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November 28, 2016

Kittitas County Disclosure Statement

2015 Comprehensive Annual Financial Report

As part of the 2015 Financial Audit performed by the Washington State Auditor's office, the audit generated a listing of Aggregation of Misstatements – uncorrected items. The items listed on the attached pages were not corrected in the 2015 Comprehensive Annual Financial Report due to staff shortages and time constraints. These items were mostly considered as immaterial to the financial statements.

If you have any questions, regarding this disclosure statement please contact our office at 509-962-7502.

Respectfully,


Jerald V Pettit
Kittitas County Auditor

and


Judy Pless
Budget and Finance Manager

KITTITAS COUNTY
2015 Aggregation of Misstatements (GAAP)

Description	Statement / Schedule	Opinion Unit
Note 3: Stewardship, compliance and accountability note should be removed since it is a negative disclosure and is not applicable.	Notes to the Financial Statements	N/A
GASB 68: The county miscalculated the LEOFF 2 state contribution revenue. They used the percentage provided on the PEFI instead of the calculated percentage based on state contributions. This resulted in an understatement of 38,459.27 for intergovernmental revenue and pension expense	Statement of Revenues, Expenditures and Changes in Fund Balances	General Fund
GASB 68: The county miscalculated the LEOFF 2 state contribution revenue. They used the percentage provided on the PEFI instead of the calculated percentage based on state contributions. This resulted in an understatement of 38,459.27 for intergovernmental revenue and pension expense	State of Activities	Governmental Activities
General Fund: Cash and investment was overstated by an unknown error of \$10,072	Statement of Net Position	General Fund
County Road Fund: Cash and investments was overstated by an unknown error of \$7,255	Statement of Net Position	County Road
Solid Waste Fund: Cash and investments was overstated by an unknown error of \$2,440	Statement of Net Position	Solid Waste
Aggregate Remaining: Cash and Investments was overstated by an unknown error of \$59,195	Statement of Net Position	Aggregate Remaining Funds
Governmental Activities: Cash and investment was overstated by an unknown error of \$17,327	Statement of Net Position	Governmental Activities

KITTITAS COUNTY
2015 Aggregation of Misstatements (GAAP)

Description	Statement / Schedule	Opinion Unit
The liabilities long term debt is overstated by \$14,397.92 which should have been classified as miscellaneous. Total error is .01% of total assets.	Statement of Net Position	Governmental Activities
Revenues - Other Taxes, for the County enhanced 911 wireline was overstated in the amount of \$17,778.97 and Revenues for the County enhanced 911 wireless was overstated in the amount of \$34,924.55 as the county did not accrue the amounts for the month of January and February back to the 2014 FY. Therefore a total difference of \$52,703.52 or .1% - immaterial to the financial statements.	Statement of Revenues, Expenditures and Changes in Fund Balances	Aggregate Remaining Funds
The County transferred \$540,594 from fund 301 to the GF, using REET funds for the purchase of a bowling area. However, the property was not included in the County's facility plan. Per RCW 82.46.010 (2) these REET taxes are restricted to be used solely for local capital projects identified in the capital facilities plan. The total error is 4.1% with a remaining not tested of .5%. even if the remaining not testes is not allowable then it would only result in a 4.8% error. Immaterial.	Statement of Revenues, Expenditures and Changes in Fund Balances	Aggregate Remaining Funds
Business Type Activities: The County reported their deferred outflow of \$123,990 twice as unearned revenues and deferred outflow.	Statement of Net Position	Business Type Activities
Business Type Activities: The county total liabilities did not match the proprietary stmt of NP and was overstated by \$111,714.	Statement of Net Position	Business Type Activities
The County had a negative liability of \$3,108 in Due to other governments.	Proprietary funds Net Position	Solid Waste

KITTITAS COUNTY
2015 Aggregation of Misstatements (GAAP)

Description	Statement / Schedule	Opinion Unit
<p>We noted that on the government wide statement of net position had the following relationship Assets + Deferred Outflows - Liabilities = Net position and did not take into account the deferred inflows.</p> <p>Governmental Activities: Per County: 143,443,088+1,321,270-19,241,766=125,522,593</p> <p>Per Auditor: 143,443,088+1,321,270- 19,241,766 - 1,680,544= 123,842,049</p> <p>Difference of 1,680,544, this difference is 1% of total assets of 144,764,358 and therefore not material</p>	Statement of Net Position	Governmental Activities
<p>We noted that on the government wide statement of net position had the following relationship Assets + Deferred Outflows - Liabilities = Net position and did not take into account the deferred inflows.</p> <p>Business Activities:;</p> <p>Per County: 10,712,674+92,197- 2,548,873= 8,255,999</p> <p>Per Auditor: 10,712,674+92,197- 2,548,873- 123,990= 8,132,008</p> <p>Difference of 123,990, this difference is 1% of total assets of 144,764,358 and therefore not material</p>	Statement of Net Position	Business Type Activities
<p>Note 7:(10) Per the BARS manual example, the notes is missing the disclosure of the deferred outflows and inflows table for each plan.</p>	Notes to the Financial Statements	N/A
<p>Note 7:(11) The Change in Proportionate Share table discloses the incorrect amounts for LEOFF 2, PSERS, and PERS 2/3</p>	Notes to the Financial Statements	N/A