

Skagit County Washington

Annual Comprehensive Financial Report



Skagit Farmland

Fiscal Year Ending December 31, 2022

SKAGIT COUNTY WASHINGTON

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2022

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SKAGIT COUNTY WASHINGTON ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended December 31, 2022

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About Skagit County

(pronounced "skäjet")

Skagit County 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.



Sandra Perkins, CFE
Auditor

Laura Franklin, CPA
Chief Accountant

September 25, 2023

To the Honorable Board of Commissioners and Citizens of Skagit County:

We hereby submit the Annual Comprehensive Financial Report (ACFR) of Skagit County for the fiscal year ending December 31, 2022 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 Annual Comprehensive 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, 2022, 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 unmodified opinion that Skagit County's financial statements for the fiscal year ended December 31, 2022 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 three 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.

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 and Daffodil Festivals, Festival of Family Farms, Skagit Eagle Festival, and the Anacortes Arts and Crafts 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 6,710 acres of certified organic land is in production with a value of \$14.2 million - 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 also hosts one of the highest concentrations of bald eagles 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 be either the first Monday in October or 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 by December 31.

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 16% 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.

7. 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.
8. 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, health coverage, 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.

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.

Local and national 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 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

In 2012, the Anacortes Ferry Dock Rehabilitation & Guemes Island Ferry Dock Repair project was 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 the facility was completed the spring of 2017.

In 2014, the County merged with the County's EMS component unit, dissolving the EMS commission and absorbing the activities of the legally separate entity.

In 2018 completion of the Burlington railway overpass replaced the former wooden structure on Old Highway 99 at a cost of over \$15 million funded by local, state and federal grants.

Acknowledgements

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.

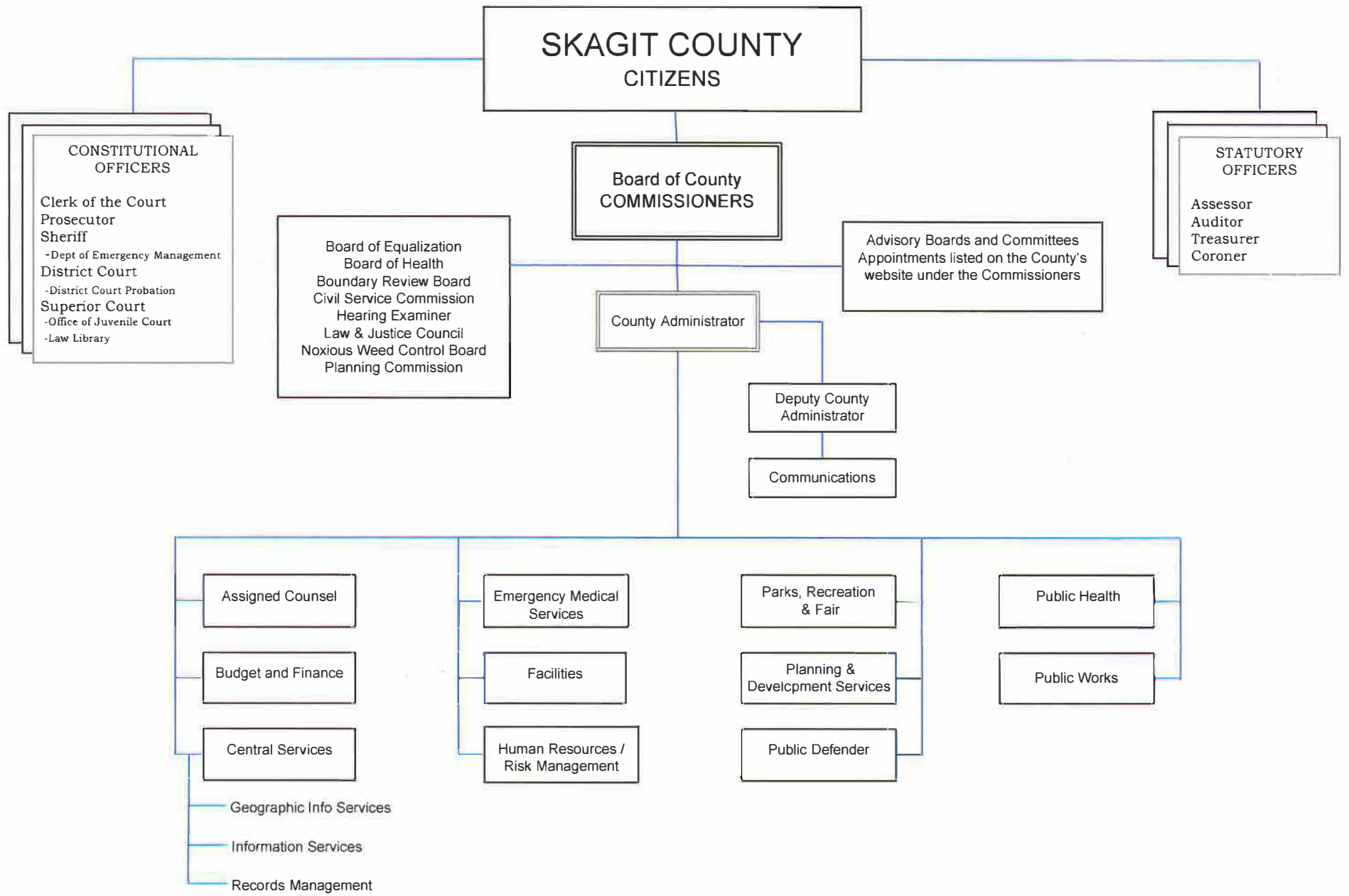
Sincerely,

A handwritten signature in cursive script that reads "Sandra Perkins".

Sandra Perkins, CFE
County Auditor

SKAGIT COUNTY, WASHINGTON ELECTED OFFICIALS

	TERM EXPIRES
COUNTY COMMISSIONERS	
DISTRICT NUMBER 1 RON WESEN	DECEMBER 2024
DISTRICT NUMBER 2 PETER BROWNING	DECEMBER 2024
DISTRICT NUMBER 3 LISA JANICKI	DECEMBER 2026
SUPERIOR COURT JUDGES	
BRIAN STILES	DECEMBER 2024
LAURA RIQUELME	DECEMBER 2024
ELIZABETH NEIDZWSKI	DECEMBER 2024
THOMAS VERGE.....	DECEMBER 2024
DISTRICT COURT JUDGES	
WARREN GILBERT	DECEMBER 2026
DIANNE E GODDARD	DECEMBER 2026
JENIFER HOWSON	DECEMBER 2026
ASSESSOR	DANNY HAGEN DECEMBER 2026
AUDITOR	SANDY PERKINS DECEMBER 2026
CLERK	MELISSA BEATON DECEMBER 2026
CORONER	HAYLEY THOMPSON..... DECEMBER 2026
PROSECUTING ATTORNEY	RICHARD WEYRICH..... DECEMBER 2026
SHERIFF	DON MCDERMOTT DECEMBER 2026
TREASURER	JACKIE BRUNSON DECEMBER 2026



Financial Section



INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Skagit County January 1, 2022 through December 31, 2022

Board of Commissioners
Skagit County
Mount Vernon, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Skagit County, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the financial section of our report.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Skagit County, as of December 31, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Matters of Emphasis

As discussed in Note 13 to the financial statements, in 2022, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed;

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the financial section of our report be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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 Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This supplementary information 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 basic financial statements. The information has been subjected to the 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 basic financial statements or to the basic 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 as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's 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.



Pat McCarthy, State Auditor

Olympia, WA

September 21, 2023

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Skagit County
January 1, 2022 through December 31, 2022

Board of Commissioners
Skagit County
Mount Vernon, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of Skagit County, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2022. The County's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on

compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed; and

- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other

purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large, sweeping initial "P".

Pat McCarthy, State Auditor

Olympia, WA

September 21, 2023

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

This section of Skagit County's annual financial report presents our discussion and analysis of the County's financial performance during the fiscal year that ended December 31, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- As of December 31, 2022, total assets of the County exceeded total liabilities by \$441.8 million. Net investment in capital assets account for 69.6% of this amount, at \$307.5 million. Of the remaining net position, \$60.8 million was restricted for specific purposes and \$73.5 million was unrestricted. Fund balance increased \$20.7 million from operating activities.
- As of December 31, 2022, ending deferred outflows totaled \$15.5 million an increase of \$10.2 million while the ending balance of \$19.1 million in deferred inflows resulted in a decrease of \$22.4 million, both due to reclassifications of leases, a change in pension and other post-employment benefit estimates.
- Ending unassigned fund balance for the general fund was \$24.2 million; assigned fund balance in the general fund was \$3 million. The General Fund ended the year with an unassigned fund balance of 37.8% to revenues, which exceeds the industry's recommended level of 16.7% of revenues. The assigned balance is for implementation of a compensation study. The total increase in general fund balance was due to a conservative approach to spending practices.
- Ending fund balance for the County Road Fund was \$10.3 million, a decrease of \$3.9 million over the previous year. This was due to spending on previously started projects.
- Ending fund balance for the Mental Health Fund was \$9.7 million, a decrease of \$0.3 million over the previous year. This was mainly due to slight increase in costs.
- Ending fund balance for the American Rescue Plan Act Fund was \$0. This is a major fund consisting of only the County's federal ARPA grant and revenue will always be equal to expense.
- Ending fund balance for the Housing Assistance Fund was negative \$192.8 thousand, a decrease of \$980.3 thousand over the previous year.
- Total long-term liabilities of the County were \$123.8 million at December 31, 2022. This is an increase of \$8.8 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

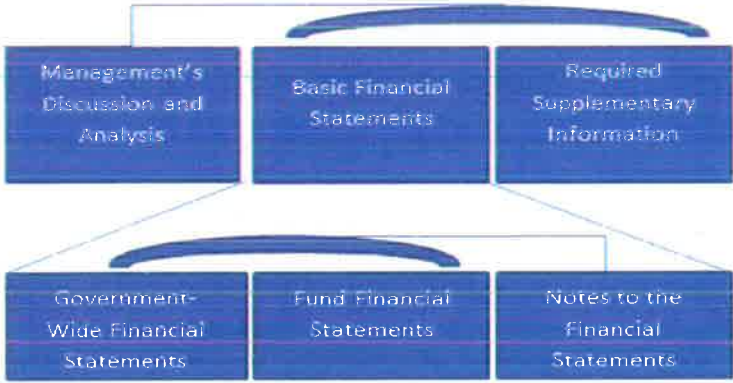
This annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information (RSI)*, and an optional section that presents the *combining statements* for nonmajor government funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like public safety were financed in the *short term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short- and long-term* financial information about the activities the government operates *like businesses*, such as the solid waste, drainage utility, and the jail fund.

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

- o *Custodial fund* statements provide information about the financial relationships in which the County

acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.



The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The basic financial statements are followed by a section of RSI that further explains and supports the information in the financial statements. The figure above shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds and internal service funds, each of which are added together and presented in single columns in the basic financial statement.

The figure below summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

Major Features of the County's Government-Wide and Fund Financial Statements				
	Fund Statements			
	Government-Wide Statements	Government Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire County government (except fiduciary funds)	The activities of the County that are not proprietary or fiduciary, such as public safety, social services	Activities the County operates similar to private business; drainage utility, solid waste, jail	Instances in which the County is the trustee of agent for someone else's resources, such as schools and hospitals
Required Financial Statements	*Statement of Net Position *Statement of Activities	*Balance Sheet *Statement of Revenues, Expenditures and Changes in Fund Balance	*Statement of Net Position *Statement of Revenues, Expenses and Changes in Net Position *Statement of Cash Flows	*Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resource focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short and long-term	Only assets expected to be used and liabilities that come due during the year or so soon after. No capital assets included	All assets and liabilities, both financial and capital, and short term and long-term	All assets and liabilities, both financial and capital and short/long term; the County's funds do not include capital assets
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is exchanged	Revenues and expenditures for which cash is received during or soon after the end of the year as well as goods or services received	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions either paid or received during the year regardless of when cash is exchanged

Government-Wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's *net position* and how it has changed. Net position – the difference between the County's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the County's financial health or *position*.

- Over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County you need to consider additional nonfinancial factors such as changes in the County's property tax base and the condition of the County's roads.

The government-wide statements of the County are divided into two categories:

- *Governmental activities* – Most of the County's basic services are included here, such as public safety, public works, parks department, health and human services, and general administration. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* – The County charges fees to customers to help cover costs of certain services it provides. The County's solid waste, drainage utility, and County jail are included here.

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds* – not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for a particular purpose.

- Some funds are required by State law and by covenants.
- The County establishes other funds to control and manage money for particular purposes (like the community services fund) or to show that it is properly using certain taxes and grants (like aid from the U.S. Department of Housing and Urban Development).

The County has three kinds of funds:

- *Government funds* – Most of the County's basic services are included in government funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the government funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the County charges customers a fee that are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
 - In fact, the County's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information such as cash flows.
 - We use *internal service funds* (the other type of proprietary fund) to report activities that provide supplies and services for the County's other programs and activities – such as the County's Information Services fund.
- *Fiduciary funds* – The County is responsible for other assets because it acts in the capacity of a custodian to many independent taxing districts. Many of these districts are required by Washington State statutes to process all monies through the County Treasurer. All of the County's custodial activities are reported in a separate statement of custodial net position. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Statement of Net Position

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

NET POSITION							
	Governmental		Business-Type		Total		
	Activities		Activities		2022	2021	% Change
	2022	2021	2022	2021	2022	2021	
ASSETS							
Current and Other Assets	\$ 178,868,499	\$ 169,420,924	\$ 28,143,682	\$ 24,529,095	\$ 207,012,181	\$ 193,950,019	6.73%
Capital Assets and							
Construction in Progress (Net of Depreciation)	296,725,985	287,694,015	76,699,862	74,984,404	373,425,847	362,678,419	2.96%
Net Pension Asset	14,816,097	37,231,532	1,719,125	4,146,386	16,535,222	41,377,918	
Total Assets	490,410,581	494,346,471	106,562,669	103,659,885	596,973,250	598,006,356	-0.17%
DEFERRED OUTFLOW OF RESOURCES	13,686,804	4,644,146	1,857,722	706,331	15,544,526	5,350,477	190.53%
LIABILITIES							
Long-Term Liabilities	46,847,761	36,734,691	76,959,490	78,279,227	123,807,251	115,013,918	7.65%
Other Liabilities	21,890,713	23,050,748	5,783,040	4,329,752	27,673,753	27,380,500	1.07%
Total Liabilities	68,738,474	59,785,439	82,742,530	82,608,979	151,481,004	142,394,418	6.38%
DEFERRED INFLOW OF RESOURCES	17,281,467	37,455,983	1,792,012	4,139,243	19,073,479	41,595,226	-54.15%
NET POSITION							
Net Investment in Capital Assets	292,194,724	282,771,539	24,623,804	20,738,183	316,818,528	303,509,722	4.38%
Restricted	59,213,986	59,060,614	1,784,438	4,181,022	60,998,424	63,241,636	
Unrestricted	66,668,747	59,917,042	(2,522,393)	(7,301,211)	64,146,354	52,615,831	21.91%
Total Net Position	\$ 418,077,457	\$ 401,749,195	\$ 23,885,849	\$ 17,617,994	\$ 441,963,306	\$ 419,367,189	5.39%

Of the \$207.0 million in current and other assets at December 31, 2022, \$173.8 million is cash, cash equivalents and investments. Of this amount, \$14.2 million, is restricted for specific purposes. Accounts receivable, Notes receivable and amounts due from other governments total \$26.9 million. Inventories/prepayments total \$5.1 million. Cash, cash equivalents and investments represented 84.4% (compared to 77.8% in 2021), while accounts receivable, notes receivable and amounts due from other governments accounted for 13.1% (compared to 12.3% from 2021).

At December 31, 2022, the County had outstanding long-term liabilities of \$123.8 million, as compared to \$115 million in 2021. Of this total, \$3.6 million was due within one year. See Note VII of the notes to the financial statements for more information regarding long term debt. Other liabilities amounted to \$27.6 million. These represent primarily accounts payable and accrued liabilities due as a result of ordinary operations.

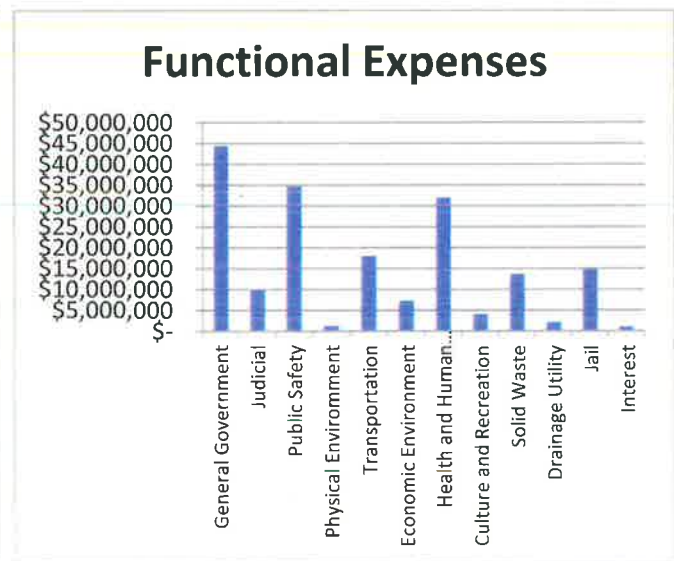
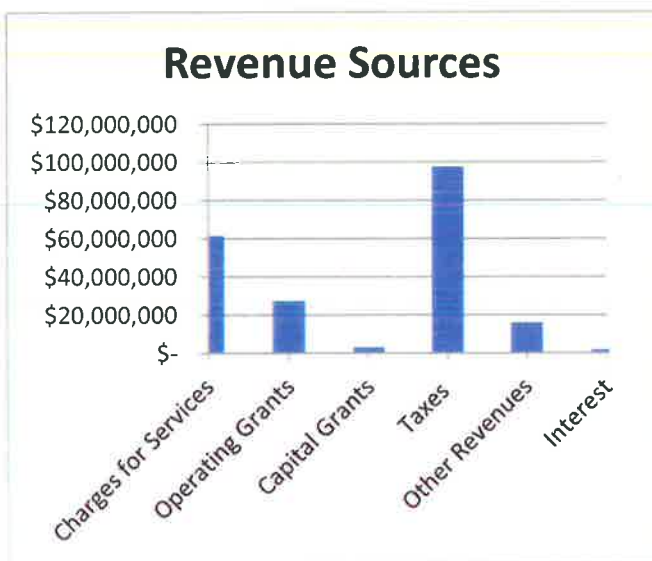
SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

The largest portion of the County's Net Position (69.6%) reflects its net 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 net 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, 13.8% of the County's net position is subject to legal restrictions for specific purposes. The remaining balance of Net Position is \$64.1 million.

Statement of Changes in Net Position

The County's Total Net Position increased by \$22.6 million in 2022. Governmental activities reflected an increase of \$16.3 million while the Net Position of business-type activities increased \$6.3 million. The increase in governmental activities was primarily due to general government. The increase in business-type net position was due primarily to increased charges and reduced costs.

Total revenues were \$209.3 million in 2022, an increase of \$3.4 million from 2021. The main reason for the increase is the increases in governmental grants to assist the County and the residents cope with the effects of COVID-19. Governmental activities provided \$170.4 million (81.5%), while business-type activities added \$38.8 million. Within governmental activities, tax revenue accounted for 56.3% of total revenue sources, with grants and contributions accounting for 17.7% (down from 20.9% in 2021). Charges for services accounted for 66.7% of the revenues of business type activities, with the remaining provided by a reduction in a liability capital and operating grants and contributions. Total expenses for the year amounted to \$185.3 million, an increase of \$15.6 million from 2021. Governmental activities accounted for \$152.6 million (82.3%), with the largest program expenses in the areas of general government, public safety and health and human services. These three programs accounted for 73.1% of total governmental expenses. Of the \$32.7 million in business-type expenses, 45.5% is associated with the Jail fund, an increase for the jail of 3.3% from 2022.



SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

Changes in Net Assets

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues						
Charges for Services	\$35,700,418	\$33,209,802	\$25,846,082	\$30,988,328	\$61,546,500	\$64,198,130
Operating Grants and Contributions	23,568,607	23,629,887	3,804,178	1,239,014	27,372,785	24,868,901
Capital Grants and Contributions	3,149,481	12,281,010	-	-	3,149,481	12,281,010
General Revenues						
Taxes	95,989,643	91,637,279	1,704,324	1,704,324	97,693,967	93,341,603
Interest Earnings on Investments	3,562,913	1,916,785	60,431	5,034	3,623,344	1,921,819
Other Revenues	8,565,065	9,044,633	7,361,109	166,309	15,926,174	9,210,942
Total Revenues	<u>\$170,536,127</u>	<u>\$171,719,396</u>	<u>\$38,776,124</u>	<u>\$34,103,009</u>	<u>\$209,312,251</u>	<u>\$205,822,405</u>
PROGRAM EXPENSES						
General Government	44,367,978	40,533,186	-	-	44,367,978	40,533,186
Judicial	9,918,388	8,608,735	-	-	9,918,388	8,608,735
Public Safety	34,676,660	28,574,618	-	-	34,676,660	28,574,618
Physical Environment	1,263,681	1,291,492	-	-	1,263,681	1,291,492
Transportation	18,011,617	16,152,233	-	-	18,011,617	16,152,233
Economic Environment	7,283,194	6,549,016	-	-	7,283,194	6,549,016
Health and Human Services	31,965,576	30,451,701	-	-	31,965,576	30,451,701
Culture and Recreation	4,018,627	3,542,768	-	-	4,018,627	3,542,768
Solid Waste	-	-	13,704,456	14,578,909	13,704,456	14,578,909
Drainage Utility	-	-	2,190,562	2,173,329	2,190,562	2,173,329
Jail Fund	-	-	14,887,593	13,790,910	14,887,593	13,790,910
Interest on Long Term Debt	1,051,221	1,247,440	1,924,225	2,142,114	2,975,446	3,389,554
Total Expenses Before Transfers	<u>152,556,942</u>	<u>136,951,189</u>	<u>32,706,836</u>	<u>32,685,262</u>	<u>185,263,778</u>	<u>169,636,451</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$17,979,185	34,768,207	6,069,288	1,417,747	\$24,048,473	36,185,954
Gain (loss) on Sale of Assets	(3,082,494)	-	(27,705)	-	(3,110,199)	-
Transfers	-	424	-	(424)	-	-
Change in Net Assets	<u>\$14,896,691</u>	<u>34,768,631</u>	<u>6,041,583</u>	<u>1,417,323</u>	<u>20,938,274</u>	<u>36,185,954</u>
Net Assets, January 1	401,749,193	364,344,320	17,617,994	16,200,671	419,367,187	380,544,991
Prior Period Adjustment	1,431,573	2,636,244	226,272	-	1,657,845	2,636,244
Net Assets, January 1 - Restated	<u>403,180,766</u>	<u>366,980,564</u>	<u>17,844,266</u>	<u>16,200,671</u>	<u>421,025,032</u>	<u>383,181,235</u>
Net Assets, December 31	<u>\$ 418,077,457</u>	<u>\$ 401,749,195</u>	<u>\$23,885,849</u>	<u>\$ 17,617,994</u>	<u>\$ 441,963,306</u>	<u>\$ 419,367,189</u>

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

Financial Analysis of the County's Funds

Governmental Funds Balance Sheet Analysis

The General Fund, County Road Fund, Mental Health Fund, American Rescue Plan Act, and Housing Assistance are the County's major funds in 2022. Together these funds account for 67.2% of total government fund assets and 44.5% of total government fund balances.

As of December 31, 2022, the County's governmental funds reported combined fund balances of \$105.8 million, an increase from \$102.4 million in 2021. Of this amount, \$64.5 million (61%) is Restricted, \$14.2 million (13.5%) is reported as Committed, \$3.0 million (2.8%) is assigned, and \$24 million (22.7%) is unassigned and available for spending within the designated funds. Non-spendable, Restricted, Committed, and Assigned fund balance of \$81.7 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 \$24.0 million at December 31, 2022, from \$23.4 million at December 31, 2021. \$3 million of the general fund's fund balance is assigned for a compensation study. Total assets of the General Fund were \$32.8 million at December 31, 2022, accounting for 23.5% of total governmental fund assets. This represents an increase of \$0.2 million from 2021.

Governmental Funds Revenue/Expenditure Analysis

Total revenues for governmental funds were \$167.4 million in 2022; this represents an increase of \$.5 million from 2021. The main reasons for the increase were an increase in intergovernmental revenues. During the same period, total expenditures increased to \$163.9 million, up from \$159.8 million in 2021. The main increase was in Public Safety. The General Fund, Mental Health Fund, County Road Fund, American Rescue Plan Act and Housing Assistance account for 80.7% of all governmental fund revenue (up from 76.4% in 2021) and 71.9% of all expenditures, down from 81.8% in 2021.

The net change in fund balance for the General Fund in 2022 was a positive \$770.6 thousand. The main reason was a decrease in intergovernmental revenues. The decrease in fund balance for the County Road fund was \$3.9 million. The main reason for the decrease in the County Road fund was an increase in costs for projects previously committed to. The net change in the Mental Health Fund was a decrease of \$299.1 thousand. The American Rescue Plan Act Fund is new in 2022. The net change to Housing Assistance was a negative \$980.3 thousand due to being funded mostly by grants that are fully expensed each year. The non-major governmental funds had an overall positive change in fund balances of \$7.7 million for 2022.

Enterprise Funds Net Position Analysis

All enterprise funds of Skagit County are considered major funds for 2022. Comparative information from the proprietary funds' statement of Net Position is as follows:

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

As of December 31, 2022, the enterprise funds reported combined Net Position of \$23.9 million (compared to \$17.6 million in 2021). This is the total of a \$8.6 million deficit in the Solid Waste Fund (up from \$9.6 million deficit in 2021) and a positive \$11.9 million in the Drainage Utility Fund (up from \$9.1 million from 2021). The Jail fund net position is \$20.5 million, (up from \$18.1 million in 2021).

	Business-Type Activities - Enterprise Funds							
	Net Assets							
	Solid Waste		Drainage Utility		Jail Fund		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
ASSETS								
Current Assets								
Cash and Cash Equivalents	\$ 7,480,138	\$ 6,473,548	\$ -	\$ 1,224,364	\$ 8,165,184	\$ 6,666,837	\$ 15,645,322	\$ 14,364,749
Other Current Assets	8,095,889	7,792,167	2,259,618	444,579	2,142,853	1,927,600	12,498,360	10,164,346
Total Current Assets	<u>15,576,027</u>	<u>14,265,715</u>	<u>2,259,618</u>	<u>1,668,943</u>	<u>10,308,037</u>	<u>8,594,437</u>	<u>28,143,682</u>	<u>24,529,095</u>
Non-Current Assets								
Construction in Progress	-	-	3,326,406	596,207	-	-	3,326,406	596,207
Capital Assets	13,675,536	13,636,892	12,786,640	11,608,192	65,755,678	65,755,678	92,217,854	91,000,762
Less Accumulated Depreciation	(5,626,830)	(5,286,008)	(4,892,158)	(4,512,385)	8,325,410	(6,814,172)	(2,193,578)	(16,612,565)
Net Pension Asset	394,483	1,100,051	115,820	289,142	1,208,822	2,757,193	1,719,125	4,146,386
Total Non-Current Assets	<u>8,443,189</u>	<u>9,450,935</u>	<u>11,336,708</u>	<u>7,981,156</u>	<u>75,289,910</u>	<u>61,698,699</u>	<u>95,069,807</u>	<u>79,130,790</u>
Total Assets	<u>24,019,216</u>	<u>23,716,650</u>	<u>13,596,326</u>	<u>9,650,099</u>	<u>85,597,947</u>	<u>70,293,136</u>	<u>123,213,489</u>	<u>103,659,885</u>
Deferred Outflows of Resources	<u>412,232</u>	<u>148,934</u>	<u>120,483</u>	<u>40,590</u>	<u>1,325,007</u>	<u>516,807</u>	<u>1,857,722</u>	<u>706,331</u>
LIABILITIES								
Current Liabilities								
Accounts/Vouchers Payable	604,409	709,506	342,792	147,819	656,018	539,602	1,603,219	1,396,927
Other Current Liabilities	1,135,136	1,098,033	1,120,138	24,651	1,924,547	1,810,141	4,179,821	2,932,825
Total Current Liabilities	<u>1,739,545</u>	<u>1,807,539</u>	<u>1,462,930</u>	<u>172,470</u>	<u>2,580,565</u>	<u>2,349,743</u>	<u>5,783,040</u>	<u>4,329,752</u>
Non-Current Liabilities								
Bonds Payable	4,475,000	5,080,000	-	-	45,496,058	47,141,221	49,971,058	52,221,221
Other Non-Current Liabilities	26,303,243	25,339,209	111,211	86,308	573,978	632,489	26,988,432	26,058,006
Total Non-Current Liabilities	<u>30,778,243</u>	<u>30,419,209</u>	<u>111,211</u>	<u>86,308</u>	<u>46,070,036</u>	<u>47,773,710</u>	<u>76,959,490</u>	<u>78,279,227</u>
Total Liabilities	<u>32,517,788</u>	<u>32,226,748</u>	<u>1,574,141</u>	<u>258,778</u>	<u>48,650,601</u>	<u>50,123,453</u>	<u>82,742,530</u>	<u>82,608,979</u>
Deferred Inflows of Resources	<u>507,126</u>	<u>1,249,673</u>	<u>143,407</u>	<u>334,627</u>	<u>1,141,479</u>	<u>2,554,943</u>	<u>1,792,012</u>	<u>4,139,243</u>
NET POSITION								
Net Investment in Capital Assets	2,968,706	2,670,884	11,220,888	7,692,014	10,434,210	10,375,285	24,623,804	20,738,183
Restricted	394,483	1,100,051	115,820	289,142	1,274,135	2,791,829	1,784,438	4,181,022
Unrestricted	(11,956,655)	(13,381,772)	662,553	1,116,128	8,771,709	4,964,433	(2,522,393)	(7,301,211)
Total Net Position	<u>\$ (8,593,466)</u>	<u>\$ (9,610,837)</u>	<u>\$ 11,999,261</u>	<u>\$ 9,097,284</u>	<u>\$ 20,480,054</u>	<u>\$ 18,131,547</u>	<u>\$ 23,885,849</u>	<u>\$ 17,617,994</u>

SKAGIT COUNTY, WASHINGTON
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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 Waste		Drainage Utility		Jail Fund		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
REVENUES								
Charges for Services	\$ 14,103,549	\$ 13,586,350	\$ -	\$ -	\$ 11,742,533	\$ 11,090,104	\$ 25,846,082	\$ 24,676,454
Intergovernmental	454,184	321,925	4,826,057	2,422,899	228,261	198,514	5,508,502	2,943,338
Interest Revenue	20,696	1,867	-	-	39,735	3,167	60,431	5,034
Miscellaneous Revenue	227,229	150,510	40,210	91,902	7,065,965	6,235,771	7,333,404	6,478,183
Total Revenues	<u>14,805,658</u>	<u>14,060,652</u>	<u>4,866,267</u>	<u>2,514,801</u>	<u>19,076,494</u>	<u>17,527,556</u>	<u>38,748,419</u>	<u>34,103,009</u>
EXPENSES								
Personal Services	1,624,355	1,838,208	496,446	525,300	8,087,532	7,447,900	10,208,333	9,811,408
Contractual Services	541,820	12,162,455	153,582	1,252,896	4,538,331	4,230,669	5,233,733	17,646,020
Other Supplies and Expenses	11,184,281	232,751	1,160,762	17,971	750,492	599,658	13,095,535	850,380
Depreciation	354,000	345,495	379,772	377,162	1,511,238	1,512,683	2,245,010	2,235,340
Interest Expense	83,831	233,720	-	-	1,840,394	1,908,394	1,924,225	2,142,114
Total Operating Expenditures	<u>13,788,287</u>	<u>14,812,629</u>	<u>2,190,562</u>	<u>2,173,329</u>	<u>16,727,987</u>	<u>15,699,304</u>	<u>32,706,836</u>	<u>32,685,262</u>
Income (Loss) Before Transfers	1,017,371	(751,977)	2,675,705	341,472	2,348,507	1,828,252	6,041,583	1,417,747
Extraordinary Items	-	-	-	-	-	-	-	-
Interfund Transfers	-	(424)	-	-	-	-	-	(424)
Change in Net Assets	<u>1,017,371</u>	<u>(752,401)</u>	<u>2,675,705</u>	<u>341,472</u>	<u>2,348,507</u>	<u>1,828,252</u>	<u>6,041,583</u>	<u>1,417,323</u>
Net Assets, January 1	(9,610,837)	(8,858,436)	9,097,284	8,755,812	18,131,547	16,303,295	17,617,994	16,200,671
Prior Period Adjustment	-	-	226,272	-	-	-	226,272	-
Net Assets, January 1 - Restated	<u>(9,610,837)</u>	<u>(8,858,436)</u>	<u>9,323,556</u>	<u>8,755,812</u>	<u>18,131,547</u>	<u>16,303,295</u>	<u>17,844,266</u>	<u>16,200,671</u>
Net Assets, December 31	<u>\$ (8,593,466)</u>	<u>\$ (9,610,837)</u>	<u>\$ 11,999,261</u>	<u>\$ 9,097,284</u>	<u>\$ 20,480,054</u>	<u>\$ 18,131,547</u>	<u>23,885,849</u>	<u>17,617,994</u>

Revenues from the Solid Waste Fund represent 38.2% of the total revenues for enterprise funds in 2022, a decrease from 44.3% in 2021. This was due primarily to a decrease in overall revenues. Total expenses for the Solid Waste Fund were 42.2% of the total enterprise funds. The Jail Fund revenues consisted of 49.2% of total enterprise revenues, down from 55.4% in 2021. This is the result of increased charges for services.

GENERAL FUND BUDGETARY HIGHLIGHTS

The change in the final budget amounts available for appropriations is due to changes in grant revenue for Public Safety and the Coroner's office. Increases in General Government Services were a result of transferring funds for capital projects. The increases in Judicial were mainly due to increases in judicial salaries; increase in contracted services for Indigent Defense due to increased case complexity; and increased contracted services for Indigent Defense. The small increase in Public Safety was due to increased grant funding and the purchase of Tasers.

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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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Changes Favorable (Unfavorable)</u>
FUND BALANCE, JANUARY 1	\$ 10,752,200	\$ 10,855,488	\$ 26,427,847	\$ 15,572,359
RESOURCES (IN-FLOWS)				
Taxes	42,626,874	42,626,874	47,176,150	4,549,276
Licenses & Permits	537,500	537,500	594,831	57,331
Intergovernmental Revenue	5,744,560	6,910,617	7,167,096	256,479
Charges for Goods and Services	3,946,774	3,951,174	3,896,955	(54,219)
Fines and Forfeits	1,211,075	1,211,075	864,129	(346,946)
Interest Revenue	1,345,500	1,367,500	3,211,850	1,844,350
Miscellaneous Revenues	272,654	293,893	1,480,318	1,186,425
Transfers In	-	-	19,284	19,284
Total Resources (in-flows)	<u>55,684,937</u>	<u>56,898,633</u>	<u>64,410,613</u>	<u>7,511,980</u>
Amounts Available for Appropriation	<u>66,437,137</u>	<u>67,754,121</u>	<u>90,838,460</u>	<u>23,084,339</u>
CHARGES TO APPROPRIATIONS (OUT-FLOWS)				
General Government Services	23,011,656	24,156,756	20,591,908	3,564,848
Judicial	13,147,427	13,191,927	12,274,900	917,027
Public Safety	22,089,779	22,133,597	21,325,909	807,688
Economic Environment	509,012	510,005	399,954	110,051
Health and Human Services	537,317	589,963	589,562	401
Culture and Recreation	595,778	595,778	498,541	97,237
Capitalized Expenditures	141,000	170,927	1,554,064	(1,383,137)
Transfers Out	6,405,168	6,405,168	6,405,168	-
Amount Charged to Appropriations (out-flows)	<u>66,437,137</u>	<u>67,754,121</u>	<u>63,640,006</u>	<u>4,114,115</u>
FUND BALANCE, DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,198,454</u>	<u>\$ 18,970,224</u>

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
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The largest dollar variances for revenues are fairly even amongst intergovernmental revenue, taxes, and interest revenue. The decrease from 2021 in intergovernmental revenue is the result of reallocating of grant funds to other areas. The increase in taxes is small in comparison to the prior year but exceeds the expected budgeted amount.

Actual expenditures were 6.1% less than budgeted. This is represented primarily by decreases in General Government Services. This variance is the result of the overall reduction of expenses due to the reduction of cost allocations. The unfavorable variance in Fines and Forfeits is due to the COVID-19 outbreak and slight downturn in the economy.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The County's net capital assets were \$373.4 million at December 31, 2022. Of this total, Construction in progress was \$9 million. Capital assets include land, development rights, buildings, improvements, furniture and equipment, and infrastructure. Details of 2022 capital asset transactions are presented in Note VII of the notes to the financial statements.

During 2022 the County continued construction and remodeling of real property for County use. Ongoing projects include several road construction projects, improvements to county owned buildings, and miscellaneous small parks projects.

During 2022 GASB 87 was implemented, resulting in leases being capitalized and leases being recorded at net value for amounts owed long term for leases the County holds as lessor. See Note XIII for details

Long-Term Debt

At December 31, 2022, general obligation bonds payable as reported by governmental activities was \$12.5 million, a decrease of \$1.2 million. Business type activities reported general obligation bonds payable of \$51.3 million, a decrease of \$3 million from 2020. This is due in part to on-going debt payments.

The County's remaining legal capacity for non-voted debt at December 31, 2022 was approximately \$347.2 million.

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

Net Pension Liability

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB 68 takes an earnings approach to pension accounting; however, the nature of Washington's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 requires the net pension liability to equal the County's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the County is not responsible for certain key factors affecting the balance of this liability. In Washington, the employee shares the obligation of funding pension benefits with the employer. The amounts they contribute are calculated as a percentage of the employee's pay. In a few plans, those percentages are set in statute, but for most, the legislature can adjust the rates as needed. The Washington State Investment Board collectively invests the contributions and the earnings on those investments help to fund the plans.

The Office of State Actuary (OSA) performs a valuation of the retirement plans every other year, studying the experience of each and analyzing the effects of anticipated economic and demographic changes. In the valuation, OSA determines how much money must be contributed annually to pay for the benefits members are expected to earn during their public service.

OSA's recommendations then go to the Pension Funding Council, which is responsible for evaluating and adopting employee and employer contribution rates (subject to review by the Legislature). There is one exception – rates for the Law Enforcement Officers' and Fire Fighters' (LEOFF) Plan 2 are evaluated and adopted by the LEOFF Plan 2 Retirement Board.

A plan with assets that equal its liabilities is termed *fully funded*, which means the value of the assets on hand equals the plan's accrued liabilities. Any gap between the benefits earned and a retirement plan's assets is referred to as an unfunded liability. A plan with unfunded liability is considered underfunded.

Washington State has fully funded and underfunded state retirement plans. Current state funding policy requires additional contributions to return the underfunded plans to a fully funded status. As a result of that commitment, it is expected all Washington state retirement plans will have adequate assets to provide for all earned benefits into the future.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e., sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the County's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

OTHER POST EMPLOYMENT BENEFITS

With the implementation of GASB No. 75, the County has fully accrued the Other Post-Employment Benefits (OPEB). This GASB requires that the full OPEB liability be recorded as a long-term liability with a one year

SKAGIT COUNTY, WASHINGTON
Management's Discussion and Analysis
December 31, 2022

current portion. No assets are set aside for these costs but are paid as incurred. See Note IX - Pension and Note X Other Benefits.

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 2018, the 2007 bonds in the amount of \$2,645,000 were paid off with current resources. The retirement of the debt lowered the total bond debt to \$69.3 million.
- During 2018, the Board of County Commissioners passed several ordinances dissolving CVAA (a discreet component unit of the County) transferring the Commissioner's authority, responsibility, and assets to Skagit County Department of Emergency Medical services. CVAA ceased operations on December 31, 2018. CVAA has been eliminated as a County component unit and those activities now reside within the County.
- During 2020 a world-wide breakout of COVID-19 affected millions and resulted in national as well as statewide and local shut down of businesses, schools, and resulted in a downturn of many economic factors. It will be years before the full effect is realized.
- During 2021 bonds issued by the Solid Waste Fund were refunded with new debt with lower principal and a lower interest rate.
- During 2022 GASB 87 was implemented resulting in a alternative way to account for leases as lessee and lessor. The major difference affecting total assets and liabilities.

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:

Trisha Logue, 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
360-416-1700

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 Annual Comprehensive Financial Report (ACFR) for widespread distribution to users requiring less detailed information than is contained in the full ACFR. 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, liabilities and deferred inflows and outflows, 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 assets, liabilities and deferred inflows and outflows 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, liabilities and deferred inflows and outflows, 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 Custodial Net Position** - presents information on custodial fund assets and liabilities, with the difference reported as Net Position.
- (11) **Statement of Revenues, Expenses and Changes in Net Position – Custodial Funds** – presents information for each custodial fund and aggregated information.
- (12) **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.
- (13) **Required Supplementary Information – Pension, OPEB information and Changes in Fund Balance – Budget (GAAP Basis) and Actual** – presents pension and OPEB information as well as 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, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and Cash Equivalents	\$ 128,972,352	\$ 15,645,322	\$ 144,617,674
Investments	15,020,366	-	15,020,366
Accounts Receivables, Net	7,170,251	1,462,516	8,632,767
Due from Other Governments	8,640,776	4,407,027	13,047,803
Inventories and Prepayments	5,127,257	-	5,127,257
Notes Receivable	6,405,000	-	6,405,000
Restricted Assets:			
Restricted by Contract:			
Cash/Cash Equivalents	6,591,013	6,628,817	13,219,830
Investments	941,488	-	941,488
Net Pension Asset	14,816,110	1,719,125	16,535,235
Non Depreciated Capital Assets	180,534,332	9,000,036	189,534,368
Capital Assets, Net	110,475,936	64,373,420	174,849,356
Construction in Progress	5,715,717	3,326,406	9,042,123
Total Assets	<u>490,410,598</u>	<u>106,562,669</u>	<u>596,973,267</u>
DEFERRED OUTFLOWS of RESOURCES			
Related to Leases	205	-	205
Related to Pension	13,056,131	1,791,358	14,847,489
Related to OPEB	630,464	66,364	696,828
Total Deferred Outflows of Resources	<u>13,686,800</u>	<u>1,857,722</u>	<u>15,544,522</u>
LIABILITIES			
Accounts Payable	14,429,860	1,603,219	16,033,079
Due from General Fund	436,246	1,097,429	1,533,675
Other Liabilities	5,075,227	476,482	5,551,709
Compensated Absences-Short Term	335,583	39,375	374,958
OPEB Liability-Short Term	78,465	11,535	90,000
Due to Other Governments	13,776	-	13,776
Long Term Liabilities:			
Due within One Year	1,521,556	2,105,000	3,626,556
Short term environmental Liabilities	-	450,000	450,000
Due in More Than One Year	12,771,871	49,971,058	62,742,929
Deferred Revenue	21,702,453	6,566,968	28,269,421
OPEB Liability-Long Term	2,019,430	209,297	2,228,727
Pension Liability	7,445,081	556,436	8,001,517
Compensated Absences	2,646,720	324,830	2,971,550
Environmental Liabilities	262,206	19,330,901	19,593,107
Total Liabilities	<u>68,738,474</u>	<u>82,742,530</u>	<u>151,481,004</u>
DEFERRED INFLOWS OF RESOURCES			
Related to Pension	13,112,021	1,485,404	14,597,425
Related to Leases	1,282,027	10,343	1,292,370
Related to OPEB	2,814,508	296,265	3,110,773
Related to Deferred Gain on Refunded Bond	72,911	-	72,911
Total Deferred Inflows of Resources	<u>17,281,467</u>	<u>1,792,012</u>	<u>19,073,479</u>
Net Position			
Net Investment in Capital Assets	292,194,724	24,623,804	316,818,528
Restricted for:			
General Government	17,904,527	-	17,904,527
Public Safety	1,967,907	1,274,135	3,242,042
Utilities and Physical Environment	4,981,310	510,303	5,491,613
Transportation	12,557,369	-	12,557,369
Economic Environment	2,221,391	-	2,221,391
Health & Human Services	15,177,836	-	15,177,836
Culture and Recreation	1,818,714	-	1,818,714
Debt Service	2,584,932	-	2,584,932
Unrestricted	66,668,747	(2,522,393)	64,146,354
Total Net Position	<u>\$ 418,077,457</u>	<u>\$ 23,885,849</u>	<u>\$ 441,963,306</u>

See accompanying notes to the financial statements

SKAGIT COUNTY, WASHINGTON
Statement of Activities
For the Year Ended December 31, 2022

Functions/Programs	Net (Expenses) Revenues and Changes in Net Position						
	Program Revenues			Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 44,367,978	\$ 10,969,155	\$ 1,170,900	\$ 250,000	\$ (31,977,923)	\$ -	\$ (31,977,923)
Judicial	9,918,388	3,384,410	720,835		(5,813,143)	-	(5,813,143)
Public Safety	34,676,660	1,599,091	3,269,828		(29,807,741)	-	(29,807,741)
Physical Environment	1,263,681	58,138	36,042	168,501	(1,001,000)	-	(1,001,000)
Transportation	18,011,617	7,743,255	1,072,433	2,730,980	(6,464,949)	-	(6,464,949)
Economic Environment	7,283,194	1,175,823	260,581		(5,846,790)	-	(5,846,790)
Health and Human Services	31,965,576	9,323,591	17,037,988		(5,603,997)	-	(5,603,997)
Culture and Recreation	4,018,627	1,446,955			(2,571,672)	-	(2,571,672)
Interest and Redemption on Long Term Debt	1,051,221				(1,051,221)	-	(1,051,221)
Total Governmental Activities	<u>152,556,942</u>	<u>35,700,418</u>	<u>23,568,607</u>	<u>3,149,481</u>	<u>(90,138,436)</u>	<u>-</u>	<u>(90,138,436)</u>
Business-Type Activities							
Solid Waste	13,704,456	14,103,549	454,184		-	853,277	853,277
Drainage Utility	2,190,562		3,121,733		-	931,171	931,171
Jail Fund	14,887,593	11,742,533	228,261		-	(2,916,799)	(2,916,799)
Total Business-Type Activities	<u>30,782,611</u>	<u>25,846,082</u>	<u>3,804,178</u>	<u>-</u>	<u>-</u>	<u>(1,132,351)</u>	<u>(1,132,351)</u>
Total Primary Government	<u><u>183,339,553</u></u>	<u><u>61,546,500</u></u>	<u><u>27,372,785</u></u>	<u><u>3,149,481</u></u>	<u><u>(90,138,436)</u></u>	<u><u>(1,132,351)</u></u>	<u><u>(91,270,787)</u></u>
General Revenues (Expenses)							
Property Taxes					55,905,895	-	55,905,895
Sales/Use Taxes					33,212,635	-	33,212,635
Other Taxes					6,871,113	1,704,324	8,575,437
Interest and Investment Earnings (Expense)					3,562,913	(1,863,794)	1,699,119
Other revenues					8,585,066	7,361,109	15,926,174
Capital loss					(3,082,494)	(27,705)	(3,110,199)
Transfers					-	-	-
Total General Revenues					<u>105,035,127</u>	<u>7,173,934</u>	<u>112,209,061</u>
Change in Net Position					<u>14,896,691</u>	<u>6,041,533</u>	<u>20,938,274</u>
Net Position, January 1					401,749,193	17,617,994	419,367,187
Prior Period Adjustment					1,431,573	226,272	1,657,845
Adjusted Net Position at January 1					<u>403,180,766</u>	<u>17,844,236</u>	<u>421,025,032</u>
Net Position, December 31					<u><u>\$ 418,077,457</u></u>	<u><u>\$ 23,885,849</u></u>	<u><u>\$ 441,963,306</u></u>

See accompanying notes to the financial statements

SKAGIT COUNTY, WASHINGTON

Balance Sheet Government Funds

December 31, 2022

	Major Funds					Other Governmental Funds	Total
	General Fund	Mental Health Fund	County Road Fund	American Rescue Plan Act	Housing Assistance		
ASSETS and OUTFLOWS of RESOURCES							
Cash and Cash Equivalents	\$ 24,973,285	\$ 2,058,087	\$ 10,485,816	\$ 20,058,216	\$ -	\$ 47,393,792	\$ 104,969,196
Restricted Cash	1,699,256	-	-	-	-	-	1,699,256
Investments	-	6,984,933	-	-	31,132	11,984,006	19,000,071
Taxes Receivable	591,577	7,872	384,560	-	-	283,231	1,267,240
Accounts Receivable, Net	4,290	242,234	32,595	-	-	2,652,666	2,931,785
Accounts Receivable Other	1,502,657	-	500	-	-	-	1,503,157
Lease Receivable	13,796	-	-	-	-	-	13,796
Interest Receivable	819,276	-	-	-	-	-	819,276
Due from Other Funds	7,347	-	-	-	-	-	7,347
Due from Other Governments	3,082,681	897,032	804,795	-	761,628	3,094,640	8,640,776
Interfund Loans Receivable	185,000	-	-	-	-	5,500	190,500
Inventories and Prepayments	1,085	-	-	-	-	1,044	2,129
Total Assets	32,880,250	10,190,158	11,708,266	20,058,216	792,760	65,414,879	141,044,529
Deferred Outflows - Leases	-	-	-	-	-	205	205
Total Assets	\$ 32,880,250	\$ 10,190,158	\$ 11,708,266	\$ 20,058,216	\$ 792,760	\$ 65,415,084	\$ 141,044,734
LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES							
<u>Liabilities</u>							
Accounts and Vouchers Payable	1,040,776	443,436	803,202	721,141	653,777	1,607,763	5,270,095
Due to Other Funds	-	-	7,347	-	-	-	7,347
Due to Other Governmental Units	7,627	4,612	-	-	-	1,537	13,776
Due to General Fund	-	-	-	-	322,899	113,347	436,246
Accrued Wages Payable	850,637	23,997	212,552	28,768	8,904	298,708	1,423,566
Accrued Employee Benefits	208,374	6,080	57,213	7,038	-	104,269	382,974
Deposits	14,000	-	-	-	-	-	14,000
Unavailable Revenues	-	-	-	-	-	2,048,012	2,048,012
Unearned Revenue	1,502,657	-	-	19,301,269	-	898,527	21,702,453
Interfund Loans Payable	-	-	-	-	-	190,500	190,500
Total Liabilities	3,624,071	478,125	1,080,314	20,058,216	985,580	5,262,663	31,488,969
Deferred Inflows of Resources							
Court Receivables	1,699,256	-	-	-	-	-	1,699,256
Deferred Lease	13,767	-	-	-	-	1,175,046	1,188,813
Deferred Property Taxes	344,702	4,551	282,263	-	-	237,380	868,896
Total Deferred Inflows of Resources	2,057,725	4,551	282,263	-	-	1,412,426	3,756,965
<u>Fund Balance</u>							
Nonspendable	1,085	-	-	-	-	-	1,085
Restricted	-	9,618,124	9,486,267	-	-	45,437,946	64,542,337
Committed	-	89,358	859,422	-	-	13,302,049	14,250,829
Assigned	3,000,000	-	-	-	-	-	3,000,000
Unassigned	24,197,369	-	-	-	(192,820)	-	24,004,549
Total Fund Balances	27,198,454	9,707,482	10,345,689	-	(192,820)	58,739,995	105,798,800
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 32,880,250	\$ 10,190,158	\$ 11,708,266	\$ 20,058,216	\$ 792,760	\$ 65,415,084	\$ 141,044,734

SKAGIT COUNTY, WASHINGTON
Reconciliation of the Government Funds Balance Sheet
To the Statement of Net Position
December 31, 2022

Total fund balances as shown on the Governmental Fund Balance Sheet	\$ 105,798,800
Net capital assets of governmental funds as of December 31, 2022	283,472,782
Capital assets used in the activities of governmental funds are not financial resources and therefore are not reported in the funds.	
Deferred Inflow of Resources in the governmental funds and recognized as revenue of the current period on the statement of activities.	(456,298)
Net Position of the internal service funds	36,494,085
Internal service funds are included in governmental activities on the statement of net assets.	
Balance of long-term liabilities of the governmental funds as of December 31, 2022	(7,231,912)
Liabilities not due and payable in the current period are not reported in the governmental funds.	
	<hr/>
Total Net Position as reported on the Statement of Net Position	<u><u>\$ 418,077,457</u></u>

See accompanying notes to the financial statements

SKAGIT COUNTY, WASHINGTON
Statement of Revenues, Expenditures and Changes in Fund Balance
Government Funds
For the Year Ended December 31, 2022

	Major Funds					Other Governmental Funds	Total
	General Fund	Mental Health Fund	County Road Fund	American Rescue Plan Act	Housing Assistance		
Revenues							
Property Taxes	\$ 29,891,590	\$ 401,151	\$ 15,426,464	\$ -	\$ -	\$ 10,658,208	\$ 56,377,413
Sales and Use Taxes	16,728,834	4,442,454	-	-	-	12,041,347	33,212,635
Other Taxes	555,726	-	459,770	-	-	5,917,418	6,932,914
Licenses and Permits	594,831	-	85,637	-	-	1,458,927	2,139,395
Intergovernmental Revenues	7,167,096	2,203,036	9,206,974	5,723,370	14,788,105	10,390,336	49,478,917
Charges for Services	3,896,954	70,980	1,607,938	-	1,009,869	3,712,085	10,297,826
Fines and Forfeits	864,130	-	-	-	-	217,759	1,081,889
Interest Earnings	3,211,850	89,145	1,517	-	387	177,470	3,480,369
Donations	-	-	-	-	-	597,561	597,561
Other Revenues	1,480,318	213	165,843	-	-	2,181,805	3,828,179
Total Revenues	64,391,329	7,206,979	26,954,143	5,723,370	15,798,361	47,352,916	167,427,098
Expenditures							
Current:							
General Government	20,591,908	-	223,278	882,481	-	1,328,801	23,026,468
Judicial	12,274,900	-	-	557,812	-	-	12,832,712
Public Safety	21,325,909	-	-	2,933,334	-	15,474,705	39,733,948
Physical Environment	-	-	-	-	-	2,089,012	2,089,012
Transportation	-	-	22,569,754	577,374	-	186,828	23,333,956
Economic Environment	399,954	-	-	260,581	-	7,784,273	8,444,808
Health and Human Services	589,562	7,506,116	-	242,504	16,778,670	10,033,081	35,149,933
Culture and Recreation	590,120	-	-	-	-	3,754,657	4,344,777
Debt Service:							
Principal	-	-	-	-	-	1,456,511	1,456,511
Interest	-	-	-	-	-	483,679	483,679
Capital Outlay	1,462,485	-	8,040,896	-	-	3,600,273	13,103,654
Total Expenditures	57,234,838	7,506,116	30,833,928	5,454,086	16,778,670	46,191,820	163,999,458
Excess (Deficit) Revenues Over Expenditures	7,156,491	(299,137)	(3,879,785)	269,284	(980,309)	1,161,096	3,427,640
Other Financing Sources (Uses)							
Transfers In	19,284	-	13,366	-	-	9,470,339	9,502,989
Transfers Out	(6,405,168)	-	-	(269,284)	-	(2,828,537)	(9,502,989)
Total Other Financing Source (Uses)	(6,385,884)	-	13,366	(269,284)	-	6,641,802	-
Net Change in Fund Balance	770,607	(299,137)	(3,866,419)	-	(980,309)	7,802,898	3,427,640
Fund Balance, January 1	26,427,847	10,006,619	14,212,108	-	787,489	50,937,097	102,371,160
Fund Balance, December 31	\$ 27,198,454	\$ 9,707,482	\$ 10,345,689	\$ -	\$ (192,820)	\$ 58,739,995	\$ 105,798,800

SKAGIT COUNTY, WASHINGTON
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, 2022

Net change in fund balances as shown on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 3,427,640
Net Capital Asset Activity	7,020,480
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.	
Net Internal Service Fund Activity	3,540,909
Internal service funds are included in governmental activities on the statement of Net Position	
Net Long-Term Debt Activity	4,479,198
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.	
Net change in revenues not reportable on the modified accrual basis.	(3,571,536)
Revenues are reported on the modified accrual basis for the governmental funds statements and on the full accrual basis for the statement of activities.	
Change in Net Position as reflected in the Statement of Activities	\$ 14,896,691

SKAGIT COUNTY, WASHINGTON

Statement of Net Position

Proprietary Funds

December 31, 2022

	Business-Type Activities Enterprise Funds				Governmental Activities
	Solid Waste	Drainage Utility	County Jail	Total	*Internal Service Funds
ASSETS					
<u>Current Assets</u>					
Cash/Cash Equivalents	\$ 7,480,138	\$ -	\$ 8,165,184	\$ 15,645,322	\$ 19,744,649
Restricted Cash	6,563,504	-	65,313	6,628,817	3,280,605
Taxes Receivable	-	76,902	-	76,902	-
Accounts Receivable-net	1,349,311	-	25,906	1,375,217	68,518
Leases Receivable	10,397	-	-	10,397	107,797
Due from Other Governments	172,677	2,182,716	2,051,634	4,407,027	-
Inventories/Prepayments	-	-	-	-	5,125,128
Total Current Assets	15,576,027	2,259,618	10,308,037	28,143,682	28,326,697
<u>Non-Current Assets</u>					
<u>Capital Assets</u>					
Land	688,875	1,926,358	6,384,803	9,000,036	-
Buildings	10,037,972	-	59,108,624	69,146,596	180,888
Improvements	1,387,854	10,659,100	-	12,046,954	-
Machinery and Equipment	1,548,886	201,182	262,251	2,012,319	29,257,607
Less Accumulated Depreciation	(5,626,830)	(4,892,158)	(8,325,410)	(18,844,398)	(17,250,549)
Leased Assets	11,949	-	-	11,949	57,013
Construction In Progress	-	3,326,406	-	3,326,406	-
Pension Asset	394,483	115,820	1,208,822	1,719,125	1,170,293
Total Non-Current Assets	8,443,189	11,336,708	58,639,090	78,418,987	13,415,252
Total Assets	24,019,216	13,596,326	68,947,127	106,562,669	41,741,949
<u>Deferred Outflows of Resources</u>					
Related to Pension	394,219	115,743	1,281,396	1,791,358	1,169,510
Related to OPEB	18,013	4,740	43,611	66,364	37,923
Total Deferred Outflows of Resources	412,232	120,483	1,325,007	1,857,722	1,207,433
LIABILITIES AND FUND EQUITY					
<u>Current Liabilities</u>					
Accounts/Vouchers Payable	604,409	342,792	656,018	1,603,219	799,150
Due to General Fund	-	1,097,429	-	1,097,429	-
Claims and Judgements Payable	-	-	-	-	2,490,956
Due to Other Funds	-	-	-	-	-
Interest Payable	7,048	-	-	7,048	-
Accrued Wages Payable	46,581	14,424	253,054	314,059	129,284
Accrued Employee Benefits	13,207	3,930	72,925	90,062	32,482
Compensated Absences - Short Term	10,638	3,468	25,269	39,375	45,339
OPEB Liability - Short Term	2,662	887	7,986	11,535	5,704
Environmental liabilities - Short Term	450,000	-	-	450,000	-
Other Accrued Liabilities	-	-	65,313	65,313	-
Bonds Payable	605,000	-	1,500,000	2,105,000	-
Total Current Liabilities	1,739,545	1,462,930	2,580,565	5,783,040	3,502,915
<u>Non-Current Liabilities</u>					
Compensated Absences	96,734	18,044	210,052	324,830	302,228
Deferred Revenue	6,563,504	3,464	-	6,566,968	-
Post Closure Landfill Costs	2,040,591	-	-	2,040,591	-
Environmental Liability	17,290,310	-	-	17,290,310	262,206
Bonds Payable	4,475,000	-	45,496,058	49,971,058	-
OPEB Liability	57,278	14,887	137,132	209,297	120,485
Pension Liability	254,826	74,816	226,794	556,436	755,974
Total Non-Current Liabilities	30,778,243	111,211	46,070,036	76,959,490	1,440,893
Total Liabilities	32,517,788	1,574,141	48,650,601	82,742,530	4,943,808
<u>Deferred Inflows of Resources</u>					
Related to Pension	416,368	122,245	946,791	1,485,404	1,342,195
Related to OPEB	80,415	21,162	194,688	296,265	169,294
Related to Leases	10,343	-	-	10,343	-
Total Deferred Inflows of Resources	507,126	143,407	1,141,479	1,792,012	1,511,489
<u>Net Position</u>					
Net Investment in Capital Assets	2,968,706	11,220,888	10,434,210	24,623,804	12,244,959
Restricted Net Position	394,483	115,820	1,274,135	1,784,438	3,280,605
Unrestricted	(11,956,655)	662,553	8,771,709	(2,522,393)	20,968,521
Total Net Position	\$ (8,593,466)	\$ 11,999,261	\$ 20,480,054	\$ 23,885,849	\$ 36,494,085

See accompanying notes to the financial statements

*See Internal Service Funds section

SKAGIT COUNTY, WASHINGTON
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2022

	Business - Type Activities Enterprise Funds			Total	Governmental Activities
	Solid Waste	Drainage Utility	County Jail		*Internal Service Funds
<u>Operating Revenues</u>					
Charges for Services	\$ 14,103,549	\$ -	\$ 11,742,533	\$ 25,846,082	\$ 19,135,794
Other Operating Revenue	-	40,210	6,950,773	6,990,983	16,605,008
Total Operating Revenues	<u>14,103,549</u>	<u>40,210</u>	<u>18,693,306</u>	<u>32,837,065</u>	<u>35,740,802</u>
<u>Operating Expenses</u>					
Personnel Services	1,624,355	496,446	8,087,532	10,208,333	5,905,786
Contractual Services	11,184,281	1,160,762	4,538,331	16,883,374	4,815,224
Supplies and Expenses	541,820	153,582	750,492	1,445,894	6,067,255
Depreciation	354,000	379,772	1,511,238	2,245,010	2,496,298
Payment to Claimants	-	-	-	-	12,994,617
Total Operating Expenses	<u>13,704,456</u>	<u>2,190,562</u>	<u>14,887,593</u>	<u>30,782,611</u>	<u>32,279,180</u>
Operating Income (Loss)	<u>399,093</u>	<u>(2,150,352)</u>	<u>3,805,713</u>	<u>2,054,454</u>	<u>3,461,622</u>
<u>Non-Operating Revenue (Expenses)</u>					
Intergovernmental Revenue	454,184	4,826,057	228,261	5,508,502	-
Interest Revenue	20,696	-	39,735	60,431	82,544
Miscellaneous Revenue	254,934	-	115,192	370,126	-
Gain (Loss) on Disposition of Capital Assets	(27,705)	-	-	(27,705)	(3,257)
Interest Expense	(83,831)	-	(1,840,394)	(1,924,225)	-
Total Non-Operating Revenue (Expenses)	<u>618,278</u>	<u>4,826,057</u>	<u>(1,457,206)</u>	<u>3,987,129</u>	<u>79,287</u>
Income (Loss) before Transfers	1,017,371	2,675,705	2,348,507	6,041,583	3,540,909
Transfers In	-	-	-	-	-
Transfers out	-	-	-	-	-
Change in Net Position	<u>1,017,371</u>	<u>2,675,705</u>	<u>2,348,507</u>	<u>6,041,583</u>	<u>3,540,909</u>
Net Position, January 1	(9,610,837)	9,097,284	18,131,547	17,617,994	32,953,176
Prior period adjustment	-	226,272	-	226,272	-
Adjusted January 1 Net Position	<u>(9,610,837)</u>	<u>9,323,556</u>	<u>18,131,547</u>	<u>17,844,266</u>	<u>32,953,176</u>
Net Position, December 31	<u>\$ (8,593,466)</u>	<u>\$ 11,999,261</u>	<u>\$ 20,480,054</u>	<u>\$ 23,885,849</u>	<u>\$ 36,494,085</u>

See the accompanying notes to the financial statements
*See Internal Service Funds section

SKAGIT COUNTY, GOVERNMENT

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2022

	Business - Type Activities			Total	Governmental
	Enterprise Funds				Activities
	Solid Waste	Drainage Utility	Jail Fund		*Internal Service Funds
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 13,830,546	\$ (2,750)	\$ 11,742,760	\$ 25,570,556	\$ 3,240,065
Receipts from Interfund Services Provided	-	40,210	6,240,164	6,280,374	32,392,439
Payments to Employees	(958,851)	(517,541)	(8,099,998)	(9,576,390)	(5,785,992)
Payments to Suppliers	(647,661)	(965,789)	(5,172,407)	(6,785,857)	(5,131,441)
Payments to Claimants	-	-	-	-	(12,994,617)
Payments for Interfund Services Used	(11,183,901)	(153,582)	-	(11,337,483)	(6,134,020)
Miscellaneous Receipts	-	-	154,927	154,927	(760,796)
Miscellaneous Payments	-	398,809	-	398,809	-
Net Cash Provided (Used)	<u>1,040,133</u>	<u>(1,200,643)</u>	<u>4,865,446</u>	<u>4,704,936</u>	<u>4,825,638</u>
Cash Flows From Non-Capital Financing Activities:					
Grants and Taxes Received	584,408	-	43,458	627,866	-
Transfers to Other Funds	-	-	-	-	-
Transfers from Other Funds	-	-	-	-	-
Net Cash Provided (Used)	<u>584,408</u>	<u>-</u>	<u>43,458</u>	<u>627,866</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:					
Purchases of Capital Assets	(235,622)	(4,134,919)	-	(4,370,541)	(2,031,119)
Proceeds from Sale of Capital Assets	196,977	-	-	196,977	(12,688)
Capital Grant Received	-	3,013,769	-	3,013,769	-
Principal Paid on Capital Debt	(600,000)	-	(1,570,162)	(2,170,162)	-
Interest Paid on Capital Debt	-	-	(1,840,394)	(1,840,394)	-
Net Cash Provided (Used)	<u>(638,645)</u>	<u>(1,121,150)</u>	<u>(3,410,556)</u>	<u>(5,170,351)</u>	<u>(2,043,807)</u>
Cash Flows from Investing Activities:					
Interest Earnings	20,694	-	-	20,694	82,544
Net Cash Provided	<u>20,694</u>	<u>-</u>	<u>-</u>	<u>20,694</u>	<u>82,544</u>
Net Change in Cash and Cash Equivalents	1,006,590	(2,321,793)	1,498,348	183,145	2,864,375
Balance, January 1	6,473,548	1,224,364	6,666,837	14,364,749	20,160,879
Balance, December 31	<u>\$ 7,480,138</u>	<u>\$ (1,097,429)</u>	<u>\$ 8,165,185</u>	<u>\$ 14,547,894</u>	<u>\$ 23,025,254</u>

See accompanying notes to the financial statements

*See Internal Service Funds section

SKAGIT COUNTY, WASHINGTON
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Business - Type Activities Enterprise Funds			Total	Governmental Activities
	Solid Waste	Drainage Utility	Jail Fund		*Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	\$ 399,093	\$ (2,150,352)	\$3,805,713	\$ 2,054,454	\$ 3,461,622
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	354,000	379,772	1,511,238	2,245,010	2,468,879
Miscellaneous Receipts	-	-	154,927	154,927	-
Changes in Assets and Liabilities:					
Receivables, Net	138,549	316,951	709,721	1,165,221	1,227,442
Inventories	-	-	-	-	(88,818)
Accounts and Other Payables	148,491	252,986	(1,316,153)	(914,676)	(2,243,687)
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,040,133</u>	<u>\$ (1,200,643)</u>	<u>\$4,865,446</u>	<u>\$ 4,704,936</u>	<u>\$ 4,825,638</u>

Non-cash Activities
None

SKAGIT COUNTY, WASHINGTON

Statement of Fiduciary Net Position

December 31, 2022

	Custodial Funds	Investment Trust Funds
ASSETS		
Cash	\$ 70,306,245	\$ -
Investments	-	259,432,692
Taxes Receivable	1,352,952	-
Other Assets	2,695,891	-
Total Assets	<u>\$ 74,355,088</u>	<u>\$ 259,432,692</u>
LIABILITIES		
Payables	\$ 27,083,872	\$ -
Due to General Fund	2,151,833	-
Other Liabilities	11,370,852	-
Total Liabilities	<u>\$ 40,606,557</u>	<u>\$ -</u>
NET POSITION		
Restricted for Other Governments	\$ 33,748,533	\$ 259,432,692
Total Net Position	<u>\$ 33,748,533</u>	<u>\$ 259,432,692</u>

See accompanying notes to the financial statements

SKAGIT COUNTY, WASHINGTON
Statement of Changes to Fiduciary Net Position
For the year ended
December 31, 2022

Additions	Custodial Funds	Investment Trust Funds
Tax Collections for Other Governments	\$ 308,296,826	\$ -
Real and Personal Property Taxes	198,301,935	-
Investment Revenue	-	4,286,910
Excise Taxes	678,480	-
Deposits from Other Government	44,502,010	-
Receipt from Investment Trust	417,476,000	-
Investment Purchases	-	400,602,100
Miscellaneous Revenue	826,711,653	-
Total Additions	<u>1,795,966,904</u>	<u>404,889,010</u>
 Deductions		
Salaries Made on Behalf of other Governments	4,508,381	-
Benefits Made on Behalf of other Governments	1,741,613	-
Other Payments Made on Behalf of Other Governments	1,409,350,777	-
Disbursements to Investment Trust	400,602,100	-
Investment Sales	-	417,476,001
Total Deductions	<u>1,816,202,871</u>	<u>417,476,001</u>
 Change in Net Position	 (20,235,967)	 (12,586,991)
 Beginning Net Position	 <u>32,134,500</u>	 <u>272,019,683</u>
 Prior Period Adjustments	 21,850,000	 -
 Restated Net Position	 <u>53,984,500</u>	 <u>272,019,683</u>
 Ending Balance Net Position	 <u>\$ 33,748,533</u>	 <u>\$ 259,432,692</u>

See the accompanying notes to the financial statements

Skagit County, Washington
Notes to the Financial Statements
December 31, 2022

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. Significant accounting policies are described below.

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.

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*. The County only considers those entities as component units where the County appoints a voting majority of the board of directors, where the County is able to impose its will, or where a financial benefit or burden exists. During 2022 there were no entities which the County was required to report as a component unit.

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
- Central Skagit Rural Partial County Library District
- Upper Skagit Library District

Basis of Presentation 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 the non-fiduciary activities of the primary government. 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 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.

Skagit County, Washington
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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

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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, sales taxes, 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 measurable 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 (major special revenue 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 (major special revenue 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 revenue.
- The American Rescue Plan Act (ARPA) Fund (major special revenue fund) was created to facilitate and maintain funds received from the Treasury Department as part of the economic stimulus bill signed by President Biden on March 11, 2021 to provide funding for COVID-19 response and recovery. Within the ARPA, the Coronavirus Local Fiscal Recovery Fund (Local Fiscal Recovery Fund) allocates funding for all counties and municipalities in the United States.
- The Housing Assistance Fund (major special revenue fund) was created to assist citizens with housing and related expenses and is funded by fees collected in the process of collecting recording and title fees and also funded by federal and local grants.

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 operation and maintenance of the county jail.

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.
- Fiduciary Funds are custodial in nature and are presented as Net Position and Changes in Net Position. These funds account for assets (such as property taxes collected on behalf of other

Skagit County, Washington
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governments) that the County holds for others in a custodial capacity. Fiduciary funds include fire, school, port, cemetery, air pollution, city and town, library, dike and drain districts and amounts due to others.

- Investment Trust Funds hold the investments of the Custodial Funds, while the changes in net position only record the receipt and distribution of funds held for the benefit of others in a Custodial capacity.

As a general rule, the effect of interfund activity has been eliminated from the government wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the various other functions of 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 from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the 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 personnel 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.

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 for consumption and resale, services and pass-through payments, and capital outlays. Expenditures may not exceed appropriations at the department level and the budgets constitute the legal authority for expenditures at that level. All appropriations lapse sixty days after the close of each fiscal year.

Budget monitoring 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.

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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 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 funds had deficit fund balance/net position as of December 31, 2022;

The Solid Waste fund deficit was \$8,593,466. This results primarily from the recording of liabilities for landfill post closure care costs and environmental remediation costs as well as Net Pension and OPEB Liability. It is expected that revenue and/or grants will eliminate the deficit in the future. See Note XV

Housing Assistance fund deficit was \$192,820 and will reduce that deficit with increased revenue in the coming year.

Non major Special Revenue funds with deficits include Special Paths \$22,263 Skagit Emergency Management \$76,706, and Leased Facilities \$13,330 all of which will reduce spending in the coming year to eliminate those deficits.

In addition, four funds in the fiduciary funds have deficit balances totaling \$19,171,657. These funds are custodial in nature and have no effect on the County's direct operations. Deficits include Trust funds \$33,098, and State funds \$8,310,740 both of which are clearing accounts as well as Public Facilities District (PFD) \$7,453,569, Skagit 911 \$15,265, and Hospital 2 \$3,887,938. These balances represent only what the County holds for the districts and is not a reflection of their activity as a whole.

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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.

It is the County's policy to invest all temporary cash surpluses. At December 31, 2022 the treasurer was holding \$216,940,633 in short-term residual investments of surplus cash. This amount is classified on the balance sheet as cash and cash equivalents and warrants in excess of available funds in various funds. The interest on these investments is prorated to the various funds.

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

Investments – See Note III

Receivables and Payables

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

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 \$6,405,000 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.

Amounts Due to/from Other Funds, and Interfund Loan and Receivables

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.

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans receivable/payable. All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government wide financial statements as internal balances. A separate schedule of interfund loans receivable/payable is furnished in Note VI Interfund Receivables, Payables and Transfers.

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Notes to the Financial Statements
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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 at cost. The non-spendable fund balance for inventory is equal to the ending amount of inventory to indicate that a portion of the fund balance is not available for future expenditures. A comparison to market value is not considered necessary.

Restricted Assets and Liabilities

These accounts contain resources for debt service in enterprise funds. Specific debt service reserve requirements are described in Note VIII, Long Term Debt and includes the requirement that at a minimum at least \$3.9 million is held in cash and cash equivalents in the Jail Fund.

Capital Assets – See Note VII

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 acquisition 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.

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

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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 current and 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 payment into a VEBA account for up to 240 hours, and non-retiree payment for up to 60 hours of accumulated sick leave if requested.

Other Accrued Liabilities

Other accrued liabilities consist of accrued wages, accrued benefits, and unavailable revenue accounts.

Unearned Revenue

This account includes amounts reported in liabilities as unearned revenue on the balance sheet but not revenues in governmental funds income statement because the revenue recognition criteria have not been met.

Long-Term Obligations – See Note VIII

Pensions

For purposes of measuring the net pension liability or asset, 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.

Other Postemployment Benefits

The County implemented GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits other than Pension* during the year ended December 31, 2018. Implementation of the accounting principle resulted in the full estimated liability related to possible future benefits. The recorded ending liability at December 31, 2022 was \$2,318,727 that is included in short and long term liabilities.

Asset Retirement Obligations

The County implemented GASB Statement No. 83 *Certain Asset Retirement Obligations* during the year ended December 31, 2019. Liabilities have been recorded for assets that have a legal enforceable obligation upon retirement of that asset. See Note XVI.

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Notes to the Financial Statements
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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 Outflow of resources, and on what statement they reside:

Description	Amount	Balance Sheet Government Funds	Statement of Net Position
Deferred Outflows Related to Pension	14,847,487		X
Deferred Outflows Related to OPEB	696,828		X
Deferred Outflows Related to Leases	205		X

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

Description	Amount	Balance Sheet Government Funds	Statement of Net Position
Deferred Property Tax	868,896	X	
Court Receivables	1,699,256	X	
Lease Receivables	1,188,813	X	
Deferred Inflows Related to Leases	1,292,370		X
Deferred Gain on Refunding	72,911		X
Deferred Inflows Related to Pension	14,597,425		X
Deferred Inflows Related to OPEB	3,110,773		X

*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 2016 refunding bond issue, which resulted in an economic gain of \$200,504. The County chose not to restate prior periods for practical reasons.

* The County implemented GASB 68 in 2015, which resulted in additional deferred inflows and outflows related to Net Pension Liability. See Note IX.

* The County implemented GASB 87 in 2022, which resulted in additional deferred inflows and outflows related to Leases. See Note XIII.

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:

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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.

The governmental statement of net position reports \$64,472,497 of restricted component of net position and is restricted by contract or enabling legislation.

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. The current assigned balance amounts to \$3,000,000.

Unassigned Fund Balance – The residual net resources in excess of Nonspendable, Restricted, Committed, and Assigned. The general fund is the only fund that reports a positive unassigned fund balance amount.

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 \$3,000,000 of the General Fund balance for implementation of a compensation study.

The following shows the composition of the fund balance of the government funds for the fiscal year ended December 31, 2022:

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Fund Balances:	General Fund	Mental Health Fund	County Road Fund	Housing Assistance	Other Government funds	Total
<i>Nonspendable:</i>						
Inventory	\$ 1,085	\$ -	\$ -	\$ -	\$ -	\$ 1,085
<i>Restricted For:</i>						
General Govt Services	-	-	-	-	1,995,799	1,995,799
Public Safety	-	-	-	-	2,126,895	2,126,895
Utilities and Physical Environme	-	-	-	-	5,865,050	5,865,050
Transportation	-	-	9,486,267	-	(22,263)	9,464,004
Natural & Economic Env	-	-	-	-	4,186,951	4,186,951
Social Services	-	9,618,124	-	-	5,767,393	15,385,517
Cultural & Recreation	-	-	-	-	1,555,479	1,555,479
Debt Service	-	-	-	-	2,548,084	2,548,084
Capital Project	-	-	-	-	21,414,558	21,414,558
<i>Committed to:</i>						
General Govt Services	-	-	-	-	977,203	977,203
Public Safety	-	-	-	-	9,663,310	9,663,310
Utilities and Physical Environme	-	-	-	-	448,847	448,847
Transportation	-	-	859,422	-	-	859,422
Social Services	-	89,358	-	-	652,384	741,742
Cultural & Recreation	-	-	-	-	1,560,305	1,560,305
<i>Assigned:</i>	3,000,000	-	-	-	-	3,000,000
<i>Unassigned</i>	24,197,369	-	-	(192,820)	-	24,004,549
Total Fund Balances	\$ 27,198,454	\$ 9,707,482	\$ 10,345,689	\$ (192,820)	\$ 58,739,995	\$ 105,798,800

The American Rescue Plan Act Fund maintains no fund balance. The fund recognizes revenue only when expenses are incurred.

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 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	\$ 13,103,654
Depreciation Expense	(6,042,154)
Loss on Disposal of Asseets	(41,020)
Net Capital Assets	\$ 7,020,480

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Net Long-Term Debt Activity

Net Change Note Receivable	(630,000)
Net Change Accounts Receivable	(192,835)
Net Change Interest Receivable	(1,996)
Principal Payments	1,456,506
Amortization of Bond Discounts/Premiums	64,455
Amortization of Bond Issue Costs	18,228
Change in Compensated Absences Liability	(175,821)
Change in Net Pension	(23,861,869)
Change in OPEB Liability	374,744
Net Change in Deferred Resources	<u>27,427,786</u>
Net Long-Term Debt Activity	<u>\$ 4,479,198</u>

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	\$ 652,988,147
Less Accumulated Depreciation	(375,175,711)
Net Lease Asset	(55,371)
Construction in Progress	<u>5,715,717</u>
Net Capital Assets	<u>\$ 283,472,782</u>

Long-Term Liabilities

Bonds Payable	\$ (11,235,000)
Notes Receivable	6,863,678
Unamortized Bond Discounts/Premiums	(463,070)
Loans Payable	(2,595,357)
Compensated Absences Liability	(2,634,736)
Deferred Gain on Refunding	(72,911)
Net Deferred Inflows and Outflows	(2,042,855)
OPEB Liability	(1,971,706)
Net Pension Asset	29,132,000
Net Pension Liability	(22,175,290)
Accrued Interest Payable on Long-Term Liabilities	<u>(36,665)</u>
Long Term Liabilities	<u>\$ (7,231,912)</u>

III. 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, County restricted and unrestricted cash and cash

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equivalents amounted to \$224,474,757. This in part consisted of certificates of deposit and money market accounts of \$25,318,869 and the treasurer's bank balance was a negative \$24,997. 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. Any balances held at Key Bank over the federal depository insurance are collateralized with certificates of deposits at various financial institutions in denominations of \$250,000 held by Key Bank.

Investments

As required by Washington State law, all investments of Skagit County and applicable custodial 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. U.S. Government securities and commercial paper are stated at fair value. All other investments are stated at amortized cost which approximates fair value.

The County is a participant in the Local Government Investment Pool (LGIP), authorized by Chapter 294, Laws of 1986, and is managed and operated by the Washington State Treasurer. The State Finance Committee is the administrator of the statute that created the pool and adopts rules. The State Treasurer is responsible for establishing the investment policy for the pool and reviews the policy annually and proposed changes are reviewed by the LGIP Advisory Committee.

Investments in the LGIP, a qualified external investment pool, are reported at amortized cost which approximates fair value. The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure for financial statement purposes, investments at amortized cost. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

The office of the State Treasurer prepares a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at <http://www.tre.wa.gov>.

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. Realized gains or losses on investments sold or exchanged are recognized at the time the transactions are completed and unrealized gains or losses are at the government wide level due to the temporary nature of the gain or loss.

The County measures and reports investments at fair value using the valuation input hierarchy established by generally accepted accounting principles as follows:

- Level 1:* Quoted prices in active markets for identical assets or liabilities;
- Level 2:* These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are observable;
- Level 3:* Unobservable inputs for an asset or liability.

Skagit County, Washington
Notes to the Financial Statements
December 31, 2022

As of December 31, 2022, the County held the following investments maturing as follows:

Investment Type	Fair Value	Less than 1 Year			More than 2 years
		Maturity	1 Year	2 Years	
Money Market	\$ 25,318,869	\$ 25,318,869	\$ -	\$ -	\$ -
Treasury Notes	36,585,420	25,946,630	8,713,950	1,924,840	-
Municipal Bonds	12,333,442	3,039,866	5,061,572	4,232,004	-
U.S. Agencies	106,511,813	54,387,540	28,251,363	23,872,910	-
Discount Notes	3,934,790	3,934,790	-	-	-
State Agency	1,456,298	-	-	1,456,298	-
Registered Warrants	174,000	174,000	-	-	-
State Treasurer Pool	306,020,547	306,020,547	-	-	-
	<u>\$ 492,335,179</u>	<u>\$ 418,822,242</u>	<u>\$ 42,026,885</u>	<u>\$ 31,486,052</u>	<u>\$ -</u>

As of December 31, 2022, the County held the following investments with their corresponding hierarchy:

Investment Type	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Money Market	\$ 25,318,869	25,318,869		
Treasury Notes	36,585,420	36,585,420		
Municipal Bonds	12,333,442	12,333,442		
U.S. Agencies	106,511,813	106,511,813		
Treasury Coupons	3,934,790	3,934,790		
State Agency	1,456,298	1,456,298		
	<u>\$ 186,140,632</u>			
Registered Warrants	174,000	n/a		
State Treasurer Pool	306,020,547	n/a		
Total	<u>492,335,179</u>			
State pool amounts included in cash and cash equivalents	<u>216,940,633</u>			
Net Investments	\$ 275,394,546			

Total fair value of investments includes amounts for Skagit County and for the Junior Taxing districts (Custodial Funds). A portion of the amounts considered cash and cash equivalents are included in the short term investments (State Treasurer Pool) listed above.

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

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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.

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 June 15, 2020, the limitations on investment in the Washington State LGIP changed to 75% of the total portfolio by resolution R20200106 to allow investment when there are no other viable alternatives. At year end, the County had no other investment in a single issuer that was greater than 15 percent of total investments.

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, 2022, the County's investments in U.S. Agencies in the amount of \$39,030,060 (fair value) was rated AA+ by Standard & Poor's, and rated AAA by Moody's in the amount of \$37,000,781 (fair value) and an additional amount of \$2,029,279 not rated.

Details of ratings on investments in municipal bonds are as follows:

ENTITY	S&P/MOODY'S	FAIR VALUE
BLACKHAWK PA SCH DIST	AA/A2	\$ 1,299,806
COAST CA CMNTY CLG DIST	AA+/AA1	1,200,782
CONNECTICUT STATE GO	AA-/AA3	980,990
LINN CTY CMNTY SCH DIST	AA+/NA	949,740
MARYLAND ST TXBL	AAA/AAA	936,520
NEW YORK NY TXBL	AA/AA2	1,844,256
SEQUOIA CA UNION HIGH SCH DIST	NA/AA1	1,307,166
WASHINGTON CNTY SCH DIST TXBLE	AA+/AA1	774,316
ELKHARTIN CMNTY SCHS	AA+/NA	1,339,035
WEST ORANGE TWP NJ	NA/NA	1,700,831
		<u>\$ 12,333,442</u>

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

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IV. 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 1st of each year. Collection of taxes is authorized on February 15th, with installments due on April 30th and October 31st. On May 31st 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 and revenue when levied. Property tax collected in advance of the fiscal year to which it applies is recorded as a deferred inflow. Refunds of taxes are recorded as reductions of revenue when they are measurable 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.

2022 Tax levy information is as follows:

	Levy in Dollars Assessed per Thousand		Total Value		Levy
County	1.1491	\$	25,206,461,742	\$	28,969,630
Medic 1 Services	0.3693	\$	25,174,718,035	\$	9,297,433
Roads	1.4056	\$	11,851,474,657	\$	16,659,429
Conservation Futures	0.0388	\$	25,206,461,742	\$	979,403

The County also has other levies for general governmental services and special revenue assessments. Medic 1 services is for the provision of emergency medical services. 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.

V. RECEIVABLES

Levied property taxes are reported as receivables and as deferred inflow of resources at the beginning of the year and those balances are reduced as cash is received to pay those taxes. Other receivables and

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revenue are recorded when revenues are earned. Also see Note I. The Statement of Activities reports revenues on the full accrual basis. Detail of accounts receivable in the Statement of Net Position as of December 31, 2022 is as follows:

Net Accounts Receivable for Private Septic System Loans	\$ 458,678
Interest Receivable	819,276
Property Taxes Receivable	1,267,240
Taxes Receivable Business Type Activities	1,462,516
Lease Receivable	239,787
Court Receivables	1,502,657
Other Accounts Receivable	2,882,613
Total net receivables	<u>\$ 8,632,767</u>

VI. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Details of interfund payable/receivable balances of December 31, 2022 are as follows:

Due to Other funds	Due From Other funds						Total
	General Fund	Mental Health	County Roads	Other Govt Funds	Enterprise Funds	Internal Service Funds	
General Fund	\$ -		\$ (7,347)	\$ -	\$ -	\$ -	\$ (7,347)
Mental Health	-		-	-	-	-	-
County Roads	7,347		-	-	-	-	7,347
Other Govt Funds	-		-	-	-	-	-
Enterprise Funds	-		-	-	-	-	-
Internal Service	-		-	-	-	-	-
Total	<u>\$ 7,347</u>	<u>\$ -</u>	<u>\$ (7,347)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

These balances are the result of transactions involving the exchange of goods and services in the ordinary operations of the respective funds. Balances are expected to be repaid within one year.

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 Government-Wide financial statements.

Details of the interfund loans are as follows:

Borrowing Fund	Balance		Balance	
	1/1/2022	New Loans	Repayment	12/31/2022
Water Improvement 216	\$ 5,500	\$ -	\$ -	\$ 5,500
Emergency Management	185,000	-	-	185,000
Total	<u>\$ 190,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,500</u>

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.

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Details of 2022 transfers are as follows:

Transferring Fund	Transfers In			Balance 12/31/2022
	General Fund	Road Fund	Non-Major Governmental	
General Fund	-	-	6,405,168	6,405,168
Mental Health	-	-	-	-
County Roads	-	-	-	-
American Rescue Fund	-	-	269,284	269,284
Enterprise Funds	-	-	-	-
Other Govt. Funds	19,284	13,366	2,795,887	2,828,537
Balance	\$ 19,284	\$ 13,366	\$ 9,470,339	\$ 9,502,989

VII. Capital Assets

The County has adopted GASB 87 in 2022 and the summarized capital assets are reflected below. See Note XIII for details on capital leases.

Summarized capital asset transactions for governmental activities are as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable				
Land	\$ 157,367,926	\$ 480,834	\$ -	\$ 157,848,760
Development Rights	22,336,469	349,101		22,685,570
Construction in Progress	19,955,776	10,956,035	(25,196,094)	5,715,717
	199,660,171	11,785,970	(25,196,094)	186,250,047
Depreciable Capital Assets				
Buildings	76,144,158	12,132,332		88,276,490
Improvements	8,952,742	1,128,502		10,081,244
Machinery and Equipment	37,758,989	2,324,926	(568,858)	39,515,057
Infrastructure	350,655,620	13,363,922		364,019,542
	473,511,509	28,949,682	(568,858)	501,892,333
Less Accumulated Depreciation				
Buildings	(50,067,086)	(2,795,392)	424,230	(52,438,248)
Machinery and Equipment	(14,642,779)	(2,483,132)	56,231	(17,069,680)
Infrastructure	(320,767,798)	(2,150,555)	-	(322,918,353)
	(385,477,663)	(7,429,079)	480,461	(392,426,281)
Total Net Depreciable Capital Assets	88,033,846	21,520,603	(88,397)	109,466,052
Total Net Capital Assets	\$ 287,694,017	\$ 33,306,573	\$ (25,284,491)	\$ 295,716,099

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Governmental Activities	Balance	Increases	Amortization	Balance
Leased Assets	\$ -	\$ 1,158,476	\$ (148,590)	\$ 1,009,886

Depreciation expense by function for governmental activities is as follows:

General Governmental Services	\$ 4,070,084
Judicial	8,884
Public Safety	388,885
Transportation	2,220,105
Health and Human Services	464,702
Culture and Recreation	276,419
Total governmental activities depreciation expense	<u>\$ 7,429,079</u>

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

Business - Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable				
Land	\$ 9,000,036	\$ -	\$ -	\$ 9,000,036
Construction in Progress	596,207	3,843,248	(1,113,049)	\$ 3,326,406
	<u>9,596,243</u>	<u>3,843,248</u>	<u>(1,113,049)</u>	<u>12,326,442</u>
Depreciable Capital Assets				
Buildings	69,119,901	138,097	(111,402)	69,146,596
Improvements	10,933,906	1,113,049	-	12,046,955
Machinery and Equipment	1,946,920	65,399	-	2,012,319
	<u>82,000,727</u>	<u>1,316,545</u>	<u>-</u>	<u>83,205,870</u>
Less Accumulated Depreciation				
Buildings	(9,736,615)	(1,731,122)	13,177	(11,454,560)
Improvements	(5,801,309)	(375,235)	-	(6,176,544)
Machinery and Equipment	(1,074,641)	(138,653)	-	(1,213,294)
	<u>(16,612,565)</u>	<u>(2,245,010)</u>	<u>13,177</u>	<u>(18,844,398)</u>
Total Net Depreciable Capital Assets	<u>65,388,162</u>	<u>(928,465)</u>	<u>13,177</u>	<u>64,361,472</u>
Total Net Capital Assets	<u>74,984,405</u>	<u>2,914,783</u>	<u>(1,099,872)</u>	<u>76,687,914</u>

Business - Type Activities	Balance	Increases	Amortization	Balance
Leased Assets	\$ -	\$ 12,595	\$ (646)	\$ 11,949

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

Solid Waste	\$ 354,000
Drainage Utility	379,772
Jail	1,511,238
Total business type activities depreciation expense	<u>\$ 2,245,010</u>

VIII. 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. The full faith, credit and resources of the County are pledged for the payment of the principal and interest on all general obligation bonds. No default provision is incorporated in any of the bonds detailed below.

In addition, the bonds are not subject to acceleration upon occurrence of default. In the case of multiple defaults of payment of principal and interest, the registered owners would be required to bring separate actions for each payment not made.

The Jail Fund holds a debt service reserve in the amount of \$3.9 million but no property secures any of the bond debt.

Based on historical taxable retail sales countywide, the County expects the revenue from the jail tax to be sufficient to pay debt service on the bonds and provide additional funds for reserves and operations of the jail.

The County has maintained a cash balance in the Jail Fund with a required minimum funding threshold of \$3.9 million as of December 31st of each year. If the minimum threshold is not met in any year at December 31st, the cost to bring the cash balance up to the minimum threshold will be covered by the County and the Cities through an additional financial contribution in the following years.

Each governmental fund is responsible for the liquidation of its own long-term liabilities other than debt, pensions, OPEB and compensated absences.

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Details of general obligation bonds outstanding as of December 31, 2022 are as follows:

Description	Balance
<p>In 2013, the County entered into an interlocal agreement with Skagit Regional Public facilities District to refund their 2003 bond issue and take on a bond in the amount of \$8,605,000 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. Principal and interest on the 2013 bond is insured by a financial guaranty insurance policy issued by CIGF Assurance North America, Inc if Skagit Regional Public Facilities District is unable to satisfy its obligation to the County. Principal payments are due annually on December 1. Interest payments at a variable rate between 2% and 4% are due June 1 and December 1. The principal payment of \$630,000 and interest payments totaling \$99,918 were made in 2022.</p>	\$ 3,005,000
<p>In 2020, the County entered into an interlocal agreement with Skagit Regional Public Facilities District (PFD) for the purpose of capital improvements for PFD and take on a bond in the amount of \$3,400,000 in order to take advantage of better rates. This was completed per C20200048. The County booked a receivable for the balance and will systematically reduce the debt over time from their dedicated sales tax revenue. Interest only payments are due semiannually until December 1, 2027. Interest payments are at 5%. Interest payments only until December 1, 2027 and payments are made June 1 and December 1 of each year until matured. Payment of interest totaling \$170,000 was made in 2022.</p>	3,400,000
<p>In 2014, bonds in the amount of \$780,000 were issued to acquire a building for County use. Interest rates range from 3.625% to 5.00% for maturities in 2034. Principal payments are due annually on December 1, interest payments are due on June 1 and December 1. Principal payments of \$35,000 and interest of \$29,862 were made in 2022.</p>	610,000
<p>In 2016, bonds in the amount of \$7,540,000 were issued to refund the 2006 bond of \$4,340,000 and \$3,200,000 for building improvements. Principal payments are due annually on December 1, interest payments are due June 1 and December 1. The interest rates range from 2.0% to 4.0%. Principal payments of \$585,000 and interest payments of \$116,250 were made in 2022.</p>	4,220,000
Total bonds payable at December 31, 2022 for governmental activities	\$ 11,235,000
<p>In 2021 bonds in the amount of \$5,680,000 were issued to refund the 2010 bond of \$9,740,000 for the continued purpose of improving the County's solid waste transfer station and other capital improvements to the County facilities. Payoff of the 2010 bond was in the amount of \$6,170,000. Refunding was done to take advantage of the lower interest rates. Principal payments are due December 1 starting in 2022. Interest is due December 1 and June 1. The interest rate is 1.489%. Principal payments of \$600,000 and interest in the amount of \$84,575 was paid in 2022.</p>	\$ 5,080,000
<p>Proceeds in the amount of \$51,920,000 from the 2014 bond issue are for the purpose of planning, acquiring land, and construction of a 400 bed regional jail facility. Principal payments are due annual on December 1. Interest rates range from 3.625% to 5.0% and are due June 1 and December 1. Principal payments of \$1,425,000 and interest payments of \$1,985,556 were made in 2022.</p>	44,250,000
Total bonds payable at December 31, 2022 for business-type activities	\$ 49,330,000

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

Year Ending December 31	Government Activities			
	Government Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 1,310,000	\$ 377,381	\$ 2,105,000	\$ 1,914,306
2024	1,380,000	336,381	2,190,000	1,839,306
2025	1,435,000	307,581	2,270,000	1,760,556
2026	1,490,000	277,531	2,365,000	1,678,056
2027-2031	1,965,000	1,021,363	12,680,000	6,998,781
2032-2036	2,240,000	620,787	12,530,000	4,539,481
2037-2041	1,415,000	219,000	15,190,000	1,870,400
Totals	\$ 11,235,000	\$ 3,160,024	\$ 49,330,000	\$ 20,600,886

Loans Payable

The County has entered into several Department of Ecology (DOE) loans for the purpose of upgrading and repairing local sewer systems located in the County. As the County repays the State of Washington Department of Ecology, the homes which benefited from the upgrades will repay the County for the work done to upgrade their septic systems.

The County will be in default of its obligations under these DOE agreements when any loan repayment to DOE becomes sixty (60) days past due. In the event of default the Department of Ecology may in its sole discretion declare the principal and interest due immediately. And in accordance with RCW 90.50A.060, any State funds otherwise due to the County may be withheld and applied to the repayment of these loans.

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

Year Ending December 31	Principal	Interest
2023	\$ 211,556	\$ 62,602
2024	213,780	57,430
2025	219,080	52,130
2026	224,512	46,698
2027-2031	1,070,381	147,987
2032-2036	502,070	48,197
2037-2041	153,978	5,376
	\$ 2,595,357	\$ 420,420

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Details of loans payable as of December 31, 2022 is as follows:

<u>Description</u>	<u>Balance</u>
Payable to the State of Washington Department of Ecology Water Pollution Control Revolving Fund pursuant to a 2000 loan agreement in the amount of \$47,162. The loan is unsecured and paid in part by residential septic loans. The term is 20 years and no interest is due. Principal payments of \$2,948 were made in 2022.	\$ 2,948
Payable to the State of Washington Department of Ecology pursuant to a 2007 loan agreement in the amount of \$2,111,001. Payments began in 2012. The loan is unsecured and paid in part by residential septic loans. The interest rate is 2.6% and the term is 20 years. Principal payments of \$111,630 and interest payments of \$26,054 were made in 2022.	996,287
Payable to the State of Washington Department of Ecology pursuant to a 2014 loan agreement in the amount of \$876,953. The loan is unsecured and paid in part by residential septic loans. The term is 20 years at 2.7% interest. Principal payments of \$41,688 and interest payments of \$16,994 were made in 2022.	598,076
Payable to the State of Washington Department of Ecology pursuant to a 2017 loan agreement in the amount of \$259,103. The loan is unsecured and paid in part by residential septic loans. The interest rate is 2.6% and the term is 20 years. Principal payments of \$11,645 and interest payments of \$5,659 were made in 2022.	207,725
Payable to the State of Washington Department of Ecology pursuant to a 2019 loan agreement in the amount of \$671,539. The loan is unsecured and paid in part by residential septic loans. The interest rate is 2.4% and the term is 20 years. Principal payments of \$28,992 and interest payments of \$14,850 were made in 2022.	593,879
Payable to the State of Washington Department of Ecology pursuant to a 2020 loan agreement in the amount of \$218,652. The loan is unsecured and paid in part by residential septic loans. The interest rate is 2.0% and the term is 20 years. Principal payments of \$9,607 and interest payments of \$4,090 were made in 2022.	196,442
Total loans payable at December 31, 2022 for governmental activities	<u>\$ 2,595,357</u>

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, 2022, the County's remaining capacity for non-voted debt was \$347,190,363. Additional debt capacity with an authorizing vote is \$599,254,981.

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Changes in Long-Term Liabilities

Details of changes in long term liabilities for the year ended December 31, 2022 is as follows:

	Beginning Balance	New Issue	Retirements	Ending Balance	Due Within One year
Governmental Activities:					
Bonds Payable					
General Obligation Bonds	\$ 12,485,000	\$ -	\$ 1,250,000	\$ 11,235,000	\$ 1,310,000
Add: Net Unamortized Discounts/Premiums	527,525		64,454	463,071	
Total Bonds Payable	13,012,525	-	1,314,454	11,698,071	1,310,000
Loans Payable	2,801,868		206,511	2,595,357	211,557
Compensated Absences	2,852,475	129,828		2,982,303	335,583
Pension Liability	3,458,951	3,986,117		7,445,068	-
OPEB Liability	2,530,406		432,511	2,097,895	78,465
Environmental Liabilities	265,086		2,880	262,206	-
Total Long-Term Liabilities	\$24,921,311	\$ 4,115,945	\$ 1,956,356	\$27,080,900	\$1,935,605

Internal Service Funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included in the above amounts. At year-end \$347,567 of Internal Service Funds compensated absences are included in the above amounts. Also, for the governmental activities, claims and judgements and compensated absences are generally liquidated by the general fund.

	Beginning Balance	New Issue	Retirements	Ending Balance	Due Within One year
Business-Type Activities					
Bonds Payable					
General Obligation Bonds	\$ 51,355,000	\$ -	\$ 2,025,000	\$ 49,330,000	\$ 2,105,000
Discounts/Premiums	2,891,220	17,875	163,037	2,746,058	
Total Bonds Payable	54,246,220	17,875	2,188,037	52,076,058	2,105,000
Compensated Absences	392,181		27,976	364,205	39,375
OPEB Liability	371,998		151,166	220,832	11,535
Post Closure Landfill Costs	2,178,964		38,373	2,140,591	100,000
Environmental Liabilities	16,703,418	936,892		17,640,310	350,000
Net Pension Liabilities	299,465	256,971	-	556,436	-
Total Long-Term Liabilities	\$74,192,246	\$ 1,211,738	\$ 2,405,552	\$72,998,432	\$2,605,910

IX. PENSION PLANS

The following table represents the aggregate pension amounts for all plans for all 2022:

Aggregate Pension Amounts - All Plans	
Pension Liabilities	(8,001,518)
Pension Assets	16,535,222
Deferred Outflows of Resources	14,847,487
Deferred Inflows of Resources	(14,597,424)
Pension Expense/Expenditures	277,478

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State Sponsored Pension Plans

Substantially all of the County's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit 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 annual comprehensive financial report that includes financial statements and required supplementary information for each plan.

Or the DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS)

PERS members include elected officials; state employees; employees of the Supreme, Appeals, and Superior courts; employees of the legislature; employees of district and municipal courts; employees of local governments; 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 entrants 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 2022 were as follows:

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PERS Plan 1		
Actual Contribution Rates:		
January-August 2022	Employer	Employee*
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	3.71%	
Administrative Fee	0.18%	
Total	10.25%	6.00%
September-December 2022		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Total	10.39%	6.00%

*For employees participating in JBM, the contribution rate was 12.26%

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

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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 2022 were as follows:

PERS Plan 2/3		
Actual Contribution Rates:	Employer 2/3	Employee 2*
January-August 2022		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	3.71%	
Administration Fee	0.18%	
Employee PERS Plan 3		Varies
Total	10.25%	6.36%
September-December 2022		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	3.85%	
Administration Fee	0.18%	
Employee PERS Plan 3		Varies
Total	10.39%	6.36%

*For employees participating in JBM, the contribution rate was 15.90%.

The County's actual PERS plan contributions were \$1,539,272 to PERS Plan 1 and \$2,634,794 to PERS Plan 2/3 for the year ended December 31, 2022.

Public Safety Employees' Retirement System (PSERS)

PSERS Plan 2 was created by the 2004 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 3 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.

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PSERS covered employees include:

Certain State of Washington agencies (Department of Corrections, Department of Natural Resources, Gambling Commission, Liquor & Cannabis 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 the 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 2022 were as follows:

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PSERS Plan 2		
Actual Contribution Rates:		
January- August 2022	Employer	Employee
PSERS Plan 2	6.50%	6.50%
PERS Plan 1 UAAL	3.71%	
Administrative Fee	0.18%	
Total	10.39%	6.50%
September –December 2022		
PSERS Plan 2	6.60%	6.60%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Total	10.63%	6.60%

The County's actual plan contributions were \$635,625 to PSERS Plan 2 for the year ended December 31, 2022.

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 defined 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 2022. 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.

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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.

Effective July 1, 2017, when a LEOFF employer charges a fee or recovers costs for services rendered by a LEOFF 2 member to a non-LEOFF employer, the LEOFF employer must cover both the employer and state contributions on the LEOFF 2 basic salary earned for those services. The state contribution rate (expressed as a percentage of covered payroll) was 3.41% in 2022.

The LEOFF Plan 2 required contributions rates (expressed as a percentage of covered payroll) for 2022 were as follows:

LEOFF Plan 2		
Actual Contribution Rates:		
January-December 2022	Employer	Employee
State and Local Government	5.12%	8.53%
Administrative Fee	0.18%	
Total	5.30%	8.53%
Ports and Universities	8.53%	8.53%
Administrative Fee	0.18%	
Total	8.71%	8.53%

The County's actual contributions to the plan were \$339,933 for the year ended December 31, 2022.

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 statute. For the state fiscal year ending June 30, 2022, the state contributed \$81,388,085 to the LEOFF Plan 2. The amount recognized by the County as its proportionate share of this amount is \$188,827.

Actuarial Assumption

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2022 with a valuation date of June 30, 2021. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2013-2018 Experience Study* and the *2021 Economic Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2021 actuarial valuation report. The TPL was calculated as of the valuation date of rolled forward to the measurement

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date of June 30, 2022. Plan liabilities were rolled forward from June 30, 2021, to June 30, 2022, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

Inflation: 2.75% total economic inflation; 3.25% salary inflation

Salary increases: In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by promotions and longevity.

Investment rate of return: 7.00%

Mortality rates were developed using the Society of Actuaries' Pub. H-2020 mortality rates, which vary by member status, as the base table. The OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society Actuaries, to project mortality rates for every year after the 2010 base table. 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.

Methods did not change from the prior contribution rate setting June 30, 2019 Actuarial Valuation Report (AVR), however OSA introduced a temporary method change to produce asset and liability measures for the June 30, 2020 AVR. There were also the following assumption changes:

- OSA updated the Joint-and-Survivor Factors and Early Retirement Factors in the model. Those factors are used to value benefits for early retirement and survivors of members that are deceased prior to retirement. These factors match the administrative factors provided to DRS for future implementation that reflect current demographic and economic assumptions.
- OSA updated the economic assumptions based on the 2021 action of the PFC and the LEOFF Plan 2 Retirement Board. The investment return assumption was reduced from 7.5% (7.4% for LEOFF 2) to 7.0%, and the salary growth assumption was lowered from 3.5% to 3.25%. This action is a result of recommendations from OSA's biennial economic experience study.

Discount Rate

The discount rate used to measure total pension liability for all DRS plans was 7.0 percent.

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 for current plan members. Based on OSA's assumptions, the pension plans' 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 7.0 percent was used to determine the total liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on the DRS pension plan investments of 7.0 percent was determined using a building-block-method. In selecting this assumption, the Office of the State Actuary (OSA) reviewed the historical experience data, considered the historical condition that produced past annual investment returns, and considered Capital Market Assumptions (CMA's) and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the CMA's and their target asset allocation to simulate future investment returns at various future times.

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Estimated Rates of Return by Asset Class

The table below summarizes the best estimates of arithmetic real rates of return for each asset class included in the pension plan's target asset allocation as of June 30, 2022. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimated of broad economic inflation.

Estimated Rates of Return by Asset Class		
Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.50%
Tangible Assets	7%	4.70%
Real Estate	18%	5.40%
Global Equity	32%	5.90%
Private Equity	23%	8.90%
	100%	

Sensitivity of the Net Pension Liability/(Asset)

The table below presents the County's proportionate share* of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the 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 (6.0 percent) or 1-percentage point higher (8.0 percent) than the current rate.

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
PERS 1	10,127,995	7,580,912	5,357,907
PERS 2/3	13,429,900	(11,404,168)	(31,806,924)
PSERS 2	1,334,342	(560,217)	(2,055,439)
LEOFF 1	(320,041)	(744,319)	(824,137)
LEOFF 2	(176,207)	(3,826,519)	(6,813,986)

*See Note 4.C of the DRS Participating Employer Financial Information report for the year ended June 30. Multiply the total net pension liability amounts for each applicable plan by your proportionate share for that plan.

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

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At June 30, 2022, County reported its proportionate share of the net pension assets as follows:

	Liability (or Asset)
PERS 1	\$3,337,816
PERS 2/3	(\$30,401,635)
PSERS 2	(\$1,659,690)
LEOFF 1	(\$865,057)
LEOFF 2	(\$8,451,533)

The amount of the asset reported above for LEOFF Plan 1 and 2 reflects a reduction for the State pension support provided to County. The amount recognized by the County as 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 were as follows:

	LEOFF 1 Asset	LEOFF 2 Asset
Employer's proportionate share	(744,319)	(3,826,519)
State's proportionate share of the net pension asset associated with the employer	(5,034,555)	(2,478,735)
TOTAL	(5,778,874)	(6,305,254)

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

	Proportionate Share 6/30/22	Proportionate Share 6/30/21	Change in Proportion
PERS 1	0.2733150%	0.2701920%	-0.0031230%
PERS 2/3	0.3051880%	0.3011450%	-0.0040430%
PSERS 2	0.7224240%	0.8357410%	0.1133170%
LEOFF 1	0.0252530%	0.0246450%	-0.0006080%
LEOFF 2	0.1455050%	0.1348790%	-0.0106260%

Employer contribution transmittals received and processed by DRS for the fiscal year ended June 30, 2022 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 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 2022. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). In fiscal year 2020, the state of Washington contributed 87.12 percent of LEOFF 1 employer contributions and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of

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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 2022, the State of Washington contributed 39 percent of LEOFF 2 employer contributions pursuant to RCW 41.26.725 and all other employers contributed the remaining 61 percent of employer contributions.

Pension Expense

For the year ended December 31, 2022, the County recognized pension expense as follows:

	Pension Expense
PERS 1	\$3,264,989
PERS 2/3	(\$3,862,946)
PSERS 2	\$256,639
LEOFF 1	(\$50,652)
LEOFF 2	\$669,447

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PERS 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		(1,256,380)
Changes in assumptions		
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date	806,773	
Total	806,773	(1,256,380)

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PERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Differenced between expected and actual experience	2,825,686	(258,161)
Net difference between projected and actual investment earnings on pension plan investments	-	(8,431,185)
Changes in assumptions	6,356,249	(1,664,294)
Changes in proportion and differences between contributions and proportionate share of contributions	65,260	(462,296)
Contributions subsequent to the measurement date	1,365,319	-
Total	10,612,514	(10,815,936)

PSERS 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Differenced between expected and actual experience	291,029	(6,166)
Net difference between projected and actual investment earnings on pension plan investments	-	(392,876)
Changes in assumptions	411,272	(164,318)
Changes in proportion	33,602	(51,859)
Contributions subsequent to the measurement date	357,534	-
Total	1,093,437	(615,219)

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	-	(92,939)
Changes in assumptions	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
Total	-	(92,939)

LEOFF 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Differenced between expected and actual experience	909,244	(35,503)
Net difference between projected and actual investment earnings on pension plan investments	-	(1,281,265)
Changes in assumptions	969,365	(333,185)
Changes in proportion	272,558	(166,997)
Contributions subsequent to the measurement date	183,596	-
Total	2,334,763	(1,816,950)

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TOTALS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differenced between expected and actual experience	4,025,959	(299,830)
Net difference between projected and actual investment earnings on pension plan investments	-	(11,454,645)
Changes in assumptions	7,736,886	(2,161,797)
Changes in proportion	371,420	(681,152)
Contributions subsequent to the measurement date	2,713,222	-
Total	14,847,487	(14,597,424)

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, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	PERS 1
2023	(531,674)
2024	(482,857)
2025	(605,780)
2026	363,971
2027	-
Thereafter	-
TOTAL	(1,256,340)

Year ended December 31:	PERS Plan 2/3
2023	(2,745,890)
2024	(2,434,353)
2025	(2,872,666)
2026	3,807,093
2027	1,346,659
Thereafter	1,330,416
TOTAL	(1,568,741)

Year ended December 31:	PSERS 2
2022	(127,907)
2023	(111,557)
2024	(144,803)
2025	190,057
2026	49,667
Thereafter	265,226
TOTAL	120,683

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Year ended December 31:	LEOFF 1
2023	(39,362)
2024	(35,640)
2025	(44,564)
2026	26,627
2027	-
Thereafter	-
TOTAL	(92,939)

Year ended December 31:	LEOFF 2
2023	(384,560)
2024	(330,973)
2025	(446,373)
2026	570,514
2027	172,865
Thereafter	752,745
TOTAL	334,218

X. DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLANS

Plan Description

The following table represents the aggregate OPEB amounts for all plans subject to the requirements of GASB Statement 75 for the year 2022:

Aggregate OPEB Amounts - All Plans	
OPEB liabilities	\$ 2,318,726
OPEB assets	\$ -
Deferred outflows of resources	\$ 696,828
Deferred inflows of resources	\$ 3,110,773
OPEB expenses/expenditures	\$ (168,182)

LEOFF Group

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, 2021, there were 11 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. Retirees in this closed group are not

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required to contribute to receive coverage. Dental, vision, and hearing aid claims are reimbursed up to annual maximum coverage amounts of \$2,000, \$450, and \$1,000, respectively.

Non-LEOFF Group

The County allows employees who meet the requirements to receive retirement from Washington State Retirement Systems and who retire from service with the County to receive medical benefits. Surviving spouses of retirees are eligible for benefits until Medicare eligibility. Retirees are required to pay 100% of the COBRA rate premium prior to Medicare eligibility. Upon becoming eligible for Medicare, a reduced rate premium is required. Retiree coverage is assumed to become secondary to Medicare on the day the covered retiree reaches age 65. The table below shows the rates paid for medical.

Retiree Contributions - Medical Plan		
	LEOFF	Non-LEOFF
Pre-Medicare		
Member	N/A	10,981
Spouse	N/A	12,697
Post-Medicare	N/A	6,799

The following employees were covered by the benefit terms at December 31, 2022:

Inactive employees or beneficiaries currently receiving benefits	15
Inactive employees entitled to but not yet receiving benefits	-
Active Employees	720
Total	<u><u>735</u></u>

Funding Policy

The funding policy is based upon the pay-as-you-go financing requirements and there are no assets accumulated in a qualifying trust. The plan is administered through a trust that does not meet the requirements of a qualifying trust under paragraph 4 of GASB 75. The County has not contributed any amounts to finance future benefits under the plan for either current or future employees.

Annual OPEB Cost and Net OPEB Obligation

Effective beginning with the County's 2018 reporting year, GASB Statement No. 75 *Accounting and Financial Reporting 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.

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Key Benefit Concepts LLC completed the actuary study for the December 31, 2021 reporting requirements and an updated 2022 table with a valuation date of December 31, 2022 and a measurement date of December 31, 2022. The actuarial valuation method was entry age normal actuarial Method. The amortization period was a closed 30 year period. The Discount rate was 4.25% per annum, based on the S&P Municipal Bond 20 High Grade Index as the week of December 31, 2022. Plan participation was 7.5% of future eligible retirees are assumed to elect medical coverage upon retirement. Of these individuals 3% are assumed to let their coverage lapse each year between retirement and Medicare eligibility. Actuarial assumptions are based upon an experience study conducted in 2020 using Washington State Public Retirement Systems demographic experience from 2013-2018.

Changes in assumptions were made for the 2021 calculation and remain the same for the year 2022 that includes:

- Decreasing the assumed discount rate to 2.25%.
- Using specific retirement system and plan decrement, salary increase and retirement eligibility assumptions as developed in the 2013-2018 Washington State Public Retirement Systems demographic experience study.
- Decreasing the marriage rate to 20%.
- Adding future retiree health plan participation lapse assumption of 3%.
- Using revised general health care trend and also revised age-graded factors in determining expected health care claims cost per capita.
- No longer valuing post-Medicare implicit rate subsidy except for those currently on the County's Standard Supplemental Medicare plan. It was expected that the County shall charge future retirees (i.e. COBRA participants) a monthly rate that covers expected post-Medicare health care claim costs and/or future retirees will find coverage elsewhere once eligible for Medicare.
- Reducing the annual expected dental, vision and hearing aid claims for retired LEOFF Plan 1 participants and removed the assumed annual increase rate applied to the maximum reimbursement amounts. Rather, trend was applied to the annual expected claims.

Annual OPEB costs of \$261,672 less expenses of \$80,738 along with deferred experience gains of \$101,004 and deferred assumption changes of \$(503,747) resulted in a reduced OPEB obligation of \$(2,318,726).

The following presents the total OPEB liability of Skagit County calculated using the stated health care cost trend assumption, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the assumed trend rate.

	1% Decrease (5.5% decreasing to 4.0%)	Current Healthcare Cost Trend Rate (6.5% decreasing to 5.0%)	1% Increase (7.50% decreasing to 6.0%)
Total OPEB Liability	\$ 2,124,494	\$ 2,318,726	\$ 2,536,908

The following represents the net OPEB liability calculated using the stated discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

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	1% Decrease (3.25%)	Current Discount Rate (4.25%)	1% Increase (5.25%)
Total OPEB Liability	\$ 2,523,032	\$ 2,318,726	\$ 2,139,734

Changes in the Total OPEB Liability

As of December 31, 2022, the most recent actuarial valuation date, the plan was zero percent funded. See RSI section for the Schedule of Funding Progress.

Total OPEB liability at 1/1/2022	\$ 2,902,403
Service Cost	25,056
Interest	55,682
Changes of benefit terms	-
Differences between expected and actual experience	101,004
Changes of assumptions	(503,747)
Benefit payments	(261,672)
Other changes	-
Total OPEB Liability at 12/31/2022	\$ 2,318,726

The updated measurement date of the total OPEB liability is December 31, 2022 with a reporting date of December 31, 2022. The actuarial valuation results are based on the December 31, 2022 actuarial valuation date. There were no changes between the measurement date of the total OPEB liability and the date of the reporting date of these financials that would have a significant effect on the total OPEB liability and the amount of the expected change in the total liability.

At December 31, 2022 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	696,828	1,146,262
Changes of assumptions	-	1,964,511
Payments subsequent to the measurement date	-	-
TOTAL	\$ 696,828	\$ 3,110,773

Changes of assumptions and experience losses are amortized over the average remaining service period of actives and in-actives (no future service is assumed for in-actives for this calculation)

Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Year ended December 31:	
2023	\$ (248,920)
2024	\$ (248,920)
2025	\$ (248,920)
2026	\$ (248,920)
2027	\$ (248,920)
Thereafter	\$ (1,169,345)

For each of the subsequent five years, and in the aggregate thereafter, the net amount of the employer's balances of deferred outflows of resources and deferred inflows of resources in the table above that will be recognized in the employer's OPEB expense.

XI. 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, 2022, 25 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, education, and claims administration. The Pool's liability program provides coverage for general liability, public officials liability, police professional liability, employment practices liability, and automobile liability. County deductibles range from \$10,000 to \$500,000. Reinsurance is purchased in several layers up to the policy limits of \$10,000,000. Members may purchase an optional

\$5,000,000 excess of \$20,000,000 layer of coverage. Allocated Loss Adjustment Expense (ALAE) is combined with losses for purposes of the Pool retention, excess insurance, and deductibles. For losses occurring in 2022, Skagit County selected a per-occurrence deductible of \$100,000.

Members make an annual contribution to fund the Pool. The Pool acquires excess and reinsurance for further protection from larger losses. For the first \$10,000,000 of coverage, the Pool acquires reinsurance. The reinsurance agreements are written with Self-Insured Retentions ("SIRs") equal to the amount of the layer of coverage below. For the Pool's 2019-20 through 2021-22 Fiscal Years, the Pool's SIR was \$2,000,000 and for the Pool's 2021-22 Fiscal Year, the Pool's SIR was \$3,000,000. The other reinsurance agreements respond up to the applicable policy limits and the agreements contain aggregate limits for the maximum annual reimbursements to the Pool of \$30,000,000 (lowest reinsured layer), \$50 million, (second layer). The Pool purchases excess coverage for the additional \$10,000,000 with an aggregate limit of \$100,000,000. Since the Pool is a cooperative program, there is a joint liability among the participating members. For the 2021-22 Fiscal Year, 16 of the Pool's 24 member counties group purchase an additional \$5,000,000 policy in excess of the pooled \$20,000,000.

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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 in-process 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 four staff members responsible for evaluating each claim for coverage, establishing reserves and investigating claims for any risk-shared liability. The Pool does not contract with any third-party administrators for claims adjustment or loss prevention services.

During 2021-22, Skagit County was also one of twenty-four (24) 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. This group-purchased cyber coverage provides limits of \$2,000,000 per claim and \$5,000,000 in the aggregate. For 2022, the Pool's SIR for cyber claims was \$250,000 from January 1 through December 31, with Mason County having no deductible.

Beginning in the 2021-22 Fiscal Year, Skagit County was one of 22 counties that participated in a group purchased crime policy, which included limits of \$2,000,000 and with a county deductible of \$25,000.

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 review the Pool's financial health, b) approve case settlements exceeding the applicable member's deductible by more than \$100,000, c) to authorize by two-thirds majority vote commencement of lawsuits in the name of the Pool.

During 2021-22, the WCRP's assets increased to \$57,838,522 while its liabilities also increased to \$35,879,265. The Pool's net position ended at \$22,917,345. 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

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reassessments receivable balance as of December 31, 2022, 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:

Fiscal Year	Beginning Balance	Current Year		Year End Balance
		Claims & Changes in Estimate	Claim Payments	
2022	\$ 931,508	(643,008)	133,622	\$ 422,122
2021	\$ 571,572	356,056	3,880	\$ 931,508
2020	\$ 843,361	(338,687)	66,898	\$ 571,572

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 .8460 in 2020, .9885 in 2021 and .7866 in 2022.

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 \$1,327,809 at December 31, 2022.

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 \$95,251 for 2022. Dental claims activity for 2022 and the preceding two years are as follows:

Fiscal Year	Beginning Balance	Current Year		Year End Balance
		Claims & Changes in Estimate	Claim Payments	
2022	\$ 134,196	777,221	789,895	\$ 121,522
2021	\$ 96,044	910,429	872,277	\$ 134,196
2020	\$ 115,897	604,434	624,287	\$ 96,044

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 \$465,010 for 2022. Medical claims activity for 2022 and the preceding two years are as follows:

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Fiscal Year	Beginning Balance	Current Year		Year End Balance
		Claims & Changes in Estimate	Claim Payments	
2022	\$ 2,104,135	12,087,633	12,261,638	\$ 1,930,130
2021	\$ 1,711,950	13,774,260	13,382,075	\$ 2,104,135
2020	\$ 1,900,856	10,655,500	10,844,406	\$ 1,711,950
2019	\$ 1,663,759	12,320,094	12,082,997	\$ 1,900,856

XII. 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 VIII, 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, 2022 was \$3,005,000, of which \$680,000 is current. 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.

In addition in 2020 the County entered into an Interlocal agreement amendment A20200045 to contract number C20130043 with the Skagit Regional Public Facilities District whereby the County agreed to issue bonds to assist PFD in issuing bonds in order to take advantage of better rates. In 2020, the County issued \$3.4 million GO bonds for Public Facilities District. The PFD's portion of the bond was all \$3.4 million less issuance costs. The stated interest rate received on the bonds, which pay interest only through 2026 and principal and interest through 2041, is 5%. 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.

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XIII. LEASES

LESSEE

For the year ended 12/31/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On 01/01/2022, Skagit County entered into a 22 month lease as Lessee for the use of Eagles Nest View. An initial lease liability was recorded in the amount of \$30,383.02. As of 12/31/2022, the value of the lease liability is \$14,550.98. Skagit County is required to make monthly fixed payments of \$1,325.00. The lease has an interest rate of 0.3300%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$30,383.02 with accumulated amortization of \$16,014.47 is included with Buildings on the Lease Class activities table found below.

On 01/01/2022, Skagit County entered into a 93 month lease as Lessee for the use of Day Wireless. An initial lease liability was recorded in the amount of \$63,296.04. As of 12/31/2022, the value of the lease liability is \$55,897.70. Skagit County is required to make monthly fixed payments of \$665.86. The lease has an interest rate of 1.0840%. The Land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$63,296.04 with accumulated amortization of \$8,167.23 is included with Land on the Lease Class activities table found below. Skagit County has 4 extension option(s), each for 60 months.

On 09/01/2022, Skagit County entered into a 120 month lease as Lessee for the use of Port of Skagit. An initial lease liability was recorded in the amount of \$391,085.83. As of 12/31/2022, the value of the lease liability is \$381,114.50. Skagit County is required to make monthly fixed payments of \$3,198.30. The lease has an interest rate of 2.9270%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$391,085.83 with accumulated amortization of \$13,036.19 is included with Buildings on the Lease Class activities table found below. Skagit County has 1 extension option(s), each for 60 months.

On 01/01/2022, Skagit County entered into a 17 month lease as Lessee for the use of 3 motorcycles. An initial lease liability was recorded in the amount of \$5,346.51. As of 12/31/2022, the value of the lease liability is \$1,574.07. Skagit County is required to make monthly fixed payments of \$315.00. The lease has an interest rate of 0.2380%. The Equipment estimated useful life was 72 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$6,405.51 with accumulated amortization of \$4,521.54 is included with Equipment on the Lease Class activities table found below.

On 01/01/2022, Skagit County entered into a 75 month lease as Lessee for the use of Gilbert Trust. An initial lease liability was recorded in the amount of \$91,491.06. As of 12/31/2022, the value of the lease liability is \$78,351.34. Skagit County is required to make monthly fixed payments of \$1,149.00. The lease has an interest rate of 0.8330%. The building's estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$91,491.06 with accumulated amortization of \$14,515.99 is included with Buildings on the Lease Class activities table found below.

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On 01/01/2022, Skagit County entered into a 75 month lease as Lessee for the use of Gilbert Trust2. An initial lease liability was recorded in the amount of \$508,582.51. As of 12/31/2022, the value of the lease liability is \$478,895.45. Skagit County is required to make monthly fixed payments of \$2,788.00. The lease has an interest rate of 0.8330%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$508,582.51 with accumulated amortization of \$80,337.74 is included with Buildings on the Lease Class activities table found below.

On 01/01/2022, Skagit County entered into a 106 month lease as Lessee for the use of Guemes Channel. An initial lease liability was recorded in the amount of \$55,273.32. As of 12/31/2022, the value of the lease liability is \$48,844.48. Skagit County is required to make annual fixed payments of \$6,428.84. The lease has an interest rate of 1.1610%. The Land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$55,273.32 with accumulated amortization of \$6,257.36 is included with Land on the Lease Class activities table found below.

On 05/01/2022, Skagit County entered into a 155 month lease as Lessee for the use of Inman Landfill. An initial lease liability was recorded in the amount of \$12,595.25. As of 12/31/2022, the value of the lease liability is \$6,766.25. Skagit County is required to make annual fixed payments of \$5,829.00. The lease has an interest rate of 2.5520%. The Other estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$12,595.25 with accumulated amortization of \$646.05 is included with Other on the Lease Class activities table found below. Skagit County has 1 extension option(s), each for 120 months.

On 01/01/2022, Skagit County entered into a 25 month lease as Lessee for the use of Pacific MicroRem. An initial lease liability was recorded in the amount of \$11,958.85. As of 12/31/2022, the value of the lease liability is \$6,487.51. Skagit County is required to make monthly fixed payments of \$500.00. The lease has an interest rate of 0.3300%. The Equipment estimated useful life was 120 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$11,958.85 with accumulated amortization of \$5,740.25 is included with Equipment on the Lease Class activities table found below.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accum Amortization
Land	118,569.36	14,424.59
Buildings	1,021,542.42	123,904.40
Equipment	18,364.36	10,261.79
Other	12,595.25	646.05
Total Leases	1,171,071.39	149,236.83

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Principal and Interest Requirements to Maturity

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2023	12,161.83	788.50	12,950.33
2024	6,018.48	527.36	6,545.84
2025	6,089.60	456.24	6,545.84
2026	6,161.56	384.28	6,545.84
2027	6,234.39	311.45	6,545.84
2028 - 2032	19,363.27	508.25	19,871.52
2033 - 2035	225.34	8.66	234.00

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	104,867.64	15,810.40	120,678.04
2024	104,459.84	14,403.17	118,863.01
2025	131,673.52	12,706.79	144,380.31
2026	168,497.27	10,661.57	179,158.84
2027	217,413.89	8,229.49	225,643.38
2028 - 2032	289,315.73	14,829.49	304,145.22

LESSOR

For the year ended 12/31/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

At 01/01/2022, Skagit County has a 15 month lease as Lessor for the use of Janicki Trust. An initial lease receivable was recorded in the amount of \$3,983.48. As of 12/31/2022, the value of the lease receivable is \$1,983.48. The lessee is required to make annual fixed payments of \$2,000.00. The lease has an interest rate of 0.8330%. The value of the deferred inflow of resources as of 12/31/2022 was \$796.70, and Skagit County recognized lease revenue of \$3,186.78 during the fiscal year.

At 01/01/2022, Skagit County has a 335 month lease as Lessor for the use of Sauk SW site. An initial lease receivable was recorded in the amount of \$10,726.96. As of 12/31/2022, the value of the lease receivable is \$10,397.17. The lessee is required to make annual fixed payments of \$250.00. Additionally, there are annual other reasonably certain payments of \$250.00. The lease has an interest rate of 1.7310%. The value of the deferred inflow of resources as of 12/31/2022 was \$10,342.71, and Skagit County

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recognized lease revenue of \$384.25 during the fiscal year. The lessee has 1 extension option(s), each for 300 months.

At 01/01/2022, Skagit County has a 180 month lease as Lessor for the use of Pinnacle Towers. An initial lease receivable was recorded in the amount of \$114,628.78. As of 12/31/2022, the value of the lease receivable is \$107,796.73. The lessee is required to make monthly fixed payments of \$685.58. The lease has an interest rate of 1.3690%. The value of the deferred inflow of resources as of 12/31/2022 was \$106,986.86, and Skagit County recognized lease revenue of \$7,641.92 during the fiscal year. The lessee has 3 extension option(s), each for 60 months.

At 01/01/2022, Skagit County has a 106 month lease as Lessor for the use of Concrete Chamber. An initial lease receivable was recorded in the amount of \$15,522.24. As of 12/31/2022, the value of the lease receivable is \$13,796.40. The lessee is required to make monthly fixed payments of \$150.00. The lease has an interest rate of 0.5520%. The value of the deferred inflow of resources as of 12/31/2022 was \$13,765.00, and Skagit County recognized lease revenue of \$1,757.23 during the fiscal year. The lessee has 5 extension option(s), each for 12 months.

On 09/01/2022, Skagit County entered into a 120 month lease as Lessor for the use of Telecare. An initial lease receivable was recorded in the amount of \$3,352,299.97. As of 12/31/2022, the value of the lease receivable is \$3,334,701.22. The lessee is required to make monthly fixed payments of \$7,000.00. The lease has an interest rate of 1.2450%. The value of the deferred inflow of resources as of 12/31/2022 was \$3,241,357.88, and Skagit County recognized lease revenue of \$110,942.08 during the fiscal year.

At 01/01/2022, Skagit County has a 72 month lease as Lessor for the use of Pioneer Human Services. An initial lease receivable was recorded in the amount of \$352,739.91. As of 12/31/2022, the value of the lease receivable is \$294,962.22. The lessee is required to make monthly fixed payments of \$5,020.83. The lease has an interest rate of 0.8330%. The value of the deferred inflow of resources as of 12/31/2022 was \$293,949.93, and Skagit County recognized lease revenue of \$58,789.99 during the fiscal year. The lessee has 5 extension option(s), each for 12 months.

Principal and Interest Expected to Maturity

Fiscal Year	Business-Type Activities		
	Receivable Payments	Interest Payments	Total Payments
2023	320.02	179.98	500.00
2024	325.56	174.44	500.00
2025	331.20	168.80	500.00
2026	336.93	163.07	500.00
2027	342.77	157.23	500.00
2028 - 2032	1,804.91	695.09	2,500.00
2033 - 2037	1,966.63	533.37	2,500.00
2038 - 2042	2,142.83	357.17	2,500.00
2043 - 2047	2,334.83	165.17	2,500.00
2049	491.49	8.51	500.00

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Fiscal Year	Governmental Activities		
	Receivable Payments	Interest Payments	Total Payments
2023	142,747.32	14,369.90	157,116.92
2024	144,841.24	12,820.88	157,662.12
2025	149,044.48	11,239.20	160,283.68
2026	153,549.71	9,605.57	163,155.28
2027	158,053.49	7,917.27	165,970.76
2028 - 2032	522,726.54	18,595.45	541,321.99
2033 - 2037	33,625.69	948.23	34,573.92

XIV. CONSTRUCTION

At December 31, 2022, the County had pending construction project contracts in progress. The commitments related to the remaining contract balances are summarized as follows:

	Total Contracts	Expended to 12/31/2022	Balance Unexpended
Roads	\$ 24,740,183	19,985,892	\$ 4,754,291
Clean Water	\$ 2,357,702	2,253,960	\$ 103,742

XV. LANDFILL POST CLOSURE COSTS AND POLLUTION REMEDIATION OBLIGATIONS

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. Amounts and sites are detailed below.

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 \$17.1 million, of which \$350,000 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, Washington
Notes to the Financial Statements
December 31, 2022

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, 2022, the County is in Phase II Remedial Investigation, Feasibility Study, and a Cleanup Action Plan and the recognition of the liability.

Sinnes Road Landfill

The Solid Waste Fund recognized a liability of \$490,332, of which \$100,000 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, 2022, the County is in the remedial action stage, with long-term monitoring and maintenance to be determined.

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, 2022, 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.

The County has received notice from the state Department of Ecology that the Panorama Landfill site will be ranked per the Washington Model Toxic Control Act. The County likely has some liability related to this landfill. Because it has not been ranked, the County has not estimated a liability as of 2021. The County's remediation activities to date have consisted of occasional monitoring of nearby wells and surface water.

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.

XVI. ASSET RETIREMENT OBLIGATIONS

With the implementation of GASB 83 in 2019 the County's three fuel tanks upon retirement in compliance with state regulations would require cleanup in the current estimated amount of \$265,086, if and when they are determined to be retired. Estimates were performed by third parties on the assumption that there will be no change to the tanks at retirement. The date of retirement cannot be estimated at this time and the ultimate cost will be paid from Internal Service funds.

In addition, the County currently owns a gravel pit that meets the requirements of GASB 83. The gravel pit is not expected to be retired in less than 100 years so an estimate of any costs associated with its retirement is not possible at this time.

Skagit County, Washington
Notes to the Financial Statements
December 31, 2022

XVII. COVID 19 PANDEMIC

In February 2020, the Governor of the State of Washington declared a state of emergency in response to the spread of the deadly new virus known as COVID-19. In the months following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, cancelling public events, limiting public and private gatherings and restricting business operations travel and non-essential activities.

As the restrictions are slowly lifted the long-term full extent of financial impact on the County is unknown at this time.

XIX. PRIOR PERIOD ADJUSTMENT

The Capital Asset fund was adjusted in 2022 to account for Road Fund construction in-progress and Guemes Ferry construction in progress in the amount of \$1,431,573. These amounts are not material and adjust beginning retained earnings in the amount of \$1,431,573.

The Drainage fund was adjusted in 2022 to account for some additional construction in progress amounts in the amount of \$226,272 this amount is not material and adjust beginning retained earnings in the amount of \$226,272.

XX. SUBSEQUENT EVENTS

In 2021, Skagit County was awarded a grant under the American Rescue Plan Act with an estimated amount of \$25 million. The County will ultimately utilize the full amount and will offset ongoing COVID 19 costs. All costs must be obligated by December 31, 2024 and spent by December 31, 2026. See Note XVII.

Required Supplementary Information



SKAGIT COUNTY, WASHINGTON

Schedule of Revenues

Budgetary Comparison Schedule

General Fund

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
General Property Taxes	29,562,249	29,562,249	29,891,590	329,341
Retail Sales and Use Taxes	12,439,625	12,439,625	16,728,834	4,289,209
Excise Taxes	625,000	625,000	555,726	(69,274)
Total Taxes	42,626,874	42,626,874	47,176,150	4,549,276
Licenses and Permits	537,500	537,500	594,831	57,331
Total Licenses and Permits	537,500	537,500	594,831	57,331
Indirect Federal Grants	659,073	706,390	594,107	(112,283)
Direct Federal Grants	171,938	218,813	200,889	(17,924)
State Grants	1,250,948	1,297,813	1,444,664	146,851
State Shared Revenue	517,316	517,316	401,722	(115,594)
In Lieu and Federal Entitlement Revenue	-	1,025,000	1,371,776	346,776
In Lieu and State Entitlement Revenue	2,485,285	2,485,285	2,413,190	(72,095)
Intergovernmental Revenue	660,000	660,000	740,748	80,748
Total Intergovernmental Revenue	5,744,560	6,910,617	7,167,096	256,479
General Government	3,492,796	3,497,196	3,471,323	(25,873)
Public Safety	262,300	262,300	272,395	10,095
Health and Human Services	46,150	46,150	38,848	(7,302)
Economic Environment	13,000	13,000	12,210	(790)
Transportation	-	-	-	-
Interfund Charges for Services	132,528	132,528	102,179	(30,349)
Total Charges for Goods and Services	3,946,774	3,951,174	3,896,955	(54,219)
Superior Court Felony/Misdemeanor Penalties	15,500	15,500	12,826	(2,674)
Civil Penalties	9,500	9,500	7,065	(2,435)
Civil Infraction Penalties	961,000	961,000	627,148	(333,852)
Civil Parking Infraction	2,000	2,000	629	(1,371)
Criminal Traffic Misdemeanor	150,000	150,000	141,561	(8,439)
Criminal Non-Traffic Fines	27,500	27,500	20,867	(6,633)
Criminal Costs	10,575	10,575	24,179	13,604
Non-Court Fines, Forfeitures	35,000	35,000	29,854	(5,146)
Total Fines and Forfeits	1,211,075	1,211,075	864,129	(346,946)
Interest Earnings	1,345,500	1,367,500	3,211,850	1,844,350
Rents, Leases, Concessions	14,800	14,800	1,052,439	1,037,639
Contributions/Donations	115,164	136,403	244,002	107,599
Other Miscellaneous Revenue	140,590	140,590	177,409	36,819
Total Miscellaneous Revenues	1,616,054	1,659,293	4,685,700	3,026,407
Agency Type Deposits	2,100	2,100	6,468	4,368
Total Non-Revenues	2,100	2,100	6,468	4,368
Total Revenues	55,684,937	56,898,633	64,391,329	7,492,696

SKAGIT COUNTY, WASHINGTON
Expenditures Budgetary Comparison Schedule
General Fund
For the Year Ending December 31, 2022
Budgeted Amounts

	Original Budget	Final Budget	Actual	Variance with Final Budget
General Government				
<u>Assessor</u>				
Salaries and Wages	1,330,316	1,385,316	1,382,777	(2,539)
Personnel Benefits	707,290	707,290	704,579	(2,711)
Supplies	5,000	5,000	3,926	(1,074)
Other Services and Charges	56,039	56,039	50,621	(5,418)
Total Assessor	2,098,645	2,153,645	2,141,903	(11,742)
<u>Auditor</u>				
Salaries and Wages	753,419	787,119	779,470	(7,649)
Personnel Benefits	381,573	381,573	379,775	(1,798)
Supplies	7,000	8,600	6,338	(2,262)
Other Services and Charges	21,250	24,050	12,662	(11,388)
Total Auditor	1,163,242	1,201,342	1,178,244	(23,097)
<u>Board of Equalization</u>				
Salaries and Wages	29,821	29,821	23,161	(6,660)
Personnel Benefits	9,868	9,868	8,379	(1,489)
Supplies	200	200	-	(200)
Other Services and Charges	1,350	1,350	-	(1,350)
Total Board of Equalization	41,239	41,239	31,540	(9,699)
<u>Commissioners</u>				
Salaries and Wages	561,295	564,795	564,929	134
Personnel Benefits	207,398	208,898	202,435	(6,463)
Supplies	2,000	2,000	1,166	(834)
Other Services and Charges	34,195	34,195	23,365	(10,830)
Total Commissioners	804,888	809,888	791,895	(17,993)
<u>Administrative Services</u>				
Salaries and Wages	844,071	832,071	836,283	4,212
Personnel Benefits	375,091	375,091	353,502	(21,589)
Supplies	6,800	6,800	9,237	2,437
Other Services and Charges	326,442	338,442	226,167	(112,275)
Total Administrative Services	1,552,404	1,552,404	1,425,189	(127,215)
<u>General Maintenance</u>				
Salaries and Wages	946,654	946,654	949,997	3,343
Personnel Benefits	547,893	547,893	523,382	(24,511)
Supplies	239,200	239,200	218,821	(20,379)
Other Services and Charges	1,169,643	1,169,643	1,213,198	43,555
Total General Maintenance	2,903,390	2,903,390	2,905,398	2,008

SKAGIT COUNTY, WASHINGTON
Expenditures Budgetary Comparison Schedule
General Fund

For the Year Ending December 31, 2022

Budgeted Amounts

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Prosecuting Attorney</u>				
Salaries and Wages	3,343,985	3,463,985	3,457,044	(6,941)
Personnel Benefits	1,530,708	1,530,708	1,439,283	(91,425)
Supplies	44,500	44,500	21,496	(23,004)
Other Services and Charges	309,008	309,008	177,378	(131,630)
Total Prosecuting Attorney	5,228,201	5,348,201	5,095,201	(253,000)
<u>Treasurer</u>				
Salaries and Wages	693,256	693,256	654,647	(38,609)
Personnel Benefits	328,977	328,977	325,667	(3,310)
Supplies	14,000	14,000	6,496	(7,504)
Other Services and Charges	140,000	162,000	89,733	(72,267)
Total Treasurer	1,176,233	1,198,233	1,076,543	(121,690)
<u>Non Departmental Expenditures</u>				
Salaries and Wages	-	-	-	-
Personnel Benefits	73,410	73,410	69,746	(3,664)
Supplies	-	-	129	129
Other Services and Charges	7,970,004	8,875,004	5,876,120	(2,998,884)
Total Non Departmental Expenditures	8,043,414	8,948,414	5,945,995	(3,002,419)
 Total General Government	 \$ 23,011,656	 \$ 24,156,756	 \$ 20,591,908	 \$ (3,564,847)
 <u>Judicial</u>				
<u>County Clerk</u>				
Salaries and Wages	1,097,669	1,097,669	1,030,350	(67,319)
Personnel Benefits	618,083	618,083	549,375	(68,708)
Supplies	18,500	18,500	10,422	(8,078)
Other Services and Charges	25,269	55,269	47,309	(7,960)
Total County Clerk	1,759,521	1,789,521	1,637,456	(152,065)
<u>District Court</u>				
Salaries and Wages	2,150,027	2,150,027	1,868,146	(281,881)
Personnel Benefits	916,491	916,491	829,448	(87,043)
Supplies	15,200	15,200	21,697	6,497
Other Services and Charges	136,766	136,766	97,153	(39,613)
Interfund Payments for Services	-	-	-	-
Total District Court	3,218,484	3,218,484	2,816,444	(402,040)

SKAGIT COUNTY, WASHINGTON
Expenditures Budgetary Comparison Schedule
General Fund
For the Year Ending December 31, 2022
Budgeted Amounts

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Public Defender</u>				
Salaries and Wages	2,773,815	2,773,815	2,649,808	(124,007)
Personnel Benefits	1,255,589	1,255,589	1,152,913	(102,676)
Supplies	14,000	14,000	12,599	(1,401)
Other Services and Charges	392,968	392,968	345,922	(47,046)
Total Public Defender	4,436,372	4,436,372	4,161,242	(275,130)
<u>Superior Courts</u>				
Salaries and Wages	1,387,628	1,399,128	1,402,911	3,783
Personnel Benefits	460,876	463,876	460,415	(3,461)
Supplies	18,970	18,970	20,078	1,108
Other Services and Charges	521,088	521,088	445,917	(75,171)
Total Superior Courts	2,388,562	2,403,062	2,329,321	(73,741)
<u>Assigned Counsel</u>				
Salaries and Wages	225,165	225,165	199,296	(25,869)
Personnel Benefits	113,582	113,582	100,861	(12,721)
Supplies	1,500	1,500	2,126	626
Other Services and Charges	925,000	925,000	953,993	28,993
Total Assigned Counsel	1,265,247	1,265,247	1,256,276	(8,971)
<u>Mediation Services</u>				
Other Services and Charges	79,241	79,241	74,161	(5,080)
Total Mediation Services	79,241	79,241	74,161	(5,080)
<i>Total Judicial</i>	\$ 13,147,427	\$ 13,191,927	\$ 12,274,900	\$ (917,027)
<u>Public Safety</u>				
<u>District Court Probation</u>				
Salaries and Wages	498,496	502,496	553,902	51,406
Personnel Benefits	239,669	239,669	258,273	18,604
Supplies	4,000	4,000	6,977	2,977
Other Services and Charges	12,734	12,734	20,824	8,090
Total District Court Probation	754,899	758,899	839,976	81,077
<u>Non-Departmental - County Jail Costs</u>				
Interfund Payments for Services	6,195,847	6,249,581	6,249,581	-
Total Non-Departmental - County Jail Costs	6,195,847	6,249,581	6,249,581	-
<u>Office of Juvenile Court</u>				
Salaries and Wages	1,755,502	1,755,502	1,681,141	(74,361)
Personnel Benefits	885,517	885,517	862,399	(23,118)
Supplies	48,140	48,140	29,125	(19,015)
Other Services and Charges	183,489	183,489	109,326	(74,163)
Total Office of Juvenile Court	2,872,648	2,872,648	2,681,991	(190,657)

SKAGIT COUNTY, WASHINGTON
Expenditures Budgetary Comparison Schedule
General Fund

For the Year Ending December 31, 2022

Budgeted Amounts

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Civil Service Commission</u>				
Salaries and Wages	20,361	23,750	22,200	(1,550)
Personnel Benefits	11,074	11,074	8,707	(2,367)
Supplies	-	-	-	-
Other Services and Charges	1,360	1,360	534	(826)
Total Civil Service Commission	32,795	36,184	31,441	(4,743)
<u>Sheriff</u>				
Salaries and Wages	6,782,238	6,649,835	6,361,391	(288,444)
Personnel Benefits	2,780,462	2,767,813	2,503,207	(264,606)
Supplies	285,700	354,256	300,015	(54,241)
Other Services and Charges	2,385,190	2,444,381	2,358,307	(86,074)
Total Sheriff	12,233,590	12,216,285	11,522,920	(693,365)
 Total Public Safety	 \$ 22,089,779	 \$ 22,133,597	 \$ 21,325,909	 \$ (807,688)

SKAGIT COUNTY, WASHINGTON
Expenditures Budgetary Comparison Schedule
General Fund
For the Year Ending December 31, 2022
Budgeted Amounts

	Original Budget	Final Budget	Actual	Variance with Final Budget
<i>Economic Environment</i>				
<u>Boundary Review Board</u>				
Salaries and Wages	1,689	1,689	1,519	(170)
Personnel Benefits	945	945	879	(66)
Supplies	-	-	-	-
Other Services and Charges	10,000	10,000	813	(9,187)
Total Boundary Review Board	12,634	12,634	3,211	(9,423)
<u>Hearing Examiner</u>				
Salaries and Wages	12,383	12,383	11,142	(1,241)
Personnel Benefits	6,928	6,928	6,449	(479)
Supplies	-	-	-	-
Other Services and Charges	75,050	75,050	48,050	(27,000)
Total Hearing Examiner	94,361	94,361	65,641	(28,720)
<u>Animal Control</u>				
Salaries and Wages	63,129	63,129	65,703	2,574
Personnel Benefits	35,822	36,815	33,920	(2,895)
Supplies	3,000	3,000	222	(2,778)
Other Services and Charges	45,897	45,897	44,597	(1,300)
Interfund Payments for Service	-	-	-	-
Total Animal Control	147,848	148,841	144,442	(4,399)
<u>Noxious Weed Control</u>				
Salaries and Wages	140,935	140,935	82,042	(58,893)
Personnel Benefits	67,622	67,622	43,521	(24,101)
Supplies	13,327	13,327	4,499	(8,828)
Other Services and Charges	28,010	28,010	53,928	25,918
Total Noxious Weed Control	249,894	249,894	183,990	(65,904)
<u>AG Advisory Board</u>				
Salaries and Wages	2,718	2,718	1,720	(998)
Personnel Benefits	1,557	1,557	950	(607)
Other Services and Charges	-	-	-	-
Total AG Advisory Board	4,275	4,275	2,670	(1,605)
Total Economic Environment	\$ 509,012	\$ 510,005	\$ 399,954	\$ (110,051)

SKAGIT COUNTY, WASHINGTON
Expenditures Budgetary Comparison Schedule
General Fund
For the Year Ending December 31, 2022

		<u>Budgeted Amounts</u>			
		<u>Original</u>			<u>Variance with</u>
		<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>
<i>Health and Human Services</i>					
<u>Coroner</u>					
	Salaries and Wages	266,617	286,205	285,864	(341)
	Personnel Benefits	101,060	109,118	108,003	(1,115)
	Supplies	14,500	14,500	9,684	(4,816)
	Other Services and Charges	155,140	180,140	186,011	5,871
	Total Coroner Extension	<u>537,317</u>	<u>589,963</u>	<u>589,562</u>	<u>(401)</u>
	Total Health and Human Services	\$ 537,317	\$ 589,963	\$ 589,562	\$ (401)
<i>Culture and Recreation</i>					
<u>Cooperative Extension</u>					
	Salaries and Wages	-	-	-	-
	Personnel Benefits	-	-	-	-
	Supplies	-	-	-	-
	Other Services and Charges	425,778	425,778	328,541	(97,237)
	Total Cooperative Extension	<u>425,778</u>	<u>425,778</u>	<u>328,541</u>	<u>(97,237)</u>
<u>Historical Museum</u>					
	Salaries and Wages	-	-	-	-
	Personnel Benefits	-	-	-	-
	Supplies	-	-	-	-
	Other Services and Charges	170,000	170,000	170,000	-
	Total Historical Museum	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>	<u>-</u>
	Total Culture and Recreation	\$ 595,778	\$ 595,778	\$ 498,541	\$ (97,237)
<u>Capital Outlay</u>					
	Capital Outlay	141,000	170,927	1,554,064	1,383,137
	Total Capital Outlay	<u>141,000</u>	<u>170,927</u>	<u>1,554,064</u>	<u>1,383,137</u>
	EXPENDITURES	60,031,969	61,348,953	57,234,838	(4,114,114)

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balances - Budgetary Comparison Schedule
Mental Health Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Budgeted Fund Balance, January 1	\$ 1,721,997	\$ 1,721,997	\$ 10,006,619	
Resources (in-flows)				
General Property Taxes	400,602	400,602	401,151	549
Excise Taxes	3,379,471	3,379,471	4,442,454	1,062,983
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	2,909,851	2,909,851	2,203,036	(706,815)
Charges for Services	338,307	338,307	70,980	(267,327)
Interest Earnings	1,520	1,520	89,145	87,625
Other Revenue	871	871	213	(658)
Total Resources (in-flows)	<u>7,030,622</u>	<u>7,030,622</u>	<u>7,206,979</u>	<u>176,357</u>
Amounts Available for Appropriation	8,752,619	8,752,619	17,213,598	
Charges to Appropriations (out-flows)				
Health and Human Services	8,752,619	8,752,619	7,506,116	(1,246,503)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>8,752,619</u>	<u>8,752,619</u>	<u>7,506,116</u>	<u>(1,246,503)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,707,482</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balances -Budgetary Comparison Schedule
County Road Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final		
Budgeted Fund Balance, January 1	\$ 8,023,953	\$ 8,215,853	\$ 14,212,108	
Resources (in-flows)				
General Property Taxes	14,926,524	14,926,524	15,426,464	499,940
Excise Taxes	330,000	330,000	459,770	129,770
Licenses and Permits	10,000	10,000	85,637	75,637
Intergovernmental Revenues	12,407,069	12,415,169	9,206,974	(3,208,195)
Charges for Services	340,000	340,000	1,607,938	1,267,938
Interest Earnings	1,000	1,000	1,517	517
Other Revenue			165,843	165,843
Transfers In	-	8,100	13,366	
Total Resources (in-flows)	28,014,593	28,022,693	26,967,509	(1,068,550)
Amounts Available for Appropriation	36,038,546	36,238,546	41,179,617	
Charges to Appropriations (out-flows)				
General Government	-	-	223,278	223,278
Transportation	35,938,046	36,138,046	22,569,754	(13,568,292)
Capital Expenditures	100,500	100,500	8,040,896	7,940,396
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	36,038,546	36,238,546	30,833,928	(5,404,618)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 10,345,689	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balances - Budgetary Comparison Schedule
American Rescue Plan
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Budgeted Fund Balance, January 1	\$ -	\$ -	\$ -	
Resources (in-flows)				
General Property Taxes	-	-	-	-
Timber Harvest Taxes	-	-	-	-
Excise Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	1,200,879	6,426,238	5,723,370	(702,868)
Charges for Services	-	-	-	-
Interest Earnings	-	-	-	-
Other Revenue	-	-	-	-
Total Resources (in-flows)	<u>1,200,879</u>	<u>6,426,238</u>	<u>5,723,370</u>	<u>(702,868)</u>
Amounts Available for Appropriation	1,200,879	6,426,238	5,723,370	
Charges to Appropriations (out-flows)				
General Government	78,628	153,532	882,481	728,949
Judicial	343,663	858,648	557,812	(300,836)
Public Safety	488,697	3,495,167	2,933,334	(561,833)
Transportation		1,355,000	577,374	
Economic Environmental		267,000	260,581	(6,419)
Health & Human Services	164,891	171,891	242,504	70,613
Capital Expenditures	125,000	125,000	-	(125,000)
Transfers Out	-	-	269,284	269,284
Amount Charged to Appropriations (out-flows)	<u>1,200,879</u>	<u>6,426,238</u>	<u>5,723,370</u>	<u>74,758</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balances - Budgetary Comparison Schedule
Housing Assistance
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Budgeted Fund Balance, January 1	\$ 6,242	\$ 6,242	\$ 787,489	
Resources (in-flows)				
General Property Taxes	-	-	-	-
Timber Harvest Taxes	-	-	-	-
Excise Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	21,120,892	21,120,892	14,788,105	(6,332,787)
Charges for Services	-	-	1,009,869	1,009,869
Interest Earnings	100	100	387	287
Other Revenue	-	-	-	-
Total Resources (in-flows)	<u>21,120,992</u>	<u>21,120,992</u>	<u>15,798,361</u>	<u>(5,322,631)</u>
Amounts Available for Appropriation	21,127,234	21,127,234	16,585,850	
Charges to Appropriations (out-flows)				
General Government	-	-	-	-
Judicial	-	-	-	-
Public Safety	-	-	-	-
Economic Environmental	-	-	-	-
Health & Human Services	21,127,234	21,127,234	16,778,670	(4,348,564)
Capital Expenditures	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>21,127,234</u>	<u>21,127,234</u>	<u>16,778,670</u>	<u>(4,348,564)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (192,820)</u>	

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 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 appropriations 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, 2022

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's proportion of the net pension liability (asset)	0.300733%	0.295309%	0.29139100%	0.29004900%	0.28973700%	0.27019200%	0.27331500%	0.27226700%		
Employer's proportionate share of the net pension liability	\$ 15,731,133	\$ 15,859,484	\$ 13,826,730	\$ 12,953,687	\$ 11,141,416	\$ 9,539,237	\$ 3,337,816	\$ 7,580,912		
Total	15,731,133	15,859,484	13,826,730	12,953,687	11,141,416	9,539,237	3,337,816	7,580,912		
Covered payroll	\$ 29,925,575	\$ 30,517,442	\$ 32,670,636	\$ 33,431,853	\$ 35,081,964	\$ 40,338,531	\$ 41,801,684	\$ 43,842,319		
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	52.5675%	51.9686%	42.3216%	38.7465%	31.7582%	23.6480%	7.9849%	17.2913%		
Plan fiduciary net position as a percentage of the total pension liability	59.10%	57.03%	61.24%	63.22%	67.12%	68.64%	88.74%	76.56%		

PERS Plan 2/3
As of June 30, 2022

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's proportion of the net pension liability (asset)	0.342725%	0.333619%	0.32684200%	0.31683000%	0.31758900%	0.30114500%	0.30518800%	0.30749100%		
Employer's proportionate share of the net pension liability	\$ 12,245,760	\$ 16,797,453	\$ 11,356,197	\$ 5,409,590	\$ 3,084,869	\$ 3,851,473	\$ (30,401,635)	\$ (11,404,168)		
Total	12,245,760	16,797,453	11,356,197	5,409,590	3,084,869	3,851,473	(30,401,635)	(11,404,168)		
Covered payroll	\$ 29,163,862	\$ 29,912,652	\$ 32,054,586	\$ 32,863,462	\$ 34,550,719	\$ 34,963,998	\$ 36,607,511	\$ 38,499,755		
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	41.989499%	56.155011%	35.427683%	16.460804%	8.928523%	11.015540%	-83.047533%	-29.62000000%		
Plan fiduciary net position as a percentage of the total pension liability	89.20%	85.82%	90.97%	95.77%	97.77%	97.22%	120.29%	106.73%		

* The schedule above is intended to show information for 10 years and additional years' information will be displayed as it becomes available.

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability*
PSERS 2
As of June 30, 2022

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's proportion of the net pension liability (asset)	0.773485%	0.841384%	0.946246%	1.11173100%	1.04561100%	0.83574100%	0.72242400%	0.78352000%		
Employer's proportionate share of the net pension liability	\$ 141,176	\$ 357,571	\$ 185,398	\$ 13,774	\$ (135,971)	\$ (114,998)	\$ (1,659,690)	\$ (560,217)		
Total	141,176	357,571	185,398	13,774	(135,971)	(114,998)	(1,659,690)	(560,217)	-	-
Covered payroll	\$ 2,173,518	\$ 2,632,585	\$ 3,350,233	\$ 4,360,703	\$ 4,815,457	\$ 5,132,829	\$ 4,930,219	\$ 5,292,035		
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	6.50%	13.58%	5.53%	0.32%	-2.82%	-2.24%	-33.66%	-10.59%		
Plan fiduciary net position as a percentage of the total pension liability	95.08%	90.41%	96.26%	99.79%	101.85%	101.68%	123.67%	105.96%		

LEOFF 1
As of June 30, 2022

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's proportion of the net pension liability	0.024877%	0.02478%	0.02462300%	0.02485300%	0.02418700%	0.02464500%	0.02525300%	0.02594700%		
State's proportionate share of the net pension liability (asset) associated with the employer	(2,027,995)	(1,727,015)	(2,526,920)	(3,051,951)	(3,233,741)	(3,148,110)	(8,451,533)	(3,826,519)		
Employer's proportionate share of the net pension liability (asset)	(299,823)	(255,325)	(373,585)	(451,207)	(478,083)	(465,423)	(865,057)	(744,319)		
Total	\$ (2,327,818)	\$ (1,982,340)	\$ (2,900,505)	\$ (3,503,158)	\$ (3,711,824)	\$ (3,613,533)	\$ (9,316,590)	(744,319)	-	-
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Employer's proportionate 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%	123.74%	135.96%	144.42%	148.78%	146.88%	187.45%	169.62%		

* The schedule above is intended to show information for 10 years and additional years' information will be displayed as it becomes available.

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability*
LEOFF 2
As of June 30, 2022

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's proportion of the net pension liability (asset)	0.1464060%	0.155763%	0.14759200%	0.14490000%	0.13825600%	0.13487900%	0.14550500%	0.14080000%		
State's proportionate share of the net pension liability (asset) associated with the employer	(994,949)	(590,623)	(1,328,563)	(1,899,361)	(2,097,514)	\$ (1,759,270)	\$ (5,452,161)	\$ (2,717,698)		
Employer's proportionate share of the net pension liability	(1,504,761)	(905,964)	(2,046,099)	(2,941,786)	(3,202,967)	\$ (2,751,335)	\$ (8,451,533)	\$ (3,826,519)		
Total	\$ (2,489,710)	\$ (1,496,587)	\$ (3,376,662)	\$ (4,841,147)	\$ (5,300,481)	(4,510,605)	(13,903,694)	(6,544,217)		
Covered payroll	\$ 4,076,631	\$ 4,541,586	\$ 4,616,954	\$ 4,782,683	\$ 4,855,128	\$ 3,017,989	\$ 3,367,892	\$ 3,415,036		
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	-36.91%	-19.95%	-44.36%	-61.51%	-65.97%	-91.16%	-250.94%	-112.05%		
Plan fiduciary net position as a percentage of the total pension liability	111.67%	106.04%	113.36%	118.50%	119.43%	115.83%	142.00%	116.09%		

* The schedule above is intended to show information for 10 years and additional years' information will be displayed as it becomes available.

**Required Supplementary Information
Schedule of Employer Contributions
PERS Plan 1
As of December 31, 2022
Last 10 Fiscal Years***

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions	1,382,161	1,575,731	1,913,293	2,079,436	2,015,379	1,939,997	2,051,210	1,635,971		
Contributions in relation to the contractually required contributions	1,382,161	1,646,845	1,752,794	1,719,829	2,015,379	1,939,997	2,051,210	1,635,971		
Contribution deficiency (excess)										
Covered Employer Payroll	\$ 29,901,234	\$ 29,597,991	\$ 32,640,636	\$ 34,433,998	\$ 34,866,195	\$ 36,351,463	\$ 30,785,705	\$ 38,686,315		
Contributions as a percentage of covered employee payroll	4.62%	5.32%	5.86%	6.04%	5.78%	5.34%	6.66%	4.23%		

* The schedule above is intended to show information for 10 years and additional years' information will be displayed as it becomes available.

**PERS Plan 2/3
As of December 31, 2022
Last 10 Fiscal Years***

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions	1,526,676	1,808,119	2,184,277	2,545,282	2,652,644	2,799,797	2,899,313	2,448,585		
Contributions in relation to the contractually required contributions	1,526,676	1,809,119	2,184,277	2,545,282	2,652,844	2,799,797	2,899,313	2,448,585		
Contribution deficiency (excess)		(1,000)								
Covered payroll	29,290,717	29,036,861	32,054,586	33,888,256	34,437,739	36,109,607	30,396,504	38,448,672		
Contributions as a percentage of covered employee payroll	5.21%	6.23%	6.81%	7.51%	7.70%	7.75%	9.54%	6.37%		

* The schedule above is intended to show information for 10 years and additional years' information will be displayed as it becomes available.

Required Supplementary Information
Schedule of Employer Contributions
PSERS 2
As of December 31, 2022
Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions	144,140	179,027	280,973	247,384	363,521	369,565	354,977	343,981		
Contributions in relation to the contractually required contributions	144,140	179,027	280,973	247,384	363,521	369,565	354,977	343,981		
Contribution deficiency (excess)	-	-	-	-	-	-	-	-		
Covered payroll	\$ 2,329,727	\$ 2,717,069	3,350,233	4,610,178	5,096,791	4,937,589	5,151,438	5,309,796		
Contributions as a percentage of covered employee payroll	6.19%	6.59%	8.39%	5.37%	7.13%	7.48%	6.89%	6.48%		

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

LEOFF 2
As of December 31, 2022
Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions	\$ 214,589	\$ 219,207	\$ 257,132	\$ 247,384	\$ 260,547	\$ 259,246	\$ 289,302	\$ 291,303		
Contributions in relation to the contractually required contributions	214,589	219,207	257,132	247,384	260,547	259,246	\$ 289,302	\$ 291,303		
Contribution deficiency (excess)	-	-	-	-	-	-	-	-		
Covered payroll	4,297,462	4,340,739	4,616,954	4,742,103	5,006,630	5,376,212	5,626,584	6,413,655		
Contributions as a percentage of covered employee payroll	4.99%	5.05%	5.57%	5.22%	5.20%	4.82%	5.14%	4.54%		

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

Skagit County
Schedule of Changes in Total OPEB Liability and Related Ratios
OPEB Plan
For the year ended December 31, 2022 (*plan's measurement date 12/31/22*)
Last 10 Fiscal Years*

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Total OPEB liability - beginning	\$ 4,364,512	\$ 4,461,998	\$ 5,425,871	\$ 5,666,954	\$ 2,902,403					
Service cost	88,660	206,608	216,938	224,010	25,056					
Interest	134,163	147,503	178,910	186,985	55,682					
Changes in benefit terms	-	-	-	-	-					
Differences between expected and actual experience	-	950,726	-	(1,400,986)	101,004					
Changes of assumptions	-	(196,997)	-	(1,688,130)	(503,747)					
Benefit payments	(125,337)	(143,967)	(154,765)	(86,430)	(261,672)					
Other changes										
Total OPEB liability - ending	<u>\$ 4,461,998</u>	<u>\$ 5,425,871</u>	<u>\$ 5,666,954</u>	<u>\$ 2,902,403</u>	<u>\$ 2,318,726</u>					
Covered-employee payroll	\$ 40,877,939	\$ 42,461,156	\$ 44,159,603	\$ 48,951,245	\$ 53,023,316					
Total OPEB liability as a % of covered payroll	10.92%	12.78%	12.83%	5.93%	4.74%					

Notes to Schedule:

* Until a full 10-year trend is compiled, only information for those years available is presented.
No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.
There are no current factors that would significantly affect trends in the amounts reported

Individual and Combining Statements and Schedules



SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2022

	Non Major Funds			Total
	Special Revenue	Debt Service	Capital Project	
ASSETS and OUTFLOWS of RESOURCES				
Cash/Cash Equivalents	\$ 27,926,356	\$ 1,611,152	\$ 17,856,284	\$ 47,393,792
Investments	7,863,326	941,488	3,179,192	11,984,006
Taxes Receivable	283,231	-	-	283,231
Accounts Receivable	1,766,617	-	886,049	2,652,666
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	2,052,824	-	1,041,816	3,094,640
Interfund Loan Receivable	5,500	-	-	5,500
Inventory/Prepayments	100	944	-	1,044
Total Assets	39,897,954	2,553,584	22,963,341	65,414,879
 Deferred Outflows of Resources	 205	 -	 -	 205
 Total Assets and Deferred Outflows of Resources	 \$ 39,898,159	 \$ 2,553,584	 \$ 22,963,341	 \$ 65,415,084
 LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts/Vouchers Payable	1,371,836	-	235,927	1,607,763
Due To General Fund	96,831	-	16,516	113,347
Due To Other Governmental Units	1,537	-	-	1,537
Accrued Wages Payable	298,708	-	-	298,708
Accrued Employee Benefits	104,269	-	-	104,269
Custodial Accounts	2,048,012	-	-	2,048,012
Deferred Revenue	483,283	-	415,244	898,527
Long-Term Interfund Loans Payable	185,000	5,500	-	190,500
Total Liabilities	4,589,476	5,500	667,687	5,262,663
 Deferred Inflows of Resources	 531,330	 -	 881,096	 1,412,426
 <u>Fund Balance</u>				
Nonspendable	-	-	-	-
Restricted	21,475,304	2,548,084	21,414,558	45,437,946
Committed	13,302,049	-	-	13,302,049
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	34,777,353	2,548,084	21,414,558	58,739,995
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 \$ 39,898,159	 \$ 2,553,584	 \$ 22,963,341	 \$ 65,415,084

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Non Major Funds

<u>Revenues</u>	Special Revenue	Debt Service	Capital Project	Total
Property Taxes	\$ 10,658,208	\$ -	\$ -	\$ 10,658,208
Sales and Use Taxes	8,004,556	-	4,036,791	12,041,347
Other Taxes	2,609,239	-	3,308,179	5,917,418
Licenses and Permits	1,458,927	-	-	1,458,927
Intergovernmental	9,436,055	-	954,281	10,390,336
Charges for Services	3,638,810	-	73,275	3,712,085
Fines and Forfeits	217,759	-	-	217,759
Interest Earnings	101,203	32,731	43,536	177,470
Donations	597,561	-	-	597,561
Other Revenues	720,337	1,109,998	351,470	2,181,805
Total Revenues	37,442,655	1,142,729	8,767,532	47,352,916
 <u>Expenditures</u>				
Current:				
General Governmental Services	1,328,801	-	-	1,328,801
Public Safety	15,474,705	-	-	15,474,705
Physical Environment	2,089,012	-	-	2,089,012
Transportation	186,828	-	-	186,828
Economic Environment	4,517,886	-	3,266,387	7,784,273
Health and Human Services	10,033,081	-	-	10,033,081
Culture and Recreation	3,191,254	-	563,403	3,754,657
Debt Service:				
Principal	-	1,456,511	-	1,456,511
Interest	-	483,679	-	483,679
Capital Outlay	527,585	-	3,072,688	3,600,273
Total Expenditures	37,349,152	1,940,190	6,902,478	46,191,820
 Excess (Deficit) Revenues Over Expenditures	 93,503	 (797,461)	 1,865,054	 1,161,096
 <u>Other Financing Sources (Uses)</u>				
<u>Interfund Loan receivable</u>				
Extraordinary Item	-	-	-	-
Transfers In	6,155,168	766,113	2,549,058	9,470,339
Transfers Out	-	-	(2,828,537)	(2,828,537)
Total Other Financing Source (Uses)	6,155,168	766,113	(279,479)	6,641,802
 Net Change in Fund Balance	 6,248,671	 (31,348)	 1,585,575	 7,802,898
 Fund Balance-January 1	 28,528,682	 2,579,432	 19,828,983	 50,937,097
 Fund Balance-December 31	 \$ 34,777,353	 \$ 2,548,084	 \$ 21,414,558	 \$ 58,739,995

SKAGIT COUNTY, WASHINGTON
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

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.

Tourism - A fund to advertise and draw tourists to the Skagit area enhancing the local economy.

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, 2022

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 Revolving Loan - A fund established as a revolving loan/grant fund receiving federal funds for the benefit of low-to-moderate income households in Skagit County:

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, 2022

ASSETS and OUTFLOWS of RESOURCES	Public Health	Special Paths	Tourism	Emergency Mgmt	County Fair
Cash and Cash Equivalents	\$2,632,208	\$0	\$150,432	\$172,561	\$892,738
Investments	107,559	62,516	-	-	-
Taxes Receivable	-	-	-	-	-
Accounts Receivable	1,088,499	-	-	-	1,983
Due from Other Funds	-	-	-	-	-
Due from Other Governments	462,076	-	-	-	-
Interfund Loans Receivable	-	-	-	-	-
Inventories	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Total Assets	4,290,342	62,516	150,432	172,561	894,721
Deferred Outflows of Resources	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 4,290,342	\$ 62,516	\$ 150,432	\$ 172,561	\$ 894,721
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES					
<u>Liabilities</u>					
Accounts and Vouchers Payable	58,778	30,734	-	56,160	3,140
Due to General Fund	-	51,069	-	-	-
Due to Other Governments	-	-	-	-	-
Accrued Wages Payable	115,499	2,355	-	6,540	3,546
Accrued Employee Benefits	29,923	621	-	1,567	1,002
Deposits	-	-	-	-	-
Unearned Revenue	50,843	-	-	-	-
Interfund Loans Payable	-	-	-	185,000	-
Total Liabilities	255,043	84,779	-	249,267	7,688
Deferred Inflows of Resources	-	-	-	-	-
<u>Fund Balance</u>					
Nonspendable	-	-	-	-	-
Restricted	3,389,651	(22,263)	-	-	-
Committed	645,648	-	150,432	(76,706)	887,033
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	4,035,299	(22,263)	150,432	(76,706)	887,033
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,290,342	\$ 62,516	\$ 150,432	\$ 172,561	\$ 894,721

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

ASSETS and OUTFLOWS of RESOURCES	Veterans' Relief	Law Library	Treasurer O&M
Cash and Cash Equivalents	\$1,019,519	\$124,690	\$115,484
Investments	-	-	238,121
Taxes Receivable	6,202	-	-
Accounts Receivable	-	-	-
Due from Other Funds	-	-	-
Due from Other Governments	-	-	-
Interfund Loans Receivable	-	-	-
Inventories	-	-	-
Prepaid Items	-	-	-
Total Assets	1,025,721	124,690	353,605
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 1,025,721	\$ 124,690	\$ 353,605
LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES			
<u>Liabilities</u>			
Accounts and Vouchers Payable	55,094	5,172	-
Due to General Fund	-	-	-
Due to Other Governments	-	-	-
Accrued Wages Payable	1,246	967	-
Accrued Employee Benefits	312	244	-
Deposits	-	-	-
Unearned Revenue	-	-	-
Interfund Loans Payable	-	-	-
Total Liabilities	56,652	6,383	-
Deferred Inflows of Resources	3,487	-	-
<u>Fund Balance</u>			
Nonspendable	-	-	-
Restricted	965,582	118,307	353,605
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	965,582	118,307	353,605
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,025,721	\$ 124,690	\$ 353,605

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

ASSETS and OUTFLOWS of RESOURCES	Document			Substance
	Preserv	Election	Parks & Rec	Abuse
Cash and Cash Equivalents	\$514,214	\$766,731	\$229,491	\$717,552
Investments	350,212	1,219	424,639	-
Taxes Receivable	-	-	-	-
Accounts Receivable	-	220,261	-	309,028
Due from Other Funds	-	-	-	-
Due from Other Governments	-	-	-	96,094
Interfund Loans Receivable	-	-	-	-
Inventories	-	-	-	-
Prepaid Items	-	-	100	-
Total Assets	864,426	988,211	654,230	1,122,674
Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 864,426	\$ 988,211	\$ 654,230	\$ 1,122,674
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	-	1,102	25,514	87,991
Due to General Fund	-	-	-	-
Due to Other Governments	-	-	-	-
Accrued Wages Payable	1,222	7,955	26,014	2,093
Accrued Employee Benefits	299	1,951	6,741	519
Deposits	-	-	4,161	-
Unearned Revenue	-	-	68,960	-
Interfund Loans Payable	-	-	-	-
Total Liabilities	1,521	11,008	131,390	90,603
Deferred Inflows of Resources	-	-	-	293,950
<u>Fund Balance</u>				
Nonspendable	-	-	-	-
Restricted	862,905	-	-	738,121
Committed	-	977,203	522,840	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	862,905	977,203	522,840	738,121
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 864,426	\$ 988,211	\$ 654,230	\$ 1,122,674

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

ASSETS and OUTFLOWS of RESOURCES	Community Services	Conv. Center	Clean Water	Conserv. Futures
Cash and Cash Equivalents	\$701,782	\$1,445,180	\$1,776,662	\$2,885,976
Investments	-	140,041	-	581,922
Taxes Receivable	-	-	73,360	19,372
Accounts Receivable	34,860	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Governments	26,122	77,102	49,337	-
Interfund Loans Receivable	-	-	-	-
Inventories	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	762,764	1,662,323	1,899,359	3,487,270
Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 762,764	\$ 1,662,323	\$ 1,899,359	\$ 3,487,270
 LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	49,276	106,844	49,582	4,110
Due to General Fund	-	-	-	-
Due to Other Governments	-	-	-	-
Accrued Wages Payable	32,213	-	15,119	2,118
Accrued Employee Benefits	7,713	-	3,899	611
Deposits	-	-	-	-
Unearned Revenue	-	-	-	-
Interfund Loans Payable	-	-	-	-
Total Liabilities	89,202	106,844	68,600	6,839
Deferred Inflows of Resources	-	-	73,360	11,175
<u>Fund Balance</u>				
Nonspendable	-	-	-	-
Restricted	666,826	1,555,479	1,757,399	3,469,256
Committed	6,736	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	673,562	1,555,479	1,757,399	3,469,256
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 762,764	\$ 1,662,323	\$ 1,899,359	\$ 3,487,270

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

ASSETS and OUTFLOWS of RESOURCES	Medic 1	Crime Victim	Comm. System	Water Quality
Cash and Cash Equivalents	\$7,748,605	\$179,053	\$490,773	\$384,227
Investments	2,584,979	127,872	-	133,337
Taxes Receivable	182,406	-	-	-
Accounts Receivable	-	-	-	25
Due from Other Funds	-	-	-	-
Due from Other Governments	-	-	971,033	1,378
Interfund Loans Receivable	-	-	-	-
Inventories	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	<u>10,515,990</u>	<u>306,925</u>	<u>1,461,806</u>	<u>518,967</u>
Deferred Outflows of Resources	-	-	205	-
Total Assets and Deferred Outflows of Resources	<u>\$ 10,515,990</u>	<u>\$ 306,925</u>	<u>\$ 1,462,011</u>	<u>\$ 518,967</u>
LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	649,143	-	13,266	-
Due to General Fund	-	-	-	-
Due to Other Governments	1,537	-	-	-
Accrued Wages Payable	10,045	892	-	-
Accrued Employee Benefits	2,509	224	-	-
Deposits	-	-	-	-
Unearned Revenue	8,000	-	-	-
Interfund Loans Payable	-	-	-	-
Total Liabilities	<u>671,234</u>	<u>1,116</u>	<u>13,266</u>	<u>-</u>
Deferred Inflows of Resources	<u>104,740</u>	-	-	-
<u>Fund Balance</u>				
Nonspendable	-	-	-	-
Restricted	-	305,809	1,448,745	518,967
Committed	9,740,016	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>9,740,016</u>	<u>305,809</u>	<u>1,448,745</u>	<u>518,967</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,515,990</u>	<u>\$ 306,925</u>	<u>\$ 1,462,011</u>	<u>\$ 518,967</u>

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

ASSETS and OUTFLOWS of RESOURCES	Planning & Development	Lake Mgmt Dist. 1	Lake Mgmt Dist. 2	Lake Mgmt Dist. 3
Cash and Cash Equivalents	\$1,891,385	\$39,163	\$54,363	\$10,168
Investments	-	-	-	-
Taxes Receivable	-	282	509	830
Accounts Receivable	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Governments	38,657	-	-	-
Interfund Loans Receivable	-	-	-	-
Inventories	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	<u>1,930,042</u>	<u>39,445</u>	<u>54,872</u>	<u>10,998</u>
Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 1,930,042</u>	<u>\$ 39,445</u>	<u>\$ 54,872</u>	<u>\$ 10,998</u>
LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	59,688	2,240	356	1,813
Due to General Fund	-	-	-	-
Due to Other Governments	-	-	-	-
Accrued Wages Payable	68,751	-	-	-
Accrued Employee Benefits	46,134	-	-	-
Deposits	-	-	-	-
Unearned Revenue	-	-	-	-
Interfund Loans Payable	-	-	-	-
Total Liabilities	<u>174,573</u>	<u>2,240</u>	<u>356</u>	<u>1,813</u>
Deferred Inflows of Resources	42,728	282	509	830
<u>Fund Balance</u>				
Nonspendable	-	-	-	-
Restricted	1,712,741	36,923	54,007	8,355
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>1,712,741</u>	<u>36,923</u>	<u>54,007</u>	<u>8,355</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,930,042</u>	<u>\$ 39,445</u>	<u>\$ 54,872</u>	<u>\$ 10,998</u>

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

ASSETS and OUTFLOWS of RESOURCES	Lake Mgmt Dist. 4	Edison Clean Wtr	Drug Enforce.	Boating Safety
Cash and Cash Equivalents	\$20,142	\$236,702	\$19,591	\$144,264
Investments	-	215,032	127,041	63,404
Taxes Receivable	98	172	-	-
Accounts Receivable	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Governments	-	-	-	416
Interfund Loans Receivable	-	5,500	-	-
Inventories	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	20,240	457,406	146,632	208,084
Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 20,240	\$ 457,406	\$ 146,632	\$ 208,084
LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	-	8,387	-	40
Due to General Fund	-	-	-	-
Due to Other Governments	-	-	-	-
Accrued Wages Payable	-	-	-	-
Accrued Employee Benefits	-	-	-	-
Deposits	-	-	-	-
Unearned Revenue	-	-	-	-
Interfund Loans Payable	-	-	-	-
Total Liabilities	-	8,387	-	40
Deferred Inflows of Resources	97	172	-	-
<u>Fund Balance</u>				
Nonspendable	-	-	-	-
Restricted	20,143	-	146,632	208,044
Committed	-	448,847	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	20,143	448,847	146,632	208,044
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 20,240	\$ 457,406	\$ 146,632	\$ 208,084

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

ASSETS and OUTFLOWS of RESOURCES	Low Inc. Housing	Title III Projects	Treasurer REET	Housing Revolving Loan
Cash and Cash Equivalents	\$2,208,407	\$39,975	\$241,965	\$0
Investments	-	-	73,233	347,776
Taxes Receivable	-	-	-	-
Accounts Receivable	-	-	-	111,961
Due from Other Funds	-	-	-	-
Due from Other Governments	265,803	-	-	-
Interfund Loans Receivable	-	-	-	-
Inventories	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	<u>2,474,210</u>	<u>39,975</u>	<u>315,198</u>	<u>459,737</u>
Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 2,474,210</u>	<u>\$ 39,975</u>	<u>\$ 315,198</u>	<u>\$ 459,737</u>
LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	-	-	-	51,282
Due to General Fund	-	-	-	45,762
Due to Other Governments	-	-	-	-
Accrued Wages Payable	-	-	-	-
Accrued Employee Benefits	-	-	-	-
Deposits	-	-	-	-
Unearned Revenue	-	-	-	355,480
Interfund Loans Payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>452,524</u>
Deferred Inflows of Resources	-	-	-	-
<u>Fund Balance</u>				
Nonspendable	-	-	-	-
Restricted	2,474,210	39,975	315,198	7,213
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>2,474,210</u>	<u>39,975</u>	<u>315,198</u>	<u>7,213</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,474,210</u>	<u>\$ 39,975</u>	<u>\$ 315,198</u>	<u>\$ 459,737</u>

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

ASSETS and OUTFLOWS of RESOURCES	<u>Interlocal</u> <u>Invest.</u>	<u>TOTAL</u>
Cash and Cash Equivalents	\$72,353	\$27,926,356
Investments	2,284,423	7,863,326
Taxes Receivable	-	283,231
Accounts Receivable	-	1,766,617
Due from Other Funds	-	-
Due from Other Governments	64,806	2,052,824
Interfund Loans Receivable	-	5,500
Inventories	-	-
Prepaid Items	-	100
Total Assets	2,421,582	39,897,954

Deferred Outflows of Resources	-	205
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Total Assets and Deferred Outflows of Resources	\$ 2,421,582	\$ 39,898,159
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LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES

<u>Liabilities</u>		
Accounts and Vouchers Payable	52,124	1,371,836
Due to General Fund	-	96,831
Due to Other Governments	-	1,537
Accrued Wages Payable	2,133	298,708
Accrued Employee Benefits	-	104,269
Deposits	2,043,851	2,048,012
Unearned Revenue	-	483,283
Interfund Loans Payable	-	185,000
Total Liabilities	2,098,108	4,589,476

Deferred Inflows of Resources	-	531,330
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<u>Fund Balance</u>		
Nonspendable	-	-
Restricted	323,474	21,475,304
Committed	-	13,302,049
Assigned	-	-
Unassigned	-	-
Total Fund Balances	323,474	34,777,353

Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,421,582	\$ 39,898,159
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SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Public Health	Special Paths	Tourism	Emergency Mgmt	County Fair
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and Use Taxes	-	-	-	-	-
Other Taxes	-	-	431,145	-	-
Licenses and Permits	571,211	-	-	-	-
Intergovernmental	5,961,040	154,382	-	302,132	131,922
Charges for Services	625,376	-	-	-	473,175
Fines and Forfeits	7,606	-	-	-	-
Interest Earnings	1,339	778	396	-	-
Donations	23,000	-	-	-	42,800
Other Revenue	8,249	-	-	13,747	106,327
Total Revenue	<u>7,197,821</u>	<u>155,160</u>	<u>431,541</u>	<u>315,879</u>	<u>754,224</u>
EXPENDITURES					
Current:					
General Governmental Services	-	-	-	-	-
Public Safety	-	-	-	672,540	-
Utilities and Environment	-	-	-	-	-
Transportation	-	186,828	-	-	-
Economic Environment	-	-	-	-	-
Health & Human Services	6,290,222	-	-	-	-
Culture and Recreation	-	-	346,676	-	555,640
Capital Outlay	-	-	-	97,331	63,398
Total Expenditures	<u>6,290,222</u>	<u>186,828</u>	<u>346,676</u>	<u>769,871</u>	<u>619,038</u>
Excess (Deficit) of Revenues Over Expenditures	<u>907,599</u>	<u>(31,668)</u>	<u>84,865</u>	<u>(453,992)</u>	<u>135,186</u>
Other Financing Sources (Uses)					
Extraordinary items	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-
Transfers In	567,901	-	-	334,619	-
Transfers Out	-	-	-	-	-
Total Other Financial Sources (Uses)	<u>567,901</u>	<u>-</u>	<u>-</u>	<u>334,619</u>	<u>-</u>
Net Change in Fund Balance	1,475,500	(31,668)	84,865	(119,373)	135,186
Fund Balance, January 1	2,559,799	9,405	65,567	42,667	751,847
Fund Balance, December 31	<u>\$ 4,035,299</u>	<u>\$ (22,263)</u>	<u>\$ 150,432</u>	<u>\$ (76,706)</u>	<u>\$ 887,033</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Veterans' Relief	Law Library	River Imp	Treasurer O&M
Property Taxes	\$ 288,083	\$ -	\$ -	\$ -
Sales and Use Taxes	-	-	-	-
Other Taxes	5,264	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental	4,273	-	-	-
Charges for Services	-	37,146	-	46,291
Fines and Forfeits	-	-	-	-
Interest Earnings	13	-	-	2,964
Donations	-	-	-	-
Other Revenue	152	-	-	-
Total Revenue	<u>297,785</u>	<u>37,146</u>	<u>-</u>	<u>49,255</u>
EXPENDITURES				
Current:				
General Governmental Services	-	106,725	-	25,069
Public Safety	-	-	-	-
Utilities and Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Health & Human Services	298,894	-	-	-
Culture and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>298,894</u>	<u>106,725</u>	<u>-</u>	<u>25,069</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(1,109)</u>	<u>(69,579)</u>	<u>-</u>	<u>24,186</u>
Other Financing Sources (Uses)				
Extraordinary items	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	-	88,189	-	-
Transfers Out	-	-	-	-
Total Other Financial Sources (Uses)	<u>-</u>	<u>88,189</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1,109)	18,610	-	24,186
Fund Balance, January 1	966,691	99,697	-	329,419
Fund Balance, December 31	<u>\$ 965,582</u>	<u>\$ 118,307</u>	<u>\$ -</u>	<u>\$ 353,605</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Document			Substance
	Preserv	Election	Parks & Rec	Abuse
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales and Use Taxes	-	-	-	-
Other Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental	83,033	-	-	980,462
Charges for Services	58,108	640,045	430,058	-
Fines and Forfeits	-	-	-	-
Interest Earnings	4,362	15	5,304	-
Donations	-	-	14,713	-
Other Revenue	-	4	371,422	169,650
Total Revenue	<u>145,503</u>	<u>640,064</u>	<u>821,497</u>	<u>1,150,112</u>
EXPENDITURES				
Current:				
General Governmental Services	109,532	961,938	-	-
Public Safety	-	-	-	-
Utilities and Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Health & Human Services	-	-	-	892,107
Culture and Recreation	-	-	1,909,297	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>109,532</u>	<u>961,938</u>	<u>1,909,297</u>	<u>892,107</u>
Excess (Deficit) of Revenues Over Expenditures	<u>35,971</u>	<u>(321,874)</u>	<u>(1,087,800)</u>	<u>258,005</u>
Other Financing Sources (Uses)				
Extraordinary items	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	-	410,000	884,263	-
Transfers Out	-	-	-	-
Total Other Financial Sources (Uses)	<u>-</u>	<u>410,000</u>	<u>884,263</u>	<u>-</u>
Net Change in Fund Balance	35,971	88,126	(203,537)	258,005
Fund Balance, January 1	826,934	889,077	726,377	480,116
Fund Balance, December 31	<u>\$ 862,905</u>	<u>\$ 977,203</u>	<u>\$ 522,840</u>	<u>\$ 738,121</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Community Services	Conv. Center	Clean Water	Conserv. Futures
Property Taxes	\$ -	\$ -	\$ -	\$ 988,631
Sales and Use Taxes	-	770,600	-	-
Other Taxes	-	-	1,731,802	18,168
Licenses and Permits	-	-	-	-
Intergovernmental	662,374	-	262,681	14,731
Charges for Services	-	-	-	-
Fines and Forfeits	-	-	-	-
Interest Earnings	-	1,743	-	7,366
Donations	443,271	-	-	65,035
Other Revenue	10,067	-	4,400	526
Total Revenue	<u>1,115,712</u>	<u>772,343</u>	<u>1,998,883</u>	<u>1,094,457</u>
EXPENDITURES				
Current:				
General Governmental Services	-	-	-	-
Public Safety	-	-	-	-
Utilities and Environment	-	-	1,574,616	221,271
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Health & Human Services	2,469,702	-	-	-
Culture and Recreation	-	379,641	-	-
Capital Outlay	-	-	-	349,101
Total Expenditures	<u>2,469,702</u>	<u>379,641</u>	<u>1,574,616</u>	<u>570,372</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(1,353,990)</u>	<u>392,702</u>	<u>424,267</u>	<u>524,085</u>
Other Financing Sources (Uses)				
Extraordinary items	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	1,250,196	-	-	-
Transfers Out	-	-	-	-
Total Other Financial Sources (Uses)	<u>1,250,196</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(103,794)	392,702	424,267	524,085
Fund Balance, January 1	777,356	1,162,777	1,333,132	2,945,171
Fund Balance, December 31	<u>\$ 673,562</u>	<u>\$ 1,555,479</u>	<u>\$ 1,757,399</u>	<u>\$ 3,469,256</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Medic 1	Crime Victim	Comm. System	Water Quality
Property Taxes	\$ 9,381,494	\$ -	\$ -	\$ -
Sales and Use Taxes	-	-	5,787,833	-
Other Taxes	171,998	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental	154,441	-	51,435	-
Charges for Services	3,694	110,604	-	-
Fines and Forfeits	-	-	-	-
Interest Earnings	33,841	1,591	1,252	1,286
Donations	-	-	-	-
Other Revenue	10,785	-	-	-
Total Revenue	<u>9,756,253</u>	<u>112,195</u>	<u>5,840,520</u>	<u>1,286</u>
EXPENDITURES				
Current:				
General Governmental Services	-	105,452	-	-
Public Safety	8,633,078	-	5,743,710	-
Utilities and Environment	-	-	-	7,410
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Health & Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Capital Outlay	17,755	-	-	-
Total Expenditures	<u>8,650,833</u>	<u>105,452</u>	<u>5,743,710</u>	<u>7,410</u>
Excess (Deficit) of Revenues Over Expenditures	<u>1,105,420</u>	<u>6,743</u>	<u>96,810</u>	<u>(6,124)</u>
Other Financing Sources (Uses)				
Extraordinary items	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financial Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,105,420	6,743	96,810	(6,124)
Fund Balance, January 1	8,634,596	299,066	1,351,935	525,091
Fund Balance, December 31	<u>\$ 9,740,016</u>	<u>\$ 305,809</u>	<u>\$ 1,448,745</u>	<u>\$ 518,967</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Planning & Development	Lake Mgmt Dist. 1	Lake Mgmt Dist. 2	Lake Mgmt Dist. 3
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales and Use Taxes	-	-	-	-
Other Taxes	-	59,153	15,278	52,192
Licenses and Permits	887,716	-	-	-
Intergovernmental	55,235	-	-	-
Charges for Services	1,033,815	-	-	-
Fines and Forfeits	93,733	-	-	-
Interest Earnings	-	-	-	-
Donations	-	-	-	-
Other Revenue	3,964	-	-	-
Total Revenue	<u>2,074,463</u>	<u>59,153</u>	<u>15,278</u>	<u>52,192</u>
EXPENDITURES				
Current:				
General Governmental Services	-	-	-	-
Public Safety	-	-	-	-
Utilities and Environment	-	106,119	19,115	54,764
Transportation	-	-	-	-
Economic Environment	4,306,704	-	-	-
Health & Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>4,306,704</u>	<u>106,119</u>	<u>19,115</u>	<u>54,764</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(2,232,241)</u>	<u>(46,966)</u>	<u>(3,837)</u>	<u>(2,572)</u>
Other Financing Sources (Uses)				
Extraordinary items	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	2,620,000	-	-	-
Transfers Out	-	-	-	-
Total Other Financial Sources (Uses)	<u>2,620,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	387,759	(46,966)	(3,837)	(2,572)
Fund Balance, January 1	1,324,982	83,889	57,844	10,927
Fund Balance, December 31	<u>\$ 1,712,741</u>	<u>\$ 36,923</u>	<u>\$ 54,007</u>	<u>\$ 8,355</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Lake Mgmt Dist. 4	Edison Clean Wtr	Drug Enforce.	Boating Safety
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales and Use Taxes	-	-	-	-
Other Taxes	20,768	103,471	-	-
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	5,000	68,376
Charges for Services	-	-	-	-
Fines and Forfeits	-	-	-	-
Interest Earnings	-	2,676	1,581	789
Donations	-	-	-	-
Other Revenue	-	-	-	-
Total Revenue	<u>20,768</u>	<u>106,147</u>	<u>6,581</u>	<u>69,165</u>
EXPENDITURES				
Current:				
General Governmental Services	-	-	-	-
Public Safety	-	-	5,000	38,182
Utilities and Environment	25,881	79,836	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Health & Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>25,881</u>	<u>79,836</u>	<u>5,000</u>	<u>38,182</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(5,113)</u>	<u>26,311</u>	<u>1,581</u>	<u>30,983</u>
Other Financing Sources (Uses)				
Extraordinary items	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financial Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(5,113)	26,311	1,581	30,983
Fund Balance, January 1	25,256	422,536	145,051	177,061
Fund Balance, December 31	<u>\$ 20,143</u>	<u>\$ 448,847</u>	<u>\$ 146,632</u>	<u>\$ 208,044</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Low Inc. Housing	Title III Projects	Treasurer REET	Housing Revolving Loan
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales and Use Taxes	1,446,123	-	-	-
Other Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental	175,000	36,342	13,919	82,156
Charges for Services	167,860	-	12,638	-
Fines and Forfeits	-	-	-	-
Interest Earnings	-	-	911	3,514
Donations	-	-	-	-
Other Revenue	-	-	-	-
Total Revenue	<u>1,788,983</u>	<u>36,342</u>	<u>27,468</u>	<u>85,670</u>
EXPENDITURES				
Current:				
General Governmental Services	-	20,085	-	-
Public Safety	-	-	-	-
Utilities and Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	211,182	-	-	-
Health & Human Services	-	-	-	82,156
Culture and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>211,182</u>	<u>20,085</u>	<u>-</u>	<u>82,156</u>
Excess (Deficit) of Revenues Over Expenditures	<u>1,577,801</u>	<u>16,257</u>	<u>27,468</u>	<u>3,514</u>
Other Financing Sources (Uses)				
Extraordinary items	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financial Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,577,801	16,257	27,468	3,514
Fund Balance, January 1	896,409	23,718	287,730	3,699
Fund Balance, December 31	<u>\$ 2,474,210</u>	<u>\$ 39,975</u>	<u>\$ 315,198</u>	<u>\$ 7,213</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Interlocal Invest.	TOTAL
Property Taxes	\$ -	\$ 10,658,208
Sales and Use Taxes	-	8,004,556
Other Taxes	-	2,609,239
Licenses and Permits	-	1,458,927
Intergovernmental	237,121	9,436,055
Charges for Services	-	3,638,810
Fines and Forfeits	116,420	217,759
Interest Earnings	29,482	101,203
Donations	8,742	597,561
Other Revenue	21,044	720,337
Total Revenue	412,809	37,442,655
 EXPENDITURES		
Current:		
General Governmental Services	-	1,328,801
Public Safety	382,195	15,474,705
Utilities and Environment	-	2,089,012
Transportation	-	186,828
Economic Environment	-	4,517,886
Health & Human Services	-	10,033,081
Culture and Recreation	-	3,191,254
Capital Outlay	-	527,585
Total Expenditures	382,195	37,349,152
Excess (Deficit) of Revenues Over Expenditures	30,614	93,503
 Other Financing Sources (Uses)		
Extraordinary items	-	-
Proceeds from Sale of Capital Assets	-	-
Transfers In	-	6,155,168
Transfers Out	-	-
Total Other Financial Sources (Uses)	-	6,155,168
Net Change in Fund Balance	30,614	6,248,671
Fund Balance, January 1	292,860	28,528,682
 Fund Balance, December 31	\$ 323,474	\$ 34,777,353

SKAGIT COUNTY, WASHINGTON

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.

For the Year Ended December 31, 2022

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Public Health
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 130,500	\$ 130,500	\$ 2,559,799	
Resources (in-flows)				
Licenses and Permits	523,470	523,470	571,211	47,741
Intergovernmental Revenue	3,481,923	4,805,122	6,329,149	1,524,027
Charges for Goods and Services	239,100	239,100	257,267	18,167
Fines and Forfeits	9,356	9,356	7,606	(1,750)
Interest Revenue	1,550	1,550	1,339	(211)
Donations	-	-	23,000	23,000
Transfers In	707,901	567,901	567,901	-
Miscellaneous Revenues	-	-	8,249	8,249
Total Resources (in-flows)	<u>4,963,300</u>	<u>6,146,499</u>	<u>7,765,722</u>	<u>1,619,223</u>
Amounts Available for Appropriation	5,093,800	6,276,999	10,325,521	
Charges to Appropriations (out-flows)				
Salaries and Wages	2,683,660	3,377,954	3,372,179	(5,775)
Personnel Benefits	1,307,086	1,574,208	1,606,380	32,172
Supplies	68,756	68,756	116,437	47,681
Services and Charges	364,603	586,386	788,965	202,579
Capital Outlays	-	-	-	-
Interfund Payments for Services	669,695	669,695	406,261	(263,434)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>5,093,800</u>	<u>6,276,999</u>	<u>6,290,222</u>	<u>13,223</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,035,299</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Special Paths
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 23,829	\$ 23,829	\$ 9,405	
Resources (in-flows)				
Intergovernmental Revenue	162,000	162,000	154,382	(7,618)
Investment revenue	1,000	1,000	778	(222)
Miscellaneous Revenue	-	-	-	-
Total Resources (in-flows)	<u>163,000</u>	<u>163,000</u>	<u>155,160</u>	<u>(7,840)</u>
Amounts Available for Appropriation	186,829	186,829	164,565	
Charges to Appropriations (out-flows)				
Salaries and Wages	64,801	69,801	69,177	(624)
Personnel Benefits	33,528	38,528	34,725	(3,803)
Supplies	12,500	12,500	4,970	(7,530)
Services and Charges	58,000	51,500	74,849	23,349
Capital Outlays	3,500	-	-	-
Interfund Payments for Services	14,500	14,500	3,107	(11,393)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>186,829</u>	<u>186,829</u>	<u>186,828</u>	<u>(1)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,263)</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Tourism
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (20,000)	\$ (20,000)	\$ 65,567	
Resources (in-flows)				
Licenses and Permits	-	-	431,145	431,145
Intergovernmental Revenue	-	-	-	-
Charges for Goods and Services	400,000	400,000	-	(400,000)
Transfers In	-	-	-	-
Miscellaneous Revenues	-	-	396	396
Total Resources (in-flows)	<u>400,000</u>	<u>400,000</u>	<u>431,541</u>	<u>31,541</u>
Amounts Available for Appropriation	380,000	380,000	497,108	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	380,000	380,000	346,676	(33,324)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>380,000</u>	<u>380,000</u>	<u>346,676</u>	<u>(33,324)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,432</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Emergency Management
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 8,639	\$ (19,985)	\$ 42,667	
Resources (in-flows)				
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	366,717	455,317	302,132	(153,185)
Charges for Goods and Services	-	-	-	-
Transfers In	280,885	334,619	334,619	-
Miscellaneous Revenues	-	-	13,747	13,747
Total Resources (in-flows)	<u>647,602</u>	<u>789,936</u>	<u>650,498</u>	<u>(139,438)</u>
Amounts Available for Appropriation	656,241	769,951	693,165	
Charges to Appropriations (out-flows)				
Salaries and Wages	275,900	296,900	297,172	272
Personnel Benefits	135,495	139,605	133,146	(6,459)
Supplies	33,239	33,239	61,135	27,896
Services and Charges	31,250	31,250	35,685	4,435
Capital Outlays	13,140	101,740	97,331	(4,409)
Interfund Payments for Services	167,217	167,217	145,403	(21,814)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>656,241</u>	<u>769,951</u>	<u>769,872</u>	<u>(79)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (76,707)</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes In Fund Balance
Budgetary Comparison Schedule
Skagit County Fair
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Budgeted Fund Balance, January 1	\$ 3,370	\$ 32,690	\$ 751,847	
Resources (in-flows)				
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	58,000	110,680	131,922	21,242
Charges for Goods and Services	338,200	338,200	473,175	134,975
Donations	60,000	60,000	42,800	(17,200)
Other Revenue	61,000	61,000	106,327	45,327
Transfers In	-	-	-	-
Miscellaneous Revenues	31,000	31,000	-	(31,000)
Total Resources (in-flows)	<u>548,200</u>	<u>600,880</u>	<u>754,224</u>	<u>153,344</u>
Amounts Available for Appropriation	551,570	633,570	1,506,071	
Charges to Appropriations (out-flows)				
Salaries and Wages	180,599	180,599	167,106	(13,493)
Personnel Benefits	65,027	65,027	62,457	(2,570)
Supplies	27,000	45,600	46,484	884
Services and Charges	244,052	244,052	245,890	1,838
Capital Outlays	-	63,400	63,398	(2)
Interfund Payments for Services	34,892	34,892	33,703	(1,189)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>551,570</u>	<u>633,570</u>	<u>619,038</u>	<u>(14,532)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 887,033</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Veterans Relief
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 11,877	\$ 11,877	\$ 966,691	
Resources (in-flows)				
Property Tax	237,849	301,983	288,083	(13,900)
Sales and Use Tax	5,074	5,074	5,264	190
Intergovernmental Revenue	9,640	9,640	4,273	(5,367)
Interest Revenue	16	16	13	(3)
Miscellaneous Revenues	157	157	152	(5)
Total Resources (in-flows)	<u>252,736</u>	<u>316,870</u>	<u>297,785</u>	<u>(19,085)</u>
Amounts Available for Appropriation	264,613	328,747	1,264,476	
Charges to Appropriations (out-flows)				
Salaries and Wages	4,744	47,244	37,084	(10,160)
Personnel Benefits	1,926	23,560	21,500	(2,060)
Supplies	-	-	412	412
Services and Charges	252,433	252,433	234,479	(17,954)
Capital Outlays	-	-	-	-
Interfund Payments for Services	5,510	5,510	5,420	(90)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>264,613</u>	<u>328,747</u>	<u>298,895</u>	<u>(29,852)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 965,581</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Law Library
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 1,728	\$ 1,728	\$ 99,697	
Resources (in-flows)				
Charges for Goods and Services	43,000	43,000	37,146	(5,854)
Intergovernmental Revenue	-	-	-	-
Transfers In	88,189	88,189	88,189	-
Miscellaneous Revenues	-	-	-	-
Total Resources (in-flows)	<u>131,189</u>	<u>131,189</u>	<u>125,335</u>	<u>(5,854)</u>
Amounts Available for Appropriation	132,917	132,917	225,032	
Charges to Appropriations (out-flows)				
Salaries and Wages	44,469	44,469	26,559	(17,910)
Personnel Benefits	24,513	24,513	16,950	(7,563)
Supplies	7,150	7,150	6,715	(435)
Services and Charges	56,785	56,785	56,501	(284)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>132,917</u>	<u>132,917</u>	<u>106,725</u>	<u>(26,192)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,307</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Treasurer's O&M
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 14,400	\$ 14,400	\$ 329,419	
Resources (in-flows)				
Intergovernmental Revenue	-	-	-	-
Charges for Goods and Services	-	-	46,291	46,291
Interest Revenue	-	-	2,964	2,964
Total Resources (in-flows)	-	-	49,255	49,255
Amounts Available for Appropriation	14,400	14,400	378,674	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	14,400	14,400	25,069	10,669
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	14,400	14,400	25,069	10,669
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 353,605	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Centennial Document Preservation
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ (22,311)	\$ (18,311)	\$ 826,934	
Resources (in-flows)				
Intergovernmental Revenue	70,000	70,000	83,033	13,033
Charges for Goods and Services	79,000	79,000	58,108	(20,892)
Interest Revenue	500	500	4,362	3,862
Total Resources (in-flows)	<u>149,500</u>	<u>149,500</u>	<u>145,503</u>	<u>(3,997)</u>
Amounts Available for Appropriation	127,189	131,189	972,437	
Charges to Appropriations (out-flows)				
Salaries and Wages	53,599	57,599	48,674	(8,925)
Personnel Benefits	31,940	31,940	27,963	(3,977)
Supplies	-	-	-	-
Services and Charges	14,650	14,650	8,381	(6,269)
Capital Outlays	-	-	-	-
Interfund Payments for Services	27,000	27,000	24,515	(2,485)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>127,189</u>	<u>131,189</u>	<u>109,533</u>	<u>(21,656)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 862,904</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Election Services
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 107,900	\$ 165,500	\$ 889,077	
Resources (in-flows)				
Intergovernmental Revenue	34,000	34,000	-	(34,000)
Charges for Goods and Services	451,000	451,000	640,045	189,045
Investment interest	-	-	15	15
Donations	-	-	-	-
Transfers In	410,000	410,000	410,000	-
Miscellaneous Revenues	-	-	4	4
Total Resources (in-flows)	<u>895,000</u>	<u>895,000</u>	<u>1,050,064</u>	<u>155,064</u>
Amounts Available for Appropriation	1,002,900	1,060,500	1,939,141	
Charges to Appropriations (out-flows)				
Salaries and Wages	263,042	263,042	244,219	(18,823)
Personnel Benefits	131,973	131,973	114,612	(17,361)
Supplies	6,000	15,600	13,706	(1,894)
Services and Charges	494,045	542,045	496,075	(45,970)
Capital Outlays	25,000	25,000	-	(25,000)
Interfund Payments for Services	82,840	82,840	93,326	10,486
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>1,002,900</u>	<u>1,060,500</u>	<u>961,938</u>	<u>(98,562)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 977,203</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Parks and Recreation
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 302,593	\$ 302,593	\$ 726,377	
Resources (in-flows)				
Intergovernmental Revenue	-	-	-	-
Charges for Goods and Services	445,888	445,888	430,058	(15,830)
Interest Revenue	5,000	5,000	5,304	304
Donations	9,500	9,500	14,713	5,213
Transfers In	884,263	884,263	884,263	-
Miscellaneous Revenues	301,526	301,526	371,422	69,896
Total Resources (in-flows)	<u>1,646,177</u>	<u>1,646,177</u>	<u>1,705,760</u>	<u>59,583</u>
Amounts Available for Appropriation	1,948,770	1,948,770	2,432,137	
Charges to Appropriations (out-flows)				
Salaries and Wages	856,140	856,140	830,501	(25,639)
Personnel Benefits	403,660	403,660	377,575	(26,085)
Supplies	82,100	82,100	80,754	(1,346)
Services and Charges	447,815	447,815	460,480	12,665
Capital Outlays	6,500	6,500	-	(6,500)
Interfund Payments for Services	152,555	152,555	159,987	7,432
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>1,948,770</u>	<u>1,948,770</u>	<u>1,909,297</u>	<u>(39,473)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 522,840</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Substance Abuse
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 75,966	\$ 75,966	\$ 480,116	
Resources (in-flows)				
Intergovernmental Revenue	909,570	909,570	980,462	70,892
Charges for services	-	-	-	-
Miscellaneous Revenue	-	-	169,650	169,650
Transfers In	-	-	-	-
Total Resources (in-flows)	<u>909,570</u>	<u>909,570</u>	<u>1,150,112</u>	<u>240,542</u>
Amounts Available for Appropriation	985,536	985,536	1,630,228	
Charges to Appropriations (out-flows)				
Salaries and Wages	68,597	68,597	52,608	(15,989)
Personnel Benefits	30,776	30,776	22,779	(7,997)
Supplies	1,500	1,500	-	(1,500)
Services and Charges	869,663	869,663	794,723	(74,940)
Capital Outlays	-	-	-	-
Interfund Payments for Services	15,000	15,000	21,997	6,997
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>985,536</u>	<u>985,536</u>	<u>892,107</u>	<u>(93,429)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 738,121</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Community Service
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 300,000	\$ 300,000	\$ 777,356	
Resources (in-flows)				
Intergovernmental Revenue	600,418	600,418	662,374	61,956
Charges for Goods and Services	-	-	-	-
Donations	177,271	177,271	443,271	266,000
Transfers In	1,110,196	1,250,196	1,250,196	-
Miscellaneous Revenues	161,952	161,952	10,067	(151,885)
Total Resources (in-flows)	<u>2,049,837</u>	<u>2,189,837</u>	<u>2,365,908</u>	<u>176,071</u>
Amounts Available for Appropriation	2,349,837	2,489,837	3,143,264	
Charges to Appropriations (out-flows)				
Salaries and Wages	876,483	949,483	921,794	(27,689)
Personnel Benefits	485,620	505,463	508,933	3,470
Supplies	519,883	632,030	716,719	84,689
Services and Charges	415,205	350,215	302,002	(48,213)
Capital Outlays	7,500	7,500	-	(7,500)
Interfund Payments for Services	45,146	45,146	20,253	(24,893)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>2,349,837</u>	<u>2,489,837</u>	<u>2,469,701</u>	<u>(20,136)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 673,563</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Convention Center
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (50,000)	\$ (50,000)	\$ 1,162,777	
Resources (in-flows)				
Sales and Use Tax	550,000	550,000	770,600	220,600
Intergovernmental Revenues	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Interest Revenue	-	-	1,743	1,743
Total Resources (in-flows)	<u>550,000</u>	<u>550,000</u>	<u>772,343</u>	<u>222,343</u>
Amounts Available for Appropriation	500,000	500,000	1,935,120	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	500,000	500,000	379,641	(120,359)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>500,000</u>	<u>500,000</u>	<u>379,641</u>	<u>(120,359)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,555,479</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Clean Water Program
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Budgeted Fund Balance, January 1	\$ (308,557)	\$ (289,407)	\$ 1,333,132	
Resources (in-flows)				
Taxes	1,734,265	1,734,265	1,731,802	(2,463)
Intergovernmental Revenue	269,500	269,500	262,681	(6,819)
Charges for Goods and Services	-	-	-	-
Interest Revenue	-	-	-	-
Miscellaneous Revenues	-	-	4,400	4,400
Transfers In	-	-	-	-
Total Resources (in-flows)	<u>2,003,765</u>	<u>2,003,765</u>	<u>1,998,883</u>	<u>(4,882)</u>
Amounts Available for Appropriation	1,695,208	1,714,358	3,332,015	
Charges to Appropriations (out-flows)				
Salaries and Wages	425,698	425,698	418,913	(6,785)
Personnel Benefits	186,959	186,959	202,958	15,999
Supplies	61,800	61,800	24,193	(37,607)
Services and Charges	640,005	640,005	614,993	(25,012)
Capital Outlays	-	-	-	-
Interfund Payments for Services	380,746	399,896	313,559	(86,337)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>1,695,208</u>	<u>1,714,358</u>	<u>1,574,616</u>	<u>(139,742)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,757,399</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Conservation Futures
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 987,493	\$ 987,493	\$ 2,945,171	
Resources (in-flows)				
Property Tax	967,800	967,800	988,631	20,831
Sales and Use Tax	16,000	16,000	18,168	2,168
Intergovernmental Revenue	34,200	34,200	14,731	(19,469)
Interest Revenue	725	725	7,366	6,641
Donations	200	200	65,035	64,835
Miscellaneous Revenues	500	500	526	26
Total Resources (in-flows)	<u>1,019,425</u>	<u>1,019,425</u>	<u>1,094,457</u>	<u>75,032</u>
Amounts Available for Appropriation	2,006,918	2,006,918	4,039,628	
Charges to Appropriations (out-flows)				
Salaries and Wages	61,504	65,529	74,159	8,630
Personnel Benefits	32,489	35,188	35,027	(161)
Supplies	475	475	-	(475)
Services and Charges	94,050	87,326	66,392	(20,934)
Capital Outlays	1,800,000	1,800,000	349,101	(1,450,899)
Interfund Payments for Services	18,400	18,400	45,693	27,293
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>2,006,918</u>	<u>2,006,918</u>	<u>570,372</u>	<u>(1,436,546)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,469,256</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Medic I
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ (279,760)	\$ (279,760)	\$ 8,634,596	
Resources (in-flows)				
Property Tax	9,000,000	9,000,000	9,381,494	381,494
Sales and Use Tax	180,000	180,000	171,998	(8,002)
Intergovernmental Revenue	395,416	395,416	154,441	(240,975)
Charges for Services	-	-	3,694	3,694
Interest Revenue	-	-	33,841	33,841
Transfers In	-	-	-	-
Miscellaneous Revenues	-	-	10,785	10,785
Total Resources (in-flows)	<u>9,575,416</u>	<u>9,575,416</u>	<u>9,756,253</u>	<u>180,837</u>
Amounts Available for Appropriation	9,295,656	9,295,656	18,390,849	
Charges to Appropriations (out-flows)				
Salaries and Wages	285,967	285,967	286,736	769
Personnel Benefits	138,489	138,489	133,535	(4,954)
Supplies	193,000	193,000	212,309	19,309
Services and Charges	1,862,700	1,862,700	1,458,490	(404,210)
Capital Outlays	75,000	75,000	17,755	(57,245)
Interfund Payments for Services	6,740,500	6,740,500	6,542,008	(198,492)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>9,295,656</u>	<u>9,295,656</u>	<u>8,650,833</u>	<u>(644,823)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,740,016</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Crime Victim Services
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ (32,875)	\$ (32,875)	\$ 299,066	
Resources (in-flows)				
Charges for Goods and Services	160,000	160,000	110,604	(49,396)
Interest Revenue	-	-	1,591	1,591
Total Resources (in-flows)	<u>160,000</u>	<u>160,000</u>	<u>112,195</u>	<u>(47,805)</u>
Amounts Available for Appropriation	127,125	127,125	411,261	
Charges to Appropriations (out-flows)				
Salaries and Wages	47,374	47,374	37,613	(9,761)
Personnel Benefits	29,751	29,751	17,839	(11,912)
Supplies	-	-	-	-
Services and Charges	-	-	-	-
Capital Outlays	-	-	-	-
Interfund Payments for Services	50,000	50,000	50,000	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>127,125</u>	<u>127,125</u>	<u>105,452</u>	<u>(21,673)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,809</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Communication System
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Budgeted Fund Balance, January 1	\$ -	\$ -	\$ 1,351,935	
Resources (in-flows)				
Sales and Use Tax	5,125,000	5,883,000	5,787,833	(95,167)
Other Tax	-	-	-	-
Interest Earnings	-	-	1,252	1,252
Intergovernmental Revenue	50,000	50,000	51,435	1,435
Total Resources (in-flows)	<u>5,175,000</u>	<u>5,933,000</u>	<u>5,840,520</u>	<u>(92,480)</u>
Amounts Available for Appropriation	5,175,000	5,933,000	7,192,455	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	5,175,000	5,933,000	5,743,710	(189,290)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>5,175,000</u>	<u>5,933,000</u>	<u>5,743,710</u>	<u>(189,290)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,448,745</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Water Quality Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Budgeted Fund Balance, January 1	\$ -	\$ 100,000	\$ 525,091	
Resources (in-flows)				
Property Tax	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Charges for Goods and Services	-	-	-	-
Interest Revenue	-	-	1,286	1,286
Proceeds of Long Term Debt	-	-	-	-
Total Resources (in-flows)	<u>-</u>	<u>-</u>	<u>1,286</u>	<u>1,286</u>
Amounts Available for Appropriation	-	100,000	526,377	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	-	-	-	-
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	100,000	7,410	(92,590)
Amount Charged to Appropriations (out-flows)	<u>-</u>	<u>100,000</u>	<u>7,410</u>	<u>(92,590)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 518,967</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Planning and Development
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 303,177	\$ 303,177	\$ 1,324,982	
Resources (in-flows)				
Licenses and Permits	895,571	895,571	887,716	(7,855)
Intergovernmental Revenue	60,000	60,000	55,235	(4,765)
Charges for Goods and Services	880,100	880,100	1,033,815	153,715
Fines and Forfeits	500	500	93,733	93,233
Interest Earnings	-	-	-	-
Transfers In	2,620,000	2,620,000	2,620,000	-
Miscellaneous Revenues	1,925	1,925	3,964	2,039
Total Resources (in-flows)	4,458,096	4,458,096	4,694,463	236,367
Amounts Available for Appropriation	4,761,273	4,761,273	6,019,445	
Charges to Appropriations (out-flows)				
Salaries and Wages	2,705,736	2,705,736	2,650,236	(55,500)
Personnel Benefits	1,292,993	1,292,993	1,171,289	(121,704)
Supplies	19,725	19,725	22,800	3,075
Services and Charges	592,060	592,060	393,950	(198,110)
Capital Outlays	-	-	-	-
Interfund Payments for Services	150,759	150,759	68,429	(82,330)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	4,761,273	4,761,273	4,306,704	(454,569)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 1,712,741	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Lake Management District 1
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 22,255	\$ 59,755	\$ 83,889	
Resources (in-flows)				
Other Tax	58,000	58,000	59,153	1,153
Interest Earnings	-	-	-	-
Total Resources (in-flows)	<u>58,000</u>	<u>58,000</u>	<u>59,153</u>	<u>1,153</u>
Amounts Available for Appropriation	80,255	117,755	143,042	
Charges to Appropriations (out-flows)				
Salaries and Wages	5,719	20,719	16,179	(4,540)
Personnel Benefits	2,736	10,236	7,383	(2,853)
Supplies	-	-	142	142
Services and Charges	71,800	86,800	82,415	(4,385)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>80,255</u>	<u>117,755</u>	<u>106,119</u>	<u>(11,636)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,923</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Lake Management District 2
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 10,112	\$ 10,112	\$ 57,844	
Resources (in-flows)				
Other Tax	15,667	15,667	15,278	(389)
Interest Earnings	-	-	-	-
Total Resources (in-flows)	<u>15,667</u>	<u>15,667</u>	<u>15,278</u>	<u>(389)</u>
Amounts Available for Appropriation	25,779	25,779	73,122	
Charges to Appropriations (out-flows)				
Salaries and Wages	7,149	6,384	2,266	(4,118)
Personnel Benefits	3,430	3,430	1,084	(2,346)
Supplies	-	-	-	-
Services and Charges	15,200	15,965	15,765	(200)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>25,779</u>	<u>25,779</u>	<u>19,115</u>	<u>(6,664)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,007</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Lake Management District 3
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 3,504	\$ 3,504	\$ 10,927	
Resources (in-flows)				
Other Tax	52,059	52,059	52,192	133
Interest Earnings	-	-	-	-
Total Resources (in-flows)	<u>52,059</u>	<u>52,059</u>	<u>52,192</u>	<u>133</u>
Amounts Available for Appropriation	55,563	55,563	63,119	
Charges to Appropriations (out-flows)				
Salaries and Wages	5,719	5,719	5,521	(198)
Personnel Benefits	2,744	2,744	2,573	(171)
Supplies	-	-	-	-
Services and Charges	47,100	47,100	46,670	(430)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>55,563</u>	<u>55,563</u>	<u>54,764</u>	<u>(799)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,355</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Lake Management District 4
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 12,824	\$ 12,824	\$ 25,256	
Resources (in-flows)				
Other Tax	20,895	20,895	20,768	(127)
Interest Earnings	-	-	-	-
Total Resources (in-flows)	<u>20,895</u>	<u>20,895</u>	<u>20,768</u>	<u>(127)</u>
Amounts Available for Appropriation	33,719	33,719	46,024	
Charges to Appropriations (out-flows)				
Salaries and Wages	6,434	4,766	823	(3,943)
Personnel Benefits	3,085	3,085	390	(2,695)
Supplies	-	-	-	-
Services and Charges	24,200	25,868	24,668	(1,200)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>33,719</u>	<u>33,719</u>	<u>25,881</u>	<u>(7,838)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,143</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Edison Clean Water District
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 347	\$ 347	\$ 422,536	
Resources (in-flows)				
Other taxes	80,000	80,000	103,471	23,471
Charges for Goods and Services	-	-	-	-
Interest Earnings	120	120	2,676	2,556
Miscellaneous Revenues	-	-	-	-
Total Resources (in-flows)	<u>80,120</u>	<u>80,120</u>	<u>106,147</u>	<u>26,027</u>
Amounts Available for Appropriation	80,467	80,467	528,683	
Charges to Appropriations (out-flows)				
Salaries and Wages	5,976	5,976	1,061	(4,915)
Personnel Benefits	2,791	2,791	501	(2,290)
Supplies	1,200	1,200	1,545	345
Services and Charges	69,000	69,000	76,729	7,729
Capital Outlays	-	-	-	-
Interfund Payments for Services	1,500	1,500	-	(1,500)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>80,467</u>	<u>80,467</u>	<u>79,836</u>	<u>(631)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 448,847</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Drug Enforcement Cumulative
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 2,880	\$ 77,880	\$ 145,051	
Resources (in-flows)				
Intergovernmental Revenue	-	5,000	5,000	-
Interest Revenue	120	120	1,581	1,461
Miscellaneous Revenues	-	-	-	-
Total Resources (in-flows)	<u>120</u>	<u>5,120</u>	<u>6,581</u>	<u>1,461</u>
Amounts Available for Appropriation	3,000	83,000	151,632	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	3,000	8,000	5,000	(3,000)
Services and Charges	-	-	-	-
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	75,000	-	(75,000)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>3,000</u>	<u>83,000</u>	<u>5,000</u>	<u>(78,000)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 146,632</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Boating Safety
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 476	\$ 476	\$ 177,061	
Resources (in-flows)				
Intergovernmental Revenue	70,000	70,000	68,376	(1,624)
Interest Earnings	100	100	789	689
Miscellaneous Revenues	-	-	-	-
Total Resources (in-flows)	<u>70,100</u>	<u>70,100</u>	<u>69,165</u>	<u>(935)</u>
Amounts Available for Appropriation	70,576	70,576	246,226	
Charges to Appropriations (out-flows)				
Salaries and Wages	27,011	27,011	17,883	(9,128)
Personnel Benefits	9,474	9,474	5,883	(3,591)
Supplies	16,316	16,316	5,911	(10,405)
Services and Charges	17,775	17,775	8,506	(9,269)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>70,576</u>	<u>70,576</u>	<u>38,183</u>	<u>(32,393)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,043</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Low-Income Housing Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ (180,917)	\$ (180,917)	\$ 896,409	
Resources (in-flows)				
Taxes	281,177	281,177	1,446,123	1,164,946
Charges for Goods and Services	198,253	198,253	167,860	(30,393)
Intergovernmental Revenue	451,962	451,962	175,000	(276,962)
Interest Revenue	-	-	-	-
Total Resources (in-flows)	<u>931,392</u>	<u>931,392</u>	<u>1,788,983</u>	<u>857,591</u>
Amounts Available for Appropriation	750,475	750,475	2,685,392	
Charges to Appropriations (out-flows)				
Salaries and Wages	6,708	6,708	311	(6,397)
Personnel Benefits	3,767	3,767	137	(3,630)
Supplies	-	-	-	-
Services and Charges	740,000	740,000	210,734	(529,266)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>750,475</u>	<u>750,475</u>	<u>211,182</u>	<u>(539,293)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,474,210</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Title III Projects Fund
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ -	\$ 22,267	\$ 23,718	
Resources (in-flows)				
Charges for Services	-	-	-	-
Intergovernmental Revenue	-	-	36,342	36,342
Interest Revenue	-	-	-	-
Total Resources (in-flows)	-	-	36,342	36,342
Amounts Available for Appropriation	-	22,267	60,060	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	-	22,267	20,085	(2,182)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	-	22,267	20,085	(2,182)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 39,975	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Treasurer's Reet
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ -	\$ 22,267	\$ 287,730	
Resources (in-flows)				
Sales and Use Tax	-	-	-	-
Intergovernmental	-	-	13,919	13,919
Services and Charges	-	-	12,638	12,638
Interest Revenue	-	-	911	911
Total Resources (in-flows)	-	-	27,468	27,468
Amounts Available for Appropriation	-	22,267	315,198	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	-	22,267	-	(22,267)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	-	22,267	-	(22,267)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 315,198	

SKAGIT COUNTY, WASHINGTON
Housing/CD Revolving Loan Fund
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Housing/CD Revolving Loan Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 89,908	\$ 89,908	\$ 3,699	
Resources (in-flows)				
Intergovernmental Revenue	-	-	82,156	82,156
Charges for Goods and Services	-	-	-	-
Interest Revenue	10,092	10,092	3,514	(6,578)
Total Resources (in-flows)	<u>10,092</u>	<u>10,092</u>	<u>85,670</u>	<u>75,578</u>
Amounts Available for Appropriation	100,000	100,000	89,369	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	100,000	100,000	82,156	(17,844)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>100,000</u>	<u>100,000</u>	<u>82,156</u>	<u>(17,844)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,213</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Interlocal Investigation
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 5,700	\$ 5,700	\$ 292,860	
Resources (in-flows)				
Intergovernmental Revenue	213,045	213,045	237,121	24,076
Charges for Goods and Services	-	-	-	-
Fines and Forfeits	197,500	197,500	116,420	(81,080)
Interest Revenue	1,333	1,333	29,482	28,149
Donations	-	-	8,742	8,742
Miscellaneous Revenues	20,000	20,000	21,044	1,044
Total Resources (in-flows)	431,878	431,878	412,809	(19,069)
Amounts Available for Appropriation	437,578	437,578	705,669	
Charges to Appropriations (out-flows)				
Salaries and Wages	59,683	59,683	46,178	(13,505)
Personnel Benefits	31,955	31,955	23,565	(8,390)
Supplies	19,300	19,300	14,591	(4,709)
Services and Charges	263,100	263,100	284,228	21,128
Capital Outlays	30,000	30,000	-	(30,000)
Interfund Payments for Services	33,540	33,540	13,633	(19,907)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	437,578	437,578	382,195	(55,383)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 323,474	

SKAGIT COUNTY, WASHINGTON

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.

For the Year Ended December 31, 2022

SKAGIT COUNTY, WASHINGTON
BALANCE SHEET
Combining Nonmajor Debt Service Fund
As of December 31, 2022

ASSETS AND OTHER DEBITS:	TOTALS
ASSETS:	
Cash	\$ 1,611,152
Investments	941,488
Accounts Receivable	-
Debt Service Deposits	944
Interfund Loans Receivable	-
TOTAL ASSETS	2,553,584
 Total Assets and Deferred Outflows of Resources	2,553,584
 LIABILITIES AND FUND BALANCES	
LIABILITIES	
Vouchers Payable	-
Interfund Loans Payable	5,500
TOTAL LIABILITIES	5,500
Deferred Inflow of Resources	-
 FUND BALANCES	
Reserved for Debt Service	2,548,084
TOTAL FUND BALANCES	2,548,084
 TOTAL LIABILITIES AND FUND BALANCES	\$ 2,553,584

SKAGIT COUNTY, WASHINGTON
Combining Statement of Revenues, Expenditures
And Changes in Fund Balances
DEBT SERVICE FUND
For the Year Ended December 31, 2022

REVENUES:	Total
Interest Revenue	\$ 32,731
Miscellaneous Revenues	1,109,998
TOTAL REVENUES	1,142,729
EXPENDITURES:	
Debt Service: Principal	1,456,511
Debt Service: Interest and Related Costs	483,679
TOTAL EXPENDITURES	1,940,190
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(797,461)
OTHER FINANCING SOURCES (USES):	
Transfers In	766,113
Proceeds of Long Term Debt	-
TOTAL OTHER FINANCING SOURCES (USES)	766,113
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(31,348)
FUND BALANCES:	
Fund Balance, January 1	2,579,432
FUND BALANCE, DECEMBER 31	\$ 2,548,084

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Debt Service
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ (42,706)	\$ (42,706)	\$ 2,579,432	
Resources (in-flows)				
Intergovernmental Revenues	-	-	-	-
Transfers In	766,113	766,113	766,113	-
Interest Revenue	29,991	29,991	32,731	2,740
Other Revenue	1,187,200	1,187,200	1,109,998	(77,202)
Total Resources (in-flows)	<u>1,983,304</u>	<u>1,983,304</u>	<u>1,908,842</u>	<u>(74,462)</u>
Amounts Available for Appropriation	1,940,598	1,940,598	4,488,274	
Charges to Appropriations (out-flows)				
Debt Service				-
Principal	1,456,648	1,456,648	1,456,511	(137)
Interest	483,950	483,950	483,679	(271)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>1,940,598</u>	<u>1,940,598</u>	<u>1,940,190</u>	<u>(408)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,548,084</u>	

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
As of December 31, 2022

	FACILITY IMPROVEMENTS	CAPITAL IMPROVEMENT	DISTRESSED PUBLIC IMPROVEMENTS	PARKS IMPROVEMENT	LEASED FACILITIES	TOTALS
ASSETS:						
ASSETS:						
Cash	\$ 3,429,554	\$ 5,522,192	\$ 8,479,961	\$ 424,577	\$ -	\$ 17,856,284
Investments	213,078	706,181	2,259,933	-	-	3,179,192
Due from Other Funds	-	-	-	-	-	-
Due from another government unit	250,000	-	665,254	126,562	-	1,041,816
Leases Receivable	-	-	-	-	886,049	886,049
TOTAL ASSETS	\$ 3,892,632	\$ 6,228,373	\$ 11,405,148	\$ 551,139	\$ 886,049	\$ 22,963,341
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts/vouchers payable	152,034	10,000	58,995	13,132	1,787	235,928
Due to General Fund	-	-	-	-	16,516	16,516
Unearned Revenue	415,244	-	-	-	-	415,244
TOTAL LIABILITIES	567,278	10,000	58,995	13,132	18,283	667,688
Deferred Inflows of Resources	-	-	-	-	881,096	881,096
FUND BALANCES						
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	3,325,354	6,218,373	11,346,153	538,007	(13,330)	21,414,557
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	3,325,354	6,218,373	11,346,153	538,007	(13,330)	21,414,557
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,892,632	\$ 6,228,373	\$ 11,405,148	\$ 551,139	\$ 886,049	\$ 22,963,341

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended December 31, 2022

	FACILITY IMPROVEMENTS FUND	CAPITAL IMPROVEMENTS FUND	DISTRESSED PUBLIC IMPROVEMENT	PARK IMPROVEMENT FUND	LEASED FACILITIES FUND	TOTALS
REVENUES:						
Other Taxes	\$ -	\$ 3,308,179	\$ -	\$ -	\$ -	\$ 3,308,179
Excise Taxes	-	-	4,036,791	-	-	4,036,791
Intergovernmental Revenue	642,480	-	-	411,801	-	954,281
Charges for Goods and Services	28,686	-	-	10,785	33,804	73,275
Interest Revenue	2,652	8,925	29,163	-	2,796	43,536
Other Revenue	351,470	-	-	-	-	351,470
TOTAL REVENUES	925,288	3,317,104	4,065,954	422,586	36,600	8,767,532
EXPENDITURES:						
Current						
Economic Environment	146,446	171,002	2,899,010	-	49,930	3,266,388
Culture and Recreation	-	-	-	563,403	-	563,403
Capital Outlay	1,912,025	-	-	1,260,063	-	3,072,088
Total Expenditures	1,959,071	171,002	2,899,010	1,823,466	49,930	6,902,479
TOTAL EXPENDITURES	1,959,071	171,002	2,899,010	1,823,466	49,930	6,902,479
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,033,783)	3,146,102	1,166,944	(1,400,880)	(13,330)	1,855,053
OTHER FINANCING SOURCES (USES):						
Issuance of Long Term Debt	-	-	-	-	-	-
Proceeds of Capital Assets	-	-	-	-	-	-
Transfers In	1,266,108	-	-	1,282,950	-	2,549,058
Transfers Out	-	(2,828,537)	-	-	-	(2,828,537)
TOTAL OTHER FINANCING SOURCES (USES)	1,266,108	(2,828,537)	-	1,282,950	-	(279,479)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES:	232,325	317,565	1,166,944	(117,930)	(13,330)	1,585,574
FUND BALANCES:						
Fund Balance, January 1	3,093,029	5,900,808	10,179,209	655,937	-	19,828,983
Prior Period Adjustment	-	-	-	-	-	-
FUND BALANCE, DECEMBER 31	\$ 3,325,354	\$ 6,218,373	\$ 11,346,153	\$ 538,007	\$ (13,330)	\$ 21,414,557

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Facility Improvement
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 2,013,300	\$ 388,270	\$ 3,093,029	
Resources (in-flows)				
Intergovernmental Revenues	1,206,220	604,730	542,480	(62,250)
Proceeds of Lt Debt	-	-	-	-
Transfers In	1,122,136	1,122,136	1,266,108	143,972
Interest Revenue	-	-	2,652	2,652
Other Revenue	120,000	120,000	380,156	260,156
Total Resources (in-flows)	<u>2,448,356</u>	<u>1,846,866</u>	<u>2,191,396</u>	<u>344,530</u>
Amounts Available for Appropriation	4,461,656	2,235,136	5,284,425	
Charges to Appropriations (out-flows)				
Salaries and Wages	94,617	94,617	94,715	98
Personnel Benefits	41,219	41,219	40,821	(398)
Supplies	-	-	1,773	1,773
Services and Charges	244,600	321,800	300	(321,500)
Capital Outlays	4,081,220	1,777,500	1,812,625	35,125
Interfund Payments for Services	-	-	8,837	8,837
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>4,461,656</u>	<u>2,235,136</u>	<u>1,959,071</u>	<u>(276,065)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,325,354</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Capital Improvements
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 1,704,784	\$ 1,712,884	\$ 5,900,808	
Resources (in-flows)				
Other Taxes	3,000,000	3,000,000	3,308,179	308,179
Interest Revenue	-	-	8,925	8,925
Total Resources (in-flows)	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,317,104</u>	<u>317,104</u>
Amounts Available for Appropriation	4,704,784	4,712,884	9,217,912	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Miscellaneous	1,000,000	1,000,000	171,002	(828,998)
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	3,704,784	3,712,884	2,828,537	(884,347)
Amount Charged to Appropriations (out-flows)	<u>4,704,784</u>	<u>4,712,884</u>	<u>2,999,539</u>	<u>(1,713,345)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,218,373</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Distressed Public Improvement
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 2,556,064	\$ 2,556,064	\$ 10,179,209	
Resources (in-flows)				
Sales and Use Tax	3,400,000	3,400,000	4,036,791	636,791
Interest Revenue	2,000	2,000	29,163	27,163
Total Resources (in-flows)	<u>3,402,000</u>	<u>3,402,000</u>	<u>4,065,954</u>	<u>663,954</u>
Amounts Available for Appropriation	5,958,064	5,958,064	14,245,163	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Services and Charges	-	-	-	-
Capital Outlays	-	-	-	-
Interfund Payments for Services	5,958,064	5,958,064	2,899,010	(3,059,054)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>5,958,064</u>	<u>5,958,064</u>	<u>2,899,010</u>	<u>(3,059,054)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,346,153</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Park Improvement
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 106,023	\$ 106,023	\$ 655,937	
Resources (in-flows)				
Intergovernmental Revenue	145,000	145,000	411,801	266,801
Charges for Goods and Services	10,000	10,000	-	(10,000)
Interest Earnings	-	-	-	-
Transfers In	1,816,535	1,816,535	1,282,950	(533,585)
Miscellaneous	-	-	10,785	10,785
Total Resources (in-flows)	<u>1,971,535</u>	<u>1,971,535</u>	<u>1,705,536</u>	<u>(265,999)</u>
Amounts Available for Appropriation	2,077,558	2,077,558	2,361,473	
Charges to Appropriations (out-flows)				
Salaries and Wages	29,120	29,120	12,259	(16,861)
Personnel Benefits	15,938	15,938	6,147	(9,791)
Supplies	35,000	35,000	21,118	(13,882)
Services and Charges	400,000	400,000	523,879	123,879
Capital Outlays	1,422,500	1,597,500	1,260,063	(337,437)
Interfund Payments for Services	175,000	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>2,077,558</u>	<u>2,077,558</u>	<u>1,823,466</u>	<u>(254,092)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 538,007</u>	

SKAGIT COUNTY, WASHINGTON
Revenues, Expenditures and Changes in Fund Balance
Budgetary Comparison Schedule
Leased Facilities
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 21,500	\$ 21,500	\$ -	
Resources (in-flows)				
Intergovernmental Revenue	-	-	-	-
Charges for Goods and Services	31,500	31,500	33,804	2,304
Interest Earnings	-	-	2,795	2,795
Transfers In	-	-	-	-
Miscellaneous	-	-	-	-
Total Resources (in-flows)	<u>31,500</u>	<u>31,500</u>	<u>36,599</u>	<u>5,099</u>
Amounts Available for Appropriation	53,000	53,000	36,599	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	8,000	8,000	1,626	(6,374)
Services and Charges	45,000	45,000	48,303	3,303
Capital Outlays	-	-	-	-
Interfund Payments for Services	-	-	-	-
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>53,000</u>	<u>53,000</u>	<u>49,929</u>	<u>(3,071)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,330)</u>	

Nonmajor Enterprise Funds



SKAGIT COUNTY, WASHINGTON

NONMAJOR ENTERPRISE FUNDS

For the Year ended December 31, 2022, 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.

SKAGIT COUNTY, WASHINGTON

Combining Statement of Net Position

Internal Service Funds

December 31, 2022

Assets	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation Fund	Total
Current Assets					
Cash and Cash Equivalents	\$6,556,824	\$ 6,313,287	\$5,546,412	\$1,328,126	\$19,744,649
Restricted Cash	-	3,280,605	-	-	3,280,605
Accounts Receivable	3,005	-	65,513	-	68,518
Lease Receivable	107,797	-	-	-	107,797
Inventories and Prepayments	5,125,128	-	-	-	5,125,128
Total Current Assets	11,792,754	9,593,892	5,611,925	1,328,126	28,326,697
Noncurrent Assets					
Capital Assets					
Buildings	180,888	-	-	-	180,888
Machinery and Equipment	26,120,395	-	3,137,212	-	29,257,607
Less Accumulated Depreciation	(14,742,604)	-	(2,507,945)	-	(17,250,549)
Leased Assets	57,013	-	-	-	57,013
Net Pension Asset	175,283	77,465	917,545	-	1,170,293
Total noncurrent assets	11,790,975	77,465	1,546,812	-	13,415,252
Total Assets	\$ 23,583,729	\$ 9,671,357	\$7,158,737	\$ 1,328,126	\$ 41,741,949
Deferred Outflows of Resources	181,800	80,255	945,378	-	1,207,433
Liabilities and Fund Equity					
Current Liabilities					
Accounts/Vouchers Payable	213,375	325,779	259,996	-	799,150
Claims and Judgements Payable	-	2,490,956	-	-	2,490,956
Accrue Wages Payable	17,500	6,833	104,634	317	129,284
Accrued Employee Benefits	5,074	1,609	25,799	-	32,482
Compensated Absences - Short term	5,724	3,526	36,089	-	45,339
OPEB Liability-Short Term	1,394	380	3,930	-	5,704
Total Current Liabilities	243,067	2,829,083	430,448	317	3,502,915
Non-Current Liabilities					
Compensated Absences	41,015	8,499	252,714	-	302,228
OPEB Liability	20,689	9,084	90,712	-	120,485
Environmental Liability	262,206	-	-	-	262,206
Net Pension Liability	113,225	50,039	592,710	-	755,974
Total Non-Current Liabilities	437,135	67,622	936,136	-	1,440,893
Total Liabilities	680,202	2,896,705	1,366,584	317	4,943,808
Deferred Inflows of Resources	321,624	94,459	1,095,406	-	1,511,489
Net Position					
Net Investment in Capital Assets,	11,615,692	-	629,267	-	12,244,959
Restricted	-	3,280,605	-	-	3,280,605
Unrestricted	11,148,011	3,479,843	5,012,858	1,327,809	20,968,521
Total Net Position	\$ 22,763,703	\$ 6,760,448	\$5,642,125	\$ 1,327,809	\$ 36,494,085

SKAGIT COUNTY, WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position Internal Service Funds December 31, 2022

	Equipment Rental Fund	Insurance Services Fund	Central Services Fund	Unemployment Compensation Fund	Total
<u>Operating Revenues:</u>					
Charges For Services	\$ 6,680,874	\$ 2,677,570	\$ 9,172,536	\$ 604,814	\$ 19,135,794
Miscellaneous	664,563	15,934,217	6,228	-	16,605,008
Total Operating Revenue	<u>7,345,437</u>	<u>18,611,787</u>	<u>9,178,764</u>	<u>604,814</u>	<u>35,740,802</u>
<u>Operating Expenses:</u>					
Personal services	934,100	275,946	4,173,321	522,419	5,905,786
Contractual services	1,192,384	3,622,840	-	-	4,815,224
Other supplies and expenses	2,439,965	24,781	3,602,509	-	6,067,255
Depreciation	2,190,603	-	305,695	-	2,496,298
Payment to Claimants	-	12,954,799	-	39,818	12,994,617
Total Operating Expenses	<u>6,757,052</u>	<u>16,878,366</u>	<u>8,081,525</u>	<u>562,237</u>	<u>32,279,180</u>
Operating Income (Loss)	<u>588,385</u>	<u>1,733,421</u>	<u>1,097,239</u>	<u>42,577</u>	<u>3,461,622</u>
<u>Non-Operating Revenues (Expenses):</u>					
Interest Revenue	38,486	44,058	-	-	82,544
Gain (Loss) on Fixed Asset Disposal	(3,257)	-	-	-	(3,257)
Total non-operating revenues	<u>35,229</u>	<u>44,058</u>	<u>-</u>	<u>-</u>	<u>79,287</u>
Net Income (Loss) Before Operating Transfers Contributions and Special Items	<u>623,614</u>	<u>1,777,479</u>	<u>1,097,239</u>	<u>42,577</u>	<u>3,540,909</u>
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Changes in Net Position	<u>623,614</u>	<u>1,777,479</u>	<u>1,097,239</u>	<u>42,577</u>	<u>3,540,909</u>
Net Position as of January 1	<u>22,140,089</u>	<u>4,982,969</u>	<u>4,544,886</u>	<u>1,285,232</u>	<u>32,953,176</u>
Net Position as of December 31	<u>\$ 22,763,703</u>	<u>\$ 6,760,448</u>	<u>\$ 5,642,125</u>	<u>\$ 1,327,809</u>	<u>\$36,494,085</u>

SKAGIT COUNTY, WASHINGTON

Combining Statement of Cash Flow

Internal Service Funds

For the Year Ended December 31, 2022

	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation Fund	Total
Cash Flows From Operating Activities:					
Receipts from Customers	\$ 556,267	\$ 2,677,570	\$ 6,228	\$ -	\$ 3,240,065
Receipts from interfund services provided	6,680,874	15,934,217	9,172,534	604,814	32,392,439
Payments to Employees	(963,113)	(29,633)	(4,244,278)	(548,968)	(5,785,992)
Payments to Suppliers	(1,204,354)	(360,278)	(3,566,809)	-	(5,131,441)
Payments to claimants	-	(12,954,799)	-	(39,818)	(12,994,617)
Payments for interfund services used	(2,439,964)	(3,694,056)	-	-	(6,134,020)
Miscellaneous receipts (payments)	(5,924)	(307,874)	(446,998)	-	(760,796)
Net cash provided (used) by operating activities	<u>2,623,786</u>	<u>1,265,147</u>	<u>920,677</u>	<u>16,028</u>	<u>4,825,638</u>
Cash Flows From Non-Capital And Related Financing Activities					
Net cash provided (used) by Non-Capital and related financing activities	-	-	-	-	-
Cash Flows From Capital And Related Financing Activities					
Proceeds from sale of capital assets	(12,688)	-	-	-	(12,688)
Purchases of capital assets	(1,970,020)	-	(61,099)	-	(2,031,119)
Net cash provided (used) by capital and related financing activities	<u>(1,982,708)</u>	<u>-</u>	<u>(61,099)</u>	<u>-</u>	<u>(2,043,807)</u>
Cash Flows From Investing Activities:					
Interest Received	38,486	44,058	-	-	82,544
Net Cash Provided by Investing Activities	<u>38,486</u>	<u>44,058</u>	<u>-</u>	<u>-</u>	<u>82,544</u>
Net Increase in Cash & Cash Equivalents	679,564	1,309,205	859,578	16,028	2,864,375
Balances as of January 1	5,877,260	8,284,687	4,686,834	1,312,098	20,160,879
Balances as of December 31	<u>\$ 6,556,824</u>	<u>\$ 9,593,892</u>	<u>\$ 5,546,412</u>	<u>\$ 1,328,126</u>	<u>\$ 23,025,254</u>

SKAGIT COUNTY, WASHINGTON
Combining Reconciliation of Operating Income to Net Cash Provided
Internal Service Funds
For the Year Ended December 31, 2022

	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation # Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	\$ 588,385	\$ 1,733,421	\$ 1,097,239	\$ 42,577	3,461,622
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	2,190,603	-	278,276	-	2,468,879
Changes in Assets and Liabilities:					
Receivables, Net	98,653	229,232	899,557	-	1,227,442
Inventories	(88,618)	-	-	-	(88,618)
Accounts and Other Payables	(165,237)	(697,506)	(1,354,395)	(26,549)	(2,243,687)
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,623,786</u>	<u>\$ 1,265,147</u>	<u>\$ 920,677</u>	<u>\$ 16,028</u>	<u>\$ 4,825,638</u>

Non-cash Activities

Vehicles with a cost of \$1,250,769 and accumulated depreciation of \$1,008,861 were sold in 2021

Custodial Funds



SKAGIT COUNTY, WASHINGTON

CUSTODIAL FUNDS

Custodial 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 Custodial Funds are custodial in nature and do not present results of operations or have a measurement focus.

Custodial Funds Include:

Affiliated Health Services Funds
Cemetery District Funds
Cities & Towns Funds
Council of Governments Funds
Dike Districts Funds
Drainage District Funds
Fidalgo Park Funds
Fire District Funds
Hospital District 1 Funds
Hospital District 2 funds
Hospital District 304 Funds
Library Funds
North Sound RSN/ASO Funds
Northwest Clean Air Agency
Port District Funds
Public Facilities District
School Districts Funds
Sewer District Funds
Skagit Community Network
Skagit Emergency Communications
Skagit Hospice Services
Skagit Housing Fund
Skagit Transportation Funds
State Funds
Trust Funds
Water District Funds

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF FIDUCIARY
NET POSITION
As of December 31, 2022

	TRUST FUNDS	STATE FUNDS	NORTH SOUND RSN/ASO FUNDS	CEMETARY DISTRICTS FUNDS
ASSETS				
Cash	\$ 774,114	\$ 814,675	\$ 13,700,249	\$ 330,289
Taxes Receivable	-	1,352,952	-	-
Other Assets	-	-	2,366	5,114
TOTAL ASSETS	\$ 774,114	\$ 2,167,627	\$ 13,702,615	\$ 335,403
LIABILITIES				
Payables	\$ -	\$ -	\$ 2,959,183	\$ 1,585
Warrants Issued In Excess of Funds	-	-	-	-
Other Liabilities	807,212	10,478,367	85,273	-
TOTAL LIABILITIES	\$ 807,212	\$ 10,478,367	\$ 3,044,456	\$ 1,585
NET POSITION	\$ (33,098)	\$ (8,310,740)	\$ 10,658,159	\$ 333,817
TOTAL NET POSITION	\$ (33,098)	\$ (8,310,740)	\$ 10,658,159	\$ 333,817

	COUNCIL OF GOVERNMENTS FUNDS	SKAGIT 911	SKAGIT HOSPICE SERVICES	SKAGIT TRANSPORTATION FUNDS
ASSETS				
Cash	\$ 73,582	\$ 50	\$ 853	\$ 504
Taxes Receivable	-	-	-	-
Other Assets	-	-	-	-
ASSETS	\$ 73,582	\$ 50	\$ 853	\$ 504
LIABILITIES				
Payables	\$ 13,588	\$ 15,316	\$ -	\$ -
Warrants Issued in Excess of Funds	-	-	-	-
Other Liabilities	-	-	-	-
TOTAL LIABILITIES	\$ 13,588	\$ 15,316	\$ -	\$ -
NET POSITION	\$ 59,994	\$ (15,265)	\$ 853	\$ 504
TOTAL NET POSITION	\$ 59,994	\$ (15,265)	\$ 853	\$ 504

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF FIDUCIARY
NET POSITION

As of December 31, 2022

	DIKE DISTRICTS FUNDS	FIRE DISTRICT FUNDS	FIDALGO PARK FUNDS	WATER DISTRICT FUNDS
ASSETS				
Cash	\$ 8,592,249	\$ 4,741,192	\$ 347,229	\$ 116,509
Taxes Receivable	-	-	-	-
Other Assets	115,071	202,593	10,562	-
TOTAL ASSETS	\$ 8,707,320	\$ 4,943,785	\$ 357,791	\$ 116,509
LIABILITIES				
Payables	\$ 230,084	\$ 21,095	\$ -	\$ -
Warrants Issued In				
Excess of Funds	-	-	-	-
Other Liabilities	-	-	-	-
TOTAL LIABILITIES	\$ 230,084	\$ 21,095	\$ -	\$ -
NET POSITION	\$ 8,477,237	\$ 4,922,691	\$ 357,791	\$ 116,508
TOTAL NET POSITION	\$ 8,477,237	\$ 4,922,691	\$ 357,791	\$ 116,508

	HOSPITAL DISTRICT 1 FUNDS	HOSPITAL DISTRICT 2 FUNDS	HOSPITAL DISTRICT 304 FUNDS	AFFILIATED HEALTH SERVICES FUNDS
ASSETS				
Cash	\$ 15,544,582	\$ -	\$ 351,400	\$ 482
Taxes Receivable	-	-	-	-
Other Assets	118,983	77,252	25,180	-
ASSETS	\$ 15,663,565	\$ 77,252	\$ 376,580	\$ 482
LIABILITIES				
Payables	\$ 5,667,630	\$ 2,861,926	\$ 124,931	\$ -
Warrants Issued in				
Excess of Funds	-	1,103,264	-	-
Other Liabilities	-	-	-	-
TOTAL LIABILITIES	\$ 5,667,630	\$ 3,965,190	\$ 124,931	\$ -
NET POSITION	\$ 9,995,936	\$ (3,887,938)	\$ 251,649	\$ 482
TOTAL NET POSITION	\$ 9,995,936	\$ (3,887,938)	\$ 251,649	\$ 482

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF FIDUCIARY
NET POSITION

As of December 31, 2022

	LIBRARY FUNDS	NW CLEAN AIR AGENCY FUNDS	PUBLIC FACILITIES DISTRICT	DRAINAGE DISTRICT FUNDS
ASSETS				
Cash	\$ 1,289,755	\$ 40,928	\$ -	\$ 969,257
Taxes Receivable	-	-	-	-
Other Assets	54,164	-	-	40,595
TOTAL ASSETS	\$ 1,343,919	\$ 40,928	\$ -	\$ 1,009,852
LIABILITIES				
Payables	\$ 139,154	\$ -	\$ 6,405,000	\$ 19,765
Warrants Issued In Excess of Funds	-	-	1,048,569	-
Other Liabilities	-	-	-	-
TOTAL LIABILITIES	\$ 139,154	\$ -	\$ 7,453,569	\$ 19,765
NET POSITION	\$ 1,204,764	\$ 40,929	\$ (7,453,569)	\$ 990,086
TOTAL NET POSITION	\$ 1,204,764	\$ 40,929	\$ (7,453,569)	\$ 990,086

	PORT DISTRICT FUNDS	SCHOOL DISTRICTS FUNDS	CITIES AND TOWNS FUNDS	SKAGIT COMMUNITY NETWORK
ASSETS				
Cash	\$ 4,356,302	\$ 17,239,587	\$ 508,495	\$ 1,801
Taxes Receivable	-	-	-	-
Other Assets	155,620	1,563,011	315,699	-
ASSETS	\$ 4,511,922	\$ 18,802,598	\$ 824,194	\$ 1,801
LIABILITIES				
Payables	\$ 1,412,653	\$ 7,153,542	\$ -	\$ -
Warrants Issued in Excess of Funds	-	-	-	-
Other Liabilities	-	-	-	-
TOTAL LIABILITIES	\$ 1,412,653	\$ 7,153,542	\$ -	\$ -
NET POSITION	\$ 3,099,269	\$ 11,649,057	\$ 824,194	\$ 1,801
TOTAL NET POSITION	\$ 3,099,269	\$ 11,649,057	\$ 824,194	\$ 1,801

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF FIDUCIARY
NET POSITION

As of December 31, 2022

ASSETS	SEWER DISTRICT FUNDS	SKAGIT CONSERVATION DISTRICT
Cash	\$ 220,083	\$ 292,078
Taxes Receivable	-	-
Other Assets	-	9,681
TOTAL ASSETS	\$ 220,083	\$ 301,759
LIABILITIES		
Payables	\$ 58,420	\$ -
Warrants Issued In	-	-
Excess of Funds	-	-
Other Liabilities	-	-
TOTAL LIABILITIES	\$ 58,420	\$ -
NET POSITION	\$ 161,663	\$ 301,759
TOTAL NET POSITION	\$ 161,663	\$ 301,759

ASSETS	2022 TOTALS
Cash	\$ 70,306,245
Taxes Receivable	\$ 1,352,952
Other Assets	\$ 2,695,891
ASSETS	\$ 74,355,088
LIABILITIES	
Payables	27,083,872
Warrants Issued in	-
Excess of Funds	2,151,833
Other Liabilities	11,370,852
TOTAL LIABILITIES	\$ 40,606,557
NET POSITION	33,748,533
TOTAL NET POSITION	\$ 33,748,533

**SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF NET POSITION
INVESTMENT TRUST**

As of December 31, 2022

	TRUST FUNDS	STATE FUNDS	NORTH SOUND RSN/ASO FUNDS	CEMETARY DISTRICTS FUNDS	DIKE DISTRICTS FUNDS	FIRE DISTRICT FUNDS	FIDALGO PARK FUNDS
ASSETS							
Investments	\$ -	\$ -	\$ 3,069,130	\$ 400,323	\$ 23,529,000	\$ 7,778,829	\$ 2,381
TOTAL ASSETS	\$ -	\$ -	\$ 3,069,130	\$ 400,323	\$ 23,529,000	\$ 7,778,829	\$ 2,381
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL NET POSITION	\$ -	\$ -	\$ 3,069,130	\$ 400,323	\$ 23,529,000	\$ 7,778,829	\$ 2,381

	COUNCIL OF GOVERNMENTS FUNDS	SKAGIT 911	SKAGIT HOSPICE SERVICES	SKAGIT TRANSPORTATION FUNDS	HOSPITAL DISTRICT 1 FUNDS	HOSPITAL DISTRICT 2 FUNDS	HOSPITAL DISTRICT 304 FUNDS
ASSETS							
Investments	\$ 362,648	\$ 2,646,753	\$ 2,124,121	\$ 21,206,775	\$ 31,945,809	\$ 49,936,281	\$ 15,799,550
TOTAL ASSETS	\$ 362,648	\$ 2,646,753	\$ 2,124,121	\$ 21,206,775	\$ 31,945,809	\$ 49,936,281	\$ 15,799,550
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL NET POSITION	\$ 362,648	\$ 2,646,753	\$ 2,124,121	\$ 21,206,775	\$ 31,945,809	\$ 49,936,281	\$ 15,799,550

**SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF NET POSITION
INVESTMENT TRUST**

As of December 31, 2022

	WATER DISTRICT FUNDS	LIBRARY FUNDS	NW CLEAN AIR AGENCY FUNDS	PUBLIC FACILITIES DISTRICT	DRAINAGE DISTRICT FUNDS	SEWER DISTRICT FUNDS
ASSETS						
Investments	\$ 323,554	\$ 2,232,942	\$ 3,806,540	\$ 3,537,649	\$ 362,981	\$ 497,515
TOTAL ASSETS	\$ 323,554	\$ 2,232,942	\$ 3,806,540	\$ 3,537,649	\$ 362,981	\$ 497,515
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL NET POSITION	\$ 323,554	\$ 2,232,942	\$ 3,806,540	\$ 3,537,649	\$ 362,981	\$ 497,515

	AFFILIATED HEALTH SERVICES FUNDS	PORT DISTRICT FUNDS	SCHOOL DISTRICTS FUNDS	CITIES AND TOWNS FUNDS	SKAGIT COMMUNITY NETWORK	2022 TOTALS
ASSETS						
Investments	\$ 56,251	\$ 19,522,995	\$ 70,290,665	\$ -	\$ -	\$ 259,432,692
TOTAL ASSETS	\$ 56,251	\$ 19,522,995	\$ 70,290,665	\$ -	\$ -	\$ 259,432,692
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL NET POSITION	\$ 56,251	\$ 19,522,995	\$ 70,290,665	\$ -	\$ -	\$ 259,432,692

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	TRUST FUNDS	STATE FUNDS
Tax Collections for Other Governments	\$ -	\$ -
Real & Personal Property Taxes	-	67,281,316
Excise Taxes	-	-
Deposits from Other Government	-	-
Receipt from Investment trust	-	-
Miscellaneous Revenue	1,973	23,679,026
Total Additions	<u>1,973</u>	<u>90,960,342</u>
DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	-	-
Benefits Paid on Behalf of Other Governments	-	-
Other Payments Made on Behalf of Other Governments	-	92,866,415
Disbursement to Investment Trust	-	-
Total Deductions	<u>-</u>	<u>92,866,415</u>
Change in Net Position	1,973	(1,906,073)
Beginning Net Position	<u>(35,071)</u>	<u>(6,404,667)</u>
Prior Period Adjustments	-	-
Restated Net Position	(35,071)	(6,404,667)
Ending Balance Net Position	<u>\$ (33,098)</u>	<u>\$ (8,310,740)</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	NORTH SOUND RSN/ASO FUNDS	CEMETARY DISTRICTS FUNDS
Tax Collections for Other Governments	\$ -	\$ 1,650
Real & Personal Property Taxes	-	265,013
Excise Taxes	-	7,998
Deposits from Other Government	44,350,665	-
Receipt from Investment trust	-	-
Miscellaneous Revenue	2,997,675	100,287
Total Additions	47,348,340	374,948
 DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	1,993,610	135,772
Benefits Paid on Behalf of Other Governments	945,165	32,437
Other Payments Made on Behalf of Other Governments	34,675,203	210,825
Disbursement to Investment Trust	-	-
Total Deductions	37,613,978	379,034
 Change in Net Position	 9,734,362	 (4,086)
Beginning Net Position	923,797	337,903
 Prior Period Adjustments	 -	 -
Restated Net Position	923,797	337,903
 Ending Balance Net Position	 \$ 10,658,159	 \$ 333,817

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	DIKE DISTRICTS FUNDS	FIRE DISTRICT FUNDS
Tax Collections for Other Governments	\$ -	\$ 479
Real & Personal Property Taxes	4,843,380	7,489,574
Excise Taxes	-	47,797
Deposits from Other Government	-	-
Receipt from Investment trust	-	126,262
Miscellaneous Revenue	980,873	2,700,065
Total Additions	5,824,253	10,364,177
 DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	676,813	208,432
Benefits Paid on Behalf of Other Governments	206,303	31,630
Other Payments Made on Behalf of Other Governments	4,245,207	8,608,591
Disbursement to Investment Trust	-	1,049,176
Total Deductions	5,128,323	9,897,829
 Change in Net Position	695,930	466,348
 Beginning Net Position	7,781,307	4,456,343
 Prior Period Adjustments	-	-
 Restated Net Position	7,781,307	4,456,343
 Ending Balance Net Position	\$ 8,477,237	\$ 4,922,691

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	FIDALGO PARK FUNDS	WATER DISTRICT FUNDS	LIBRARY FUNDS
Tax Collections for Other Governments	\$ -	\$ -	\$ 100,876
Real & Personal Property Taxes	815,480	-	1,522,751
Excise Taxes	42	-	103,311
Deposits from Other Government	-	-	12,087
Receipt from Investment trust	-	-	125,000
Miscellaneous Revenue	705,443	72,785	2,935,185
Total Additions	<u>1,520,965</u>	<u>72,785</u>	<u>4,799,210</u>
 DEDUCTIONS			
Salaries Paid on Behalf of Other Governments	-	2,688	1,061,751
Benefits Paid on Behalf of Other Governments	-	211	340,151
Other Payments Made on Behalf of Other Governments	1,355,604	44,110	4,044,634
Disbursement to Investment Trust	-	25,000	400,000
Total Deductions	<u>1,355,604</u>	<u>72,009</u>	<u>5,846,536</u>
 Change in Net Position	 165,361	 776	 (1,047,326)
 Beginning Net Position	 <u>192,430</u>	 <u>115,732</u>	 <u>2,252,090</u>
 Prior Period Adjustments	 -	 -	 -
 Restated Net Position	 192,430	 115,732	 2,252,090
 Ending Balance Net Position	 <u>\$ 357,791</u>	 <u>\$ 116,508</u>	 <u>\$ 1,204,764</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

	NW CLEAN AIR AGENCY FUNDS	PUBLIC FACILITIES DISTRICT	DRAINAGE DISTRICT FUNDS
ADDITIONS			
Tax Collections for Other Governments	\$ -	\$ 1,340,834	\$ -
Real & Personal Property Taxes	-	-	1,140,652
Excise Taxes	-	-	-
Deposits from Other Government	-	125,228	-
Receipt from Investment trust	3,401,057	1,688,213	7,881
Miscellaneous Revenue	4,926,403	646,813	240,648
Total Additions	<u>8,327,460</u>	<u>3,801,088</u>	<u>1,389,181</u>
DEDUCTIONS			
Salaries Paid on Behalf of Other Governments	-	-	95,354
Benefits Paid on Behalf of Other Governments	-	-	11,914
Other Payments Made on Behalf of Other Governments	5,226,615	1,364,738	1,036,265
Disbursement to Investment Trust	3,086,556	2,965,303	-
Total Deductions	<u>8,313,171</u>	<u>4,330,041</u>	<u>1,143,533</u>
Change in Net Position	14,289	(528,953)	245,648
Beginning Net Position	<u>26,640</u>	<u>(6,924,616)</u>	<u>744,438</u>
Prior Period Adjustments	-	-	-
Restated Net Position	26,640	(6,924,616)	744,438
Ending Balance Net Position	<u>\$ 40,929</u>	<u>\$ (7,453,569)</u>	<u>\$ 990,086</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	SEWER DISTRICT FUNDS	SKAGIT CONSERVATION DISTRICT
Tax Collections for Other Governments	\$ -	\$ -
Real & Personal Property Taxes	-	264,627
Excise Taxes	-	-
Deposits from Other Government	-	-
Receipt from Investment trust	410,000	-
Miscellaneous Revenue	1,392,324	-
Total Additions	1,802,324	264,627
 DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	9,600	-
Benefits Paid on Behalf of Other Governments	751	-
Other Payments Made on Behalf of Other Governments	1,397,889	150,711
Disbursement to Investment Trust	405,756	-
Total Deductions	1,813,996	150,711
 Change in Net Position	 (11,672)	 113,916
Beginning Net Position	173,335	187,843
 Prior Period Adjustments	 -	 -
Restated Net Position	173,335	187,843
 Ending Balance Net Position	 \$ 161,663	 \$ 301,759

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	COUNCIL OF GOVERNMENTS FUNDS	SKAGIT 911
Tax Collections for Other Governments	\$ -	\$ 5,692,276
Real & Personal Property Taxes	-	-
Excise Taxes	-	-
Deposits from Other Government	-	-
Receipt from Investment trust	115,000	269,252
Miscellaneous Revenue	827,258	1,167,074
Total Additions	942,258	7,128,602
 DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	324,361	-
Benefits Paid on Behalf of Other Governments	173,051	-
Other Payments Made on Behalf of Other Governments	292,234	5,961,527
Disbursement to Investment Trust	100,000	1,167,074
Total Deductions	889,646	7,128,601
 Change in Net Position	 52,612	 1
 Beginning Net Position	 7,382	 (15,266)
 Prior Period Adjustments	 -	 -
 Restated Net Position	 7,382	 (15,266)
 Ending Balance Net Position	 \$ 59,994	 \$ (15,265)

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	SKAGIT HOSPICE SERVICES	SKAGIT TRANSPORTATION FUNDS
Tax Collections for Other Governments	\$ -	\$ -
Real & Personal Property Taxes	-	-
Excise Taxes	-	-
Deposits from Other Government	-	-
Receipt from Investment trust	-	-
Miscellaneous Revenue	-	4,000,000
Total Additions	<u>-</u>	<u>4,000,000</u>
 DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	-	-
Benefits Paid on Behalf of Other Governments	-	-
Other Payments Made on Behalf of Other Governments	-	-
Disbursement to Investment Trust	-	4,000,000
Total Deductions	<u>-</u>	<u>4,000,000</u>
 Change in Net Position	 -	 -
 Beginning Net Position	 <u>853</u>	 <u>504</u>
 Prior Period Adjustments	 -	 -
 Restated Net Position	 853	 504
 Ending Balance Net Position	 <u>\$ 853</u>	 <u>\$ 504</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	HOSPITAL DISTRICT 1 FUNDS	HOSPITAL DISTRICT 2 FUNDS
Tax Collections for Other Governments	\$ 26,093	\$ 17,701
Real & Personal Property Taxes	5,001,226	5,844,838
Excise Taxes	22,597	28,995
Deposits from Other Government	-	-
Receipt from Investment trust	232,879,487	32,430,823
Miscellaneous Revenue	572,588,362	100,556,672
Total Additions	810,517,765	138,879,029
 DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	-	-
Benefits Paid on Behalf of Other Governments	-	-
Other Payments Made on Behalf of Other Governments	587,532,009	127,979,984
Disbursement to Investment Trust	250,722,707	16,326,550
Total Deductions	838,254,716	144,306,534
 Change in Net Position	 (27,736,951)	 (5,427,505)
 Beginning Net Position	 18,977,887	 1,539,567
 Prior Period Adjustments	 18,755,000	 -
 Restated Net Position	 37,732,887	 1,539,567
 Ending Balance Net Position	 \$ 9,995,936	 \$ (3,887,938)

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	HOSPITAL DISTRICT 304 FUNDS	AFFILIATED HEALTH SERVICES FUNDS
Tax Collections for Other Governments	\$ 43,256	\$ -
Real & Personal Property Taxes	1,130,211	-
Excise Taxes	29,109	-
Deposits from Other Government	-	-
Receipt from Investment trust	5,016,375	56,127
Miscellaneous Revenue	3,331,494	7,951
Total Additions	9,550,445	64,078
 DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	-	-
Benefits Paid on Behalf of Other Governments	-	-
Other Payments Made on Behalf of Other Governments	4,131,363	56,127
Disbursement to Investment Trust	5,553,303	7,469
Total Deductions	9,684,666	63,596
 Change in Net Position	 (134,221)	 482
 Beginning Net Position	 385,870	 -
 Prior Period Adjustments	 -	 -
 Restated Net Position	 385,870	 -
 Ending Balance Net Position	 \$ 251,649	 \$ 482

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	PORT DISTRICT FUNDS	SCHOOL DISTRICTS FUNDS
Tax Collections for Other Governments	\$ 149,790	\$ 295,706,642
Real & Personal Property Taxes	8,210,787	73,821,350
Excise Taxes	140,875	297,204
Deposits from Other Government	-	-
Receipt from Investment trust	17,021,869	123,928,654
Miscellaneous Revenue	37,270,278	65,583,064
Total Additions	62,793,599	559,336,914
 DEDUCTIONS		
Salaries Paid on Behalf of Other Governments	-	-
Benefits Paid on Behalf of Other Governments	-	-
Other Payments Made on Behalf of Other Governments	49,984,649	452,190,802
Disbursement to Investment Trust	15,606,469	99,186,737
Total Deductions	65,591,118	551,377,539
 Change in Net Position	(2,797,519)	7,959,375
 Beginning Net Position	2,801,788	3,689,682
 Prior Period Adjustments	3,095,000	-
 Restated Net Position	5,896,788	3,689,682
 Ending Balance Net Position	\$ 3,099,269	\$ 11,649,057

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY
NET POSITION
Fiscal Year Ended
December 31, 2022

ADDITIONS	CITIES AND TOWNS FUNDS	SKAGIT COMMUNITY NETWORK	2022 TOTALS
Tax Collections for Other Governments	\$ 5,217,229	\$ -	\$ 308,296,826
Real & Personal Property Taxes	20,670,730	-	198,301,935
Excise Taxes	552	-	678,480
Deposits from Other Government	14,030	-	44,502,010
Receipt from Investment trust	-	-	417,476,000
Miscellaneous Revenue	-	-	826,711,653
Total Additions	<u>25,902,541</u>	<u>-</u>	<u>1,795,966,904</u>
DEDUCTIONS			
Salaries Paid on Behalf of Other Governments	-	-	4,508,381
Benefits Paid on Behalf of Other Governments	-	-	1,741,613
Other Payments Made on Behalf of Other Governments	25,995,275	-	1,409,350,777
Disbursement to Investment Trust	-	-	400,602,100
Total Deductions	<u>25,995,275</u>	<u>-</u>	<u>1,816,202,871</u>
Change in Net Position	(92,734)	-	(20,235,967)
Beginning Net Position	<u>916,928</u>	<u>1,801</u>	<u>32,134,500</u>
Prior Period Adjustments	-	-	21,850,000
Restated Net Position	916,928	1,801	53,984,500
Ending Balance Net Position	<u>\$ 824,194</u>	<u>\$ 1,801</u>	<u>\$ 33,748,533</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

ADDITIONS	TRUST FUNDS	STATE FUNDS	NORTH SOUND RSN/ASO FUNDS
Investment Revenue	\$ -	\$ -	\$ 39,730
Investment Purchases	-	-	-
Total Additions	<u>-</u>	<u>-</u>	<u>39,730</u>
 DEDUCTIONS			
Investment Trust Sales	-	-	-
Total Deductions	<u>-</u>	<u>-</u>	<u>-</u>
 Change in Net Position	-	-	39,730
 Beginning Net Position	<u>-</u>	<u>-</u>	<u>3,029,400</u>
 Ending Balance Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,069,130</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

ADDITIONS	CEMETARY DISTRICTS FUNDS	DIKE DISTRICTS FUNDS	FIRE DISTRICT FUNDS
Investment Revenue	\$ 4,526	\$ 306,125	\$ 82,105
Investment Purchases	-	-	1,049,176
Total Additions	<u>4,526</u>	<u>306,125</u>	<u>1,131,281</u>
 DEDUCTIONS			
Investment Trust Sales	-	-	<u>126,262</u>
Total Deductions	<u>-</u>	<u>-</u>	<u>126,262</u>
Change in Net Position	4,526	306,125	1,005,019
Beginning Net Position	<u>395,797</u>	<u>23,222,875</u>	<u>6,773,810</u>
Ending Balance Net Position	<u>\$ 400,323</u>	<u>\$ 23,529,000</u>	<u>\$ 7,778,829</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

	FIDALGO PARK FUNDS	WATER DISTRICT FUNDS	LIBRARY FUNDS
ADDITIONS			
Investment Revenue	\$ 30	\$ 3,740	\$ 28,158
Investment Purchases	-	25,000	400,000
Total Additions	<u>30</u>	<u>28,740</u>	<u>428,158</u>
DEDUCTIONS			
Investment Trust Sales	-	-	125,000
Total Deductions	<u>-</u>	<u>-</u>	<u>125,000</u>
Change in Net Position	30	28,740	303,158
Beginning Net Position	<u>2,351</u>	<u>294,814</u>	<u>1,929,784</u>
Ending Balance Net Position	<u>\$ 2,381</u>	<u>\$ 323,554</u>	<u>\$ 2,232,942</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

ADDITIONS	NW CLEAN AIR AGENCY FUNDS	PUBLIC FACILITIES DISTRICT	DRAINAGE DISTRICT FUNDS
Investment Revenue	\$ 49,205	\$ 34,952	\$ 4,616
Investment Purchases	3,086,556	\$ 2,965,303	-
Total Additions	<u>3,135,761</u>	<u>3,000,255.00</u>	<u>4,616</u>
 DEDUCTIONS			
Investment Trust Sales	<u>3,401,057</u>	<u>1,688,214</u>	<u>7,882</u>
Total Deductions	<u>3,401,057</u>	<u>1,688,214</u>	<u>7,882</u>
Change in Net Position	(265,296)	1,312,041	(3,266)
Beginning Net Position	<u>4,071,836</u>	<u>2,225,608</u>	<u>366,247</u>
Ending Balance Net Position	<u>\$ 3,806,540</u>	<u>\$ 3,537,649</u>	<u>\$ 362,981</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

ADDITIONS	SEWER DISTRICT FUNDS	COUNCIL OF GOVERNMENTS FUNDS	SKAGIT 911
Investment Revenue	\$ 1,894	\$ 3,609	\$ 35,010
Investment Purchases	\$ 405,756	100,000	1,167,074
Total Additions	<u>407,650</u>	<u>103,609</u>	<u>1,202,084</u>
DEDUCTIONS			
Investment Trust Sales	<u>410,000</u>	<u>115,000</u>	<u>269,253</u>
Total Deductions	<u>410,000</u>	<u>115,000</u>	<u>269,253</u>
Change in Net Position	(2,350)	(11,391)	932,831
Beginning Net Position	<u>499,865</u>	<u>374,039</u>	<u>1,713,922</u>
Ending Balance Net Position	<u>\$ 497,515</u>	<u>\$ 362,648</u>	<u>\$ 2,646,753</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

ADDITIONS	SKAGIT HOSPICE SERVICES	SKAGIT TRANSPORTATION FUNDS	HOSPITAL DISTRICT 1 FUNDS
Investment Revenue	\$ 27,389	\$ 269,616	\$ 203,401.00
Investment Purchases	-	4,000,000	250,722,707
Total Additions	<u>27,389</u>	<u>4,269,616</u>	<u>250,926,108</u>
DEDUCTIONS			
Investment Trust Sales	-	-	232,879,486
Total Deductions	<u>-</u>	<u>-</u>	<u>232,879,486</u>
Change in Net Position	27,389	4,269,616	18,046,622
Beginning Net Position	<u>2,096,732</u>	<u>16,937,159</u>	<u>13,899,187</u>
Ending Balance Net Position	<u>\$ 2,124,121</u>	<u>\$ 21,206,775</u>	<u>\$ 31,945,809</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

	HOSPITAL DISTRICT 2 FUNDS	HOSPITAL DISTRICT 304 FUNDS	AFFILIATED HEALTH SERVICES FUNDS
ADDITIONS			
Investment Revenue	\$ 759,434	\$ 86,925	\$ 818
Investment Purchases	\$ 16,326,550	\$ 5,553,303	7,469
Total Additions	<u>\$ 17,085,984</u>	<u>\$ 5,640,228</u>	<u>8,287</u>
DEDUCTIONS			
Investment Trust Sales	32,430,823	5,016,375	56,127
Total Deductions	<u>32,430,823</u>	<u>5,016,375</u>	<u>56,127</u>
Change in Net Position	(15,344,839)	623,853	(47,840)
Beginning Net Position	<u>65,281,120</u>	<u>15,175,697</u>	<u>104,091</u>
Ending Balance Net Position	<u>\$ 49,936,281</u>	<u>\$ 15,799,550</u>	<u>\$ 56,251</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

ADDITIONS	PORT DISTRICT FUNDS	SCHOOL DISTRICTS FUNDS	CITIES AND TOWNS FUNDS
Investment Revenue	\$ 287,254	\$ 2,058,373	\$ -
Investment Purchases	\$ 15,606,469	99,186,737	-
Total Additions	<u>\$ 15,893,723</u>	<u>101,245,110</u>	<u>-</u>
DEDUCTIONS			
Investment Trust Sales	17,021,869	123,928,653	-
Total Deductions	<u>17,021,869</u>	<u>123,928,653</u>	<u>-</u>
Change in Net Position	(1,128,146)	(22,683,543)	-
Beginning Net Position	<u>20,651,141</u>	<u>92,974,208</u>	<u>-</u>
Ending Balance Net Position	<u>\$ 19,522,995</u>	<u>\$ 70,290,665</u>	<u>\$ -</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGE IN NET POSITION
INVESTMENT TRUST
Fiscal Year Ended
December 31, 2022

ADDITIONS	SKAGIT COMMUNITY NETWORK	2022 TOTALS
Investment Revenue	\$ -	\$ 4,286,910
Investment Purchases	-	400,602,100
Total Additions	<u>-</u>	<u>404,889,010</u>
DEDUCTIONS		
Investment Trust Sales	-	417,476,001
Total Deductions	<u>-</u>	<u>417,476,001</u>
Change in Net Position	-	(12,586,991)
Beginning Net Position	<u>-</u>	<u>272,019,683</u>
Ending Balance Net Position	<u>\$ -</u>	<u>\$ 259,432,692</u>

Statistical Section



SKAGIT COUNTY, WASHINGTON

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.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance has changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, property taxes.

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.

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.

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.

SKAGIT COUNTY, WASHINGTON
Net Position by Component
For Ten Fiscal Years
(Accrual Basis of Accounting)

Fiscal Year:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Government Activities										
Net Investment in Capital Assets	\$ 311,928,988	\$ 291,628,047	\$ 273,798,864	\$ 252,394,754	\$ 245,952,404	\$ 254,580,624	\$ 255,756,738	\$ 261,490,543	\$ 282,566,113	\$ 292,194,724
Restricted	31,055,769	30,418,711	36,559,030	52,215,900	53,942,940	58,184,424	65,156,448	60,836,526	42,276,233	59,213,986
Unrestricted	11,722,089	28,256,073	6,460,200	5,585,543	17,837,553	19,503,334	22,706,177	42,017,251	76,354,483	66,668,747
Total Governmental Activities Net Position	<u>354,706,846</u>	<u>350,302,831</u>	<u>316,818,114</u>	<u>314,195,197</u>	<u>317,732,897</u>	<u>332,668,382</u>	<u>345,619,363</u>	<u>364,344,320</u>	<u>401,156,829</u>	<u>418,077,457</u>
Business-Type Activities										
Net Investment in Capital Assets	7,110,665	14,405,733	9,066,636	5,100,601	18,958,513	20,186,095	20,079,854	20,017,605	20,738,183	24,623,804
Restricted	-	-	-	58,529	-	227,161	339,062	430,008	4,181,022	1,784,438
Unrestricted	(2,810,782)	(2,963,191)	5,090,956	13,877,616	5,506,254	4,590,859	(12,801,964)	(4,245,942)	(7,647,449)	(2,522,393)
Total Business-Type Activities Net Position	<u>4,299,903</u>	<u>11,442,542</u>	<u>14,157,632</u>	<u>23,036,746</u>	<u>24,464,797</u>	<u>25,404,115</u>	<u>7,616,962</u>	<u>16,200,671</u>	<u>17,271,756</u>	<u>23,885,849</u>
Primary Government										
Net Investment in Capital Assets	319,039,653	306,033,780	282,865,520	251,495,355	264,910,917	274,766,719	275,836,632	281,508,148	303,304,296	316,818,528
Restricted	31,055,769	30,418,711	36,559,030	52,274,429	53,942,940	58,411,585	65,495,510	61,266,534	46,457,255	60,998,424
Unrestricted	8,911,327	25,292,882	11,551,156	23,463,161	23,343,837	24,894,193	9,904,193	37,770,309	68,707,034	54,146,354
Total Primary Government Net Position	<u>\$ 359,006,749</u>	<u>\$ 361,745,373</u>	<u>\$ 330,975,746</u>	<u>\$ 337,232,945</u>	<u>\$ 342,197,694</u>	<u>\$ 358,072,497</u>	<u>\$ 353,236,325</u>	<u>\$ 380,544,991</u>	<u>\$ 416,468,585</u>	<u>\$ 441,963,306</u>

Notes:

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

Source: Skagit County Auditor's Office

SKAGIT COUNTY, WASHINGTON

Changes in Net Position by Function For Ten Fiscal Years (Accrual Basis of Accounting)

Fiscal Year:	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses									
Governmental Activities									
General Government	\$ 33,434,058	\$ 38,988,745	\$ 35,189,312	\$ 34,868,544	\$ 34,438,559	\$ 37,617,669	\$ 41,241,682	\$ 40,456,951	\$ 44,367,978
Judicial	6,993,755	7,023,822	7,994,589	5,875,661	9,007,779	9,633,647	9,490,898	8,476,787	9,918,388
Public Safety	21,504,017	22,700,976	24,535,763	23,235,604	30,838,340	31,309,178	28,263,021	28,159,584	34,676,660
Physical Environment	2,241,397	2,579,726	3,231,182	2,420,083	1,384,804	1,519,711	258,058	1,291,492	1,263,681
Transportation	32,912,501	25,806,761	26,676,629	30,425,842	14,522,089	17,242,802	17,428,177	16,152,233	18,011,617
Economic Environment	2,836,294	2,662,654	4,228,992	6,063,851	5,945,636	6,025,187	6,097,330	6,536,516	7,283,194
Health and Human Services	11,366,884	10,277,091	11,131,708	11,133,584	14,334,069	14,029,999	19,520,361	31,087,418	31,965,576
Culture and Recreation	2,010,042	2,118,435	2,295,704	2,321,809	2,649,791	3,651,028	2,535,807	3,542,768	4,018,627
Interest on Long-Term Debt	2,572,433	1,113,066	1,100,345	1,089,760	1,021,375	1,014,519	1,165,171	1,247,440	1,051,221
Total Government Activities	115,871,381	113,271,275	116,384,224	117,434,738	114,142,442	122,043,740	126,000,505	136,951,189	152,556,942
Business-Type Activities									
Solid Waste	8,065,622	8,414,131	9,277,227	8,939,419	10,479,366	10,741,453	11,220,226	14,578,909	13,704,456
Drainage Utility	2,495,934	2,259,694	1,540,053	1,806,801	1,456,542	1,469,713	3,180,490	2,173,329	2,190,562
Jail Fund	6,944,227	7,351,101	6,470,825	10,788,388	13,384,067	15,131,404	14,070,842	13,790,910	14,887,593
Total Business-Type Activities	17,505,783	18,024,926	17,288,105	21,534,608	25,299,995	27,342,570	28,471,558	30,543,148	30,782,611
Total Primary Government Expenses	\$ 133,377,164	\$ 131,296,201	\$ 133,672,329	\$ 138,969,346	\$ 139,442,437	\$ 149,386,310	\$ 154,472,063	\$ 167,494,337	\$ 183,339,553
Program Revenues									
Government Activities									
Property Tax	44,659,376	45,164,735	49,106,391	50,138,944	48,662,370	51,508,031	53,452,525	54,571,993	55,905,895
Sales and Other Tax	18,060,643	19,255,493	20,514,571	22,016,238	27,503,125	29,281,880	29,312,770	24,429,777	40,083,748
Interest and Investments	1,559,578	1,613,617	1,887,018	2,554,231	4,146,928	4,980,701	2,678,848	12,083,143	3,562,913
Charges for Services									
General Government	8,053,198	11,225,727	11,198,012	8,624,929	11,481,752	5,183,675	11,760,462	10,673,443	10,969,155
Judicial	4,129,697	4,246,989	4,212,319	4,558,311	4,545,306	3,091,548	1,324,875	2,476,799	3,384,410
Public Safety	1,854,641	2,072,801	2,122,196	2,692,409	2,225,234	3,106,583	1,946,067	2,188,147	1,599,091
Physical Environment	527,379	289,242	67,537	78,244	79,649	18,894	1,440,286	6,032,611	58,138
Transportation	6,731,733	6,685,090	6,937,385	7,999,900	10,354,457	2,602,100	7,149,470	6,992,891	7,743,255
Economic Environment	1,055,292	1,380,435	1,524,967	1,524,501	1,808,411	1,699,659	903,207	1,215,164	1,175,823
Health and Human Services	3,769,935	4,461,088	4,622,944	5,116,681	6,412,778	2,486,411	5,146,557	3,046,230	9,323,591
Culture and Recreation	917,338	902,599	947,128	1,028,944	1,030,970	1,124,821	217,746	584,517	1,446,955
Operating Grants and Contributions	8,098,345	7,309,333	7,204,908	6,049,133	7,138,726	23,657,254	21,736,612	23,629,887	23,568,607
Capital Grants and Contributions	4,097,331	1,324,956	3,379,086	7,490,767	7,333,886	4,769,605	4,243,936	12,281,010	3,149,481
Gain(Loss) from Sale of Capt Assets	(340,575)	114,660	76,294	696,538	36,860	(175,253)	-	-	(3,082,494)
Other Revenue	-	-	-	-	-	-	3,412,101	10,961,418	8,565,065
Extraordinary Item	-	-	-	-	-	514,168	-	-	-
Issuance of Long Term Debt	1,786,814	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	104,960,525	106,046,765	113,800,756	120,799,770	132,760,452	133,850,077	144,725,462	171,167,030	167,453,633
Business-Type Activities									
Net Interest and Investments	(406,062)	(395,829)	(384,815)	(1,662,621)	(2,318,135)	(2,098,945)	(2,262,456)	(2,137,080)	(1,863,794)
Charges for Services									
Solid Waste	9,083,934	9,194,846	9,949,949	10,488,212	11,253,549	11,649,777	13,673,988	13,586,350	14,103,549
Drainage Utility	1,592,768	1,751,555	1,640,358	1,760,592	1,746,207	1,584,695	34,987	91,902	-
Jail Fund	12,121,803	12,357,458	13,129,310	13,209,111	14,975,298	15,209,333	16,076,352	16,963,838	11,742,533
Operating Grants and Contributions	1,044,605	1,004,289	1,823,176	742,982	260,393	885,519	1,016,225	1,239,014	3,804,178
Capital Grants and Contributions	-	-	-	-	1,003,983	33,767	-	-	-
Other Revenue	-	-	-	-	-	-	8,516,171	1,870,633	9,065,433
Gain(Loss) from Sale of Capt Assets	-	-	12,549	(16,767)	-	-	-	-	(27,705)
Extraordinary items	-	-	-	-	-	(17,708,726)	-	-	-
Total Business-Type Activities	23,437,048	23,912,319	26,170,527	24,521,509	26,921,295	9,555,420	37,055,267	31,814,657	36,824,194
Total Primary Gvrnmt Program Revs	\$ 128,397,573	\$ 129,959,084	\$ 139,971,283	\$ 145,321,279	\$ 159,681,747	\$ 143,405,497	\$ 181,780,729	\$ 202,761,687	\$ 204,277,827
Net (Expense) Revenue									
Governmental Activities	(10,910,856)	(7,224,510)	(2,583,468)	3,365,032	18,618,010	11,806,337	18,724,957	34,215,841	14,896,691
Business-Type Activities	5,931,265	5,887,393	8,882,422	2,988,901	1,621,300	(17,787,150)	8,583,709	1,071,509	8,041,583
Total Primary Government Net Expense	\$ (4,979,591)	\$ (1,337,117)	\$ 6,298,954	\$ 6,351,933	\$ 20,239,310	\$ (5,980,813)	\$ 27,308,666	\$ 35,287,350	\$ 20,938,274

Notes:

- * The County began separating out Judicial operations in 2009
- * In 2014, jail operations were removed from Government Activities and now reside in Business-Type Activities.

SKAGIT COUNTY, WASHINGTON

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

Fiscal Year:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes	\$ 45,491,521	\$ 44,659,376	\$ 45,164,735	\$ 49,106,391	\$ 50,138,944	\$ 48,662,370	\$ 51,508,031	\$ 53,452,525	\$ 54,571,993	\$ 55,905,895
Sales/Use Tax	16,716,680	17,263,481	18,421,647	19,778,645	20,697,012	23,314,364	23,828,587	24,802,700	24,429,777	33,212,635
Other Tax	895,827	797,162	833,846	735,926	1,319,226	4,188,761	5,453,293	6,202,934	12,083,143	6,871,113
Interest and Investment Earnings	2,001,010	1,559,578	1,613,617	1,887,018	2,554,231	4,146,928	4,980,701	2,678,848	1,916,785	3,562,913
Gain (Loss) From Sale of Assets	1,292,478	(340,575)	114,660	76,294	696,538	36,865	(175,253)	-	-	(3,082,494)
Other Revenues	-	-	-	-	-	-	-	10,235,408	9,044,633	8,565,065
Special Item	-	1,786,614	-	-	-	-	514,168	-	-	-
Transfers	104,000	(50,845)	(58,858)	(38,451)	5,000	-	24,697	-	424	-
Total Governmental Activities	66,501,516	65,674,791	66,089,647	71,545,823	75,410,951	80,349,288	86,134,224	97,372,415	102,046,755	105,035,127
Business-Type Activities										
Net Interest on Long-Term Debt	(504,334)	(406,062)	(395,829)	(384,815)	(1,662,621)	(2,318,135)	(2,098,945)	(2,262,456)	(2,137,080)	(1,863,794)
Gain (Loss) From Sale of Assets	8,372	-	-	-	(16,767)	-	-	-	-	(27,705)
Other Revenue	-	-	-	-	-	-	-	-	1,870,633	9,065,433
Special Item	-	-	-	-	-	-	(17,708,726)	-	-	-
Transfers	(104,000)	50,845	58,858	38,451	(5,000)	-	(24,697)	-	-424	-
Total Business-Type Activities	(599,962)	(355,217)	(336,971)	(346,364)	(1,684,388)	(2,318,135)	(19,832,368)	(2,262,456)	(266,871)	7,173,934
Total Primary Government	65,901,554	65,319,574	65,752,676	71,199,459	73,726,563	78,031,153	66,301,856	95,109,959	101,779,884	112,209,061
Changes in Net Position										
Government Activities	(8,202,138)	(10,961,701)	(7,283,369)	(2,621,919)	3,370,032	18,639,958	11,806,337	18,724,957	34,216,265	14,896,691
Business-Type Activities	(130,515)	5,982,110	5,946,251	8,920,873	2,981,901	1,599,357	(17,787,150)	8,583,709	1,071,085	6,041,583
Total Primary Government	\$ (8,332,653)	\$ (4,979,591)	\$ (1,337,117)	\$ 6,298,954	\$ 6,351,933	\$ 20,239,315	\$ (5,980,813)	\$ 27,308,666	\$ 35,287,350	\$ 20,938,274

Note:

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

SKAGIT COUNTY, WASHINGTON
Fund Balances of Government Funds
For Ten Fiscal Years
(Modified Accrual Basis of Accounting)

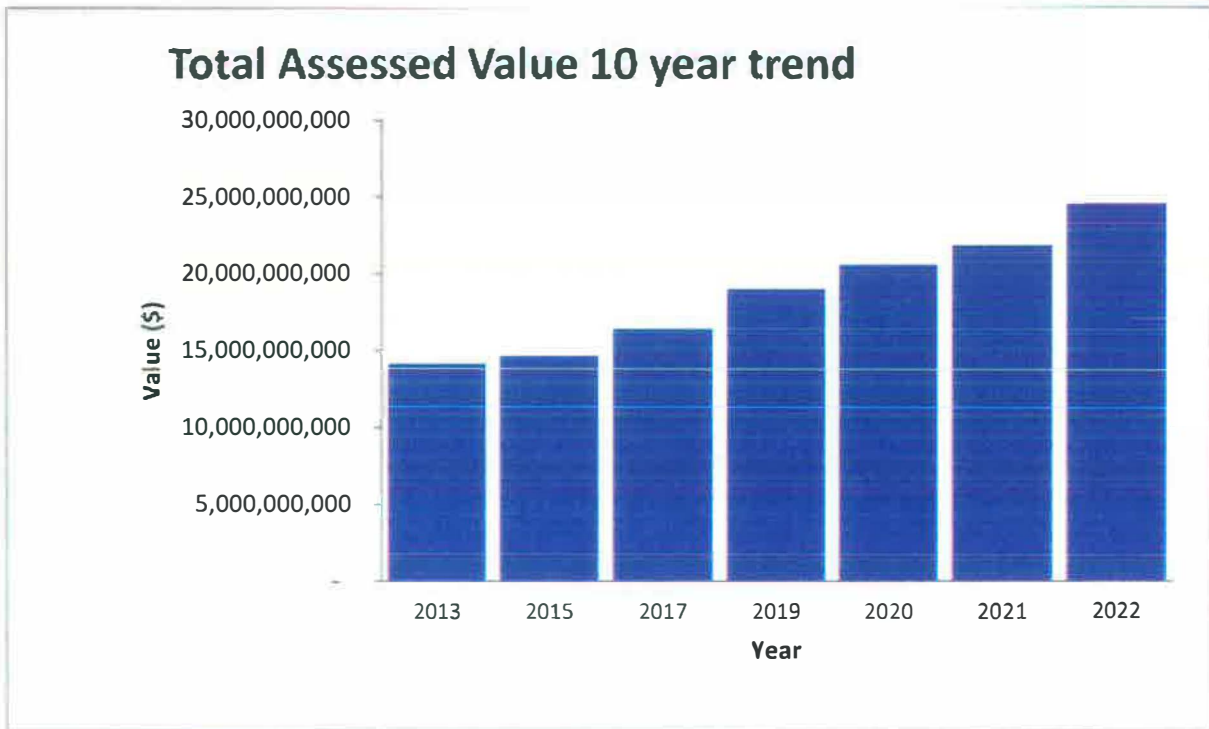
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund											
Nonspendable						5,314	4,093	1,427	1,085	1,085	1,085
Restricted											
Committed											
Assigned				1,000,000	1,000,000	1,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Unassigned	11,915,249	13,962,092	13,822,646	13,576,013	14,197,999	15,859,550	16,957,241	19,417,887	23,520,608	23,130,655	24,197,369
Reserved	-	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-	-
Total General Fund	\$ 11,915,249	\$ 13,962,092	\$ 13,822,646	\$ 14,576,013	\$ 15,197,999	\$ 16,864,864	\$ 19,961,333	\$ 22,419,314	\$ 26,521,694	\$ 26,131,640	\$ 27,198,454
All Other Governmental Funds											
Nonspendable	45,681	122,235	57,488	7,232		150,000	150,000	150,000	-		
Restricted	30,877,381	29,266,009	30,576,475	35,167,746	43,127,886	45,258,951	27,102,223	54,377,548	58,385,757	63,736,847	45,439,946
Committed	2,776,253	3,102,611	6,313,711	7,247,553	7,507,552	8,534,251	8,077,947	8,627,473	10,487,061	11,950,008	13,302,049
Assigned	-	-	-	-	-	-	-	-	-	-	-
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 Gvrnmnt Funds	\$ 33,699,315	\$ 32,490,855	\$ 36,947,674	\$ 42,422,531	\$ 50,635,438	\$ 53,943,202	\$ 35,330,175	\$ 63,155,021	\$ 68,872,816	\$ 75,686,855	\$ 58,741,935

SKAGIT COUNTY, WASHINGTON
Changes in Fund Balance of Government Funds
For Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property Tax	\$ 45,950,878	\$ 44,633,004	\$ 45,444,886	\$ 49,036,278	\$ 49,944,857	\$ 47,658,449	\$ 51,612,793	\$ 53,608,725	\$ 54,409,449	\$ 58,109,215
Sales/Use Tax	16,716,680	17,263,481	18,421,647	19,778,645	20,697,012	23,314,364	23,828,587	24,802,700	24,429,777	33,212,635
Other Tax	895,827	797,162	833,846	735,926	1,319,226	4,188,761	5,453,293	5,681,142	12,050,120	5,201,112
License and Permits	1,363,241	1,403,580	1,572,816	1,718,637	1,720,642	1,723,814	1,785,365	1,940,508	2,241,527	2,139,395
Intergovernmental	22,187,738	21,210,374	21,943,000	24,452,313	28,626,209	31,868,539	28,426,859	39,995,081	55,274,676	49,478,917
Charges for Services	10,580,307	10,351,662	8,834,090	9,522,520	9,044,516	11,053,088	10,450,669	9,640,599	11,504,256	10,297,826
Fines and Forfeits	2,606,269	2,420,473	2,212,512	2,048,756	2,256,734	2,147,684	2,176,829	1,371,669	1,072,840	1,081,889
Interest Earnings	1,995,311	1,549,712	1,601,551	1,839,041	2,446,269	3,975,586	4,828,028	2,632,252	1,910,319	3,480,369
Donations	479,642	437,591	536,411	555,934	663,082	713,160	752,518	549,786	707,149	597,561
Other Revenues	1,786,735	1,652,153	993,365	1,187,243	1,234,380	3,303,549	2,035,292	2,096,690	2,603,827	3,828,179
Total Revenues	104,562,628	101,719,192	102,394,124	110,875,293	117,952,926	129,946,994	131,350,233	142,319,152	166,203,940	167,427,098
Expenditures										
General Government	17,218,893	21,016,835	18,302,815	19,767,777	21,255,603	17,275,622	15,406,968	22,625,834	19,983,868	23,026,468
Judicial	8,426,095	6,437,688	8,713,544	9,360,475	7,205,165	10,800,393	11,094,840	11,184,790	11,573,756	12,832,712
Public Safety	26,727,069	26,225,434	27,005,041	28,185,071	28,061,749	36,630,536	38,914,675	34,502,156	35,578,922	39,733,948
Physical Environment	3,605,198	3,000,198	3,446,955	3,329,938	2,686,928	2,656,074	2,671,759	1,856,675	1,970,936	2,089,012
Transportation	18,872,864	17,771,654	17,493,644	18,366,268	19,075,130	19,479,471	21,996,403	22,053,829	21,763,567	23,333,956
Economic Environment	3,736,169	3,369,706	3,314,408	4,774,441	6,284,484	6,335,774	7,624,984	6,590,190	7,943,481	8,444,808
Health and Human Services	13,163,601	12,630,363	11,594,828	11,902,846	12,376,167	15,985,894	15,412,667	21,187,501	32,821,925	35,149,933
Culture and Recreation	2,108,744	2,353,191	2,361,129	2,503,338	2,660,040	3,022,660	4,024,731	2,880,612	4,328,723	4,344,777
Debt Service										
Principal	2,084,813	2,772,142	1,469,334	1,557,880	1,791,191	3,856,663	1,264,952	1,333,465	1,381,587	1,456,511
Interest	667,297	693,958	681,870	627,770	578,051	457,446	399,681	494,593	524,853	483,679
Capital Outlay	8,960,070	7,052,054	2,832,109	5,708,813	12,545,096	8,120,556	4,913,955	7,724,256	21,908,462	13,103,654
Total Expenditures	105,570,813	103,323,223	97,215,677	106,084,617	114,519,604	124,621,089	123,725,615	132,433,901	159,780,080	163,999,458
Excess (deficiency) of Revenues over (under) Expenditures	(1,008,185)	(1,604,031)	5,178,447	4,790,676	3,433,322	5,325,905	7,624,618	9,885,251	6,423,860	3,427,640
Other Financial Sources (Uses)										
Proceeds of Long Term Debt	715,416	1,786,614	814,731	4,081,331	913,314	-	-	-	-	-
Proceeds from Sale of Capital Assets	1,414,600	58,072	328,400	14,625	878,848	24,555	-	-	-	-
Extraordinary Item	-	-	-	-	-	-	514,168	-	-	-
Transfers In	7,058,643	7,551,869	7,007,509	7,478,991	9,098,576	9,606,120	9,350,532	6,311,927	10,706,746	9,502,989
Transfers Out	(7,342,090)	(7,643,603)	(7,100,867)	(7,530,730)	(9,349,430)	(10,079,065)	(9,325,835)	(6,376,999)	(10,706,322)	(9,502,989)
Total Other Financing Sources (Uses)	1,846,569	1,752,952	1,049,773	4,044,217	1,541,309	(448,390)	538,865	(65,072)	424	-
Net Change in Fund Balance	\$ 838,384	\$ 148,921	\$ 6,228,220	\$ 8,834,893	\$ 4,974,631	\$ 4,877,515	\$ 8,163,483	\$ 9,820,179	\$ 6,424,284	\$ 3,427,640
Debt Service as a Percentage of Noncapital Expenditures	2.9%	3.7%	2.3%	2.2%	2.4%	3.8%	1.4%	1.5%	1.4%	1.3%

SKAGIT COUNTY, WASHINGTON
ASSESSED VALUE OF TAXABLE PROPERTY
For a Ten Year Period

Year	Real Property Assessed Value	Personal Property Assessed Value	Total Assessed Value	Total Direct Tax Per Assessed Value
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
2016	14,244,891,656	1,201,242,030	15,446,133,686	3.75
2017	15,232,382,080	1,200,738,501	16,433,120,581	3.58
2018	18,388,709,346	1,191,533,769	19,580,243,115	3.49
2019	18,388,709,346	628,305,000	19,017,014,346	3.49
2020	19,931,711,377	671,429,560	20,603,140,937	3.36
2021	21,157,521,076	697,822,180	21,855,343,256	3.23
2022	23,879,371,427	701,758,180	24,581,129,607	2.96



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

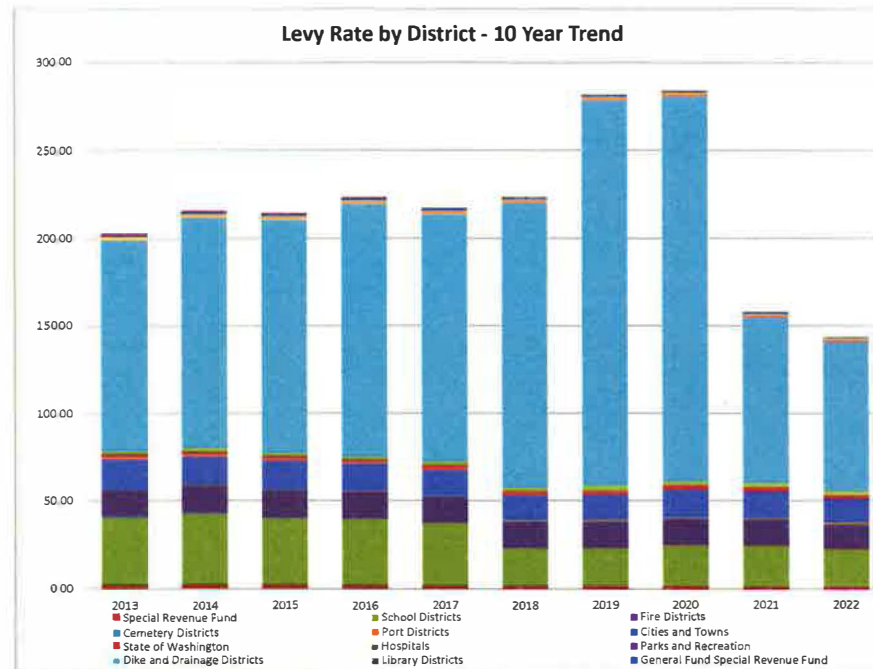
(Per \$1,000 of Assessed Value)

For a Ten Year Period

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund	1.62	1.59	1.56	1.51	1.44	1.34	1.31	1.30	1.25	1.12
Special Revenue Fund	2.19	2.21	2.39	2.24	2.14	2.15	2.18	2.06	1.98	1.84
Total	3.81	3.80	3.95	3.75	3.58	3.49	3.49	3.36	3.23	2.96
School Districts	38.30	40.31	37.68	37.45	35.37	21.04	21.04	22.97	22.93	20.99
Fire Districts	15.38	15.83	15.69	15.42	14.60	14.88	14.82	14.58	14.36	13.31
Cemetery Districts	0.35	0.29	0.28	0.27	0.26	0.24	0.24	0.23	0.25	0.24
Port Districts	0.30	0.32	0.31	0.32	0.30	0.54	0.87	0.55	0.53	0.58
Cities and Towns	17.64	16.51	17.03	15.97	15.17	14.34	14.34	16.03	15.26	14.17
State of Washington	2.41	2.30	2.15	2.04	2.89	2.45	2.45	2.92	2.91	2.68
Hospitals	1.80	2.47	1.74	1.68	1.95	1.80	2.67	1.69	1.70	1.60
Parks and Recreation	0.14	0.14	0.13	0.13	0.13	0.12	0.12	0.12	0.11	0.11
Dike and Drainage Districts	120.73	131.67	133.44	144.56	141.22	162.92	219.55	219.55	94.90	85.44
Library Districts	1.94	1.99	1.94	1.88	1.73	1.67	1.66	1.66	1.56	1.38
Total	202.80	215.63	214.34	223.47	217.21	223.49	281.25	283.66	157.74	143.46

Source: Skagit County Assessor

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 84.55.010 and the Washington State Constitution. See Note IV A, Property Taxes.



SKAGIT COUNTY, WASHINGTON
PROPERTY TAX LEVIES AND COLLECTIONS
For a Twenty 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
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	97.68%	4,165,855	172,156,881	100.10%	7,966,597	4.63%
2013	182,248,613	179,129,124	98.29%	5,165,263	184,294,387	101.12%	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	2.61%
2016	192,414,284	189,228,179	98.34%	2,792,682	192,020,861	99.80%	4,892,894	2.54%
2017	201,754,899	198,883,526	98.58%	3,128,618	202,012,144	100.13%	4,472,206	2.22%
2018	225,508,730	223,156,416	98.96%	2,661,610	225,818,026	100.14%	4,734,091	2.10%
2019	204,474,994	202,180,086	98.88%	3,130,843	205,310,930	100.41%	4,029,838	1.97%
2020	236,607,707	233,294,864	98.60%	2,330,264	235,625,128	99.58%	4,379,709	1.85%
2021	246,185,059	243,373,978	98.86%	3,087,327	246,461,305	100.11%	4,750,559	1.93%
2022	247,186,112	244,085,892	98.75%	3,088,565	247,174,458	100.00%	4,477,264	1.81%

County is in process of calculating the delinquent taxes by levy year reported on current year's levies, supplements, and cancellations

Source:
County Treasurer

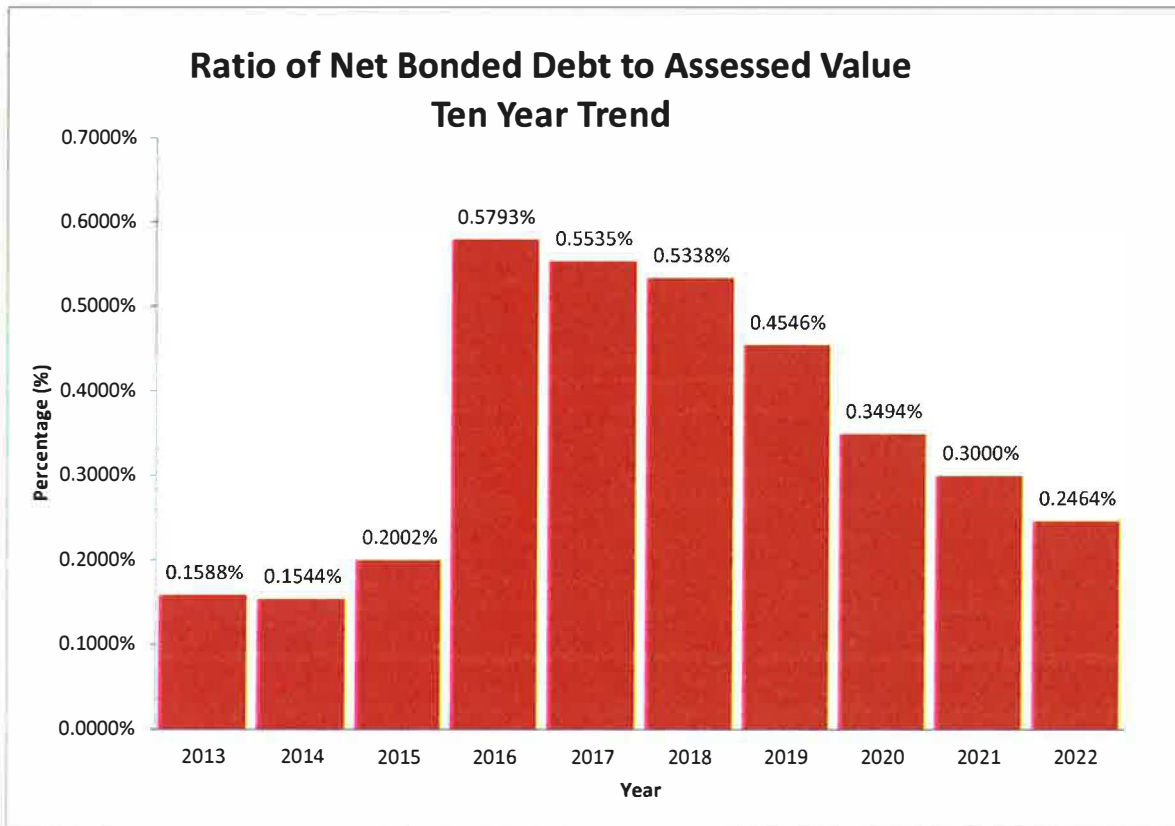
SKAGIT COUNTY, WASHINGTON
SPECIAL ASSESSMENT COLLECTIONS
For a Twenty Year Period

Year	Assessment Receivable At January 1	Additions	Collections	Assessment Receivable At December 31
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
2016	\$ 62,447	\$1,657,774	\$ 1,657,926	\$ 62,295
2017	\$ 62,295	\$1,677,885	\$ 1,675,624	\$ 64,556
2018	\$ 64,556	\$1,691,546	\$ 1,691,930	\$ 64,172
2019	\$ 64,172	\$1,656,329	\$ 160,552	\$ 59,979
2020	\$ 59,980	\$1,948,095	\$ 1,941,050	\$ 67,025
2021	\$ 67,025	\$1,956,561	\$ 1,953,322	\$ 70,264
2022	\$ 70,264	\$1,988,284	\$ 1,982,663	\$ 71,596

SOURCE: Skagit County Treasurer

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

Year	Population	Assessed Value	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Bond Debt Per Capita (restated)
2011	116,901	15,210,471,781	24,152,923	0.1588%	207
2012	117,400	14,494,671,744	22,378,328	0.1544%	191
2013	118,837	14,164,054,879	28,350,841	0.2002%	239
2014	120,365	14,370,022,271	83,248,228	0.5793%	692
2015	121,846	14,670,422,177	81,206,615	0.5535%	666
2016	122,270	15,446,113,686	82,448,143	0.5338%	674
2017	124,100	16,433,120,581	74,700,000	0.4546%	602
2018	126,520	17,747,214,025	69,305,000	0.3905%	548
2019	129,200	19,017,014,346	66,445,000	0.3494%	514
2020	130,734	21,157,321,251	66,870,000	0.3161%	511
2021	129,523	22,422,110,269	67,258,745	0.3000%	519
2022	131,250	24,581,129,607	60,565,000	0.2464%	461



SKAGIT COUNTY, WASHINGTON
RATIOS OF OUTSTANDING DEBT BY TYPE
For a Ten Year Period

Fiscal Year	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Loans Payable	General Obligation Bonds				
2013	\$ 18,649,936	\$ 3,153,698	\$ 9,700,905		\$ 31,504,539	0.85%	234
2014	\$ 18,197,643	\$ 2,802,125	\$ 65,050,585		\$ 86,050,353	2.42%	654
2015	\$ 16,793,870	\$ 2,677,791	\$ 64,412,745		\$ 83,884,406	2.29%	631
2016	\$ 18,678,238	\$ 2,571,911	\$ 63,769,905		\$ 85,020,054	1.35%	695
2017	\$ 16,967,136	\$ 2,664,823	\$ 61,967,065		\$ 81,599,024	1.25%	658
2018	\$ 13,215,888	\$ 2,488,680	\$ 60,164,224		\$ 75,868,792	1.16%	600
2019	\$ 12,189,027	\$ 2,985,268	\$ 58,196,385		\$ 73,370,680	1.22%	568
2020	\$ 13,665,000	\$ 3,010,455	\$ 53,205,000		\$ 69,880,455	1.01%	536
2021	\$ 12,485,000	\$ 2,801,868	\$ 51,355,000		\$ 66,641,868	1.58%	513
2022	\$ 11,235,000	\$ 2,595,357	\$ 49,330,000		\$ 63,160,357	2.17%	481

SKAGIT COUNTY, WASHINGTON COMPUTATION OF DIRECT AND OVERLAPPING DEBT FOR THE YEAR ENDED DECEMBER 31, 2022

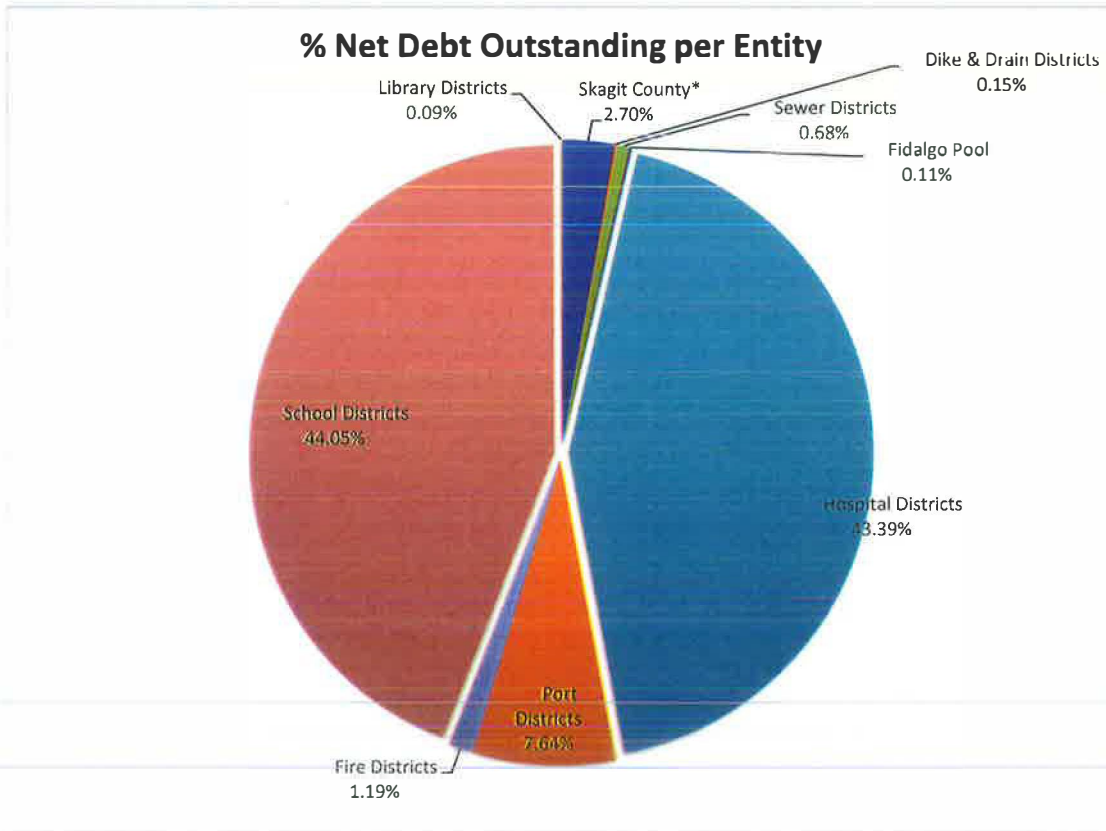
JURISDICTION	NET DEBT OUTSTANDING	PERCENTAGE APPLICABLE TO SKAGIT COUNTY	AMOUNT APPLICABLE TO SKAGIT COUNTY
Direct Debt			
Skagit County*	11,235,000	100%	11,235,000
Total Direct Debt	<u>\$ 11,235,000</u>		<u>\$ 11,235,000</u>
Overlapping debt			
Dike & Drain Districts	636,411	100%	636,411
Sewer Districts	2,840,901	100%	2,840,901
Fidalgo Pool	456,708	100%	456,708
Hospital Districts	180,305,069	100%	180,305,069
Port Distrcts	31,737,693	100%	31,737,693
Fire Districts	4,934,872	100%	4,934,872
School Districts	183,020,915	100%	183,020,915
Library Districts	355,824	100%	355,824
Total Overlapping Debt	<u>404,288,393</u>		<u>404,288,393</u>
Total Direct & Overlapping Debt	<u>\$415,523,393</u>	0%	<u>\$415,523,393</u>

* Does not include Propriety Fund Debt

Source: Skagit County Treasurer and
appropriate city finance offices

Percentage of overlap calculated as follows:

Overlapping portion of the government's revenue base
Total revenue base of the overlapping government



SKAGIT COUNTY, WASHINGTON
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT
TO TOTAL GENERAL EXPENDITURES
For a Ten Year Period

Year	Principal	Interest and Fiscal Charges	*Total Debt Service	**Total General Expenditures	Ratio of Net Bonded Debt to Assessed Value
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%
2016	1,557,880	627,770	2,185,650	98,190,154	2.23%
2017	1,791,191	578,051	2,369,242	99,605,267	2.38%
2018	3,856,663	457,446	4,314,109	111,772,458	3.86%
2019	1,264,952	399,683	1,664,635	120,977,843	1.38%
2020	1,140,000	311,581	1,451,581	132,433,901	1.10%
2021	1,180,000	452,281	1,632,281	136,951,189	1.19%
2022	1,250,000	416,031	1,666,031	163,999,458	1.02%

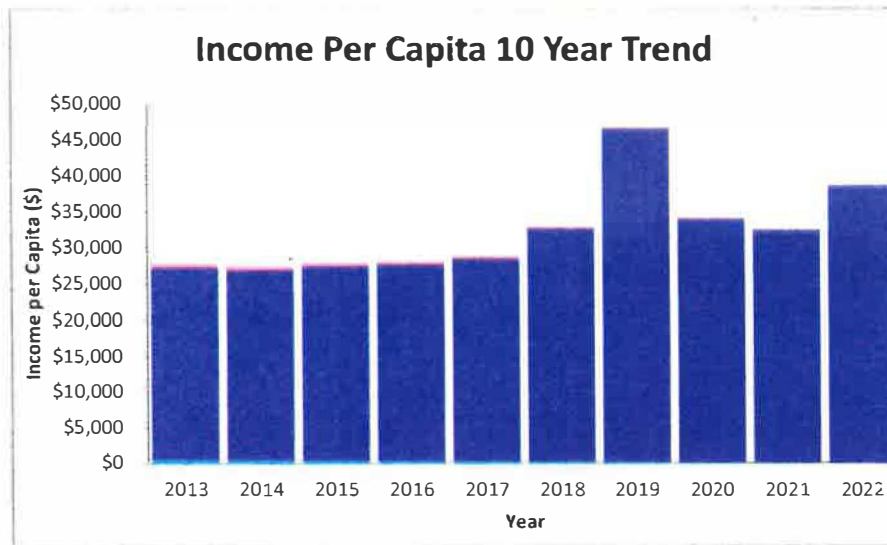
Notes:

- 1) Does not include Enterprise Funds
- 2) Includes General, Special Revenue, Capital Projects, and Debt Service funds

SKAGIT COUNTY, WASHINGTON

Demographic Statistics For a Ten Year Period

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County Population April 1										
Unincorporated	48,411	48,720	49,220	49,860	50,875	51,540	52,565	52,930	52,750	52,970
Incorporated	70,189	70,780	71,400	72,410	73,225	74,980	76,635	77,520	77,250	78,280
Totals	118,600	119,500	120,620	122,270	124,100	126,520	129,200	130,450	130,000	131,250
Income Per Capita	\$27,395	\$27,065	\$27,598	\$27,794	\$28,586	\$32,653	\$46,565	\$33,941	\$32,436	\$38,582
Median Household Income	\$ 56,058	\$ 54,852	\$ 56,322	\$ 55,524	\$ 58,990	\$ 64,106	\$ 65,216	\$ 77,430	\$ 67,698	\$ 75,377
Unemployment Rate	8.7%	5.8%	6.6%	6.8%	4.9%	5.3%	5.2%	5.7%	4.0%	5.3%
Civilian Labor Force	56,754	56,490	56,713	57,965	59,250	60,278	61,600	62,851	61,043	61,617
School Enrollment	18,678	18,869	18,920	18,951	19,148	20,002	20,850	19,747	18,600	18,561



SOURCES:
 WA State Employment Security Department
 Washington State Office of Public Instruction

SKAGIT COUNTY, WASHINGTON
PRINCIPAL PROPERTY TAXPAYERS
Current Year Compared to 2012

Top Ten Taxpayers	2022			2012		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Taxable Value
Equilon Enterprises LLC	\$418,773,000	1	1.70%	\$ 497,026,900	1	3.51%
Puget Sound Energy Electric	341,888,974	2	1.39%	\$ 194,694,434	3	1.37%
Tesoro Refining & Marketing Co	339,934,300	3	1.38%	\$ 280,950,600	2	1.98%
Sierra Pacific Industries	72,727,100	4	0.30%	\$ 70,555,700	4	0.50%
PACCAR Inc	67,051,315	5	0.27%			
Tesoro Logistics Operations LLC	66,985,400	6	0.27%			
Pacific Woodtech Corporation	60,998,500	7	0.25%	\$ 53,235,000	5	0.38%
Trans Mountain Pipeline	48,319,310	8	0.20%			
BNSF Railway Company	44,645,942	9	0.18%			
SHI Owner LLC	40,100,800	10	0.16%			
Frontier Property Tax Dept NCA				\$ 44,971,091	6	0.32%
NW Pipeline Corp				\$ 36,622,834	7	0.26%
PPR Cascade LLC				\$ 34,046,700	8	0.24%
Dakota Creek Industries				\$ 28,501,600	9	0.20%
Stratford Hall Inc				\$ 27,522,700	10	0.19%
Total of Top Ten Assessed Value	1,501,424,641		6.11%	1,268,127,559		8.95%
Total County Assessed Value	\$ 24,581,129,607			\$ 14,164,054,879		
Percentage to Total County Assessed Value			6.11%			8.95%

Source: Skagit County Assessor

SKAGIT COUNTY, WASHINGTON
PRINCIPAL EMPLOYERS
Current Year Compared to 2012

Top Ten Principal Employers	2022			2012		
	Number of Employees	Rank	Percentage of Total Labor Force	Number of Employees	Rank	Percentage of Total Labor Force
Skagit Regional Health	3,000	1	4.76%	1,788	1	3.04%
Mount Vernon School District	1,147	2	1.82%	868	3	1.48%
Draper Valley Farms	1,038	3	1.65%	403	9	0.69%
Skagit County Government	757	4	1.20%	616	4	1.05%
Island Hospital	751	5	1.19%			
Janicki Industries	692	6	1.10%	526	5	0.89%
Sedro Woolley School District	489	7	0.78%	525	6	0.89%
Shell Puget Sound Refinery	475	8	0.75%			
Skagit Valley Casino	450	9	0.71%			
Burlington Edison School District	435	10	0.69%			
Skagit Valley College				701	2	1.19%
Burlington School District				544	7	0.92%
Wal Mart				400	10	0.68%
Regent Blue Shield				472	8	0.80%
Total Top Ten Employees	9,234		14.66%	6,843		11.63%
Total County Labor Force	63,009			58,830		

Sources:
Economic Development Alliance of Skagit County
Washington State Auditor's Office
Agency Human Resource Departments

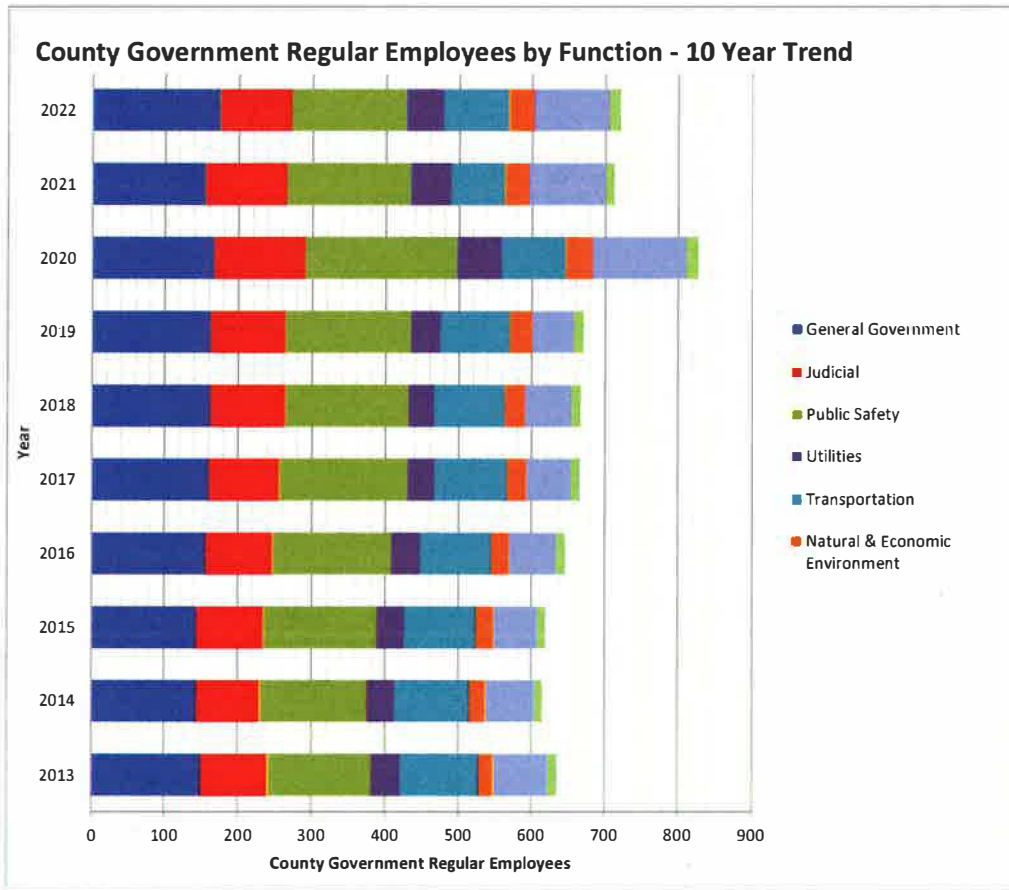
Note:
Includes seasonal and temporary employees

SKAGIT COUNTY, WASHINGTON

COUNTY GOVERNMENT EMPLOYEES BY FUNCTION

For a Ten Year Period

Function	<i>Number of Regular Employees as of December 31</i>									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	150	144	144	156	160	162	162	167	155	175
Judicial	91	86	91	91	96	102	102	123	110	96
Public Safety	141	146	154	161	174	167	170	207	168	156
Utilities	40	38	38	40	37	35	40	61	55	50
Transportation	106	101	97	97	99	97	96	88	75	91
Natural & Economic Environment	21	23	25	25	27	28	31	37	33	35
Social Services	74	66	59	64	61	64	57	128	105	103
Culture and Recreation	12	11	11	12	12	12	13	16	12	15
Total	635	615	619	646	666	667	671	827	713	721



Source: Skagit County Auditor

Note:
Numbers restated in accordance with function designations

SKAGIT COUNTY, WASHINGTON

MISCELLANEOUS STATISTICS

For a Ten Year Period

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
(A) MILES OF ROAD										
Paved Roads	761	761	761	756	761.048	761.428	762.204	762.204	762.036	761,836
Unpaved Roads	40	40	40	40	40.157	39.748	38.668	38.668	38.218	38.038
	<u>801</u>	<u>801</u>	<u>801</u>	<u>796</u>	<u>801.205</u>	<u>801.176</u>	<u>800.872</u>	<u>800.872</u>	<u>800.254</u>	<u>799.874</u>
(B) BUILDING PERMITS										
Permits issued	445	392	591	524	587	518	481	368	488	481
Value of buildings	\$58,051,285	\$57,696,373	\$62,443,127	\$67,496,136	\$84,524,082	\$86,155,172	\$66,407,740	\$71,038,907	\$91,058,898	\$52,513,802
(C) FIRE PROTECTION										
Number of districts	18	18	18	18	17	17	17	17	17	17
Number of volunteer firefighters	559	572	589	589	588	551	558	609	550	635
(D) POLICE PROTECTION										
Number of employees, commissioned	50	52	51	54	51	56	58	60	57	63
Number of employees, civilian and limited commission	55	56	65	65	87	76	80	79	81	69
Average daily jail population	247.7	235	205	213.8	213	265	292	165	165	209
Police patrol units, vehicle	55	56	55	68	81	88	78	78	81	85
Police patrol units, boats	5	4	4	4	3	3	4	5	4	4
(E) RECREATIONAL FACILITIES										
Number of parks	29	29	29	29	29	29	29	29	29	35
Park acreage	2054.5	2054.5	2058.05	2058.05	2063.88	2063.97	2063.97	2063.97	2063.97	2202
(F) GENERAL ELECTIONS										
Number of registered voters	74,075	75,774	74,282	79,796	73,710	75,699	78,200	85,682	85,113	92,845
Number of votes cast	35,847	40,825	29,784	59,023	27,947	55,583	39,159	74,039	35,483	57,317
Percentage voting	53%	61%	43%	80%	38%	73%	50%	86%	42%	62%
(G) PUBLIC EDUCATION										
Elementary	26	26	26	26	26	26	26	26	26	25
Middle/Junior High	5	5	5	5	5	5	5	5	5	5
High	6	6	6	6	6	6	7	7	7	9
Community College	1	1	1	1	1	1	1	1	1	1
Alternative	8	8	8	8	10	10	8	8	8	9
Special Education	5	4	4	4	4	4	4	4	4	4

SOURCES:

Washington State Board of Volunteer Firefighters
 Skagit County Educational Service District 189
 Washington State Association of Sheriffs and Police Chiefs
 Washington State Office of Public Instruction
 Skagit County Departments: Auditor, Parks, Sheriff,
 Planning & Development Services, Public Works

Compliance Section



Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via Northwest Regional Council)	Farmers Market VouchersProgram	10.576	201018- NUTR/Farmers Market Vouchers	3,815	-	3,815	-	1, 4
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via Northwest Regional Council)	Senior Farmers Market Nutrition Program	10.576	201018- NUTR/Farmers Market Vouchers	4,311	-	4,311	-	1
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via Northwest Regional Council)	Senior Farmers Market Nutrition Program	10.576	201018- NUTR/SFMNP- Administration	167	-	167	-	1
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via Northwest Regional Council)	Senior Farmers Market Nutrition Program	10.576	201018- NUTR/SFMNP- Administration	9,044	-	9,044	-	1
Total CFDA 10.576:				17,337	-	17,337	-	
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via State of Washington Department of Commerce)	Community Development Block Grants/State's program and Non- Entitlement Grants in Hawaii	14.228	SWV00343-04	22,390	-	22,390	-	1
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via State of Washington Department of Commerce)	Community Development Block Grants/State's program and Non- Entitlement Grants in Hawaii	14.228	B-22-DC-53-001	26,123	-	26,123	25,362	1
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via State of Washington Department of Commerce)	Community Development Block Grants/State's program and Non- Entitlement Grants in Hawaii	14.228	B-18-DC-53-001	175,000	-	175,000	-	1

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via Washington State Department of Commerce, Local Government Division, Community Assistance and Research Unit)	Community Development Block Grants/State's program and Non- Entitlement Grants in Hawaii	14.228	B-20-DC-53-001	162,519	-	162,519	160,968	1
			Total CFDA 14.228:	386,032	-	386,032	186,330	
				1,227,713		1,227,713	1,224,856	1
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	EMERGENCY SOLUTIONS GRANT HOUSING ASSISTANCE	14.231	20-4613C-123					
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Home Investment Partnerships Program	14.239	M21-DC530210		332,417	332,417	332,417	1
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Home Investment Partnerships Program	14.239	APP 869/00205		561,140	561,140	558,374	1
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Home Investment Partnerships Program	14.239	APP 868/10205		439,359	439,359	425,272	1
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Home Investment Partnerships Program	14.239	APP 867/00205		380,438	380,438	319,123	1

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Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Home Investment Partnerships Program	14.239	M21-dp530210		6,032	6,032	-	1
			Total CFDA 14.239:	<u>-</u>	<u>1,719,386</u>	<u>1,719,386</u>	<u>1,635,186</u>	
NATIONAL FISH AND WILDLIFE FOUNDATION	Cedar Grove Fish Passage Improvement	15.663	0314.18.062608	109,685		109,685		1
NATIONAL FISH AND WILDLIFE FOUNDATION	Chinook Salmon in S Fork Skagit River	15.663	FEA002	100,000		100,000		1
			Total CFDA 15.663:	<u>209,685</u>	<u>-</u>	<u>209,685</u>	<u>-</u>	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	National Criminal History Improvement	16.554	2020-RU-BX-K025	1,684		1,684		1
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	Victim Witness Assistance	16.575	21-31101-526	9,826		9,826		1
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	Stop Violence Against Women	16.588	119-31103-031	17,312		17,312		1
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	Mental Health and Wellness	16.710	15JCOPS-21- GG-02157- SLEM		46,875	46,875		1
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	Less Than Lethal Equipt	16.738	20019-DJ-BX- 0035	47,317		47,317		1

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Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	Edward Byrne Memorial Justice Assistance	16.738	S18-31102-526	92,021	-	92,021	-	1
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	Edward Byrne Memorial Justice Assistance	16.738	S18-31102-526	123,765	-	123,765	-	1
Total CFDA 16.738:				263,103	-	263,103	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	Paul Coverdell Forensic Grant	16.742	2020-CD-BX- 0044	19,135	-	19,135	-	1
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Department of Commerce)	Paul Coverdell Forensic Grant	16.742	2020-CD-BX- 0063	250,000	-	250,000	-	1
Total CFDA 16.742:				269,135	-	269,135	-	
Highway Planning and Construction Cluster								
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	HSIP-0005(620)	25,779	-	25,779	-	1
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	BHS-M29	22,863	-	22,863	-	1

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Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	STPR-F2949002)	190,778	-	190,778	-	1, 2
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	BHOS-2029(057)	1,661,104	-	1,661,104	-	1, 2
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	BHS-L291(002)	9,642	-	9,642	-	1, 2
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	HSIP-000S(625)	31,845	-	31,845	-	1
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	HSIP 000S(578)	520,670	-	520,670	-	1
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	HSIP-T292(002)	133,415	-	133,415	-	1, 2

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures		Total	Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards			
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	BHS-M291(008)	41,031	-	41,031	-	1
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	HSIP-000S(579)	47,283	-	47,283	-	1
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	LA-8425	93,468	-	93,468	-	1
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	LA-10387	1,026	-	1,026	-	1
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington State Department of Transportation)	Highway Planning and Construction	20.205	LA 9951	447,135	-	447,135	-	1, 2
Total Highway Planning and Construction Cluster:				3,226,039	-	3,226,039	-	
Highway Safety Cluster								
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Washington Traffic Safety Commission)	Target Zero Corridor Project	20.600	2021 HVE-4052	3,756		3,756		1

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Foot ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION,	Target Zero Corridor Project	20.608	2021 HVE-4052	1,374		1,374		1
	Total Highway Safety Cluster:			5,130	-	5,130	-	
TREASURY DEPARTMENT	Equitable Sharing	21.016	wa0290000	5,000	-	5,000	-	1
TREASURY DEPARTMENT	COVID-19 Coronavirus State & Local Fiscal Recovery Funds	21.027	00343-04	10,459,928		10,459,928	10,408,048	1
TREASURY DEPARTMENT	COVID-19 Coronavirus State & Local Fiscal Recovery Funds	21.027	none	-	5,723,370	5,723,370	1,996,545	1 1. 3b
	Total CFDA 21.027:			10,459,928	5,723,370	16,183,298	12,404,593	
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via Washington State Department of Ecology)	Puget Sound Action Agenda: Technical Investigations and Implementation Assistance Program	66.123	01J18001	183,554		183,554		1
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via Washington State Department of Health)	Inspection for Low Income	66.123	GVL24546	167,543		167,543	-	1
	Total CFDA 66.123:			351,097	-	351,097	-	
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via Washington State Department of Ecology)	National Estuary Program	66.456	SEANWS-2018- SKCOPW-00004	37,000	-	37,000	13,519	1
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Northwest Regional Council)	NACCHO	93.008	HTEP200045-02- 00	4,906		4,906		1

Aging Cluster

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Northwest Regional Council)	Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	201018- NUTR/(03)	205,299	-	205,299	-	1, 2
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Northwest Regional Council)	Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	201018- NUTR/(03)	61,102	-	61,102	-	1, 2
			Total CFDA 93.045:	266,401	-	266,401		
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Northwest Regional Council)	Nutrition Services Incentive Program	93.053	202018- NUTR/NSIP18	80,335	-	80,335	-	1
			Total Aging Cluster:	346,736	-	346,736	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Health)	Public Health Emergency Preparedness	93.069	NU90TP922043	72,112	-	72,112	-	1, 3f
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Health)	Public Health Emergency Preparedness	93.069	NU90TP922043	65,258	-	65,258	-	1, 3f
			Total CFDA 93.069:	137,370	-	137,370	-	

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Foot ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Health)	Injury Prevention and Control Research and State and Community Based Programs	93.136	NU17CE925007	18,305	-	18,305	-	1, 3f
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Health)	Injury Prevention and Control Research and State and Community Based Programs	93.136	NU18CE925007	57,881	-	57,881	-	1, 3f
			Total CFDA 93.136:	76,186	-	76,186	-	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Social and Health Services, Behavioral Health and Service Integration, Division of Behavioral Health and Recovery)	Immunization Cooperative Agreements	93.268	NH23IP922619	500		500		1
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Social and Health Services, Behavioral Health and Service Integration, Division of Behavioral Health and Recovery)	Immunization Cooperative Agreements	93.268	NH23IP922619	3,265		3,265		1, 3f

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Social and Health Services, Behavioral Health and Service Integration, Division of Behavioral Health and Recovery)	Immunization Cooperative Agreements	93.268	NH23IP922619	127	-	127	-	1, 3f
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Social and Health Services, Behavioral Health and Service Integration, Division of Behavioral Health and Recovery)	Immunization Cooperative Agreements	93.268	NH23IP922619	450,818	-	450,818	-	1, 3f
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Social and Health Services, Behavioral Health and Service Integration, Division of Behavioral Health and Recovery)	Immunization Cooperative Agreements	93.268	NH23IP922619	8,302	-	8,302	-	1, 3f
Total CFDA 93.268:				463,012	-	463,012	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Department of Social & Health Services, Economic Services Administration)	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323		7,449	-	7,449	-	1

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Department of Social & Health Services, Economic Services Administration)	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323		530,055		530,055		1
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Department of Social & Health Services, Economic Services Administration)	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323		6,341		6,341		1
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Department of Social & Health Services, Economic Services Administration)	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323		5,486		5,486		1
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Department of Social & Health Services, Economic Services Administration)	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323		56,317		56,317		1
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Department of Social & Health Services, Economic Services Administration)	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323		581		581		1

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Department of Social & Health Services, Economic Services Administration)	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323		822		822	-	1
			Total CFDA 93.323:	607,051	-	607,051	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Social and Health Services, Economic Services Division)	Child Support Enforcement	93.563	Child Support Enforcement	109,923		109,923		1,2
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Social and Health Services, Economic Services Division)	Child Support Enforcement	93.563	1663-67776/Child Support Enforcement	25,962	-	25,962	-	1,2
			Total CFDA 93.563:	135,885	-	135,885	-	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Public Hospital District #304)	Opioid STR	93.788	1763-94269 Opioid STR	17,593	-	17,593	15,993	1

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Public Hospital District #304)	Opioid STR	93.788	1763-94269 Opioid STR	198,885	-	198,885	180,804	1
				Total CFDA 93.788:			216,478	-
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Children, Youth and Families)	Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	18-1050/NFP (MIECHV)	412,899	-	412,899	-	1, 2, 3d
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Children, Youth and Families)	HCA IRA DUH Naloxone	93.943	CLH31025	7,561		7,561		1, 3e
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Children, Youth and Families)	HCA IRA DUH Naloxone	93.943	CLH31025	6,293		6,293		1, 3e
Total CFDA 93.788:				13,854		13,854		
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Children, Youth and Families)	Recovery Support Systems	93.958	B09S083998	21,334		21,334		1, 3b

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Health Care Authority, Division of Behavioral Health)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	B08TIO83486	154,234	-	154,234	140,213	1, 3c
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Health Care Authority, Division of Behavioral Health)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	K3218	212,139		212,139	74,134	1, 3dc
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via North Sound Behavioral Health Organization)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	B08TI5.1453	21,334	-	21,334		1
			Total CFDA 93.959:	387,707	-	387,707	214,347	
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Health)	Maternal and Child Health Services Block Grant to the States	93.994	CLH18259/FFY1 9 MCHBG LHJ Contracts (MIH/CAH)	26,057	-	26,057	-	1, 3e
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Washington State Department of Health)	Maternal and Child Health Services Block Grant to the States	93.994	CLH18259/FFY1 9 MCHBG LHJ Contracts (CSHCN)	87,944	-	87,944	-	1, 3e
			Total CFDA 93.994:	114,001	-	114,001	-	

The accompanying notes are an integral part of this schedule.

Skagit County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Footn ote Ref
				From Pass- Through Awards	From Direct Awards	Total		
U.S. COAST GUARD, HOMELAND SECURITY, DEPARTMENT OF (via Washington State Parks and Recreation Commission)	Boating Safety Financial Assistance	97.012	DHS-USCG-2017-001	416	-	416	-	1
U.S. COAST GUARD, HOMELAND SECURITY, DEPARTMENT OF (via Washington State Parks and Recreation Commission)	Boating Safety Financial Assistance	97.012	DHS-USCG-2017-003	14,286	-	14,286	-	1
			Total CFDA 97.012	14,702		14,702		
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Washington State Military Department)	Lyman Acquisition	97.029	19HSGP	58,816	-	58,816	-	1
Total Federal Awards Expended:				\$ 19,496,958	\$ 7,489,631	\$ 26,986,589	\$ 15,875,628	

The accompanying notes are an integral part of this schedule.

SKAGIT COUNTY, WASHINGTON

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2022

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 – INDIRECT COST RATE

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

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) 2%, (b) 15%, (c) 10% (d) 19.50%, (e) 24.47%, (f) 25%, (g) 30%

NOTE 4 – NONCASH AWARDS - VOUCHERS

The amount of vouchers reported on the schedule is the value of food vouchers received by Skagit County during 2022 and priced as prescribed by the Department of Agriculture.

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF STATE FINANCIAL ASSISTANCE
 For the Year Ending December 31, 2022

Schedule 15

Grantor	Program Title	Identification Number	Current Year Expenditures
Administrative Office of the Courts	Support of CASA Programs	C20220311	\$ 33,708
	Becca Programs and Service	C20220250	97,565
	Blake Reimbursements	IAA22185	25,126
	Blake Reimbursements	C20220202	30,901
	AOC Guardianship	C20220346	56,180
	<u>TOTAL ADMINISTRATIVE OFFICE OF THE COURTS</u>		
County Road Administration Board	Skagit Basin Fish Passage	C20220442	\$ 41,079
	<u>TOTAL COUNTY ROAD ADMINISTRATION BOARD</u>		
Department of Agriculture	Spartina Eradication	K2715	\$ 18,796
	Knotweed Control	K3550	16,905
	Capital Improvement Grant	K3704	62,945
	<u>TOTAL DEPARTMENT OF AGRICULTURE</u>		
Department of Ecology	Solid Waste Management	C20210580	202,670
	Water Quality Stormwater	C20220328	50,000
	Solid Waste Management	C20210417	26,388
	TCpra-1921	C20200574	215,048
	Local Source Control Partnership	C20210445	88,287
	Northwest Straits Project	C20210470	58,138
	Lorenzan Creek Stormwater	C20210045	5,134
	Solid Waste Management	SWMLSWFA-2021-SkCoHD-00097	141,467
	<u>TOTAL DEPARTMENT OF ECOLOGY</u>		
Department of Social & Health Services	Child Support Enforcement	C20080119	17,429
	Child Support Enforcement	3000CC-63	178,141
	Mental Health Field Response	C20210387	58,000
	Maternal Infant Early Childhood Home Visit	C20210459	31,652
	GFS Group B	C20210602	6,469
	Recreational Shellfish/Biotoxin	C20210602	6,338
	Small Onsite Management	C20210602	22,443
	Puget Sound Oss LMP Management	C20210602	12,286

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF STATE FINANCIAL ASSISTANCE
 For the Year Ending December 31, 2022

Grantor	Program Title	Identification Number	Current Year Expenditures
	Marijuana Prevention	C20210336	14,409
	Local Assistance	C20210602	2,000
	Local Assistance	C20210602	1,500
	Jail Transition Services	C20200109	22,860
	Jail Transition Services	C20220383	19,050
	Jail Transition Services	C20200109	4,113
	NSBHO HARPS	C20220383	28,264
	Marijuana Prevention	C20200109	35,490
	<u>TOTAL DEPARTMENT OF SOCIAL AND HEALTH SERVICES</u>		\$ 460,444
Washington Association of Sheriffs and Police Chiefs			
	Registered Sex Offender Address and Residency Verification Program	C20210296	48,490
	Registered Sex Offender Address and Residency Verification Program	C20220246	49,237
	<u>TOTAL WASHINGTON ASSOCIATION OF SHERIFFS & POLICE CHIEFS</u>		\$ 97,727
Washington Recreation and Conservation Office			
	DeBays Slough Assessment	C20210413	\$ 131,448
	VSP Voluntary Stewardship Program	K2221	136,525
	Lower Day Slough Construction	C20210416	55,243
	Ovenell Slough Habitat	C20210346	25,636
	NSRA Trailhead and Park	C20190352	139,924
	Cedar Grove Fish Passage Improvement	C20190357	523,178
	South Fork Skagit Construction	C20210090	1,886,274
	<u>TOTAL WASHINGTON RECREATION AND CONSERVATION OFFICE</u>		\$ 2,898,228
Washington State Department of Commerce			
	Victim Assistance	C20200266	\$ 19,095
	Coroner Grant	22-96634-172	93,796
	Consolidated Homelessness Grant	C20210338	1,227,613
	Behavior Health Facility	C20190223	14,656
	Consolidated Homeless Grant	21-4610c-113	207,501
	Presentation Park Trails	16-1730C	107,747
	<u>TOTAL WASHINGTON STATE DEPARTMENT OF COMMERCE</u>		\$ 1,670,408
Washington State Military Department			
	Enhanced 911 Funds Coordinator Professional Development	E-23-029	\$ 22,957
	Lyman Slough Acquisition	D22-011	1,579
	<u>TOTAL WASHINGTON STATE MILITARY DEPARTMENT</u>		\$ 24,536

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF STATE FINANCIAL ASSISTANCE
 For the Year Ending December 31, 2022

Grantor	Program Title	Identification Number	Current Year Expenditures
Washington State Dept of Children Youth and Families	Juvenile Court Block grant	C20210302	\$ 213,083
	Juvenile Rehabilitation	C20210301	\$ 47,431
	<u>TOTAL WASHINGTON STATE DEPT OF CHILDREN YOUTH AND FAMILIES</u>		<u>\$ 260,514</u>
		TOTAL STATE GRANTS	<u>\$ 6,582,194</u>