



Skagit County Washington Comprehensive Annual Financial Report



Year Ending December 31, 2013

SKAGIT COUNTY WASHINGTON

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2013

Jeanne Youngquist, Skagit County Auditor

Barbara Leander, Chief Deputy Auditor

Jana Robbins
Chief Accountant

Marie Nelson
Senior Accountant

Marie Henry
Senior Accountant

Crystal Burress
Calina Armstrong
Lori Love

Debra Gatti
Sunrise Zimmermann

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

SKAGIT COUNTY WASHINGTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended December 31, 2013

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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.



Jeanne Youngquist
Auditor

Barbara Leander
Chief Deputy

June 25, 2014

To the Honorable Board of Commissioners and Citizens of Skagit County

We hereby submit the Comprehensive Annual Financial Report (CAFR) of Skagit County for the fiscal year ending December 31, 2013 in accordance with the provisions of Chapter 36.22 of the Revised Code of Washington. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by the Office of the Washington State Auditor.

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

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

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

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

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

that the financial statements of the County for the financial year ended December 31, 2013, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the overall financial statement presentation. The auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Skagit County's financial statements for the fiscal year ended December 31, 2013 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of Skagit County

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

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

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

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

tours and special events continue to attract tourists to the area. Skagit County is known for its festivals, including the famous annual Tulip Festival, Festival of Family Farms, Skagit Eagle Festival, drawing tourists from near and far. Other local rural and urban festivals and tours also enjoy the success of returning participants and tourists.

The region provides a rich base for successful businesses, musicians, artists, authors, and commuters; a community attractive to weekenders and new populations resulting in steady growth. Economic times have slowed what was a rapid increase in population and housing.

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

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

Financial Policies

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

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

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

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

1. The General Fund budget shall be balanced within available revenue sources. A minimum reserve balance of 12% shall be targeted for the General Fund.
2. The Insurance Services Fund shall be managed to maintain the County's self-insured status. A minimum reserve balance of 25% shall be maintained for the Fund.

3. Growth in the General Fund, Road Fund and Conservation Futures Fund tax levies shall not exceed 101% of the prior year levy plus taxes collected on new construction.
4. Strategies to reduce and control expenditures and increase revenues and proposed efficiencies submitted by Elected Officials and Department Heads will be considered during the budget review process.
5. Departments shall provide budget monitoring reports as requested by the Board of County Commissioners to assist with projections for current and future years.
6. Internal Service Funds shall be funded at a level to maintain the financial stability of those funds and to meet required service levels for department programs.
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, 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.

As is the case throughout the nation, Skagit County's local economy has been directly impacted by the current global recession. 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. Local jobs have declined in many categories. As of December 2013, the County's unemployment rate was 8.7%, down from 9.2% in December 2012.

The County has demonstrated its commitment to maintaining a strong general fund balance. Unexpected revenue increases combined with financially responsible spending policies are evidenced in the \$2 million dollar increase in the General Fund Balance. In 2009, the County implemented 5 non-paid closure days which resulted in an approximate savings to the General Fund of \$600,000 in wages and benefits. In 2010, the County Commissioners increased those closure days to 12, resulting in an approximate savings to the General Fund of \$1,440,000 in wages and benefits. In 2011, the non-paid closure days were reduced to 9, which continued in 2012. For 2013, the non-paid closure days were reduced to 6. The County's overall financial position remains steady.

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

Major Initiatives

On November 2, 2010, Skagit County government issued bond debt to finance the Transfer Station Project. The County saved taxpayers \$745,000. More than \$300,000 of the savings was a result of Skagit County's timely request for additional recovery zone bond allocation that was increased from \$5.276 million to \$9.3 million.

The County was originally awarded a bond cap allocation of \$5,276,000 from the Federal Government and was granted an additional allocation of \$4,024,000 after a timely request. The awarded authority came from the American Recovery and Reinvestment Act (ARRA) of 2009. This allowed the County to issue taxable debt with a 45% interest subsidy from the Federal Government. Additionally, \$480,000 of additional debt was issued as Build American Bonds with an interest subsidy of 35%.

This project included construction of a new, pre-engineered, 23,000 square foot metal building for solid waste transfer operations. It also included new maintenance and staff facilities as well as a new scale plaza. The new facility was constructed at the same site of the previous transfer station. The County completed the project in 2012.

The recently completed Anacortes Ferry Dock Rehabilitation & Guemes Island Ferry Dock Repair project has been selected by the American Public Works Association (APWA) as one of their Public Works Projects of the Year for 2012. This was a national competition. The project was mainly funded with a grant from the Department of Transportation.

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

In 2013, the County entered into an interlocal agreement with the major cities and other partners in the County to share the costs of a new jail facility. A sales tax initiative was passed by the voters to help fund the facility. It is anticipated that the County will also issue bonds to cover the cost of building the facility. The new County jail facility is in the planning stage.

Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in financial reporting to Skagit County for its Comprehensive Annual report for the fiscal year ended December 31, 2012. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Preparation of this report could not have been accomplished without the professional, efficient and dedicated work of the entire staff of the Auditor's Office. In addition, acknowledgement is made for the invaluable contributions of the Treasurer's Office, the Public Works accounting division, and the Budget and Finance Director's office.

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

Sincerely,



Jeanne Youngquist
County Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Skagit County
Washington**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

SKAGIT COUNTY, WASHINGTON ELECTED OFFICIALS

TERM
EXPIRES

COUNTY COMMISSIONERS

DISTRICT NUMBER 1	RON WESEN	DECEMBER 2016
DISTRICT NUMBER 2	KENNETH DAHLSTEDT	DECEMBER 2016
DISTRICT NUMBER 3	SHARON DILLON	DECEMBER 2014

SUPERIOR COURT JUDGES

SUSAN COOK	DECEMBER 2016
MICHAEL RICKERT	DECEMBER 2016
JOHN MEYER	DECEMBER 2016
DAVE NEEDY	DECEMBER 2016

DISTRICT COURT JUDGES

WARREN GILBERT	DECEMBER 2014
DAVID SVAREN	DECEMBER 2014

ASSESSOR

DON MUNKS	DECEMBER 2014
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AUDITOR

JEANNE YOUNGQUIST	DECEMBER 2014
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CLERK

NANCY SCOTT	DECEMBER 2014
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CORONER

DANIEL DEMPSEY	DECEMBER 2014
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PROSECUTING ATTORNEY

RICHARD WEYRICH	DECEMBER 2014
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SHERIFF

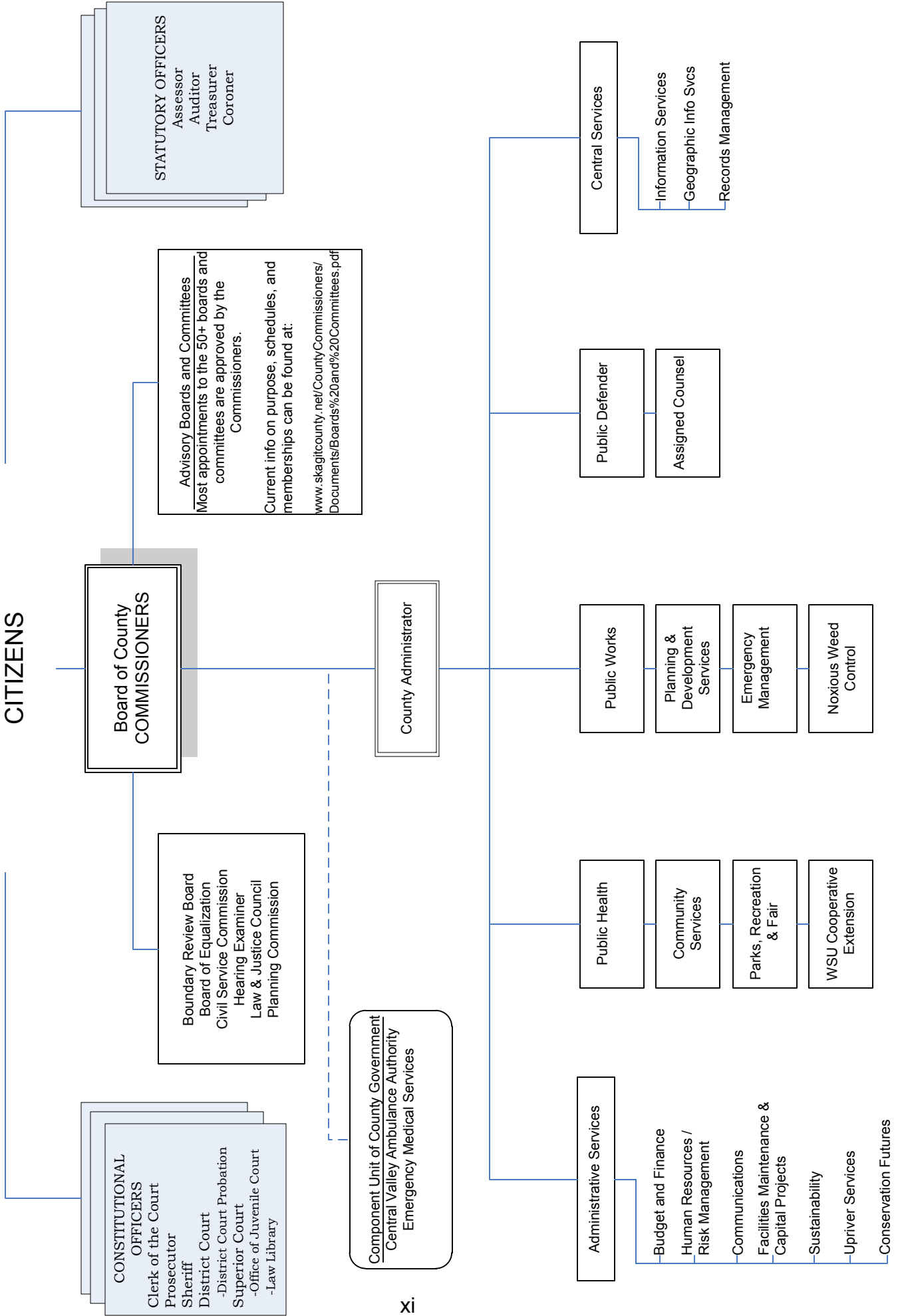
WILL REICHARDT	DECEMBER 2014
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TREASURER

KATIE JUNGQUIST	DECEMBER 2014
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SKAGIT COUNTY

CITIZENS



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Financial Section





Washington State Auditor Troy Kelley

INDEPENDENT AUDITOR'S REPORT

June 25, 2014

Board of Commissioners
Skagit County
Mount Vernon, Washington

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Skagit County, Washington, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Skagit County, Washington, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, County Road and Mental Health funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

As described in Note 1, during the year ended December 31, 2013, the County has implemented the Governmental Accounting Standards Board Statement No. 65, Items Previously Reported as Assets and Liabilities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as combining financial statements and supplementary information on pages 71 through 153

is presented for purposes of additional analysis. The accompanying Schedule of Expenditures of Federal Awards on pages 193 to 203 is also presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These schedules are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated June 25, 2014, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the County's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Sincerely,



TROY KELLEY
STATE AUDITOR

This discussion and analysis provides a narrative overview of Skagit County's financial activities for the fiscal year ended December 31, 2013. It should be considered in conjunction with information contained in the financial statements and in the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- As of December 31, 2013, total assets of the County exceeded total liabilities by \$361 million. Net invested in capital assets (net of depreciation and related debt) account for 82.5% of this amount, at \$298 million. Of the remaining Net Position, \$31.1 million was restricted for specific purposes and \$31.7 million was unrestricted.
- Ending unassigned fund balance for the General Fund was \$14 million, an increase of \$2.1 million over the previous year. This was due to a conservative approach to spending practices and unanticipated increases in unstable revenue streams.
- Ending fund balance for the County Road fund was \$2.3 million, a decrease of \$4.2 million over the previous year. This was mainly due to an increase in maintenance activities as well as one-time settlements.
- Ending fund balance for the Mental Health fund was \$5.5 million, an increase of \$.1 million over the previous year. This was mainly due to slight changes in grant revenues.
- Total long-term liabilities of the County were \$42 million at December 31, 2013.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

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

The financial statements also include information for The Emergency Medical Services Commission and The Central Valley Ambulance Authority, component units of Skagit County. The component units are not covered in this discussion. Additional information concerning these entities may be found in Note I of the notes to the financial statements.

Fund Financial Statements

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

Governmental Funds

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

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

Proprietary Funds

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

Fiduciary Funds

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

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Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

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

	Governmental		Business-Type		Total		% Change
	Activities		Activities				
	2013	2012	2013	2012	2013	2012	
ASSETS							
Current and Other Assets	\$88,071,614	\$80,160,553	\$5,089,795	\$5,424,307	\$93,161,409	\$85,584,860	8.85%
Capital Assets and							
Construction in Progress (Net of Depreciation)	301,896,811	332,647,756	16,811,569	16,686,185	318,708,380	349,333,941	-8.77%
Total Assets	<u>389,968,425</u>	<u>\$412,808,309</u>	<u>21,901,364</u>	<u>\$22,110,492</u>	<u>411,869,789</u>	<u>434,918,801</u>	-5.30%
LIABILITIES							
Long-Term Liabilities	20,694,280	19,280,981	16,319,237	17,032,112	37,013,517	36,313,093	1.93%
Other Liabilities	12,482,136	11,073,169	1,282,224	797,339	13,764,360	11,870,508	15.95%
Total Liabilities	<u>33,176,416</u>	<u>30,354,150</u>	<u>17,601,461</u>	<u>17,829,451</u>	<u>50,777,877</u>	<u>48,183,601</u>	5.38%
DEFERRED INFLOW OF RESOURCES	<u>96,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,262</u>	<u>-</u>	100.00%
NET POSITION							
Net Investments in Capital Assets	291,055,467	324,989,837	7,110,665	6,207,740	298,166,132	331,197,577	-9.97%
Restricted	31,055,769	28,152,145	-	-	31,055,769	28,152,145	10.31%
Unrestricted	34,584,508	29,312,177	(2,810,762)	(1,926,699)	31,773,746	27,385,478	16.02%
Total Net Position	<u>\$356,695,744</u>	<u>382,454,159</u>	<u>\$ 4,299,903</u>	<u>\$ 4,281,041</u>	<u>\$360,995,647</u>	<u>\$386,735,200</u>	-6.66%

Of the \$93.2 million in current and other assets at December 31, 2013, \$67.2 million is cash, cash equivalents and investments. A very small portion of this amount, \$2.3 million, is restricted for specific purposes. Accounts receivable, Notes receivable and amounts due from other governments total \$18.3 million. Inventories/prepayments total \$5.3 million. The remaining \$0.1 million is deferred charges. Cash, cash equivalents and investments represented 72% (compared to 73.2% in 2012), while accounts receivable, notes receivable and amounts due from other governments accounted for 19% (compared to 17.9% from 2012). The County implemented GASB Statement No 65, *Items Previously Reported as Assets and Liabilities* in 2013, and has not restated deferred inflows in prior years for practical purposes.

At December 31, 2013, the County had outstanding long-term liabilities of \$42 million. Of this total, \$5 million was due within one year. See Note V of the notes to the financial statements for more information regarding long term debt. Other liabilities amounted to \$8.7 million. These represent primarily accounts payable and accrued liabilities due as a result of ordinary operations.

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The largest portion of the County's Net Position (82.6%) reflects its investment in capital assets, less any outstanding related debt used to acquire those assets. The County's capital assets are used to provide services to citizens and are therefore not available to finance future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, 8.6% of the County's net position is subject to legal restrictions for specific purposes. The remaining balance of Net Position, \$31.8 million (8.8%), is unrestricted and may be used to finance ongoing general operations of the County.

Statement of Changes in Net Position

The County's total Net Position decreased by \$25.7 million in 2013, primarily due to a prior period adjustment for infrastructure asset depreciation as well as a significant decrease in the road fund due to increased maintenance costs as well as specific one time settlements. See Note IX in the notes to the financial statements for the prior period adjustment. Governmental activities reflected a decrease of \$6.2 million while the Net Position of business-type activities decreased \$.1 million. Key elements in these changes are shown in the following table:

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
REVENUES						
Program Revenues						
Charges for Services	\$29,885,783	\$26,148,031	\$10,262,833	\$9,689,169	\$40,148,616	\$35,837,200
Operating Grants and Contributions	7,423,603	9,492,002	446,909	480,798	7,870,512	9,972,800
Capital Grants and Contributions	4,165,511	13,169,596	54,414	-	4,219,925	13,169,596
General Revenues						
Taxes	63,104,028	60,358,801	-	-	63,104,028	60,358,801
Interest Earnings on Investments	2,001,010	589,613	7,592	13,528	2,008,602	603,141
Total Revenues	<u>106,579,935</u>	<u>\$109,758,043</u>	<u>10,771,748</u>	<u>\$10,183,495</u>	<u>117,351,683</u>	<u>119,941,538</u>
PROGRAM EXPENSES						
General Government	31,210,941	32,996,294	-	-	31,210,941	32,996,294
Judicial	7,068,715	6,762,929	-	-	7,068,715	6,762,929
Public Safety	22,333,986	19,980,408	-	-	22,333,986	19,980,408
Physical Environment	2,835,410	2,729,881	-	-	2,835,410	2,729,881
Transportation	32,986,406	29,724,498	-	-	32,986,406	29,724,498
Economic Environment	3,188,571	3,233,397	-	-	3,188,571	3,233,397
Health and Human Services	11,895,878	10,391,910	-	-	11,895,878	10,391,910
Culture and Recreation	1,699,884	2,066,029	-	-	1,699,884	2,066,029
Solid Waste	-	-	8,826,690	6,952,600	8,826,690	6,952,600
Drainage Utility	-	-	1,468,019	1,716,453	1,468,019	1,716,453
Interest on Long Term Debt	969,862	222,519	511,926	498,826	1,481,788	721,345
Total Expenses	<u>114,189,653</u>	<u>108,107,865</u>	<u>10,806,635</u>	<u>9,167,879</u>	<u>124,996,288</u>	<u>117,275,744</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures before transfers	(7,609,718)	1,650,178	(34,887)	1,015,616	(7,644,605)	2,665,794
Special Items - Gain on Sale of Capital Assets	1,292,478		8,372		1,300,850	
Transfers	104,000	(185,509)	(104,000)	185,509	-	-
Change in Net Position	<u>(6,213,240)</u>	<u>1,464,669</u>	<u>(130,515)</u>	<u>1,201,125</u>	<u>(6,343,755)</u>	<u>2,665,794</u>
Net Position, January 1	382,454,159	381,270,713	4,281,041	1,576,799	386,735,200	382,847,512
Prior Period Adjustment	(19,545,175)	(281,223)	149,377	513,267	(19,395,798)	232,044
Net Position, January 1 - Restated	<u>362,908,984</u>	<u>380,989,490</u>	<u>4,430,418</u>	<u>2,090,066</u>	<u>367,339,402</u>	<u>383,079,556</u>
Net Position, December 31	<u>356,695,744</u>	<u>382,454,159</u>	<u>\$4,299,903</u>	<u>3,291,191</u>	<u>\$360,995,647</u>	<u>\$385,745,350</u>

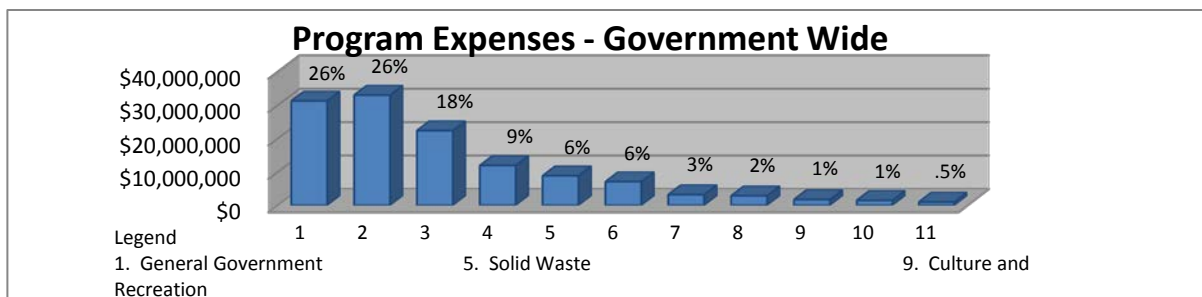
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Total revenues were \$117.4 million in 2013, a decrease of \$2.6 million from 2012. The main reason for the decrease is the construction project completions and the corresponding grant revenue reductions in the road fund in 2013. Governmental activities provided \$106.6 million (91%), while business-type activities added \$10.8 million. Within governmental activities, tax revenue accounted for 60% of total revenue sources, with grants and contributions accounting for 11% (down from 20.6% in 2012).

Charges for services accounted for 95% of the revenues of business type activities, with the remaining provided by interest and operating grants and contributions.

Total expenses for the year amounted to \$125 million, an increase of \$7.7 million from 2012. Governmental activities accounted for \$114.2 million (91%), with the largest program expenses in the areas of general government, transportation, and public safety. These three programs accounted for 76% of total governmental expenses. Of the \$10.8 million in business-type expenses, 82% is associated with the solid waste program, a 8% increase from 2012.

The following graph illustrates 2013 government wide program spending:



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Governmental Funds Balance Sheet Analysis

The General Fund and County Road Fund, and the Mental Health Fund are the County's major funds in 2013. Together these funds account for 53% of total governmental fund assets and 47% of total governmental fund balances.

As of December 31, 2013, the County's governmental funds reported combined fund balances of \$46.5 million, an increase from \$45.6 million in 2012. Of this amount, \$.1 million (.1%) is Nonspendable, \$29 million (63%) is Restricted, \$3.1 million (6.9%) is reported as Committed, and \$14 million (30%) is unassigned and available for spending within the designated funds. Nonspendable, Restricted, Committed, and Assigned fund balance of \$32.5 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 from \$11.9 million at December 31, 2012, to \$14 million at December 31, 2013. Unassigned fund balance is 100% of the total fund balance. Total assets of the General Fund were \$21 million at December 31, 2013, accounting for 35% of total governmental fund assets. This represents a decrease of \$1.5 million from 2012. This decrease is a result of a

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conservative approach to spending policies as well as an accounting change resulting in the removal of an unstable receivable. See Note IV B in the financial statement notes.

Governmental Funds Revenue/Expenditure Analysis

Total revenues for governmental funds were \$104.6 million in 2013. This represents a decrease of \$5.4 million from 2012. This was mainly due to the completion of transportation construction projects, and the subsequent grant revenue reductions. During the same period, total expenditures decreased to \$105.6 million, down from \$110 million in 2012. This decrease is reflected primarily in the County Road Fund completion of two major construction projects. The General Fund, Mental Health Fund, and the County Road fund account for 71% of all governmental fund revenue (down from 72.8% in 2012) and 67% of all expenditures (down from 68% in 2012).

The net change in fund balance for the General Fund in 2013 was a positive \$2 million. The decrease in fund balance for the County Road fund was \$4.2 million. The net change in the Mental Health Fund was \$.09 million. The non-major governmental funds had an overall positive change in fund balances of \$2.8 million for 2013.

Enterprise Funds Net Position Analysis

Both enterprise funds of Skagit County, the Solid Waste Fund and the Drainage Utility Fund, are considered major funds for 2013. Comparative information from the proprietary funds' statement of Net Position is as follows:

	Solid Waste		Drainage Utility		Total	
	2013	2012	2013	2012	2013	2012
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$1,735,698	\$1,823,196	\$2,748,021	\$2,784,564	\$4,483,719	\$4,607,760
Other Current Assets	890,894	1,015,240	71,545	86,637	962,439	1,101,877
Total Current Assets	2,626,592	\$2,838,436	2,819,566	\$2,871,201	5,446,158	5,709,637
Non-Current Assets						
Construction in Progress	-	8,636,979	833,302	666,271	833,302	9,303,250
Capital Assets	13,627,814	4,918,721	7,043,033	6,636,863	20,670,847	11,555,584
Less Accumulated Depreciation	(2,902,980)	(2,629,207)	(1,789,600)	(1,543,442)	(4,692,580)	(4,172,649)
Unamortized Debt Issue Costs	-	50,602	-	-	-	50,602
Total Non-Current Assets	10,724,834	10,977,095	6,086,735	5,759,692	16,811,569	16,736,787
Total Assets	13,351,426	\$13,815,531	8,906,301	\$8,630,893	22,257,727	22,446,424
LIABILITIES						
Current Liabilities						
Accounts/Vouchers Payable	363,238	493,285	84,478	189,917	447,716	683,202
Other Current Liabilities	978,174	1,428,823	118,867	119,246	1,097,041	1,548,069
Total Current Liabilities	1,341,412	1,922,108	203,345	309,163	1,544,757	2,231,271
Non-Current Liabilities						
Bonds Payable	9,220,905	9,679,046	-	-	9,220,905	9,679,046
Other Non-Current Liabilities	7,166,037	6,232,444	26,125	22,622	7,192,162	6,255,066
Total Non-Current Liabilities	16,386,942	15,911,490	26,125	22,622	16,413,067	15,934,112
Total Liabilities	17,728,354	17,833,598	229,470	331,785	17,957,824	18,165,383
NET POSITION						
Net Investment in Capital Assets	1,023,929	448,048	6,086,736	5,759,692	7,110,665	6,207,740
Unrestricted	(5,400,857)	(4,466,115)	2,590,095	2,539,416	(2,810,762)	(1,926,699)
Total Net Position	(\$4,376,928)	(4,018,067)	\$8,676,831	8,299,108	\$4,299,903	\$4,281,041

As of December 31, 2013, the enterprise funds reported combined Net Position of \$4.3 million (compared to \$4.3 million in 2012). This is the total of a \$4.4 million deficit in the Solid Waste

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Fund (up from \$4.0 million in 2012) and a positive \$8.7 million in the Drainage Utility Fund (up from \$8.3 million in 2012). The Solid Waste Fund reports an investment in capital assets, net of related debt, of \$1 million. This is due to the completion of the transfer station in 2013.

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:

	Solid Waste		Drainage Utility		Total	
	2013	2012	2013	2012	2013	2012
REVENUES						
Charges for Services	\$8,583,653	\$8,061,432	\$1,645,499	\$1,604,197	\$10,229,152	\$9,665,629
Intergovernmental	401,292	450,144	100,031	30,654	501,323	480,798
Interest Revenue	3,685	4,580	3,907	8,948	7,592	13,528
Miscellaneous Revenue	32,753	23,540	928		33,681	23,540
Total Revenues	<u>9,021,383</u>	<u>\$8,539,696</u>	<u>1,750,365</u>	<u>\$1,643,799</u>	<u>10,771,748</u>	<u>10,183,495</u>
EXPENSES						
Personal Services	1,713,290	1,615,247	619,664	584,845	2,332,954	2,200,092
Contractual Services	4,777,102	4,485,237			4,777,102	4,485,237
Other Supplies and Expenses	2,047,789	778,354	622,997	936,577	2,670,786	1,714,931
Depreciation	288,509	73,762	225,358	195,031	513,867	268,793
Loss on Disposition of Capital Assets	(8,372)	-			(8,372)	-
Interest Expense	511,926	498,826	-	-	511,926	498,826
Total Expenses	<u>9,330,244</u>	<u>7,451,426</u>	<u>1,468,019</u>	<u>1,716,453</u>	<u>10,798,263</u>	<u>9,167,879</u>
Income (Loss) Before Transfers	(308,861)	1,088,270	282,346	(72,654)	(26,515)	1,015,616
Capital Contributions	-	-	-	-	-	-
Interfund Transfers	(50,000)	(57,320)	(54,000)	242,829	(104,000)	185,509
Change in Net Position	<u>(358,861)</u>	<u>1,030,950</u>	<u>228,346</u>	<u>170,175</u>	<u>(130,515)</u>	<u>1,201,125</u>
Net Position, January 1	(4,018,067)	(5,049,017)	8,299,108	8,128,933	4,281,041	3,079,916
Prior Period Adjustment	-	-	149,377	-	149,377	-
Net Position, January 1 - Restated	<u>(4,018,067)</u>	<u>(5,049,017)</u>	<u>8,448,485</u>	<u>8,128,933</u>	<u>4,430,418</u>	<u>3,079,916</u>
Net Position, December 31	<u>(\$4,376,928)</u>	<u>(4,018,067)</u>	<u>\$8,676,831</u>	<u>8,299,108</u>	<u>4,299,903</u>	<u>\$4,281,041</u>

Revenues from the Solid Waste Fund represent 84% of the total revenues for enterprise funds in 2013, remaining the same as 2012. Total expenses for the funds were 100.2%, an increase from 90% in 2012.

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GENERAL FUND BUDGETARY HIGHLIGHTS

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

For the Year Ended December 31, 2013

	<u>Original</u>	<u>Final</u>	<u>Variance</u>
	<u>Budget</u>	<u>Budget</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
BUDGETED FUND BALANCE, JANUARY 1	\$ 1,747,927	\$ 2,783,657	\$1,035,730
RESOURCES (IN-FLOWS)			
Taxes	33,357,232	33,357,232	-
Licenses & Permits	27,000	27,000	-
Intergovernmental Revenue	6,696,859	6,720,800	23,941
Charges for Goods and Services	4,328,352	4,395,312	66,960
Fines and Forfeits	1,713,300	1,713,300	-
Interest Revenue	521,600	521,600	-
Miscellaneous Revenues	428,803	882,136	453,333
Transfers In	176,515	176,515	-
Total Resources (in-flows)	<u>47,249,661</u>	<u>47,793,895</u>	<u>544,234</u>
Amounts Available for Appropriation	<u>48,997,588</u>	<u>50,577,552</u>	<u>1,579,964</u>
CHARGES TO APPROPRIATIONS (OUT-FLOWS)			
General Government Services	17,437,941	18,542,309	(1,104,368)
Judicial	8,461,477	8,551,439	(89,962)
Public Safety	17,462,999	17,378,639	84,360
Physical Environment	77,806	75,333	2,473
Economic Environment	428,648	445,069	(16,421)
Health and Human Services	291,751	290,825	926
Culture and Recreation	363,594	361,233	2,361
Debt Service	56,667	510,000	(453,333)
Capital Expenditures	30,000	36,000	(6,000)
Transfers Out	4,386,705	4,386,705	-
Amount Charged to Appropriations (out-flows)	<u>48,997,588</u>	<u>50,577,552</u>	<u>(1,579,964)</u>
BUDGETED FUND BALANCE, DECEMBER 31	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

The net increase in revenues in the final amended budget represented a favorable variance of 1.15%. The net increase in expenditures represented an unfavorable increase of 3.22%. Total budgeted expenditures increased more than revenue increased by approximately \$1 million.

The final budget appropriation for general government services reflected an increase that was softened by the incorporation of closure day savings. The increase was primarily due to new grant funding, reserve for pending claims, and increasing the budget for several class A felonies and two high profile murder cases that are handled by the Office of Assigned Counsel.

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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, 2013**

	<u>Final</u>		<u>Changes</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
FUND BALANCE, JANUARY 1	\$ 2,783,657	\$ 11,915,249	\$9,131,592
RESOURCES (IN-FLOWS)			
Taxes	33,357,232	32,314,204	(1,043,028)
Licenses & Permits	27,000	262,834	235,834
Intergovernmental Revenue	6,720,800	7,169,922	449,122
Charges for Goods and Services	4,395,312	3,212,447	(1,182,865)
Fines and Forfeits	1,713,300	2,538,412	825,112
Interest Revenue	521,600	1,881,860	1,360,260
Miscellaneous Revenues	882,136	968,185	86,050
Transfers In	176,515	185,967	9,452
Total Resources (in-flows)	<u>47,793,895</u>	<u>48,533,831</u>	<u>739,937</u>
Amounts Available for Appropriation	<u>50,577,552</u>	<u>60,449,080</u>	<u>9,871,529</u>
CHARGES TO APPROPRIATIONS (OUT-FLOWS)			
General Government Services	18,542,309	15,554,144	2,988,165
Judicial	8,551,439	8,426,160	125,279
Public Safety	17,378,639	16,572,575	806,064
Physical Environment	75,333	41,735	33,598
Economic Environment	445,069	369,433	75,636
Health and Human Services	290,825	272,186	18,639
Culture and Recreation	361,233	342,366	18,867
Debt Service	510,000	510,000	0
Capitalized Expenditures	36,000	13,071	22,929
Transfers Out	4,386,705	4,385,318	1,387
Amount Charged to Appropriations (out-flows)	<u>50,577,552</u>	<u>46,486,988</u>	<u>4,090,564</u>
FUND BALANCE, DECEMBER 31	<u>\$0</u>	<u>\$13,962,092</u>	<u>\$13,962,093</u>

The largest dollar variances are reflected in taxes, charges for goods and services, and interest revenue. The increase in taxes category is attributable to an increase in sales tax revenue and timber tax increases. Interest revenue is a result of the changes in required reporting from Washington State BARS manual, implemented in 2013. Prior interest and penalties on delinquent property taxes were netted with property tax revenue. BARS 2013 separated the penalties from the interest. It is important to note that while the budget was not adjusted, the projections throughout the year included this revenue stream as it was received.

Actual expenditures were 8% less than budgeted. This is represented primarily by decreases in General Government Services and Public Safety, followed by overall decreases in all areas except Debt Service. The most significant variances are in General Government Services and Public Safety. The variance in General Government Services reflects lower than budgeted expenses for Information Technology services and salary and benefit savings due to unfilled

positions. The decrease in Public Safety is due primarily to underspending the available budget for housing prisoners outside of Skagit County and salary and benefit savings from unfilled positions.

CAPITAL ASSETS AND LONG TERM DEBT

Capital Assets

The County's net capital assets were \$297 million at December 31, 2013. Construction in progress was an additional \$4.7 million. Capital assets include land, development rights, buildings, improvements, furniture and equipment, and infrastructure. Details of 2013 capital asset transactions are presented in Note IV.D of the notes to the financial statements.

During 2013 the County continued construction and remodeling of real property for County use. Ongoing projects include several road construction projects, design of a new jail facility, recreation center improvements, miscellaneous small parks projects, and a solid waste transfer facility.

Long-Term Debt

At December 31, 2013, general obligation bonds payable as reported by governmental activities was \$18 million. This represents a \$6.2 million increase from the prior year. Business type activities reported general obligation bonds payable of \$9.7 million, a decrease of \$.5 million.

The County's remaining legal capacity for non-voted debt at December 31, 2013 was approximately \$195.9 million.

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

ECONOMIC FACTORS

Despite the slight upturn, the Skagit County economy continued to feel the impacts of a global downturn and continued uncertainty. According to the Washington State Employment Security Department, the number of unemployed individuals in the County in December 2013 was 6.6% compared to 9.1% in December 2012. Sales tax collections for 2013, which accounted for approximately 14.7% of the County's General Fund budget, were down approximately 4% from collections in 2012.

The County's overall financial position remains steady. Unassigned Net Position for governmental activities have increased by 18% compared to 2012. 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:

**Skagit County, Washington
Management's Discussion and Analysis
December 31, 2013**

- In April of 2003, the voters approved a 1/10th of 1% increase in sales tax to fund emergency communication systems and facilities.
- In December 2005, the Board of County Commissioners signed an Ordinance implementing a 1/10th of 1% increase in sales and use tax for the purpose of providing funds for new and expanded chemical dependency or mental health treatment services and for the operation of new or expanded therapeutic court programs.
- In December 2005, the Board of County Commissioners signed a resolution creating the Skagit County Clean Water (Shellfish Protection) District. While assessments were authorized at this time, collection didn't begin until the 2007 tax year. The assessment was authorized for 3 years. In September 2009, the Board of County Commissioners reauthorized the assessment for 5 years.
- In November 2010, the County issued Limited Tax General Obligation Bonds in the amount of \$9,740,000 for improvements to the County's solid waste transfer station and other capital improvements to County facilities.
- In December 2012, the Board of County Commissioners signed a resolution authorizing a shift from the Road Levy in the amount of \$700,000 to the General Levy.
- In April of 2013, the County signed an Interlocal agreement with partner agencies within the county to address the overcrowding issues with the Jail. It is anticipated that debt will be issued to finance a new Jail facility. Currently, a new jail facility is in the design and planning phase.
- In April of 2013, the County signed a resolution concerning a proposition that would authorize an additional sales and use tax at a rate of .3% to be used for the construction, maintenance and operation of jail facilities and police and fire protection. This proposition was approved by the voters in the August 6, 2013 primary election.

Requests for Information

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

Tim Holloran, County Administrator
County Commissioner's Office
1800 Continental Place, Suite 100
Mount Vernon, WA 98273
360-336-9300

Accounting Department
Skagit County Auditor's Office
PO Box 1306
Mount Vernon, WA 98273
360-336-9420

Basic Financial Statements



Basic Financial Statements

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

Government-wide Financial Statements

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

Fund Financial Statements

- (3) **Balance Sheet – Governmental Funds** – presents the balance sheets for major funds and aggregated amounts for all other governmental funds.
- (4) **Reconciliation of the Balance Sheet to the Government-wide Statement of Net Position.**
- (5) **Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds** - presents information for each major fund and aggregated information for all other governmental funds.
- (6) **Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-wide Statement of Activities.**
- (7) **Statement of Net Position – Proprietary Funds** – presents information on all assets and liabilities, with the difference reported as change in Net Position for the major enterprise fund and aggregated amounts for all other enterprise funds as well as a separate column of information for internal service funds.
- (8) **Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds** – presents information for each major fund and aggregated information for all other governmental funds. Major and non-major enterprise funds and internal service funds.
- (9) **Statement of Cash Flows** – presents information on the sources and uses of cash for the major fund and aggregated information for all other enterprise funds and internal service funds.
- (10) **Statement of Fiduciary Net Position** - presents information on agency fund assets and liabilities, with the difference reported as Net Position.
- (11) **Notes to Financial Statements** – presents disclosure and further detail information to assist the reader in a better understanding of the financial statements and the data presented with them.
- (12) **Required Supplementary Information – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual** – presents budget information, along with actual results, on separate statements for each major fund which has a legally adopted budget. Departmental information is included for the General fund, in accordance with the County’s legally adopted budget.

SKAGIT COUNTY, WASHINGTON

Statement of Net Position

December 31, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	EMS	CVA
ASSETS					
Cash and Cash Equivalents	\$ 48,472,900	\$ 4,483,719	\$ 52,956,619	\$ 466,694	\$ 764,017
Investments	14,249,595	-	14,249,595	3,394,859	
Accounts Receivables, Net	4,567,725	840,352	5,408,077		531,733
Due from Other Governments	5,509,736	122,087	5,631,823		-
Internal Balances	356,363	(356,363)	-		
Inventories and Prepayments	5,305,020	-	5,305,020	-	
Notes Receivable	7,270,000		7,270,000		
Restricted Assets:			-		
Restricted for Debt Service:			-		
Cash/Cash Equivalents	317,845	-	317,845		
Investments	2,022,430	-	2,022,430		
Non Depreciated Capital Assets	172,252,856	816,556	173,069,412		
Capital Assets, Net	124,936,874	15,161,711	140,098,585	762,579	269,246
Construction in Progress	4,707,081	833,302	5,540,383		
Total Assets	389,968,425	21,901,364	411,869,789	4,624,132	1,564,996
DEFERRED OUTFLOWS of RESOURCES					
LIABILITIES					
<u>Liabilities</u>					
Accounts Payable	5,355,905	447,715	5,803,620	340,609	28,136
Other Liabilities	2,616,573	122,679	2,739,252	24,150	156,342
Due to Other Governments	206,775	-	206,775	1,711	7,461
Long Term Liabilities:			-		
Due within One Year	4,302,886	711,830	5,014,716		
Due in More Than One Year	20,694,280	16,319,237	37,013,517	57,860	390,358
Total Liabilities	33,176,419	17,601,461	50,777,880	424,330	582,297
DEFERRED INFLOWS OF RESOURCES					
Total Deferred Inflows of Resources	96,262		96,262		
<u>Net Position</u>					
Net Investment in Capital Assets	291,055,467	7,110,665	298,166,132	762,579	269,246
Restricted for:					
General Government	6,726,343	-	6,726,343		
Public Safety	445,675	-	445,675		
Physical Environment	2,360,382	-	2,360,382		
Transportation	6,088,455	-	6,088,455		
Economic Environment	6,225,065	-	6,225,065		
Health & Human Services	6,568,728	-	6,568,728		
Culture and Recreation	308,681	-	308,681		
Debt Service	2,332,440	-	2,332,440		
Unrestricted	34,584,508	(2,810,762)	31,773,746	3,437,223	713,453
Total Net Position	\$ 356,695,744	\$ 4,299,903	\$ 360,995,647	\$ 4,199,802	\$ 982,699

SKAGIT COUNTY, WASHINGTON

Balance Sheet Governmental Funds December 31, 2013

	Major Funds				Total
	General Fund	Mental Health Fund	County Road Fund	Other Governmental Funds	
ASSETS and OUTFLOWS of RESOURCES					
Cash and Cash Equivalents	\$ 15,080,015	\$ 2,021,298	\$ 445,126	\$ 14,565,238	\$ 32,111,677
Investments	-	3,590,353	3,112,482	9,569,190	16,272,025
Taxes Receivable	744,426	9,884	391,518	230,811	1,376,639
Accounts Receivable, Net	173,005	0	678,243	13,520	864,768
Accounts Receivable Other	1,988,895				1,988,895
Interest Receivable	44,636	-	-		44,636
Due from Other Funds	1,408,013	-	412,220	579,924	2,400,157
Due from Other Governments	1,506,386	420,576	1,048,866	2,513,393	5,489,221
Interfund Loans Receivable	0	-	-	4,500	4,500
Inventories and Prepayments	1,275	-	-	120,735	122,010
Total Assets	20,946,651	6,042,111	6,088,455	27,597,311	60,674,528
 Deferred Outflows of Resources					
 Total Assets and Deferred Outflows of Resources	20,946,651	6,042,111	6,088,455	27,597,311	60,674,528
 LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES					
<u>Liabilities</u>					
Accounts and Vouchers Payable	597,268	426,992	398,608	1,333,026	2,755,894
Due to Other Funds	2,124,272	96,295	2,699,380	499,425	5,419,372
Due to Other Governmental Units	7,628	-	-	199,147	206,775
Accrued Wages Payable	896,713	20,506	244,332	244,084	1,405,635
Accrued Employee Benefits	174,100	3,871	48,663	62,844	289,478
Custodial Accounts	417,732	0	5,755	51,815	475,302
Unearned Revenue	757	0	0	216,638	217,395
Interfund Loans Payable	-	-	-	4,500	4,500
Total Liabilities	4,218,470	547,664	3,396,738	2,611,479	10,774,351
 Deferred Inflows of Resources	2,766,089	9,884	391,518	279,739	3,447,230
 <u>Fund Balance</u>					
Nonspendable				122,235	122,235
Restricted	-	5,484,563	2,300,199	21,481,247	29,266,009
Committed	-	-	-	3,102,611	3,102,611
Assigned				0	-
Unassigned	13,962,092	-	-	0	13,962,092
Total Fund Balances	13,962,092	5,484,563	2,300,199	24,706,093	46,452,947
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 20,946,651	\$ 6,042,111	\$ 6,088,455	\$ 27,597,311	\$ 60,674,528

SKAGIT COUNTY, WASHINGTON
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
December 31, 2013

Total fund balances as shown on the Governmental Fund Balance Sheet	\$ 46,452,947
Net capital assets of governmental funds as of December 31, 2013 Capital assets used in the activities of governmental funds are not financial resources and therefore are not reported in the funds.	293,032,170
Deferred Inflow of Resources in the governmental funds and recognized as revenue of the current period on the statement of activities.	3,365,635
Net Position of the internal service funds Internal service funds are included in governmental activities on the statement of net assets.	31,253,684
Balance of long-term liabilities of the governmental funds as of December 31, 2013 Liabilities not due and payable in the current period are not reported in the governmental funds.	(17,408,693)
Total Net Position as reported on the Statement of Net Position	\$ 356,695,744

SKAGIT COUNTY, WASHINGTON
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2013

	Major Funds				Total
	General Fund	Mental Health Fund	County Road Fund	Other Governmental Funds	
Revenues					
Property Taxes	\$ 24,161,230	\$ 323,888	\$ 11,150,557	\$ 10,315,203	\$ 45,950,878
Sales and Use Taxes	7,582,646	2,439,405	362,021	6,332,608	16,716,680
Other Taxes	570,328	7,405	48,269	269,825	895,827
Licenses and Permits	262,834	0	68,145	1,032,262	1,363,241
Intergovernmental Revenues	7,169,922	275,256	7,161,856	7,580,704	22,187,738
Charges for Services	3,212,447	1,545,565	2,343,572	3,478,723	10,580,307
Fines and Forfeits	2,538,412	-	-	67,857	2,606,269
Interest Earnings	1,881,860	4,487	6,148	102,816	1,995,311
Donations	32,955	-	-	446,687	479,642
Other Revenues	935,230	80	80,560	770,865	1,786,735
Total Revenues	48,347,864	4,596,086	21,221,128	30,397,550	104,562,628
Expenditures					
Current:					
General Government	15,554,144	-	783,185	881,564	17,218,893
Judicial	8,426,095	-	-	-	8,426,095
Public Safety	16,572,640	-	-	10,154,429	26,727,069
Physical Environment	41,735	-	-	3,563,463	3,605,198
Transportation	-	-	18,492,238	380,626	18,872,864
Economic Environment	369,433	-	-	3,366,736	3,736,169
Health and Human Services	272,186	4,370,225	-	8,521,190	13,163,601
Culture and Recreation	342,366	-	-	1,766,378	2,108,744
Debt Service:					
Principal	510,000	-	-	1,574,813	2,084,813
Interest	-	-	-	667,297	667,297
Capital Outlay	13,071	-	4,997,153	3,949,846	8,960,070
Total Expenditures	42,101,670	4,370,225	24,272,576	34,826,342	105,570,813
Excess (Deficit) Revenues Over Expenditures	6,246,194	225,861	(3,051,448)	(4,428,792)	(1,008,185)
Other Financing Sources (Uses)					
Proceeds of Long Term Debt	-	-	-	715,416	715,416
Proceeds from Sale of Capital Assets	-	-	15,600	1,399,000	1,414,600
Transfers In	185,967	-	-	6,872,676	7,058,643
Transfers Out	(4,385,318)	(133,967)	(1,115,906)	(1,706,899)	(7,342,090)
Total Other Financing Source (Uses)	(4,199,351)	(133,967)	(1,100,306)	7,280,193	1,846,569
Net Change in Fund Balance	2,046,843	91,894	(4,151,754)	2,851,401	838,384
Fund Balance, January 1	11,915,249	5,392,669	6,451,953	21,854,691	45,614,562
Prior Period Adjustment	-	-	-	-	-
Fund Balance, January 1, as restated	11,915,249	5,392,669	6,451,953	21,854,691	45,614,562
Fund Balance, December 31	\$ 13,962,092	\$ 5,484,563	\$ 2,300,199	\$ 24,706,092	\$ 46,452,946

SKAGIT COUNTY, WASHINGTON
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2013

Net change in fund balances as shown on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 838,384
Net Capital Asset Activity	(12,366,756)
<p style="margin-left: 20px;">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.</p>	
Net Internal Service Fund Activity	4,248,313
<p style="margin-left: 20px;">Internal service funds are included in governmental activities on the statement of Net Position</p>	
Net Long-Term Debt Activity	1,512,332
<p style="margin-left: 20px;">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.</p>	
Net change in deferred revenues and revenues not reportable on the modified accrual basis	(445,515)
<p style="margin-left: 20px;">Revenues are reported on the modified accrual basis for the governmental funds statements and on the full accrual basis for the statement of activities.</p>	
Change in Net Position as reflected in the Statement of Activities	\$ (6,213,240)

SKAGIT COUNTY, WASHINGTON
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Budgeted Fund Balance, January 1	\$ 1,747,927	\$ 2,783,657	\$ 11,915,249	
Resources (in-flows)				
Taxes	33,357,232	33,357,232	32,314,204	(1,043,028)
Licenses and Permits	27,000	27,000	262,834	235,834
Intergovernmental Revenue	6,696,859	6,720,800	7,169,922	449,122
Charges for Services	4,328,352	4,395,312	3,212,447	(1,182,865)
Fines and Forfeits	1,713,300	1,713,300	2,538,412	825,112
Interest Revenue	521,600	521,600	1,881,860	1,360,260
Miscellaneous Revenues	428,803	882,136	968,185	86,049
Transfers In	176,515	176,515	185,967	9,452
Total Resources (in-flows)	<u>47,249,661</u>	<u>47,793,895</u>	<u>48,533,831</u>	<u>739,936</u>
Amounts Available for Appropriation	48,997,588	50,577,552	60,449,080	
Charges to Appropriations (out-flows)				
General Government	17,437,941	18,542,309	15,554,144	(2,988,165)
Judicial	8,461,477	8,551,439	8,426,160	(125,279)
Public Safety	17,462,999	17,378,639	16,572,575	(806,064)
Physical Environment	77,806	75,333	41,735	(33,598)
Economic Environment	428,648	445,069	369,433	(75,636)
Health and Human Services	291,751	290,825	272,186	(18,639)
Culture and Recreation	363,594	361,233	342,366	(18,867)
Debt Service	56,667	510,000	510,000	-
Capital Expenditures	30,000	36,000	13,071	(22,929)
Transfers Out	4,386,705	4,386,705	4,385,318	(1,387)
Amount Charged to Appropriations (out-f	<u>48,997,588</u>	<u>50,577,552</u>	<u>46,486,988</u>	<u>(4,090,564)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,962,092</u>	

SKAGIT COUNTY, WASHINGTON
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
Mental Health Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Budgeted Fund Balance, January 1	\$ 954,098	\$ 931,344	\$ 5,392,669	
Resources (in-flows)				
General Property Taxes	312,420	312,420	323,888	11,468
Timber Harvest Taxes	5,698	5,698	-	(5,698)
Excise Taxes	2,273,638	2,273,638	2,446,810	173,172
Licenses and Permits				-
Intergovernmental Revenues	221,531	221,531	275,256	53,725
Charges for Services	1,460,853	1,460,853	1,545,565	84,712
Interest Earnings	3,687	3,687	4,487	800
Other Revenue	99	99	80	(19)
Total Resources (in-flows)	<u>4,277,926</u>	<u>4,277,926</u>	<u>4,596,086</u>	<u>318,160</u>
Amounts Available for Appropriation	5,232,024	5,209,270	9,988,755	
Charges to Appropriations (out-flows)				
Health and Human Services	3,956,450	3,933,696	4,370,225	436,529
Transfers Out	1,275,574	1,275,574	133,967	(1,141,607)
Amount Charged to Appropriations (out-flows)	<u>5,232,024</u>	<u>5,209,270</u>	<u>4,504,192</u>	<u>(705,078)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,484,563</u>	

SKAGIT COUNTY, WASHINGTON
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
County Road Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Budgeted Fund Balance, January 1	\$ 7,826,242	\$ 7,606,040	\$ 6,451,953	
Resources (in-flows)				
General Property Taxes	11,101,249	11,101,249	11,150,557	49,308
Timber Harvest Taxes	300,000	300,000	-	(300,000)
Excise Taxes	45,000	45,000	410,290	365,290
Licenses and Permits	46,000	46,000	68,145	22,145
Intergovernmental Revenues	11,396,743	11,396,743	7,161,856	(4,234,887)
Charges for Services	1,560,400	1,560,400	2,343,572	783,172
Interest Earnings	20,200	20,200	6,148	(14,052)
Other Revenue	70,600	70,600	96,160	25,560
Total Resources (in-flows)	<u>24,540,192</u>	<u>24,540,192</u>	<u>21,236,728</u>	<u>(3,303,464)</u>
Amounts Available for Appropriation	32,366,434	32,146,232	27,688,681	
Charges to Appropriations (out-flows)				
General Government	95,967	94,898	783,185	688,287
Transportation	23,400,968	23,181,835	18,492,238	(4,689,597)
Capital Expenditures	8,009,959	8,009,959	4,997,153	(3,012,806)
Transfers Out	859,540	859,540	1,115,906	256,366
Amount Charged to Appropriations (out-flows)	<u>32,366,434</u>	<u>32,146,232</u>	<u>25,388,482</u>	<u>(6,757,750)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,300,199</u>	

SKAGIT COUNTY, WASHINGTON

Statement of Net Position

Proprietary Funds

December 31, 2013

	Business-Type Activities Enterprise Funds			Governmental Activities
	Solid Waste	Drainage Utility	Total	*Internal Service Funds
ASSETS				
<u>Current Assets</u>				
Cash/Cash Equivalents	\$ 1,735,698	\$ 2,748,021	\$ 4,483,719	\$ 16,679,068
Accounts Receivable	772,870	67,482	840,352	292,784
Due From Other Funds		-	-	3,611,968
Due from Other Governments	118,024	4,063	122,087	20,543
Inventories/Prepayments	-	-	-	5,183,010
Total Current Assets	2,626,592	2,819,566	5,446,158	25,787,373
<u>Non-Current Assets</u>				
<u>Capital Assets</u>				
Land	618,875	197,681	816,556	-
Buildings	9,899,874	-	9,899,874	180,888
Improvements	1,301,780	6,815,783	8,117,563	-
Machinery and Equipment	1,807,285	29,569	1,836,854	18,096,371
Less Accumulated Depreciation	(2,902,980)	(1,789,600)	(4,692,580)	(9,412,618)
Construction In Progress	-	833,302	833,302	-
Total Non-Current Assets	10,724,834	6,086,735	16,811,569	8,864,641
 Total Assets	13,351,426	8,906,301	22,257,727	34,652,014
 LIABILITIES AND FUND EQUITY				
<u>Current Liabilities</u>				
Accounts/Vouchers Payable	363,238	84,478	447,715	2,600,011
Due to Other Funds	265,406	90,956	356,363	236,419
Interest Payable	34,187	-	34,187	-
Interfund Loans Payable				
Accrued Wages Payable	49,345	23,319	72,664	165,939
Accrued Employee Benefits	11,236	4,592	15,828	25,210
Accrued Taxes Payable	-	-	-	-
Other Accrued Liabilities	138,000	-	138,000	4,000
Bonds Payable	480,000	-	480,000	-
Total Current Liabilities	1,341,412	203,345	1,544,757	3,031,579
<u>Non-Current Liabilities</u>				
Compensated Absences	67,705	26,125	93,830	248,639
Post Closure Landfill Costs	3,089,663	-	3,089,663	-
Environmental Liability	4,008,669	-	4,008,669	118,112
Bonds Payable	9,220,905	-	9,220,905	-
Total Non-Current Liabilities	16,386,942	26,125	16,413,067	366,751
Total Liabilities	17,728,354	229,470	17,957,824	3,398,329
<u>Net Position</u>				
Net Investment in Capital Assets	1,023,929	6,086,736	7,110,665	8,864,641
Unrestricted	(5,400,857)	2,590,095	(2,810,762)	22,389,043
Total Net Position	\$ (4,376,928)	\$ 8,676,831	\$ 4,299,903	\$ 31,253,684

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, 2013

	Business - Type Activities Enterprise Funds			Governmental Activities
	Solid Waste	Drainage Utility	Total	*Internal Service Funds
<u>Operating Revenues</u>				
Charges for Services	\$ 8,583,653	\$ 1,645,499	\$ 10,229,152	\$ 15,828,927
Other Operating Revenue		-	-	11,242,355
Total Operating Revenues	<u>8,583,653</u>	<u>1,645,499</u>	<u>10,229,152</u>	<u>27,071,282</u>
<u>Operating Expenses</u>				
Personnel Services	1,713,290	619,664	2,332,954	4,479,743
Contractual Services	4,777,102	-	4,777,102	2,347,815
Supplies and Expenses	2,047,789	622,997	2,670,786	6,878,429
Depreciation	288,509	225,358	513,867	1,030,207
Payment to Claimants	-	-	-	8,396,749
Total Operating Expenses	<u>8,826,690</u>	<u>1,468,019</u>	<u>10,294,709</u>	<u>23,132,943</u>
Operating Income (Loss)	<u>(243,037)</u>	<u>177,480</u>	<u>(65,557)</u>	<u>3,938,339</u>
<u>Non-Operating Revenue (Expenses)</u>				
Intergovernmental Revenue	401,292	100,031	501,323	-
Interest Revenue	3,685	3,907	7,592	5,699
Miscellaneous Revenue	32,753	928	33,681	38,949
Gain (Loss) on Disposition of Capital Assets	8,372	-	8,372	(122,122)
Interest Expense	(511,926)	-	(511,926)	-
Miscellaneous Expense	-	-	-	-
Total Non-Operating Revenue (Expenses)	<u>(65,824)</u>	<u>104,866</u>	<u>39,042</u>	<u>(77,474)</u>
Income (Loss) before Transfers	(308,861)	282,346	(26,515)	3,860,865
Transfers In	-	-	-	387,448
Transfers Out	(50,000)	(54,000)	(104,000)	-
Change in Net Position	<u>(358,861)</u>	<u>228,346</u>	<u>(130,515)</u>	<u>4,248,313</u>
Net Position, January 1	(4,018,067)	8,299,108	4,281,041	27,005,371
Prior Period Adjustment	-	149,377	149,377	
Net Position, January 1, as Restated	<u>(4,018,067)</u>	<u>8,448,485</u>	<u>4,430,418</u>	<u>27,005,371</u>
Net Position, December 31	<u>\$ (4,376,928)</u>	<u>\$ 8,676,831</u>	<u>\$ 4,299,903</u>	<u>\$ 31,253,684</u>

SKAGIT COUNTY, WASHINGTON
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business - Type Activities Enterprise Funds			Governmental Activities
	Solid Waste	Drainage Utility	Total	*Internal Service Funds
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 8,770,701	\$ 1,664,653	\$ 10,435,354	\$ 1,955,374
Receipts from Interfund Services Provided	-	-	-	24,567,810
Payments to Employees	(1,714,384)	(605,979)	(2,320,363)	(4,203,508)
Payments to Suppliers	(5,248,063)	(510,155)	(5,758,218)	(8,998,738)
Payments to Claimants	-	-	-	(8,426,517)
Payments for Interfund Services Used	(850,195)	(228,842)	(1,079,037)	(2,289,758)
Miscellaneous Receipts	-	-	-	91,631
Miscellaneous Payments	41,125	-	41,125	-
Net Cash Provided (Used)	<u>999,184</u>	<u>319,677</u>	<u>1,318,861</u>	<u>2,696,294</u>
Cash Flows From Non-Capital Financing Activities:				
Operating Grants Received	338,604	95,968	434,572	-
Transfers to Other Funds	(50,000)	(54,000)	(104,000)	(387,448)
Net Cash Provided (Used)	<u>288,604</u>	<u>41,968</u>	<u>330,572</u>	<u>(387,448)</u>
Cash Flows from Capital and Related Financing Activities:				
Proceeds from Capital Grant	-	-	-	-
Purchases of Capital Assets	(86,851)	(423,823)	(510,674)	(1,745,878)
Proceeds from Sale of Capital Assets	-	-	-	559,281
Principal Paid on Capital Debt	(850,000)	-	(850,000)	-
Interest Paid on Capital Debt	(442,120)	-	(442,120)	-
Other Receipts (Payments)	-	21,728	21,728	-
Net Cash Provided (Used)	<u>(1,378,971)</u>	<u>(402,095)</u>	<u>(1,781,066)</u>	<u>(1,186,597)</u>
Cash Flows from Investing Activities:				
Sale of Investments	-	-	-	-
Interest Earnings	3,685	3,907	7,592	5,699
Net Cash Provided	<u>3,685</u>	<u>3,907</u>	<u>7,592</u>	<u>5,699</u>
Net Change in Cash and Cash Equivalents	(87,498)	(36,543)	(124,041)	1,127,948
Balance, January 1	1,823,197	2,784,564	4,607,761	15,551,121
Balance, December 31	<u>\$ 1,735,698</u>	<u>\$ 2,748,021</u>	<u>\$ 4,483,719</u>	<u>\$ 16,679,069</u>

SKAGIT COUNTY, WASHINGTON
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business - Type Activities Enterprise Funds			Governmental Activities
	Solid Waste	Drainage Utility	Total	*Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (243,037)	\$ 177,480	\$ (65,557)	\$ 3,938,338
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	288,509	225,358	513,867	1,030,207
Miscellaneous Receipts	41,125	-	41,125	73,466
Changes in Assets and Liabilities:				
Receivables, Net	187,048	19,154	206,202	(491,794)
Prepayments	-	-	-	181,349
Inventories	-	-	-	70,646
Accounts and Other Payables	725,539	(102,314)	623,225	(2,105,918)
Net Cash Provided (Used) by Operating Activities	<u>\$ 999,184</u>	<u>\$ 319,678</u>	<u>\$ 1,318,862</u>	<u>\$ 2,696,294</u>

SKAGIT COUNTY, WASHINGTON

Statement of Fiduciary Net Position

Fiduciary Funds

December 31, 2013

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 30,357,111
Investments	288,363,048
Taxes Receivable	4,219,826
Deposits	-
Total Assets	<u>\$322,939,985</u>
LIABILITIES	
Warrants Payable	\$16,913,253
Custodial Accounts	306,026,732
Total Liabilities	<u>\$ 322,939,985</u>

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

I. Summary of Significant Accounting Policies

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

Reporting Entity

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

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

The Skagit County Emergency Medical Services Commission was established on April 1, 2003 by Ordinance #O20030003 of the Board of County Commissioners. The EMS Commission was established pursuant to the Revised Code of Washington 35.21.730 and 36.01.095 for the purpose of providing emergency medical services within the County. EMS is funded by an excess property tax levy approved by the voters through 2018. The Board of County Commissioners appoints the members of the EMS board and has final approval on the EMS operating budget. As of July 1, 2009, EMS no longer directly provided emergency medical services in central Skagit County as per Ordinance #O20090003 adopted by the Board of County Commissioners.

In 2009, the Board of County Commissioners engaged a consultant to analyze the service delivery of emergency medical services in Skagit County and that consultant made recommendations for certain changes. Based on that consultant's recommendations, the County Commissioners elected to split off the service provision portion of the EMS system, and created an ordinance to establish the Central Valley Ambulance Authority (CVAA) (Skagit County Code, Chapter 2.52). The Central Valley Ambulance Authority was established in April 2009 by Ordinance #O20090004 pursuant to the RCW 35.21.730 and Resolution #R20090255 established a separate fund June 2009. The Board of County Commissioners appoints the members of the CVAA board and has final approval on the CVAA operating budget. The Central Valley Ambulance Authority is a governmental agency providing emergency medical care and transportation services to the citizens of Skagit County, mainly in their response coverage area. CVAA began its operations July 1, 2009.

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

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

More information concerning the EMS Commission including complete financial statements can be obtained at their office located at 2911 E College Way Ste C, Mount Vernon, WA 98273. More information for the CVAA, including complete financial statements can be obtained at their office located at 2015-A Hospital Drive, Sedro-Woolley, WA 98284.

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

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

Government-Wide and Fund Financial Statements

Government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The component units are reported separately from the county.

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

The County reports the following functions/programs:

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

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

Public Safety – Protection and safety of the citizenry at large, including 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.

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

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

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

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

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

Program revenues include charges for goods and services and grants or contributions that are restricted to the program's purpose. Taxes and other items not properly included among program revenues are reported as general revenues.

Fund financial statements are used to report additional and more detailed information about the primary government. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The latter are excluded from the government wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Accordingly, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental funds are presented using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the fiscal period. Revenues susceptible to accrual are earned interest, certain charges for services, and intergovernmental revenues such as grants where program expenditures are the prime factor for determining reimbursement. Other revenues, such as licenses, fines and fees are not considered susceptible for accrual since they are not generally 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.

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

Expenditures are generally recorded when the related fund liability is incurred, as under accrual accounting. Skagit County reports the following major government funds:

- The General Fund is the County's primary operating fund. It is used to account for all activities of the general government not accounted for in another fund. The majority of revenues consist of property, sales, and other taxes and fees, and grant revenue.
- The County Road Fund accounts for the design, construction, and maintenance of County Roads. The majority of the revenues consist of property tax and grant revenue.

Skagit County reports two 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.

Additionally, the County reports the following fund types:

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

Private sector standards of accounting and financial reports issued prior to December 1, 1989 generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitations. The County has elected not to apply subsequent private-sector guidance, with the exception of compliance with GASB Statement No. 62, *"Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements"*.

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 and the Drainage Utility Fund are charges to customers for sales and services.

Operating expenses for enterprise funds and internal service funds include the cost of personal service, 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.

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

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

Assets, Liabilities, and Equity

Cash and Cash Equivalents

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

Investments – See Note IV

Receivables and Payables

Amounts due for the exchange of goods and services between County funds are reported as due to or from other funds. Loans between funds are reported as interfund loans receivable or payable. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. Interfund balances between governmental funds and internal service funds have been eliminated and were not included in the government-wide statement of net position.

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

Accounts Receivable consists of amounts owed from private individuals for goods or services. All receivables have been recorded net of any estimated uncollectible amounts. All receivables, with the exception of the PFD portion of \$7,270,000, are expected to be paid within one year. See Note VIII for further information on the PFD receivable.

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

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

Inventories

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

Restricted Assets and Liabilities

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

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

The 2013 restricted assets of the enterprise funds and related debt service funds are composed of the following:

Special Assessments – Current	\$1,524,402
Special Assessments – Delinquent	59,801
Cash and Investments – Debt Service	1,179,222
Cash and Investments – Construction	1,161,460

Capital Assets – See Note IV

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

Infrastructure assets are long-lived assets that are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include roads, bridges, drainage systems and the ferry system.

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

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

Improvements to capital assets that materially add to the value or extend the life of the asset are capitalized. Other repairs and normal maintenance are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of the capital asset of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the County during the current fiscal year is \$1,179,222. Of this amount, \$997,919 was included as part of the cost of capital assets under construction in connection with facilities projects.

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

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

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

- Infrastructure – 15 to 65 years

Compensated Absences

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

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

Unearned Revenue

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

Long-Term Obligations – See Note V

Deferred Outflow/Inflow of Resources

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 County did not recognize any deferred outflow of resources in 2013.

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	1,376,736.92	X	
Court Receivables	1,988,898.00	X	
Grants Received in Advance	81,593.50	X	X
Deferred Gain on Refunding	14,666.53		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 2013 refunding bond issue. The County chose not to restate prior periods for practical reasons.

Fund Equity

Fund equity is recognized as fund balance in government fund types, and as net position in proprietary fund types. Net position may be subject to legal restriction for a particular purpose. Fund balance has

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

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:

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

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

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

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

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

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

The spending policy of government fund balance consists of Restricted resources used first, followed by Committed resources, then Assigned, and finally Unassigned Fund Balance.

The following shows the composition of the fund balance of the government funds for the fiscal year ended December 31, 2013:

Fund Balances:	General Fund	County Road Fund	Mental Health Fund	Capital Projects Funds	Debt Service Funds	Other Government funds	Total
<i>Nonspendable:</i>							
Inventory						120,735	120,735
Loan Receivable						1,500	1,500
<i>Restricted For:</i>							
General Govt Services				5,500,739	2,332,440	1,153,923	8,987,102
Public Safety						1,299,376	1,299,376
Utilities						2,109,373	2,109,373
Transportation		2,300,199				558,947	2,859,146
Natural & Economic Env				4,863,357		1,334,110	6,197,467
Social Services			5,484,563			1,768,847	7,253,410
Cultural & Recreation				251,455		308,681	560,136
<i>Committed to:</i>							
General Govt Services						222,039	222,039
Judicial Activities						40,673	40,673
Public Safety						443,354	443,354
Utilities						1,003,818	1,003,818
Social Services						276,543	276,543
Cultural & Recreation						1,116,183	1,116,183
<i>Assigned to:</i>							
<i>Unassigned</i>	13,962,092						13,962,092
Total Fund Balances	13,962,092	2,300,199	5,484,563	10,615,551	2,332,440	11,758,102	46,452,947

Skagit County, Washington
Notes to the Financial Statements
December 31, 2013

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

<u>Net Capital Assets</u>		
Total Capital Assets		\$ 573,379,655
Less Accumulated Depreciation		(285,054,566)
Construction in Progress		4,707,081
	Net Capital Assets	<u>293,032,170</u>
<u>Long-Term Liabilities</u>		
Bonds Payable		\$ 18,050,000
Notes Receivable		(7,270,000)
Unamortized Bond Discounts/Premiums		599,935
Loans Payable		3,153,566
Compensated Absences Liability		2,582,261
Deferred Gain on Refunding		14,667
OPEB Liability		240,652
Accrued Interest Payable on Long-Term Liabilities		37,612
	Long Term Liabilities	<u>\$ 17,408,693</u>

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:

<u>Net Capital Assets Activity</u>		
Net Capital Expenditures Subject to Capitalization		\$ 4,715,662
Depreciation Expense		(17,082,418)
	Net Capital Assets	<u>(12,366,756)</u>
<u>Net Long-Term Debt Activity</u>		
Principal Payments		1,714,816
Amortization of Bond Discounts/Premiums		(559,205)
Change in Compensated Absences Liability		366,156
Change in OPEB Liability		(9,435)
	Net Long-Term Debt Activity	<u>\$ 1,512,332</u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Scope of Budget

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

The annual appropriated budget is adopted at the department level within the general fund. Other budgets are adopted at the level of the fund. For management purposes, expenditures are further segregated by object class of expenditure. Object class refers to a segmentation of expenditures into five

Skagit County, Washington
Notes to the Financial Statements
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categories. These categories are salaries and wages, personnel benefits, supplies, other services and charges, and capital expenditures. Expenditures may not exceed appropriations at the department level and the budgets constitute the legal authority for expenditures at that level. All appropriations lapse thirty days after the close of each fiscal year.

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

Procedures for Adopting the Original Budget

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

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

Amending the Budget

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

The Financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all legally authorized changes applicable for the fiscal year.

Deficit Fund Equity

The following fund had deficit fund balances/net position as of December 31, 2013;

- The Solid Waste fund deficit was \$4,376,928. This results primarily from the recording of liabilities for landfill post closure care costs and environmental remediation costs.

Skagit County, Washington
Notes to the Financial Statements
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IV. DETAIL INFORMATION BY TRANSACTION TYPE

A. Deposits and Investments

Deposits

The Skagit County Treasurer is empowered by the State to act as the treasurer not only for the County but also for special purpose districts located in the County. It is the County's policy to deposit and invest all temporary cash surpluses. At the end of the year, the total amount held in certificates of deposit and money market accounts was \$32,175,936 and the treasurer's bank balance was \$2,189,532, all of which was covered by federal depository insurance or collateralized with securities which are either held by the County or by the County's agent in the County's name. The FDIC (Federal Depository Insurance Corporation) insures all deposits of the County up to \$250,000 and the Washington Public Deposit Protection Commission insures amounts over \$100,000.

Investments

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

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

As of December 31, 2013, the County held the following investments:

Investment Type	Fair Value	Less Than 1			
		Year Maturity	1 Year	2 Years	3 years
Certificates of Deposit	\$ 10,279,016	\$ 1,600,000	\$ 7,864,519	\$ -	\$ 814,497
Money Market	21,896,920	21,896,920			
Registered Warrants	336,525	336,525			
Commercial Paper	-	-	-		
Bankers Acceptances	-	-			
Treasury Notes	600,772	600,772	-	-	
Municipal Bonds	42,239,098	6,538,336	26,489,685	4,631,338	4,579,739
U.S. Agencies	118,965,566	14,573,224	52,275,356	42,972,184	9,144,802
State Treasurer Pool	195,369,008	195,369,008			
	\$ 389,686,905	\$ 240,914,785	\$86,629,560	\$47,603,522	\$14,539,038

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Total fair value of investments represents \$98,030,825 for Skagit County and \$291,656,080 for the Junior Taxing districts.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by setting maturity and effective duration limits not to exceed 36 months unless matched to a specific cash flow requirement. Funds specifically designated for capital improvements or for bond redemption purposes may in certain circumstances be invested out to five years.

Custodial Credit Risk

Custodial credit risk is the risk that in event of a failure of the counterparty to an investment transaction the county would not be able to recover the value of the investment or collateral securities. The County had no custodial credit risk as of December 31, 2013.

Concentration of Credit Risk

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

Federal Arbitrage

Federal Arbitrage is the ability to obtain tax-exempt bond proceeds and invest the funds into higher yielding taxable securities, resulting in a profit. The County had no federal arbitrage in 2013.

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, 2013, the County's investments in U.S. Agencies in the amount of \$118,965,566 (fair value) was rated AAA by Standard & Poor's, an additional amount of \$5,154,312 (fair value) was rated AAA by Moody's. Details of ratings on investments in municipal bonds and banker's acceptances are as follows:

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Municipal Bonds	Fair Value	Standard & Poor	Moody's	Fitch	Municipal Bonds	Fair Value	Standard & Poor	Moody's	Fitch
Alderwood Wtr Waste	257,918	Aa2	AA+		Okanogan Co	185,962	A+		
American Fork City UT	151,536	Aa3			ORE St School Board	497,725	Aa2	A+	
Bloomington MN	365,579	AAA	AAA	AAA	ORE St Energy Proj	200,022	Aa1	AA+	AA+
Charlotte NC	2,820,173	Aaa	AAA	AAA	Oregon Housing	430,498			
Chelan Co PUD	1,023,500	Aa2	AA		Oregan State Univ	101,627	Aa1	AA+	AA+
Chicago II Brd of Ed	205,362	A2	A+		Pasco Wa Wtr & Swr	52,252	AA-		
City of Tacoma WA	281,759	Aa3	AA	AA-	Pierce Co SD #10	2,030,360	MIG1	SP-1+	
City of Waukeke IA	332,430	Aa3			Plano TX	258,405	Aaa	AAA	AAA
Clackamas & WA CO SD	409,975	Aa1			Port of Seattle	892,373	A+	A+	Aa3
Clark Co PUD	500,000	A	A2		Port of Seattle SER A	107,162	A+	A+	Aa3
Clark Co WA SD 114	228,929	Aa1	Aa2		Racine WI Unified SD	125,944			
COOS CO OR SD #13	64,995	AA+			Richland WA Elec	677,935	A+	A+	
Cypress-Fairbanks	109,571	Aaa	AAA		Salt Lake City UT	689,131	Aaa	AAA	AAA
Denton Co TX Perm	147,050	A2	AA-		Seattle Light & Power	252,288	Aa2	AA-	
Des Moines WA	116,294	A2			Seattle Solid Waste	254,888	Aa3	AA-	
Douglas Co PUD	433,252	AA	Aa3		Seattle WA	500,000	Aa1	AAA	AA+
Douglas CO SD	209,985	AA1			Shelby Co TN	1,043,330	Aa1	AA+	AA+
Energy NW	214,038	Aa1	AA-	AA	Shoreline WA	106,025	AA+		
Energy NW WA Wind Proj	102,295	A2			Skagit Co PUD	25,431	Aa2		
Energy NW WA Elec	1,639,676	Aa1	AA-	AA	Sno Co BABS	70,650	Aa2	AA	
Fife Wa	50,563	A+			Sno Co SD #25	103,572	A1		0
Forsyth Co GA	945,378	Aaa	AA+		Sno Co SD #15	36,535	Aa1	AA+	
Franklin Co Wa	527,571	AA-			Snohomish Co PUD	102,529	AA3	AA-	AA-
Frederick MD	1,074,250	Aa2	AA	AA	Snohomish Hsptl #2	197,408	Aa3		
Garland TX	301,311	Aa3	AA+	AAA	Apartanburg Co, SC SD	943,306	Aa1	AA	
Grand Rapids College	190,665	Aa1	AA		St Paul MN Cap Imp	102,038	Aa1	AAA	
Grant Co PUD	250,000	Aa3	AA-		State of Hawaii	610,122	Aa2	AA	AA
Green Bay WI	508,468	Aa2			State of Minnesota	1,023,841	Aa1	AA+	AA+
Harris Co TX	257,455	Aaa	AAA		Tacoma Solid Waste	104,299	A2	AA	
Honolulu City & CNTY	394,241	Aa1	AA+		Texas State Water Asst	319,101	Aaa	AA+	AAA
Hudson Co JN	355,488	MIG1	Aa3	AA-	Thurston Co Fire #5	165,723	A		
King Co SD #400	92,917	Aa1	AA+		Town of Stratfort CT	99,966	AA	A1	
King Co SD #401	80,566	Aa1	AA+		Tualatin Hills OR Prk	669,702	Aa1	AA	
King Co SD #411	121,978	Aa1	AA+		Tukwila SD #406 King	385,470	Aa1		
King Co Public Hosp #1	161,981	Aa3	AA-		Vancouver W WtrSwr	203,722	Aa2	AA-	
Lancaster Co NE SD #1	352,883	AA	Aaa		Vermont C-Tax	2,675,921	Aaa	AA+	AAA
Lane Co OR SD	330,000	AA+			WA Biomed Babs	252,918	Aa1	AA+	
Leavenworth WA Snk	120,480	A			WA St Motor Vehicle F	429,982	Aa1	AA+	AA+
Maricopa Co AZ SD #B1	418,336	AA-	Aa3		Wa State COPS	959,127		0	
Maricopa Co AZ SD #210	102,386	AA-	Aa3		Wa State Var Purpose	820,139	AA1	AA+	AA+
Michigan St Eviron	101,235	Aa2	AA-	Aa-	WA State Taxable Ser	1,193,604	Aa1	AA+	AA+
Michigan State	498,480	Aa2	AA-	Aa-	Wash Co UT	51,960	Aaa	AAA	AAA
Mobile Co Al	164,871	Aa2	AA-		Wa ST Pre-Funded	224,690	Aa1	AA+	AA+
Moscow ID SD #281	160,370	AAA	A1		WA State Vehicle	85,000	Aa1	AA+	AA+
New Jersey State	610,270	Aa3	AA-	AA-	Whatcom PUD	155,717	A1		
No Bend WA	121,537	AA-			Whidbey Isl Phd	958,104	A2		
No Slope Barrows AK	254,380	Aa3	AA-	AA-	Will Co II SD #122	320,100	Aa3		
NYC NY SER C	2,204,880	Aa2	AA	AA	Worthington MN Ser B	175,243	AA-		
					TOTAL	42,239,098			

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

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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 when levied. Property tax collected in advance of the fiscal year to which it applies is recorded as a deferred inflow. Revenue is recognized when the taxes are collected. Refunds of taxes are recorded as reductions of revenue when they are 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.

2013 Tax levy information is as follows:

	Levy in Dollars Assessed Per Thousand	Total Value	Levy
2013			
County	1.5874	\$ 14,164,054,879	\$ 22,485,298
Medic 1 Services	0.3750	14,149,335,695	5,306,000
Roads	1.7556	7,072,346,522	12,416,908
Conservation Futures	0.0549	14,164,054,879	778,798

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

B. Receivables

Governmental funds report some revenues as deferred inflow of resources if they are not available to liquidate liabilities of the current period or are not yet earned. Also see Note I. Detail of deferred inflow of resources balances in the government fund financial statements as of December 31, 2013 is as follows:

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	Unavailable	Unearned	Total
Property Taxes Receivable (General Fund)	\$ 744,426	-	\$ 744,426
Property Taxes Receivable (Road Fund)	391,518	-	\$ 391,518
Property Taxes Receivable (Mental Health Fund)	9,884		\$ 9,884
Property Taxes Receivable (Other Government Funds)	230,910	-	\$ 230,910
Revenue Earned but Not yet Available	1,988,898		\$ 1,988,898
Revenue Received Prior to Meeting Eligibility Requirements		81,594	\$ 81,594
Total Deferred Inflow of Resources - Government Funds	\$ 3,365,636	\$ 81,594	\$ 3,447,230

C. Interfund Receivables, Payables and Transfers

Details of interfund payable/receivable balances of December 31, 2013 are as follows:

	General	Other	County	Internal	
Due to Other funds	Fund	Government	Road Fund	Service	Total
		Funds		Funds	
General Fund		(59,682)		\$ 2,183,954	\$ 2,124,272
Non-Major Governmental Funds	323,249	72,501	82,572	21,104	499,425
Mental Health	96,295				96,295
County Road Fund	755,917	567,729		1,375,734	2,699,380
Internal Service Funds	109,840	(596)	119,678	7,497	236,419
Drainage Utility	38,576		50,012	2,368	90,956
Solid Waste	84,136		159,959	21,311	265,406
Total	\$ 1,408,013	\$ 579,924	\$ 412,220	\$ 3,611,968	\$ 6,012,154

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

Interfund loans have been made to provide cash flows for the operations of the receiving funds. Details of the interfund loans are as follows:

Borrowing Fund	Lending Fund	Balance	New Loans	Repayment	Balance
		1/1/2013			12/31/2013
Water Improvement 210	Water Improvement 215	28,000		25,000	3,000
Water Improvement 215	Water Improvement 218	232,500		232,500	-
Water Improvement 216	Edison Clean Water	3,000		1,500	1,500
Elections Fund 113	General Fund	-	20,000	20,000	-
Total		\$ 263,500	\$ 20,000	\$ 279,000	\$ 4,500

Interfund transfers represent subsidies and contributions provided to the receiving fund. Most transfers from the general fund are for the purposes of ordinary operations and debt service. Transfers out of non-major governmental funds are generally for debt service and capital project funding. Details of 2013 transfers are as follows:

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Transferring Fund	Transfers In			Balance 12/31/2013
	General Fund	Internal Service	Non-Major Governmental	
General Fund		\$ 101,443	\$ 4,283,875	\$ 4,385,318
Solid Waste		50,000		50,000
Drainage Utility		50,000	4,000	54,000
Mental Health			133,967	133,967
County Roads		277,448	838,458	1,115,906
Non-Major	185,967	287,448	1,233,484	1,706,899
Total	\$ 185,967	\$ 766,339	\$ 6,493,783	\$ 7,446,090

D. Capital Assets

Summarized capital asset transactions for governmental activities are as follows:

Governmental Activities	Beginning	Increases	Decreases	Ending
	Balance			Balance
Capital Assets, Non-depreciable				
Land	\$ 157,418,443	\$ 199,166	\$ 922,359	\$ 156,695,250
Development Rights	13,560,164	1,997,443		15,557,606
Capital asset held for resale	-			-
Construction in Progress	4,862,901	4,035,470	4,191,291	4,707,081
	175,841,508	6,232,079	5,113,650	176,959,937
Depreciable Capital Assets				
Buildings	62,862,883	1,149,896	1,302,264	62,710,515
Improvements	8,459,710	157,690	3,670,368	4,947,032
Machinery and Equipment	22,582,549	2,108,263	1,068,125	23,622,687
Infrastructure	323,747,198	4,376,624		328,123,822
	417,652,340	7,792,473	6,040,757	419,404,056
Less Accumulated Depreciation				
Buildings	(24,909,757)	(1,316,547)	(344,873)	(26,571,177)
Improvements	(4,688,215)	(129,899)	1,801,230	(3,016,884)
Machinery and Equipment	(13,065,593)	(1,240,554)	900,937	(13,405,210)
Infrastructure	(218,182,527)	(15,425,625)	(17,865,762)	(251,473,914)
	(260,846,092)	(18,112,625)	(15,508,468)	(294,467,185)
Total Net Depreciable Capital Assets	156,806,248	(10,320,152)	(21,549,225)	124,936,874
Total Net Capital Assets	\$ 332,647,756	\$ (4,088,073)	\$ (26,662,875)	\$ 301,896,811

Depreciation expense by function for governmental activities is as follows:

General Governmental Services	\$ 1,185,416
Judicial	8,037
Public Safety	287,140
Utilities	59,230
Transportation	16,318,123
Natural & Economic Environment	13,917
Social Services	73,998
Culture and Recreation	166,764
Total governmental activities depreciation expense	\$ 18,112,625

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

		Beginning			Ending
Business - Type Activities		Balance	Increases	Decreases	Balance
Capital Assets, Non-depreciable					
General Fund					
	Land	\$ 793,059	\$ 23,496	\$ -	\$ 816,556
	Construction in Progress	9,303,250	414,394	8,884,343	833,302
		10,096,309	437,890	8,884,343	1,649,858
Depreciable Capital Assets					
	Buildings	1,214,277	8,700,334	14,736	9,899,875
	Improvements	7,711,393	406,171	-	8,117,564
	Machinery and Equipment	1,836,854	-	-	1,836,854
		10,762,524	9,106,505	14,736	19,854,292
Less Accumulated Depreciation					-
	Buildings	(867,652)	(189,379)	14,736	(1,042,295)
	Improvements	(2,818,360)	(247,683)	-	(3,066,043)
	Machinery and Equipment	(486,638)	(97,605)	-	(584,243)
		(4,172,650)	(534,667)	14,736	(4,692,581)
Total Net Depreciable Capital Assets		6,589,874	8,571,838	29,472	15,161,711
Total Net Capital Assets		16,686,183	9,009,728	8,913,815	16,811,569

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

Solid Waste	\$ 288,509
Drainage Utility	246,158
Total business type activities depreciation expense	<u>\$ 534,667</u>

V. LONG TERM LIABILITIES

Skagit County's long-term liabilities include general obligation bonds and loans from the State of Washington. 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.

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Details of general obligation bonds outstanding as of December 31, 2013 are as follows:

Description	Balance
In 2006 bonds in the amount of \$7,610,000 were issued to acquire land, construct county facilities and for other capital purposes. Principle payments are due annually on December 1, interest payments are due on June 1 and December 1. The interest rates range from 3.75% on 2007 maturities to 4.0% for maturities in 2026. Principle payments of \$325,000 and interest payments of \$228,573 were made in 2013	5,585,000
In 2007 bonds were issued in the amount of \$6,115,000 to refund a portion of the 2000 Bond issue. Principal payments are due annually on December 1, interest payments are due on June 1 and December 1. The interest rates range from 3.875% on 2007 maturities to 4.00% for maturities in 2022. Principal payments of \$405,000 and interest payments of \$188,615 were made in 2013.	4,420,000
In 2013, the outstanding balance of the 2003 bond issue in the amount of \$965,000 was refunded in order to take advantage of better rates. The original was issued at \$5,340,000 to finance the acquisition and renovation of a building to house County offices, and to refund the 1993 bonds. Interest ranges from 2.00% to 4.00%. Principal payments are due annually on December 1. Interest payments are due June 1 and December 1. Principal payments of \$190,000 and interest payments of \$19,912 were made in 2013.	775,000
In 2013, the County entered into an interlocal agreement with Skagit Regional Public Facilities District to refund their 2003 bond issue, in order to take advantage of better rates. This was completed per C20130043. The County booked a receivable for the balance and will systematically reduce the debt over time from their dedicated sales tax revenue. See Note VIII. Principal payments are due annually on December 1. Interest payments are due June 1 and December 1. Principal payments of \$370,000 and interest payments of \$163,541 were made in 2013.	7,270,000
Total bonds payable at December 31, 2013 for government activities:	18,050,000
Proceeds in the amount of \$9,740,000 from the 2010 bond issue are for the purpose of improving the County's Solid Waste transfer station and other Capital improvements to County facilities. Principle payments are due annually on December 1, beginning in 2014. Interest rates range from 1.90% in 2011 to 5.35% for maturities in 2030. There were no principal payments made in 2013. Interest paid in 2013 was \$410,245.	9,740,000
Total bonds payable at December 31, 2013 for business-type activities:	9,740,000

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

Year Ending December 31	Government Activities			
	Government Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2014	\$ 1,280,000	\$ 627,325	\$ 480,000	\$ 410,245
2015	1,345,000	582,700	495,000	401,125
2016	1,405,000	535,919	500,000	388,750
2017	1,490,000	487,094	510,000	375,250
2018-2022	7,505,000	1,696,054	2,700,000	1,606,346
2023-2027	5,025,000	417,005	3,030,000	988,306
2028-2030	-	-	2,025,000	217,505
Totals	18,050,000	4,346,097	9,740,000	4,387,527

Refunded Bonds

In 2007 the County refunded a portion of the 2000 bond issue using proceeds from the 2007 bond issue. These proceeds were placed in an irrevocable trust to fund all future payments on the 2000 bonds.

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Accordingly, those 2000 bonds are considered to be defeased and the liability for them is not included in the 2013 financial statements. As of December 31, 2013 the balance of the defeased bonds outstanding is \$2,820,000.

Loans Payable

Details of loans payable as of December 31, 2013 is as follows:

Description	Balance
Payable to the State of Washington Department of Ecology Water Pollution Control Revolving Fund pursuant to a 1997 loan agreement. The term is 20 years and no interest is due. Principal payments of \$17,768 were made in 2013.	\$ 97,725
Payable to the State of Washington Department of Ecology Water Pollution Control Revolving Fund pursuant to a 2000 loan agreement. The term is 20 years and no interest is due. Principal payments of \$2,948 were made in 2013.	29,476
Payable to the State of Washington Department of Ecology pursuant to a 2005 loan agreement. The term is 20 years at 1.5% interest. Principal payments of \$74,005 and interest payments of \$17,624 were made in 2013.	1,115,662
Payable to the State of Washington Department of Ecology pursuant to a 2007 loan agreement. The interest rate is 2.6% and the term is 20 years. Principal payments of \$89,964 and interest payments of \$47,721 were made in 2013.	1,910,834
Total loans payable at December 31, 2013 for governmental activities	<u>\$ 3,153,698</u>

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

Year Ending December 31	Principal	Interest
2014	\$ 187,985	\$ 62,043
2015	191,356	58,673
2016	194,798	55,231
2017	198,313	51,716
2018-2022	984,772	203,185
2023-2027	1,000,308	103,393
2027-2030	396,164	16,889
Totals	3,153,698	551,129

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, 2013, the County's remaining capacity for non-voted debt was \$204,311,029. Additional debt capacity with an authorizing vote is \$143,700,223

Skagit County, Washington
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Changes in Long-Term Liabilities

Details of changes in long term liabilities for the year ended December 31, 2013 is as follows:

	Beginning Balance	New Issue	Retirements	Ending Balance	Due Within One year
Governmental Activities:					
Bonds Payable					
General Obligation Bonds	\$ 11,825,000	\$ 8,605,000	\$ 2,380,000	\$ 18,050,000	\$ 1,280,000
Add: Net Unamortized Discounts/Premiums	24,282	695,254	119,600	599,936	
Total Bonds Payable	11,849,282	9,300,254	2,499,600	18,649,936	1,280,000
Loans Payable	3,848,383		694,685	3,153,698	187,986
Note Payable	-			-	
Compensated Absences	3,150,771		319,872	2,830,899	2,830,900
OPEB Liability	231,217	240,652	231,347	240,522	
Environmental Liabilities	201,328		79,217	122,111	4,000
Total Long-Term Liabilities	\$ 19,280,981	\$ 9,540,906	\$ 3,824,721	\$ 24,997,166	\$ 4,302,886
Business-Type Activities					
Bonds Payable					
General Obligation Bonds	\$ 10,590,000		\$ 850,000	\$ 9,740,000	\$ 480,000
Discounts/Premiums	(37,936)	7,883	9,042	\$ (39,095)	
Less: Unamortized Refunding	(23,018)	23,018		\$ 0	
Total Bonds Payable	10,529,046	30,901	859,042	9,700,905	480,000
Compensated Absences	92,433	3,503	2,106	93,830	93,830
Post Closure Landfill Costs	3,320,349	80,000	230,686	3,169,663	80,000
Environmental Liabilities	3,090,284	1,141,125	164,740	4,066,669	58,000
Total Long-Term Liabilities	\$ 17,032,113	\$ 1,255,529	\$ 1,256,574	\$ 17,031,067	\$ 711,830

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

VI. PENSION AND OTHER BENEFIT PLANS

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

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

Plan Description

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

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

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

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of the benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

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

Plan 1 members are vested after the employee completes five years of eligible service. Plan 1 members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is two percent of the average final compensation (AFC) per year of service. (AFC is the monthly average of the 24 consecutive highest-paid service credit months.) The retirement benefit may not exceed 60 percent of AFC. The monthly benefit is subject to a minimum for PERS Plan 1 retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired for 25 years. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. The benefit is actuarially reduced to reflect the choice of a survivor option. A cost-of-living allowance (COLA) was granted at age 66 based upon years of service times the COLA amount. This benefit was eliminated by the Legislature, effective July 1, 2011. Plan 1 members may elect to receive an optional COLA that

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provides an automatic annual adjustment based on the Consumer Price Index, capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity payable to the age of 60. The allowance amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the allowance amount is two percent of the AFC for each year of service reduced by two percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. A cost-of-living allowance was granted at age 66 based upon years of service times the COLA amount. This benefit was eliminated by the Legislature, effective July 1, 2011. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

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

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

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

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

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

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

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. The defined benefit portion provides a benefit calculated at 1 percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible consecutive 60-month period. Effective June 7, 2006, Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service, if twelve months of that service were earned after the age of 44; or after five service credit years earned in PERS Plan 2 prior to June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan. Vested Plan 3 members are eligible to retire with full benefits at age 65, or they may retire early with the following conditions and benefits:

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

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

PERS Plan 3 defined contribution retirement benefits are solely dependent upon contributions and the results of investment activities. The defined contribution portion can be distributed in accordance with an option selected by the member, either as a lump sum or pursuant to other options authorized by the Director of the Department of Retirement Systems.

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

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

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

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

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

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

Judicial Benefit Multiplier

Beginning January 1, 2007 through December 31, 2007, judicial members of PERS were given the option of joining the JMB Program enacted in 2006. Justices or judges in PERS Plan 1 and Plan 2 were able to make a one-time irrevocable election to pay increased contributions that would fund a retirement benefit

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with a 3.5 percent multiplier. The benefit would be capped at 75 percent of average financial compensation (AFC). Judges in PERS Plan 3 can elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of average compensation.

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

Justices and judges who are newly elected or appointed to judicial service and choose to become PERS members on or after January 1, 2007, or who have not previously opted into PERS membership, are required to participate in the JBM Program.

Justices and judges who are newly elected or appointed to judicial service will return to a prior PERS Plan if membership had previously been established; be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member; accrue the higher multiplier for all judicial service; not contribute to JRA; and not have the option to increase the multiplier for past judicial service.

There are 1,197 participating employers in PERS. Details of PERS membership as of the latest actuarial valuation date of June 30, 2013 is as follows:

Description	Members
Retirees and Beneficiaries Receiving Benefits	82,242
Terminated Plan Members Entitled to but not yet Receiving Benefits	30,515
Active Plan Members Vested	106,317
Active Plan Members Non-vested	44,273
Total	263,347

Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rates for Plan 3 are developed by the Office of State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Employee Retirement Benefits Board sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age. As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

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The required contribution rates expressed as a percentage of current year covered payroll, as of December 31, 2013 are as follows:

Rates for members not participating in JBM are as follows:			
Contributor	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	9.21%	9.21%	9.21**
Employee	6.00%	4.92%	***
* The employer rates include the employer administrative expense fee currently set at 0.18%.			
** Plan 3 defined benefit portion only.			
*** Variable from 5% minimum to 15% maximum based on rate selected by the PERS 3 member.			

Rates for members participating in JBM are as follows:			
Contributor	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	9.21%	9.21%	9.21**
Employee	12.26%	12.30%	7.50%***
* The employer rates include employer administrative expense fee currently set at 0.18%.			
** Plan 3 defined benefit portion only.			
*** Minimum rate.			

Both Skagit County and its employees have made the required contributions to the plan. Details of these contributions for the years ending December 31 are as follows:

Year	PERS Plan 1	PERS Plan 2	PERS Plan 3
2013	\$ 132,843	\$ 3,153,129	\$ 750,527
2012	129,972	2,846,653	717,045
2011	129,365	2,535,136	683,829

B. Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans 1 and 2

Plan Description

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

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

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

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

LEOFF Plan 1 members are vested after the completion five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

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

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

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

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

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

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

LEOFF Plan 2 members are vested after the employee completes five years of eligible service. Plan 2 members may retire at the age of 50 with 20 years of service, or at the age of 53 with five years of service, with an allowance of 2 percent of the FAS per year of service. (FAS is based on the highest consecutive 60 months.) Plan 2 members who retire prior to the age of 53 are reduced each year that the benefit commences prior to age 53, and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53. A cost-of-living allowance is granted (indexed at the Consumer Price Index), capped at three percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 allowance amount is two percent of the FAS for each year of service. Benefits are actuarially reduced for each year that the member's age is less than 53, unless the disability is duty-

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related, and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. A catastrophic disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are severely disabled in the line of duty and incapable of future substantial gainful employment in any capacity.

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

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

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

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

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

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

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

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

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

There are 374 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date of June 30, 2013:

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Description	Members
Retirees and Beneficiaries Receiving Benefits	10,189
Terminated Plan Members Entitled to but not yet Receiving Benefits	689
Active Plan Members Vested	14,273
Active Plan Members Non-vested	2,633
Total	27,784

Funding Policy

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

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2013 are as follows:

Contributor	LEOFF Plan 1	LEOFF Plan 2
Employer*	0.18%	3.00%
Employee	0.00%	8.41%
* The employer rates include the employer administrative expense fee currently set at 0.18%		

Both Skagit County and its employees made the required contributions to the plan. Skagit County contributions for the years ending December 31 are as follows:

Year	LEOFF Plan 1	LEOFF Plan 2
2013	-	\$ 543,132
2012	-	524,366
2011	-	524,775

C. Public Safety Employees' Retirement System (PSERS) Plan 2

Plan Description

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

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

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

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

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

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

- Have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington, and carry a firearm as part of the job; OR
- Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals; OR
- Function as a Washington peace officer, as defined in RCW 10.93.020; or
- Have primary responsibility to supervise eligible members who meet the above criteria.

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

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

PSERS Plan 2 members can receive service credit for military service that interrupts employment. Additionally, PSERS members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit. Should any such member die

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during this active duty, the member's surviving spouse or eligible children may request service credit on behalf of the deceased member.

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

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

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

There are 75 participating employers in PSERS. There were 2,167 active non-vested plan members as of the latest actuarial valuation date of June 30, 2013.

Description	Members
Retirees and Beneficiaries Receiving Benefits	27
Terminated Plan Members Entitled to but not yet Receiving Benefits	60
Active Plan Members Vested	2,083
Active Plan Members Non-vested	2,167
Total	4,337

Funding Policy

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

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2013 were as follows:

Contributor	PSERS Plan 2
Employer*	10.54%
Employee	6.36%
* The employer rates include the employer administrative expense fee currently set at 0.18%	

Both Skagit County and its employees made the required contributions to the plan. Skagit County's contributions for the years ended December 31 were as follows:

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Year	PSERS Plan 2
2013	\$ 328,457
2012	274,348
2011	267,649

D. Other Post Employment Benefit Plans (OPEB)

State law requires the County to pay medical and nursing care costs for LEOFF Plan 1 retirees. 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.

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

We have used the alternative measurement method permitted under GASB Statement No. 45. A single retirement age of 56.24 was assumed for all active members for the purpose of determining the actuarial accrued liability. Retirement, disablement, termination and mortality rates were assumed to follow the LEOFF Plan 1 termination and mortality rates used in the June 30, 2007 actuarial valuation report issued by the Office of the Washington State Actuary (OSA). Healthcare costs and trends were determined by Milliman, Inc., actuarial consultants, and used by OSA in a statewide LEOFF Plan 1 medical study performed in 2007. The expected medical inflation trend starts at 9.0% in 2007 and decreases to 5.0% in 2015; it remains at 5.0% after 2015. The expected long-term care inflation trend is 4.5% for all years. The results were based on grouped data with 4 active groupings and 4 inactive groupings. The actuarial cost method used to determine the actuarial accrued liability was Projected Unit Credit. The AAL and NOO are amortized on an open basis as a level dollar over 15 years. These assumptions are individually and collectively reasonable for the purpose of this valuation. The medical inflation trend is the percentage that medical costs are expected to increase in future years. The alternative measurement used in the 2008, 2009 and 2010 financial statements was recalculated for the 2011 and 2012 financial statements, as authorized by GASB Statement No. 45. The actuarial valuations involve estimates of the value of reported amounts and assumptions of the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

Skagit County, Washington
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The following table illustrates the components of the January 23, 2012 calculation:

	PVFB	AAL
Inactive:		
Medical Expenses	2,300,530	2,300,530
Long-Term Care	1,212,742	1,212,742
Total Inactive	3,513,272	3,513,272
ARC		
Normal Cost	-	
UAAL Amortization	327,134	
ARC	\$ 327,134	
Annual OPEB Cost		
ARC	327,134	
NOO Interest	10,480	
NOO Amortization	(21,686)	
Annual OPEB Cost	315,928.00	
NOO		
Starting NOO	232,897	
Annual OPEB Cost	315,929	
Contributions*	111,723	
NOO	437,103	

Annual OPEB costs of \$315,928 less expenses of \$75,277 resulted in a net 2013 OPEB obligation of \$240,651. As of December 31, 2013 there were no active members in the LEOFF 1 plan.

The actual expense constitutes 23% of the ARC. The County's actuarial accrued liability (AAL) of \$3,513,273 was unfunded as of December 31, 2013.

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

Year	Annual OPEB Cost	Ending Net OPEB Obligation	Percent of Annual OPEB Cost Contributed
2013	\$ 315,928	\$ 240,651	23.83%
2012	315,928	231,216	26.81%
2011	315,928	204,205	35.36%

Schedule of Funding Progress

As of January 23, 2012, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$3,513,273 and the actuarial value of the assets was zero percent resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$3,513,273. This valuation was also used in the December 31, 2011 and the December 31, 2012 financial statements as allowed by GASB Statement No. 45. For the years ending December 31, 2008 through December 31, 2010, the actuarial Annual OPEB cost was \$465,505 and was zero percent funded resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$4,574,083.

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VII. RISK MANAGEMENT

Liability Insurance

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

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

Noteworthy is the definition of "insurer" within RCW 48.01.050 for application of the Washington Insurance Code, which reflects the following:

Two or more local government entities, under any provision of the law, that join together and organize to form an organization for the purpose of jointly self-insuring or self-funding are not an "insurer" under this code.

Thus, under Washington law the Pool is not an insurance company, and therefore, not subject to the rules governing insurance policy interpretation.

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

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

New members may be asked to pay modest fees to cover any costs to analyze the member's loss data and risk profile, but they are normally only required to contribute their proportional shares on their entry

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year's insuring assessments. Members contract initially under the Interlocal Agreement to remain in the Pool for at least five years. Following the initial term, a county may terminate its membership at the conclusion of any Pool fiscal year, provided the county timely files its required advance written notice; otherwise, the Interlocal Agreement and memberships automatically renew for another year. Even after termination, a former member remains responsible for reassessments from the Pool for its proportional shares of any unresolved, unreported, and in-process claims for the periods that former member was a signatory to the Interlocal Agreement.

Joint Self-Insurance Liability Program (JSILP): The Pool, which recently celebrated its Silver Anniversary, has been providing its member counties with occurrence-based, jointly self-insured and/or jointly purchased 3rd-party liability coverage since October 1, 1988 for bodily injury, personal injury, property damage, errors and omissions, including public officials' errors and omissions, and advertising injury caused by an occurrence during the policy period and occurring anywhere in the world. Total coverage limits have grown over time, from the \$1 million limit during the Pool's initial two months to \$5 million, then to \$10 million and onto \$15 million before reaching the \$20 million occurrence limit that has existed since October 1, 2003. (Note: Additional occurrence limits of \$5 million have been available for many years for member counties to choose as an individual county-by county option.) There are no aggregate limits to the payments the WCRP makes for any one member county or all member counties combined.

The initial \$10 million in coverage is jointly self-insured. The remaining JSILP coverage, up to \$15 million, is acquired as "following form" excess insurance from higher rated commercial carriers. Member counties annually select a deductible amount applicable to each occurrence from these options: \$10,000, \$25,000, \$50,000, \$100,000, \$250,000 or \$500,000.

Reinsurance is acquired from higher rated carriers as well to protect the Pool directly and its member counties indirectly from larger-valued losses. The reinsuring program is written with a self-insured retention (SIR) equal to the greater of the applicable member's deductible or \$100,000. The reinsuring agreements also include first and second layer corridor elements – to \$1 million and from \$1 to \$2 million – with cumulative (WCRP) retentions of \$2.95 and \$0.65 million and annual aggregate limits of \$40 and \$20 million respectively.

616 third-party liability claims (and lawsuits) were reported to the Pool by its member counties during Py2013, and added to the Pool's administrative database. This represented a 3% reduction in year-over-year filings and a continuation of recent years' decline in annual filings. The new filings raised the to-date total (Oct 1988 – Sep 2013) to 19,232. Total incurred losses (payments made plus reserve estimates for *open* claims) increased \$8.1 million during Py2013 to \$250.9 million. The annual amount is 50% more than the corresponding Py2012 amount of \$5.4M, but it represents just 51% of the Py2011 increase of \$16.0M, 46% of the \$17.8M in Py2010, and only 39% of the \$20.8M annual average for Py2007 through Py2009. Only 327 claims remained classified as '*open*' at year-end. With 307 additional claims projected by the actuary from all years as incurred but not yet reported (IBNR), the Pool's estimated ultimate claims totaled 19,539 as of September 30, 2013.

The independent actuary's projection of total reserves for claims that are expected to be the Pool's responsibility decreased slightly (-1%) from Py2012 to \$14.6 million. This amount includes \$3.4 million (-21% from Py2012) for losses within the Pool's self-insurance retention, \$10.0 million (+7%) for losses subject to the 'corridor' programs with the Pool's reinsurers, \$0.2 million for losses within the Py2013 quota-shared (10%) upper reinsured layer, and \$1.0 million (+3%) for estimated unallocated loss

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adjustment expense. *NOTE: The corridor programs involving the WCRP's first 9and now second) layer reinsurers began seven years ago. These programs included an occurrence coverage maximum of \$0.5 million during the first three years, \$1.0 million during the next three years, and of both \$1.0 million and \$2.0 million beginning with Py2013. Occurrence coverage minimums have remained since the corridor program began the greater of the applicable member deductible or \$100,000.*

Washington Counties Property Program ("WCPP"): Since the Pool began offering the jointly-purchased, fully-insured property insurance coverage to its membership as an individual county option in October 2005, participation has grown by more than 50% and the total value of covered properties has nearly doubled. Twenty six member counties with covered properties totaling nearly \$2. 7 billion participated in this program during Py2013.

Coverage is for structures, vehicles, mobile equipment, EDP equipment, etc., and composite limits include \$500 million for normal (All Other Perils) exposures and \$200 million with separate occurrence for catastrophe (Flood / Earthquake) exposures. All Other Perils coverage limits apply to any occurrence, even those affecting more than one participating county, and there are no annual (AOP) aggregation limitations. Flood and Earthquake coverages each include annual aggregate limits of \$200 million. The WCPP coverage also includes sublimited items, e.g. Equipment Breakdown / Boiler & Machinery (\$100 million), Special Flood Hazard Acres (\$25 million). And there are endorsements for Green Construction Upgrades, Reproduction Coverage for Historic Structures, and Terrorism (\$20 million).

AOP occurrence deductibles, which the participating counties select annually and which the counties are solely responsible for paying, range between \$5,000 and \$50,000. Higher deductibles are applicable to losses resulting from catastrophe relevant losses.

There were 15 claims filed during Py2013 by participating counties with loss estimates totaling \$2.6 million and losses paid by fiscal year-end of \$1.5 million. During its initial eight years as a WCRP optional insuring program, there have been 103 WCPP claims filed with to-date incurred losses totaling \$15.5 million and losses paid through fiscal 2013 of \$8.9 million. Considering the fact that to-date WCPP premiums have totaled \$22.2 million, the WCPP's cumulative loss ratio is below 0.7.

Other Insurances: Several member counties also use the Pool's contracted producer (broker) to secure other (specialty) insurances. Public officials bonds, crime (& fidelity), special events/concessionaires, Underground Storage Tanks and other environmental hazards insurance coverages are examples.

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

Regular oversight of the Pool's operations is furnished by an 11-person executive committee. The committeepersons are elected by the Pool's board of directors from its membership to staggered, 3-year terms. The committee meets several times throughout the year to approve all Pool disbursements and examine the Pool's financial health; to approve any case settlement exceeding the member's deductible

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by at least \$50,000, and to review all claims with incurred loss estimates exceeding \$100,000; to evaluate the Executive Director and the Pool's operations and program deliverables; and to participate in the board's standing committees (finance, personnel, risk management, and underwriting) for development or review/revision of the organization's policies and coverage documents.

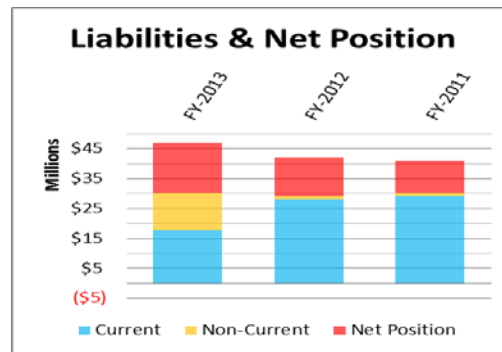
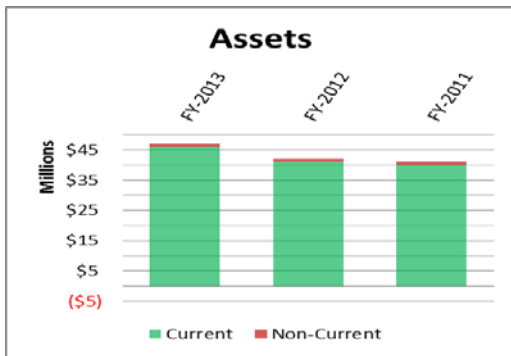
Staffing and Support Teams: The Pool's multi-person claims staff with years of combined claims-handling experience handles or oversees the handling of the several hundred liability cases filed upon the Pool's member counties each year. This includes establishing reserves for covered events and estimating undiscounted future cash payments for losses and their related claims adjustment expenses. Other WCRP staffers provide various member services, e.g conducting member and potential member risk assessments and compliance audits, coordinating numerous trainings, researching other coverages and marketing the Pool and its risk management services. Some address and support the organization's administrative needs.

Professionals from some of the most respected organizations worldwide are called upon regularly to address specific needs of the Pool. More specifically, independent actuarial services are furnished by PricewaterhouseCoopers, LLP; independent claims auditing is performed by Strategic Claims Direction with special claims audits frequently performed by the Pool's commercial reinsurers / insurers. Insurance producer (broker) and advanced loss control services are provided by Arthur J. Gallagher Risk Management Services, Inc. Coverage counsel is provided by J. William Ashbaugh of Hackett Beecher & Hart. These professionals are in addition to the many contracted and in-county attorneys assigned to defend Pool cases, as well as the examinations by and services from the State Risk Manager and the State Auditor's Offices.

Financial Summary: During fiscal year 2013, Pool assets grew 11% (+\$4.8 million) and liabilities by 3% (+\$1.0 million). Its net (financial) position, which is commonly referred to as "net assets" and sometimes as "owners' equity", improved 30% (+\$3.9 million) during the Pool's Silver Anniversary year to \$16.7 million as of September 30, 2013. Much of the net position is 'restricted' (\$12.5 million) to address the Board of Directors' recently revised requirements in section D of its Underwriting Policy. NOTE: This policy revision resulted in the Pool's own restriction increasing \$7.5 million (+187%) and the unrestricted declining \$3.8 million (-53%). The (State Risk Manager's) solvency provisions in WAC 200.100.03001(3) required \$0.9 million for satisfaction, a year-over-year increase of \$0.1 million (+15%). Another \$0.9 million is invested in capital assets (net of debt). The remaining \$3.3 million is unrestricted.

\$3.75 million in operating income was experienced during Py2013, an increase of 111% from Py2012. Operating revenues were 'flat', but expenses declined nearly \$2.0 million (-15%). This reduction was in part due to even more favorable adjustments by the independent actuary, PricewaterhouseCoopers LLP ("PwC"), to the Pool's claims-related reserves, and to the reduction (-26%) in the premiums to acquire the reinsurance, excess insurance and property insurance policies requested by the Board.

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Contingent Liability: The Pool is a cooperative program with joint liability amongst its participating members. Contingent liabilities occur when assets are not sufficient to cover liabilities. Deficits resulting from any of the Pool’s fiscal years are financed by proportional reassessments (aka retroactive assessments) amongst the deficient year’s membership. The Pool’s reassessments receivable balance at December 31, 2013 was ZERO (\$0) as there were no known contingent liabilities at that time.

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	Claim	
2013	\$ 2,770,881	\$ (1,240,114)	\$ 654,267	\$ 876,500	
2012	3,014,000	\$ 112,086	\$ 355,205	\$ 2,770,881	
2011	2,031,271	1,270,529	287,800	3,014,000	

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 1.0811 in 2011, .9971 in 2012, and .9945 in 2013.

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 \$305,136 at December 31, 2013.

The County is self-insured for dental insurance claims. Washington Dental Services serves as the third party administrator and bills the County for claims paid. Administrative fees and charges paid to Washington Dental Service totaled \$77,602 for 2013. Dental claims activity for 2013 and the preceding two years are as follows:

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		Current Year		
Fiscal Year	Beginning Balance	Claims & Changes in Estimate	Claim Payments	Year End Balance
2013	\$ 99,119	\$ 662,634	\$ 660,186	101,567
2012	114,002	629,392	644,275	99,119
2011	112,846	761,169	760,013	114,002

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 \$321,112 for 2013. Medical claims activity for 2013 and the preceding two years are as follows:

		Current Year		
Fiscal Year	Beginning Balance	Claims & Changes in Estimate	Claim Payments	Year End Balance
2013	\$ 1,123,379	\$ 8,689,969	\$ 8,504,902	1,308,446
2012	1,286,903	7,138,440	7,301,964	1,123,379
2011	1,321,538	6,142,498	6,177,133	1,286,903

VIII. COMMITMENTS, CONTINGENCIES AND LITIGATION

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

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

In January of 2013, the County entered into an Interlocal agreement contract number C20130043 with the Skagit Regional Public Facilities District whereby the County agreed to issue bonds to refund the PFD 2003 bond issue in order to take advantage of better rates. In February of 2013, the County issued \$8.6 million GO Refunding bonds to refund both the County's 2003 bond issue as well as the Public Facilities District's 2003 bond issue. The PFD's portion of the refunding bonds was \$7,985,000. The 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.

Skagit County, Washington
Notes to the Financial Statements
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Leasing Commitments

Future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of December 31, 2013 are as follows:

	Rental Payments
Year	Due
2014	162,727
2015	147,728
2016	133,792
2017	21,785
Total	466,031

2013 rent expense for all operating leases, except those with terms of a month or less were all renewed.

Construction

At December 31, 2013, the County had pending construction project contracts in progress. The commitments related to the remaining contract balances are summarized as follows:

	Total	Expended to	Balance
	Contracts	12/31/2013	Unexpended
Governmental Activities			
Clean Water Fund	\$ 2,029,893	\$ 696,604	\$ 1,333,290
Non-Major Government Funds	638,638	329,273	309,365
Road Fund	28,053,846	18,002,710	10,051,136

Landfill Post Closure Costs

State and federal laws and regulations require Skagit County to perform landfill maintenance and monitoring activities for a minimum of twenty to thirty years after closure. Accordingly, a long-term liability for post closure costs in the amount of \$3,169,663, of which \$80,000 is the current portion, is reported in the Solid Waste Fund at December 31, 2013.

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

Liabilities for Pollution Remediation Obligations

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

Whitmarsh Landfill

The Solid Waste Fund recognized a liability of \$3,544,847, of which \$20,000 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

Skagit County, Washington
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December 31, 2013

(MTCA), as a former operator of the landfill, for releases of leachate from the landfill to the environment. Skagit County implemented a preliminary investigation of the site in 2008 and entered into an Agreed Order with the Department of Ecology along with 3 other named parties. As of December 31, 2013, the County is in Phase II Remedial Investigation stage. Work remaining is Phase II Remedial Investigation, Feasibility Study, and a Cleanup Action Plan.

Sinnes Road Landfill

The Solid Waste Fund recognized a liability of \$521,822, of which \$38,000 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, 2013, the County is in the remedial action stage, with long-term monitoring and maintenance to be determined.

Burlington Road Shop

The Equipment Rental and Revolving Fund recognized a liability of \$118,112, of which \$4,000 is the current portion for costs relating to the monitoring and potential cleanup of soil and water contamination at the site of underground fuel storage tanks. Petroleum-impacted soil and groundwater were initially discovered in 1992 during the removal of three underground fuel storage tanks. Subsequent soil and groundwater investigations were conducted in 1993 by the County. Subsequently, four underground fuel storage tanks were removed. Annual groundwater monitoring using the existing well network was voluntarily implemented in 2003 and has continued to the present. Long-term groundwater monitoring is planned to continue until groundwater conditions improve.

Alger Landfill

The Department of Ecology has ranked the closed Alger Landfill under the Model Toxics Control Act State Hazard Assessment program. It scored a "3" on a scale of 1 to 5, with 1 being the highest relative priority. As of December 31, 2013, no further action has been taken either by the Department of Ecology or the County.

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 2013. 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.

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IX. PRIOR PERIOD ADJUSTMENTS

Drainage Utility Fund – A prior period adjustment of \$149,377 was the result of an analysis of the infrastructure assets and CIP.

Government-Wide Statements – A prior period adjustment of \$19,193,355 was the result of an analysis of the infrastructure assets and depreciation.

Entity-Wide Adjustment Fund – There was an \$87,137 journal entry in Deferred Revenue in this fund as of 2012, but did not roll up into the financial statements. Also, debt issue costs of \$264,683 were removed as a prior period adjustment based on GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

Individual and Combining Statements and Schedules



SKAGIT COUNTY, WASHINGTON
Schedule of Revenues Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
General Property Taxes	23,835,232	23,835,232	24,161,230	325,998
Timber Harvest Taxes	400,000	400,000	-	(400,000)
Retail Sales and Use Taxes	7,400,000	7,400,000	7,582,647	182,647
Business Taxes	250,000	250,000	-	(250,000)
Excise Taxes	242,000	242,000	570,328	328,328
Total Taxes	<u>32,127,232</u>	<u>32,127,232</u>	<u>32,314,205</u>	<u>186,973</u>
Business Licenses and Permits	-	-	225,100	225,100
Non-Business Licenses and Permits	27,000	27,000	37,734	10,734
Total Licenses and Permits	<u>27,000</u>	<u>27,000</u>	<u>262,834</u>	<u>235,834</u>
Federal Shared Revenue	865,148	865,148	1,021,025	155,877
Indirect Federal Grants	658,264	658,264	667,421	9,157
State Grants	944,011	961,952	892,194	(69,758)
State Shared Revenue	752,900	752,900	863,570	110,670
In Lieu and State Entitlement Revenue	1,329,802	1,329,802	1,543,744	213,942
Intergovernmental Revenue	2,146,734	2,152,734	2,181,967	29,233
Total Intergovernmental Revenue	<u>6,696,859</u>	<u>6,720,800</u>	<u>7,169,921</u>	<u>449,121</u>
General Government	1,939,190	1,962,150	2,140,727	178,577
Public Safety	740,700	740,700	650,050	(90,650)
Utilities and Environment	-	-	-	-
Economic Environment	59,500	59,500	14,387	(45,113)
Mental and Physical Health			49,016	49,016
Culture and Recreation	5,960	5,960	2,659	(3,301)
Interfund Charges for Services	1,583,002	1,627,002	355,606	(1,271,396)
Total Charges for Goods and Services	<u>4,328,352</u>	<u>4,395,312</u>	<u>3,212,445</u>	<u>(1,182,867)</u>
Superior Court Felony/Misdemeanor Penalties	87,000	87,000	123,798	36,798
Civil Penalties	14,600	14,600	13,674	(926)
Civil Infraction Penalties	1,280,000	1,280,000	1,330,672	50,672
Civil Parking Infraction	4,500	4,500	10,588	6,088
Criminal Traffic Misdemeanor	240,000	240,000	221,081	(18,919)
Criminal Non-Traffic Fines	73,200	73,200	44,730	(28,470)
Non Criminal Penalties	1,230,000	1,230,000	777,297	(452,703)
Criminal Costs	14,000	14,000	16,571	2,571
Total Fines and Forfeits	<u>2,943,300</u>	<u>2,943,300</u>	<u>2,538,411</u>	<u>(404,889)</u>
Interest Earnings	521,600	521,600	1,881,860	1,360,260
Rents, Leases, Concessions	205,348	205,348	159,038	(46,310)
Interfund/Interdepartment Miscellaneous	25,696	25,696	25,696	-
Contributions/Donations	19,892	19,892	32,956	13,064
Other Miscellaneous Revenue	175,367	628,700	748,220	119,520
Total Miscellaneous Revenues	<u>947,903</u>	<u>1,401,236</u>	<u>2,847,770</u>	<u>1,446,534</u>
Agency Type Deposits	2,500	2,500	2,278	(222)
Total Non-Revenues	<u>2,500</u>	<u>2,500</u>	<u>2,278</u>	<u>(222)</u>
Total Revenues	<u><u>47,073,146</u></u>	<u><u>47,617,380</u></u>	<u><u>48,347,864</u></u>	<u><u>730,484</u></u>

SKAGIT COUNTY, WASHINGTON
Schedule of Expenditures Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
General Government				
<u>Assessor</u>				
Salaries and Wages	1,112,034	1,095,218	1,064,149	(31,069)
Personnel Benefits	553,100	517,610	515,078	(2,532)
Supplies	15,000	15,000	12,935	(2,065)
Other Services and Charges	26,900	26,900	21,807	(5,093)
Interfund Payments for Services	15,000	15,000	16,508	1,508
Total Assessor	<u>1,722,034</u>	<u>1,669,728</u>	<u>1,630,477</u>	<u>(39,251)</u>
<u>Auditor</u>				
Salaries and Wages	723,365	734,593	734,525	(68)
Personnel Benefits	362,150	351,342	351,306	(36)
Supplies	14,200	12,200	8,960	(3,240)
Other Services and Charges	13,100	10,100	9,571	(529)
Total Auditor	<u>1,112,815</u>	<u>1,108,235</u>	<u>1,104,362</u>	<u>(3,873)</u>
<u>Board of Equalization</u>				
Salaries and Wages	45,249	44,893	33,839	(11,054)
Personnel Benefits	15,059	14,260	12,202	(2,058)
Supplies	300	300	203	(97)
Other Services and Charges	1,250	1,250	45	(1,205)
Total Board of Equalization	<u>61,858</u>	<u>60,703</u>	<u>46,289</u>	<u>(14,414)</u>
<u>Commissioners</u>				
Salaries and Wages	380,708	388,056	386,069	(1,987)
Personnel Benefits	146,859	141,339	143,269	1,930
Supplies	1,600	1,600	1,450	(150)
Other Services and Charges	24,140	24,140	20,166	(3,974)
Total Commissioners	<u>553,307</u>	<u>555,135</u>	<u>550,954</u>	<u>(4,181)</u>
<u>Administrative Services</u>				
Salaries and Wages	530,279	522,326	457,625	(64,701)
Personnel Benefits	218,070	205,000	173,588	(31,412)
Supplies	7,000	7,000	5,367	(1,633)
Other Services and Charges	263,405	263,405	172,651	(90,754)
Total Administrative Services	<u>1,018,754</u>	<u>997,731</u>	<u>809,231</u>	<u>(188,500)</u>
<u>General Maintenance</u>				
Salaries and Wages	515,696	508,516	433,803	(74,713)
Personnel Benefits	288,225	292,512	267,378	(25,134)
Supplies	106,505	117,367	113,868	(3,499)
Other Services and Charges	1,013,778	1,017,721	863,022	(154,699)
Interfund Payments for Services	21,264	21,264	18,560	(2,704)
Total General Maintenance	<u>1,945,468</u>	<u>1,957,380</u>	<u>1,696,631</u>	<u>(260,749)</u>

SKAGIT COUNTY, WASHINGTON
Schedule of Expenditures Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			
<u>Prosecuting Attorney</u>				
Salaries and Wages	2,628,827	2,596,006	2,530,396	(65,610)
Personnel Benefits	1,219,085	1,136,517	1,101,359	(35,158)
Supplies	33,950	33,950	41,921	7,971
Other Services and Charges	239,365	252,365	185,735	(66,630)
Total Prosecuting Attorney	<u>4,121,227</u>	<u>4,018,838</u>	<u>3,859,411</u>	<u>(159,427)</u>
<u>Treasurer</u>				
Salaries and Wages	553,766	545,702	529,289	(16,413)
Personnel Benefits	279,129	261,340	251,999	(9,341)
Supplies	17,000	17,000	7,661	(9,339)
Other Services and Charges	118,000	118,000	113,020	(4,980)
Total Treasurer	<u>967,895</u>	<u>942,042</u>	<u>901,969</u>	<u>(40,073)</u>
<u>Non Departmental Expenditures</u>				
Salaries and Wages	-	-	-	-
Personnel Benefits	168,380	168,380	155,989	(12,391)
Supplies	-	-	-	-
Other Services and Charges	53,579	661,150	506,390	(154,760)
Interfund Payments for Services	5,712,624	6,402,987	4,292,441	(2,110,546)
Total Non Departmental Expenditures	<u>5,934,583</u>	<u>7,232,517</u>	<u>4,954,820</u>	<u>(2,277,697)</u>
Total General Government	\$ 17,437,941	\$ 18,542,309	\$ 15,554,144	\$ (2,988,165)
<u>Judicial</u>				
<u>County Clerk</u>				
Salaries and Wages	924,226	910,359	909,440	(919)
Personnel Benefits	511,674	477,554	474,711	(2,843)
Supplies	22,000	24,500	19,730	(4,770)
Other Services and Charges	17,000	30,430	30,758	328
Total County Clerk	<u>1,474,900</u>	<u>1,442,843</u>	<u>1,434,639</u>	<u>(8,204)</u>
<u>District Court</u>				
Salaries and Wages	1,304,629	1,284,809	1,278,657	(6,152)
Personnel Benefits	622,951	583,457	575,670	(7,787)
Supplies	18,000	18,000	15,151	(2,849)
Other Services and Charges	48,783	48,783	43,887	(4,896)
Interfund Payments for Services	-	-	4,100	4,100
Total District Court	<u>1,994,363</u>	<u>1,935,049</u>	<u>1,917,465</u>	<u>(17,584)</u>
<u>Public Defender</u>				
Salaries and Wages	1,574,833	1,550,910	1,532,960	(17,950)
Personnel Benefits	724,648	679,551	654,914	(24,637)
Supplies	11,610	11,610	11,708	98
Other Services and Charges	302,792	337,792	337,842	50
Total Public Defender	<u>2,613,883</u>	<u>2,579,863</u>	<u>2,537,424</u>	<u>(42,439)</u>
<u>Superior Courts</u>				
Salaries and Wages	992,282	978,048	979,264	1,216
Personnel Benefits	336,341	316,299	290,939	(25,360)
Supplies	21,448	21,448	13,265	(8,183)
Other Services and Charges	334,040	389,561	403,800	14,239
Total Superior Courts	<u>1,684,111</u>	<u>1,705,356</u>	<u>1,687,268</u>	<u>(18,088)</u>

SKAGIT COUNTY, WASHINGTON
Schedule of Expenditures Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			
<u>Assigned Counsel</u>				-
Salaries and Wages	136,259	135,675	135,277	(398)
Personnel Benefits	78,431	73,153	72,924	(229)
Supplies	1,700	1,700	1,052	(648)
Other Services and Charges	400,300	600,300	565,801	(34,499)
Total Assigned Counsel	<u>616,690</u>	<u>810,828</u>	<u>775,054</u>	<u>(35,774)</u>
<u>Mediation Services</u>				-
Other Services and Charges	77,000	77,000	74,245	(2,755)
Total Mediation Services	<u>77,000</u>	<u>77,000</u>	<u>74,245</u>	<u>(2,755)</u>
Total Judicial	\$ 8,460,947	\$ 8,550,939	\$ 8,426,095	\$ (124,844)
Public Safety				
<u>District Court Probation</u>				-
Salaries and Wages	322,332	317,403	319,567	2,164
Personnel Benefits	161,450	150,761	151,003	242
Supplies	2,500	2,500	970	(1,530)
Other Services and Charges	3,150	3,150	1,439	(1,711)
Total District Court Probation	<u>489,432</u>	<u>473,814</u>	<u>472,979</u>	<u>(835)</u>
<u>Public Safety Building Maintenance</u>				-
Salaries and Wages	96,726	107,770	106,246	(1,524)
Personnel Benefits	48,598	48,985	50,261	1,276
Supplies	23,000	31,000	29,952	(1,048)
Other Services and Charges	290,662	290,662	239,775	(50,887)
Total Public Safety Building Maintenance	<u>458,986</u>	<u>478,417</u>	<u>426,234</u>	<u>(52,183)</u>
<u>Office of Juvenile Court</u>				-
Salaries and Wages	1,759,543	1,759,124	1,659,222	(99,902)
Personnel Benefits	859,458	811,059	778,346	(32,713)
Supplies	22,500	22,500	23,936	1,436
Other Services and Charges	125,802	125,802	29,813	(95,989)
Interfund Payments for Services	1,560	1,560	1,560	-
Total Office of Juvenile Court	<u>2,768,863</u>	<u>2,720,045</u>	<u>2,492,877</u>	<u>(227,168)</u>
<u>Civil Service Commission</u>				-
Salaries and Wages	24,000	29,000	27,382	(1,618)
Personnel Benefits	4,038	4,038	2,624	(1,414)
Supplies	500	500	66	(434)
Other Services and Charges	500	1,000	885	(115)
Total Civil Service Commission	<u>29,038</u>	<u>34,538</u>	<u>30,957</u>	<u>(3,581)</u>
<u>Sheriff</u>				-
Salaries and Wages	7,554,782	7,666,139	7,438,005	(228,134)
Personnel Benefits	3,379,621	3,223,409	3,095,862	(127,547)
Supplies	560,750	560,750	556,963	(3,787)
Other Services and Charges	636,375	636,375	531,473	(104,902)
Interfund Payments for Services	1,585,652	1,585,652	1,527,291	(58,361)
Total Sheriff	<u>13,717,180</u>	<u>13,672,325</u>	<u>13,149,594</u>	<u>(522,731)</u>
Total Public Safety	\$ 17,463,499	\$ 17,379,139	\$ 16,572,641	\$ (806,498)

SKAGIT COUNTY, WASHINGTON
Schedule of Expenditures Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			
Physical Environment				
<u>Sustainability</u>				
Salaries and Wages	46,467	45,756	24,404	(21,352)
Personnel Benefits	26,339	24,577	11,465	(13,112)
Supplies	2,000	2,000	4,896	2,896
Other Services and Charges	3,000	3,000	970	(2,030)
Interfund Payments for Services				-
Total Sustainability	<u>77,806</u>	<u>75,333</u>	<u>41,735</u>	<u>(33,598)</u>
Total Physical Environment	\$ 77,806	\$ 75,333	\$ 41,735	\$ (33,598)
Economic Environment				
<u>Boundary Review Board</u>				
Salaries and Wages	5,166	5,087	5,086	(1)
Personnel Benefits	2,723	2,546	2,186	(360)
Supplies	100	100	-	(100)
Other Services and Charges	12,900	12,900	200	(12,700)
Total Boundary Review Board	<u>20,889</u>	<u>20,633</u>	<u>7,472</u>	<u>(13,161)</u>
<u>Hearing Examiner</u>				
Salaries and Wages	23,249	22,893	22,888	(5)
Personnel Benefits	12,257	12,058	11,998	(60)
Supplies	100	100	4	(96)
Other Services and Charges	65,000	65,000	61,785	(3,215)
Total Hearing Examiner	<u>100,606</u>	<u>100,051</u>	<u>96,675</u>	<u>(3,376)</u>
<u>Animal Control</u>				
Salaries and Wages	49,961	50,930	48,091	(2,839)
Personnel Benefits	29,537	28,066	28,622	556
Supplies	3,000	3,000	2,741	(259)
Other Services and Charges	66,500	66,500	22,868	(43,632)
Interfund Payments for Service	9,240	9,240	9,240	-
Total Animal Control	<u>158,238</u>	<u>157,736</u>	<u>111,562</u>	<u>(46,174)</u>
<u>Noxious Weed Control</u>				
Salaries and Wages	73,353	81,875	82,318	443
Personnel Benefits	33,385	35,517	35,071	(446)
Supplies	1,600	6,174	5,288	(886)
Other Services and Charges	2,690	4,115	2,968	(1,147)
Interfund Payments for Service	7,152	8,556	8,377	(179)
Total Animal Control	<u>118,180</u>	<u>136,237</u>	<u>134,022</u>	<u>(2,215)</u>
<u>Pest Control</u>				
Salaries and Wages	12,164	12,164	10,797	(1,367)
Personnel Benefits	1,860	1,860	1,859	(1)
Supplies	750	750	645	(105)
Other Services and Charges	4,339	4,339	585	(3,754)
Interfund Payments for Service	1,500	1,500	1,200	(300)
Total Pest Control	<u>20,613</u>	<u>20,613</u>	<u>15,086</u>	<u>(5,527)</u>
<u>AG Advisory Board</u>				
Salaries and Wages	6,551	6,451	3,021	(3,430)
Personnel Benefits	3,421	3,198	1,527	(1,671)
Other Services and Charges	150	150	68	(82)
Total AG Advisory Board	<u>10,122</u>	<u>9,799</u>	<u>4,616</u>	<u>(5,183)</u>
Total Economic Environment	\$ 428,648	\$ 445,069	\$ 369,433	\$ (75,636)

SKAGIT COUNTY, WASHINGTON
Schedule of Expenditures Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Health and Human Services				
<u>Coroner</u>				
Salaries and Wages	105,223	103,802	96,002	(7,800)
Personnel Benefits	44,242	44,737	40,976	(3,761)
Supplies	4,000	4,000	4,778	778
Other Services and Charges	119,062	119,062	111,206	(7,856)
Interfund Payment for Services	19,224	19,224	19,224	-
Total Cooperative Extension	<u>291,751</u>	<u>290,825</u>	<u>272,186</u>	<u>(18,639)</u>
Total Health and Human Services	\$ 291,751	\$ 290,825	\$ 272,186	\$ (18,639)
Culture and Recreation				
<u>Cooperative Extension</u>				
Salaries and Wages	83,041	82,425	79,234	(3,191)
Personnel Benefits	29,557	29,312	32,240	2,928
Supplies	1,075	1,075	1,053	(22)
Other Services and Charges	99,921	98,421	79,839	(18,582)
Total Cooperative Extension	<u>213,594</u>	<u>211,233</u>	<u>192,366</u>	<u>(18,867)</u>
<u>Historical Museum</u>				
Salaries and Wages	-	-	-	-
Personnel Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	150,000	150,000	150,000	-
Total Historical Museum	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total Culture and Recreation	\$ 363,594	\$ 361,233	\$ 342,366	\$ (18,867)
Capital Outlay				
<u>Capital Outlay</u>				
Capital Outlay	20,000	26,000	13,071	(12,929)
Total Capital Outlay	<u>20,000</u>	<u>26,000</u>	<u>13,071</u>	<u>(12,929)</u>
<u>Non Department Debt Service</u>				
Debt Service Principal	56,667	510,000	510,000	-
Total Contributions to Active Funds	<u>56,667</u>	<u>510,000</u>	<u>510,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 44,600,853</u>	<u>\$ 46,180,847</u>	<u>\$ 42,101,671</u>	<u>\$ (4,060,537)</u>

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2013

	Non Major Funds			Total
	Special	Debt	Capital	
ASSETS and OUTFLOWS of RESOURCES	Revenue	Service	Project	
Cash/Cash Equivalents	\$ 6,703,007	\$ 311,510	\$ 7,550,721	\$ 14,565,238
Investments	4,185,596	2,022,430	3,361,164	9,569,190
Taxes Receivable	230,811		-	230,811
Accounts Receivable	13,420	100	-	13,520
Due From Other Funds	579,924	-	-	579,924
Due From Other Governmental Units	2,133,820	-	379,573	2,513,393
Interfund Loan Receivable	1,500	3,000	-	4,500
Inventory/Prepayments	120,735	-	-	120,735
Total Assets	13,968,813	2,337,040	11,291,458	27,597,311
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	13,968,813	2,337,040	11,291,458	27,597,311
LIABILITIES, DEFERRED INFLOWS of RESOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts/Vouchers Payable	785,748	-	\$ 547,278	1,333,026
Due To Other Funds	427,179	-	72,246	499,425
Due To Other Governmental Units	199,147	-	-	199,147
Accrued Wages Payable	244,084	-	-	244,084
Accrued Employee Benefits	62,844	-	-	62,844
Custodial Accounts	51,815	-	-	51,815
Deferred Revenue	160,255	-	56,383	216,638
Long-Term Interfund Loans Payable	-	4,500	-	4,500
Total Liabilities	1,931,072	4,500	675,907	2,611,479
Deferred Inflows of Resources	279,639	100		279,739
<u>Fund Balance</u>				
Nonspendable	122,235		-	122,235
Restricted	8,533,256	2,332,440	10,615,550	21,481,246
Committed	3,102,611		-	3,102,611
Assigned	-		-	-
Unassigned	-	-	-	-
Total Fund Balances	11,758,102	2,332,440	10,615,550	24,706,092
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 13,968,813	\$ 2,337,040	\$ 11,291,457	\$ 27,597,310

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Non Major Funds			Total
	Special Revenue	Debt Service	Capital Project	
<u>Revenues</u>				
Property Taxes	\$7,624,998	-	\$2,690,205	\$ 10,315,203
Sales and Use Taxes	4,119,457		2,213,151	6,332,608
Other Taxes	269,825		-	269,825
Licenses and Permits	1,032,262	-	-	1,032,262
Intergovernmental	7,407,285	-	173,419	7,580,704
Charges for Services	3,463,528	-	15,195	3,478,723
Fines and Forfeits	67,857	-	-	67,857
Interest Earnings	13,434	79,754	9,628	102,816
Donations	441,184	-	5,503	446,687
Other Revenues	304,464	451,401	15,000	770,865
Total Revenues	<u>24,744,294</u>	<u>531,155</u>	<u>5,122,101</u>	<u>30,397,550</u>
<u>Expenditures</u>				
Current:				
General Governmental Services	881,564	-	-	881,564
Public Safety	10,154,429	-	-	10,154,429
Physical Environment	3,563,463	-	-	3,563,463
Transportation	380,626	-	-	380,626
Economic Environment	2,712,757	-	653,979	3,366,736
Health and Human Services	8,521,188	-	-	8,521,190
Culture and Recreation	1,735,414	-	30,964	1,766,378
Debt Service:	-	-	-	-
Principal	-	1,574,813	-	1,574,813
Interest	-	667,297	-	667,297
Capital Outlay	2,156,817	-	1,793,029	3,949,846
Total Expenditures	<u>30,106,258</u>	<u>2,242,110</u>	<u>2,477,972</u>	<u>34,826,342</u>
Excess (Deficit) Revenues Over Expenditures	<u>(5,361,964)</u>	<u>(1,710,955)</u>	<u>2,644,129</u>	<u>(4,428,792)</u>
<u>Other Financing Sources (Uses)</u>				
<u>Interfund Loan receivable</u>				
Proceeds of Long-Term Debt	181,875	533,541		715,416
Proceeds of Capital Assets	-	-	1,399,000	1,399,000
Transfers In	5,212,133	1,458,543	202,000	6,872,676
Transfers Out	(147,800)	-	(1,559,099)	(1,706,899)
Total Other Financing Source (Uses)	<u>5,246,208</u>	<u>1,992,084</u>	<u>41,901</u>	<u>7,280,193</u>
Net Change in Fund Balance	<u>(115,756)</u>	<u>281,129</u>	<u>2,686,030</u>	<u>2,851,401</u>
Fund Balance-January 1	11,873,858	2,051,313	7,929,520	21,854,691
Prior Period Adjustment	-	-	-	-
Fund Balance-December 31	<u>11,758,102</u>	<u>\$2,332,440</u>	<u>10,615,550</u>	<u>\$ 24,706,092</u>

SKAGIT COUNTY, WASHINGTON
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

Special Revenue Funds are utilized to account for the proceeds from specific revenue sources other than expendable trusts or major capital project that are legally restricted for the purposes so designated. Both revenues and expenditures are budgeted in compliance with the Revised Code of Washington 36.40. The modified accrual basis of accounting is applied. A description of each fund follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SKAGIT COUNTY, WASHINGTON
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

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

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

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

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

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

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

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

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

Drug Enforcement - A fund established for drug enforcement activities.

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

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

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

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

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

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

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

ASSETS and OUTFLOWS of RESOURCES	Public Health	Special Paths	Emergency Mgmt	County Fair
Cash and Cash Equivalents	\$311,609	\$117,321	\$366,426	\$552,102
Investments	100,114	450,924		
Taxes Receivable				
Accounts Receivable	11,213		-	
Due from Other Funds	-		-	-
Due from Other Governments	351,353		66,154	
Interfund Loans Receivable				
Inventories	120,735			
Prepaid Items				
Total Assets	895,024	568,245	432,580	552,102
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	895,024	568,245	432,580	552,102
 LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	12,157	1,238	15,131	3,393
Due to Other Funds	227,969	3,357	24,925	12,109
Due to Other Governments	-	-	1,969	
Accrued Wages Payable	86,734	3,911	7,396	2,123
Accrued Employee Benefits	18,436	792	1,621	478
Custodial Accounts				-
Unearned Revenue	-			51,656
Interfund Loans Payable				
Total Liabilities	345,296	9,298	51,042	69,759
Deferred Inflows of Resources	48,828			
<u>Fund Balance</u>				
Nonspendable	120,735			
Restricted	346,973	558,947		
Committed	33,192		381,538	482,343
Assigned				
Unassigned				
Total Fund Balances	500,900	558,947	381,538	482,343
Total Liabilities, Deferred Inflows of Resources and Fund Balances	895,024	568,245	432,580	552,102

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

ASSETS and OUTFLOWS of RESOURCES	Veterans' Relief	Law Library	River Imp	Treasurer O&M
Cash and Cash Equivalents	\$353,229	\$47,333	\$200,314	\$46,565
Investments			-	181,244
Taxes Receivable	5,123			
Accounts Receivable			-	
Due from Other Funds			578,505	
Due from Other Governments			1,667	
Interfund Loans Receivable				
Inventories				
Prepaid Items				
Total Assets	358,352	47,333	780,486	227,809
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	358,352	47,333	780,486	227,809
 LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	27,585	4,308	18,224	
Due to Other Funds	2,678		5,570	
Due to Other Governments		-		
Accrued Wages Payable		1,996	2,014	1,083
Accrued Employee Benefits		356	371	
Custodial Accounts				
Unearned Revenue	-			
Interfund Loans Payable				
Total Liabilities	30,263	6,660	26,179	1,083
Deferred Inflows of Resources	5,123			
<u>Fund Balance</u>				
Nonspendable				
Restricted	322,966			226,726
Committed		40,673	754,307	
Assigned				
Unassigned				
Total Fund Balances	322,966	40,673	754,307	226,726
Total Liabilities, Deferred Inflows of Resources and Fund Balances	358,352	47,333	780,486	227,809

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

ASSETS and OUTFLOWS of RESOURCES	Document Preserv	Election	Parks & Rec	Substance Abuse
Cash and Cash Equivalents	\$288,816	\$240,703	\$352,002	\$732,124
Investments	329,363		419,951	
Taxes Receivable				
Accounts Receivable	6	-		-
Due from Other Funds		-		
Due from Other Governments		5,700		94,499
Interfund Loans Receivable				
Inventories				
Prepaid Items				
Total Assets	618,185	246,403	771,953	826,623
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	618,185	246,403	771,953	826,623
 LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable		17,171	11,480	83,460
Due to Other Funds				16,279
Due to Other Governments		-	-	195,453
Accrued Wages Payable	2,547	6,180	18,297	4,017
Accrued Employee Benefits	426	1,013	3,792	797
Custodial Accounts			(165)	
Unearned Revenue			104,710	
Interfund Loans Payable		-		
Total Liabilities	2,973	24,364	138,114	300,006
Deferred Inflows of Resources				
<u>Fund Balance</u>				
Nonspendable				
Restricted	615,212			526,617
Committed		222,039	633,839	
Assigned				
Unassigned				
Total Fund Balances	615,212	222,039	633,839	526,617
Total Liabilities, Deferred Inflows of Resources and Fund Balances	618,185	246,403	771,953	826,623

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

ASSETS and OUTFLOWS of RESOURCES	Community Services	Conv. Center	Clean Water	Conserv. Futures
Cash and Cash Equivalents	\$358,468	\$184,894	\$100,782	\$22,671
Investments		129,845	790,535	250,102
Taxes Receivable			54,387	24,102
Accounts Receivable	-	-	-	
Due from Other Funds				
Due from Other Governments	77,514	38,045	211,049	527,500
Interfund Loans Receivable				
Inventories				
Prepaid Items				
Total Assets	435,982	352,784	1,156,753	824,375
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	435,982	352,784	1,156,753	824,375
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	54,604	42,664	121,733	19,563
Due to Other Funds	27	1,439	121,053	
Due to Other Governments	1,725			
Accrued Wages Payable	37,180		21,102	850
Accrued Employee Benefits	7,052		3,960	178
Custodial Accounts				
Unearned Revenue				-
Interfund Loans Payable				
Total Liabilities	100,588	44,103	267,848	20,591
Deferred Inflows of Resources			54,387	24,102
<u>Fund Balance</u>				
Nonspendable				
Restricted	92,043	308,681	834,518	779,682
Committed	243,351			
Assigned				
Unassigned				
Total Fund Balances	335,394	308,681	834,518	779,682
Total Liabilities, Deferred Inflows of Resources and Fund Balances	435,982	352,784	1,156,753	824,375

**SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013**

ASSETS and OUTFLOWS of RESOURCES	Medic 1	Crime Victim	Comm. System	Water Quality
Cash and Cash Equivalents	\$68,052	\$37,073	\$305,415	\$256,534
Investments		118,562		103,194
Taxes Receivable	141,891			
Accounts Receivable			-	
Due from Other Funds				
Due from Other Governments			611,414	5,760
Interfund Loans Receivable				
Inventories				
Prepaid Items				
Total Assets	209,943	155,635	916,829	365,488
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	209,943	155,635	916,829	365,488
 LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	6,236		517	52,440
Due to Other Funds		371		
Due to Other Governments				
Accrued Wages Payable		814		498
Accrued Employee Benefits		154		
Custodial Accounts				
Unearned Revenue			795	
Interfund Loans Payable				
Total Liabilities	6,236	1,339	1,312	52,938
Deferred Inflows of Resources	141,891			
<u>Fund Balance</u>				
Nonspendable				
Restricted		154,296	915,517	312,550
Committed	61,816			
Assigned				
Unassigned				
Total Fund Balances	61,816	154,296	915,517	312,550
Total Liabilities, Deferred Inflows of Resources and Fund Balances	209,943	155,635	916,829	365,488

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

ASSETS and OUTFLOWS of RESOURCES	Planning & Development	Lake Mgmt Dist. 1	Lake Mgmt Dist. 2	Lake Mgmt Dist. 3
Cash and Cash Equivalents	\$1,123,487	\$52,663	\$22,064	\$24,432
Investments		50,000	30,000	35,000
Taxes Receivable		2,382	600	98
Accounts Receivable	615			
Due from Other Funds	1,419			
Due from Other Governments	89,173			
Interfund Loans Receivable				
Inventories				
Prepaid Items				
Total Assets	1,214,694	105,045	52,664	59,530
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	1,214,694	105,045	52,664	59,530
 LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	28,447	36,082	11,039	22,234
Due to Other Funds	2,111			
Due to Other Governments				
Accrued Wages Payable	46,614	277	104	208
Accrued Employee Benefits	23,418			
Custodial Accounts				
Unearned Revenue	3,094	-	-	-
Interfund Loans Payable	-			
Total Liabilities	103,684	36,359	11,143	22,442
Deferred Inflows of Resources		2,382	600	98
<u>Fund Balance</u>				
Nonspendable				
Restricted	1,111,010	66,304	40,921	36,990
Committed				
Assigned				
Unassigned				
Total Fund Balances	1,111,010	66,304	40,921	36,990
Total Liabilities, Deferred Inflows of Resources and Fund Balances	1,214,694	105,045	52,664	59,530

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

ASSETS and OUTFLOWS of RESOURCES	Lake Mgmt Dist. 4	Edison Clean Wtr	Drug Enforce.	Boating Safety
Cash and Cash Equivalents	\$26,930	\$101,892	\$70,216	\$37,229
Investments	25,000	150,000	154,190	
Taxes Receivable	683	1,545		
Accounts Receivable				
Due from Other Funds				
Due from Other Governments			-	-
Interfund Loans Receivable		1,500		
Inventories				
Prepaid Items				
Total Assets	52,613	254,937	224,406	37,229
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	52,613	254,937	224,406	37,229
 LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	13,384	2,381	-	976
Due to Other Funds				1,473
Due to Other Governments				
Accrued Wages Payable	139			-
Accrued Employee Benefits				
Custodial Accounts				
Unearned Revenue	-	-		
Interfund Loans Payable				
Total Liabilities	13,523	2,381	-	2,449
Deferred Inflows of Resources	683	1,545		
<u>Fund Balance</u>				
Nonspendable		1,500		
Restricted	38,407		224,406	34,780
Committed		249,511		
Assigned				
Unassigned				
Total Fund Balances	38,407	251,011	224,406	34,780
Total Liabilities, Deferred Inflows of Resources and Fund Balances	52,613	254,937	224,406	37,229

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013

ASSETS and OUTFLOWS of RESOURCES	Low Inc. Housing	Title III Projects	Treasurer REET	Housing Assistance
Cash and Cash Equivalents	\$68,218	\$49,891	\$0	\$97,735
Investments	148,066		157,689	503,804
Taxes Receivable				
Accounts Receivable	17			92
Due from Other Funds				
Due from Other Governments				
Interfund Loans Receivable				
Inventories				
Prepaid Items				
Total Assets	216,301	49,891	157,689	601,631
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	216,301	49,891	157,689	601,631
LIABILITIES, DEFERRED INFLOWS of REOURCES and FUND BALANCES				
<u>Liabilities</u>				
Accounts and Vouchers Payable	32,450	10,277		117,784
Due to Other Funds	363	2		3,599
Due to Other Governments				
Accrued Wages Payable				
Accrued Employee Benefits				
Custodial Accounts				
Unearned Revenue				
Interfund Loans Payable				
Total Liabilities	32,813	10,279	-	121,383
Deferred Inflows of Resources				
<u>Fund Balance</u>				
Nonspendable				
Restricted	183,488	39,612	157,689	480,248
Committed				
Assigned				
Unassigned				
Total Fund Balances	183,488	39,612	157,689	480,248
Total Liabilities, Deferred Inflows of Resources and Fund Balances	216,301	49,891	157,689	601,631

**SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2013**

ASSETS and OUTFLOWS of RESOURCES	Interlocal Invest.	TOTAL
Cash and Cash Equivalents	\$85,817	\$6,703,007
Investments	58,013	4,185,596
Taxes Receivable		230,811
Accounts Receivable	1,477	13,420
Due from Other Funds	-	579,924
Due from Other Governments	53,992	2,133,820
Interfund Loans Receivable		1,500
Inventories		120,735
Prepaid Items		
Total Assets	199,299	13,968,813
Deferred Outflows of Resources		
Total Assets and Deferred Outflows of Resources	199,299	13,968,813
LIABILITIES, DEFERRED INFLOWS of RECOURCES and FUND BALANCES		
<u>Liabilities</u>		
Accounts and Vouchers Payable	18,792	785,748
Due to Other Funds	3,854	427,179
Due to Other Governments	-	199,147
Accrued Wages Payable	-	244,084
Accrued Employee Benefits		62,844
Custodial Accounts	51,980	51,815
Unearned Revenue		160,255
Interfund Loans Payable		-
Total Liabilities	74,626	1,931,072
Deferred Inflows of Resources		279,639
<u>Fund Balance</u>		
Nonspendable		122,235
Restricted	124,673	8,533,256
Committed		3,102,611
Assigned		-
Unassigned		-
Total Fund Balances	124,673	11,758,102
Total Liabilities, Deferred Inflows of Resources and Fund Balances	199,299	13,968,813

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	Public Health	Special Paths	Emergency Mgmt	County Fair
Property Taxes				
Sales and Use Taxes				
Other Taxes				
Licenses and Permits	459,570		-	
Intergovernmental	2,006,578	160,427	331,210	24,441
Charges for Services	716,837		1,500	240,097
Fines and Forfeits	4,691			
Interest Earnings	554	1,874		
Donations	505			36,174
Other Revenue	1,525		-	55,675
Total Revenue	<u>3,190,260</u>	<u>162,301</u>	<u>332,710</u>	<u>356,387</u>
EXPENDITURES				
Current:				
General Governmental Services				
Public Safety			407,874	
Utilities and Environment				
Transportation		380,626		
Economic Environment				
Health & Human Services	3,871,768			
Culture and Recreation				302,273
Debt Service:				
Principal				
Interest				
Capital Outlay				
Total Expenditures	<u>3,871,768</u>	<u>380,626</u>	<u>407,874</u>	<u>302,273</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(681,508)</u>	<u>(218,325)</u>	<u>(75,164)</u>	<u>54,114</u>
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In	765,820		105,613	50,000
Transfers Out				
Total Other Financial Sources (Uses)	<u>765,820</u>	<u>-</u>	<u>105,613</u>	<u>50,000</u>
Net Change in Fund Balance	<u>84,312</u>	<u>(218,325)</u>	<u>30,449</u>	<u>104,114</u>
Fund Balance, January 1	416,588	777,272	351,089	378,229
Prior Period Adjustments				
Fund Balance, January 1, restated	<u>416,588</u>	<u>777,272</u>	<u>351,089</u>	<u>378,229</u>
Fund Balance, December 31	<u>\$500,900</u>	<u>\$558,947</u>	<u>\$381,538</u>	<u>\$482,343</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	Veterans' Relief	Law Library	River Imp	Treasurer O&M
Property Taxes	\$162,469			
Sales and Use Taxes	3,702			
Other Taxes				
Licenses and Permits				
Intergovernmental	5,757		5,931	
Charges for Services		49,028	104,738	34,130
Fines and Forfeits				
Interest Earnings	-		853	944
Donations				
Other Revenue	40	1,694		
Total Revenue	<u>171,968</u>	<u>50,722</u>	<u>111,522</u>	<u>35,074</u>
EXPENDITURES				
Current:				
General Governmental Services		123,898		22,570
Public Safety				
Utilities and Environment			957,530	
Transportation				
Economic Environment				
Health & Human Services	145,281			
Culture and Recreation				
Debt Service:				
Principal				
Interest				
Capital Outlay				
Total Expenditures	<u>145,281</u>	<u>123,898</u>	<u>957,530</u>	<u>22,570</u>
Excess (Deficit) of Revenues Over Expenditures	<u>26,687</u>	<u>(73,176)</u>	<u>(846,008)</u>	<u>12,504</u>
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In		84,598	842,458	
Transfers Out				
Total Other Financial Sources (Uses)	<u>-</u>	<u>84,598</u>	<u>842,458</u>	<u>-</u>
Net Change in Fund Balance	<u>26,687</u>	<u>11,422</u>	<u>(3,550)</u>	<u>12,504</u>
Fund Balance, January 1	296,279	29,251	757,857	214,222
Prior Period Adjustments				
Fund Balance, January 1, restated	<u>296,279</u>	<u>29,251</u>	<u>757,857</u>	<u>214,222</u>
Fund Balance, December 31	<u>\$322,966</u>	<u>\$40,673</u>	<u>\$754,307</u>	<u>\$226,726</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	Document Preserv	Election	Parks & Rec	Substance Abuse
Property Taxes				
Sales and Use Taxes				
Other Taxes				
Licenses and Permits				
Intergovernmental	81,224	9,101		1,460,116
Charges for Services	65,179	265,917	352,045	
Fines and Forfeits				
Interest Earnings	1,430		819	
Donations			9,662	
Other Revenue		199	199,995	575
Total Revenue	<u>147,833</u>	<u>275,217</u>	<u>562,521</u>	<u>1,460,691</u>
EXPENDITURES				
Current:				
General Governmental Services	116,197	529,263		
Public Safety				
Utilities and Environment				
Transportation				
Economic Environment				
Health & Human Services				1,554,997
Culture and Recreation			1,265,741	
Debt Service:				
Principal				
Interest				
Capital Outlay			9,334	
Total Expenditures	<u>116,197</u>	<u>529,263</u>	<u>1,275,075</u>	<u>1,554,997</u>
Excess (Deficit) of Revenues Over Expenditures	<u>31,636</u>	<u>(254,046)</u>	<u>(712,554)</u>	<u>(94,306)</u>
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In		420,000	597,704	-
Transfers Out				-
Total Other Financial Sources (Uses)	<u>-</u>	<u>420,000</u>	<u>597,704</u>	<u>-</u>
Net Change in Fund Balance	<u>31,636</u>	<u>165,954</u>	<u>(114,850)</u>	<u>(94,306)</u>
Fund Balance, January 1	583,576	56,085	748,689	620,923
Prior Period Adjustments				
Fund Balance, January 1, restated	<u>583,576</u>	<u>56,085</u>	<u>748,689</u>	<u>620,923</u>
Fund Balance, December 31	<u>\$615,212</u>	<u>\$222,039</u>	<u>\$633,839</u>	<u>\$526,617</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	Community Services	Conv. Center	Clean Water	Conserv. Futures
Property Taxes			\$1,337,976	\$788,395
Sales and Use Taxes		303,853		12,737
Other Taxes				5,283
Licenses and Permits				
Intergovernmental	782,351		523,734	804,278
Charges for Services	30,449		171,438	
Fines and Forfeits				
Interest Earnings		430	1,203	772
Donations	379,593			0
Other Revenue	26,166	-	7,489	817
Total Revenue	<u>1,218,559</u>	<u>304,283</u>	<u>2,041,840</u>	<u>1,612,282</u>
EXPENDITURES				
Current:				
General Governmental Services				
Public Safety				
Utilities and Environment			2,017,214	203,799
Transportation				
Economic Environment				
Health & Human Services	2,139,833			
Culture and Recreation		167,400		
Debt Service:				
Principal				
Interest				
Capital Outlay				1,987,443
Total Expenditures	<u>2,139,833</u>	<u>167,400</u>	<u>2,017,214</u>	<u>2,191,242</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(921,274)</u>	<u>136,883</u>	<u>24,626</u>	<u>(578,960)</u>
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In	1,013,317		59,930	
Transfers Out		(137,800)	(10,000)	
Total Other Financial Sources (Uses)	<u>1,013,317</u>	<u>(137,800)</u>	<u>49,930</u>	<u>-</u>
Net Change in Fund Balance	<u>92,043</u>	<u>(917)</u>	<u>74,556</u>	<u>(578,960)</u>
Fund Balance, January 1	243,351	309,598	759,962	1,358,642
Prior Period Adjustments				
Fund Balance, January 1, restated	<u>243,351</u>	<u>309,598</u>	<u>759,962</u>	<u>1,358,642</u>
Fund Balance, December 31	<u>\$335,394</u>	<u>\$308,681</u>	<u>\$834,518</u>	<u>\$779,682</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	Medic 1	Crime Victim	Comm. System	Water Quality
Property Taxes	\$5,330,782			\$5,376
Sales and Use Taxes	8,649		3,790,516	
Other Taxes	36,031		-	
Licenses and Permits				
Intergovernmental	191,302		81,422	18,593
Charges for Services		81,236		2,205
Fines and Forfeits				
Interest Earnings	15	186	232	1,881
Donations				
Other Revenue	1,330			
Total Revenue	5,568,109	81,422	3,872,170	28,055
EXPENDITURES				
Current:				
General Governmental Services		89,638		
Public Safety	5,546,235		3,684,787	
Utilities and Environment				257,653
Transportation				
Economic Environment				
Health & Human Services				
Culture and Recreation				
Debt Service:				
Principal				
Interest				
Capital Outlay				
Total Expenditures	5,546,235	89,638	3,684,787	257,653
Excess (Deficit) of Revenues Over Expenditures	21,874	(8,216)	187,383	(229,598)
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				181,875
Proceeds from Sale of Capital Assets				
Transfers In				
Transfers Out				
Total Other Financial Sources (Uses)	-	-	-	181,875
Net Change in Fund Balance	21,874	(8,216)	187,383	(47,723)
Fund Balance, January 1	39,942	162,512	728,134	360,273
Prior Period Adjustments				
Fund Balance, January 1, restated	39,942	162,512	728,134	360,273
Fund Balance, December 31	\$61,816	\$154,296	\$915,517	\$312,550

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	Planning & Development	Lake Mgmt Dist. 1	Lake Mgmt Dist. 2	Lake Mgmt Dist. 3
Property Taxes				
Sales and Use Taxes				
Other Taxes		57,832	14,520	29,274
Licenses and Permits	572,692			
Intergovernmental	609,688			
Charges for Services	538,625			
Fines and Forfeits	10,853			
Interest Earnings		62	23	-
Donations	15,250			
Other Revenue	1,905			
Total Revenue	1,749,013	57,894	14,543	29,274
EXPENDITURES				
Current:				
General Governmental Services				
Public Safety				
Utilities and Environment		40,518	13,129	25,428
Transportation				
Economic Environment	2,540,271			
Health & Human Services				
Culture and Recreation				
Debt Service:				
Principal				
Interest				
Capital Outlay	137,566			
Total Expenditures	2,677,837	40,518	13,129	25,428
Excess (Deficit) of Revenues Over Expenditures	(928,824)	17,376	1,414	3,846
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
Proceeds from Sale of Capital Assets				
Transfers In	1,272,693			
Transfers Out				
Total Other Financial Sources (Uses)	1,272,693	-	-	-
Net Change in Fund Balance	343,869	17,376	1,414	3,846
Fund Balance, January 1	767,141	48,928	39,507	33,144
Prior Period Adjustments				
Fund Balance, January 1, restated	767,141	48,928	39,507	33,144
Fund Balance, December 31	\$1,111,010	\$66,304	\$40,921	\$36,990

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	Lake Mgmt Dist. 4	Edison Clean Wtr	Drug Enforce.	Boating Safety
Property Taxes				
Sales and Use Taxes				
Other Taxes	20,378	106,507		
Licenses and Permits				
Intergovernmental			25,000	88,190
Charges for Services				
Fines and Forfeits				
Interest Earnings	45	151	242	
Donations				
Other Revenue		273	346	1,530
Total Revenue	<u>20,423</u>	<u>106,931</u>	<u>25,588</u>	<u>89,720</u>
EXPENDITURES				
Current:				
General Governmental Services				
Public Safety			25,192	103,485
Utilities and Environment	15,933	32,259		
Transportation				
Economic Environment				
Health & Human Services				
Culture and Recreation				
Debt Service:				
Principal				
Interest				
Capital Outlay				
Total Expenditures	<u>15,933</u>	<u>32,259</u>	<u>25,192</u>	<u>103,485</u>
Excess (Deficit) of Revenues Over Expenditures	<u>4,490</u>	<u>74,672</u>	<u>396</u>	<u>(13,765)</u>
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
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	<u>4,490</u>	<u>74,672</u>	<u>396</u>	<u>(13,765)</u>
Fund Balance, January 1	33,917	176,339	224,010	48,545
Prior Period Adjustments				
Fund Balance, January 1, restated	<u>33,917</u>	<u>176,339</u>	<u>224,010</u>	<u>48,545</u>
Fund Balance, December 31	<u>\$38,407</u>	<u>\$251,011</u>	<u>\$224,406</u>	<u>\$34,780</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	Low Inc. Housing	Title III Projects	Treasurer REET	Housing Assistance
Property Taxes				
Sales and Use Taxes				
Other Taxes				
Licenses and Permits				
Intergovernmental		0		
Charges for Services	136,105			672,052
Fines and Forfeits				
Interest Earnings	267		563	639
Donations				
Other Revenue				
Total Revenue	<u>136,372</u>	<u>0</u>	<u>563</u>	<u>672,691</u>
EXPENDITURES				
Current:				
General Governmental Services			0	
Public Safety				
Utilities and Environment				
Transportation				
Economic Environment	100,363	72,123		
Health & Human Services				809,309
Culture and Recreation				
Debt Service:				
Principal				
Interest				
Capital Outlay				
Total Expenditures	<u>100,363</u>	<u>72,123</u>	<u>0</u>	<u>809,309</u>
Excess (Deficit) of Revenues Over Expenditures	<u>36,009</u>	<u>(72,123)</u>	<u>563</u>	<u>(136,618)</u>
Other Financing Sources (Uses)				
Proceeds from Long Term Debt				
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	<u>36,009</u>	<u>(72,123)</u>	<u>563</u>	<u>(136,618)</u>
Fund Balance, January 1	147,479	111,735	157,126	616,866
Prior Period Adjustments				
Fund Balance, January 1, restated	<u>147,479</u>	<u>111,735</u>	<u>157,126</u>	<u>616,866</u>
Fund Balance, December 31	<u>\$183,488</u>	<u>\$39,612</u>	<u>\$157,689</u>	<u>\$480,248</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES	<u>Interlocal Invest.</u>	<u>TOTAL</u>
Property Taxes		\$7,624,998
Sales and Use Taxes		4,119,457
Other Taxes		269,825
Licenses and Permits		1,032,262
Intergovernmental	197,942	7,407,285
Charges for Services	1,947	3,463,528
Fines and Forfeits	52,313	67,857
Interest Earnings	249	13,434
Donations		441,184
Other Revenue	4,905	304,464
Total Revenue	<u>257,356</u>	<u>24,744,294</u>
 EXPENDITURES		
Current:		
General Governmental Services		881,564
Public Safety	386,856	10,154,429
Utilities and Environment		3,563,463
Transportation		380,626
Economic Environment		2,712,757
Health & Human Services		8,521,188
Culture and Recreation		1,735,414
Debt Service:		-
Principal		-
Interest		-
Capital Outlay	22,474	2,156,817
Total Expenditures	<u>409,330</u>	<u>30,106,258</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(151,974)</u>	<u>(5,361,964)</u>
 Other Financing Sources (Uses)		
Proceeds from Long Term Debt		181,875
Proceeds from Sale of Capital Assets		-
Transfers In		5,212,133
Transfers Out		(147,800)
Total Other Financial Sources (Uses)	<u>-</u>	<u>5,246,208</u>
Net Change in Fund Balance	<u>(151,974)</u>	<u>(115,756)</u>
Fund Balance, January 1	276,647	11,873,858
Prior Period Adjustments		0
Fund Balance, January 1, restated	<u>276,647</u>	<u>11,873,858</u>
 Fund Balance, December 31	 <u>\$124,673</u>	 <u>\$11,758,102</u>

SKAGIT COUNTY, WASHINGTON

Public Health

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1		\$ (94,780)	\$ 416,588	
Resources (in-flows)				
Licenses and Permits	438,125	442,125	459,570	17,445
Intergovernmental Revenue	2,182,498	2,403,321	2,006,578	(396,743)
Charges for Goods and Services	698,809	813,809	716,837	(96,972)
Fines and Forfeits	6,000	6,000	4,691	(1,309)
Interest Revenue	150	650	554	(96)
Donations	3,000	3,000	505	(2,495)
Transfers In	765,820	765,820	765,820	-
Miscellaneous Revenues	775	875	1,525	650
Total Resources (in-flows)	4,095,177	4,435,600	3,956,080	(479,520)
Amounts Available for Appropriation	4,095,177	4,340,820	4,372,668	
Charges to Appropriations (out-flows)				
Salaries and Wages	2,094,424	2,165,725	2,131,900	(33,825)
Personnel Benefits	1,049,687	1,039,054	998,542	(40,512)
Supplies	228,069	393,594	209,884	(183,710)
Services and Charges	170,369	227,604	157,320	(70,284)
Capital Outlays				-
Interfund Payments for Services	552,628	514,843	374,122	(140,721)
Transfers Out				-
Amount Charged to Appropriations (out-flows)	4,095,177	4,340,820	3,871,768	(469,052)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 500,900	

SKAGIT COUNTY, WASHINGTON

Special Paths

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 185,804	\$ 311,601	\$ 777,272	
Resources (in-flows)				
Intergovernmental Revenue	158,000	158,000	160,427	2,427
Miscellaneous Revenue	3,000	3,000	1,874	(1,126)
Total Resources (in-flows)	<u>161,000</u>	<u>161,000</u>	<u>162,301</u>	<u>1,301</u>
Amounts Available for Appropriation	346,804	472,601	939,573	
Charges to Appropriations (out-flows)				
Salaries and Wages	100,830	99,831	79,695	(20,136)
Personnel Benefits	38,474	36,333	35,505	(828)
Supplies	52,500	52,500	1,518	(50,982)
Services and Charges	88,000	216,937	260,575	43,638
Capital Outlays	62,000	62,000	-	(62,000)
Interfund Payments for Services	5,000	5,000	3,333	(1,667)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>346,804</u>	<u>472,601</u>	<u>380,626</u>	<u>(91,975)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 558,947</u>	

SKAGIT COUNTY, WASHINGTON

Emergency Management

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1		\$ (8,363)	\$ 351,089	
Resources (in-flows)				
Licenses and Permits				-
Intergovernmental Revenue	360,805	360,805	331,210	(29,595)
Charges for Goods and Services	2,200	2,200	1,500	(700)
Transfers In	105,614	105,614	105,613	(1)
Miscellaneous Revenues	-	-	-	-
Total Resources (in-flows)	468,619	468,619	438,323	(30,296)
Amounts Available for Appropriation	468,619	460,256	789,412	
Charges to Appropriations (out-flows)				
Salaries and Wages	240,871	238,050	189,557	(48,493)
Personnel Benefits	95,092	89,550	80,923	(8,627)
Supplies	35,551	35,551	88,098	52,547
Services and Charges	23,971	23,971	17,705	(6,266)
Capital Outlays	45,000	45,000	-	(45,000)
Interfund Payments for Services	28,134	28,134	31,591	3,457
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	468,619	460,256	407,874	(52,382)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 381,538	

SKAGIT COUNTY, WASHINGTON

Skagit County Fair

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 42,287	\$ 39,916	\$ 378,229	
Resources (in-flows)				
Licenses and Permits				-
Intergovernmental Revenue	19,722	19,722	24,441	4,719
Charges for Goods and Services	154,194	154,194	240,097	85,903
Donations	18,000	18,000	36,174	18,174
Other Revenue	39,000	39,000	55,675	16,675
Transfers In	50,000	50,000	50,000	-
Miscellaneous Revenues			-	-
Total Resources (in-flows)	280,916	280,916	406,387	125,471
Amounts Available for Appropriation	323,203	320,832	784,616	
Charges to Appropriations (out-flows)				
Salaries and Wages	100,300	99,676	85,388	(14,288)
Personnel Benefits	33,401	31,654	35,350	3,696
Supplies	20,150	20,150	24,974	4,824
Services and Charges	147,400	147,400	132,110	(15,290)
Capital Outlays				-
Interfund Payments for Services	21,952	21,952	24,451	2,499
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	323,203	320,832	302,273	(18,559)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 482,343	

SKAGIT COUNTY, WASHINGTON

Veterans Relief

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ -	\$ 56,754	\$ 296,278	
Resources (in-flows)				
Property Tax	163,000	163,000	162,469	(531)
Sales and Use Tax	3,000	3,000	3,702	702
Intergovernmental Revenue	8,000	8,000	5,757	(2,243)
Interest Revenue	-	-	-	-
Miscellaneous Revenues	-	-	40	40
Total Resources (in-flows)	<u>174,000</u>	<u>174,000</u>	<u>171,968</u>	<u>(2,032)</u>
Amounts Available for Appropriation	174,000	230,754	468,246	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	174,000	230,754	142,603	(88,151)
Capital Outlays				-
Interfund Payments for Services	-	-	2,677	2,677
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>174,000</u>	<u>230,754</u>	<u>145,280</u>	<u>(85,474)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 322,966</u>	

SKAGIT COUNTY, WASHINGTON

Law Library

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1		\$ (2,488)	\$ 29,251	
Resources (in-flows)				
Charges for Goods and Services	55,246	55,246	49,028	(6,218)
Donations	-	-		-
Transfers In	84,598	84,598	84,598	-
Miscellaneous Revenues	4,500	4,500	1,694	(2,806)
Total Resources (in-flows)	144,344	144,344	135,320	(9,024)
Amounts Available for Appropriation	144,344	141,856	164,571	
Charges to Appropriations (out-flows)				
Salaries and Wages	49,820	49,096	49,957	861
Personnel Benefits	28,553	26,789	24,790	(1,999)
Supplies	8,300	8,300	5,562	(2,738)
Services and Charges	57,671	57,671	43,589	(14,082)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	144,344	141,856	123,898	(17,958)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 40,673	

SKAGIT COUNTY, WASHINGTON

River Improvement

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (32,240)	\$ (36,476)	\$ 757,857	
Resources (in-flows)				
Intergovernmental Revenue	904,155	904,155	5,931	(898,224)
Charges for Goods and Services	-	-	104,738	104,738
Interest Revenue	-	-	853	853
Transfers In	876,440	876,440	842,458	(33,982)
Miscellaneous Revenues	16,500	16,500	-	(16,500)
Total Resources (in-flows)	1,797,095	1,797,095	953,980	(843,115)
Amounts Available for Appropriation	1,764,855	1,760,619	1,711,837	
Charges to Appropriations (out-flows)				
Salaries and Wages	91,770	90,367	72,582	(17,785)
Personnel Benefits	44,630	41,797	33,782	(8,015)
Supplies	700	700	181	(519)
Services and Charges	190,155	190,155	198,451	8,296
Capital Outlays	800,000	800,000		(800,000)
Interfund Payments for Services	37,600	37,600	9,252	(28,348)
Transfers Out	600,000	600,000	643,282	43,282
Amount Charged to Appropriations (out-flows)	1,764,855	1,760,619	957,530	(803,089)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 754,307	

SKAGIT COUNTY, WASHINGTON

Centennial Document Preservation

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 110,159	\$ 106,278	\$ 583,576	
Resources (in-flows)				
Intergovernmental Revenue	70,000	70,000	81,224	11,224
Charges for Goods and Services	60,000	60,000	65,179	5,179
Interest Revenue	2,500	2,500	1,430	(1,070)
Total Resources (in-flows)	132,500	132,500	147,833	15,333
Amounts Available for Appropriation	242,659	238,778	731,409	
Charges to Appropriations (out-flows)				
Salaries and Wages	91,705	90,562	73,482	(17,080)
Personnel Benefits	42,954	40,216	34,350	(5,866)
Supplies	-	-	-	-
Services and Charges	8,000	14,000	8,365	(5,635)
Capital Outlays	-	-	-	-
Interfund Payments for Services	100,000	94,000	-	(94,000)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	242,659	238,778	116,197	(122,581)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 615,212	

SKAGIT COUNTY, WASHINGTON

Election Services

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ 3,001	\$ (4,936)	\$ 56,085	
Resources (in-flows)				
Intergovernmental Revenue	3,000	3,000	9,101	6,101
Charges for Goods and Services	198,701	198,701	265,917	67,216
Transfers In	420,000	420,000	420,000	-
Miscellaneous Revenues	-	-	199	199
Total Resources (in-flows)	621,701	621,701	695,217	73,516
Amounts Available for Appropriation	624,702	616,765	751,302	
Charges to Appropriations (out-flows)				
Salaries and Wages	220,251	217,678	193,736	(23,942)
Personnel Benefits	84,047	78,683	81,001	2,318
Supplies	13,500	13,500	19,889	6,389
Services and Charges	304,600	304,600	233,833	(70,767)
Capital Outlays	-	-		-
Interfund Payments for Services	2,304	2,304	804	(1,500)
Transfers Out				-
Amount Charged to Appropriations (out-flows)	624,702	616,765	529,263	(87,502)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 222,039	

SKAGIT COUNTY, WASHINGTON

Parks and Recreation

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 201,887	\$ 186,170	\$ 748,689	
Resources (in-flows)				
Intergovernmental Revenue	4,400	4,400	-	(4,400)
Charges for Goods and Services	337,405	337,405	352,045	14,640
Interest Revenue	675	675	819	144
Donations	8,000	8,000	9,662	1,662
Transfers In	599,604	599,604	597,704	(1,900)
Miscellaneous Revenues	153,600	153,600	199,995	46,395
Total Resources (in-flows)	1,103,684	1,103,684	1,160,225	56,541
Amounts Available for Appropriation	1,305,571	1,289,854	1,908,914	
Charges to Appropriations (out-flows)				
Salaries and Wages	523,832	517,291	498,849	(18,442)
Personnel Benefits	230,387	216,468	228,454	11,986
Supplies	84,792	84,792	73,662	(11,130)
Services and Charges	317,432	314,397	317,165	2,768
Capital Outlays	6,300	9,335	9,334	(1)
Interfund Payments for Services	142,828	147,571	147,611	40
Transfers Out				-
Amount Charged to Appropriations (out-flows)	1,305,571	1,289,854	1,275,075	(14,779)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 633,839	

SKAGIT COUNTY, WASHINGTON

Substance Abuse

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 33,240	\$ 42,328	\$ 620,923	
Resources (in-flows)				
Intergovernmental Revenue	1,396,517	2,083,856	1,460,117	(623,739)
Miscellaneous Revenue	-	-	575	575
Transfers In	1,148,290	-	-	-
Total Resources (in-flows)	<u>2,544,807</u>	<u>2,083,856</u>	<u>1,460,692</u>	<u>(623,164)</u>
Amounts Available for Appropriation	2,578,047	2,126,184	2,081,615	
Charges to Appropriations (out-flows)				
Salaries and Wages	89,638	94,055	94,427	372
Personnel Benefits	43,456	43,583	41,580	(2,003)
Supplies	400	400	270	(130)
Services and Charges	2,410,953	1,950,002	1,367,501	(582,501)
Capital Outlays	-	-	-	-
Interfund Payments for Services	33,600	38,144	51,220	13,076
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>2,578,047</u>	<u>2,126,184</u>	<u>1,554,998</u>	<u>(571,186)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 526,617</u>	

SKAGIT COUNTY, WASHINGTON

Community Service

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1		\$ (68,187)	\$ 243,351	
Resources (in-flows)				
Intergovernmental Revenue	818,883	889,225	782,351	(106,874)
Charges for Goods and Services	48,389	48,389	30,449	(17,940)
Donations	438,245	438,245	379,593	(58,652)
Transfers In	1,013,317	1,013,317	1,013,317	-
Miscellaneous Revenues	39,130	39,130	26,166	(12,964)
Total Resources (in-flows)	2,357,964	2,428,306	2,231,876	(196,430)
Amounts Available for Appropriation	2,357,964	2,360,119	2,475,227	
Charges to Appropriations (out-flows)				
Salaries and Wages	1,140,120	1,117,478	986,168	(131,310)
Personnel Benefits	637,805	592,260	525,560	(66,700)
Supplies	391,643	391,643	425,827	34,184
Services and Charges	172,124	242,466	184,728	(57,738)
Capital Outlays				-
Interfund Payments for Services	16,272	16,272	17,550	1,278
Transfers Out				-
Amount Charged to Appropriations (out-flows)	2,357,964	2,360,119	2,139,833	(220,286)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 335,394	

SKAGIT COUNTY, WASHINGTON

Convention Center

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ (50,000)	\$ 20,000	\$ 309,598	
Resources (in-flows)				
Sales and Use Tax	310,000	310,000	303,853	(6,147)
Miscellaneous Revenue		-	-	-
Interest Revenue	-	-	430	430
Total Resources (in-flows)	310,000	310,000	304,283	(5,717)
Amounts Available for Appropriation	260,000	330,000	613,881	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	128,500	198,500	165,961	(32,539)
Capital Outlays				-
Interfund Payments for Services	1,500	1,500	1,439	(61)
Transfers Out	130,000	130,000	137,800	7,800
Amount Charged to Appropriations (out-flows)	260,000	330,000	305,200	(24,800)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 308,681	

SKAGIT COUNTY, WASHINGTON

Clean Water Program

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 9,999	\$ (15,423)	\$ 759,962	
Resources (in-flows)				
Property Tax	1,330,251	1,330,251	1,337,976	7,725
Intergovernmental Revenue	548,509	548,509	523,734	(24,775)
Charges for Goods and Services	4,116	4,116	171,438	167,322
Interest Revenue	-	-	1,203	1,203
Miscellaneous Revenues	206,938	206,938	7,489	(199,449)
Transfers In	59,930	59,930	59,930	-
Total Resources (in-flows)	2,149,744	2,149,744	2,101,770	(47,974)
Amounts Available for Appropriation	2,159,743	2,134,321	2,861,732	
Charges to Appropriations (out-flows)				
Salaries and Wages	581,354	572,935	535,959	(36,976)
Personnel Benefits	280,822	263,819	238,937	(24,882)
Supplies	68,000	63,700	37,079	(26,621)
Services and Charges	481,960	697,621	749,721	52,100
Capital Outlays	10,000	13,200	3,137	(10,063)
Interfund Payments for Services	737,607	523,046	452,381	(70,665)
Transfers Out	-	-	10,000	10,000
Amount Charged to Appropriations (out-flows)	2,159,743	2,134,321	2,027,214	(107,107)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 834,518	

SKAGIT COUNTY, WASHINGTON

Conservation Futures

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (180,861)	\$ 557,848	\$ 1,358,642	
Resources (in-flows)				
Property Tax	750,000	750,000	788,395	38,395
Sales and Use Tax	14,000	14,000	18,020	4,020
Intergovernmental Revenue	805,750	805,750	804,278	(1,472)
Interest Revenue	500	500	774	274
Donations	100,000	100,000	255	(99,745)
Miscellaneous Revenues	100	100	560	460
Total Resources (in-flows)	<u>1,670,350</u>	<u>1,670,350</u>	<u>1,612,282</u>	<u>(58,068)</u>
Amounts Available for Appropriation	1,489,489	2,228,198	2,970,924	
Charges to Appropriations (out-flows)				
Salaries and Wages	26,205	25,804	18,089	(7,715)
Personnel Benefits	13,684	12,794	8,902	(3,892)
Supplies	1,200	1,200	152	(1,048)
Services and Charges	248,400	248,400	176,656	(71,744)
Capital Outlays	1,200,000	1,940,000	1,987,443	47,443
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	<u>1,489,489</u>	<u>2,228,198</u>	<u>2,191,242</u>	<u>(36,956)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 779,682</u>	

SKAGIT COUNTY, WASHINGTON

Medic I

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1			\$ 39,942	
Resources (in-flows)				
Property Tax	5,430,000	5,430,000	5,330,782	(99,218)
Sales and Use Tax	60,000	60,000	44,679	(15,321)
Intergovernmental Revenue	200,000	200,000	191,302	(8,698)
Interest Revenue	-	-	15	15
Miscellaneous Revenues	1,000	1,000	1,330	330
Total Resources (in-flows)	5,691,000	5,691,000	5,568,108	(122,892)
Amounts Available for Appropriation	5,691,000	5,691,000	5,608,050	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	-	-	6,234	6,234
Capital Outlays				-
Interfund Payments for Services	5,691,000	5,691,000	5,540,000	(151,000)
Transfers Out				-
Amount Charged to Appropriations (out-flows)	5,691,000	5,691,000	5,546,234	(144,766)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 61,816	

SKAGIT COUNTY, WASHINGTON

Crime Victim Services

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (1,926)	\$ 5,814	\$ 162,512	
Resources (in-flows)				
Charges for Goods and Services	92,000	92,000	81,236	(10,764)
Interest Revenue	150	150	186	36
Total Resources (in-flows)	92,150	92,150	81,422	(10,728)
Amounts Available for Appropriation	90,224	97,964	243,934	
Charges to Appropriations (out-flows)				
Salaries and Wages	19,074	24,559	22,142	(2,417)
Personnel Benefits	12,450	14,705	13,458	(1,247)
Supplies	200	200	-	(200)
Services and Charges	8,500	8,500	3,667	(4,833)
Capital Outlays				-
Interfund Payments for Services	50,000	50,000	50,371	371
Transfers Out				-
Amount Charged to Appropriations (out-flows)	90,224	97,964	89,638	(8,326)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 154,296	

SKAGIT COUNTY, WASHINGTON

Communication System

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1		\$ 320,000	\$ 728,134	
Resources (in-flows)				
Sales and Use Tax	2,400,000	2,535,000	3,790,516	1,255,516
Other Tax	1,180,000	1,180,000	-	
Interest Earnings			232	
Intergovernmental Revenue	61,500	61,500	81,422	19,922
Total Resources (in-flows)	3,641,500	3,776,500	3,872,170	1,275,438
Amounts Available for Appropriation	3,641,500	4,096,500	4,600,304	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	3,641,500	4,096,500	3,684,787	(411,713)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	3,641,500	4,096,500	3,684,787	(411,713)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 915,517	

SKAGIT COUNTY, WASHINGTON

Water Quality Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1		\$ (730)	\$ 360,273	
Resources (in-flows)				
Property Tax	-	-	5,376	5,376
Intergovernmental Revenue	42,000	42,000	18,593	(23,407)
Charges for Goods and Services	-	-	2,205	2,205
Interest Revenue			1,881	1,881
Proceeds of Long Term Debt	333,460	333,460	181,875	(151,585)
Total Resources (in-flows)	375,460	375,460	209,930	(165,530)
Amounts Available for Appropriation	375,460	374,730	570,203	
Charges to Appropriations (out-flows)				
Salaries and Wages	17,841	17,568	4,969	(12,599)
Personnel Benefits	7,619	7,162	1,936	(5,226)
Supplies	-	-	-	-
Services and Charges	350,000	350,000	250,748	(99,252)
Capital Outlays				-
Interfund Payments for Services	-	-		-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	375,460	374,730	257,653	(117,077)
 Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 312,550	

SKAGIT COUNTY, WASHINGTON

Planning and Development

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (20,467)	\$ (80,086)	\$ 767,141	
Resources (in-flows)				
Licenses and Permits	521,000	521,000	572,692	51,692
Intergovernmental Revenue	495,789	632,789	609,688	(23,101)
Charges for Goods and Services	435,000	435,000	538,625	103,625
Fines and Forfeits	-	-	10,853	10,853
Donations	-	-	15,250	15,250
Transfers In	1,272,692	1,272,692	1,272,693	1
Miscellaneous Revenues	-	-	1,905	1,905
Total Resources (in-flows)	2,724,481	2,861,481	3,021,706	160,225
Amounts Available for Appropriation	2,704,014	2,781,395	3,788,847	
Charges to Appropriations (out-flows)				
Salaries and Wages	1,483,841	1,472,302	1,441,193	(31,109)
Personnel Benefits	650,877	616,797	602,485	(14,312)
Supplies	13,570	13,570	11,940	(1,630)
Services and Charges	473,132	459,132	419,256	(39,876)
Capital Outlays	1,000	138,000	137,566	(434)
Interfund Payments for Services	-	-	3,605	3,605
Transfers Out	81,594	81,594	61,792	(19,802)
Amount Charged to Appropriations (out-flows)	2,704,014	2,781,395	2,677,837	(103,558)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 1,111,010	

SKAGIT COUNTY, WASHINGTON

Lake Management District 1

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ (11,355)	\$ (11,543)	\$ 48,928	
Resources (in-flows)				
Other Tax	57,000	57,000	57,832	832
Interest Earnings	-	-	62	62
Total Resources (in-flows)	<u>57,000</u>	<u>57,000</u>	<u>57,894</u>	<u>894</u>
Amounts Available for Appropriation	45,645	45,457	106,822	
Charges to Appropriations (out-flows)				
Salaries and Wages	4,052	3,990	3,076	(914)
Personnel Benefits	2,093	1,967	1,358	(609)
Supplies	-	-	-	-
Services and Charges	38,000	38,000	36,084	(1,916)
Capital Outlays	-	-	-	-
Interfund Payments for Services	1,500	1,500	-	(1,500)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>45,645</u>	<u>45,457</u>	<u>40,518</u>	<u>(4,939)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,304</u>	

SKAGIT COUNTY, WASHINGTON

Lake Management District 2

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (844)	\$ (897)	\$ 39,507	
Resources (in-flows)				
Other Tax	14,500	14,500	14,520	20
Interest Earnings			23	
Total Resources (in-flows)	14,500	14,500	14,543	20
Amounts Available for Appropriation	13,656	13,603	54,050	
Charges to Appropriations (out-flows)				
Salaries and Wages	1,158	1,440	1,439	(1)
Personnel Benefits	598	654	651	(3)
Supplies				-
Services and Charges	11,500	11,109	11,039	(70)
Capital Outlays				-
Interfund Payments for Services	400	400		(400)
Transfers Out				-
Amount Charged to Appropriations (out-flows)	13,656	13,603	13,129	(474)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 40,921	

SKAGIT COUNTY, WASHINGTON

Lake Management District 3

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (89)	\$ (197)	\$ 33,144	
Resources (in-flows)				
Other Tax	29,500	29,500	29,274	(226)
Interest Earnings			-	
Total Resources (in-flows)	<u>29,500</u>	<u>29,500</u>	<u>29,274</u>	<u>(226)</u>
Amounts Available for Appropriation	29,411	29,303	62,418	
Charges to Appropriations (out-flows)				
Salaries and Wages	2,315	2,280	2,214	(66)
Personnel Benefits	1,196	1,123	981	(142)
Supplies	-	-		-
Services and Charges	25,500	25,500	22,233	(3,267)
Capital Outlays				-
Interfund Payments for Services	400	400		(400)
Transfers Out				-
Amount Charged to Appropriations (out-flows)	<u>29,411</u>	<u>29,303</u>	<u>25,428</u>	<u>(3,875)</u>
 Budgeted Fund Balance, December 31	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 36,990</u>	

SKAGIT COUNTY, WASHINGTON

Lake Management District 4

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ (6,366)	\$ (6,446)	\$ 33,917	
Resources (in-flows)				
Other Tax	24,000	24,000	20,378	(3,622)
Interest Earnings			45	45
Total Resources (in-flows)	<u>24,000</u>	<u>24,000</u>	<u>20,423</u>	<u>(3,577)</u>
Amounts Available for Appropriation	17,634	17,554	54,340	
Charges to Appropriations (out-flows)				
Salaries and Wages	1,737	1,710	1,750	40
Personnel Benefits	897	844	798	(46)
Supplies				-
Services and Charges	15,000	15,000	13,385	(1,615)
Capital Outlays				-
Interfund Payments for Services	-	-		-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	<u>17,634</u>	<u>17,554</u>	<u>15,933</u>	<u>(1,621)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,407</u>	

SKAGIT COUNTY, WASHINGTON

Edison Clean Water District

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ (14,930)	\$ (5,930)	\$ 176,339	
Resources (in-flows)				
Property Tax	53,862	53,862	106,507	52,645
Interest Earnings			151	151
Miscellaneous Revenues			273	273
Total Resources (in-flows)	53,862	53,862	106,931	53,069
Amounts Available for Appropriation	38,932	47,932	283,270	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies	1,000	10,000	378	(9,622)
Services and Charges	37,932	37,932	31,881	(6,051)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	38,932	47,932	32,259	(15,673)
 Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 251,011	

SKAGIT COUNTY, WASHINGTON

Drug Enforcement Cumulative

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1			\$ 224,010	
Resources (in-flows)				
Intergovernmental Revenue	25,000	25,000	25,000	-
Interest Revenue	300	300	242	(58)
Miscellaneous Revenues	4,706	4,706	346	(4,360)
Total Resources (in-flows)	30,006	30,006	25,588	(4,418)
Amounts Available for Appropriation	30,006	30,006	249,598	
Charges to Appropriations (out-flows)				
Salaries and Wages	15,000	20,500	20,443	(57)
Personnel Benefits	-	-	39	39
Supplies	5,006	2,006	260	(1,746)
Services and Charges	10,000	7,500	4,450	(3,050)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	30,006	30,006	25,192	(4,814)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 224,406	

SKAGIT COUNTY, WASHINGTON

Boating Safety

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (7,650)	\$ (8,468)	\$ 48,545	
Resources (in-flows)				
Intergovernmental Revenue	135,000	135,000	88,190	(46,810)
Miscellaneous Revenues		-	1,530	1,530
Total Resources (in-flows)	135,000	135,000	89,720	(45,280)
Amounts Available for Appropriation	127,350	126,532	138,265	
Charges to Appropriations (out-flows)				
Salaries and Wages	65,000	65,000	46,233	(18,767)
Personnel Benefits	19,450	18,632	15,010	(3,622)
Supplies	14,000	14,000	12,430	(1,570)
Services and Charges	22,400	22,400	28,339	5,939
Capital Outlays	5,000	5,000	-	(5,000)
Interfund Payments for Services	1,500	1,500	1,473	(27)
Transfers Out				-
Amount Charged to Appropriations (out-flows)	127,350	126,532	103,485	(23,047)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 34,780	

SKAGIT COUNTY, WASHINGTON

Low-Income Housing Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ (933)	\$ (933)	\$ 147,479	
Resources (in-flows)				
Charges for Goods and Services	120,611	120,611	136,105	15,494
Interest Revenue	322	322	267	(55)
Total Resources (in-flows)	120,933	120,933	136,372	15,439
Amounts Available for Appropriation	120,000	120,000	283,851	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	120,000	120,000	100,000	(20,000)
Capital Outlays				-
Interfund Payments for Services			363	363
Transfers Out				-
Amount Charged to Appropriations (out-flows)	120,000	120,000	100,363	(19,637)
 Budgeted Fund Balance, December 31	 \$ -	 \$ -	 \$ 183,488	

SKAGIT COUNTY, WASHINGTON

Title III Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 50,000	\$ 111,737	\$ 111,735	
Resources (in-flows)				
Intergovernmental Revenue	-	-	-	-
Total Resources (in-flows)	-	-	-	-
Amounts Available for Appropriation	50,000	111,737	111,735	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	50,000	111,737	72,123	(39,614)
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	50,000	111,737	72,123	(39,614)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 39,612	

SKAGIT COUNTY, WASHINGTON

Treasurer's Reet

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1			\$ 157,126	
Resources (in-flows)				
Services and Charges				-
Interest Revenue	-	-	563	563
Total Resources (in-flows)	-	-	563	563
Amounts Available for Appropriation	-	-	157,689	
Charges to Appropriations (out-flows)				
Salaries and Wages	-	-	-	-
Personnel Benefits				-
Supplies				-
Services and Charges				-
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	-	-	-	-
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 157,689	

SKAGIT COUNTY, WASHINGTON

Homeless Housing

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Budgeted Fund Balance, January 1	\$ 217,656	\$ 127,074	\$ 616,866	
Resources (in-flows)				
Charges for Goods and Services	515,367	713,367	672,052	(41,315)
Interest Revenue	134	134	639	505
Total Resources (in-flows)	<u>515,501</u>	<u>713,501</u>	<u>672,691</u>	<u>(40,810)</u>
Amounts Available for Appropriation	733,157	840,575	1,289,557	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	733,157	840,575	805,710	(34,865)
Capital Outlays				-
Interfund Payments for Services			3,599	3,599
Transfers Out				-
Amount Charged to Appropriations (out-flows)	<u>733,157</u>	<u>840,575</u>	<u>809,309</u>	<u>(31,266)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 480,248</u>	

SKAGIT COUNTY, WASHINGTON

Interlocal Investigation

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1			\$ 276,647	
Resources (in-flows)				
Charges for Goods and Services	1,500	1,500	1,947	447
Intergovernmental Revenue	210,000	210,000	197,942	(12,058)
Fines and Forfeits	378,000	378,000	52,313	(325,687)
Interest Revenue	600	600	249	(351)
Miscellaneous Revenues	20,000	20,000	4,905	(15,095)
Total Resources (in-flows)	610,100	610,100	257,356	(352,744)
Amounts Available for Appropriation	610,100	610,100	534,003	
Charges to Appropriations (out-flows)				
Salaries and Wages	14,000	14,000	11,373	(2,627)
Personnel Benefits	1,859	1,859	1,564	(295)
Supplies	23,000	23,000	15,995	(7,005)
Services and Charges	513,591	513,591	349,498	(164,093)
Capital Outlays	40,000	40,000	22,474	(17,526)
Interfund Payments for Services	17,650	17,650	8,426	(9,224)
Transfers Out			-	
Amount Charged to Appropriations (out-flows)	610,100	610,100	409,330	(200,770)
Budgeted Fund Balance, December 31	\$ -	\$ -	\$ 124,673	

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, 2013

SKAGIT COUNTY, WASHINGTON
BALANCE SHEET
Combining Nonmajor Debt Service Fund
As of December 31, 2013

ASSETS AND OTHER DEBITS:	TOTALS
ASSETS:	
Cash	\$311,510
Investments	2,022,430
Accounts Receivable	100
Interfund Loans Receivable	3,000
TOTAL ASSETS	\$2,337,040
LIABILITIES AND FUND BALANCES	
LIABILITIES	
Unearned Revenue	-
Interfund Loans Payable	4,500
TOTAL LIABILITIES	4,500
Deferred Inflow of Resources	100
FUND BALANCES	
Reserved for Debt Service	2,332,440
TOTAL FUND BALANCES	2,332,440
TOTAL LIABILITIES AND FUND BALANCES	2,337,040

SKAGIT COUNTY, WASHINGTON
Combing Statement of Revenues, Expenditures
And Changes in Fund Balances
DEBT SERVICE FUND

For the Year Ended December 31, 2013

REVENUES:	Total
Interest Revenue	\$79,754
Miscellaneous Revenues	451,401
TOTAL REVENUES	531,155
EXPENDITURES:	
Debt Service: Principal	1,574,813
Debt Service: Interest and Related Costs	667,297
TOTAL EXPENDITURES	2,242,110
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,710,955)
OTHER FINANCING SOURCES (USES):	
Transfers In	1,458,543
Proceeds of Long Term Debt	533,541
TOTAL OTHER FINANCING SOURCES (USES)	1,992,084
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	281,129
FUND BALANCES:	
Fund Balance, January 1	2,051,313
FUND BALANCE, DECEMBER 31	2,332,440

SKAGIT COUNTY, WASHINGTON

Debt Service

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Budgeted Fund Balance, January 1	\$ (234,861)	\$ 303,680	\$ 2,051,313	
Resources (in-flows)				
Intergovernmental Revenues			-	-
Transfers In	1,507,536	1,507,536	1,992,084	484,548
Interest Revenue	69,980	69,980	79,754	9,774
Other Revenue	384,200	384,200	451,401	67,201
Total Resources (in-flows)	<u>1,961,716</u>	<u>1,961,716</u>	<u>2,523,239</u>	<u>561,523</u>
Amounts Available for Appropriation	1,726,855	2,265,396	4,574,552	
Charges to Appropriations (out-flows)				
Debt Service				-
Principal	1,200,937	1,575,937	1,574,813	(1,124)
Interest	525,918	689,459	667,297	(22,162)
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>1,726,855</u>	<u>2,265,396</u>	<u>2,242,110</u>	<u>(23,286)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,332,440</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, 2013

ASSETS:	FACILITY IMPROVEMENTS	CAPITAL IMPROVEMENT	DISTRESSED PUBLIC IMPROVEMENTS	PARKS IMPROVEMENT	2013 TOTALS
ASSETS:					
Cash	\$999,938	\$3,236,033	\$3,006,912	\$307,838	\$7,550,721
Investments	-	1,647,597	1,713,567	-	\$3,361,164
Due from Other Funds	-	-	-	-	\$0
Due from another government unit	-	-	379,573	-	\$379,573
Interfund Loan Receivable	-	-	-	-	0
TOTAL ASSETS	<u>999,938</u>	<u>4,883,630</u>	<u>5,100,052</u>	<u>307,838</u>	<u>\$11,291,458</u>
 LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts/vouchers payable	310,582	-	236,695	-	547,278
Due to other funds	72,246	-	-	-	72,246
Deferred Revenue	-	-	-	56,383	56,383
TOTAL LIABILITIES	<u>382,828</u>	<u>-</u>	<u>236,695</u>	<u>56,383</u>	<u>\$675,907</u>
 FUND BALANCES					
Fund balances:					
Nonspendable	-	-	-	-	-
Restricted	617,110	4,883,629	4,863,357	251,455	10,615,551
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>617,110</u>	<u>4,883,629</u>	<u>4,863,357</u>	<u>251,455</u>	<u>\$10,615,551</u>
 TOTAL LIABILITIES AND FUND BALANCES	<u>\$999,938</u>	<u>\$4,883,629</u>	<u>\$5,100,052</u>	<u>\$307,838</u>	<u>\$11,291,458</u>

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended December 31, 2013

	Facility IMPROVEMENTS FUND	CAPITAL IMPROVEMENTS FUND	DISTRESSED PUBLIC IMPROVEMENT	PARK IMPROVEMENT FUND	2013 TOTALS
REVENUES:					
Property Taxes	\$0	\$2,690,205			\$2,690,205
Excise Taxes			\$2,213,151	\$0	\$2,213,151
Intergovernmental Revenue	173,419	-	-	-	\$173,419
Charges for Goods and Services	-	-	-	15,196	\$15,196
Interest Revenue	292	3,641	5,300	395	\$9,628
Other Revenue	15,000	-	-	5,503	20,503
TOTAL REVENUES	188,711	2,693,846	2,218,451	21,094	5,122,102
EXPENDITURES:					
Current	-	-	-	-	-
Economic Environment			653,979	-	653,979
Culture and Recreation	-	-		30,964	30,964
Capital Outlay	1,743,073	-	-	49,956	1,793,029
Total Expenditures	1,743,073	-	653,979	80,920	2,477,972
TOTAL EXPENDITURES	1,743,073	-	653,979	80,920	2,477,972
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,554,362)	2,693,846	1,564,472	(59,826)	2,644,130
OTHER FINANCING SOURCES (USES):					
Issuance of Long Term Debt	-	-	-	-	-
Proceeds of Capital Assets	1,399,000	-	-	-	1,399,000
Transfers In	-	-		202,000	202,000
Transfers Out	-	(965,484)	(593,615)	-	(1,559,099)
TOTAL OTHER FINANCING SOURCES (USES)	1,399,000	(965,484)	(593,615)	202,000	41,901
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USE	(155,362)	1,728,362	970,857	142,174	2,686,031
FUND BALANCES:					
Fund Balance, January 1	772,472	3,155,267	3,892,500	109,281	7,929,520
Prior Period Adjustment	-	-	-	-	-
FUND BALANCE, DECEMBER 31	\$617,110	\$4,883,629	\$4,863,357	251,455	10,615,551

SKAGIT COUNTY, WASHINGTON
Facility Improvement
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ 1,592,909	\$ 1,596,431	\$ 772,472	
Resources (in-flows)				
Intergovernmental Revenues	29,840	29,840	173,419	143,579
Transfers In	230,000	230,000	1,399,000	1,169,000
Interest Revenue			292	292
Other Revenue			15,000	15,000
Total Resources (in-flows)	<u>259,840</u>	<u>259,840</u>	<u>1,587,711</u>	<u>1,327,871</u>
Amounts Available for Appropriation	1,852,749	1,856,271	2,360,183	
Charges to Appropriations (out-flows)				
Salaries and Wages	36,445	35,888	8,123	(27,765)
Personnel Benefits	17,255	16,174	3,316	(12,858)
Supplies				-
Services and Charges	245,369	510,369	1,060,120	549,751
Capital Outlays	1,293,840	1,293,840	670,828	(623,012)
Interfund Payments for Services			686	686
Transfers Out	-	-	-	-
Amount Charged to Appropriations (out-flows)	<u>1,592,909</u>	<u>1,856,271</u>	<u>1,743,073</u>	<u>(113,198)</u>
Budgeted Fund Balance, December 31	<u>\$ 259,840</u>	<u>\$ -</u>	<u>\$ 617,110</u>	

SKAGIT COUNTY, WASHINGTON
Capital Improvements
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	<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	\$ 259,940	\$ 259,940	\$ 3,155,267	
Resources (in-flows)				
Property Tax	750,000	750,000	2,690,205	1,940,205
Interest Revenue			3,641	3,641
Total Resources (in-flows)	<u>750,000</u>	<u>750,000</u>	<u>2,693,846</u>	<u>1,943,846</u>
Amounts Available for Appropriation	1,009,940	1,009,940	5,849,113	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges				-
Capital Outlays				-
Interfund Payments for Services				-
Transfers Out	1,009,940	1,009,940	965,484	(44,456)
Amount Charged to Appropriations (out-flows)	<u>1,009,940</u>	<u>1,009,940</u>	<u>965,484</u>	<u>(44,456)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,883,629</u>	

SKAGIT COUNTY, WASHINGTON
Distressed Public Improvement
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (336,085)	\$ (336,085)	\$ 3,892,500	
Resources (in-flows)				
Sales and Use Tax	1,900,000	1,900,000	2,213,151	313,151
Interest Revenue	3,000	3,000	5,300	2,300
Total Resources (in-flows)	<u>1,903,000</u>	<u>1,903,000</u>	<u>2,218,451</u>	<u>315,451</u>
Amounts Available for Appropriation	1,566,915	1,566,915	6,110,951	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits				-
Supplies				-
Services and Charges	74,700	74,700	75,002	302
Capital Outlays				-
Interfund Payments for Services	898,600	898,600	578,977	(319,623)
Transfers Out	593,615	593,615	593,615	-
Amount Charged to Appropriations (out-flows)	<u>1,566,915</u>	<u>1,566,915</u>	<u>1,247,594</u>	<u>(319,321)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,863,357</u>	

SKAGIT COUNTY, WASHINGTON
Park Improvement
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Budgeted Fund Balance, January 1	\$ (10,500)	\$ (10,500)	\$ 109,281	
Resources (in-flows)				
Intergovernmental Revenue	-	-	-	-
Charges for Goods and Services	17,500	17,500	15,196	(2,304)
Interest Earnings			395	395
Transfers In	202,000	202,000	202,000	-
Donations	168,500	168,500	5,503	(162,997)
Total Resources (in-flows)	<u>388,000</u>	<u>388,000</u>	<u>223,094</u>	<u>(164,906)</u>
Amounts Available for Appropriation	377,500	377,500	332,375	
Charges to Appropriations (out-flows)				
Salaries and Wages				-
Personnel Benefits	-			-
Supplies	2,000	2,000	-	(2,000)
Services and Charges	78,000	78,000	30,964	(47,036)
Capital Outlays	297,500	297,500	49,956	(247,544)
Interfund Payments for Services				-
Transfers Out				-
Amount Charged to Appropriations (out-flows)	<u>377,500</u>	<u>377,500</u>	<u>80,920</u>	<u>(296,580)</u>
Budgeted Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 251,455</u>	

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Nonmajor Enterprise Funds



SKAGIT COUNTY, WASHINGTON

NONMAJOR ENTERPRISE FUNDS

For the Year ended December 31, 2013, 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 Assets
Internal Service Net Position
December 31, 2013

Assets	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation Fund	2013 Total
Current Assets					
Cash and Cash Equivalents	\$5,332,546	\$9,704,615	\$1,289,262	\$352,645	\$16,679,068
Accounts Receivable	8,685	-	284,099	-	292,784
Due From Other Funds	3,614	2,470,003	1,138,351	-	3,611,968
Due From Other Governments			20,543		20,543
Inventories and Prepayments	5,183,010	-	-	-	5,183,010
Total Current Assets	10,527,855	12,174,618	2,732,255	352,645	25,787,373
Noncurrent Assets					
Capital Assets					
Buildings	180,888	-	-	-	180,888
Machinery and Equipment	16,277,744	-	1,818,627	-	18,096,371
Less Accumulated Depreciation	(7,964,615)	-	(1,448,003)	-	(9,412,618)
Total noncurrent assets	8,494,017	-	370,624	-	8,864,641
Total Assets	19,021,872	12,174,618	3,102,879	352,645	34,652,014
Liabilities and Fund Equity					
Current Liabilities					
Accounts/Vouchers Payable	136,151	77,115	73,512	16,742	303,520
Claims and Judgements Payable		2,296,518			2,296,518
Accrue Wages Payable	23,010	13,711	98,451	30,767	165,939
Due to other Funds	186,477	49,710	205		236,392
Accrued Employee Benefits	5,150	2,012	18,048	-	25,210
Other Accrued Liabilities	4,000	-	-	-	4,000
Total Current Liabilities	354,788	2,439,066	190,216	47,509	3,031,579
Non-Current Liabilities					
Compensated Absences	49,429	14,091	185,119		248,639
Environmental Liability	118,112				118,112
Other Accrued Liabilities	-	-	-	-	-
Total Non-Current Liabilities	167,541	14,091	185,119	-	366,751
Total Liabilities	522,329	2,453,157	375,335	47,509	3,398,330
Net Position					
Net Investment in Capital Assets,	8,494,017	-	370,624	-	8,864,641
Unrestricted	10,005,526	9,721,461	2,356,920	305,136	22,389,043
Total Net Position	\$ 18,499,543	\$ 9,721,461	\$2,727,544	\$ 305,136	\$ 31,253,684

SKAGIT COUNTY, WASHINGTON
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
December 31, 2013

	Equipment Rental Fund	Insurance Services Fund	Central Services Fund	Unemployment Compensation Fund	2013 Total
<u>Operating Revenues:</u>					
Charges For Services	\$6,933,262	\$2,470,003	\$5,952,937	\$472,724	\$15,828,926
Miscellaneous	61,959	11,180,396	0	0	11,242,355
Total Operating Revenue	6,995,221	13,650,399	5,952,937	472,724	27,071,281
<u>Operating Expenses:</u>					
Personal services	766,368	419,339	3,023,138	270,898	4,479,743
Contractual services	-	2,347,815	-	-	2,347,815
Other supplies and expenses	4,121,771	48,955	2,707,703	-	6,878,429
Depreciation	880,556	-	149,651	-	1,030,207
Payment to Claimants	-	8,331,023	-	65,726	8,396,749
Total Operating Expenses	5,768,695	11,147,132	5,880,492	336,624	23,132,943
Operating Income (Loss)	1,226,526	2,503,267	72,445	136,100	3,938,338
<u>Non-Operating Revenues (Expenses):</u>					
Interest Revenue	2,841	2,595	263	-	5,699
Miscellaneous Revenue	-	12,254	26,695	-	38,949
Gain (Loss) on Fixed Asset Disposal	(84,773)	-	(37,349)	-	(122,122)
Miscellaneous Expense	-	-	-	-	-
Total non-operating revenues	(81,932)	14,849	(10,391)	-	(77,474)
Net Income (Loss) Before Operating Transfers Contributions and Special Items	1,144,594	2,518,116	62,054	136,100	3,860,864
Transfers In	387,448	-	-	-	387,448
Transfers Out	-	-	-	-	-
Changes in Net Position	1,532,042	2,518,116	62,054	136,100	4,248,312
Net Position as of January 1	16,967,500	7,203,345	2,665,490	169,036	27,005,372
Prior Period Correction	-	-	-	-	0
Net Position as of December 31	\$18,499,543	\$9,721,461	2,727,544	\$305,136	31,253,684

SKAGIT COUNTY, WASHINGTON
Combining Statement of Cash Flows
Internal Service Funds
December 31, 2013

	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation Fund	2013 Total
<u>Cash Flows From Operating Activities:</u>					
Receipts from Customers	\$163,201	\$1,096,529	\$695,644	\$0	\$1,955,374
Receipts from interfund services provided	6,842,753	11,528,581	5,723,753	472,723	24,567,810
Payments to Employees	(756,472)	(410,439)	(2,785,419)	(251,178)	(4,203,508)
Payments to Suppliers	(2,259,849)	(4,069,756)	(2,669,133)	-	(8,998,738)
Payments to Claimants	0	(8,357,619)	-	(68,898)	(8,426,517)
Payments for interfund services used	(1,844,592)	(37,302)	(407,864)	-	(2,289,758)
Miscellaneous receipts(payments)	(3,616)	68,552	26,695	-	91,631
Net cash provided (used) by operating activities	2,141,425	(181,454)	583,676	152,647	2,696,294
<u>Cash Flows From Non-Capital And Related Financing Activities</u>					
Transfers to Other Funds	(387,448)	-	-	-	(387,448)
Transfers From Other Funds		-	-	-	-
Net cash provided (used) by Non-Capital and related financing activities	(387,448)	-	-	-	(387,448)
<u>Cash Flows From Capital And Related Financing Activities</u>					
Capital Grant Received	-	-	-	-	-
Proceeds from sale of capital assets	(1,485,117)	-	(260,761)	-	(1,745,878)
Purchases of capital assets	521,147	-	38,134	-	559,281
Net cash provided (used) by capital and related financing activities	(963,970)	-	(222,627)	-	(1,186,597)
<u>Cash Flows From Investing Activities:</u>					
Interest Received	2,841	2,595	263	-	5,699
Net Cash Provided by Investing Activities	2,841	2,595	263	-	5,699
Net Increase in Cash & Cash Equivalents	792,848	(178,859)	361,312	152,647	1,127,948
Balances as of January 1	4,539,698	9,883,474	927,951	199,998	15,551,121
Balances as of December 31	5,332,546	9,704,615	1,289,264	352,645	16,679,069
Operating Income/(Loss)	1,226,526	2,503,267	72,445	136,100	3,938,339

SKAGIT COUNTY, WASHINGTON
Reconciliation of Operating Income to Net Cash Provided
Internal Service Funds
December 31, 2013

	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation Fund	2013 Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	\$ 1,226,526	\$ 2,503,267	\$ 72,445	\$ 136,100	\$ 3,938,338
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	880,556		149,651		1,030,207
Miscellaneous Receipts	(3,616)	12,254	26,695		35,333
Changes in Assets and Liabilities:					
Receivables, Net	10,736	(968,991)	466,461	-	(491,794)
Prepayables	-	-	181,349		181,349
Inventories	70,646				70,646
Accounts and Other Payables	(43,423)	(1,727,984)	(312,925)	16,547	(2,067,785)
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,141,425</u>	<u>\$ (181,454)</u>	<u>\$ 583,676</u>	<u>\$ 152,647</u>	<u>\$ 2,696,294</u>

Agency Funds



SKAGIT COUNTY, WASHINGTON

AGENCY FUNDS

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

Agency Funds Include:

Cemetery Districts
Cities & Towns
Council of Governments
Dike & Drainage Districts
Fidalgo Parks & Recreation
Fire Districts
Hospital Districts
Library Districts
North Sound Regional Support Network
Northwest Clean Aid Agency
Payroll/Claims Clearing
Port Districts
Public Facilities District
School Districts
Sewer Districts
Skagit Community Network
Skagit Council of Governments
Skagit Emergency Communications Center
Skagit Transit & Housing Authority
State Trust
Treasurer's Trust Suspense
Water Districts

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
As of December 31, 2013

ASSETS	TRUST FUNDS	CLEARING FUNDS	STATE FUNDS	NW CLEAN AIR AGENCY FUNDS
Cash	\$ 481,342	\$ 1,827,563	\$ 749,979	\$ 22,168
Investments				7,116,254
Taxes Receivable			1,106,998	
Deposits		-		
TOTAL ASSETS	481,342	1,827,563	1,856,977	7,138,422
LIABILITIES				
Warrants Payable		1,722,202		
Custodial Accounts	481,342	105,361	1,856,977	7,138,422
TOTAL LIABILITIES	\$ 481,342	\$ 1,827,563	\$ 1,856,977	\$ 7,138,422

ASSETS	LIBRARY FUNDS	SKAGIT HOUSING FUND	CITIES AND TOWNS FUNDS	PORT OF ANACORTES FUNDS
Cash	\$ 173,152	\$ -	\$ 267,555	\$ 556,163
Investments	663,959	625,715		7,864,789
Taxes Receivable	25,000		464,911	10,573
Deposits				
TOTAL ASSETS	862,111	625,715	732,466	8,431,525
LIABILITIES				
Warrants Payable	10,456			36,143
Custodial Accounts	851,655	625,715	732,466	8,395,382
TOTAL LIABILITIES	\$ 862,111	\$ 625,715	\$ 732,466	\$ 8,431,525

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
As of December 31, 2013

ASSETS	COUNCIL OF GOVERNMENTS FUNDS	FIDALGO PARK FUNDS	AFFILIATED HEALTH SERVICES FUNDS
Cash	\$ 188,688	\$ 347,984	\$ 401
Investments	575,940	20,000	96,956
Taxes Receivable		10,072	
Deposits			
TOTAL ASSETS	764,628	378,056	97,357
LIABILITIES			
Warrants Payable	21,426	-	401
Custodial Accounts	743,202	378,056	96,956
TOTAL LIABILITIES	\$ 764,628	\$ 378,056	\$ 97,357

ASSETS	PORT OF SKAGIT FUNDS	DIKE DISTRICTS FUNDS	SKAGIT TRANSPORTATION FUNDS
Cash	\$ 454,041	\$ 7,114,543	
Investments	10,350,513	2,789,284	8,501,567
Taxes Receivable	65,238	180,209	
Deposits			
TOTAL ASSETS	10,869,792	10,084,036	8,501,567
LIABILITIES			
Warrants Payable	84,900	44,142	
Custodial Accounts	10,784,892	10,039,894	8,501,567
TOTAL LIABILITIES	\$ 10,869,792	\$ 10,084,036	\$ 8,501,567

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET

As of December 31, 2013

ASSETS	HOSPITAL DISTRICT 1 FUNDS	HOSPITAL DISTRICT 2 FUNDS	HOSPITAL DISTRICT 304 FUNDS	WATER DISTRICT FUNDS
Cash	\$ 1,839,905	\$ 398,826	\$ 346,323	\$ 58,454
Investments	107,728,277	19,224,708	9,735,130	197,184
Taxes Receivable	126,004	64,362	35,272	
Deposits				
TOTAL ASSETS	109,694,186	19,687,896	10,116,725	255,638
LIABILITIES				
Warrants Payable	935,908	218,586	210,490	-
Custodial Accounts	108,758,278	19,469,310	9,906,235	255,638
TOTAL LIABILITIES	\$ 109,694,186	\$ 19,687,896	\$ 10,116,725	\$ 255,638

ASSETS	DRAINAGE DISTRICT FUNDS	SCHOOL DISTRICTS FUNDS	CEMETARY DISTRICTS FUNDS	SKAGIT COMMUNITY NETWORK
Cash	\$ 459,926	\$ 10,247,308	\$ 164,230	\$ 1,801
Investments	952,435	68,889,344	629,488	
Taxes Receivable	19,063	1,916,058	7,072	
Deposits				
TOTAL ASSETS	1,431,424	81,052,710	800,790	1,801
LIABILITIES				
Warrants Payable	42,841	6,643,334	5,420	
Custodial Accounts	1,388,583	74,409,376	795,370	1,801
TOTAL LIABILITIES	\$ 1,431,424	\$ 81,052,710	\$ 800,790	\$ 1,801

SKAGIT COUNTY, WASHINGTON
COMBINING BALANCE SHEET
As of December 31, 2013

ASSETS	SEWER DISTRICT FUNDS	FIRE DISTRICT FUNDS	NORTH SOUND RSN FUNDS
Cash	\$ 141,944	\$ 2,691,368	\$ 1,225,393
Investments	1,810,656	5,345,383	33,424,979
Taxes Receivable	9,305	179,689	
Deposits			
TOTAL ASSETS	1,961,905	8,216,440	34,650,372
LIABILITIES			
Warrants Payable	5,360	354,267	6,312,201
Custodial Accounts	1,956,545	7,862,173	28,338,171
TOTAL LIABILITIES	\$ 1,961,905	\$ 8,216,440	\$ 34,650,372

ASSETS	PUBLIC FACILITIES DISTRICT	SKAGIT EMERGENCY COMM	2013 TOTALS
Cash	\$ 141,144	\$ 456,910	\$ 30,357,111
Investments	1,106,570	713,917	288,363,048
Taxes Receivable			4,219,826
Deposits			-
TOTAL ASSETS	1,247,714	1,170,827	322,939,985
LIABILITIES			
Warrants Payable	4,419	260,758	16,913,254
Custodial Accounts	1,243,295	910,069	306,026,731
TOTAL LIABILITIES	\$ 1,247,714	\$ 1,170,827	\$ 322,939,985

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

TRUST FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 366,695	\$ 12,004,941	\$ 11,890,294	\$ 481,342		
Investments	-			-		
Taxes Receivable	-			-		
Deposits	-			-		
TOTAL ASSETS	366,695	12,004,941	11,890,294	481,342		
LIABILITIES						
Warrants Payable	-			-		
Custodial Accounts	366,695	12,004,941	11,890,294	481,342		
TOTAL LIABILITIES	\$ 366,695	\$ 12,004,941	\$ 11,890,294	\$ 481,342		

CLEARING FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 2,573,864	\$ 278,611,619	\$ 279,357,920	\$ 1,827,563		
Investments	-			-		
Taxes Receivable	-			-		
Deposits	2,422	334,377	336,799	-		
TOTAL ASSETS	2,576,286	278,945,996	279,694,719	1,827,563		
LIABILITIES						
Warrants Payable	2,230,716	212,258,923	212,767,437	1,722,202		
Custodial Accounts	345,570	102,459,792	102,700,001	105,361		
TOTAL LIABILITIES	\$ 2,576,286	\$ 314,718,715	\$ 315,467,438	\$ 1,827,563		

STATE FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 835,362	\$ 49,585,020	\$ 49,670,403	\$ 749,979		
Investments				-		
Taxes Receivable	1,544,553	36,234,305	36,671,860	1,106,998		
Deposits	-			-		
TOTAL ASSETS	2,379,915	85,819,325	86,342,263	1,856,977		
LIABILITIES						
Warrants Payable	-			-		
Custodial Accounts	2,379,915	39,781,823	40,304,761	1,856,977		
TOTAL LIABILITIES	\$ 2,379,915	\$ 39,781,823	\$ 40,304,761	\$ 1,856,977		

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

NW AIR POLLUTION FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 38,508	\$ 11,214,997	\$ 11,231,337	\$ 22,168		
Investments	2,178,923	6,848,831	1,911,500	7,116,254		
Taxes Receivable	-			-		
Deposits	-			-		
TOTAL ASSETS	2,217,431	18,063,828	13,142,837	7,138,422		
LIABILITIES						
Warrants Payable	-			-		
Custodial Accounts	2,217,431	25,953,828	21,032,837	7,138,422		
TOTAL LIABILITIES	\$ 2,217,431	\$ 25,953,828	\$ 21,032,837	\$ 7,138,422		

COUNCIL OF GOV'T FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 50,859	\$ 1,063,533	\$ 925,704	\$ 188,688		
Investments	425,706	241,841	91,607	575,940		
Taxes Receivable	-			-		
Deposits	-			-		
TOTAL ASSETS	476,565	1,305,374	1,017,311	764,628		
LIABILITIES						
Warrants Payable	17,251	355,303	351,128	21,426		
Custodial Accounts	459,314	441,802	157,914	743,202		
TOTAL LIABILITIES	\$ 476,565	\$ 797,105	\$ 509,042	\$ 764,628		

LIBRARY FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 178,760	\$ 916,532	\$ 922,140	\$ 173,152		
Investments	604,636	328,483	269,160	663,959		
Taxes Receivable	25,949	419,229	420,178	25,000		
Deposits	-			-		
TOTAL ASSETS	809,345	1,664,244	1,611,478	862,111		
LIABILITIES						
Warrants Payable	9,776	199,995	199,315	10,456		
Due to Other Funds	-			-		
Custodial Accounts	799,569	635,773	583,687	851,655		
TOTAL LIABILITIES	\$ 809,345	\$ 835,768	\$ 783,002	\$ 862,111		

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

SKAGIT HOUSING	Balance				Balance
	December 31, 2012	Additions	Deductions		December 31, 2013
ASSETS					
Cash	\$ 7	\$ 205,373	\$ 205,380	\$	-
Investments	724,336	55,379	154,000		625,715
Taxes Receivable	-				-
Deposits	-				-
TOTAL ASSETS	724,343	260,752	359,380		625,715
LIABILITIES					
Warrants Payable	-				-
Custodial Accounts	724,343	260,753	359,381		625,715
TOTAL LIABILITIES	\$ 724,343	\$ 260,753	\$ 359,381	\$	\$ 625,715

CITIES AND TOWNS FUNDS	Balance				Balance
	December 31, 2012	Additions	Deductions		December 31, 2013
ASSETS					
Cash	\$ 268,856	\$ 19,401,979	\$ 19,403,280	\$	267,555
Investments	-				-
Taxes Receivable	820,961	17,251,071	17,607,121		464,911
Deposits	-				-
TOTAL ASSETS	1,089,817	36,653,050	37,010,401		732,466
LIABILITIES					
Warrants Payable	-				-
Custodial Accounts	1,089,817	17,251,071	17,608,422		732,466
TOTAL LIABILITIES	\$ 1,089,817	\$ 17,251,071	\$ 17,608,422	\$	\$ 732,466

PORT OF ANACORTES FUNDS	Balance				Balance
	December 31, 2012	Additions	Deductions		December 31, 2013
ASSETS					
Cash	\$ 508,956	\$ 26,628,345	\$ 26,581,138	\$	556,163
Investments	8,419,741	4,653,460	5,208,412		7,864,789
Taxes Receivable	14,863	501,087	505,377		10,573
Deposits	-				-
TOTAL ASSETS	8,943,560	31,782,892	32,294,927		8,431,525
LIABILITIES					
Warrants Payable	20,952	15,580,488	15,565,297		36,143
Custodial Accounts	8,922,608	1,691,087	2,218,313		8,395,382
TOTAL LIABILITIES	\$ 8,943,560	\$ 17,271,575	\$ 17,783,610	\$	\$ 8,431,525

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

PORT OF SKAGIT FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 2,259,233	\$ 16,259,746	\$ 18,064,938	\$ 454,041		
Investments	8,591,246	4,689,944	2,930,677	10,350,513		
Taxes Receivable	84,867	1,835,573	1,855,202	65,238		
Deposits	-			-		
TOTAL ASSETS	10,935,346	22,785,263	22,850,817	10,869,792		
LIABILITIES						
Warrants Payable	135,060	5,076,553	5,126,713	84,900		
Custodial Accounts	10,800,286	3,093,073	3,108,467	10,784,892		
TOTAL LIABILITIES	\$ 10,935,346	\$ 8,169,626	\$ 8,235,180	\$ 10,869,792		

FIDALGO PARK FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 296,007	\$ 1,007,434	\$ 955,457	\$ 347,984		
Investments	-	20,000		20,000		
Taxes Receivable	14,198	588,125	592,251	10,072		
Deposits	-			-		
TOTAL ASSETS	310,205	1,615,559	1,547,708	378,056		
LIABILITIES						
Warrants Payable	-	888,716	888,716	-		
Custodial Accounts	310,205	859,841	791,990	378,056		
TOTAL LIABILITIES	\$ 310,205	\$ 1,748,557	\$ 1,680,706	\$ 378,056		

AFFILIATED HEALTH FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 402	\$ 1,696,249	\$ 1,696,250	\$ 401		
Investments	423,405	8,249	334,698	96,956		
Taxes Receivable	-			-		
Deposits	-			-		
TOTAL ASSETS	423,807	1,704,498	2,030,948	97,357		
LIABILITIES						
Warrants Payable	401	4,355,903	4,355,903	401		
Custodial Accounts	423,406		326,450	96,956		
TOTAL LIABILITIES	\$ 423,807	\$ 4,355,903	\$ 4,682,353	\$ 97,357		

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

HOSPITAL DISTRICT 1 FUNDS	Balance			Balance
	December 31, 2012	Additions	Deductions	December 31, 2013
ASSETS				
Cash	\$ 2,166,600	\$ 821,659,692	\$ 821,986,387	\$ 1,839,905
Investments	98,096,998	398,585,904	388,954,625	107,728,277
Taxes Receivable	215,973	3,647,290	3,737,259	126,004
Deposits	-			-
TOTAL ASSETS	100,479,571	1,223,892,886	1,214,678,271	109,694,186
LIABILITIES				
Warrants Payable	5,678,282	208,311,944	213,054,318	935,908
Custodial Accounts	94,801,289	81,533,288	67,576,299	108,758,278
TOTAL LIABILITIES	\$ 100,479,571	\$ 289,845,232	\$ 280,630,617	\$ 109,694,186
HOSPITAL DISTRICT 2 FUNDS	Balance			Balance
	December 31, 2012	Additions	Deductions	December 31, 2013
ASSETS				
Cash	\$ 605,388	\$ 114,713,500	\$ 114,920,062	\$ 398,826
Investments	18,088,130	27,983,872	26,847,294	19,224,708
Taxes Receivable	91,839	3,638,648	3,666,125	64,362
Deposits	-			-
TOTAL ASSETS	18,785,357	146,336,020	145,433,481	19,687,896
LIABILITIES				
Warrants Payable	171,374	41,294,054	41,246,842	218,586
Custodial Accounts	18,613,983	5,136,633	4,281,306	19,469,310
TOTAL LIABILITIES	\$ 18,785,357	\$ 46,430,687	\$ 45,528,148	\$ 19,687,896
HOSPITAL DISTRICT 304 FUNDS	Balance			Balance
	December 31, 2012	Additions	Deductions	December 31, 2013
ASSETS				
Cash	\$ 348,198	\$ 116,602,205	\$ 116,604,080	\$ 346,323
Investments	7,296,961	55,072,686	52,634,517	9,735,130
Taxes Receivable	49,651	898,798	913,177	35,272
Deposits	-			-
TOTAL ASSETS	7,694,810	172,573,689	170,151,774	10,116,725
LIABILITIES				
Warrants Payable	174,055	34,896,363	34,859,929	210,489
Custodial Accounts	7,520,755	11,387,845	9,002,364	9,906,236
TOTAL LIABILITIES	\$ 7,694,810	\$ 46,284,208	\$ 43,862,293	\$ 10,116,725

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

DIKE FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 5,249,559	\$ 8,257,313	\$ 6,392,329	\$ 7,114,543		
Investments	2,800,589	1,028,693	1,039,998	2,789,284		
Taxes Receivable	306,445	5,503,982	5,630,218	180,209		
Deposits	-	-	-	-		
TOTAL ASSETS	8,356,593	14,789,988	13,062,545	10,084,036		
LIABILITIES						
Warrants Payable	54,953	2,532,130	2,542,941	44,142		
Custodial Accounts	8,301,640	6,847,588	5,109,334	10,039,894		
TOTAL LIABILITIES	\$ 8,356,593	\$ 9,379,718	\$ 7,652,275	\$ 10,084,036		

SKAGIT TRANSIT	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ -	\$ 13,078	\$ 13,078	\$ -		
Investments	8,488,489	13,078	-	8,501,567		
Taxes Receivable	-	-	-	-		
Deposits	-	-	-	-		
TOTAL ASSETS	8,488,489	26,156	13,078	8,501,567		
LIABILITIES						
Warrants Payable	-	-	-	-		
Custodial Accounts	8,488,489	26,156	13,078	8,501,567		
TOTAL LIABILITIES	\$ 8,488,489	\$ 26,156	\$ 13,078	\$ 8,501,567		

DRAINAGE DISTRICT FUNDS	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 325,777	\$ 1,088,074	\$ 953,925	\$ 459,926		
Investments	1,156,862	36,573	241,000	952,435		
Taxes Receivable	21,179	702,863	704,979	19,063		
Deposits	-	-	-	-		
TOTAL ASSETS	1,503,818	1,827,510	1,899,904	1,431,424		
LIABILITIES						
Warrants Payable	22,606	682,958	662,723	42,841		
Custodial Accounts	1,481,212	833,770	926,399	1,388,583		
TOTAL LIABILITIES	\$ 1,503,818	\$ 1,516,728	\$ 1,589,122	\$ 1,431,424		

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

SCHOOL DISTRICT FUNDS	Balance December 31, 2012	Additions	Deductions	Balance December 31, 2013
ASSETS				
Cash	\$ 11,395,984	\$ 545,681,236	\$ 546,829,912	\$ 10,247,308
Investments	53,173,331	255,698,476	239,982,463	68,889,344
Taxes Receivable	2,658,068	62,365,354	63,107,364	1,916,058
Deposits	-			-
TOTAL ASSETS	67,227,383	863,745,066	849,919,739	81,052,710
LIABILITIES				
Warrants Payable	8,194,763	177,339,820	178,891,249	6,643,334
Custodial Accounts	59,032,620	145,602,919	130,226,163	74,409,376
TOTAL LIABILITIES	\$ 67,227,383	\$ 322,942,739	\$ 309,117,412	\$ 81,052,710

CEMETERY DISTRICT FUNDS	Balance December 31, 2012	Additions	Deductions	Balance December 31, 2013
ASSETS				
Cash	\$ 242,575	\$ 694,392	\$ 772,737	\$ 164,230
Investments	543,712	414,413	328,637	629,488
Taxes Receivable	9,317	297,205	299,450	7,072
Deposits	-			-
TOTAL ASSETS	795,604	1,406,010	1,400,824	800,790
LIABILITIES				
Warrants Payable	6,082	239,054	239,716	5,420
Custodial Accounts	789,522	333,777	327,929	795,370
TOTAL LIABILITIES	\$ 795,604	\$ 572,831	\$ 567,645	\$ 800,790

WATER DISTRICT FUNDS	Balance December 31, 2012	Additions	Deductions	Balance December 31, 2013
ASSETS				
Cash	\$ 39,176	\$ 48,461	\$ 29,183	\$ 58,454
Investments	196,875	309		197,184
Taxes Receivable	-			-
Deposits	-			-
TOTAL ASSETS	236,051	48,770	29,183	255,638
LIABILITIES				
Warrants Payable	-	27,428	27,428	-
Custodial Accounts	236,051	19,587		255,638
TOTAL LIABILITIES	\$ 236,051	\$ 47,015	\$ 27,428	\$ 255,638

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

SEWER DISTRICT FUNDS	Balance			Balance	
	December 31, 2012	Additions	Deductions	December 31, 2013	
ASSETS					
Cash	\$ 75,193	\$ 9,707,462	\$ 9,640,711	\$ 141,944	
Investments	2,502,616	3,147,019	3,838,979	1,810,656	
Taxes Receivable	10,080		775	9,305	
Deposits	-			-	
TOTAL ASSETS	2,587,889	12,854,481	13,480,465	1,961,905	
LIABILITIES					
Warrants Payable	258,311	5,702,885	5,955,836	5,360	
Custodial Accounts	2,329,578	419,135	792,168	1,956,545	
TOTAL LIABILITIES	\$ 2,587,889	\$ 6,122,020	\$ 6,748,004	\$ 1,961,905	

FIRE DISTRICT FUNDS	Balance			Balance	
	December 31, 2012	Additions	Deductions	December 31, 2013	
ASSETS					
Cash	\$ 2,534,444	\$ 14,438,900	\$ 14,281,976	\$ 2,691,368	
Investments	3,591,416	7,070,864	5,316,897	5,345,383	
Taxes Receivable	194,829	4,515,021	4,530,161	179,689	
Deposits	-			-	
TOTAL ASSETS	6,320,689	26,024,785	24,129,034	8,216,440	
LIABILITIES					
Warrants Payable	162,828	4,931,365	4,739,927	354,266	
Custodial Accounts	6,157,861	8,392,412	6,688,099	7,862,174	
TOTAL LIABILITIES	\$ 6,320,689	\$ 13,323,777	\$ 11,428,026	\$ 8,216,440	

NORTH SOUND RSN	Balance			Balance	
	December 31, 2012	Additions	Deductions	December 31, 2013	
ASSETS					
Cash	\$ 6,162,768	\$ 98,319,646	\$ 103,257,021	\$ 1,225,393	
Investments	25,219,450	33,665,751	25,460,222	33,424,979	
Taxes Receivable	-			-	
Deposits	-			-	
TOTAL ASSETS	31,382,218	131,985,397	128,717,243	34,650,372	
LIABILITIES					
Warrants Payable	6,792,091	66,642,997	67,122,887	6,312,201	
Custodial Accounts	24,590,127	4,546,241	798,197	28,338,171	
TOTAL LIABILITIES	\$ 31,382,218	\$ 71,189,238	\$ 67,921,084	\$ 34,650,372	

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

SKAGIT EMERGENCY COMM	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 410,786	\$ 4,894,957	\$ 4,848,833	\$ 456,910		
Investments	812,649	1,268	100,000	713,917		
Taxes Receivable	-			-		
Deposits	-			-		
TOTAL ASSETS	1,223,435	4,896,225	4,948,833	1,170,827		
LIABILITIES						
Warrants Payable	35,518	1,310,972	1,085,732	260,758		
Custodial Accounts	1,187,917	1,424,162	1,702,010	910,069		
TOTAL LIABILITIES	\$ 1,223,435	\$ 2,735,134	\$ 2,787,742	\$ 1,170,827		

SKAGIT COMMUNITY NETWORK	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 1,801	\$ -	\$ -	\$ 1,801		
Investments	-			-		
Taxes Receivable	-			-		
Deposits	-			-		
TOTAL ASSETS	1,801	-	-	1,801		
LIABILITIES						
Warrants Payable	-			-		
Custodial Accounts	1,801			1,801		
TOTAL LIABILITIES	\$ 1,801	\$ -	\$ -	\$ 1,801		

PUBLIC FACILITY DISTRICT	Balance			Balance		
	December 31, 2012	Additions	Deductions	December 31, 2013		
ASSETS						
Cash	\$ 136,276	\$ 3,244,371	\$ 3,239,503	\$ 141,144		
Investments	978,829	1,294,475	1,166,734	1,106,570		
Taxes Receivable	-			-		
Deposits	-			-		
TOTAL ASSETS	1,115,105	4,538,846	4,406,237	1,247,714		
LIABILITIES						
Warrants Payable	-	157,484	153,065	4,419		
Custodial Accounts	1,115,105	15,970,000	15,841,810	1,243,295		
TOTAL LIABILITIES	\$ 1,115,105	\$ 16,127,484	\$ 15,994,875	\$ 1,247,714		

SKAGIT COUNTY, WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Fiscal Year Ended December 31, 2013

TRUST AGENCY FUNDS	Balance December 31, 2012	Additions	Deductions	Balance December 31, 2013
ASSETS				
Cash	\$ 37,072,033	\$ 2,157,959,055	\$ 2,164,673,978	\$ 30,357,110
Investments	244,314,901	800,859,568	756,811,420	288,363,049
Taxes Receivable	6,062,772	138,398,551	140,241,497	4,219,826
Deposits	2,422	334,377	336,799	-
TOTAL ASSETS	287,452,128	3,097,551,551	3,062,063,694	322,939,985
LIABILITIES				
Warrants Payable	23,965,018	782,785,338	789,837,102	16,913,254
Custodial Accounts	263,487,110	486,907,294	444,367,673	306,026,731
TOTAL LIABILITIES	\$ 287,452,128	\$ 1,269,692,632	\$ 1,234,204,775	\$ 322,939,985

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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance has changed over time.	166
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, property taxes.	178
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.	183
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.	189
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.	194

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Government Activities						
Net Investment in Capital Assets	\$ 404,523,601	\$ 395,086,287	\$ 381,055,873	\$ 366,147,997	\$ 357,149,388	\$ 348,749,188
Restricted	23,912,628	32,336,318	21,211,901	22,616,026	31,094,299	33,205,191
Unrestricted	13,445,849	1,174,685	10,587,650	19,952,312	19,336,537	14,966,923
Total Governmental Activities Net Position	<u>441,882,078</u>	<u>428,597,290</u>	<u>412,855,424</u>	<u>408,716,335</u>	<u>407,580,224</u>	<u>396,921,302</u>
Business-Type Activities						
Net Investment in Capital Assets	(3,948,367)	(2,957,718)	(1,849,849)	(488,175)	367,220	1,183,845
Restricted	-	-	-	-	-	-
Unrestricted	5,933,623	6,538,339	5,733,014	5,230,238	1,760,885	285,705
Total Business-Type Activities Net Position	<u>1,985,256</u>	<u>3,580,621</u>	<u>3,883,165</u>	<u>4,742,063</u>	<u>2,128,105</u>	<u>1,469,550</u>
Primary Government						
Net Investment in Capital Assets	400,575,234	392,128,569	379,206,024	365,659,822	357,516,608	349,933,033
Restricted	23,912,628	32,336,318	21,211,901	22,616,026	31,094,299	33,205,191
Unrestricted	19,379,472	7,713,024	16,320,664	25,182,550	21,097,422	15,252,628
Total Primary Government Net Position	<u>\$ 443,867,334</u>	<u>\$ 432,177,911</u>	<u>\$ 416,738,589</u>	<u>\$ 413,458,398</u>	<u>\$ 409,708,329</u>	<u>\$ 398,390,852</u>

Source: Financial Statements for relevant years.

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

	Fiscal Year				
	2009	2010	2011	2012	2013
Government Activities					
Net Investment in Capital Assets	\$ 369,397,842	\$ 359,956,151	\$ 327,995,991	\$ 324,329,535	\$ 311,928,988
Restricted	24,794,518	27,543,125	29,091,499	28,152,145	31,055,769
Unrestricted	14,514,433	16,234,084	24,183,225	29,972,479	11,722,089
Total Governmental Activities Net Position	<u>408,706,793</u>	<u>403,733,360</u>	<u>381,270,715</u>	<u>382,454,159</u>	<u>354,706,846</u>
Business-Type Activities					
Net Investment in Capital Assets	592,025	3,843,894	4,669,373	6,207,740	7,110,665
Restricted	-	-	-	-	-
Unrestricted	2,293,537	(2,267,094)	(1,589,457)	(1,926,699)	(2,810,762)
Total Business-Type Activities Net Position	<u>2,885,562</u>	<u>1,576,800</u>	<u>3,079,916</u>	<u>4,281,041</u>	<u>4,299,903</u>
Primary Government					
Net Investment in Capital Assets	369,989,867	363,800,045	332,665,364	330,537,275	319,039,653
Restricted	24,794,518	27,543,125	29,091,499	28,152,145	31,055,769
Unrestricted	16,807,970	13,966,990	22,593,768	28,045,780	8,911,327
Total Primary Government Net Position	<u>\$ 411,592,355</u>	<u>\$ 405,310,160</u>	<u>\$ 384,350,631</u>	<u>\$ 386,735,200</u>	<u>\$ 359,006,749</u>

Source: Financial Statements for relevant years.

SKAGIT COUNTY, WASHINGTON
Changes in Net Position by Function
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
Expenses					
Governmental Activities					
General Government	\$ 25,021,132	\$ 24,063,135	\$ 22,760,258	\$ 23,993,651	\$ 34,187,307
Judicial	-	-	-	-	6,385,303
Public Safety	21,411,406	21,022,495	22,496,619	24,872,632	22,665,563
Physical Environment	4,289,893	2,680,477	2,161,454	3,509,248	3,008,208
Transportation	28,630,892	35,666,953	32,499,589	32,079,278	28,136,224
Economic Environment	5,409,542	7,346,469	6,149,970	5,763,176	5,947,702
Health and Human Services	6,045,448	6,688,020	8,409,308	9,293,864	12,606,481
Culture and Recreation	2,611,408	2,721,796	2,809,835	3,020,552	2,782,984
Interest on Long-Term Debt	530,488	523,482	544,820	708,941	687,761
Total Government Activities	93,950,209	100,712,827	97,831,853	103,241,342	116,407,533
Business-Type Activities					
Solid Waste	7,523,230	8,744,612	8,548,400	8,775,500	8,216,764
Drainage Utility	351,798	769,880	644,188	787,587	905,641
Total Business-Type Activities	7,875,028	9,514,492	9,192,588	9,563,087	9,122,405
Total Primary Government	101,825,237	110,227,319	107,024,441	112,804,429	125,529,938
Program Revenues					
Government Activities					
Property Tax	28,043,642	29,189,439	30,847,043	34,519,624	37,192,117
Sales and Other Tax	15,168,724	17,340,242	20,435,624	22,179,773	20,586,592
Interest and Investments	1,229,215	1,878,787	3,183,945	4,578,687	3,040,686
Charges for Services					
General Government	4,868,606	5,453,668	5,589,012	6,116,977	10,110,482
Judicial	-	-	-	-	2,515,475
Public Safety	1,174,478	1,128,315	1,384,252	1,449,743	3,408,760
Physical Environment	346,421	383,437	351,242	440,067	521,983
Transportation	2,286,975	2,853,613	3,996,397	3,918,644	7,693,881
Economic Environment	2,143,732	2,427,374	2,768,354	2,576,391	1,788,532
Health and Human Services	768,609	854,792	838,835	1,691,416	3,999,141
Culture and Recreation	706,967	774,545	960,501	931,713	935,070
Operating Grants and Contributions	15,204,303	14,843,903	16,196,475	22,093,519	9,659,021
Capital Grants and Contributions	9,355,516	7,721,163	6,623,961	2,667,303	1,496,744
Gain (Loss) from Sale of Capital Assets	(563,436)	-	417,575	-	(82,021)
Total Governmental Activities Program Revenues	80,733,752	84,849,278	93,593,216	103,163,857	102,866,463
Business-Type Activities					
Interest and Investments	78,106	154,382	192,586	266,841	138,581
Charges for Services					
Solid Waste	8,230,434	8,564,058	8,806,633	9,231,853	8,531,366
Drainage Utility	972,069	987,945	986,778	1,028,099	1,353,038
Operating Grants and Contributions	178,300	232,330	246,250	203,909	266,239
Capital Grants and Contributions	24,399	-	-	-	-
Gain (Loss) from Sale of Capital Assets	-	-	-	-	-
Total Business-Type Activities Program Revenues	9,483,308	9,938,715	10,232,247	10,730,702	10,289,224
Total Primary Government Program Revenues	90,217,060	94,787,993	103,825,463	113,894,559	113,155,687
Net (Expense) Revenue					
Governmental Activities	(13,216,457)	(15,863,549)	(4,238,637)	(77,485)	(13,541,070)
Business-Type Activities	1,608,280	424,223	1,039,659	1,167,615	1,166,819
Total Primary Government Net Expense	\$ (11,608,177)	\$ (15,439,326)	\$ (3,198,978)	\$ 1,090,131	\$ (12,374,251)

Note: The County began separating out Judicial in 2009

SKAGIT COUNTY, WASHINGTON
Changes in Net Position by Function
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Expenses					
Governmental Activities					
General Government	\$ 32,293,073	\$ 30,411,707	\$ 29,694,591	\$ 32,996,294	\$ 31,210,941
Judicial	6,786,074	6,281,910	6,528,192	6,762,929	7,068,715
Public Safety	24,713,361	20,015,584	20,622,410	19,980,408	22,333,986
Physical Environment	2,185,797	3,560,748	2,672,643	2,729,881	2,835,410
Transportation	27,080,176	27,144,427	29,952,995	29,724,498	32,986,406
Economic Environment	5,348,995	3,467,987	3,162,607	3,233,397	3,188,571
Health and Human Services	11,340,490	10,134,616	10,387,711	10,391,910	11,895,878
Culture and Recreation	2,573,312	2,566,016	1,642,170	2,066,029	1,699,884
Interest on Long-Term Debt	660,210	559,293	516,260	222,519	969,862
Total Governmental Activities	<u>112,981,488</u>	<u>104,142,288</u>	<u>105,179,579</u>	<u>108,107,865</u>	<u>114,189,653</u>
Business-Type Activities					
Solid Waste	7,723,823	8,705,787	7,252,470	6,952,600	8,826,690
Drainage Utility	1,626,049	1,240,898	1,412,499	1,716,453	1,468,019
Total Business-Type Activities	<u>9,349,872</u>	<u>9,946,685</u>	<u>8,664,969</u>	<u>8,669,053</u>	<u>10,294,709</u>
Total Primary Government	<u><u>122,331,360</u></u>	<u><u>114,088,973</u></u>	<u><u>113,844,548</u></u>	<u><u>116,776,918</u></u>	<u><u>124,484,362</u></u>
Program Revenues					
Government Activities					
Property Tax	38,020,570	40,839,173	40,612,732	41,460,187	45,491,521
Sales and Other Tax	17,367,314	15,939,206	18,124,427	18,898,614	16,716,680
Interest and Investments	1,432,797	1,104,621	781,032	589,613	2,896,837
Charges for Services					
General Government	7,888,910	8,468,108	9,081,343	7,670,970	7,902,178
Judicial	3,931,874	3,922,658	3,962,902	3,923,771	4,148,064
Public Safety	3,577,904	3,268,388	3,590,375	2,813,154	3,296,521
Physical Environment	89,253	113,852	125,144	201,726	312,525
Transportation	6,188,799	6,227,702	6,354,529	6,756,935	6,607,346
Economic Environment	1,424,780	1,195,078	894,872	1,088,468	1,184,165
Health and Human Services	3,555,103	3,057,962	3,322,591	3,026,346	3,506,429
Culture and Recreation	719,082	884,659	894,709	666,661	939,657
Operating Grants and Contributions	11,271,785	10,628,645	8,961,787	9,492,002	7,423,603
Capital Grants and Contributions	3,384,760	3,471,716	5,685,601	13,169,596	4,165,511
Gain (Loss) from Sale of Capital Assets	(59,262)	14,837	(118,394)	-	1,292,478
Total Governmental Activities Program Revenues	<u>98,793,669</u>	<u>99,136,605</u>	<u>102,273,650</u>	<u>109,758,043</u>	<u>105,883,515</u>
Business-Type Activities					
Interest and Investments	44,502	21,111	(545,115)	(485,298)	(504,334)
Charges for Services					
Solid Waste	7,809,298	8,253,739	8,194,581	8,084,972	8,616,406
Drainage Utility	1,752,753	1,670,508	1,544,370	1,604,197	1,646,427
Operating Grants and Contributions	485,717	303,245	397,974	480,798	446,909
Capital Grants and Contributions			71,451	-	54,414
Gain (Loss) from Sale of Capital Assets			700	-	8,372
Total Business-Type Activities Program Revenues	<u>10,092,270</u>	<u>10,248,603</u>	<u>9,663,961</u>	<u>9,684,669</u>	<u>10,268,194</u>
Total Primary Government Program Revenues	<u><u>108,885,939</u></u>	<u><u>109,385,208</u></u>	<u><u>111,937,611</u></u>	<u><u>119,442,712</u></u>	<u><u>116,151,709</u></u>
Net (Expense) Revenue					
Governmental Activities	(14,187,819)	(5,005,683)	(2,905,929)	1,650,178	(8,306,138)
Business-Type Activities	742,398	301,918	998,992	1,015,616	(26,515)
Total Primary Government Net Expense	<u><u>\$(13,445,421)</u></u>	<u><u>\$(4,703,765)</u></u>	<u><u>\$(1,906,937)</u></u>	<u><u>\$ 2,665,794</u></u>	<u><u>\$(8,332,653)</u></u>

Note: The County began separating out Judicial in 2009

SKAGIT COUNTY, WASHINGTON

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
General Revenues and Other Changes in Net Position					
Governmental Activities					
Property Taxes	\$ 28,043,642	\$ 29,189,439	\$ 30,847,043	\$ 34,519,624	\$ 37,192,117
Sales/Use Tax	10,725,952	12,028,184	14,454,242	16,628,142	15,301,986
Other Tax	4,442,772	5,312,058	5,981,382	5,551,631	5,284,606
Interest and Investment Earnings	1,229,215	1,878,787	3,183,945	4,578,687	3,040,686
Gain (Loss) From Sale of Assets	(563,436)	-	417,575	-	(82,021)
Special Item	-	-	-	-	-
Transfers	12,915	121,677	180,761	131,923	154,075
Total Governmental Activities	43,891,060	43,965,894	43,891,060	48,530,145	55,064,948
Business-Type Activities					
Interest on Long-Term Debt	78,106	154,382	192,586	266,841	138,581
Gain (Loss) From Sale of Assets	-	-	-	-	-
Transfers	(12,915)	(121,677)	(180,761)	(131,923)	(154,075)
Total Business-Type Activities	65,191	32,705	11,825	134,918	(15,494)
Total Primary Government	43,956,251	43,998,599	43,902,885	48,665,063	55,049,454
Changes in Net Position					
Government Activities	(13,203,542)	(15,741,868)	(4,057,876)	54,439	(13,386,995)
Busine Charges for Services	1,595,365	302,546	858,898	1,035,692	1,012,744
Total Primary Government	\$ (11,608,177)	\$ (15,439,322)	\$ (3,198,978)	\$ 1,090,131	\$ (12,374,251)

SKAGIT COUNTY, WASHINGTON

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
General Revenues and Other Changes in Net Position					
Governmental Activities					
Property Taxes	\$ 38,020,570	\$ 40,839,173	\$ 40,612,732	\$ 41,460,187	\$ 45,491,521
Sales/Use Tax	13,850,662	13,065,954	15,478,629	16,447,958	16,716,680
Other Tax	3,516,652	2,873,252	2,645,798	2,450,656	895,827
Interest and Investment Earnings	1,432,797	1,104,621	781,032	589,613	2,001,010
Gain (Loss) From Sale of Assets	(59,262)	14,837	(118,394)	-	1,292,478
Special Item	-	-	-	-	-
Transfers	(83,945)	(84,008)	9,142	(185,509)	104,000
Total Governmental Activities	61,410,007	57,813,829	59,408,939	60,762,905	66,501,516
Business-Type Activities					
Interest on Long-Term Debt	44,502	21,111	(545,115)	(485,298)	(504,334)
Gain (Loss) From Sale of Assets	-	-	700	-	8,372
Transfers	83,945	84,008	(9,142)	185,509	(104,000)
Total Business-Type Activities	128,447	105,119	(553,557)	(299,789)	(599,962)
Total Primary Government	61,538,454	57,918,948	58,855,382	60,463,116	65,901,554
Changes in Net Position					
Government Activities	(14,271,764)	(5,089,691)	(2,896,787)	1,464,669	(8,202,138)
Busine Charges for Services	826,343	385,926	989,850	1,201,125	(130,515)
Total Primary Government	\$ (13,445,421)	\$ (4,703,765)	\$ (1,906,937)	\$ 2,665,794	\$ (8,332,653)

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

	2004	2005	2006	2007	2008
General Fund*					
Nonspendable					
Restricted					
Committed					
Assigned					
Unassigned					
Reserved	284,052	292,959	553,183	605,636	343,754
Unreserved	6,778,484	3,761,632	4,461,601	6,441,097	7,683,278
Total General Fund	<u>7,062,536</u>	<u>4,054,591</u>	<u>5,014,784</u>	<u>7,046,733</u>	<u>8,027,032</u>
All Other Governmental Funds*					
Nonspendable					
Restricted					
Committed					
Assigned					
Unassigned					
Reserved, Reported in:					
Prepaid Items	52,810	66,441	53,253	73,808	101,101
Loans Receivables	400,000	717,013	-	-	434,000
Debt Service	699,145	925,618	1,214,492	1,658,600	775,311
Petty Cash and Inventory	50,850	41,000	57,441	-	51,877
Unreserved, Reported in:					
Special Revenue Funds	16,145,850	17,872,928	18,626,312	26,123,516	29,212,957
Capital Projects Funds	9,469,935	6,159,606	14,938,555	14,115,766	6,399,111
Total All Other Governmental Funds	<u>\$ 26,818,590</u>	<u>\$ 25,782,606</u>	<u>\$ 34,890,053</u>	<u>\$ 41,971,690</u>	<u>\$ 36,974,357</u>

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

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

	2009	2010	2011	2012	2013
General Fund*					
Nonspendable					
Restricted					
Committed			350,000		
Assigned					
Unassigned			10,349,381	11,915,249	13,962,092
Reserved	2,210,372	146,500	-		
Unreserved	4,397,640	7,752,934	-		
Total General Fund	<u>6,608,012</u>	<u>7,899,434</u>	<u>10,699,381</u>	<u>11,915,249</u>	<u>13,962,092</u>
All Other Governmental Funds*					
Nonspendable			60,685	45,681	122,235
Restricted			31,305,595	30,877,381	29,266,009
Committed			3,480,815	2,776,253	3,102,611
Assigned			10,349,381		
Unassigned					
Reserved, Reported in:					
Prepaid Items	286,266	76,143	-		
Loans Receivables	3,003,000	2,374,000	-		
Debt Service	1,149,878	1,507,334	-		
Petty Cash and Inventory	40,614	-	-		
Unreserved, Reported in:					
Special Revenue Funds	24,966,994	23,992,632	-		
Capital Projects Funds	(115,505)	2,870,512	-		
Total All Other Governmental Funds	<u>\$ 31,383,747</u>	<u>\$ 30,820,621</u>	<u>\$ 45,196,476</u>	<u>\$ 33,699,315</u>	<u>\$ 32,490,855</u>

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

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

	2005	2006	2007
Revenues			
Property Tax	\$ 29,415,134	\$ 30,751,030	\$ 34,665,358
Sales/Use Tax	12,028,184	14,454,242	16,628,142
Other Tax	5,312,058	5,981,382	5,551,631
License and Permits	1,563,872	1,729,005	1,754,547
Intergovernmental	22,224,030	22,413,705	24,423,925
Charges for Services	9,706,578	11,355,353	12,391,649
Fines and Forfeits	1,674,965	1,976,925	2,205,135
Interest Earnings	1,773,465	3,028,179	4,340,981
Donations	341,036	406,731	454,780
Other Revenues	1,055,608	904,179	1,031,830
Total Revenues	<u>85,094,930</u>	<u>93,000,731</u>	<u>103,447,978</u>
Expenditures			
General Government	25,170,204	22,490,341	23,366,301
Judicial	-	-	-
Public Safety	20,845,177	22,754,680	25,096,699
Physical Environment	2,728,097	2,216,002	3,304,072
Transportation	16,976,293	21,691,759	18,143,040
Economic Environment	7,259,979	6,156,994	5,856,721
Health and Human Services	6,691,986	8,400,558	9,351,952
Culture and Recreation	2,659,565	2,776,941	2,954,850
Debt Service			
Principal	556,609	574,151	960,427
Interest	520,792	503,345	685,115
Capital Outlay	6,621,028	3,600,769	4,961,542
Total Expenditures	<u>90,029,730</u>	<u>91,165,540</u>	<u>94,680,719</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>(4,934,800)</u>	<u>1,835,191</u>	<u>8,767,259</u>
Other Financial Sources (Uses)			
Proceeds of Long Term Debt	500,757	8,132,222	430,284
Proceeds from Sale of Capital Assets	268,433	674	-
Transfers In	8,665,200	7,299,234	8,604,266
Transfers Out	(8,543,522)	(7,118,473)	(8,472,343)
Total Other Financing Sources (Uses)	<u>890,868</u>	<u>8,313,657</u>	<u>562,207</u>
Net Change in Fund Balance	<u>\$ (4,043,932)</u>	<u>\$ 10,148,848</u>	<u>\$ 9,329,466</u>
Debt Service as a percentage of noncapital Expenditures	1.3%	1.2%	1.8%

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

	2008	2009	2010
Revenues			
Property Tax	\$ 37,029,198	\$ 37,752,796	\$ 39,891,962
Sales/Use Tax	15,301,986	13,850,662	13,065,954
Other Tax	5,284,606	3,516,652	2,873,252
License and Permits	1,390,282	1,173,469	1,104,621
Intergovernmental	24,288,227	24,406,041	25,397,870
Charges for Services	11,052,341	10,705,767	9,757,448
Fines and Forfeits	2,101,195	1,992,299	1,957,965
Interest Earnings	3,140,914	1,405,561	919,121
Donations	431,841	490,959	524,932
Other Revenues	1,548,852	1,399,883	1,707,960
Total Revenues	<u>101,569,442</u>	<u>96,694,089</u>	<u>97,201,085</u>
Expenditures			
General Government	18,227,332	17,571,572	16,556,020
Judicial	7,321,077	7,841,920	7,479,340
Public Safety	26,163,388	28,240,870	24,420,953
Physical Environment	3,928,950	3,317,183	4,394,408
Transportation	17,147,101	18,775,959	17,027,304
Economic Environment	6,657,659	6,044,992	3,949,022
Health and Human Services	13,428,834	12,124,090	11,261,219
Culture and Recreation	3,040,439	2,707,825	3,209,727
Debt Service			
Principal	2,308,099	1,017,081	1,058,134
Interest	679,353	627,364	589,480
Capital Outlay	10,469,357	7,673,632	4,704,095
Total Expenditures	<u>109,371,589</u>	<u>105,942,488</u>	<u>94,649,702</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>(7,802,147)</u>	<u>(9,248,399)</u>	<u>2,551,383</u>
Other Financial Sources (Uses)			
Proceeds of Long Term Debt	990,768	389,607	415,042
Proceeds from Sale of Capital Assets	3,226	43,988	
Transfers In	8,597,666	8,967,747	8,622,743
Transfers Out	(8,656,869)	(9,242,081)	(8,706,751)
Total Other Financing Sources (Uses)	<u>934,791</u>	<u>159,261</u>	<u>331,034</u>
Net Change in Fund Balance	<u>\$ (6,867,356)</u>	<u>\$ (9,089,138)</u>	<u>\$ 2,882,417</u>
Debt Service as a percentage of noncapital Expenditures	3.0%	1.7%	1.9%

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

	2011	2012	2013
Revenues			
Property Tax	\$ 40,654,187	\$ 41,270,011	\$ 45,950,878
Sales/Use Tax	15,478,629	16,447,958	16,716,680
Other Tax	2,645,798	2,450,656	895,827
License and Permits	970,105	1,039,551	1,363,241
Intergovernmental	26,894,695	33,469,657	22,187,738
Charges for Services	10,019,437	10,309,648	10,580,307
Fines and Forfeits	2,285,628	1,852,797	2,606,269
Interest Earnings	756,562	584,571	1,995,311
Donations	350,297	574,306	479,642
Other Revenues	1,299,538	2,019,288	1,786,735
Total Revenues	<u>101,354,876</u>	<u>110,018,443</u>	<u>104,562,628</u>
Expenditures			
General Government	16,633,997	18,111,961	17,218,893
Judicial	7,823,116	8,192,507	8,426,095
Public Safety	24,533,549	25,249,050	26,727,069
Physical Environment	3,467,079	3,583,100	3,605,198
Transportation	17,585,104	18,953,032	18,872,864
Economic Environment	3,606,739	3,602,203	3,736,169
Health and Human Services	11,617,447	12,060,459	13,163,601
Culture and Recreation	2,016,505	2,536,420	2,108,744
Debt Service			
Principal	1,116,572	1,213,119	2,084,813
Interest	600,115	565,948	667,297
Capital Outlay	5,750,727	15,023,756	8,960,070
Total Expenditures	<u>94,750,950</u>	<u>109,091,555</u>	<u>105,570,813</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>6,603,926</u>	<u>926,888</u>	<u>(1,008,185)</u>
Other Financial Sources (Uses)			
Proceeds of Long Term Debt	201,035	353,939	715,416
Proceeds from Sale of Capital Assets	1,200	8,172	1,414,600
Transfers In	8,588,548	8,808,381	7,058,643
Transfers Out	(8,829,405)	(9,398,067)	(7,342,090)
Total Other Financing Sources (Uses)	<u>(38,622)</u>	<u>(227,575)</u>	<u>1,846,569</u>
Net Change in Fund Balance	<u>\$ 6,565,304</u>	<u>\$ 699,313</u>	<u>\$ 838,384</u>
Debt Service as a percentage of noncapital Expenditures	2.0%	1.9%	2.9%

SKAGIT COUNTY, WASHINGTON
STATISTICAL TABLES
ASSESSED VALUE OF TAXABLE PROPERTY
For a Twelve Year Period

Year	Real Property Assessed Value	Personal Property Assessed Value	Total Assessed Value	Total Direct Tax Rate
2002	7,103,186,348	780,836,645	7,884,022,993	4.04
2003	7,805,819,286	794,696,921	8,600,516,207	3.88
2004	8,271,017,360	838,169,892	9,109,187,252	3.83
2005	8,735,243,216	900,051,468	9,635,294,684	3.84
2006	9,255,714,763	965,923,623	10,221,638,386	3.78
2007	10,622,301,046	972,398,736	11,594,699,782	3.51
2008	12,954,570,410	1,049,853,451	14,004,423,861	3.24
2009	15,019,067,448	1,147,615,059	16,166,682,507	2.98
2010	15,696,268,675	1,171,931,494	16,868,200,169	2.90
2011	14,123,251,945	1,087,219,836	15,210,471,781	3.32
2012	13,630,153,404	864,518,340	14,494,671,744	3.52
2013	13,010,191,978	1,153,862,901	14,164,054,879	3.81

Source: Skagit County Assessors Office

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

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

	2002	2003	2004	2005	2006	2007
General Fund	1.60	1.58	1.57	1.55	1.52	1.32
Special Revenue Fund	2.28	2.25	2.27	2.23	1.99	1.92
Total	3.88	3.83	3.84	3.78	3.51	3.24
School Districts	35.60	35.89	36.29	35.34	32.05	27.64
Fire Districts	15.18	16.14	15.26	14.42	14.25	12.48
Cemetery Districts	0.41	0.39	0.39	0.37	0.35	0.21
Port Districts	0.31	0.28	0.25	0.22	0.24	0.20
Cities and Towns	21.78	21.36	21.39	20.02	18.89	17.00
State of Washington	2.85	2.82	2.78	2.71	2.51	2.17
Special Assessment Districts	-	-	-	-	-	-
Hospitals	0.84	0.81	0.73	2.07	2.08	2.17
Parks and Recreation	0.12	0.11	0.10	0.10	0.09	0.08
Dike and Drainage Districts	109.94	120.74	124.05	103.67	109.42	115.50
Library Districts	0.83	1.30	1.46	1.37	1.35	1.30
Total	191.74	203.67	206.54	184.07	184.74	181.99

Source: Skagit County Auditor

Note: The County may levy up to \$1.80 per \$1,000 of assessed valuation for general government services, subject to Washington State law RCW 84.55.010 and the Washington State Constitution. See Note IV A Property Taxes.

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

	2008	2009	2010	2011	2012	2013
General Fund	1.21	1.24	1.45	1.55	1.62	1.62
Special Revenue Fund	1.77	1.66	1.87	1.97	2.19	2.19
Total	2.98	2.90	3.32	3.52	3.81	3.81
School Districts	24.83	27.91	31.39	39.90	37.82	38.30
Fire Districts	11.04	13.01	13.01	13.83	14.65	15.38
Cemetary Districts	0.29	0.29	0.34	0.35	0.36	0.35
Port Districts	0.20	0.20	0.20	0.30	0.30	0.30
Cities and Towns	16.72	15.12	17.26	18.09	17.41	17.64
State of Washington	2.01	1.96	2.21	2.37	2.55	2.41
Special Assessment Districts	-	-	-			
Hospitals	2.01	2.06	1.80	1.93	1.82	1.80
Parks and Recreation	0.07	0.07	0.11	0.11	0.14	0.14
Dike and Drainage Districts	115.53	106.39	110.89	122.14	123.86	120.73
Library Districts	-	1.05	1.25	1.31	1.41	1.94
Total	175.68	170.96	181.78	203.86	204.13	202.80

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

Fiscal Year	Total Tax Levy	Current Tax Collections	(2) Percent of Levy Collected	(1) Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collection To Tax Levy	(3) Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
1996	\$75,903,961	\$73,532,418	96.88%	\$1,529,126	\$75,061,544	98.89%	\$3,638,264	4.79%
1997	\$84,231,738	\$82,047,510	97.41%	\$1,847,921	\$83,895,431	99.60%	\$3,877,216	4.60%
1998	\$89,352,163	\$86,952,100	97.31%	\$1,787,294	\$88,739,394	99.31%	\$4,283,922	4.79%
1999	\$94,362,332	\$91,893,670	97.38%	\$2,343,855	\$94,237,525	99.87%	\$4,326,870	4.59%
2000	\$98,880,092	\$96,467,052	97.56%	\$2,396,797	\$98,863,849	99.98%	\$4,315,398	4.36%
2001	\$103,218,485	\$100,455,501	97.32%	\$2,327,907	\$102,783,408	99.58%	\$4,711,147	4.56%
2002	\$109,439,758	\$106,712,231	97.51%	\$2,730,428	\$109,442,659	100.00%	\$4,522,951	4.13%
2003	\$114,559,571	\$111,458,177	97.29%	\$2,642,949	\$114,101,126	99.60%	\$4,744,271	4.14%
2004	\$120,305,571	\$118,243,328	98.29%	\$3,450,438	\$121,693,766	101.15%	\$4,316,208	3.59%
2005	\$128,295,473	\$126,114,741	98.30%	\$2,837,863	\$128,952,604	100.51%	\$3,539,485	2.76%
2006	135,462,007	133,783,316	98.76%	2,143,734	135,297,050	99.88%	3,255,603	2.40%
2007	145,773,155	144,360,528	99.03%	1,654,424	146,284,952	100.35%	3,952,926	2.71%
2008	154,061,268	150,977,621	98.00%	2,196,014	153,173,635	99.42%	4,475,235	2.90%
2009	161,166,776	156,767,949	97.27%	2,317,327	159,085,276	98.71%	6,518,704	4.04%
2010	164,971,138	159,652,294	96.78%	3,093,710	162,746,004	98.65%	8,118,042	4.92%
2011	168,555,708	163,942,409	97.26%	4,594,609	168,537,018	99.99%	7,664,747	4.55%
2012	171,985,718	167,991,026	97.67%	4,165,855	172,156,881	100.00%	7,966,597	4.63%
2013	182,248,613	179,129,124	98.29%	5,165,263	184,294,387	100.00%	5,654,739	3.10%

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

(2) Percent computed on current year's levy

(3) Includes omissions, supplements, and cancellations

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

Year	Assessment Receivable January 1	Additions	Collections	Assessment Receivable December 31
1988	6,734	53,153	55,187	4,700
1996	3,663	74,998	74,832	3,829
1997	3,829	69,549	70,469	2,909
1998	2,909	141,833	139,667	5,075
1999	5,075	146,300	144,389	6,986
2000	6,986	145,544	143,754	8,776
2001	8,776	161,939	162,270	8,445
2002	8,445	168,455	169,158	7,742
2003	7,742	211,488	207,749	11,481
2004	11,481	202,269	199,281	14,469
2005	14,469	202,605	211,243	5,831
2006	5,831	205,152	205,576	5,407
2007	5,407	214,877	210,808	9,476
2008	9,476	1,292,246	1,270,652	31,070
2009	31,070	1,238,778	1,224,388	45,460
2010	45,460	1,492,343	1,463,845	73,958
2011	73,958	1,459,849	1,430,920	102,887
2012	102,887	1,470,508	1,471,216	102,179
2013	102,179	1,524,402	1,566,780	59,801

SOURCE: Skagit County Treasurer

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

<u>Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Debt Per Capita (restated)</u>
2002	106,000	7,884,022,993	16,965,000	0.2166%	161
2003	105,100	8,600,516,207	12,785,000	0.1973%	161
2004	106,700	9,109,187,252	12,015,000	0.1404%	120
2005	108,800	9,635,294,684	14,740,000	0.1247%	110
2006	110,900	10,221,638,386	21,690,000	0.1442%	133
2007	113,100	11,594,699,782	21,025,000	0.1871%	192
2008	115,300	14,004,423,861	19,485,000	0.1501%	182
2009	117,500	16,166,682,507	17,880,000	0.1205%	166
2010	118,900	16,868,200,169	25,945,000	0.1060%	150
2011	116,901	15,210,471,781	24,210,000	0.1706%	222
2012	117,400	14,494,671,744	22,415,000	0.1670%	206
2013	118,837	14,164,054,879	27,790,000	0.1583%	189

SKAGIT COUNTY, WASHINGTON

Limitation of Indebtedness

Last Ten Fiscal Years

	2004	2005	2006	2007	2008
Total Taxable Property Value	\$ 9,635,294,684	\$ 10,221,638,386	\$ 11,594,699,782	\$ 14,004,423,861	\$ 16,166,682,507
Indebtedness for General Purpose Without a Vote					
Debt Limit - 1.5% of Total Assessed Value	144,529,420	153,324,576	173,920,497	210,066,358	242,500,238
Debt Applicable to Limit:					
Outstanding Debt	18,801,931	17,800,275	22,265,000	21,025,000	19,485,000
Add Assets Available	11,868,644	7,744,883	9,163,481	9,145,795	9,636,104
Total Debt Applicable to Limit	<u>6,933,287</u>	<u>10,055,392</u>	<u>13,101,519</u>	<u>11,879,205</u>	<u>9,848,896</u>
Remaining Debt Capacity Without a Vote	<u><u>137,596,133</u></u>	<u><u>143,269,184</u></u>	<u><u>160,818,978</u></u>	<u><u>198,187,153</u></u>	<u><u>232,651,342</u></u>
Indebtedness for General Purpose With a Vote					
Debt Limit - 2.5% of Total Assessed Value	255,540,960	289,867,495	350,110,597	404,167,063	421,705,004
Remaining Debt Capacity Including Voted Debt	<u><u>\$ 111,011,539</u></u>	<u><u>\$ 136,542,919</u></u>	<u><u>\$ 176,190,100</u></u>	<u><u>\$ 194,100,705</u></u>	<u><u>\$ 179,204,767</u></u>
Total net debt applicable to the limit as a percentage of debt limit	4.80%	6.56%	7.53%	5.65%	4.06%

SKAGIT COUNTY, WASHINGTON

Limitation of Indebtedness

Last Ten Fiscal Years

	2009	2010	2011	2012	2013
Total Taxable Property Value	\$ 16,868,200,169	\$ 15,210,471,781	\$ 14,494,671,744	\$ 14,164,054,879	\$ 14,370,022,271
Indebtedness for General Purpose Without a Vote					
Debt Limit - 1.5% of Total Assessed Value	253,023,003	228,157,077	217,420,076	212,460,823	215,550,334
Debt Applicable to Limit:					
Outstanding Debt	17,880,000	25,945,000	24,210,000	30,400,000	27,790,000
Add Assets Available	6,735,282	11,324,248	16,395,142	13,861,676	16,550,695
Total Debt Applicable to Limit	<u>11,144,718</u>	<u>14,620,752</u>	<u>7,814,858</u>	<u>16,538,324</u>	<u>11,239,305</u>
Remaining Debt Capacity Without a Vote	<u>241,878,285</u>	<u>213,536,325</u>	<u>209,605,218</u>	<u>195,922,499</u>	<u>204,311,029</u>
Indebtedness for General Purpose With a Vote					
Debt Limit - 2.5% of Total Assessed Value	421,705,004	380,261,795	362,366,794	354,101,372	359,250,557
Remaining Debt Capacity Including Voted Debt	<u>\$ 168,682,002</u>	<u>\$ 152,104,718</u>	<u>\$ 144,946,717</u>	<u>\$ 141,640,549</u>	<u>\$ 143,700,223</u>
Total net debt applicable to the limit as a percentage of debt limit	4.40%	6.41%	3.59%	7.78%	5.21%

SKAGIT COUNTY, WASHINGTON
Ratios of Outstanding Debt by Type
Last Eleven Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Bonds	General Obligation Bonds	General Obligation Bonds			
2003	\$ 12,568,622	\$ 7,985,000	\$ 20,553,622	0.64%	193		
2004	12,295,382	7,225,000	19,520,382	0.58%	179		
2005	12,121,474	6,450,000	18,571,474	0.52%	167		
2006	19,660,153	5,480,000	25,140,153	0.63%	222		
2007	20,479,969	4,670,000	25,149,969	0.58%	218		
2008	19,162,639	3,960,000	23,122,639	0.52%	197		
2009	18,535,164	3,225,000	21,760,164	0.49%	183		
2010	17,892,073	12,200,000	30,092,073	0.96%	257		
2011	16,886,503	11,410,000	28,296,503	0.63%	241		
2012	11,825,000	10,590,000	22,415,000	0.69%	190		
2013	18,050,000	9,740,000	27,790,000	0.85%	234		

SKAGIT COUNTY, WASHINGTON
STATISTICAL TABLES
COMPUTATION OF DIRECT & OVERLAPPING DEBT
FOR THE YEAR ENDED DECEMBER 31, 2013

JURISDICTION	NET DEBT OUTSTANDING	PERCENTAGE APPLICABLE TO SKAGIT COUNTY	AMOUNT APPLICABLE TO SKAGIT COUNTY
Direct Debt			
Skagit County	\$27,790,000	100%	\$27,790,000
Total Direct Debt	<u>27,790,000</u>		<u>27,790,000</u>
Overlapping debt			
Port Districts	25,545,000	100%	25,545,000
Hospital Districts	90,685,000	100%	90,685,000
School Districts	108,304,000	100%	108,304,000
Sewer Districts	6,161,184	100%	6,161,184
Dike Districts	800,490	100%	800,490
Fire Districts	4,626,694	100%	4,626,694
Fidalgo Parks	125,593	100%	125,593
Total Overlapping Debt	<u>236,247,961</u>		<u>236,247,961</u>
Total Direct & Overlapping Debt	<u><u>\$264,037,961</u></u>		<u><u>\$264,037,961</u></u>

*Source : Skagit County Treasurer and
appropriate city finance offices*

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

Year	Principal	Interest and Fiscal Charges	Total* Debt Service	Total** General Expenditures	Ratio of Net Bonded Debt to Assessed Value
2001	356,052	484,617	840,669	66,136,299	1.27%
2002	337,329	470,557	807,886	67,665,011	1.19%
2003	795,158	519,350	1,314,508	71,338,939	1.84%
2004	780,879	506,051	1,286,930	76,086,592	1.69%
2005	556,609	520,792	1,077,401	82,341,301	1.31%
2006	574,151	503,345	1,077,496	86,487,275	1.25%
2007	960,427	685,115	1,645,542	88,073,635	1.87%
2008	2,308,099	679,353	2,987,452	95,914,780	3.11%
2009	1,017,081	627,364	1,644,445	96,624,411	1.70%
2010	1,058,134	589,480	1,647,614	88,297,993	1.87%
2011	1,116,572	600,115	1,716,687	87,283,536	1.97%
2012	1,213,119	565,948	1,779,067	92,288,732	1.93%
2013	2,084,813	667,297	2,752,110	93,858,633	2.93%

* Does not include Enterprise Funds

** Includes General, Special Revenue, Capital Projects, and Debt Service funds

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

	2002	2003	2004	2005	2006	2007
Unincorporated	45,205	45,830	46,455	47,250	47,886	48,640
Incorporated	59,895	60,870	62,345	63,650	65,214	66,660
Totals	105,100	106,700	108,800	110,900	113,100	115,300
Income Per Capita	\$ 29,716	\$ 30,126	\$ 30,947	\$ 32,288	\$ 35,422	\$ 37,289
Unemployment Rate	9.1%	8.6%	7.9%	6.4%	5.5%	4.8%
School Enrollment	18,185	19,280	18,932	19,332	19,233	19,249

SOURCE: Office of
Financial
Management, Forecasting
Division, State of
Washington
Employment Security
Department, State of
Washington, Educational
Service District #189,
State of Washington,
Office of Superintendent
of Public Instruction

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

	2008	2009	2010	2011	2012	2013
Unincorporated	49,720	49,915	48,112	48,255	48,345	48,411
Incorporated	67,780	68,985	68,789	69,145	69,605	70,189
Totals	117,500	118,900	116,901	117,400	117,950	118,600
Income Per Capita	\$ 37,989	\$ 37,076	\$26,925	\$38,225	\$27,447	\$27,395
Unemployment Rate	5.6%	10.2%	10.7%	10.2%	9.2%	8.7%
School Enrollment	19,296	18,723	18,878	18,668	18,920	18,678

SOURCE: Office of
Financial
Management, Forecast
Division, State of
Washington
Employment Security
Department, State of
Washington, Education
Service District #189,
State of Washington,
Office of Superintende
of Public Instruction

SKAGIT COUNTY, WASHINGTON
STATISTICAL TABLES
Principal Property Tax Payers
Current and Ten Years Ago

Taxpayer	2013			2003		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Equilon Enterprises LLC	\$517,070,800	1	3.65%	\$ 291,855,446	1	3.03%
Tesoro Refining and Marketing Corp	379,739,200	2	2.68%	215,649,348	2	2.24%
Puget Sound Energy/Electric	250,370,382	3	1.77%	205,300,272	3	2.13%
Sierra Pacific Industries	63,871,200	4	0.45%			
Pacific Woodtech Corporation	55,971,200	5	0.40%	38,673,700	6	0.40%
Frontier Property Tax Dept NCA	44,509,874	6	0.31%			
PPR Cascade LLC	34,046,700	7	0.24%	30,785,200	7	0.32%
NW Pipeline GP	32,231,708	8	0.23%	22,865,917	9	0.24%
Stratford Hall Inc.	27,522,700	9	0.19%			
BNSF Railway Company	27,135,075	10	0.19%			
	1,432,468,839		10.11%			8.36%
Total County Assessed Value	\$ 14,164,054,879			\$ 9,109,187,252		

Source: Skagit County Assessor

SKAGIT COUNTY, WASHINGTON
STATISTICAL TABLES
Principal Employers
Current and Ten Years Ago

Employer	2013			2003		
	Number of Employees	Rank	Percentage of Total Labor Force	Number of Employees	Rank	Percentage of Total Labor Force
Skagit Valley Hospital	2,000	1	3.58%	1,175	2	2.19%
Mount Vernon School District	870	2	1.56%			
Skagit County Government	788	3	1.41%	986	3	1.83%
Island Hospital	715	4	1.28%	479	6	0.89%
Janicki Industries	638	5	1.14%			
Sedro-Woolley School District	621	6	0.77%			
Burlington-Edison School District	482	7	0.86%			
Swinomish Casino	441	8	0.75%	315	10	0.59%
Shell Oil	430	9	1.11%			
Skagit Valley College	419	10	0.79%			
Total Top Ten Employees	7,404		13.25%	2,955		5.50%
Total County Labor Force	55,870			53,760		

Source: Employment Security
Various Company Payroll Departments

SKAGIT COUNTY, WASHINGTON
Full-Time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Function	Full-Time Equivalent Employees as of December 31									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Government	158	165	163	174	182	175	202	216	178	196
Judicial	53	54	53	53	58	57	57	96	64	64
Public Safety	162	168	169	178	182	162	147	75	141	141
Utilities	37	36	34	39	39	37	40	30	41	40
Transportation	119	124	128	130	133	127	122	77	108	118
Natural & Economic Environment	57	59	58	57	55	44	25	34	48	21
Social Services	53	60	62	71	74	45	45	79	46	44
Culture and Recreation	24	27	28	24	27	17	9	9	10	11
Total	663	693	695	726	750	664	647	616	636	635

Source: Skagit County Auditor

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
(A) MILES OF ROAD					
Roads, paved	765	757	757	757	756
Roads, unpaved	38	39	39	38	41
(B) BUILDING PERMITS					
Permits issued	1,036	1,036	988	927	632
Value of buildings	\$91,786,911	\$93,228,793	\$ 110,000,000	\$ 106,903,097	\$ 48,838,303
(C) FIRE PROTECTION					
Number of districts	16	16	17	17	17
Number of paid firefighters	62	64	60	65	67
Number of volunteer firefighters	538	682	523	515	509
(D) POLICE PROTECTION					
Number of employees, commissioned	59	59	59	59	61
Number of employees, civilian and limited commission	54	55	56	56	57
Average daily jail population	223	224	233	240	241
Police patrol units, vehicle	72	70	60	60	61
Police patrol units, boats	3	3	3	3	3
(E) RECREATIONAL FACILITIES					
Number of parks	32	32	33	34	34
Park acreage	1,747	1,751	1,827	2,227	2,227
(F) GENERAL ELECTIONS					
Number of registered voters	63,185	67,968	67,167	63,604	69,335
Number of votes cast	52,577	38,599	41,641	33,455	56,632
Percentage voting	83%	57%	62%	53%	82%
(G) PUBLIC EDUCATION					
Elementary	25	25	25	25	25
Middle/Junior High	6	6	6	6	5
High	8	8	8	8	8
Community College	1	1	1	1	1
Alternative	8	10	7	7	6
Special Education	2	3	4	5	5

SOURCE:

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

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

	2009	2010	2011	2012	2013
(A) MILES OF ROAD					
Roads, paved	758	761	761	760	761
Roads, unpaved	41	41	41	41	40
(B) BUILDING PERMITS					
Permits issued	547	414	416	424	445
Value of buildings	\$ 41,441,249	\$ 42,538,000	\$ 38,893,281	\$ 40,588,568	\$ 58,051,285
(C) FIRE PROTECTION					
Number of districts	18	18	18	18	18
Number of paid firefighters	66	65	65	65	65
Number of volunteer firefighters	550	585	568	561	559
(D) POLICE PROTECTION					
Number of employees, commissioned	62	58	46	44	50
Number of employees, civilian and limited commission	58	53	53	59	55
Average daily jail population	275	243	196	226.3	247.7
Police patrol units, vehicle	62	54	49	71	55
Police patrol units, boats	4	4	5	5	5
(E) RECREATIONAL FACILITIES					
Number of parks	35	36	26	32	29
Park acreage	2240	2255	2300	2153.5	2054.5
(F) GENERAL ELECTIONS					
Number of registered voters	68,119	68,936	\$ 68,996	72,966	74,075
Number of votes cast	36,160	48,960	\$ 38,256	56,262	35,847
Percentage voting	53%	71%	59%	83%	53%
(G) PUBLIC EDUCATION					
Elementary	25	25	25	25	26
Middle/Junior High	5	5	5	5	5
High	9	9	6	6	6
Community College	1	1	1	1	1
Alternative	4	4	6	8	8
Special Education	5	4	4	5	5

SOURCE:

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

Compliance Section



SKAGIT COUNTY, WASHINGTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Agriculture Farm Service Agency/	Conservation Reserve Program	10.069	CREP 2003 0054 Etach Creek		545.00		1
Department of Agriculture Farm Service Agency/	Conservation Reserve Program	10.069	CREP 2003 0055 Day Creek		220.00		1
Department of Agriculture Farm Service Agency/	Conservation Reserve Program	10.069	CREP 2005 0072 Martin Slough- Rockport		5,233.00		1
Total Department of Agriculture Farm Service Agency/						5,998.00	
Department of Agriculture Food and Nutrition Service /Office of Superintendent of Public Instruction	School Breakfast Program	10.553	29-320-9788	8,159.35			1,7
Total Department of Agriculture Food and Nutrition Service /						\$8,159.35	
Department of Agriculture Food and Nutrition Service /Office of Superintendent of Public Instruction	National School Lunch Program	10.555	29-320-9788	5,255.12			1,7
Total Department of Agriculture Food and Nutrition Service /						\$5,255.12	
Department of Agriculture Food and Nutrition Service/Washington State Department of Health	Special Supplemental Nutrition Program for Women, Infants and Children - Local Support	10.557		101,074.00			1,4(i)
Total Department of Agriculture Food and Nutrition Service/						\$101,074.00	
Department of Agriculture Food and Nutrition Service/Washington State Department of Health	WIC Farmers' Market Nutrition Program (FMNP)	10.572		135.00			1,4(i)
Total Department of Agriculture Food and Nutrition Service/						\$135.00	
Department of Agriculture Food and Nutrition Program/Northwest Regional Council	Senior Farmers Market Nutrition Program	10.576	161009- NUTR(01)(02)	5,822.00			1,2,7
Total Department of Agriculture Food and Nutrition Program/						5,822.00	
Department of Agriculture Natural Resources Conservation Service/	Farm and Ranch Lands Protection Program	10.913	73-0546-11-003		888,750.00		1,2,5,8
Total Department of Agriculture Natural Resources Conservation Service/						888,750.00	
Department of Commerce National Oceanic and Atmospheric Administration (NOAA)/State of Washington Department of Ecology	Coastal Zone Management Administrative Awards	11.419	G1200389	23,806.47			1
Total Department of Commerce National Oceanic and Atmospheric Administration (NOAA)/						23,806.47	
Department of Commerce National Oceanic and Atmospheric Administration (NOAA)/Washington Recreation and Conservation Office	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	11.438	RCO#11-1534C	62,739.46			1,2
Total Department of Commerce National Oceanic and Atmospheric Administration (NOAA)/						62,739.46	

SKAGIT COUNTY, WASHINGTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Housing and Urban Development Office of Community Planning and Development /State of Washington Department of Commerce	Community Development Block Grants/Entitlement Grants	14.228	13-65400-011	25,778.83			1,5
Department of Housing and Urban Development Office of Community Planning and Development /State of Washington Department of Commerce	Community Development Block Grants/Entitlement Grants	14.228	12-65400-017	29,341.85			1,5
Total Department of Housing and Urban Development Office of Community Planning and Development /						\$55,120.68	
Department of Justice Drug Enforcement Administration/Washington State Patrol	Law Enforcement Assistance_Narcotics and Dangerous Drugs_Laboratory Analysis	16.001	Domestic Cannabis Eradication/Suppression C130913FED	25,000.00			1,2
Total Department of Justice Drug Enforcement Administration/						\$25,000.00	
Department of Justice Criminal Division/	Joint Law Enforcement Operations (JLEO)	16.111	OCDETF PA-WAW-0278		1,905.44		1
Total Department of Justice Criminal Division/						\$1,905.44	
Department of Justice Office of Juvenile Justice and Delinquency Prevention/ WA St Dept of Health & Social Services	Juvenile Accountability Block Grant	16.523	JABG FFY11 0663-98417	5,780.19			1,2
Department of Justice Office of Juvenile Justice and Delinquency Prevention/ WA St Dept of Health & Social Services	Juvenile Accountability Block Grant	16.523	1363-84195	2,206.05			1,2
Total Department of Justice Office of Juvenile Justice and Delinquency Prevention/						7,986.24	
Department of Justice Bureau of Justice Assistance/	Drug Court Discretionary Grant Program	16.585	2011-DC-BX-0016		16,666.66		1
Total Department of Justice Bureau of Justice Assistance/						16,666.66	
Department of Justice Violence Against Women Office /Washington State Department of Commerce	ARRA-Violence Against Women Formula Grant	16.588	F12-311103-056	17,852.00			1,6
Total Department of Justice Violence Against Women Office /						\$17,852.00	
Department of Justice Bureau of Justice Assistance/Washington State Department of Social & Health Services-Residential Substance Abuse Treatment	Residential Substance Abuse Treatment for State Prisoners	16.593	1163-38470	95,663.36			1,2
Total Department of Justice Bureau of Justice Assistance/						\$95,663.36	
Department of Justice Bureau of Justice Assistance/	State Criminal Alien Assistance Program	16.606	2013--H2301-WA-AP		19,699.00		1
Total Department of Justice Bureau of Justice Assistance/						\$19,699.00	

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Justice Office of Juvenile Justice and Delinquency Prevention/Washington State Department of Health and Social Services thru United General Hospital #304	Enforcing Underage Drinking Laws Program	16.727	1369-90202	2,098.28			1
Total Department of Justice Office of Juvenile Justice and Delinquency Prevention/						\$2,098.28	
Department of Justice Bureau of Justice Assistance/	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-2692		5,945.02		1
Department of Justice Bureau of Justice Assistance/	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2012-DJ-BX-1115		5,353.15		1
Department of Justice Bureau of Justice Assistance/Washington State Department of Commerce	Edward Byrne Memorial Justice Assistance Grant Program	16.738	M13-31440-014	85,984.27			1,2
Department of Justice Bureau of Justice Assistance/Washington State Department of Commerce	Edward Byrne Memorial Justice Assistance Grant Program	16.738	M12-34021-014	111,320.83			1,2
Total Department of Justice Bureau of Justice Assistance/						\$208,603.27	
Department of Justice Bureau of Justice Assistance/	Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2012-DJ-BX-1115		15,410.54		1,4(a)
Total Department of Justice Bureau of Justice Assistance/						\$15,410.54	
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	FHWA ER-WA-13-03 Skagit River Bridge 5/712 Collapse	3,021.82			1
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	FHWA ER-WA-13-03 Skagit River Bridge 5/712 Collapse	13,854.33			1
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Skagit River Bridge Modification & Interstate Highway LA6452	5,930.80			1
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Pioneer Highway/Fir Island Road Intersection	291,166.41			1,2
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Burlington Northern Overpass LA8075	185,551.43			1,2
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Bow Hill Reconstruction LA8076	23,461.39			1,2

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Guemes Ferry Dolphin Replacement	98,842.19			1,2
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Anderson Road/LaVenture Road Extension LA6690	286,176.61			1,2
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Anderson/LaVenture Road Extension LA6689	449,785.13			1,2
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Francis Rd, Curve Realign LA6955	2,190.87			1,2
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Run-off Road & Intersection Safety Project LA7466	744,324.23			1,2
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	Samish River Prairie Road Bridge Deck Repair LA7489	1,568.00			1,2
Department of Transportation Federal Highway Administration (FHWA)/Washington State Department of Transportation	Highway Planning and Construction	20.205	FHWA ER-WA-13-03 Skagit River Bridge 5/712 Collapse	13,906.79			1
Total Department of Transportation Federal Highway Administration (FHWA)/						\$2,119,780.00	
Department of Transportation National Highway Traffic Safety Administration (NHTSA)/Washington Traffic Safety Commission	State and Community Highway Safety	20.600	Law Enforcement Liaison	749.30			1,2
Department of Transportation National Highway Traffic Safety Administration (NHTSA)/Washington Traffic Safety Commission	State and Community Highway Safety	20.600		3,872.89			1
Department of Transportation National Highway Traffic Safety Administration (NHTSA)/Washington Traffic Safety Commission	State and Community Highway Safety	20.600	CP12-03	21,447.48			1,2
Department of Transportation National Highway Traffic Safety Administration (NHTSA)/Washington Traffic Safety Commission	State and Community Highway Safety	20.600	DUI Target Zero	800.00			1,2
Total Department of Transportation National Highway Traffic Safety Administration (NHTSA)/						\$26,869.67	

SKAGIT COUNTY, WASHINGTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Transportation National Highway Traffic Safety Administration (NHTSA)/Washington Traffic Safety Commission	Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	Target Zero Corridor Project- DUI	3,967.31			1,2
Total Department of Transportation National Highway Traffic Safety Administration (NHTSA)/						\$3,967.31	
Department of Transportation National Highway Traffic Safety Administration (NHTSA)/Washington Traffic Safety Commission	Occupant Protection Incentive Grants	20.602	Target Zero Corridor Project - Seatbelt	2,643.89			1,2
Total Department of Transportation National Highway Traffic Safety Administration (NHTSA)/						\$2,643.89	
Environmental Protection Agency Region 10/	Puget Sound Watershed Management Assistance	66.120	PO00J09601		298,030.26		1,2,4(b), 5
Environmental Protection Agency Region 10/	Puget Sound Watershed Management Assistance	66.120	PO-00J08201-3		59,602.49		1,2
Total Environmental Protection Agency Region 10/						\$357,632.75	
Environmental Protection Agency Region 10/Washington State Department of Commerce	Puget Sound Action Agenda: Technical Investigations and Implementation Assistance Program	66.123	12-63401-005	147,698.41			1
Environmental Protection Agency Region 10/Washington State Department of Health	Puget Sound Action Agenda; Technical Investigations and Implementation Assistance Program	66.123	On-site Sewage Management NEP C16899(6)	87,331.83			1,4(i)
Environmental Protection Agency Region 10/Washington State Department of Health	Puget Sound Action Agenda; Technical Investigations and Implementation Assistance Program	66.123	Pollution ID and Correction (PIC) NEP C16899(6)	81,143.61			1,4(b)
Environmental Protection Agency Region 10/Washington State Department of Health	Puget Sound Action Agenda; Technical Investigations and Implementation Assistance Program	66.123	Livestock Mgmt Ag BMP's NEP C16899(6)	6,717.37			1,4(b)
Total Environmental Protection Agency Region 10/						\$322,891.22	
Environmental Protection Agency Office of Water/State of Washington Department of Ecology	National Estuary Program	66.456	G1200389	9,258.06			1,2
Environmental Protection Agency Office of Water/State of Washington Department of Ecology	National Estuary Program	66.456	G1400105	9,383.76			1,2,5
Total Environmental Protection Agency Office of Water/						\$18,641.82	
Environmental Protection Agency Office of Water/Washington State Department of Health	ARRA-Capitalization Grants for Drinking Water State Revolving Funds	66.468	Drinking Water Group A - Spatial Dataset C16899(9)	1,285.10			1,4(i),6

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Total Environmental Protection Agency Office of Water/						\$1,285.10	
Department of Energy/Washington State Department of Commerce	Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	F12-52205-004	9,500.00			1,5
Total Department of Energy/						\$9,500.00	
U.S. Election Assistance Commission/State of Washington, Office of the Secretary of State, Elections Division	Help America Vote Act Requirements Payments	90.401	OSOS No. G-2855	79,101.25			1,2
Total U.S. Election Assistance Commission/						\$79,101.25	
Department of Health and Human Services Administration for Community Living/Northwest Regional Council	Special Programs for the Aging_Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	Congregate & Home Delivered Meals 161009-NUTR(01)(02)	8,533.00			1,2,5,7
Total Department of Health and Human Services Administration for Community Living/						\$8,533.00	
Department of Health and Human Services Administration for Community Living/Northwest Regional Council	Special Programs for the Aging_Title III, Part C_Nutrition Services	93.045	161009-NUTR	186,147.00			1,2,5,7
Total Department of Health and Human Services Administration for Community Living/						\$186,147.00	
Department of Health and Human Services Administration for Community Living/Northwest Regional Council	Nutrition Services Incentive Program	93.053	161009-NUTR (01) (02)	68,340.82			1,2,7
Total Department of Health and Human Services Administration for Community Living/						\$68,340.82	
Department of Health and Human Services Centers for Disease Control and Prevention/Washington State Department of Health	Public Health Emergency Preparedness	93.069	PHEPR LHJ C16899(6)(10)	23,527.99			1,4(i)
Total Department of Health and Human Services Centers for Disease Control and Prevention/						\$23,527.99	
Department of Health and Human Services Centers for Disease Control and Prevention/Washington State Department of Health	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	C16899(11)	8,000.00			1,4(i),5
Total Department of Health and Human Services Centers for Disease Control and Prevention/						\$8,000.00	

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Health and Human Services Substance Abuse and Mental Health Services Administration/State of Washington Dept of Social and Health Services-Recovery Support	Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	1163-24773	62,333.15			1
Total Department of Health and Human Services Substance Abuse and Mental Health Services Administration/						\$62,333.15	
Department of Health and Human Services Centers for Disease Control and Prevention/Washington State Department of Health	Immunization Cooperative Agreements	93.268	AFIX C16889(6,9)	22,184.00			1,4(i)
Department of Health and Human Services Centers for Disease Control and Prevention /Washington State Department of Health	Immunization Cooperative Agreements	93.268	VFC Ops 16889(6,9)	9,890.00			1,4(i)
Department of Health and Human Services Centers for Disease Control and Prevention /Washington State Department of Health	Immunization Cooperative Agreements	93.268	Ops C16899(6,9)	5,916.00			1,4(i)
Department of Health and Human Services Centers for Disease Control and Prevention/Washington State Department of Health	Immunization Cooperative Agreements	93.268	Vaccine in Lieu of Cash C16899(6)	84,039.43			1,3,7
Department of Health and Human Services Centers for Disease Control and Prevention/Washington State Department of Health	Immunization Cooperative Agreements	93.268	Program Income C16899(6)	22,693.80			1,7
Total Department of Health and Human Services Centers for Disease Control and Prevention/						144,723.23	
Department of Health and Human Services Health Resources and Services Administration/Thrive By 5 Washington	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	2013-HVSA-70	264,055.20			1,4(e)
Department of Health and Human Services Health Resources and Services Administration/Thrive By 5 Washington	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	FY14-HVSA Award	73,127.63			1,4(e)
Total Department of Health and Human Services Health Resources and Services Administration/						337,182.83	
Department of Health and Human Services Centers for Disease Control and Prevention/Washington State Department of Health	PPHF 2012 - Prevention and Public Health Fund (Affordable Care Act) - Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by 2012 Prevention and Public Health Funds	93.539	FFY12 PPHF VTRCKS-IIS Interface	3,304.00			1,4(i)

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Health and Human Services Centers for Disease Control and Prevention/Washington State Department of Health	PPHF 2012 - Prevention and Public Health Fund (Affordable Care Act) - Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by 2012 Prevention and Public Health Funds	93.539	OICP-PPHR Reimbursement Project	11,116.28			1,4(i)
Total Department of Health and Human Services Centers for Disease Control and Prevention/						\$14,420.28	
Department of Health and Human Services Administration for Children and Families/ Washington State Dept of Social & Health Services	Child Support Enforcement	93.563	75-1501-0-1-609/2110-80608	143,963.00			1,4(f)
Department of Health and Human Services Administration for Children and Families/ Washington State Dept of Social & Health Services	Child Support Enforcement	93.563	75-1501-0-1-609/2110-80608	422,467.00			1,4(g)
Department of Health and Human Services Administration for Children and Families/ Washington State Dept of Social & Health Services	Child Support Enforcement	93.563	0763-15102-01	45,385.00			1,2,4(g)
Total Department of Health and Human Services Administration for Children and Families/						611,815.00	
Department of Health and Human Services Administration for Community Living/Northwest Regional Council	Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs – financed by 2012 Prevention and Public Health Funds (PPHF-2012)	93.734	Chronic Disease Self Management Program CDSMP 161009 NUTR (1)(2)	2,000.00			1
Total Department of Health and Human Services Administration for Community Living/						\$2,000.00	
Department of Health and Human Services Center for Disease Control and Prevention/Washington State Department of Health	Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance – financed in part by the Prevention and Public Health Fund (PPHF-2012)	93.733	C16899 (11)	4,000.00			1,4(i)
Total Department of Health and Human Services Center for Disease Control and Prevention/						\$4,000.00	

SKAGIT COUNTY, WASHINGTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Health and Human Services Centers for Medicare and Medicaid Services/Washington State Health Care Authority	Medical Assistance Program	93.778		75,910.98			1,2,4(c,d)
Total Department of Health and Human Service Centers for Medicare and Medicaid Services/						\$75,910.98	
Department of Health and Human Services Substance Abuse and Mental Health Services Administration/North Sound Mental Health Administration	Block Grants for Community Mental Health Services	93.958	County MHBG-11-12	16,641.21			1
Total Department of Health and Human Services Substance Abuse and Mental Health Services Administration/						16,641.21	
Department of Health and Human Services Substance Abuse and Mental Health Services Administration/Washington State Department of Social & Health Services-Substance Abuse Prevention-DASA	Block Grants for Prevention and Treatment of Substance Abuse	93.959	1163-27323	282,843.14			1,2
Total Department of Health and Human Services Substance Abuse and Mental Health Services Administration/						\$282,843.14	
Department of Health and Human Services Health Resources and Services Administration/Washington State Department of Health	Maternal and Child Health Services Block Grant to the States	93.994	MCHBG MCH Concon C16899(6,9,11)	112,248.30			1,4(i)
Total Department of Health and Human Services Health Resources and Services Administration/						\$112,248.30	
Department of Homeland Security/Washington State Parks and Recreation Commission	Boating Safety Financial Assistance	97.012		32,934.55			1
Total Department of Homeland Security/						\$32,934.55	
Department of Homeland Security/Washington State Military Department	Disaster Grants-Public Assistance(Presidentially Declared Disasters)	97.036	E07-786	10,808.40			1,2
Total Department of Homeland Security/						\$10,808.40	
Department of Homeland Security/Washington State Military Department	Hazard Mitigation Grant	97.039	E11-133	107,307.05			1,2
Total Department of Homeland Security/						\$107,307.05	
Department of Homeland Security/Washington State Military Department/Snohomish County	Emergency Management Performance Grants	97.042	E14-127	34,509.00			1,2
Total Department of Homeland Security/						\$34,509.00	
Department of Homeland Security/Washington State Military Department/Snohomish County	Homeland Security Grant Program	97.067	K1032-CCP-11	1,088.77			1

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2013

Federal Agency Name/Pass Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot Note Ref
				From Pass - Through Awards	From Direct Awards	Total	
Department of Homeland Security/Washington State Military Department/Snohomish County	Homeland Security Grant Program	97.067	E12-186	57,089.29			1
Department of Homeland Security/Washington State Military Department/Snohomish County	Homeland Security Grant Program	97.067	E11-093	74,551.81			1
Total Department of Homeland Security/						\$132,729.87	

TOTAL FEDERAL EXPENDITURES \$6,787,013.68

SKAGIT COUNTY, WASHINGTON

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2013

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.

NOTE 3 – NONCASH AWARDS - VACCINATIONS

The amount of vaccines reported on the schedule is the value of vaccine received by Skagit County during 2013 and priced as prescribed by the Department of Health.

NOTE 4 – INDIRECT COST RATE

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

(a) 1.4% (b) 8.58%, (c) 8.74%, (d) 9.29%, (e) 10.00%, (f) 13.07% (g) 17.64%, (h) 25.00%, (i) 32.53%

NOTE 5 – AMOUNTS AWARDED TO SUBRECIPIENT

Included in the total amount expended for this program are dollars passed through to a sub recipient that administered its own project.

NOTE 6 – AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009

Expenditures for this program were funded by ARRA

NOTE 7 – PROGRAM INCOME

The amount reported is net of \$390,968.40 received as program income.

NOTE 8 – PRIOR YEAR EXPENSE

The total amount expended for this program include \$112,500 for 2012

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF STATE AND LOCAL FINANCIAL ASISTANCE
 For the Year Ending December 31, 2013

Grantor/Program Title	Identification Number	Current Year Expenditures
Administrative Office of the Courts		
Becca Bill	IAA13082	\$51,016.85
Becca Bill	IAA14056	\$166,510.60
Becca Bill	IAA120482	\$71,337.42
Interpreter Fee	ICA13395	\$8,434.98
Interpreter Fees	RCW 10.46.230	\$2,636.66
Witness Fees	RCW 10.46.230	\$3,033.93
<u>TOTAL ADMINISTRATIOVE OFFICE OF THE COURTS</u>		<u>\$302,970.44</u>
County Road Administration Board		
County Roads - Arterial Preservation	n/a	\$534,835.28
<u>TOTAL COUNTY ROAD ADMINSTRATION BOARD</u>		<u>\$534,835.28</u>
Department of Agriculture		
Knotweed	K986	\$7,065.00
Knotweed Control (Grandy Creek)	n/a	\$3,525.07
Spartina Program	K724	\$14,294.54
Spartina Program	K1145	\$11,709.08
<u>TOTAL DEPARTMENT OF AGRICULTURE</u>		<u>\$36,593.69</u>
Department Of Commerce		
2012 Energy Efficiency Grants for Local Governments	13-93222-069	\$103,419.00
Community Energy Challenge	119340-G003077	\$4,000.00
Victim/Witness Asistance Grant Program	S14-31102-526	\$15,602.09
Victim/Witness Asistance Grant Program	S13-31102-526	\$15,490.92
<u>TOTAL DEPARTMENT OF COMMERCE</u>		<u>\$138,512.01</u>
Department of Early Learning		
Home Visiting Service Account (HVSA)	201208013	\$17,910.78
<u>TOTAL DEPARTMENT OF EARLY LEARNING</u>		<u>\$17,910.78</u>
Department of Ecology		
Community Litter Cleanup Program	C1200012	\$17,500.00
Community Litter Cleanup Program	G1400056	\$22,760.06
Coordinated Prevention Grant	G1200236	\$96,673.91
LID Demonstration Project (Kulshan Creek)	G1200598	\$26,384.11
Local Source Contol Partnership	IAAC1400034	\$33,920.62
Local Source Contol Partnership	C1200058	\$50,292.28
Local Toxins Control	G1200222	\$76,804.78
Local Toxins Control	G14000167	\$49,321.06
Local Toxins Control	G1400074	\$95,263.83
Municipal Stormwater Capacity Program	G11000097	\$45,616.69
Natural Resources Stewardship Program	G09000062	\$114,517.52

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF STATE AND LOCAL FINANCIAL ASISTANCE
 For the Year Ending December 31, 2013

Grantor/Program Title	Identification Number	Current Year Expenditures
On Site Septic Grant with Loan	L1100016	\$3,645.86
On Site Septic Grant with Loan	L1000053	\$14,947.31
Shoreline Master Program Update	G1100205	\$211,139.97
Site Hazard Assessment	G1200170	\$20,000.00
Site Hazard Assessment	G1400046	\$17,176.80
Skagit County Vactor Waste Facility	G1200542	\$28,030.45
Waste Tire Disposal	C1200107	\$182.70
Well Delegation	CO900012	\$6,690.00
<u>TOTAL DEPARTMENT OF ECOLOGY</u>		<u>\$930,867.95</u>
Department of Health		
Blue Ribbon Local Health Funds	C16899 (7)	\$95,876.00
Local Capacity GFS & HSA	C16899(7)	\$64,971.00
PS OSS MLP Implementation Clearing	C16899(6)	\$50,834.00
Rec Shellfish/Biotxin(PSAA)	C16899(9)	\$3,388.52
Sexual Predator Reimbursement	n/a	\$327.80
<u>TOTAL DEPARTMENT OF HEALTH</u>		<u>\$215,397.32</u>
Department of Social & Health Services		
Child Support Enforcement	75-1501-0-1-609/2110-80608	\$185,001.00
Child Support Enforcement	n/a	\$7,305.00
Child Support Enforcement Reimbursement	2110-80608	\$23,179.00
Early Family Support Services- Alternative Response Systems	1263-54951	\$1,962.84
Early Intervention Program (EIP)	1263-54839	\$3,116.72
Immunization Cooperative Agreements	Vaccine in Lieu of Cash C16899(6)	\$36,016.89
Juvenile Rehabilitation Administration	CJS At-Risk 1363-79615	\$79,744.13
Juvenile Rehabilitation Administration	Intensive Diversion 1263-43166	\$13,467.54
Juvenile Rehabilitation Administration	Intensive Diversion 1363-79615	\$17,050.08
Juvenile Rehabilitation Administration	SSODA 1263-43166	\$655.50
Juvenile Rehabilitation Administration	SSODA 1363-79615	\$329.37
Juvenile Rehabilitation Administration	Diagnostics 1263-43166	\$1,488.00
Juvenile Rehabilitation Administration	Diagnostics 1363-79615	\$1,736.00
Juvenile Rehabilitation Administration	CCDA 1363-79615	\$860.64
Juvenile Rehabilitation Administration	CCDA 1263-43166	\$754.40
Juvenile Rehabilitation Administration	HB3900 1263-43166	\$44,991.00
Juvenile Rehabilitation Administration	HB3900 1363-79615	\$28,465.25
Juvenile Rehabilitation Administraton-Treatment & Intergovt Prog	1163-35702	\$3,239.07
Juvenile Rehabilitation Administraton-Treatment & Intergovt Prog	1363-78932	\$26,673.18
Juvenile Rehabilitation Administraton-Treatment & Intergovt Prog	1163-35702	\$14,520.66
NSMHA Jail Services	Jail Services 11-13	\$50,740.96
NSMHA Jail Services	Jail Services 13-15	\$16,102.85
NSMHA-SKAGIT-ADMIN-13-14	Admin-13-14	\$180,253.94
Substance Abuse Service Treatment	1163-27323	\$921,148.43
<u>TOTAL DEPARTMENT OF SOCIAL AND HEALTH SERVICES</u>		<u>\$1,658,802.45</u>
Northwest Clean Air Agency		
Electric Car Charging Station	n/a	\$5,380.72

SKAGIT COUNTY, WASHINGTON
 SCHEDULE OF STATE AND LOCAL FINANCIAL ASISTANCE
 For the Year Ending December 31, 2013

Grantor/Program Title	Identification Number	Current Year Expenditures
<u>TOTAL NORTHWEST CLEAN AIR AGENCY</u>		<u>\$5,380.72</u>
Office Of Public Defense		
Parent's Representation Program	CSV13003	\$124,236.00
<u>TOTAL OFFICE OF PUBLIC DEFENSE</u>		<u>\$124,236.00</u>
Office of Superintendent of Public Instruction		
Readiness to Learn	678011	\$52,350.30
<u>TOTAL OFFICE OF SUPERINTENDENT OF PUBLIC INSTRUCTION</u>		<u>\$52,350.30</u>
Samish Indian Nation		
Knotweed Control	n/a	\$21,994.27
<u>TOTAL SAMISH INDIAN NATION</u>		<u>\$21,994.27</u>
State Military Department		
Hazard Mitigation Grant	E11-133	\$17,884.51
Professional Development & Operational E911	E12-002	\$57,129.97
Professional Development & Operational E911	E14-017	\$24,292.34
<u>TOTAL STATE MILITARY DEPARTMENT</u>		<u>\$99,306.82</u>
State Treasurer		
40% Autopsy Reimbursement	RCW 68.08.104	\$39,470.10
Elected Official Salary Match	RCW 36.17.020	\$74,912.16
<u>TOTAL STATE TREASURER</u>		<u>\$114,382.26</u>
Transportation Improvement Board		
Anderson/LaVenture Road Extension	9-W-029(002)1	\$531,514.12
Bow Hill Road	2913-01	\$4,489.50
Francis Road	2909-01	\$6,347.52
<u>TOTAL TRANSPORTATION BOARD</u>		<u>\$542,351.14</u>
Washington Association of Sheriffs & Police Chiefs		
Registered Sex Offender Address & Residency Verification Program	RSO 12-13 Skagit	\$73,034.51
<u>TOTAL WASHINGTON ASSOCIATION OF SHERIFFS & POLICE CHIEFS</u>		<u>\$73,034.51</u>

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