expenditures	857,868	857,868	384,211	(473,657)
Excess (Deficiency) of Revenues over Expenditures	(319,212)	(319,212)	(125,763)	193,449
<u>Other Financing Sources (Uses)</u>				
Sale of Fixed Assets	0	0	1,250	1,250
Total Other Sources (Uses)	0	0	1,250	1,250
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(319,212)	(319,212)	(124,513)	194,699
Fund Balance as of January 1	375,000	375,000	390,579	15,579
Fund Balance as of December 31	\$ 55,788	\$ 55,788	\$ 266,066	\$ 210,278
Sheriff's Investigations				
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Intergovernmental	\$ 20,000	\$ 20,000	\$ 10,975	\$ (9,025)
Fines and Forfeitures	0	0	6,784	6,784
Total Revenues	20,000	20,000	17,759	(2,241)
<u>Expenditures</u>				
Public Safety	110,010	110,010	22,538	(87,472)
Capital Outlay	30,000	30,000	0	(30,000)
Total Expenditures	140,010	140,010	22,538	(117,472)
Excess (Deficiency) of Revenues over Expenditures	(120,010)	(120,010)	(4,779)	115,231
Fund Balance as of January 1	180,000	180,000	182,851	2,851
Fund Balance as of December 31	\$ 59,990	\$ 59,990	\$ 178,072	\$ 118,082

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Canine and Boat Patrol

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Intergovernmental	\$ 376,626	\$ 376,626	\$ 118,865	\$ (257,761)
Charges For Services	1,000	1,000	0	(1,000)
Donations	0	0	129	129
Total Revenues	377,626	377,626	118,994	(258,632)
<u>Expenditures</u>				
Public Safety	341,233	341,233	130,657	(210,576)
Total Expenditures	341,233	341,233	130,657	(210,576)
Excess (Deficiency) of Revenues over Expenditures	36,393	36,393	(11,663)	(48,056)
Fund Balance as of January 1	102,000	102,000	155,871	53,871
Fund Balance as of December 31	\$ 138,393	\$ 138,393	\$ 144,208	\$ 5,815

Treasurer's Service Fee

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Charges For Services	\$ 0	\$ 0	\$ 256	\$ 256
Total Revenues	0	0	256	256
Excess (Deficiency) of Revenues over Expenditures	0	0	256	256
Fund Balance as of January 1	0	0	0	0
Fund Balance as of December 31	\$ 0	\$ 0	\$ 256	\$ 256

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

REET Technology				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	0	0	0	0
 <u>Expenditures</u>				
General Government Services	148,900	148,900	44,355	(104,545)
Total Expenditures	148,900	148,900	44,355	(104,545)
 Excess (Deficiency) of Revenues over Expenditures	(148,900)	(148,900)	(44,355)	104,545
 Fund Balance as of January 1	148,900	148,900	148,891	(9)
 Fund Balance as of December 31	\$ 0	\$ 0	\$ 104,536	\$ 104,536

1/4 Percent Real Estate Excise Tax				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Taxes	\$ 700,000	\$ 700,000	\$ 187,352	\$ (512,648)
Total Revenues	700,000	700,000	187,352	(512,648)
 <u>Other Financing Sources (Uses)</u>				
Transfers Out	(815,518)	(815,518)	(246,424)	569,094
Total Other Sources (Uses)	(815,518)	(815,518)	(246,424)	569,094
 Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(115,518)	(115,518)	(59,072)	56,446
 Fund Balance as of January 1	1,809,579	1,809,579	1,459,313	(350,266)
 Fund Balance as of December 31	\$ 1,694,061	\$ 1,694,061	\$ 1,400,241	\$ (293,820)

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

	Probation Assessment			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Charges For Services	\$ 1,139,120	\$ 1,139,120	\$ 577,603	\$ (561,517)
Total Revenues	1,139,120	1,139,120	577,603	(561,517)
<u>Expenditures</u>				
General Government Services	1,199,950	1,199,950	558,529	(641,421)
Total Expenditures	1,199,950	1,199,950	558,529	(641,421)
Excess (Deficiency) of Revenues over Expenditures	(60,830)	(60,830)	19,074	79,904
Fund Balance as of January 1	525,001	525,001	538,349	13,348
Fund Balance as of December 31	\$ 464,171	\$ 464,171	\$ 557,423	\$ 93,252
	Central Services Computer Replacement			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Miscellaneous	\$ 776,277	\$ 776,277	\$ 349,158	\$ (427,119)
Total Revenues	776,277	776,277	349,158	(427,119)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	(580,200)	(580,200)	(157,309)	422,891
Total Other Sources (Uses)	(580,200)	(580,200)	(157,309)	422,891
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	196,077	196,077	191,849	(4,228)
Fund Balance as of January 1	1,274,800	1,274,800	1,390,657	115,857
Fund Balance as of December 31	\$ 1,470,877	\$ 1,470,877	\$ 1,582,506	\$ 111,629

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

1/10 Percent Criminal Justice Jail - Juvenile				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Taxes	\$ 6,000,000	\$ 6,000,000	\$ 3,594,498	\$ (2,405,502)
Total Revenues	6,000,000	6,000,000	3,594,498	(2,405,502)
<u>Expenditures</u>				
Public Safety	200,000	200,000	0	(200,000)
Total Expenditures	200,000	200,000	0	(200,000)
Excess (Deficiency) of Revenues over Expenditures	5,800,000	5,800,000	3,594,498	(2,205,502)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	(5,359,555)	(5,359,555)	(2,679,778)	2,679,777
Total Other Sources (Uses)	(5,359,555)	(5,359,555)	(2,679,778)	2,679,777
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	440,445	440,445	914,720	474,275
Fund Balance as of January 1	6,500,000	6,500,000	6,731,128	231,128
Fund Balance as of December 31	\$ 6,940,445	\$ 6,940,445	\$ 7,645,848	\$ 705,403
Noxious Weed Control				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 60,800	\$ 60,800	\$ 28,432	\$ (32,368)
Miscellaneous	540,086	540,086	239,667	(300,419)
Total Revenues	600,886	600,886	268,099	(332,787)
<u>Expenditures</u>				
Physical Environment	650,104	650,104	297,631	(352,473)
Capital Outlay	20,000	20,000	0	(20,000)
Total Expenditures	670,104	670,104	297,631	(372,473)
Excess (Deficiency) of Revenues over Expenditures	(69,218)	(69,218)	(29,532)	39,686
<u>Other Financing Sources (Uses)</u>				
Sale of Fixed Assets	2,000	2,000	0	(2,000)
Total Other Sources (Uses)	2,000	2,000	0	(2,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(67,218)	(67,218)	(29,532)	37,686
Fund Balance as of January 1	100,000	100,000	67,645	(32,355)
Fund Balance as of December 31	\$ 32,782	\$ 32,782	\$ 38,113	\$ 5,331

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

	Sustainable Development			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Taxes	\$ 148,300	\$ 148,300	\$ 71,055	\$ (77,245)
Total Revenues	148,300	148,300	71,055	(77,245)
<u>Expenditures</u>				
Economic Environment	437,442	437,442	158,227	(279,215)
Total Expenditures	437,442	437,442	158,227	(279,215)
Excess (Deficiency) of Revenues over Expenditures	(289,142)	(289,142)	(87,172)	201,970
Fund Balance as of January 1	470,000	470,000	461,829	(8,171)
Fund Balance as of December 31	\$ 180,858	\$ 180,858	\$ 374,657	\$ 193,799

	Courthouse Facilitator			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Charges For Services	\$ 147,500	\$ 147,500	\$ 58,700	\$ (88,800)
Total Revenues	147,500	147,500	58,700	(88,800)
<u>Expenditures</u>				
General Government Services	161,845	161,845	71,410	(90,435)
Total Expenditures	161,845	161,845	71,410	(90,435)
Excess (Deficiency) of Revenues over Expenditures	(14,345)	(14,345)	(12,710)	1,635
Fund Balance as of January 1	55,925	55,925	62,712	6,787
Fund Balance as of December 31	\$ 41,580	\$ 41,580	\$ 50,002	\$ 8,422

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Family Services				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Licenses and Permits	\$ 57,420	\$ 57,420	\$ 29,190	\$ (28,230)
Total Revenues	57,420	57,420	29,190	(28,230)
<u>Expenditures</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Public Safety	87,087	87,087	34,252	(52,835)
Total Expenditures	87,087	87,087	34,252	(52,835)
Excess (Deficiency) of Revenues over Expenditures	(29,667)	(29,667)	(5,062)	24,605
Fund Balance as of January 1	29,667	29,667	24,151	(5,516)
Fund Balance as of December 31	\$ 0	\$ 0	\$ 19,089	\$ 19,089

Family Services Superior Court				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Licenses and Permits	\$ 18,000	\$ 18,000	\$ 15,931	\$ (2,069)
Total Revenues	18,000	18,000	15,931	(2,069)
<u>Other Financing Sources (Uses)</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Transfers Out	(40,000)	(40,000)	(20,000)	20,000
Total Other Sources (Uses)	(40,000)	(40,000)	(20,000)	20,000
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(22,000)	(22,000)	(4,069)	17,931
Fund Balance as of January 1	22,000	22,000	23,509	1,509
Fund Balance as of December 31	\$ 0	\$ 0	\$ 19,440	\$ 19,440

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Jail Depreciation Reserve				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 121,396	\$ 121,396	\$ 61,179	\$ (60,217)
Interest Earnings	6,000	6,000	1,838	(4,162)
Total Revenues	<u>127,396</u>	<u>127,396</u>	<u>63,017</u>	<u>(64,379)</u>
<u>Expenditures</u>				
Public Safety	487,142	487,142	103,689	(383,453)
Capital Outlay	300,000	300,000	173,109	(126,891)
Total Expenditures	<u>787,142</u>	<u>787,142</u>	<u>276,798</u>	<u>(510,344)</u>
Excess (Deficiency) of Revenues over Expenditures	(659,746)	(659,746)	(213,781)	445,965
<u>Other Financing Sources (Uses)</u>				
Transfers In	235,494	235,494	116,821	(118,673)
Total Other Sources (Uses)	<u>235,494</u>	<u>235,494</u>	<u>116,821</u>	<u>(118,673)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(424,252)	(424,252)	(96,960)	327,292
Fund Balance as of January 1	975,000	975,000	1,042,127	67,127
Fund Balance as of December 31	<u>\$ 550,748</u>	<u>\$ 550,748</u>	<u>\$ 945,167</u>	<u>\$ 394,419</u>

Distressed County Tax Credit				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>				
General Government Services	111,752	111,752	0	(111,752)
Total Expenditures	<u>111,752</u>	<u>111,752</u>	<u>0</u>	<u>(111,752)</u>
Excess (Deficiency) of Revenues over Expenditures	(111,752)	(111,752)	0	111,752
Fund Balance as of January 1	111,752	111,752	111,752	0
Fund Balance as of December 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 111,752</u>	<u>\$ 111,752</u>

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Rural County Capital				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Taxes	\$ 5,500,000	\$ 5,500,000	\$ 3,215,438	\$ (2,284,562)
Total Revenues	5,500,000	5,500,000	3,215,438	(2,284,562)
 <u>Expenditures</u>				
General Government Services	400,000	400,000	0	(400,000)
Total Expenditures	400,000	400,000	0	(400,000)
Excess (Deficiency) of Revenues over Expenditures	5,100,000	5,100,000	3,215,438	(1,884,562)
 <u>Other Financing Sources (Uses)</u>				
Transfers Out	(4,076,120)	(4,076,120)	(2,038,160)	2,037,960
Total Other Sources (Uses)	(4,076,120)	(4,076,120)	(2,038,160)	2,037,960
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	1,023,880	1,023,880	1,177,278	153,398
Fund Balance as of January 1	6,700,000	6,700,000	6,909,432	209,432
Fund Balance as of December 31	\$ 7,723,880	\$ 7,723,880	\$ 8,086,710	\$ 362,830
 Clerk's Collection Fund				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 1,550,000	\$ 1,550,000	\$ 694,016	\$ (855,984)
Charges For Services	0	0	11	11
Total Revenues	1,550,000	1,550,000	694,027	(855,973)
 <u>Expenditures</u>				
General Government Services	1,025,102	1,025,102	467,192	(557,910)
Total Expenditures	1,025,102	1,025,102	467,192	(557,910)
Excess (Deficiency) of Revenues over Expenditures	524,898	524,898	226,835	(298,063)
Fund Balance as of January 1	950,000	950,000	1,056,870	106,870
Fund Balance as of December 31	\$ 1,474,898	\$ 1,474,898	\$ 1,283,705	\$ (191,193)

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Protective Inspection Services				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Licenses and Permits	\$ 1,392,167	\$ 1,392,167	734,671	\$ (657,496)
Charges For Services	13,760	13,760	5,959	(7,801)
Total Revenues	<u>1,405,927</u>	<u>1,405,927</u>	<u>740,630</u>	<u>(665,297)</u>
<u>Expenditures</u>				
Economic Environment	1,504,851	1,504,851	686,708	(818,143)
Total Expenditures	<u>1,504,851</u>	<u>1,504,851</u>	<u>686,708</u>	<u>(818,143)</u>
Excess (Deficiency) of Revenues over Expenditures	(98,924)	(98,924)	53,922	152,846
<u>Other Financing Sources (Uses)</u>				
Transfers In	52,942	52,942	26,471	(26,471)
Total Other Sources (Uses)	<u>52,942</u>	<u>52,942</u>	<u>26,471</u>	<u>(26,471)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(45,982)	(45,982)	80,393	126,375
Fund Balance as of January 1	70,197	70,197	99,661	29,464
Fund Balance as of December 31	<u>\$ 24,215</u>	<u>\$ 24,215</u>	<u>\$ 180,054</u>	<u>\$ 155,839</u>
Pest Board				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Miscellaneous	\$ 186,966	\$ 186,966	\$ 94,396	\$ (92,570)
Total Revenues	<u>186,966</u>	<u>186,966</u>	<u>94,396</u>	<u>(92,570)</u>
<u>Expenditures</u>				
Culture and Recreation	267,966	257,693	95,141	(162,552)
Capital Outlay	0	10,273	0	(10,273)
Total Expenditures	<u>267,966</u>	<u>267,966</u>	<u>95,141</u>	<u>(172,825)</u>
Excess (Deficiency) of Revenues over Expenditures	(81,000)	(81,000)	(745)	80,255
Fund Balance as of January 1	81,000	81,000	87,604	6,604
Fund Balance as of December 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 86,859</u>	<u>\$ 86,859</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Work Crew Replacement				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 12,000	\$ 12,000	\$ 392	\$ (11,608)
Charges For Services	110,000	110,000	37,945	(72,055)
Interest Earnings	2,000	2,000	0	(2,000)
Total Revenues	124,000	124,000	38,337	(85,663)
<u>Expenditures</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Capital Outlay	50,000	50,000	26,102	(23,898)
Total Expenditures	50,000	50,000	26,102	(23,898)
Excess (Deficiency) of Revenues over Expenditures	74,000	74,000	12,235	(61,765)
Fund Balance as of January 1	130,000	130,000	129,546	(454)
Fund Balance as of December 31	\$ 204,000	\$ 204,000	\$ 141,781	\$ (62,219)

State Housing				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Charges For Services	\$ 242,000	\$ 242,000	\$ 164,525	\$ (77,475)
Interest Earnings	8,000	8,000	2,009	(5,991)
Total Revenues	250,000	250,000	166,534	(83,466)
<u>Expenditures</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Economic Environment	514,500	514,500	67,820	(446,680)
Culture and Recreation	900,000	852,400	261	(852,139)
Total Expenditures	1,414,500	1,366,900	68,081	(1,298,819)
Excess (Deficiency) of Revenues over Expenditures	(1,164,500)	(1,116,900)	98,453	1,215,353
<u>Other Financing Sources (Uses)</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Transfers Out	0	(47,600)	(47,600)	0
Total Other Sources (Uses)	0	(47,600)	(47,600)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(1,164,500)	(1,164,500)	50,853	1,215,353
Fund Balance as of January 1	1,600,000	1,600,000	1,776,347	176,347
Fund Balance as of December 31	\$ 435,500	\$ 435,500	\$ 1,827,200	\$ 1,391,700

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

	Vit Impact			Variance with Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
<u>Revenues</u>				
Taxes	\$ 1,400,000	\$ 1,400,000	1,089,069	\$ (310,931)
Intergovernmental	0	0	54,913	54,913
Total Revenues	1,400,000	1,400,000	1,143,982	(256,018)
<u>Expenditures</u>				
Capital Outlay	300,000	300,000	0	(300,000)
Total Expenditures	300,000	300,000	0	(300,000)
Excess (Deficiency) of Revenues over Expenditures	1,100,000	1,100,000	1,143,982	43,982
<u>Other Financing Sources (Uses)</u>				
Transfers Out	(200,000)	(200,000)	(172,824)	27,176
Total Other Sources (Uses)	(200,000)	(200,000)	(172,824)	27,176
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	900,000	900,000	971,158	71,158
Fund Balance as of January 1	2,000,000	2,000,000	2,067,802	67,802
Fund Balance as of December 31	\$ 2,900,000	\$ 2,900,000	\$ 3,038,960	\$ 138,960

	Homeless Housing & Assistance			Variance with Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
<u>Revenues</u>				
Intergovernmental	\$ 115,000	\$ 115,000	\$ 87,970	\$ (27,030)
Charges For Services	1,000,000	1,000,000	716,417	(283,583)
Interest Earnings	2,000	2,000	639	(1,361)
Total Revenues	1,117,000	1,117,000	805,026	(311,974)
<u>Expenditures</u>				
Economic Environment	1,582,464	1,582,464	318,461	(1,264,003)
Total Expenditures	1,582,464	1,582,464	318,461	(1,264,003)
Excess (Deficiency) of Revenues over Expenditures	(465,464)	(465,464)	486,565	952,029
Fund Balance as of January 1	930,000	930,000	1,320,048	390,048
Fund Balance as of December 31	\$ 464,536	\$ 464,536	\$ 1,806,613	\$ 1,342,077

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

Solid Waste Collection Fund				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 0	\$ 0	\$ 165,739	\$ 165,739
Charges For Services	300,000	300,000	171,811	(128,189)
Total Revenues	300,000	300,000	337,550	37,550
<u>Expenditures</u>				
Physical Environment	462,353	462,353	241,493	(220,860)
Total Expenditures	462,353	462,353	241,493	(220,860)
Excess (Deficiency) of Revenues over Expenditures	(162,353)	(162,353)	96,057	258,410
Fund Balance as of January 1	600,000	600,000	573,952	(26,048)
Fund Balance as of December 31	\$ 437,647	\$ 437,647	\$ 670,009	\$ 232,362

Trial Court Improvement				
<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Intergovernmental	\$ 233,952	\$ 233,952	\$ 118,248	\$ (115,704)
Charges For Services	0	0	21,914	21,914
Total Revenues	233,952	233,952	140,162	(93,790)
<u>Expenditures</u>				
General Government Services	240,000	175,750	50,167	(125,583)
Capital Outlay	0	64,250	42,502	(21,748)
Total Expenditures	240,000	240,000	92,669	(147,331)
Excess (Deficiency) of Revenues over Expenditures	(6,048)	(6,048)	47,493	53,541
Fund Balance as of January 1	50,000	50,000	137,777	87,777
Fund Balance as of December 31	\$ 43,952	\$ 43,952	\$ 185,270	\$ 141,318

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

	Historical Preservation			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Charges For Services	\$ 84,000	\$ 84,000	\$ 38,498	\$ (45,502)
Total Revenues	84,000	84,000	38,498	(45,502)
<u>Expenditures</u>				
General Government Services	207,000	207,000	54,328	(152,672)
Total Expenditures	207,000	207,000	54,328	(152,672)
Excess (Deficiency) of Revenues over Expenditures	(123,000)	(123,000)	(15,830)	107,170
Fund Balance as of January 1	123,000	123,000	88,587	(34,413)
Fund Balance as of December 31	\$ 0	\$ 0	\$ 72,757	\$ 72,757
<u>Domestic Violence Assessment</u>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Fines and Forfeitures	\$ 11,094	\$ 11,094	\$ 4,463	\$ (6,631)
Total Revenues	11,094	11,094	4,463	(6,631)
<u>Expenditures</u>				
General Government Services	25,563	25,563	2,115	(23,448)
Total Expenditures	25,563	25,563	2,115	(23,448)
Excess (Deficiency) of Revenues over Expenditures	(14,469)	(14,469)	2,348	16,817
Fund Balance as of January 1	24,249	24,249	23,236	(1,013)
Fund Balance as of December 31	\$ 9,780	\$ 9,780	\$ 25,584	\$ 15,804

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

## Nonmajor Special Revenue Funds

For the Year Ended December 31, 2011

## Summary -- 2011

<u>Revenues</u>	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Taxes	\$ 14,098,300	\$ 14,098,300	\$ 8,314,323	\$ (5,783,977)
Licenses and Permits	1,467,587	1,467,587	779,792	(687,795)
Intergovernmental	10,635,921	10,635,921	5,312,365	(5,323,556)
Charges For Services	6,147,317	6,147,317	3,274,854	(2,872,463)
Fines and Forfeitures	11,094	11,094	11,247	153
Interest Earnings	31,725	31,725	7,048	(24,677)
Donations	337,944	337,944	280,944	(57,000)
Miscellaneous	2,351,085	2,351,085	1,108,699	(1,242,386)
Total Revenues	<u>35,080,973</u>	<u>35,080,973</u>	<u>19,089,272</u>	<u>(15,991,701)</u>
 <u>Expenditures</u>				
General Government Services	7,015,612	6,952,072	2,509,378	(4,442,694)
Public Safety	18,077,476	18,077,476	7,885,215	(10,192,261)
Physical Environment	1,112,457	1,112,457	539,124	(573,333)
Economic Environment	4,352,284	4,352,284	1,365,102	(2,987,182)
Culture and Recreation	2,175,834	2,085,144	522,744	(1,562,400)
Capital Outlay	1,499,244	1,605,874	412,798	(1,193,076)
Total Expenditures	<u>34,232,907</u>	<u>34,185,307</u>	<u>13,234,361</u>	<u>(20,950,946)</u>
Excess (Deficiency) of Revenues over Expenditures	848,066	895,666	5,854,911	4,959,245
 <u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	3,000	3,000	6,567	3,567
Transfers In	9,257,353	9,257,353	4,425,463	(4,831,890)
Transfers Out	(12,510,032)	(12,557,632)	(5,374,162)	7,183,470
Total Other Sources (Uses)	<u>(3,249,679)</u>	<u>(3,297,279)</u>	<u>(942,132)</u>	<u>2,355,147</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(2,401,613)	(2,401,613)	4,912,779	7,314,392
Fund Balance as of January 1	30,452,594	30,452,594	32,173,832	1,721,238
Fund Balance as of December 31	<u>\$ 28,050,981</u>	<u>\$ 28,050,981</u>	<u>\$ 37,086,611</u>	<u>\$ 9,035,630</u>

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual

## Nonmajor Debt Service Funds

Year Ended December 31, 2011

	CRID #11 & #12 Debt Service			Variance with Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
<u>Revenues</u>				
Interest Earnings	\$ 12,757	\$ 12,757	\$ 11,183	\$ (1,574)
Other Revenue	15,000	15,000	14,623	(377)
Total Revenues	27,757	27,757	25,806	(1,951)
<u>Expenditures</u>				
Debt Service				
Principal	25,000	25,000	15,000	(10,000)
Interest	11,735	11,735	8,778	(2,957)
Total Expenditures	36,735	36,735	23,778	(12,957)
Excess (Deficiency) of Revenues over Expenditures	(8,978)	(8,978)	2,028	11,006
Fund Balance, January 1	13,200	13,200	8,032	(5,168)
Fund Balance, December 31	\$ 4,222	\$ 4,222	\$ 10,060	\$ 5,838

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual  
 Nonmajor Debt Service Funds  
 Year Ended December 31, 2011

	CRID #15 (Cottonwood Springs) Debt Service			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Interest Earnings	\$ 24,382	\$ 24,382	\$ 30,533	\$ 6,151
Other Revenue	5,000	5,000	47,390	42,390
Total Revenues	29,382	29,382	77,923	48,541
<u>Expenditures</u>				
Debt Service				
Principal	10,000	10,000	59,000	49,000
Interest	23,352	23,352	17,698	(5,654)
Total Expenditures	33,352	33,352	76,698	43,346
Excess (Deficiency) of Revenues over Expenditures	(3,970)	(3,970)	1,225	5,195
Fund Balance, January 1	5,000	5,000	1,641	(3,359)
Fund Balance, December 31	\$ 1,030	\$ 1,030	\$ 2,866	\$ 1,836

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual  
 Nonmajor Debt Service Funds  
 Year Ended December 31, 2011

	CRID #16 (Spirit Lane) Debt Service			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Interest Earnings	\$ 5,439	\$ 5,439	\$ 4,237	\$ (1,202)
Other Revenue	0	0	4,583	4,583
Total Revenues	5,439	5,439	8,820	3,381
<u>Expenditures</u>				
Debt Service				
Principal	5,000	5,000	16,000	11,000
Interest	5,416	5,416	4,992	(424)
Total Expenditures	10,416	10,416	20,992	10,576
Excess (Deficiency) of Revenues over Expenditures	(4,977)	(4,977)	(12,172)	(7,195)
Fund Balance, January 1	5,000	5,000	12,632	7,632
Fund Balance, December 31	\$ 23	\$ 23	\$ 460	\$ 437

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual  
 Nonmajor Debt Service Funds  
 Year Ended December 31, 2011

	Health Building Bond			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Other Revenue	\$ 266,196	\$ 266,196	\$ 325,883	\$ 59,687
Total Revenues	266,196	266,196	325,883	59,687
<u>Expenditures</u>				
Debt Service				
Principal	200,000	200,000	205,000	5,000
Interest	314,673	314,673	306,672	(8,001)
Total Expenditures	514,673	514,673	511,672	(3,001)
Excess (Deficiency) of Revenues over Expenditures	(248,477)	(248,477)	(185,789)	62,688
<u>Other Financing Sources (Uses)</u>				
Transfers In	248,473	248,473	246,424	(2,049)
Total Other Financing Sources (Uses)	248,473	248,473	246,424	(2,049)
Excess (Deficit) Resources Over Uses	-4	(4)	60,635	60,639
Fund Balance, January 1	26,761	26,761	26,763	2
Fund Balance, December 31	\$ 26,757	\$ 26,757	\$ 87,398	\$ 60,641

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual  
 Nonmajor Debt Service Funds  
 Year Ended December 31, 2011

	Justice Center Bond			Variance with Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
<u>Revenues</u>				
Other Revenue	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	0	0	0	0
<u>Expenditures</u>				
Debt Service				
Principal	1,895,000	1,895,000	5,220,000	3,325,000
Interest	1,061,863	1,061,863	978,038	(83,825)
Total Expenditures	2,956,863	2,956,863	6,198,038	3,241,175
Excess (Deficiency) of Revenues over Expenditures	(2,956,863)	(2,956,863)	(6,198,038)	(3,241,175)
<u>Other Financing Sources (Uses)</u>				
Transfers In	2,956,863	2,956,863	2,952,938	(3,925)
Total Other Financing Sources (Uses)	2,956,863	2,956,863	2,952,938	(3,925)
Excess (Deficit) Resources Over Uses	0	0	(3,245,100)	(3,245,100)
Fund Balance, January 1	3,995,402	3,995,402	4,562,586	567,184
Fund Balance, December 31	\$ 3,995,402	\$ 3,995,402	\$ 1,317,486	\$ (2,677,916)

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2011

	Detox Center Construction			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Interest Earnings	\$ 300	\$ 300	\$ 26	\$ (274)
Total Revenues	<u>300</u>	<u>300</u>	<u>26</u>	<u>(274)</u>
<u>Expenditures</u>				
Mental and Physical Health	8,200	8,200	0	(8,200)
Capital Outlay	9,000	9,000	0	(9,000)
Total Expenditures	<u>17,200</u>	<u>17,200</u>	<u>0</u>	<u>(17,200)</u>
Excess (Deficiency) of Revenues over Expenditures	(16,900)	(16,900)	26	16,926
Fund Balance, January 1	17,200	17,200	17,258	58
Fund Balance, December 31	<u>\$ 300</u>	<u>\$ 300</u>	<u>\$ 17,284</u>	<u>\$ 16,984</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budget and Actual  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2011

	Health Building Construction			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>				
Physical Environment	0	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	0	0	0	0
Fund Balance, January 1	0	0	0	0
Fund Balance, December 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**BENTON COUNTY WASHINGTON**

**Nonmajor Enterprise Funds**

**AT THIS TIME BENTON COUNTY DOES NOT HAVE ANY  
NONMAJOR ENTERPRISE FUNDS**

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## INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods and services provided by one department, agency or government unit to other departments or agencies of Benton County, or to other governments, on a cost reimbursement basis. The accrual basis of accounting is applied. A description of the funds are as follows:

**Equipment Rental and Revolving** - A fund to finance the maintenance, operations and acquisition of goods used by the County Road Department and other Benton County funds.

**Central Services** - A fund to finance the operations of the data processing center which provides services to all Benton County departments.

**Workers' Compensation** - A fund to finance the County's self-insurance program for all Benton County employees.

**Insurance Management** - A fund to finance the costs of liability, property and unemployment compensations claims.

**Accumulated Leave** - A fund to finance the vacation buy-outs, and vacation and sick leave severance pay for terminated employees.

# BENTON COUNTY, WASHINGTON

Combining Statement of Net Position  
Internal Service Funds  
December 31, 2011

<b>Assets</b>	Equipment Rental & Revolving	Central Services	Workers' Compensation
<b>Current Assets</b>			
Cash/Cash Equivalents	\$ 99,492	\$ 716,077	\$ 1,439,342
Investments	4,969,900	0	900,000
Accounts Receivable	122,412	3,139	10,811
Interest Receivable	480	0	86
Due From Other Funds	150,675	57,489	0
Inventory/Prepayments	1,727,828	0	0
Total Current Assets	<u>7,070,787</u>	<u>776,705</u>	<u>2,350,239</u>
<b>Noncurrent Assets</b>			
Projects In Progress	0	37,486	0
<b>Capital Assets</b>			
Land	246,520	0	0
Buildings	3,023,609	0	0
Improvements Other Than Buildings	336,125	115,391	0
Machinery and Equipment	6,939,517	2,204,571	0
Less Accumulated Depreciation	(7,430,235)	(1,318,409)	0
Total noncurrent assets	<u>3,115,536</u>	<u>1,039,039</u>	<u>0</u>
Total Assets	<u>\$ 10,186,323</u>	<u>\$ 1,815,744</u>	<u>\$ 2,350,239</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts/Vouchers Payable	\$ 65,526	\$ 303,075	\$ 18,473
Capital Leases Payable	0	134,292	0
Due To Other Funds	8,842	0	0
Accrued Wages Payable	36,764	85,675	8,528
Total Current Liabilities	<u>111,132</u>	<u>523,042</u>	<u>27,001</u>
<b>Noncurrent Liabilities</b>			
Compensated Absences	47,929	0	0
Capital Leases Payable	0	284,741	0
Total Noncurrent Liabilities	<u>47,929</u>	<u>284,741</u>	<u>0</u>
Total Liabilities	<u>159,061</u>	<u>807,783</u>	<u>27,001</u>
<b>Net Position</b>			
Net Investment in Capital Assets	3,115,536	620,006	0
Unrestricted	6,911,726	387,955	2,323,239
Total Net Position	<u>\$ 10,027,262</u>	<u>\$ 1,007,961</u>	<u>\$ 2,323,239</u>

# BENTON COUNTY, WASHINGTON

Combining Statement of Net Position  
Internal Service Funds  
December 31, 2011

<b>Assets</b>	<u>Insurance Management</u>	<u>Accumulated Leave</u>	<u>2011 Total</u>
<b>Current Assets</b>			
Cash/Cash Equivalents	\$ 576,264	\$ 687,494	\$ 3,518,669
Investments	634,000	0	6,503,900
Accounts Receivable	1,155	0	137,517
Interest Receivable	61	0	627
Due From Other Funds	0	0	208,164
Inventory/Prepayments	0	0	1,727,828
Total Current Assets	<u>1,211,480</u>	<u>687,494</u>	<u>12,096,705</u>
<b>Noncurrent Assets</b>			
Projects In Progress	38,110	0	75,596
<b>Capital Assets</b>			
Land	0	0	246,520
Buildings	0	0	3,023,609
Improvements Other Than Buildings	0	0	451,516
Machinery and Equipment	147,834	0	9,291,922
Less Accumulated Depreciation	(83,946)	0	(8,832,590)
Total noncurrent assets	<u>101,998</u>	<u>0</u>	<u>4,256,573</u>
Total Assets	<u>\$ 1,313,478</u>	<u>\$ 687,494</u>	<u>\$ 16,353,278</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts/Vouchers Payable	\$ 32,086	\$ 0	\$ 419,160
Capital Leases Payable	0	0	134,292
Due To Other Funds	1,452	3,608	13,902
Accrued Wages Payable	3,509	0	134,476
Total Current Liabilities	<u>37,047</u>	<u>3,608</u>	<u>701,830</u>
<b>Noncurrent Liabilities</b>			
Compensated Absences	0	0	47,929
Capital Leases Payable	0	0	284,741
Total Noncurrent Liabilities	<u>0</u>	<u>0</u>	<u>332,670</u>
Total Liabilities	<u>37,047</u>	<u>3,608</u>	<u>1,034,500</u>
<b>Net Position</b>			
Net Investment in Capital Assets	101,998	0	3,837,540
Unrestricted	1,174,433	683,886	11,481,239
Total Net Position	<u>\$ 1,276,431</u>	<u>\$ 683,886</u>	<u>\$ 15,318,779</u>

# BENTON COUNTY, WASHINGTON

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Position Internal Service Funds Year Ended December 31, 2011

	Equipment Rental & Revolving	Central Services	Workers' Compensation
<u>Operating Revenues:</u>			
Charges For Services	\$ 2,081,946	\$ 2,638,338	\$ 10,811
Cost of Goods Sold	(577,062)	0	0
Miscellaneous	0	0	1,259,236
Total Operating Revenue	<u>1,504,884</u>	<u>2,638,338</u>	<u>1,270,047</u>
<u>Operating Expenses:</u>			
Personal services	66,451	996,259	285,982
Contractual services	17,880	1,320,377	28,851
Other supplies and expenses	781,469	254,573	10,481
Depreciation	469,277	350,762	0
Payment to Claimants	0	0	463,393
Total Operating Expenses	<u>1,335,077</u>	<u>2,921,971</u>	<u>788,708</u>
Operating Income (Loss)	<u>169,807</u>	<u>(283,633)</u>	<u>481,339</u>
<u>Non-Operating Revenues (Expenses):</u>			
Interest Revenue	9,036	0	1,644
Interest Expense	0	(149,148)	0
Gain (Loss) on Capital Asset Disposal	(3,917)	(8,165)	0
Other Non-Operating Revenues (Expenses)	255	0	0
Total Non-Operating Revenues (Expenses)	<u>5,374</u>	<u>(157,313)</u>	<u>1,644</u>
Net Income (Loss) Before Transfers	<u>175,181</u>	<u>(440,946)</u>	<u>482,983</u>
Transfers In	<u>0</u>	<u>157,308</u>	<u>0</u>
Changes in Net Assets	175,181	(283,637)	482,983
Net Position as of January 1	9,852,081	1,291,598	1,840,256
Net Position as of December 31	<u>\$ 10,027,262</u>	<u>\$ 1,007,961</u>	<u>\$ 2,323,239</u>

# BENTON COUNTY, WASHINGTON

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Position Internal Service Funds Year Ended December 31, 2011

	Insurance Management	Accumulated Leave	2011 Total
<u>Operating Revenues:</u>			
Charges For Services	\$ 1,465,918	\$ 0	\$ 6,197,013
Cost of Goods Sold	0	0	(577,062)
Miscellaneous	4,153	576,733	1,840,121
Total Operating Revenue	<u>1,470,070</u>	<u>576,733</u>	<u>7,460,072</u>
<u>Operating Expenses:</u>			
Personal services	41,262	331,886	1,721,840
Contractual services	1,171,664	0	2,538,773
Other supplies and expenses	11,417	0	1,057,940
Depreciation	5,075	0	825,114
Payment to Claimants	93,452	0	556,844
Total Operating Expenses	<u>1,322,869</u>	<u>331,886</u>	<u>6,700,511</u>
Operating Income (Loss)	<u>147,201</u>	<u>244,847</u>	<u>759,561</u>
<u>Non-Operating Revenues (Expenses):</u>			
Interest Revenue	1,158	0	11,838
Interest Expense	0	0	(149,148)
Gain (Loss) on Capital Asset Disposal	0	0	(12,082)
Other Non-Operating Revenues (Expenses)	0	0	255
Total Non-Operating Revenues (Expenses)	<u>1,158</u>	<u>0</u>	<u>(149,137)</u>
Net Income (Loss) Before Transfers	<u>148,359</u>	<u>244,847</u>	<u>610,424</u>
Transfers In	<u>0</u>	<u>0</u>	<u>157,308</u>
Changes in Net Assets	148,359	244,847	767,733
Net Position as of January 1	1,128,072	439,039	14,551,046
Net Position as of December 31	<u>\$ 1,276,431</u>	<u>\$ 683,886</u>	<u>\$ 15,318,779</u>

# BENTON COUNTY, WASHINGTON

Combining Statement of Cash Flows  
 Internal Service Funds  
 Year Ended December 31, 2011

	Equipment Rental & Revolving	Central Services	Workers' Compensation
<u>Cash Flows From Operating Activities:</u>			
Receipts from Customers	\$ (22,102)	\$ 0	\$ 0
Receipts from interfund services provided	2,138,789	2,657,048	42,553
Miscellaneous Receipts	11,990	0	1,259,236
Payments to Employees	(431,639)	(980,573)	(285,471)
Payments to Suppliers	(1,063,816)	(1,225,777)	(463,129)
Payments for interfund services used	(237,383)	(143,514)	(34,436)
Net cash provided (used) by operating activities	<u>395,839</u>	<u>307,185</u>	<u>518,752</u>
<u>Cash Flows From Noncapital Financing Activities:</u>			
Transfers from other funds	<u>0</u>	<u>157,308</u>	<u>0</u>
Net cash provided (used) by noncapital financing activities	<u>0</u>	<u>157,308</u>	<u>0</u>
<u>Cash Flows From Capital And Related Financing Activities</u>			
Interest Paid On Capital Lease	0	(149,148)	0
Principal Paid On Capital Lease	0	(99,170)	0
Proceeds from Sale of Capital Assets	9,543	5,934	0
Purchases of capital assets	(537,312)	(84,267)	0
Net cash provided (used) by capital and related financing activities	<u>(527,769)</u>	<u>(326,651)</u>	<u>0</u>
<u>Cash Flows From Investing Activities:</u>			
Proceeds from Sale of Investment	816,700	0	0
Purchase of Investments	(645,000)	0	0
Interest Received	8,556	0	1,644
Net Cash Provided by Investing Activities	<u>180,256</u>	<u>0</u>	<u>1,644</u>
Net Increase in Cash & Cash Equivalents	48,326	137,843	520,396
Balances as of January 1	51,166	578,234	918,946
Balances as of December 31	<u>\$ 99,492</u>	<u>\$ 716,077</u>	<u>\$ 1,439,342</u>

# BENTON COUNTY, WASHINGTON

Combining Statement of Cash Flows  
Internal Service Funds  
Year Ended December 31, 2011

	Insurance Management	Accumulated Leave	2011 Total
<u>Cash Flows From Operating Activities:</u>			
Receipts from Customers	\$ 0	\$ 0	\$ (22,102)
Receipts from interfund services provided	1,474,925	0	6,313,316
Miscellaneous Receipts	4,153	576,733	1,852,111
Payments to Employees	(41,052)	(331,887)	(2,070,622)
Payments to Suppliers	(1,083,567)	0	(3,836,289)
Payments for interfund services used	(203,872)	(102,194)	(721,399)
Net cash provided (used) by operating activities	<u>150,587</u>	<u>142,652</u>	<u>1,515,015</u>
<u>Cash Flows From Noncapital Financing Activities:</u>			
Transfers from other funds	<u>0</u>	<u>0</u>	<u>157,308</u>
Net cash provided (used) by noncapital financing activities	<u>0</u>	<u>0</u>	<u>157,308</u>
<u>Cash Flows From Capital And Related Financing Activities</u>			
Interest Paid On Capital Lease	0	0	(149,148)
Principal Paid On Capital Lease	0	0	(99,170)
Proceeds from Sale of Capital Assets	0	0	15,477
Purchases of capital assets	(38,110)	0	(659,689)
Net cash provided (used) by capital and related financing activities	<u>(38,110)</u>	<u>0</u>	<u>(892,530)</u>
<u>Cash Flows From Investing Activities:</u>			
Proceeds from Sale of Investment	0	0	816,700
Purchase of Investments	0	0	(645,000)
Interest Received	1,158	0	11,358
Net Cash Provided by Investing Activities	<u>1,158</u>	<u>0</u>	<u>183,058</u>
Net Increase in Cash & Cash Equivalents	113,635	142,652	962,852
Balances as of January 1	462,629	544,842	2,555,817
Balances as of December 31	<u>\$ 576,264</u>	<u>\$ 687,494</u>	<u>\$ 3,518,669</u>

Combining Statement of Cash Flows  
 Internal Service Funds  
 Year Ended December 31, 2011

	Equipment Rental & Revolving	Central Services	Workers' Compensation
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Operating Income/(Loss)	\$ 169,807	\$ (283,633)	\$ 481,339
<i>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</i>			
Depreciation Expense	469,277	350,762	0
Other Non-Cash Expense	(24,976)	0	0
Changes in assets and liabilities:			
Receivables, net	71,707	18,710	31,742
Inventories	(288,724)	0	0
Accounts and other payables	(1,252)	221,346	5,672
Net cash provided by operating activities	<u>\$ 395,839</u>	<u>\$ 307,185</u>	<u>\$ 518,753</u>

Combining Statement of Cash Flows  
 Internal Service Funds  
 Year Ended December 31, 2011

	<u>Insurance Management</u>	<u>Accumulated Leave</u>	<u>2011 Total</u>
Operating Income/(Loss)	\$ 147,201	\$ 244,847	\$ 759,561
<i>Adjustments to Reconcile Operating Income to                  Net Cash Provided by Operating Activities:</i>			
Depreciation Expense	5,075	0	825,114
Other Non-Cash Expense	0	0	(24,976)
Changes in assets and liabilities:			
Receivables, net	9,008	0	131,166
Inventories	0	0	(288,724)
Accounts and other payables	<u>(10,697)</u>	<u>(102,195)</u>	<u>112,874</u>
Net cash provided by operating activities	<u>\$ 150,587</u>	<u>\$ 142,652</u>	<u>\$ 1,515,015</u>

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## AGENCY FUNDS

Agency Funds are used to account for monies held by Benton County as an agent for other governmental units. Many independent governmental entities are required by statute to deposit and disburse all funds through the Benton County Treasurer's Office. These funds do not represent assets of Benton County, who has custodial responsibility only. Therefore, it does not require measurement of the results of operations. Each agency is responsible for preparation of its own annual report.

Similar individual Agency Funds have been grouped on a functional basis to enhance communication and the understanding of the financial statements. A description of each funds is as follows:

**Benton Franklin Health** - A fund to account for the receipting and disbursing of cash for health services provided to Benton and Franklin Counties.

**Mosquito Control** - Funds to account for the receipting and disbursing of cash for mosquito control services within the district.

**Weed District** - Established for the receipting and disbursing of cash for the control of weeds within the district.

**Greater Columbia Regional Support Network** - A fund to account for the receipting and disbursing of cash for human services provided in Benton, Franklin, Asotin, Columbia, Garfield, Kittitas, Klickitat, Skamania, Walla Walla, Whitman and Yakima Counties.

**Kennewick Abatement** - Used to account for the receipting and disbursing of cash to cleanup neglected and derelict property within Kennewick.

**Rural Library** - Established for the receipting and disbursing of cash for the rural mobile library.

**Cities** - Funds to account for the receipting of property taxes for Prosser, Kennewick, Benton City, Richland, West Richland and associated city bonds.

**State and Trust Funds** - Funds to account for the receipting and disbursing of cash for State General, State Schools, State Map and Survey Fees, State Public Safety and Education, State Building Code, State Marriage Licenses, School Excise, Department of Energy, Treasurer's Suspense, Dispute Resolution Center, Leasehold Excise Trust, Franklin County Trust, Advance Deposits, Clerks Unclaimed Restitution, Over and Short, State Gun Permits, State Playground, Interest Suspense, Impact Fee, P.E.T.T. Trust, and Refund Tax..

**School Districts** - Funds to account for the receipting and disbursing of cash for school districts which are Kennewick, Richland, Finley, Paterson, Benton City, Prosser and Grandview.

**Port Districts** - Funds to account for the receipting and disbursing of cash for port districts which are Benton and Kennewick.

**Hospital Districts** - Funds to account for the receipting and disbursing of cash for the Prosser and Kennewick Hospital Districts.

**Water Districts** - Funds to account for the receipting and disbursing of cash for water districts which are Tri-City Estates, Plymouth and County Well.

## **AGENCY FUNDS**

### **(CONTINUED)**

**Irrigation Districts** - Funds to account for the receipting and disbursing of cash for irrigation districts which are Benton, Columbia, Grandview, Kiona, Badger Mountain, Columbia Power and Water.

**Fire Districts** - Funds to account for the receipting and disbursing of cash for fire districts.

**Drainage Districts** - Funds to account for the receipting and disbursing of cash for drainage districts.

**Diking District** - A fund to account for the receipting and disbursing of cash for the diking district.

**Air Pollution Control** - A fund to account for the receipting and disbursing of cash for the Air Pollution Control Board.

**Warrant Clearing Funds** - Funds to account for receipting and disbursing of cash for payroll warrants and voucher warrants.

**Emergency Dispatch EDC** - Established for the receipting and disbursing of cash for the Emergency Dispatch Center.

**Hanford Economic Development** - A fund for receipt of program funds on behalf of the Hanford Area Economic Investment Fund Committee.

**Public Facilities District** - A fund to account for the receipting and disbursing of cash as provided by RCW 35.100, for the development of a regional center (convention, conference and/or special events center) at a cost of at least ten million dollars.

**CRID Guaranty Fund** - A fund created, as required by bond covenants for the County Road Improvement Districts, to ensure bond payments can be met in the event assessments for the County Road Improvement Districts are not fully collected.

**County Road Suspense** - A fund to receive damage deposits to cover activities involving County roads that may create a liability. Upon satisfactory inspection of work done, the deposit is returned.

**Benton City Library** - A fund to account for the receipting of funds for bond payments for construction of the Benton City Library.

**Law Library Transfer** - A fund to account for collection of funds to transmit to Franklin County for joint-county Law Library administration.

**Benton Conservation District** - A fund to account for the receipting and disbursing of cash for the Benton Conservation District.

## Combining Statements of Net Position

Agency Funds

December 31, 2011

	Benton Franklin Health	Mosquito Control	Weed District	Greater Columbia Behavioral Health
<b>ASSETS</b>				
Cash	\$ 794,229	\$ 28,062	\$ 13,491	\$ 1,844,408
Temporary Investments, at Cost	0	1,401,088	50,000	4,100,000
Taxes Receivable	0	53,840	0	0
<b>Total Assets</b>	<b>\$ 794,229</b>	<b>\$ 1,482,990</b>	<b>\$ 63,491</b>	<b>\$ 5,944,408</b>
<b>LIABILITIES AND NET POSITION</b>				
<b>LIABILITIES</b>				
Warrants Payable	\$ 0	\$ 3,470	\$ 0	\$ 0
Vouchers Payable	1,762,037	0	264	0
Due to Other Governmental Units	(967,808)	1,479,520	63,227	5,944,408
<b>Total Liabilities</b>	<b>\$ 794,229</b>	<b>\$ 1,482,990</b>	<b>\$ 63,491</b>	<b>\$ 5,944,408</b>

## Combining Statements of Net Position

Agency Funds

December 31, 2011

	Kennewick Abatement	Rural Library	Cities	State and Trust Funds
<b>ASSETS</b>				
Cash	\$ 0	\$ 23,123	\$ 271,523	\$ 1,463,754
Temporary Investments, at Cost	0	0	0	349,917
Taxes Receivable	0	114,990	755,618	888,047
<b>Total Assets</b>	<b>\$ 0</b>	<b>\$ 138,113</b>	<b>\$ 1,027,141</b>	<b>\$ 2,701,718</b>
<b>LIABILITIES AND NET POSITION</b>				
<b>LIABILITIES</b>				
Warrants Payable	\$ 0	\$ 0	\$ 0	\$ 0
Vouchers Payable	0	0	0	0
Due to Other Governmental Units	0	138,113	1,027,141	2,701,718
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 138,113</b>	<b>\$ 1,027,141</b>	<b>\$ 2,701,718</b>

Combining Statements of Net Position

Agency Funds

December 31, 2011

School Districts	Port Districts	Hospital Districts	Water Districts	Irrigation Districts	Fire Districts
\$ 8,126,862	\$ 2,179,310	\$ 2,559	\$ 104,285	\$ 4,975,561	\$ 973,798
112,959,885	12,274,628	0	62,389	2,449,512	4,588,619
2,005,710	151,758	63,427	0	0	230,349
<u>\$ 123,092,457</u>	<u>\$ 14,605,696</u>	<u>\$ 65,986</u>	<u>\$ 166,674</u>	<u>\$ 7,425,073</u>	<u>\$ 5,792,766</u>

\$ 7,177,074	\$ 217,492	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	16,377	3,234,925	262,907
115,915,383	14,388,204	65,986	150,297	4,190,148	5,529,859
<u>\$ 123,092,457</u>	<u>\$ 14,605,696</u>	<u>\$ 65,986</u>	<u>\$ 166,674</u>	<u>\$ 7,425,073</u>	<u>\$ 5,792,766</u>

## Combining Statements of Net Position

Agency Funds

December 31, 2011

	Drainage Districts	Diking District	Clean Air Authority	County Payroll & Warrant Clearing Funds
<b>ASSETS</b>				
Cash	\$ 2,044	\$ 5,442	\$ 121,133	\$ 3,155,625
Temporary Investments, at Cost	50,170	0	266,835	0
Taxes Receivable	0	0	0	0
<b>Total Assets</b>	<b>\$ 52,214</b>	<b>\$ 5,442</b>	<b>\$ 387,968</b>	<b>\$ 3,155,625</b>
<b>LIABILITIES AND NET POSITION</b>				
<b>LIABILITIES</b>				
Warrants Payable	\$ 2	\$ 0	\$ 0	\$ 3,155,627
Vouchers Payable	70	0	4,630	0
Due to Other Governmental Units	52,142	5,442	383,338	(2)
<b>Total Liabilities</b>	<b>\$ 52,214</b>	<b>\$ 5,442</b>	<b>\$ 387,968</b>	<b>\$ 3,155,625</b>

Combining Statements of Net Position

Agency Funds

December 31, 2011

Emergency Dispatch EDC	Hanford Economic Development	Public Facilities District	CRID Guaranty Fund	County Road Suspense	Benton City Library
\$ 131,907	\$ 137,659	\$ 22,886	\$ 115	\$ 65,516	\$ 1,320
0	3,183,138	0	66,426	0	13,681
0	0	0	0	0	3,982
<u>\$ 131,907</u>	<u>\$ 3,320,797</u>	<u>\$ 22,886</u>	<u>\$ 66,541</u>	<u>\$ 65,516</u>	<u>\$ 18,983</u>

\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	303
<u>131,907</u>	<u>3,320,797</u>	<u>22,886</u>	<u>66,541</u>	<u>65,516</u>	<u>18,680</u>
<u>\$ 131,907</u>	<u>\$ 3,320,797</u>	<u>\$ 22,886</u>	<u>\$ 66,541</u>	<u>\$ 65,516</u>	<u>\$ 18,983</u>

## Combining Statements of Net Position

Agency Funds

December 31, 2011

	Law Library Transfer	Benton Conservation District	Totals  2011
<b>ASSETS</b>			
Cash	\$ 9,544	\$ 495	\$ 24,454,651
Temporary Investments, at Cost	0	0	141,816,288
Taxes Receivable	0	0	4,267,721
<b>Total Assets</b>	<b>\$ 9,544</b>	<b>\$ 495</b>	<b>\$ 170,538,660</b>
<b>LIABILITIES AND NET POSITION</b>			
<b>LIABILITIES</b>			
Warrants Payable	\$ 0	\$ 0	\$ 10,553,665
Vouchers Payable	0	0	5,281,513
Due to Other Governmental Units	9,544	495	154,703,482
<b>Total Liabilities</b>	<b>\$ 9,544</b>	<b>\$ 495</b>	<b>\$ 170,538,660</b>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Benton Franklin Health District</u></b>				
<i>Assets</i>				
Cash	\$ 1,343,537	\$ 8,129,186	\$ 8,678,494	\$ 794,229
Total Assets	<u>\$ 1,343,537</u>	<u>\$ 8,129,186</u>	<u>\$ 8,678,494</u>	<u>\$ 794,229</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 7,713,003	\$ 7,713,003	\$ 0
Vouchers Payable	2,023,132	0	261,095	1,762,037
Due to Other Governmental Units	(679,595)	(967,808)	(679,595)	(967,808)
Total Liabilities	<u>\$ 1,343,537</u>	<u>\$ 6,745,195</u>	<u>\$ 7,294,503</u>	<u>\$ 794,229</u>

**Mosquito Control**

<i>Assets</i>				
Cash	\$ 86,509	\$ 4,073,902	\$ 4,132,349	\$ 28,062
Temporary Investments	1,077,088	1,211,000	887,000	1,401,088
Taxes Receivable	58,868	1,624,646	1,629,674	53,840
Total Assets	<u>\$ 1,222,465</u>	<u>\$ 6,909,548</u>	<u>\$ 6,649,023</u>	<u>\$ 1,482,990</u>
<i>Liabilities</i>				
Warrants Payable	\$ 65,187	\$ 1,269,023	\$ 1,330,740	\$ 3,470
Due to Other Governmental Units	1,157,278	1,479,520	1,157,278	1,479,520
Total Liabilities	<u>\$ 1,222,465</u>	<u>\$ 2,748,543</u>	<u>\$ 2,488,018</u>	<u>\$ 1,482,990</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Weed District</u></b>				
<i>Assets</i>				
Cash	\$ 11,548	\$ 20,993	\$ 19,050	\$ 13,491
Temporary Investments	50,000	0	0	50,000
Total Assets	<u>\$ 61,548</u>	<u>\$ 20,993</u>	<u>\$ 19,050</u>	<u>\$ 63,491</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 19,314	\$ 19,314	\$ 0
Vouchers Payable	0	264	0	264
Due to Other Governmental Units	61,548	63,227	61,548	63,227
Total Liabilities	<u>\$ 61,548</u>	<u>\$ 82,805</u>	<u>\$ 80,862</u>	<u>\$ 63,491</u>

**Greater Columbia Behavioral Health**

<i>Assets</i>				
Cash	\$ 2,555,220	\$ 61,680,136	\$ 62,390,948	\$ 1,844,408
Temporary Investments	5,600,000	7,000,000	8,500,000	4,100,000
Total Assets	<u>\$ 8,155,220</u>	<u>\$ 68,680,136</u>	<u>\$ 70,890,948</u>	<u>\$ 5,944,408</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 55,508,734	\$ 55,508,734	\$ 0
Due to Other Governmental Units	8,155,220	5,944,408	8,155,220	5,944,408
Total Liabilities	<u>\$ 8,155,220</u>	<u>\$ 61,453,142</u>	<u>\$ 63,663,954</u>	<u>\$ 5,944,408</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Kennewick Abatement</u></b>				
<i>Assets</i>				
Cash	\$ 270	\$ 12,482	\$ 12,752	\$ 0
Total Assets	<u>\$ 270</u>	<u>\$ 12,482</u>	<u>\$ 12,752</u>	<u>\$ 0</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 269	\$ 0	\$ 269	\$ 0
Total Liabilities	<u>\$ 269</u>	<u>\$ 0</u>	<u>\$ 269</u>	<u>\$ 0</u>
<b><u>Rural Library</u></b>				
<i>Assets</i>				
Cash	\$ 29,862	\$ 3,306,350	\$ 3,313,089	\$ 23,123
Taxes Receivable	113,846	3,143,533	3,142,389	114,990
Total Assets	<u>\$ 143,708</u>	<u>\$ 6,449,883</u>	<u>\$ 6,455,478</u>	<u>\$ 138,113</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 143,708	\$ 138,113	\$ 143,708	\$ 138,113
Total Liabilities	<u>\$ 143,708</u>	<u>\$ 138,113</u>	<u>\$ 143,708</u>	<u>\$ 138,113</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Cities</u></b>				
<i>Assets</i>				
Cash	\$ 277,334	\$ 31,045,887	\$ 31,051,698	\$ 271,523
Taxes Receivable	795,010	27,906,039	27,945,431	755,618
Total Assets	<u>\$ 1,072,344</u>	<u>\$ 58,951,926</u>	<u>\$ 58,997,129</u>	<u>\$ 1,027,141</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 1,072,344	\$ 1,027,141	\$ 1,072,344	\$ 1,027,141
Total Liabilities	<u>\$ 1,072,344</u>	<u>\$ 1,027,141</u>	<u>\$ 1,072,344</u>	<u>\$ 1,027,141</u>
<b><u>State and Trust Funds</u></b>				
<i>Assets</i>				
Cash	\$ 1,297,437	\$ 47,894,133	\$ 47,727,816	\$ 1,463,754
Temporary Investments	349,917	0	0	349,917
Taxes Receivable	844,011	30,463,047	30,419,011	888,047
Total Assets	<u>\$ 2,491,365</u>	<u>\$ 78,357,180</u>	<u>\$ 78,146,827</u>	<u>\$ 2,701,718</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 2,491,423	\$ 2,701,718	\$ 2,491,423	\$ 2,701,718
Total Liabilities	<u>\$ 2,491,423</u>	<u>\$ 2,701,718</u>	<u>\$ 2,491,423</u>	<u>\$ 2,701,718</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>School Districts</u></b>				
<i>Assets</i>				
Cash	\$ 8,822,695	\$ 602,240,185	\$ 602,936,018	\$ 8,126,862
Temporary Investments	119,695,689	104,213,391	110,949,195	112,959,885
Taxes Receivable	2,011,312	64,353,801	64,359,403	2,005,710
Total Assets	<u>\$ 130,529,696</u>	<u>\$ 770,807,377</u>	<u>\$ 778,244,616</u>	<u>\$ 123,092,457</u>
<i>Liabilities</i>				
Warrants Payable	\$ 6,285,373	\$ 153,925,633	\$ 153,033,932	\$ 7,177,074
Due to Other Governmental Units	124,244,322	115,915,383	124,244,322	115,915,383
Total Liabilities	<u>\$ 130,529,695</u>	<u>\$ 269,841,016</u>	<u>\$ 277,278,254</u>	<u>\$ 123,092,457</u>
<b><u>Port Districts</u></b>				
<i>Assets</i>				
Cash	\$ 1,793,560	\$ 37,661,570	\$ 37,275,820	\$ 2,179,310
Temporary Investments	11,245,928	2,864,000	1,835,300	12,274,628
Taxes Receivable	154,107	5,102,354	5,104,703	151,758
Total Assets	<u>\$ 13,193,595</u>	<u>\$ 45,627,924</u>	<u>\$ 44,215,823</u>	<u>\$ 14,605,696</u>
<i>Liabilities</i>				
Warrants Payable	\$ 173,719	\$ 14,705,080	\$ 14,661,307	\$ 217,492
Due to Other Governmental Units	13,019,873	14,388,204	13,019,873	14,388,204
Total Liabilities	<u>\$ 13,193,592</u>	<u>\$ 29,093,284</u>	<u>\$ 27,681,180</u>	<u>\$ 14,605,696</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Hospital Districts</u></b>				
<i>Assets</i>				
Cash	\$ 1,724	\$ 1,836,663	\$ 1,835,828	\$ 2,559
Taxes Receivable	68,569	1,831,855	1,836,997	63,427
Total Assets	<u>\$ 70,293</u>	<u>\$ 3,668,518</u>	<u>\$ 3,672,825</u>	<u>\$ 65,986</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 70,293	\$ 65,986	\$ 70,293	\$ 65,986
Total Liabilities	<u>\$ 70,293</u>	<u>\$ 65,986</u>	<u>\$ 70,293</u>	<u>\$ 65,986</u>
<b><u>Water Districts</u></b>				
<i>Assets</i>				
Cash	\$ 86,341	\$ 163,151	\$ 145,207	\$ 104,285
Temporary Investments	61,321	22,951	21,883	62,389
Total Assets	<u>\$ 147,662</u>	<u>\$ 186,102</u>	<u>\$ 167,090</u>	<u>\$ 166,674</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 119,537	\$ 119,537	\$ 0
Vouchers Payable	20,221	11,840	15,684	16,377
Due to Other Governmental Units	127,441	150,297	127,441	150,297
Total Liabilities	<u>\$ 147,662</u>	<u>\$ 281,674</u>	<u>\$ 262,662</u>	<u>\$ 166,674</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Irrigation Districts</u></b>				
<i>Assets</i>				
Cash	\$ 465,915	\$ 21,967,745	\$ 17,458,099	\$ 4,975,561
Temporary Investments	2,786,039	2,265,608	2,602,135	2,449,512
Total Assets	<u>\$ 3,251,954</u>	<u>\$ 24,233,353</u>	<u>\$ 20,060,234</u>	<u>\$ 7,425,073</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 14,920,996	\$ 14,920,996	\$ 0
Vouchers Payable	300,944	3,076,447	142,466	3,234,925
Due to Other Governmental Units	2,951,011	4,190,148	2,951,011	4,190,148
Total Liabilities	<u>\$ 3,251,955</u>	<u>\$ 22,187,591</u>	<u>\$ 18,014,473</u>	<u>\$ 7,425,073</u>
<b><u>Fire Districts</u></b>				
<i>Assets</i>				
Cash	\$ 1,874,183	\$ 14,109,796	\$ 15,010,181	\$ 973,798
Temporary Investments	4,205,435	5,310,889	4,927,705	4,588,619
Taxes Receivable	211,637	6,157,597	6,138,885	230,349
Total Assets	<u>\$ 6,291,255</u>	<u>\$ 25,578,282</u>	<u>\$ 26,076,771</u>	<u>\$ 5,792,766</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 5,536,465	\$ 5,536,465	\$ 0
Vouchers Payable	187,192	262,907	187,192	262,907
Due to Other Governmental Units	6,104,063	5,529,859	6,104,063	5,529,859
Total Liabilities	<u>\$ 6,291,255</u>	<u>\$ 11,329,231</u>	<u>\$ 11,827,720</u>	<u>\$ 5,792,766</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Drainage Districts</u></b>				
<i>Assets</i>				
Cash	\$ 4,841	\$ 4,878	\$ 7,675	\$ 2,044
Temporary Investments	45,143	5,317	290	50,170
Total Assets	<u>\$ 49,984</u>	<u>\$ 10,195</u>	<u>\$ 7,965</u>	<u>\$ 52,214</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 2,359	\$ 2,357	\$ 2
Vouchers Payable	68	2	0	70
Due to Other Governmental Units	49,916	52,142	49,916	52,142
Total Liabilities	<u>\$ 49,984</u>	<u>\$ 54,503</u>	<u>\$ 52,273</u>	<u>\$ 52,214</u>
<b><u>Diking District</u></b>				
<i>Assets</i>				
Cash	\$ 3,194	\$ 7,582	\$ 5,334	\$ 5,442
Total Assets	<u>\$ 3,194</u>	<u>\$ 7,582</u>	<u>\$ 5,334</u>	<u>\$ 5,442</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 5,279	\$ 5,279	\$ 0
Due to Other Governmental Units	3,194	5,442	3,194	5,442
Total Liabilities	<u>\$ 3,194</u>	<u>\$ 10,721</u>	<u>\$ 8,473</u>	<u>\$ 5,442</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Clean Air Authority</u></b>				
<i>Assets</i>				
Cash	\$ 354,085	\$ 510,458	\$ 743,410	\$ 121,133
Temporary Investments	16,835	250,000	0	266,835
Total Assets	<u>\$ 370,920</u>	<u>\$ 760,458</u>	<u>\$ 743,410</u>	<u>\$ 387,968</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 425,989	\$ 425,989	\$ 0
Vouchers Payable	23,500	4,630	23,500	4,630
Due to Other Governmental Units	347,421	383,338	347,421	383,338
Total Liabilities	<u>\$ 370,921</u>	<u>\$ 813,957</u>	<u>\$ 796,910</u>	<u>\$ 387,968</u>

**County Payroll & Warrant Clearing Funds**

<i>Assets</i>				
Cash	\$ 2,930,920	\$ 153,700,676	\$ 153,475,971	\$ 3,155,625
Total Assets	<u>\$ 2,930,920</u>	<u>\$ 153,700,676</u>	<u>\$ 153,475,971</u>	<u>\$ 3,155,625</u>
<i>Liabilities</i>				
Warrants Payable	\$ 2,930,922	\$ 153,700,676	\$ 153,475,971	\$ 3,155,627
Due to Other Governmental Units	(1)	(2)	(1)	(2)
Total Liabilities	<u>\$ 2,930,921</u>	<u>\$ 153,700,674</u>	<u>\$ 153,475,970</u>	<u>\$ 3,155,625</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Emergency Dispatch - EDC</u></b>				
<i>Assets</i>				
Cash	\$ 88,716	\$ 1,435,167	\$ 1,391,976	\$ 131,907
Total Assets	<u>\$ 88,716</u>	<u>\$ 1,435,167</u>	<u>\$ 1,391,976</u>	<u>\$ 131,907</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 88,716	\$ 131,907	\$ 88,716	\$ 131,907
Total Liabilities	<u>\$ 88,716</u>	<u>\$ 131,907</u>	<u>\$ 88,716</u>	<u>\$ 131,907</u>

**Hanford Economic Development**

<i>Assets</i>				
Cash	\$ 1,947	\$ 885,712	\$ 750,000	\$ 137,659
Temporary Investments	3,933,138	0	750,000	3,183,138
Total Assets	<u>\$ 3,935,085</u>	<u>\$ 885,712</u>	<u>\$ 1,500,000</u>	<u>\$ 3,320,797</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 3,935,085	\$ 3,320,797	\$ 3,935,085	\$ 3,320,797
Total Liabilities	<u>\$ 3,935,085</u>	<u>\$ 3,320,797</u>	<u>\$ 3,935,085</u>	<u>\$ 3,320,797</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Public Facilities District</u></b>				
<i>Assets</i>				
Cash	\$ 17,028	\$ 285,729	\$ 279,871	\$ 22,886
Total Assets	<u>\$ 17,028</u>	<u>\$ 285,729</u>	<u>\$ 279,871</u>	<u>\$ 22,886</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 17,028	\$ 22,886	\$ 17,028	\$ 22,886
Total Liabilities	<u>\$ 17,028</u>	<u>\$ 22,886</u>	<u>\$ 17,028</u>	<u>\$ 22,886</u>
<b><u>CRID Guaranty Fund</u></b>				
<i>Assets</i>				
Cash	\$ 447	\$ 129	\$ 461	\$ 115
Temporary Investments	65,965	461	0	66,426
Total Assets	<u>\$ 66,412</u>	<u>\$ 590</u>	<u>\$ 461</u>	<u>\$ 66,541</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 66,411	\$ 66,541	\$ 66,411	\$ 66,541
Total Liabilities	<u>\$ 66,411</u>	<u>\$ 66,541</u>	<u>\$ 66,411</u>	<u>\$ 66,541</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>County Road Suspense</u></b>				
<i>Assets</i>				
Cash	\$ 56,581	\$ 62,262	\$ 53,327	\$ 65,516
Total Assets	<u>\$ 56,581</u>	<u>\$ 62,262</u>	<u>\$ 53,327</u>	<u>\$ 65,516</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 53,327	\$ 53,327	\$ 0
Due to Other Governmental Units	56,582	65,516	56,582	65,516
Total Liabilities	<u>\$ 56,582</u>	<u>\$ 118,843</u>	<u>\$ 109,909</u>	<u>\$ 65,516</u>
<b><u>Benton City Library</u></b>				
<i>Assets</i>				
Cash	\$ 1,075	\$ 107,082	\$ 106,837	\$ 1,320
Temporary Investments	9,347	45,940	41,606	13,681
Taxes Receivable	4,623	65,406	66,047	3,982
Total Assets	<u>\$ 15,045</u>	<u>\$ 218,428</u>	<u>\$ 214,490</u>	<u>\$ 18,983</u>
<i>Liabilities</i>				
Warrants Payable	\$ 0	\$ 604	\$ 604	\$ 0
Vouchers Payable	0	303	0	303
Due to Other Governmental Units	15,044	18,680	15,044	18,680
Total Liabilities	<u>\$ 15,044</u>	<u>\$ 19,587</u>	<u>\$ 15,648</u>	<u>\$ 18,983</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>Law Library Transfer</u></b>				
<i>Assets</i>				
Cash	\$ 6,001	\$ 83,144	\$ 79,601	\$ 9,544
Total Assets	<u>\$ 6,001</u>	<u>\$ 83,144</u>	<u>\$ 79,601</u>	<u>\$ 9,544</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 6,002	\$ 9,544	\$ 6,002	\$ 9,544
Total Liabilities	<u>\$ 6,002</u>	<u>\$ 9,544</u>	<u>\$ 6,002</u>	<u>\$ 9,544</u>
<b><u>Benton Conservation District</u></b>				
<i>Assets</i>				
Cash	\$ 547	\$ 198,865	\$ 198,917	\$ 495
Total Assets	<u>\$ 547</u>	<u>\$ 198,865</u>	<u>\$ 198,917</u>	<u>\$ 495</u>
<i>Liabilities</i>				
Due to Other Governmental Units	\$ 548	\$ 495	\$ 548	\$ 495
Total Liabilities	<u>\$ 548</u>	<u>\$ 495</u>	<u>\$ 548</u>	<u>\$ 495</u>

Combining Statement of Changes in Net Position  
 All Agency Funds  
 For The Year Ended December 31, 2011

Description	Balance January 1	Additions	Deductions	Balance December 31
<b><u>All Agency Funds</u></b>				
<i>Assets</i>				
Cash	\$ 22,111,517	991,423,863	989,080,729	24,454,651
Temporary Investments	149,141,845	123,189,557	130,515,114	141,816,288
Taxes Receivable	4,261,983	140,648,278	140,642,540	4,267,721
Total Assets	<u>\$ 175,515,345</u>	<u>\$ 1,255,261,698</u>	<u>\$ 1,260,238,383</u>	<u>\$ 170,538,660</u>
<i>Liabilities</i>				
Warrants Payable	\$ 9,455,201	\$ 407,906,019	\$ 406,807,555	\$ 10,553,665
Vouchers Payable	2,555,057	3,356,393	629,937	5,281,513
Due to Other Governmental Units	163,505,144	154,703,482	163,505,144	154,703,482
Total Liabilities	<u>\$ 175,515,402</u>	<u>\$ 565,965,894</u>	<u>\$ 570,942,636</u>	<u>\$ 170,538,660</u>

## **Capital Assets Used in the Operation of Governmental Funds**

These are assets used in operations funded by governmental funds. This includes all capital assets of the County, including those used in Internal Service Funds.

**Schedule of Capital Assets by Source** – A report that summarizes major funding sources for County capital assets.

**Schedule of Capital Assets by Function and Activity** – A report allocating components of capital assets (land, building, construction in progress, improvements, and machinery and equipment) to various County functions and programs.

**Schedule of Changes in Capital Assets by Function and Activity** – A report that shows additions and deletions of total capital assets within separate County functions and programs.

# BENTON COUNTY, WASHINGTON

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## Capital Assets

### Schedule By Source

December 31, 2011 and 2010

	2011	2010
Capital Assets:		
Land	\$2,737,117	\$2,743,807
Buildings	87,379,539	86,325,251
Improvements	8,172,807	7,713,536
Infrastructure	82,318,755	81,127,026
Equipment	12,976,899	12,153,465
Construction in Progress	14,106,442	13,418,918
	<hr/>	<hr/>
Total Capital Assets	\$207,691,559	\$203,482,003
	<hr/> <hr/>	<hr/> <hr/>

### Investments in Capital Assets By Source:

General Fund	\$44,928,876	\$44,512,606
Special Revenue Fund	92,373,493	89,189,993
General Obligation Bonds	51,186,963	51,186,963
Capital Projects Funds	19,202,228	18,592,441
	<hr/>	<hr/>
Total Capital Assets	\$207,691,559	\$203,482,003
	<hr/> <hr/>	<hr/> <hr/>

BENTON COUNTY, WASHINGTON

Capital Assets  
 Schedule By Function and Activity  
 December 31, 2011

	Land	Building	Improve- ments Other Than Buildings	Infra- structure	Equipment	Construction In Progress	Total
<b>GENERAL GOVERNMENT:</b>							
Legislative	\$1,701,597	\$2,371,048	\$331,192	\$0	\$37,642	\$0	\$4,441,478
Judicial	-	8,698,778	3,381,816	-	377,370	335,410	12,793,375
Elections	-	-	-	-	66,848	-	66,848
Financial & Records	-	883,840	155,354	-	47,736	-	1,086,931
Legal	-	14,033,165	9,668	-	139,150	-	14,181,982
Facilities & General Government	-	160,941	1,484,009	-	(1,304,926)	239,934	579,958
<b>Total General Government Services</b>	<b>1,701,597</b>	<b>26,147,773</b>	<b>5,362,038</b>	<b>-</b>	<b>(636,181)</b>	<b>575,345</b>	<b>33,150,572</b>
<b>PUBLIC SAFETY:</b>							
Security of Persons	-	38,677,385	637,873	-	4,733,412	2,148,247	46,196,917
Juvenile Probation	-	7,101,324	152,781	-	202,360	(1)	7,456,464
<b>Total Public Safety</b>	<b>-</b>	<b>45,778,709</b>	<b>790,654</b>	<b>-</b>	<b>4,935,772</b>	<b>2,148,246</b>	<b>53,653,381</b>
<b>PHYSICAL ENVIRONMENT:</b>							
Other Physical Environment	-	-	-	-	628,837	-	628,837
<b>Total Physical Environment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>628,837</b>	<b>-</b>	<b>628,837</b>
<b>TRANSPORTATION:</b>							
Transportation	246,520	3,023,609	336,125	82,318,755	6,969,600	11,272,170	104,166,779
<b>Total Transportation</b>	<b>246,520</b>	<b>3,023,609</b>	<b>336,125</b>	<b>82,318,755</b>	<b>6,969,600</b>	<b>11,272,170</b>	<b>104,166,779</b>
<b>ECONOMIC ENVIRONMENT:</b>							
Sustainable Development	-	-	-	-	1,288	-	1,288
Planning	-	264,337	-	-	8,019	-	272,356
Building	-	-	-	-	1,523	-	1,523
<b>Total Economic Environment</b>	<b>-</b>	<b>264,337</b>	<b>-</b>	<b>-</b>	<b>10,829</b>	<b>-</b>	<b>275,166</b>
<b>MENTAL AND PHYSICAL HEALTH:</b>							
Mental & Physical Health	-	9,476,716	362,759	-	505,284	0	10,344,759
<b>Total Mental &amp; Physical Health</b>	<b>-</b>	<b>9,476,716</b>	<b>362,759</b>	<b>-</b>	<b>505,284</b>	<b>0</b>	<b>10,344,759</b>
<b>CULTURE &amp; RECREATION:</b>							
Parks & Recreation	789,000	449,907	782,165	-	177,818	110,007	2,308,897
Benton County Fair	-	1,940,387	539,066	-	366,309	674	2,846,437
Cooperative Extension	-	298,101	-	-	18,630	-	316,731
<b>Total Culture &amp; Recreation</b>	<b>789,000</b>	<b>2,688,395</b>	<b>1,321,231</b>	<b>-</b>	<b>562,757</b>	<b>110,681</b>	<b>5,472,065</b>
<b>Total Capital Assets</b>	<b>\$2,737,117</b>	<b>\$87,379,539</b>	<b>\$8,172,807</b>	<b>\$82,318,755</b>	<b>\$12,976,899</b>	<b>\$14,106,442</b>	<b>\$207,691,559</b>

## BENTON COUNTY, WASHINGTON

### Capital Assets

#### Schedule Of Changes By Function And Activity

December 31, 2011

	Governmental Funds Capital Assets 01/01/11	Additions	Deletions	Governmental Funds Capital Assets 12/31/11
<b>GENERAL GOVERNMENT:</b>				
Legislative	\$4,499,797	\$0	\$58,319	\$4,441,478
Judicial	12,665,488	130,493	2,605	12,793,375
Elections	66,848	0	0	66,848
Financial & Records	1,090,024	11,366	14,458	1,086,932
Legal	14,183,749	0	1,767	14,181,982
Facilities & General Government	567,068	171,822	158,932	579,958
<b>Total General Government Services</b>	<b>33,072,973</b>	<b>313,680</b>	<b>236,081</b>	<b>33,150,573</b>
<b>PUBLIC SAFETY:</b>				
Security of Persons	45,393,168	2,206,953	1,403,205	46,196,917
Juvenile Probation	7,458,440	63,740	65,716	7,456,464
<b>Total Public Safety</b>	<b>52,851,609</b>	<b>2,270,693</b>	<b>1,468,921</b>	<b>53,653,380</b>
<b>PHYSICAL ENVIRONMENT:</b>				
Other Physical Environment	628,836	0	0	628,836
<b>Total Physical Environment</b>	<b>628,836</b>	<b>0</b>	<b>0</b>	<b>628,836</b>
<b>TRANSPORTATION:</b>				
Transportation	101,287,055	3,252,972	373,248	104,166,779
<b>Total Transportation</b>	<b>101,287,055</b>	<b>3,252,972</b>	<b>373,248</b>	<b>104,166,779</b>
<b>ECONOMIC ENVIRONMENT:</b>				
Sustainable Development	1,288	0	0	1,288
Planning	272,356	0	0	272,356
Building	1,523	0	0	1,523
<b>Total Economic Environment</b>	<b>275,166</b>	<b>0</b>	<b>0</b>	<b>275,166</b>
<b>MENTAL &amp; PHYSICAL HEALTH:</b>				
Mental & Physical Health	10,054,178	614,006	323,424	10,344,760
<b>Total Mental &amp; Physical Health</b>	<b>10,054,178</b>	<b>614,006</b>	<b>323,424</b>	<b>10,344,760</b>
<b>CULTURE &amp; RECREATION:</b>				
Parks & Recreation	2,226,318	82,579	0	2,308,897
Benton County Fair	2,769,137	77,300	0	2,846,437
Cooperative Extension	316,731	0	0	316,731
<b>Total Culture &amp; Recreation</b>	<b>5,312,186</b>	<b>159,879</b>	<b>0</b>	<b>5,472,065</b>
<b>Total Capital Assets</b>	<b>\$203,482,003</b>	<b>\$6,611,229</b>	<b>\$2,401,674</b>	<b>\$207,691,559</b>

# STATISTICAL SECTION

This part of Benton County’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

<b>Contents</b>	<b>Beginning on Page</b>
<b>Financial Trends</b> <i>These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time. (Schedules 1, 2, 3 and 4)</i>	<b>183</b>
<b>Revenue Capacity</b> <i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax. (Schedules 5, 6, 7 and 8)</i>	<b>188</b>
<b>Debt Capacity</b> <i>These schedules contain information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future. (Schedules 9 and 10)</i>	<b>192</b>
<b>Demographic and Economic Information</b> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within the government’s financial activities. (Schedules 11 and 12)</i>	<b>194</b>
<b>Operating Information</b> <i>These schedules contain services and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs. (Schedules 13, 14 and 15)</i>	<b>196</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year.

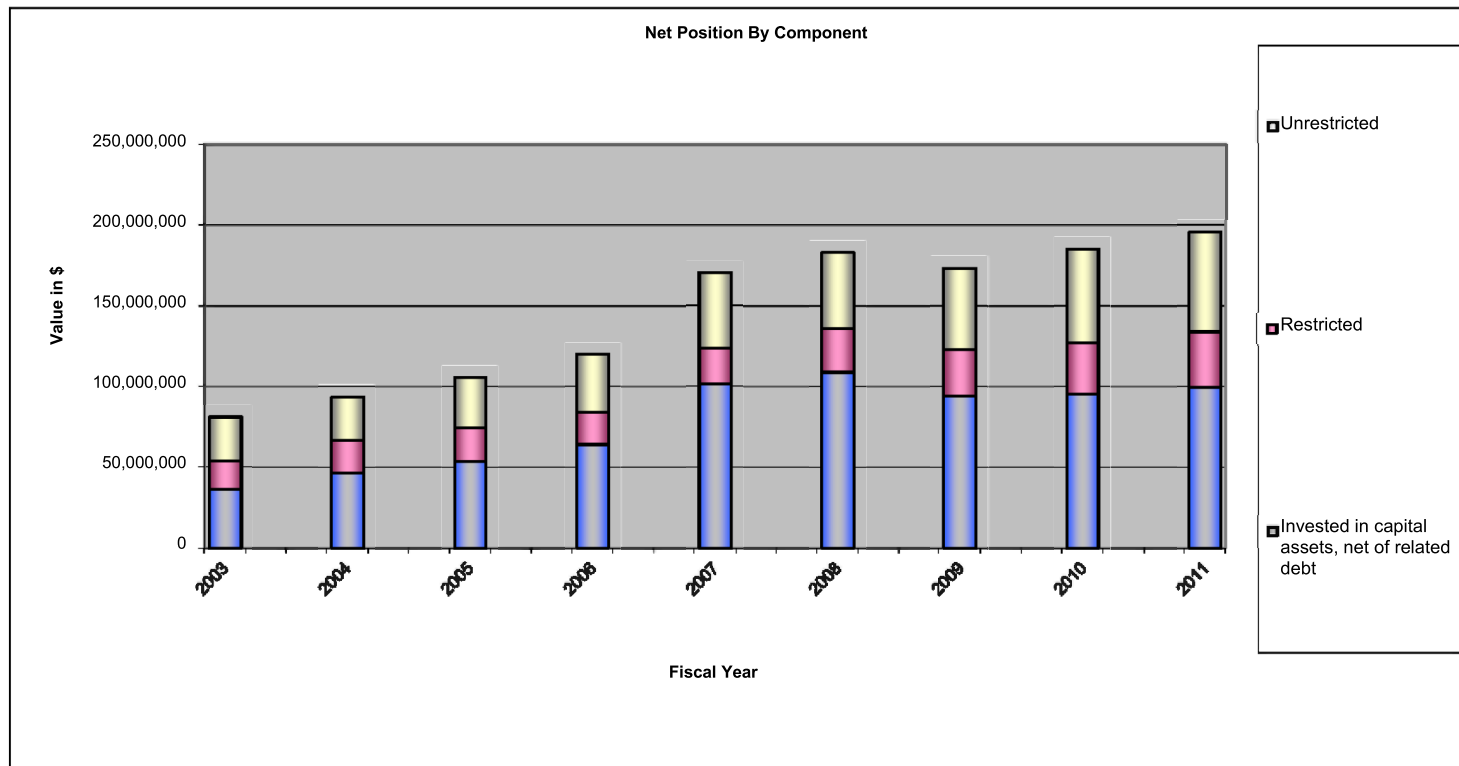
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**Schedule 1**  
**Benton County**  
**Net Position by Component,**  
**Last Nine Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Primary Government</b>									
<b>Governmental Activities</b>									
Invested in capital assets, net of related debt	\$ 36,438,948	\$ 46,718,373	\$ 53,549,131	\$ 64,186,239	\$ 101,465,625	\$ 108,992,884	\$ 94,518,358	\$ 95,456,488	\$ 99,475,184
Restricted									
General Government	3,110,827	3,735,395	4,279,679	4,579,782	5,846,928	7,372,120	8,435,251	9,749,695	11,008,355
Public Safety	4,174,356	5,299,950	5,682,178	6,253,941	6,772,694	7,042,973	7,334,369	7,819,579	8,743,341
Mental & Health Services	4,920,055	5,556,850	6,210,595	4,803,792	3,980,997	5,416,394	6,250,106	6,798,387	6,161,466
Economic Environment	647,623	679,321	1,602,660	1,655,829	1,775,981	2,420,826	2,834,825	3,637,430	4,115,085
Transportation	3,521,684	3,902,355	2,075,571	1,416,422	2,582,449	4,229,497	3,003,673	3,320,381	4,044,230
Culture & Recreation	902,082	891,994	1,057,273	1,151,302	858,231	520,694	366,894	500,479	448,498
Utilities & Environment	183,366	182,378	176,488	183,757	156,800	119,864	85,464	67,645	38,113
Unrestricted	26,963,709	26,800,576	30,923,843	35,913,033	46,922,799	46,993,878	50,376,888	57,899,600	61,788,465
Total Primary Government									
Governmental Activities Net Position	<u>\$ 80,862,650</u>	<u>\$ 93,767,192</u>	<u>\$ 105,557,418</u>	<u>\$ 120,144,097</u>	<u>\$ 170,362,504</u>	<u>\$ 183,109,130</u>	<u>\$ 173,205,828</u>	<u>\$ 185,249,684</u>	<u>\$ 195,822,737</u>

Note: Accrual-basis financial information for the county government as a whole is only available back to 2003, the year GASB Statement 34 was implemented.

Note: Restricted portions reclassified to meet requirements of GASB 63 implemented in 2011.



**Schedule 2**  
**Benton County**  
**Changes in Net Position,**  
**Last Nine Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
Governmental Activities:									
General Government	\$ 19,960,305	\$ 19,237,830	\$ 19,769,075	\$ 20,946,603	\$ 22,654,827	\$ 26,751,559	\$ 25,289,893	\$ 24,603,860	\$ 24,539,863
Public Safety	23,313,840	24,791,746	27,118,360	29,192,761	31,439,134	34,142,757	32,807,474	31,525,425	35,717,729
Physical Environment	1,516,816	1,460,833	1,676,805	1,485,752	1,600,702	1,698,156	1,821,594	1,815,012	1,752,381
Transportation	5,910,098	4,511,620	5,741,602	6,174,304	7,200,342	7,763,252	7,636,972	9,195,881	8,183,961
Economic Environment	1,906,037	1,693,824	1,712,083	1,780,568	1,822,219	2,013,292	2,171,535	2,014,223	2,026,527
Health and Human Services	14,582,677	14,812,223	15,370,272	15,560,496	16,410,189	17,373,655	17,827,426	18,064,698	16,720,998
Culture and Recreation	1,032,619	998,294	1,139,141	1,059,185	1,180,327	1,237,290	1,199,733	1,015,100	1,109,123
Interest and fiscal changes	1,229,041	1,496,917	1,435,502	1,529,252	1,653,392	1,587,467	1,640,445	1,605,040	1,479,168
<b>Total Governmental Activities Expenses</b>	<b>69,451,433</b>	<b>69,003,287</b>	<b>73,962,840</b>	<b>77,728,921</b>	<b>83,961,132</b>	<b>92,567,428</b>	<b>90,395,071</b>	<b>89,839,240</b>	<b>91,529,750</b>
<b>Total Primary Government Expenses</b>	<b>\$ 69,451,433</b>	<b>\$ 69,003,287</b>	<b>\$ 73,962,840</b>	<b>\$ 77,728,921</b>	<b>\$ 83,961,132</b>	<b>\$ 92,567,428</b>	<b>\$ 90,395,071</b>	<b>\$ 89,839,240</b>	<b>\$ 91,529,750</b>
<b>Program Revenues</b>									
Governmental Activities:									
Charges For Services:									
General Government	\$ 8,405,642	\$ 9,310,422	\$ 10,069,959	\$ 9,979,860	\$ 14,622,117	\$ 12,285,730	\$ 13,551,792	\$ 13,284,330	\$ 14,107,073
Public Safety	5,872,715	10,578,733	11,357,917	11,694,841	12,168,674	12,621,522	13,273,943	13,017,960	14,167,933
Physical Environment	168,576	152,867	136,215	768,299	501,371	499,063	512,745	515,406	579,539
Transportation	76,757	177,832	182,042	327,323	354,285	510,277	709,859	657,251	311,699
Economic Environment	53,720	746,101	709,185	629,595	769,714	557,202	642,725	808,977	813,307
Health and Human Services	10,413,014	10,214,751	10,258,097	7,415,805	8,069,499	9,751,746	10,758,553	11,502,414	9,656,202
Culture and Recreation	11,425	15,367	12,274	13,009	14,420	20,254	54,360	34,031	42,735
Operating Grants and Contributions									
General Government	\$ 2,625,076	\$ 980,814	\$ 1,632,352	\$ 1,613,522	\$ 1,096,503	\$ 1,834,727	\$ 1,566,441	\$ 1,294,318	\$ 1,288,242
Public Safety	571,247	997,943	1,805,727	1,977,588	1,882,803	2,782,701	2,130,005	1,911,475	1,652,244
Physical Environment	0	161,252	3,427	181,590	199,844	211,459	242,069	240,515	142,788
Transportation	1,436,755	3,821,677	2,587,299	6,053,031	1,067,858	362,600	374,895	113,112	504,836
Economic Environment	0	0	0	481,000	171,940	121,773	0	40,000	40,000
Health and Human Services	3,742,147	4,161,908	4,727,027	6,337,706	6,286,239	7,726,479	6,337,967	5,702,524	5,262,440
Culture and Recreation	0	0	0	2,020	0	3,058	1,434	844	923
Capital Grants and Contributions									
General Government	0	0	0	0	0	108,000	9,950	185,611	0
Public Safety	0	0	0	0	0	612,000	307,889	25,580	0
Transportation	3,009,709	1,181,940	1,155,706	1,546,854	1,086,129	7,544,879	4,395,467	2,720,352	1,344,774
Culture and Recreation	0	0	0	0	0	0	30,000	0	0
<b>Total Governmental Activities Program Revenues</b>	<b>36,386,783</b>	<b>42,501,607</b>	<b>44,637,227</b>	<b>49,022,043</b>	<b>48,291,396</b>	<b>57,553,470</b>	<b>54,900,094</b>	<b>52,054,700</b>	<b>49,914,735</b>
<b>Total Primary Governmental Program Revenues</b>	<b>\$ 36,386,783</b>	<b>\$ 42,501,607</b>	<b>\$ 44,637,227</b>	<b>\$ 49,022,043</b>	<b>\$ 48,291,396</b>	<b>\$ 57,553,470</b>	<b>\$ 54,900,094</b>	<b>\$ 52,054,700</b>	<b>\$ 49,914,735</b>

**Schedule 2**  
**Benton County**  
**Changes in Net Position,**  
**Last Nine Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Net (Expense)/Revenue</b>									
Governmental activities	\$ (33,064,650)	\$ (26,501,680)	\$ (29,325,613)	\$ (28,706,878)	\$ (35,669,736)	\$ (35,013,958)	\$ (35,494,977)	\$ (37,784,539)	\$ (41,615,015)
Total Primary Government Net Expense	<u>\$ (33,064,650)</u>	<u>\$ (26,501,680)</u>	<u>\$ (29,325,613)</u>	<u>\$ (28,706,878)</u>	<u>\$ (35,669,736)</u>	<u>\$ (35,013,958)</u>	<u>\$ (35,494,977)</u>	<u>\$ (37,784,539)</u>	<u>\$ (41,615,015)</u>
<b>General Revenues and Other Changes in Net Assets</b>									
Governmental Activities:									
Property Taxes	\$ 17,640,163	\$ 17,442,253	\$ 18,133,295	\$ 19,452,029	\$ 20,700,845	\$ 21,920,801	\$ 22,736,062	\$ 23,469,352	\$ 23,766,386
Sales Taxes	11,451,749	11,203,214	11,936,960	11,754,555	14,093,856	14,255,307	15,303,528	16,119,769	18,512,667
Entitlements, Impact & In-lieu Payments	5,695,201	5,740,859	5,973,771	6,202,020	6,489,188	6,306,603	6,528,772	6,592,827	6,756,755
Excise Taxes	872,061	870,302	907,365	913,107	1,370,006	1,191,799	815,185	969,288	784,438
Penalties & Interest on Delinquent Taxes	1,262,187	1,759,010	2,619,755	1,333,541	1,343,153	1,040,355	1,254,176	1,300,278	1,391,756
Interest and Investment Earnings	1,524,940	1,185,681	1,946,478	3,346,026	4,472,551	3,045,720	2,033,256	1,376,880	976,068
Gain (Loss) on Disposal of Capital Assets	48,420	49,742	(401,785)	292,278	(5,539)	0	0	0	0
Total Governmental Activities	<u>38,494,721</u>	<u>38,251,061</u>	<u>41,115,839</u>	<u>43,293,557</u>	<u>48,464,060</u>	<u>47,760,585</u>	<u>48,670,979</u>	<u>49,828,395</u>	<u>52,188,068</u>
Total Primary Government	<u>\$ 38,494,721</u>	<u>\$ 38,251,061</u>	<u>\$ 41,115,839</u>	<u>\$ 43,293,557</u>	<u>\$ 48,464,060</u>	<u>\$ 47,760,585</u>	<u>\$ 48,670,979</u>	<u>\$ 49,828,395</u>	<u>\$ 52,188,068</u>
<b>Changes in Net Position</b>									
Governmental Activities:	\$ 5,430,071	\$ 11,749,381	\$ 11,790,226	\$ 14,586,679	\$ 12,794,324	\$ 12,746,627	\$ 13,176,002	\$ 12,043,855	\$ 10,573,053
Special Items	0	0	0	0	0	0	(23,079,303)	0	0
Prior Period Adjustments	6,319,613	0	1,155,161	0	37,424,083	0	0	0	0
Total Primary Government	<u>\$ 11,749,684</u>	<u>\$ 11,749,381</u>	<u>\$ 12,945,387</u>	<u>\$ 14,586,679</u>	<u>\$ 50,218,407</u>	<u>\$ 12,746,627</u>	<u>\$ (9,903,301)</u>	<u>\$ 12,043,855</u>	<u>\$ 10,573,053</u>

Note: Accrual-basis financial information for the county government as a whole is only available back to 2003, the year GASB Statement 34 was implemented.

**Schedule 3**  
**Benton County**  
**Fund Balances, Governmental Funds,**  
**Last Nine Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal Year								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>General Fund</b>									
Reserved	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ n/a
Unreserved	5,994,906	8,510,304	10,242,415	9,680,612	12,126,011	9,921,367	13,155,021	10,171,184	n/a
Nonspendable	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Restricted	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	83,686
Committed	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Assigned	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Unassigned	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	15,173,034
<b>Total General Fund</b>	<u>\$ 5,994,906</u>	<u>\$ 8,510,304</u>	<u>\$ 10,242,415</u>	<u>\$ 9,680,612</u>	<u>\$ 12,126,011</u>	<u>\$ 9,921,367</u>	<u>\$ 13,155,021</u>	<u>\$ 10,171,184</u>	<u>\$ 15,256,720</u>
<b>All Other Governmental Funds</b>									
Reserved	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ n/a
Unreserved									
Special Revenue Funds	22,384,114	25,639,757	26,425,786	26,080,558	28,381,720	34,058,435	35,999,991	40,776,672	n/a
Debt Service Funds	977,810	6,376,045	8,408,563	2,621,894	4,084,707	4,810,167	4,653,335	4,611,654	n/a
Capital Project Funds	8,923,023	399,422	1,251,657	17,815,247	13,533,826	13,806,461	10,642,261	15,746,114	n/a
Nonspendable	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Restricted	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	34,475,402
Committed	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12,794,588
Assigned	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	16,336,182
Unassigned	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
<b>Total All Other Governmental Funds</b>	<u>\$ 32,284,947</u>	<u>\$ 32,415,224</u>	<u>\$ 36,086,006</u>	<u>\$ 46,517,699</u>	<u>\$ 46,000,253</u>	<u>\$ 52,675,063</u>	<u>\$ 51,295,587</u>	<u>\$ 61,134,440</u>	<u>\$ 63,606,172</u>

Notes:  
1) Due to changes in the county's fund structure connected with the implementation of GASB Statement 34, fund balance information is only available back to 2003.  
2) GASB 54, implemented for reporting in 2011 and all years thereafter, requires fund balances to be reported in revised categories.

**Schedule 4**  
**Benton County**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Revenues</b>										
Property Taxes	\$ 15,294,200	\$ 16,201,824	\$ 17,739,803	\$ 18,192,075	\$ 19,647,961	\$ 20,875,201	\$ 21,787,622	\$ 22,723,653	\$ 23,367,693	\$ 23,845,224
Sales and Use Taxes	9,877,213	11,451,749	11,203,214	11,936,960	11,754,555	14,093,856	14,255,307	15,303,528	16,119,769	18,512,667
Other Taxes	2,480,376	2,422,600	2,629,312	3,527,119	2,246,649	2,713,159	2,232,154	2,069,361	2,269,566	2,176,193
Licenses and Permits	718,394	760,154	772,766	693,387	598,850	711,706	577,218	645,162	819,963	835,598
Intergovernmental	32,208,125	31,721,262	38,069,563	39,242,276	41,959,915	38,521,702	49,090,114	46,484,608	44,079,808	42,362,145
Charges For Services	4,234,418	4,586,199	5,098,564	5,604,006	6,208,952	6,608,491	6,760,389	7,620,887	7,637,515	7,477,473
Fines and Forfeits	1,609,231	1,807,706	1,857,088	2,145,672	2,526,708	2,680,187	2,742,650	3,000,729	2,954,936	2,874,402
Interest Earnings	2,374,075	1,492,427	1,155,287	1,865,970	2,799,243	4,344,341	3,124,697	1,987,266	1,168,240	1,299,598
Donations	37,311	4	8,285	81,672	132,997	35,600	268,588	420,059	428,397	291,242
Other Revenues	836,683	1,321,053	1,239,989	1,670,949	2,231,404	1,956,538	1,996,662	2,025,100	2,065,541	2,606,481
<b>Total Revenues</b>	<b>69,670,026</b>	<b>71,764,978</b>	<b>79,773,871</b>	<b>84,960,086</b>	<b>90,107,234</b>	<b>92,540,781</b>	<b>102,835,401</b>	<b>102,280,353</b>	<b>100,911,427</b>	<b>102,281,023</b>
<b>Expenditures</b>										
General Government	16,570,036	19,230,963	17,938,791	18,848,797	19,584,676	21,463,027	23,158,568	23,955,685	23,648,816	23,410,214
Public Safety	17,379,022	20,556,695	23,595,674	24,539,264	26,484,434	28,703,107	30,705,627	31,937,631	32,030,793	32,337,862
Physical Environment	1,608,169	1,464,463	1,446,088	1,682,255	1,475,784	1,582,296	1,719,845	1,808,406	1,827,963	1,779,929
Transportation	4,973,378	5,733,667	4,833,720	5,398,354	5,264,463	5,778,465	5,909,461	7,295,118	7,418,940	6,411,826
Economic Environment	1,937,232	1,842,483	1,663,350	1,728,510	1,754,073	1,798,525	2,025,279	2,171,970	1,864,919	2,054,409
Health and Human Services	13,050,278	14,207,643	14,785,292	15,325,570	15,493,813	16,340,498	17,034,595	17,323,317	17,565,729	16,235,371
Culture and Recreation	853,819	1,001,123	928,241	1,059,552	968,052	1,076,839	1,115,700	1,071,650	1,000,867	963,069
Debt Service										
Principal	1,310,000	1,395,000	1,417,995	1,555,000	1,779,598	1,785,000	1,976,029	2,282,750	2,412,748	5,712,748
Interest	1,785,059	1,229,041	1,496,917	1,435,502	1,529,252	1,653,392	1,587,467	1,515,175	1,428,485	1,330,020
Capital Outlay	29,158,595	11,729,244	8,475,581	8,648,954	13,214,142	11,666,488	14,406,699	10,997,478	4,562,946	4,356,358
<b>Total Expenditures</b>	<b>88,625,588</b>	<b>78,390,322</b>	<b>76,581,649</b>	<b>80,221,758</b>	<b>87,548,287</b>	<b>91,847,637</b>	<b>99,639,270</b>	<b>100,359,182</b>	<b>93,762,205</b>	<b>94,591,805</b>
Excess of revenues over (under)										
Expenditures	<u>(18,955,562)</u>	<u>(6,625,344)</u>	<u>3,192,222</u>	<u>4,738,328</u>	<u>2,558,947</u>	<u>693,144</u>	<u>3,196,131</u>	<u>1,921,171</u>	<u>7,149,222</u>	<u>7,689,218</u>
<b>Other Financing Sources (Uses)</b>										
Refunding Bonds Issued	0	20,885,000	0	0	0	0	0	0	0	0
Payment To Bond Escrow Agent	0	(20,885,000)	0	0	0	0	0	0	0	0
Long-Term Debt Issued	0	376,370	0	874,290	7,291,875	1,462,500	1,625,000	162,500	0	0
Sales of Capital Assets	51,143	322,494	30,779	34,057	270,832	41,108	78,954	9,960	43,638	25,358
Transfers In	30,224,388	14,049,045	6,553,141	12,353,708	14,816,472	12,505,523	15,822,931	12,062,271	15,478,555	9,398,798
Transfers Out	(30,329,985)	(16,122,430)	(7,130,467)	(12,597,490)	(15,068,236)	(12,774,322)	(16,252,850)	(12,301,723)	(15,816,399)	(9,556,107)
<b>Total Other Financing Sources (Uses)</b>	<b>(54,454)</b>	<b>(1,374,521)</b>	<b>(546,547)</b>	<b>664,565</b>	<b>7,310,943</b>	<b>1,234,809</b>	<b>1,274,035</b>	<b>(66,992)</b>	<b>(294,206)</b>	<b>(131,951)</b>
<b>Net Change in Fund Balance</b>	<b>\$ (19,010,016)</b>	<b>\$ (7,999,865)</b>	<b>\$ 2,645,675</b>	<b>\$ 5,402,893</b>	<b>\$ 9,869,890</b>	<b>\$ 1,927,953</b>	<b>\$ 4,470,166</b>	<b>\$ 1,854,179</b>	<b>\$ 6,855,016</b>	<b>\$ 7,557,267</b>
Debt Service As A Percentage Of Non-capital Expenditures	5.20%	3.94%	4.28%	4.18%	4.45%	4.29%	4.18%	4.25%	4.31%	7.80%

**Schedule 5  
Benton County  
Assessed Value and Actual Value of Taxable Property,\*  
Last Ten Fiscal Years**

Fiscal Year	Real Property***					Personal Property	Total	Direct Tax Rate**
	Residential Property	Commercial/Industrial Property	Agricultural Property	Other				
2002	\$ 4,455,228,927	\$ 2,070,426,585	\$ 450,655,361	\$ 54,634,727	\$ 519,352,887	\$ 7,550,298,487	\$ 1.5473	
2003	4,702,784,451	2,350,983,900	484,379,681	56,420,003	521,126,214	8,115,694,249	1.5494	
2004	5,167,763,508	2,619,113,070	526,995,536	59,193,580	538,018,099	8,911,083,793	1.5052	
2005	5,760,557,087	2,671,742,094	545,985,611	61,880,110	525,847,375	9,566,012,276	1.4745	
2006	6,302,944,573	2,736,265,798	564,118,796	62,530,317	546,883,878	10,212,743,362	1.4790	
2007	6,746,158,802	2,797,585,490	587,486,411	63,745,490	564,133,229	10,759,109,422	1.4865	
2008	7,338,010,484	2,948,117,905	702,572,620	89,363,449	597,997,310	11,676,061,768	1.4440	
2009	7,617,167,773	3,617,272,826	743,230,017	95,083,293	651,948,254	12,724,702,163	1.3766	
2010	7,914,872,656	3,900,855,051	785,857,175	90,671,913	680,615,147	13,372,871,942	1.3433	
2011	\$ 8,276,196,922	\$ 4,020,634,941	\$ 830,931,571	\$ 72,647,253	\$ 703,226,989	\$ 13,903,637,676	\$ 1.3265	

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**Source:** Benton County Assessor

**Notes:** The county physically inspects and values all taxable real property at least once every six years with statistical updates annually where needed. Property is assessed at actual market value.

\*Property is assessed at the legal market value determined by the Benton County Assessor's office.

\*\*Per \$1,000 of value.

\*\*\*For years 2002 through 2006 the split of values between categories are estimates based on yearly new construction and ratios of actual values of 2007 properties. Going forward from 2007, figures are actual values. (Personal Property values and Total Property values are actual and are based on Assessor Office records.)

**Schedule 6**  
**Benton County**  
**Direct and Overlapping Property Tax Rate,**  
**Last Ten Fiscal Years**  
*(rate per \$1,000 of assessed value)*

	Year Taxes Are Payable									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>County Direct Rates</b>										
General	\$ 1.5110	\$ 1.5104	\$ 1.4689	\$ 1.4382	\$ 1.4427	\$ 1.4502	\$ 1.4077	\$ 1.3403	\$ 1.3070	\$ 1.2902
Mental Health Board	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250
Indigent Soldier	0.0113	0.0113	0.0113	0.0113	0.0113	0.0113	0.0113	0.0113	0.0113	0.0113
Coliseum Refund	-	-	-	-	-	-	-	-	-	-
Welch Foods Refund	-	-	-	-	-	-	-	-	-	-
Twin City Food Refund	-	-	-	-	-	-	-	-	-	-
Johnson Controls Refund	-	-	-	-	-	-	-	-	-	-
APT Refund	-	0.0027	-	-	-	-	-	-	-	-
Total direct rate	1.5473	1.5494	1.5052	1.4745	1.4790	1.4865	1.4440	1.3766	1.3433	1.3265
<b>Other Rates</b>										
Consolidated Road District #1	1.8683	1.9007	1.7956	1.7279	1.8772	1.8915	1.9364	1.9215	1.8795	1.8364
Mosquito Control District	0.1509	0.1643	0.1853	0.1706	0.1704	0.1403	0.1403	0.1328	0.1536	0.1279
State of Washington School	3.0330	2.9130	2.9222	2.7894	2.5735	2.2554	1.9808	1.9240	2.0057	2.1478
<b>City Rates</b>										
Prosser	3.4138	3.4148	3.4851	3.5764	3.6774	3.3378	3.4212	3.3279	3.2636	3.3112
Kennewick	2.8602	2.8232	2.6267	2.5404	2.4399	2.4922	2.4398	2.3709	2.2534	2.2424
Benton City	1.7814	1.7912	1.5753	1.6754	1.6516	1.3627	1.2937	1.2975	1.2954	1.2474
West Richland	2.0399	2.0410	1.8548	1.7621	1.7646	1.7697	1.6170	1.6038	1.6095	1.6281
Richland	3.6272	3.4214	3.4113	3.2942	3.3071	3.3073	3.3674	3.1392	3.1399	3.0121
<b>School District Rates</b>										
Prosser	5.3399	5.6902	5.9370	5.5041	5.3871	5.1390	4.9855	5.0403	4.7172	4.6196
Grandview	4.8540	5.1079	4.8068	4.1985	3.9230	4.1787	3.7469	3.7649	3.9779	3.9900
Kennewick	6.0763	5.9892	5.4543	5.1892	4.8999	4.9956	4.8215	4.7821	4.9633	4.9195
Paterson	1.0047	0.5504	1.0550	0.9701	1.0076	1.0613	0.9905	0.9108	0.8737	0.8595
Benton City	5.2116	5.3203	4.8142	5.1516	5.1301	5.1515	5.2820	5.6287	5.8592	5.9969
Finley	6.9934	6.9424	7.2406	6.5206	6.5660	6.5771	6.2499	6.2906	6.1774	4.7882
Richland	4.4874	3.8714	5.4609	4.9912	4.7611	4.7534	4.4902	4.1694	4.3251	4.4235
<b>Hospital Rates</b>										
Prosser	0.8687	0.8653	0.8396	0.8185	0.8069	0.7538	0.7364	0.7057	0.3815	0.3811
Kennewick	0.1818	0.1788	0.1663	0.1604	0.1508	0.1594	0.1551	0.1506	0.1467	1.4560
<b>Fire District Rates</b>										
District #1	1.7343	1.5786	1.6021	1.4984	1.5218	1.5292	1.6574	1.6451	1.6373	1.5846
District #2	2.2926	2.2468	2.0709	2.0897	2.0363	1.8223	2.2886	2.2833	2.2700	2.2649
District #3	1.5573	1.5449	1.4865	1.4259	1.3793	1.3029	1.2739	1.2667	1.2221	1.1988
District #4	1.7973	1.7821	1.6125	1.5330	1.2733	1.5000	1.5000	1.5000	1.5000	2.0000
District #5	0.8933	0.9137	0.9194	0.8693	0.8207	0.8282	0.8121	0.7505	0.7150	0.7219
District #6	1.2457	1.2896	1.2588	1.2550	1.2645	1.2764	1.2179	0.9664	0.9376	0.9376
<b>Port Rates</b>										
Port of Kennewick	0.4253	0.4251	0.3939	0.3755	0.3690	0.3729	0.3603	0.3507	0.3429	0.3410
Port of Benton	0.5328	0.5066	0.4956	0.4879	0.4815	0.4687	0.4557	0.4215	0.4225	0.4276
<b>Library Rates</b>										
Rural Library	0.4962	0.4982	0.4731	0.4598	0.4501	0.4501	0.4372	0.4214	0.4014	0.3926
Benton City Library	\$ -	\$ -	\$ -	\$ 0.2299	\$ 0.2421	\$ 0.2033	\$ 0.1925	\$ 0.1748	\$ 0.1678	\$ 0.1617

Source: Benton County Assessor

**Schedule 7  
Benton County  
Principal Property Tax Payers,  
Current Year and Nine Years Ago**

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<u>Taxpayer</u>	<u>Fiscal Year 2011</u>			<u>Fiscal Year 2002</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>
AREVA, Inc. (Formerly Framatome/ANP/Siemens Power Corp.)	\$ 99,986,730	1	0.72%	\$ 70,904,780	3	0.94%
K2H Farms Inc.	95,424,410	2	0.69%	72,335,110	2	0.96%
Columbia Center Mall Partnership	71,436,220	3	0.51%	55,234,550	4	0.73%
Battelle Memorial Institute	71,040,900	4	0.51%	33,980,810	10	0.45%
Wyckoff Farms, Inc.	67,423,459	5	0.48%	----	----	----
Ste. Michelle Vintners, Inc.	63,871,570	6	0.46%	46,071,000	6	0.61%
Burlington Northern - Santa Fe Railroad	62,127,230	7	0.45%	39,313,327	9	0.52%
GTE Northwest	55,574,604	8	0.40%	75,727,078	1	1.00%
Extended Legacy, LLC	53,910,510	9	0.39%	----	----	----
Northwest Pipeline Corp.	49,926,093	10	0.36%	----	----	----
Allied Technology Group	----	----	----	46,215,886	5	0.61%
Agrium US, Inc. (previously Prodicta LLC, Union Oil of California)	----	----	----	44,165,790	7	0.58%
ConAgra/Lamb-Weston, Inc.	----	----	----	39,776,540	8	0.53%
Total	<u>\$ 690,721,726</u>		<u>4.97%</u>	<u>\$ 523,724,871</u>		<u>6.94%</u>

**Source:** Benton County Assessor

**Schedule 8  
Benton County  
Property Tax Levies and Collections,  
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)		Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Adjustments	Amount		Percentage of Original Levy	Amount		Percentage of Adjusted Levy	
2002	\$ 11,899,265	\$ (77,141)	\$ 11,822,124	\$ 11,433,005	96.08%	\$ 388,410	\$ 11,821,415	99.9940%
2003	12,944,626	(42,659)	12,901,966	12,466,397	96.31%	433,744	12,900,141	99.986%
2004	13,823,835	(16,365)	13,807,470	13,417,366	97.06%	390,016	13,807,382	100.00%
2005	14,521,156	(23,684)	14,497,472	14,102,359	97.12%	394,738	14,497,097	100.00%
2006	15,508,773	(71,430)	15,437,343	15,018,380	96.84%	418,569	15,436,949	100.00%
2007	16,422,214	(28,015)	16,394,199	16,056,402	97.77%	330,716	16,387,118	99.96%
2008	17,313,644	(52,472)	17,261,172	16,855,853	97.36%	393,670	17,249,523	99.93%
2009	17,984,295	(81,194)	17,903,101	17,488,445	97.24%	354,291	17,842,736	99.66%
2010	18,429,005	(87,059)	18,341,946	17,990,084	97.62%	210,619	18,200,703	99.23%
2011	\$ 18,962,606	\$ (26,650)	\$ 18,935,956	\$ 18,579,517	97.98%	\$ 0	\$ 18,579,517	98.12%

**Source:** Benton County Treasurer

**Note:** The information in this schedule relates to the county's own property tax levies, and does not include those it collects on behalf of other governments.

**Schedule 9  
Benton County  
Ratios of Outstanding Debt,  
Last Ten Fiscal Years**

Fiscal Year	General Bonded Debt Outstanding				CRID Special Assessment Debt	Advances Due To Other Governments***	Capital Leases	Total Primary Government	Net GO Bond As % of Actual Value* of Taxable Property	Net GO Bond As % of Personal Income**	Net GO Bonds Per Capita**
	General Obligation (GO) Bonds	Less: Amounts Restricted to Repaying Principal	Total								
2002	\$ 34,575,000	\$ (1,310,000)	\$ 33,265,000	\$ -	\$ 207,667	\$ 0	\$ 33,472,667	0.44%	0.75%	\$ 221.29	
2003	54,150,000	(20,485,000)	33,665,000	382,995	207,667	0	34,255,662	0.41%	0.72%	219.18	
2004	33,665,000	(1,395,000)	32,270,000	360,000	207,667	0	32,837,667	0.36%	0.66%	207.27	
2005	32,270,000	(1,535,000)	30,735,000	1,239,598	207,667	0	32,182,265	0.32%	0.61%	194.86	
2006	37,980,000	(1,600,000)	36,380,000	1,095,000	207,667	0	37,682,667	0.36%	0.70%	228.00	
2007	36,380,000	(1,680,000)	34,700,000	955,000	1,670,167	0	37,325,167	0.32%	0.60%	214.64	
2008	34,700,000	(1,745,000)	32,955,000	810,000	3,209,139	0	36,974,139	0.28%	0.52%	197.84	
2009	32,955,000	(2,010,000)	30,945,000	735,000	3,173,889	326,494	35,180,383	0.24%	0.48%	180.84	
2010	30,945,000	(2,095,000)	28,850,000	615,000	2,976,141	518,203	32,959,344	0.22%	0.42%	163.48	
2011	\$ 28,850,000	\$ (5,425,000)	\$ 23,425,000	\$ 525,000	\$ 2,778,393	\$ 419,033	\$ 27,147,426	0.17%	0.34%	\$ 131.68	

**Source:** Benton County Treasurer

**Note:** 2011 "Percentage of Personal Income" calculated using 2010 personal income data, which is the most recent available. In 2003 there were \$20,885,000 of G.O. bonds that were refinanced.

\*See schedule 5 for property value data.

\*\* Population and personal income data can be found in Schedule 11. 2010 data used for 2011

\*\*\*Revised to reflect Long-Term Advances from DSHS to Human Services

**Schedule 10**  
**Benton County**  
**Legal Debt Margin Information,**  
**Last Ten Fiscal Years**  
*(dollars in thousands)*

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Assessed Value of Property	\$ 7,550,298	\$ 8,115,694	\$ 8,911,084	\$ 9,566,012	\$ 10,212,743	\$ 10,759,109	\$ 11,676,062	\$ 12,724,702	\$ 13,372,872	\$ 13,903,638
Debt Limit 1.5% of Assessed Value (Statutory Limitation non-voted)	113,254	121,735	133,666	143,490	153,191	161,387	175,141	190,871	200,593	208,555
Debt Limit 2.5% of Assessed Value (Statutory Limitation voted and non-voted)	188,757	202,892	222,777	239,150	255,319	268,978	291,902	318,118	334,322	347,591
Amount of Debt Applicable to Limit General Obligation Bonds	34,575	54,150	33,665	32,270	37,980	36,380	34,700	32,955	30,945	28,850
Less: Resources Restricted to Paying Principal	<u>(1,310)</u>	<u>(20,485)</u>	<u>(1,395)</u>	<u>(1,535)</u>	<u>(1,600)</u>	<u>(1,680)</u>	<u>(1,745)</u>	<u>(2,010)</u>	<u>(2,095)</u>	<u>(5,425)</u>
Total net debt applicable to limit	33,265	33,665	32,270	30,735	36,380	34,700	32,955	30,945	28,850	23,425
Legal Debt Margin (non-voted)	<u>\$ 79,989</u>	<u>\$ 88,070</u>	<u>\$ 101,396</u>	<u>\$ 112,755</u>	<u>\$ 116,811</u>	<u>\$ 126,687</u>	<u>\$ 142,186</u>	<u>\$ 159,926</u>	<u>\$ 171,743</u>	<u>\$ 185,130</u>
Total net debt applicable to the limit as a percentage of non-voted debt limit	29.37%	27.65%	24.14%	21.42%	23.75%	21.50%	18.82%	16.21%	14.38%	11.23%
as a % of voted and non-voted debt limit	17.62%	16.59%	14.49%	12.85%	14.25%	12.90%	11.29%	9.73%	8.63%	6.74%

**Schedule 11  
Benton County  
Demographic and Economic Statistics,  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population*</b>	<b>Personal Income* (thousands of dollars)</b>	<b>Per Capita Personal Income</b>	<b>Year-End Unemployment Rate</b>
2002	150,323	\$ 4,451,211	\$ 29,611	6.70%
2003	153,596	4,665,361	30,374	6.90%
2004	155,689	4,877,107	31,326	5.70%
2005	157,726	5,035,609	31,926	6.40%
2006	159,564	5,228,549	32,768	5.70%
2007	161,669	5,749,548	35,564	5.10%
2008	166,573	6,340,552	38,065	6.20%
2009	171,122	6,443,140	37,652	8.10%
2010	176,472	6,883,488	39,006	7.20%
2011	177,900	\$ N/A	\$ N/A	9.10%

**Notes:** Data Provided by: Washington State Employment Security Department  
Office of Financial Management Census 2000 and 2010 results  
for Washington State  
Bureau of Economic Analysis

\*2002-2009 data revised to reflect adjusted Bureau of Economic Analysis totals.

**Schedule 12  
Benton County  
Principal Employers,  
Current Year and Nine Years Ago**

<u>Employer</u>	<u>Fiscal Year 2011</u>			<u>Fiscal Year 2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Battelle Memorial Institute	4,339	1	4.83%	3,850	2	5.02%
Bechtel National, Inc., Waste Treatment Project	2,990	2	3.33%	2,650	3	3.46%
ConAgra/Lamb-Weston, Inc.	2,498	3	2.78%	1,800	5	2.35%
Kadlec Medical Center	2,227	4	2.48%	1,047	9	1.37%
Kennewick School District	1,922	5	2.14%	2,000	4	2.61%
CH2M Hill Hanford Group, Inc.	1,808	6	2.01%	1,441	6	1.88%
Mission Support Alliance	1,694	7	1.88%	----	----	----
Washington River Protection Solutions	1,385	8	1.54%	----	----	----
Richland School District	1,200	9	1.34%	1,100	8	1.43%
Energy Northwest (Washington Public Power Supply System)	1,198	10	1.33%	1,406	7	1.83%
Kennewick General Hospital	----	----	----	812	10	1.06%
Fluor Hanford, Inc./Fluor Federal Services	----	----	----	4,225	1	5.51%
AREVA, Inc. (Formerly Framatome/ANP/Siemens Power Corp.)	----	----	----	----	----	----
URS	----	----	----	----	----	----
<b>Total</b>	<b>21,261</b>		<b>23.66%</b>	<b>20,331</b>		<b>26.51%</b>

**Sources:** Tri-City Industrial Development Council (TRIDEC)  
Washington State Employment Security Department

**Schedule 13  
Benton County  
County Government Employees by Function,  
Last Ten Fiscal Years**

Function/Program	Full-time Equivalent Employees as of December 31									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Government Full-time	300	314	317	320	317	315	284	288	295	298
General Government Part-time	12	12	12	12	11	10	41	35	42	42
Total	<u>312</u>	<u>326</u>	<u>329</u>	<u>332</u>	<u>328</u>	<u>325</u>	<u>325</u>	<u>323</u>	<u>337</u>	<u>340</u>
Public Safety Full-time	150	190	203	209	208	208	219	221	218	217
Public Safety Part-time	10	10	10	10	14	13	2	-	1	3
Total	<u>160</u>	<u>200</u>	<u>213</u>	<u>219</u>	<u>222</u>	<u>221</u>	<u>221</u>	<u>221</u>	<u>219</u>	<u>220</u>
Physical Environment Full-time	23	23	24	25	25	26	26	26	25	23
Physical Environment Part-time	-	-	-	-	1	1	1	1	1	2
Total	<u>23</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>	<u>27</u>	<u>27</u>	<u>26</u>	<u>25</u>
Transportation Full-time	46	40	41	40	39	39	41	43	39	39
Transportation Part-time	4	4	4	4	4	4	2	-	0	2
Total	<u>50</u>	<u>44</u>	<u>45</u>	<u>44</u>	<u>43</u>	<u>43</u>	<u>43</u>	<u>43</u>	<u>39</u>	<u>41</u>
Economic Environment Full-time	12	8	10	9	10	7	6	7	7	7
Economic Environment Part-time	1	1	1	1	1	1	2	1	1	1
Total	<u>13</u>	<u>9</u>	<u>11</u>	<u>10</u>	<u>11</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>
Health and Human Services Full-time	33	34	37	38	32	37	36	36	35	33
Health and Human Services Part-time	1	1	1	1	2	2	3	3	4	4
Total	<u>34</u>	<u>35</u>	<u>38</u>	<u>39</u>	<u>34</u>	<u>39</u>	<u>39</u>	<u>39</u>	<u>39</u>	<u>37</u>
Culture and Recreation Full-time	12	12	12	11	9	9	8	6	7	7
Culture and Recreation Part-time	-	-	-	-	3	3	4	6	3	3
Total	<u>12</u>	<u>12</u>	<u>12</u>	<u>11</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>10</u>	<u>10</u>
Internal Service Full-time	19	22	23	21	20	22	21	21	18	22
Internal Service Part-time	-	-	-	-	-	-	1	1	1	1
Total	<u>19</u>	<u>22</u>	<u>23</u>	<u>21</u>	<u>20</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>19</u>	<u>23</u>
Total Full-time	595	643	667	673	660	663	641	648	644	646
Total Part-time	28	28	28	28	36	34	56	47	53	58
Total County Employees	<u><u>623</u></u>	<u><u>671</u></u>	<u><u>695</u></u>	<u><u>701</u></u>	<u><u>696</u></u>	<u><u>697</u></u>	<u><u>697</u></u>	<u><u>695</u></u>	<u><u>697</u></u>	<u><u>704</u></u>

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Source: County Payroll Office

**Schedule 14  
Benton County  
Operating Indicators by Function,  
Last Ten Fiscal Years**

<b>Function/Program</b>	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>
<b>Justice and Law Enforcement</b>										
Sheriff										
Calls For Service (Sheriff)	22,488	23,048	23,272	29,119	28,928	31,323	33,621	39,448	38,505	40,614
Warrants Served	949	1,046	834	569	598	1,084	1,130	1,583	1,931	1,261
Arrests	2,569	2,418	1,946	2,035	2,121	2,243	2,320	3,978	3,548	4,281
Arraignments	4,800	N/A	5,909	6,093	5,936	6,015	6,026	6,074	5,603	5,891
Average daily jail population	320	342	602	653	708	687	675	668	625	624
Prosecuting Attorney										
Adult Felony Cases Filed	1,177	1,255	1,684	1,732	1,570	1,258	1,247	1,222	1,284	1,462
Juvenile Cases Filed	1,197	1,099	1,013	1,095	935	1,090	855	972	830	777
Juvenile Justice										
Juvenile Offender Arrests	3,037	3,198	2,941	3,000	2,419	2,457	2,173	2,002	1,836	1,634
Detention Days Served	14,033	14,838	15,447	16,872	17,874	15,785	15,237	15,330	11,180	11,783
Courts										
District Court Violation Filings	52,835	53,738	52,551	47,341	59,648	60,894	53,684	59,594	53,078	54,267
District Court Hearings Held	56,534	59,904	63,490	56,699	58,283	63,221	66,258	69,498	67,796	65,729
Superior Court Trials	388	325	282	299	334	350	360	315	275	316
Superior Court Cases Completed	6,451	6,830	7,112	7,638	8,969	8,292	7,241	8,418	8,131	8,550
<b>Health Services*</b>										
Clients Assisted										
Mental Health	4,112	4,429	5,065	6,112	4,150	3,694	3,520	4,298	4,122	7,238
Substance Abuse	1,034	1,032	1,113	1,347	1,646	1,264	1,777	2,010	1,246	1,513
Developmental Disabilities	380	376	374	435	429	510	535	514	523	481
Prevention	1,022	1,022	146	271	226	172	170	550	816	304
Housing**	N/A	N/A	N/A	N/A	N/A	N/A	171	924	405	825
<b>Economic Environment</b>										
Actions requiring a permit	1,077	1,021	1,012	902	871	1,075	464	689	674	639
<b>Public Works</b>										
Centerline miles of road maintained:										
County Rural Roads	733	739	746	743	744	742	743	744	745	746
County Urban Roads	140	141	136	136	136	120	118	118	115	112

\*Statistics maintained on a July of one year through June of the next year fiscal period.

\*\*New Program in 2008

Source: County Budget Office and individual county departments

**Schedule 15  
Benton County  
Capital Asset Statistics by Function,  
Last Ten Fiscal Years**

<b>Function/Program</b>	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>
<b>Justice and Law Enforcement</b>										
Correction facility capacities	311	782	782	782	782	782	782	782	782	782
<b>Parks and Land Use</b>										
Number of recreational facilities	12	11	12	12	12	12	12	12	12	12
Recreational acreage:										
Developed	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8
Undeveloped	1,893.3	1,869.5	2,443.5	2,443.5	2,443.5	2,443.5	2,443.5	2,443.5	2,516.5	2,516.5
<b>Public Works</b>										
Miles of Rural Road	733	739	746	743	744	742	743	744	745	746
Miles of Urban Road	140	141	136	136	136	120	118	118	115	112
Bridges	56	56	55	55	55	54	54	54	54	54
Active vehicles in vehicle replacement plan	104	110	106	111	111	113	111	115	115	115

**Source:** County Budget Office and individual County departments

