# Skagit County Washington Comprehensive Annual Financial Report



Fiscal Year Ending December 31, 2015

# SKAGIT COUNTY WASHINGTON

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

FISCAL YEAR ENDED DECEMBER 31, 2015

Jeanne Youngquist, Skagit County Auditor Barbara Leander, Chief Deputy Auditor

Jana Robbins Anna Fohn

Chief Accountant Senior Accountant

Crystal Burress Calina Armstrong Debra Gatti

Sunrise Zimmermann Lori Love

**Skagit County** 700 South Second St. Room 201 Mount Vernon, WA 98273

Cover Photo Courtesy of: LaConner Chamber of Commerce / Pamela Headridge Photography

# SKAGIT COUNTY WASHINGTON COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2015

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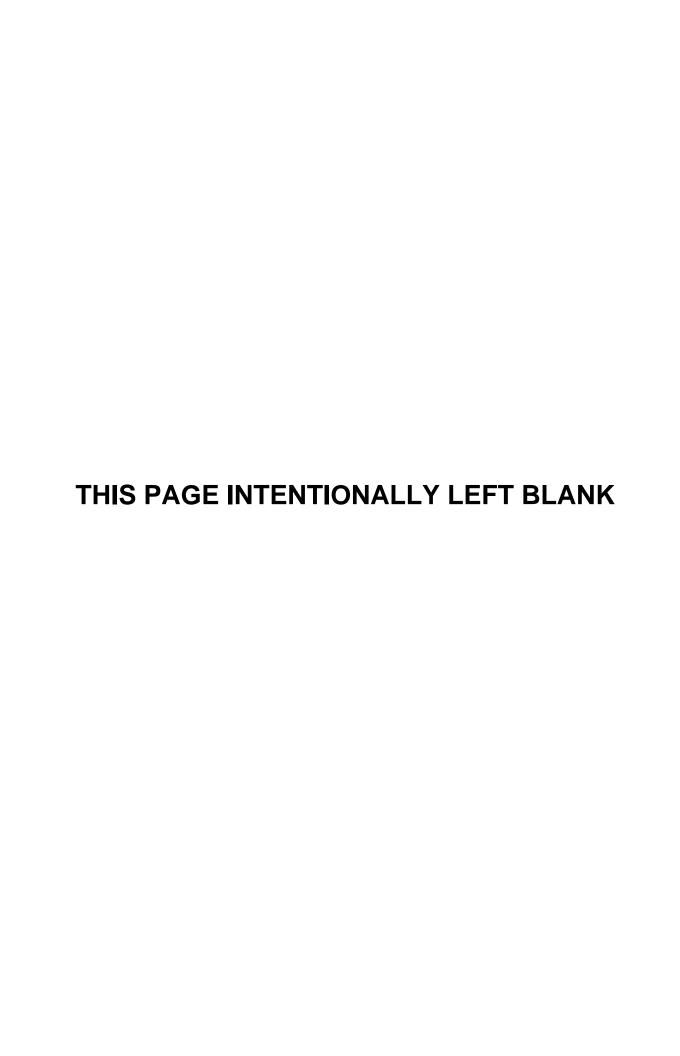
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# **About Skagit County**

(pronounced "skäjet")

**S**kagit **C**ounty is located in the northwest portion of Washington State, USA. between Seattle, Washington and Vancouver, B.C. Canada. The majestic Cascade Mountains stand to the east, overlooking a fertile valley boasting a variety of agricultural crops. Running through the valley is the powerful Skagit River flowing westward toward the beautiful San Juan Islands. World famous tulip fields blanket the valley in the spring. Flocks of Canadian geese, snow geese and trumpeter swans can be seen here in the winter. Bald eagles soar overhead year round and great blue herons stand along the shorelines.



Jeanne Youngquist
Auditor

**Barbara Leander**Chief Deputy

June 29, 2016

To the Honorable Board of Commissioners and Citizens of Skagit County

We hereby submit the Comprehensive Annual Financial Report (CAFR) of Skagit County for the fiscal year ending December 31, 2015 in accordance with the provisions of Chapter 36.22 of the Revised Code of Washington. 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.

The annual report is presented in compliance with the reporting model as required by the Governmental Accounting Standards Board (GASB) Statement 34. The report includes government-wide financial statements based on full accrual accounting with capital assets, infrastructure and long-term debt reporting. The fund financial statements are presented using the modified accrual method.

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

This annual report consists of management's representations concerning the finances of the County. Consequently, responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of Skagit County. The County has established a comprehensive internal control framework to provide a reasonable basis for making these representations. Management of the County has established internal controls that are designed to both protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the presentation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's internal controls have been designed to provide reasonable assurance that the financial statements will be free from material misstatements. To the best of our knowledge and belief, the data presented is accurate in all material respects and disclosures.

The Comprehensive Annual Financial Report is developed to provide meaningful financial information to legislative bodies, creditors, investors and citizens. It is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter and a presentation of the County's organizational structure and elected officials. The financial section includes the independent auditor's report, the management discussion and analysis, government wide financial statements, fund financial statements and combining and individual fund financial statements and schedules. The statistical section presents various financial and demographic information generally representing (presented on) multiple years.

The Office of the Washington State Auditor conducts an annual audit of the financial statements of Skagit County as required by state law. The goal of the independent audit is to provide reasonable assurance

that the financial statements of the County for the financial year ended December 31, 2015, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the overall financial statement presentation. The auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Skagit County's financial statements for the fiscal year ended December 31, 2015 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The auditor's examination is conducted in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller of the United States and the provisions of OMB Circular A-133, Audits of State, Local Governments and Non-Profit Organizations.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget (OMB) (Circular A-133, Audits of State, Local Governments and Non-Profit Organizations). Information related to the single audit act, including the schedule of expenditures of federal awards and state/local financial assistance, findings and recommendations and auditor's reports on the internal control structure and compliance with applicable laws and regulations, will be issued in a separate Single Audit Report.

### **Profile of Skagit County**

Skagit County, a first-class county, was incorporated on November 28, 1883, under the Revised Code of Washington 36.04.290. The County is governed by a Commissioner form of government; three commissioners elected to serve the three census driven equally populated districts of our county. Locally elected officials include the County Assessor, Auditor, Clerk, Coroner, Prosecuting Attorney, Sheriff, Treasurer, four Superior Court Judges, and two District Court Judges. These elected officials govern the County and establish policies on the basis of the County's needs and preferences. The Commissioners act as the legislative body and appoint an Administrator. The administrator acts independently but works closely with a management team that includes the Budget and Finance Director and the Human Resource Director/Risk Manager. Some of the services provided by the county include: Road construction and maintenance, solid waste management, planning and development services, parks and recreation, judicial administration, law enforcement, public health, social services, general administrative services, passport, vehicle and vessel licensing, historic recording and maintenance of all legal land documents, as well as election services.

As required by GAAP, the financial statements present Skagit County, the primary government and its discretely presented component unit, Central Valley Ambulance Authority (CVAA). GASB Statement 14 establishes the standards for defining and reporting on the financial reporting entity and applies to the primary government as well as to separately issued financial statements of governmental component units. Please refer to Note I in the Notes to the Financial Statements section for more specific information regarding the County's two component units.

Skagit County nestles between Whatcom County to the north and Snohomish County to the south, the majestic Cascade Mountains to the East, straddling the powerful Skagit and Samish rivers to fan out into one of the most fertile river deltas as it reaches to the west to the scenic and famed San Juan Islands. From the glacier-covered peaks of the Cascade Mountains and the forested uplands, through the fertile farm lands to the wild shorelines, Skagit County provides a cherished environment attractive to families and individuals seeking to reside in a more rural setting, within commuting distance of urbanized employment. Interstate 5 and Hwy 20 intersect within Skagit County providing rapid and convenient transportation.

Skagit County encompasses a 1,735 square mile land base, of which 156,085 acres are devoted to parkland, (national, state and county) and 364,582 acres of National Forest Land. Skagit County remains a pristine, beautiful place to live and enjoy the outdoors. The beautiful natural water areas, lakes, streams, rivers and saltwater beaches support backpacking, hiking and camping as well as the festivals, tours and special events continue to attract tourists to the area. Skagit County is known for its festivals,

including the famous annual Tulip Festival, Festival of Family Farms, Skagit Eagle Festival, drawing tourists from near and far. Other local rural and urban festivals and tours also enjoy the success of returning participants and tourists.

The region provides a rich base for successful businesses, musicians, artists, authors, and commuters; a community attractive to weekenders and new populations resulting in steady growth.

The county is home to approximately 100,000 acres of the most productive and valuable farmland in the world. Agriculture remains the number one industry producing upwards of 90 crops, having a global impact and a supported future. Our Nation, State of Washington, citizens of Skagit County and Washington State University have invested in a world class, state of the art research station in Mount Vernon providing new, improved and sustainable sources of food and natural resources production. Skagit County is a major producer of cabbage, table beet, and spinach seed, with seven vegetable seed companies marketing worldwide. More tulip, daffodil, and iris bulbs are produced in Skagit County than in any county in the United States. Skagit County ranks fifth in dairy production and produces 95% of the red potatoes in Washington State. Organic acreage in Skagit County is on the increase. More than 5,820 acres of certified organic land is in production with a value of \$13,339,494 - the highest in Western Washington.

Thousands of Trumpeter and Whistling swans, Snow geese and thousands of mallard and other ducks utilize Skagit farmland for food and habitat. Skagit County farmland also hosts one of the highest concentrations of raptors in North America.

### **Financial Policies**

The annual budget for Skagit County serves as a basis for the County's financial planning and control and is adopted in accordance with the provisions of the Revised Code of Washington (RCW) Chapter 36.40. Each County department and separate funds are required to submit requests for appropriations to the County Auditor's Office by the second Monday in August. A compilation of the requests is submitted to the Board of County Commissioners by the first Tuesday in September. The Commissioners schedule a budget hearing, which must begin between the first Monday in October and the first Monday in December. The hearing may be continued from day to day for no more than five days. At the conclusion of the hearing, the Commissioners adopt the budget.

The annual appropriated budget is adopted at the department level within each fund. For management purposes, expenditures are further segregated by "object class" of expenditure. Object class refers to a segmentation of expenditures into five categories. These categories are salaries and wages, personnel benefits, supplies, other services and charges, and capital expenditures. Expenditures may not exceed appropriations at the department level and the budgets constitute legal authority for expenditures at that level. All appropriations lapse thirty days after the close of each fiscal year. All expenditures incurred prior to year-end, but not paid until this thirty-day period are considered expenditures against the budget for the prior year and are reported as accounts payable.

Budget status reports are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, revenues and expenditures can be monitored at fund, department, division, activity, project, or object class level.

Skagit County has established fiscal policies as guidelines for its budgetary process and they are, in part:

- 1. The General Fund budget shall be balanced within available revenue sources. A minimum reserve balance of 12% shall be targeted for the General Fund.
- 2. The Insurance Services Fund shall be managed to maintain the County's self-insured status. A minimum reserve balance of 25% shall be maintained for the Fund.
- 3. Growth in the General Fund, Road Fund and Conservation Futures Fund tax levies shall not exceed 101% of the prior year levy plus taxes collected on new construction.

- 4. Strategies to reduce and control expenditures and increase revenues and proposed efficiencies submitted by Elected Officials and Department Heads will be considered during the budget review process.
- 5. Departments shall provide budget monitoring reports as requested by the Board of County Commissioners to assist with projections for current and future years.
- 6. Internal Service Funds shall be funded at a level to maintain the financial stability of those funds and to meet required service levels for department programs.
- Departments that provide services to other agencies shall analyze the costs for providing these services including direct and indirect overhead to ensure that reimbursement rates for these services cover all appropriate costs.
- Opportunities to cooperate with other agencies to provide services should be evaluated and implemented, where possible, to gain efficiency, decrease expenses and avoid duplication of services.

The County is self-insured for a wide range of loss exposures including property, liability, and worker's compensation. The County manages risk through a variety of methods including insurance, loss prevention, loss control and comprehensive safety programs. There is a county-wide effort to control losses and reduce costs.

The County has developed a 6-year Capital Facilities Plan, which is updated annually. This document is Skagit County's plan for capital facility development, maintenance, and financing. The Plan includes a list of existing capital facilities as well as forecasts future needs that include clearly identified probable sources of public money for such purposes.

### **Economic Condition**

Skagit County's economic base includes: agriculture, food processing, lumber and wood products, oil refining, tourism, and marine related industries. Included within the marine related industries are fishing, fish processing, ship and boat building and repair. Exports within the agricultural area have continued to be strong.

As is the case throughout the nation, Skagit County's local economy has been directly impacted by the current global recession, an subsequent slow recovery. Economic conditions have a direct impact on the County's revenues and the demand for County services. Because of this, the information presented in the financial statements is best understood while taking the nation's current economic environment into consideration.

The County has demonstrated its commitment to maintaining a strong general fund balance. In 2009, the County implemented 5 non-paid closure days which resulted in an approximate savings to the General Fund of \$600,000 in wages and benefits. In 2010, the County Commissioners increased those closure days to 12, resulting in an approximate savings to the General Fund of \$1,440,000 in wages and benefits. In 2011, the non-paid closure days were reduced to 9, which continued in 2012 and were reduced in 2013 to 6. During 2014, it was deemed no longer necessary, and was discontinued after 2 closure days. The County's overall financial position remains steady.

The County will continue to face challenges in meeting growing demands for services and employee related costs in an environment of limited revenues. The County is focused on improving efficiencies and effectiveness via innovative solutions that lead to providing the essential infrastructure and services prioritized by its citizens.

### **Major Initiatives**

The recently completed Anacortes Ferry Dock Rehabilitation & Guemes Island Ferry Dock Repair project has been selected by the American Public Works Association (APWA) as one of their Public Works

Projects of the Year for 2012. This was a national competition. The project was mainly funded with a grant from the Department of Transportation.

In 2005, the County entered into an Interlocal agreement with the city of Mount Vernon to build a new arterial roadway, connecting the Anderson Road/I-5 freeway interchange to South LaVenture Road. The project will provide an alternative route to access the rapidly developing portions of eastern Mount Vernon to the surrounding County areas. Funded in part by the County, by the City of Mount Vernon, and by federal, state and local grant funding, the project was completed in 2013.

In 2013, the County entered into an interlocal agreement with the major cities and other partners in the County to share the costs of a new jail facility. A sales tax initiative was passed by the voters to help fund the facility.

In 2014, the County created a new enterprise fund called the Jail Fund. This fund issued bonds for the planning and constructing a 400 bed regional jail facility. The County purchased the land in 2014 and is now preparing construction documents for the facility. The estimated completion date for the jail facility is set for the spring of 2017. The County continued the construction of the new jail facility in 2015. The project is currently on schedule.

### Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in financial reporting to Skagit County for its Comprehensive Annual report for the fiscal year ended December 31, 2014. This was the fourth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current financial report continues to meet the Certificate of Achievement Program 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 work of the entire staff of the Auditor's Office. In addition, acknowledgement is made for the invaluable contributions of the Treasurer's Office, the Public Works accounting division, and the Budget and Finance Director's office.

We would also like to express our appreciation for the professional efforts of our local State Auditor's Office team and the direction and advice provided by them and to the Board of County Commissioners for their efforts in working for the betterment of the County.

Sincerely,

Jeanne Younggl County Auditor



Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

# Skagit County Washington

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

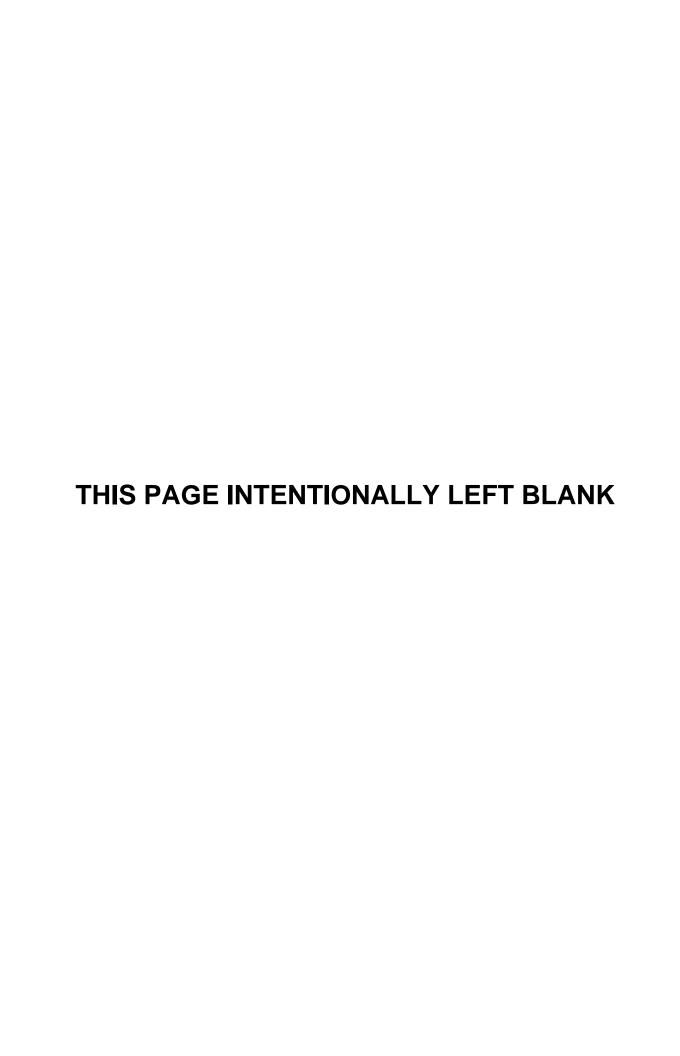
**December 31, 2014** 

Executive Director/CEO

# SKAGIT COUNTY, WASHINGTON ELECTED OFFICIALS

		TERM EXPIRES
DISTRICT NUMBER 2	RON WESENKENNETH DAHLSTEDTLISA JANICKI	DECEMBER 2016
SUPERIOR COURT JUDGES	SUSAN COOK	DECEMBER 2016 DECEMBER 2016
DISTRICT COURT JUDGES	WARREN GILBERTDAVID SVAREN	
ASSESSOR	DAVE THOMAS	DECEMBER 2018
AUDITOR	JEANNE YOUNGQUIST	.DECEMBER 2018
CLERK	MAVIS BETZ	DECEMBER 2018
CORONER	DANIEL DEMPSEY	DECEMBER 2018
PROSECUTING ATTORNEY	RICHARD WEYRICH	DECEMBER 2018
SHERIFF	WILL REICHARDT	DECEMBER 2018
TREASURER	KATIE JUNGQUIST	DECEMBER 2018

### STATUTORY OFFICERS Auditor Treasurer Coroner -Geographic Info Svcs -Records Management Information Services Central Services Oocuments/Boards%20and%20Committees.pdf Most appointments to the 50+ boards and Current info on purpose, schedules, and memberships can be found at: www.skagitcounty.net/CountyCommissioners/ Advisory Boards and Committees committees are approved by the Commissioners. **Assigned Counsel** Public Defender SKAGIT COUNTY COMMISSIONERS **Board of County** County Administrator **CITIZENS** Noxious Weed Control Planning & Development Emergency Management Public Works Services WSU Cooperative **Civil Service Commission** Parks, Recreation **Boundary Review Board** Hearing Examiner Law & Justice Council Board of Equalization Planning Commission Public Health Community Services Extension Component Unit of County Government Central Valley Ambulance Authority Emergency Medical Services Facilities Maintenance & Administrative Services -Conservation Futures **Budget and Finance** Human Resources / Risk Management Communications -District Court Probation -Office of Juvenile Court -Upriver Services CONSTITUTIONAL Capital Projects Sustainability OFFICERS Clerk of the Court Superior Court District Court -Law Library Prosecutor Sheriff χi



# Financial Section





# Washington State Auditor's Office

### INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

June 29, 2016

Board of Commissioners Skagit County Mount Vernon, Washington

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of Skagit County, Washington, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of Skagit County, Washington, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Matters of Emphasis**

As described in Note X, during the year ended December 31, 2015, the County has implemented the Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. Our opinion is not modified with respect to this matter.

### **Other Matters**

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 15, budgetary comparison information on pages 68 through 77, pension plan information on pages 78 through 82, and information on postemployment benefits other than pensions on page 83 are 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 our 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.

### Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as individual and combining statements and schedules on pages 86 through 166 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 Section, Statistical Section, and Compliance 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.

### OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated June 29, 2016, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Sincerely,

TROY KELLEY

STATE AUDITOR

Twy X Kelley

OLYMPIA, WA

This discussion and analysis provides a narrative overview of Skagit County's financial activities for the fiscal year ended December 31, 2015. It should be considered in conjunction with information contained in the financial statements and in the notes to the financial statements.

### **FINANCIAL HIGHLIGHTS**

- As of December 31, 2015, total assets of the County exceeded total liabilities by \$330 million. Net invested in capital assets (net of depreciation and related debt) account for 86% of this amount, at \$282 million. Of the remaining Net Position, \$36 million was restricted for specific purposes and \$11.5 million was unrestricted. Fund balance decreased \$1.3 million from operating activities and \$29 million from the implementation of GASB 68, Accounting and Financial Reporting for Pensions.
- Ending unassigned fund balance for the General Fund was \$13.6 million, assigned fund balance in the General Fund was \$1 million, a total increase of \$.8 million over the previous year. Management has elected to assign \$1 million of the General Fund for various capital and IT projects. The total increase in fund balance was due to a conservative approach to spending practices.
- Ending fund balance for the County Road fund was \$4.3 million, an increase of \$2.1 million over the previous year. This was mainly due to decreased capital projects, as well as lower material costs for maintenance, and a conservative approach to spending practices.
- Ending fund balance for the Mental Health fund was \$6.9 million, an increase of \$1.1 million over the previous year. This was mainly due to slight changes in grant revenues and a conservative approach to spending.
- Total long-term liabilities of the County were \$121.9 million at December 31, 2015. This is an increase of \$30.4 million, mainly attributable to the implementation of GASB 68, Accounting and Financial Reporting for Pensions.

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

The basic financial statements include the government-wide financial statements, the fund financial statements, and the notes to the financial statements.

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

These statements include the Statement of Net Position and the Statement of Activities. They provide an integrated picture of the County's financial information as a whole, and are presented on the full accrual basis of accounting, a methodology similar to that used by private sector businesses. Revenues and expenses are recognized when earned or incurred, regardless of the timing of the receipts or payments. These statements distinguish between functions of government that are principally supported by taxes and intergovernmental revenues (referred to as "governmental activities") and functions that are intended to recover all or a significant portion of their costs through user fees and charges (referred to as "business-type activities"). The governmental activities of Skagit County include law enforcement and public safety; the superior, juvenile, and district court systems; legal prosecution and indigent defense; jails and corrections; road construction and maintenance; planning and community development; parks and open space preservation; and care and welfare of the disadvantaged and mentally ill. Other general government services provided include elections, property assessment, tax collection, and the issuance of licenses. The business-type activities of Skagit County include solid waste disposal and a drainage utility, and a jail fund.

The Statement of Net Position presents all of Skagit County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference of assets plus deferred outflows and

liabilities plus deferred inflows reported as net position. Over time, changes in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating. Non-financial indicators, such as the condition of infrastructure systems or changes in tax base, should also be considered in evaluating financial stability.

The statement of activities presents information showing how the government's net position changed during the year. It separates program revenue (generated by specific programs through charges for services, grants, and contributions) from general revenue (from taxes and other sources not generated by a particular program), showing to what extent each program relies on general revenues for funding.

The financial statements also include information for The Central Valley Ambulance Authority, a component unit of Skagit County. The component unit is not covered in this discussion. Additional information concerning this entity may be found in Note I of the notes to the financial statements.

### **Fund Financial Statements**

Skagit County uses fund accounting to control and manage monies for specific purposes. Some funds may be mandated by state law or by other legal requirements.

### **Governmental Funds**

Most general government services are accounted for in the governmental funds, using the modified accrual basis of accounting. This method focuses on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. This perspective is narrower than that reflected in the government-wide financial statements, which focuses on a more long-term view. Reconciliation statements are provided which detail the differences between governmental activities in the government-wide statements and the information presented in the fund financial statements for the governmental funds.

Skagit County's major funds, the General Fund, the County Road Fund, and the Mental Health Funds are presented separately in the fund statements. Data for the remaining governmental funds are combined into a single, aggregated column.

### **Proprietary Funds**

Proprietary funds, which include enterprise and internal service funds, use the full accrual method of accounting and are used to account for functions which are intended to be self-supporting by their rates and fees. Skagit County has three enterprise funds - solid waste, a drainage utility and a jail fund. Internal service funds are used to account for the County's vehicle fleet, medical and unemployment insurance, computer systems, and other administrative services.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. They are not reflected in the government-wide financial statements because those funds are not available for use by Skagit County.

### **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 Comprehensive Annual Financial Report (CAFR) also includes a Supplemental Schedules section that provides more detailed information about the County.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

### **Statement of Net Position**

Summarized information from the statement of Net Position, as compared to the prior year, is as follows:

Mathematical Part   Mat		Govern	nmental	Busine	ss-Type		
ASSETS Current and Other Assets \$ 100,314,876 \$ 92,466,381 \$ 57,015,291 \$ 61,974,928 \$ 157,330,167 \$ 154,441,309 Capital Assets and Construction in Progress (Net of Depreciation) 273,798,884 288,981,407 34,869,175 23,640,989 308,668,059 312,622,396 Net Pension Asset 1,733,674 70,909 1,804,583 Total Assets 375,847,434 381,447,788 91,955,375 85,615,917 467,802,809 467,063,705  DEFERRED OUTFLOW OF RESOURCES 3,055,283 494,683 3,549,966 \$0  LIABILITIES Long-Term Liabilities 47,207,457 20,059,935 74,778,475 71,456,924 121,985,932 91,516,859 Other Liabilities 10,296,564 11,042,473 2,974,493 2,716,452 13,271,057 13,758,925 Total Liabilities 57,504,021 31,102,408 77,752,968 74,173,376 135,256,989 105,275,784  DEFERRED INFLOW OF RESOURCES 4,580,582 42,547 539,458 - 5,120,040 -  NET POSITION Net Investments in Capital Assets 273,798,884 291,628,047 9,066,636 14,405,733 282,865,520 306,033,780 Restricted 36,559,030 30,418,711 36,559,030 30,418,711 Unrestricted 6,460,201 28,256,073 5,090,996 (2,963,191) 11,551,197 25,529,885		Activ	vities	Activ	vities	To	otal
Current and Other Assets         \$ 100,314,876         \$ 92,466,381         \$ 57,015,291         \$ 61,974,928         \$ 157,330,167         \$ 154,441,309           Capital Assets and         Construction in Progress (Net of Depreciation)         273,798,884         288,981,407         34,869,175         23,640,989         308,668,059         312,622,396           Net Pension Asset         1,733,674         70,909         1,804,583         467,802,809         467,063,705           DEFERRED OUTFLOW OF RESOURCES         3,055,283         494,683         3,549,966         \$0           LIABILITIES         Long-Term Liabilities         47,207,457         20,059,935         74,778,475         71,456,924         121,985,932         91,516,859           Other Liabilities         10,296,564         11,042,473         2,974,493         2,716,452         13,271,057         13,758,925           Total Liabilities         57,504,021         31,102,408         77,752,968         74,173,376         135,256,989         105,275,784           DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           NET POSITION         Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733 <th></th> <th>2015</th> <th>2014</th> <th>2015</th> <th>2014</th> <th>2015</th> <th>2014</th>		2015	2014	2015	2014	2015	2014
Capital Assets and           Construction in Progress (Net of Depreciation)         273,798,884         288,981,407         34,869,175         23,640,989         308,668,059         312,622,396           Net Pension Asset         1,733,674         70,909         1,804,583         1,804,583           Total Assets         375,847,434         381,447,788         91,955,375         85,615,917         467,802,809         467,063,705           DEFERRED OUTFLOW OF RESOURCES         3,055,283         494,683         3,549,966         \$0           LIABILITIES         Long-Term Liabilities         47,207,457         20,059,935         74,778,475         71,456,924         121,985,932         91,516,859           Other Liabilities         10,296,564         11,042,473         2,974,493         2,716,452         13,271,057         13,758,925           Total Liabilities         57,504,021         31,102,408         77,752,968         74,173,376         135,256,989         105,275,784           DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricte	ASSETS						
Construction in Progress (Net of Depreciation)         273,798,884         288,981,407         34,869,175         23,640,989         308,668,059         312,622,396           Net Pension Asset         1,733,674         70,909         1,804,583           Total Assets         375,847,434         381,447,788         91,955,375         85,615,917         467,802,809         467,063,705           DEFERRED OUTFLOW OF RESOURCES         3,055,283         494,683         3,549,966         \$0           LIABILITIES         Long-Term Liabilities         47,207,457         20,059,935         74,778,475         71,456,924         121,985,932         91,516,859           Other Liabilities         10,296,564         11,042,473         2,974,493         2,716,452         13,271,057         13,758,925           Total Liabilities         57,504,021         31,102,408         77,752,968         74,173,376         135,256,989         105,275,784           DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricted         36,559,030         30,418,711         -	Current and Other Assets	\$ 100,314,876	\$ 92,466,381	\$ 57,015,291	\$ 61,974,928	\$ 157,330,167	\$ 154,441,309
Depreciation)         273,798,884         288,981,407         34,869,175         23,640,989         308,668,059         312,622,396           Net Pension Asset         1,733,674         70,909         1,804,583         467,063,705           Total Assets         375,847,434         381,447,788         91,955,375         85,615,917         467,802,809         467,063,705           DEFERRED OUTFLOW OF RESOURCES         3,055,283         494,683         3,549,966         \$0           LIABILITIES         Long-Term Liabilities         47,207,457         20,059,935         74,778,475         71,456,924         121,985,932         91,516,859           Other Liabilities         10,296,564         11,042,473         2,974,493         2,716,452         13,271,057         13,758,925           Total Liabilities         57,504,021         31,102,408         77,752,968         74,173,376         135,256,989         105,275,784           DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricted         36,559,030         30,418,711         -         - <td>Capital Assets and</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Capital Assets and						
Total Assets 375,847,434 381,447,788 91,955,375 85,615,917 467,802,809 467,063,705  DEFERRED OUTFLOW OF RESOURCES 3,055,283 494,683 3,549,966 \$0  LIABILITIES  Long-Term Liabilities 47,207,457 20,059,935 74,778,475 71,456,924 121,985,932 91,516,859  Other Liabilities 10,296,564 11,042,473 2,974,493 2,716,452 13,271,057 13,758,925  Total Liabilities 57,504,021 31,102,408 77,752,968 74,173,376 135,256,989 105,275,784  DEFERRED INFLOW OF RESOURCES 4,580,582 42,547 539,458 - 5,120,040 -   NET POSITION  Net Investments in Capital Assets 273,798,884 291,628,047 9,066,636 14,405,733 282,865,520 306,033,780  Restricted 36,559,030 30,418,711 - 36,559,030 30,418,711  Unrestricted 6,460,201 28,256,073 5,090,996 (2,963,191) 11,551,197 25,292,882		273,798,884	288,981,407	34,869,175	23,640,989	308,668,059	312,622,396
DEFERRED OUTFLOW OF RESOURCES         3,055,283         494,683         3,549,966         \$0           LIABILITIES           Long-Term Liabilities         47,207,457         20,059,935         74,778,475         71,456,924         121,985,932         91,516,859           Other Liabilities         10,296,564         11,042,473         2,974,493         2,716,452         13,271,057         13,758,925           Total Liabilities         57,504,021         31,102,408         77,752,968         74,173,376         135,256,989         105,275,784           DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           NET POSITION           Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricted         36,559,030         30,418,711         -         -         36,559,030         30,418,711           Unrestricted         6,460,201         28,256,073         5,090,996         (2,963,191)         11,551,197         25,292,882	Net Pension Asset	1,733,674		70,909		1,804,583	
LIABILITIES         Long-Term Liabilities       47,207,457       20,059,935       74,778,475       71,456,924       121,985,932       91,516,859         Other Liabilities       10,296,564       11,042,473       2,974,493       2,716,452       13,271,057       13,758,925         Total Liabilities       57,504,021       31,102,408       77,752,968       74,173,376       135,256,989       105,275,784         DEFERRED INFLOW OF RESOURCES       4,580,582       42,547       539,458       -       5,120,040       -         NET POSITION         Net Investments in Capital Assets       273,798,884       291,628,047       9,066,636       14,405,733       282,865,520       306,033,780         Restricted       36,559,030       30,418,711       -       -       36,559,030       30,418,711         Unrestricted       6,460,201       28,256,073       5,090,996       (2,963,191)       11,551,197       25,292,882	Total Assets	375,847,434	381,447,788	91,955,375	85,615,917	467,802,809	467,063,705
Long-Term Liabilities         47,207,457         20,059,935         74,778,475         71,456,924         121,985,932         91,516,859           Other Liabilities         10,296,564         11,042,473         2,974,493         2,716,452         13,271,057         13,758,925           Total Liabilities         57,504,021         31,102,408         77,752,968         74,173,376         135,256,989         105,275,784           DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           NET POSITION           Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricted         36,559,030         30,418,711         -         -         36,559,030         30,418,711           Unrestricted         6,460,201         28,256,073         5,090,996         (2,963,191)         11,551,197         25,292,882	DEFERRED OUTFLOW OF RESOURCES	3,055,283		494,683		3,549,966	\$0
Other Liabilities         10,296,564         11,042,473         2,974,493         2,716,452         13,271,057         13,758,925           Total Liabilities         57,504,021         31,102,408         77,752,968         74,173,376         135,256,989         105,275,784           DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           NET POSITION           Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricted         36,559,030         30,418,711         -         -         36,559,030         30,418,711           Unrestricted         6,460,201         28,256,073         5,090,996         (2,963,191)         11,551,197         25,292,882	LIABILITIES						
Total Liabilities         57,504,021         31,102,408         77,752,968         74,173,376         135,256,989         105,275,784           DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           NET POSITION           Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricted         36,559,030         30,418,711         -         -         36,559,030         30,418,711           Unrestricted         6,460,201         28,256,073         5,090,996         (2,963,191)         11,551,197         25,292,882	Long-Term Liabilities	47,207,457	20,059,935	74,778,475	71,456,924	121,985,932	91,516,859
DEFERRED INFLOW OF RESOURCES         4,580,582         42,547         539,458         -         5,120,040         -           NET POSITION           Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricted         36,559,030         30,418,711         -         -         36,559,030         30,418,711           Unrestricted         6,460,201         28,256,073         5,090,996         (2,963,191)         11,551,197         25,292,882	Other Liabilities	10,296,564	11,042,473	2,974,493	2,716,452	13,271,057	13,758,925
NET POSITION Net Investments in Capital Assets 273,798,884 291,628,047 9,066,636 14,405,733 282,865,520 306,033,780 Restricted 36,559,030 30,418,711 36,559,030 30,418,711 Unrestricted 6,460,201 28,256,073 5,090,996 (2,963,191) 11,551,197 25,292,882	Total Liabilities	57,504,021	31,102,408	77,752,968	74,173,376	135,256,989	105,275,784
Net Investments in Capital Assets         273,798,884         291,628,047         9,066,636         14,405,733         282,865,520         306,033,780           Restricted         36,559,030         30,418,711         -         -         -         36,559,030         30,418,711           Unrestricted         6,460,201         28,256,073         5,090,996         (2,963,191)         11,551,197         25,292,882	DEFERRED INFLOW OF RESOURCES	4,580,582	42,547	539,458		5,120,040	
Restricted         36,559,030         30,418,711         -         -         36,559,030         30,418,711           Unrestricted         6,460,201         28,256,073         5,090,996         (2,963,191)         11,551,197         25,292,882	NET POSITION						
Unrestricted 6,460,201 28,256,073 5,090,996 (2,963,191) 11,551,197 25,292,882	Net Investments in Capital Assets	273,798,884	291,628,047	9,066,636	14,405,733	282,865,520	306,033,780
	Restricted	36,559,030	30,418,711	-	-	36,559,030	30,418,711
Total Net Position \$ 316.818.114 \$ 350.302.831 \$ 14.157.632 \$ 11.442.542 \$ 330.975.746 \$ 361.745.373	Unrestricted	6,460,201	28,256,073	5,090,996	(2,963,191)	11,551,197	25,292,882
10411011 0011011	Total Net Position	\$ 316,818,114	\$ 350,302,831	\$ 14,157,632	\$ 11,442,542	\$ 330,975,746	\$ 361,745,373

Of the \$157.3 million in current and other assets at December 31, 2015, \$135.1 million is cash, cash equivalents and investments. A very small portion of this amount, \$1.4 million, is restricted for specific purposes. Accounts receivable, Notes receivable and amounts due from other governments total \$17.2 million. Inventories/prepayments total \$4.9 million. Cash, cash equivalents and investments represented 86% (compared to 83% in 2014), while accounts receivable, notes receivable and amounts due from other governments accounted for 11% (compared to 13.3% from 2014).

At December 31, 2015, the County had outstanding long-term liabilities of \$121.9 million, as compared to \$91 million in 2014. This is the result of the implementation of GASB 68 and the resulting net pension liability. Of this total, \$4.5 million was due within one year. See Note V of the notes to the financial statements for more information regarding long term debt. Other liabilities amounted to \$13 million. These represent primarily accounts payable and accrued liabilities due as a result of ordinary operations.

The largest portion of the County's Net Position (85%) reflects its investment in capital assets, less any outstanding related debt used to acquire those assets. The County's capital assets are used to provide services to citizens and are therefore not available to finance 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. In addition, 11% of the County's net position is subject to legal restrictions for specific purposes. The remaining balance of Net Position is a \$11 million.

### Statement of Changes in Net Position

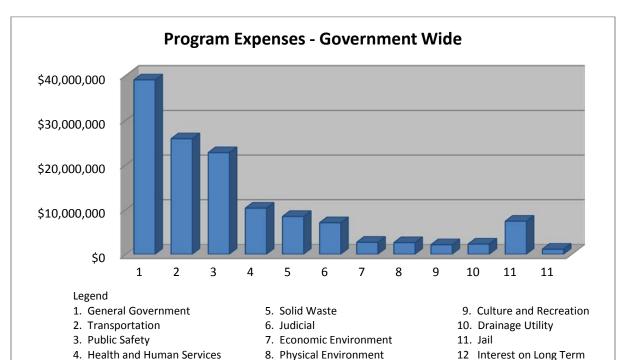
The County's total Net Position decreased by \$30.8 million in 2015, primarily due to accounting and reporting changes for net pension liabilities. See Note X for more information regarding the decrease. Governmental activities reflected a decrease of \$33 million while the Net Position of business-type activities increased \$2.7 million. Key elements in these changes are shown below:

	•		Changes in	Net Assets		
	Governmen	tal Activities	Business-Ty	pe Activities	Total Primary	/ Government
	2015	2014	2015	2014	2015	2014
REVENUES						
Program Revenues						
Charges for Services	\$ 31,263,970	\$ 27,039,213	\$ 23,303,859	\$ 22,798,505	\$ 54,567,829	\$ 49,837,718
Operating Grants and Contributions	7,309,333	8,098,345	1,004,289	1,044,605	8,313,622	9,142,950
Capital Grants and Contributions	1,324,956	4,097,331	-	-	1,324,956	4,097,331
General Revenues						
Taxes	64,420,228	62,720,019	-	-	64,420,228	62,720,019
Interest Earnings on Investments	1,613,617	1,559,578		6,505	1,613,617	1,566,083
Total Revenues	105,932,104	\$103,514,486	24,308,148	\$23,849,615	130,240,252	127,364,101
PROGRAM EXPENSES						
General Government	38,988,745	33,434,058	-	-	38,988,745	33,434,058
Judicial	7,023,822	6,993,755	=	-	7,023,822	6,993,755
Public Safety	22,700,976	21,504,017	_	=	22,700,976	21,504,017
Physical Environment	2,579,726	2,241,397	_	-	2,579,726	2,241,397
Transportation	25,806,761	32,912,501	_	=	25,806,761	32,912,501
Economic Environment	2,662,654	2,836,294	-	-	2,662,654	2,836,294
Health and Human Services	10,277,091	11,366,884	_	-	10,277,091	11,366,884
Culture and Recreation	2,118,435	2,010,042	=	-	2,118,435	2,010,042
Solid Waste		-	8,414,131	8,065,622	8,414,131	8,065,622
Drainage Utility	=	=	2,259,694	2,495,934	2,259,694	2,495,934
Jail Fund			7,351,101	6,944,227	7,351,101	6,944,227
Interest on Long Term Debt	1,113,066	2,572,433	395,829	412,567	1,508,895	2,985,000
Total Expenses	113,271,276	115,871,381	18,420,755	17,918,350	131,692,031	133,789,731
Excess (Deficiency) of Revenues Over (Under) Expenditures before transfers	(7,339,172)	(12,356,895)	5,887,393	5,931,265	(1,451,779)	(6,425,630)
Special Items - Gain on Sale of Capital Assets	114,660	(340,575)			114,660	(340,575)
Special Items - Issuance of Long Term Debt		1,786,614			-	1,786,614
Transfers	(58,858)	(50,845)	58,858	50,845	-	
Change in Net Position	(7,283,370)	(10,961,701)	5,946,251	5,982,110	(1,337,119)	(4,979,591)
Net Position, January 1	350,302,832	360,532,657	11,442,541	4,299,905	361,745,373	364,832,562
Prior Period Adjustment	(26,201,349)	731,875	(3,231,160)	1,160,528	(29,432,509)	1,892,403
Net Position, January 1 - Restated	324,101,483	361,264,532	8,211,381	5,460,433	332,312,864	366,724,965
Net Position, December 31	\$ 316,818,114	\$ 350,302,831	\$ 14,157,630	\$ 11,442,543	\$ 330,975,744	\$ 361,745,374

Total revenues were \$130.2 million in 2015, an increase of \$3.2 million from 2014. The main reason for the increase is the increases in charges for services and taxes. Governmental activities provided \$105 million (81%), while business-type activities added \$23.8 million. Within governmental activities, tax revenue accounted for 61% of total revenue sources, with grants and contributions accounting for 8.4 % (down from 10.4% in 2014).

Charges for services accounted for 96% of the revenues of business type activities, with the remaining provided by interest and operating grants and contributions.

Total expenses for the year amounted to \$131.7 million, a decrease of \$2.1 million from 2014. Governmental activities accounted for \$113.3 million (86%), with the largest program expenses in the areas of general government and transportation. These three programs accounted for 57% of total governmental expenses. Of the \$18.4 million in business-type expenses, 46% is associated with the solid waste program, a decrease of .1% from 2014.



The following graph illustrates 2015 government wide program spending:

### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

### **Governmental Funds Balance Sheet Analysis**

The General Fund, County Road Fund, and Mental Health Fund are the County's major funds in 2015. Together these funds account for 51.7% of total governmental fund assets and 45% of total governmental fund balances.

As of December 31, 2015, the County's governmental funds reported combined fund balances of \$57 million, an increase from \$50.7 million in 2014. Of this amount, \$.007 million (.01%) is Nonspendable, \$35 million (61%) is Restricted, \$7.3 million (13%) is reported as Committed, \$1 million is assigned, and \$13.5 million (24%) is unassigned and available for spending within the designated funds. Nonspendable, Restricted, Committed, and Assigned fund balance of \$43.4 million is not available for new spending because it has already been committed for prepaid expenses, loans, debt service, and inventory, as well as other special revenue funds requirements.

The General Fund is the primary operating fund of Skagit County. The unassigned fund balance of this fund increased to \$13.6 million at December 31, 2015, from \$14 million at December 31, 2014. \$1 million of the general fund fund balance is assigned for various capital and IT projects. Total assets of the General Fund were \$21.7 million at December 31, 2015, accounting for 30% of total governmental fund assets. This represents an increase of \$1.7 million from 2014.

### **Governmental Funds Revenue/Expenditure Analysis**

Total revenues for governmental funds were \$102.4 million in 2015, This represents a decrease of \$1.1 million from 2014. During the same period, total expenditures decreased to \$97 million, down from \$103.3 million in 2014. The General Fund, Mental Health Fund, and County Road fund account for 72.9% of all governmental fund revenue (consistent with 72.9% in 2014) and 68% of all expenditures remaining steady from 2015.

The net change in fund balance for the General Fund in 2015 was a positive \$.8 million. The increase in fund balance for the County Road fund was \$2.1 million. The net change in the Mental Health Fund was \$1.1 million. The non-major governmental funds had an overall positive change in fund balances of \$6 million for 2015.

### **Enterprise Funds Net Position Analysis**

All enterprise funds of Skagit County are considered major funds for 2015. Comparative information from the proprietary funds' statement of Net Position is as follows:

**Business-Type Activities - Enterprise Funds** 

				Ne	t Assets			
	Solid	Waste	Drainage	Utility	Jail F	und	Tot	al
	2015	2014	2015	2014	2015	2014	2015	2014
ASSETS								
Current Assets								
Cash and Cash Equivalents	\$2,680,334	\$2,551,060	\$326,805	\$1,166,616	\$52,182,269	\$56,343,088	\$55,189,408	\$60,060,764
Other Current Assets	1,016,539	710,509	292,636	482,582	1,044,332	1,431,264	2,353,507	2,624,355
Total Current Assets	3,696,873	\$3,261,569	619,441	\$1,649,198	53,226,601	\$57,774,352	57,542,915	62,685,119
Non-Current Assets								
Construction in Progress	-	-	161,934	2,274,508	17,071,990	5,799,566	17,233,924	8,074,074
Capital Assets	13,719,305	13,627,814	9,750,454	7,201,329		-	23,469,759	20,829,143
Less Accumulated Depreciation	(3,577,336)	(3,241,068)	(2,257,172)	(2,021,160)		-	(5,834,508)	(5,262,228)
Unamortized Debt Issue Costs	-	-	-	-	-	-	-	-
Net Pension Asset					70,909		70,909	
Total Non-Current Assets	10,141,969	10,386,746	7,655,216	7,454,677	17,142,899	5,799,566	34,940,084 23,640,989	
Total Assets	13,838,842	\$13,648,315	8,274,657	\$9,103,875	70,369,500	\$63,573,918	92,482,999	86,326,108
Deferred Outflows of Resources	106,348		47,155		341,180		494,683	
LIABILITIES								
Current Liabilities								
Accounts/Vouchers Payable	502,919	434,300	189,881	84,478	1,962,860	468,220	2,655,660	986,998
Other Current Liabilities	772,130	904,115	79,692	118,867	555,134	526,857 995,077		
Total Current Liabilities	1,275,049	1,338,415	269,573	203,345	2,517,994		4,062,616	2,536,837
Non-Current Liabilities								
Bonds Payable	8,230,550	8,728,228	-	-	55,682,195	55,827,358	63,912,745 64,555,586	
Other Non-Current Liabilities	7,824,856	6,958,072	465,070	42,888	2,015,306			7,131,271
Total Non-Current Liabilities	16,055,406	15,686,300	465,070	42,888	57,697,501	55,957,669	74,217,977	71,686,857
Total Liabilities	17,330,455	17,024,715	734,643	246,233	60,215,495	56,952,746	78,280,593	74,223,694
Deferred Inflows of Resources	147,639		65,464		326,355		539,458	
NET POSITION								
Net Investment in Capital	4 444 440	4 460 540	7.055.047	7 454 677		F 707 F00	0.000.000	44 405 700
Assets	1,411,419	1,163,518	7,655,217	7,454,677	-	5,787,538	9,066,636	14,405,733
Unrestricted	(4,944,322)	(4,539,918)	(133,512)	743,092	10,168,829	833,634	5,090,995	(2,963,192)
Total Net Position	(\$3,532,903)	(3,376,400)	\$7,521,705	8,197,769	\$10,168,829	6,621,172	\$14,157,631	\$11,442,541

As of December 31, 2015, the enterprise funds reported combined Net Position of \$14.1 million (compared to \$11.4 million in 2014). This is the total of a \$3.5 million deficit in the Solid Waste Fund (up \$.1 million in 2014) and a positive \$7.5 million in the Drainage Utility Fund (down from \$8.1 million from 2014). The Jail fund net position is \$10.2 million, up from \$6.6 million in 2014.

### **Enterprise Funds Revenue/Expenditure Analysis**

The following table provides comparative information related to revenues, expenses and net changes in fund balance for the enterprise funds:

Business-Type Activities - Enterprise Funds Changes in Net Assets

	Solid W	aste	Drainage	Utility	Jail F	und	Tot	tal
	2015	2014	2015	2014	2015	2014	2015	2014
REVENUES		.,		.,				
Charges for Services	\$9,188,278	\$9,063,011	\$1,614,943	\$1,592,468	\$8,143,304	\$8,436,066	\$18,946,525	\$19,091,545
Other Operating Revenue					\$4,136,097	\$3,592,034	4,136,097	\$3,592,034
Intergovernmental	425,490	392,675	245,194	430,501	333,605	221,429	1,004,289	\$1,044,605
Interest Revenue	4,311	2,107	2,547	4,070		328	6,858	\$6,505
Miscellaneous Revenue	6,568	20,923	136,612	300	78,057	93,703	221,237	\$114,926
Total Revenues	9,624,647	\$9,478,716	1,999,296	\$2,027,339	12,691,063	\$12,343,560	24,315,006	23,849,615
EXPENSES								
Personal Services	1,693,207	1,709,585	739,546	694,064	5,549,983	5,039,787	7,982,736	7,443,436
Contractual Services	5,302,043	5,088,113					5,302,043	5,088,113
Other Supplies and Expenses	1,082,613	929,836	1,284,137	1,570,309	1,801,118	1,904,441	4,167,868	4,404,586
Depreciation	336,268	338,088	236,011	231,561			572,279	569,649
Loss on Disposition of Capital Assets	-	-					-	-
Interest Expense	402,687	412,567	-	-		-	402,687	412,567
Total Expenses	8,816,818	8,478,189	2,259,694	2,495,934	7,351,101	6,944,228	18,427,613	17,918,351
Income (Loss) Before Transfers	807,829	1,000,527	(260,398)	(468,595)	5,339,962	5,399,332	5,887,393	5,931,264
Capital Contributions	-	-	-	-			-	-
Interfund Transfers			(1,142)	(10,468)	60,000	61,312	58,858	50,844
Change in Net Position	807,829	1,000,527	(261,540)	(479,063)	5,399,962	5,460,644	5,946,251	5,982,108
Net Position, January 1	(3,376,400)	(4,376,927)	8,197,769	8,676,832	6,621,172		11,442,541	4,299,905
Prior Period Adjustment	(964,332)		(414,524)		(1,852,304)	1,160,528	(3,231,160)	1,160,528
Net Position, January 1 - Restated	(4,340,732)	(4,376,927)	7,783,245	8,676,832	4,768,868	1,160,528	8,211,381	5,460,433
Net Position, December 31	(\$3,532,903)	(3,376,400)	\$7,521,705	8,197,769	10,168,829	6,621,172	14,157,632	11,442,541

Revenues from the Solid Waste Fund represent 39% of the total revenues for enterprise funds in 2015, up from 40% in 2014. Total expenses for the Solid Waste Fund was 47.8% of the total enterprise funds. The Jail Fund revenues consisted of 52% of total enterprise revenues, consistent with 2014 and 40% of the expenses, up from 39% in 2014.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The following schedule provides a comparative analysis of the original and final amended General Fund budget:

For the Year End	ed December 31	, 2015	
			Variance
	Original	Final	Favorable
	Budget	Budget	(Unfavorable)
BUDGETED FUND BALANCE, JANUARY 1	\$ 4,377,173	\$ 4,610,875	\$233,702
RESOURCES (IN-FLOWS)			
Taxes	33,052,527	33,052,527	-
Licenses & Permits	332,000	332,000	-
Intergovernmental Revenue	5,569,353	5,854,167	284,814
Charges for Goods and Services	3,823,630	3,881,618	57,988
Fines and Forfeits	1,712,000	1,712,000	-
Interest Revenue	1,792,500	1,792,500	-
Miscellaneous Revenues	98,470	98,470	-
Transfers In	130,783	215,839	85,056
Total Resources (in-flows)	46,511,263	46,939,121	427,858
Amounts Available for Appropriation	50,888,436	51,549,996	661,560
CHARGES TO APPROPRIATIONS (OUT-FLOWS)			
General Government Services	19,345,154	19,542,614	(197,460)
Judicial	8,661,022	8,935,300	(274,278)
Public Safety	17,177,763	17,303,776	(126,013)
Physical Environment	40,768	40,768	-
Economic Environment	354,866	364,609	(9,743)
Health and Human Services	296,172	296,172	-
Culture and Recreation	446,000	446,000	-
Capital Expenditures	20,000	20,000	-
Transfers Out	4,546,691	4,600,757	(54,066)
Amount Charged to Appropriations (out-flows)	50,888,436	51,549,996	(661,560)
BUDGETED FUND BALANCE, DECEMBER 31	\$0	\$0	\$0

The net increase in revenues in the final amended budget represented a favorable variance of less than 1.0%. The net increase in expenditures represented an unfavorable increase of 1.3%. Total budgeted expenditures increased more than revenue increased by approximately \$233,000.

The majority of the changes to the final budget appropriation for both Intergovernmental revenues and General Government Services was due to a pass-through grant. The final budget appropriation for Judicial and Public Safety reflected an increase that was due to reorganization as well as a 2% wage increase for employees. The final budget appropriation for the Transfers Out was increased due to a change in accounting for central services expenses for Public Health.

The following schedule provides an analysis of the final amended budget as compared to actual General Fund revenues and expenditures:

# General Fund Budget vs. Actual For the Year Ended December 31, 2015

			Changes
	Final		Favorable
	 Budget	Actual	(Unfavorable)
FUND BALANCE, JANUARY 1	\$ 4,610,875	\$ 13,822,646	\$9,211,771
RESOURCES (IN-FLOWS)			
Taxes	33,052,527	33,424,312	371,785
Licenses & Permits	332,000	285,856	(46,144)
Intergovernmental Revenue	5,854,167	7,776,034	1,921,867
Charges for Goods and Services	3,881,618	4,135,939	254,321
Fines and Forfeits	1,712,000	2,083,276	371,276
Interest Revenue	1,792,500	1,484,320	(308,180)
Miscellaneous Revenues	98,470	139,591	41,122
Transfers In	 215,839	212,901	(2,938)
Total Resources (in-flows)	46,939,121	49,542,229	2,603,109
Amounts Available for Appropriation	 51,549,996	 63,364,875	11,814,880
CHARGES TO APPROPRIATIONS (OUT-FLOWS)			
General Government Services	19,542,614	17,360,413	2,182,201
Judicial	8,935,300	8,713,544	221,756
Public Safety	17,303,776	17,039,605	264,171
Physical Environment	40,768	19,817	20,951
Economic Environment	364,609	362,798	1,811
Health and Human Services	296,172	295,928	244
Culture and Recreation	446,000	446,000	0
Capitalized Expenditures	20,000	0	20,000
Transfers Out	 4,600,757	 4,550,757	50,000
Amount Charged to Appropriations (out-flows)	51,549,996	48,788,862	2,761,134
FUND BALANCE, DECEMBER 31	 \$0	 \$14,576,013	\$14,576,013

The largest dollar variances for revenues are reflected in intergovernmental revenue, taxes, and fines and forfeits. The increase in intergovernmental revenue is the result of receiving Payment in Lieu of Taxes revenue that was still uncertain at the time of budget adoption as well as the receipt of timber revenues by 89%. The increase in taxes is due to retail sales and use tax exceeding the budgeted amount by 8% and the increase in fines and forfeits is attributable to a change in the reporting of certain revenues as fines and forfeits instead of miscellaneous revenues. It is important to note that while the budget was not adjusted for these changes, the projections through the year included them.

Actual expenditures were 5.4% less than budgeted. This is represented primarily by decreases in General Government Services, Public Safety, and Judicial followed by overall decreases in all areas except Culture and Recreation. The most significant variance is in General Government Services. This variance mainly reflects lower than budgeted expenses for Information Technology, Records Management, and Insurance services.

### CAPITAL ASSETS AND LONG TERM DEBT

### **Capital Assets**

The County's net capital assets were \$308 million at December 31, 2015. Construction in progress was an additional \$18.7 million. Capital assets include land, development rights, buildings, improvements, furniture and equipment, and infrastructure. Details of 2015 capital asset transactions are presented in Note IV.D of the notes to the financial statements.

During 2015 the County continued construction and remodeling of real property for County use. Ongoing projects include several road construction projects, construction of a new jail facility, and miscellaneous small parks projects.

### **Long-Term Debt**

At December 31, 2015, general obligation bonds payable as reported by governmental activities was \$16.2 million, a decrease of \$1.4 million. Business type activities reported general obligation bonds payable of \$60.7 million, a decrease of \$.5 million from 2014.

The County's remaining legal capacity for non-voted debt at December 31, 2015 was approximately \$174 million.

Additional information relating to long-term debt can be found in Note V of the notes to the financial statements.

### **ECONOMIC FACTORS**

The County's overall financial position remains steady. The County is not facing any foreseeable restrictions or other limitations that would significantly impact funding resources for future uses.

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

- In April of 2003, the voters approved a 1/10<sup>th</sup> of 1% increase in sales tax to fund emergency communication systems and facilities.
- In December 2005, the Board of County Commissioners signed an Ordinance implementing a 1/10<sup>th</sup> of 1% increase in sales and use tax for the purpose of providing funds for new and expanded chemical dependency or mental health treatment services and for the operation of new or expanded therapeutic court programs.
- In December 2005, the Board of County Commissioners signed a resolution creating the Skagit County Clean Water (Shellfish Protection) District. While assessments were authorized at this time, collection didn't begin until the 2007 tax year. The assessment was authorized for 3 years. In September 2009, the Board of County Commissioners reauthorized the assessment for 5 years. In June of 2014, the Board reauthorized the assessment for 5 years.
- In November 2010, the County issued Limited Tax General Obligation Bonds in the amount of \$9,740,000 for improvements to the County's solid waste transfer station and other capital improvements to County facilities.
- In April of 2013, the County signed a resolution concerning a proposition that would authorize an additional sales and use tax at a rate of .3% to be used for the construction, maintenance and

operation of jail facilities and police and fire protection. This proposition was approved by the voters in the August 6, 2013 primary election.

- In January of 2014, based on the Interlocal agreement to address the Jail facilities, the County created an enterprise fund called the Jail fund. Activities for the jail historically have been reported in the General Fund.
- In September 2014, the Board of County Commissioners passed several ordinances dissolving the EMS Commission and transferring the Commission's authority, responsibility, and assets to the Skagit County Department of Emergency Medical Services. The County's EMS Component Unit has been eliminated, and those activities now reside within the County.
- In November 2014, the County issued debt in the amount of \$51,920,000 to fund the design and construction of a regional jail facility. This was a result of an Interlocal agreement the Board entered into with partner agencies in April of 2013 to address the overcrowding issues with the jail.
- On July 6, 2015 Governor Inslee signed House Bill 1061 increasing the number of District Court Judges in Skagit County to three. The position was officially added to the County January 1, 2016. This was a welcome change to the County due to increased caseloads over the years.

### **Requests for Information**

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to either of the following:

Tim Holloran, County Administrator County Commissioner's Office 1800 Continental Place, Suite 100 Mount Vernon, WA 98273 360-416-1300 Accounting Department Skagit County Auditor's Office PO Box 1306 Mount Vernon, WA 98273 360-336-9420

# **Basic Financial Statements**



### **Basic Financial Statements**

The basic financial statements and note disclosures 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 business-type assets and liabilities, with the difference reported as Net Position.
- **(2) Government-wide Statement of Activities** presents information on all County governmental and business-type revenues and expenses, with the difference reported as change in Net Position.

### **Fund Financial Statements**

- (3) Balance Sheet Governmental Funds presents the balance sheets for major funds and aggregated 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 aggregated 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 Net Position Proprietary Funds presents information on all assets and liabilities, with the difference reported as change in Net Position for the major enterprise fund and aggregated amounts for all other enterprise funds as well as a separate column of information for internal service funds.
- (8) Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds presents information for each major fund and aggregated information for all other governmental funds. Major and non-major enterprise funds and internal service funds.
- (9) Statement of Cash Flows presents information on the sources and uses of cash for the major fund and aggregated information for all other enterprise funds and internal service funds.
- (10) Statement of Fiduciary Net Position presents information on agency fund assets and liabilities, with the difference reported as Net Position.
- (11) Notes to Financial Statements presents disclosure and further detail information to assist the reader in a better understanding of the financial statements and the data presented with them.
- (12) Required Supplementary Information 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.

### **SKAGIT COUNTY, WASHINGTON**

### Statement of Net Position December 31, 2015

		Primary Government		
	Governmental	Business-Type		Component Unit
	Activities	Activities	Total	CVA
ASSETS				
Cash and Cash Equivalents	\$ 65,671,912	\$ 55,189,408	\$ 120,861,320	\$ 561,288
Investments	12,932,884	-	12,932,884	
Accounts Receivables, Net	3,210,702	945,425	4,156,127	511,123
Due from Other Governments	5,196,427	1,302,100	6,498,527	305,285
Internal Balances	422,017	(422,017)	-	
Inventories and Prepayments	4,929,989	375	4,930,364	
Notes Receivable	6,565,000		6,565,000	
Restricted Assets:			-	
Restricted for Debt Service:			-	
Cash/Cash Equivalents	302,762	-	302,762	
Investments	1,083,184	-	1,083,184	
Net Pension Asset	1,733,674	70,909	1,804,583	
Non Depreciated Capital Assets	172,747,543	816,556	173,564,099	
Capital Assets, Net	99,544,968	16,818,695	116,363,663	885,063
Construction in Progress	1,506,373	17,233,924	18,740,297	
Total Assets	375,847,434	91,955,375	467,802,810	2,262,759
DEFERRED OUTFLOWS of RESOURCES	3,055,283	494,683	3,549,966	
LIABILITIES				
<u>Liabilities</u>				
Accounts Payable	6,245,236	2,655,660	8,900,897	110,072
Other Liabilities	3,434,020	318,832	3,752,852	185,682
Due to Other Governments	617,308	-	617,308	2,352
Long Term Liabilities:	0.1,000		-	_,00_
Due within One Year	3,915,413	560,500	4,475,913	
Due in More Than One Year	18,444,221	70,947,730	89,391,951	365,158
Net Pension Liability	24,847,823	3,270,246	28,118,069	333,.33
Total Liabilities	57,504,021	77,752,968	135,256,990	663,264
DEFERRED INFLOWS OF RESOURCES				
Total Deferred Inflows of Resources	4,580,582	539,458	5,120,040	
Net Position				
	272 700 004	0.066.636	202 065 520	995 062
Net Investment in Capital Assets	273,798,884	9,066,636	282,865,520	885,063
Restricted for: General Government	6 006 792		6 006 792	
	6,906,782	-	6,906,782	
Public Safety	1,154,380	-	1,154,380	
Physical Environment	4,289,736	-	4,289,736	
Transportation	4,697,340	-	4,697,340	
Economic Environment	9,394,893	-	9,394,893	
Health & Human Services	8,167,295	-	8,167,295	
Culture and Recreation	563,659	-	563,659	
Debt Service	1,384,945	- - 000 000	1,384,945	74.4.40.4
Unrestricted	6,460,200	5,090,996	11,551,196	714,431
Total Net Position	\$ 316,818,114	\$ 14,157,632	\$ 330,975,746	\$ 1,599,495

# SKAGIT COUNTY, WASHINGTON Statement of Activities For the Year Ended December 31, 2015

			Program Revenues	venues		- 1	rillialy government	_		
				Operating	Capital				Component	nent
		Chai	Charges for	Grants and	Grants and	Governmental	Business-Type		Unit	
Functions/Programs	Expenses	Se	Services	Contributions	Contributions	Activities	Activities	Total	CVA	4
Primary Government:										
Governmental Activities:										
General Government	\$ 38,988,745	` \$	11,225,727	\$ 44,199	\$ 147,577	\$ (27,571,242)	· \$	\$ (27,571,242)	↔	•
Judicial	7,023,822		4,246,989	1,666,126	•	(1,110,707)	•	(1,110,707)		1
Public Safety	22,700,976		2,072,801	522,130	•	(20,106,045)		(20,106,045)		•
Physical Environment	2,579,726		289,242	298,257	21,090	(1,971,137)	•	(1,971,137)		'
Transportation	25,806,761		060'589'9	271,063	1,156,289	(17,694,319)		(17,694,319)		•
Economic Environment	2,662,654		1,380,435	1,347,842	•	65,623	•	65,623		1
Health and Human Services	10,277,091		4,461,088	3,113,404	•	(2,702,599)	•	(2,702,599)		'
Culture and Recreation	2,118,435		902,599	46,312		(1,169,524)	•	(1,169,524)		'
Interest and Redemption on Long Term Debt	1,113,066				•	(1,113,066)	•	(1,113,066)		'
Total Governmental Activities	113,271,275		31,263,970	7,309,333	1,324,956	(73,373,017)		(73,373,017)		'
Business-Type Activities										
Solid Waste	8,414,131		9,194,846	425,490	•	•	1,206,205	1,206,205		
Drainage Utility	2,259,694		1,751,555	245,194		•	(262,945)	(262,945)		'
Jail Fund	7,351,101		12,357,458	333,605			5,339,962	5,339,962		
Total Business-Type Activities	18,024,926		23,303,859	1,004,289		1	6,283,222	6,283,222		'
Total Primary Government	131,296,201		54,567,829	8,313,622	1,324,956	(73,373,017)	6,283,222	(67,089,794)		'
Component Unit				!	!				į	9
Central Valley Ambulance Authority	5,184,287		2,796,141	2,381,471	182,157	•	•	•	17	175,482
Total Component Unit	5,184,287		2,796,141	2,381,471	182,157				17	175,482
		General	General Revenues							
		Property Taxes	Taxes			45,164,735	•	45,164,735		'
		Sales/Use Taxes	e Taxes			18,421,647	•	18,421,647		'
		Other Taxes	sex			833,846	•	833,846		'
		Interest	Interest and Investment Earnings	t Earnings		1,613,617	(395,829)	1,217,788		
		Tot	Total General Revenues	venues		66,033,845	(395,829)	65,638,016		•
		Special	I <b>tem</b> - Gain on	Special Item - Gain on Sale of Capital Assets	sets	114,660		114,660		
		Transfers	ģ			(58,858)	58,858	•		•
		Total Ge	neral Revenu	Total General Revenues and Transfers		66,089,647	(336,971)	65,752,676		-
			Change in Net Position	t Position		(7,283,369)	5,946,251	(1,337,117)	17!	175,482
		Net Posi	Net Position, January 1	<del>.</del>		350,302,831	11,442,542	361,745,373	1,424,013	1,013

1,424,013

(29,432,509) 332,312,864 \$ 330,975,746

(3,231,160) 8,211,382 \$ 14,157,632

(26,201,349) 324,101,482 \$ 316,818,114

Net Position, January 1, as Restated Net Position, December 31

Prior Period Adjustments

### **SKAGIT COUNTY, WASHINGTON**

### Balance Sheet Government Funds December 31, 2015

	Major Funds				
		Mental	County	Other	
	General	Health	Road	Governmental	
ASSETS and OUTFLOWS of RESOURCES	Fund	Fund	Fund	Funds	Total
Cash and Cash Equivalents	\$ 15,770,723	\$ 4,612,546	\$ 7,137,261	\$ 20,029,503	\$ 47,550,033
Investments	-	2,094,849		11,921,219	14,016,068
Taxes Receivable	616,450	8,205	327,809	228,725	1,181,189
Accounts Receivable, Net	-	-	14,592	15,519	30,111
Accounts Receivable Other	1,934,461				1,934,461
Interest Receivable	63,362	-	-		63,362
Due from Other Funds	1,467,895	-	- ;	#	1,467,895
Due from Other Governments	1,861,522	798,524	201,999	2,314,683	5,176,728
Interfund Loans Receivable	-	=	=	1,000	1,000
Inventories and Prepayments	3,415	=	=	6,232	9,647
Total Assets	21,717,827	7,514,124	7,681,661	34,516,880	71,430,494
Deferred Outflows of Resources					
Total Assets and Deferred Outflows of					
Resources	21,717,827	7,514,124	7,681,661	34,516,880	71,430,494
LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES					
<u>Liabilities</u>					
Accounts and Vouchers Payable	340,407	331,250	900,182	1,623,845	3,195,685
Due to Other Funds	1,625,815	63,818	1,914,883	386,724	3,991,240
Due to Other Governmental Units	7,628	164,309	=	445,371	617,308
Accrued Wages Payable	838,129	20,005	220,675	285,127	1,363,936
Accrued Employee Benefits	170,074	4,122	49,084	65,432	288,711
Custodial Accounts	1,306,898	-		32,746	1,339,644
Unearned Revenue	-	-	-	208,823	208,823
Interfund Loans Payable	-	-	-	1,000	1,000
Total Liabilities	4,288,951	583,505	3,084,824	3,049,069	11,006,347
Deferred Inflows of Resources	2,852,863	8,205	327,809	236,725	3,425,602
Fund Balance					
Nonspendable				7,232	7,232
Restricted	-	6,922,415	4,269,029	23,976,302	35,167,746
Committed	-	-	-	7,247,553	7,247,553
Assigned	1,000,000	-	-	-	1,000,000
Unassigned	13,576,013				13,576,013
Total Fund Balances	14,576,013	6,922,415	4,269,029	31,231,087	56,998,544
Total Liabilities, Deferred Inflows of					
Resources and Fund Balances	\$ 21,717,827	\$ 7,514,124	\$ 7,681,662	\$ 34,516,880	\$ 71,430,493

# Reconciliation of the Government Funds Balance Sheet To the Statement of Net Position December 31, 2015

Total fund balances as shown on the Governmental Fund Balance Sheet	\$ 56,998,542
Net capital assets of governmental funds as of December 31, 2015  Capital assets used in the activities of governmental funds are not financial resources and therefore are not reported in the funds.	264,320,443
Deferred Inflow of Resources in the governmental funds and recognized as revenue of the current period on the statement of activities.	3,111,856
Net Position of the internal service funds Internal service funds are included in governmental activities on the statement of net assets.	29,276,721
Balance of long-term liabilities of the governmental funds as of December 31, 2015 Liabilities not due and payable in the current period are not reported in the governmental funds.	(36,889,448)
Total Net Position as reported on the Statement of Net Position	\$ 316,818,114

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

#### For the Year Ended December 31, 2015

		Major Funds			
	-	Mental	County	_ Other	
	General	Health	Road	Governmental	
Revenues	Fund	Fund	Fund	Funds	Total
Property Taxes	\$ 24,223,058	\$ 325,563	\$ 11,614,011	\$ 9,282,255	\$ 45,444,886
Sales and Use Taxes	8,575,834	2,660,622	465,393	6,719,799	18,421,647
Other Taxes	625,420	8,137		200,289	833,846
Licenses and Permits	285,856	-	73,161	1,213,798	1,572,816
Intergovernmental Revenues	7,776,034	2,263,850	6,224,586	5,678,530	21,943,000
Charges for Services	4,135,939	-	1,584,603	3,113,548	8,834,090
Fines and Forfeits	2,083,276	-	-	129,236	2,212,512
Interest Earnings	1,484,320	8,103	772	108,355	1,601,551
Donations	44,224	-	-	492,187	536,411
Other Revenues	95,367	16	102,738	795,243	993,365
Total Revenues	49,329,329	5,266,291	20,065,264	27,733,240	102,394,124
Expenditures					
Current:					
General Government	17,360,413	-	109,047	833,355	18,302,815
Judicial	8,713,544	-	-	-	8,713,544
Public Safety	17,039,605	-	-	9,965,436	27,005,041
Physical Environment	19,817	-	-	3,427,138	3,446,955
Transportation	-		17,301,348	192,296	17,493,644
Economic Environment	362,798	-	-	2,951,610	3,314,408
Health and Human Services	295,928	3,932,692	-	7,366,208	11,594,828
Culture and Recreation	446,000	-	-	1,915,129	2,361,129
Debt Service:					-
Principal		-	-	1,469,334	1,469,334
Interest		-	-	681,870	681,870
Capital Outlay			690,277	2,141,832	2,832,109
Total Expenditures	44,238,105	3,932,692	18,100,672	30,944,208	97,215,677
Excess (Deficit) Revenues Over Expenditures	5,091,223	1,333,599	1,964,592	(3,210,968)	5,178,447
Other Financing Sources (Uses)					
Issuance of Long Term Debt		-	-	814,731	814,731
Proceeds from Sale of Capital Assets			-	328,400	328,400
Transfers In	212,901	-	200,000	6,594,608	7,007,509
Transfers Out	(4,550,757)	(220,901)	(34,500)	(2,294,709)	(7,100,867)
Total Other Financing Source (Uses)	(4,337,857)	(220,901)	165,500	5,443,030	1,049,773
Net Change in Fund Balance	753,367	1,112,699	2,130,092	2,232,062	6,228,220
Fund Balance, January 1	13,822,646	5,809,716	2,138,937	28,999,024	50,770,323
Prior Period Adjustment	12 922 646	E 900 746	2 120 027	- 29 000 024	E0 770 222
Fund Balance, December 31	13,822,646	5,809,716	2,138,937	28,999,024	\$ 56,009,543
Fund Balance, December 31	\$ 14,576,013	\$ 6,922,415	\$ 4,269,029	\$ 31,231,086	\$ 56,998,543

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## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Government Funds

## To the Statement of Activities For the Year Ended December 31, 2015

Net change in fund balances as shown on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 6,228,220
Net Capital Asset Activity Purchases of capital assets are reported as expenditures in the governmental funds. On the government wide statements they are reported as assets and depreciated over their estimated useful lives.	(15,356,219)
Net Internal Service Fund Activity Internal service funds are included in governmental activities on the statement of Net Position	(1,055,425)
Net Long-Term Debt Activity In the governmental funds statements, proceeds of long term debt are considered revenues and debt principal payments are considered expenditures. These transactions are reported as increases and decreases in long-term debt liabilities on the government wide statements.	3,180,197
Net change in deferred revenues and revenues not reportable on the modified accrual basis Revenues are reported on the modified accrual basis for the governmental funds statements and on the full accrual basis for the statement of activities.	(280,151)
Change in Net Position as reflected in the Statement of Activities	\$ (7,283,369)

### **Statement of Net Position**

### Proprietary Funds December 31, 2015

		Business-1	Type Activities		Governmental
		Enterpris	e Funds		Activities
		-			*Internal
	Solid	Drainage	County		Service
ASSETS	Waste	Utility	Jail	Total	Funds
Current Assets					
Cash/Cash Equivalents	\$ 2,680,334	\$ 326,805	\$ 52,182,269	\$ 55,189,408	\$ 18,424,641
Accounts Receivable	865,939	70,986	8,500	945,425	1,579
Due From Other Funds	-	105,607	-	105,607	4,573,608
Due from Other Governments	150,600	116,043	1,035,457	1,302,100	19,699
Inventories/Prepayments	-	-	375	375	4,920,342
Total Current Assets	3,696,874	619,441	53,226,601	57,542,915	27,939,870
Non-Current Assets					
Capital Assets					
Land	618,875	197,681	-	816,556	-
Buildings	9,899,874	=	=	9,899,874	180,888
Improvements	1,387,854	9,523,204	=	10,911,058	· -
Machinery and Equipment	1,812,702	29,569	=	1,842,271	19,159,714
Less Accumulated Depreciation	(3,577,336)	(2,257,172)	=	(5,834,508)	(9,862,162)
Construction In Progress	-	161,934	17,071,990	17,233,924	-
Net Pension Asset		,	70,909	70,909	
Total Non-Current Assets	10,141,969	7,655,216	17,142,900	34,940,085	9,478,440
Total Assets	13,838,843	8,274,657	70,369,501	92,483,000	37,418,311
Deferred Outflows of Resources	106,348	47,155	341,180	494,683	302,929
LIADULITIES AND FUND FOLLITY					
LIABILITIES AND FUND EQUITY					
Current Liabilities	500.040	400.004	4 000 000	0.055.000	0.000.500
Accounts/Vouchers Payable	502,919	189,881	1,962,860	2,655,660	3,022,528
Due to Other Funds	122,406	58,127	347,091	527,624	1,628,246
Interest Payable	33,427	-	-	33,427	-
Interfund Loans Payable	44.000	40.005	400 704	-	407.500
Accrued Wages Payable	44,639	18,225	166,781	229,645	167,506
Accrued Employee Benefits	11,158	3,340	41,262	55,760	28,525
Accrued Taxes Payable	-	-	-	-	-
Other Accrued Liabilities	60,500	-	-	60,500	27,024
Bonds Payable	500,000		0.547.000	500,000	4.070.000
Total Current Liabilities	1,275,049	269,573	2,517,996	4,062,617	4,873,829
Non-Current Liabilities			-		
Compensated Absences	56,360	30,570	159,472	246,401	245,355
Post Closure Landfill Costs	2,861,425	=	=	2,861,425	=
Environmental Liability	3,927,159	=	=	3,927,159	113,533
Bonds Payable	8,230,550	-	55,682,195	63,912,745	-
Net Pension Liability	979,912	434,500	1,855,834	3,270,246	2,791,255
Total Non-Current Liabilities	16,055,406	465,070	57,697,501	74,217,976	3,150,143
Total Liabilities	17,330,455	734,643	60,215,497	78,280,593	8,023,972
Deferred Inflows of Resources	147,639	65,464	326,355	539,458	420,547
Net Position					
Net Investment in Capital Assets	1,411,419	7,655,217		9,066,636	9,478,440
Unrestricted	(4,944,322)	(133,512)	10,168,829	5,090,995	19,798,281
Total Net Position	\$ (3,532,903)	\$ 7,521,705	\$ 10,168,829	\$ 14,157,632	\$ 29,276,721

See accompanying notes to the financial statements

<sup>\*</sup>See Internal Service Funds section

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

#### **Proprietary Funds**

#### For the Year Ended December 31, 2015

			Governmental		
		Enterpris	se Funds		Activities
	Solid	Drainage	County		*Internal Service
	Waste	Utility	Jail	Total	Funds
Operating Revenues					
Charges for Services	\$ 9,188,278	\$ 1,614,943	\$ 8,143,304	\$ 18,946,525	\$ 14,455,440
Other Operating Revenue	-	-	4,136,097	4,136,097	13,181,369
Total Operating Revenues	9,188,278	1,614,943	12,279,401	23,082,622	27,636,809
Operating Expenses					
Personnel Services	1,693,207	739,546	5,549,983	7,982,736	5,038,374
Contractual Services	5,302,043	-	-	5,302,043	2,162,574
Supplies and Expenses	1,082,613	1,284,137	1,801,118	4,167,868	7,076,928
Depreciation	336,268	236,011	-	572,279	1,192,977
Payment to Claimants	<u> </u>				13,162,176
Total Operating Expenses	8,414,131	2,259,694	7,351,101	18,024,926	28,633,029
Operating Income (Loss)	774,147	(644,751)	4,928,300	5,057,696	(996,220)
Non-Operating Revenue (Expenses)				-	
Intergovernmental Revenue	425,490	245,194	333,605	1,004,289	
Interest Revenue	4,311	2,547		6,858	12,066
Miscellaneous Revenue	6,568	136,612	78,057	221,237	3,586
Gain (Loss) on Disposition of Capital Assets	-	-		-	(114,175)
Interest Expense	(402,687)	-		(402,687)	-
Miscellaneous Expense					4,818
Total Non-Operating Revenue (Expenses)	33,682	384,353	411,662	829,697	(93,705)
Income (Loss) before Transfers	807,829	(260,398)	5,339,962	5,887,393	(1,089,925)
Transfers In	-	-	60,000	60,000	34,500
Transfers Out		(1,142)		(1,142)	
Change in Net Position	807,829	(261,540)	5,399,962	5,946,251	(1,055,425)
Net Position, January 1	(3,376,400)	8,197,769	6,621,172	11,442,541	33,042,207
Prior Period Adjustment	(964,332)	(414,524)	(1,852,304)	(3,231,160)	(2,710,061)
Net Position, January 1, as Restated	(4,340,732)	7,783,245	4,768,868	8,211,381	30,332,146
Net Position, December 31	\$ (3,532,903)	\$ 7,521,705	\$ 10,168,829	\$ 14,157,632	\$ 29,276,721

### **SKAGIT COUNTY, GOVERNMENT**

#### **Statement of Cash Flows**

#### **Proprietary Funds**

#### For the Year Ended December 31, 2015

			Governmental		
		Enterpr	ise Funds		Activities
	Solid Waste	Drainage Utility	Jail Fund	Total	*Internal Service Funds
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 8,983,646	\$ 1,620,249	\$ 12,286,183	\$ 22,890,078	\$ 3,244,445
Receipts from Interfund Services Provided	-	130,607	713,931	844,538	24,253,986
Payments to Employees	(1,638,651)	(718,446)	(7,443,258)	(9,800,355)	(4,922,617)
Payments to Suppliers	(5,683,944)	(1,212,213)	124,620	(6,771,537)	(6,540,078)
Payments to Claimants	-	-			(13,186,093)
Payments for Interfund Services Used	(879,132)	(660,701)	(418,597)	(1,958,430)	(1,732,812)
Miscellaneous Receipts	-		78,057	78,057	(60,999)
Miscellaneous Payments	6,568	-		6,568	-
Net Cash Provided (Used)	788,487	(840,504)	\$ 5,340,935	5,288,916	1,055,832
Cash Flows From Non-Capital Financing Activities:					
Operating Grants Received	324,092	541,446	-	865,538	_
Transfers to Other Funds	· -	(1,142)	60,000	58,858	
Transfers from Other Funds	-	- (105,607)		- (105,607)	34,500
Net Cash Provided (Used)	324,092	434,697	60,000	818,789	34,500
Cash Flows from Capital and Related Financing Activities:					
Proceeds from Capital Grant	_	_	\$1,710,671	1,710,671	_
Purchases of Capital Assets	(91,492)	(436,551)	(11,272,424)	(11,800,467)	(1,792,742)
Proceeds from Sale of Capital Assets	(01,102)	(100,001)	(11,272, 121)	(11,000,107)	316,713
Principal Paid on Capital Debt	(495,000)	-	_	(495,000)	-
Interest Paid on Capital Debt	(401,125)	_	_	(401,125)	_
Other Receipts (Payments)	-	_		-	_
Net Cash Provided (Used)	(987,617)	(436,551)	(9,561,753)	(10,985,921)	(1,476,029)
Cash Flows from Investing Activities:					
Sale of Investments	_	_		_	_
Interest Earnings	4,311	2,547	0	6,858	12,066
Net Cash Provided	4,311	2,547	-	6,858	12,066
					,
Net Change in Cash and Cash Equivalents	129,273	(839,811)	(4,160,818)	(4,871,358)	(373,788)
Balance, January 1	2,551,061	1,166,616	56,343,088	60,060,765	18,798,272
Balance, December 31	\$ 2,680,334	\$ 326,805	\$ 52,182,269	\$ 55,189,407	\$ 18,424,484

## Statement of Cash Flows Proprietary Funds For the Year Ended December 31, 2015

			ype Activities se Funds		Governmental Activities
	Solid Waste	Drainage Utility	Jail Fund	Total	*Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	\$ 774,147	\$ (644,751)	\$4,928,300	\$ 5,057,696	\$ (996,220)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	336,268	236,011		572,279	1,192,978
Miscellaneous Receipts	6,568	130,607	78,057	215,232	28,779
Changes in Assets and Liabilities:	-	-	-	0	-
Receivables, Net	(204,632)	5,306	387,107	187,781	4,665
Prepayments	-	-	(175)	(175)	0
Inventories	-	-	-	0	89,952
Accounts and Other Payables	(123,865)	(567,678)	(52,354)	(743,897)	735,520
Net Cash Provided (Used) by Operating Activities	\$ 788,487	\$ (840,504)	\$ 5,340,935	\$ 5,288,915	\$ 1,055,674

## Statement of Fiduciary Net Position Fiduciary Funds December 31, 2015

	Agency		
	 Funds		
ASSETS	_		
Cash	\$ 44,631,620		
Investments	407,567,846		
Taxes Receivable	3,659,456		
Deposits			
Total Assets	\$ 455,858,922		
LIABILITIES			
Warrants Payable	\$ 24,562,989		
Custodial Accounts	 431,295,933		
Total Liabilities	\$ 455,858,922		

#### I. Summary of Significant Accounting Policies

The financial statements of Skagit County have been prepared in conformity with generally accepted accounting principles (GAAP), as applied to government entities. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles. The chart of accounts used by Skagit County conforms to the Budgeting, Accounting, and Reporting System (BARS) prescribed by the Washington State Office of the State Auditor.

#### **Reporting Entity**

Skagit County, a first-class county, was incorporated on November 28, 1883, under the Revised Code of Washington 36.04.390. The County operates under a commissioner form of government and provides such services as law enforcement, road construction and maintenance, solid waste management, permits and planning, parks and recreation, judicial administration, public health, social services and general administrative services. As required by GAAP, the financial statements present Skagit County, the primary government, and its discretely presented component unit, the Central Valley Ambulance Authority (CVAA).

In determining the financial reporting entity, the County complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units," and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus." Accordingly, the County reports as component units those entities for which the County appoints a voting majority of the board of directors, upon which the County is able to impose its will, or where a financial benefit or burden exists.

The Central Valley Ambulance Authority was established in April 2009 by Ordinance #O20090004 pursuant to the RCW 35.21.730 and Resolution #R20090255 established a separate fund June 2009. The Board of County Commissioners appoints the members of the CVAA board and has final approval on the CVAA operating budget. The Central Valley Ambulance Authority is a governmental agency providing emergency medical care and transportation services to the citizens of Skagit County, mainly in their response coverage area. CVAA began its operations July 1, 2009.

CVAA is presented discretely in the Government-Wide financial statements, as required by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units," and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus."

More information for the CVAA, including complete financial statements can be obtained at their office located at 2015-A Hospital Drive, Sedro-Woolley, WA 98284.

The County is also responsible for appointing the members to the boards of the following organizations, but the accountability for these organizations does not extend beyond making the appointments:

Housing Authority Board of Skagit County
LaConner Regional Library Board
Public Facilities District Board
Sedro-Woolley SD Rural Library Board
Upper Skagit Library District

#### **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 and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The component unit is reported separately from the county.

The statement of activities reflects the degree to which the direct 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 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.

The County reports the following functions/programs:

General Government – Legislative and administrative services, including expenses for recording and elections, personnel administration, financial services, administration and facility management.

Judicial – Court system for civil, criminal, and juvenile cases, including jury and witness fees and other judicial and legal costs.

*Public Safety* – Protection and safety of the citizenry at large, includes expenses for law enforcement, fire protection services, inspections and regulatory enforcements, detention and corrections, emergency services and juvenile services.

Physical Environment – Conservation and preservation of the environment, and animal control services.

*Transportation* – Programs to ensure safe and adequate flow of vehicles and pedestrians in the County, including costs for road and street preservation, construction, and maintenance.

*Economic Environment* – Community planning and development services, housing programs, and promotion of tourism.

Health and Human Services – Programs that provide prevention, intervention, and rehabilitative human services for County citizens with an emphasis on serving those most in need. They include costs associated with programs such as veterans' services, mental health, substance abuse prevention and treatment, public health, and children's services.

Culture and Recreation – Costs associated with the maintenance and general operations of County parks, trails, natural land and recreational facilities, and the fairgrounds.

Program revenues include charges for goods and services and grants or contributions that are restricted to the program's purpose. Taxes and other items not properly included among program revenues are reported 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. The latter are excluded from the government wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Accordingly, 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.

All governmental funds are presented using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or 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 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 licenses, fines and fees are not considered susceptible for accrual since they are not generally measureable until received. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the county.

Expenditures are generally recorded when the related fund liability is incurred, as under accrual accounting. Skagit County reports the following major government 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 majority of revenues consist of property, sales, and other taxes and fees, and grant revenue.
- The County Road Fund accounts for the design, construction, and maintenance of County Roads. The majority of revenues consist of property tax and grant revenue.
- The Mental Health Fund accounts for expenditures relating to support services provided to citizens with mental and developmental disabilities. The majority of revenues consist of sales tax and grant revenues.

Skagit County reports three major proprietary funds:

- The Solid Waste Fund accounts for collection of fees and the cost of providing solid waste services to the residents of the County.
- The Drainage Utility Fund accounts for the collection of fees, charges and related revenues and the payment of costs related to drainage facilities.

• The County Jail Fund accounts for all revenues and expenditures related to the design, construction, operation and maintenance of the county jail. See note X.

Additionally, the County reports the following fund types:

- Internal Service Funds account for equipment rental, insurance, unemployment, records management, and technology services provided to County departments and to other governments on a cost reimbursement basis.
- Agency Funds are custodial in nature and do not present results of operations or have a
  measurement focus. These funds account for assets (such as property taxes collected on behalf
  of other governments) that the County holds for others in an agency capacity. Agency funds
  include fire, school, port, cemetery, air pollution, city and town, library, dike and drain districts and
  miscellaneous clearing fund activity.

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 government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses form 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 Solid Waste Fund, the Drainage Utility Fund, and the County Jail Fund are charges to customers for sales and services.

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

#### Assets, Liabilities, and Equity

#### Cash and Cash Equivalents

Cash held in checking accounts and petty cash are reported as cash on the financial statements of the government funds. Cash and cash equivalents reported on the government wide and proprietary funds' Statement of Net Position includes all demand deposits and investments with an initial maturity of three months or less.

#### <u>Investments – See Note IV</u>

#### Receivables and Payables

Amounts due for the exchange of goods and services between County funds are reported as due to or from other funds. Loans between funds are reported as interfund loans receivable or payable. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. Interfund balances between

governmental funds and internal service funds have been eliminated and were not included in the government-wide statement of net position.

Taxes Receivable consists of property taxes levied and not yet paid, along with the related interest and penalties.

Accounts Receivable consists of amounts owed from private individuals for goods or services. All receivables have been recorded net of any estimated uncollectible amounts. All receivables, with the exception of the PFD portion of \$6,565,000 are expected to be paid within one year. See Note VIII for further information on the PFD receivable.

Interest Receivable consists of amounts earned but not yet received on investments held at the end of the year.

Prepayments made for services that will benefit future periods are recorded as prepaid items in both the government-wide and fund financial statements.

#### Inventories

Inventory in the governmental funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure when consumed rather than when items are purchased. All inventories are valued by the first-in first-out method.

#### Restricted Assets and Liabilities

These accounts contain resources for construction and debt service, including current and delinquent special assessments receivable, in enterprise funds. The current portion of related liabilities is shown as *Payables from Current Restricted Assets*. Specific debt service reserve requirements are described in Note V – Long Term Liabilities.

The 2015 restricted assets of the enterprise funds and related debt service funds are composed of the following:

Special Assessments – Current \$1,507,674 Special Assessments – Delinquent 62,447

Cash and Investments – Debt Service 3,333,898

Cash and Investments – Construction 3,333,898

#### Capital Assets - See Note IV

Capital assets include land, improvements, easements, buildings, vehicles, machinery, equipment, infrastructure, and all other tangible or intangible assets that are used in operations. 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 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 and the ferry system.

When capital assets are purchased, they are capitalized and depreciated in the government-wide financial statements and in the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The total interest expense incurred by the County during the current fiscal year is \$3,333,898. This entire amount was included as part of the cost of capital assets under construction in connection with facilities projects.

Infrastructure, buildings, improvements, equipment and vehicles are depreciated using the straight-line method. Estimated useful lives are as follows:

- Buildings 5 to 40 years
- Improvements 15 to 40 years
- Furniture and Equipment 3 to 25 years
- Information Technology Equipment 5 years
- Vehicles 5 to 25 years
- Infrastructure 15 to 65 years

#### Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. All vacation pay is accrued when earned in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example as a result of employee resignations or retirements. The non-current portion for governmental funds is not reported in the governmental fund statements and represents a reconciling item between the fund and government-wide presentations.

County employees receive vacation and sick leave monthly at rates established by County resolution or union contract. At termination of employment, employees with a required length of service may receive cash payment for all accumulated vacation leave up to a maximum of 30 days. The payment is based upon current wages at termination. Accumulated sick leave is not paid at termination of employment unless an employee has at least five years of service and 480 hours of accrued sick leave banked. Generally, retirees may receive cash payment for up to 240 hours, and non-retiree payment for up to 60 hours of accumulated sick leave if requested.

#### Unearned Revenue

This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria have not been met.

#### <u>Long-Term Obligations – See Note V</u>

#### Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **Deferred Outflow/Inflow of Resources**

This line item represents GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, consisting of specific items previously reported as assets and liabilities that are now recognized as deferred outflow or deferred inflow of resources.

The following shows the details on Deferred Inflow of resources, and on what statement they reside:

		Balance Sheet	Statement of
Description	Amount	Government Funds	Net Position
Deferred Property Tax	1,181,189	X	
Court Receivables	1,930,668	Χ	
Grants Received in Advance	313,746	X	X
Deferred Gain on Refunding	4,889		X
Deferred Net Pension	4,261,948		X

The following shows the details on Deferred Outflow of resources, and on what statement they reside:

		Balance Sheet	Statement of
Description	Amount	Government Funds	Net Position
Deferred Net Pension	3,055,283		Χ

<sup>\*</sup> The County implemented GASB 65 in 2013. Property tax and court receivables were previously reported as deferred revenue on the fund financial statements. The deferred gain on refunding was the result of the 2013 refunding bond issue, which resulted in an economic gain of \$19,555. The County chose not to restate prior periods for practical reasons.

#### Fund Equity

Fund equity is recognized as fund balance in government fund types, and as net position in proprietary fund types. Net position may be subject to legal restriction for a particular purpose. Fund balance has been reclassified in accordance with GASB Statement No. 54 as Nonspendable, Restricted, Committed, Assigned, and Unassigned. Further information regarding Fund balance categories is as follows:

<sup>\*</sup> The County implemented GASB 68 in 2015, which resulted in additional deferred inflows and outflows related to Net Pension Liability. See Note VI and Note X.

Nonspendable Fund Balance – That portion of net resources that cannot be spent because of their form or because they must be maintained intact pursuant to legal or contractual requirements. Some examples of Nonspendable fund balances are inventory, prepaid amounts, long-term portion of loans/notes receivable, or property that is held for resale.

Restricted Fund Balance – That portion of net resources that contains limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments.

Committed Fund Balance – That portion of net resources that contains limitations imposed at the highest level of decision making within the County, which is at the Board of County Commissioner level by adoption of a resolution.

Assigned Fund Balance – That portion of net resources that contains limitations resulting from intended use. The County Commissioners signed R20120135 in April of 2012 designating the Budget and Finance Director or the County Administrator with the authority to assign fund balance.

*Unassigned Fund Balance* – The residual net resources in excess of Nonspendable, Restricted, Committed, and Assigned.

Each government fund has to be analyzed to classify the fund balance in accordance with GASB Statement No. 54. Funds are created by the Board of County Commissioners and money is authorized to be transferred to the fund for a particular purpose. At this point, balances in these funds are at least committed, and may be further restricted depending on whether there is an external party, constitutional provision, or enabling legislation constraint involved.

The spending policy of government fund balance consists of Restricted resources used first, followed by Committed resources, then Assigned, and finally Unassigned Fund Balance. As per Resolution No. 20120135, the Budget and Finance Director elected to assign \$1,000,000 of the General Fund fund balance for various capital and IT projects.

The following shows the composition of the fund balance of the government funds for the fiscal year ended December 31, 2015:

Fund Balances:	General Fund	County Road Fund	Mental Health Fund	Capital Projects Funds	Debt Service Funds	Other Government funds	Total
Nonspendable:							
Inventory						6,232	6,232
Loan Receivable						1,000	1,000
Restricted For:							
General Govt Services				4,255,474	1,384,945	1,266,354	6,906,775
Public Safety						1,154,380	1,154,380
Utilities						4,289,736	4,289,736
Transportation		4,269,029				428,311	4,697,340
Natural & Economic Env				7,731,614		1,474,032	9,205,646
Social Services			6,922,415			1,427,798	8,350,213
Cultural & Recreation				236,681		326,978	563,659
Committed to:							
General Govt Services						598,346	598,346
Judicial Activities						41,874	41,874
Public Safety						4,584,481	4,584,481
Utilities						492,923	492,923
Social Services						376,880	376,880
Cultural & Recreation						1,153,048	1,153,048
Assigned to:	1,000,000						1,000,000
Unassigned	13,576,013						13,576,013
Total Fund Balances	14,576,013	4,269,029	6,922,415	12,223,769	1,384,945	17,622,373	56,998,543

#### II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Total governmental fund balances as reported on the governmental funds balance sheet differs from net position of governmental activities as reported on the statement of net position due to the different accounting methods applied in the preparation of these statements. The governmental fund statements are presented on the modified accrual basis and the statement of net position is presented on a full accrual basis. Also, net internal service fund activity is included in governmental activities.

Explanation of certain reconciling items reported on the reconciliation of the governmental funds balance sheet to the government wide statement of net position:

Net Capital Assets	
Total Capital Assets	\$ 582,801,846
Less Accumulated Depreciation	(319,987,776)
Construction in Progress	1,506,373
Net Capital Assets	\$ 264,320,443
Long-Term Liabilities	
Bonds Payable	\$ 16,205,000
Notes Receivable	(6,565,000)
Unamortized Bond Discounts/Premiums	588,870
Loans Payable	2,802,125
Compensated Absences Liability	2,112,178
Deferred Gain on Refunding	4,889
OPEB Liability	416,907
Net Pension Liability	21,287,607
Accrued Interest Payable on Long-Term Liabilities	36,872
Long Term Liabilities	\$ 36,889,448

Explanation of certain reconciling items reported on the reconciliation of the statement of revenues, expenditures, and changes in fund balances to the government wide statement of activities:

Net Capital Assets Activity	
Net Capital Expenditures Subject to Capitalization	\$ 1,114,360
Depreciation Expense	(16,371,014)
Gain/Loss on Sale of Asset	(99,565)
Net Capital Assets	\$ (15,356,219)
Net Long-Term Debt Activity	
Principal Payments	975,000
Amortization of Bond Discounts/Premiums	68,027
Net Pension Revenue	136,312
Change in NPL	2,067,370
Change in Compensated Absenses Liability	(62,710)
Change in OPEB Liability	(3,803)
Net Long-Term Debt Activity	\$ 3,180,197

#### III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### Scope of Budget

The annual budget for Skagit County is adopted in accordance with the provisions of the Revised Code of Washington (RCW), as interpreted by the Budgeting, Accounting, and Reporting System (BARS) of the State of Washington, and on a basis consistent with generally accepted accounting principles. All government funds with the exception of the Treasurer's O&M fund, as per RCW 84.56.020(9), have legally adopted budgets.

The annual appropriated budget is adopted at the department level within the general fund. Other budgets are adopted at the level of the fund. For management purposes, expenditures are further segregated by object class of expenditure. Object class refers to a segmentation of expenditures into five categories. These categories are salaries and wages, personnel benefits, supplies, other services and charges, and capital expenditures. Expenditures may not exceed appropriations at the department level and the budgets constitute the legal authority for expenditures at that level. All appropriations lapse thirty days after the close of each fiscal year.

Budget status reports are used to compare the budgeted amounts with actual revenues and expenditures. Revenues and expenditures can be monitored at fund, department, division, activity, project, or object class level.

#### Procedures for Adopting the Original Budget

Skagit County adheres to the statutory provisions established by Revised Code of Washington (RCW) 36.40. Significant procedures in the budget process include the following:

- On or before the second Monday in July, County officials are requested to prepare estimates of revenues and expenditures for the next fiscal year.
- On or before the first Tuesday in September, the preliminary annual budget is submitted to the Board of County Commissioners.
- The Commissioners conduct public meetings on the proposed budget from September through October.
- The preliminary budget is made available to the public at least 2 weeks prior to the public hearing.
- The Commissioners hold a public hearing on or before the first Monday in December to receive testimony on the budget.
- The Commissioners make adjustments to the proposed budget and adopt, by resolution, a final balanced budget no later than December 31.
- Upon adoption, the final budget is made available to the public.

#### Amending the Budget

Budget revisions in the form of supplemental appropriation resolutions are approved by the Board of County Commissioners in the legally prescribed manner during public meetings throughout the year. Any proposed revisions which alter the total appropriation of any fund are published in the County's legal newspaper once per week for two consecutive weeks before the public hearing to enable taxpayer input.

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 legally authorized changes applicable for the fiscal year.

#### **Deficit Fund Equity**

The following fund had deficit fund balances/net position as of December 31, 2015;

The Solid Waste fund deficit was \$3,532,903. This results primarily from the recording of liabilities
for landfill post closure care costs and environmental remediation costs as well as Net Pension
Liability.

#### IV. DETAIL INFORMATION BY TRANSACTION TYPE

#### A. Deposits and Investments

#### **Deposits**

The Skagit County Treasurer is empowered by the State to act as the treasurer not only for the County but also for special purpose districts located in the County. It is the County's policy to deposit and invest all temporary cash surpluses. At the end of the year, the total amount held in certificates of deposit and money market accounts was \$39,717,587 and the treasurer's bank balance was \$10,620,081, all of which was covered by federal depository insurance or collateralized with securities which are either held by the County or by the County's agent in the County's name. The FDIC (Federal Depository Insurance Corporation) insures all deposits of the County up to \$250,000 and the Washington Public Deposit Protection Commission insures amounts over \$100,000.

#### **Investments**

As required by Washington State law, all investments of Skagit County and applicable agency funds are obligations of the United States Government, the State Treasurer's Investment Pool, commercial paper, or deposits with Washington State banks and savings and loan institutions. US Government securities and commercial paper are stated at fair value. All other investments are stated at amortized cost which approximates fair value. The fair value of the County's position in the State Treasurer's Local Government Investment Pool (LGIP) is the same as the value of the pool shares. Authority to manage the Skagit County Investment Program derives from RCW 36.29.020. Regulatory oversight is provided by the County Finance Committee, comprised of the Treasurer as Chair, the Auditor as Secretary, and the Chair of the Board of County Commissioners. The State LGIP was created by the Washington State Legislature in 1986 and is overseen by the State Treasurer. The State Finance Committee administers the pool and is advised by the LGIP Committee, comprised of twelve members selected from the active pool participants. The pool is operated in a manner consistent with the SEC Rule 2a7. Net investment income is allocated monthly to participants and is based on their average proportionate share of Net Position in relation to the total net investment income for the LGIP for that month. Allocations are reinvested in the LGIP.

Management intends to hold time deposits and securities until maturity. Gains or losses on investments sold or exchanged are recognized at the time the transactions are completed.

As of December 31, 2015, the County held the following investments:

		Less	Than 1						
Investment Type	Fair Value	Year	Maturity	1 Y	'ear	2 Ye	ars	3 y	ears
Certificates of Deposit	\$ 17,616,057	\$	11,000,000	\$	5,565,000	\$	-	\$	1,051,057
Money Market	22,101,530		22,101,530						
Registered Warrants	341,104		341,104						
Commercial Paper									
Bankers Acceptances									
Treasury Bills	1,241,288				1,241,288				
Treasury Notes	41,063,953		16,418,294		24,645,659		-		-
Municipal Bonds	68,256,580		14,792,431		42,618,730	7	7,558,910		3,286,509
U.S. Agencies	199,021,663	:	57,556,692		125,878,341	15	5,586,630		-
State Treasurer Pool	225,347,657	2	25,347,657						
	\$ 574,989,832	\$ 3	47,557,708	\$	199,949,018	\$ 23	3,145,540	\$	4,337,566

Total fair value of investments represents \$167,880,034 for Skagit County and \$407,109,797 for the Junior Taxing districts.

#### Interest Rate Risk

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 fair value losses arising from increasing interest rates by setting maturity and effective duration limits not to exceed 36 months unless matched to a specific cash flow requirement. Funds specifically designated for capital improvements or for bond redemption purposes may in certain circumstances be invested out to five years.

#### Custodial Credit Risk

Custodial credit risk is the risk that in event of a failure of the counterparty to an investment transaction the county would not be able to recover the value of the investment or collateral securities. The County had no custodial credit risk as of December 31, 2015.

#### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's policy is to limit to 15 percent of the total portfolio the amount that may be invested in any one financial institution. In addition, no more than 3 percent of the total portfolio may be invested in any one issuer of commercial paper and no more than 10 percent may be invested in any one Treasury obligation. As of December 31, 2008 the investment in the Washington State LGIP was limited to 65 percent, this was modified by resolution on March 16, 2009 to allow investment in excess of 65 percent when there are no other viable alternatives. At year end, the County had no investment in a single issuer that was greater than 5 percent of total investments.

#### Federal Arbitrage

Federal Arbitrage is the ability to obtain tax-exempt bond proceeds and invest the funds into higher yielding taxable securities, resulting in a profit. The County had no federal arbitrage in 2015.

#### Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy is to apply the prudent-person rule: Investments shall be made with the exercise of judgment and care which persons of prudence, discretion and intelligence exercise in the management of their affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The County's policy limits investments in commercial paper to ratings of A1 or P1 only.

As of December 31, 2015, the County's investments in U.S. Agencies in the amount of \$199,021,664 (fair value) was rated AAA by Standard & Poor's, an additional amount of \$6,066,521 (fair value) was rated AAA by Moody's. Details of ratings on investments in municipal bonds and banker's acceptances are as follows:

ADAMS COUNTY JT SD OTHELLO	AA1/A1	182.045	WHIDBEY ISL PHD	A2	489.977	SNOHOMISH CO WA PUD	Aa3/AA-	129,307
ALBUQUERQUE NM	Aa1/AAA/AA+	127,226	WYANDOTTE COUNTY KS SCHO		476,292	SNOHOMISH CO WA SCH #16		249,099
ANACORTES UTILITY SYS	A1/AA-	50.733	ZERO COUPON OR SCHOOL BD		996,760	SOUTH LYON MI SCHOOLS	Aa2	300,414
ANOKA HENNEPIN SCHOOLS MN	AA+	1,007,724	GROTON CITY CT	Aa3/AA-	375.825	STAMFORD CT	Aa1/AAA	176,936
ARLINGTON TX SD	Aa2/AA	100.322	HALLSVILLE TX SCHOOLS	AAA/Aaa	309,633	STATE OF GEORGIA	Aaa/AAA/AAA	506,790
BECKER MN SD #726	AA+ / A	249,735	KENNEWICK WA	AA	516,487	STATE OF MICHIGAN	Aa2/AA-	103,055
BELMONT MA	AAA	3,101,829	KENT COUNTY MI	A1+	2,985,630	STATE OF MINNESOTA	Aa1/AA+/AA+	456,080
BOISE CITY INDEP SD	AA1/AA	20,177	KING CO WALTD SER D	Aa1/AAA/AA+	60,000	STATE OF MISSISSIPPI	Aa2/AA/AA+	305,427
BONNEVILLE POWER	Aa1/AA-/AA-	314,946	LAKE COUNTY IL	AA+	204,380	STATE OF OHIO	Aa1/AAA/AA+	225,375
BONNEVILLE POWER ADMINISTR	R/ Aa1/AA-/AA	2,161,928	LANE CO OR SD	Aa1/AA+	241,711	STATE OF OREGON	Aa1/AA+/AA+	291,163
BROWNSVILLE TX IND SCHOOLS	AAAVAAVAAA	125,688	LAS VEGAS VALLEY WATER	Aa1/AA+	729,477	STATE OF OREGON	Aa1/AA+/AA+	251,455
BURLINGTON CO NJ	Aa2/AA	107,632	MADISON SCHOOL WI	Aa1	1,065,629	STATE OF RHODE ISLAND	Aa2/AA/AA	1,007,760
CEDAR RAPIDS IA	Aa1	96,006	MADISON WI	Aaa	272,311	STATE OF TEXAS		117,359
CENTRAL PUGET SOUND REG T	R Aa1	50,107	MAPLEWOOD MN	AA+	903,271	STATE OF WASHINGTON	Aa1/AA+/AA+	122,698
CHARLETTE N.C. SERIES A	Aaa/AAA/AAA	2,156,042	MARIETTA GA	AA+	250,000	STATE OF WASHINGTON	Aa1/AA+/AA+	253,593
CHELAN COUNTY PUD #1	Aa3/AA/AA+	984,450	MARION CO TN	AA	100,596	STATE OF WASHINGTON	Aa1/AA+/AA+	507,185
CITY OF COLUMBUS OH SCHOO	L Aa2	498,445	MARYLAND STATE	Aaa/AAA/AAA	100,236	STATE OF WASHINGTON		500,425
CITY OF OAK CREEK WI	Aa2	757,118	MICHIGAN STATE	Aa2/AA-/AA	65,467	STRATFORD CT	A1/AA	503,930
CITY OF RACINE WI	AA-	125,600	MILWAUKEE WI	Aa2/AA	200,862	SW WA SUBURBAN SWR DIS	Aa2	306,476
CITY OF RENTON WA	AA+	74,987	MILWAUKEE WI	Aa3/AA	264,603	UNIVERSITY OF SOUTH CAR	Aaa/AA+/AAA	25,080
CITY OF SEATTLE WA	Aa1/AAA/AA+	497,770	MITCHELL SD SCHOOLS	AA	315,087	VILLAGE OF DEFOREST WI	Aa2	500,505
CLARK CO NV PUBLIC FACILITIES	S Aa1/AA	60,765	MONROE WA	AA-	274,357	VILLAGE OF MENOMONEE FA	Aa2	250,113
CLARK COUNTY NV	Aa1/AA	508,130	MOSCOW ID SD #281	AAA/A1	160,533	WAREFORD WISCHOOLS	AA	201,418
CLINTON IA	A2	354,316	MULTNOMAH CO. SCHOOLS	Aa1/AA+	1,800,792	WA HOUSING FINANCE COM	Aaa	658,640
COAST CA COMMUNITY COLLEG	E Aa1/AA	150,158	MUSKEGO-NORWAY SCHOOLS	/ Aa2	249,815	WA ST HEALTH CARE	Aa3/AA-	154,941
CONNECTICUT STATE SERIES B		796,606	NASHUA NH	Aa2/AAA	1,015,100	WA STATE TAXABLE	Aa1/AA+/AA+	1,738,216
COUNTY OF MUSKEGON MI	AA	558,025	NEW YORK NY	Aa2/AA/AA	205,370	WALNUT VLY CA SCH DIST	Aa2	250,000
DANE COUNTY WI	Aa1/AA+	25,171	NEW YORK NY	AA	213,436	WASHINGTON & CLACKAMAS	Aa1	409,180
DANE COUNTY WI	Aa1/AA+	25,786	NEW YORK NY	Aa2/AA/AA	1,002,500	WASHINGTON STATE REVEN	Aa2	1,020,830
DENTON CO TX WATER DIST	A2/AA-	145,123	OAKLAND CA	AA	600,348	WASH STATE TAXABLE SER	Aa1/AA+/AA+	1,202,508
DENTON TX	A2	375,232	OAKLAND CA	A1	750,435	WASHINGTON STATE UNIVER	Aa2/AA-	247,439
DOUGLAS CO PUD #1	Aa3/AA	50,000	OKLAHOMA CITY SCHOOLS	Aa2/AA	7,904,480	WASHINGTON STATE UNIVER	Aa2/AA-	473,796
DOWNERS GROVE IL	Aa2	179,981	OREGON	Aa1/AA+/AA+	337,032	WASHINGTON CO SCHOOLS	Aa2/AA+	102,160
EL SEGUNDO CA SCHOOLS	Aa2/AA-	1,001,460	PASADENA CA SCHOOLS	Aa2/A+	224,552	WASHINGTON CO UT SD	Aaa/AAA/AAA	50,176
ENERGY NW	Aa1/AA-/AA	20,107	PHOENIX AZ	Aa1/AA+	557,981	WASHINGTON COUNTY WI	Aaa	250,045
ENERGY NW WA ELEC	Aa1/AA-/AA	2,246,957	PIMA COUNTY AZ SCHOOLS	AA-	253,863	WASHINGTON ST	Aa1/AA+/AA+	49,875
ENERGY NW WA	Aa1/AA-/AA	2,031,220	PIMA COUNTY AZ SCHOOLS	AA-	156,350	WAUKESHA COUNTY WI	Aaa/AAA	503,125
FAIRBORN OH SCHOOLS	Aa2	693,999	PINAL COUNTY SCHOOLS AZ	A1	50.887	WHATCOM COUNTY SCHOO	Aa1	471,670
FAIRFAX COUNTY VA	Aaa/AAA	765,143	PORT OF BELLINGHAM WA	A2	292,703	WHATCOM COUNTY SCHOO	AA+	260,775
GARLAND TX SCH ZERO	Aaa/AAA	199,948	PORT OF SEATTLE SERIES C		302,238	WORCESTER MA	AA3/AA-/AA-	1,004,720
GLEN ELLYN IL	Aa1	100,000	PORT TOWNSEND WA	A1	65,723			, ,
GOOSE CREEK TX SD	Aaa/AAA	60.093	RANDOLPH COUNTY IL	AA	100,521	Total		68,256,580
GRANT CO WA PUD #2	Aa3/AA/AA	150,000	RANDOLPH MA	AA	1,102,426			,,500
GREEN BAY WI	Aa2	180,767	SEDGEWICK COUNTY KS	AAA/Aaa	101.678			
		.00,.01			,			

The County also carried investments in registered warrants and the Washington State LGIP, which are unrated.

#### **Property Taxes**

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Taxes are levied and become an enforceable lien on January 1<sup>st</sup> of each year. Collection of taxes is authorized on February 15<sup>th</sup>, with installments due on April 30<sup>th</sup> and October 31<sup>st</sup>. On May 31<sup>st</sup> the assessed value of property is established for the following year's levy. Assessed value is considered to be 100 percent of market value.

Property taxes are recorded as a receivable when levied. Property tax collected in advance of the fiscal year to which it applies is recorded as a deferred inflow. Revenue is recognized when the taxes are collected. Refunds of taxes are recorded as reductions of revenue when they are measureable and due to be issued. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible. Prior year tax levies were recorded using the same principal, and delinquent taxes are evaluated annually.

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

- Washington State law in RCW 84.55.010 limits growth of regular property taxes to 1 percent per year, after adjustments for new construction. If the assessed valuation increases by more than 1 percent due to re-valuation, the levy rate will be decreased.
- The Washington State Constitution limits the total regular property taxes to 1 percent of the 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 percent limit.
- The County may voluntarily levy taxes below the legal limit. Special levies approved by the voters are not subject to the above limitations.

2015 Tax levy information is as follows:

		Levy in Dollars Assessed Per		
		Thousand	Total Value	Levy
2015				
County		1.5574	\$ 14,670,422,177	\$ 22,848,407
Medic 1 Sei	rvices	0.3750	14,655,421,701	5,495,783
Roads		1.7804	7,266,814,303	12,938,111
Conservation	on Futures	0.0563	14,670,422,177	826,528

The County tax rate includes a levy for general governmental services and special revenue assessments. The County is authorized to levy taxes in unincorporated areas for road construction and maintenance, subject to the same limitations as the levy for general government services. The Conservation Futures tax rate is a non-voter approved excess levy for the purpose of acquiring land development rights for preservation purposes.

#### B. Receivables

Governmental funds report some revenues as deferred inflow of resources if they are not available to liquidate liabilities of the current period or are not yet earned. Also see Note I. Detail of deferred inflow of resources balances in the government fund financial statements as of December 31, 2015 is as follows:

	Unavailable	Unearned	Total
Property Taxes Receivable (General Fund)	\$ 616,450		\$ 616,450
Property Taxes Receivable (Road Fund)	327,809		\$ 327,809
Property Taxes Receivable (Mental Health Fund)	8,205		\$ 8,205
Property Taxes Receivable (Other Government Funds)	228,725		\$ 228,725
Revenue Earned but Not yet Available	1,930,668		\$ 1,930,668
Revenue Received Prior to Meeting Elgibility Requirements		313,746	\$ 313,746
Total Deferred Inflow of Resources - Government Funds	\$ 3,111,857	\$ 313,746	\$ 3,425,602

#### C. Interfund Receivables, Payables and Transfers

Details of interfund payable/receivable balances of December 31, 2015 are as follows:

	General	Drainage	Count	v	Internal Service	
Due to Other funds	Fund	Utility	Road Fu	,	Funds	Total
General Fund		60,445			\$1,565,370	\$ 1,625,815
Non-Major Governmental Funds	296,733	12,577			77,414	386,724
Mental Health	63,818					63,818
County Road Fund	751,893	31,442			1,131,548	1,914,883
Internal Service Funds	119,087				1,509,159	1,628,246
Solid Waste	83,991	1,143			37,272	122,406
Drainage Utility	39,667				18,460	58,127
Jail Fund	112,706				234,385	347,091
Total	\$ 1,467,895	\$ 105,607	\$	-	\$4,573,608	\$ 6,147,110

These balances are the result of transactions involving the exchange of goods and services in the ordinary operations of the respective funds.

Interfund loans have been made to provide cash flows for the operations of the receiving funds. Because most of these funds are within the Debt Service Fund, they are eliminated in the financial statements. Details of the interfund loans are as follows:

		Balance			Balance
Borrowing Fund	Lending Fund	1/1/2015	New Loans	Repayment	12/31/2015
Water Improvement 210	Water Improvement 215	3,000			3,000
Water Improvement 215	Water Improvement 218	229,072		65,000	164,072
Water Improvement 216	Edison Clean Water	1,500		500	1,000
Water Improvement 215	Water Improvement 224	147,361		40,000	107,361
Т	otal	\$ 380,933	\$ -	\$ 105,500	\$ 275,433

Interfund transfers represent subsidies and contributions provided to the receiving fund. Most transfers from the general fund are for the purposes of ordinary operations and debt service. Transfers out of non-major governmental funds are generally for debt service and capital project funding. Details of 2015 transfers are as follows:

	Transfers In														
	General	Jail	Jail County		Non-Major		Non-Major		Non-Major		Non-Major		Non-Major		Balance
Transfering Fund	Fund	Fund	Roads	Go	Governmental		12/31/2015								
General Fund				\$	4,550,757	\$	4,550,757								
Jail Fund															
Drainage Utility					1,142		1,142								
Mental Health	160,901	60,000					220,901								
County Roads			34,500				34,500								
Non-Major	52,000		200,000		2,042,709		2,294,709								
Total	\$ 212,901	\$60,000	\$234,500	\$	6,594,608	\$	7,102,009								

#### D. Capital Assets

Summarized capital asset transactions for governmental activities are as follows:

	Beginning			
Governmental Activities	Balance	Increases	Decreases	<b>Ending Balance</b>
Capital Assets, Non-depreciable				
Land	\$ 157,213,966	\$ 25,320	\$ 49,349	\$ 157,189,937
Development Rights	15,557,605			15,557,604
Capital asset held for resale	-			-
Construction in Progress	792,459	810,811	96,896	1,506,374
	173,564,029	836,131	146,245	174,253,915
Depreciable Capital Assets				
Buildings	64,702,990	1,652,784	206,826	66,148,948
Improvements	4,987,816	373,213		5,361,029
Machinery and Equipment	24,248,305	1,719,297	1,183,153	24,784,449
Infrastructure	333,713,412		612,932	333,100,480
	427,652,523	3,745,294	2,002,911	429,394,906
Less Accumulated Depreciation				
Buildings	(28,154,885)	(1,085,706)	308,376	(28,932,216)
Improvements	(3,030,497)	(142,554)		(3,173,051)
Machinery and Equipment	(14,003,298)	(1,457,492)	176,849	(15,283,941)
Infrastructure	(267,046,468)	(15,414,264)		(282,460,732)
	(312,235,148)	(18,100,016)	485,225	(329,849,939)
Total Not Depreciable Capital Assets	115 /17 275	(14 254 722)	(1 517 696)	00 544 066
Total Net Depreciable Capital Assets	115,417,375	(14,354,722)	(1,517,686)	
Total Net Capital Assets	\$ 288,981,407	\$ (13,518,591)	\$ (1,663,932)	\$ 273,798,884

Depreciation expense by function for governmental activities is as follows:

General Governmental Services	\$ 1,717,733
Judicial	6,171
Public Safety	375,737
Utilities	-
Transportation	15,730,679
Natural & Economic Environment	14,344
Social Services	80,468
Culture and Recreation	174,884
Total governmental activities depreciation expense	\$ 18,100,016

Summarized capital asset transactions for business type activities are as follows:

	Beginning			Ending
Business - Type Activities	Balance	Increases	Decreases	Balance
Capital Assets, Non-depreciable				
Land	\$ 816,556	\$ -	\$ -	\$ 816,556
Construction in Progress	8,074,074	11,467,196	2,307,346	17,233,924
	8,890,630	11,467,196	2,307,346	18,050,480
Depreciable Capital Assets				
Buildings	9,899,875			9,899,875
Improvements	8,275,860	2,635,198		10,911,058
Machinery and Equipment	1,836,854	5,417		1,842,271
	20,012,589	2,640,615		22,653,203
Less Accumulated Depreciation				-
Buildings	(1,283,370)	(241,076)		(1,524,446)
Improvements	(3,297,131)	(235,539)		(3,532,670)
Machinery and Equipment	(681,728)	(95,664)		(777,392)
	(5,262,229)	(572,279)		(5,834,508)
Total Net Depreciable Capital Assets	14,750,359	2,068,336		16,818,694
Total Net Capital Assets	23,640,989	13,535,532	2,307,346	34,869,174

Depreciation expense by function for business type activities is as follows:

Solid Waste	\$	336,268
Drainage Utility		236,011
Total business type activities depreciation expense	\$	572,279

#### V. LONG TERM LIABILITIES

Skagit County's long-term liabilities include general obligation bonds and loans from the State of Washington. General obligation bonds have been issued for both general government and business-type activities and are being repaid from the applicable resources. For the proprietary funds and on the government-wide financial statements, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Government funds recognize bond premiums, discounts, and issuance costs in the period that they are incurred. Proceeds of debt are reported as other financing sources. Premiums

received on debt issuance are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, including those withheld from proceeds, are reported as debt service expenditures.

Details of general obligation bonds outstanding as of December 31, 2015 are as follows:

Description	Balance
In 2006 bonds in the amount of \$7,610,000 were issued to acquire land, construct county facilities and for other capital purposes. Principle payments are due annually on December 1, interest payments are due on June 1 and December 1. The interest rates range from 3.75% on 2007 maturities to 4.0% for maturities in 2026. Principle payments of \$350,000 and interest payments of \$203,635 were made in 2015.	4,895,000
In 2007 bonds were issued in the amount of \$6,115,000 to refund a portion of the 2000 Bond issue. Principal payments are due annually on December 1, interest payments are due on June 1 and December 1. The interest rates range from 3.875% on 2007 maturities to 4.00% for maturities in 2022. Principal payments of \$435,000 and interest payments of \$156,646 were made in 2015.	3,565,000
In 2013, the outstanding balance (\$990,000) of the 2003 bond issue in the amount of \$965,000 was refunded in order to take advantage of better rates. The original was issued at \$5,340,000 to finance the acquisition and renovation of a building to house County offices, and to refund the 1993 bonds. Interest ranges from 2.00% to 3.00%. Principal payments are due annually on December 1. Interest payments are due June 1 and December 1. Principal payments of \$190,000 and interest payments of \$17,700 were made in 2015.	400,000
In 2013, the County entered into an interlocal agreement with Skagit Regional Public Facilities District to refund their 2003 bond issue, in order to take advantage of better rates. This was completed per C20130043. The County booked a receivable for the balance and will systematically reduce the debt over time from their dedicated sales tax revenue. See Note VIII. Principal payments are due annually on December 1. Interest payments are due June 1 and December 1. Principal payments of \$370,000 and interest payments of \$204,719 were made in 2015.	6,565,000
In 2014, bonds in the amount of 780,000 were issued to aquire a building for County use. Interest rates range from 3.625% to 5.00 % for maturities in 2041. Principle payments are due annually on December 1. Interest payments are due June 1 and January 1. Interest of \$35,762.71 and no principle payments were made in 2015.  Total bonds payable at December 31, 2015 for government activities:	780,000 16,205,000
Proceeds in the amount of \$9,740,000 from the 2010 bond issue are for the purpose of improving the County's Solid Waste transfer station and other Capital improvements to County facilities. Principle payments are due annually on December 1. Interest payments are due June 1 and January 1. Interest rates range from 1.90% in 2014 to 5.35% for maturities in 2030. Principal payment of \$495,000 and interest payment of \$401,125 were made in 2015.	8,765,000
Proceeds in the amount of \$51,920,000 from the 2014 bond issue are for the purpose of planning, aquiring land, and constructing a 400 bed regional jail facility. Principle payments are due annually on December 1, beginning in 2015. Interest rates range from 3.625% in 2011 to 5.00% for maturities in 2030. Interest of \$2,249,340 and no principle payments were made in 2015.  Total bonds payable at December 31, 2015 for business-type activities:	51,920,000 60,685,000

Annual debt service requirements to maturity for the general obligations bonds are as follows:

	Government Activities			Business-Type Ac		ctivities		
Year Ending December 31	Principal		Interest		Principal		Interest	
2016	\$ 1,405,000	\$	571,881	\$	500,000	\$	2,650,656	
2017	1,490,000		523,056		1,660,000		2,637,156	
2018	1,385,000		471,394		1,715,000		2,576,621	
2019	1,050,000		422,096		1,770,000		2,511,661	
2020-2025	7,705,000		1,305,219		9,975,000		11,290,366	
2025-2029	2,875,000		231,950		12,325,000		8,626,150	
2030-2034	295,000		35,963		12,255,000		5,544,276	
2035-2039	-				14,050,000		3,405,400	
2040-2041					6,435,000		388,600	
Totals	16,205,000		3,561,559		60,685,000		39,630,888	

#### Refunded Bonds

In 2007 the County refunded a portion of the 2000 bond issue using proceeds from the 2007 bond issue. These proceeds were placed in an irrevocable trust to fund all future payments on the 2000 bonds. Accordingly, those 2000 bonds are considered to be defeased and the liability for them is not included in the 2015 financial statements. As of December 31, 2015 the balance of the defeased bonds outstanding is \$2,820,000.

#### Loans Payable

Details of loans payable as of December 31, 2015 is as follows:

<u>Description</u>	Balance
Payable to the State of Washington Department of Ecology Water Pollution Control Revolving Fund pursuant to a 1997 loan agreement. The term is 20 years and no interest is due. Principal payments of \$17,768 were made in 2015.	\$ 62,188
Payable to the State of Washington Department of Ecology Water Pollution Control Revolving Fund pursuant to a 2000 loan agreement. The term is 20 years and no interest is due. Principal payments of \$2,948 were made in 2015.	23,581
Payable to the State of Washington Department of Ecology pursuant to a 2007 loan agreement. The interest rate is 2.6% and the term is 20 years. Principal payments of \$92,147 and interest payments of \$443,301 were made in 2015.	1,724,304
Payable to the State of Washington Department of Ecology pursuant to a 2014 loan agreement. The interest rate is 2.7% and the term is 20 years. Principal payments of \$9,235 and interest payments of \$20,206 were made in 2015.	867,717
Total loans payable at December 31, 2015 for governmental activities	\$ 2,677,791

Annual debt service requirements to maturity for loans payable are as follows:

Year Ending December 31	F	Principal		Interest	
2016	\$	152,880	\$	64,202	
2017		156,191		60,891	
2018		159,585		57,497	
2019		154,179		54,018	
2020-2024		778,851		214,771	
2025-2029		868,122		113,710	
2030-2034		407,983		23,110	
Totals		2,677,791		588,199	

#### **Debt Limitation**

State law places certain restrictions on the County's ability to issue general obligation bonds. Without an authorizing vote, limited tax general obligation bonds may be issued in an amount up to 1.5% of the assessed valuation of real property within the county. Unlimited tax general obligation bonds may be issued up to 2.5% of the assessed valuation with voter approval. No combination of limited and unlimited tax bonds may exceed 2.5% of the assessed valuation.

At December 31, 2015, the County's remaining capacity for non-voted debt was \$174,134,793. Additional debt capacity with an authorizing vote is \$154,461,137.

#### Changes in Long-Term Liabilities

Details of changes in long term liabilities for the year ended December 31, 2015 is as follows:

	Beginning			Ending	<b>Due Within</b>
	Balance	New Issue	Retirements	Balance	One year
Governmental Activities:					
Bonds Payable					
General Obligation Bonds	\$ 17,550,000	\$ 574,719	\$ 1,919,719	\$ 16,205,000	\$ 1,405,000
Add: Net Unamortized					
Discounts/Premiums	647,643		58,773	588,870	
Total Bonds Payable	18,197,643	574,719	1,978,492	16,793,870	1,405,000
Loans Payable	2,802,126	240,012	364,346	2,677,792	152,880
Note Payable	2,002,120	240,012	304,340	2,011,192	132,000
Compensated Absences	2,278,427	245,355	166,249	2,357,533	2,357,533
OPEB Liability	413,104	416,907	413,104	416,907	2,007,000
Net Pension Liability	410,104	24,847,823	713,104	24,847,823	
Environmental Liabilities	119,424	24,047,023	5,891	113,533	
Total Long-Term Liabilities	\$ 23,810,724	\$ 26,324,816	\$ 2,928,082	\$ 47,207,457	\$ 3,915,413
John Long Term Leading	<del>+ ====================================</del>	<del>+</del> ==,== :,= :	<del>+</del> =,===,===	<b>,</b> ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	<del>+</del>
	Beginning			Ending	Due Within
	Balance	New Issue	Retirements	Balance	One year
Business-Type Activities					
Bonds Payable					
General Obligation Bonds	\$ 61,180,000		\$ 495,000	\$ 60,685,000	\$ 500,000
Discounts/Premiums	3,870,585	22,185	165,025	\$ 3,727,745	
Less: Unamortized Refunding	-	-		\$ -	
Total Bonds Payable	65,050,585	22,185	660,025	64,412,745	500,000
Compensated Absences	229,932	29,159	12,690	246,401	
Post Closure Landfill Costs	3,043,592	50,000	182,166	2,911,426	50,000
Environmental Liabilities	3,945,248	10,500	18,089	3,937,659	10,500
Net Pension Liabilities	1,1 1,2 10	3,270,246	.,,,,,	3,270,246	-,,,,,
Total Long-Term Liabilities	\$ 72,269,357	\$ 3,382,089	\$ 872,969	\$ 74,778,475	\$ 560.500

For governmental activities, the Unemployment Fund liquidates compensated absences as well as the OPEB obligation.

#### VI. PENSION AND OTHER BENEFIT PLANS

The following table represents the aggregate pension amounts for all plans subject to the requirements of GASB Statement No. 68, Accounting and Financial Reporting for Pensions for the year 2015:

Aggregate Pension Amounts – All Plans		
Pension Liabilities	28,118,069	
Pension Assets	1,804,584	
Deferred Outflows of Resources	3,549,966	
Deferred Inflows of Resources	4,801,406	
Pension Expense/Expenditures	1,597,721	

#### **State Sponsored Pension Plans**

Substantially all Skagit County's full-time and qualifying part-time employees participate in a retirement plan administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

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, Communication Unit, P.O. Box 48380, Olympia WA 98504-8380; or it may be downloaded from the DRS website at <a href="https://www.drs.wa.gov">www.drs.wa.gov</a>.

#### A. Public Employees' Retirement System (PERS)

PERS members include elected officials; state employees; state employees; employees of the Supreme, Appeals, and Superior courts; employees of the legislature; employees of district and municipal courts; employees of local government; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to age 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years eligible service. The plan was closed to new entrance on September 30, 1977.

Contributions – The PERS Plan 1 member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

PERS Plan 1		
Actual Contribution Rates:	Employer	Employee*
January through June 2015	9.21%	6.00%
July through December 2015	11.18%	6.00%

<sup>\*</sup>For employees participating in JBM, the contribution rate was 12.26%

Skagit County's actual contributions to the plan were \$60,981 for the year ended December 31, 2015.

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of the AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 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 benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 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 three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS Plan 2 members are vested after completing five years of eligible service. 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 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions – The PERS Plan 2/3 employer and employee contribution rates are developed by the Office of State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

PERS Plan 2/3		
Actual Contribution Rates:	Employer	Employee*
January through June 2015	9.21%	4.92%
July through December 2015	11.18%	6.12%

<sup>\*</sup>For employees participating in JBM, the contribution rate was 15.30%

Skagit County's actual contributions to the plan were \$1,727,962 for the year ended December 31, 2015.

#### Public Safety Employees' Retirement System (PSERS)

PSERS Plan 2 was created by the 2014 Legislature and became effective July 1, 2006. To be eligible for membership, 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
- Function as a limited authority Washington peace officer, as defined in RCW 10.93.020; or
- Have primary responsibility to supervise eligible members who meet the above criteria.

#### PSERS membership includes:

- PERS 2 or 2 employees hired by a covered employer before July 1, 2006, who met at least one
  of the PSERS eligibility criteria and elected membership during the period of July 1, 2006 to
  September 30, 2006; and
- Employees hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria.

#### PSERS covered employees include:

- Certain State of Washington agencies (Department of Corrections, Department of Natural Resources, Gambling Commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol)
- Washington State Counties
- Washington State Cities (except for Seattle, Spokane, and Tacoma)
- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

PSERS Plan 2 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the average final compensation (AFC) for each year of service. The AFC is based on the member's 60 consecutive highest creditable months of service. 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). There is no cap on years of service credit. Members are eligible for retirement at the age of 65 with five years of service; or at the age of 60 with at least ten years of PSERS service credit; or at age 53 with 20 years of service. Retirement before the age of 60 is considered an early retirement. PSERS 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 three percent per year reduction for each year between the age at retirement and age 60 applies. PSERS Plan 2 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and

non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PSERS Plan 2 members are vested after completing five years of eligible service.

Contributions – The PSERS Plan 2 employer and employee contribution rates are developed by the Office of State Actuary to fully fund Plan 2. The Plan 2 employer rates include components to address eh PERS Plan 1 unfunded actuarial accrued liability and administrative expense currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates. The PSERS Plan 2 required contribution rates (expressed as a percentage of current-year covered payroll) for 2015 were as follows:

PSERS Plan 2		
Actual Contribution Rates:	Employer	Employee*
January through June 2015	10.54%	6.36%
July through December 2015	11.54%	6.59%

Skaqit County's actual contributions to the plan were \$158,013 for the year ended December 31, 2015.

#### Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. LEOFF is comprised of two separate benefit plans.

**LEOFF Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined per year of service calculated as a percent of final average salary (FAS) as follows:

- 20+ years of service 2.0% of FAS
- 10-19 years of service 1.5% of FAS
- 5-9 years of service 1% of FAS

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 ten years of service. Members are eligible for retirement with five years of service at the age of 50. Other benefits include duty and non-duty disability payments, a cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions – Starting on July 1, 2000, LEOFF Plan 1 employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan 1 had no required employer or employee contributions for fiscal year 2015. Employers paid only the administrative expenses of 0.18 percent of covered payroll.

**LEOFF Plan 2** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the final average salary (FAS) per year of service (the FAS is based on the highest consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member

has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 2 members are vested after the completion of five years of eligible service.

Contributions – The LEOFF 2 employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.18 percent. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The LEOFF Plan 2 required contributions rates (expressed as a percentage of covered payroll) for 2015 were as follows:

LEOFF Plan 2		
Actual Contribution Rates:	Employer	Employee*
January through June 2015	5.23%	8.41%
July through December 2015	8.59%	8.41%

Skagit County's actual contributions to the plan were \$227,513 for the year ended December 31, 2015.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service cost of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statue. For the state fiscal year ending June 30, 2015, the state contributed \$58,339,032 to the LEOFF Plan 2.

#### **Actuarial Assumption**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2015 with a valuation date of June 30, 2014. The actuarial assumptions used in the valuation were based on the results of the Office of State Actuary's (OSA) 2007-2012 Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2015. Plan liabilities were rolled forward from the June 30, 2014 to June 30, 2015 reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation**: 3% total economic inflation; 3.75% salary inflation
- **Salary increases**: In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- Investment rate of return: 7.5%

Mortality rates were based on the *RP-2000* report's Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100% Scale BB. Mortality rates are

applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

#### **Discount Rate**

The discount rate used to measure total pension liability was 7.50 percent for all DRS plans. To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members.

Consistent with current law, the asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. All plans use 7.70 percent except LEOFF Plan 2, which has assumed 7.50 percent.

Consistent with long-tern expected rate of return, a 7.5 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (Include PERS Plans 2/3, PSERS Plan 2, whose rates include a component for the PERS Plan 1 liability.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.50 percent was used to determine the total liability.

#### **Long-Term Expected Rate of Return**

The long-term expected rate of return on DRS pension plan investments of 7.5 percent was determined using a building-block method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of WSIB's capital market assumptions. WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various future times. The long-term expected rate of return of 7.5% approximately equals the median of the simulated investment returns over a 50-year time horizon.

#### **Estimated Rates of Return by Asset Class**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the table below. The inflation component used to create the table is 2.2% and represents WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	% Long-term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.70%
Tangible Assets	5%	4.40%
Real Estate	15%	5.80%
Global Equity	37%	6.60%
Private Equity	23%	9.60%
	100%	

### Sensitivity of NPL

The table below presents Skagit County's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as Skagit County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 – percentage point lower (6.5%) or 1-percentage point higher (8.5%) than the current rate.

#### **Current Discount Rate** 1% Decrease (6.5%) (7.5%)1% Increase (8.5%) PERS 1 19,152,695 \$ 15,731,133 \$ 12,788,902 **PERS 2/3** 35,807,236 12,245,760 (5,794,380)PSERS 2 1,072,746 141,176 (421,491)LEOFF 1 (191,813)(299,823)(391,881)LEOFF 2 1,506,920 (1,504,761)(3,771,165)

#### **Pension Plan Fiduciary Net Position**

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

## Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, Skagit County reported a total pension liability of \$28,118,069 and a total net pension asset of (1,804,583) for its proportionate share of the net pension liabilities as follows:

	Liability (or Asset)
PERS 1	15,731,133
PERS 2/3	12,245,760
PSERS 2	141,176
LEOFF 1	(299,823)
LEOFF 2	(1,504,761)

The amount of the asset reported above for LEOFF Plan 2 reflects a reduction for the State pension support provided to Skagit County. The amount recognized by the County is its proportionate share of the net pension asset, the related State support, and the total portion of the net pension asset that was associated with the County are as follows:

	Liability (or Asset)
LEOFF 2 - employer's proportionate share	(1,504,761)
LEOFF 2 - State's proportionate share	(409,090,914)

At June 30, the County's proportionate share of the collective net pension liabilities were as follows:

	Proportionate	Proportionate Share	Change in
	Share 6/30/14	6/30/15	Proportion
PERS 1	0.3075950%	0.3007330%	-0.0068620%
PERS 2/3	0.3453810%	0.3427250%	-0.0026560%
PSERS 2	0.7955280%	0.7734850%	-0.0220430%
LEOFF 1	0.0246710%	0.0248770%	0.0002060%
LEOFF 2	0.1448180%	0.1464060%	0.0015880%

Employer contribution transmittals received and processed by DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF Plan 1.

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2015. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). In fiscal year 2015, the state of Washington contributed 87.12% of LEOFF 1 employer contributions and all other employers contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data.

In fiscal year 2015, the state of Washington contributed 39.8 percent of LEOFF 2 employer contributions pursuant to RCW 41.27.726 and all other employers contributed the remaining 60.20 percent of employer contributions.

The collective net pension asset was measured as of June 30, 2015, and the actuarial valuation data on which the total pension asset is based was as of June 30, 2014, with update procedures used to roll forward the total pension liability to the measurement date.

#### **Pension Expense**

For the year ended December 31, 2015, the County recognized pension expense as follows:

	Pension Expense
PERS 1	(830,801)
PERS 2/3	(429,169)
PSERS 2	3,952
LEOFF 1	(60,864)
LEOFF 2	(280,840)

#### **Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of		Deferred Inflows of		
PERS 1	Resource	s	Res	sources	
Differenced between expected and actual experience					
Net difference between projected and actual investment					
earnings on pension plan investments				860,665	
Changes in assumptions					
Changes in proportion and differences between					
contributions and proportionate share of contributions					
Contributions subsequent to the measurement date		34,246		•	
Total	\$	34,246	\$	860,665	

PERS 2/3	 Outflows of ources	Deferred Inflows of Resources	
Differenced between expected and actual experience	1,301,727	\$	-
Net difference between projected and actual investment			
earnings on pension plan investments			3,269,038
Changes in assumptions	19,731		
Changes in proportion and differences between			
contributions and proportionate share of contributions			85,461
Contributions subsequent to the measurement date	1,680,563		
Total	\$ 3,002,021	\$	3,354,499

	Deferred Outflows of	Deferred Inflows of
PSERS 2	Resources	Resources
Differenced between expected and actual experience	132,266	
Net difference between projected and actual investment		
earnings on pension plan investments		70,024
Changes in assumptions	874	
Changes in proportion and differences between		
contributions and proportionate share of contributions		1346
Contributions subsequent to the measurement date	127,509	
Total	\$ 260,649	\$ 71,369

LEOFF 1	Deferred Outflows of Resources	Deferred Inflows of Resources	
Differenced between expected and actual experience		\$	-
Net difference between projected and actual investment			
earnings on pension plan investments		Ţ	0,616
Changes in assumptions			
Changes in proportion and differences between			
contributions and proportionate share of contributions			
Contributions subsequent to the measurement date			
Total		\$ !	0,616

LEOFF 2	 Outflows of ources	Deferred Inflows of Resources	
Differenced between expected and actual experience	131,767	\$	-
Net difference between projected and actual investment			
earnings on pension plan investments			455,935
Changes in assumptions	3,969		
Changes in proportion and differences between			
contributions and proportionate share of contributions			8,323
Contributions subsequent to the measurement date	117,313		
Total	\$ 253,049	\$	464,258

Deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred inflows and deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	PERS Plan 2/3
2016	388,663.86
2017	388,663.86
2018	388,663.86
2019	155,466.91
2020	-
Thereafter	-

Year ended December 31:	PSERS 2
2016	21,082.85
2017	21,082.85
2018	21,082.85
2019	21,082.85
2020	21,082.85
Thereafter	21,075.50

Year ended December 31:	LEOFF 2
2016	26,102.73
2017	26,102.73
2018	26,102.73
2019	26,102.73
2020	26,104.19
Thereafter	5,220.84

### D. Other Post Employment Benefit Plans (OPEB)

### Plan Description

As required by the Revised Code of Washington (RCW) Chapter 41.26, the County provides direct cost funding for benefits (other than pensions) promised to the Law Enforcement Officers Fire Fighters Plan 1 (LEOFF1). This is a single employer benefit plan. The benefit provides medical and long term care expenses not payable by worker's compensation, social security, insurance provided by another employer or other pension plan. As of December 31, 2014, there were no active members and 13 inactive members. Authority for changes in benefits for the LEOFF Plan 1 resides with the Washington state law and the Employee Retirement Benefits Board (ERBB). Members of the ERBB are appointed by the Governor.

#### **Funding Policy**

The funding policy is based upon the pay-as-you-go financing requirements.

### Annual OPEB Cost and Net OPEB Obligation

Effective beginning the County's 2008 reporting year, GASB Statement No. 45 Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions requires other post employment benefits (OPEB) expenses to be accrued based on a computed annual required contribution (ARC). ARC represents the current period's service cost and the amount necessary to amortize the unfunded actuarial liability.

We have used the alternative measurement method permitted under GASB Statement No. 45. A single retirement age of 56.24 was assumed for all active members for the purpose of determining the actuarial accrued liability. Retirement, disablement, termination and mortality rates were assumed to follow the LEOFF Plan 1 termination and mortality rates used in the June 30, 2007 actuarial valuation report issued by the Office of the Washington State Actuary (OSA). Healthcare costs and trends were determined by Milliman, Inc., actuarial consultants, and used by OSA in a statewide LEOFF Plan 1 medical study performed in 2007. The expected medical inflation trend starts at 9.0% in 2007 and decreases to 5.0% in 2015; it remains at 5.0% after 2015. The expected long-term care inflation trend is 4.5% for all years. The results were based on grouped data with 4 active groupings and 4 inactive groupings. The actuarial cost method used to determine the actuarial accrued liability was Projected Unit Credit. The AAL and NOO are amortized on an open basis as a level dollar over 15 years. These assumptions are individually and collectively reasonable for the purpose of this valuation. The medical inflation trend is the percentage that medical costs are expected to increase in future years. The actuarial valuations involve estimates of the value of reported amounts and assumptions of the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The following table illustrates the components of the January 6, 2015 calculation:

		D) (ED	
		PVFB	AAL
Inactive:			
	Medical Expenses	3,784,738	3,784,738
	Long-Term Care	1,743,577	1,743,577
	Total Inactive	5,528,315	5,528,315
ARC			
	Normal Cost	-	
	UAAL Amortization	497,223	
ARC		\$ 497,223	
Annual C	PEB Cost		
	ARC	497,223	
	NOO Interest	9,626	
	NOO Amortization	(21,645)	
Annual C	OPEB Cost	485,204	
NOO			
	Starting NOO	240,652	
	Annual OPEB Cost	485,204	
	Contributions*	72,100	
NOO		653,756	

Annual OPEB costs of \$485,204 less expenses of \$68,297 resulted in a net 2015 OPEB obligation of \$416,907. As of December 31, 2015 there were no active members in the LEOFF 1 plan.

The actual expense constitutes 13.7% of the ARC. The County's actuarial accrued liability (AAL) of \$5,528,316 was unfunded as of December 31, 2015.

The following table illustrates prior year's alternative method OPEB calculation as well as benefits cost contributed and net pension obligation:

Year	Ann	Annual OPEB Cost		nding Net OPEB bligation	Percent of Annual OPEB Cost Contributed		
2015	\$	485,204	\$	416,907	13.70%		
2014		485,204		413,104	14.50%		
2013		315,928		240,651	23.83%		

### Funded Status and Schedule of Funding Progress

As of January 6, 2015, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$5,528,316 and the actuarial value of the assets was zero percent resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$5,528,316. See RSI section for the Schedule of Funding Progress.

#### VII. RISK MANAGEMENT

Skagit County is a participating member of the Washington Counties Risk Pool (WCRP). Chapter 48.62 RCW authorizes the governing body of one or more governmental entities to join together for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The Pool was formed in August of 1988 when 15 counties in the state of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. As of December 31, 2015, 26 counties participate in the WCRP.

The Pool allows members to jointly establish a plan of self-insurance, and provides related services, such as risk management and claims administration. Members enjoy occurrence-based, jointly purchased and/or jointly self-insured liability coverage for bodily injury, personal injury, property damage, errors and omissions, and advertising injury caused by a covered occurrence during an eligible period and occurring anywhere in the world. Total coverage limits are \$25 million per occurrence and each member selects its occurrence deductible amount for the ensuing coverage year from these options: \$10,000, \$25,000, \$50,000, \$100,000, \$250,000 or \$500,000. For losses occurring in 2015, Skagit County selects a peroccurrence deductible of \$100,000.

Members make an annual contribution to fund the Pool. The Pool acquires reinsurance for further protection from larger losses, direct protection for the Pool and indirect for the member counties due to the contingent liabilities they would otherwise incur from risk-sharing those losses. The reinsurance agreements are written with self-insured retentions ("SIRs") equal to the greater of the deductible for the member with the claim or \$100,000. More recent years' reinsurance programs have included "corridor deductibles" with aggregated stop losses which have the effect of increasing the Pool's SIR. For 2014-

## Skagit County, Washington Notes to the Financial Statements December 31. 2015

15, this "corridor" increased the SIR to \$2 million, but with an aggregated stop loss of \$3.35 million. Other reinsurance agreements respond up to the applicable policy limits. Those reinsurance agreements contain aggregate limits for the maximum annual reimbursements to the Pool of \$40 million (lowest reinsured layer), \$20 million, (second layer), \$30 million (third layer) and \$50 million (final reinsured layer). Since the Pool is a cooperative program, there is a joint liability among the participating members.

New members may be asked to pay modest fees to cover the costs to analyze their loss data and risk profiles, and for their proportional shares of the entry year's assessments. New members contract under the Interlocal Agreement to remain in the Pool for at least five years. Following its initial 60-month term, any member may terminate its membership at the conclusion of any Pool fiscal year, provided the county timely files the required advance written notice. Otherwise, the Interlocal Agreement and membership automatically renews for another year. Even after termination, former members remain responsible for reassessments by the Pool for the members' proportional shares of any unresolved, unreported, and inprocess claims for the periods that the former members were signatories to the Interlocal Agreement.

The Pool is fully funded by its member participants. Claims are filed directly with the Pool by members and adjusted by one of the six staff members responsible for evaluating each claim for coverage, establishing reserves, and investigating for any risk-shared liability. The Pool does not contract with any third party administrators for claims adjustment or loss prevention services.

During 2014-15, Skagit County was also one of twenty-six (26) counties which participated in the Washington Counties Property Program (WCPP). Property losses are covered under the WCPP to the participating counties' buildings and contents, vehicles, mobile/contractor equipment, EDP and communication equipment, etc. that have been scheduled. The WCPP includes 'All Other Perils ("AOP")' coverage limits of \$500 million per occurrence as well as Flood and Earthquake (catastrophe) coverages with separate occurrence limits, each being \$200 million. There are no AOP annual aggregate limits, but the flood and earthquake coverages include annual aggregate limits of \$200 million each. Each participating county is solely responsible for paying their selected deductible, ranging between \$5,000 and \$50,000. Higher deductibles apply to losses resulting from catastrophe-type losses.

Skagit County also participates in the jointly purchased cyber risk and security coverage from a highly-rated commercial insurer.

The Pool is governed by a board of directors which is comprised of one designated representative from each participating member. The Board of Directors generally meets three-times each year with the Annual Meeting of the Pool being held in summer. The Board approves the extent of risk-sharing, approves the Pool's self-insuring coverage documents, approves the selection of reinsurance and excess agreements, and approves the Pool's annual operating budget.

An 11-member executive committee is elected by and from the WCRP Board for staggered, 3-year terms. Authority has been delegated to the Committee by the Board of Directors to, a) approve all disbursements and reviews the Pool's financial health, b) approve case settlements exceeding the applicable member's deductible by at least \$50,000, c) review all claims with incurred loss estimates exceeding \$100,000, and d) evaluate the Pool's operations, program deliverables, and the Executive Director's performance. Committee members are expected to participate in the Board's standing committees (finance, personnel, risk management, and underwriting) which develop or review/revise proposals for and/or recommendations to the association's policies and its coverages for the Board to consider and act upon

During 2014-15, the WCRP's assets grew 3% to \$48.8 million while its liabilities increased slightly to \$29.8 million. The Pool's net position decreased slightly from \$19.4 million to \$18.9 million. The Pool more than satisfies the State Risk Manager's solvency requirements (WAC 200.100.03001). The Pool is a cooperative program with joint liability amongst its participating members.

Deficits of the Pool resulting from any fiscal year are financed by reassessments of the deficient year's membership in proportion with the initially levied and collected deposit assessments. The Pool's reassessments receivable balance as of December 31, 2015 was zero (\$0). As such, there were no known contingent liabilities at that time for disclosure by the member counties.

The following schedule details the current year's and the prior two year's claims liability activity:

			Current Year				
Fiscal	Beginning	Cl	aims & Changes		Claim	Y	ear End
Year	Balance		in Estimate		ayments	E	Balance
2015	\$ 609,600	\$	187,385	\$	12,041	\$	784,945
2014	876,500		84,021		350,921		609,600
2013	2,770,881		(1,240,114)		654,267		876,500

#### **Other Insurance**

Employee on-the-job injuries are covered by industrial insurance through the State of Washington Department of Labor & Industries (L&I). All employees and some volunteers, except LEOFF-1 members and ferry crewmembers, are covered to statutory limits. Industrial insurance (L&I) rates are occupation and experienced based, with base premiums adjusted for individual entity claims experience. The experience modification multiplier was, .9945 in 2013, 1.1994 in 2014, and 1.1572 in 2015.

Skagit County is self-insured for unemployment claims. These claims are processed by the Washington State Department of Employment Security and the county is billed for them on a quarterly basis. The County has established an Unemployment Compensation Fund which charges other County funds based on estimates of future claims, and pays the claims when they are billed. The Unemployment Compensation Fund had Net Position of \$505,650 at December 31, 2015.

The County is self-insured for dental insurance claims. Washington Dental Services serves as the third party administrator and bills the County for claims paid. Administrative fees and charges paid to Washington Dental Service totaled \$77,941 for 2015. Dental claims activity for 2015 and the preceding two years are as follows:

				Current Year						
Fiscal	Fiscal Beginning Claims & Changes		Beginning Cla		aims & Changes		Claim	Υ	ear End	
Year	Balance		Year Balance			in Estimate	P	ayments	E	Balance
2015	\$	105,367	\$	705,048	\$	702,359	\$	108,055		
2014		101,567		688,682		684,882		105,367		
2013		99,119		662,634		660,186		101,567		

The County is self-insured for medical insurance coverage for eligible employees. The claims processing is administered by Trusteed Plans. The County's health benefits broker, Wells Fargo, recommends the premiums charged to County funds. These amounts are transferred to the Insurance Services Fund, which pays the amount billed by the claims processor. An insurance policy is in place to cover claims in

excess of \$175,000 per claimant. Administrative fees and charges paid to Trusteed Plans totaled \$382,343 for 2015. Medical claims activity for 2015 and the preceding two years are as follows:

			Current Year		
<b>Fiscal</b>	Beginning	Cla	aims & Changes	Claim	Year End
Year	Balance		in Estimate	Payments	Balance
2015	\$ 1,415,833	\$	11,943,160	\$ 11,577,794	\$ 1,781,199
2014	1,308,446		9,310,303	9,202,916	1,415,833
2013	1,123,379		8,689,969	8,504,902	1,308,446

## VIII. COMMITMENTS, CONTINGENCIES AND LITIGATION

Amounts received or receivable from grantor agencies are subject to audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by a grantor is expected to be immaterial. As discussed in Note V, the County is contingently liable for repayment of refunded debt.

Skagit County is named as the defendant in various lawsuits. Although the outcome of these legal actions is not presently determinable, the County is of the opinion that present reserves are available to adequately cover potential settlements without adversely affecting the financial condition of the County.

In January of 2013, the County entered into an Interlocal agreement contract number C20130043 with the Skagit Regional Public Facilities District whereby the County agreed to issue bonds to refund the PFD 2003 bond issue in order to take advantage of better rates. In February of 2013, the County issued \$8.6 million GO Refunding bonds to refund both the County's 2003 bond issue as well as the Public Facilities District's 2003 bond issue. The PFD's portion of the refunding bonds was \$7,985,000. The balance of the PFD portion of the bond on December 31, 2015 was \$6,565,000. The average interest rate received on the refinancing bonds, which pay principal and interest in 2013 through 2026, is 1.89%. The County will reduce the PFD's dedicated sales and use tax to cover the debt service of the PFD's portion of the refunded bonds. In the event that the PFD cannot cover the debt service for any given year, the County remains responsible for that debt, however; the debt is legally owed to the County by the PFD and secured by the Interlocal agreement. The County used the balance sheet method to account for the PFD debt service. Accordingly, the County reports a receivable in the debt service fund that will be systematically reduced as the funds are received and the bonds are paid.

#### **Leasing Commitments**

Future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of December 31, 2015 are as follows:

	Rental Payments
Year	Due
2016	162,766
2017	42,486
Total	205,252

2015 rent expense for all operating leases, except those with terms of a month or less were all renewed.

#### Construction

At December 31, 2015, the County had pending construction project contracts in progress. The commitments related to the remaining contract balances are summarized as follows:

		Total	Exp	pended to		Balance
	Contracts		12/31/2015		Unexpended	
<b>Governmental Activities</b>						
Clean Water Fund	\$	2,301,130	\$	889,454	\$	1,411,676
Non-Major Government Funds		2,171,216		965,340		1,205,876
Road Fund		18,835,901	7	7,825,371		11,010,530

#### **Landfill Post Closure Costs**

State and federal laws and regulations require Skagit County to perform landfill maintenance and monitoring activities for a minimum of twenty to thirty years after closure. Accordingly, a long-term liability for post closure costs in the amount of \$2,911,425, of which \$50,000 is the current portion, is reported in the Solid Waste Fund at December 31, 2015.

Post closure care cost estimates are based on the minimum number of years of maintenance and monitoring required by law multiplied by the current annual expense incurred. The actual future cost may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

### **Liabilities for Pollution Remediation Obligations**

In accordance with Governmental Accounting Standards Board Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations", which became effective for the 2008 reporting year, liabilities for environmental cleanup obligations were recorded in the Solid Waste fund and the Equipment Rental and Revolving Fund.

## Whitmarsh Landfill

The Solid Waste Fund recognized a liability of \$3,415,962, of which \$10,000 is the current portion, for the closed Whitmarsh Landfill site. In 2007, Skagit County received notice from the Department of Ecology that it was being named a Potentially Liable Party (PLP) under Washington's Model Toxics Control Act (MTCA), as a former operator of the landfill, for releases of leachate from the landfill to the environment. Skagit County implemented a preliminary investigation of the site in 2008 and entered into an Agreed Order with the Department of Ecology along with 3 other named parties. As of December 31, 2015, the County is in Phase II Remedial Investigation, Feasibility Study, and a Cleanup Action Plan.

#### Sinnes Road Landfill

The Solid Waste Fund recognized a liability of \$521,696, of which \$500 is the current portion for the closed Sinnes Road Landfill site. The Skagit County Health Department facilitated an Agreed Order between the County and two other parties to address the releases of leachate from the landfill to the environment. As of December 31, 2015, the County is in the remedial action stage, with long-term monitoring and maintenance to be determined.

#### **Burlington Road Shop**

The Equipment Rental and Revolving Fund recognized a liability of \$113,533, of which \$0 is the current portion for costs relating to the monitoring and potential cleanup of soil and water contamination at the site of underground fuel storage tanks. Petroleum-impacted soil and groundwater were initially discovered in 1992 during the removal of three underground fuel storage tanks. Subsequent soil and groundwater investigations were conducted in 1993 by the County. Subsequently, four underground fuel storage tanks were removed. Annual groundwater monitoring using the existing well network was voluntarily implemented in 2003 and has continued to the present. Long-term groundwater monitoring is planned to continue until groundwater conditions improve.

#### Alger Landfill

The Department of Ecology has ranked the closed Alger Landfill under the Model Toxics Control Act State Hazard Assessment program. It scored a "3" on a scale of 1 to 5, with 1 being the highest relative priority. As of December 31, 2015, no further action has been taken either by the Department of Ecology or the County.

#### Panorama Landfill

The Department of Ecology has ranked the closed Panorama Landfill under the Model Toxics Control Act State Hazard Assessment program. It scored a "5" on a scale of 1 to 5, with 1 being the highest relative priority. As of December 31, 2015, no further action has been taken either by the Department of Ecology or the County.

These liabilities were computed using the expected cash flow technique, with probabilities assigned to a range of potential costs. They are recorded net of possible insurance recoveries. The actual future costs may be higher due to inflation, changes in technology, changes in remedial plans, or changes in environmental laws and regulations.

## IX. PRIOR PERIOD ADJUSTMENTS

Jail Fund – A prior period adjustment of \$269,861 was the result of an accrual error made in 2014.

#### X. ACCOUNTING AND REPORTING CHANGES

The Government Accounting Standards Board (GASB), Statement No. 68, "Accounting and Financial Reporting for Pensions" became effective for financial statements for fiscal years beginning after June 15, 2014. This statement replaces the requirements of Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers", as well as Statement No. 50, "Pension Disclosures" as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. As a result of implementing this new statement for the 2015 financial statements, the beginning net position for the Statement of Activities, as well as the Statement of Revenues, Expenses, and Changes in Fund Net Position Proprietary Funds have been adjusted as to the following:

## Skagit County, Washington Notes to the Financial Statements December 31, 2015

Accounting Change Adjustment	Statement of Activities	Fund 401	Fund 402	Fund 403
Beginning Net Position	\$ 350,302,998	\$ (3,376,400)	\$ 8,197,769	\$ 6,621,172
Adjustment for				
Accounting Change	(26,201,349)	(964,332)	(414,524)	(1,582,442)
Restate Beginning Net				
Position	\$ 324,101,649	\$ (4,340,732)	\$ 7,783,245	\$ 5,038,730

For practical reasons, the County chose not to restate prior years' financial statements.

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## Required Supplementary Information



## SKAGIT COUNTY, WASHINGTON Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual **General Fund**

	Budgeted	An	nounts			
	Original		Final		Actual	Variance
Budgeted Fund Balance, January 1	\$ 4,377,173	\$	4,610,875	\$	13,822,646	
Resources (in-flows)						
Taxes	33,052,527		33,052,527		33,424,312	371,785
Licenses and Permits	332,000		332,000		285,856	(46,144)
Intergovernmental Revenue	5,569,353		5,854,167		7,776,034	1,921,867
Charges for Services	3,823,630		3,881,618		4,135,939	254,321
Fines and Forfeits	1,712,000		1,712,000		2,083,276	371,276
Interest Revenue	1,792,500		1,792,500		1,484,320	(308,180)
Miscellaneous Revenues	98,470		98,470		139,591	41,121
Transfers In	130,783		215,839		212,901	(2,938)
Total Resources (in-flows)	46,511,263		46,939,121		49,542,229	2,603,108
Amounts Available for Appropriation	50,888,436		51,549,996		63,364,875	
Charges to Appropriations (out-flows)						
General Government	19,345,154		19,542,614		17,360,413	(2,182,201)
Judicial	8,661,022		8,935,300		8,713,544	(221,756)
Public Safety	17,177,763		17,303,776		17,039,605	(264,171)
Physical Environment	40,768		40,768		19,817	(20,951)
Economic Environment	354,866		364,609		362,798	(1,811)
Health and Human Services	296,172		296,172		295,928	(244)
Culture and Recreation	446,000		446,000		446,000	-
Capital Expenditures	20,000		20,000		-	(20,000)
Transfers Out	4,546,691		4,600,757		4,550,757	(50,000)
Amount Charged to Appropriations (out-flows)	50,888,436		51,549,996		48,788,862	(2,761,134)
Budgeted Fund Balance, December 31	\$ -	\$	-	\$	14,576,013	

## SKAGIT COUNTY, WASHINGTON General Fund

## General Fund Schedule of Revenues Budget (GAAP Basis) and Actual For the Year Ended December 31, 2015

		Amounts	_	
	Original	Final	Actual	Variance with
Canaral Property Tayon	Budget	Budget	Actual	Final Budget
General Property Taxes Timber Harvest Taxes	24,563,527	24,563,527	24,223,058	(340,469)
Retail Sales and Use Taxes	7,939,000	7,939,000	8,575,834	636,834
Business Taxes	7,939,000	7,939,000	0,373,034	-
Excise Taxes	550,000	550,000	625,420	75,420
Penalties and Interest on Delinquent Taxes	-	-	-	
Total Taxes	33,052,527	33,052,527	33,424,312	371,785
Non-Business Licenses and Permits	332,000	332,000	285,856	(46,144)
Total Licenses and Permits	332,000	332,000	285,856	(46,144)
Total Licenses and Fermits	332,000	332,000	203,030	(40,144)
Federal Shared Revenue	10,779	10,779	11,714	935
Indirect Federal Grants	818,305	818,305	1,774,826	956,521
State Grants	1,185,278	1,413,984	1,399,349	(14,635)
State Shared Revenue	731,900	731,900	1,383,074	651,174
In Lieu and State Entitlement Revenue	1,489,728	1,509,887	1,793,370	283,483
Intergovernmental Revenue	1,333,363	1,369,312	1,413,700	44,388
Total Intergovernmental Revenue	5,569,353	5,854,167	7,776,033	1,921,866
General Government	2,037,130	2,037,130	2,245,019	207,889
Public Safety	264,500	322,488	304,161	(18,327)
Health and Human Services	47,500	47,500	53,488	5,988
Economic Environment	13,000	13,000	13,710	710
Culture and Recreation	-	-	-	-
Interfund Charges for Services	1,461,500	1,461,500	1,519,562	58,062
Total Charges for Goods and Services	3,823,630	3,881,618	4,135,940	254,322
Superior Court Felony/Misdemeanor Penalties	82,000	82,000	75,549	(6,451)
Civil Penalties	12,000	12,000	8,737	(3,263)
Civil Infraction Penalties	1,314,500	1,314,500	1,278,552	(35,948)
Civil Parking Infraction	6,000	6,000	1,742	(4,258)
Criminal Traffic Misdemeanor	207,000	207,000	182,771	(24,229)
Criminal Non-Traffic Fines	38,200	38,200	34,061	(4,139)
Criminal Costs	12,300	12,300	5,262	(7,038)
Non-Court Fines, Forfeitures	40,000	40,000	496,603	456,603
Total Fines and Forfeits	1,712,000	1,712,000	2,083,277	371,277
Interest Earnings	1,792,500	1,792,500	1,484,320	(308,180)
Rents, Leases, Concessions	19,004	19,004	23,255	4,251
Interfund/Interdepartment Miscellaneous	-	-	-	-,20
Contributions/Donations	44,266	44,266	44,224	(42)
Other Miscellaneous Revenue	32,700	32,700	70,037	37,337
Total Miscellaneous Revenues	1,888,470	1,888,470	1,621,836	(266,634)
	, , , , , , , ,	, - , - ,	, , - 30	(, )
Agency Type Deposits	2,500	2,500	2,075	(425)
Total Non-Revenues	2,500	2,500	2,075	(425)
		·	•	· , ,
Total Revenues	46,380,480	46,723,282	49,329,328	2,606,047

			d Amounts	_	
		Original Budget	Final Budget	Actual	Variance with Final Budget
General Gov	rernment				
<u>Assessor</u>					
	Salaries and Wages	1,113,080	1,113,080	1,046,400	(66,680)
	Personnel Benefits	596,575	596,575	563,475	(33,100)
	Supplies	9,000	9,000	6,851	(2,149)
	Other Services and Charges	31,500	31,500	30,827	(673)
Tatal Assess	Interfund Payments for Services	17,556	17,556	13,380	(4,176)
Total Assess	or	1,767,711	1,767,711	1,660,933	(106,778)
<u>Auditor</u>					-
	Salaries and Wages	795,532	806,077	807,204	1,127
	Personnel Benefits	396,847	401,347	395,925	(5,422)
	Supplies	14,200	13,200	8,806	(4,394)
	Other Services and Charges	15,450	18,348	13,809	(4,539)
Total Auditor		1,222,029	1,238,972	1,225,744	(13,228)
Board of Equ	alization				_
	Salaries and Wages	48,884	49,192	33,819	(15,373)
	Personnel Benefits	17,387	17,602	14,862	(2,740)
	Supplies	100	100	79	(21)
	Other Services and Charges	800	1,580	1,532	(48)
Total Board of	of Equalization	67,171	68,474	50,292	(18,182)
Commissione	are				_
Oommissione	Salaries and Wages	399,041	409,541	404,584	(4,957)
	Personnel Benefits	156,177	157,477	158,934	1,457
	Supplies	1,750	1,750	2,156	406
	Other Services and Charges	33,990	28,990	29,312	322
Total Commis	<u> </u>	590,958	597,758	594,986	(2,772)
A alma imi atmatic	- Camilana				
Administrativ	Salaries and Wages	540,808	545,808	542,111	(3,697)
	Personnel Benefits	228,487	228,487	221,927	(6,560)
	Supplies	7,000	7,000	4,353	(2,647)
	Other Services and Charges	213,175	208,175	185,878	(22,297)
Total Adminis	strative Services	989,470	989,470	954,269	(35,201)
					(, - /
General Main					-
	Salaries and Wages	596,328	596,328	557,822	(38,506)
	Personnel Benefits	337,703	337,703	338,981	1,278
	Supplies	144,000	144,000	136,235	(7,765)
	Other Services and Charges	793,928	793,928	698,861	(95,067)
	Interfund Payments for Services	49,358	49,358	27,561	(21,797)
Total Genera	I Maintenance	1,921,317	1,921,317	1,759,460	(161,857)

Prosecuting 2	Attornev				-
<u> </u>	Salaries and Wages	2,548,250	2,565,070	2,538,348	(26,722)
	Personnel Benefits	1,162,131	1,171,533	1,145,998	(25,535)
	Supplies	37,750	37,750	21,460	(16,290)
	Other Services and Charges	365,525	339,303	135,889	(203,414)
Total Prosec	uting Attorney	4,113,656	4,113,656	3,841,695	(271,961)
Treasurer					_
110000101	Salaries and Wages	593,756	593,756	558,414	(35,342)
	Personnel Benefits	292,736	292,736	282,351	(10,385)
	Supplies	17,000	17,000	6,106	(10,894)
	Other Services and Charges	118,000	118,000	110,788	(7,212)
Total Treasu	rer	1,021,492	1,021,492	957,659	(63,833)
Non Departm	nental Expenditures				_
Non Departin	Salaries and Wages	_	_	_	- -
	Personnel Benefits	149,314	149,314	149,144	(170)
	Supplies		,	165	165
	Other Services and Charges	854,659	1,067,159	734,210	(332,949)
	Interfund Payments for Services	6,647,377	6,607,291	5,431,856	(1,175,435)
Total Non De	epartmental Expenditures	7,651,350	7,823,764	6,315,375	(1,508,389)
	Total General Government	¢ 40 245 454	¢ 10 5 10 61 1	¢ 47 260 442	<u></u>
	Total General Government	<del>-</del>	\$ 19,542,614	\$ 17,360,413	\$ (2,182,201)
Judicial					
County Clerk					-
	Salaries and Wages	939,418	939,418	927,997	(11,421)
	Personnel Benefits	523,140	523,140	509,836	(13,304)
	Supplies	24,000	27,000	26,153	(847)
Total County	Other Services and Charges	12,200 1,498,758	26,100 1,515,658	24,351 1,488,337	(1,749) (27,321)
Total County	CIEIK	1,490,730	1,313,036	1,466,337	(21,321)
District Court					-
	Salaries and Wages	1,349,762	1,356,120	1,361,394	5,274
	Personnel Benefits	643,190	647,616	635,848	(11,768)
	Supplies	18,000	18,000	15,976	(2,024)
	Other Services and Charges Interfund Payments for Services	56,175	56,175	59,299	3,124
Total District	•	2,067,127	2,077,911	2,072,517	(5,394)
			_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	_,_,_,_,	(0,00.1)
Public Defen					-
	Salaries and Wages	1,591,662	1,641,806	1,642,786	980
	Personnel Benefits	727,683	740,813	735,727	(5,086)
	Supplies	11,610	11,610	11,662	52
Tatal Dalaka	Other Services and Charges	316,757	339,335	288,108	(51,227)
Total Public I	Detender	2,647,712	2,733,564	2,678,283	(55,281)
Superior Cou					-
	Salaries and Wages	1,028,264	1,073,442	1,061,837	(11,605)
	Personnel Benefits	338,452	357,216	341,546	(15,670)
	Supplies	21,870	21,870	16,210	(5,660)
T-4-10 :	Other Services and Charges	334,215	431,015	422,137	(8,878)
Total Superio	or Courts	1,722,801	1,883,543	1,841,730	(41,813)

Assigned Cou	nsel				_
	Salaries and Wages	136,937	136,937	138,697	1,760
	Personnel Benefits	79,587	79,587	76,937	(2,650)
	Supplies	1,100	1,100	869	(231)
	Other Services and Charges	430,000	430,000	342,074	(87,926)
Total Assigned	d Counsel	647,624	647,624	558,577	(89,047)
Mediation Ser	vices				_
	Other Services and Charges	77,000	77,000	74,100	(2,900)
Total Mediatio		77,000	77,000	74,100	(2,900)
			,	,	( , , = = = ,
	Total Judicial	\$ 8,661,022	\$ 8,935,300	\$ 8,713,544	\$ (221,756)
Public Safety	,				
District Court	<u>Probation</u>				-
	Salaries and Wages	340,208	345,208	344,337	(871)
	Personnel Benefits	166,158	166,158	164,511	(1,647)
	Supplies	3,000	3,000	2,146	(854)
	Other Services and Charges	4,250	4,250	2,476	(1,774)
Total District C	Court Probation	513,616	518,616	513,470	(5,146)
Non Donostro	antal Caunty Iail Canta				
Non-Departme	ental - County Jail Costs	E E00 000	E E00 000	E E00 000	
Total Nan Dar	Interfund Payments for Services	5,500,000	5,500,000	5,500,000	<u> </u>
rotal Non-Dep	partmental - County Jail Costs	5,500,000	5,500,000	5,500,000	
<b>.</b>					
Office of Juve		4 000 774	4 0 40 40 =	4 000 044	- (07.07.1)
	Salaries and Wages	1,823,774	1,840,485	1,802,611	(37,874)
	Personnel Benefits	937,192	950,495	926,026	(24,469)
	Supplies	24,850	24,850	19,008	(5,842)
	Other Services and Charges	76,284	81,284	51,107	(30,177)
	Interfund Payments for Services	1,272	1,272	1,190	(82)
Total Office of	Juvenile Court	2,863,372	2,898,386	2,799,942	(98,444)
Civil Service C	Commission				_
•	Salaries and Wages	25,910	25,910	14,058	(11,852)
	Personnel Benefits	5,153	5,153	3,945	(1,208)
	Supplies	200	200	-	(200)
	Other Services and Charges	1,180	1,180	797	(383)
	vice Commission	32,443	32,443	18,800	(13,643)
<u>Sheriff</u>					_
	Salaries and Wages	4,831,066	4,881,365	4,826,929	(54,436)
	Personnel Benefits	2,176,867	2,184,556	2,008,607	(175,949)
	Supplies	93,175	93,175	97,306	4,131
	Other Services and Charges	209,200	237,211	446,794	209,583
	Interfund Payments for Services	958,024	958,024	827,757	(130,267)
Total Sheriff		8,268,332	8,354,331	8,207,393	(146,938)
	Total Public Safety	\$ 17,177,763	\$ 17,303,776	\$ 17,039,605	\$ (264,171)

Physical Environment Sustainability					_
Salaries and Wages		22,747	22,747	12,566	(10,181)
Personnel Benefits		12,351	12,351	5,625	(6,726)
Supplies		500	500	-	(500)
Other Services and Charges		3,700	3,700	1,110	(2,590)
Interfund Payments for Services		1,470	1,470	516	(954)
Total Sustainability		40,768	40,768	19,817	(20,951)
Total Physical Environment	\$	40,768	\$ 40,768	\$ 19,817	\$ (20,951)
Economic Environment					
Boundary Review Board					-
Salaries and Wages		2,688	2,796	2,797	1
Personnel Benefits		1,410	1,431	1,425	(6)
Supplies		-	-	-	-
Other Services and Charges		10,000	10,000	9,867	(133)
Total Boundary Review Board		14,098	14,227	14,089	(138)
Hearing Examiner					_
Salaries and Wages		24,196	25,176	25,172	(4)
Personnel Benefits		12,679	12,873	12,826	(47)
Supplies		100	100	81	(19)
Other Services and Charges		65,000	65,000	61,838	(3,162)
Total Hearing Examiner		101,975	103,149	99,917	(3,232)
Animal Cantral					
Animal Control Salaries and Wages		51,210	51,210	51,380	- 170
Personnel Benefits		29,073	29,073	30,395	1,322
Supplies		3,000	3,000	987	(2,013)
Other Services and Charges		26,500	26,500	34,068	7,568
Interfund Payments for Service		6,528	6,528	5,220	(1,308)
Total Animal Control		116,311	116,311	122,050	5,739
		,	,	,	
Noxious Weed Control					-
Salaries and Wages		68,460	74,460	70,400	(4,060)
Personnel Benefits		35,404	35,404	34,335	(1,069)
Supplies		5,300	5,300	4,022	(1,278)
Other Services and Charges		2,775	2,775	3,466	691
Interfund Payments for Service		7,944	7,944	10,793	2,849
Total Noxious Weed Control		119,883	125,883	123,016	(2,867)
AG Advisory Board					-
Salaries and Wages		1,689	3,689	2,455	(1,234)
Personnel Benefits		860	1,250	1,217	(33)
Other Services and Charges		50	100	54	(46)
Total AG Advisory Board		2,599	5,039	3,726	(1,313)
Total Economic Environment	\$	354,866	\$ 364,609	\$ 362,798	\$ (1,811)

## SKAGIT COUNTY, WASHINGTON Schedule of Expenditures Budget (GAAP Basis) and Actual General Fund

		Budgeted	d An	nounts				
	Origi Budg		Fin	nal Budget	Actua	al		ance Final get
Health and Human Services								
Coroner								-
Salaries and Wages		106,226		106,226		106,746		520
Personnel Benefits		46,740		46,740		41,792		(4,948)
Supplies		4,000		4,000		5,659		1,659
Other Services and Charges		125,262		125,262		130,571		5,309
Interfund Payment for Services		13,944		13,944		11,160		(2,784)
Total Coroner Extension		296,172		296,172		295,928		(244)
Total Health and Human Services	\$	296,172	\$	296,172	\$	295,928	\$	(244)
Culture and Recreation								
Cooperative Extension								-
Salaries and Wages		-		-				-
Personnel Benefits		-		-				-
Supplies		-		-				-
Other Services and Charges		296,000		296,000		296,000		-
Total Cooperative Extension		296,000		296,000		296,000		-
Historical Museum								_
Salaries and Wages		_		_		_		_
Personnel Benefits		_		_		_		_
Supplies		_		-		-		_
Other Services and Charges		150,000		150,000		150,000		-
Total Historical Museum		150,000		150,000		150,000		-
Total Culture and Recreation	\$	446,000	\$	446,000	\$	446,000	\$	
Capital Outlay								
Capital Outlay								_
Capital Outlay		35,000		35,000		-		(35,000)
TotalCapital Outlay		35,000		35,000		-		(35,000)
TOTAL EXPENDITURES	\$ 4	46,356,745	\$	46,964,239	\$ 4	4,238,105	\$ (2	2,726,134)

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual Mental Health Fund

		Original	Final	Actual	Variance
Budgeted Fund Balance, January 1	\$	534,877	\$ 664,164	\$ 5,809,716	
Resources (in-flows)					
General Property Taxes		319,756	319,756	325,563	5,807
Timber Harvest Taxes		6,176	6,176	8,137	1,961
Excise Taxes		2,463,988	2,463,988	2,660,622	196,634
Licenses and Permits		_,,	_,,	_,,	-
Intergovernmental Revenues		305,091	290,091	2,263,850	1,973,759
Charges for Services		1,669,513	1,669,513	-	(1,669,513)
Interest Earnings		5,542	5,542	8,103	2,561
Other Revenue		74	74	16	(58)
Total Resources (in-flows)		4,770,140	4,755,140	5,266,291	511,151
					_
Amounts Available for Appropriation		5,305,017	5,419,304	11,076,007	
Charges to Appropriations (out flows)					
Charges to Appropriations (out-flows) Health and Human Services		E 14E 067	E 142 2E4	2 022 602	(1.210.662)
Transfers Out		5,145,067	5,143,354	3,932,692	(1,210,662)
		159,950	275,950	220,901	(55,049)
Amount Charged to Appropriations (out-flows)		5,305,017	5,419,304	4,153,593	(1,265,711)
Budgeted Fund Balance, December 31	\$	-	\$ -	\$ 6,922,415	

## SKAGIT COUNTY, WASHINGTON Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual **County Road Fund**

	Budgeted			
	Original	Final	Actual	Variance
Budgeted Fund Balance, January 1	\$ (1,196,504)	\$ (1,162,004)	\$ 2,138,937	
Resources (in-flows)				
General Property Taxes	12,286,460	12,286,460	11,614,011	(672,449)
· · ·			11,014,011	, ,
Timber Harvest Taxes	300,000	300,000	-	(300,000)
Excise Taxes	50,000	50,000	465,393	415,393
Licenses and Permits	79,000	79,000	73,161	(5,839)
Intergovernmental Revenues	9,721,161	9,721,161	6,224,586	(3,496,575)
Charges for Services	2,549,248	2,549,248	1,584,603	(964,645)
Interest Earnings	3,100	3,100	772	(2,328)
Other Revenue	286,500	286,500	302,738	16,238
Total Resources (in-flows)	25,275,469	25,275,469	20,265,264	(5,010,205)
Amounts Available for Appropriation	24,078,965	24,113,465	22,404,201	
Charges to Appropriations (out-flows)				
General Government	91,675	91,675	109,047	17,372
Transportation	19,955,676	19,955,676	17,301,348	(2,654,328)
Capital Expenditures	4,031,614	4,031,614	690,277	(3,341,337)
Transfers Out	-	34,500	34,500	-
Amount Charged to Appropriations (out-flows)	24,078,965	24,113,465	18,135,172	(5,978,293)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 4,269,029	

## SKAGIT COUNTY, WASHINGTON Notes to Required Supplementary Information

The annual budget for Skagit County is adopted in accordance with the provisions of the Revised Code of Washington (RCW), as interpreted by the Budget, Accounting, and Reporting System (BARS) of the State of Washington, and on a basis consistent with generally accepted accounting principles. All government funds with the exception of the Treasurer's O&M fund, as per RCW 84.56.020(9), have legally adopted budgets.

The annual appropriated budget is adopted at the department level within the General Fund, and For management The annual appropriated budget is adopted at the department level within the General Fund, and at the fund level for government funds.

appropriations at the department level and the budgets constitute the legal authority for expenditures at purposes, expenditures are further segregated by object class of expenditure. Object class refers to a segmentation of expenditures into five categories. These categories are salaries and wages, personnel benefits, supplies, other services and charges, and capital expenditures. Expenditures may not exceed appropriations at the department level and the budgets constitute the legal authority for expenditures at that level. All appropriateions lapse thirty days after the close of each year.

Budget status reports are used to compare the budgeted amounts with actual revenues and expenditures. Revenues and expenditures can be monitored at fund, department, division, activity, or object class level.

Skagit County adheres to the statutory provisions established by the Revised Code of Washington (RCW) 36.40. Significant procedures in the budget process include the following:

On or before the second Monday in July, County officials are requested to prepare estimates of revenues and expenditures for the next fiscal year.

On or before the third Friday in August, each County official submits detailed estimates of probable revenues and expenditures for the ensuing year.

On or before the first Tuesday in September, the preliminary annual budget is submitted to the Board of County Commissioners.

The Commissioners conduct public meetings on the proposed budget from September through October.

The Commissioners hold a public hearing on or before the first Monday in December to receive testimony on the budget.

The Commissioners make adjustments to the proposed budget and adopt, by resolution, a final balanced budget no later than December 31.

Upon Adoption, the final budget is made available to the public.

Budget revisions in the form of supplemental appropriation resolutions are approved by the Board of County Commissioners in the legally prescribed manner during public meetings throughout the year. Any proposed revisions which alter the total appropriation of any fund are published in the County's legal newspaper once per week for two consecutive weeks before the public hearing to enable taxpayer input.

Changes to the appropriation for object classes that do not alter the total budget for any fund may be made by resolution approved by a simple majority during any public meeting.

### **Required Supplementary Information** Schedule of Proportionate Share of the Net Pension Liability PERS Plan 1 As of June 30, 2015

Employer's proportion of the net pension liability (asset)		<b>2015</b> 0.300733%	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Employer's proportionate share of the net pension liability	\$	15,731,133										
Total		15,731,133	-	-	-	-	-	-	-	-	-	
Employer's covered employee payroll	\$	797,955										
Employer's porportionate share of the net pension liability as a percentage of covered employee payroll		1971.4307%										
Plan fiduciary net position as a percentage of the total pension liability		59.10%										
PERS Plan 2/3 As of June 30, 2015												
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Employer's proportion of the net pension liability (asset)		0.342725%										
Employer's proportionate share of the net pension liability	\$	12,245,760										
Total		12,245,760	-	-	-	-	-	-	-	-	-	
Employer's covered employee payroll	\$	30,413,995										
Employer's porportionate share of the net pension liability as a percentage of covered employee payroll		40.263568%										

Plan fiduciary net position as a percentage of the total pension liability

## Required Supplementary Information Schedule of Proportionate Share of the Net Pension Liability PSERS 2 As of June 30, 2015

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's proportion of the net pension liabiltiy (asset)	0.773485%									
Employer's proportionate share of the net pension liability	\$ 141,176									
Total	141,176	-	-	-	-	-	-	-	-	-
Employer's covered employee payroll	\$ 2,264,702									
Employer's porportionate share of the net pension liability as a percentage of covered employee payroll	6.2337762%									
Plan fiduciary net position as a percentage of the total pension liability	95.08%									

## LEOFF 1 As of June 30, 2015

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's proportion of the net pension liability	0.024877%									
Employer's proportionate share of the net pension liability (asset)	\$ (299,823)									
Total	(299,823)	-	-	-	-	-	-	-	-	-
Employer's covered employee payroll	\$ -									
Employer's porportionate share of the net pension liability as a percentage of covered employee payroll	-									
Plan fiduciary net position as a percentage of the total pension liability	127.36%									

## Required Supplementary Information Schedule of Proportionate Share of the Net Pension Liability LEOFF 2 As of June 30, 2015

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's proportion of the net pension liabiltiy (asset)	0.1464060%									
State's proportionate share of the net pension liability (asset) associated with the employer	39.80258%									
Employer's proportionate share of the net pension liability	\$ (1,504,761)									
Total	(1,504,760)	-	-	-	-	-	-	-	-	-
Employer's covered employee payroll	\$ 4,249,285									
Employer's porportionate share of the net pension liability as a percentage of covered employee payroll	-35.412099%									
Plan fiduciary net position as a percentage of the total pension liability	111.67%									

#### Required Supplementary Information Schedule of Employer Contributions PERS Plan 1 As of June 30, 2015 Last 10 Fiscal Years\*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions  Contributions in relation to the	1,382,161									
contractually required contributions	1,382,161									
Contribution deficiency (excess)	-									
Covered Employer Payroll	\$ 797,955									
Contributions as a percentage of covered employee payroll	173.2129%									

<sup>\*</sup> Until a full 10-year trend is compiled, only those years for which the information is available is presented.

### PERS Plan 2/3 As of June 30, 2015 Last 10 Fiscal Years\*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions Contributions in relation to the	1,526,676									
contractually required contributions	1,526,676									
Contribution deficiency (excess)	0									
Covered Employer Payroll Contributions as a percentage of covered	\$ 30,413,995									
employee payroll	5.0196497%									

<sup>\*</sup> Until a full 10-year trend is compiled, only those years for which the information is available is presented.

### Required Supplementary Information Schedule of Employer Contributions PSERS 2 As of June 30, 2015 Last 10 Fiscal Years\*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions	144,140									
Contributions in relation to the contractually required contributions	144,140									
Contribution deficiency (excess)	-									
Covered Employer Payroll	\$ 2,264,702									
Contributions as a percentage of covered employee payroll	6.364611%									

<sup>\*</sup> Until a full 10-year trend is compiled, only those years for which the information is available is presented.

### LEOFF 2 As of June 30, 2015 Last 10 Fiscal Years\*

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions Contributions in relation to the contractually required contributions	\$	214,589									
Contribution deficiency (excess)		214,589									
Covered Employer Payroll Contributions as a percentage of covered employee payroll	·	4,249,285 0500058%									

<sup>\*</sup> Until a full 10-year trend is compiled, only those years for which the information is available is presented.

## Required Supplementary Information Other Postemployment Benefits LEOFF 1 Retiree Medical Benefits Schedule of Funding Progress 12/31/2015

						Jnfunded Actuarial			Annual			AAL as a
	<b>Actuarial</b>	Ac	tuarial	Actuarial		Accrued		ı	Required			Percentage
For the	Valuation	Va	luation	Accrued	ı	Liabilities	Funded	Co	ontribution	C	overed	of Covered
Year Ended	Date	of	Assets	Liability		(UAAL)	Ratio		(ARC)	P	ayroll	Payroll
2008	5/13/2009	\$	-	\$ 4,574,084	\$	4,574,084	0%	\$	465,505	\$	59,932	7632%
2009	5/13/2009	\$	-	\$ 4,574,084	\$	4,574,084	0%	\$	465,505	\$	24,262	18853%
2010	5/13/2009	\$	-	\$ 4,574,084	\$	4,574,084	0%	\$	465,505	\$	-	0%
2011	1/23/2012	\$	-	\$ 3,513,272	\$	3,513,272	0%	\$	327,134	\$	-	0%
2012	1/23/2012	\$	-	\$ 3,513,272	\$	3,513,272	0%	\$	327,134	\$	-	0%
2013	1/23/2012	\$	-	\$ 3,513,272	\$	3,513,272	0%	\$	327,134	\$	-	0%
2014	1/16/2015	\$	-	\$ 5,528,315	\$	5,528,315	0%	\$	497,223	\$	-	0%
2015	1/16/2015	\$	-	\$ 5,528,315	\$	5,528,315	0%	\$	497,223	\$	-	0%

The LEOFF 1 AAL has been prepared using the alternative method issued by the Office of State Actuary (OSA).

The actuarial calculations of the OPEB plan reflect a long-term perspective.

#### **Actuarial Assumptions**

Medical Inflation Trend\*+or- 1%UAAL Amortization Trend30 yearsAnnual Growth Budget Rate5%

Please see Note VI D for further information.

<sup>\*</sup> The medical inflation trend is the percent that medical costs are expected to increase in future years. The expected medical inflation trend starts at 9.0% in 2007 and decreases to 5.0% in 2015; it remains at 5.0% after 2015. The expected long-term care inflation trend is 4.5% for all years. These were developed from health care actuaries contracted at Milliman.

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## Individual and Combining Statements and Schedules



## SKAGIT COUNTY, WASHINGTON COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS AS OF DECEMBER 31, 2015

Special   Debt   Capital			Non Major Funds	3	
RESOURCES         Revenue         Service         Project         Total           Cash/Cash Equivalents         \$12,796,398         \$302,762         \$6,930,343         \$20,029,503           Investments         \$4,99,12         1,083,184         \$5,368,123         11,921,219           Taxes Receivable         228,705         20         -         228,725           Accounts Receivable         15,19         -         -         15,519           Due From Other Governmental Units         1,894,857         -         419,828         2,314,683           Interfund Loan Receivable         1,000         -         419,828         2,314,683           Interfund Loan Receivable         1,000         -         -         6,232           Total Assets         20,412,622         1,385,965         12,718,294         34,516,880           Deferred Outflows of Resources           Total Assets and Deferred Outflows of Resources           LiABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES Liabilities           Liabilities		Special	Debt	Capital	
Cash/Cash Equivalents         \$12,796,398         \$302,762         \$6,930,343         \$20,029,503           Investments         5,469,912         1,083,184         5,368,123         11,921,219           Taxes Receivable         228,725         20         228,725           Accounts Receivable         15,519         -         -         228,725           Accounts Receivable         1,519         -         -         15,519           Due From Other Governmental Units         1,894,857         -         419,828         2,314,683           InventoryPrepayments         6,232         -         -         6,232           Total Assets         20,412,622         1,385,965         12,718,294         34,516,880           Deferred Outflows of Resources           LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES           Liabilities           Accounts/Vouchers Payable         1,129,320         -         \$494,527         1,623,845           Due To Other Funds         386,724         -         -         346,724           Due To Other Funds         386,724         -         -         445,371           Accrued Employee Benefits         65,432         -         -         29,422 </td <td></td> <td>_</td> <td></td> <td></td> <td></td>		_			
Investments					
Taxes Receivable         228,705         20         -         228,725           Accounts Receivable         15,519         -         -         15,519           Due From Other Funds         -         -         -           Due From Other Governmental Units         1,894,857         -         419,828         2,314,683           Interfund Loan Receivable         1,000         -         -         6,232           Total Assets         20,412,622         1,385,965         12,718,294         34,516,880           Deferred Outflows of Resources           Total Assets and Deferred Outflows of Resources           LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES Liabilities           Accounts/Ouchers Payable         1,129,320         -         \$494,527         1,623,845           Due To Other Funds         386,724         -         -         336,724           Due To Other Governmental Units         445,371         -         -         445,371           Accrued Wages Payable         285,127         -         -         285,122           Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -	·				
Accounts Receivable   15,519   -   15,519   Due From Other Funds   1,894,857   -   419,828   2,314,683   1,687   1,000   -   -     1,000   1				5,368,123	
Due From Other Funds         -         -         -         -         -         -         -         -         -         -         -         1,00         -         -         1,000         -         -         1,000         -         -         1,000         -         -         -         1,000         -         -         -         -         -         1,000         - <td></td> <td></td> <td>20</td> <td>-</td> <td>· · · · · · · · · · · · · · · · · · ·</td>			20	-	· · · · · · · · · · · · · · · · · · ·
Due From Other Governmental Units Interfund Loan Receivable Interfund Loan Receivable Inventory/Prepayments 6,232 6,232         - 1,000		15,519	-	-	15,519
Interfund Loan Receivable   1,000   -   1,000   1,00		- 1 904 957	-	410 020	2 214 692
Numentorry/Prepayments			_	419,020	
Total Assets         20,412,622         1,385,965         12,718,294         34,516,880           Deferred Outflows of Resources           Total Assets and Deferred Outflows of Resources           LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES Liabilities           Liabilities           Accounts/Vouchers Payable         1,129,320         -         \$494,527         1,623,845           Due To Other Funds         386,724         -         -         386,724           Due To Other Governmental Units         445,371         -         -         445,371           Accrued Wages Payable         285,127         -         -         285,127           Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         7,232         -         7,232           Restricted <td< td=""><td></td><td></td><td>_</td><td>_</td><td></td></td<>			_	_	
Deferred Outflows of Resources   20,412,622			1 385 965	12 718 294	
Total Assets and Deferred Outflows of Resources         20,412,622         1,385,965         12,718,294         34,516,880           LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES Liabilities         8         8         8         8         8         8         1,129,320         -         \$494,527         1,623,845         1,622,374         1,622,376         2,623,845         1,622,376         2,623,845         1,622,376         2,623,845         1,622,376         2,623,823         1,622,376         2,653,533         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000 </td <td>10101710000</td> <td>20,412,022</td> <td>1,000,000</td> <td>12,7 10,204</td> <td>04,010,000</td>	10101710000	20,412,022	1,000,000	12,7 10,204	04,010,000
Resources   20,412,622   1,385,965   12,718,294   34,516,880	Deferred Outflows of Resources				
LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES           Liabilities         Accounts/Vouchers Payable         1,129,320         -         \$494,527         1,623,845           Due To Other Funds         386,724         -         -         386,724           Due To Other Governmental Units         445,371         -         -         445,371           Accrued Wages Payable         285,127         -         -         285,127           Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -         32,746           Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         -         -           U	Total Assets and Deferred Outflows of				
RESOURCES and FUND BALANCES           Liabilities         Accounts/Vouchers Payable         1,129,320         - \$494,527         1,623,845           Due To Other Funds         386,724         386,724         386,724           Due To Other Governmental Units         445,371         445,371         445,371           Accrued Wages Payable         285,127         285,127         65,432           Accrued Employee Benefits         65,432         65,432         65,432           Custodial Accounts         32,746         32,746         208,823           Long-Term Interfund Loans Payable         1,000         208,823         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         7,232         7,232         - 7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553	Resources	20,412,622	1,385,965	12,718,294	34,516,880
RESOURCES and FUND BALANCES           Liabilities         Accounts/Vouchers Payable         1,129,320         - \$494,527         1,623,845           Due To Other Funds         386,724         386,724         386,724           Due To Other Governmental Units         445,371         445,371         445,371           Accrued Wages Payable         285,127         285,127         65,432           Accrued Employee Benefits         65,432         65,432         65,432           Custodial Accounts         32,746         32,746         208,823           Long-Term Interfund Loans Payable         1,000         208,823         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         7,232         7,232         - 7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553					
Liabilities         Accounts/Vouchers Payable         1,129,320         -         \$ 494,527         1,623,845           Due To Other Funds         386,724         -         -         386,724           Due To Other Governmental Units         445,371         -         -         445,371           Accrued Wages Payable         285,127         -         -         285,127           Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -         32,746           Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         7,232         -         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         -         7,247,553           Assigned         -         -         - <td< td=""><td></td><td></td><td></td><td></td><td></td></td<>					
Accounts/Vouchers Payable         1,129,320         -         \$ 494,527         1,623,845           Due To Other Funds         386,724         -         -         386,724           Due To Other Governmental Units         445,371         -         -         445,371           Accrued Wages Payable         285,127         -         -         285,127           Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -         32,746           Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         236,705         20         236,725         3,049,069           Deferred Inflows of Resources         236,705         20         236,725         25           Fund Balance           Nonspendable         7,232         -         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         -         7,247,553           Assigned         -					
Due To Other Funds         386,724         -         -         386,724           Due To Other Governmental Units         445,371         -         -         445,371           Accrued Wages Payable         285,127         -         -         285,127           Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -         32,746           Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -           Total Fund Balances         17,622,374<					
Due To Other Governmental Units         445,371         -         -         445,371           Accrued Wages Payable         285,127         -         -         285,127           Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -         32,746           Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -           Unassigned         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086	•		-	\$ 494,527	
Accrued Wages Payable         285,127         -         -         285,127           Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -         32,746           Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         7,232         -         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086			-	-	•
Accrued Employee Benefits         65,432         -         -         65,432           Custodial Accounts         32,746         -         -         32,746           Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -           Unassigned         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086			-	-	·
Custodial Accounts         32,746         -         -         32,746           Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance         Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -           Unassigned         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086	<u> </u>		-	-	•
Deferred Revenue         208,823         -         -         208,823           Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086	• •		-	-	•
Long-Term Interfund Loans Payable         -         1,000         -         1,000           Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086			-	-	·
Total Liabilities         2,553,543         1,000         494,527         3,049,069           Deferred Inflows of Resources         236,705         20         236,725           Fund Balance Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086           Total Liabilities, Deferred Inflows of		200,023	1 000	_	·
Deferred Inflows of Resources         236,705         20         236,725           Fund Balance Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086		2 553 543		494 527	
Fund Balance           Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086	Total Elabilities	2,000,040	1,000	404,021	0,040,000
Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086   Total Liabilities, Deferred Inflows of	Deferred Inflows of Resources	236,705	20		236,725
Nonspendable         7,232         -         7,232           Restricted         10,367,588         1,384,945         12,223,767         23,976,302           Committed         7,247,553         -         7,247,553           Assigned         -         -         -         -           Unassigned         -         -         -         -         -           Total Fund Balances         17,622,374         1,384,945         12,223,767         31,231,086   Total Liabilities, Deferred Inflows of	Fund Balance				
Restricted       10,367,588       1,384,945       12,223,767       23,976,302         Committed       7,247,553       -       7,247,553         Assigned       -       -       -       -         Unassigned       -       -       -       -       -         Total Fund Balances       17,622,374       1,384,945       12,223,767       31,231,086    Total Liabilities, Deferred Inflows of		7 232		_	7 232
Committed       7,247,553       -       7,247,553         Assigned       -       -       -         Unassigned       -       -       -         Total Fund Balances       17,622,374       1,384,945       12,223,767       31,231,086    Total Liabilities, Deferred Inflows of	·		1.384.945	12.223.767	
Assigned			.,00.,010	-	
Unassigned         -		-		-	-
Total Liabilities, Deferred Inflows of		-	-	-	-
	<del>-</del>	17,622,374	1,384,945	12,223,767	31,231,086
	Total Liabilities, Deferred Inflows of				
	Resources and Fund Balances	\$ 20,412,622	\$ 1,385,965	\$ 12,718,294	\$ 34,516,880

# SKAGIT COUNTY, WASHINGTON COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2015

TOR THE TEA		Ion Major Funds	•	
	Special	Debt	Capital	
Revenues	Revenue	Service	Project	Total
Property Taxes	\$7,791,559	-	\$1,490,696	\$ 9,282,255
Sales and Use Taxes	4,306,338		2,413,461	6,719,799
Other Taxes	200,289		- · · · · ·	200,289
Licenses and Permits	1,213,798	-	-	1,213,798
Intergovernmental	5,678,530	-	-	5,678,530
Charges for Services	3,100,088	-	13,460	3,113,548
Fines and Forfeits	129,236	-	-	129,236
Interest Earnings	16,578	70,216	21,561	108,355
Donations	492,187	-	-	492,187
Other Revenues	450,082	345,161		795,243
Total Revenues	23,378,685	415,377	3,939,178	27,733,240
<u>Expenditures</u>				
Current:				
General Governmental Services	833,355	-	-	833,355
Public Safety	9,965,436	-	-	9,965,436
Physical Environment	3,427,138	-	-	3,427,138
Transportation	192,296	-	-	192,296
Economic Environment	2,801,431	-	150,179	2,951,610
Health and Human Services	7,366,208	-	-	7,366,208
Culture and Recreation	1,777,758	-	137,371	1,915,129
Debt Service:	-		-	-
Principal	-	1,469,334	-	1,469,334
Interest	-	681,870	-	681,870
Capital Outlay	57,572		2,084,260	2,141,832
Total Expenditures	26,421,194	2,151,204	2,371,810	30,944,208
Excess (Deficit) Revenues				
Over Expenditures	(3,042,509)	(1,735,827)	1,567,368	(3,210,968)
Other Financing Sources (Uses)				
Interfund Loan receivable				
Proceeds of Long-Term Debt	240,012	574,719		814,731
Proceeds of Capital Assets	3,400	-	325,000	328,400
Transfers In	4,614,799	1,388,744	591,065	6,594,608
Transfers Out	(114,900)	-	(2,179,809)	(2,294,709)
Total Other Financing Source (Uses)	4,743,311	1,963,463	(1,263,744)	5,443,030
Net Change in Fund Balance	1,700,802	227,636	303,624	2,232,062
Fund Balance-January 1	15,921,572	1,157,309	11,920,143	28,999,024
Prior Period Adjustment Fund Balance-December 31	17,622,374	1,384,945	12,223,767	\$31,231,086

## SKAGIT COUNTY, WASHINGTON NONMAJOR SPECIAL REVENUE FUNDS AS OF DECEMBER 31, 2015

Special Revenue Funds are utilized to account for the proceeds from specific revenue sources other than expendable trusts or major capital project 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. A description of each fund follows:

**Public Health Fund** - A fund to account for the financial operations of County health programs.

**Special Paths Fund** - A fund established in accordance with RCW 46.68.100. The specific purpose of the fund is to set aside monies for establishing and maintaining paths and trails within the right-of-way of County roads for pedestrians, equestrians or bicyclist.

Emergency Management Fund - A fund established to account for emergency services within the County.

**County Fair Fund** - A fund to finance the promotion of the Skagit County Fair as established by Skagit County Code. Partial funding for the Fair is derived from the State Department of Agriculture, so the Fair must conform to RCW 15.76.

**Veterans Relief Fund** - This is a fund to finance emergency financial assistance to veterans and their surviving spouses.

**Law Library Fund** - A fund to finance the purchase of legal publications and maintenance of a law library used by judges, attorneys, and the general public.

**River Improvement Fund** - A fund established to account for river improvements.

**Treasurer's Operation & Maintenance Fund -** A fund to account for extraordinary costs incurred collecting delinquent real and personal taxes.

**Document Preservation Fund -** A fund to finance the acquisition, installation, operation and maintenance of equipment to copy, preserve, and index documents recorded in the county.

**Election Reserves Fund** - A fund to finance election services and equipment.

**Parks & Recreation Fund** - A fund to finance the maintenance of parks and the needs of the County through recreational facilities and programs.

Substance Abuse Fund - A fund established to coordinate alcohol/substance abuse rehabilitation within the County.

Community Services Fund - A fund established to assist senior citizens.

Convention Center Fund - A fund to account for the programs funded through the accommodations excise tax.

Clean Water Fund - A fund established to account for salmon recovery projects

Conservation Futures Fund - A fund created for the purpose of preserving farmland and critical areas in the County.

**Medic 1 Services Fund** - A fund to finance the overall coordination of basic and advanced life support services within the County.

Crime/Victim Fund - A fund established for the administration of the Victim/Witness Program.

## SKAGIT COUNTY, WASHINGTON NONMAJOR SPECIAL REVENUE FUNDS AS OF DECEMBER 31, 2015

**Communication System Fund** - A fund established to administer the emergency services communication system.

Water Quality - A fund established to account for the county's revolving loan fund program for The Clean Water District.

Planning & Development Services Fund - A Fund established for the administration of Planning and Development Services.

**Lake Management District No. 1** – A fund established to collect assessments and to pay for costs related to lake improvements and maintenance activities on Big Lake.

**Lake Management District No. 2** – A fund established to collect assessments and to pay for costs related to lake improvements and maintenance activities on Lake McMurray.

**Lake Management District No. 3** – A fund established to collect assessments and to pay for costs related to lake improvements and maintenance activities on Lakes Erie and Campbell.

**Lake Management District No. 4** – A fund established to collect assessments and to pay for costs related to lake improvements and maintenance activities on Clear and Beaver Lakes.

**Edison Clean Water District Subarea** – A fund established to collect operating assessments and to pay for the operations and maintenance of the Edison wastewater collection and treatment system.

**Drug Enforcement** - A fund established for drug enforcement activities.

**Boating Safety** – A fund established to receive state funding to be used exclusively for safety costs related to boating safety programs within the County.

Low Income Housing - A fund established to collect recording fees and to spend those fees on low-income housing projects.

**Title III Projects** – A fund established to collect revenues and to expend on projects in accordance with Public Law 106-393.

**Treasurer's REET** - A fund established to collect certain excise Tax fees and expend for the development and maintenance of an electronic reporting system for real estate excise tax affidavits.

**Housing & Assistance** - A fund established to collect and expend certain recorded document fees for very low-income housing projects and administration.

**Interlocal Investigations** - A fund established for use by participating law enforcement agencies for investigative activities.

## SKAGIT COUNTY, WASHINGTON COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS AS OF DECEMBER 31, 2015

ASSETS and OUTFLOWS of RESOURCES	Public Health	Special Paths	Emergency Mgmt	County Fair
Cash and Cash Equivalents Investments Taxes Receivable	\$426,953 -	\$378,534 58,104	\$289,313	\$667,600
Accounts Receivable	15,239		-	
Due from Other Funds Due from Other Governments Interfund Loans Receivable	263,064		2,230	-
Inventories Prepaid Items	6,232			
Total Assets	711,488	436,638	291,543	667,600
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of				
Resources	711,488	436,638	291,543	667,600
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES Liabilities Accounts and Vouchers Payable Due to Other Funds Due to Other Governments Accrued Wages Payable Accrued Employee Benefits Custodial Accounts Unearned Revenue Interfund Loans Payable Total Liabilities	6,222 216,927 9,137 85,569 18,359 297 -	4,484 - - 3,125 718	1,617 25,087 - 8,924 1,516	169 10,680 2,755 686 - 88,895
Deferred Inflows of Resources				
Fund Balance Nonspendable Restricted Committed Assigned Unassigned	6,232 259,746 108,998	428,311	254,400	564,415
Total Fund Balances	374,976	428,311	254,400	564,415
Total Liabilities, Deterred Inflows of Resources and Fund Balances	711,488	436,638	291,543	667,600
and I and Balances	111,400	430,030	231,043	007,000

## SKAGIT COUNTY, WASHINGTON COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS AS OF DECEMBER 31, 2015

ASSETS and OUTFLOWS of RESOURCES	Veterans' Relief	Law Library	River Imp	Treasurer O&M
Cash and Cash Equivalents	\$527,717	\$48,359	\$11,564	\$38,502
Investments Taxes Receivable	4,140		169,397	221,379
Accounts Receivable	4,140		_	
Due from Other Funds			-	
Due from Other Governments			45,043	
Interfund Loans Receivable Inventories				
Prepaid Items				
Total Assets	531,856	48,359	226,004	259,881
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of				
Resources	531,856	48,359	226,004	259,881
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES				
Liabilities				
Accounts and Vouchers Payable	33,409	4,626	5,194	-
Due to Other Funds	2,585		6,434	
Due to Other Governments Accrued Wages Payable		- 1,577	3,407	_
Accrued Employee Benefits		282	1,259	
Custodial Accounts				
Unearned Revenue				
Interfund Loans Payable Total Liabilities	35,994	6.485	16.294	
	00,001	0,.00	.0,20	
Deferred Inflows of Resources	4,140			
Fund Balance				
Nonspendable				
Restricted Committed	491,723	41,874	209,710	259,880
Assigned		41,074	209,710	
Unassigned				
Total Fund Balances	491,723	41,874	209,710	259,880
Total Liabilities, Deterred Inflows of Resources				
and Fund Balances	531,856	48,359	226,004	259,880

## SKAGIT COUNTY, WASHINGTON COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS AS OF DECEMBER 31, 2015

ASSETS and OUTFLOWS of RESOURCES	Document Preserv	Election	Parks & Rec	Substance Abuse
Cash and Cash Equivalents Investments	\$327,192 326,560	\$629,886	\$325,092 420,966	\$462,247
Taxes Receivable Accounts Receivable Due from Other Funds	-	-		-
Due from Other Governments Interfund Loans Receivable Inventories		-		170,873
Prepaid Items Total Assets	653,752	629,886	746,058	633,120
Deferred Outflows of Resources	, -		-,	,
Total Assets and Deferred Outflows of				
Resources	653,752	629,886	746,058	633,120
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES Liabilities Accounts and Vouchers Payable Due to Other Funds Due to Other Governments Accrued Wages Payable Accrued Employee Benefits Custodial Accounts Unearned Revenue Interfund Loans Payable Total Liabilities	1,328 2,156 444 3,927	18,693 3,674 - 7,600 1,573	17,138 - 19,813 4,506 2,284 113,684	91,687 11,314 125,651 4,648 1,045
Deferred Inflows of Resources				
Fund Balance Nonspendable Restricted Committed Assigned Unassigned	649,825	598,346	588,634	398,775
Total Fund Balances	649,825	598,346	588,634	398,775
Total Liabilities, Deferred Inflows of Resources				
and Fund Balances	653,752	629,886	746,058	633,120

ASSETS and OUTFLOWS of RESOURCES	Community Services	Conv. Center	Clean Water	Conserv. Futures
Cash and Cash Equivalents Investments	\$351,047	\$185,486 130,158	\$13,974 500,596	\$1,709,976 1,375,956
Taxes Receivable Accounts Receivable	280	-	58,354 -	20,570
Due from Other Funds Due from Other Governments Interfund Loans Receivable	68,510	46,030	517,563	-
Inventories Prepaid Items	440.007	004.075	1 000 107	0.400.500
Total Assets	419,837	361,675	1,090,487	3,106,502
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of				
Resources	419,837	361,675	1,090,487	3,106,502
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES Liabilities				
Accounts and Vouchers Payable	28,760	33,235	379,112	11,090
Due to Other Funds Due to Other Governments		1,462	71,152	1,336
Accrued Wages Payable	28,889		24,520	1,135
Accrued Employee Benefits	5,999		5,051	389
Custodial Accounts				
Unearned Revenue Interfund Loans Payable				
Total Liabilities	63,647	34,697	479,834	13,949
Deferred Inflows of Resources			58,354	20,570
Fund Balance Nonspendable				
Restricted	88,307	326,978	552,298	3,071,983
Committed Assigned	267,882			
Unassigned Total Fund Balances	356,189	326,978	552,298	3,071,983
Total Liabilities, Deterred Inflows of Resources				
and Fund Balances	419,837	361,675	1,090,486	3,106,502

ASSETS and OUTFLOWS of RESOURCES	Medic 1	Crime Victim	Comm. System	Water Quality
Cash and Cash Equivalents	\$3,954,679	\$28,766	\$2,081	\$293,683
Investments Taxes Receivable	999,664 136,442	118,848		100,000 5,114
Accounts Receivable	130,442		-	5,114
Due from Other Funds				
Due from Other Governments			662,771	15,149
Interfund Loans Receivable				
Inventories				
Prepaid Items Total Assets	5,090,785	147,613	664,852	413,946
101417100010	0,000,700	117,010	001,002	110,010
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of				
Resources	5,090,785	147,613	664,852	413,946
·				
LIABILITIES, DEFERRED INFLOWS of				
RECOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	243,491	-	2,077	(25)
Due to Other Funds Due to Other Governments	30,837 310,583			
Accrued Wages Payable	23,317	898		940
Accrued Employee Benefits		190		
Custodial Accounts	8,034			
Unearned Revenue	-			-
Interfund Loans Payable Total Liabilities	616.262	1.088	2,077	915
Total Elabilities	010,202	1,000	2,077	915
Deferred Inflows of Resources	144,442			5,114
Fund Balance				
Nonspendable				
Restricted		146,525	662,775	407,917
Committed	4,330,081			
Assigned				
Unassigned Total Fund Balances	4,330,081	146,525	662,775	407,917
Total Fund Buldiloco	1,000,001	140,020	002,110	407,017
Total Liabilities, Deterred Inflows of Resources				
and Fund Balances	5,090,785	147,613	664,852	413,946

ASSETS and OUTFLOWS of RESOURCES	Planning & Development	Lake Mgmt Dist. 1	Lake Mgmt Dist. 2	Lake Mgmt Dist. 3
Cash and Cash Equivalents	\$1,294,732	\$91,159	\$29,511	\$34,935
Investments		50,000	30,000	35,000
Taxes Receivable		2,076	180	49
Accounts Receivable				
Due from Other Funds	-			
Due from Other Governments Interfund Loans Receivable	65,336			
Inventories				
Prepaid Items				
Total Assets	1,360,068	143,235	59,691	69,984
. 514.7 155515	.,000,000	0,200	00,00.	00,00
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of				
Resources	1,360,068	143,235	59,691	69,984
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		,	
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES Liabilities				
Accounts and Vouchers Payable	35,908	39,500	6,713	17,000
Due to Other Funds	2,111	33,300	0,713	17,000
Due to Other Governments	-,			
Accrued Wages Payable	63,050			
Accrued Employee Benefits	23,418			
Custodial Accounts				
Unearned Revenue	6,244	-	-	-
Interfund Loans Payable				
Total Liabilities	130,731	39,500	6,713	17,000
Deferred Inflows of Resources		2,076	180	49
Fund Balance Nonspendable				
Restricted	1,229,337	101,659	52,798	52,935
Committed				
Assigned				
Unassigned				
Total Fund Balances	1,229,337	101,659	52,798	52,935
Total Liabilities, Deterred Inflows of Resources				
and Fund Balances	1,360,068	143,235	59,692	69,984

ASSETS and OUTFLOWS of RESOURCES	Lake Mgmt Dist. 4	Edison Clean Wtr	Drug Enforce.	Boating Safety
Cash and Cash Equivalents	\$37,206 25,000	\$138,236	\$15,391	\$41,041 30,042
Investments Taxes Receivable	25,000 1,463	150,000 318	199,648	30,042
Accounts Receivable				
Due from Other Funds Due from Other Governments			_	-
Interfund Loans Receivable		1,000		
Inventories Prepaid Items				
Total Assets	63,668	289,554	215,039	71,083
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of				
Resources	63,668	289,554	215,039	71,083
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES Liabilities				
Accounts and Vouchers Payable Due to Other Funds Due to Other Governments	12,060	5,023	-	10,286 -
Accrued Wages Payable Accrued Employee Benefits Custodial Accounts				-
Unearned Revenue	-	-		
Interfund Loans Payable Total Liabilities	12,060	5,023	-	10,286
Deferred Inflows of Resources	1,463	318		
Fund Balance	,			
Nonspendable		1,000		
Restricted	50,146	000 040	215,039	60,797
Committed Assigned		283,213		
Unassigned	50.440	004.040	045.000	00.707
Total Fund Balances	50,146	284,213	215,039	60,797
Total Liabilities, Deterred Inflows of Resources and Fund Balances	63,668	289,554	215,039	71,083
and I and Bulunoos	03,000	209,334	213,039	7 1,003

ASSETS and OUTFLOWS of RESOURCES	Low Inc. Housing	Title III Projects	Treasurer REET	Housing Assistance
Cash and Cash Equivalents Investments Taxes Receivable Accounts Receivable Due from Other Funds Due from Other Governments Interfund Loans Receivable Inventories Prepaid Items	\$118,342 148,423	\$21,166	\$142,058 68,065	\$34,289 228,935
Total Assets	266,765	21,166	210,123	263,224
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	266,765	21,166	210,123	263,224
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES Liabilities Accounts and Vouchers Payable Due to Other Funds Due to Other Governments Accrued Wages Payable Accrued Employee Benefits Custodial Accounts Unearned Revenue Interfund Loans Payable Total Liabilities	32,785 32,785	10,452 10,452		70,852 3,125 73,977
Deferred Inflows of Resources				
Fund Balance Nonspendable Restricted Committed Assigned Unassigned Total Fund Balances	233,980	10,715 10,715	210,123	189,247
Total Liabilities, Deterred Inflows of Resources				
and Fund Balances	266,765	21,166	210,123	263,223

ASSETS and OUTFLOWS of RESOURCES Cash and Cash Equivalents Investments Taxes Receivable Accounts Receivable Due from Other Funds Due from Other Governments Interfund Loans Receivable Inventories Prepaid Items Total Assets	Interlocal Invest. \$125,681 83,172 - 38,289 - 247,142	TOTAL \$12,796,398 5,469,912 228,705 15,519 - 1,894,857 1,000 6,232
Deferred Outflows of Resources		
Total Assets and Deferred Outflows of Resources	247,142	20,412,622
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES Liabilities Accounts and Vouchers Payable Due to Other Funds Due to Other Governments Accrued Wages Payable Accrued Employee Benefits Custodial Accounts Unearned Revenue Interfund Loans Payable Total Liabilities	6,438 - 2,804 22,131	1,129,322 386,724 445,371 285,127 65,432 32,746 208,823 - 2,553,545
Deferred Inflows of Resources		236,705
Fund Balance Nonspendable Restricted Committed Assigned Unassigned Total Fund Balances	215,769 215,769	7,232 10,367,588 7,247,553 - - 17,622,372
Total Liabilities, Deterred Inflows of Resources		
and Fund Balances	247,142	20,412,622

REVENUES	Public Health	Special Paths	Emergency Mgmt	County Fair
Property Taxes				
Sales and Use Taxes				
Other Taxes				
Licenses and Permits	483,193		-	
Intergovernmental	1,703,103	164,202	284,644	22,256
Charges for Services	475,961		5,000	232,301
Fines and Forfeits	9,082			
Interest Earnings		412		
Donations	67,374	20,565		31,141
Other Revenue	7,862		-	58,189
Total Revenue	2,746,575	185,179	289,644	343,886
EXPENDITURES				
Current:				
General Governmental Services				
Public Safety			469,513	
Utilities and Environment		100.000		
Transportation		192,296		
Economic Environment	0.000.400			
Health & Human Services	3,932,132			220.050
Culture and Recreation Debt Service:				336,658
Principal Interest				
Capital Outlay		20,565		
Total Expenditures	3,932,132	212,861	469,513	336,658
Total Experiorales	3,932,132	212,001	409,513	330,030
Excess (Deficit) of Revenues Over Expenditures	(1,185,557)	(27,681)	(179,869)	7,229
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In	1,213,313		108,225	20,000
Transfers Out				
Total Other Financial Sources (Uses)	1,213,313	-	108,225	20,000
Net Change in Fund Balance	27,756	(27,681)	(71,644)	27,229
Fund Balance, January 1	347,220	455,992	326,044	537,186
Prior Period Adjustments	,==0	,	,	22.,.50
Fund Balance, January 1, restated	347,220	455,992	326,044	537,186
Fund Balance, December 31	\$374,976	\$428,311	\$254,400	\$564,415
	+,	+,	Ţ,, <del>.</del>	Ţ,··•

Fines and Forfeits   Interest Earnings   - 244   Donations   Other Revenue   48   1,420   Total Revenue   Total Revenue   48   1,420   Total Revenue   Total Revenue   178,486   47,494   147,821   2   EXPENDITURES   Current:   General Governmental Services   127,885   Public Safety   Utilities and Environment   217,181   Transportation   Economic Environment   Health & Human Services   97,246   Culture and Recreation   Debt Service:   Principal   Interest   Capital Outlay   Total Expenditures   97,246   127,885   217,181   Excess (Deficit) of Revenues Over Expenditures   81,240   (80,391)   (69,360)   1   Other Financing Sources (Uses)   Froceeds from Sale of Capital Assets   Transfers Out   Total Other Financial Sources (Uses)   - 83,628   1,142   Transfers Out   Total Other Financial Sources (Uses)   - 83,628   1,142   Total Other Financial Sources (Uses)   - 83,628   1,	REVENUES	Veterans' Relief	Law Library	River Imp	Treasurer O&M
Other Taxes         Licenses and Permits           Intergovernmental         9,233         147,577           Charges for Services         46,074         2           Fines and Forfeits         244           Interest Earnings         -         244           Donations         48         1,420           Other Revenue         48         1,420           Total Revenue         178,486         47,494         147,821         2           EXPENDITURES           Current:         General Governmental Services         127,885         2           Public Safety         Utilities and Environment         217,181         2           Transportation         Economic Environment         217,181         2           Health & Human Services         97,246         2         2           Culture and Recreation         2         2         2           Debt Service:         Principal         1         2         2           Interest         Capital Outlay         97,246         127,885         217,181         2           Excess (Deficit) of Revenues Over Expenditures         81,240         (80,391)         (69,360)         1           Other Financing Sources (Uses)					
Licenses and Permits   Intergovernmental   9,233   147,577   2		4,126			
Intergovernmental					
Charges for Services		0.222		147 577	
Fines and Forfeits Interest Earnings		9,233	46.074	147,377	22,956
Interest Earnings			40,074		22,330
Donations   48		_		244	999
Total Revenue					
EXPENDITURES  Current:     General Governmental Services	Other Revenue	48	1,420		
Current:         General Governmental Services         127,885           Public Safety         217,181           Utilities and Environment         217,181           Transportation         57,246           Economic Environment         97,246           Health & Human Services         97,246           Culture and Recreation         97,246           Debt Service:         Principal           Interest         127,885           Capital Outlay         97,246           Total Expenditures         97,246           Excess (Deficit) of Revenues Over Expenditures         81,240           (80,391)         (69,360)           1         Other Financing Sources (Uses)           Proceeds from Long Term Debt         83,628         1,142           Transfers Out         83,628         1,142           Transfers Out         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments         24         24	Total Revenue	178,486	47,494	147,821	23,956
General Governmental Services   127,885	EXPENDITURES				
Public Safety         Utilities and Environment         217,181           Transportation         217,181           Economic Environment         4217,181           Health & Human Services         97,246           Culture and Recreation         97,246           Debt Service:         Principal           Interest         2217,181           Capital Outlay         97,246         127,885         217,181           Excess (Deficit) of Revenues Over Expenditures         81,240         (80,391)         (69,360)         1           Other Financing Sources (Uses)         Proceeds from Long Term Debt         83,628         1,142           Proceeds from Sale of Capital Assets         Transfers Out         83,628         1,142           Transfers Out         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments					
Transportation         Economic Environment           Health & Human Services         97,246           Culture and Recreation         97,246           Debt Service:         Principal Interest           Capital Outlay         97,246         127,885         217,181           Excess (Deficit) of Revenues Over Expenditures         81,240         (80,391)         (69,360)         1           Other Financing Sources (Uses)         83,628         1,142           Proceeds from Long Term Debt Proceeds from Sale of Capital Assets         83,628         1,142           Transfers Out Total Other Financial Sources (Uses)         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments			127,885		8,557
Economic Environment   Health & Human Services   97,246   Culture and Recreation				217,181	
Health & Human Services					
Culture and Recreation         Debt Service:         Principal       Interest         Capital Outlay       97,246       127,885       217,181         Excess (Deficit) of Revenues Over Expenditures         81,240       (80,391)       (69,360)       1         Other Financing Sources (Uses)         Proceeds from Long Term Debt       83,628       1,142         Proceeds from Sale of Capital Assets       1       142         Transfers Out       83,628       1,142         Total Other Financial Sources (Uses)       -       83,628       1,142         Net Change in Fund Balance       81,240       3,237       (68,218)       1         Fund Balance, January 1       410,483       38,637       277,928       24         Prior Period Adjustments		07.040			
Debt Service:           Principal Interest         Capital Outlay           Total Expenditures         97,246         127,885         217,181           Excess (Deficit) of Revenues Over Expenditures         81,240         (80,391)         (69,360)         1           Other Financing Sources (Uses)         Proceeds from Long Term Debt           Proceeds from Sale of Capital Assets           Transfers In         83,628         1,142           Transfers Out         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments         410,483         38,637         277,928         24		97,246			
Principal Interest           Capital Outlay Total Expenditures         97,246         127,885         217,181           Excess (Deficit) of Revenues Over Expenditures         81,240         (80,391)         (69,360)         1           Other Financing Sources (Uses)           Proceeds from Long Term Debt Proceeds from Sale of Capital Assets Transfers In Transfers Out Total Other Financial Sources (Uses)         83,628         1,142           Transfers Out Total Other Financial Sources (Uses)         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1 Prior Period Adjustments         410,483         38,637         277,928         24					
Interest   Capital Outlay   Total Expenditures   97,246   127,885   217,181					
Total Expenditures	•				
Excess (Deficit) of Revenues Over Expenditures         81,240         (80,391)         (69,360)         1           Other Financing Sources (Uses)           Proceeds from Long Term Debt         Proceeds from Sale of Capital Assets           Transfers In         83,628         1,142           Transfers Out         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments         410,483         38,637         277,928         24	Capital Outlay				
Other Financing Sources (Uses)           Proceeds from Long Term Debt           Proceeds from Sale of Capital Assets           Transfers In         83,628         1,142           Transfers Out         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments         410,483         38,637         277,928         24	Total Expenditures	97,246	127,885	217,181	8,557
Proceeds from Long Term Debt         83,628         1,142           Proceeds from Sale of Capital Assets         83,628         1,142           Transfers Out         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments         410,483         38,637         277,928         24	Excess (Deficit) of Revenues Over Expenditures	81,240	(80,391)	(69,360)	15,398
Proceeds from Long Term Debt         83,628         1,142           Proceeds from Sale of Capital Assets         83,628         1,142           Transfers Out         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments         410,483         38,637         277,928         24	Other Financing Sources (Uses)				
Transfers In Transfers Out Total Other Financial Sources (Uses)         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1 Prior Period Adjustments         410,483         38,637         277,928         24					
Transfers Out Total Other Financial Sources (Uses)         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1 Prior Period Adjustments         410,483         38,637         277,928         24					
Total Other Financial Sources (Uses)         -         83,628         1,142           Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments         410,483         38,637         277,928         24			83,628	1,142	
Net Change in Fund Balance         81,240         3,237         (68,218)         1           Fund Balance, January 1         410,483         38,637         277,928         24           Prior Period Adjustments         410,483         277,928         24			83 628	1 1/12	
Fund Balance, January 1 410,483 38,637 277,928 24 Prior Period Adjustments	Total Other Financial Gources (Oses)		03,020	1,142	
Prior Period Adjustments	Net Change in Fund Balance	81,240	3,237	(68,218)	15,398
	Fund Balance, January 1	410,483	38,637	277,928	244,482
Fund Balance, January 1, restated 410,483 38,637 277,928 24					
	Fund Balance, January 1, restated	410,483	38,637	277,928	244,482
Fund Balance, December 31 \$491,723 \$41,874 \$209,710 \$25	Fund Balance, December 31	\$491,723	\$41,874	\$209,710	\$259,880

REVENUES	Document Preserv	Election	Parks & Rec	Substance Abuse
Property Taxes				
Sales and Use Taxes				
Other Taxes				
Licenses and Permits				
Intergovernmental	64,004	1,353	000 005	928,821
Charges for Services Fines and Forfeits	60,046	324,299	363,825	
Interest Earnings	1,742		605	
Donations	1,742		10,171	
Other Revenue			217,528	
Total Revenue	125,792	325,652	592,130	928,821
Total Nevenue	125,732	323,032	332,130	320,021
EXPENDITURES				
Current:	77 744	- 4 4 4 <del></del>		
General Governmental Services	77,711	541,147		
Public Safety Utilities and Environment				
Transportation				
Economic Environment				
Health & Human Services				956,926
Culture and Recreation			1,278,505	000,020
Debt Service:			.,2.0,000	
Principal				
Interest				
Capital Outlay			8,122	
Total Expenditures	77,711	541,147	1,286,627	956,926
Excess (Deficit) of Revenues Over Expenditures	48,081	(215,495)	(694,497)	(28,105)
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets			3,000	
Transfers In		420,000	715,602	-
Transfers Out		•	•	-
Total Other Financial Sources (Uses)	-	420,000	718,602	-
Net Change in Fund Balance	48,081	204,505	24,105	(28,105)
Fund Balance, January 1	601,744	393,841	564,529	426,880
Prior Period Adjustments				
Fund Balance, January 1, restated	601,744	393,841	564,529	426,880
Fund Balance, December 31	\$649,825	\$598,346	\$588,634	\$398,775

REVENUES	Community Services	Conv. Center	Clean Water	Conserv. Futures
Property Taxes Sales and Use Taxes Other Taxes		310,322	\$1,311,372	\$826,270 20,663
Licenses and Permits Intergovernmental Charges for Services Fines and Forfeits	533,336 3,650		985,345	46,245
Interest Earnings		187	432	667
Donations	362,886			50
Other Revenue	23,974	-	100,000	234
Total Revenue	923,847	310,509	2,397,149	894,129
EXPENDITURES				
Current:				
General Governmental Services				
Public Safety Utilities and Environment			2,639,000	174,062
Transportation			2,639,000	174,062
Economic Environment				
Health & Human Services	1,720,540			
Culture and Recreation		162,596		
Debt Service:				
Principal				
Interest			0.045	
Capital Outlay  Total Expenditures	1,720,540	162,596	6,945 2,645,945	174,062
Total Experiultures	1,720,340	102,390	2,043,943	174,002
Excess (Deficit) of Revenues Over Expenditures	(796,694)	147,913	(248,796)	720,067
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In	792,958		34,837	
Transfers Out		(114,900)		
Total Other Financial Sources (Uses)	792,958	(114,900)	34,837	-
Net Change in Fund Balance	(3,736)	33,013	(213,959)	720,067
Fund Balance, January 1 Prior Period Adjustments	359,925	293,965	766,257	2,351,916
Fund Balance, January 1, restated	359,925	293,965	766,257	2,351,916
Fund Balance, December 31	\$356,189	\$326,978	\$552,298	\$3,071,983

REVENUES	Medic 1	Crime Victim	Comm. System	Water Quality
Property Taxes Sales and Use Taxes	\$5,488,839 137,066		3,834,162	
Other Taxes Licenses and Permits			-	
Intergovernmental	311,300		49,639	33,593
Charges for Services	64,573	75,245		1,575
Fines and Forfeits Interest Earnings	7,185	171	570	1,203
Donations	0		010	1,200
Other Revenue	27,616			
Total Revenue	6,036,580	75,416	3,884,370	36,371
EXPENDITURES				
Current:				
General Governmental Services	5 000 750	78,056	0.000.504	
Public Safety Utilities and Environment	5,268,756		3,863,534	217,348
Transportation				217,040
Economic Environment				
Health & Human Services				
Culture and Recreation Debt Service:				
Principal				
Interest				
Capital Outlay				
Total Expenditures	5,268,756	78,056	3,863,534	217,348
Excess (Deficit) of Revenues Over Expenditures	767,824	(2,641)	20,836	(180,977)
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				240,012
Proceeds from Sale of Capital Assets	400			
Transfers In Transfers Out				0
Total Other Financial Sources (Uses)	400	-	-	240,012
Net Change in Fund Balance	768,224	(2,641)	20,836	59,035
Fund Balance, January 1	3,561,857	149,166	641,939	348,882
Prior Period Adjustments Fund Balance, January 1, restated	3,561,857	149,166	641,939	348,882
runu balance, January 1, restateu		149,100	041,939	340,062
Fund Balance, December 31	\$4,330,081	\$146,525	\$662,775	\$407,917

REVENUES	Planning & Development	Lake Mgmt Dist. 1	Lake Mgmt Dist. 2	Lake Mgmt Dist. 3
Property Taxes				
Sales and Use Taxes				
Other Taxes		57,034	14,910	29,006
Licenses and Permits	730,605			
Intergovernmental	86,972			
Charges for Services	629,250			
Fines and Forfeits	14,881			
Interest Earnings	0	156	93	109
Donations				
Other Revenue				
Total Revenue	1,461,707	57,190	15,003	29,115
EXPENDITURES				
Current:				
General Governmental Services				
Public Safety				
Utilities and Environment		43,039	9,204	20,329
Transportation	0.040.000			
Economic Environment	2,640,632			
Health & Human Services				
Culture and Recreation  Debt Service:				
Principal Interest				
Capital Outlay				
Total Expenditures	2,640,632	43,039	9,204	20,329
Total Experiances	2,040,032	40,000	3,204	20,525
Excess (Deficit) of Revenues Over Expenditures	(1,178,925)	14,151	5,799	8,786
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In	1,225,094			
Transfers Out				
Total Other Financial Sources (Uses)	1,225,094	-	-	-
Net Change in Fund Balance	46,169	14,151	5,799	8,786
Fund Balance, January 1	1,183,168	87,508	46,999	44,149
Prior Period Adjustments	, , ,	,	,	, -
Fund Balance, January 1, restated	1,183,168	87,508	46,999	44,149
Fund Balance, December 31	\$1,229,337	\$101,659	\$52,798	\$52,935

REVENUES	Lake Mgmt Dist. 4	Edison Clean Wtr	Drug Enforce.	Boating Safety
Property Taxes				
Sales and Use Taxes	00.005	70.054		
Other Taxes Licenses and Permits	20,085	79,254		
Intergovernmental	0		20,000	85,695
Charges for Services			20,000	65,095
Fines and Forfeits				
Interest Earnings	78	467	295	42
Donations				
Other Revenue			3,565	
Total Revenue	20,163	79,720	23,861	85,737
EXPENDITURES				
Current:				
General Governmental Services				
Public Safety			39,681	92,290
Utilities and Environment	14,874	92,101		
Transportation Economic Environment				
Health & Human Services				
Culture and Recreation				
Debt Service:				
Principal				
Interest				
Capital Outlay				
Total Expenditures	14,874	92,101	39,681	92,290
Excess (Deficit) of Revenues Over Expenditures	5,289	(12,381)	(15,820)	(6,553)
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In				
Transfers Out				
Total Other Financial Sources (Uses)		-	-	
Net Change in Fund Balance	5,289	(12,381)	(15,820)	(6,553)
Fund Balance, January 1	44,857	296,594	230,859	67,350
Prior Period Adjustments				·
Fund Balance, January 1, restated	44,857	296,594	230,859	67,350
Fund Balance, December 31	\$50,146	\$284,213	\$215,039	\$60,797

REVENUES	Low Inc. Housing	Title III Projects	Treasurer REET	Housing Assistance
Property Taxes Sales and Use Taxes Other Taxes	_	-		
Licenses and Permits Intergovernmental Charges for Services Fines and Forfeits	128,230	41,246	13,936 13,290	653,795
Interest Earnings Donations Other Revenue	213		545	43
Total Revenue	128,443	41,246	27,770	653,838
EXPENDITURES Current: General Governmental Services Public Safety Utilities and Environment Transportation Economic Environment Health & Human Services Culture and Recreation Debt Service: Principal Interest Capital Outlay	118,794	42,005		659,364
Total Expenditures	118,794	42,005	0	659,364
Excess (Deficit) of Revenues Over Expenditures	9,649	(759)	27,770	(5,526)
Other Financing Sources (Uses) Proceeds from Long Term Debt Proceeds from Sale of Capital Assets Transfers In Transfers Out				
Total Other Financial Sources (Uses)	-	-	-	-
Net Change in Fund Balance	9,649	(759)	27,770	(5,526)
Fund Balance, January 1 Prior Period Adjustments	224,331	11,474	182,353	194,773
Fund Balance, January 1, restated	224,331	11,474	182,353	194,773
Fund Balance, December 31	\$233,980	\$10,715	\$210,123	\$189,247
=				

REVENUES	Interlocal Invest.	TOTAL
Property Taxes		\$7,791,559
Sales and Use Taxes		4,306,338
Other Taxes		200,289
Licenses and Permits Intergovernmental	146,031	1,213,798 5,678,530
Charges for Services	20	3,100,088
Fines and Forfeits	105,273	129,236
Interest Earnings	118	16,578
Donations		492,187
Other Revenue	9,645	450,082
Total Revenue	261,087	23,378,685
EXPENDITURES Current:		
General Governmental Services		833,355
Public Safety	231,662	9,965,436
Utilities and Environment		3,427,138
Transportation Economic Environment		192,296
Health & Human Services		2,801,431 7,366,208
Culture and Recreation		1,777,758
Debt Service:		1,777,730
Principal Principal		-
Interest		_
Capital Outlay	21,940	57,572
Total Expenditures	253,602	26,421,194
Excess (Deficit) of Revenues Over Expenditures	7,485	(3,042,509)
Other Financing Sources (Uses) Proceeds from Long Term Debt Proceeds from Sale of Capital Assets		240,012 3,400
Transfers In		4,614,799
Transfers Out		(114,900)
Total Other Financial Sources (Uses)		4,743,311
Net Change in Fund Balance	7,485	1,700,802
Fund Balance, January 1 Prior Period Adjustments	208,284	15,921,572
Fund Balance, January 1, restated	208,284	15,921,572
i and balance, samualy 1, restated	200,204	10,321,372
Fund Balance, December 31	\$215,769	\$17,622,374

#### **Public Health**

	Budgeted Amounts						
	Original	Final	_	Variance with			
	Budget	Budget	Actual	Final Budget			
Budgeted Fund Balance, January 1	\$ 87	\$ 87	\$ 347,220				
Resources (in-flows)							
Licenses and Permits	439,750	439,750	483,193	43,443			
Intergovernmental Revenue	1,695,882	1,874,882	1,703,103	(171,779)			
Charges for Goods and Services	658,200	659,700	475,961	(183,739)			
Fines and Forfeits	6,000	6,000	9,082	3,082			
Interest Revenue	150	150		(150)			
Donations	-	75,000	67,374	(7,626)			
Transfers In	1,290,122	1,263,313	1,213,313	(50,000)			
Miscellaneous Revenues	250	250	7,862	7,612			
Total Resources (in-flows)	4,090,354	4,319,045	3,959,888	(359,157)			
Amounts Available for Appropriation	4,090,441	4,319,132	4,307,108				
Charges to Appropriations (out-flows)							
Salaries and Wages	2,231,808	2,199,155	2,179,622	(19,533)			
Personnel Benefits	1,114,648	1,090,492	1,047,707	(42,785)			
Supplies	188,523	331,813	203,075	(128,738)			
Services and Charges	132,378	204,588	109,879	(94,709)			
Capital Outlays				-			
Interfund Payments for Services	423,084	493,084	391,850	(101,234)			
Transfers Out				-			
Amount Charged to Appropriations (out-flows)	4,090,441	4,319,132	3,932,133	(386,999)			
Rudgeted Fund Ralance December 21	¢	¢	¢ 27/1075				
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 374,975	=			

### **Special Paths**

		Budgeted	l Am	ounts				
	Ori	ginal	Fir	nal	-		Variance with Final Budget	
	Bud	Budget		dget	Ac	tual		
Budgeted Fund Balance, January 1	\$	64,788	\$	64,788	\$	455,992		
Resources (in-flows)								
Intergovernmental Revenue		158,000		158,000		164,202	6,202	
Miscellaneous Revenue		3,000		3,000		20,977	17,977	
Total Resources (in-flows)		161,000		161,000		185,179	24,179	
Amounts Available for Appropriation		225,788		225,788		641,171		
Charges to Appropriations (out-flows)								
Salaries and Wages		72,781		72,781		74,098	1,317	
Personnel Benefits		40,407		40,407		38,973	(1,434)	
Supplies		28,500		28,500		5,201	(23,299)	
Services and Charges		61,100		61,100		74,023	12,923	
Capital Outlays		22,000		22,000		20,565	(1,435)	
Interfund Payments for Services		1,000		1,000		-	(1,000)	
Transfers Out		-		-			-	
Amount Charged to Appropriations (out-flows)		225,788		225,788		212,860	(12,928)	
Budgeted Fund Balance, December 31	\$	-	\$	-	\$	428,311	<u>-</u>	

#### **Emergency Management**

	Budgeted Amounts						
		ginal	Final				Variance with
	Bud	dget	Bu	dget	Ac	tual	Final Budget
Budgeted Fund Balance, January 1	\$	(1,964)	\$	66,522	\$	326,044	
Resources (in-flows)							
Licenses and Permits							-
Intergovernmental Revenue		257,612		297,243		284,644	(12,599)
Charges for Goods and Services		2,200		4,700		5,000	300
Transfers In		108,225		108,225		108,225	-
Miscellaneous Revenues		-		-		-	-
Total Resources (in-flows)		368,037		410,168		397,869	(12,299)
Amounts Available for Appropriation		366,073		476,690		723,913	
Charges to Appropriations (out-flows)							
Salaries and Wages		216,515		256,515		239,838	(16,677)
Personnel Benefits		95,395		100,695		91,605	(9,090)
Supplies		2,400		14,600		15,460	860
Services and Charges		18,100		53,031		63,858	10,827
Capital Outlays		800		18,986		-	(18,986)
Interfund Payments for Services		32,863		32,863		58,753	25,890
Transfers Out		-		-		-	-
Amount Charged to Appropriations (out-flows)		366,073		476,690		469,514	(7,176)
Budgeted Fund Balance, December 31	\$	-	\$	-	\$	254,399	=

#### **Skagit County Fair**

	ļ	Budgeted	l Am					
		J		Final			Variance with	
				ıdget	Ac	tual	Final Budget	
Budgeted Fund Balance, January 1	\$	22,300	\$	25,272	\$	537,186		
Resources (in-flows)								
Licenses and Permits							-	
Intergovernmental Revenue		29,000		29,000		22,256	(6,744)	
Charges for Goods and Services		207,240		207,240		232,301	25,061	
Donations		23,100		23,100		31,141	8,041	
Other Revenue		44,007		44,007		58,189	14,182	
Transfers In		25,000		25,000		20,000	(5,000)	
Miscellaneous Revenues						-	-	
Total Resources (in-flows)		328,347		328,347		363,887	35,540	
Amounts Available for Appropriation		350,647		353,619		901,073		
Charges to Appropriations (out-flows)								
Salaries and Wages		120,138		120,138		103,893	(16,245)	
Personnel Benefits		45,500		45,500		46,184	684	
Supplies		22,146		22,146		20,991	(1,155)	
Services and Charges		137,863		137,863		138,678	815	
Capital Outlays							-	
Interfund Payments for Services		25,000		27,972		26,912	(1,060)	
Transfers Out		-		-		-		
Amount Charged to Appropriations (out-flows)		350,647		353,619		336,658	(16,961)	
Budgeted Fund Balance, December 31	\$		\$	-	\$	564,415	<u>=</u>	

#### **Veterans Relief**

	Budgeted	l Amounts			
	Original	Final	_	Variance with	
	Budget	Budget	Actual	Final Budget	
Budgeted Fund Balance, January 1	\$ -		\$ 410,483	_	
Resources (in-flows)					
Property Tax	162,000	162,000	165,079	3,079	
Sales and Use Tax	3,000	3,000	4,126	1,126	
Intergovernmental Revenue	5,290	5,290	9,233	3,943	
Interest Revenue	-	-		-	
Miscellaneous Revenues	40	40	48	8	
Total Resources (in-flows)	170,330	170,330	178,486	8,156	
Amounts Available for Appropriation	170,330	170,330	588,969		
Charges to Appropriations (out-flows) Salaries and Wages Personnel Benefits				- -	
Supplies				-	
Services and Charges	170,330	170,330	94,661	(75,669)	
Capital Outlays				-	
Interfund Payments for Services	-	-	2,585	2,585	
Transfers Out		-	-	<u>-</u>	
Amount Charged to Appropriations (out-flows)	170,330	170,330	97,246	(73,084)	
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 491,723	=	

#### **Law Library**

	Budgeted			
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1			\$ 38,637	
Resources (in-flows)				
Charges for Goods and Services	48,700	48,700	46,074	(2,626)
Donations	-	-		-
Transfers In	79,562	83,628	83,628	-
Miscellaneous Revenues	2,500	2,500	1,420	(1,080)
Total Resources (in-flows)	130,762	134,828	131,122	(3,706)
Amounts Available for Appropriation	130,762	134,828	169,759	
Charges to Appropriations (out-flows)				
Salaries and Wages	50,676	54,317	51,704	(2,613)
Personnel Benefits	27,906	28,331	25,341	(2,990)
Supplies	7,300	7,300	6,994	(306)
Services and Charges	44,880	44,880	43,846	(1,034)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	130,762	134,828	127,885	(6,943)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 41,874	_

#### **River Improvement**

	Budgeted			
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$ 106,504	\$ 106,504	\$ 277,928	
Resources (in-flows)				
Intergovernmental Revenue	1,200,000	1,200,000	147,577	(1,052,423)
Charges for Goods and Services	-	-	-	-
Interest Revenue	-	-	244	244
Transfers In	10,362	10,362	1,142	(9,220)
Miscellaneous Revenues	16,000	16,000	-	(16,000)
Total Resources (in-flows)	1,226,362	1,226,362	148,963	(1,077,399)
Amounts Available for Appropriation	1,332,866	1,332,866	426,891	
Charges to Appropriations (out-flows)				
Salaries and Wages	138,192	138,192	91,990	(46,202)
Personnel Benefits	69,374	69,374	54,716	(14,658)
Supplies	300	300	614	314
Services and Charges	1,075,000	1,075,000	27,485	(1,047,515)
Capital Outlays				-
Interfund Payments for Services	50,000	50,000	42,376	(7,624)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	1,332,866	1,332,866	217,181	(1,115,685)
	•	•	Φ 000 = 15	
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 209,710	=

#### **Centennial Document Preservation**

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2015

		Budgeted	l Amo	unts			
		Original Final			•		Variance with
	Bud	lget	Bud	get	Act	tual	Final Budget
Budgeted Fund Balance, January 1	\$	52,864	\$	52,864	\$	601,744	
Resources (in-flows)							
Intergovernmental Revenue		65,000		65,000		64,004	(996)
Charges for Goods and Services		60,000		60,000		60,046	46
Interest Revenue		3,000		3,000		1,742	(1,258)
Total Resources (in-flows)		128,000	1	28,000		125,792	(2,208)
Amounts Available for Appropriation		180,864	1	80,864		727,536	
Charges to Appropriations (out-flows)							
Salaries and Wages		44,025		46,025		46,178	153
Personnel Benefits		25,589		27,089		25,891	(1,198)
Supplies		-		-		-	-
Services and Charges		11,250		7,750		5,642	(2,108)
Capital Outlays							-
Interfund Payments for Services		100,000	1	00,000		_	(100,000)
Transfers Out							
Amount Charged to Appropriations (out-flows)		180,864	1	80,864		77,711	(103,153)
	_		_				
Budgeted Fund Balance, December 31	\$	-	\$	-	\$	649,825	=

#### **Election Services**

		Budgeted	Am	ounts				
	Ori	ginal	nal Final				Variance with	
	Bud	Budget		dget	Ac	tual	Final Budget	
Budgeted Fund Balance, January 1	\$	(9,574)	\$	1,226	\$	393,841		
Resources (in-flows)								
Intergovernmental Revenue		12,000		1,200		1,353	153	
Charges for Goods and Services		261,500		261,500		324,299	62,799	
Transfers In		420,000		420,000		420,000	-	
Miscellaneous Revenues		400		400			(400)	
Total Resources (in-flows)		693,900		683,100		745,652	62,552	
Amounts Available for Appropriation		684,326		684,326	1	,139,493		
Charges to Appropriations (out-flows)								
Salaries and Wages		214,827		214,827		188,143	(26,684)	
Personnel Benefits		92,499		92,499		87,885	(4,614)	
Supplies		4,500		4,500		3,316	(1,184)	
Services and Charges		295,450		295,450		183,744	(111,706)	
Capital Outlays		-		-			-	
Interfund Payments for Services		77,050		77,050		78,059	1,009	
Transfers Out								
Amount Charged to Appropriations (out-flows)		684,326		684,326		541,147	(143,179)	
Budgeted Fund Balance, December 31	\$	_	\$	-	\$	598,346		

#### **Parks and Recreation**

	Budgeted Amounts						
	Origi	nal	Fir	nal	_		Variance with
	Budg	et	Bu	ıdget	Ac	tual	Final Budget
Budgeted Fund Balance, January 1	\$	100,001	\$	100,001	\$	564,529	
Resources (in-flows)							
Intergovernmental Revenue		3,000		3,000		-	(3,000)
Charges for Goods and Services	3	347,825		347,825		363,825	16,000
Interest Revenue		400		400		605	205
Donations		8,000		8,000		10,171	2,171
Transfers In	7	735,402		735,402		718,602	(16,800)
Miscellaneous Revenues	•	161,600		161,600		217,529	55,929
Total Resources (in-flows)	1,2	256,227	1	,256,227	1	,310,732	54,505
Amounts Available for Appropriation	1,3	356,228	1	,356,228	1	,875,261	
Charges to Appropriations (out-flows)							
Salaries and Wages	5	536,298		536,298		517,966	(18,332)
Personnel Benefits	2	250,130		250,130		249,167	(963)
Supplies		87,108		87,108		70,093	(17,015)
Services and Charges	3	336,948		336,948		332,495	(4,453)
Capital Outlays		6,300		6,300		8,122	1,822
Interfund Payments for Services	•	139,444		139,444		108,784	(30,660)
Transfers Out							-
Amount Charged to Appropriations (out-flows)	1,3	356,228	1	,356,228	1	,286,627	(69,601)
Budgeted Fund Balance, December 31	\$	-	\$	-	\$	588,634	=

#### **Substance Abuse**

	Budget	ed Amounts		
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$ 131,09	7 \$ 117,810	\$ 426,880	
Resources (in-flows)				
Intergovernmental Revenue	994,06	994,063	928,821	(65,242)
Miscellaneous Revenue	-	-	-	-
Transfers In	-	-	-	-
Total Resources (in-flows)	994,06	994,063	928,821	(65,242)
Amounts Available for Appropriation	1,125,16	0 1,111,873	1,355,701	
Charges to Appropriations (out-flows)				
Salaries and Wages	94,73	85,734	76,017	(9,717)
Personnel Benefits	45,97	<b>'</b> 4 41,687	36,642	(5,045)
Supplies	20	00 200	-	(200)
Services and Charges	965,15	965,152	825,423	(139,729)
Capital Outlays				-
Interfund Payments for Services	19,10	00 19,100	18,844	(256)
Transfers Out		-	-	-
Amount Charged to Appropriations (out-flows)	1,125,16	0 1,111,873	956,926	(154,947)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 398,775	=

#### **Community Service**

	E	<b>Sudgeted</b>	An	nounts			
	Oriç	jinal	Fir	nal			Variance with
		Budget		ıdget	Ac	tual	Final Budget
Budgeted Fund Balance, January 1	\$	53,056	\$	53,056	\$	359,925	
Resources (in-flows)							
Intergovernmental Revenue		551,454		551,454		533,336	(18,118)
Charges for Goods and Services		3,400		3,400		3,650	250
Donations		349,081		369,891		386,860	16,969
Transfers In		716,149		792,958		792,958	-
Miscellaneous Revenues		-		-		-	-
Total Resources (in-flows)	1	,620,084	1	1,717,703	1	,716,804	(899)
Amounts Available for Appropriation	1	,673,140	1	1,770,759	2	,076,729	
Charges to Appropriations (out-flows)							
Salaries and Wages		633,228		700,222		689,386	(10,836)
Personnel Benefits		377,805		408,430		404,694	(3,736)
Supplies		426,827		426,827		413,310	(13,517)
Services and Charges		207,968		207,968		191,298	(16,670)
Capital Outlays							-
Interfund Payments for Services		27,312		27,312		21,852	(5,460)
Transfers Out							-
Amount Charged to Appropriations (out-flows)	1	,673,140	1	1,770,759	1	,720,540	(50,219)
Budgeted Fund Balance, December 31	\$	-	\$	-	\$	356,189	=

#### **Convention Center**

	Budgeted	l Amounts			
	Original	Final	_	Variance with	
	Budget	Budget	Actual	Final Budget	
Budgeted Fund Balance, January 1	-		\$ 293,965		
Resources (in-flows)					
Sales and Use Tax	300,000	300,000	310,322	10,322	
Miscellaneous Revenue		-	-	-	
Interest Revenue		-	187	187	
Total Resources (in-flows)	300,000	300,000	310,509	10,509	
Amounts Available for Appropriation	300,000	300,000	604,474		
Charges to Appropriations (out-flows)					
Salaries and Wages				-	
Personnel Benefits				-	
Supplies				-	
Services and Charges	160,700	160,700	161,134	434	
Capital Outlays				-	
Interfund Payments for Services	1,500	1,500	1,462	(38)	
Transfers Out	137,800	137,800	114,900	(22,900)	
Amount Charged to Appropriations (out-flows)	300,000	300,000	277,496	(22,504)	
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 326,978	=	

#### **Clean Water Program**

	Budgeted	Budgeted Amounts					
	Original	Final	_	Variance with			
	Budget	Budget	Actual	Final Budget			
Budgeted Fund Balance, January 1	\$ 324,267	\$ 425,267	\$ 766,257				
Resources (in-flows)							
Property Tax	1,333,077	1,333,077	1,311,372	(21,705)			
Intergovernmental Revenue	703,563	710,563	985,345	274,782			
Charges for Goods and Services	103,576	103,576		(103,576)			
Interest Revenue	1,200	1,200	432	(768)			
Miscellaneous Revenues	121,777	121,777	98,825	(22,952)			
Transfers In	34,837	34,837	34,837	-			
Total Resources (in-flows)	2,298,030	2,305,030	2,430,811	125,781			
Amounts Available for Appropriation	2,622,297	2,730,297	3,197,068				
Charges to Appropriations (out-flows)							
Salaries and Wages	500,522	601,522	563,624	(37,898)			
Personnel Benefits	244,369	244,369	269,014	24,645			
Supplies	56,406	56,406	82,449	26,043			
Services and Charges	1,375,765	1,375,765	1,339,664	(36,101)			
Capital Outlays	-	7,000	6,945	(55)			
Interfund Payments for Services	445,235	445,235	383,074	(62,161)			
Transfers Out		-	-				
Amount Charged to Appropriations (out-flows)	2,622,297	2,730,297	2,644,770	(85,527)			
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 552,298	=			

#### **Conservation Futures**

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted	Amounts		
	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$ 87,287	\$ 87,287	\$ 2,351,916	_
Resources (in-flows)				
Property Tax	819,800	819,800	826,270	6,470
Sales and Use Tax	13,200	13,200	20,663	7,463
Intergovernmental Revenue	1,866,608	1,866,608	46,245	(1,820,363)
Interest Revenue	-	-	667	667
Donations	-	-	50	50
Miscellaneous Revenues		-	233	233
Total Resources (in-flows)	2,699,608	2,699,608	894,128	(1,805,480)
Amounts Available for Appropriation	2,786,895	2,786,895	3,246,044	
Charges to Appropriations (out-flows)				
Salaries and Wages	43,108	43,108	32,999	(10,109)
Personnel Benefits	21,687	21,687	17,673	(4,014)
Supplies	500	500	167	(333)
Services and Charges	171,600	161,600	115,581	(46,019)
Capital Outlays	2,550,000	2,550,000	-	(2,550,000)
Interfund Payments for Services	-	10,000	7,641	(2,359)
Transfers Out				<u>-</u>
Amount Charged to Appropriations (out-flows)	2,786,895	2,786,895	174,061	(2,612,834)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 3,071,983	=

#### Medic I

	•	Variance with
Final Budget		Final Budget
\$ (595,213)	\$ 3,561,857	
5,490,816	5,488,839	(1,977)
145,000	137,067	(7,933)
200,000	311,300	111,300
13,000	64,573	51,573
3,500	7,185	3,685
-	-	-
11,700	28,016	16,316
5,864,016	6,036,980	172,964
5,268,803	9,598,837	
471,382	462,821	(8,561)
151,299	151,682	383
4,400	151,085	146,685
1,279,565	1,142,187	(137,378)
35,000	-	(35,000)
3,327,157	3,360,981	33,824
		-
5,268,803	5,268,756	(47)
		5,268,803 5,268,756

#### **Crime Victim Services**

	В	Budgeted Amounts					
	Orig		Fin		-		Variance with
	Budg	get	Bud	dget	Act	tual	Final Budget
Budgeted Fund Balance, January 1	\$	9,818	\$	9,818	\$	149,166	
Resources (in-flows)							
Charges for Goods and Services		80,000		80,000		75,244	(4,756)
Interest Revenue		125		125		171	46
Total Resources (in-flows)		80,125		80,125		75,415	(4,710)
Amounts Available for Appropriation		89,943		89,943		224,581	
Charges to Appropriations (out-flows)							
Salaries and Wages		18,847		18,847		13,729	(5,118)
Personnel Benefits		12,496		12,496		10,636	(1,860)
Supplies		200		200		110	(90)
Services and Charges		8,400		8,400		3,581	(4,819)
Capital Outlays							-
Interfund Payments for Services		50,000		50,000		50,000	-
Transfers Out							-
Amount Charged to Appropriations (out-flows)		89,943		89,943		78,056	(11,887)
Budgeted Fund Balance, December 31	\$	-	\$	-	\$	146,525	_

#### **Communication System**

	Budgeted			
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1			\$ 641,939	_
Resources (in-flows)				
Sales and Use Tax	4,335,000	4,335,000	3,834,098	(500,902)
Other Tax	-	-	64	64
Interest Earnings			570	570
Intergovernmental Revenue	54,500	54,500	49,639	(4,861)
Total Resources (in-flows)	4,389,500	4,389,500	3,884,371	(505,129)
Amounts Available for Appropriation	4,389,500	4,389,500	4,526,310	
Charges to Appropriations (out-flows) Salaries and Wages Personnel Benefits				- -
Supplies				_
Services and Charges	4,389,500	4,389,500	3,863,535	(525,965)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	4,389,500	4,389,500	3,863,535	(525,965)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 662,775	=

#### **Water Quality Fund**

	E	<b>Budgeted</b>	Am	nounts			
	Orig	ginal	Fir	nal			Variance with
	Bud	lget	Bu	ıdget	Ac	tual	Final Budget
Budgeted Fund Balance, January 1	\$	26,976	\$	26,976	\$	348,882	
Resources (in-flows)							
Property Tax		-		-		-	-
Intergovernmental Revenue		12,000		12,000		33,593	21,593
Charges for Goods and Services		2,500		2,500		1,575	(925)
Interest Revenue		750		750		1,203	453
Proceeds of Long Term Debt		375,000		375,000		240,012	(134,988)
Total Resources (in-flows)		390,250		390,250		276,383	(113,867)
Amounts Available for Appropriation		417,226		417,226		625,265	
Charges to Appropriations (out-flows)							
Salaries and Wages		18,195		23,195		19,431	(3,764)
Personnel Benefits		6,531		9,531		8,134	(1,397)
Supplies		-		-		-	-
Services and Charges		352,500		344,500		189,783	(154,717)
Capital Outlays							-
Interfund Payments for Services		-		-			-
Transfers Out		40,000		40,000		-	(40,000)
Amount Charged to Appropriations (out-flows)		417,226		417,226		217,348	(199,878)
Budgeted Fund Balance, December 31	\$		\$		\$	407,917	<u>-</u>

#### **Planning and Development**

#### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2015

	Budgeted	l Amounts		
	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$ 303,441	\$ 357,199	\$ 1,183,168	
Resources (in-flows)				
Licenses and Permits	518,500	518,500	730,605	212,105
Intergovernmental Revenue	17,800	102,955	86,972	(15,983)
Charges for Goods and Services	451,200	451,200	629,250	178,050
Fines and Forfeits	-	-	14,881	14,881
Interest Earnings	-	-		-
Transfers In	1,225,094	1,225,094	1,225,094	-
Miscellaneous Revenues	<u> </u>	-	-	-
Total Resources (in-flows)	2,212,594	2,297,749	2,686,802	389,053
Amounts Available for Appropriation	2,516,035	2,654,948	3,869,970	
Charges to Appropriations (out-flows)				
Salaries and Wages	1,591,249	1,645,274	1,643,827	(1,447)
Personnel Benefits	709,356	731,662	716,870	(14,792)
Supplies	16,950	16,950	20,795	3,845
Services and Charges	147,900	167,900	175,761	7,861
Capital Outlays	-	-	-	-
Interfund Payments for Services	50,580	93,162	83,380	(9,782)
Transfers Out		-	-	-
Amount Charged to Appropriations (out-flows)	2,516,035	2,654,948	2,640,633	(14,315)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 1,229,337	_

#### **Lake Management District 1**

	Bud	geted	Am	ounts		
	Origina	Original Final			_	Variance with
	Budget		Bu	dget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$ (11	,461)	\$	(11,461)	\$ 87,508	
Resources (in-flows)						
Other Tax	57	7,502		57,502	57,034	(468)
Interest Earnings		-		-	156	156
Total Resources (in-flows)	57	7,502		57,502	57,190	(312)
Amounts Available for Appropriation	46	5,041		46,041	144,698	
Charges to Appropriations (out-flows)						
Salaries and Wages	4	1,281		4,281	2,373	(1,908)
Personnel Benefits	2	2,260		2,260	1,166	(1,094)
Supplies		_		-	-	-
Services and Charges	39	9,500		39,500	39,500	-
Capital Outlays						-
Interfund Payments for Services		-		-	-	-
Transfers Out		-				-
Amount Charged to Appropriations (out-flows)	46	5,041		46,041	43,039	(3,002)
Budgeted Fund Balance, December 31	\$	_	\$	_	\$ 101,659	

### **Lake Management District 2**

	Bu	idgeted	Amo	ounts			
	Origin	nal	Fina	al	_		Variance with
	Budge	et	Bud	dget	Act	tual	Final Budget
Budgeted Fund Balance, January 1	\$	(801)	\$	1,699	\$	46,999	
Resources (in-flows)							
Other Tax		14,670		14,670		14,910	240
Interest Earnings						93	93
Total Resources (in-flows)		14,670		14,670		15,003	240
Amounts Available for Appropriation		13,869		16,369		62,002	
Charges to Appropriations (out-flows)							
Salaries and Wages		1,223		3,723		1,659	(2,064)
Personnel Benefits		646		646		832	186
Supplies							-
Services and Charges		12,000		12,000		6,713	(5,287)
Capital Outlays							-
Interfund Payments for Services		-		-			-
Transfers Out		-					-
Amount Charged to Appropriations (out-flows)		13,869		16,369		9,204	(7,165)
Budgeted Fund Balance, December 31	\$	-	\$	-	\$	52,798	

### **Lake Management District 3**

	В	udgeted	Am	ounts			
	Origi	nal	Fin	al			Variance with
	Budg	et	Bu	dget	Act	tual	Final Budget
Budgeted Fund Balance, January 1	\$	(8,124)	\$	(7,614)	\$	44,149	
Resources (in-flows)							
Other Tax		28,860		28,860		29,006	146
Interest Earnings						109	109
Total Resources (in-flows)		28,860		28,860		29,115	255
Amounts Available for Appropriation		20,736		21,246		73,264	
Charges to Appropriations (out-flows)							
Salaries and Wages		2,446		2,956		2,284	(672)
Personnel Benefits		1,290		1,290		1,045	(245)
Supplies		-		-			-
Services and Charges		17,000		17,000		17,000	-
Capital Outlays							-
Interfund Payments for Services		-		-			-
Transfers Out							-
Amount Charged to Appropriations (out-flows)		20,736		21,246		20,329	(917)
Budgeted Fund Balance, December 31	\$	-	\$	-	\$	52,935	

### **Lake Management District 4**

	Bu	ıdgeted	Amo	ounts			
	Origin	nal	Fina	al	•		Variance with
	Budge	et	Bud	dget	Act	ual	Final Budget
Budgeted Fund Balance, January 1	\$	(867)	\$	(477)	\$	44,857	
Resources (in-flows)							
Other Tax		20,670		20,670		20,085	(585)
Interest Earnings						78	78
Total Resources (in-flows)		20,670		20,670		20,163	(507)
Amounts Available for Appropriation		19,803		20,193		65,020	
Charges to Appropriations (out-flows)							
Salaries and Wages		1,835		2,225		1,952	(273)
Personnel Benefits		968		968		862	(106)
Supplies							-
Services and Charges		17,000		17,000		12,060	(4,940)
Capital Outlays							-
Interfund Payments for Services		-		-			-
Transfers Out							-
Amount Charged to Appropriations (out-flows)		19,803		20,193		14,874	(5,319)
Budgeted Fund Balance, December 31	\$	_	\$	_	\$	50,146	

#### **Edison Clean Water District**

	Budgeted	Amounts		
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1		\$ 50,000	\$ 296,594	
Resources (in-flows)				
Property Tax	43,000	43,000	79,254	36,254
Interest Earnings			467	467
Miscellaneous Revenues			-	-
Total Resources (in-flows)	43,000	43,000	79,721	36,721
Amounts Available for Appropriation	43,000	93,000	376,315	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies	1,000	1,000	1,118	118
Services and Charges	42,000	92,000	90,984	(1,016)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	43,000	93,000	92,102	(898)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 284,213	=

### **Drug Enforcement Cumulative**

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual

	Budgeted	Amounts		
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1		\$ 16,900	\$ 230,859	
Resources (in-flows)				
Intergovernmental Revenue	20,000	20,000	20,000	-
Interest Revenue	300	300	295	(5)
Miscellaneous Revenues	3,700	3,700	3,565	(135)
Total Resources (in-flows)	24,000	24,000	23,860	(140)
Amounts Available for Appropriation	24,000	40,900	254,719	
Charges to Appropriations (out-flows)				
Salaries and Wages	12,000	15,600	15,551	(49)
Personnel Benefits	-	-	-	-
Supplies	4,100	20,900	19,681	(1,219)
Services and Charges	7,900	4,400	4,448	48
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	24,000	40,900	39,680	(1,220)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 215,039	_

### **Boating Safety**

	Budgeted	l Amounts		
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1			\$ 67,350	
Resources (in-flows)				
Intergovernmental Revenue	100,500	100,500	85,695	(14,805)
Interest Earnings	100	100	42	(58)
Miscellaneous Revenues	2,500	2,500	-	(2,500)
Total Resources (in-flows)	103,100	103,100	85,737	(17,363)
Amounts Available for Appropriation	103,100	103,100	153,087	
Charges to Appropriations (out-flows)				
Salaries and Wages	46,000	40,015	35,415	(4,600)
Personnel Benefits	14,919	12,904	11,917	(987)
Supplies	11,306	13,506	11,006	(2,500)
Services and Charges	24,400	30,200	33,952	3,752
Capital Outlays	5,000	5,000	-	(5,000)
Interfund Payments for Services	1,475	1,475	-	(1,475)
Transfers Out				-
Amount Charged to Appropriations (out-flows)	103,100	103,100	92,290	(10,810)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 60,797	=

### **Low-Income Housing Fund**

		<b>Budgeted</b>	Amo	ounts			
	Ori	ginal	Fina	al	_		Variance with
	Bud	dget	Buc	dget	Ac	tual	Final Budget
Budgeted Fund Balance, January 1	\$	1,000	\$	17,848	\$	224,331	
Resources (in-flows)							
Charges for Goods and Services		104,121		138,000		128,230	(9,770)
Interest Revenue		152		152		213	61
Total Resources (in-flows)		104,273		138,152		128,443	(9,709)
Amounts Available for Appropriation		105,273		156,000		352,774	
Charges to Appropriations (out-flows)							
Salaries and Wages							-
Personnel Benefits							-
Supplies							-
Services and Charges		105,273		156,000		118,794	(37,206)
Capital Outlays							-
Interfund Payments for Services		-					-
Transfers Out							-
Amount Charged to Appropriations (out-flows)		105,273		156,000		118,794	(37,206)
Budgeted Fund Balance, December 31	\$	_	\$	_	\$	233,980	
Budgeted I dild Balance, December 31	Ψ	-	Ψ		Ψ	200,000	=

### **Title III Projects Fund**

	Budgete	d Amounts		
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1		\$ 9,104	\$ 11,474	
Resources (in-flows)				
Intergovernmental Revenue	-	41,246	41,246	-
Total Resources (in-flows)	-	41,246	41,246	
Amounts Available for Appropriation	-	50,350	52,720	
Charges to Appropriations (out-flows) Salaries and Wages				
Personnel Benefits				-
Supplies				-
Services and Charges	-	50,350	42,005	(8,345)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	-	50,350	42,005	(8,345)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 10,715	=

### **Treasurer's Reet**

riginal udget _ _ _	Final Budg		Actual \$ 182,353  - 13,935 13,290 545 27,770	Variance with Final Budget
udget _ _ _	Budg	- -	\$ 182,353 - 13,935 13,290 545	- 13,935 13,290 545
		-	13,935 13,290 545	- 13,935 13,290 545
<u>-</u>		- -	13,290 545	13,290 545
<u>-</u> -		<u>-</u>	13,290 545	13,290 545
<u>-</u> -		-	13,290 545	13,290 545
<u>-</u> -		-	545	545
-		-		
-		-	27,770	27,770
-				
		-	210,123	
-		-	-	-
				-
				-
				-
				-
				-
				-
-		-	-	-
			¢ 240.422	
	-	-	<u> </u>	- \$ - \$ 210,123

### **Homeless Housing**

		Budgeted	<b>Amounts</b>			
	Ori	ginal	Final			Variance with
	Bud	dget	Budget		Actual	Final Budget
Budgeted Fund Balance, January 1	\$	51,544	\$ 16,56	0	\$ 194,773	
Resources (in-flows)						
Intergovernmental Revenue		-	24,82	25		(24,825)
Charges for Goods and Services		517,801	662,00	0	653,795	(8,205)
Interest Revenue		1,440	1,44	0	43	(1,397)
Total Resources (in-flows)		519,241	688,26	5	653,838	(9,602)
Amounts Available for Appropriation		570,785	704,82	:5	848,611	
Charges to Appropriations (out-flows)						
Salaries and Wages		-	16,48	6		(16,486)
Personnel Benefits			8,33	9		(8,339)
Supplies						-
Services and Charges		570,785	680,00	0	656,239	(23,761)
Capital Outlays						-
Interfund Payments for Services					3,125	3,125
Transfers Out						
Amount Charged to Appropriations (out-flows)		570,785	704,82	25	659,364	(45,461)
Budgeted Fund Balance, December 31	\$	-	\$ -		\$ 189,247	=

### **Interlocal Investigation**

	Budgeted	l Amounts		
	Original	Final	_	Variance with
	Budget	Budget	Actual	Final Budget
Budgeted Fund Balance, January 1			\$ 208,284	_
Resources (in-flows)				
Intergovernmental Revenue	145,761	145,761	146,031	270
Charges for Goods and Services	1,500	1,500	20	(1,480)
Fines and Forfeits	270,450	270,450	105,273	(165,177)
Interest Revenue	300	300	118	(182)
Miscellaneous Revenues	8,000	8,000	9,645	1,645
Total Resources (in-flows)	426,011	426,011	261,087	(164,924)
Amounts Available for Appropriation	426,011	426,011	469,371	
Charges to Appropriations (out-flows)				
Salaries and Wages	50,362	50,362	48,576	(1,786)
Personnel Benefits	27,399	27,399	26,664	(735)
Supplies	22,500	22,500	10,350	(12,150)
Services and Charges	270,750	270,750	115,801	(154,949)
Capital Outlays	20,000	20,000	21,940	1,940
Interfund Payments for Services	35,000	35,000	30,271	(4,729)
Transfers Out				-
Amount Charged to Appropriations (out-flows)	426,011	426,011	253,602	(172,409)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 215,769	=

#### NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is established to account for the accumulation of resources and the payment of expenditures, principal and interest for certain debt service arrangements.

## SKAGIT COUNTY, WASHINGTON BALANCE SHEET

### **Combining Nonmajor Debt Service Fund**

ASSETS AND OTHER DEBITS:	TOTALS
ASSETS: Cash Investments Accounts Receivable Interfund Loans Receivable	\$302,762 1,083,184 20
TOTAL ASSETS	\$1,385,965
LIABILITIES AND FUND BALANCES LIABILITIES	
Unearned Revenue Interfund Loans Payable TOTAL LIABILITIES	1,000 1,000
Deferred Inflow of Resources	20
FUND BALANCES Reserved for Debt Service TOTAL FUND BALANCES	1,384,945 1,384,945
TOTAL LIABILITIES AND FUND BALANCES	1,385,965

# Combing Statement of Revenues, Expenditures And Changes in Fund Balances DEBT SERVICE FUND

REVENUES:	Total
Interest Revenue	\$70,216
Miscellaneous Revenues	345,161
TOTAL REVENUES	415,377
EXPENDITURES:	
Debt Service: Principal	1,469,334
Debt Service: Interest and Related Costs	681,870
TOTAL EXPENDITURES	2,151,204
EXCESS (DEFICIENCY) OF REVENUES	
OVER EXPENDITURES	(1,735,827)
OTHER FINANCING SOURCES (USES):	
Transfers In	1,388,744
Proceeds of Long Term Debt	574,719
TOTAL OTHER FINANCING SOURCES (USES)	1,963,463
EXCESS (DEFICIENCY) OF REVENUES AND	
OTHER FINANCING SOURCES OVER	
EXPENDITURES AND OTHER FINANCING USES	227,636
FUND BALANCES:	
Fund Balance, January 1	1,157,309
FUND BALANCE, DECEMBER 31	1,384,945

### **Debt Service**

	Budgete	d Amounts	_	
	Original		-	Variance with
	Budget	Final Budget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$ (61,212)	\$ (61,212)	\$ 1,157,309	
Resources (in-flows)				
Intergovernmental Revenues			-	-
Transfers In	1,967,699	1,967,699	1,963,465	(4,234)
Interest Revenue	61,796	61,796	70,216	8,420
Other Revenue	313,614	313,614	345,161	31,547
Total Resources (in-flows)	2,343,109	2,343,109	2,378,842	35,733
Amounts Available for Appropriation	2,281,897	2,281,897	3,536,151	
Charges to Appropriations (out-flows)  Debt Service				
Principal	1,552,605	1,552,605	1,469,334	(83,271)
Interest	729,292	729,292	681,870	, , ,
Transfers Out	-	. 20,202	-	(47,422)
Amount Charged to Appropriations (out-flows)	2,281,897	2,281,897	2,151,204	(130,693)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 1,384,945	=

### SKAGIT COUNTY, WASHINGTON NONMAJOR CAPITAL PROJECT FUNDS

**Facility Improvement Fund -** A fund established in 1978 to account for the expenses incurred in investigation, planning, construction, improvement, replacement, repair, acquisition of property, property rights, facilities and equipment of public facilities.

**Capital Improvements Fund -** A fund established in 1990 to account for the expenses incurred in improving and maintaining capital facilities.

**Distressed County Public Improvement Fund -** A fund established to collect the 0.04% distressed County sales and use tax as authorized by RCW 82.14.370 and authorized by the Board of County Commissioners. The fund will also be utilized for expending proceeds from the tax for financing and construction of public facilities.

**Park Improvement Fund -** A fund established to provide for accounting for the expenses incurred in investigation, planning, construction, improvement, replacement, repair, acquisition of property, property rights, facilities, and equipment.

### SKAGIT COUNTY, WASHINGTON BALANCE SHEET NONMAJOR CAPITAL PROJECTS FUNDS

ASSETS:	FACILITY IMPROVEMENTS	CAPITAL IMPROVEMENT	DISTRESSED PUBLIC IMPROVEMENTS	PARKS IMPROVEMENT	2015 TOTALS
ASSETS: Cash Investments Due from Other Funds Due from another government unit Interfund Loan Receivable	\$1,194,469 - -	\$1,869,962 1,649,302 - - -	\$3,613,268 3,718,821 - 419,828	\$252,644 - - -	\$6,930,343 \$5,368,123 \$0 \$419,828
TOTAL ASSETS	1,194,469	3,519,264	7,751,917	252,644	\$12,718,294
LIABILITIES AND FUND BALANCES LIABILITIES: Accounts/vouchers payable Due to other funds Unearned Revenue TOTAL LIABILITIES	458,260 - - - - 458,260	- - - -	20,304 - - - - 20,304	15,963	494,528 - 0 \$494,528
FUND BALANCES Fund balances: Nonspendable Restricted Committed Unassigned TOTAL FUND BALANCES	736,209 - - 736,209	3,519,265 - 3,519,265	7,731,614	236,681 - 236,681	12,223,768 - - \$12,223,768
TOTAL LIABILITIES AND FUND BALANCES	\$1,194,469	\$3,519,265	\$7,751,917	\$252,644	\$12,718,295

# SKAGIT COUNTY, WASHINGTON COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

#### **NONMAJOR CAPITAL PROJECTS FUNDS**

REVENUES:	Facility IMPROVEMENTS FUND	CAPITAL IMPROVEMENTS FUND	DISTRESSED PUBLIC IMPROVEMENT	PARK IMPROVEMENT FUND	2015 TOTALS
Property Taxes	\$0	\$1,490,696	IIVII NOVLIVILIVI	TOND	\$1,490,696
ExciseTaxes	ΨΟ	\$1,490,090	\$2,413,461	\$0	\$2,413,461
Intergovernmental Revenue		-	ΨΣ, +10, +01	φο -	\$0
Charges for Goods and Services	-	<u>-</u>	-	13,460	\$13,460
Interest Revenue	3,748	5,334	12,479	.0, .00	\$21,561
Other Revenue	-	-	, - -		-
TOTAL REVENUES	3,748	1,496,030	2,425,940	13,460	3,939,179
EXPENDITURES:					
Current	-	-	-	-	-
Economic Environment			150,179	=	150,179
Culture and Recreation	-			137,371	137,371
Capital Outlay	1,757,874	-	-	326,386	2,084,260
Total Expenditures	1,757,874		150,179	463,757	2,371,810
TOTAL EXPENDITURES	1,757,874		150,179	463,757	2,371,810
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,754,126)	1,496,030	2,275,762	(450,297)	1,567,369
OTHER FINANCING SOURCES (USES):					
Issuance of Long Term Debt	-	-	-	-	-
Proceeds of Capital Assets	325,000	-	-	-	325,000
Transfers In	300,000	=		291,065	591,065
Transfers Out		(1,588,163)	(591,646)	<del></del> .	(2,179,809)
TOTAL OTHER FINANCING SOURCES (USES)	625,000	(1,588,163)	(591,646)	291,065	(1,263,744)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER					
EXPENDITURES AND OTHER FINANCING USE	(1,129,126)	(92,132)	1,684,116	(159,232)	303,625
FUND BALANCES:					
Fund Balance, January 1 Prior Period Adjustment	1,865,335	3,611,397	6,047,498	395,913	11,920,143 -
FUND BALANCE, DECEMBER 31	\$736,209	\$3,519,265	\$7,731,614	236,681	12,223,768

### **Facility Improvement**

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual

	Budgeted	d Amounts		
	Original		-	Variance with
	Budget	Final Budget	Actual	Final Budget
Budgeted Fund Balance, January 1		\$ 115,882	\$ 1,865,335	
Resources (in-flows)				
Intergovernmental Revenues	-	-	-	-
Proceeds of Lt Debt	-	-	-	-
Transfers In	1,383,161	1,383,161	300,000	(1,083,161)
Interest Revenue	-	-	3,748	3,748
Other Revenue	-	325,000	325,000	-
Total Resources (in-flows)	1,383,161	1,708,161	628,748	(1,079,413)
Amounts Available for Appropriation	1,383,161	1,824,043	2,494,083	
Charges to Appropriations (out-flows)				
Salaries and Wages	24,362	42,362	39,603	(2,759)
Personnel Benefits	11,799	18,799	17,788	(1,011)
Supplies			-	-
Services and Charges	100,000	100,000	67,512	(32,488)
Capital Outlays	1,247,000	1,662,882	1,632,971	(29,911)
Interfund Payments for Services			-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	1,383,161	1,824,043	1,757,874	(66,169)
				· , ,
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 736,209	=

### **Capital Improvements**

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual

	Budgete	_		
	Original		_	Variance with
	Budget	Final Budget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$ 1,861,842	\$ 1,861,842	\$ 3,611,397	
Resources (in-flows)				
Property Tax	1,000,000	1,000,000	1,490,696	490,696
Interest Revenue	2,000	2,000	5,334	3,334
Total Resources (in-flows)	1,002,000	1,002,000	1,496,030	494,030
Amounts Available for Appropriation	2,863,842	2,863,842	5,107,427	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges				-
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out	2,863,842	2,863,842	1,588,162	(1,275,680)
Amount Charged to Appropriations (out-flows)	2,863,842	2,863,842	1,588,162	(1,275,680)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 3,519,265	

### **Distressed Public Improvement**

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual

	Budgete	d Amounts		
	Original		_	Variance with
	Budget	Final Budget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$(1,425,451)	\$ (1,425,451)	\$ 6,047,498	
Resources (in-flows)				
Sales and Use Tax	2,200,000	2,200,000	2,413,462	213,462
Interest Revenue	5,300	5,300	12,479	7,179
Total Resources (in-flows)	2,205,300	2,205,300	2,425,941	220,641
Amounts Available for Appropriation	779,849	779,849	8,473,439	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	75,002	75,002	75,179	177
Capital Outlays				-
Interfund Payments for Services	113,200	113,200	75,000	(38,200)
Transfers Out	591,647	591,647	591,646	, ,
Amount Charged to Appropriations (out-flows)	779,849	779,849	741,825	(38,024)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 7,731,614	=

### **Park Improvement**

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual

	Budgete	d Amounts		
	Original		_	Variance with
	Budget	Final Budget	Actual	Final Budget
Budgeted Fund Balance, January 1	\$ (1,900)	\$ (1,900)	\$ 395,913	_
Resources (in-flows)				
Intergovernmental Revenue	-	-	-	-
Charges for Goods and Services	10,900	10,900	13,460	2,560
Interest Earnings	-	-	-	-
Transfers In	519,346	519,346	291,066	(228,280)
Donations		-	-	<u>-</u>
Total Resources (in-flows)	530,246	530,246	304,526	(225,720)
Amounts Available for Appropriation	528,346	528,346	700,439	
Charges to Appropriations (out-flows)				
Salaries and Wages	30,000	30,000	28,880	(1,120)
Personnel Benefits	5,846	5,846	3,896	(1,950)
Supplies	10,000	10,000	-	(10,000)
Services and Charges	144,000	99,741	104,596	4,855
Capital Outlays	338,500	382,759	326,386	(56,373)
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	528,346	528,346	463,758	(64,588)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 236,681	=

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### Nonmajor Enterprise Funds



#### **NONMAJOR ENTERPRISE FUNDS**

For the Year ended December 31, 2015, Skagit County has no Nonmajor Enterprise Funds.

### Internal Service Funds



### SKAGIT COUNTY, WASHINGTON INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services provided by one department, agency, or government to other departments or agencies of Skagit County, or to other governments, on a cost reimbursable basis.

**Equipment Rental Fund** - A fund to finance the maintenance, operations, and acquisition of goods used by the Public Works Department and other County Funds.

**Insurance Services Fund** - A fund established for risk management activities, including settlement and defense of lawsuits and third-party claims to all tortious conduct.

**Central Services Fund** - A fund established to account for information systems, geographic information systems and records management on a county-wide basis pursuant to RCW 36.92

**Unemployment Compensation Fund -** A fund established to finance and account for unemployment claims against the County.

### Combining Statement of Net Position Internal Service Funds December 31, 2015

Assets	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation # Fund	Total
Current Assets Cash and Cash Equivalents	\$6,047,356	\$10,553,490	\$1,273,206	\$550,589	\$18,424,641
Accounts Receivable	1,140	ψ10,333, <del>4</del> 30 -	439	ψ330,309 -	1,579
Due From Other Funds #	,	1,552,935	1,526,518	_	4,573,608
Due From Other Governments	1, 10 1, 100	1,002,000	19,699		19,699
Inventories and Prepayments	4,920,342	_	-	_	4,920,342
Total Current Assets	12,462,994	12,106,425	2,819,862	550,589	27,939,870
Noncurrent Assets Capital Assets Buildings	180,888				180,888
Machinery and Equipment	17,360,860	_	1,798,855	_	19,159,715
Less Accumulated Depreciation	(8,534,945)	_	(1,327,218)	_	(9,862,162)
Total noncurrent assets	9,006,803		471,637		9,478,440
Total Honourion access	0,000,000		111,001		0,110,110
Total Assets	21,469,797	12,106,425	3,291,499	550,589	37,418,311
Deferred Outflows of Resources	49,254	28,925	224,750		302,929
Liabilities and Fund Equity					
Current Liabilities					
Accounts/Vouchers Payable	128,815	27,879	160,392	12,100	329,186
Claims and Judgements Payable		2,693,340			2,693,340
Accrue Wages Payable	23,856	12,658	98,155	32,840	167,509
Due to other Funds	1,567,353	60,893			1,628,246
Accrued Employee Benefits	5,446	2,612	20,468	-	28,525
Other Accrued Liabilities	26,997		27	- 11010	27,024
Total Current Liabilities	1,752,466	2,797,381	279,042	44,940	4,873,829
Non-Current Liabilities					
Compensated Absences	44,354	17,144	183,857		245,355
Environmental Liability	113,533				113,533
Net Pension Liability	453,842	266,517	2,070,896		2,791,255
Total Non-Current Liabilities	611,729	283,661	2,254,754		3,150,143
T. (*11.5-1.995.)	0.004.405	0.004.040	0.500.705	44.040	-
Total Liabilities	2,364,195	3,081,042	2,533,795	44,940	8,023,972
Deferred Inflows of Resources	68,378	40,155	312,013		420,547
Net Position					
Net Investment in Capital Assets,	9,006,803	_	471,637	_	9,478,440
Unrestricted	10,079,675	9,014,152	198,804	505,650	19,798,281
Total Net Position	\$ 19,086,478	\$ 9,014,152	\$ 670,441	\$ 505,650	\$ 29,276,721

# Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds December 31, 2015

	Equipment Rental	Insurance Services	Central Services	Unemployment Compensation	
Operating Revenues:	Fund	Fund	Fund	Fund	Total
Charges For Services	\$5,792,536	\$1,554,116	\$6,458,471	\$650,317	\$14,455,440
Miscellaneous	56,485	13,124,884		0	13,181,369
Total Operating Revenue	5,849,021	14,679,000	6,458,471	650,317	27,636,809
Operating Expenses:					
Personal services	884,597	454.589	3,492,860	206,328	5,038,374
Contractural services	-	2,162,574	-, - ,	,-	2,162,574
Other supplies and expenses	4,028,273	106,514	2,942,141	-	7,076,928
Depreciation	1,015,997	-	176,980	-	1,192,977
Payment to Claimants	-	13,099,018	-	63,158	13,162,176
Total Operating Expenses	5,928,867	15,822,694	6,611,981	269,486	28,633,029
Operating Income (Loss)	(79,846)	(1,143,694)	(153,510)	380,831	(996,220)
Non-Operating Revenues (Expenses):					
Interest Revenue	5,833	6,233		-	12,066
Miscellaneous Revenue			3,586	-	3,586
Gain (Loss) on Fixed Asset Disposal	(101,811)		(12,364)	-	(114,175)
Miscellaneous Expense	4,818				4,818
Total non-operating revenues	(91,161)	6,233	(8,777)	-	(93,705)
Net Income (Loss) Before Operating Transfers Contributions and Special Items	(171,007)	(1,137,461)	(162,288)	380,831	(1,089,925)
Transfers In	34,500	-	-		34,500
Transfers Out	•	-	-	-	,
Changes in Net Position	(136,507)	(1,137,461)	(162,288)	380,831	(1,055,425)
Net Position as of January 1	19,691,734	10,396,260	2,829,394	124,819	33,042,207
Prior Period Correction	(468,749)	(244,647)	(1,996,666)	•	(2,710,061)
Net Position as of December 31	19,086,478	9,014,152	670,441	505,650	29,276,721

#### Combining Statement of Cash Flow Internal Service Funds December 31, 2015

	Equipment Rental	Insurance Service	Central Services	Unemployment Compensation	
Cash Flows From Operating Activities:	Fund	Fund	Fund	Fund	Total
Receipts from Customers	\$206.375	\$2,442,661	\$595.409	\$0	\$3.244.445
Receipts from interfund services provided	5,585,385	12,511,391	5,506,894	650,316	24,253,986
Payments to Employees	(890,017)	(405,120)	(3,313,590)	(313,890)	(4,922,617)
Payments to Suppliers	(2,293,153)	(1,376,032)	(2,870,893)	` - ′	(6,540,078)
Payments to Claimants		(13,123,522)	- 1	(62,571)	(13,186,093)
Payments for interfund services used	(1,624,782)	(96,690)	(11,340)	-	(1,732,812)
Miscellaneous receipts(payments)	25,350	(89,935)	3,586		(60,999)
Net cash provided (used) by operating activities	1,009,158	(137,247)	(89,934)	273,855	1,055,832
Cash Flows From Non-Capital And Related Financing Activities					
Transfers to Other Funds		-	-	-	-
Transfers From Other Funds	34,500		-		34,500
Net cash provided (used) by Non-Capital					
and related financing activities	34,500				34,500
Cash Flows From Capital And Related Financing Activities					
Capital Grant Received	-	-	-		-
Proceeds from sale of capital assets	(1,528,656)	-	(264,086)	-	(1,792,742)
Purchases of capital assets	139,819		176,895		316,714
Net cash provided (used) by capital					
and related financing activities	(1,388,837)		(87,191)		(1,476,028)
Cash Flows From Investing Activities:					
Interest Received	5,833	6,233	-		12,066
Net Cash Provided by Investing Activities	5,833	6,233	-		12,066
Net Increase in Cash & Cash Equivalents	(339,346)	(131,014)	(177,125)	273,855	(373,630)
Balances as of January 1	6,386,702	10,684,504	1,450,332	276,734	18,798,272
Balances as of December 31	6,047,356	10,553,490	1,273,206	550,589	18,424,642
Operating Income/(Loss)	(79,846)	(1,143,694)	(153,510)	380,831	(996,220)

# Combining Reconciliation of Operating Income to Net Cash Provided Internal Service Funds December 31, 2015

	Equipm Renta Fund	al	Insurance Service Fund	Central Services Fund	mployment npensation # Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss) ###	\$ (7	9,846) \$	(1,143,694)	\$(153,510)	\$ 380,831	(996,220)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	1,01	5,998		176,980		1,192,978
Miscellaneous Receipts	2	5,192	-	3,586		28,778
Changes in Assets and Liabilities: Receivables, Net Prepayables	(5	7,262)	418,534 -	(356,607)	-	4,665
Inventories Accounts and Other Payables		9,952 4,966	587,913	239,617	(106,976)	89,952 735,520
Net Cash Provided (Used) by Operating Activities	\$ 1,00	9,000 \$	(137,247)	\$ (89,934)	\$ 273,855	\$ 1,055,674

### Agency Funds



#### **AGENCY FUNDS**

Agency Funds are established to account for assets Skagit County holds in the capacity of agent. Many independent taxing districts are required by Washington State statutes to process all monies through the county treasurer. These Agency Funds are custodial in nature and do not present results of operations or have a measurement focus.

#### Agency Funds Include:

**Cemetery Districts** 

Cities & Towns

Council of Governments

Dike & Drainage Districts

Fidalgo Parks & Recreation

Fire Districts

**Hospital Districts** 

**Library Districts** 

North Sound Regional Support Network

Northwest Clean Aid Agency

Payroll/Claims Clearing

Port Districts

**Public Facilities District** 

**School Districts** 

**Sewer Districts** 

**Skagit Community Network** 

Skagit Council of Governments

Skagit Emergency Communications Center

Skagit Transit & Housing Authority

State Trust

Treasurer's Trust Suspense

Water Districts

## SKAGIT COUNTY, WASHINGTON COMBINING BALANCE SHEET

ASSETS		TRUST FUNDS	_	LEARING FUNDS		STATE FUNDS		CLEAN AIR AGENCY FUNDS
Cash	\$	345,166	\$	3,589,489	\$	810,718	\$	22,856
Investments								6,103,278
Taxes Receivable						883,017		
Deposits				-				
TOTAL ASSETS		345,166	;	3,589,489		1,693,735		6,126,134
LIABILITIES	_							
Warrants Payable	_		;	3,532,771				
<b>Custodial Accounts</b>		345,166		56,718		1,693,735		6,126,134
TOTAL LIABILITIES	\$	345,166	\$	3,589,489	\$	1,693,735	\$	6,126,134
ΔSSETS		IBRARY FUNDS		SKAGIT OUSING FUND	•	TIES AND TOWNS FUNDS		PORT OF NACORTES FUNDS
ASSETS Cash		FUNDS	Н	OUSING FUND		TOWNS FUNDS	1A	NACORTES FUNDS
Cash	\$	<b>FUNDS</b> 736,209		OUSING FUND 1,000	•	TOWNS		NACORTES FUNDS 960,206
Cash Investments	\$	<b>FUNDS</b> 736,209 1,826,011	Н	OUSING FUND		TOWNS FUNDS 336,713	1A	960,206 9,145,187
Cash Investments Taxes Receivable	\$	<b>FUNDS</b> 736,209	Н	OUSING FUND 1,000		TOWNS FUNDS	1A	NACORTES FUNDS 960,206
Cash Investments	\$	<b>FUNDS</b> 736,209 1,826,011	Н	OUSING FUND 1,000		TOWNS FUNDS 336,713	1A	960,206 9,145,187
Cash Investments Taxes Receivable Deposits	\$	736,209 1,826,011 48,388	Н	OUSING FUND 1,000 708,183		TOWNS FUNDS 336,713 387,550	1A	960,206 9,145,187 7,869
Cash Investments Taxes Receivable Deposits TOTAL ASSETS	\$	736,209 1,826,011 48,388	Н	OUSING FUND 1,000 708,183		TOWNS FUNDS 336,713 387,550	1A	960,206 9,145,187 7,869
Cash Investments Taxes Receivable Deposits TOTAL ASSETS LIABILITIES	\$	736,209 1,826,011 48,388 <b>2,610,608</b>	Н	OUSING FUND 1,000 708,183		TOWNS FUNDS 336,713 387,550	1A	960,206 9,145,187 7,869 10,113,262

## SKAGIT COUNTY, WASHINGTON COMBINING BALANCE SHEET

ASSETS	GOV	ERNMENTS FUNDS	IDALGO RK FUNDS	AFFILIATED HEALTH SERVICES FUNDS		
Cash	\$	76,627	\$ 397,224	\$	401	
Investments		883,007	226,205		46,397	
Taxes Receivable			9,134			
Deposits						
TOTAL ASSETS		959,634	632,563		46,798	
LIABILITIES						
Warrants Payable	_	14,866	-		401	
Custodial Accounts		944,768	632,563		46,398	
TOTAL LIABILITIES	\$	959,634	\$ 632,563	\$	46.799	

ASSETS	POF	RT OF SKAGIT FUNDS	D	DIKE ISTRICTS FUNDS	TR	SKAGIT ANSPORTATION FUNDS
Cash	\$	460,817	\$	7,366,310		
Investments		6,643,674		6,626,892		8,527,275
Taxes Receivable		61,439		165,077		
Deposits						
TOTAL ASSETS		7,165,930		14,158,279		8,527,275
LIABILITIES						
Warrants Payable		303,278		66,548		
Custodial Accounts		6,862,652		14,091,731		8,527,275
TOTAL LIABILITIES	\$	7,165,930	\$	14,158,279	\$	8,527,275

## SKAGIT COUNTY, WASHINGTON COMBINING BALANCE SHEET

ASSETS		HOSPITAL DISTRICT 1 FUNDS	HOSPITAL DISTRICT 2 FUNDS		IOSPITAL STRICT 304 FUNDS	DI	VATER ISTRICT FUNDS
Cash	\$	3,025,016	\$ 1,600,027	\$	517,976	\$	52,333
Investments		144,400,109	29,476,500		14,446,402		227,721
Taxes Receivable		99,878	48,455		31,712		
Deposits							
TOTAL ASSETS		147,525,003	31,124,982	,	14,996,090		280,054
LIABILITIES	_						
Warrants Payable		1,859,068	1,227,840		426,267		-
<b>Custodial Accounts</b>		145,665,935	29,897,142		14,569,823		280,054
TOTAL LIABILITIES	\$	147,525,003	\$ 31,124,982	\$	14,996,090	\$	280,054
	DRAINAGE DISTRICT FUNDS						
ASSETS	l	DISTRICT FUNDS	 SCHOOL DISTRICTS FUNDS	D	EMETARY ISTRICTS FUNDS	COI	SKAGIT MMUNITY ETWORK
Cash		DISTRICT FUNDS 477,555	\$ DISTRICTS FUNDS 18,238,368	_	ISTRICTS FUNDS 197,569	COI	MMUNITY
Cash Investments	l	DISTRICT FUNDS 477,555 1,150,725	\$ DISTRICTS FUNDS 18,238,368 107,607,505	D	197,569 640,047	COI	MMUNITY TWORK
Cash Investments Taxes Receivable	l	DISTRICT FUNDS 477,555	\$ DISTRICTS FUNDS 18,238,368	D	ISTRICTS FUNDS 197,569	COI	MMUNITY TWORK
Cash Investments Taxes Receivable Deposits	l	DISTRICT FUNDS 477,555 1,150,725 21,837	\$ DISTRICTS FUNDS 18,238,368 107,607,505 1,728,293	D	197,569 640,047 5,372	COI	MMUNITY ETWORK 1,801
Cash Investments Taxes Receivable	l	DISTRICT FUNDS 477,555 1,150,725	\$ DISTRICTS FUNDS 18,238,368 107,607,505	D	197,569 640,047	COI	MMUNITY TWORK
Cash Investments Taxes Receivable Deposits TOTAL ASSETS LIABILITIES	l	DISTRICT FUNDS 477,555 1,150,725 21,837	\$ DISTRICTS FUNDS 18,238,368 107,607,505 1,728,293	D	197,569 640,047 5,372 842,988	COI	MMUNITY ETWORK 1,801
Cash Investments Taxes Receivable Deposits TOTAL ASSETS	l	DISTRICT FUNDS 477,555 1,150,725 21,837	\$ DISTRICTS FUNDS 18,238,368 107,607,505 1,728,293	D	197,569 640,047 5,372	COI	MMUNITY ETWORK 1,801
Cash Investments Taxes Receivable Deposits TOTAL ASSETS LIABILITIES	l	DISTRICT FUNDS 477,555 1,150,725 21,837 1,650,117	\$ DISTRICTS FUNDS 18,238,368 107,607,505 1,728,293 127,574,166	D	197,569 640,047 5,372 842,988	COI	MMUNITY ETWORK 1,801

# SKAGIT COUNTY, WASHINGTON COMBINING BALANCE SHEET

As of December 31, 2015

400570	D	SEWER ISTRICT	FIR	RE DISTRICT	S	NORTH OUND RSN	
ASSETS		FUNDS		FUNDS	FUNDS		
Cash	\$	324,877	\$	2,745,555	\$	1,879,877	
Investments		466,174		4,067,239		62,245,340	
Taxes Receivable		775		160,660			
Deposits							
TOTAL ASSETS		791,826		6,973,454		64,125,217	
LIABILITIES	_						
Warrants Payable		16,371		143,674		5,289,909	
<b>Custodial Accounts</b>		775,455		6,829,780		58,835,308	
<b>TOTAL LIABILITIES</b>	\$	791,826	\$	6,973,454	\$	64,125,217	

ASSETS		PUBLIC ACILITIES DISTRICT	E	SKAGIT MERGENCY COMM	2015 TOTALS
Cash	\$	151,795	\$	315,135	\$ 44,631,620
Investments		1,298,782		805,193	407,567,846
Taxes Receivable					3,659,456
Deposits					-
TOTAL ASSETS		1,450,577		1,120,328	455,858,922
LIABILITIES	_				
Warrants Payable		-		-	24,562,989
<b>Custodial Accounts</b>		1,450,577		1,120,328	431,295,933
TOTAL LIABILITIES	\$	1,450,577	\$	1,120,328	\$ 455,858,922

TRUST FUNDS		Balance mber 31, 2014	Additions	ı	Deductions	Dece	Balance ember 31, 2015
ASSETS							
Cash	\$	1,107,153	\$ 8,999,155	\$	9,761,142	\$	345,166
Investments		-					-
Taxes Receivable		-					-
Deposits		-					-
TOTAL ASSETS		1,107,153	8,999,155		9,761,142		345,166
LIABILITIES							
Warrants Payable	_	-					-
Custodial Accounts		1,107,153	8,998,222		9,760,208		345,166
TOTAL LIABILITIES	\$	1,107,153	\$ 8,998,222	\$	9,760,208	\$	345,166

		Balance						Balance
CLEARING FUNDS	Dece	ember 31, 2014 Additions Deductions		Deductions	December 31, 2015			
ASSETS								
Cash	\$	6,752,749	\$	310,178,170	\$	313,341,430	\$	3,589,489
Investments		-						-
Taxes Receivable		-						-
Deposits		-		-		-		-
TOTAL ASSETS		6,752,749		310,178,170		313,341,430		3,589,489
LIABILITIES								
Warrants Payable	_	6,670,407		239,676,794		242,814,430		3,532,771
Custodial Accounts		82,342		105,838,318		105,863,942		56,718
TOTAL LIABILITIES	\$	6,752,749	\$	345,515,112	\$	348,678,372	\$	3,589,489

STATE FUNDS		Balance mber 31, 2014	Additions	Deductions	Dec	Balance ember 31, 2015
ASSETS	Dece	1111001 31, 2014	Additions	Deductions	Dec	elliber 31, 2013
Cash Investments	\$	1,100,323	\$ 50,306,525	\$ 50,596,129	\$	810,719
Taxes Receivable Deposits		1,029,943	33,898,216	34,045,142		883,017
TOTAL ASSETS		2,130,266	84,204,740	84,641,271		1,693,735
LIABILITIES	_					
Warrants Payable		-				-
Custodial Accounts		2,130,266	37,294,685	37,731,216		1,693,735
TOTAL LIABILITIES	\$	2,130,266	\$ 37,294,685	\$ 37,731,216	\$	1,693,735

67,926 6,920,899 - -	\$	9,829,320 4,103,379		9,874,391 4,921,000		22,856
	\$	, ,	\$		\$	•
	\$	, ,	\$		\$	•
6,920,899 - -		4,103,379		4.921.000		0.400.070
-						6,103,278
-						-
						-
6,988,825		13,932,699		14,795,391		6,126,134
-		5,390,912		5,390,912		-
6,988,825		-		862,691		6,126,134
6,988,825	\$	5,390,912	\$	6,253,603	\$	6,126,134
Balance December 31, 2014		Additions	Г	Deductions	De	Balance ecember 31, 2015
	6,988,82 <u>5</u> <b>6,988,82</b> 5	6,988,825 6,988,825 \$	5,390,912 6,988,825 5,390,912 Balance	- 5,390,912 6,988,825 5,390,912 \$	5,390,912 5,390,912 6,988,825 - 862,691 6,988,825 \$ 5,390,912 \$ 6,253,603	- 5,390,912 5,390,912 6,988,825 - 862,691 6,988,825 \$ 5,390,912 \$ 6,253,603 \$

	E	Balance						Balance	
COUNCIL OF GOV'T FUNDS	December 31, 2014			Additions	D	eductions	December 31, 2015		
ASSETS									
Cash	\$	67,783	\$	842,811	\$	833,968	\$	76,626	
Investments		801,949		165,025		83,967		883,008	
Taxes Receivable		-						-	
Deposits		-						-	
TOTAL ASSETS		869,732		1,007,836		917,934		959,634	
LIABILITIES									
Warrants Payable	_	17,544		270,670		273,348		14,866	
Custodial Accounts		852,188		249,511		156,932		944,768	
TOTAL LIABILITIES	\$	869,732	\$	520,181	\$	430,281	\$	959,634	

LIBRARY FUNDS	Balance mber 31, 2014	Additions	Deductions	Balance December 31, 2015		
ASSETS	 iliber 31, 2014		Additions	 Deductions	Det	Jennber 31, 2013
Cash	\$ 1,223,596	\$	2,292,493	\$ 2,779,880	\$	736,209
Investments	494,165		1,927,258	595,412		1,826,011
Taxes Receivable	43,089		1,210,546	1,205,246		48,388
Deposits	-					-
TOTAL ASSETS	 1,760,850		5,430,297	4,580,538		2,610,608
LIABILITIES						
Warrants Payable	 11,079		353,392	349,926		14,545
Custodial Accounts	1,749,771		1,480,897	634,605		2,596,063
TOTAL LIABILITIES	\$ 1.760.850	\$	1.834.289	\$ 984.531	\$	2.610.608

Fiscal Year Ended December 31, 2015

SKAGIT HOUSING		Balance nber 31, 2014		Additions	_	Deductions		Balance December 31, 2015
ASSETS	Decer	11501 01, 2014		Additions		ocuuciion3		December 51, 2015
Cash	\$	1.000	\$	123,933	\$	123,933	\$	1,000
Investments	•	702,690	•	64,713	•	59,220	•	708,183
Taxes Receivable		-		- , -		,		-
Deposits		-						-
TOTAL ASSETS		703,690		188,646		183,153		709,183
LIABILITIES								
Warrants Payable	_	-		-		-		-
Custodial Accounts		703,690		5,493				709,183
TOTAL LIABILITIES	\$	703,690	\$	5,493	\$	-	\$	709,183
		Balance						Balance
CITIES AND TOWNS FUNDS	-	nber 31, 2014		Additions		Deductions		December 31, 2015
ASSETS				71				2000
Cash	\$	405,278	\$	20,558,431	\$	20,626,997	\$	336,713
Investments	•	-	•	-,,	•	-,,-	•	<u>-</u>
Taxes Receivable		425,935		17,746,682		17,785,067		387,550
Deposits		-						-
TOTAL ASSETS		831,213		38,305,113		38,412,064		724,263
LIABILITIES	=							
Warrants Payable		-						-
Custodial Accounts		831,213		17,746,682		17,853,631		724,263
TOTAL LIABILITIES	\$	831,213	\$	17,746,682	\$	17,853,631	\$	724,263
	I	Balance						Balance
PORT OF ANACORTES FUNDS	Decer	nber 31, 2014		Additions		Deductions	ı	December 31, 2015
ASSETS	-	•						•
Cash	\$	125,769	\$	29,180,285	\$	28,345,848	\$	960,206
Investments		8,386,838		5,160,432		4,402,083		9,145,187
Taxes Receivable		10,089		500,136		502,356		7,869
Deposits		-						-
TOTAL ASSETS		8,522,696		34,840,852		33,250,286		10,113,262

20,143

8,522,696 \$

8,502,553

\$

15,918,772

4,080,274

19,999,046 \$

15,756,125

2,652,356

18,408,481 \$

182,790

9,930,471

10,113,262

LIABILITIES
Warrants Payable

**Custodial Accounts** 

**TOTAL LIABILITIES** 

		Balance				Balance	
PORT OF SKAGIT FUNDS	December 31, 2014		Additions		Deductions	December 31, 2015	
ASSETS							
Cash	\$	593,819	\$ 18,742,997	\$	18,875,998	\$ 460,817	
Investments		7,874,295	2,313,002		3,543,623	6,643,674	
Taxes Receivable		63,987	2,068,942		2,071,490	61,439	
Deposits		-				-	
TOTAL ASSETS		8,532,101	23,124,941		24,491,112	7,165,930	
LIABILITIES							
Warrants Payable		50,476	8,118,989		7,866,187	303,278	
Custodial Accounts		8,481,625	3,886,442		5,505,415	6,862,652	
TOTAL LIABILITIES	\$	8,532,101	\$ 12,005,431	\$	13,371,602	\$ 7,165,930	

		Balance						Balance	
FIDALGO PARK FUNDS	Decen	December 31, 2014		Additions		Deductions	December 31, 2015		
ASSETS									
Cash	\$	313,643	\$	1,365,310	\$	1,281,728	\$	397,224	
Investments		185,099		226,205		185,099		226,205	
Taxes Receivable		10,789		638,384		640,039		9,134	
Deposits		-						-	
TOTAL ASSETS		509,531		2,229,898		2,106,866		632,563	
LIABILITIES									
Warrants Payable		67,766		848,445		916,211		0	
Custodial Accounts		441,765		618,399		427,601		632,563	
TOTAL LIABILITIES	\$	509,531	\$	1,466,844	\$	1,343,812	\$	632,563	

	I	Balance						Balance
AFFILIATED HEALTH FUNDS	December 31, 2014		A	Additions		ductions	December 31, 2015	
ASSETS								
Cash	\$	402	\$	346,369	\$	346,370	\$	401
Investments		383,303		4,732		341,638		46,397
Taxes Receivable		-						-
Deposits		-						-
TOTAL ASSETS		383,705		351,101		688,008		46,798
LIABILITIES								
Warrants Payable	_	401		341,638		341,638		401
Custodial Accounts		383,304				336,907		46,397
TOTAL LIABILITIES	\$	383,705	\$	341,638	\$	678,545	\$	46,798

		Balance						Balance
HOSPITAL DISTRICT 1 FUNDS	Dec	ember 31, 2014	Additions	Deductions		December 31, 2015		
ASSETS								
Cash	\$	4,365,029	\$	943,588,419	\$	944,928,432	\$	3,025,016
Investments		137,672,545		476,182,555		469,454,992		144,400,109
Taxes Receivable		113,057		3,667,229		3,680,407		99,878
Deposits		-						-
TOTAL ASSETS		142,150,631		1,423,438,203		1,418,063,831		147,525,003
LIABILITIES								
Warrants Payable		2,823,401		224,983,555		225,947,889		1,859,068
Custodial Accounts		139,327,230		8,250,214		1,911,509		145,665,935
TOTAL LIABILITIES	\$	142,150,631	\$	233,233,770	\$	227,859,398	\$	147,525,003

		Balance					Balance
HOSPITAL DISTRICT 2 FUNDS	Dece	ember 31, 2014	Additions	Deductions		December 31, 2015	
ASSETS							
Cash	\$	1,594,306	\$	112,284,833	\$ 112,279,112	\$	1,600,027
Investments		28,039,916		14,340,077	12,903,493		29,476,500
Taxes Receivable		63,726		3,223,720	3,238,991		48,454
Deposits		-					-
TOTAL ASSETS		29,697,948		129,848,630	128,421,597		31,124,982
LIABILITIES							
Warrants Payable		1,384,972		50,672,155	50,829,287		1,227,840
Custodial Accounts		28,312,976		13,779,455	12,195,289		29,897,142
TOTAL LIABILITIES	\$	29,697,948	\$	64,451,610	\$ 63,024,576	\$	31,124,982

HOSPITAL DISTRICT 304 FUNDS	Door	Balance December 31, 2014 Additions				Balance Deductions December 31, 2015			
ASSETS	Dece	December 51, 2014 Additions Dedu				Deductions		December 31, 2015	
	•	404.00=	•	00.045.000	•	10 000 001	•	5.1.7.0.7.0	
Cash	\$	131,307	\$	20,015,633	\$	19,628,964	\$	517,976	
Investments		14,811,013		12,969,622		13,334,233		14,446,402	
Taxes Receivable		34,495		949,834		952,617		31,712	
Deposits		-						-	
TOTAL ASSETS		14,976,815		33,935,089		33,915,814		14,996,090	
LIABILITIES									
Warrants Payable		67,751		3,802,479		3,443,963		426,267	
Custodial Accounts		14,909,064		949,835		1,289,075		14,569,824	
TOTAL LIABILITIES	\$	14.976.815	\$	4.752.314	\$	4.733.038	\$	14.996.090	

DIKE FUNDS	Balance mber 31, 2014	Additions	Deductions	г	Balance December 31, 2015
ASSETS	 111Del 31, 2014	Additions	 Jeauctions		December 51, 2015
Cash	\$ 6,432,839	\$ 6,912,906	\$ 5,979,435	\$	7,366,310
Investments	6,217,365	434,641	25,114		6,626,892
Taxes Receivable	163,483	5,288,703	5,287,109		165,077
Deposits	-				-
TOTAL ASSETS	 12,813,687	12,636,250	11,291,658		14,158,279
LIABILITIES					
Warrants Payable	 56,442	3,670,826	3,660,720		66,548
Custodial Accounts	12,757,245	3,014,196	1,679,710		14,091,731
TOTAL LIABILITIES	\$ 12,813,687	\$ 6,685,022	\$ 5,340,430	\$	14,158,279

SKAGIT TRANSPORTATION	Balance mber 31, 2014	Additions Deduc			ductions	Balance ions December 31, 2015		
ASSETS	 							
Cash	\$ -	\$	15,757	\$	15,757	\$	-	
Investments	8,511,518		15,757				8,527,275	
Taxes Receivable	-						-	
Deposits	-						-	
TOTAL ASSETS	 8,511,518		31,513		15,757		8,527,275	
LIABILITIES								
Warrants Payable	 -						-	
Custodial Accounts	8,511,518		15,757		-		8,527,275	
TOTAL LIABILITIES	\$ 8,511,518	\$	15,757	\$	-	\$	8,527,275	

		Balance					Balance
DRAINAGE DISTRICT FUNDS	Dece	mber 31, 2014	Additions		<b>Deductions</b>		ecember 31, 2015
ASSETS							
Cash	\$	357,641	\$ 1,300,894	\$	1,180,981	\$	477,555
Investments		1,143,349	236,323		228,946		1,150,726
Taxes Receivable		21,233	750,044		749,440		21,837
Deposits		-					-
TOTAL ASSETS		1,522,223	2,287,261		2,159,367		1,650,117
LIABILITIES							
Warrants Payable		12,625	619,052		610,912		20,765
Custodial Accounts		1,509,598	818,569		698,816		1,629,351
TOTAL LIABILITIES	\$	1,522,223	\$ 1,437,622	\$	1,309,728	\$	1,650,117

		Balance				Balance		
SCHOOL DISTRICT FUNDS	Dece	mber 31, 2014	Additions		Deductions		ecember 31, 2015	
ASSETS								
Cash	\$	16,672,672	\$ 532,240,987	\$	530,675,291	\$	18,238,368	
Investments		50,479,358	251,311,521		194,183,374		107,607,505	
Taxes Receivable		1,805,987	67,750,335		67,828,029		1,728,293	
Deposits		-					-	
TOTAL ASSETS		68,958,017	851,302,843		792,686,694		127,574,166	
LIABILITIES								
Warrants Payable	<u></u>	8,700,282	180,498,159		177,739,686		11,458,755	
Custodial Accounts		60,257,735	150,278,605		94,420,929		116,115,411	
TOTAL LIABILITIES	\$	68.958.017	\$ 330.776.764	\$	272.160.615	\$	127.574.166	

	Balance						Balance		
CEMETERY DISTRICT FUNDS	Decen	nber 31, 2014		Additions		Deductions	December 31, 2015		
ASSETS									
Cash	\$	260,183	\$	720,568	\$	783,182	\$	197,569	
Investments		637,218		458,685		455,856		640,047	
Taxes Receivable		8,283		202,796		205,707		5,372	
Deposits		-						-	
TOTAL ASSETS		905,684		1,382,049		1,444,745		842,988	
LIABILITIES									
Warrants Payable		7,558		191,766		194,183		5,141	
Custodial Accounts		898,126		244,473		304,752		837,847	
TOTAL LIABILITIES	\$	905,684	\$	436,239	\$	498,935	\$	842,988	

		Balance			Balance			
WATER DISTRICT FUNDS	Decen	nber 31, 2014	Additions		Deductions		cember 31, 2015	
ASSETS								
Cash	\$	37,014	\$ 56,624	\$	41,306	\$	52,333	
Investments		227,394	327		-		227,721	
Taxes Receivable		-					-	
Deposits		-					-	
TOTAL ASSETS		264,408	56,951		41,306		280,054	
LIABILITIES								
Warrants Payable	<u></u>	-	38,982		38,982		-	
Custodial Accounts		264,408	16,146		500		280,054	
TOTAL LIABILITIES	\$	264,408	\$ 55,128	\$	39,482	\$	280,054	

	Fiscal \	<b>Year</b>	<b>Ended</b>	<b>December</b>	31.	, 2015
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**Balance** 

1,879,877

62,245,340

64,125,217

5,289,909

58,835,308

64,125,217

**Balance** 

Cash

Investments

LIABILITIES

Deposits
TOTAL ASSETS

Taxes Receivable

Warrants Payable

**Custodial Accounts** 

**TOTAL LIABILITIES** 

SEWER DISTRICT FUNDS	Dece	mber 31, 2014		Additions		Deductions		December 31, 2015	
ASSETS									
Cash	\$	152,603	\$	2,049,810	\$	1,877,536	\$	324,877	
Investments		882,498		163,383		579,707		466,174	
Taxes Receivable		3,102				2,327		775	
Deposits		-						-	
TOTAL ASSETS		1,038,203		2,213,194		2,459,570		791,826	
LIABILITIES									
Warrants Payable	_	2,958		684,064		670,651		16,371	
Custodial Accounts		1,035,245		475,186		734,976		775,455	
TOTAL LIABILITIES	\$	1,038,203	\$	1,159,250	\$	1,405,627	\$	791,826	
		Balance						Balance	
FIRE DISTRICT FUNDS	Dece	mber 31, 2014		Additions		Deductions		December 31, 2015	
ASSETS									
Cash	\$	2,886,112	\$	9,574,093	\$	9,714,651	\$	2,745,554	
Investments		3,505,357		1,668,759		1,106,877		4,067,239	
Taxes Receivable		178,017		4,932,175		4,949,532		160,660	
Deposits		-						-	
TOTAL ASSETS		6,569,486		16,175,028		15,771,060		6,973,454	
LIABILITIES									
Warrants Payable		171,085		6,135,210		6,162,621		143,674	
Custodial Accounts		6,398,401		7,107,253		6,675,874		6,829,780	
TOTAL LIABILITIES	\$	6,569,486	\$	13,242,463	\$	12,838,495	\$	6,973,454	
	Polones						Balance		
NORTH SOUND RSN	Balance December 31, 2014			Additions Deductions			December 31, 2015		
ASSETS	_ Dece	111061 31, 2014		Additions		Deductions		December 31, 2013	
AGGETG	•	000.100	•		•		_		

638,198 \$

54,746,944

55,385,142

5,482,807

49,902,335

55,385,142 \$

136,794,655 \$ 135,552,976 \$

27,012,115

162,565,092

97,713,413

1,040,764

98,754,177 \$

34,510,511

171,305,166

97,520,515

9,973,737

107,494,252 \$

Fiscal Year Ended December 31, 2015

		Balance			_		_	Balance
SKAGIT EMERGENCY COMM	Dece	mber 31, 2014		Additions	D	eductions		December 31, 2015
ASSETS	Φ.	005 505	Φ.	4.474.040	Φ	4 405 044	Φ.	045.40
Cash	\$	635,535	\$	4,174,643	\$	4,495,044	\$	315,13
Investments		444,459		360,734		-		805,193
Taxes Receivable		-						-
Deposits								
TOTAL ASSETS		1,079,994		4,535,378		4,495,044		1,120,32
LIABILITIES								
Warrants Payable		-		14		14		-
Custodial Accounts		1,079,994		40,334				1,120,32
TOTAL LIABILITIES	\$	1,079,994	\$	40,347	\$	14	\$	1,120,32
		Balance						Balance
KAGIT COMMUNITY NETWORK		mber 31, 2014		Additions	ם	eductions	1	December 31, 2015
ASSETS		111501 01, 2014		Additions		caaotiono		December 61, 2016
Cash	\$	1,801	\$	_	\$	_	\$	1,80
Investments	Ψ		Ψ		Ψ		Ψ	1,00
Taxes Receivable		_						_
Deposits		_						_
TOTAL ASSETS		1,801						1,80
TOTALAGGETG		1,001						1,00
LIABILITIES								
Warrants Payable		-						-
Custodial Accounts		1,801						1,80
TOTAL LIABILITIES	\$	1,801	\$	-	\$	-	\$	1,80
		Balance						Balance
UBLIC FACILITY DISTRICT	Dece	mber 31, 2014		Additions	D	eductions		December 31, 2015
ASSETS								
Cash	\$	142,149	\$	3,933,606	\$	3,923,960	\$	151,79
Investments		1,223,793		2,254,282		2,179,293		1,298,78
Taxes Receivable		-						-
Deposits		-						-
TOTAL ASSETS		1,365,942		6,187,888		6,103,253		1,450,57
LIABILITIES								
Warrants Payable		-		221,287		221,287		-
Custodial Accounts		1,365,492		455,085		370,000		1,450,57
TOTAL LIADILITIES	•	4 205 400	•	676 979	•	E04 007	Φ.	4 450 57

1,365,492 \$

**TOTAL LIABILITIES** 

676,372 \$

591,287 \$

1,450,577

		Balance				Balance
TRUST AGENCY FUNDS	Dec	ember 31, 2014	Additions	Deductions	Dec	cember 31, 2015
ASSETS						
Cash	\$	46,066,830	\$ 2,226,429,227	\$ 2,227,864,440	\$	44,631,617
Investments		334,291,965	\$ 808,871,924	\$ 735,596,042		407,567,851
Taxes Receivable		3,975,215	\$ 142,827,740	\$ 143,143,500		3,659,455
Deposits		-				-
TOTAL ASSETS		384,334,010	3,178,128,890	3,106,603,982		455,858,922
LIABILITIES						
Warrants Payable		25,547,697	\$ 839,957,676	\$ 840,942,387		24,562,989
Custodial Accounts		358,786,313	\$ 375,618,320	\$ 303,107,699		431,296,933
TOTAL LIABILITIES	\$	384,334,010	\$ 1,215,575,996	\$ 1,144,050,086	\$	455,859,922

#### **Statistical Section**



#### **Statistical Section**

This part of Skagit 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 County's overall financial health.

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Financial Trends  These schedules contain trend information to help the reader understand how the County's financial performance has changed over time.	166
Revenue Capacity  These schedules contain information to help the reader assess the County's most significant local revenue source, property taxes.	175
Debt Capacity  These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	179
Demographic and Economic Information  These schedules offer demographic and economic indicators to help the reader understand the environment in which the County's financial activities take place.	184
Operating Information  These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial statements relate to the services the County provides and the activities it performs.	187

# SKAGIT COUNTY, WASHINGTON Net Position by Component

Last Ten Fiscal years (Accrual Basis of Accounting)

						Fiscal Year				
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Government Activities										
Net Investment in Capital Assets	\$ 366,147,997 \$ 357,149,388	\$ 357,149,388	\$ 348,749,188	\$ 369,397,842 \$ 359,956,151	\$ 359,956,151	\$ 327,995,991	\$ 324,329,535 \$ 311,928,988	\$ 311,928,988	\$ 291,628,047 \$ 273,798,884	\$ 273,798,884
Restricted	22,616,026	31,094,299	33,205,191	24,794,518	27,543,125	29,091,499	28,152,145	31,055,769	30,418,711	36,559,030
Unrestricted	19,952,312	19,336,537	14,966,923	14,514,433	16,234,084	24,183,225	29,972,479	11,722,089	28,256,073	6,460,200
Total Governmental Activities Net Position	408,716,335	407,580,224	396,921,302	408,706,793	403,733,360	381,270,715	382,454,159	354,706,846	350,302,831	316,818,114
Business-Type Activities										
Net Investment in Capital Assets	(488,175)	367,220	1,183,845	592,025	3,843,894	4,669,373	6,207,740	7,110,665	14,405,733	9,066,636
Restricted		•	•			•	•			
Unrestricted	5,230,238	1,760,885	285,705	2,293,537	(2,267,094)	(1,589,457)	(1,926,699)	(2,810,762)	(2,963,191)	5,090,996
Total Business-Type Activities Net Position	4,742,063	2,128,105	1,469,550	2,885,562	1,576,800	3,079,916	4,281,041	4,299,903	11,442,542	14,157,632
Primary Government										
Net Investment in Capital Assets	365,659,822	357,516,608	349,933,033	369,989,867	363,800,045	332,665,364	330,537,275	319,039,653	306,033,780	282,865,520
Restricted	22,616,026	31,094,299	33,205,191	24,794,518	27,543,125	29,091,499	28,152,145	31,055,769	30,418,711	36,559,030
Unrestricted	25,182,550	21,097,422	15,252,628	16,807,970	13,966,990	22,593,768	28,045,780	8,911,327	25,292,882	11,551,196
Total Primary Government Net Position	\$ 413,458,398 \$ 409,708,329	\$ 409,708,329	\$ 398,390,852	\$ 411,592,355	\$ 405,310,160	\$ 384,350,631	\$ 386,735,200	\$ 359,006,749	\$ 361,745,373	\$ 330,975,746

In 2014, jail operations were removed from Government Activities and now reside in Business-Type Activites. See Note X

Source: Financial Statements for relavent years.

#### Changes in Net Position by Function Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2006	<u> </u>	2007		2008	2009	2010
Expenses							
Governmental Activities							
General Government	\$ 22,76	0,258	\$ 23,993,651	\$	34,187,307	\$ 32,293,073	\$ 30,411,707
Judicial		-	-		6,385,303	6,786,074	6,281,910
Public Safety	22,49	6,619	24,872,632		22,665,563	24,713,361	20,015,584
Physical Environment	2,16	1,454	3,509,248		3,008,208	2,185,797	3,560,748
Transportation	32,49	9,589	32,079,278		28,136,224	27,080,176	27,144,427
Economic Environment	6,14	9,970	5,763,176		5,947,702	5,348,995	3,467,987
Health and Human Services	8,40	9,308	9,293,864		12,606,481	11,340,490	10,134,616
Culture and Recreation	2,80	9,835	3,020,552		2,782,984	2,573,312	2,566,016
Interest on Long-Term Debt	54	4,820	708,941		687,761	660,210	559,293
Total Government Activities	97,83	1,853	103,241,342		116,407,533	112,981,488	104,142,288
Business-Type Activities							
Solid Waste	8,54	8,400	8,775,500		8,216,764	7,723,823	8,705,787
Drainage Utility	64	4,188	787,587		905,641	1,626,049	1,240,898
Jail Fund		-	-		-	-	-
Total Business-Type Activities	9,19	2,588	9,563,087		9,122,405	9,349,872	9,946,685
Total Primary Government	107,02	4,441	112,804,429		125,529,938	122,331,360	114,088,973
Program Revenues							
Government Activities							
Property Tax	30,84	7 0/13	34,519,624		37,192,117	38,020,570	40,839,173
Sales and Other Tax	20,43		22,179,773		20,586,592	17,367,314	15,939,206
Interest and Investments	,	3,945	4,578,687		3,040,686	1,432,797	1,104,621
Charges for Services	3,10	3,943	4,370,007		3,040,000	1,432,131	1,104,021
General Government	5 50	9,012	6,116,977		10,110,482	7,888,910	8,468,108
Judicial	5,50	5,012	0,110,377		2,515,475	3,931,874	3,922,658
Public Safety	1 38	4,252	1,449,743		3,408,760	3,577,904	3,268,388
Physical Environment		1.242	440.067		521,983	89,253	113,852
Transportation		6,397	3,918,644		7,693,881	6,188,799	6,227,702
Economic Environment		8,354	2,576,391		1,788,532	1,424,780	1,195,078
Health and Human Services	,	8,835	, ,		3,999,141	3,555,103	3,057,962
Culture and Recreation		0,501	1,691,416 931,713		935,070	719,082	884,659
Operating Grants and Contributions		,	22,093,519		9,659,021		10,628,645
Capital Grants and Contributions	16,19				, ,	11,271,785	
Gain (Loss) from Sale of Capital Assets		3,961	2,667,303		1,496,744	3,384,760	3,471,716
Issuance of Long Term Debt	41	7,575			(82,021)	(59,262)	14,837
Total Governmental Activities Program Revenues	93,59	3 216	103,163,857		102,866,463	98,793,669	99,136,605
<u> </u>	50,00	0,210	100,100,007		102,000,400	30,730,003	33,100,000
Business-Type Activities							
Interest and Investments	19	2,586	266,841		138,581	44,502	21,111
Charges for Services							
Solid Waste		6,633	9,231,853		8,531,366	7,809,298	8,253,739
Drainage Utility	98	6,778	1,028,099		1,353,038	1,752,753	1,670,508
Jail Fund		-	-		-	-	-
Operating Grants and Contributions	24	6,250	203,909		266,239	485,717	303,245
Capital Grants and Contributions							
Gain (Loss) from Sale of Capital Assets							
Total Business-Type Activities Program Revenues	10,23	2,247	10,730,702		10,289,224	10,092,270	10,248,603
Total Primary Government Program Revenues	103,82	5,463	113,894,559		113,155,687	108,885,939	109,385,208
Net (Expense) Revenue							
Governmental Activities	(4.22	Q 627\	(77,485	١	(13 5/1 070)	(1/ 107 010)	(5,005,683)
		8,637)	, ,	,	(13,541,070)	(14,187,819)	. , , ,
Business-Type Activities Total Primary Government Net Expense		9,659 8,978)	1,167,615 \$ 1,090,131		1,166,819 (12,374,251)	742,398 \$ (13,445,421)	301,918 \$ (4,703,765)
Total Filmary Government Net Expense	<b>φ</b> (3,19	0,910)	ψ 1,080,131	φ	(12,314,231)	ψ (13,443,421)	ψ (4,703,763)

Note: The County began separating out Judicial in 2009

In 2014, jail operations were removed from Government Activities and now reside in Business-Type Activities. See Note X

#### Changes in Net Position by Function Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal Year				
	2011	2012	2013	2014	2015
Expenses					
Governmental Activities					
General Government	\$ 29,694,591 \$	, ,	\$ 31,210,941	\$ 33,434,058	\$ 38,988,745
Judicial	6,528,192	6,762,929	7,068,715	6,993,755	7,023,822
Public Safety	20,622,410	19,980,408	22,333,986	21,504,017	22,700,976
Physical Environment	2,672,643	2,729,881	2,835,410	2,241,397	2,579,726
Transportation	29,952,995	29,724,498	32,986,406	32,912,501	25,806,761
Economic Environment	3,162,607	3,233,397	3,188,571	2,836,294	2,662,654
Health and Human Services	10,387,711	10,391,910	11,895,878	11,366,884	10,277,091
Culture and Recreation	1,642,170	2,066,029	1,699,884	2,010,042	2,118,435
Interest on Long-Term Debt	516,260	222,519	969,862	2,572,433	1,113,066
Total Government Activities	105,179,579	108,107,865	114,189,653	115,871,381	113,271,275
Business-Type Activities					
Solid Waste	7,252,470	6,952,600	8,826,690	8,065,622	8,414,131
Drainage Utility	1,412,499	1,716,453	1,468,019	2,495,934	2,259,694
Jail Fund		-	-	6,944,227	7,351,101
Total Business-Type Activities	8,664,969	8,669,053	10,294,709	17,505,783	18,024,926
Total Primary Government	113,844,548	116,776,918	124,484,362	133,377,164	131,296,201
Program Revenues					
Government Activities					
Property Tax	40,612,732	41,460,187	45,491,521	44,659,376	45,164,735
Sales and Other Tax	18,124,427	18,898,614	16,716,680	18,060,643	19,255,493
Interest and Investments	781,032	589,613	2,896,837	1,559,578	1,613,617
Charges for Services					
General Government	9,081,343	7,670,970	7,902,178	8,053,198	11,225,727
Judicial	3,962,902	3,923,771	4,148,064	4,129,697	4,246,989
Public Safety	3,590,375	2,813,154	3,296,521	1,854,641	2,072,801
Physical Environment	125,144	201,726	312,525	527,379	289,242
Transportation	6,354,529	6,756,935	6,607,346	6,731,733	6,685,090
Economic Environment	894,872	1,088,468	1,184,165	1,055,292	1,380,435
Health and Human Services	3,322,591	3,026,346	3,506,429	3,769,935	4,461,088
Culture and Recreation	894,709	666,661	939,657	917,338	902,599
Operating Grants and Contributions	8,961,787	9,492,002	7,423,603	8,098,345	7,309,333
Capital Grants and Contributions	5,685,601	13,169,596	4,165,511	4,097,331	1,324,956
Gain (Loss) from Sale of Capital Assets	(118,394)	-	1,292,478	(340,575)	114,660
Issuance of Long Term Debt	-	-	-	1,786,614	-
Total Governmental Activities Program Revenues	102,273,650	109,758,043	105,883,515	104,960,525	106,046,765
Business-Type Activities					
Interest and Investments	(545,115)	(485,298)	(504,334)	(406,062)	(395,829)
Charges for Services	(343,113)	(405,230)	(304,334)	(400,002)	(333,023)
Solid Waste	8,194,581	8,084,972	8,616,406	9,083,934	9,194,846
Drainage Utility	1,544,370	1,604,197	1,646,427	1,592,768	1,751,555
Jail Fund	1,344,370	1,004,137	1,040,427	12,121,803	12,357,458
Operating Grants and Contributions	397,974	480,798	446,909	1,044,605	1,004,289
Capital Grants and Contributions	71,451	400,790	54,414	1,044,003	1,004,209
Gain (Loss) from Sale of Capital Assets	71,431	_	8,372	_	_
Total Business-Type Activities Program Revenues	9,663,961	9,684,669	10,268,194	23,437,048	23,912,319
Total Primary Government Program Revenues	111,937,611	119,442,712	116,151,709	128,397,573	129,959,084
rotair milary Government Frogram Neventies	111,331,011	113,442,112	110,131,709	120,001,013	123,333,004
Net (Expense) Revenue					
Governmental Activities	(2,905,929)	1,650,178	(8,306,138)	(10,910,856)	(7,224,510)
Business-Type Activities	998,992	1,015,616	(26,515)	5,931,265	5,887,393
Total Primary Government Net Expense	\$ (1,906,937) \$	2,665,794	\$ (8,332,653)	\$ (4,979,591)	\$ (1,337,117)
•					

Note: The County began separating out Judicial in 2009

In 2014, jail operations were removed from Government Activities and now reside in Business-Type Activities. See Note X

# Changes in Net Position Last Ten Fiscal Years (Accrual Basis of Accounting)

			Fiscal Year		
	2006	2007	2008	2009	2010
General Revenues and Other Changes in Net Position					
Governmental Activities					
Property Taxes	\$ 30,847,043	\$ 34,519,624	\$ 37,192,117 \$	38,020,570 \$	40,839,173
Sales/Use Tax	14,454,242	16,628,142	15,301,986	13,850,662	13,065,954
Other Tax	5,981,382	5,551,631	5,284,606	3,516,652	2,873,252
Interest and Investment Earnings	3,183,945	4,578,687	3,040,686	1,432,797	1,104,621
Gain (Loss) From Sale of Assets	417,575		(82,021)	(59,262)	14,837
Special Item			•		
Transfers	180,761	131,923	154,075	(83,945)	(84,008)
Total Governmental Activities	55,064,948	61,410,007	60,891,449	56,677,474	57,813,829
Business-Type Activities					
Interest on Long-Term Debt	192,586	266,841	138,581	44,502	21,111
Gain (Loss) From Sale of Assets			•		
Transfers	(180,761)	(131,923)	(154,075)	83,945	84,008
Total Business-Type Activities	11,825	134,918	(15,494)	128,447	105,119
Total Primary Government	55,076,773	61,544,925	60,875,955	56,805,921	57,918,948
Changes in Net Position					
Government Activities	(4,057,876)	54,439	(13,386,995)	(14,271,764)	(5,089,691)
Busine Charges for Services	858,898	1,035,692	1,012,744	826,343	385,926
Total Primary Government	(3,198,978)	\$ 1,090,131	\$ (12,374,251) \$	\$ (13,445,421) \$	(4,703,765)

In 2014, jail operations were removed from Government Activities and now reside in Business-Type Activities. See Note X

# Changes in Net Position Last Ten Fiscal Years (Accrual Basis of Accounting)

			i			
				Fiscal Year		
		2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position						
Governmental Activities						
Property Taxes	↔	40,612,732	\$ 41,460,187	\$ 45,491,521	\$ 44,659,376	\$ 45,164,735
Sales/Use Tax		15,478,629	16,447,958	16,716,680	17,263,481	18,421,647
Other Tax		2,645,798	2,450,656	895,827	797,162	833,846
Interest and Investment Earnings		781,032	589,613	2,001,010	1,559,578	1,613,617
Gain (Loss) From Sale of Assets		(118,394)		1,292,478	(340,575)	114,660
Special Item					1,786,614	
Transfers		9,142	(185,509)	104,000	(50,845)	(58,858)
Total Governmental Activities		59,408,939	60,762,905	66,501,516	65,674,791	66,089,647
Business-Type Activities						
Interest on Long-Term Debt		(545,115)	(485,298)	(504,334)	(406,062)	(395,829)
Gain (Loss) From Sale of Assets		200	•	8,372	•	
Transfers		(9,142)	185,509	(104,000)	50,845	58,858
Total Business-Type Activities		(553,557)	(299,789)	(296,962)	(355, 217)	(336,971)
Total Primary Government		58,855,382	60,463,116	65,901,554	65,319,574	65,752,676
:						
Changes in Net Position						
Government Activities		(2,896,787)	1,464,669	(8,202,138)	(10,961,701)	(7,283,369)
Busine Charges for Services		989,850	1,201,125	(130,515)	5,982,110	5,946,251
Total Primary Government	S	(1,906,937)	\$ 2,665,794	\$ (8,332,653)	\$ (4,979,591)	\$ (1,337,117)

In 2014, jail operations were removed from Government Activities and now reside in Business-Type Activities. See Note X

# SKAGIT COUNTY, WASHINGTON Fund Balances of Government Funds Last Ten Fiscal Years

	2006	2007	2008	2009	2010
General Fund*  Nonspendable Restricted Committed Assigned Unassigned Reserved Unreserved Total General Fund	553,183 4,461,601 5,014,784	605,636 6,441,097 7,046,733	343,754 7,683,278 8,027,032	2,210,372 4,397,640 6,608,012	146,500 7,752,934 7,899,434
All Other Governmental Funds*  Nonspendable Restricted Committed Assigned Unassigned Reserved, Reported in: Prepaid Items Loans Receivables Debt Service Petty Cash and Inventory Unreserved, Reported in: Special Revenue Funds Capital Projects Funds	53,253 - 1,214,492 57,441 18,626,312 14,938,555 \$ 34,890,053 \$	73,808 - 1,658,600 - - 26,123,516 14,115,766 41,971,690 \$	101,101 434,000 775,311 51,877 59,212,957 6,399,111 36,974,357 \$	286,266 3,003,000 1,149,878 40,614 24,966,994 (115,505) 29,331,247	76,143 2,374,000 1,507,334 - 23,992,632 2,870,512 \$ 30,820,621

 Fund Balances for fiscal year 2011 were restated due to implementation of GASB Statement No. 54

# SKAGIT COUNTY, WASHINGTON Fund Balances of Government Funds Last Ten Fiscal Years

	2011	2012	2013	2014	2015
General Fund* Nonspendable Restricted					
Committed	350,000				1 000 000
Unassigned	10,349,381	11,915,249	13,962,092	13,822,646	13,576,013
Reserved	1				
Unreserved	-				
Total General Fund	10,699,381	11,915,249	13,962,092	13,822,646	14,576,013
All Other Governmental Funds*					
Nonspendable	60,685	45,681	122,235	57,488	7,232
Restricted	31,305,595	30,877,381	29,266,009	30,576,475	35,167,746
Committed	3,480,815	2,776,253	3,102,611	6,313,711	7,247,553
Assigned	10,349,381				
Unassigned					
Reserved, Reported in:					
Prepaid Items					
Loans Receivables					
Debt Service	•				
Petty Cash and Inventory	•				
Unreserved, Reported in:					
Special Revenue Funds	•				
Capital Projects Funds					
Total All Other Governmental Funds	\$ 45,196,476	\$ 33,699,315	\$ 32,490,855	\$ 36,947,674	\$ 42,422,531

 Fund Balances for fiscal year 2011 were restated due to implementation of GASB Statement No. 54

### Changes in Fund Balance of Government Funds Last Nine Fiscal Years

	2007	2008	2009
Revenues	•	•	•
Property Tax	\$ 34,665,358	\$ 37,029,198	\$ 37,752,796
Sales/Use Tax	16,628,142	15,301,986	13,850,662
Other Tax	5,551,631	5,284,606	3,516,652
License and Permits	1,754,547	1,390,282	1,173,469
Intergovernmental	24,423,925	24,288,227	24,406,041
Charges for Services	12,391,649	11,052,341	10,705,767
Fines and Forfeits	2,205,135	2,101,195	1,992,299
Interest Earnings	4,340,981	3,140,914	1,405,561
Donations	454,780	431,841	490,959
Other Revenues	1,031,830	1,548,852	1,399,883
Total Revenues	103,447,978	101,569,442	96,694,089
Expenditures			
General Government	23,366,301	18,227,332	17,571,572
Judicial	-	7,321,077	7,841,920
Public Safety	25,096,699	26,163,388	28,240,870
Physical Environment	3,304,072	3,928,950	3,317,183
Transportation	18,143,040	17,147,101	18,775,959
Economic Environment	5,856,721	6,657,659	6,044,992
Health and Human Services	9,351,952	13,428,834	12,124,090
Culture and Recreation	2,954,850	3,040,439	2,707,825
Debt Service			
Principal	960,427	2,308,099	1,017,081
Interest	685,115	679,353	627,364
Capital Outlay	4,961,542	10,469,357	7,673,632
Total Expenditures	94,680,719	109,371,589	105,942,488
Excess (deficiency) of Revenues over			
(under) Expenditures	8,767,259	(7,802,147)	(9,248,399)
Other Financial Sources (Uses)			
Proceeds of Long Term Debt	430,284	990,768	389,607
Proceeds from Sale of Capital Assets	-	3,226	43,988
Transfers In	8,604,266	8,597,666	8,967,747
Transfers Out	(8,472,343)	(8,656,869)	(9,242,081)
Total Other Financing Sources (Uses)	562,207	934,791	159,261
Net Change in Fund Balance	\$ 9,329,466	\$ (6,867,356)	\$ (9,089,138)
Dalu Camira and a superior of superior in t			
Debt Service as a percentage of noncapital Expenditures	1.2%	1.8%	3.0%

### Changes in Fund Balance of Government Funds Last Nine Fiscal Years

	2010	2011	2012
Revenues			
Property Tax	\$ 39,891,962	\$ 40,654,187	\$ 41,270,011
Sales/Use Tax	13,065,954	15,478,629	16,447,958
Other Tax	2,873,252	2,645,798	2,450,656
License and Permits	1,104,621	970,105	1,039,551
Intergovernmental	25,397,870	26,894,695	33,469,657
Charges for Services	9,757,448	10,019,437	10,309,648
Fines and Forfeits	1,957,965	2,285,628	1,852,797
Interest Earnings	919,121	756,562	584,571
Donations	524,932	350,297	574,306
Other Revenues	1,707,960	1,299,538	2,019,288
Total Revenues	97,201,085	101,354,876	110,018,443
Expenditures			
General Government	16,556,020	16,633,997	18,111,961
Judicial	7,479,340	7,823,116	8,192,507
Public Safety	24,420,953	24,533,549	25,249,050
Physical Environment	4,394,408	3,467,079	3,583,100
Transportation	17,027,304	17,585,104	18,953,032
Economic Environment	3,949,022	3,606,739	3,602,203
Health and Human Services	11,261,219	11,617,447	12,060,459
Culture and Recreation	3,209,727	2,016,505	2,536,420
Debt Service			
Principal	1,058,134	1,116,572	1,213,119
Interest	589,480	600,115	565,948
Capital Outlay	4,704,095	5,750,727	15,023,756
Total Expenditures	94,649,702	94,750,950	109,091,555
Excess (deficiency) of Revenues over			
(under) Expenditures	2,551,383	6,603,926	926,888
Other Financial Sources (Uses)			
Proceeds of Long Term Debt	415,042	201,035	353,939
Proceeds from Sale of Capital Assets		1,200	8,172
Transfers In	8,622,743	8,588,548	8,808,381
Transfers Out	(8,706,751)	(8,829,405)	(9,398,067)
Total Other Financing Sources (Uses)	331,034	(38,622)	(227,575)
Net Change in Fund Balance	\$ 2,882,417	\$ 6,565,304	\$ 699,313
Debt Service as a percentage of noncapital			
Expenditures	1.7%	2.0%	1.9%

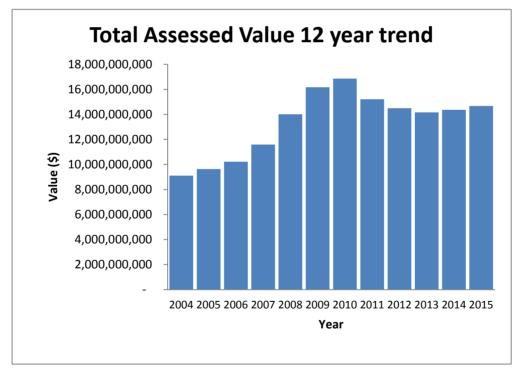
#### Changes in Fund Balance of Government Funds Last Nine Fiscal Years

	2013	2014	2015
Revenues			
Property Tax	\$ 45,950,878	\$ 44,633,004	\$ 45,444,886
Sales/Use Tax	16,716,680	17,263,481	18,421,647
Other Tax	895,827	797,162	833,846
License and Permits	1,363,241	1,403,580	1,572,816
Intergovernmental	22,187,738	21,210,374	21,943,000
Charges for Services	10,580,307	10,351,662	8,834,090
Fines and Forfeits	2,606,269	2,420,473	2,212,512
Interest Earnings	1,995,311	1,549,712	1,601,551
Donations	479,642	437,591	536,411
Other Revenues	1,786,735	1,652,153	993,365
Total Revenues	 104,562,628	101,719,192	102,394,124
Expenditures			
General Government	17,218,893	21,016,835	18,302,815
Judicial	8,426,095	6,437,688	8,713,544
Public Safety	26,727,069	26,225,434	27,005,041
Physical Environment	3,605,198	3,000,198	3,446,955
Transportation	18,872,864	17,771,654	17,493,644
Economic Environment	3,736,169	3,369,706	3,314,408
Health and Human Services	13,163,601	12,630,363	11,594,828
Culture and Recreation	2,108,744	2,353,191	2,361,129
Debt Service		-	-
Principal	2,084,813	2,772,142	1,469,334
Interest	667,297	693,958	681,870
Capital Outlay	8,960,070	7,052,054	2,832,109
Total Expenditures	105,570,813	103,323,223	97,215,677
Excess (deficiency) of Revenues over			
(under) Expenditures	 (1,008,185)	(1,604,031)	5,178,447
()	 (1,000,100)	(1,001,001)	-, ,
Other Financial Sources (Uses)			
Proceeds of Long Term Debt	715,416	1,786,614	814,731
Proceeds from Sale of Capital Assets	1,414,600	58,072	328,400
Transfers In	7,058,643	7,551,869	7,007,509
Transfers Out	(7,342,090)	(7,643,603)	(7,100,867)
Total Other Financing Sources (Uses)	 1,846,569	1,752,952	1,049,773
Net Change in Fund Balance	\$ 838,384	\$ 148,921	\$ 6,228,220
-			
Debt Service as a percentage of noncapital			
Expenditures	2.9%	3.7%	2.3%

#### SKAGIT COUNTY, WASHINGTON STATISTICAL TABLES ASSESSED VALUE OF TAXABLE PROPERTY

For a Twelve Year Period

	Real Property	Personal Property	Total	Total
	Assessed	Assessed	Assessed	<b>Direct Tax</b>
Year	Value	Value	Value	Rate
2004	8,271,017,360	838,169,892	9,109,187,252	3.83
2005	8,735,243,216	900,051,468	9,635,294,684	3.84
2006	9,255,714,763	965,923,623	10,221,638,386	3.78
2007	10,622,301,046	972,398,736	11,594,699,782	3.51
2008	12,954,570,410	1,049,853,451	14,004,423,861	3.24
2009	15,019,067,448	1,147,615,059	16,166,682,507	2.98
2010	15,696,268,675	1,171,931,494	16,868,200,169	2.90
2011	14,123,251,945	1,087,219,836	15,210,471,781	3.32
2012	13,630,153,404	864,518,340	14,494,671,744	3.52
2013	13,010,191,978	1,153,862,901	14,164,054,879	3.81
2014	13,150,792,759	1,219,229,512	14,370,022,271	3.80
2015	13,310,324,042	1,360,098,135	14,670,422,177	3.95



Source: Skagit County Assessors Office

Skagit County does not estimate actual value. Re-evaluations occur on a market resale base. The County is revalued in each four year period by area, and statistically updated annually. Valuation data of assessed property may not coincide with fiscal year end.

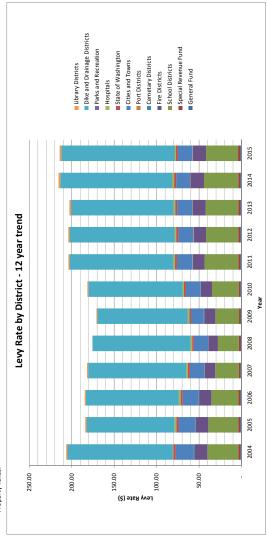
# SKAGIT COUNTY, WASHINGTON PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Per \$1,000 of Assessed Value) For a Twelve Year Period

	2007	2008	2009	2010	2011	2012	2013	2014	2015
1.52 1.32		1.21	1.24	1.45	1.55	1.62	1.62	1.59	1.56
1.99 1.92		1.77	1.66	1.87	1.97	2.19	2.19	2.21	2.39
		2.98	2.90	3.32	3.52	3.81	3.81	3.80	3.95
	7	24.83	27.91	31.39	39.90	37.82	38.30	40.31	37.68
	_	11.04	13.01	13.01	13.83	14.65	15.38	15.83	15.69
		0.29	0.29	0.34	0.35	0.36	0.35	0.29	0.28
		0.20	0.20	0.20	0:30	0.30	0.30	0.32	0.31
	_	16.72	15.12	17.26	18.09	17.41	17.64	16.51	17.03
2.51 2.17		2.01	1.96	2.21	2.37	2.55	2.41	2.30	2.15
		2.01	2.06	1.80	1.93	1.82	1.80	2.47	1.74
		0.07	0.07	0.11	0.11	0.14	0.14	0.14	0.13
	Ξ	15.53	106.39	110.89	122.14	123.86	120.73	131.67	133.44
			1.05	1.25	1.31	1.41	1.94	1.99	1.94
184 74 181 99	1	175 68	170 96	181 78	203 86	204 13	202 80	215 63	214 34

Total

Source: Skagit County Auditor

Note: The County may levy up to \$1.80 per \$1,000 of assessed valuation
for general government services, subject to Washington State law RCW
84.55.013 and the Washington State Constitution. See Note IV A
Property Taxes.



#### **SKAGIT COUNTY, WASHINGTON** STATISTICAL TABLES PROPERTY TAX LEVIES AND COLLECTIONS For a Eighteen Year Period

Fiscal Year	Total Tax Levy	Current Tax Collections	(2) Percent of Levy Collected	(1) Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collection To Tax Levy	(3) Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
1998	\$89,352,163	\$86,952,100	97.31%	\$1,787,294	\$88,739,394	99.31%	\$4,283,922	4.79%
1999	\$94,362,332	\$91,893,670	97.38%	\$2,343,855	\$94,237,525	99.87%	\$4,326,870	4.59%
2000	\$98,880,092	\$96,467,052	97.56%	\$2,396,797	\$98,863,849	99.98%	\$4,315,398	4.36%
2001	\$103,218,485	\$100,455,501	97.32%	\$2,327,907	\$102,783,408	99.58%	\$4,711,147	4.56%
2002	\$109,439,758	\$106,712,231	97.51%	\$2,730,428	\$109,442,659	100.00%	\$4,522,951	4.13%
2003	\$114,559,571	\$111,458,177	97.29%	\$2,642,949	\$114,101,126	99.60%	\$4,744,271	4.14%
2004	\$120,305,571	\$118,243,328	98.29%	\$3,450,438	\$121,693,766	101.15%	\$4,316,208	3.59%
2005	\$128,295,473	\$126,114,741	98.30%	\$2,837,863	\$128,952,604	100.51%	\$3,539,485	2.76%
2006	135,462,007	133,783,316	98.76%	2,143,734	135,297,050	99.88%	3,255,603	2.40%
2007	145,773,155	144,360,528	99.03%	1,654,424	146,284,952	100.35%	3,952,926	2.71%
2008	154,061,268	150,977,621	98.00%	2,196,014	153,173,635	99.42%	4,475,235	2.90%
2009	161,166,776	156,767,949	97.27%	2,317,327	159,085,276	98.71%	6,518,704	4.04%
2010	164,971,138	159,652,294	96.78%	3,093,710	162,746,004	98.65%	8,118,042	4.92%
2011	168,555,708	163,942,409	97.26%	4,594,609	168,537,018	99.99%	7,664,747	4.55%
2012	171,985,718	167,991,026	97.67%	4,165,855	172,156,881	100.00%	7,966,597	4.63%
2013	182,248,613	179,129,124	98.29%	5,165,263	184,294,387	100.00%	5,654,739	3.10%
2014	182,581,205	179,125,895	98.11%	2,677,312	181,803,207	99.57%	5,386,231	2.95%
2015	188,233,865	185,179,581	98.38%	2,817,772	187,997,353	99.87%	4,910,855	2.60%

<sup>(1)</sup> Includes prior years delinquent tax collections, the County is in process of calculating the delinquent taxes by levy year.

<sup>(2)</sup> Percent computed on current year's levy(3) Includes omissions, supplements, and cancellations

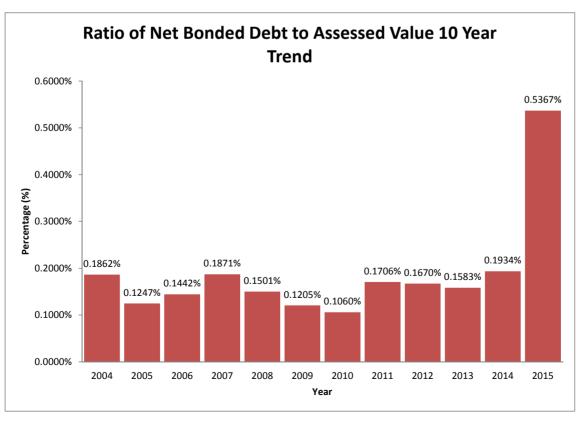
# SKAGIT COUNTY, WASHINGTON STATISTICAL TABLES SPECIAL ASSESSMENT COLLECTIONS For a Eighteen Year Period

	Assessment Receivable			Assessment Receivable
Year	January 1	Additions	Collections	December 31
1998	2,909	141,833	139,667	5,075
1999	5,075	146,300	144,389	6,986
2000	6,986	145,544	143,754	8,776
2001	8,776	161,939	162,270	8,445
2002	8,445	168,455	169,158	7,742
2003	7,742	211,488	207,749	11,481
2004	11,481	202,269	199,281	14,469
2005	14,469	202,605	211,243	5,831
2006	5,831	205,152	205,576	5,407
2007	5,407	214,877	210,808	9,476
2008	9,476	1,292,246	1,270,652	31,070
2009	31,070	1,238,778	1,224,388	45,460
2010	45,460	1,492,343	1,463,845	73,958
2011	73,958	1,459,849	1,430,920	102,887
2012	102,887	1,470,508	1,471,216	102,179
2013	102,179	1,524,402	1,566,780	59,801
2014	59,801	1,535,589	1,529,046	66,344
2015	66,344	1,507,674	1,511,571	62,447

SOURCE: Skagit County Treasurer

# SKAGIT COUNTY, WASHINGTON STATISTICAL TABLES RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA For a Twelve Year Period

		Accessed	Net Bonded	Ratio of Net Bonded	Debt Per
Year	Population	Assessed Value	Debt Debt	Debt to Assessed Value	Capita (restated)
2004	106,700	9,109,187,252	12,015,000	0.1862%	159
2005	108,800	9,635,294,684	14,740,000	0.1247%	110
2006	110,900	10,221,638,386	21,690,000	0.1442%	133
2007	113,100	11,594,699,782	21,025,000	0.1871%	192
2008	115,300	14,004,423,861	19,485,000	0.1501%	182
2009	117,500	16,166,682,507	17,880,000	0.1205%	166
2010	118,900	16,868,200,169	25,945,000	0.1060%	150
2011	116,901	15,210,471,781	24,210,000	0.1706%	222
2012	117,400	14,494,671,744	22,415,000	0.1670%	206
2013	118,837	14,164,054,879	27,790,000	0.1583%	189
2014	120,365	14,370,022,271	78,730,000	0.1934%	231
2015	121,846	14,670,422,177	76,890,000	0.5367%	646



# SKAGIT COUNTY, WASHINGTON Limitation of Indebtedness Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total Taxable Property Value	\$ 11,594,699,782 \$ 14,004,423,861	14,004,423,861 \$	16,166,682,507 \$	16,868,200,169 \$	\$ 15,210,471,781 \$	14,494,671,744 \$ 14,164,054,879		\$ 14,370,022,271 \$ 14,670,422,177	14,670,422,177 \$	\$ 15,446,113,686
Indebtedness for General Purpose Without a Vote										
Debt Limit - 1.5% of Total Assessed Value	173,920,497	210,066,358	242,500,238	253,023,003	228,157,077	217,420,076	212,460,823	215,550,334	220,056,333	231,691,705
Debt Applicable to Limit: Outstanding Debt Add Assets Available	22,265,000 9,163,481	21,025,000 9,145,795	19,485,000 9,636,104	17,880,000 6,735,282	25,945,000 11,324,248	24,210,000 16,395,142	30,400,000 13,861,676	27,790,000 16,550,695	78,730,000	76,890,000 19,333,088
Total Debt Applicable to Limit	13,101,519	11,879,205	9,848,896	11,144,718	14,620,752	7,814,858	16,538,324	11,239,305	62,689,793	57,556,912
Remaining Debt Capacity Without a Vote	160,818,978	198,187,153	232,651,342	241,878,285	213,536,325	209,605,218	195,922,499	204,311,029	157,366,540	174,134,793
Indebtedness for General Purpose With a Vote										
Debt Limit - 2.5% of Total Assessed Value	350,110,597	404,167,063	421,705,004	421,705,004	380,261,795	362,366,794	354,101,372	359,250,557	366,760,554	386,152,842
Remaining Debt Capacity Including Voted Debt	\$ 176,190,100 \$	194,100,705 \$	179,204,767 \$	168,682,002 \$	152,104,718 \$	144,946,717 \$	141,640,549 \$	143,700,223 \$	146,704,222 \$	154,461,137
Total net debt applicable to the limit as a percentage of debt limit	7.53%	2.65%	4.06%	4.40%	6.41%	3.59%	7.78%	5.21%	28.49%	24.84%

### Ratios of Outstanding Debt by Type Last Eleven Fiscal Years

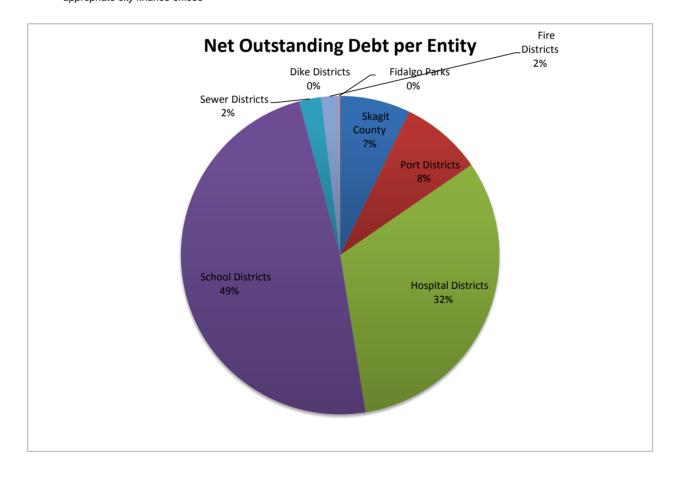
### **Business-Type Activities**

	Government	al Activities	Activities			
Fiscal Year	General Obligation Bonds	Loans Payable	General Obligation Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2005	12,121,474	2,466,474	6,450,000	21,037,948	0.52%	167
2006	19,660,153	2,875,153	5,480,000	28,015,306	0.63%	222
2007	20,479,969	4,124,969	4,670,000	29,274,938	0.58%	218
2008	19,162,639	3,637,639	3,960,000	26,760,278	0.52%	197
2009	18,535,164	3,880,164	3,225,000	25,640,328	0.49%	183
2010	17,892,073	4,147,073	12,200,000	34,239,146	0.96%	257
2011	16,886,503	4,086,503	11,410,000	32,383,006	0.63%	241
2012	11,825,000	3,848,383	10,590,000	26,263,383	0.69%	190
2013	18,050,000	3,153,698	9,740,000	30,943,698	0.85%	234
2014	17,550,000	2,802,125	61,180,000	81,532,125	2.42%	654
2015	16,205,000	2,677,791	60,685,000	79,567,791	2.29%	631

### STATISTICAL TABLES COMPUTATION OF DIRECT & OVERLAPPING DEBT FOR THE YEAR ENDED DECEMBER 31, 2015

JURISDICTION	NET DEBT OUTSTANDING	PERCENTAGE APPLICABLE TO SKAGIT COUNTY	AMOUNT APPLICABLE TO SKAGIT COUNTY
Direct Debt			
Skagit County	\$19,471,662	100%	\$19,471,662
Total Direct Debt	19,471,662		19,471,662
Overlapping debt			
Port Districts	22,460,000	100%	22,460,000
Hospital Districts	87,225,000	100%	87,225,000
School Districts	131,713,500	100%	131,713,500
Sewer Districts	6,050,023	100%	6,050,023
Dike Districts	-	100%	-
Fire Districts	4,798,933	100%	4,798,933
Fidalgo Parks	471,971	100%	471,971
Total Overlapping Debt	252,719,427		252,719,427
Total Direct & Overlapping Debt	\$272,191,089		\$272,191,089

Source: Skagit County Treasurer and appropriate city finance offices



# SKAGIT COUNTY, WASHINGTON RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES FOR A THIRTEEN YEAR PERIOD

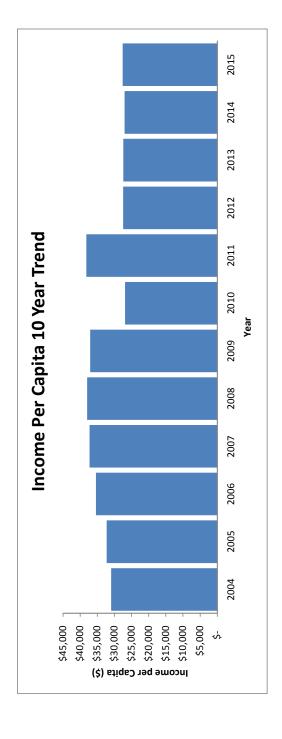
Year	Principal	Interest and Fiscal Charges	Total* Debt Service	Total** General Expenditures	Ratio of Net Bonded Debt to Assessed Value
2003	795,158	519,350	1,314,508	71,338,939	1.84%
2004	780,879	506,051	1,286,930	76,086,592	1.69%
2005	556,609	520,792	1,077,401	82,341,301	1.31%
2006	574,151	503,345	1,077,496	86,487,275	1.25%
2007	960,427	685,115	1,645,542	88,073,635	1.87%
2008	2,308,099	679,353	2,987,452	95,914,780	3.11%
2009	1,017,081	627,364	1,644,445	96,624,411	1.70%
2010	1,058,134	589,480	1,647,614	88,297,993	1.87%
2011	1,116,572	600,115	1,716,687	87,283,536	1.97%
2012	1,213,119	565,948	1,779,067	92,288,732	1.93%
2013	2,084,813	667,297	2,752,110	93,858,633	2.93%
2014	2,772,142	693,958	3,466,100	92,805,069	3.73%
2015	1,469,334	681,870	2,151,204	92,232,364	2.33%

<sup>\*</sup> Does not include Enterprise Funds

<sup>\*\*</sup> Includes General, Special Revenue, Capital Projects, and Debt Service funds

# SKAGIT COUNTY, WASHINGTON Demographic Statistics For a Twelve Year Period as of April

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	46,455	47,250	47,886	48,640	49,720	49,915	48,112		48,255 48,345 69,145 69,605	48,411	48,720 49,220	49,220
1 1	108,800	108,800 110,900	113,100	~	117,500	118,900	116,901	117,400 117,950	117,950		119,500	120,620
	\$ 30,947	\$ 32,288	\$ 35,422	\$ 37,289	\$ 37,989	\$30,947 \$32,288 \$35,422 \$37,289 \$37,989 \$37,076	\$26,925	\$38,225	\$27,447	\$27,447 \$27,395 \$27,065	\$27,065	\$27,598
	7.9%	6.4%	5.5%	4.8%	2.6%	10.2%	10.7%	10.2%	9.2%	8.7%	5.8%	%9.9
	18,932	19,332	19,233	19,249	19,296	18,723	18,878	18,668	18,920	18,678	18,869	18,920
	SOURCE: Office of Washington, Educ		ancial Mana nal Service L	gement, Foi District #185	recasting Di ), State of W	SOURCE: Office of Financial Management, Forecasting Division, State of Washington Employment Security Department, State of Washington, Educational Service District #189, State of Washington, Office of Superintendent of Public Instruction	of Washingt Office of Sup	on Employn erintendent	nent Securi of Public Ir	ty Departm ıstruction	ent, State c	f



#### SKAGIT COUNTY, WASHINGTON STATISTICAL TABLES

#### Principal Property Tax Payers Current and Ten Years Ago

		2015	Donosuto un of			2005	Danagata na af
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Тах	able Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Equilon Enterprises LLC	\$517,129,300	1	3.52%	\$	299,539,613	1	2.58%
Tesoro Refining and Marketing Corp	364,923,000	2	2.49%		213,364,380	2	1.84%
Puget Sound Energy/Electric	361,193,453	3	2.46%		205,682,135	3	1.77%
Tesoro Logistics Operations LLC	73,320,000	4	0.50%				
Sierra Pacific Industries	69,542,300	5	0.47%				
PACCAR Inc Truck Testing	69,471,000	6	0.47%		26,741,812	10	0.23%
Pacific Woodtech Corporation	59,105,900	7	0.40%		39,829,500	7	0.34%
Frontier Property Tax Dept NCA	43,686,173	8	0.30%				
NW Pipeline GP	37,581,060	9	0.26%		40,855,918	6	0.35%
Health Care Reit Inc	32,349,000	10	0.22%				
	1,628,301,186		11.10%				7.12%
<b>Total County Assessed Value</b>	\$ 14,670,422,177			\$	11,594,699,782		

Source: Skagit County Assessor

#### STATISTICAL TABLES

#### Principal Employers Current and Ten Years Ago

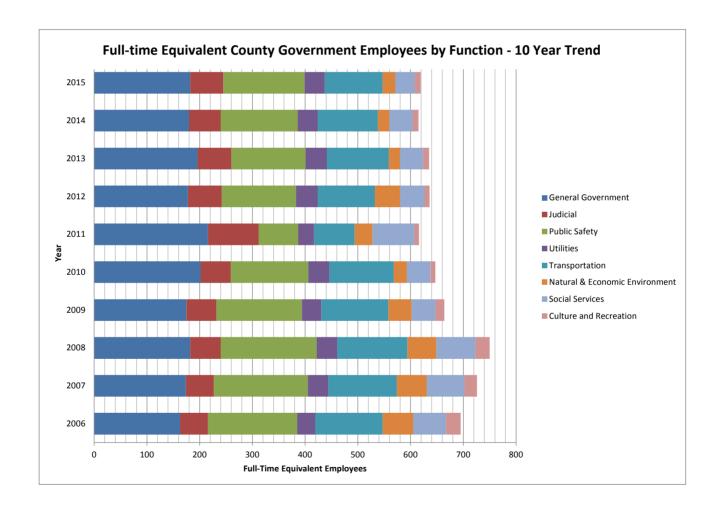
		15	2005				
	Number of		Percentage of	Number of		Percentage of Total Labor Force	
Employer	Employees	Rank	Total Labor Force	Employees	Rank		
Skagit Regional Health	2,000	1	3.52%	1,030	2	1.84%	
Mount Vernon School District	815	2	1.43%				
Shell Puget Sound Refinery	726	3	1.28%	413	7	0.74%	
Island Hospital	718	4	1.26%	508	4	0.91%	
Janicki Industries	695	5	1.22%				
Skagit County Government	636	6	1.12%	846	3	1.51%	
Swinomish Casino	499	7	0.88%	299	11	0.53%	
Walmart	425	8	0.75%	271	14	0.48%	
Tesoro Refinery	400	9	0.70%	356	8	0.64%	
Sedro-Woolley School District	366	10	0.64%				
Tatal Tan Tan Familian	7.000		40.0007	0.700		0.050/	
Total Top Ten Employees	7,280		12.80%	3,723		6.65%	
Total County Labor Force	56,855			55,990			

Source: Employment Security Port of Skagit

#### Full-Time Equivalent County Government Employees by Function Last Ten Fiscal Years

	Full-Time Equivalent Employees as of December 31										
_	2006	2007	2008	2009	2010	<u>2011</u>	2012	2013	2014	2015	
Function											
General Government	163	174	182	175	202	216	178	196	180	182	
Judicial	53	53	58	57	57	96	64	64	60	63	
Public Safety	169	178	182	162	147	75	141	141	146	154	
Utilities	34	39	39	37	40	30	41	40	38	38	
Transportation	128	130	133	127	122	77	108	118	114	110	
Natural & Economic Environment	58	57	55	44	25	34	48	21	22	24	
Social Services	62	71	74	45	45	79	46	44	44	37	
Culture and Recreation	28	24	27	17	9	9	10	11	11	11	
Total	695	726	750	664	647	616	636	635	615	619	

Source: Skagit County Auditor



### SKAGIT COUNTY, WASHINGTON MISCELLANEOUS STATISTICAL REPORT For a Ten Year Period

		2006	2007	2008	2009	2	2010
(A)	MILES OF ROAD Roads, paved Roads, unpaved	757 39	757 38	756 41	758 41		761 41
(B)	BUILDING PERMITS Permits issued Value of buildings	988 \$110,000,000	\$ 927 106,903,097	\$ 632 48,838,303	547 \$ 41,441,249	\$ 42	414 ,538,000
(C)	FIRE PROTECTION Number of districts Number of paid firefighters Number of volunteer firefighters	17 60 523	17 65 515	17 67 509	18 66 550		18 65 585
(D)	POLICE PROTECTION Number of employees, commissioned Number of employees, civilian and limited commission Average daily jail population Police patrol units, vehicle Police patrol units, boats	59 56 233 60 3	59 56 240 60 3	61 57 241 61 3	62 58 275 62 4		58 53 243 54 4
(E)	RECREATIONAL FACILITIES Number of parks Park acreage	33 1,827	34 2,227	34 2227	35 2240		36 2255
(F)	GENERAL ELECTIONS Number of registered voters Number of votes cast Percentage voting	67,167 41,641 62%	63,604 33,455 53%	69,335 56,632 82%	68,119 36,160 53%		68,936 48,960 71%
(G)	PUBLIC EDUCATION Elementary Middle/Junior High High Community College Alternative Special Education	25 6 8 1 7 4	25 6 8 1 7 5	25 5 8 1 6 5	25 5 9 1 4 5		25 5 9 1 4 4

### SOURCE:

County Roads Department, Skagit County
Planning and Community Development, Skagit County
Board of Volunteer Firefighters, State of Washington
Appropriate City Fire Departments
Sheriff's Department, Skagit County
Parks & Recreation Department, Skagit County
Election Department, Skagit County
Education Service District 189

### SKAGIT COUNTY, WASHINGTON MISCELLANEOUS STATISTICAL REPORT For a Ten Year Period

		2011	2012	2013	2014	2015
(A)	MILES OF ROAD Roads, paved Roads, unpaved	761 41	760 41	761 40	761 40	761 40
(B)	BUILDING PERMITS Permits issued Value of buildings	\$ 416 38,893,281	424 \$40,588,568	445 \$58,051,285	392 \$57,696,373	591 \$62,443,127
(C)	FIRE PROTECTION Number of districts Number of paid firefighters Number of volunteer firefighters	18 65 568	18 65 561	18 65 559	18 65 572	18 65 589
(D)	POLICE PROTECTION  Number of employees, commissione  Number of employees, civilian and  limited commission  Average daily jail population  Police patrol units, vehicle  Police patrol units, boats	46 53 196 49 5	44 59 226.3 71 5	50 55 247.7 55 5	52 56 235 56 4	51 65 205 55 4
(E)	RECREATIONAL FACILITIES Number of parks Park acreage	26 2300	32 2153.5	29 2054.5	29 2054.5	29 2058.05
(F)	GENERAL ELECTIONS Number of registered voters Number of votes cast Percentage voting	\$ 68,996 38,256 59%	72,966 56,262 83%	74,075 35,847 53%	75,774 40,825 61%	74,282 29,784 43%
(G)	PUBLIC EDUCATION Elementary Middle/Junior High High Community College Alternative Special Education	25 5 6 1 6 4	25 5 6 1 8 5	26 5 6 1 8 5	26 5 6 1 8	26 5 6 1 8 4

### SOURCE:

County Roads Department, Skagit Coun Planning and Community Development, Board of Volunteer Firefighters, State of Appropriate City Fire Departments Sheriff's Department, Skagit County Parks & Recreation Department, Skagit Election Department, Skagit County Education Service District 189

### **Compliance Section**



Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

					Expenditures			
Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
Farm Service Agency, Department Of Agriculture	Conservation Reserve Program	10.069	CREP 2003 0055 Day Creek	•	274	274	•	1, 2
Farm Service Agency, Department Of Agriculture	Conservation Reserve Program	10.069	CREP 2005 0072 Martin Slough- Rockport	ı	6,519	6,519	ı	4,
			Total CFDA 10.069:	•	6,793	6,793	1	
Child Nutrition Cluster								
Food And Nutrition Service, Department Of Agriculture (via Office of Superintendent of Public Instruction)	School Breakfast Program	10.553	29-320-9788	2,934	ı	2,934	ı	<del>-</del>
Eood And Nutrition Service, Department Of Agriculture (via Office of Superintendent of Public Instruction)	School Breakfast Program	10.553	29-320-9788	4,401	•	4,401	•	<b>←</b>
			Total CFDA 10.553:	7,334		7,334	1	
Food And Nutrition Service, Department Of Agriculture (via Office of Superintendent of Public Instruction)	National School Lunch Program	10.555	29-320-9788	4,605	ı	4,605	ı	<b>←</b>
Food And Nutrition Service, Department Of Agriculture (via Office of Superintendent of Public Instruction)	National School Lunch Program	10.555	29-320-9788	2,818		2,818		~
			Total CFDA 10.555:	7,423	•	7,423	1	
		Total Chil	Total Child Nutrition Cluster:	14,757	•	14,757	1	

Skagit County Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

	Note	1, 4 (d)	- 1, 4 (d)	<del>-</del>	1,6	Ι.		_	_	,	-
	Passed through to Subrecipients	18,925									2,912
	Total	91,065	240	5,684	4,262	9,946		250,498	41,246	291,744	4,407
Expenditures	From Direct Awards	'	1	1	1	•		250,498	41,246	291,744	1
	From Pass- Through Awards	91,065	240	5,684	4,262	9,946		•	•	•	4,407
	Other Award Number	C17124	C17124	163009-NUTR	163009-NUTR Vouchers	Total CFDA 10.576:		Title I Forest Yield	Title III Forest Yield	chools and Roads Cluster:	SEANWA-2014- SKCoPW-00003
	CFDA Number	10.557	10.572	10.576	10.576			10.665	10.665	rice Schools	1.419
	Federal Program	Special Supplemental Nutrition Program for Women, Infants, and Children	WIC Farmers' Market Nutrition Program (FMNP)	Senior Farmers Market Nutrition Program	Senior Farmers Market Nutrition Program		ds Cluster	Schools and Roads - Grants to States	Schools and Roads - Grants to States	Total Forest Service S	Coastal Zone Management Administration Awards
	Federal Agency (Pass-Through Agency)	Food And Nutrition Service, Department Of Agriculture (via Washington State Department of Health)	Food And Nutrition Service, Department Of Agriculture (via Washington State Department of Health)	Food And Nutrition Service, Department Of Agriculture (via Northwest Regional Council)	Nood And Nutrition Service, P Department Of Agriculture (via Northwest Regional Council)		Forest Service Schools and Roads Cluster	Forest Service, Department Of Agriculture	Forest Service, Department Of Agriculture		National Oceanic And Atmospheric Administration (noaa), Department Of Commerce (via Northwest Straits Commission)

## Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

					Expenditures			
Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
National Oceanic And Atmospheric Administration (noaa), Department Of Commerce (via Washington Recreation and Conservation Office)	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	11.438	13-1052R David Slough Fish Passage	39,820		39,820	'	1,2
National Oceanic And Atmospheric Administration (noaa), Department Of Commerce (via Washington Recreation and Conservation Office)	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	11.438	RCO#14-1264P	28,324	•	28,324	•	, ,
National Oceanic And Atmospheric Administration G (noaa), Department Of Commerce (via Washington Recreation and Conservation Office)	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	11.438	RCO#14-1263R	78,648	•	78,648	•	, , 2
			Total CFDA 11.438:	146,792	 	146,792	1	
CDBG - State-Administered CDBG Cluster	3G Cluster							
Office Of Community Planning And Development, Department Of Housing And Urban Development (via State of Washington Department of Commerce)	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	14-65400-012	19,513	•	19,513	19,513	~
Office Of Community Planning And Development, Department Of Housing And Urban Development (via State of Washington Department of Commerce)	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	15-62210-012	25,090	•	25,090	25,090	~
	Total CDBG - Sta	te-Administ	Total CDBG - State-Administered CDBG Cluster:	44,603		44,603	44,603	

# Skagit County Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

					Expenditures			
Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
Bureau Of Reclamation, Department Of The Interior (via Samish Indian Nation)	Indian Tribal Water Resources Development, Management, and Protection	15.519	Valdovino Fish Habitat Enhancement Project #R12AP13003/ 52010-2015-01	9,500	'	9,500	'	-
Drug Enforcement Administration, Department Of Justice (via Washington State Patrol)	Law Enforcement Assistance_Narcotics and Dangerous Drugs_Laboratory Analysis	16.001	Domestic Cannabis Eradication/Sup ression K11067	20,000	•	20,000	1	<del>-</del>
Office Of Juvenile Justice And Delinquency Prevention, Department Of Justice (via Washington State Department of Health & Social Services)	Juvenile Accountability Block Grants	16.523	1463-17297	3,486	1	3,486	•	t, 2,
Violence Against Women Office, Department Of Justice (via Washington State Department of Commerce)	Violence Against Women Formula Grants	16.588	F14-31103-056	13,694	1	13,694	•	, ,
Bureau Of Justice Assistance, Department Of Justice (via Washington State Department of Social & Health Services- Residential Substance Abuse Treatment)	Residential Substance Abuse Treatment for State Prisoners	16.593	1163-38470	59,572	1	59,572	59,572	2,
Bureau Of Justice Assistance, Department Of Justice (via Washington State Department of Social & Health Services- Residential Substance Abuse Treatment)	Residential Substance Abuse Treatment for State Prisoners	16.593	1563-53486	23,100	•	23,100	23,100	2, 2
			Total CFDA 16.593:	82,672	•	82,672	82,672	

Skagit County Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

					Expenditures			
Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
Bureau Of Justice Assistance, Department Of Justice	State Criminal Alien Assistance Program	16.606	2015-H0723- WA-AP	1	20,984	20,984	ı	<b>←</b>
Office Of Community Oriented Policing Services, Department Of Justice	Public Safety Partnership and Community Policing Grants	16.710	2014UMWX007 7	•	62,446	62,446	•	, 2,
JAG Program Cluster								
Bureau Of Justice Assistance, Department Of Justice	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX- 0374	ı	1,664	1,664	1,664	~
Bureau Of Justice Assistance, Department Of Justice	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX- 0076	1	10,050	10,050	10,050	~
Bureau Of Justice Assistance, Department Of Justice (via Washington State Department of Commerce)	Edward Byrne Memorial Justice Assistance Grant Program	16.738	M14-31440-014	80,397	•	80,397	1	₩
Bureau Of Justice Assistance, Department Of Justice (via Washington State Department of Commerce)	Edward Byrne Memorial Justice Assistance Grant Program	16.738	F15-31440-014	65,634	ı	65,634	ı	₩
		Total JA	Total JAG Program Cluster:	146,031	11,714	157,745	11,714	
Highway Planning and Construction Cluster	ion Cluster							
Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	Skagit River Bridge Modification & Interstate Highway LA6452	147,577	ı	147,577	•	~

# Skagit County Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

Expenditures

					1			
Federal Agency		CFDA	Other Award	From Pass- Through	From Direct		Passed through to	
(Pass-Through Agency)	Federal Program	Number	Number	Awards	Awards	Total	Subrecipients	Note
Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	Pioneer Highway/Fir Island Road Intersection LA8199	2,710		2,710	,	-
Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	Burlington Northern Overpass LA8075	347,295	1	347,295	1	7, 2
Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	Bow Hill Reconstruction LA8076	56,527		56,527	1	, 2
Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	Centennial Trail (Big Rock to Clear Lake) LA8425	10,238		10,238	1	2, 2
Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	Josh Wilson Road Phase 1 LA 8426	17,040	1	17,040	1	7, 2
Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	Friday Creek Bridge Repair (Old Hwy 99) LA 8746	344	1	344	1	7, 2
Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	Old Hwy 99 North Illumination Project LA 8745	3,759		3,759	ı	2, 2

## Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

	igh ts Note	1,2	1, 2	1, 2, 2	1, 2, 2	1, 2, 2	ı		T .
	Passed through to Subrecipients								
	Total	704	508	13,215	1,278	67,514	668,711		11,466
Expenditures	From Direct Awards	'	•	•	•	•	•		•
	From Pass- Through Awards	704	508	13,215	1,278	67,514	668,711		11,466
	Other Award Number	Cook Road Signal Advance Warning LA 8744	Lower Finney Creek Bridge Repairs LA 8733	Dodge Valley Road Barrier Protection Project LA 8724	Samish River Bridge Repair (Old Hwy 99) LA 8702	Guemes Ferry Breakwater Section Replacement LA 8521	Total Highway Planning and Construction Cluster:		Target Zero Corridor Project
	CFDA Number	20.205	20.205	20.205	20.205	20.205	nning and Cc		20.600
	Federal Program	Highway Planning and Construction	Highway Planning and Construction	Highway Planning and Construction	Highway Planning and Construction	Highway Planning and Construction	Total Highway Pla		State and Community Highway Safety
	Federal Agency (Pass-Through Agency)	Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of © Transportation)	Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)	Federal Highway Administration (fhwa), Department Of Transportation (via Washington State Department of Transportation)		Highway Safety Cluster	National Highway Traffic Safety Administration (nhtsa), Department Of Transportation (via Washington Traffic Safety Commission)

Skagit County Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

	Note	<del>-</del>		4,1 (d)	<del>-</del>	~	<del>-</del>	,	
	Passed through to Subrecipients	1	1	1		37,294			37,294
	Total	17,778	29,244	46,457	450	259,470	8,297	76,096	390,771
Expenditures	From Direct Awards		•	ı	•	•	•	•	•
	From Pass- Through Awards	17,778	29,244	46,457	450	259,470	8,297	76,096	390,771
	Other Award Number	Traffic Safety Equipment Grant	Total Highway Safety Cluster:	C17124 NEP Onsite Sewage Management	PC-00J27601-0	DOH Contract N20689 / PC- 00J32601	SEANWS- 20150SKCoPW- 00001	12-63401-005	Total CFDA 66.123:
	CFDA Number	20.600	Total High	66.123	66.123	66.123	66.123	66.123	
	Federal Program	State and Community Highway Safety		Puget Sound Action Agenda: Technical Investigations and Implementation Assistance Program					
	Federal Agency (Pass-Through Agency)	National Highway Traffic Safety Administration (nhtsa), Department Of Transportation (via Washington Traffic Safety Commission)		Region 10, Environmental Protection Agency (via Washington State Department of Health)	Region 10, Environmental  Protection Agency (via  Washington State Department of Health)	Region 10, Environmental Protection Agency (via Washington State Department of Health)	Region 10, Environmental Protection Agency (via State of Washington Department of Ecology)	Region 10, Environmental Protection Agency (via Washington State Department of Commerce)	

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

	Note	_	<del>-</del>	<del>-</del>	<del>-</del>		7, 2	,, 2		<del>-</del>
	Passed through to Subrecipients	38,688	•	•	'		ı	1	1	1
	Total	58,555	1,353	3,500	4,000		93,074	93,073	186,147	97,630
Expenditures	From Direct Awards	58,555	•	•	1		•	ı		1
	From Pass- Through Awards	1	1,353	3,500	4,000		93,074	93,073	186,147	97,630
	Other Award Number	SEANWA-2014- SkCoPW-00003	OSOS No. G- 2855	MRC 15-1027	CDSMP CHRONIC DISEASE SELF MANAGEMENT PROGRAM 163009-NUTR		163009-NUTR C1	163009-NUTR C2	Total CFDA 93.045:	163009-NUTR NSIP
	CFDA Number	66.456	90.401	93.008	93.043		93.045	93.045		93.053
	Federal Program	National Estuary Program	Help America Vote Act Requirements Payments	Medical Reserve Corps Small Grant Program	Special Programs for the Aging_Title III, Part D_Disease Prevention and Health Promotion Services		Special Programs for the Aging_Title III, Part C_Nutrition Services	Special Programs for the Aging_Title III, Part C_Nutrition Services		Nutrition Services Incentive Program
	Federal Agency (Pass-Through Agency)	Office Of Water, Environmental Protection Agency	U.s. Election Assistance Commission (via State of Washington, Office of the Secretary of State, Elections Division)	Office Of The Secretary, Department Of Health And Human Services (via National Association of County and City Health Officials)	Administration For Community Living, Department Of Health And Human Services (via Northwest Regional Council)	Aging Cluster	Administration For Community Living, Department Of Health And Human Services (via Northwest Regional Council)	Administration For Community Living, Department Of Health And Human Services (via Northwest Regional Council)		Administration For Community Living, Department Of Health And Human Services (via Northwest Regional Council)

Skagit County Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

					Expenditures			
Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
			Total Aging Cluster:	283,777		283,777	'	
Centers For Disease Control And Prevention, Department Of Health And Human Services (via Washington State Department of Health)	Public Health Emergency Preparedness	93.069	C17124 EPR LHJ Funding	15,308	1	15,308	ı	4, t (b)
Centers For Disease Control And Prevention, Department Of Health And Human Services (via Washington State Department of Health)	Public Health Emergency Preparedness	93.069	C17124 EPR PHEP BP4 LHJ Funding	18,038	1	18,038	ı	4, (b)
21			Total CFDA 93.069:	33,346		33,346	1	
Substance Abuse And Mental Health Services Administration, Department Of Health And Human Services (via State of Washington Department of Social and Health Services-Recovery Support)	Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	Partnerships for Success Grant 1363-90042	13,263	1	13,263	13,263	7,7
Substance Abuse And Mental Health Services Administration, Department Of Health And Human Services (via State of Washington Department of Social and Health Services-Recovery Support)	Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	Partnerships for Success Grant 1563-42494	17,616	•	17,616	17,616	_
			Total CFDA 93.243:	30,879		30,879	30,879	
Centers For Disease Control And Prevention, Department Of Health And Human Services (via Washington State Department of Health)	Immunization Cooperative Agreements	93.268	C17124 VFC OPS	5,267	•	5,267	•	4, (b)

Skagit County Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

	Note	1, t (d)	4, t (d)	4, t (d)	1, 3, 5	٦, ٢		1, 4 (d)	1, 4 (d)
	Passed through to Subrecipients		•	•	•	•	1	•	•
	Total	24,251	5,384	6,416	70,034	1,557	112,909	278,643	86,133
Expenditures	From Direct Awards	1	1	ı	ı	1	•	ı	ı
	From Pass- Through Awards	24,251	5,384	6,416	70,034	1,557	112,909	278,643	86,133
	Other Award Number	C17124 AFIX	C17124 317 VFC ORDERING	C17124 317 OPS	Vaccines in Lieu of Cash 2015 C17124	Program Income C17124	Total CFDA 93.268:	FY15-HVSA MIECHV	FY15-HVSA MIECHV
	CFDA Number	93.268	93.268	93.268	93.268	93.268		93.505	93.505
	Federal Program	Immunization Cooperative Agreements	Immunization Cooperative Agreements	Immunization Cooperative Agreements	Immunization Cooperative Agreements	Immunization Cooperative Agreements		Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program
	Federal Agency (Pass-Through Agency)	Centers For Disease Control And Prevention, Department Of Health And Human Services (via Washington State Department of Health)	Centers For Disease Control And Prevention, Department Of Health And Human Services (via Washington State Department of Health)	Centers For Disease Control And Prevention, Department Of Health And Human Services (via Washington State Department of E Health)	Centers For Disease Control And Prevention, Department Of Health And Human Services (via Washington State Department of Health)	Centers For Disease Control And Prevention, Department Of Health And Human Services (via Washington State Department of Health)		Health Resources And Services Administration, Department Of Health And Human Services (via Thrive By 5 Washington)	Health Resources And Services Administration, Department Of Health And Human Services (via Thrive By 5 Washington)

## Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

	Note		1,2,4 (b)	1, 2, 4 (a), 4 (b)	1, 4(c)			2,	~	~	
	Passed through to Subrecipients	'	•		•	1				18,702	
	Total	364,776	150,737	412,490	37,262	600,489		71,330	24,338	115,479	
Expenditures	From Direct Awards	'   •	•	•	•	   •		•		'	
	From Pass- Through Awards	364,776	150,737	412,490	37,262	600,489		71,330	24,338	115,479	
	Other Award Number	Total CFDA 93.505:	75-1501-0-1- 609/2110-80608	75-1501-0-1- 609/2110-80608	75-1501-0-1- 609	Total CFDA 93.563:		Medical Admin Match 1163- 35474	Medical Admin Match K1416	NSMHA Skagit Admin 15	
	CFDA Number		93.563	93.563	93.563			93.778	93.778	93.778	
	Federal Program		Child Support Enforcement	Child Support Enforcement	Child Support Enforcement			Medical Assistance Program	Medical Assistance Program	Medical Assistance Program	
	Federal Agency (Pass-Through Agency)		Administration For Children And Families, Department Of Health And Human Services (via Washington State Department of Health & Social Services)	Administration For Children And Families, Department Of Health And Human Services (via Washington State Department of Social & Health Services)	Administration For Children And Expension Families, Department Of Health And Human Services (via The Division of Child Support)		Medicaid Cluster	Centers For Medicare And Medicaid Services, Department Of Health And Human Services (via Washington State Health Care Authority)	Centers For Medicare And Medicaid Services, Department Of Health And Human Services (via Washington State Health Care Authority)	Centers For Medicare And Medicaid Services, Department Of Health And Human Services (via North Sound Mental Health Administration)	

The accompanying notes are an integral part of this schedule.

18,702

211,148

211,148

**Total Medicaid Cluster:** 

Skagit County Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

					Expenditures			
Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
Substance Abuse And Mental Health Services Administration, Department Of Health And Human Services (via North Sound Mental Health Administration)	Block Grants for Community Mental Health Services	93.958	NSMHA MHBG 1516	74,147	•	74,147	74,147	<del>-</del>
Substance Abuse And Mental Health Services Administration, Department Of Health And Human Services (via Washington State Department of Social & Health Services-Substance Abuse Prevention-DASA)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	1163-27323	44,109	ı	44,109	44,109	<del>-</del>
Substance Abuse And Mental Health Services Administration, Department Of Health And Human Services (via State of Washington Department of Social and Health Services-Recovery Support)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	1563-43877	82,836	•	82,836		<del>-</del>
Substance Abuse And Mental Health Services Administration, Department Of Health And Human Services (via Washington State Department of Social & Health Services-Substance Abuse Prevention-DASA)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	1563-42494	23,888	•	23,888		~
		•	Total CFDA 93.959:	150,833	•	150,833	44,109	
Health Resources And Services Administration, Department Of Health And Human Services (via Washington State Department of Health)	Maternal and Child Health Services Block Grant to the States	93.994	C17124 FFY16 MCHBG LHJ	138,899	1	138,899	1	4, <del>L</del> (d)

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015

					Expenditures			
Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
Department Of Homeland Security (via Washington State Parks and Recreation Commission)	Boating Safety Financial Assistance	97.012	3314FAS14015 3	25,106	1	25,106	1	1, 2
Department Of Homeland Security (via Washington State Military Department/Snohomish County)	Hazard Mitigation Grant	97.039	E14-026	5,559	1	5,559	•	ć, G
Department Of Homeland Security (via Washington State Military Department/Snohomish County)	Emergency Management Performance Grants	97.042	E15-132	10,000	ı	10,000	1	7, 2
Department Of Homeland Security (via Washington State Military Department/Snohomish County)	Homeland Security Grant Program	97.067	E14-075	29,421	•	29,421	18,631	<b>←</b>
Department Of Homeland Security (via Washington State Military Department/Snohomish County)	Homeland Security Grant Program	97.067	E15-082	17,588		17,588	'	-
			Total CFDA 97.067:	47,009	•	47,009	18,631	

423,276

4,225,887

452,236

3,773,646

Total Federal Awards Expended:

### SKAGIT COUNTY, WASHINGTON

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

### For the year ended December 31, 2015

### NOTE 1 - BASIS OF ACCOUNTING

This schedule is prepared on the same basis of accounting as Skagit County's financial statements. Skagit County, in compliance with generally accepted accounting practices, uses modified accrual accounting for government funds and accrual accounting for proprietary funds.

### NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including Skagit County's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

### NOTE 3 - NONCASH AWARDS - VACCINATIONS

The amount of vaccines reported on the schedule is the value of vaccine received by Skagit County during 2015 and priced as prescribed by the Department of Health.

### NOTE 4 - INDIRECT COST RATE

The amount expended includes a percentage claimed as an indirect cost recovery using an approved indirect cost rate. These rates are as shown below:

(a) 17.11%, (b) 18.61%, (c) 18.80%, (d) 25.00%

Skagit County has not elected to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

### NOTE 5 - PROGRAM INCOME

The amount reported is net of \$71,590.92 received as program income.

### NOTE 6 - NONCASH AWARDS - VOUCHERS

The amount of vouchers reported on the schedule is the value of food vouchers received by Skagit County during 2015 and priced as prescribed by the Department of Agriculture.

### NOTE 7 - PRIOR YEAR EXPENSE

The total amount expended for this program includes \$8,599.10 for 2014.

### Skagit County

# SCHEDULE OF STATE FINANCIAL ASSISTANCE (unaudited)

## For Fiscal Year ended December 31, 2015

Grantor	Program Title	Identification	Amount
State Grant from Other Judicial Agencies			
	Witness Fees	RCW 10.46.230	1,341
	Interpreter Fees	IAA16209	4,616
	Becca Bill	IAA15033	148,464
	Becca Bill	IAA16210	151,457
	Becca Bill	IAA15033	10,669
	Interpreter Fees	IAA15216	866
2	Becca Bill	IAA16210	9,265
:18	Parent's Representation Program	CSV15044	62,118
	Parent's Representation Program	CSV15044	62,697
		Sub-total:	451,624
State Grant from County Road Administration Board			
	County Roads - Arterial Preservation	NA	572,859
	Bow Hill Road	2913-01	62,297
		Sub-total: 635,156	635,156
State Grant from Department of Agriculture			
	Spartina Program	K1145	4,934
	Spartina Program	K1710	19,712
	Knotweed Control (Grandy Creek)	K1231	440

Report based on unaudited annual report submissions as of 4/8/2016

Grantor	Program Title	Identificaton Number	Amount
	Knotweed Control (Samish River)	K1750	8,496
		Sub-total:	33,581
State Grant from Department of Commerce			
	Advanced Environmental Permitting Grant Program	AP 15-68610-003	212,500
	Victim/Witness Asistance Grant Program	S15-31102526	16,869
	Victim/Witness Asistance Grant Program	516-31102-526	7,795
		Sub-total:	237,164
State Grant from Department of Health			
	Home Visiting Service Account (HVSA)	201208013	11,859
	Home Visiting Service Account (HVSA)	201507015	8,977
219	Immunization Cooperative Agreements	Vaccines in Lieu of Cash 2015 C17124	29,722
	Puget Sound OSS LMP Implementation	C17124	55,824
	Rec Shellfish/Biotoxin(PSAA)	C17124	4,459
		Sub-total:	110,841
State Grant from Department of Ecology			
	Site Hazard Assessment	G1400046	28,592
	Local Source Contol Partnership	IAAC1400034	51,078
	Local Source Contol Partnership	IAAC1600030	49,596
	Local Toxins Control Coordinated Prevention Grant	G14000167	29,563
	Local Toxins Control Coordinated Prevention Grant	W2RCPG-1517-SKCoHD- 00028	27,328

Report based on unaudited annual report submissions as of 4/8/2016

Grantor	Program Title	Identificaton Number	Amount	
	Samish River Natural Resource Stewardship Program	G1400401	86,645	
	On Site Septic Grant with Loan	WQC-2015-SkPD-00130	33,593	
	Local Toxins Control	G1400074	101,957	
	Community Litter Cleanup Program	G1400056	2,007	
	Community Litter Cleanup Program	W2RCLCP-1517-SkCoPW- 14,243 00040	14,243	
	Remedial Action Grants Waste 2 Resources	TCPRA-2014-SKCoPW- 00058	3,794	
	Waste 2 Resources Coordinated Prevention Grant Program	W2RCPG-1517-SKCoPW- 00108	135,709	
	LID Demonstration Project (Kulshan Creek)	G1200598	21,090	
220	Regional Storm Water Monitoring Program (RSMP)	IAA150073	31,187	
	Toxics Cleanup Remedial Action Grant	TCPRA-2014-SkCoCa- 00030	250,000 NOTE 1	
		C.i.h.+04-1 866 381	866 381	

Report based on unaudited annual report submissions as of 4/8/2016

State Grant from Department of Social and Health Services

State Grant from Legislature and its Committees

Report based on unaudited annual report submissions as of 4/8/2016

Grantor	Program Title	Identificaton Number	Amount
	40% Autopsy Reimbursement	RCW 68.08.104	43,867
	Elected Official Salary Match	RCW 36.17.020	79,224
		Sub-total:	123,091
State Grant from Criminal Justice Training Commission			
	Registered Sex Offender Address & Residency Verification Program	RSO 14-15 Skagit	80,973
		Sub-total: 80,973	80,973
State Grant from Recreation and Conservation Office			
	DD#3 Delta Channel Design	RCO#13-1057P	103,973
	Hansen Creek - Reach 5 Restoration	RCO#13-1060P	79,266
222	North Fork Skagit Acquisition and Feasibility	RCO#13-1059C	260,787
	Hansen Creek - Reach 5 Restoration	RCO#13-1060P	192,918
		Sub-total:	636,944
State Grant from Agricultural Commissions			
	Special Assistance Grant Funds	K1366	5,000
		Sub-total:	5,000
State Grant from Military Department			
	Professional Development & Operational E911	E15-048	18,870
	Professional Development & Operational E16-033 E911	E16-033	30,769

Report based on unaudited annual report submissions as of 4/8/2016

Amount	49,639
Identificaton Number	Sub-total: 49,639
Program Title	
Grantor	

Grand total: 4,405,904

### **SKAGIT COUNTY, WASHINGTON**

### NOTES TO THE SCHEDULE OF STATE FINANCIAL ASSISTANCE

### For the year ended December 31, 2015

NOTE 1 – PRIOR YEAR EXPENSE

The total amount expended for this program includes \$180,094.91 for 2014.

