

The background of the entire page is a repeating pattern of the Skagit County Auditor seal. Each seal is circular and contains a landscape scene with mountains and water, surrounded by the text "SKAGIT COUNTY" at the top and "AUDITOR" at the bottom. A banner across the middle of each seal reads "Serving With Pride".

# Skagit County Washington

A single, larger version of the Skagit County Auditor seal is positioned to the left of the main title, partially overlapping the repeating background pattern.

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

# 2005

Fiscal Year Ending December 31, 2005

# 2005

# **SKAGIT COUNTY WASHINGTON**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

FISCAL YEAR ENDED DECEMBER 31, 2005

Norma Brummett, Skagit County Auditor

David Cunningham  
Chief Deputy Auditor

Danny Weinberg  
Chief Accountant

Sue Brown

Crystal Burress  
Lenka Kaliban  
Marie Nelson

Jean Irwin  
Ella Mathis  
Carolyn Vandervegt

# SKAGIT COUNTY WASHINGTON COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2005

## TABLE OF CONTENTS

### INTRODUCTORY SECTION

Table of Contents .....	i
Letter of Transmittal.....	v
Certificate of Achievement for Excellence in Financial Reporting.....	xi
List of Elected Officials .....	xii
Organizational Chart.....	xiii

### FINANCIAL SECTION

Independent Auditor's Opinion .....	1
Management's Discussion and Analysis .....	2

### BASIC FINANCIAL STATEMENTS

Description of Basic Financial Statements .....	17
Statement of Net Assets .....	18
Statements of Activities .....	19
Balance Sheet- Governmental Funds .....	20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets .....	21
Statement of Revenues, Expenditures, and Changes in Fund Balance- Governmental Funds .....	22
Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances Governmental Funds to the Statement of Activities .....	24
Statement of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual- General Fund .....	25
Statement of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual- Other Major Funds.....	33
Statement of Net Assets- Proprietary Funds.....	34
Statement of Revenues, Expenses, and Changes in Fund Net Assets- Proprietary Funds .....	35
Statement of Cash Flows- Proprietary Funds .....	36
Statement of Fiduciary Net Assets- Fiduciary Funds .....	38
Notes to Financial Statements.....	39

## TABLE OF CONTENTS

### NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet Nonmajor Governmental Funds .....	65
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance- Nonmajor Governmental Funds .....	66
Description of Nonmajor Special Revenue Funds.....	67
Combining Balance Sheet- Nonmajor Special Revenue Funds.....	69
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance- Nonmajor Special Revenue Funds.....	81
Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual- Nonmajor Special Revenue Funds.....	93
Description of Nonmajor Debt Service Funds .....	136
Combining Balance Sheet- Nonmajor Debt Service Funds .....	137
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance- Nonmajor Debt Service Funds .....	138
Description of Nonmajor Capital Project Funds .....	139
Combining Balance Sheet- Nonmajor Capital Project Funds .....	140
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance- Nonmajor Capital Project Funds.....	141
Schedules of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual- Nonmajor Capital Project Funds.....	142

### MAJOR ENTERPRISE FUND

Description of Major Capital Project Fund.....	146
Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual-Major Capital Project Fund .....	147

### NONMAJOR ENTERPRISE FUNDS

Description of Nonmajor Enterprise Funds .....	149
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### INTERNAL SERVICE FUNDS

Description of Internal Service Funds .....	151
Combining Statement of Net Assets- Internal Service Funds .....	152
Combining Statement of Revenues, Expenses and Changes in Funds Net Assets- Internal Service Funds.....	153
Combining Statement of Cash Flows- Internal Service Funds.....	154

## AGENCY FUNDS

Description of Agency Funds.....	155
Combining Balance Sheet- Agency Funds.....	156
Combining Statement of Changes in Assets and Liabilities- Agency Funds .....	159

## CAPITAL ASSETS

Description of Capital Asset Schedules .....	169
Schedule by Function and Activity- Governmental Fund Capital Assets .....	170
Schedule of Changes by Function and Activity- Governmental Fund Capital Assets.....	171
Schedule by Source- Governmental Fund Capital Assets .....	172

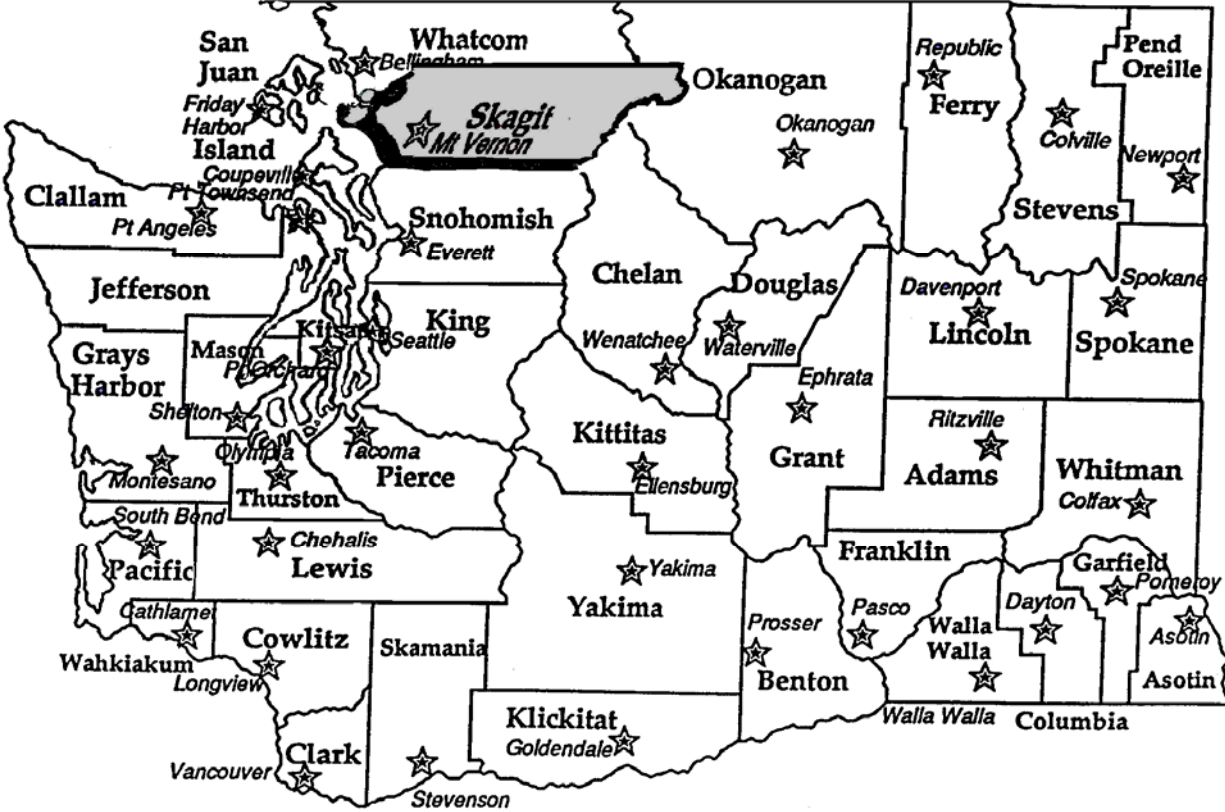
## STATISTICAL SECTION

Government-Wide Expense by Function.....	173
Government-Wide Revenues by Function .....	174
General Government Expenditures by Function .....	175
General Government Revenues by Source .....	176
Assessed and Estimated Value of Taxable Property .....	177
Property Tax Rates- Direct and Overlapping .....	178
Property Tax Levies and Collections .....	179
Special Assessment Billings and Collections .....	180
Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt Per Capita.....	181
Limitations of Indebtedness.....	182
Direct and Overlapping Debt- General Obligation Bonds .....	183
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total Governmental Expenditures .....	184
Demographic Statistics .....	185
Construction and Property Value.....	186
Principal Taxpayers .....	187
Principal Employers .....	188
Miscellaneous Statistical Report.....	189

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# SKAGIT COUNTY

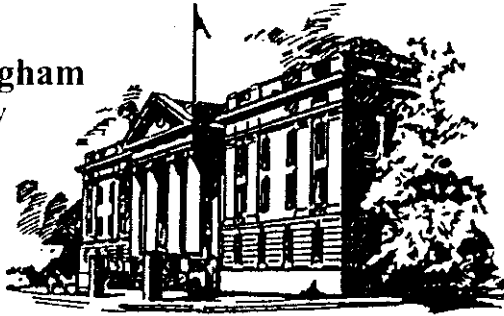
Washington



# SKAGIT COUNTY AUDITOR

**Norma Brummett**  
Auditor

**David Cunningham**  
Chief Deputy



June 30, 2006

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 ended December 31, 2005, 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 managements 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 presented on a multi-year basis.

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 fiscal year ended December 31, 2005, 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, 2005 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 this 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 36.04.390. The County operates under a commissioner form of government. Locally elected officials include the County Assessor, Auditor, Clerk, Prosecuting Attorney, Sheriff, Treasurer, three Superior Court Judges, two District Court Judges as well as the three member Board of County Commissioners. 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 a County chief administrative officer. The County provides the following services to its constituents: Sheriff, road construction and maintenance, solid waste management, permits and planning, parks and recreation, judicial administration, public health, social services and general administrative services.

As required by GAAP, the financial statements present Skagit County, the primary government and its discretely presented component unit, the Skagit County Emergency Medical Services Commission (EMS). 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. The Skagit County Emergency Medical Services Commission was effectively established on April 1, 2003 by ordinance of the Board of County Commissioners. The EMS was established pursuant to the Revised Code of Washington 35.21.730 and 36.01.095. The purpose of the commission is to provide efficient and effective emergency medical and related services throughout Skagit County in compliance with

state law. Skagit County is funding the EMS with an excess property tax levy approved by the voters through 2006. The Board of County Commissioners appoints the members of the EMS board and has final approval on the EMS operating budget.

Skagit County is located between Whatcom and Snohomish Counties in the northwestern part of the State. Interstate 5 travels through the county. This location has led to an atmosphere of discovery within the last few years. There has been an increase in individuals seeking housing within the County. The location is good for commuting to the more urbanized areas to the south and north.

The Pacific Northwest region is experiencing an increase in population. Between 1996 and 2005, the County has experienced a 16.1% increase in population, according to information provided by Washington State Employment Security Department. Along with the population increase, housing units have proportionally increased.

Skagit County remains a pristine, beautiful place to live and enjoy the outdoors. The County has beautiful natural water areas that include freshwater lakes, streams, rivers and saltwater beaches. Backpacking, hiking and camping in the beautiful natural parks, as well as the annual Tulip Festival, continue to bring tourists to this area.

The total land area of Skagit County in square miles is 1,735. Of that, 93,495 acres are devoted to farmland, 156,085 acres are devoted to parkland (national, state and county) and 364,582 acres are National Forest Land. This is one factor in population density which is 63.9 persons per square mile.

The annual budget for Skagit County serves as the 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 fund are required to submit requests for appropriations to the County Auditor's Office on the second Monday in August. A compilation of the requests is submitted to the Board of County Commissioners on 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 the 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, or object class level.

## **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. The County has a high percentage of employment concentrated in industries that are seasonal by nature. The County's unemployment rate remains higher than the State average, in part, because of the seasonality effect. The rate for 2005 is 5.5%, down substantially from 7.0% in 2004. However, historically, the rate has hovered as high as 8.4% as recently as 1996.

Property and sales tax revenues have increased 61.6% from 1996 to the present, and this at a time when the property tax levies have been limited to a 1% increase limitation factor for the past several years. This suggests a confident consumer spending base. This trend is also suggested in the increase in the number of building permits issued which reverses the opposite downward movement begun in 1999.

Skagit County benefits from its proximity to the larger economies and population bases in the counties immediately to its south. The Boeing Corporation and Microsoft appear to be poised for a resurgence in business activity. The County's housing market is expected to benefit from this positive turn as are the County's general sales activities.

## **Long- term Financial Planning**

In December the County Commissioners approved an ordinance to impose a 1/10<sup>th</sup> of one percent sales tax for the purpose of providing funds for new and expanded chemical dependency or mental health treatment services. The tax dollars can also be used for the operation of therapeutic court programs, such as in-house treatment for offenders diverted from the jail, in-custody mental health/chemical dependency evaluations and to cover costs for mental health courts.

By taking advantage of low interest rates, Skagit County was able to refund 1996 general obligation bonds issued for Solid Waste. The refunding will save taxpayers \$692,000 and the bonds will be paid off two years earlier than originally planned.

## **Financial Policies**

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

1. The budget shall be balanced within available resources. In addition to annual fiscal objectives, efforts need to be made to consider future long-term service needs.
2. "Banked capacity" of \$762,024 for the General fund and \$782,252 for the Road Fund shall be preserved for emergency situations (i.e. flood or earthquake relief), and shall not be directed toward county operations.

3. Where programs are dependent upon the continued availability of grant support, departments need to ensure the sustainability of the grant source and the implications of grant funds being reduced or eliminated.
4. A minimum reserve balance of 10% shall be maintained for all operating funds.
5. Revenues collected in excess of the minimum reserve shall be held for one-time, special purpose needs that fulfill strategic objectives of the county.
6. Departments with programs that are primarily funded with permit and service fees shall analyze these fees during the course of the year to ensure that all costs are being captured within the fee structures established and shall recommend adjustments as appropriate.

## **Major Initiatives**

Skagit County made several land purchases in 2005. One was to expand at the site of the Commissioner's, Planning and Public Works offices. Moving additional non-Law and Justice offices to this new site would allow the criminal justice departments to have additional space and be centralized at the courthouse campus.

Additional land was purchased near Skagit Valley College to build a county recreation and event center. Meetings are being held to assess the public's needs and desires for this facility. The Washington State Department of Natural Resources deeded 400 acres of state trust lands to the county for use as a park and firing range.

The county also purchased a building to be used for a mental health crisis facility.

The various departments that comprise the Law and Justice System of the county continue to face challenges, due to understaffing and inadequate jail facilities. Alternatives for the expansion or building of a new jail are still being studied. In 2005 the County Prosecutor instituted an "expedited court calendar" which was aimed at reducing the backlog of criminal cases referred from law enforcement. This is an attempt to resolve the simplest of cases by offering a specific settlement proposal on the offender's first trip to court. The offender has a limited time to make a decision on the offer and avoid future court appearances. The additional Superior Court Judge that was authorized for the county was filled in early 2006 which will also alleviate some delays.

The Skagit County Youth and Family Services Department received two federal Grants totaling over \$400,000 to plan, screen, diagnose and provide appropriate services for juveniles experiencing Fetal Alcohol Spectrum Disorders. Court involved youth, or those at imminent risk, will be served by the project.

Live TV transmissions of selected County Commissioner's meeting were launched to provide real time access to government in action. Taped segments of meetings have been available for several years on a delayed basis.

As required by state law, the county updated its comprehensive solid waste management plan in 2005 in conjunction with the cities. Recommendations included allowing more than one transfer station to operate within the county. A contract was also signed with a private composting and recycling facility to allow them to accept recyclable waste.

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial reporting to Skagit County for its Comprehensive Annual report for the fiscal year ended December 31, 2004. Skagit County has received this prestigious award for fifteen out of the last seventeen years and for the last nine consecutive years. 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's 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 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.

Respectfully submitted,



Norma Brummett  
County Auditor

# 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, 2004

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



*Carla E. Perry*

President

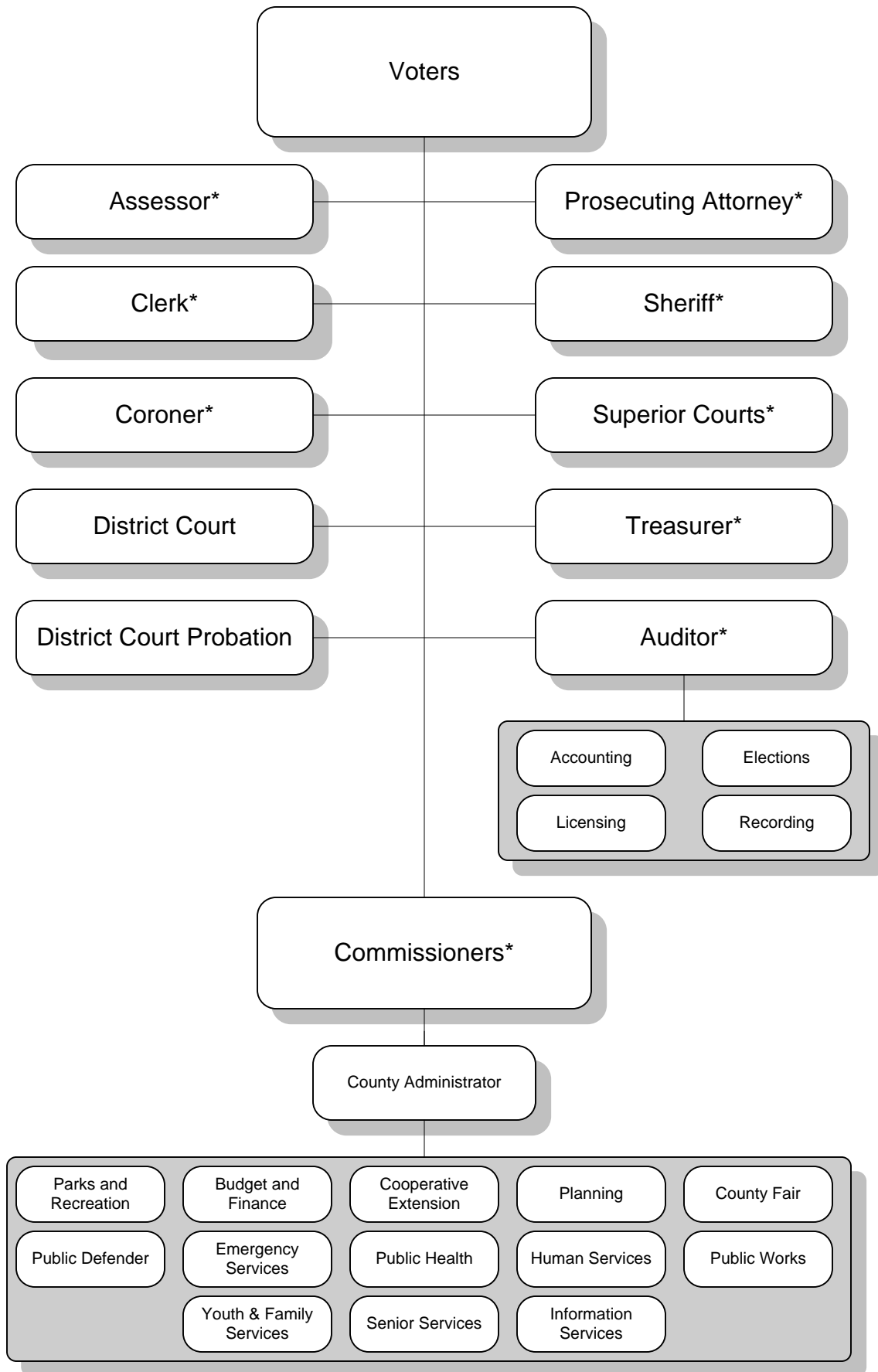
*Jeffrey R. Emery*

Executive Director

# SKAGIT COUNTY, WASHINGTON ELECTED OFFICIALS

	TERM EXPIRES
<b>COUNTY COMMISSIONERS</b>	
DISTRICT NUMBER 1	DON MUNKS .....DECEMBER 2008
DISTRICT NUMBER 2	KENNETH DAHLSTEDT.....DECEMBER 2008
DISTRICT NUMBER 3	TED ANDERSON.....DECEMBER 2006
<b>SUPERIOR COURT JUDGES</b>	
SUSAN COOK .....	DECEMBER 2008
MICHAEL RICKERT .....	DECEMBER 2008
JOHN MEYER.....	DECEMBER 2008
<b>DISTRICT COURT JUDGES</b>	
STEVE J. SKELTON.....	DECEMBER 2006
DAVID SVAREN.....	DECEMBER 2006
<b>ASSESSOR</b>	
MARK LEANDER.....	DECEMBER 2006
<b>AUDITOR</b>	
NORMA BRUMMETT .....	DECEMBER 2006
<b>CLERK</b>	
NANCY SCOTT .....	DECEMBER 2006
<b>CORONER</b>	
BRUCE BACON.....	DECEMBER 2006
<b>PROSECUTING ATTORNEY</b>	
THOMAS SEGUINE.....	DECEMBER 2006
<b>SHERIFF</b>	
RICK GRIMSTEAD .....	DECEMBER 2006
<b>TREASURER</b>	
KATIE JUNGQUIST .....	DECEMBER 2006

# Skagit County Organization Chart



\* Elected official(s)



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Financial Section





**Washington State Auditor**  
**Brian Sonntag**

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Olympia, Washington 98504-0021

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**INDEPENDENT AUDITOR'S REPORT**

June 13, 2006

Board of Commissioners, Skagit County  
Mount Vernon, Washington

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, 2005, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2005, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General and County Road funds, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 2 through 16 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as combining financial statements and supplemental information on pages 65 through 168 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the introductory and Statistical Sections 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 express no opinion on it.

Sincerely,

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR



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

Skagit County's discussion and analysis offers readers of the County's financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2005. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, and in the financial statements and notes to the financial statements (which immediately follow this discussion).

### **FINANCIAL HIGHLIGHTS**

- The total assets of Skagit County exceeded its liabilities at December 31, 2005 by over \$416 million dollars. Net assets invested in capital assets (net of depreciation and related debt) account for 91% of this amount, with a value of over \$379 million. Of the remaining net assets, \$21.2 million was restricted for specific projects or programs and \$16.3 million may be used to meet the government's ongoing obligations to citizens and creditors, without legal restriction.
- As of December 31, 2005, Skagit County's governmental activities reported combined ending net assets of over \$412 million. Of that amount, over \$381 million was invested in capital assets, \$21.2 million was legally restricted for specific projects or programs, and \$10.6 million was available for spending at the government's discretion.
- Fund balance for the General Fund was \$4.05 million dollars at December 31, 2005.
- Fund balance for the County Road fund was \$10.4 million dollars at December 31, 2005.
- In March 2005, the County issued \$160,000 in general obligation bonds to purchase land adjacent the existing Mount Vernon Family Resource Center and \$5.475 million in general obligation bonds to refund existing debt in the Solid Waste Fund for a net present value savings of nearly \$360,000.
- Skagit County's total long-term debt at December 31, 2005 was \$16.1 million, with a remaining capacity for non-voted debt at \$164 million.

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

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

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

There are two government-wide financial statements designed to provide readers with a broad overview of Skagit County's finances in a manner similar to a private-sector business. Both of the government-wide financial statements distinguish functions of Skagit County that are principally supported by taxes and intergovernmental revenues (referred to as "governmental activities") from functions that are intended to recover all or a significant portion of their costs through user fees and charges (referred to as "business-type activities"). The governmental activities of Skagit County include a full range of local government services provided to the public, such as law enforcement and public safety; the superior, juvenile, and district court

systems; legal prosecution and indigent defense; jails and corrections; road construction and maintenance; planning and community development; parks and open space preservation; and care and welfare of the disadvantaged and mentally ill. In addition, other general government services are provided, such as elections, property assessment, tax collection, and the issuance of licenses. The business-type activities of Skagit County include Solid Waste and Drainage Utility.

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

The statement of activities presents information showing how the government's net assets changed during the year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on taxes for funding. All changes in net assets are reported using the accrual basis of accounting, similar to the method used by most private-sector companies. The accrual basis of accounting requires that revenues be reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of the cash flow. Items such as uncollected taxes, unpaid vendor invoices for items received in 2005, and earned but unused vacation leave, will be included in the statement of activities as revenue and expense, even though the cash associated with these items will not be received or distributed in 2005.

The financial statements present information on a "Component Unit". The Emergency Medical Services Commission was established in April of 2003 by the Board of Skagit County Commissioners pursuant to the Revised Code of Washington 35.21.730 and 36.01.095. The component unit is not covered in this discussion. Additional information concerning the component unit may be found in Note I of the Notes to the Financial Statements.

## **Fund Financial Statements**

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

## **Governmental Funds**

The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances present separate columns of financial data for the General Fund, the County Road Fund, and the Distressed County Public Facility Fund, all of which are considered to be major funds, based on criteria established by GASB Statement #34. (GASB Statement #34 defines a major fund as a fund whose assets, liabilities, revenues or expenditures comprise 1) at least 10% of the total dollar amount of the same category within either all government or all enterprise funds, as appropriate, and 2) at least 5% of the total dollar amount of all governmental and enterprise funds combined for the same category.) Data from the remaining governmental funds are combined into a single, aggregated presentation. The governmental fund financial statements can be found immediately following the government-wide financial statements. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements, outside of the basic financial statements.

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

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

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

## **Proprietary Funds**

There are two types of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Solid Waste and Drainage Utility activities. Internal Service Funds (the second type of proprietary funds) accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its vehicle fleet, medical and unemployment insurance, computer equipment replacement reserves, and various other administrative services. The revenues and expenses of the internal service funds that are duplicated in other funds through allocations are eliminated in the government-wide statements, with the remaining balances included in the governmental activities column.

Proprietary fund statements follow the governmental fund statements in this report. They provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting. In comparing the Proprietary Fund Statement of Net Assets to the business-type column on the Government-Wide Statement of Net Assets, you will notice that the total net assets agree, and therefore need no reconciliation. In comparing the total assets and total liabilities between the two statements, you will notice slightly different amounts. This is because the "internal balances" line on the government-wide statement combines the "due from other funds" (assets) and the "due to other funds" (liabilities) from the proprietary fund statement in a single line in the asset section of the government-wide statement.

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

### **Fiduciary Funds**

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

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

### **Notes to the Financial Statements**

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

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

### **Statement of Net Assets**

Skagit County's total assets stand at over \$443 million as of December 31, 2005, a decrease of \$18 million from the previous year, while liabilities stand at \$26 million, a decrease of \$3 million from December 31, 2004.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Skagit County's net assets total \$443,188,204 at December 31, 2005 compared to \$461,130,385 in 2004. This net decrease of nearly \$18 million (3.89%) is discussed in the paragraphs following the Skagit County's Net Assets table shown on the next page.

## Skagit County's Net Assets

	Governmental Activities		Business-Type Activities		Total		% Change
	2005	2004	2005	2004	2005	2004	
Current and Other Assets	\$48,383,483	\$51,814,418	\$6,567,103	\$7,190,939	\$54,950,586	\$59,005,357	-6.87%
Capital Assets and Construction in Progress (Net of Depreciation)	383,845,873	397,931,287	4,391,747	4,193,741	388,237,620	402,152,028	-3.46%
Total Assets	432,229,356	449,745,705	10,958,850	11,384,680	443,188,204	461,130,385	-3.89%
Long-Term Liabilities	14,944,268	15,190,125	6,349,081	7,225,345	21,293,349	22,415,470	-5.01%
Other Liabilities	4,429,664	5,958,288	726,602	578,715	5,156,266	6,537,003	-21.12%
Total Liabilities	19,373,932	21,148,413	7,075,683	7,804,060	26,449,615	28,952,473	-8.64%
Net Assets:							
Invested in Capital Assets, Net of Related Debt	381,055,873	395,086,287	(1,849,849)	(2,957,718)	379,206,024	392,128,569	-3.30%
Restricted	21,211,900	21,766,319	-	-	21,211,900	21,766,319	-2.55%
Unrestricted	10,587,650	11,744,685	5,733,014	6,538,339	16,320,664	18,283,024	-10.73%
Total Net Assets	\$412,855,424	\$428,597,290	\$3,883,167	\$3,580,620	\$416,738,589	\$432,177,912	-3.57%

Of the nearly \$55 million in current and other assets (compared to \$59 million at December 31, 2004), nearly \$41.3 million is in cash and cash equivalents and investments (down from \$44.5 million in 2004), \$6.6 million is in accounts receivable and amounts due from other governments (down from \$8.4 million in 2004), nearly \$6 million is in inventories/prepayments (up from \$5.3 million in 2004), and the remaining \$1 million is spread among various assets. At December 31, 2005, cash and cash equivalents and investments accounted for 75.2% (compared to 75.5% in 2004), while accounts receivable and amounts due from other governments accounted for 12.1% (compared to 14% from 2004).

At December 31, 2005, the County had outstanding liabilities of \$26 million (a \$2.5 million decrease from 2004), with \$21.3 million in long term liabilities (a decrease of \$1.1 million from 2004). Of the long term liabilities, \$4.3 million was due within a year (up from nearly \$4 million in 2004), with the remainder due over an extended period of time. Refer to the notes to the financial statements (Note V.) for a more in depth discussion of long term debt.

The largest portion of the County's net assets (91%) reflects its investment in capital, less any outstanding related debt used to acquire those assets. The County's capital assets are used to provide services to citizens and are therefore not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, more than 5% of the County's net assets are subject to external restrictions on how they may be used (restricted by the Revised Code of the State of Washington or by contractual agreements with parties outside of the primary government). The remaining balance of \$16.3 million (4% of net assets), represents the amount that may be used to meet the County's ongoing obligations.

At December 31, 2005, Skagit County reports positive balances in all three categories of net assets for the government as a whole as well as for governmental activities. Business-type activities report a negative balance in capital assets and a positive balance in unrestricted assets, with no restricted assets. The negative balance in capital assets is the result of the closure and demolition of the incinerator in 1994 and 2000 respectively in the Solid Waste Fund with the underlying debt remaining as a liability of the fund.



## Statement of Changes in Net Assets

The County's total net assets decreased by \$15.4 million in 2005. Governmental activities showed a decrease of \$15.7 million while business-type activities showed an increase of \$0.3 million. Key elements in changes in net assets are shown in the following table:

### Skagit County Changes in Net Assets

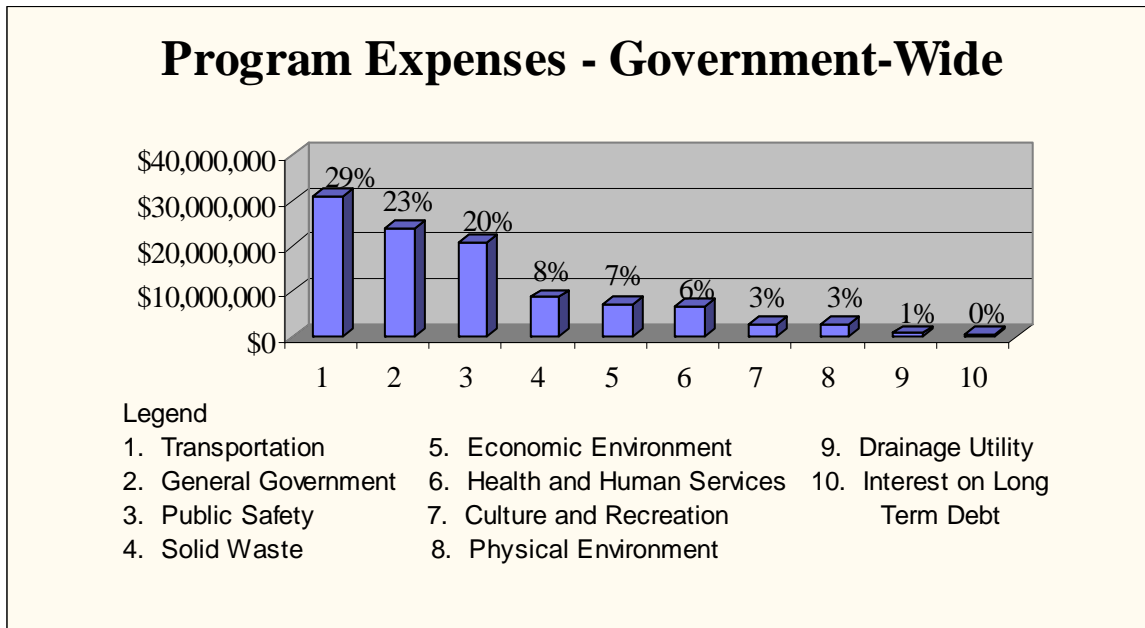
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2005	2004	2005	2004	2005	2004
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$13,875,744	\$12,295,788	\$9,552,003	\$9,202,503	\$ 23,427,747	\$ 21,498,291
Operating Grants and Contributions	14,843,903	15,204,303	232,330	178,300	15,076,233	15,382,603
Capital Grants and Contributions	7,721,163	9,355,516	-	24,399	7,721,163	9,379,915
General Revenues:						
Taxes	46,529,681	43,212,366	-	-	46,529,681	43,212,366
Interest Earnings on Investments	1,878,787	1,229,215	154,382	78,106	2,033,169	1,307,321
Gain/(Loss) on Sale of Assets	(4,636,036)	(563,436)	-	-	(4,636,036)	(563,436)
Special Item	-	-	-	-	-	-
Total Revenues	<u>80,213,242</u>	<u>80,733,752</u>	<u>9,938,715</u>	<u>9,483,308</u>	<u>90,151,957</u>	<u>90,217,060</u>
<b>Program Expenses:</b>						
General Government	24,063,135	25,021,132	-	-	24,063,135	25,021,132
Public Safety	21,022,495	21,411,406	-	-	21,022,495	21,411,406
Physical Environment	2,680,477	4,289,893	-	-	2,680,477	4,289,893
Transportation	31,030,917	28,630,892	-	-	31,030,917	28,630,892
Economic Environment	7,346,469	5,409,542	-	-	7,346,469	5,409,542
Health and Human Services	6,688,020	6,045,448	-	-	6,688,020	6,045,448
Culture and Recreation	2,721,796	2,611,408	-	-	2,721,796	2,611,408
Solid Waste	-	-	8,744,612	7,523,230	8,744,612	7,523,230
Drainage Utility	-	-	769,880	351,798	769,880	351,798
Interest on Long Term Debt	523,482	530,488	-	-	523,482	530,488
Total Expenses Before Transfers	<u>96,076,791</u>	<u>93,950,209</u>	<u>9,514,492</u>	<u>7,875,028</u>	<u>105,591,283</u>	<u>101,825,237</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,863,549)	(13,216,457)	424,223	1,608,280	(15,439,326)	(11,608,177)
Transfers	<u>121,677</u>	<u>12,915</u>	<u>(121,677)</u>	<u>(12,915)</u>	<u>-</u>	<u>-</u>
<b>Change in Net Assets</b>	<b>(15,741,872)</b>	<b>(13,203,542)</b>	<b>302,546</b>	<b>1,595,365</b>	<b>(15,439,326)</b>	<b>(11,608,177)</b>
Net Assets as of January 1	428,597,290	441,882,078	3,580,620	1,985,256	432,177,907	443,867,335
Prior Period Adjustment	-	(81,246)	-	-	-	(81,246)
Net Assets of Jan 1, Restated	<u>428,597,290</u>	<u>441,800,832</u>	<u>3,580,620</u>	<u>1,985,256</u>	<u>432,177,910</u>	<u>443,786,089</u>
<b>Net Assets as of December 31</b>	<b><u>\$412,855,424</u></b>	<b><u>\$428,597,290</u></b>	<b><u>\$3,883,167</u></b>	<b><u>\$3,580,620</u></b>	<b><u>\$416,738,589</u></b>	<b><u>\$432,177,912</u></b>

Total revenues for Skagit County were \$90.2 million in 2005, the same as 2004. Governmental activities provided over \$80 million (89%), while business-type activities added \$9.9 million. This split had no significant change from 2004. Within governmental activities, tax revenue accounted for 58% of total revenue sources (compared to 53.5% in 2004), with grants and contributions accounting for 28.1% (down from 30% in 2004).

Of the \$9.9 million in business-type activities program revenues and interest earnings, 96% was provided by charges for services (compared to 97% in 2004), with the remaining amount provided by grants, contributions, and interest income.

Expenses for the year totaled \$105.6 million, an increase of nearly \$3.8 million over 2004. Governmental Activities accounted for nearly \$96.1 million (91%), with the largest program expenses in the areas of transportation, general government, and public safety, respectively.

These three programs accounted for 72% of total governmental expenses, a decrease from 80% in 2004. Of the \$9.5 million in business-type expenses, 92% are associated with the solid waste program, a 4% increase from 2004. Following is a graph, which illustrates by program where funds were spent in 2005.

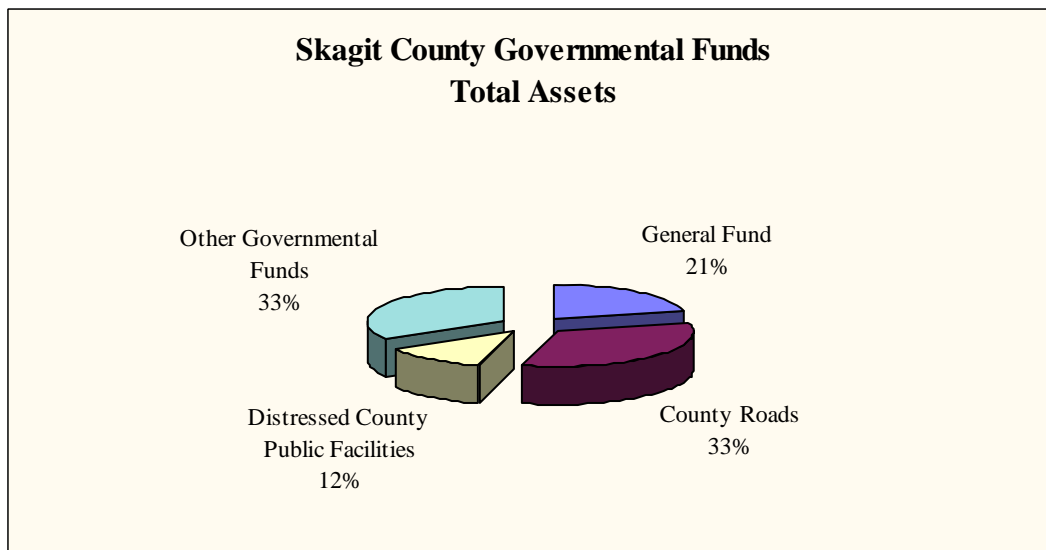


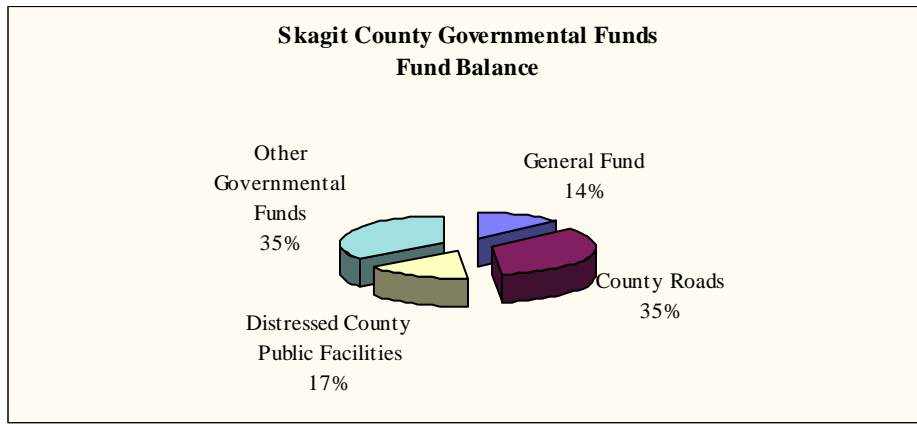
### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

#### Governmental Funds Balance Sheet Analysis

The General Fund, County Road Fund, and Distressed County Public Facility fund are the County's major funds in 2005 (no change from 2004). Together these funds account for 67% of total governmental fund assets and 65% of total governmental fund balance.



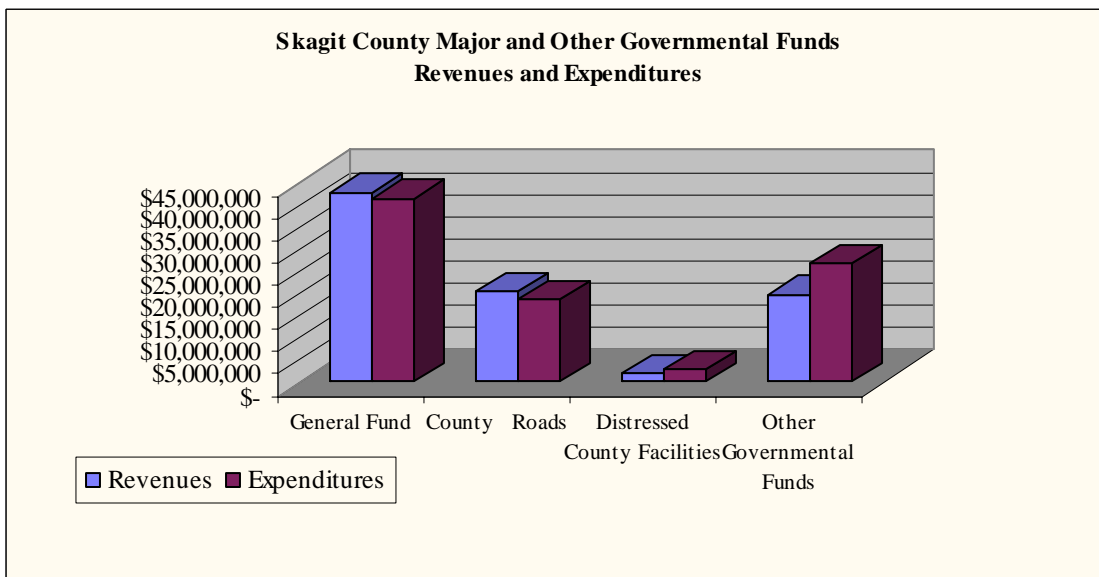


The focus of Skagit County’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. As of December 31, 2005, the county’s governmental funds reported combined fund balances of \$29.8 million, a decrease from \$33.9 million in 2004. Of this total amount, nearly \$27.8 million (93%) is unreserved and available for spending within the designated funds. Reserved fund balance of \$2 million is not available for new spending because it has already been committed to prepaid expenses, loans, debt service, and petty cash.

The General Fund is the chief operating fund of Skagit County. On December 31, 2005, unreserved fund balance of the General Fund decreased from \$6.8 million in 2004 to \$3.8 million, while total fund balance decreased from a little over \$7 million to nearly \$4.1 million. Total assets in the General Fund amounted to nearly \$8.3 million, accounting for 21% of total governmental fund assets, a decrease from \$11 million (24.5%) in 2004.

**Governmental Funds Revenue/Expenditure Analysis**

The following chart shows the revenue and expenditure amounts for the year ended December 31, 2005 for the three major governmental funds and for all other governmental funds.



The revenue indicators in the chart do not include one-time only financing sources, such as proceeds from new debt or the sale of assets. Total revenues for governmental funds increased

by \$3.8 million in 2005, with the majority of the increase accounted for in the General Fund. During the same period, total expenditures increased over \$5.2 million. The General Fund accounted for a \$5.5 million increase, the County Road fund accounted for \$120,000 decrease, the Distressed County Facilities Fund accounted for a \$1.7 million increase, with the remaining balance of \$1.8 million accounted for in other governmental funds. The General Fund and the County Road fund account for 74.5% of all governmental fund revenue (up from 73% in 2004) and 6% of all expenditures (up from 65% in 2004). The Distressed County Public Facility is considered a major fund by the merits of its total assets.

The net change in fund balance for the General Fund in 2005 was a negative \$3 million. This is due in part to the transfers made to the Central Services Fund to fund special projects. The increase in fund balance for the County Road fund and decrease in fund balance for the Distressed County Public Facility fund were insignificant and due to the schedule of projects. Governmental funds had an overall negative net change in fund balance of nearly \$4.1 million for 2005.

### Enterprise Funds Net Assets Analysis

Both of the enterprise funds of Skagit County, Solid Waste and the Drainage Utility, are considered major funds for 2005. The following table reflects the Proprietary Funds Statement of Net Assets as of December 31, 2005.

<b>Skagit County</b>						
<b>Proprietary Fund Net Assets</b>						
Business-Type Activities - Enterprise Funds						
	Solid Waste		Drainage Utility		Total	
	2005	2004	2005	2004	2005	2004
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash/Cash Equivalents	\$2,373,819	\$298,486	\$1,325,739	\$252,685	\$3,699,558	\$551,171
Other Current Assets	2,361,492	4,785,356	1,349,490	2,329,831	3,710,982	7,115,187
<b>Total Current Assets</b>	<b>4,735,311</b>	<b>5,083,842</b>	<b>2,675,229</b>	<b>2,582,516</b>	<b>7,410,540</b>	<b>7,666,358</b>
<b>Noncurrent Assets</b>						
Construction In Progress	36,113	-	543,065	731,313	579,178	731,313
Capital Assets	2,951,123	2,949,246	3,588,559	3,056,681	6,539,682	6,005,927
Less Accumulated Depreciation	(2,268,789)	(2,210,165)	(458,324)	(333,333)	(2,727,113)	(2,543,498)
Unamortised Issuance Costs	46,356	21,259	-	-	46,356	21,259
<b>Total Noncurrent Assets</b>	<b>764,803</b>	<b>760,339</b>	<b>3,673,300</b>	<b>3,454,661</b>	<b>4,438,103</b>	<b>4,215,000</b>
<b>Total Assets</b>	<b>5,500,114</b>	<b>5,844,181</b>	<b>6,348,531</b>	<b>6,037,179</b>	<b>11,848,645</b>	<b>11,881,359</b>
<b>LIABILITIES AND FUND EQUITY</b>						
<b>Current Liabilities</b>						
Accounts Payable and Other Current Liabilities	2,395,328	1,808,156	252,198	94,864	2,647,526	1,903,020
<b>Total Current Liabilities</b>	<b>2,395,328</b>	<b>1,808,156</b>	<b>252,198</b>	<b>94,864</b>	<b>2,647,526</b>	<b>1,903,020</b>
<b>Noncurrent Liabilities</b>						
Notes and Loans Payable	5,317,952	6,397,719	-	-	5,317,952	6,397,719
Other Noncurrent Liabilities	-	-	-	-	-	-
<b>Total Noncurrent Liabilities</b>	<b>5,317,952</b>	<b>6,397,719</b>	<b>-</b>	<b>-</b>	<b>5,317,952</b>	<b>6,397,719</b>
<b>Total Liabilities</b>	<b>7,713,280</b>	<b>8,205,875</b>	<b>252,198</b>	<b>94,864</b>	<b>7,965,478</b>	<b>8,300,739</b>

**Skagit County  
Proprietary Fund Net Assets**

	Business-Type Activities - Enterprise Funds					
	Solid Waste		Drainage Utility		Total	
	2005	2004	2005	2004	2005	2004
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	(5,523,149)	(6,412,380)	3,673,300	3,454,662	(1,849,849)	(2,957,718)
Unrestricted	3,309,983	4,050,686	2,423,031	2,487,653	5,733,014	6,538,339
Total Net Assets	<u>(\$2,213,166)</u>	<u>(\$2,361,694)</u>	<u>\$6,096,331</u>	<u>\$5,942,315</u>	<u>\$3,883,167</u>	<u>\$3,580,620</u>

As of December 31, 2005, the County's enterprise funds reported combined net assets of \$3.88 million (compared to \$3.58 million in 2004), made up of a deficit of \$2.2 million in the Solid Waste fund (down from \$2.4 million in 2004) and a positive \$6.1 million in the Drainage Utility (up from \$5.9 million in 2004). The deficit in Solid Waste is due to the closure and demolition of the incinerator in 1994 and 2000 respectively, with the underlying debt remaining as a liability of the fund. The combined funds have \$5.7 million unrestricted and available in accordance with the needs of the programs (compared to \$6.5 million in 2004).

**Enterprise Funds Revenue/Expenditure Analysis**

Revenues from the Solid Waste fund contributed 89% of the total revenues for enterprise funds in 2005, the same as in 2004. Following is a table, which gives a condensed look at revenues, expenses, and net change in fund balance for the enterprise funds.

**Skagit County Enterprise Funds Revenues and Expenses**

	Business-Type Activities - Enterprise Funds					
	Solid Waste		Drainage Utility		Total	
	2005	2004	2005	2004	2005	2004
<b>Revenues</b>						
Charges for Services	\$8,561,597	\$8,227,772	\$987,945	\$972,069	\$9,549,542	\$9,199,841
Intergovernmental	212,869	178,300	19,461	-	232,330	178,300
Interest Revenue	116,214	48,128	38,168	29,978	154,382	78,106
Miscellaneous Revenue	2,461	2,662	-	-	2,461	2,662
Total Operating Revenues	<u>8,893,141</u>	<u>8,456,862</u>	<u>1,045,574</u>	<u>1,002,047</u>	<u>9,938,715</u>	<u>9,458,909</u>
<b>Expenditures</b>						
Personal Services	1,498,450	1,282,858	138,531	111,496	1,636,981	1,394,354
Contractual Services	4,909,423	4,640,235	-	-	4,909,423	4,640,235
Other Supplies and Expenses	2,021,617	1,199,045	506,357	157,345	2,527,974	1,356,390
Depreciation	58,623	68,682	124,992	82,957	183,615	151,639
Loss on Disposition of Capital Assets	-	-	-	-	-	-
Interest Expense	256,499	332,410	-	-	256,499	332,410
Total Operating Expenditures	<u>8,744,612</u>	<u>7,523,230</u>	<u>769,880</u>	<u>351,798</u>	<u>9,514,492</u>	<u>7,875,028</u>
Income (Loss) Before Transfers	148,529	933,632	275,694	650,249	424,223	1,583,881
Capital Contributions	-	24,399	-	-	-	24,399
Interfund Transfers	-	-	(121,677)	(12,915)	(121,677)	(12,915)
Change in Net Assets	148,529	958,031	154,017	637,334	302,546	1,595,365
Total Net Assets - Beginning	<u>(2,361,694)</u>	<u>(3,319,728)</u>	<u>5,942,315</u>	<u>5,304,981</u>	<u>3,580,620</u>	<u>1,985,253</u>
Total Net Assets - Ending	<u>(\$2,213,166)</u>	<u>(\$2,361,697)</u>	<u>\$6,096,331</u>	<u>\$5,942,315</u>	<u>\$3,883,167</u>	<u>\$3,580,618</u>

Total expenses for the funds ran slightly over 83% of revenues, no change from 2004. The net positive change in net assets was \$0.3 million, a decrease of nearly \$1.3 million from 2004. The most prominent reason for this decrease is the expenses related to pursuing privatization of the Solid Waste function.

## GENERAL FUND BUDGETARY HIGHLIGHTS

### General Fund Changes in Budget

Differences between the original General Fund budget and the final amended budget for the total revenues was \$1.4 million, an increase of 3.5%, while changes to total expenditures was more significant at \$2.9 million, an increase of 7.4%. The following table shows the changes between the original and the final General Fund budget as of December 31, 2005.

**Skagit County, Washington**  
**General Fund Changes in Budget**  
**As of December 31, 2005**

	2005		Changes Favorable (Unfavorable)
	Original Budget	Final Budget	
<u>Revenues</u>			
Taxes	\$25,296,662	\$25,296,662	\$0
Licenses & Permits	994,863	1,051,863	57,000
Intergovernmental Revenue	6,623,877	7,378,354	754,477
Charges for Goods and Services	4,525,342	5,106,992	581,650
Fines and Forfeits	1,590,400	1,590,400	-
Interest Revenue	1,118,500	1,118,500	-
Miscellaneous Revenues	394,696	420,256	25,560
Total Revenues	40,544,340	41,963,027	1,418,687
<u>Expenditures</u>			
General Government Services	21,121,798	23,628,624	(2,506,826)
Security of Persons and Property	14,274,367	14,640,587	(366,220)
Utilities and Environment	324,241	344,241	(20,000)
Economic Environment	3,143,346	3,063,374	79,972
Mental/Physical Health	226,117	266,517	(40,400)
Culture and Recreation	436,537	442,612	(6,075)
Capitalized Expenditures	54,500	106,014	(51,514)
Total Expenditures	39,580,906	42,491,969	(2,911,063)
Excess (Deficit) Revenues Over Expenditures	963,434	(528,942)	(1,492,376)
<u>Other Financing Sources (Uses)</u>			
Fixed Asset Dispositions	0	0	0
Operating Transfers In	10,000	10,000	0
Operating Transfers Out	(4,592,014)	(5,633,375)	(1,041,361)
Total Other Financing Sources (Uses)	(4,582,014)	(5,623,375)	(1,041,361)
Excess (Deficit) Resources Over Uses	(3,618,580)	(6,152,317)	(2,533,737)
Fund Balance, January 1	4,161,057	4,161,057	-
Fund Balance, December 31	\$542,477	\$(1,991,260)	(\$2,533,737)

Budgeted expenditure increases outpaced revenue increases by nearly \$1.5 million in 2005. Budgeted revenues increased by \$1.4 million from the original budget while budgeted

expenditures increased over \$2.9 million. The largest change in the revenue budget was an increase of \$754 thousand in grants. The largest changes in the expenditure budget were for general government and the security of persons and property.

The General Fund shows a budget increase in expenditures in all programs except economic environment. General Government Services accounts for 86% of the increase with security of persons and property accounting for less than 13%. The remainder was split among all other programs except economic environment. Significant increases for the general fund budget are noted below:

- \$1,000,000 transfer to the medical insurance sub-fund to make up for prior year losses due to under-funding.
- \$43,743 for Superior Court for an increase in jury trials.
- \$287,967 for activities funded by the Department of Justice Domestic Violence Grant awarded after preparation of the initial budget.
- \$118,000 for contracted attorneys in Assigned Counsel.
- \$1,378,500 for attorney fees related to litigation and ongoing legal matters.

#### **General Fund Budget to Actual**

Total General Fund budgeted revenues of nearly \$42 million were slightly under actual revenues received of \$42.8 million. Although there were differences in the makeup of the revenues from the budget to the actual, there are no significant variances to report.

The variances from budgeted expenditures in the categories of security of persons and property accounts for nearly 51% of the total expenditure variance. Economic environment and general government services account for 22% and 13% respectively. The remaining 14% is spread among the remaining categories. Overall the general fund finished the year 2% under budget.

**Skagit County, Washington**  
**General Fund Changes - Budget vs Actual**  
As of December 31, 2005

	2005		Changes Favorable (Unfavorable)
	Final Budget	Actual	
<i><u>Revenues</u></i>			
Taxes	\$25,296,662	\$26,010,223	\$713,561
Licenses & Permits	1,051,863	1,271,229	219,366
Intergovernmental Revenue	7,378,354	7,383,047	4,693
Charges for Goods and Services	5,106,992	4,856,555	(250,437)
Fines and Forfeits	1,590,400	1,509,492	(80,908)
Interest Revenue	1,118,500	1,355,048	236,548
Miscellaneous Revenues	420,256	439,616	19,360
Total Revenues	41,963,027	42,825,210	862,183
<i><u>Expenditures</u></i>			
General Government Services	23,628,624	23,520,909	107,715
Security of Persons and Property	14,640,587	14,202,593	437,994
Utilities and Environment	344,241	273,352	70,889
Economic Environment	3,063,374	2,873,387	189,987
Mental/Physical Health	266,517	263,721	2,796
Culture and Recreation	442,612	435,014	7,598
Capitalized Expenditures	106,014	61,791	44,223
Total Expenditures	42,491,969	41,630,767	861,202
Excess (Deficit) Revenues Over Expenditures	(528,942)	1,194,444	1,723,386
<i><u>Other Financing Sources (Uses)</u></i>			
Issuance of Long Term Debt	-	107,397	107,397
Fixed Asset Dispositions	-	433	433
Operating Transfers In	10,000	10,000	-
Operating Transfers Out	(5,633,375)	(4,320,218)	1,313,157
Total Other Financing Sources (Uses)	(5,623,375)	(4,202,388)	1,420,987
Excess (Deficit) Resources Over Uses	(6,152,317)	(3,007,945)	3,144,373
Fund Balance, January 1	4,161,057	7,062,536	2,901,479
Fund Balance, December 31	(\$1,991,260)	\$4,054,591	\$6,045,852

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

Skagit County's total investment in capital assets, including construction in progress, for its governmental and business-type activities as of December 31, 2005, amounts to over \$379 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, development rights, buildings, improvements, machinery and equipment,



infrastructure, and construction in progress on buildings and improvements. Major capital asset events during the current fiscal year included the following:

- In May of 2005, Skagit County purchased land consisting of approximately 10 acres adjacent Skagit Valley College for a future Indoor Recreation Center for \$950,000.
- Also in May, Skagit County purchased 2 parcels adjacent the current County Commissioners Administrative Building on Continental Place for future growth for \$1.4 million.
- In July of 2005, Skagit County purchased a building in Burlington as the future home of a triage center for the mentally ill for \$570,000.
- During 2005 Skagit County purchased development rights on 654.78 acres of farmland through the Farmland Legacy Program for \$1.16 million. The program also received a donation of 2 easements on 88 acres and protected an additional 166.86 acres through short plats.

Additional information on Skagit County's capital assets can be found in note IV.E of the Notes to the Financial Statements.

### **Long-Term Debt**

At December 31, 2005, Skagit County had total bonded debt outstanding of \$16.1 million (down from \$17.2 million in 2004). Of that, \$9.66 million (down from \$9.96 million) is classified as governmental activity and \$6.45 million (down from \$7.2 million) is classified as business type activity. All is backed by the full faith and credit of the County.

Skagit County's total bonded debt had a net decrease of \$1.08 million during 2005. The County's remaining capacity for non-voted debt at December 31, 2005 was approximately \$164 million. Additional information on the County's long-term debt can be found in Note V of the Notes to the Financial Statements.

### **ECONOMIC FACTORS**

Skagit County was a pacesetter for job growth in 2005, besting the state average for new jobs by more than 25% and the national average by 70%. For the one year period ending March 2006, Skagit County saw a 3.3% increase in employment, ranking it number 7 in the state in terms of job growth.

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

- In November 1999, the voters in Washington approved Initiative 695, which eliminated the annual motor vehicle excise tax and replaced it with a \$30 annual fee on motor vehicles. Although this initiative was later ruled unconstitutional by the courts, the Legislature moved to enact the \$30 annual fee in special session. As a result, a portion of funding the County receives from the State for 2000 through 2002 was reduced by approximately \$2.7 million. The County received partial funding of approximately \$1.7 million over the same time period.

- Voters also approved Initiative 747, which capped property tax growth each year at a maximum of 1%, plus any additions for new construction. I-747 was required to be fully implemented beginning with 2002.
- In April of 2003, the voters approved a 1/10<sup>th</sup> of 1% increase in sales tax to fund emergency communication systems and facilities.
- In December 2005, the Board of County Commissioners signed an Ordinance implementing a 1/10<sup>th</sup> of 1% increase in sales and use tax for the purpose of providing funds for new and expanded chemical dependency or mental health treatment services and for the operation of new or expanded therapeutic court programs.

### **Requests for Information**

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

Gary Rowe, 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 Assets** – presents information on all County governmental and business-type assets and liabilities, with the difference reported as net assets.
- (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 assets.

## 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 Assets.**
- (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 Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual** – presents budget information, along with actual results, on separate statements for each major fund which has a legally adopted budget. Departmental information is included for the General fund, in accordance with the County’s legally adopted budget
- (8) **Statement of Net Assets – Proprietary Funds** – presents information on all assets and liabilities, with the difference reported as change in net assets 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
- (9) **Statement of Revenues, Expenses and Changes in Net Assets – 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.
- (10) **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.
- (11) **Statement of Fiduciary Net Assets** - presents information on agency fund assets and liabilities, with the difference reported as net assets.
- (12) **Notes to Financial Statements** – presents disclosure and further detail information to assist the reader in a better understanding of the financial statements and the data presented with them.

# SKAGIT COUNTY, WASHINGTON

## Statement of Net Assets

December 31, 2005

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash/Cash Equivalents	\$20,769,373	\$3,699,558	\$24,468,931	\$268,950
Investments	14,263,164	2,605,367	16,868,531	2,200,000
Receivables	2,427,850	964,026	3,391,876	676,642
Due From Other Governments	3,147,609	107,287	3,254,896	413,456
Internal Balances	885,845	(885,845)	0	0
Inventories/Prepayments	5,959,477	30,352	5,989,829	0
Deferred Charges	0	46,356	46,356	0
Restricted Assets:				
Restricted for Debt Service:				
Cash/Cash Equivalents	10,698	0	10,698	0
Investments	917,920	0	917,920	51,340
Receivables	1,547	0	1,547	0
Capital Assets:				944,387
Land, Development Rights and Construction in Progress	23,433,039	1,049,030	24,482,069	
Other Capital Assets, Net of Depreciation	360,412,834	3,342,717	363,755,551	0
Total Assets	\$432,229,356	\$10,958,850	\$443,188,204	\$4,554,775
 <b>LIABILITIES</b>				
<u>Liabilities</u>				
Accounts Payable and Other Current Liabilities	\$2,430,066	\$604,954	\$3,035,020	\$88,385
Accrued Liabilities	1,839,249	121,648	1,960,897	293,669
Due to Other Governments	160,349	0	160,349	0
Long Term Liabilities:				
Other Due Within One Year	3,300,579	1,031,129	4,331,708	0
Other Due In More Than One Year	11,643,689	5,317,952	16,961,641	179,501
Total Liabilities	\$19,373,932	\$7,075,683	\$26,449,615	\$561,555
 <u>Net Assets</u>				
Invested in Capital Assets, Net of Related Debt	\$381,055,873	(\$1,849,849)	\$379,206,024	\$944,387
Restricted for:				
General Government	1,949,279	0	1,949,279	0
Public Safety	834,809	0	834,809	636,274
Physical Environment	1,143,182	0	1,143,182	0
Transportation	10,536,215	0	10,536,215	0
Economic Environment	5,453,796	0	5,453,796	0
Health & Human Services	354,758	0	354,758	0
Culture and Recreation	14,243	0	14,243	0
Debt Service	925,618	0	925,618	0
Unrestricted (Deficit)	10,587,650	5,733,014	16,320,664	2,412,559
Total Net Assets	\$412,855,424	\$3,883,167	\$416,738,589	\$3,993,220

# SKAGIT COUNTY, WASHINGTON

## Statement of Activities

December 31, 2005

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Assets			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
<b>Primary Government:</b>								
Governmental Activities:								
General Government	\$24,063,135	\$5,453,668	\$4,555,246	\$0	(\$14,054,221)	\$0	(\$14,054,221)	\$0
Public Safety	21,022,495	1,128,315	4,076,007	0	(15,818,173)	0	(15,818,173)	0
Physical Environment	2,680,477	383,437	836,345	0	(1,460,695)	0	(1,460,695)	0
Transportation	35,666,953	2,853,613	140,395	7,564,641	(25,108,304)	0	(25,108,304)	0
Economic Environment	7,346,469	2,427,374	708,761	0	(4,210,334)	0	(4,210,334)	0
Health and Human Services	6,688,020	854,792	4,360,647	0	(1,472,581)	0	(1,472,581)	0
Culture and Recreation	2,721,796	774,545	166,502	156,522	(1,624,227)	0	(1,624,227)	0
Interest on Long Term Debt	523,482	0	0	0	(523,482)	0	(523,482)	0
Total Governmental Activities	<u>\$100,712,827</u>	<u>\$13,875,744</u>	<u>\$14,843,903</u>	<u>\$7,721,163</u>	<u>(\$64,272,017)</u>	<u>\$0</u>	<u>(\$64,272,017)</u>	<u>\$0</u>
Business-Type Activities								
Solid Waste	\$8,744,612	\$8,564,058	\$212,869	\$0	\$0	\$32,315	\$32,315	\$0
Drainage Utility	769,880	987,945	19,461	0	0	237,526	237,526	0
Total Business-Type Activities	<u>9,514,492</u>	<u>9,552,003</u>	<u>232,330</u>	<u>\$0</u>	<u>\$0</u>	<u>\$269,841</u>	<u>\$269,841</u>	<u>\$0</u>
<b>Total Primary Government</b>	<u>\$ 110,227,319</u>	<u>\$ 23,427,747</u>	<u>\$ 15,076,233</u>	<u>\$ 7,721,163</u>	<u>\$ (64,272,017)</u>	<u>\$ 269,841</u>	<u>\$ (64,002,176)</u>	<u>\$0</u>
<b>Component Unit</b>								
Emergency Medical Services Commission	\$ 5,297,674	\$ 2,965,886	\$ 2,679,686	\$0	\$0	\$0	\$0	\$ 347,898
<b>Total Component Unit</b>	<u>\$ 5,297,674</u>	<u>\$ 2,965,886</u>	<u>\$ 2,679,686</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 347,898</u>
General Revenues								
Taxes								
Property					\$29,189,439	\$0	\$29,189,439	\$0
Sales					12,028,184	0	12,028,184	0
Other					5,312,058	0	5,312,058	0
Interest and Investment earnings					1,878,787	154,382	2,033,169	25,490
Transfers					121,677	(121,677)	0	0
Total General Revenues and Transfers					<u>\$48,530,145</u>	<u>\$32,705</u>	<u>\$48,562,850</u>	<u>\$25,490</u>
Change in Net Assets					<u>\$ (15,741,868)</u>	<u>\$302,546</u>	<u>(\$15,439,326)</u>	<u>\$ 373,388</u>
Net Assets as of January 1					<u>428,597,290</u>	<u>3,580,620</u>	<u>432,177,907</u>	<u>3,619,832</u>
Net Assets as of December 31					<u>\$412,855,424</u>	<u>\$3,883,167</u>	<u>\$416,738,589</u>	<u>\$3,993,220</u>

See accompanying notes to the financial statements

# SKAGIT COUNTY, WASHINGTON

## Balance Sheet Governmental Funds December 31, 2005

	Major Funds				Total
	General Fund	County Roads	Distressed County Public Facilities	Other Governmental Funds	
<b>ASSETS</b>					
Cash/Cash Equivalents	\$4,078,751	\$4,299,947	\$1,820,934	\$6,114,671	\$16,314,303
Investments	0	6,204,381	3,146,284	4,172,372	13,523,037
Taxes Receivable	546,938	333,520	0	112,349	992,807
Accounts Receivable	1,134,230	88,531	0	1,647	1,224,408
Interest Receivable	94,348	0	0	0	94,348
Due From Other Funds	1,302,871	951,294	0	808,444	3,062,609
Due From Other Governmental Units	667,885	901,091	0	1,578,633	3,147,609
Interfund Loans Receivable	139,000	400,000	0	317,013	856,013
Inventories/Prepayments	293,033	76,154	0	181,805	550,992
Total Assets	\$8,257,056	\$13,254,918	\$4,967,218	\$13,286,934	\$39,766,126
 <b>LIABILITIES AND FUND BALANCES</b>					
<u>Liabilities</u>					
Accounts/Vouchers Payable	\$743,193	\$296,465	\$11,916	\$988,692	\$2,040,266
Due To Other Funds	629,083	1,926,965	0	470,367	3,026,415
Due To Other Governmental Units	35,142	5,250	0	119,957	160,349
Accrued Wages Payable	857,236	195,530	0	199,176	1,251,942
Accrued Employee Benefits	256,643	56,846	0	63,625	377,114
Custodial Accounts	0	41,561	0	52,372	93,933
Deferred Revenue	1,681,168	333,520	0	108,207	2,122,895
Long-Term Interfund Loans Payable	0	0	0	856,013	856,013
Total Liabilities	\$4,202,465	\$2,856,137	\$11,916	\$2,858,409	\$9,928,927
 <u>Fund Balance</u>					
Reserved for:					
Prepaid Items	\$130,829	\$33,871	\$0	\$32,570	\$197,270
Reserved for Loans Receivable	139,000	400,000	0	317,013	856,013
Debt Service	0	0	0	925,618	925,618
Reserved for Petty Cash	23,130	1,600	0	39,400	64,130
Unreserved, Undesignated, Reported in:					
General Fund	3,761,632	0	0	0	3,761,632
Special Revenue Funds	0	9,963,310	0	7,909,618	17,872,928
Capital Project Funds	0	0	4,955,302	1,204,304	6,159,606
Total Fund Balances	\$4,054,591	\$10,398,781	\$4,955,302	\$10,428,523	\$29,837,197
Total Liabilities and Fund Balances	\$8,257,056	\$13,254,918	\$4,967,218	\$13,286,934	\$39,766,126

**Skagit County, Washington**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**To the Statement of Net Assets**  
**For the Year Ended December 31, 2005**

Total fund balances as shown on the Governmental Fund Balance Sheet	\$29,837,197
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. This amount reflects the initial investment in capital assets net of depreciation at 12/31/2004. ( This amount does not include internal service fund capital assets, which are included as a reconciling item in a note found below.)	377,046,719
Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the funds.	2,228,217
Internal Service Funds are used to charge the costs of services to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the statement of net assets.	17,340,568
Long-term liabilities that are not due and payable in the current period and are not reported in the funds.	(13,597,277)
 Total net assets as reported on the Statement of Net Assets:	 \$412,855,424



**SKAGIT COUNTY, WASHINGTON**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the year ended December 31, 2005

	Major Funds		
	General Fund	County Roads	Distressed County Facilities
Revenues			
Property Taxes	\$16,352,981	\$9,760,231	\$0
Sales and Use Taxes	7,768,890	0	1,870,028
Other Taxes	1,888,351	228,505	0
Licenses and Permits	1,271,229	21,719	0
Intergovernmental	7,383,047	7,564,641	0
Charges for Services	4,856,555	2,745,511	0
Fines and Forfeits	1,509,492	0	0
Interest Earnings	1,355,048	164,573	108,884
Donations	63,856	0	0
Other Revenues	375,760	86,383	0
Total Revenues	<u>\$42,825,209</u>	<u>\$20,571,563</u>	<u>\$1,978,912</u>
Expenditures			
Current:			
General Governmental Services	\$23,520,907	\$1,019,278	\$0
Public Safety	14,202,593	0	0
Physical Environment	273,352	0	0
Transportation	0	16,934,288	0
Economic Environment	2,873,387	0	2,777,676
Health and Human Services	263,721	0	0
Culture and Recreation	435,014	0	0
Debt Service:			
Principal	0	0	0
Interest	0	0	0
Capital Outlay	61,791	756,699	0
Total Expenditures	<u>\$41,630,765</u>	<u>\$18,710,265</u>	<u>\$2,777,676</u>
Excess (Deficit) Revenues Over Expenditures	<u>\$1,194,444</u>	<u>\$1,861,298</u>	<u>(\$798,764)</u>
Other Financing Sources (Uses)			
Issuance of Long Term Debt	\$107,397	\$0	\$0
Proceeds of Sale of Capital Assets	433	0	0
Transfers In	10,000	0	0
Transfers Out	(4,320,218)	(1,018,548)	(628,289)
Total Other Financing Source (Uses)	<u>(\$4,202,388)</u>	<u>(\$1,018,548)</u>	<u>(\$628,289)</u>
Net Change in Fund Balance	(\$3,007,945)	\$842,750	(\$1,427,053)
Fund Balance-January 1	7,062,536	9,556,031	6,382,355
Fund Balance-December 31	<u>\$4,054,591</u>	<u>\$10,398,781</u>	<u>\$4,955,302</u>

**SKAGIT COUNTY, WASHINGTON**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the year ended December 31, 2005**

	Other Governmental Funds	Total
Revenues		
Property Taxes	\$3,301,922	\$29,415,134
Sales and Use Taxes	2,389,266	12,028,184
Other Taxes	3,195,202	5,312,058
Licenses and Permits	270,924	1,563,872
Intergovernmental	7,276,342	22,224,030
Charges for Services	2,104,512	9,706,578
Fines and Forfeits	165,473	1,674,965
Interest Earnings	144,960	1,773,465
Donations	277,180	341,036
Other Revenues	593,465	1,055,608
Total Revenues	<u>\$19,719,246</u>	<u>\$85,094,930</u>
Expenditures		
Current:		
General Governmental Services	\$630,019	\$25,170,204
Public Safety	6,642,584	20,845,177
Physical Environment	2,454,745	2,728,097
Transportation	42,005	16,976,293
Economic Environment	1,608,916	7,259,979
Health and Human Services	6,428,265	6,691,986
Culture and Recreation	2,224,551	2,659,565
Debt Service:		
Principal	556,609	556,609
Interest	520,792	520,792
Capital Outlay	5,802,538	6,621,028
Total Expenditures	<u>\$26,911,024</u>	<u>\$90,029,730</u>
Excess (Deficit) Revenues Over Expenditures	<u>(\$7,191,778)</u>	<u>(\$4,934,800)</u>
Other Financing Sources (Uses)		
Issuance of Long Term Debt	\$393,360	\$500,757
Proceeds of Sale of Capital Assets	268,000	268,433
Transfers In	8,655,200	8,665,200
Transfers Out	(2,576,467)	(8,543,522)
Total Other Financing Source (Uses)	<u>\$6,740,093</u>	<u>\$890,868</u>
Net Change in Fund Balance	(\$451,685)	(\$4,043,933)
Fund Balance-January 1	10,880,204	33,881,126
Fund Balance-December 31	<u>\$10,428,523</u>	<u>\$29,837,197</u>

**Skagit County, Washington**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended December 31,2005**

Net change in fund balances as shown on Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance:	(\$4,043,933)
Governmental funds report capital outlays as expenditures and proceeds from the sale of capital assets as revenues. In the Statement of Activities, the cost of those assets is capitalized and depreciated over the period of the asset's useful life. When capital assets are disposed of, the difference between the original cost and depreciation and the proceeds are booked as gain or (loss) on the sale. This entry takes into account the differences in how capital assets are treated between the Statement of Activities and the governmental fund statements.	(14,639,582)
Internal Service Fund expenses are allocated to other funds. The net expense of certain internal service fund activities is reported with governmental activities on the Statement of Activities	3,075,992
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This entry is the net effect of these differences in the treatment of long-term debt issuance and payments.	171,218
Governmental funds report revenue in the current period for revenues deferred in prior periods since they were not available financing sources at the time. Government-wide statements record revenues at the time they are earned. This amount accounts for the change in deferred revenues during 2003.	(245,652)
Some expenses reported in the statement of activities do not require the use of current financial resources and, accordingly, are not reported as expenditures in governmental funds.	(59,911)
Change in net assets as reflected in the Statement of Activities	(\$15,741,868)

# SKAGIT COUNTY, WASHINGTON

## General Fund

### Statement of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual For the Year Ended December 31,2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$25,296,662	\$25,296,662	\$26,010,223	\$713,561
Licenses & Permits	994,863	1,051,863	1,271,229	219,366
Intergovernmental Revenue	6,623,877	7,378,354	7,383,047	4,693
Charges for Goods and Services	4,525,342	5,106,992	4,856,555	(250,437)
Fines and Forfeits	1,590,400	1,590,400	1,509,492	(80,908)
Interest Revenue	1,118,500	1,118,500	1,355,048	236,548
Miscellaneous Revenues	394,696	420,256	439,616	19,360
<b>TOTAL REVENUES</b>	<b>\$40,544,340</b>	<b>\$41,963,027</b>	<b>\$42,825,211</b>	<b>\$862,183</b>
<b>EXPENDITURES:</b>				
General Government Services	\$21,121,798	\$23,628,624	\$23,520,909	\$107,715
Security of Persons and Property	14,274,367	14,640,587	14,202,593	437,994
Utilities and Environment	324,241	344,241	273,352	70,889
Economic Environment	3,143,346	3,063,374	2,873,387	189,987
Mental/Physical Health	226,117	266,517	263,721	2,796
Culture and Recreation	436,537	442,612	435,014	7,598
Capitalized Expenditures	54,500	106,014	61,791	44,223
<b>TOTAL EXPENDITURES</b>	<b>\$39,580,906</b>	<b>\$42,491,969</b>	<b>\$41,630,767</b>	<b>\$861,202</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$963,434</b>	<b>(\$528,942)</b>	<b>\$1,194,444</b>	<b>\$1,723,386</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of Long Term Debt	\$0	\$0	\$107,397	\$107,397
Fixed Asset Dispositions	0	0	433	433
Transfers In	10,000	10,000	10,000	0
Transfers Out	(4,592,014)	(5,633,375)	(4,320,218)	1,313,157
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(\$4,582,014)</b>	<b>(\$5,623,375)</b>	<b>(\$4,202,388)</b>	<b>\$1,420,987</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$3,618,580)</b>	<b>(\$6,152,317)</b>	<b>(\$3,007,945)</b>	<b>\$3,144,373</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$4,161,057	\$4,161,057	\$7,062,536	\$2,901,479
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$542,477</b>	<b>(\$1,991,260)</b>	<b>\$4,054,591</b>	<b>\$6,045,852</b>

**SKAGIT COUNTY, WASHINGTON**  
**General Fund**  
**Statement of Revenues - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive/ (Negative)
General Property Taxes	\$16,081,262	\$16,081,262	\$16,352,981	\$271,719
Timber Harvest Taxes	100,000	100,000	150,372	50,372
Retail Sales and Use Taxes	7,684,000	7,684,000	7,768,890	84,890
Business Taxes	106,000	106,000	100,678	(5,322)
Excise Taxes	275,400	275,400	328,267	52,867
Penalties and Interest on Delinquent Taxes	1,050,000	1,050,000	1,309,034	259,034
<b>Total Taxes</b>	<b>\$25,296,662</b>	<b>\$25,296,662</b>	<b>\$26,010,223</b>	<b>\$713,561</b>
Business Licenses and Permits	\$150	\$150	\$35	(\$115)
Non-Business Licenses and Permits	994,713	1,051,713	1,271,194	219,481
<b>Total Licenses and Permits</b>	<b>\$994,863</b>	<b>\$1,051,863</b>	<b>\$1,271,229</b>	<b>\$219,366</b>
Federal Entitlements, Impact Payments and in-Lieu Taxes	\$384,744	\$384,744	\$394,143	\$9,399
Federal Grants	1,292,502	1,973,564	1,508,293	(465,271)
State Grants	1,239,751	1,295,751	1,156,527	(139,224)
State Shared Revenues	1,202,500	1,202,500	1,591,578	389,078
State Entitlements, Impact Payments and in-Lieu Taxes	788,000	788,000	889,826	101,826
Intergovernmental Service Revenues	1,716,380	1,733,795	1,842,680	108,885
<b>Total Intergovernmental Revenues</b>	<b>\$6,623,877</b>	<b>\$7,378,354</b>	<b>\$7,383,047</b>	<b>\$4,693</b>
General Government	\$1,711,365	\$1,728,365	\$1,840,399	\$112,034
Security of Persons and Property	652,249	652,249	680,318	28,069
Economic Environment	885,984	887,634	862,841	(24,793)
Mental and Physical Health	31,500	31,500	28,782	(2,718)
Culture and Recreation	1,000	1,000	145	(855)
Interfund/Interdepartmental-Sales and Service Charges	1,243,244	1,806,244	1,444,070	(362,174)
<b>Total Charges for Goods and Services</b>	<b>\$4,525,342</b>	<b>\$5,106,992</b>	<b>\$4,856,555</b>	<b>(\$250,437)</b>
Superior Court-Felony/Misdemeanor Penalties	\$67,500	\$67,500	\$75,077	\$7,577
Civil Penalties	7,900	7,900	8,272	372
Civil Infraction Penalties	1,044,500	1,044,500	957,546	(86,954)
Civil Parking Infraction Penalties	1,500	1,500	780	(720)
Criminal Traffic Misdemeanor Fines	355,000	355,000	338,647	(16,353)
Criminal Non-Traffic Fines	75,500	75,500	97,324	21,824
Criminal Costs	20,500	20,500	16,704	(3,796)
Non-Court Fines/Forfeits	18,000	18,000	15,143	(2,857)
<b>Total Fines and Forfeits</b>	<b>\$1,590,400</b>	<b>\$1,590,400</b>	<b>\$1,509,492</b>	<b>(\$80,908)</b>
Interest Earnings	\$1,118,500	\$1,118,500	\$1,355,048	\$236,548
Rents, Leases and Concessions	\$204,610	\$220,610	\$230,351	\$9,741
Contributions and Donations from Private Sources	58,139	66,299	63,856	(2,443)
Other	131,947	133,347	145,409	12,062
<b>Total Miscellaneous Revenues</b>	<b>\$1,513,196</b>	<b>\$1,538,756</b>	<b>\$1,794,664</b>	<b>\$255,908</b>
<b>Total Revenues</b>	<b>\$40,544,340</b>	<b>\$41,963,027</b>	<b>\$42,825,211</b>	<b>\$862,183</b>

**SKAGIT COUNTY, WASHINGTON**  
**GENERAL FUND**  
**Statement of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

<b>EXPENDITURES</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive/ (Negative)</b>
<b>General Governmental Services</b>				
<b>Assessor</b>				
Salaries and Wages	\$1,060,828	\$1,060,828	\$1,071,413	(\$10,585)
Personnel Benefits	327,065	327,065	329,405	(2,340)
Supplies	25,000	25,000	14,844	10,156
Other Services and Charges	25,400	25,400	22,247	3,153
Interfund Payments for Services	14,687	14,687	10,274	4,413
<b>Total Assessor</b>	<b>\$1,452,980</b>	<b>\$1,452,980</b>	<b>\$1,448,183</b>	<b>\$4,797</b>
<b>Auditor</b>				
Salaries and Wages	\$699,229	\$728,551	\$710,272	\$18,279
Personnel Benefits	213,615	217,520	215,771	1,749
Supplies	22,800	22,800	17,037	5,763
Other Services and Charges	13,475	13,475	9,103	4,372
<b>Total Auditor</b>	<b>\$949,119</b>	<b>\$982,346</b>	<b>\$952,183</b>	<b>\$30,163</b>
<b>Board of Equalization</b>				
Salaries and Wages	\$35,160	\$35,160	\$29,524	\$5,636
Personnel Benefits	3,420	3,420	2,813	607
Supplies	500	500	665	(165)
Other Services and Charges	950	950	525	425
<b>Total Board of Equalization</b>	<b>\$40,030</b>	<b>\$40,030</b>	<b>\$33,527</b>	<b>\$6,503</b>
<b>Clerk of Courts</b>				
Salaries and Wages	\$706,168	\$715,818	\$707,865	\$7,953
Personnel Benefits	219,331	224,831	220,334	4,497
Supplies	23,000	24,850	28,658	(3,808)
Other Services and Charges	15,200	15,200	9,493	5,707
<b>Total Clerk of Courts</b>	<b>\$963,699</b>	<b>\$980,699</b>	<b>\$966,350</b>	<b>\$14,349</b>
<b>Commissioners</b>				
Salaries and Wages	\$299,653	\$328,063	\$329,246	(\$1,183)
Personnel Benefits	66,215	76,879	76,312	567
Supplies	4,000	4,000	6,912	(2,912)
Other Services and Charges	39,150	39,150	34,617	4,533
<b>Total Commissioners</b>	<b>\$409,018</b>	<b>\$448,092</b>	<b>\$447,087</b>	<b>\$1,005</b>
<b>Administrative Services</b>				
Salaries and Wages	\$631,258	\$703,838	\$664,062	\$39,776
Personnel Benefits	169,988	184,106	161,624	22,482
Supplies	19,700	19,700	34,639	(14,939)
Other Services and Charges	273,650	308,150	203,973	104,177
Interfund Payments for Services	0	0	11,396	(11,396)
<b>Total Administrative Services</b>	<b>\$1,094,596</b>	<b>\$1,215,794</b>	<b>\$1,075,694</b>	<b>\$140,100</b>
<b>District Court</b>				
Salaries and Wages	\$896,537	\$896,537	\$887,864	\$8,673
Personnel Benefits	237,011	237,011	240,010	(2,999)
Supplies	22,000	22,000	18,915	3,085
Other Services and Charges	98,000	98,000	60,781	37,219
<b>Total District Court</b>	<b>\$1,253,548</b>	<b>\$1,253,548</b>	<b>\$1,207,570</b>	<b>\$45,978</b>

**SKAGIT COUNTY, WASHINGTON**  
**GENERAL FUND**  
**Statement of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

<b>EXPENDITURES</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive/ (Negative)</b>
<b>Indigent Defense Services</b>				
Salaries and Wages	\$981,891	\$981,891	\$961,803	\$20,088
Personnel Benefits	247,858	247,858	243,516	4,342
Supplies	16,350	16,350	16,042	308
Other Services and Charges	135,275	135,275	136,539	(1,264)
<b>Indigent Defense Services Total</b>	<b>\$1,381,374</b>	<b>\$1,381,374</b>	<b>\$1,357,900</b>	<b>\$23,474</b>
<b>General Maintenance</b>				
Salaries and Wages	\$424,792	\$424,792	\$413,305	\$11,487
Personnel Benefits	169,006	169,006	155,538	13,468
Supplies	93,000	93,000	87,896	5,104
Other Services and Charges	790,953	790,953	640,969	149,984
Interfund Payments for Services	2,845	2,845	8,634	(5,789)
<b>Total General Maintenance</b>	<b>\$1,480,596</b>	<b>\$1,480,596</b>	<b>\$1,306,342</b>	<b>\$174,254</b>
<b>Prosecuting Attorney</b>				
Salaries and Wages	\$1,932,386	\$2,094,794	\$1,927,547	\$167,247
Personnel Benefits	558,118	605,331	538,218	67,113
Supplies	55,550	62,150	64,529	(2,379)
Other Services and Charges	825,550	2,268,766	1,922,641	346,125
Interfund Payments for Services	687	687	762	(75)
<b>Total Prosecuting Attorney</b>	<b>\$3,372,291</b>	<b>\$5,031,728</b>	<b>\$4,453,697</b>	<b>\$578,031</b>
<b>Superior Courts</b>				
Salaries and Wages	\$716,302	\$722,302	\$718,829	\$3,473
Personnel Benefits	145,485	145,485	143,780	1,705
Supplies	14,300	14,607	12,087	2,520
Other Services and Charges	262,750	337,493	323,135	14,358
Interfund Payments for Services	250	250	364	(114)
<b>Total Superior Courts</b>	<b>\$1,139,087</b>	<b>\$1,220,137</b>	<b>\$1,198,195</b>	<b>\$21,942</b>
<b>Treasurer</b>				
Salaries and Wages	\$444,686	\$444,686	\$437,762	\$6,924
Personnel Benefits	130,422	130,422	131,098	(676)
Supplies	22,000	22,000	11,965	10,035
Other Services and Charges	52,550	52,550	39,580	12,970
<b>Total Treasurer</b>	<b>\$649,658</b>	<b>\$649,658</b>	<b>\$620,405</b>	<b>\$29,253</b>
<b>Non Departmental</b>				
Salaries and Wages	\$132,100	\$132,100	\$106,650	\$25,450
Personnel Benefits	136,700	164,700	170,316	(5,616)
Supplies	0	0	2,287	(2,287)
Other Services and Charges	602,287	760,287	712,628	47,659
Intergovernmental/Interfund Services and Taxes	224,077	263,437	262,071	1,366
Interfund Payments for Services	5,507,076	5,657,076	6,723,648	(1,066,572)
<b>Total Non Departmental</b>	<b>\$6,602,240</b>	<b>\$6,977,600</b>	<b>\$7,977,600</b>	<b>(\$1,000,000)</b>

**SKAGIT COUNTY, WASHINGTON**  
**GENERAL FUND**  
**Statement of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

<b>EXPENDITURES</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive/ (Negative)</b>
<b>Assigned Council</b>				
Salaries and Wages	\$97,342	\$102,142	\$101,752	\$390
Personnel Benefits	32,340	32,640	33,921	(1,281)
Supplies	2,300	2,300	1,588	712
Other Services and Charges	131,300	249,300	229,741	19,559
<b>Total Assigned Council</b>	<b>\$263,282</b>	<b>\$386,382</b>	<b>\$367,002</b>	<b>\$19,380</b>
<b>Mediation Services</b>				
Salaries and Wages	\$54,226	\$93,078	\$83,943	\$9,135
Personnel Benefits	9,984	19,494	14,322	5,172
Supplies	1,050	1,475	1,998	(523)
Other Services and Charges	5,020	13,613	7,837	5,776
Interfund Payments for Services	0	0	1,074	(1,074)
<b>Total Mediation Services</b>	<b>\$70,280</b>	<b>\$127,660</b>	<b>\$109,174</b>	<b>\$18,486</b>
<b>Total General Governmental Services</b>	<b>\$21,121,798</b>	<b>\$23,628,624</b>	<b>\$23,520,909</b>	<b>\$107,715</b>
<b>Security of Persons and Property</b>				
<b>Civil Service Commission</b>				
Salaries and Wages	\$15,915	\$25,515	\$21,669	\$3,846
Personnel Benefits	1,317	1,717	1,959	(242)
Supplies	1,650	1,650	1,283	367
Other Services and Charges	400	400	246	154
<b>Civil Service Commission Total</b>	<b>\$19,282</b>	<b>\$29,282</b>	<b>\$25,157</b>	<b>\$4,125</b>
<b>Jail Maintenance</b>				
Salaries and Wages	\$51,102	\$51,102	\$50,829	\$273
Personnel Benefits	18,466	18,466	18,180	286
Supplies	23,000	23,000	14,477	8,523
Other Services and Charges	227,831	227,831	198,535	29,296
<b>Total Jail Maintenance</b>	<b>\$320,399</b>	<b>\$320,399</b>	<b>\$282,021</b>	<b>\$38,378</b>
<b>District Court Probation</b>				
Salaries and Wages	\$287,156	\$334,943	\$274,818	\$60,125
Personnel Benefits	79,066	96,977	80,973	16,004
Supplies	3,600	6,900	2,264	4,636
Other Services and Charges	2,850	4,050	2,298	1,752
<b>Total District Court Probation</b>	<b>\$372,672</b>	<b>\$442,870</b>	<b>\$360,353</b>	<b>\$82,517</b>
<b>Juvenile Probation</b>				
Salaries and Wages	\$2,324,436	\$2,332,525	\$2,315,705	\$16,820
Personnel Benefits	673,751	676,462	686,776	(10,314)
Supplies	84,797	87,597	47,139	40,458
Other Services and Charges	528,110	613,089	422,443	190,646
Interfund Payments for Services	15,527	15,527	17,631	(2,104)
<b>Total Juvenile Probation</b>	<b>\$3,626,621</b>	<b>\$3,725,200</b>	<b>\$3,489,694</b>	<b>\$235,506</b>



**SKAGIT COUNTY, WASHINGTON**  
**GENERAL FUND**  
**Statement of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

<b>EXPENDITURES</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive/ (Negative)</b>
<b>Sheriff</b>				
Salaries and Wages	\$6,181,247	\$6,243,387	\$6,230,895	\$12,492
Personnel Benefits	1,983,736	1,996,320	1,932,890	63,430
Supplies	326,680	439,399	512,733	(73,334)
Other Services and Charges	806,198	806,198	712,917	93,281
Intergovernmental/Interfund Services and Taxes	92,252	92,252	95,416	(3,164)
Interfund Payments for Services	545,280	545,280	560,516	(15,236)
<b>Total Sheriff</b>	<b>\$9,935,393</b>	<b>\$10,122,836</b>	<b>\$10,045,367</b>	<b>\$77,469</b>
<b>Total Security of Persons and Property</b>	<b>\$14,274,367</b>	<b>\$14,640,587</b>	<b>\$14,202,593</b>	<b>\$437,994</b>
<b>Utilities and Environment</b>				
<b>Sheriff</b>				
Salaries and Wages	\$34,951	\$34,951	\$26,041	\$8,910
Personnel Benefits	8,774	8,774	12,355	(3,581)
Supplies	4,250	4,250	2,407	1,843
Other Services and Charges	72,000	72,000	72,826	(826)
Interfund Payments for Services	6,732	6,732	6,732	0
<b>Total Sheriff</b>	<b>\$126,707</b>	<b>\$126,707</b>	<b>\$120,361</b>	<b>\$6,346</b>
<b>Noxious Weed Control</b>				
Salaries and Wages	\$67,458	\$67,458	\$56,932	\$10,526
Personnel Benefits	20,180	20,180	19,060	1,120
Supplies	5,375	5,375	7,946	(2,571)
Other Services and Charges	8,125	8,125	2,766	5,359
Interfund Payments for Service	2,137	2,137	3,158	(1,021)
<b>Total Noxious Weed Control</b>	<b>\$103,275</b>	<b>\$103,275</b>	<b>\$89,862</b>	<b>\$13,413</b>
<b>Water Quality Relief Program</b>				
Salaries and Wages	\$21,121	\$21,121	\$10,660	\$10,461
Personnel Benefits	5,040	5,040	2,996	2,044
Supplies	0	0	365	(365)
Other Services and Charges	52,469	72,469	34,659	37,810
Interfund Payments for Services	0	0	109	(109)
<b>Total Water Quality Relief Program</b>	<b>\$78,630</b>	<b>\$98,630</b>	<b>\$48,789</b>	<b>\$49,841</b>
<b>Pest/Nuisance Control Services</b>				
Salaries and Wages	\$8,000	\$10,000	\$9,989	\$11
Personnel Benefits	1,344	1,759	1,756	3
Supplies	1,100	285	142	143
Other Services and Charges	4,360	2,760	2,453	307
Interfund Payments for Services	825	825	0	825
<b>Total Pest/Nuisance Control Services</b>	<b>\$15,629</b>	<b>\$15,629</b>	<b>\$14,340</b>	<b>\$1,289</b>
<b>Total Utilities and Environment</b>	<b>\$324,241</b>	<b>\$344,241</b>	<b>\$273,352</b>	<b>\$70,889</b>

**SKAGIT COUNTY, WASHINGTON**  
**GENERAL FUND**  
**Statement of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

<b>EXPENDITURES</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive/ (Negative)</b>
<b><u>Economic Environment</u></b>				
<b>Boundary Review Board</b>				
Salaries and Wages	\$43,576	\$43,576	\$43,744	(\$168)
Personnel Benefits	8,455	8,455	8,577	(122)
Supplies	150	150	126	24
Other Services and Charges	5,630	5,630	4,751	879
<b>Total Boundary Review Board</b>	<b>\$57,811</b>	<b>\$57,811</b>	<b>\$57,198</b>	<b>\$613</b>
<b>Hearing Examiner</b>				
Salaries and Wages	\$19,321	\$19,321	\$19,582	(\$261)
Personnel Benefits	2,774	2,774	2,905	(131)
Supplies	400	400	474	(74)
Other Services and Charges	47,775	47,775	46,815	960
<b>Total Hearing Examiner</b>	<b>\$70,270</b>	<b>\$70,270</b>	<b>\$69,776</b>	<b>\$494</b>
<b>Planning and Community Development</b>				
Salaries and Wages	\$1,816,450	\$1,784,570	\$1,791,109	(\$6,539)
Personnel Benefits	467,937	458,204	460,553	(2,349)
Supplies	29,006	29,006	23,546	5,460
Other Services and Charges	639,601	593,742	411,399	182,343
Interfund Payments for Services	32,679	32,679	34,960	(2,281)
<b>Total Planning and Community Development</b>	<b>\$2,985,673</b>	<b>\$2,898,201</b>	<b>\$2,721,567</b>	<b>\$176,634</b>
<b>Non Departmental</b>				
Other Services and Charges	\$0	\$7,500	\$7,500	\$0
<b>Total Non Departmental</b>	<b>\$0</b>	<b>\$7,500</b>	<b>\$7,500</b>	<b>\$0</b>
<b>Agricultural Advisory Board</b>				
Salaries and Wages	\$15,546	\$15,546	\$14,061	\$1,485
Personnel Benefits	3,131	3,131	2,719	412
Supplies	2,350	2,350	110	2,240
Other Services and Charges	8,565	8,565	456	8,109
<b>Total Agricultural Advisory Board</b>	<b>\$29,592</b>	<b>\$29,592</b>	<b>\$17,346</b>	<b>\$12,246</b>
<b>Total Economic Environment</b>	<b>\$3,143,346</b>	<b>\$3,063,374</b>	<b>\$2,873,387</b>	<b>\$189,987</b>
<b><u>Mental and Physical Health</u></b>				
<b>Coroner</b>				
Salaries and Wages	\$95,920	\$95,920	\$96,916	(\$996)
Personnel Benefits	30,762	30,762	31,177	(415)
Supplies	2,300	2,300	1,795	505
Other Services and Charges	77,150	117,550	113,244	4,306
Interfund Payments for Services	5,985	5,985	8,964	(2,979)
<b>Total Coroner</b>	<b>\$212,117</b>	<b>\$252,517</b>	<b>\$252,096</b>	<b>\$421</b>

**SKAGIT COUNTY, WASHINGTON**  
**GENERAL FUND**  
**Statement of Expenditures - Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

<b>EXPENDITURES</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive/ (Negative)</b>
<b>District Court</b>				
Other Services and Charges	\$14,000	\$14,000	\$11,625	\$2,375
<b>Total District Court</b>	<b>\$14,000</b>	<b>\$14,000</b>	<b>\$11,625</b>	<b>\$2,375</b>
<b>Total Mental and Physical Health</b>	<b>\$226,117</b>	<b>\$266,517</b>	<b>\$263,721</b>	<b>\$2,796</b>
<b>Culture and Recreation</b>				
<b>Cooperative Extension</b>				
Salaries and Wages	\$100,836	\$103,073	\$107,174	(\$4,101)
Personnel Benefits	27,630	35,399	34,757	642
Supplies	10,250	10,450	9,195	1,255
Other Services and Charges	104,190	100,059	90,838	9,221
<b>Total Cooperative Extension</b>	<b>\$242,906</b>	<b>\$248,981</b>	<b>\$241,964</b>	<b>\$7,017</b>
<b>Historical Museum</b>				
Salaries and Wages	\$161,324	\$161,324	\$160,610	\$714
Personnel Benefits	32,307	32,307	32,441	(134)
<b>Total Historical Museum</b>	<b>\$193,631</b>	<b>\$193,631</b>	<b>\$193,051</b>	<b>\$580</b>
<b>Total Culture and Recreation</b>	<b>\$436,537</b>	<b>\$442,612</b>	<b>\$435,014</b>	<b>\$7,598</b>
<b>Other Expenditures/Expenses</b>				
<b>Sheriff</b>				
Capital Outlays	\$24,500	\$76,014	\$51,514	\$24,500
<b>Total Sheriff</b>	<b>\$24,500</b>	<b>\$76,014</b>	<b>\$51,514</b>	<b>\$24,500</b>
<b>District Court</b>				
Interfund Payments for Services	\$0	\$0	\$350	(\$350)
<b>Total District Court</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350</b>	<b>(\$350)</b>
<b>Administrative Services</b>				
Capital Outlays	\$30,000	\$30,000	\$9,927	\$20,073
<b>Total Administrative Services</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$9,927</b>	<b>\$20,073</b>
<b>Total Other Expenditures</b>	<b>\$54,500</b>	<b>\$106,014</b>	<b>\$61,791</b>	<b>\$44,223</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>\$39,580,906</b>	<b>\$42,491,969</b>	<b>\$41,630,767</b>	<b>\$861,204</b>

# SKAGIT COUNTY, WASHINGTON

## County Roads

### Statement of Revenues, Expenditures and Changes in Fund Balance Budget (GAAP Basis) and Actual For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive/ (Negative)
<b>Revenues</b>				
General Property Taxes	\$9,371,080	\$9,371,080	\$9,760,231	\$389,151
Timber Harvest Taxes	200,000	200,000	192,061	(7,939)
Excise Taxes	35,000	35,000	36,444	1,444
Total Taxes	<u>\$9,606,080</u>	<u>\$9,606,080</u>	<u>\$9,988,736</u>	<u>\$382,656</u>
Licenses and Permits	\$100	\$100	\$21,719	\$21,619
Intergovernmental	7,176,456	7,176,456	7,564,641	388,185
Charges for Services	1,541,778	1,541,778	2,745,511	1,203,733
Interest Earnings	75,500	75,500	164,573	89,073
Donations	0	0	0	0
Other Revenues	64,000	64,000	86,383	22,383
Total Revenues	<u>\$18,463,914</u>	<u>\$18,463,914</u>	<u>\$20,571,563</u>	<u>\$2,107,649</u>
<b>Expenditures</b>				
General Governmental Services	\$1,105,076	\$1,105,076	\$1,019,278	\$85,798
Transportation	17,006,846	17,006,846	16,934,288	72,558
Capital Outlay	696,200	696,200	756,699	(60,499)
Total Expenditures	<u>\$18,808,122</u>	<u>\$18,808,122</u>	<u>\$18,710,265</u>	<u>\$97,857</u>
Excess (Deficit) Revenues Over Expenditures	<u>(\$344,208)</u>	<u>(\$344,208)</u>	<u>\$1,861,298</u>	<u>\$2,205,506</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers Out	(\$618,548)	(\$1,018,548)	(\$1,018,548)	\$0
Total Other Financing Source (Uses)	<u>(\$618,548)</u>	<u>(\$1,018,548)</u>	<u>(\$1,018,548)</u>	<u>\$0</u>
Net Change in Fund Balance	(\$962,756)	(\$1,362,756)	\$842,750	\$2,205,506
Fund Balance-January 1	4,231,766	4,231,766	9,556,031	5,324,265
Fund Balance-December 31	<u>\$3,269,010</u>	<u>\$2,869,010</u>	<u>\$10,398,781</u>	<u>\$7,529,769</u>

# SKAGIT COUNTY, WASHINGTON

## Statement of Net Assets

### Proprietary Funds

December 31, 2005

	Business-Type Activities-Enterprise Funds			Governmental Activities
	Solid Waste	Drainage Utility	Total	Internal Service Funds
<b>ASSETS</b>				
<u>Current Assets</u>				
Cash/Cash Equivalents	\$2,373,819	\$1,325,739	\$3,699,558	\$4,465,768
Investments	1,306,055	1,299,312	2,605,367	1,658,047
Accounts Receivable	938,272	25,754	964,026	12,512
Due From Other Funds	2,252	1,698	3,950	2,490,374
Due from Other Governmental Units	87,826	19,461	107,287	0
Inventories/Prepayments	27,087	3,265	30,352	5,408,485
<b>Total Current Assets</b>	<b>\$4,735,311</b>	<b>\$2,675,229</b>	<b>\$7,410,540</b>	<b>\$14,035,188</b>
<u>Noncurrent Assets</u>				
Capital Assets				
Land	\$448,129	\$21,723	\$469,852	\$0
Buildings	1,825,299	0	1,825,299	180,888
Improvements Other Than Buildings	59,918	3,560,867	3,620,785	0
Machinery and Equipment	617,777	5,969	623,746	14,115,986
Less Accumulated Depreciation	(2,268,789)	(458,324)	(2,727,113)	(7,497,720)
Construction In Progress	36,113	543,065	579,178	0
Unamortised Issuance Costs	46,356	0	46,356	0
<b>Total Noncurrent Assets</b>	<b>\$764,803</b>	<b>\$3,673,300</b>	<b>\$4,438,103</b>	<b>\$6,799,154</b>
<b>Total Assets</b>	<b>\$5,500,114</b>	<b>\$6,348,531</b>	<b>\$11,848,645</b>	<b>\$20,834,342</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<u>Current Liabilities</u>				
Accounts/Vouchers Payable	\$516,254	\$88,700	\$604,954	\$1,620,750
Due to other Funds	768,596	121,199	889,795	1,640,723
Interest Payable	17,214	0	17,214	0
Accrued Wages Payable	44,359	30,443	74,802	91,658
Accrued Employee Benefits	13,898	9,169	23,067	24,602
Accrued Taxes Payable	6,565	0	6,565	270
Bonds Payable	970,000	0	970,000	0
Compensated Absences	58,442	2,687	61,129	115,771
<b>Total Current Liabilities</b>	<b>\$2,395,328</b>	<b>\$252,198</b>	<b>\$2,647,526</b>	<b>\$3,493,774</b>
<u>Noncurrent Liabilities</u>				
Notes and Loans Payable	\$5,317,952	\$0	\$5,317,952	\$0
<b>Total Noncurrent Liabilities</b>	<b>\$5,317,952</b>	<b>\$0</b>	<b>\$5,317,952</b>	<b>\$0</b>
<b>Total Liabilities</b>	<b>\$7,713,280</b>	<b>\$252,198</b>	<b>\$7,965,478</b>	<b>\$3,493,774</b>
<u>Net Assets</u>				
Invested in Capital Assets, Net of Related Debt	(\$5,523,149)	\$3,673,300	(\$1,849,849)	\$6,799,154
Unrestricted	3,309,983	2,423,031	5,733,014	10,541,413
<b>Total Net Assets</b>	<b>(\$2,213,166)</b>	<b>\$6,096,331</b>	<b>\$3,883,167</b>	<b>\$17,340,568</b>

**SKAGIT COUNTY, WASHINGTON**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year December 31, 2005**

	<u>Business - Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Solid</u>	<u>Drainage</u>	<u>Total</u>	<u>Internal</u>
<u>Operating Revenues</u>	<u>Waste</u>	<u>Utility</u>		<u>Services</u>
Charges for Services	\$8,561,597	\$987,945	\$9,549,542	\$19,899,217
Other Operating Revenue	0	0	0	133,137
Total Operating Revenues	<u>\$8,561,597</u>	<u>\$987,945</u>	<u>\$9,549,542</u>	<u>\$20,032,354</u>
<u>Operating Expenditures</u>				
Personal Services	\$1,498,450	\$138,531	\$1,636,981	\$2,855,977
Contractual services	4,909,423	0	4,909,423	3,577,445
Other Supplies and Expenses	2,021,617	506,357	2,527,974	3,203,135
Depreciation	58,623	124,992	183,615	945,475
Payment to Claimants	0	0	0	6,649,601
Total Operating Expenditures	<u>\$8,488,113</u>	<u>\$769,880</u>	<u>\$9,257,993</u>	<u>\$17,231,633</u>
Operating Income (Loss)	<u>\$73,484</u>	<u>\$218,065</u>	<u>\$291,549</u>	<u>\$2,800,721</u>
<u>Non-Operating Revenue (Expenses)</u>				
Intergovernmental	\$212,869	\$19,461	\$232,330	\$0
Interest Revenue	116,214	38,168	154,382	46,670
Miscellaneous Revenue	2,461	0	2,461	124,223
Gain (Loss) on Disposition of Capital Asset	0	0	0	42,164
Interest Expense	(256,499)	0	(256,499)	0
Miscellaneous Expense	0	0	0	(60,510)
Total Non-Operating Revenue (Expenses)	<u>\$75,045</u>	<u>\$57,629</u>	<u>\$132,674</u>	<u>\$152,547</u>
Income (Loss) before Contributions and Transfers	\$148,529	\$275,694	\$424,223	\$2,953,268
Capital Contributions	0	0	0	122,725
Transfers In	0	0	0	0
Transfers Out	0	(121,677)	(121,677)	0
Change in Net Assets	<u>\$148,529</u>	<u>\$154,017</u>	<u>\$302,546</u>	<u>\$3,075,993</u>
Net Assets as of January 1	<u>(2,361,694)</u>	<u>5,942,315</u>	<u>3,580,620</u>	<u>14,264,575</u>
Net Assets as of December 31	<u><u>(\$2,213,166)</u></u>	<u><u>\$6,096,331</u></u>	<u><u>\$3,883,167</u></u>	<u><u>\$17,340,568</u></u>

**SKAGIT COUNTY, WASHINGTON**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year December 31, 2004**

	<u>Business - Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Solid</u>	<u>Drainage</u>	<u>Total</u>	<u>Internal</u>
	<u>Waste</u>	<u>Utility</u>		<u>Services</u>
Cash Flows From Operating Activities:				
Receipts from Customers	\$8,379,902	\$993,243	\$9,373,145	\$170,175
Receipts from Interfund Services Provided	0	0	0	18,943,950
Miscellaneous Receipts	0	0	0	133,137
Payments to Employees	(1,496,854)	(114,853)	(1,611,707)	(2,854,911)
Payments to Suppliers	(5,718,110)	(370,583)	(6,088,693)	(13,750,492)
Payments for Interfund Services Used	(815,825)	(44,192)	(860,017)	957,940
Miscellaneous Receipts	2,461	0	2,461	63,713
Net cash provided (used) by operating activities	<u>\$351,574</u>	<u>\$463,615</u>	<u>\$815,189</u>	<u>\$3,663,512</u>
Cash Flows From Noncapital Financing Activities:				
Operating Grants Received	\$205,281	\$0	\$205,281	\$0
Transfers to Other Funds	0	(81,484)	(81,484)	0
Transfers from Other Funds	0	4,974	4,974	0
Net cash provided (used) by noncapital financing activities	<u>\$205,281</u>	<u>(\$76,510)</u>	<u>\$128,771</u>	<u>\$0</u>
Cash Flows From Capital And Related Financing Activities				
Purchases of capital assets	(\$37,990)	(\$343,630)	(\$381,620)	(\$1,413,949)
Proceeds from sale of capital assets	0	0	0	127,900
Principal Paid on Capital Debt	(1,005,000)	0	(1,005,000)	0
Interest Paid on Capital Debt	(169,445)	0	(169,445)	0
Net cash provided (used) by capital and related financing activities	<u>(\$1,212,435)</u>	<u>(\$343,630)</u>	<u>(\$1,556,065)</u>	<u>(\$1,286,049)</u>
Cash Flows From Investing Activities:				
Interest Earnings	\$116,214	\$38,168	\$154,382	\$46,670
Net Cash Provided by Investing Activities	<u>\$116,214</u>	<u>\$38,168</u>	<u>\$154,382</u>	<u>\$46,670</u>
Net Increase in Cash & Cash Equivalents	(\$539,366)	\$81,643	(\$457,723)	\$2,424,133
Balances as of January 1	4,219,240	2,543,407	6,762,647	3,699,681
Balances as of December 31	<u>\$3,679,874</u>	<u>\$2,625,051</u>	<u>\$6,304,925</u>	<u>\$6,123,815</u>

**SKAGIT COUNTY, WASHINGTON**

**Statement of Cash Flows**

**Proprietary Funds**

**For the Year December 31, 2005**

	Business - Type Activities - Enterprise Funds			Governmental
	Solid Waste	Drainage Utility	Total	Internal Services
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Operating Income/(Loss)	<u>\$73,484</u>	<u>\$218,065</u>	<u>\$291,549</u>	<u>\$2,800,721</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	\$58,623	\$124,992	\$183,615	\$945,475
Miscellaneous Receipts	2,461	0	2,461	63,713
Changes in assets and liabilities:				
Receivables, net	(179,992)	5,299	(174,693)	(785,091)
Prepayments	(1,554)	(1,881)	(3,435)	(4,848)
Inventories	0	0	0	(609,071)
Accounts and other payables	<u>398,552</u>	<u>117,140</u>	<u>515,692</u>	<u>1,252,614</u>
Net Cash Provided by Operating Activities	<u>\$351,574</u>	<u>\$463,615</u>	<u>\$815,189</u>	<u>\$3,663,512</u>
<b>Non Cash investing, capital and Financing activities</b>				
Contribution of capital assets	\$0	\$0	\$0	\$122,725



**SKAGIT COUNTY, WASHINGTON**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Year Ended December 31,2005**

<b>ASSETS</b>	<b>Agency Funds</b>
Cash	\$29,513,306
Investments	261,740,755
Taxes receivable	2,525,026
Deposits	0
<b>TOTAL ASSETS</b>	<b>\$293,779,087</b>
<b>LIABILITIES</b>	
Warrants payable	\$13,617,263
Custodial accounts	280,161,824
<b>TOTAL LIABILITIES</b>	<b>\$293,779,087</b>
<b>NET ASSETS</b>	<b>\$0</b>

See accompanying notes to the financial statements

# SKAGIT COUNTY, WASHINGTON

## Notes to the Financial Statements For the Year Ended December 31, 2005

### **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 units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The chart of accounts conforms to the Budgeting, Accounting, and Reporting Systems (BARS) prescribed by the office of the State Auditor, to promote uniformity among the cities and counties of Washington resulting in better comparability. The significant accounting policies are described below.

#### **A. 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 the following services to its constituents: Sheriff, road construction and maintenance, solid waste management, permits and planning, parks and recreation, judicial administration, public health, social services and general administrative services. As required by GAAP, the financial statements present Skagit County, the primary government and its discretely presented component unit, the Skagit County Emergency Medical Services Commission (EMS.)

The 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. The Statement defines the reporting entity as consisting of the primary government and organizations for which the primary government is financially accountable. Fiscal accountability is defined as a situation in which the primary government has substantive authority to appoint a voting majority of a components governing board and it is either able to impose its will or there is a potential for the component to provide specific financial benefits to, or to impose specific financial burdens on the primary government.

#### **Discretely Presented Component Unit**

The Skagit County Emergency Medical Services Commission was effectively established on April 1, 2003 by ordinance of the Board of County Commissioners. The EMS was established pursuant to the Revised Code of Washington 35.21.730 and 36.01.095. The purpose of the commission is to provide efficient and effective emergency medical and related services throughout Skagit County in compliance with state law. Skagit County is funding the EMS with an excess property tax levy approved by the voters through 2006. The Board of County Commissioners appoints the members of the EMS board and has final approval on the EMS operating budget. More information concerning the EMS Commission, including complete financial statements can be obtained at the EMS offices in Mt. Vernon, Washington.

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

Government wide financial statements consist of the statement of net assets and the statement of activities. These statements report information on all of the non-fiduciary activities of the primary government and its component unit. 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 separate from business-type activities, which rely to a significant extent on fees and charges for support. The component unit is reported separately from the county.

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

Program revenue includes a) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment. b) Grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

All governmental funds are presented using the flow of “current financial resources” measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or as soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 30 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 sales based taxes, licenses, fines and fees are not considered susceptible for accrual since they are not generally measurable until received. Expenditures are generally recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Skagit County reports the following major governmental funds:

- The General Fund is the County’s primary operating fund. It is used to account for all activities of the general government not accounted for in another fund.
- The County Road Fund accounts for the design, construction, and maintenance of County roads.
- The Distressed County Public Facilities Fund accounts for the collection of the 0.04% sales and use tax authorized by RCW 82.14.370 and the Board of County Commissioners and the expenditure for the purposes of financing and construction of public facilities.

Skagit County reports two major proprietary funds:

- The Solid Waste Fund accounts for 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 to pay for the costs related to drainage utility facilities.

Additionally, the County reports the following fund types:

- Internal Services Funds account for equipment rental, central support, liability insurance, self-insurance and technology services provided to other departments or agencies of the government, or 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 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 on 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.

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

Amounts reported as program revenues include a) charges to customers or applicants for goods, services or privileges provided, b) operating grants and contributions, and c) capital grants and contributions, including special assessments.

Internally, dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the 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 services, contractual services, other supplies and expenses, and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

#### **D. Assets, Liabilities and Net Assets or Equity**

##### **1. Cash and Cash Equivalents**

Only cash in checking accounts and petty cash are recorded as cash on the financial statements. All demand deposits are recorded as investments. In the preparation of the statement of cash flows, cash and cash equivalents include not only "cash on hand", but cash with fiscal agent and cash in demand deposits with maturity of three months or less. (See Note IV) All deposits are stated at cost.

It is the County's policy to invest all cash surpluses. As of December 31, 2005, the Treasurer was holding \$52,243,338 in short-term residual investments of surplus cash. (See Note IV.) This amount is classified on the balance sheet as cash and cash equivalents in various funds. The interest on these investments is credited to the General Fund, except where prohibited by statute or bond covenant.

##### **2. Investments at Cost — See Note IV.**

##### **3. Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans). 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 proprietary funds have been eliminated and were not included in the government-wide statement of net assets.

Taxes Receivable consists of property taxes and related interest and penalties accumulated from the previous years. All real property taxes are secured by liens on the corresponding property.

Accounts Receivable consists of amounts owed from private individuals for goods or services. The significant sources are time payments on the courts assessments. All receivables have been recorded net of estimated uncollectible amounts. Uncollectible court-related receivables are estimated to be 76%.

Receivables due from other governments include amounts due from grantors for grants issued for specific programs and capital projects.

Interest Receivable consists of amounts earned on investments at the end of the year and fair value changes in accordance with GASB 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, are included.

#### 4. Inventories and Prepayments

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.

Inventories in the Equipment Rental and Revolving Fund are valued at average weighted cost method. Inventories are valued by the first-in first-out method.

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

#### 5. Capital Assets

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

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

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

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

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

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

Buildings – 6 to 40 years  
Improvements – 15 to 40 years  
Furniture and Equipment – 5 to 20 years  
Information Technology Equipment – 3 to 20 years  
Vehicles – 4 to 21 years  
Infrastructure – 20 to 50 years

6. 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 incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and 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 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.

7. Long-Term Obligations — See Note V.

8. Fund Equity

Fund equity is recognized as fund balance in governmental fund types, and as net assets in proprietary fund types. Certain fund equity may be reserved for a specific future use, or to denote unavailability for current operations. Designations of fund balance represent tentative management plans that are subject to change. Unless otherwise noted, fund balances and retained earnings (deficits) are unreserved and undesignated.

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

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

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

Unavailable Deferred Revenue	\$2,122,895
Interest Receivable	<u>105,322</u>
Net Adjustment to Increase Total Governmental Funds to Arrive at Net Assets Governmental Activities	<u>\$2,228,217</u>

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

Bonds Payable	\$9,655,000
Minus: Issuance Discount	(42,473)
Revolving Fund Debt	2,466,474
Compensated Absences	<u>1,518,276</u>
Net Adjustment to Reduce - Total Governmental Funds to Arrive at Net Assets - Governmental Activities	<u>\$13,597,277</u>

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

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances — total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. When capital assets are disposed of, the difference between original cost minus depreciation, and the proceeds is booked as a gain or (loss) on the sale. The details of this difference are as follows:

Capital Outlay	\$8,513,455
Depreciation Expense	(18,125,843)
Disposition of Capital Assets (Net Book Value)	<u>(5,027,194)</u>
Net Adjustment to Increase Net Changes in Fund Balance - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u><u>(\$14,639,582)</u></u>

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

Issuance of General Obligation Debt	\$160,000
Issuance of Revolving Fund Debt	222,701
Less Discount	2,690
Principal Payments:	
General Obligation Debt	(465,000)
Revolving Fund Debt	<u>(91,609)</u>
Net Adjustment to Increase Net Changes in Fund Balances Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u><u>\$171,218</u></u>

**III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

**1. 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.

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 the 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, or object class level.

## 2. 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:

- a) On or before the second Monday in July, County officials are requested to prepare estimates of revenues and expenditures for the next fiscal year.
- b) On or before the second Monday in August, each County official submits detailed estimates of probable revenues and expenditures to the County Auditor for the ensuing year.
- c) On or before the first Tuesday in September, the County Auditor submits the County's compiled Preliminary Annual Budget to the Board of County Commissioners.
- d) The Commissioners conduct public meetings/hearings on the proposed budget from September through October.
- e) The Commissioners make adjustments to the proposed budget and adopt, by resolution, a final balanced budget no later than December 31.
- f) Upon adoption, the final budget is available to the public.

## 3. Amending the Budget

The following processes are the only methods by which a budget can be modified.

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. Supplemental appropriations are required because of several factors. These include the awarding of State and Federal grants during the year, the release of contingency funds for expenditure in specific programs, and enhanced revenues, which provide funding for, expanded program requirements. After conducting the aforementioned public hearing, the County Commissioners may amend the budgeted appropriations by adoption of a Supplemental Budget resolution. Management has no authority to amend the budget in any other manner.

When the County Commissioners determine that it is in the best interest of the County to increase or decrease the appropriation for a particular object class without altering the total budget of any fund, it may do so by resolution approved by a simple majority during a public meeting. These budget modifications are called budget line item changes. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year, including budget amendments and budget line item changes.

### **B. Deficit Fund Equity**

The following funds exhibit deficit fund balances as of December 31, 2005:

The ***Water Quality Fund*** deficit was \$66,322 at December 31, 2005. The receipt of revolving fund loan proceeds in 2006 will resolve the deficit.

The ***Hansen Creek Sub-Flood Control Zone Fund*** deficit was \$146 at December 31, 2005. Operating assessments being collected from property owners in the Zone will resolve the deficit over the next two years.



The **Lake Management District No. 1 Fund** deficit was \$101,426 at December 31, 2005. Operating assessments being collected from property owners in the District will resolve this deficit over the next three years.

The **Lake Management District No. 2 Fund** deficit was \$33,166 at December 31, 2005. Operating assessments being collected from property owners in the District will resolve this deficit over the next five years.

The **Lake Management District No. 3 Fund** deficit was \$15,633 at December 31, 2005. Operating assessments being collected from property owners in the District will resolve deficit issues the District will experience over the next seven years.

The **Facility Improvement Fund** deficit was \$278,800 at December 31, 2005. Real Estate Excise Tax receipts in 2006 will resolve this deficit.

The **Solid Waste Fund** deficit is \$2,213,166 at December 31, 2005, and is a result of the closure of the incinerator and its demolition. The Resource Recovery Facility changed its operations from incinerating to long-hauling solid waste in May of 1994. The Solid Waste Fund's long-hauling of solid waste realized net operating income of \$73,484 for the fiscal year ended December 31, 2005

#### **IV. DETAILED NOTES ON ALL FUNDS**

##### **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. In this role, the Treasurer is empowered and it is the County's policy to deposit and invest all temporary cash surpluses. At the end of the year, the carrying amount of the government and agency deposits was \$87,111,617 and the bank balance was \$1,866,383 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. This amount is classified on the balance sheet as cash, cash equivalents, and deposits in various funds. The FDIC (federal depository insurance corporation) insures all deposits of the County up to \$100,000 and the Washington Public Deposit Protection Commission for amounts over \$100,000.

###### Investments

As required by Washington State law, all investments of Skagit County and applicable Agency's 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 loans institutions.

U. S. Government securities and commercial paper are stated at fair value. All other investments are stated at amortized cost which approximates fair value. The fair value of the County's position in the State Treasurer's Investment Pool 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 County Commissioners Chair. The State Treasurer's Investment Pool 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 local Government Investment Pool Advisory committee comprised of twelve members selected from the active pool participants. The pool is operated in a manner consistent with the SEC Rule 2a7.

Management intends to hold the 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, 2005, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 Year</u>	<u>2 Years</u>
Certificates of Deposit	\$84,588,721	\$69,355,271	\$15,233,450	\$0
Money Market	2,522,896	2,522,896	0	0
Bankers Acceptances	549,570	549,570	0	0
Registered Warrants	622,846	622,846	0	0
Commercial Paper	5,959,569	5,959,569	0	0
Treasury Notes	4,616,114	4,220,833	395,281	0
Municipal Notes	1,145,931	1,047,334	98,597	0
U. S. Agencies	129,285,818	87,810,727	37,334,064	4,141,027
State Treasurer Pool	103,684,963	103,684,963	0	0
<b>Totals</b>	<b>\$332,976,428</b>	<b>\$275,774,009</b>	<b>\$53,061,392</b>	<b>\$4,141,027</b>

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.

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 that 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, 2005, the County's investments in U.S. Agencies (\$91,687,982) was rated AAA by Standard & Poor's and Aaa by Moody's Investors Services. The County's investment in the Federal National Mortgage Association (\$38,584,033) was rated AA- by Standard & Poor's. The County's Investment in Commercial Paper was rated A1 by Standard & Poor's, F1 by Fitch Ratings and P1 by Moody's Investors Services. The investments in Municipal Notes are rated as follows: Port of Seattle (\$335,975) rated AAA by Standard & Poor's and Moody's Investor Services, San Antonio TX 1996B (\$20,439) rated Aa2 by Moody's Investors Services and AA by Standard & Poor's. Chicago II Central Bank (\$184,800) rated AAA by Standard & Poor's and Moody's Investors Services, Kane McHenry Cook & Dekalb (\$506,300) rated Aaa by Standard & Poor's and NY, NY 2005D Taxable (\$98,648) rated A1 by Standard & Poor's. The County's investment in Registered Warrants are not rated. The County's investment in the Washington State Investment Pool was not rated.

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 on 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. At year end, the County had concentrations greater than 5 percent of investments in the following issuers: Federal Home Loan Bank – 15.9%, Federal National Mortgage Association – 11.6%, Federal Home Loan Mortgage Corporation – 8.6%.

**B. Property Taxes**

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

**PROPERTY TAX CALENDAR**

- January 1** Taxes are levied and become an enforceable lien against properties.
- February 15** Collection of current year's taxes authorized
- April 30** First of two installment payments is due.
- May 31** Assessed value of property established for next year's levy at 100 percent of market value.
- October 31** Second installment is due.

Property taxes are recorded as a receivable when levied, offset by deferred revenue. Property tax revenue is recognized when the revenue becomes available. During the year, property tax revenues are recognized when cash is collected. Collections are distributed at the end of each month. Property taxes are levied and attach as a lien on property as of January 1. Anticipated refunds of taxes are recorded as reductions of revenue when they are measurable and their validity seems certain. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible.

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

- A) Washington State law in RCW 84.55.010 limits the 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.
- B) The Washington State Constitution limits the total regular property taxes to 1 percent of assessed valuation or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the 1 percent limit.
- C) The County may voluntarily levy taxes below the legal limit. Special levies approved by the voters are not subject to the above limitations.

The following identifies the tax rates levied collection in 2005:

	<b>LEVY IN DOLLARS ASSESSED PER THOUSAND</b>	<b>TOTAL VALUE</b>	<b>LEVY</b>
<b>2004</b>			
County	\$1.7999	\$9,635,294,684	\$17,339,344
Roads	1.9792	4,951,571,336	9,800,150
Conservation Futures	.0581	9,635,294,684	559,811
<b>2005</b>			
County	\$1.7832	\$10,221,638,386	\$18,223,757
Roads	1.9454	5,291,939,337	10,294,938
Conservation Futures	.0576	10,221,638,386	588,766

The County tax rate reported is comprised of a levy for general governmental services and special revenue assessments.

The County is also 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 future development rights for preservation purposes.

**C. Receivables**

Receivables as of year-end for the County's individual major funds, non-major, internal service and agency funds in the aggregate, including the applicable allowance for uncollectible accounts are as follows:

	Taxes	Accounts	Due from Other Governments	Interest & Penalties	Total
General Fund	\$546,938	\$1,134,230	\$667,885	\$94,348	\$2,443,401
County Roads	333,520	88,531	901,091	0	1,323,142
Distressed County NonMajor	0	0	0	0	0
Governmental	112,349	1,647	1,578,633	0	1,692,629
Solid Waste	0	938,972	87,826	0	1,026,798
Drainage Utility	25,754	0	19,461	0	45,215
Internal Service	0	12,512	0	0	12,512
Agency	2,525,026	0	0	0	2,525,026
<b>Total Receivables</b>	<b>\$3,543,587</b>	<b>\$2,175,892</b>	<b>\$3,254,896</b>	<b>\$94,348</b>	<b>\$9,068,723</b>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Property Taxes Receivable (General Fund)	\$546,938	
Property Taxes Receivable (Road Fund)	333,520	
Property Taxes Receivable (Other Governmental Funds)	112,349	
Revenue earned but not yet available	1,134,230	
Grants received prior to meeting all eligibility requirements	0	\$155,099
<b>Total Deferred/Unearned Revenue for Governmental Funds</b>	<b>\$2,127,037</b>	<b>\$155,099</b>

**D. Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of December 31, 2005 is as follows:

**Due To/From other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	County Roads	\$650,775
	Non-Major Gov't Fund	382,273
	Solid Waste Fund	150,647
	Drainage Utility	11,547
	Internal Services Funds	107,629
		<hr/> \$1,302,871
County Roads	General Fund	\$123
	Non-Major Gov't Fund	43,378
	Solid Waste Fund	589,713
	Drainage Utility Fund	56,529
	Internal Services Funds	261,551
		<hr/> \$951,294
Non-Major Gov't Fund	General Fund	\$172
	County Roads	722,950
	Non-Major Gov't Fund	7,858
	Drainage Utility Fund	53,108
	Solid Waste Fund	24,353
		<hr/> \$808,444
Solid Waste Fund	General Fund	\$118
	County Roads	104
	Non-Major Gov't Fund	2,015
	Drainage Utility	15
		<hr/> \$2,252
Drainage Utility	County Roads	\$184
	Non-Major Gov't Fund	1,514
		<hr/> \$1,698
Internal Services Funds	General Fund	\$628,669
	County Roads	552,953
	Non-Major Gov't Fund	33,329
	Solid Waste Fund	3,882
	Internal Services Funds	1,271,543
		<hr/> \$2,490,376
		<hr/> <hr/> \$5,556,933
	Total	

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

**Interfund loans receivable/payable:**

<b>Borrowing Fund</b>	<b>Lending Fund</b>	<b>Balance 1/1/05</b>	<b>New Loans</b>	<b>Repay</b>	<b>Balance 12/31/05</b>
Lake Management No.2	General Fund	\$40,000	\$6,000	\$12,000	\$34,000
Lake Management No. 3	General Fund	26,500	21,500	31,000	17,000
Lake Management No. 1	General Fund	99,500	53,000	65,500	87,000
Hansen Creek Sub Flood	General Fund	2,000	5,000	6,000	1,000
River Improvement	County Roads	400,000	0	0	400,000
Facility Improvement	Capital Improve	0	1,691,000	1,373,987	317,013
	<b>TOTAL</b>	<b>\$568,000</b>	<b>\$1,776,500</b>	<b>\$1,488,487</b>	<b>\$856,013</b>

Interfund loans receivable and payable are created as a result of cash or property transfers resulting in a subsequent promise of repayment. The loans were made to provide cash flow for operations.

**Interfund transfers:**

<b>Transfer Out</b>	<b>Transfer In</b>		
	<b>General Fund</b>	<b>Non-Major Gov</b>	<b>Total</b>
General Fund	\$0	\$4,320,218	\$4,320,218
County Roads	0	1,018,548	1,018,548
Distressed County	0	628,289	628,289
Non-Major Gov	10,000	2,566,467	2,576,467
Drainage Utility	0	121,677	121,677
<b>Total</b>	<b>\$10,000</b>	<b>\$8,655,199</b>	<b>\$8,665,199</b>

Interfund operating transfers represent subsidies and contributions provided to operating funds and capital project funds. The purpose of the general fund transfers is to subsidize capital project activities and debt service. Transfers out of non-major governmental funds generally represents debt service and capital project funding.

**E. Capital Assets**

Capital asset activity for the year ended December 31, 2005 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>				
Capital assets, not being depreciated				
Land	\$14,563,051	\$2,571,098	\$0	\$17,134,149
Development rights	5,244,552	1,054,338	0	6,298,890
Total capital assets not being depreciated	<u>\$19,807,603</u>	<u>\$3,625,436</u>	<u>\$0</u>	<u>\$23,433,039</u>
Capital assets, being depreciated				
Buildings	\$39,762,449	\$973,512	\$240,615	\$40,495,347
Improvements	5,308,548	622,848	0	5,931,396
Machinery and equipment	17,887,419	2,210,578	2,006,532	18,091,464
Infrastructure	461,112,807	2,458,000	6,065,150	457,505,656
Total capital assets being depreciated	<u>\$524,071,223</u>	<u>\$6,264,938</u>	<u>\$8,312,297</u>	<u>\$522,023,863</u>
Less accumulated depreciation for:				
Buildings	\$13,690,594	\$954,460	\$66,857	\$14,578,197
Improvements	2,562,470	255,106	0	2,817,576
Machinery and equipment	11,553,152	1,238,652	1,864,088	10,927,716
Infrastructure	118,141,323	16,623,101	1,476,883	133,287,540
Total accumulated depreciation	<u>\$145,947,539</u>	<u>\$19,071,319</u>	<u>\$3,407,828</u>	<u>\$161,611,029</u>
Total capital assets, being depreciated net	<u>\$378,123,684</u>	<u>\$(12,806,381)</u>	<u>\$4,904,469</u>	<u>\$360,412,834</u>
Governmental activities capital assets net	<u>\$397,931,287</u>	<u>\$(9,180,945)</u>	<u>\$4,904,469</u>	<u>\$383,845,873</u>

Depreciation expenses were charged to functions as follows:

General Governmental Services	\$1,118,913
Public Safety	128,802
Physical Environment	3,744
Transportation	16,781,655
Economic Environment	20,769
Mental and Physical Health	22,431
Culture and Recreation	<u>49,529</u>

In addition depreciation on capital assets held by the County's Internal Services Funds is charged to various functions based upon their usage of the assets 945,475

Total governmental activities depreciation expense \$19,071,319

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business Type Activities</b>				
Capital assets, not being depreciated				
Land	\$467,975	\$1,877	\$ 0	\$469,852
Construction in progress	<u>731,313</u>	<u>340,491</u>	<u>492,626</u>	<u>579,178</u>
Total capital assets, not being depreciated	\$1,199,288	\$342,368	\$492,626	\$1,049,030
Capital assets, being depreciated				
Buildings	\$1,825,299	\$ 0	\$ 0	\$1,825,299
Improvements	3,088,907	531,878	0	3,620,785
Machinery and equipment	<u>623,746</u>	<u>0</u>	<u>0</u>	<u>623,746</u>
Total capital assets being depreciated	\$5,537,952	\$531,878	\$0	\$6,069,830
Less accumulated depreciation for:				
Buildings	\$1,700,545	\$20,289	0	\$1,720,834
Improvements	358,409	128,389	0	486,798
Machinery and equipment	<u>484,544</u>	<u>34,937</u>	<u>0</u>	<u>519,481</u>
Total accumulated depreciation	\$2,543,498	\$183,615	\$0	\$2,727,113
Total capital assets, being depreciated net	<u>\$2,994,454</u>	<u>\$348,263</u>	<u>\$0</u>	<u>\$3,342,717</u>
Business type activities, capital assets net	<u>\$4,193,742</u>	<u>\$690,631</u>	<u>\$492,626</u>	<u>\$4,391,747</u>

Depreciation expenses were charged to functions as follows:

Solid Waste	\$58,623
Drainage Utility	<u>124,992</u>

Total Business type activities depreciation expense \$183,615

**V. LONG-TERM DEBT**

Skagit County's long-term debt consists of general obligation bonds, liability for compensated absences and loans.

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. These bonds are reported in the proprietary fund if re-payment is expected to occur from proprietary revenues. All other long-term indebtedness of the County is reported in the governmental column of the government-wide statement of net assets. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds are issued as 20-23 year serial bonds with equal or increasing amounts of principal maturing each year.

In the instance of proprietary fund debt, 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. Bond issuance costs are amortized over the term of the related debt. Governmental funds recognize bond premiums, discounts and issuance costs during the current period. The face amount of the debt is 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, whether withheld or not from proceeds are reported as debt service expenditures.

State law provides that debt cannot be incurred in excess of the following percentages of the value of the taxable property of the county:

1.5% - no vote required

2.5% - vote required

5.0% - vote required, with the provision that the voted debt is utilized for utilities, parks or open space development.

The accompanying Limitation of Indebtedness computation discloses the County's legal debt margin as of December 31, 2005.

**SCHEDULE OF LEGAL LIMIT OF DEBT MARGIN  
FOR THE YEAR ENDED DECEMBER 31, 2005**

<u>Purpose of Indebtedness</u>	<u>Remaining Capacity</u>
General Government (no vote required)	\$137,289,185
General Government (vote required)-2.5%	\$96,352,947

**A. General Obligation Bonds**

Amount  
Outstanding

The \$5,365,000 1996 Bonds were issued to provide funds for general County purposes related to solid waste disposal, and are scheduled to mature December 1, 2015. The Bonds maturing on or after December 1, 2007 were subject to redemption at the option of the County in whole or in part at any time on or after December 1, 2006. The callable bonds were refunded in 2005. The non-callable balance remaining was \$85,000. Principal and interest payments are made annually on December 1. Interest rates range from 3.90% to 5.25%. This issue is being serviced through the Solid Waste Proprietary Fund. Principal payments of \$40,000 and interest payments of \$3,827 were made in 2005.

\$ 45,000

The \$875,000 1997 Bonds were issued for the purpose of acquiring an office building and renovating an adjacent building owned by the County, for use by non-profit agencies as a family resource center. The County has entered into lease purchase agreements with non-profit social service agencies that have the mission of serving families in Skagit County. Repayment will be made from these lease purchase agreements. Principal payments are made annually on June 1 with interest

\$545,000



being paid on June 1 and December 1. The interest rate ranges from 4.10% in 1999 to 5.20% in 2013. The bonds are scheduled to mature on June 1, 2013 and are serviced through the County's Debt Service Fund. . Principal payments of \$55,000 and interest payments of \$28,366 were made in 2005.

In 2000, Limited Tax General Obligation Bonds in the amount of \$8,000,000 were issued for the purpose of funding grants to communities within the County to construct economic development public facility projects that further the goals of promoting ongoing operations of business, expansion of existing businesses, attracting and assisting new businesses. Repayment will be made from the imposition of a Distressed County Sales and Use Tax deducted from the tax otherwise required to be collected by the State. The Bonds are scheduled to mature from December 1, 2001 through December 1, 2022. The Bonds sold at interest rates yielding 4.80% in 2001 to 5.625% in 2022. The bonds of this issue, maturing on and prior to December 1, 2009, are not subject to redemption prior to their stated maturities. The Bonds maturing on or after December 1, 2010 are subject to redemption at the County's option. The Bonds are serviced through the County's Debt Service Fund. Principal payments are made annually on December 1 and interest payments are made on June 1 and December 1. Principal payments of \$250,000 and interest payments of \$378,289 were made in 2005. \$6,865,000

In 2003, Limited Tax General Obligation and Refunding Bonds in the amount of \$5,340,000 were issued:

i) The County's purpose was to use \$2,520,000 of the proceeds to pay the costs of acquiring and renovating a building to house the County's Public Works, Planning and Administration Departments. This portion of the 2003 issue will be serviced through the County's Debt Service Fund and payment will be made by the General Fund and the Public Works Fund. Principal payments are made annually on December 1 and interest is paid on June 1 and December 1. The interest rate ranges from 2.00% in 2003 to 4.10% in 2017. Principal payments of \$145,000 and interest payments of \$74,563 were made in 2005. \$2,100,000

ii) The County's purpose was to use \$2,820,000 of the proceeds to refund the callable maturities of its outstanding 1993 Limited Tax General Obligation Refunding Bonds. The 1993 Bonds were issued to refund the callable portion of the County's 1987 Limited Tax General Obligation Bonds. The 1987 Bonds were issued to pay a part of the costs of construction of a solid waste incinerator. The refunding bond will be serviced through the Solid Waste Proprietary Fund. Principal payments are made annually on December 1 and interest is paid on June 1 and December 1. The interest rate ranges from 2.00% in 2003 to 2.30% in 2007. Principal payments of \$735,000 and interest payments of \$42,825 were made in 2005. \$1,320,000

In 2005, Limited Tax General Obligation and Refunding Bonds in the amount of \$5,475,000 were issued.

i) The County's purpose was to use \$160,000 of the proceeds to acquire land as a part of the expansion of a family resource center. The center had previously been acquired with the issuance of the 1997 General Obligation Bond. This portion of the 2005 issue will be serviced through the County's Debt Service Fund and payment will be made by the General Fund. Principal payments are made annually on December 1 and interest is paid on June 1 and December 1. The interest rate ranges from 3.00% in 2005 to 3.75% in 2013. Principal of \$15,000 and interest payments of \$3,615 were made in 2005. \$145,000

ii) The County's purpose was to use \$5,315,000 of the proceeds to refund the callable maturities of the 1996 LTGO bonds scheduled to mature on December 1, 2007 though 2015. The bonds were issued to provide funds for general County purposes related to solid waste disposal. The refunding bond will be serviced through the Solid Waste Proprietary Fund. Principal payments are made on December 1 and interest payment are made on June 1 and December 1. The interest rate ranges from 3.00% in 2005 to 3.75% in 2013. Principal payments of \$230,000 and interest payment of \$122,793 were made in 2005. \$5,085,000

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

Year Ending	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 480,000	\$ 468,697	\$ 970,000	\$ 206,697
2007	500,000	449,528	810,000	184,350
2008	520,000	428,894	710,000	164,075
2009	545,000	406,892	735,000	142,775
2010	570,000	383,104	765,000	117,050
2011-2015	3,060,000	1,501,542	2,460,000	184,775
2016-2020	2,825,000	760,664	0	0
2021-2022	1,155,000	98,438	0	0
Totals	\$9,655,000	\$4,497,759	\$6,450,000	\$999,722

**B. Refunded Debt**

The County issued \$5,315,000 of general obligation refunding bonds to provide resources to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for all future callable portions of the 1996 Limited Tax General Obligation Refunding Bonds. As a result the refunded bonds are considered to be defeased and the liability has been removed from the Business Type activities column of the Statement of Net Assets. This advance refunding was undertaken to reduce total debt service payments over the next 10 years by \$692,297. This issue resulted in an economic gain from a present value perspective of \$359,789.

**C. Revolving Fund Loans**

The loans were acquired for the purposes of creating local loan fund programs to provide loans to landowners to make improvements to their personal property in order to correct on-site sewage and poor farm practice problems impacting water quality in Skagit County. Repayment of these loans will be made from the proceeds of the local loan fund programs.

	<u>Amount Outstanding</u>
The County entered into an additional loan agreement in 1997 with the State of Washington, Water Pollution Control Revolving Fund, Department of Ecology. The project title is Skagit County Clean Water District–Edison Subarea. The Department of Ecology has reconciled all costs of various State and Federal grant and loan funds and reduced the loan amount to \$346,479 and closed the loan in 2000. Principal payments of \$17,768 were made in 2005. The loan is interest free.	\$239,870
The County entered into a loan agreement in 2000 with the State of Washington Water Pollution Control Revolving Fund, Department of Ecology. The project title is Water Quality Improvement Fund Project. The total revised loan amount is \$1,571,356, the interest rate is 1.5%, and the term is 20 years. The loan closed in early 2005. Principal payments of \$70,893 and interest payments of \$22,926 were made in 2005.	\$1,475,157
The County entered into a second loan agreement in 2000 with the State of Washington Water Pollution Control Revolving Fund, Department of Ecology. The project title is Edison Subsurface Effluent Disposal Field. The total revised loan amount is \$57,479. The loan is interest free and the term is 20 years. Principal payments of \$2,948 were made in 2005.	\$54,531
The County entered into a loan agreement in 2005 with the State of Washington, Department of Ecology. The project title is Skagit County Local Loan Fund. The total amount available is \$1,500,000. The County has been obligated in 2005 in the amount of \$696,916. The projected closing date is December 2007 with payments to begin in 2008.	\$696,916

The interest rate is 1.50% and the term is 20 years.

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

Year Ending		
December 31	Principal	Interest
2006	\$94,150	\$21,858
2007	93,760	20,775
2008	105,218	30,054
2009	127,443	28,670
2010	128,852	27,067
2011-2015	670,245	110,419
2016-2020	687,598	66,542
2021-2025	477,177	21,380
2026-2027	82,031	1,529
Totals	\$2,466,474	\$328,294

#### D. Changes in Long-Term Liabilities

During the year ended December 31, 2005, the following changes occurred in long-term liabilities:

	<u>Beginning Balance</u>	<u>New Issue</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable					
General Obligation Bonds	\$9,960,000	\$160,000	\$465,000	\$9,655,000	\$480,000
Less Deferred Amount					
For Issuance Discounts/ Premiums	(45,163)	(156)	(2,846)	(42,473)	(2,852)
Total Bonds Payable	\$9,914,837	\$159,844	\$462,154	\$9,612,527	\$477,148
Revolving Fund Loans	2,335,382	222,701	91,609	2,466,474	94,150
Claims and Judgments Payable	342,396	530,680	737,090	135,986	135,986
Compensated Absences	1,564,305	1,988,140	1,918,398	1,634,047	1,634,047
Long term Liabilities	<u>\$14,156,920</u>	<u>\$2,901,365</u>	<u>\$3,209,251</u>	<u>\$13,849,034</u>	<u>\$2,341,331</u>
<b>Business –Type Activities</b>					
Bonds Payable					
General Obligation Bonds	\$7,225,000	\$5,315,000	\$6,090,000	\$6,450,000	\$970,000
Less Deferred Amounts					
For Issuance Discounts/ Premiums	(29,787)	30,750	35,917	36,880	8,198
On refunding	(22,494)	(203,328)	(26,894)	(198,928)	(30,730)
Total Bonds Payable	\$7,172,719	\$5,142,422	\$6,027,189	\$6,287,952	\$947,468
Compensated Absences	52,626	57,702	49,200	61,128	61,128
Long term Liabilities	<u>\$7,225,345</u>	<u>\$5,200,124</u>	<u>\$6,076,389</u>	<u>\$6,349,080</u>	<u>\$1,008,596</u>

For governmental activities, the General Fund or the respective Special Revenue Fund generally liquidates compensated absences. Claims and judgments are liquidated by the Insurance Service Fund.

## **VI. PENSION PLANS**

Substantially all Skagit County's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. The 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. The following disclosures are made pursuant to GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*.

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

#### Plan Description

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plan 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in a judicial retirement system); employees of legislative committees; community and technical colleges, college and university employees (not in national higher education retirement programs); judges of district and municipal courts; and employees of local governments. 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. PERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. PERS retirement benefit provisions are established in state statute and may be amended only by the State Legislature.

Plan 1 retirement benefits are vested after an 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 annual pension is 2 percent of the average final compensation per year of service, capped at 60 percent. The average final compensation is based on the greatest compensation during any 24 eligible consecutive compensation months. If qualified, after reaching the age of 66 a cost-of-living allowance is granted based on years of service credit and is capped at 3 percent annually.

Plan 2 retirement benefits are vested after any employee completes five years of eligible service. Plan 2 members may retire at the age of 65 with five years of service, or at the age of 55 with 20 years of service, with an allowance of 2 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. Plan 2 retirements prior to the age of 65 received reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a 3 percent per year reduction applies; otherwise an actuarial reduction will apply. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle consumer Price Index), capped at 3 percent annually.

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. Plan 3 members become eligible for retirement if they have: at least ten years of service; or five years including twelve months that were earned after age 54; or five service credit years earned in PERS Plan 2 prior to June 1, 2003. Plan 3 retirements prior to the age of 65 received reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a 3 percent per year reduction applies; otherwise an actuarial reduction will apply. There is no cap on years of service credit; and Plan 3 provides the same cost-of-living allowance as Plan 2. 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 Employee Retirement Benefits Board.

There are 1,169 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of September 30, 2004:

Retirees and Beneficiaries Receiving Benefits	66,846
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	21,031
Active Plan Members Vested	103,039
Active Plan Members Nonvested	53,217
<b>Total</b>	<b>244,133</b>

#### 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 officers. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. PERS Plan 3 defined contribution is a non-contributing plan for employers. Employees who participate in the defined contribution portion of PERS Plan 3 do not contribute to the defined benefit portion of PERS Plan 3. 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. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2004 were as follows:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	2.44%	2.44%	2.44%**
Employee	6.00%	1.18%	***

\*The employer rates include the employer administrative expense fee currently set at 0.19%.

\*\*Plan 3 defined benefit portion only.

\*\*\*Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

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

	PERS Plan 1	PERS Plan 2	PERS Plan 3
2005	\$54,801	\$416,095	\$86,342
2004	\$38,765	\$291,408	\$50,638
2003	\$38,544	\$298,235	\$36,390

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

### Plan Description

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. Membership in the system includes all full-time, fully compensated, local law enforcement officers and firefighters. LEOFF is comprised primarily of non-state employees, with the Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003 being an exception. 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. Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established 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. Effective January 1, 2003 firefighter emergency medical technicians (EMTs) may transfer PERS Plan 1 or Plan 2 service credit to LEOFF Plan 2 if while employed for the city, town, county or district, the EMT's job was relocated to a fire department from another city, town, county or district. LEOFF defined benefits are financed from a combination

of investment earnings, employer and employee contributions, and a special funding situation in which the state pays the remainder through state legislative appropriations. LEOFF retirement benefit provisions are established in state statute and may be amended only by the State Legislature.

Plan 1 retirement benefits are vested after an employee completes 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 is as follows:

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

The final average salary 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. If membership was established in LEOFF after February 18, 1974, the service retirement benefit is capped at 60 percent of final average salary. A cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index).

Plan 2 retirement benefits are vested after an 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 final average salary per year of service. The final average salary is based on the highest consecutive 60 months. Plan 2 retirements prior to the age of 53 are reduced 3 percent for each year that the benefit commences prior to age 53. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

There are 369 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of September 30, 2004:

Retirees and Beneficiaries Receiving Benefits	8,542
Terminated Plan members Entitled To But Not Yet Receiving Benefits	528
Active Plan Members Vested	12,079
Active Plan Members Nonvested	3,523
<b>Total</b>	<b>24,672</b>

#### Funding Policy

Starting on July 1, 2000, Plan 1 employers and employees will 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. Plan 2 employers and employees are required to pay at the level adopted by the Department of Retirement Systems in accordance with Chapter 41.45 RCW. All employers are required to contribute at the level required by state law. 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 Plans 1 and 2 in accordance with the requirements of the Pension Funding Council. 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 methods used to determine the contribution rates are established under state statute in accordance with chapters 41.26 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2004, were as follows:

	LEOFF Plan 1	LEOFF Plan 2
Employer*	0.19%	4.39%**
Employee	0.00%	6.99%
State	n/a	2.79%

\*The employer rates include the employer administrative expense fee currently set at 0.19%

\*\*The employer rate for ports and universities is 7.18%

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

	<b>LEOFF 1 Plan 1</b>	<b>LEOFF Plan 2</b>
2005	\$99	\$133,389
2004	\$117	\$118,040
2003	\$100	\$94,293

## **VII. RISK MANAGEMENT**

### **A. Liability Insurance**

Skagit County is a member of the Washington Counties Risk Pool ("Pool") which was formed August 18, 1988 when several counties in the state of Washington joined together by signing an interlocal agreement to pool their self-insured losses and jointly purchase insurance and related administrative services. The Pool is presently comprised of twenty eight counties. Chapter 48.62 RCW authorizes the governing bodies of governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, joint self-insuring, and/or the joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. The agreement to form the Pool was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act.

The Pool allows its member counties to establish a plan of self-insurance, jointly purchase excess insurance and obtain related services. All Pool joint self-insurance liability coverages, including public officials' errors and omissions, are on an "occurrence" basis. The Pool also provides the counties with a property insurance program with extraordinary coverage limits, and has arranged for both special events/concessionaires and environmental insurance coverages to be purchased as group purchase options for its member counties.

The Pool is governed by a board that is comprised of one director (and one or more alternate directors) appointed by each participating member county from the county's own officials or employees. An executive committee that is responsible for overseeing the business affairs of the Pool is selected by the Pool's board of directors from its membership, including alternate directors, during each annual meeting.

Claims filed with the Pool are subject to the deductible amount selected by the filing county. Member deductibles range from \$10,000 to \$500,000 per occurrence. The Pool, which is primarily funded by annual assessments contributed by its member counties, acquires from unrelated underwriters reinsurance with a self-insured retention of \$100,000 per occurrence and excess insurance. The member counties are responsible for amounts within their deductibles for each claim, and the Pool is responsible for any difference remaining up to the \$100,000 self-insured retention. The reinsurance and excess insurance carriers cover all losses exceeding the greater of the Pool's retention or the member county's deductible to the maximum limits of their policies, presently either \$20 million or \$25 million depending upon the member county.

Claim reserves are established for the Pool's retention layer for both reported and unreported insured events and include estimates of the undiscounted future cash payments of losses and related claim adjustment expenses. The following table presents the changes in the Pool's aggregate claim reserves:

<b>FOR YEARS ENDING SEPTEMBER 30,</b>	<b>2005</b>	<b>2004</b>
Unpaid claims and claim adjustment expenses at year's beginning	\$11,349,474	\$10,182,042
Incurred claims and claim adjustment expenses:		
Provision for insured events of the current year	1,327,012	1,442,149
Change in provision for insured events of prior years	-1,057,001	1,608,619
Total incurred claims and claim adjustment expenses	\$11,619,485	\$13,232,810
Payments for claims and claim adjustments expenses:		
Attributable to insured events of the current year	0	68,432
Attributable to insured events of prior years	1,927,885	1,816,904
Total Payments	\$1,927,885	\$1,885,336
Total unpaid claims and claim adjustment expenses at year end	\$9,691,600	\$11,347,474

Member counties contract initially to remain in the Pool for five years, then annually with automatic renewals. Following the initial 5-year commitment, a county may terminate its Pool membership at the conclusion of any Pool fiscal year if the county has timely provided the required notice. Even after termination, a member county remains responsible for contributions to the Pool for any unresolved, unreported, and in-process claims from the period(s) that it was a signatory to the interlocal agreement.

Under RCW 48.62.141 and the interlocal agreement, contingent liability of participants in the program is established if a program's assets are insufficient to cover the program's liabilities. Deficits of the Pool are financed through retroactive assessments of the member counties. The Pool's overall reassessments receivable balance as of December 31, 2005 is \$1,621,429. Skagit County has not been subjected to any reassessments.

Claim settlements and loss expenses are accrued in the County's Liability Insurance Fund. This fund is responsible for collecting interfund premiums from insured funds and departments, and for paying risk pool premiums and claim settlements.

Revenues of the Insurance Services fund are derived from intergovernmental transfers for insurance premiums, actual claims incurred, defense costs and risk management activities. Funds that pay for either insurance or claims include the Current Expense Fund, County Road Funds, County Fair Fund, Solid Waste Operating Fund, and the Public Health Fund. In addition, money is sometimes recouped from insurance companies when a claim coverage dispute is resolved in favor of Skagit County.

Outstanding claims, not covered by the Washington Counties Risk Pool and where it is likely that a loss will occur, have been accrued as expenses with a corresponding liability in claims and judgments payable. Claim settlements have not exceeded insurance coverage for each of the past three fiscal years. The following schedule is a reconciliation between the current year's and the prior two year's claims liability:

GENERAL/AUTO LIABILITY AND PROERTY CLAIMS LIABILITY

Fiscal Year	Beginning Balance	Current Year Claims & Changes In Estimates	Claim Payments	Balance at End of Year
2003	\$206,945	\$502,265	\$31,757	\$677,453
2004	\$677,453	\$101,187	\$436,244	\$342,396
2005	\$342,396	\$530,680	\$737,090	\$135,986

**B. Other Insurance**

Employee on-the job injuries are covered by industrial insurance through 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 experience based, with base premiums adjusted for individual entity claims experience (modification multiplier).

The experience modification multiplier in 2003 was 1.25, in 2004 the modifier was 1.3937 and in 2005 the modifier is 1.4249. As of July 1997 the County joined the Washington Counties Retrospective Rating group, which could lead to future dividends, based on group and individual experience. The experience multiplier for the year 2006 will be 1.3977.

Unemployment claims are processed by the Washington State Department of Employment Security. Skagit County is self-insured for unemployment claims, meaning the County reimburses Washington State for actual claims paid. Beginning in 2004, the County created an Unemployment Compensation Fund. The Fund receives payments from operating funds and departments based on estimates of future claims in the form of a percentage of current wages. Payments to the Department of Employment Security will be made from the Unemployment Fund. Current assets set aside for these claims at December 31, 2005 are \$91,512. There are no significant claims outstanding at December 31, 2005.

The County is self-insured for dental insurance claims which are administered through a claims processing firm.



Instead of paying monthly premiums to an indemnity plan provider, a sum equal to a monthly premium is transferred to the Insurance Services Fund on a monthly basis. Payments are then made to the claims processing firm as service provider invoices are submitted. The claims processing firm has been Washington Dental Service since May 1, 1996. Administrative fees and charges totaled \$72,788.

The following schedule is a reconciliation between the current year's and prior two years' claims liability.

	<u>Beginning Balance</u>	<u>Current Year Charges &amp; Changes In Estimates</u>	<u>Claim Payments</u>	<u>Balance At Year End</u>
2003	\$108,339	\$805,467	\$794,614	\$119,192
2004	\$119,192	\$752,766	\$758,224	\$113,734
2005	\$113,734	\$691,497	\$700,201	\$105,030

In January 2003, the County began self-insuring for medical insurance claims for eligible County employees and eliminated its medical indemnity plan. The claims processing is administered by Premera Blue Cross. The County's health benefits broker, Acordia, has determined the amounts equal to a monthly premium. The amounts are transferred to the Insurance Services fund and payments are made to the claims processor as service provider invoices are submitted. An excess coverage insurance policy covers claims in excess of \$200,000 per claimant.

The policy cost was \$246,667 in 2005 and administrative fees and charges totaled \$653,481.

The following schedule is a reconciliation between the current year's and the prior years' claims liability.

	<u>Beginning Balance</u>	<u>Current Year Charges &amp; Changes In Estimates</u>	<u>Claim Payments</u>	<u>Balance At Year End</u>
2003	\$0	\$3,577,616	\$3,345,892	\$231,724
2004	\$231,724	\$5,082,162	\$4,394,415	\$919,471
2005	\$919,471	\$4,823,714	\$4,752,981	\$990,204

## **VIII. CONTINGENCIES AND LITIGATION**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

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 August, 2001, the Board of County Commissioners of Skagit County entered into a contingent loan agreement with the Housing Authority of Skagit County, a public body corporate and politic of the State of Washington. The Housing Authority had authorized the issuance of a line of credit revenue bond in the amount not to exceed \$350,000 at any one time, and being due May 31, 2005. The County and the Housing Authority have agreed that the County commits to make loans to the Authority to the extent necessary to make payments of the principal and interest on the bond when due, if the Authority is unable to do so. As of December 31, 2005, there have been no loans made by the County to the Housing Authority.

On March 24, 2003, the Board of County Commissioners of Skagit County entered into a contingent loan agreement with the Skagit Regional Public Facilities District, formed pursuant to RCW 36.100. The District has authorized the issuance and sale of limited sales tax obligation bonds in the aggregate principal amount of \$9,685,000. The County and the District entered into an interlocal agreement whereby the County agreed to lend to the District amounts sufficient, together with the sales tax and net operating revenues of the District, to pay all debt service on the bonds and any additional bonds. The aggregate principal amount of outstanding loans by the County is not to exceed \$10,000,000. The first bond payment date was on December 1, 2003. As of December 31, 2005, there have been no loans made by the County to the Public Facilities District.

## **IX. FUNDS**

### **Fund Additions:**

Fund 164, the Treasurer's Technology Fund, a Special Revenue fund became active in July 2005. The fund was established to collect and account for real estate excise tax fees authorized to be collected by RCW 82.45.180. The fees are to be expended exclusively for the development, implementation and maintenance of an electronic processing and reporting system for real estate excise tax affidavits.

Fund 165, the Homeless Housing and Assistance Fund, a Special Revenue fund became active in August 2005. The fund was established to collect and account for a new surcharge imposed on recorded documents. The funds are to be expended for very low income housing projects and administration.

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# NonMajor Governmental Funds



**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AS OF DECEMBER 31, 2005**

	Nonmajor Funds			Total
	Special Revenue	Debt Service	Capital Project	
<b>ASSETS</b>				
Cash/Cash Equivalents	\$5,141,933	\$10,698	\$962,041	\$6,114,671
Investments	2,879,453	917,920	375,000	4,172,372
Taxes Receivable	112,350	0	0	112,349
Accounts Receivable	100	1,547	0	1,647
Due From Other Funds	808,443	0	0	808,444
Due From Other Governmental Units	1,353,742	0	224,891	1,578,633
Interfund Loan Receivable	0	0	317,013	317,013
Inventory/Prepayments	181,805	0	0	181,805
<b>Total Assets</b>	<u><u>\$10,477,827</u></u>	<u><u>\$930,165</u></u>	<u><u>\$1,878,944</u></u>	<u><u>\$13,286,934</u></u>
<b>LIABILITIES AND FUND BALANCES</b>				
<u>Liabilities</u>				
Accounts/Vouchers Payable	\$959,478	\$0	\$29,217	\$988,692
Due To Other Funds	454,424	4,547	11,397	470,367
Due To Other Governmental Units	119,957	0	0	119,957
Accrued Wages Payable	199,174	0	0	199,176
Accrued Employee Benefits	63,626	0	0	63,625
Custodial Accounts	52,373	0	0	52,372
Deferred Revenue	108,208	0	0	108,207
Long-Term Interfund Loans Payable	539,000	0	317,013	856,013
<b>Total Liabilities</b>	<u><u>\$2,496,240</u></u>	<u><u>\$4,547</u></u>	<u><u>\$357,627</u></u>	<u><u>\$2,858,409</u></u>
<u>Fund Balance</u>				
Reserved for:				
Prepaid Items	\$32,571	\$0	\$0	\$32,570
Debt Service	0	925,618	0	925,618
Reserved for Petty Cash	39,400	0	0	39,400
Interfund Loan receivable	0	0	317,013	317,013
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	7,909,619	0	0	7,909,618
Capital Project Funds	0	0	1,204,304	1,204,304
<b>Total Fund Balances</b>	<u><u>\$7,981,594</u></u>	<u><u>\$925,618</u></u>	<u><u>\$1,521,317</u></u>	<u><u>\$10,428,523</u></u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$10,477,827</u></u>	<u><u>\$930,165</u></u>	<u><u>\$1,878,944</u></u>	<u><u>\$13,286,934</u></u>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	Non Major Funds			Total
	Special Revenue	Debt Service	Capital Project	
<u>Revenues</u>				
Taxes	\$6,680,074	\$0	\$2,206,316	\$8,886,390
Licenses and Permits	270,924	0	0	270,924
Intergovernmental	7,119,821	0	156,522	7,276,342
Charges for Services	2,082,100	0	22,415	2,104,512
Fines and Forfeits	165,473	0	0	165,473
Interest Earnings	68,040	68,055	8,869	144,960
Donations	277,180	0	0	277,180
Other Revenues	320,464	272,954	44	593,465
Total Revenues	<u>\$16,984,076</u>	<u>\$341,009</u>	<u>\$2,394,166</u>	<u>\$19,719,246</u>
<u>Expenditures</u>				
Current:				
General Governmental Services	\$630,019	\$0	\$0	\$630,019
Public Safety	6,642,584	0	0	6,642,584
Physical Environment	2,454,743	0	0	2,454,745
Transportation	42,003	0	0	42,005
Economic Environment	1,608,918	0	0	1,608,916
Health and Human Services	6,428,262	0	0	6,428,265
Culture and Recreation	2,224,552	0	0	2,224,551
Debt Service:				
Principal	0	556,609	0	556,609
Interest	13,034	507,758	0	520,792
Capital Outlay	1,633,673	0	4,168,866	5,802,538
Total Expenditures	<u>\$21,677,788</u>	<u>\$1,064,367</u>	<u>\$4,168,866</u>	<u>\$26,911,024</u>
Excess (Deficit) Revenues Over Expenditures	<u>(\$4,693,712)</u>	<u>(\$723,358)</u>	<u>(\$1,774,700)</u>	<u>(\$7,191,778)</u>
<u>Other Financing Sources (Uses)</u>				
<u>Interfund Loan receivable</u>				
Issuance of General Long-Term Debt	\$233,360	\$0	\$160,000	\$393,360
Proceeds of Capital Assets	0	0	268,000	268,000
Transfers In	5,403,943	949,833	2,301,424	8,655,200
Transfers Out	(55,480)	0	(2,520,987)	(2,576,467)
Total Other Financing Source (Uses)	<u>\$5,581,823</u>	<u>\$949,833</u>	<u>\$208,437</u>	<u>\$6,740,093</u>
Net Change in Fund Balance	<u>\$888,111</u>	<u>\$226,475</u>	<u>(\$1,566,263)</u>	<u>(\$451,685)</u>
Fund Balance-January 1	<u>\$7,093,481</u>	<u>\$699,145</u>	<u>\$3,087,580</u>	<u>\$10,880,204</u>
Fund Balance-December 31	<u><u>\$7,981,594</u></u>	<u><u>\$925,618</u></u>	<u><u>\$1,521,317</u></u>	<u><u>\$10,428,523</u></u>

## **SKAGIT COUNTY, WASHINGTON NONMAJOR SPECIAL REVENUE FUNDS**

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.

**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.

**Centennial Document 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.

**Mental Health/Developmental Disabilities Fund** - A fund established to coordinate assistance in conformance with State and Federal standards in the areas of mental health and developmental disabilities.

**Senior 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.

**Salmon Recovery** – 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 Witness Fund** - A fund established for the administration of the Victim/Witness Program.

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

**Best Place Fund** – A fund established to account for the implementation and operation of literacy programs made possible by a Department of Education grant to a local school district.

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

**Special Assessment Funds** - Special Assessment Funds in Skagit County are established to account for the financing for the on-going flood and drainage problems. Each property owner in the selective areas is apportioned an assessment on a per acre basis

*Sedro Woolley Lateral SFCZ*

*Blanchard SFCZ*

*Shangrila SFCZ*

*Britt Slough SFCZ*

*Hansen Creek SFCZ*

*Warner Prairie SFCZ*

*Mt. Vernon South SFCZ*

*Dunbar SFCZ*

*Sedro Wolley Flood*

*Similk Beach Pump Station SFCZ*

*Control District*

*Bryson Road SFCZ*

**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.

**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.

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

**Treasurer's Technology** - 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.

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



**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 1 of 12

<b>ASSETS:</b>	PUBLIC HEALTH	SPECIAL PATHS	EMERGENCY MANAGEMENT	COUNTY FAIR
Cash	\$767,991	\$248,406	\$77,006	\$25,605
Investments	216,918	347,795	0	0
Taxes receivable	0	0	0	0
Accounts receivable	0	0	0	0
Due from other funds	27,838	0	13,676	0
Due from another government unit	202,917	0	97,031	0
Inventory	111,154	0	0	0
Prepayments	30,788	0	3,999	1,218
<b>TOTAL ASSETS:</b>	<b><u>\$1,357,606</u></b>	<b><u>\$596,201</u></b>	<b><u>\$191,712</u></b>	<b><u>\$26,823</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$28,909	\$4,053	\$2,128	\$264
Due to other funds	11,012	594	4,303	2,542
Interfund loans payable	0	0	0	0
Due to other government units	0	0	0	0
Accrued wages	87,927	0	13,381	3,056
Custodial accounts	0	0	0	1,213
Deferred revenue	0	0	0	0
Accrued Employee Benefits	28,642	0	4,479	939
<b>TOTAL LIABILITIES</b>	<b><u>\$156,490</u></b>	<b><u>\$4,647</u></b>	<b><u>\$24,291</u></b>	<b><u>\$8,014</u></b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$650	\$0	\$0	\$150
Reserved for Prepayments	13,288	0	1,372	614
Unreserved, undesignated	1,187,178	591,554	166,049	18,046
<b>TOTAL FUND BALANCES</b>	<b><u>\$1,201,116</u></b>	<b><u>\$591,554</u></b>	<b><u>\$167,421</u></b>	<b><u>\$18,810</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$1,357,606</u></b>	<b><u>\$596,201</u></b>	<b><u>\$191,712</u></b>	<b><u>\$26,823</u></b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 2 of 12

<b>ASSETS:</b>	VETERANS RELIEF	LAW LIBRARY	RIVER IMPROVEMENT	TREASURER'S O&M
Cash	\$31,913	\$29,187	\$216,412	\$21,537
Investments	0	0	0	235,000
Taxes receivable	3,997	0	0	0
Accounts receivable	0	0	0	0
Due from other funds	0	0	753,227	0
Due from another government unit	0	0	122,916	0
Inventory	0	0	0	0
Prepayments	0	721	2,855	0
<b>TOTAL ASSETS:</b>	<b>\$35,910</b>	<b>\$29,908</b>	<b>\$1,095,410</b>	<b>\$256,537</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$3,603	\$6,183	\$78,063	\$340
Due to other funds	2,526	0	328,496	0
Interfund loans payable	0	0	400,000	0
Due to other government units	0	0	0	0
Accrued wages	0	1,397	7,860	0
Custodial accounts	0	0	8	0
Deferred revenue	3,997	0	0	0
Accrued Employee Benefits	0	498	2,337	0
<b>TOTAL LIABILITIES</b>	<b>\$10,126</b>	<b>\$8,078</b>	<b>\$816,764</b>	<b>\$340</b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$10,000	\$0	\$0	\$0
Reserved for Prepayments	0	424	1,370	0
Unreserved, undesignated	15,784	21,406	277,276	256,197
<b>TOTAL FUND BALANCES</b>	<b>\$25,784</b>	<b>\$21,830</b>	<b>\$278,646</b>	<b>\$256,197</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$35,910</b>	<b>\$29,908</b>	<b>\$1,095,410</b>	<b>\$256,537</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 3 of 12

<b>ASSETS:</b>	CENTENNIAL DOCUMENT	ELECTION SERVICES	PARKS & RECREATION	SUBSTANCE ABUSE SERVICES
Cash	\$115,282	\$318,862	\$650,060	\$72,695
Investments	289,316	0	0	0
Taxes receivable	0	0	0	0
Accounts receivable	0	0	0	0
Due from other funds	0	0	0	0
Due from another government unit	0	122,865	7,763	161,135
Inventory	0	0	0	0
Prepayments	0	2,183	12,560	979
<b>TOTAL ASSETS:</b>	<b>\$404,598</b>	<b>\$443,910</b>	<b>\$670,383</b>	<b>\$234,809</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$27,272	\$6,805	\$29,481	\$70,058
Due to other funds	0	0	11,748	11,556
Interfund loans payable	0	0	0	0
Due to other government units	0	0	0	63,000
Accrued wages	0	6,047	32,909	3,019
Custodial accounts	0	0	51,145	0
Deferred revenue	0	0	0	0
Accrued Employee Benefits	0	1,829	9,795	905
<b>TOTAL LIABILITIES</b>	<b>\$27,272</b>	<b>\$14,681</b>	<b>\$135,078</b>	<b>\$148,538</b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$0	\$0	\$2,500	\$0
Reserved for Prepayments	0	1,150	6,867	398
Unreserved, undesignated	377,326	428,078	525,938	85,873
<b>TOTAL FUND BALANCES</b>	<b>\$377,326</b>	<b>\$429,228</b>	<b>\$535,305</b>	<b>\$86,271</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$404,598</b>	<b>\$443,910</b>	<b>\$670,383</b>	<b>\$234,809</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 4 of 12

<b>ASSETS:</b>	DEVELOPMENTAL DISABILITY	SENIOR SERVICES	CONVENTION CENTER	SALMON RECOVERY
Cash	\$369,206	\$199,937	\$85,849	\$5,379
Investments	200,000	0	25,000	3,731
Taxes receivable	7,597	0	0	0
Accounts receivable	0	0	0	100
Due from other funds	0	0	0	9,155
Due from another government unit	85,507	14,916	0	75,192
Inventory	0	0	0	0
Prepayments	1,972	10,404	0	2,127
<b>TOTAL ASSETS:</b>	<b>\$664,282</b>	<b>\$225,257</b>	<b>\$110,849</b>	<b>\$95,684</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$82,555	\$13,180	\$46,815	\$13,256
Due to other funds	15,511	252	771	39,983
Interfund loans payable	0	0	0	0
Due to other government units	56,957	0	0	0
Accrued wages	5,505	27,942	0	6,683
Custodial accounts	0	0	0	7
Deferred revenue	7,597	0	0	0
Accrued Employee Benefits	1,932	10,052	0	1,631
<b>TOTAL LIABILITIES</b>	<b>\$170,057</b>	<b>\$51,426</b>	<b>\$47,586</b>	<b>\$61,560</b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$1,500	\$4,600	\$0	\$0
Reserved for Prepayments	633	4,225	0	1,211
Unreserved, undesignated	492,092	165,006	63,264	32,913
<b>TOTAL FUND BALANCES</b>	<b>\$494,225</b>	<b>\$173,831</b>	<b>\$63,264</b>	<b>\$34,124</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$664,282</b>	<b>\$225,257</b>	<b>\$110,849</b>	<b>\$95,684</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 5 of 12

<b>ASSETS:</b>	CONSERVATION FUTURES	MEDIC I SERVICES	CRIME/VICTIM SERVICES	COMMUNICATION SYSTEM
Cash	\$408,263	\$491,172	\$5,071	\$232,486
Investments	350,000	0	102,990	0
Taxes receivable	10,314	80,467	0	0
Accounts receivable	0	0	0	0
Due from other funds	0	0	0	0
Due from another government unit	463,500	0	0	0
Inventory	0	0	0	0
Prepayments	338		186	0
<b>TOTAL ASSETS:</b>	<b><u>\$1,232,415</u></b>	<b><u>\$571,639</u></b>	<b><u>\$108,247</u></b>	<b><u>\$232,486</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$382,173	\$77,716	\$75	\$0
Due to other funds	0	0	822	15,191
Interfund loans payable	0	0	0	0
Due to other government units	0	0	0	0
Accrued wages	1,721	0	698	0
Custodial accounts	0	0	0	0
Deferred revenue	10,314	80,467	0	0
Accrued Employee Benefits	337	0	186	0
<b>TOTAL LIABILITIES</b>	<b><u>\$394,545</u></b>	<b><u>\$158,183</u></b>	<b><u>\$1,781</u></b>	<b><u>\$15,191</u></b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$0	\$0	\$0	\$0
Reserved for Prepayments	186	0	77	0
Unreserved, undesignated	837,685	413,457	106,389	217,294
<b>TOTAL FUND BALANCES</b>	<b><u>\$837,871</u></b>	<b><u>\$413,457</u></b>	<b><u>\$106,466</u></b>	<b><u>\$217,294</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$1,232,415</u></b>	<b><u>\$571,639</u></b>	<b><u>\$108,247</u></b>	<b><u>\$232,486</u></b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 6 of 12

<b>ASSETS:</b>	BEST PLACE	WATER QUALITY	BRYSON ROAD SUB-FLOOD CONTROL	SEDRO WOOLLEY FLOOD CONTROL
Cash	\$65	\$0	\$6,898	\$28,610
Investments	0	0	18,668	243,836
Taxes receivable	0	0	164	745
Accounts receivable	0	0	0	0
Due from other funds	0	0	0	0
Due from another government unit	0	0	0	0
Inventory	0	0	0	0
Prepayments	0	0	0	0
<b>TOTAL ASSETS:</b>	<b>\$65</b>	<b>\$0</b>	<b>\$25,730</b>	<b>\$273,191</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$0	\$66,322	\$0	\$28
Due to other funds	0	0	0	0
Interfund loans payable	0	0	0	0
Due to other government units	0	0	0	0
Accrued wages	0	0	0	0
Custodial accounts	0	0	0	0
Deferred revenue	0	0	164	745
Accrued Employee Benefits	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>\$66,322</b>	<b>\$164</b>	<b>\$773</b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$0	\$0	\$0	\$0
Reserved for Prepayments	0	0	0	0
Unreserved, undesignated	65	(66,322)	25,566	272,419
<b>TOTAL FUND BALANCES</b>	<b>\$65</b>	<b>(\$66,322)</b>	<b>\$25,566</b>	<b>\$272,419</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$65</b>	<b>\$0</b>	<b>\$25,730</b>	<b>\$273,191</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 7 of 12

<b>ASSETS:</b>	BRITT SLOUGH FLOOD CONTROL	SEDRO WOOLLEY LATERAL SFCZ	MOUNT VERNON SOUTH SFCZ	DUNBAR SFCZ MAINTENANCE
Cash	\$4,566	\$326	\$84	\$6,556
Investments	80,093	1,657	58,108	7,912
Taxes receivable	474	0	0	0
Accounts receivable	0	0	0	0
Due from other funds	0	0	0	0
Due from another government unit	0	0	0	0
Inventory	0	0	0	0
Prepayments	0	0	0	0
<b>TOTAL ASSETS:</b>	<b>\$85,133</b>	<b>\$1,983</b>	<b>\$58,191</b>	<b>\$14,468</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Interfund loans payable	0	0	0	0
Due to other government units	0	0	0	0
Accrued wages	0	0	0	0
Custodial accounts	0	0	0	0
Deferred revenue	474	0	0	0
Accrued Employee Benefits	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>\$474</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$0	\$0	\$0	\$0
Reserved for Prepayments	0	0	0	0
Unreserved, undesignated	84,659	1,983	58,191	14,468
<b>TOTAL FUND BALANCES</b>	<b>\$84,659</b>	<b>\$1,983</b>	<b>\$58,191</b>	<b>\$14,468</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$85,133</b>	<b>\$1,983</b>	<b>\$58,191</b>	<b>\$14,468</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 8 of 12

	SIMILK BEACH PUMPING STATION	BLANCHARD SUB FLOOD CONTROL MT	SHANGRILA SUB FLOOD CONTROL	HANSEN CREEK SFCZ
<b>ASSETS:</b>				
Cash	\$0	\$4,373	\$132	\$1,482
Investments	0	18,876		0
Taxes receivable	0	217	4,142	170
Accounts receivable	0	0	0	0
Due from other funds	0	0	0	0
Due from another government unit	0	0	0	0
Inventory	0	0	0	0
Prepayments	0	0	0	0
<b>TOTAL ASSETS:</b>	<b>\$0</b>	<b>\$23,466</b>	<b>\$4,274</b>	<b>\$1,652</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$0	\$0	\$0	\$150
Due to other funds	0	0	0	0
Interfund loans payable	0	0	0	1,000
Due to other government units	0	0	0	0
Accrued wages	0	0	0	478
Custodial accounts	0	0	0	0
Deferred revenue	0	217	0	170
Accrued Employee Benefits	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>\$217</b>	<b>\$0</b>	<b>\$1,798</b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$0	\$0	\$0	\$0
Reserved for Prepayments	0	0	0	0
Unreserved, undesignated	0	23,249	4,274	(146)
<b>TOTAL FUND BALANCES</b>	<b>\$0</b>	<b>\$23,249</b>	<b>\$4,274</b>	<b>(\$146)</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$0</b>	<b>\$23,466</b>	<b>\$4,274</b>	<b>\$1,652</b>



**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

Page 9 of 12

<b>ASSETS:</b>	WARNER PRAIRIE SFCZ	LAKE MGMNT DISTRICT NO. 1	LAKE MGMNT DISTRICT NO. 2	LAKE MGMNT DISTRICT NO. 3
Cash	\$2,335	\$339	\$961	\$1,494
Investments	7,610	0	0	0
Taxes receivable	99	794	0	325
Accounts receivable	0	0	0	0
Due from other funds	0	0	0	0
Due from another government unit	0	0	0	0
Inventory	0	0	0	0
Prepayments	0	0	0	0
<b>TOTAL ASSETS:</b>	<b>\$10,044</b>	<b>\$1,133</b>	<b>\$961</b>	<b>\$1,819</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts/vouchers payable	\$0	\$6,300	\$0	\$0
Due to other funds	0	8,338	0	0
Interfund loans payable	0	87,000	34,000	17,000
Due to other government units	0	0	0	0
Accrued wages	0	127	127	127
Custodial accounts	0	0	0	0
Deferred revenue	99	794	0	325
Accrued Employee Benefits	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>\$99</b>	<b>\$102,559</b>	<b>\$34,127</b>	<b>\$17,452</b>
<b>FUND BALANCES:</b>				
Reserved for Petty Cash	\$0	\$0	\$0	\$0
Reserved for Prepayments	0	0	0	0
Unreserved, undesignated	9,946	(101,426)	(33,166)	(15,633)
<b>TOTAL FUND BALANCES</b>	<b>\$9,946</b>	<b>(\$101,426)</b>	<b>(\$33,166)</b>	<b>(\$15,633)</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$10,044</b>	<b>\$1,133</b>	<b>\$961</b>	<b>\$1,819</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

<b>ASSETS:</b>	EDISON CLEAN WATER SUB-AREA	DRUG ENFORCEMENT CUM. RESERVE	BOATING SAFETY
Cash	\$37,793	\$98,577	\$35,831
Investments	0	0	0
Taxes receivable	2,845	0	0
Accounts receivable	0	0	0
Due from other funds	4,547	0	0
Due from another government unit	0	0	0
Inventory	0	0	0
Prepayments	0	321	0
<b>TOTAL ASSETS:</b>	<b>\$45,185</b>	<b>\$98,898</b>	<b>\$35,831</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>LIABILITIES:</b>			
Accounts/vouchers payable	\$0	\$0	\$385
Due to other funds	0	0	493
Interfund loans payable	0	0	0
Due to other government units	0	0	0
Accrued wages	0	170	0
Custodial accounts	0	0	0
Deferred revenue	2,845	0	0
Accrued Employee Benefits	0	64	0
<b>TOTAL LIABILITIES</b>	<b>\$2,845</b>	<b>\$234</b>	<b>\$878</b>
<b>FUND BALANCES:</b>			
Reserved for Petty Cash	\$0	\$0	\$0
Reserved for Prepayments	0	756	0
Unreserved, undesignated	42,340	97,909	34,953
<b>TOTAL FUND BALANCES</b>	<b>\$42,340</b>	<b>\$98,665</b>	<b>\$34,953</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$45,185</b>	<b>\$98,898</b>	<b>\$35,831</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

<b>ASSETS:</b>	LOW INCOME HOUSING	TITLE III PROJECTS	TREASURERS REET
Cash	\$150,401	\$28,381	\$17,206
Investments	150,000	0	0
Taxes receivable	0	0	0
Accounts receivable	0	0	0
Due from other funds	0	0	0
Due from another government unit	0	0	0
Inventory	0	0	0
Prepayments	0	0	0
<b>TOTAL ASSETS:</b>	<b>\$300,401</b>	<b>\$28,381</b>	<b>\$17,206</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>LIABILITIES:</b>			
Accounts/vouchers payable	\$9,206	\$2,884	\$0
Due to other funds	286	0	0
Interfund loans payable	0	0	0
Due to other government units	0	0	0
Accrued wages	0	0	0
Custodial accounts	0	0	0
Deferred revenue	0	0	0
Accrued Employee Benefits	0	0	0
<b>TOTAL LIABILITIES</b>	<b>\$9,492</b>	<b>\$2,884</b>	<b>\$0</b>
<b>FUND BALANCES:</b>			
Reserved for Petty Cash	\$0	\$0	\$0
Reserved for Prepayments	0	0	0
Unreserved, undesignated	290,909	25,497	17,206
<b>TOTAL FUND BALANCES</b>	<b>\$290,909</b>	<b>\$25,497</b>	<b>\$17,206</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$300,401</b>	<b>\$28,381</b>	<b>\$17,206</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF DECEMBER 31, 2005**

<b>ASSETS:</b>	HOMELESS HOUSING ASSIST	INTERLOCAL INVESTIGATION CUM. RESERVE	2005 TOTALS
Cash	\$94,133	\$249,071	\$5,141,933
Investments	0	521,943	2,879,453
Taxes receivable	0	0	112,350
Accounts receivable	0	0	100
Due from other funds	0	0	808,443
Due from another government unit	0	0	1,353,742
Inventory	0	0	111,154
Prepayments	0	0	70,651
<b>TOTAL ASSETS:</b>	<b>\$94,133</b>	<b>\$771,014</b>	<b>\$10,477,827</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>LIABILITIES:</b>			
Accounts/vouchers payable	\$1,274	\$0	\$959,478
Due to other funds	0	0	454,424
Interfund loans payable	0	0	539,000
Due to other government units	0	0	119,957
Accrued wages	0	0	199,174
Custodial accounts	0	0	52,373
Deferred revenue	0	0	108,208
Accrued Employee Benefits	0	0	63,626
<b>TOTAL LIABILITIES</b>	<b>\$1,274</b>	<b>\$0</b>	<b>\$2,496,240</b>
<b>FUND BALANCES:</b>			
Reserved for Petty Cash	\$0	\$20,000	\$39,400
Reserved for Prepayments	0	0	32,571
Unreserved, undesignated	92,859	751,014	7,909,619
<b>TOTAL FUND BALANCES</b>	<b>\$92,859</b>	<b>\$771,014</b>	<b>\$7,981,594</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$94,133</b>	<b>\$771,014</b>	<b>\$10,477,827</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 1 of 12

<b>REVENUES:</b>	PUBLIC HEALTH	SPECIAL PATHS	EMERGENCY MANAGEMENT	COUNTY FAIR
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	250,894	0	20,030	0
Intergovernmental Revenue	2,217,598	140,395	758,241	36,881
Charges for Goods and Services	577,819	0	2,623	182,694
Fines and Forfeits	6,273	0	0	0
Interest Revenue	5,883	6,630	0	0
Donations	47,823	0	0	32,246
Miscellaneous Revenues	1,733	0	500	62,225
<b>TOTAL REVENUES</b>	<b>\$3,108,023</b>	<b>\$147,025</b>	<b>\$781,394</b>	<b>\$314,046</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$0	\$0	\$0	\$0
Security of Persons and Property	0	0	697,380	0
Utilities and Environment	0	0	0	0
Roads and Street Construction	0	42,003	0	0
Economic Environment	0	0	0	0
Mental/Physical Health	4,218,301	0	0	0
Culture and Recreation	0	0	0	449,899
Debt Service: Interest	0	0	0	0
Capitalized Expenditures	7,557	0	356,588	0
<b>TOTAL EXPENDITURES</b>	<b>\$4,225,858</b>	<b>\$42,003</b>	<b>\$1,053,968</b>	<b>\$449,899</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$1,117,835)</b>	<b>\$105,022</b>	<b>(\$272,574)</b>	<b>(\$135,853)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	1,000,000	0	315,738	134,656
Transfers Out	0	0	0	0
Issuance of Long-term Debt	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$1,000,000</b>	<b>\$0</b>	<b>\$315,738</b>	<b>\$134,656</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USE</b>	<b>(\$117,835)</b>	<b>\$105,022</b>	<b>\$43,164</b>	<b>(\$1,197)</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$1,318,951	\$486,532	\$124,257	\$20,007
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$1,201,116</b>	<b>\$591,554</b>	<b>\$167,421</b>	<b>\$18,810</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 2 of 12

<b>REVENUES:</b>	VETERANS RELIEF	LAW LIBRARY	RIVER IMPROVEMENT	TREASURER'S O&M
Taxes	\$117,312	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenue	11,708	0	160,177	0
Charges for Goods and Services	0	43,739	144	18,578
Fines and Forfeits	0	0	0	0
Interest Revenue	11	0	0	3,656
Donations	0	0	0	0
Miscellaneous Revenues	20	1,520	100,000	0
<b>TOTAL REVENUES</b>	<b>\$129,051</b>	<b>\$45,259</b>	<b>\$260,321</b>	<b>\$22,234</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$0	\$109,060	\$0	\$14,103
Security of Persons and Property	0	0	0	0
Utilities and Environment	0	0	1,219,901	0
Roads and Street Construction	0	0	0	0
Economic Environment	120,952	0	0	0
Mental/Physical Health	0	0	0	0
Culture and Recreation	0	0	0	0
Debt Service: Interest	0	0	13,034	0
Capitalized Expenditures	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$120,952</b>	<b>\$109,060</b>	<b>\$1,232,936</b>	<b>\$14,103</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$8,099</b>	<b>(\$63,801)</b>	<b>(\$972,615)</b>	<b>\$8,131</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	0	74,959	1,120,854	0
Transfers Out	0	0	0	0
Issuance of Long-term Debt	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$74,959</b>	<b>\$1,120,854</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USI</b>	<b>\$8,099</b>	<b>\$11,158</b>	<b>\$148,239</b>	<b>\$8,131</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$17,684	\$10,672	\$130,407	\$248,066
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$25,784</b>	<b>\$21,830</b>	<b>\$278,646</b>	<b>\$256,197</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 3 of 12

<b>REVENUES:</b>	CENTENNIAL DOCUMENT	ELECTION SERVICES	PARKS & RECREATION	ABUSE SERVICES
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenue	51,611	148,737	46,472	1,072,814
Charges for Goods and Services	64,734	254,146	550,967	0
Fines and Forfeits	0	0	0	0
Interest Revenue	7,162	0	0	0
Donations	0	0	14,162	0
Miscellaneous Revenues	0	70	93,100	0
<b>TOTAL REVENUES</b>	<b>\$123,507</b>	<b>\$402,953</b>	<b>\$704,701</b>	<b>\$1,072,814</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$40,793	\$381,169	\$0	\$0
Security of Persons and Property	0	0	401,061	0
Utilities and Environment	0	0	0	0
Roads and Street Construction	0	0	0	0
Economic Environment	0	0	0	0
Mental/Physical Health	0	0	0	1,027,842
Culture and Recreation	0	0	1,668,593	0
Debt Service: Interest	0	0	0	0
Capitalized Expenditures	27,272	154,553	22,091	0
<b>TOTAL EXPENDITURES</b>	<b>\$68,065</b>	<b>\$535,722</b>	<b>\$2,091,745</b>	<b>\$1,027,842</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$55,442</b>	<b>(\$132,769)</b>	<b>(\$1,387,044)</b>	<b>\$44,972</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	0	406,819	1,535,732	14,806
Transfers Out	0	0	0	0
Issuance of Long-term Debt	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$406,819</b>	<b>\$1,535,732</b>	<b>\$14,806</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USI</b>	<b>\$55,442</b>	<b>\$274,050</b>	<b>\$148,688</b>	<b>\$59,778</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$321,884	\$155,178	\$386,619	\$26,494
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$377,326</b>	<b>\$429,228</b>	<b>\$535,305</b>	<b>\$86,271</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 4 of 12

<b>REVENUES:</b>	DEVELOPMENTAL DISABILITY	SENIOR SERVICES	CONVENTION CENTER	SALMON RECOVERY
Taxes	\$226,020	\$0	\$128,592	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenue	992,111	506,409	0	149,334
Charges for Goods and Services	0	2,247	0	5,970
Fines and Forfeits	0	0	0	0
Interest Revenue	3,510	0	335	2,658
Donations	0	180,144	0	0
Miscellaneous Revenues	1,773	12,755	0	4,071
<b>TOTAL REVENUES</b>	<b>\$1,223,414</b>	<b>\$701,555</b>	<b>\$128,927</b>	<b>\$162,033</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$0	\$0	\$0	\$4,472
Security of Persons and Property	0	0	0	0
Utilities and Environment	0	0	0	527,119
Roads and Street Construction	0	0	0	0
Economic Environment	0	1,210,640	0	0
Mental/Physical Health	1,192,119	0	0	0
Culture and Recreation	0	0	106,060	0
Debt Service: Interest	0	0	0	0
Capitalized Expenditures	10,000	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$1,202,119</b>	<b>\$1,210,640</b>	<b>\$106,060</b>	<b>\$531,591</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$21,295</b>	<b>(\$509,085)</b>	<b>\$22,867</b>	<b>(\$369,558)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	58,400	560,791	0	117,962
Transfers Out	0	0	(5,000)	0
Issuance of Long-term Debt	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$58,400</b>	<b>\$560,791</b>	<b>(\$5,000)</b>	<b>\$117,962</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USI</b>	<b>\$79,695</b>	<b>\$51,706</b>	<b>\$17,867</b>	<b>(\$251,596)</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$414,529	\$122,124	\$45,395	\$285,720
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$494,225</b>	<b>\$173,831</b>	<b>\$63,264</b>	<b>\$34,124</b>



**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 5 of 12

<b>REVENUES:</b>	CONSERVATION FUTURES	MEDIC I SERVICES	CRIME/VICTIM SERVICES	COMMUNICATION SYSTEM
Taxes	\$603,777	\$2,413,417	\$0	\$2,972,360
Licenses & Permits	0	0	0	0
Intergovernmental Revenue	498,241	241,085	0	0
Charges for Goods and Services	0	0	72,760	0
Fines and Forfeits	0	0	0	0
Interest Revenue	3,775	229	2,956	0
Donations	2,805	0	0	0
Miscellaneous Revenues	103	413	0	0
<b>TOTAL REVENUES</b>	<b>\$1,108,701</b>	<b>\$2,655,144</b>	<b>\$75,715</b>	<b>\$2,972,360</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$0	\$0	\$77,815	\$0
Security of Persons and Property	0	2,570,921	0	2,746,442
Utilities and Environment	98,332	0	0	0
Roads and Street Construction	0	0	0	0
Economic Environment	0	0	0	0
Mental/Physical Health	0	0	0	0
Culture and Recreation	0	0	0	0
Debt Service: Interest	0	0	0	0
Capitalized Expenditures	1,054,338	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$1,152,670</b>	<b>\$2,570,921</b>	<b>\$77,815</b>	<b>\$2,746,442</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$43,969)</b>	<b>\$84,223</b>	<b>(\$2,100)</b>	<b>\$225,918</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Issuance of Long-term Debt	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$43,969)</b>	<b>\$84,223</b>	<b>(\$2,100)</b>	<b>\$225,918</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$881,841	\$329,233	\$108,566	(\$8,624)
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$881,841</b>	<b>\$329,233</b>	<b>\$108,566</b>	<b>(\$8,624)</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 6 of 12

<b>REVENUES:</b>	I BEST PLACE PROGRAM	WATER QUALITY	BRYSON ROAD SUB-FLOOD CONTROL	SEDRO WOOLLEY FLOOD CONTROL
Taxes	\$0	\$0	\$5,373	\$20,229
Licenses & Permits	0	0	0	0
Intergovernmental Revenue	0	0	0	0
Charges for Goods and Services	0	2,349	0	0
Fines and Forfeits	0	0	0	0
Interest Revenue	0	0	536	6,998
Donations	0	0	0	0
Miscellaneous Revenues	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$2,349</b>	<b>\$5,909</b>	<b>\$27,226</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$0	\$2,607	\$0	\$0
Security of Persons and Property	0	0	0	0
Utilities and Environment	0	436,243	837	3,081
Roads and Street Construction	0	0	0	0
Economic Environment	0	0	0	0
Mental/Physical Health	0	0	0	0
Culture and Recreation	0	0	0	0
Debt Service: Interest	0	0	0	0
Capitalized Expenditures	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$438,850</b>	<b>\$837</b>	<b>\$3,081</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>(\$436,501)</b>	<b>\$5,072</b>	<b>\$24,145</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Issuance of Long-term Debt	0	233,360	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$233,360</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$0</b>	<b>(\$203,141)</b>	<b>\$5,072</b>	<b>\$24,145</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$65	\$136,819	\$20,494	\$248,274
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$65</b>	<b>(\$66,322)</b>	<b>\$25,566</b>	<b>\$272,419</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 7 of 12

	Y BRITT SLOUGH FLOOD CONTROL	SEDRO WOOLLEY LATERAL SFCZ	MT. VERNON SOUTH SFCZ	DUNBAR SFCZ MAINTENANCE
<b>REVENUES:</b>				
Taxes	\$16,013	\$0	\$0	\$4,019
Licenses & Permits	0	0	0	0
Intergovernmental Revenue	0	0	0	0
Charges for Goods and Services	0	0	0	0
Fines and Forfeits	0	0	0	0
Interest Revenue	2,298	48	1,669	227
Donations	0	0	0	0
Miscellaneous Revenues	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$18,311</b>	<b>\$48</b>	<b>\$1,669</b>	<b>\$4,246</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$0	\$0	\$0	\$0
Security of Persons and Property	0	0	0	0
Utilities and Environment	24,940	0	185	457
Roads and Street Construction	0	0	0	0
Economic Environment	0	0	0	0
Mental/Physical Health	0	0	0	0
Culture and Recreation	0	0	0	0
Debt Service: Interest	0	0	0	0
Capitalized Expenditures	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$24,940</b>	<b>\$0</b>	<b>\$185</b>	<b>\$457</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$6,629)</b>	<b>\$48</b>	<b>\$1,484</b>	<b>\$3,789</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Issuance of Long-term Debt	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$6,629)</b>	<b>\$48</b>	<b>\$1,484</b>	<b>\$3,789</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$91,286	\$1,935	\$56,707	\$10,678
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$84,659</b>	<b>\$1,983</b>	<b>\$58,191</b>	<b>\$14,468</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 8 of 12

	SIMILK BEACH PUMPING STATION	BLANCHARD SUB FLOOD CONTROL MT	SHANGRILA SUB FLOOD CONTROL	HANSEN CREEK SFCZ
<b>REVENUES:</b>				
Taxes	\$0	\$7,955	\$0	\$22,357
Licenses & Permits	0	0	0	0
Intergovernmental Revenue	0	0	0	0
Charges for Goods and Services	0	0	0	0
Fines and Forfeits	0	0	0	0
Interest Revenue	0	542	119	0
Donations	0	0	0	0
Miscellaneous Revenues	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$8,497</b>	<b>\$119</b>	<b>\$22,357</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$0	\$0	\$0	\$0
Security of Persons and Property	0	0	0	0
Utilities and Environment	0	4,688	0	16,375
Roads and Street Construction	0	0	0	0
Economic Environment	0	0	0	0
Mental/Physical Health	0	0	0	0
Culture and Recreation	0	0	0	0
Debt Service: Interest	0	0	0	0
Capitalized Expenditures	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$4,688</b>	<b>\$0</b>	<b>\$16,375</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$3,809</b>	<b>\$119</b>	<b>\$5,982</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Issuance of Long-term Debt	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$0</b>	<b>\$3,809</b>	<b>\$119</b>	<b>\$5,982</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$0	\$19,440	\$4,154	(\$6,127)
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$0</b>	<b>\$23,249</b>	<b>\$4,274</b>	<b>(\$146)</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 9 of 12

<b>REVENUES:</b>	WARNER PRAIRIE SFCZ	LAKE MGMNT DISTRICT NO.1	LAKE MGMNT DISTRICT NO.2	LAKE MGMNT DISTRICT NO.3
Taxes	\$901	\$57,468	\$13,998	\$29,355
Licenses & Permits	0	0	0	0
Intergovernmental Revenue	0	0	0	0
Charges for Goods and Services	0	0	0	0
Fines and Forfeits	0	0	0	0
Interest Revenue	218	0	0	0
Donations	0	0	0	0
Miscellaneous Revenues	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$1,119</b>	<b>\$57,468</b>	<b>\$13,998</b>	<b>\$29,355</b>
<b>EXPENDITURES:</b>				
General Governmental Services	\$0	\$0	\$0	\$0
Security of Persons and Property	0	0	0	0
Utilities and Environment	328	67,943	13,073	22,105
Roads and Street Construction	0	0	0	0
Economic Environment	0	0	0	0
Mental/Physical Health	0	0	0	0
Culture and Recreation	0	0	0	0
Debt Service: Interest	0	0	0	0
Capitalized Expenditures	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$328</b>	<b>\$67,943</b>	<b>\$13,073</b>	<b>\$22,105</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$791</b>	<b>(\$10,475)</b>	<b>\$925</b>	<b>\$7,251</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	0	8,051	4,722	9,973
Transfers Out	0	0	0	0
Issuance of Long-term Debt	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$8,051</b>	<b>\$4,722</b>	<b>\$9,973</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$791</b>	<b>(\$2,424)</b>	<b>\$5,647</b>	<b>\$17,224</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$9,154	(\$99,001)	(\$38,813)	(\$32,856)
Prior Period Adjustment	0	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$9,946</b>	<b>(\$101,426)</b>	<b>(\$33,166)</b>	<b>(\$15,633)</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 10 of 12

<b>REVENUES:</b>	EDISON CLEAN WATER DISTRICT SUB-AREA	DRUG ENFORCEMENT CUM. RESERVE	BOATING SAFETY
Taxes	\$34,668	\$0	\$0
Licenses & Permits	0	0	0
Intergovernmental Revenue	0	6,000	71,061
Charges for Goods and Services	0	0	0
Fines and Forfeits	0	1,199	0
Interest Revenue	0	0	0
Donations	0	0	0
Miscellaneous Revenues	0	4,368	0
<b>TOTAL REVENUES</b>	<b>\$34,668</b>	<b>\$11,567</b>	<b>\$71,061</b>
<b>EXPENDITURES:</b>			
General Governmental Services	\$0	\$0	\$0
Security of Persons and Property	0	17,100	55,429
Utilities and Environment	19,136	0	0
Roads and Street Construction	0	0	0
Economic Environment	0	0	0
Mental/Physical Health	0	0	0
Culture and Recreation	0	0	0
Debt Service: Interest	0	0	0
Capitalized Expenditures	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$19,136</b>	<b>\$17,100</b>	<b>\$55,429</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$15,532</b>	<b>(\$5,533)</b>	<b>\$15,632</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers In	0	0	0
Transfers Out	0	0	0
Issuance of Long-term Debt	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USI</b>	<b>\$15,532</b>	<b>(\$5,533)</b>	<b>\$15,632</b>
<b>FUND BALANCES:</b>			
Fund Balance, January 1	\$26,809	\$104,197	\$19,321
Prior Period Adjustment	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$42,340</b>	<b>\$98,665</b>	<b>\$34,953</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 11 of 12

<b>REVENUES:</b>	LOW-INCOME HOUSING	TITLE III PROJECTS	TREASURER'S REET
Taxes	\$0	\$0	\$6,260
Licenses & Permits	0	0	0
Intergovernmental Revenue	0	0	10,946
Charges for Goods and Services	208,257	0	0
Fines and Forfeits	0	0	0
Interest Revenue	3,602	0	0
Donations	0	0	0
Miscellaneous Revenues	0	0	0
<b>TOTAL REVENUES</b>	<b>\$211,859</b>	<b>\$0</b>	<b>\$17,206</b>
<b>EXPENDITURES:</b>			
General Governmental Services	\$0	\$0	\$0
Security of Persons and Property	0	0	0
Utilities and Environment	0	0	0
Roads and Street Construction	0	0	0
Economic Environment	247,800	29,526	0
Mental/Physical Health	0	0	0
Culture and Recreation	0	0	0
Debt Service: Interest	0	0	0
Capitalized Expenditures	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$247,800</b>	<b>\$29,526</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$35,941)</b>	<b>(\$29,526)</b>	<b>\$17,206</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers In	0	0	0
Transfers Out	0	0	0
Issuance of Long-term Debt	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING US</b>	<b>(\$35,941)</b>	<b>(\$29,526)</b>	<b>\$17,206</b>
<b>FUND BALANCES:</b>			
Fund Balance, January 1	\$326,850	\$55,022	\$0
Prior Period Adjustment	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$290,909</b>	<b>\$25,497</b>	<b>\$17,206</b>

**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

Page 12 of 12

<b>REVENUES:</b>	HOMELESS HOUSING & ASSIST	INVESTIGATION CUM. RESERVE	2005 Totals
Taxes	\$0	\$0	\$6,680,074
Licenses & Permits	0	0	270,924
Intergovernmental Revenue	0	0	7,119,821
Charges for Goods and Services	94,133	940	2,082,100
Fines and Forfeits	0	158,001	165,473
Interest Revenue	0	14,978	68,040
Donations	0		277,180
Miscellaneous Revenues	0	37,813	320,464
<b>TOTAL REVENUES</b>	<b>\$94,133</b>	<b>\$211,732</b>	<b>\$16,984,076</b>
<b>EXPENDITURES:</b>			
General Governmental Services	\$0	\$0	\$630,019
Security of Persons and Property	0	154,251	6,642,584
Utilities and Environment	0	0	2,454,743
Roads and Street Construction	0	0	42,003
Economic Environment	0	0	1,608,918
Mental/Physical Health	0	0	6,428,262
Culture and Recreation	0	0	2,224,552
Debt Service: Interest	0	0	13,034
Capitalized Expenditures	1,274	0	1,633,673
<b>TOTAL EXPENDITURES</b>	<b>\$1,274</b>	<b>\$154,251</b>	<b>\$21,677,788</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$92,859</b>	<b>\$57,481</b>	<b>(\$4,693,712)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers In	0	40,480	\$5,403,943
Transfers Out	0	(40,480)	(55,480)
Issuance of Long-term Debt	0	0	233,360
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,581,823</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING US</b>	<b>\$92,859</b>	<b>\$57,481</b>	<b>\$888,111</b>
<b>FUND BALANCES:</b>			
Fund Balance, January 1	\$0	\$713,534	7,093,481
Prior Period Adjustment	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$92,859</b>	<b>\$771,014</b>	<b>\$7,981,594</b>



# 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, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Licenses & Permits	\$229,973	\$229,973	\$250,894	\$20,921
Intergovernmental Revenue	1,207,506	2,098,961	2,217,598	118,637
Charges for Goods and Services	445,755	445,755	577,819	132,064
Fines and Forfeits	3,000	3,000	6,273	3,273
Interest Revenue	4,000	4,000	5,883	1,883
Donations	81,050	81,050	47,823	(33,227)
Miscellaneous Revenues	200	200	1,733	1,533
<b>TOTAL REVENUES</b>	<b>\$1,971,484</b>	<b>\$2,862,939</b>	<b>\$3,108,023</b>	<b>\$245,084</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$2,150,641	\$2,190,631	\$2,166,339	\$24,292
Personnel Benefits	674,119	677,745	628,453	49,292
Supplies	238,016	1,046,416	1,087,201	(40,785)
Services and Charges	366,628	445,823	303,533	142,290
Capital Outlays	10,000	10,000	7,557	2,443
Interfund Payments for Services	30,754	30,754	32,776	
<b>TOTAL EXPENDITURES</b>	<b>\$3,470,158</b>	<b>\$4,401,369</b>	<b>\$4,225,858</b>	<b>\$177,532</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$1,498,674)</b>	<b>(\$1,538,430)</b>	<b>(\$1,117,835)</b>	<b>\$420,595</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$1,000,000	\$1,000,000	\$1,000,000	\$0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$498,674)</b>	<b>(\$538,430)</b>	<b>(\$117,835)</b>	<b>\$420,595</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$925,434	\$925,434	\$1,318,951	\$393,517
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$426,761</b>	<b>\$387,005</b>	<b>\$1,201,116</b>	<b>\$814,112</b>

**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, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$140,000	\$140,000	\$140,395	395
Interest Revenue	500	500	6,630	6,130
<b>TOTAL REVENUES</b>	<b>\$140,500</b>	<b>\$140,500</b>	<b>\$147,025</b>	<b>\$6,525</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$5,000	\$5,000	\$371	\$4,629
Personnel Benefits	2,248	2,248	89	2,159
Supplies	5,000	5,000	38,888	(33,888)
Services and Charges	0	0	2,061	(2,061)
Intergovernmental Services/Interfund Payments	14,452	14,452		
Capital Outlays	120,000	120,000	0	120,000
Interfund Payments for Services	750	750	594	156
<b>TOTAL EXPENDITURES</b>	<b>\$147,450</b>	<b>\$147,450</b>	<b>\$42,003</b>	<b>\$90,995</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$6,950)</b>	<b>(\$6,950)</b>	<b>\$105,022</b>	<b>\$111,972</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$373,807	\$373,807	\$486,532	\$112,725
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$366,857</b>	<b>\$366,857</b>	<b>\$591,554</b>	<b>\$224,698</b>

**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, 2005**

Interfund Loan Receivable : Code	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Licenses & Permits	\$15,000	\$15,000	\$20,030	\$5,030
Intergovernmental Revenue	723,472	944,282	758,241	(186,041)
Charges for Goods and Services	25,895	25,895	2,623	(23,272)
Miscellaneous Revenue	0	0	500	500
<b>TOTAL REVENUES</b>	<b>\$764,367</b>	<b>\$985,177</b>	<b>\$781,394</b>	<b>(\$203,783)</b>
<b>ACTIV Code</b>				
<b>EXPENDITURES:</b>				
Salaries and Wages	\$461,087	\$461,087	\$363,513	\$97,574
Personnel Benefits	136,782	136,782	106,835	29,947
Supplies	120,110	152,610	113,774	38,836
Services and Charges	200,667	222,931	60,180	162,751
Capital Outlays	85,343	241,277	356,588	(115,311)
Interfund Payments for Services	101,228	101,228	53,079	48,149
<b>TOTAL EXPENDITURES</b>	<b>\$1,105,217</b>	<b>\$1,315,915</b>	<b>\$1,053,968</b>	<b>\$261,946</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$340,850)</b>	<b>(\$330,738)</b>	<b>(\$272,574)</b>	<b>\$58,164</b>
Interfund Loan receivable				
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$315,738	\$315,738	\$315,738	\$0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$315,738</b>	<b>\$315,738</b>	<b>\$315,738</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$25,112)</b>	<b>(\$15,000)</b>	<b>\$43,164</b>	<b>\$58,164</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$56,848	\$56,848	\$124,257	\$67,409
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$31,736</b>	<b>\$41,848</b>	<b>\$167,421</b>	<b>\$125,574</b>

# SKAGIT COUNTY, WASHINGTON

## County Fair

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

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2005

				Variance with Final Budget
	Original Budget	Final Budget	ACTUAL	Positive/ (Negative)
Interfund Loan Receivable				
<b>REVENUES:</b>				
Intergovernmental Revenue	\$37,417	\$37,417	\$36,881	(\$536)
Charges for Goods and Services	192,950	192,950	182,694	(10,256)
Donations	26,000	32,000	32,246	246
Miscellaneous Revenues	34,000	64,000	62,225	(1,775)
<b>TOTAL REVENUES</b>	<b>\$290,367</b>	<b>\$326,367</b>	<b>\$314,046</b>	<b>(\$12,321)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$89,238	\$99,238	\$95,369	\$3,869
Personnel Benefits	29,708	29,708	29,243	465
Supplies	40,000	66,000	58,046	7,954
Services and Charges	241,100	241,100	251,393	(10,293)
Interfund Payments for Services	19,977	19,977	15,849	4,128
<b>TOTAL EXPENDITURES</b>	<b>\$420,023</b>	<b>\$456,023</b>	<b>\$449,899</b>	<b>\$6,123</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$129,656)</b>	<b>(\$129,656)</b>	<b>(\$135,853)</b>	<b>(\$6,197)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund Loan receivable				
Transfers In	\$129,656	\$129,656	\$134,656	\$5,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$129,656</b>	<b>\$129,656</b>	<b>\$134,656</b>	<b>\$5,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,197)</b>	<b>(\$1,197)</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$11,493	\$11,493	\$20,007	\$8,514
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$11,493</b>	<b>\$11,493</b>	<b>\$18,810</b>	<b>\$7,316</b>

# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$115,900	\$115,900	\$117,312	\$1,412
Intergovernmental Revenue	10,000	10,000	11,708	1,708
Interest Revenue	0	0	11	11
Miscellaneous Revenues	0	0	20	20
<b>TOTAL REVENUES</b>	<b>\$125,900</b>	<b>\$125,900</b>	<b>\$129,051</b>	<b>\$3,151</b>
<b>EXPENDITURES:</b>				
Services and Charges	\$125,200	\$123,400	\$118,426	\$4,974
Interfund Payments for Services	2,500	2,500	2,526	(26)
<b>TOTAL EXPENDITURES</b>	<b>\$127,700</b>	<b>\$125,900</b>	<b>\$120,952</b>	<b>\$4,948</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$1,800)</b>	<b>\$0</b>	<b>\$8,099</b>	<b>\$8,099</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$13,656	\$13,656	\$17,684	\$4,028
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$11,856</b>	<b>\$13,656</b>	<b>\$25,784</b>	<b>\$12,127</b>

# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Charges for Goods and Services	\$42,000	\$42,000	\$43,739	\$1,739
Donations	\$200	\$200	\$0	(200)
Miscellaneous Revenues	300	300	1,520	1,220
<b>TOTAL REVENUES</b>	<b>\$42,500</b>	<b>\$42,500</b>	<b>\$45,259</b>	<b>\$2,759</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$33,914	\$33,914	\$35,495	(\$1,581)
Personnel Benefits	14,519	14,519	11,771	2,748
Supplies	9,700	9,700	4,743	4,957
Services and Charges	65,500	65,500	55,389	10,111
Interfund Payments for Services	0	0	1,662	(1,662)
<b>TOTAL EXPENDITURES</b>	<b>\$123,633</b>	<b>\$123,633</b>	<b>\$109,060</b>	<b>\$14,573</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$81,133)</b>	<b>(\$81,133)</b>	<b>(\$63,801)</b>	<b>\$17,332</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$74,959	\$74,959	\$74,959	\$0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$74,959</b>	<b>\$74,959</b>	<b>\$74,959</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$6,174)</b>	<b>(\$6,174)</b>	<b>\$11,158</b>	<b>\$17,332</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$14,227	\$14,227	\$10,672	(\$3,555)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$8,053</b>	<b>\$8,053</b>	<b>\$21,830</b>	<b>\$13,776</b>

# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$875,000	\$875,000	\$160,177	(\$714,823)
Charges for Goods and Services	0	0	144	144
Interest	0	0	100,000	100,000
Miscellaneous Revenue	75,000	75,000	0	(75,000)
<b>TOTAL REVENUES</b>	<b>\$950,000</b>	<b>\$950,000</b>	<b>\$260,321</b>	<b>(\$689,679)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$267,927	\$267,927	\$188,589	\$79,338
Personnel Benefits	76,455	76,455	55,175	21,280
Supplies	7,500	7,500	3,267	4,233
Services and Charges	1,534,335	1,294,335	638,359	655,976
Intergovernmental Services/Interfund Payments	0	0	(3)	3
Debt Service: Interest	0	0	13,034	(13,034)
Interfund Payments for Services	34,450	274,450	334,514	(60,064)
<b>TOTAL EXPENDITURES</b>	<b>\$1,920,667</b>	<b>\$1,920,667</b>	<b>\$1,232,936</b>	<b>\$687,732</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$970,667)</b>	<b>(\$970,667)</b>	<b>(\$972,615)</b>	<b>(\$1,948)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$842,198	\$842,198	\$1,120,854	\$278,656
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$842,198</b>	<b>\$842,198</b>	<b>\$1,120,854</b>	<b>\$278,656</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$128,469)</b>	<b>(\$128,469)</b>	<b>\$148,239</b>	<b>\$276,708</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$21,520	\$21,520	\$130,407	\$108,887
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$106,949)</b>	<b>(\$106,949)</b>	<b>\$278,646</b>	<b>\$385,595</b>

**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, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$60,000	\$60,000	\$51,611	(\$8,389)
Charges for Goods and Services	45,000	45,000	64,734	19,734
Interest Revenue	2,500	2,500	7,162	4,662
<b>TOTAL REVENUES</b>	<b>\$107,500</b>	<b>\$107,500</b>	<b>\$123,507</b>	<b>\$16,007</b>
<b>EXPENDITURES:</b>				
Supplies	\$2,250	\$2,250	\$0	\$2,250
Services and Charges	25,000	75,000	32,680	42,320
Capital Outlays	0	0	27,272	(27,272)
Interfund Payments for Services	0	0	8,113	(8,113)
<b>TOTAL EXPENDITURES</b>	<b>\$27,250</b>	<b>\$77,250</b>	<b>\$68,065</b>	<b>\$9,185</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$80,250</b>	<b>\$30,250</b>	<b>\$55,442</b>	<b>\$25,192</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$269,330	\$269,330	\$321,884	\$52,554
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$349,580</b>	<b>\$299,580</b>	<b>\$377,326</b>	<b>\$77,746</b>



# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$0	\$313,000	\$148,737	(\$164,263)
Charges for Goods and Services	\$191,500	\$191,500	\$254,146	62,646
Miscellaneous Revenues	1,000	1,000	70	(930)
<b>TOTAL REVENUES</b>	<b>\$192,500</b>	<b>\$505,500</b>	<b>\$402,953</b>	<b>(\$102,547)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$234,945	\$234,945	\$164,544	\$70,401
Personnel Benefits	45,095	45,095	43,972	1,123
Supplies	60,160	60,160	20,622	39,538
Services and Charges	209,841	209,841	151,277	58,564
Capital Outlays	0	313,000	154,553	158,447
Interfund Payments for Services	1,510	1,510	754	756
<b>TOTAL EXPENDITURES</b>	<b>\$551,551</b>	<b>\$864,551</b>	<b>\$535,722</b>	<b>\$328,829</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$359,051)</b>	<b>(\$359,051)</b>	<b>(\$132,769)</b>	<b>\$226,282</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$406,819	\$406,819	\$406,819	\$0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$406,819</b>	<b>\$406,819</b>	<b>\$406,819</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$47,768</b>	<b>\$47,768</b>	<b>\$274,050</b>	<b>\$226,282</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$230,676	\$230,676	\$155,178	(\$75,498)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$278,444</b>	<b>\$278,444</b>	<b>\$429,228</b>	<b>\$150,784</b>

# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$63,557	\$63,557	\$46,472	(\$17,085)
Charges for Goods and Services	473,693	473,693	550,967	77,274
Donations	13,300	13,300	14,162	862
Miscellaneous Revenues	85,250	85,250	93,100	7,850
<b>TOTAL REVENUES</b>	<b>\$635,800</b>	<b>\$635,800</b>	<b>\$704,701</b>	<b>\$68,901</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$1,295,156	\$1,324,656	\$1,195,285	\$129,371
Personnel Benefits	\$325,587	327,921	294,206	33,715
Supplies	146,447	146,447	143,275	3,172
Services and Charges	276,960	276,960	324,122	(47,162)
Capital Outlays	22,600	22,600	22,091	509
Interfund Payments for Services	104,782	104,782	112,767	(7,985)
<b>TOTAL EXPENDITURES</b>	<b>\$2,171,532</b>	<b>\$2,203,366</b>	<b>\$2,091,745</b>	<b>\$111,620</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$1,535,732)</b>	<b>(\$1,567,566)</b>	<b>(\$1,387,044)</b>	<b>\$180,522</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$1,535,732	\$1,535,732	\$1,535,732	\$0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$1,535,732</b>	<b>\$1,535,732</b>	<b>\$1,535,732</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$0</b>	<b>(\$31,834)</b>	<b>\$148,688</b>	<b>\$180,522</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$276,444	\$276,444	\$386,619	\$110,175
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$276,444</b>	<b>\$244,610</b>	<b>\$535,305</b>	<b>\$290,698</b>

**SKAGIT COUNTY, WASHINGTON**  
**Substance Abuse Services**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$975,612	\$1,060,612	\$1,072,814	\$12,202
Miscellaneous Revenues	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$975,612</b>	<b>\$1,060,612</b>	<b>\$1,072,814</b>	<b>\$12,202</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$44,328	\$44,328	\$49,353	(\$5,025)
Personnel Benefits	15,373	15,373	16,321	(948)
Supplies	500	500	953	(453)
Services and Charges	915,547	1,000,547	951,277	49,270
Interfund Payments for Services	10,500	10,500	9,935	565
<b>TOTAL EXPENDITURES</b>	<b>\$986,248</b>	<b>\$1,071,248</b>	<b>\$1,027,842</b>	<b>\$43,409</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$10,636)</b>	<b>(\$10,636)</b>	<b>\$44,972</b>	<b>\$55,608</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$13,000	\$13,000	\$14,806	\$1,806
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$13,000</b>	<b>\$13,000</b>	<b>\$14,806</b>	<b>\$1,806</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$2,364</b>	<b>\$2,364</b>	<b>\$59,778</b>	<b>\$57,414</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$0	\$0	\$26,494	\$26,494
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$2,364</b>	<b>\$2,364</b>	<b>\$86,271</b>	<b>\$83,909</b>

**SKAGIT COUNTY, WASHINGTON**  
**Developmental Disability**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$224,225	\$224,225	\$226,020	\$1,795
Intergovernmental Revenues	896,112	971,112	992,111	20,999
Interest Revenue	10	10	3,510	3,500
Miscellaneous Revenues	40	40	1,773	1,733
<b>TOTAL REVENUES</b>	<b>\$1,120,387</b>	<b>\$1,195,387</b>	<b>\$1,223,414</b>	<b>\$28,027</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$161,797	\$125,106	\$123,745	\$1,361
Personnel Benefits	32,908	28,583	28,733	(150)
Supplies	4,750	4,750	940	3,810
Services and Charges	954,805	1,029,805	1,023,190	6,615
Intergovernmental Services/Interfund Payments	10,000	10,000 *		10,000
Interfund Payments for Services	25,000	25,000	15,511	9,489
<b>TOTAL EXPENDITURES</b>	<b>\$1,189,260</b>	<b>\$1,223,244</b>	<b>\$1,192,119</b>	<b>\$31,125</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$68,873)</b>	<b>(\$27,857)</b>	<b>\$31,295</b>	<b>\$59,152</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$58,400	\$58,400	\$58,400	\$0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$58,400</b>	<b>\$58,400</b>	<b>\$58,400</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$10,473)</b>	<b>\$30,543</b>	<b>\$89,695</b>	<b>\$59,152</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$225,686	\$225,686	\$414,529	\$188,843
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$215,213</b>	<b>\$256,229</b>	<b>\$504,225</b>	<b>\$247,994</b>

# SKAGIT COUNTY, WASHINGTON

## Senior Services

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

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$440,607	\$484,918	\$506,409	\$21,491
Charges for Goods and Services	730	730	2,247	1,517
Donations	227,466	214,057	180,144	(33,913)
Miscellaneous Revenues	10,502	10,502	12,755	2,253
<b>TOTAL REVENUES</b>	<b>\$679,305</b>	<b>\$710,207</b>	<b>\$701,555</b>	<b>(\$8,652)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$647,299	\$653,346	\$651,941	\$1,405
Personnel Benefits	213,956	228,852	215,680	13,172
Supplies	253,127	258,848	234,454	24,394
Services and Charges	114,603	117,056	105,629	11,427
Interfund Payments for Services	11,111	8,466	2,936	5,530
<b>TOTAL EXPENDITURES</b>	<b>\$1,240,096</b>	<b>\$1,266,568</b>	<b>\$1,210,640</b>	<b>\$55,928</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$560,791)</b>	<b>(\$556,361)</b>	<b>(\$509,085)</b>	<b>\$47,276</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$560,791	\$556,361	\$560,791	\$4,430
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$560,791</b>	<b>\$556,361</b>	<b>\$560,791</b>	<b>\$4,430</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$51,706</b>	<b>\$51,706</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$150,848	\$150,848	\$122,124	(\$28,724)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$150,848</b>	<b>\$150,848</b>	<b>\$173,831</b>	<b>\$22,982</b>

**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, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$105,000	\$105,000	\$128,592	\$23,592
Interest Revenue	500	500	335	(165)
<b>TOTAL REVENUES</b>	<b>\$105,500</b>	<b>\$105,500</b>	<b>\$128,927</b>	<b>\$23,427</b>
<b>EXPENDITURES:</b>				
Other Services and Charges	\$94,900	\$113,773	\$105,289	\$8,484
Intergovernmental Services/Interfund Payments		\$5,000	\$5,000	0
Interfund Payments for Services	600	600	771	(171)
<b>TOTAL EXPENDITURES</b>	<b>\$95,500</b>	<b>\$119,373</b>	<b>\$111,060</b>	<b>\$8,313</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$10,000</b>	<b>(\$13,873)</b>	<b>\$17,867</b>	<b>\$31,740</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$48,642	\$48,642	\$45,395	(\$3,247)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$58,642</b>	<b>\$34,769</b>	<b>\$63,264</b>	<b>\$28,493</b>

# SKAGIT COUNTY, WASHINGTON

## Salmon Recovery

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

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget
				Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$158,295	\$158,295	\$149,334	(\$8,961)
Charges for Goods and Services	17,453	17,453	5,970	(11,483)
Interest Revenue	0	0	2,658	2,658
Miscellaneous Revenues	0	0	4,071	4,071
<b>TOTAL REVENUES</b>	<b>\$175,748</b>	<b>\$175,748</b>	<b>\$162,033</b>	<b>(\$13,715)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$247,501	\$247,501	\$196,139	\$51,362
Personnel Benefits	61,617	61,617	49,743	11,874
Supplies	22,000	22,000	6,298	15,702
Services and Charges	239,000	239,000	219,986	19,014
Intergovernmental Services/Interfund Payments	0	0	35	(35)
Interfund Payments for Services	74,500	74,500	59,391	15,109
<b>TOTAL EXPENDITURES</b>	<b>\$644,618</b>	<b>\$644,618</b>	<b>\$531,591</b>	<b>\$113,026</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$468,870)</b>	<b>(\$468,870)</b>	<b>(\$369,558)</b>	<b>\$99,312</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$236,244	\$236,244	\$117,962	(\$118,282)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$236,244</b>	<b>\$236,244</b>	<b>\$117,962</b>	<b>(\$118,282)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$236,244</b>	<b>\$236,244</b>	<b>(\$251,596)</b>	<b>(\$118,282)</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$523,536	\$523,536	\$285,720	(\$237,816)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$54,666</b>	<b>\$54,666</b>	<b>\$34,124</b>	<b>(\$138,506)</b>

# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$611,725	\$611,725	\$603,777	(\$7,948)
Intergovernmental Revenue	440,000	440,000	498,241	58,241
Interest Revenue	3,000	3,000	3,775	775
Donations	0	0	103	103
Miscellaneous Revenues	0	0	2,805	2,805
<b>TOTAL REVENUES</b>	<b>\$1,054,725</b>	<b>\$1,054,725</b>	<b>\$1,108,701</b>	<b>\$53,976</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$46,677	\$46,677	\$42,512	\$4,165
Personnel Benefits	10,693	10,693	8,298	2,395
Supplies	3,750	3,750	884	2,866
Services and Charges	63,000	63,000	46,639	16,361
Capital Outlays	1,420,608	1,420,608	1,054,338	366,270
<b>TOTAL EXPENDITURES</b>	<b>\$1,544,728</b>	<b>\$1,544,728</b>	<b>\$1,152,670</b>	<b>\$392,057</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$490,003)</b>	<b>(\$490,003)</b>	<b>(\$43,969)</b>	<b>\$446,034</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$1,038,680	\$1,038,680	\$881,841	(\$156,839)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$548,677</b>	<b>\$548,677</b>	<b>\$837,871</b>	<b>\$289,195</b>



# SKAGIT COUNTY, WASHINGTON

## Medic 1 Services

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

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$2,312,000	\$2,382,000	\$2,413,417	\$31,417
Intergovernmental Revenues	200,000	200,000	241,085	41,085
Interest Revenue	100	100	229	129
Miscellaneous Revenues	400	400	413	13
<b>TOTAL REVENUES</b>	<b>\$2,512,500</b>	<b>\$2,582,500</b>	<b>\$2,655,144</b>	<b>\$72,644</b>
<b>EXPENDITURES:</b>				
Services and Charges	\$844,420	\$914,420	\$932,590	(\$18,170)
Intergovernmental Services/Interfund Payments	1,668,080	1,668,080	1,638,331	29,749
<b>TOTAL EXPENDITURES</b>	<b>\$2,512,500</b>	<b>\$2,582,500</b>	<b>\$2,570,921</b>	<b>\$11,579</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$84,223</b>	<b>\$84,223</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	(\$146,359)	(\$146,359)	\$329,233	\$475,592
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$146,359)</b>	<b>(\$146,359)</b>	<b>\$413,457</b>	<b>\$559,815</b>

# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Charges for Goods and Services	\$73,500	\$73,500	\$72,760	(\$740)
Miscellaneous Revenues	0	0	2,956	2,956
<b>TOTAL REVENUES</b>	<b>\$73,500</b>	<b>\$73,500</b>	<b>\$75,715</b>	<b>\$2,216</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	0	13,718	\$15,372	\$1,654
Personnel Benefits	0	7,530	4,194	(\$3,336)
Supplies	10,000	10,000	3,159	\$6,841
Services and Charges	7,150	7,150	4,268	2,882
Interfund Payments for Services	60,000	50,000	50,822	(822)
<b>TOTAL EXPENDITURES</b>	<b>\$77,150</b>	<b>\$88,398</b>	<b>\$77,815</b>	<b>\$7,219</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$3,650)</b>	<b>(\$14,898)</b>	<b>(\$2,100)</b>	<b>\$12,798</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$154,694	\$154,694	\$108,566	(\$46,128)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$151,044</b>	<b>\$139,796</b>	<b>\$106,466</b>	<b>(\$33,330)</b>

**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, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$2,575,000	\$3,010,000	\$2,972,360	(\$37,640)
<b>TOTAL REVENUES</b>	<b>\$2,575,000</b>	<b>\$3,010,000</b>	<b>\$2,972,360</b>	<b>(\$37,640)</b>
<b>EXPENDITURES:</b>				
Services and Charges	\$2,572,800	\$3,007,800	\$2,731,251	\$276,549
Interfund Payments for Services	2,200	2,200	15,191	(12,991)
<b>TOTAL EXPENDITURES</b>	<b>\$2,575,000</b>	<b>\$3,010,000</b>	<b>\$2,746,442</b>	<b>\$263,558</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$225,918</b>	<b>\$225,918</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$112,409	\$112,409	(\$8,624)	(\$121,033)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$112,409</b>	<b>\$112,409</b>	<b>\$217,294</b>	<b>\$104,885</b>

# SKAGIT COUNTY, WASHINGTON

## Best Place

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

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
TOTAL REVENUES	\$0	\$0	\$0	\$0
<b>EXPENDITURES:</b>				
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$0	\$0	\$0	\$0
<b>OTHER FINANCING SOURCES (USES):</b>				
TOTAL OTHER FINANCING SOURCES (USES)	\$0	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$0	\$0	\$0	\$0
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$0	\$0	\$65	\$65
FUND BALANCE, DECEMBER 31	\$0	\$0	\$65	\$65

# SKAGIT COUNTY, WASHINGTON

## Water Quality

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

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Charges for Goods and Services	\$7,500	\$7,500	\$2,349	(\$5,151)
<b>TOTAL REVENUES</b>	<b>\$7,500</b>	<b>\$7,500</b>	<b>\$2,349</b>	<b>(\$5,151)</b>
<b>EXPENDITURES:</b>				
Other Services and Charges	\$507,500	\$507,500	\$438,850	\$68,650
<b>TOTAL EXPENDITURES</b>	<b>\$507,500</b>	<b>\$507,500</b>	<b>\$438,850</b>	<b>\$68,650</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$500,000)</b>	<b>(\$500,000)</b>	<b>(\$436,501)</b>	<b>\$63,499</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of Long-Term Debt	\$500,000	\$500,000	\$233,360	(\$266,640)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$233,360</b>	<b>(\$266,640)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$203,141)</b>	<b>(\$203,141)</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$100,000	\$100,000	\$136,819	\$36,819
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>(\$66,322)</b>	<b>(\$203,142)</b>

**SKAGIT COUNTY, WASHINGTON**  
**Bryson Road Sub-Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$4,100	\$4,100	\$5,373	\$1,273
Interest Revenue	100	100	536	436
<b>TOTAL REVENUES</b>	<b>\$4,200</b>	<b>\$4,200</b>	<b>\$5,909</b>	<b>\$1,709</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$386	\$386	\$596	(\$210)
Personnel Benefits	141	141	177	(36)
Services and Charges	250	250	0	250
Interfund Payments for Services	1,200	1,200	63	1,137
<b>TOTAL EXPENDITURES</b>	<b>\$1,977</b>	<b>\$1,977</b>	<b>\$837</b>	<b>\$1,141</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$2,223</b>	<b>\$2,223</b>	<b>\$5,072</b>	<b>\$2,849</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$14,332	\$14,332	\$20,494	\$6,162
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$16,555</b>	<b>\$16,555</b>	<b>\$25,566</b>	<b>\$9,011</b>

**SKAGIT COUNTY, WASHINGTON**  
**Sedro Woolley Sub-Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$20,000	\$20,000	\$20,229	\$229
Interest Revenue	1,800	1,800	6,998	5,198
<b>TOTAL REVENUES</b>	<b>\$21,800</b>	<b>\$21,800</b>	<b>\$27,226</b>	<b>\$5,426</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$3,003	\$3,003	\$202	\$2,801
Personnel Benefits	993	993	61	932
Services and Charges	14,600	14,600	2,165	12,435
Capital Outlays	2,500	2,500	0	2,500
Interfund Payments for Services	5,900	5,900	654	5,246
<b>TOTAL EXPENDITURES</b>	<b>\$26,996</b>	<b>\$26,996</b>	<b>\$3,081</b>	<b>\$23,914</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$5,196)</b>	<b>(\$5,196)</b>	<b>\$24,145</b>	<b>\$29,341</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$184,995	\$184,995	\$248,274	\$63,279
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$179,799</b>	<b>\$179,799</b>	<b>\$272,419</b>	<b>\$92,620</b>

**SKAGIT COUNTY, WASHINGTON**  
**Britt Slough Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$15,600	\$15,600	\$16,013	\$413
Intergovernmental Revenues	\$50,000	\$50,000	\$0	(50,000)
Interest Revenue	200	200	2,298	2,098
<b>TOTAL REVENUES</b>	<b>\$65,800</b>	<b>\$65,800</b>	<b>\$18,311</b>	<b>(\$47,489)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$1,806	\$1,806	\$5,925	(\$4,119)
Personnel Benefits	650	650	1,956	(1,306)
Supplies	0	0	4,552	(4,552)
Services and Charges	15,400	15,400	9,614	5,786
Capital Outlays	77,000	77,000	0	77,000
Interfund Payments for Services	1,900	1,900	2,893	(993)
<b>TOTAL EXPENDITURES</b>	<b>\$96,756</b>	<b>\$96,756</b>	<b>\$24,940</b>	<b>\$71,816</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$30,956)</b>	<b>(\$30,956)</b>	<b>(\$6,629)</b>	<b>\$24,327</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$56,238	\$56,238	\$91,286	\$35,048
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$25,282</b>	<b>\$25,282</b>	<b>\$84,659</b>	<b>\$59,375</b>



**SKAGIT COUNTY, WASHINGTON**  
**Sedro Woolley Lateral Sub-Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Interest Revenue	\$0	\$0	\$48	\$48
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$48</b>	<b>\$48</b>
<b>EXPENDITURES:</b>				
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$48</b>	<b>\$48</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$1,897	\$1,897	\$1,935	\$38
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$1,897</b>	<b>\$1,897</b>	<b>\$1,983</b>	<b>\$86</b>

**SKAGIT COUNTY, WASHINGTON**  
**Mount Vernon South Sub-Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Interest Revenue	\$600	\$600	\$1,669	\$1,069
<b>TOTAL REVENUES</b>	<b>\$600</b>	<b>\$600</b>	<b>\$1,669</b>	<b>\$1,069</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$1,511	\$1,511	\$140	\$1,371
Personnel Benefits	656	656	45	611
Supplies	100	100	0	100
Interfund Payments for Services	1,500	1,500	0	1,500
<b>TOTAL EXPENDITURES</b>	<b>\$3,767</b>	<b>\$3,767</b>	<b>\$185</b>	<b>\$3,582</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$3,167)</b>	<b>(\$3,167)</b>	<b>\$1,484</b>	<b>\$4,651</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$59,155	\$59,155	\$56,707	(\$2,448)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$55,988</b>	<b>\$55,988</b>	<b>\$58,191</b>	<b>\$2,202</b>

**SKAGIT COUNTY, WASHINGTON**  
**Dunbar Sub-Flood Control Zone Maintenance**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$3,700	\$3,700	\$4,019	\$319
Interest Revenue	0	0	227	227
<b>TOTAL REVENUES</b>	<b>\$3,700</b>	<b>\$3,700</b>	<b>\$4,246</b>	<b>\$546</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$586	\$586	\$63	\$523
Personnel Benefits	255	255	18	237
Supplies	7,600	7,600	0	7,600
Services and Charges	750	750	194	556
Interfund Payments for Services	1,900	1,900	182	1,718
<b>TOTAL EXPENDITURES</b>	<b>\$11,091</b>	<b>\$11,091</b>	<b>\$457</b>	<b>\$10,634</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$7,391)</b>	<b>(\$7,391)</b>	<b>\$3,789</b>	<b>\$11,180</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$5,280	\$5,280	\$10,678	\$5,398
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$2,111)</b>	<b>(\$2,111)</b>	<b>\$14,468</b>	<b>\$16,578</b>

**SKAGIT COUNTY, WASHINGTON**  
**Similk Beach Pumping Station**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
TOTAL REVENUES	\$0	\$0	\$0	\$0
<b>EXPENDITURES:</b>				
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$0	\$0	\$0	\$0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**SKAGIT COUNTY, WASHINGTON**  
**Blanchard Sub-Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$8,000	\$8,000	\$7,955	(\$45)
Interest Revenue	150	150	542	392
<b>TOTAL REVENUES</b>	<b>\$8,150</b>	<b>\$8,150</b>	<b>\$8,497</b>	<b>\$347</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$2,619	\$2,619	\$1,020	\$1,599
Personnel Benefits	850	850	280	570
Supplies	100	100	0	100
Services and Charges	7,500	7,500	3,200	4,300
Interfund Payments for Services	3,000	3,000	188	2,812
<b>TOTAL EXPENDITURES</b>	<b>\$14,069</b>	<b>\$14,069</b>	<b>\$4,688</b>	<b>\$9,381</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$5,919)</b>	<b>(\$5,919)</b>	<b>\$3,809</b>	<b>\$9,728</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$14,516	\$14,516	\$19,440	\$4,924
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$8,597</b>	<b>\$8,597</b>	<b>\$23,249</b>	<b>\$14,652</b>

**SKAGIT COUNTY, WASHINGTON**  
**Shangrila Sub-Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Miscellaneous Revenue	\$0	\$0	\$119	\$119
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$119</b>	<b>\$119</b>
<b>EXPENDITURES:</b>				
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$119</b>	<b>\$119</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$4,060	\$4,060	\$4,154	\$94
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$4,060</b>	<b>\$4,060</b>	<b>\$4,274</b>	<b>\$213</b>

**SKAGIT COUNTY, WASHINGTON**  
**Hansen Creek Sub-Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$15,000	\$15,000	\$22,357	\$7,357
Interest Revenue	50	50	0	(50)
<b>TOTAL REVENUES</b>	<b>\$15,050</b>	<b>\$15,050</b>	<b>\$22,357</b>	<b>\$7,307</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$6,476	\$6,476	\$7,621	(\$1,145)
Personnel Benefits	2,146	2,146	1,760	386
Supplies	500	500	2,088	(1,588)
Services and Charges	25,000	25,000	3,086	21,914
Interfund Payments for Services	2,000	2,000	1,821	179
<b>TOTAL EXPENDITURES</b>	<b>\$36,122</b>	<b>\$36,122</b>	<b>\$16,375</b>	<b>\$19,746</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$21,072)</b>	<b>(\$21,072)</b>	<b>\$5,982</b>	<b>\$27,054</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$21,072)</b>	<b>(\$21,072)</b>	<b>\$5,982</b>	<b>\$27,054</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	(\$28,759)	(\$28,759)	(\$6,127)	\$22,632
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$49,831)</b>	<b>(\$49,831)</b>	<b>(\$146)</b>	<b>\$49,686</b>

**SKAGIT COUNTY, WASHINGTON**  
**Warner Prairie Sub-Flood Control Zone**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$1,000	\$1,000	\$901	(\$99)
Interest Revenue	70	70	218	148
<b>TOTAL REVENUES</b>	<b>\$1,070</b>	<b>\$1,070</b>	<b>\$1,119</b>	<b>\$49</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$1,076	\$1,076	\$250	\$826
Personnel Benefits	471	471	73	398
Services and Charges	5,000	5,000	0	5,000
Interfund Payments for Services	400	400	5	395
<b>TOTAL EXPENDITURES</b>	<b>\$6,947</b>	<b>\$6,947</b>	<b>\$328</b>	<b>\$6,619</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$5,877)</b>	<b>(\$5,877)</b>	<b>\$791</b>	<b>\$6,668</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$8,775	\$8,775	\$9,154	\$379
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$2,898</b>	<b>\$2,898</b>	<b>\$9,946</b>	<b>\$7,048</b>



**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, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$63,955	\$63,955	\$57,468	(\$6,487)
<b>TOTAL REVENUES</b>	<b>\$63,955</b>	<b>\$63,955</b>	<b>\$57,468</b>	<b>(\$6,487)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$8,901	\$8,901	\$2,762	\$6,139
Personnel Benefits	2,121	2,121	608	1,513
Supplies	0	0	17	(17)
Services and Charges	55,500	55,500	63,079	(7,579)
Interfund Payments for Services	1,448	1,448	1,477	(29)
<b>TOTAL EXPENDITURES</b>	<b>\$67,970</b>	<b>\$67,970</b>	<b>\$67,943</b>	<b>\$27</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$4,015)</b>	<b>(\$4,015)</b>	<b>(\$10,475)</b>	<b>(\$6,460)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$11,522	\$11,522	\$8,051	(\$3,471)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$11,522</b>	<b>\$11,522</b>	<b>\$8,051</b>	<b>(\$3,471)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$7,507</b>	<b>\$7,507</b>	<b>(\$2,424)</b>	<b>(\$9,931)</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$28,999	\$28,999	(\$99,001)	(\$128,000)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$36,505</b>	<b>\$36,505</b>	<b>(\$101,426)</b>	<b>(\$134,460)</b>

**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, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$16,000	\$16,000	\$13,998	(\$2,002)
<b>TOTAL REVENUES</b>	<b>\$16,000</b>	<b>\$16,000</b>	<b>\$13,998</b>	<b>(\$2,002)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$8,893	\$8,893	\$2,935	\$5,958
Personnel Benefits	2,121	2,121	606	1,515
Supplies	0	0	84	(84)
Services and Charges	7,500	8,000	8,918	(918)
Interfund Payments for Services	412	412	530	(118)
<b>TOTAL EXPENDITURES</b>	<b>\$18,926</b>	<b>\$19,426</b>	<b>\$13,073</b>	<b>\$6,353</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$2,926)</b>	<b>(\$3,426)</b>	<b>\$925</b>	<b>\$4,351</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$11,926	\$11,926	\$4,722	(\$7,204)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$11,926</b>	<b>\$11,926</b>	<b>\$4,722</b>	<b>(\$7,204)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$9,000</b>	<b>\$8,500</b>	<b>\$5,647</b>	<b>(\$2,853)</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	(\$50,690)	(\$50,690)	(\$38,813)	\$11,877
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$41,691)</b>	<b>(\$42,191)</b>	<b>(\$33,166)</b>	<b>\$16,228</b>

**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, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$37,955	\$37,955	\$29,355	(\$8,600)
<b>TOTAL REVENUES</b>	<b>\$37,955</b>	<b>\$37,955</b>	<b>\$29,355</b>	<b>(\$8,600)</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$8,893	\$8,893	\$7,747	\$1,146
Personnel Benefits	2,120	2,120	1,658	462
Supplies	0	0	57	(57)
Services and Charges	13,500	13,500	12,197	1,303
Interfund Payments for Services	800	800	447	353
<b>TOTAL EXPENDITURES</b>	<b>\$25,313</b>	<b>\$25,313</b>	<b>\$22,105</b>	<b>\$3,207</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$12,642</b>	<b>\$12,642</b>	<b>\$7,251</b>	<b>(\$5,391)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$11,513	\$11,513	\$9,973	(\$1,540)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$11,513</b>	<b>\$11,513</b>	<b>\$9,973</b>	<b>(\$1,540)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$24,155</b>	<b>\$24,155</b>	<b>\$17,224</b>	<b>(\$1,539)</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	(\$53,496)	(\$53,496)	(\$32,856)	\$20,640
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$29,340)</b>	<b>(\$29,340)</b>	<b>(\$15,633)</b>	<b>\$19,102</b>

**SKAGIT COUNTY, WASHINGTON**  
**Edison Clean Water District Sub-Area**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$40,000	\$40,000	\$34,668	(\$5,332)
<b>TOTAL REVENUES</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$34,668</b>	<b>(\$5,332)</b>
<b>EXPENDITURES:</b>				
Supplies	\$0	\$0	\$362	(\$362)
Other Services and Charges	40,000	40,000	18,773	21,227
<b>TOTAL EXPENDITURES</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$19,136</b>	<b>\$20,865</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,532</b>	<b>\$15,532</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$25,394	\$25,394	\$26,809	\$1,415
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$25,394</b>	<b>\$25,394</b>	<b>\$42,340</b>	<b>\$16,947</b>

**SKAGIT COUNTY, WASHINGTON**  
**Drug Enforcement Cumulative Reserve**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$4,000	\$6,000	\$6,000	\$0
Fines and Forfeits	0	0	1,199	1,199
Miscellaneous Revenues	0	5,567	4,368	(1,199)
<b>TOTAL REVENUES</b>	<b>\$4,000</b>	<b>\$11,567</b>	<b>\$11,567</b>	<b>\$0</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$2,900	\$14,900	\$13,381	\$1,519
Personnel Benefits	640	440	2,812	(2,372)
Supplies	0	1,300	907	393
Services and Charges	460	460	0	460
<b>TOTAL EXPENDITURES</b>	<b>\$4,000</b>	<b>\$17,100</b>	<b>\$17,100</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>(\$5,533)</b>	<b>(\$5,533)</b>	<b>\$0</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$8,875	\$8,875	\$104,197	\$95,322
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$8,875</b>	<b>\$3,342</b>	<b>\$98,665</b>	<b>\$95,322</b>

# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Intergovernmental Revenue	\$70,000	\$70,000	\$71,061	\$1,061
<b>TOTAL REVENUES</b>	<b>\$70,000</b>	<b>\$70,000</b>	<b>\$71,061</b>	<b>\$1,061</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$15,000	\$20,000	\$19,995	\$5
Personnel Benefits	3,875	3,875	5,193	(1,318)
Supplies	5,000	5,000	5,384	(384)
Services and Charges	6,000	6,000	3,263	2,737
Intergovernmental Services/Interfund Payments	0	0	21,101	(21,101)
Interfund Payments for Services	21,000	21,000	493	20,507
<b>TOTAL EXPENDITURES</b>	<b>\$50,875</b>	<b>\$55,875</b>	<b>\$55,429</b>	<b>\$446</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$19,125</b>	<b>\$14,125</b>	<b>\$15,632</b>	<b>\$1,507</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$22,543	\$22,543	\$19,322	(\$3,221)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$41,668</b>	<b>\$36,668</b>	<b>\$34,953</b>	<b>(\$1,714)</b>

**SKAGIT COUNTY, WASHINGTON**  
**Low Income Housing**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Charges for Goods and Services	\$150,000	\$150,000	\$208,257	\$58,257
Interest Revenues	\$1,500	\$1,500	\$3,602	\$2,102
<b>TOTAL REVENUES</b>	<b>\$151,500</b>	<b>\$151,500</b>	<b>\$211,859</b>	<b>\$60,359</b>
<b>EXPENDITURES:</b>				
Other Services and Charges	\$240,000	\$247,800	\$247,512	\$288
Interfund Payments for Services	0	0	286	(286)
<b>TOTAL EXPENDITURES</b>	<b>\$240,000</b>	<b>\$247,800</b>	<b>\$247,800</b>	<b>\$2</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$88,500)</b>	<b>(\$96,300)</b>	<b>(\$35,941)</b>	<b>\$60,359</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$58,401	\$58,401	\$326,850	\$268,449
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$30,099)</b>	<b>(\$37,899)</b>	<b>\$290,909</b>	<b>\$328,809</b>

# SKAGIT COUNTY, WASHINGTON

## Title III Projects

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

Budget (GAAP Basis) and Actual

For the Year Ended December 31, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
TOTAL REVENUES	\$0	\$0	\$0	\$0
<b>EXPENDITURES:</b>				
Other Services and Charges	\$35,000	\$35,000	\$29,526	\$5,474
TOTAL EXPENDITURES	\$35,000	\$35,000	\$29,526	\$5,474
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$35,000)</b>	<b>(\$35,000)</b>	<b>(\$29,526)</b>	<b>\$5,474</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$33,398	\$33,398	\$55,022	\$21,624
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$1,602)</b>	<b>(\$1,602)</b>	<b>\$25,497</b>	<b>\$27,098</b>



# 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, 2005

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget
				Positive/ (Negative)
<b>REVENUES:</b>				
Taxes	\$0	\$0	\$6,260	\$6,260
Intergovernmental Revenues	0	0	10,946	10,946
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,206</b>	<b>\$17,206</b>
 <b>EXPENDITURES:</b>				
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
<b>OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,206</b>	<b>\$17,206</b>
 <b>FUND BALANCES:</b>				
Fund Balance, January 1	\$0	\$0	\$0	\$0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,206</b>	<b>\$17,206</b>

**SKAGIT COUNTY, WASHINGTON**  
**Homeless Housing & Assistance**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Charges for Good and Services	\$0	\$95,000	\$94,133	(\$867)
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$95,000</b>	<b>\$94,133</b>	<b>(\$867)</b>
<b>EXPENDITURES:</b>				
Services and Charges	0	15,000	1,274	13,726
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$15,000</b>	<b>\$1,274</b>	<b>\$13,726</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$80,000</b>	<b>\$92,859</b>	<b>\$12,859</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$0	\$0	\$0	\$0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$0</b>	<b>\$80,000</b>	<b>\$92,859</b>	<b>\$12,859</b>

**SKAGIT COUNTY, WASHINGTON**  
**Interlocal Investigation Cumulative Reserve**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	ACTUAL	Variance with Final Budget  Positive/ (Negative)
<b>REVENUES:</b>				
Charges for Goods and Services	\$12,000	\$12,000	\$940	(\$11,060)
Fines and Forfeits	132,000	132,000	158,001	26,001
Interest Revenue	5,000	5,000	14,978	9,978
Miscellaneous Revenues	5,000	5,000	37,813	32,813
<b>TOTAL REVENUES</b>	<b>\$154,000</b>	<b>\$154,000</b>	<b>\$211,732</b>	<b>\$57,732</b>
<b>EXPENDITURES:</b>				
Other Services and Charges	\$140,000	\$165,000	\$122,110	\$42,890
Interfund Payments for Services	30,000	30,000	32,141	(2,141)
<b>TOTAL EXPENDITURES</b>	<b>\$170,000</b>	<b>\$195,000</b>	<b>\$154,251</b>	<b>\$40,749</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$16,000)</b>	<b>(\$41,000)</b>	<b>\$57,481</b>	<b>\$98,481</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$0	\$0	\$40,480	\$40,480
Transfers Out	0	0	(40,480)	(40,480)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$16,000)</b>	<b>(\$41,000)</b>	<b>\$57,481</b>	<b>\$98,481</b>
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$966,440	\$966,440	\$713,534	(\$252,906)
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$950,439</b>	<b>\$925,439</b>	<b>\$771,014</b>	<b>(\$154,426)</b>

## **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.

**SKAGIT COUNTY, WASHINGTON**  
**BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUND**  
As of December 31, 2005

<b>ASSETS AND OTHER DEBITS:</b>	<b>TOTALS</b>
<b>ASSETS:</b>	
Cash	\$10,698
Investments	917,920
Accounts Receivable	1,547
<b>TOTAL ASSETS</b>	<b>\$930,165</b>
 <b>LIABILITIES AND FUND BALANCES</b>	
<b>LIABILITIES</b>	
Due to Other Funds	\$4,547
<b>TOTAL LIABILITIES</b>	<b>\$4,547</b>
 <b>FUND BALANCES</b>	
Reserved for Debt Service	925,618
<b>TOTAL FUND BALANCES</b>	<b>\$925,618</b>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <b>\$930,165</b>

**SKAGIT COUNTY, WASHINGTON**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**DEBT SERVICE FUND**

For the Year Ended December 31, 2005

<b>REVENUES:</b>	<b>Actual</b>
Interest Revenue	\$68,055
Miscellaneous Revenues	272,954
<b>TOTAL REVENUES</b>	<b>\$341,009</b>
<b>EXPENDITURES:</b>	
Debt Service: Principal	\$556,609
Debt Service: Interest and Related Costs	507,758
<b>TOTAL EXPENDITURES</b>	<b>\$1,064,367</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<b>(\$723,358)</b>
<b>OTHER FINANCING SOURCES (USES):</b>	
Transfers In	\$949,833
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$949,833</b>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<b>\$226,475</b>
<b>FUND BALANCES:</b>	
Fund Balance, January 1	\$699,145
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$925,618</b>

## **SKAGIT COUNTY, WASHINGTON NONMAJOR CAPITAL PROJECT FUNDS**

Capital Project Funds are established in Skagit County to account for financial resources used for the acquisition or construction of major capital facilities. Both revenues and expenditures are budgeted in compliance with the procedures established in the Revised Code of Washington. The modified accrual basis of accounting is applied. A description of each fund follows:

**Land Acquisition Fund** - A fund to account for the purchase of land.

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

**Park Acquisition & Development 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.

**Public Works Building Construction Fund** - A fund established to provide accounting for the expenses incurred in investigation, planning, construction, improvement, repair, acquisition, and equipping of public facilities for the Public Works Department.

**SKAGIT COUNTY, WASHINGTON  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
As of December 31,2005**

<b>ASSETS:</b>	LAND AND FACILITIES ACQUISITION	CAPITAL IMPROVEMENTS	PARKS ACQUISITION	PUBLIC WORKS BUILDING	2005 TOTALS
<b>ASSETS:</b>					
Cash	\$58,037	\$869,622	\$34,382	\$0	\$962,041
Investments	0	375,000	0	0	375,000
Due from Other Funds	0	0	0	0	0
Due from another government unit	0	0	224,891	0	224,891
Interfund Loan Receivable	0	317,013	0	0	317,013
<b>TOTAL ASSETS</b>	<b>\$58,037</b>	<b>\$1,561,635</b>	<b>\$259,272</b>	<b>\$0</b>	<b>\$1,878,944</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
Accounts/vouchers payable	\$19,824	\$0	\$9,393	\$0	\$29,217
Due to other funds	0	0	11,397	0	11,397
Interfund Loan Payable	317,013	0	0	0	317,013
<b>TOTAL LIABILITIES</b>	<b>\$336,837</b>	<b>\$0</b>	<b>\$20,790</b>	<b>\$0</b>	<b>\$357,627</b>
<b>FUND BALANCES</b>					
Fund balances:					
Reserved for Loan Receivable	\$0	\$317,013	\$0	\$0	\$317,013
Undesignated	(278,800)	1,244,622	238,482	0	1,204,304
<b>TOTAL FUND BALANCES</b>	<b>(\$278,800)</b>	<b>\$1,561,635</b>	<b>\$238,482</b>	<b>\$0</b>	<b>\$1,521,317</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$58,037</b>	<b>\$1,561,635</b>	<b>\$259,272</b>	<b>\$0</b>	<b>\$1,878,944</b>



**SKAGIT COUNTY, WASHINGTON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**For the Year Ended December 31,2005**

<b>REVENUES:</b>	LAND ACQUISITION/ FACILITIES	CAPITAL IMPROVEMENTS FUND	PARK ACQUISITION FUND	PUBLIC WORKS BUILDING FUND	TOTALS
Excise Taxes	\$0	\$2,206,316	\$0	\$0	\$2,206,316
Intergovernmental Revenue	0	0	156,522	0	156,522
Charges for Goods and Services	0	0	22,415	0	22,415
Interest Revenue	0	6,419	2,450	0	8,869
Other Revenue	44	0	0	0	44
<b>TOTAL REVENUES</b>	<b>\$44</b>	<b>\$2,212,735</b>	<b>\$181,387</b>	<b>\$0</b>	<b>\$2,394,166</b>
<b>EXPENDITURES:</b>					
Transportation	\$0	\$0	\$0	\$0	\$0
Capital Outlay:					
General Governmental Services	3,578,804	0	0	0	3,578,804
Culture and Recreation	0	0	590,062	0	590,062
<b>Total Capital Outlay</b>	<b>\$3,578,804</b>	<b>\$0</b>	<b>\$590,062</b>	<b>\$0</b>	<b>\$4,168,866</b>
<b>TOTAL EXPENDITURES</b>	<b>\$3,578,804</b>	<b>\$0</b>	<b>\$590,062</b>	<b>\$0</b>	<b>\$4,168,866</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$3,578,760)</b>	<b>\$2,212,735</b>	<b>(\$408,675)</b>	<b>\$0</b>	<b>(\$1,774,700)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of Long Term Debt	\$160,000	\$0	\$0	\$0	\$160,000
Proceeds of Capital Assets	268,000	0	0	0	268,000
Transfers In	2,301,424	0	0	0	2,301,424
Transfers Out	0	(2,520,987)	0	0	(2,520,987)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$2,729,424</b>	<b>(\$2,520,987)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$208,437</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(\$849,336)</b>	<b>(\$308,252)</b>	<b>(\$408,675)</b>	<b>\$0</b>	<b>(\$1,566,263)</b>
<b>FUND BALANCES:</b>					
Fund Balance, January 1	\$570,536	\$1,869,887	\$647,157	\$0	\$3,087,580
<b>FUND BALANCE, DECEMBER 31</b>	<b>(\$278,800)</b>	<b>\$1,561,635</b>	<b>\$238,482</b>	<b>\$0</b>	<b>\$1,521,317</b>

**SKAGIT COUNTY, WASHINGTON**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**Land Acquisition/Facilities**  
**For the Year Ended December 31,2005**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Interest Revenue	\$10,000	\$10,000	\$0	(\$10,000)
Miscellaneous Revenue	0	0	44	44
<b>TOTAL REVENUES</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$44</b>	<b>(\$9,956)</b>
<b>EXPENDITURES:</b>				
Capital Outlays	\$5,030,000	\$5,030,000	\$3,578,804	\$1,451,196
<b>TOTAL EXPENDITURES</b>	<b>\$5,030,000</b>	<b>\$5,030,000</b>	<b>\$3,578,804</b>	<b>\$1,451,196</b>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (\$5,020,000)	 (\$5,020,000)	 (\$3,578,760)	 \$1,441,240
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of Long term Debt	\$3,812,563	\$3,812,563	\$160,000	(\$3,652,563)
Proceeds of Capital Assets	0	0	268,000	268,000
Transfers In	1,207,437	1,207,437	2,301,424	1,093,987
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$5,020,000</b>	<b>\$5,020,000</b>	<b>\$2,729,424</b>	<b>(\$2,290,576)</b>
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	 \$0	 \$0	 (\$849,336)	 (\$849,336)
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$151,080	\$151,080	\$570,536	\$419,456
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$151,080</b>	<b>\$151,080</b>	<b>(\$278,800)</b>	<b>(\$429,880)</b>

**SKAGIT COUNTY, WASHINGTON**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**Capital Improvements**  
**For the Year Ended December 31,2005**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Excise Taxes	\$1,400,000	\$1,400,000	\$2,206,316	\$806,316
Interest Revenue	7,000	7,000	6,419	(581)
<b>TOTAL REVENUES</b>	<b>\$1,407,000</b>	<b>\$1,407,000</b>	<b>\$2,212,735</b>	<b>\$805,735</b>
<b>EXPENDITURES:</b>				
Other Services and Charges	\$0	\$0	\$0	\$0
Capital Outlay:	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 \$1,407,000	 \$1,407,000	 \$2,212,735	 \$805,735
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(\$1,407,000)	(\$3,407,000)	(\$2,520,987)	\$886,013
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(\$1,407,000)</b>	<b>(\$3,407,000)</b>	<b>(\$2,520,987)</b>	<b>\$886,013</b>
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	 \$0	 (\$2,000,000)	 (\$308,252)	 \$1,691,748
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$1,279,740	\$1,279,740	\$1,869,887	\$590,147
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$1,279,740</b>	<b>(\$720,260)</b>	<b>\$1,561,635</b>	<b>\$2,281,895</b>

**SKAGIT COUNTY, WASHINGTON**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**Park Acquisition**  
**For the Year Ended December 31, 2005**

<b>REVENUES:</b>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Intergovernmental Revenue	\$273,783	\$351,880	\$156,522	(\$195,358)
Charges for Goods and Services	19,000	19,000	22,415	3,415
Interest Revenue	1,500	1,500	2,450	950
<b>TOTAL REVENUES</b>	<b>\$294,283</b>	<b>\$372,380</b>	<b>\$181,387</b>	<b>(\$190,993)</b>
<b>EXPENDITURES:</b>				
Capital Outlays	\$490,268	\$719,268	\$590,062	\$129,206
<b>TOTAL EXPENDITURES</b>	<b>\$490,268</b>	<b>\$719,268</b>	<b>\$590,062</b>	<b>\$129,206</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(\$195,985)	(\$346,888)	(\$408,675)	(\$61,787)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	\$274,452	\$274,452	\$0	(\$274,452)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$274,452</b>	<b>\$274,452</b>	<b>\$0</b>	<b>(\$274,452)</b>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$78,467	(\$72,436)	(\$408,675)	(\$336,239)
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$267,863	\$267,863	\$647,157	\$379,294
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$346,330</b>	<b>\$195,427</b>	<b>\$238,482</b>	<b>\$43,055</b>

**SKAGIT COUNTY, WASHINGTON**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**Public Works Building**  
**For the Year Ended December 31, 2005**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Excise Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenue	0	0	0	0
Charges for Goods and Services	0	0	0	0
Interest Revenue	0	0	0	0
Donations	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>				
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$0	\$0	\$0	\$0
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of General Long-Term Debt	\$0	\$0	\$0	\$0
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$0	\$0	\$0	\$0
<b>FUND BALANCES:</b>				
Fund Balance, January 1	\$0	\$0	\$0	\$0
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **SKAGIT COUNTY, WASHINGTON MAJOR CAPITAL PROJECT FUND**

Capital Project Funds are established in Skagit County to account for financial resources used for the acquisition or construction of major capital facilities. Both revenues and expenditures are budgeted in compliance with the procedures established in the Revised Code of Washington. The modified accrual basis of accounting is applied. A description of each fund follows:

Distressed County Public Facilities 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.

**SKAGIT COUNTY, WASHINGTON**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**Distressed County Facilities**  
**For the Year Ended December 31, 2005**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive/ (Negative)</b>
Revenues				
Sales and Use Taxes	\$1,600,000	\$1,600,000	\$1,870,028	\$270,028
Interest Earnings	90,000	90,000	108,884	18,884
Total Revenues	<u>\$1,690,000</u>	<u>\$1,690,000</u>	<u>\$1,978,912</u>	<u>\$288,912</u>
Expenditures				
Economic Environment	\$4,306,075	\$4,306,075	\$2,777,676	\$1,528,399
Total Expenditures	<u>\$4,306,075</u>	<u>\$4,306,075</u>	<u>\$2,777,676</u>	<u>\$1,528,399</u>
Excess (Deficit) Revenues Over Expenditures	<u>(\$2,616,075)</u>	<u>(\$2,616,075)</u>	<u>(\$798,764)</u>	<u>\$1,817,311</u>
Other Financing Sources (Uses)				
Transfers Out	(\$628,289)	(\$628,289)	(\$628,289)	\$0
Total Other Financing Source (Uses)	<u>(\$628,289)</u>	<u>(\$628,289)</u>	<u>(\$628,289)</u>	<u>\$0</u>
Net Change in Fund Balance	(\$3,244,364)	(\$3,244,364)	(\$1,427,053)	\$1,817,311
Fund Balance-January 1	2,524,857	2,524,857	6,382,355	3,857,498
Fund Balance-December 31	<u>(\$719,507)</u>	<u>(\$719,507)</u>	<u>\$4,955,302</u>	<u>\$5,674,809</u>

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Nonmajor Enterprise Funds



# **SKAGIT COUNTY, WASHINGTON**

## **NONMAJOR ENTERPRISE FUNDS**

For the Year ended December 31,2005, Skagit County has no Nonmajor Enterprise Funds.

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# 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. The accrua

**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

**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 Funds**  
**December 31, 2005**

Assets	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation Fund	2005 Total
<b>Current Assets</b>					
Cash/Cash Equivalents	\$711,604	\$800,373	\$2,862,279	\$91,512	\$4,465,768
Investments	1,458,047	200,000	0	0	1,658,047
Accounts Receivable	12,512	0	0	0	12,512
Due From Other Funds	1,353,251	993,968	143,156	0	2,490,374
Inventory	5,376,609	0	0	0	5,376,609
Prepayments	6,484	5,381	20,011	0	31,876
<b>Total Current Assets</b>	<b>\$8,918,508</b>	<b>\$1,999,722</b>	<b>\$3,025,446</b>	<b>\$91,512</b>	<b>\$14,035,188</b>
<b>Noncurrent Assets</b>					
<b>Capital Assets</b>					
Buildings	\$180,888	\$0	\$0	\$0	\$180,888
Machinery and Equipment	13,200,002	0	915,984	0	14,115,986
Less Accumulated Depreciation	(6,922,545)	0	(575,175)	0	(7,497,720)
<b>Total noncurrent assets</b>	<b>\$6,458,345</b>	<b>\$0</b>	<b>\$340,809</b>	<b>\$0</b>	<b>\$6,799,154</b>
<b>Total Assets</b>	<b>\$15,376,852</b>	<b>\$1,999,721</b>	<b>\$3,366,255</b>	<b>\$91,512</b>	<b>\$20,834,342</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts/Vouchers Payable	\$82,310	\$139,707	\$142,035	\$25,478	\$389,530
Claims and Judgments Payable	0	1,231,220	0	0	1,231,220
Due To Other Funds	1,586,595	53,428	700	0	1,640,723
Accrued Wages Payable	21,291	9,103	61,264	0	91,658
Accrued Employee Benefits	6,128	2,191	16,283	0	24,602
Accrued Taxes Payable	270	0	0	0	270
Compensated Absences	47,358	2,130	66,283	0	115,771
<b>Total Current Liabilities</b>	<b>\$1,743,952</b>	<b>\$1,437,779</b>	<b>\$286,565</b>	<b>\$25,478</b>	<b>\$3,493,774</b>
<b>Total Liabilities</b>	<b>\$1,743,952</b>	<b>\$1,437,779</b>	<b>\$286,565</b>	<b>\$25,478</b>	<b>\$3,493,774</b>
<b>Fund Equity</b>					
<b>Net Assets</b>					
Invested in capital assets, net of related debt	\$6,458,345	\$0	\$340,809	\$0	\$6,799,154
Unrestricted	7,174,556	561,942	2,738,881	66,034	10,541,413
<b>Total net assets</b>	<b>\$13,632,900</b>	<b>\$561,942</b>	<b>\$3,079,690</b>	<b>\$66,034</b>	<b>\$17,340,568</b>

**SKAGIT COUNTY, WASHINGTON**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Internal Service Funds**  
**December 31, 2005**

	Equipment Rental Fund	Insurance Services Fund	Central Services Fund	Unemployment Compensation Fund	2005 Total
<u>Operating Revenues:</u>					
Charges For Services	\$4,539,238	\$9,002,557	\$6,357,422	\$0	\$19,899,217
Miscellaneous	0	0	0	133,137	133,137
Total Operating Revenue	\$4,539,238	\$9,002,557	\$6,357,422	\$133,137	\$20,032,354
<u>Operating Expenses:</u>					
Personal services	\$714,119	\$266,512	\$1,875,346	\$0	\$2,855,977
Contractual services	647,852	1,468,158	1,461,435	0	3,577,445
Other supplies and expenses	2,150,520	62,839	920,584	69,192	3,203,135
Depreciation	803,396	0	142,079	0	945,475
Payment to Claimants	0	6,649,601	0	0	6,649,601
Total Operating Expenses	\$4,315,887	\$8,447,110	\$4,399,444	\$69,192	\$17,231,633
Operating Income (Loss)	\$223,351	\$555,447	\$1,957,978	\$63,945	\$2,800,721
<u>Non-Operating Revenues (Expenses):</u>					
Interest Revenue	\$43,417	\$3,253	\$0	\$0	\$46,670
Miscellaneous Revenue	124,223	0	0	0	124,223
Gain (Loss) on Fixed Asset Disposal	42,164	0	0	0	42,164
Miscellaneous Expense	(60,510)	0	0	0	(60,510)
Total non-operating revenues	\$149,294	\$3,253	\$0	\$0	\$152,547
Net Income (Loss) Before Operating Transfers Contributions and Special Items	\$372,645	\$558,700	\$1,957,978	\$63,945	\$2,953,268
Capital Contributions	111,200	0	11,525	0	122,725
Transfers In	0	0	0	0	0
Changes in net assets	\$483,844	\$558,700	\$1,969,503	\$63,945	\$3,075,993
Net assets as of January 1	13,149,055	3,242	1,110,187	2,089	14,264,575
Net assets as of December 31	\$13,632,900	\$561,942	\$3,079,690	\$66,034	\$17,340,568

**SKAGIT COUNTY, WASHINGTON**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**December 31, 2005**

	Equipment Rental Fund	Insurance Service Fund	Central Services Fund	Unemployment Compensation Fund	2005 Total
<u>Cash Flows From Operating Activities:</u>					
Receipts from Customers	(\$7,327)	\$0	\$177,502	\$0	\$170,175
Receipts from interfund services provided	3,209,925	9,157,146	6,576,879	0	18,943,950
Miscellaneous Receipts	0	0	0	133,137	133,137
Payments to Employees	(706,323)	(279,123)	(1,869,465)	0	(2,854,911)
Payments to Suppliers	(3,108,458)	(8,288,050)	(2,290,292)	(63,692)	(13,750,492)
Payments for interfund services used	1,006,871	(40,883)	(8,048)	0	957,940
Miscellaneous receipts(payments)	63,713	0	0	0	63,713
Net cash provided (used) by operating activities	<u>\$458,401</u>	<u>\$549,090</u>	<u>\$2,586,576</u>	<u>\$69,445</u>	<u>\$3,663,512</u>
<u>Cash Flows From Capital And Related Financing Activities</u>					
Proceeds from sale of capital assets	\$127,900	\$0	\$0	\$0	\$127,900
Purchases of capital assets	(1,269,357)	0	(144,592)	0	(1,413,949)
Net cash provided (used) by capital and related financing activities	<u>(\$1,141,457)</u>	<u>\$0</u>	<u>(\$144,592)</u>	<u>\$0</u>	<u>(\$1,286,049)</u>
<u>Cash Flows From Investing Activities:</u>					
Interest Received	\$43,417	\$3,253	\$0	\$0	\$46,670
Net Cash Provided by Investing Activities	<u>\$43,417</u>	<u>\$3,253</u>	<u>\$0</u>	<u>\$0</u>	<u>\$46,670</u>
Net Increase in Cash & Cash Equivalents	(\$639,639)	\$552,343	\$2,441,984	\$69,445	\$2,424,133
Balances as of January 1	2,809,290	448,030	420,294	22,067	3,699,681
Balances as of December 31	<u>\$2,169,651</u>	<u>\$1,000,373</u>	<u>\$2,862,279</u>	<u>\$91,512</u>	<u>\$6,123,815</u>
Operating Income/(Loss)	<u>\$223,351</u>	<u>\$555,447</u>	<u>\$1,957,978</u>	<u>\$63,945</u>	<u>\$2,800,721</u>
<u>Adjustments to Reconcile Operating Income to</u> <u>Net Cash Provided by Operating Activities:</u>					
Depreciation Expense	\$803,396	\$0	\$142,079	\$0	\$945,475
Miscellaneous receipts(payments)	63,713	0	0	0	63,713
Changes in Assets and Liabilities:					
Receivables, Net	(1,336,640)	154,589	396,960	0	(785,091)
Inventories	(609,071)	0	0	0	(609,071)
Prepayments	(973)	0	(3,875)	0	(4,848)
Accounts and Other Payables	1,314,625	(160,946)	93,435	5,500	1,252,614
Net Cash Provided by Operating Activities	<u>\$458,401</u>	<u>\$549,090</u>	<u>\$2,586,576</u>	<u>\$69,445</u>	<u>\$3,663,512</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  
Dike & Drainage Districts  
Fidalgo Parks & Recreation  
Fire Districts  
Hospital Districts  
Library Districts  
North Sound Regional Support Network  
Northwest Air Pollution Authority  
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**  
**AGENCY FUNDS**  
**COMBINING BALANCE SHEET**  
**As Of December 31, 2005**

Page 1 of 3

	<b>TRUST FUNDS</b>	<b>CLEARING FUNDS</b>	<b>STATE FUNDS</b>	<b>NW AIR POLLUTION FUNDS</b>	<b>COUNCIL OF GOVERNMENTS FUNDS</b>
Cash	\$320,242	\$2,368,945	\$1,961,918	\$11,584	\$190,023
Investments	0	0	0	2,560,844	0
Taxes receivable	0	0	1,059,030	0	0
Deposits	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$320,242</b>	<b>\$2,368,945</b>	<b>\$3,020,948</b>	<b>\$2,572,428</b>	<b>\$190,023</b>
<b>LIABILITIES</b>					
Warrants payable	\$0	\$1,823,160	\$0	\$0	\$0
Custodial accounts	320,242	545,785	3,020,948	2,572,428	190,023
<b>TOTAL LIABILITIES</b>	<b>\$320,242</b>	<b>\$2,368,945</b>	<b>\$3,020,948</b>	<b>\$2,572,428</b>	<b>\$190,023</b>

	<b>LIBRARY FUNDS</b>	<b>SKAGIT TRANSIT &amp; HOUSING</b>	<b>CITIES AND TOWNS FUNDS</b>	<b>PORT OF ANACORTES FUNDS</b>	<b>PORT OF SKAGIT FUNDS</b>
<b>ASSETS</b>					
Cash	\$118,494	\$0	\$460,448	\$38,653	\$3,097,876
Investments	118,212	7,792,160	0	13,650,811	7,322,082
Taxes receivable	17,751	0	475,354	9,350	43,692
Deposits	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$254,458</b>	<b>\$7,792,160</b>	<b>\$935,802</b>	<b>\$13,698,814</b>	<b>\$10,463,650</b>
<b>LIABILITIES</b>					
Warrants payable	\$0	\$0	\$0	\$33,024	\$85,261
Custodial accounts	254,458	7,792,160	935,802	13,665,790	10,378,389
<b>TOTAL LIABILITIES</b>	<b>\$254,458</b>	<b>\$7,792,160</b>	<b>\$935,802</b>	<b>\$13,698,814</b>	<b>\$10,463,650</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING BALANCE SHEET**  
**As Of December 31, 2005**

	<b>FIDALGO PARK FUNDS</b>	<b>AFFILIATED HEALTH SERVICES FUNDS</b>	<b>HOSPITAL DISTRICT 1 FUNDS</b>	<b>HOSPITAL DISTRICT 2 FUNDS</b>	<b>HOSPITAL DISTRICT 304 FUNDS</b>
Cash	\$140,039	\$38,328	\$4,385,506	\$655,251	\$803,767
Investments	223,100	2,323,233	108,393,074	59,857,363	13,852,795
Taxes receivable	(755)	0	55,885	18,384	32,303
Deposits	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$362,385</b>	<b>\$2,361,561</b>	<b>\$112,834,465</b>	<b>\$60,530,998</b>	<b>\$14,688,866</b>

**LIABILITIES**

Warrants payable	\$0	\$28,592	\$3,805,156	\$560,301	\$638,884
Custodial accounts	362,385	2,332,971	109,029,309	59,970,697	14,049,982
<b>TOTAL LIABILITIES</b>	<b>\$362,385</b>	<b>\$2,361,561</b>	<b>\$112,834,465</b>	<b>\$60,530,998</b>	<b>\$14,688,866</b>

<b>ASSETS</b>	<b>DIKE DISTRICTS FUNDS</b>	<b>DRAINAGE IMPROVEMENT FUNDS</b>	<b>DRAINAGE DISTRICT FUNDS</b>	<b>SCHOOL DISTRICTS FUNDS</b>	<b>CEMETERY DISTRICTS FUNDS</b>
Cash	\$1,924,451	\$4,333	\$325,301	\$9,094,058	\$111,491
Investments	561,253	55,491	880,877	31,825,088	600,165
Taxes receivable	132,699	213	12,903	536,255	5,880
Deposits	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$2,618,401</b>	<b>\$60,039</b>	<b>\$1,219,081</b>	<b>\$41,455,401</b>	<b>\$717,536</b>
<b>LIABILITIES</b>					
Warrants payable	\$566,606	\$0	\$56,240	\$6,020,042	\$0
Custodial accounts	2,051,795	60,039	1,162,841	35,435,359	717,536
<b>TOTAL LIABILITIES</b>	<b>\$2,618,401</b>	<b>\$60,039</b>	<b>\$1,219,081</b>	<b>\$41,455,401</b>	<b>\$717,536</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING BALANCE SHEET**  
**As Of December 31, 2005**

	<b>WATER DISTRICTS FUNDS</b>	<b>SEWER DISTRICTS FUNDS</b>	<b>FIRE DISTRICTS FUNDS</b>	<b>NORTH SOUND RSN</b>	<b>SKAGIT EMERGENCY COMM</b>
Cash	\$12,786	\$57,344	\$2,234,074	\$272,123	\$759,583
Investments	106,201	2,703,241	3,562,029	3,502,221	296,170
Taxes receivable	0	0	126,086	0	0
Deposits	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$118,987</b>	<b>\$2,760,585</b>	<b>\$5,922,190</b>	<b>\$3,774,343</b>	<b>\$1,055,753</b>
<b>LIABILITIES</b>					
Warrants payable	\$0	\$0	\$0	\$0	\$0
Custodial accounts	118,987	2,760,585	5,922,190	3,774,343	1,055,753
<b>TOTAL LIABILITIES</b>	<b>\$118,987</b>	<b>\$2,760,585</b>	<b>\$5,922,190</b>	<b>\$3,774,343</b>	<b>\$1,055,753</b>

	<b>SKAGIT COMMUNITY NETWORK</b>	<b>PUBLIC FACILITIES DISTRICT</b>	<b>2005 TOTALS</b>
<b>ASSETS</b>			
Cash	\$1,802	\$124,888	\$29,513,306
Investments	0	1,554,345	261,740,755
Taxes receivable	0	0	2,525,026
Deposits	0	0	0
<b>TOTAL ASSETS</b>	<b>\$1,802</b>	<b>\$1,679,232</b>	<b>\$293,779,087</b>
<b>LIABILITIES</b>			
Warrants payable	\$0	\$0	\$13,617,263
Custodial accounts	1,802	1,679,232	280,161,824
<b>TOTAL LIABILITIES</b>	<b>\$1,802</b>	<b>\$1,679,232</b>	<b>\$293,779,087</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 1 of 10

<b>TRUST FUNDS</b>	<b>Balance January 1, 2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2005</b>
<b>ASSETS</b>				
Cash	\$475,002	\$3,812,888	\$3,967,649	\$320,242
Investments	0	0	0	0
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$475,002</b>	<b>\$3,812,888</b>	<b>\$3,967,649</b>	<b>\$320,242</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to Other Funds	0	0	0	0
Custodial accounts	475,002	3,812,888	3,967,649	320,242
<b>TOTAL LIABILITIES</b>	<b>\$475,002</b>	<b>\$3,812,888</b>	<b>\$3,967,649</b>	<b>\$320,242</b>

<b>CLEARING FUNDS</b>	<b>Balance January 1, 2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2005</b>
<b>ASSETS</b>				
Cash	\$4,501,631	\$179,427,941	\$181,560,627	\$2,368,945
Investments	0	0	0	0
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$4,501,631</b>	<b>\$179,427,941</b>	<b>\$181,560,627</b>	<b>\$2,368,945</b>
<b>LIABILITIES</b>				
Warrants payable	\$3,959,518	\$155,166,099	\$157,302,456	\$1,823,160
Due to other funds	0	0	0	0
Custodial accounts	542,113	24,261,842	24,258,171	545,785
<b>TOTAL LIABILITIES</b>	<b>\$4,501,631</b>	<b>\$179,427,941</b>	<b>\$181,560,627</b>	<b>\$2,368,945</b>

<b>STATE FUNDS</b>	<b>Balance January 1, 2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2005</b>
<b>ASSETS</b>				
Cash	\$1,674,715	\$47,552,502	\$47,265,299	\$1,961,918
Investments	0	0	0	0
Taxes receivable	1,279,862	28,348,363	28,569,195	1,059,030
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$2,954,577</b>	<b>\$75,900,865</b>	<b>\$75,834,494</b>	<b>\$3,020,948</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	2,954,577	75,900,865	75,834,494	3,020,948
<b>TOTAL LIABILITIES</b>	<b>\$2,954,577</b>	<b>\$75,900,865</b>	<b>\$75,834,494</b>	<b>\$3,020,948</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 2 of 10

<b>NW AIR POLLUTION FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	14,332	\$4,359,238	\$4,361,986	\$11,584
Investments	1,961,858	2,426,986	1,828,000	2,560,844
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$1,976,190</b>	<b>\$6,786,224</b>	<b>\$6,189,986</b>	<b>\$2,572,428</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	1,976,190	6,786,224	6,189,986	2,572,428
<b>TOTAL LIABILITIES</b>	<b>\$1,976,190</b>	<b>\$6,786,224</b>	<b>\$6,189,986</b>	<b>\$2,572,428</b>

<b>COUNCIL OF GOV'T FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$223,939	\$815,982	\$849,898	\$190,023
Investments	0	0	0	0
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$223,939</b>	<b>\$815,982</b>	<b>\$849,898</b>	<b>\$190,023</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	223,939	815,982	849,898	190,023
<b>TOTAL LIABILITIES</b>	<b>\$223,939</b>	<b>\$815,982</b>	<b>\$849,898</b>	<b>\$190,023</b>

<b>LIBRARY FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$14,784	\$530,170	\$426,460	\$118,494
Investments	117,328	112,345	111,461	118,212
Taxes receivable	20,151	349,163	351,564	17,751
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$152,264</b>	<b>\$991,678</b>	<b>\$889,485</b>	<b>\$254,458</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	152,264	991,678	889,485	254,458
<b>TOTAL LIABILITIES</b>	<b>\$152,264</b>	<b>\$991,678</b>	<b>\$889,485</b>	<b>\$254,458</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 3 of 10

<b>SKAGIT TRANSIT &amp; HOUSING</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$376,000	\$1,381,839	\$1,757,839	\$0
Investments	5,653,262	2,865,024	726,126	7,792,160
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$6,029,262</b>	<b>\$4,246,863</b>	<b>\$2,483,965</b>	<b>\$7,792,160</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to Other Funds	0	0	0	0
Custodial accounts	6,029,262	4,246,863	2,483,965	7,792,160
<b>TOTAL LIABILITIES</b>	<b>\$6,029,262</b>	<b>\$4,246,863</b>	<b>\$2,483,965</b>	<b>\$7,792,160</b>

<b>CITIES AND TOWNS FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$345,514	\$16,438,331	\$16,323,397	\$460,448
Investments	0	0	0	0
Taxes receivable	486,691	13,248,300	13,259,638	475,354
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$832,205</b>	<b>\$29,686,632</b>	<b>\$29,583,035</b>	<b>\$935,802</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	832,205	29,686,632	29,583,035	935,802
<b>TOTAL LIABILITIES</b>	<b>\$832,205</b>	<b>\$29,686,632</b>	<b>\$29,583,035</b>	<b>\$935,802</b>

<b>PORT OF ANACORTES FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$23,891	\$33,817,182	\$33,802,421	\$38,653
Investments	15,018,492	17,610,745	18,978,426	13,650,811
Taxes receivable	12,308	457,648	460,606	9,350
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$15,054,691</b>	<b>\$51,885,575</b>	<b>\$53,241,453</b>	<b>\$13,698,814</b>
<b>LIABILITIES</b>				
Warrants payable	\$14,907	\$10,444,845	\$10,426,729	\$33,024
Due to other funds	0	0	0	0
Custodial accounts	15,039,784	41,440,730	42,814,724	13,665,790
<b>TOTAL LIABILITIES</b>	<b>\$15,054,691</b>	<b>\$51,885,575</b>	<b>\$53,241,453</b>	<b>\$13,698,814</b>



**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 4 of 10

<b>PORT OF SKAGIT FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$803,398	\$24,094,809	\$21,800,330	\$3,097,876
Investments	9,156,464	7,782,978	9,617,361	7,322,082
Taxes receivable	52,260	663,036	671,605	43,692
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$10,012,122</b>	<b>\$32,540,823</b>	<b>\$32,089,296</b>	<b>\$10,463,650</b>
<b>LIABILITIES</b>				
Warrants payable	\$26,179	\$8,765,579	\$8,706,496	\$85,261
Due to Other Funds	0	0	0	0
Custodial accounts	9,985,943	23,775,244	23,382,800	10,378,389
<b>TOTAL LIABILITIES</b>	<b>\$10,012,122</b>	<b>\$32,540,823</b>	<b>\$32,089,296</b>	<b>\$10,463,650</b>

<b>FIDALGO PARK FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$328,414	\$3,621,716	\$3,810,091	\$140,039
Investments	5	3,208,923	2,985,828	223,100
Taxes receivable	728	296,585	298,068	(755)
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$329,148</b>	<b>\$7,127,224</b>	<b>\$7,093,987</b>	<b>\$362,385</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	329,148	7,127,224	7,093,987	362,385
<b>TOTAL LIABILITIES</b>	<b>\$329,148</b>	<b>\$7,127,224</b>	<b>\$7,093,987</b>	<b>\$362,385</b>

<b>AFFILIATED HEALTH FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$60,056	\$3,663,895	\$3,685,623	\$38,328
Investments	3,322,376	1,347,884	2,347,027	2,323,233
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$3,382,435</b>	<b>\$5,011,779</b>	<b>\$6,032,650</b>	<b>\$2,361,561</b>
<b>LIABILITIES</b>				
Warrants payable	\$19,034	\$2,363,214	\$2,353,655	\$28,592
Due to other funds	0	0	0	0
Custodial accounts	3,363,401	2,648,565	3,678,995	2,332,971
<b>TOTAL LIABILITIES</b>	<b>\$3,382,435</b>	<b>\$5,011,779</b>	<b>\$6,032,650</b>	<b>\$2,361,561</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 5 of 10

<b>HOSPITAL DISTRICT 1 FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$1,291,692	\$352,818,080	\$349,724,266	\$4,385,506
Investments	88,547,745	199,251,659	179,406,330	108,393,074
Taxes receivable	(303)	3,603,295	3,547,107	55,885
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$89,839,134</b>	<b>\$555,673,034</b>	<b>\$532,677,703</b>	<b>\$112,834,465</b>
<b>LIABILITIES</b>				
Warrants payable	\$1,048,536	\$85,432,863	\$82,676,243	\$3,805,156
Due to Other Funds	0	0	0	0
Custodial accounts	88,790,599	466,636,876	446,454,353	109,029,309
<b>TOTAL LIABILITIES</b>	<b>\$89,839,134</b>	<b>\$552,069,739</b>	<b>\$529,130,596</b>	<b>\$112,834,465</b>

<b>HOSPITAL DISTRICT 2 FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$608,591	\$119,963,657	\$119,916,997	\$655,251
Investments	47,102,626	58,407,916	45,653,180	59,857,363
Taxes receivable	15,700	1,705,132	1,702,449	18,384
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$47,726,922</b>	<b>\$180,076,705</b>	<b>\$167,272,626</b>	<b>\$60,530,998</b>
<b>LIABILITIES</b>				
Warrants payable	\$407,713	\$28,228,111	\$28,075,523	\$560,301
Due to other funds	0	0	0	0
Custodial accounts	47,319,210	151,848,594	139,197,103	59,970,697
<b>TOTAL LIABILITIES</b>	<b>\$47,726,922</b>	<b>\$180,076,705</b>	<b>\$167,272,626</b>	<b>\$60,530,998</b>

<b>HOSPITAL DISTRICT 304 FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$599,350	\$115,556,378	\$115,351,961	\$803,767
Investments	12,169,696	58,226,038	56,542,940	13,852,795
Taxes receivable	77,081	702,280	747,057	32,303
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$12,846,128</b>	<b>\$174,484,696</b>	<b>\$172,641,958</b>	<b>\$14,688,866</b>
<b>LIABILITIES</b>				
Warrants payable	\$434,200	\$35,540,701	\$35,336,017	\$638,884
Due to other funds	0	0	0	0
Custodial accounts	12,411,929	138,943,995	137,305,941	14,049,982
<b>TOTAL LIABILITIES</b>	<b>\$12,846,128</b>	<b>\$174,484,696</b>	<b>\$172,641,958</b>	<b>\$14,688,866</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 6 of 10

<b>DIKE FUNDS</b>	<b>Balance</b> <b>January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance</b> <b>December 31,2005</b>
<b>ASSETS</b>				
Cash	\$542,483	\$7,752,755	\$6,370,787	\$1,924,451
Investments	538,137	134,937	111,822	561,253
Taxes receivable	146,998	3,789,238	3,803,538	132,699
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$1,227,616</b>	<b>\$11,676,930</b>	<b>\$10,286,147</b>	<b>\$2,618,401</b>
<b>LIABILITIES</b>				
Warrants payable	\$811,291	\$891,022	\$1,135,707	\$566,606
Due to Other Funds	0	0	0	0
Custodial accounts	416,325	10,785,908	9,150,440	\$2,051,795
<b>TOTAL LIABILITIES</b>	<b>\$1,227,616</b>	<b>\$11,676,930</b>	<b>\$10,286,147</b>	<b>\$2,618,401</b>

<b>DRAINAGE IMPROVEMENT FUNDS</b>	<b>Balance</b> <b>January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance</b> <b>December 31,2005</b>
<b>ASSETS</b>				
Cash	\$10,309	\$9,298	\$15,273	\$4,333
Investments	40,247	15,244	0	55,491
Taxes receivable	230	8,091	8,107	213
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$50,788</b>	<b>\$32,633</b>	<b>\$23,380</b>	<b>\$60,039</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$8,008	\$8,008	0
Due to other funds	0	0	0	0
Custodial accounts	50,788	\$24,625	\$15,372	60,039
<b>TOTAL LIABILITIES</b>	<b>\$50,788</b>	<b>\$32,633</b>	<b>\$23,380</b>	<b>\$60,039</b>

<b>DRAINAGE DISTRICT FUNDS</b>	<b>Balance</b> <b>January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance</b> <b>December 31,2005</b>
<b>ASSETS</b>				
Cash	\$426,077	\$722,082	\$822,857	\$325,301
Investments	849,325	171,908	140,356	880,877
Taxes receivable	15,063	457,285	459,445	12,903
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$1,290,467</b>	<b>\$1,351,275</b>	<b>\$1,422,658</b>	<b>\$1,219,081</b>
<b>LIABILITIES</b>				
Warrants payable	\$20,096	\$66,008	\$29,865	\$56,240
Due to other funds	0	0	0	0
Custodial accounts	1,270,369	1,285,267	1,392,793	1,162,841
<b>TOTAL LIABILITIES</b>	<b>\$1,290,467</b>	<b>\$1,351,275</b>	<b>\$1,422,658</b>	<b>\$1,219,081</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 7 of 10

<b>SCHOOL DISTRICTS FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$6,172,355	\$599,431,674	\$596,509,970	\$9,094,058
Investments	36,079,549	365,383,022	369,637,482	31,825,088
Taxes receivable	798,661	41,970,575	42,232,981	536,255
Deposits	35,000	10,555,344	10,590,344	0
<b>TOTAL ASSETS</b>	<b>\$43,085,566</b>	<b>\$1,017,340,615</b>	<b>\$1,018,970,777</b>	<b>\$41,455,401</b>
<b>LIABILITIES</b>				
Warrants payable	\$5,289,597	\$174,096,493	\$173,366,047	\$6,020,042
Due to Other Funds	0	0	0	0
Custodial accounts	37,795,967	843,244,122	845,604,730	35,435,359
<b>TOTAL LIABILITIES</b>	<b>\$43,085,566</b>	<b>\$1,017,340,615</b>	<b>\$1,018,970,777</b>	<b>\$41,455,401</b>

<b>CEMETERY DISTRICT FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$170,543	\$1,074,433	\$1,133,485	\$111,491
Investments	601,187	798,221	799,243	600,165
Taxes receivable	6,805	211,649	212,573	5,880
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$778,533</b>	<b>\$2,084,303</b>	<b>\$2,145,301</b>	<b>\$717,536</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	778,533	2,084,303	2,145,301	717,536
<b>TOTAL LIABILITIES</b>	<b>\$778,533</b>	<b>\$2,084,303</b>	<b>\$2,145,301</b>	<b>\$717,536</b>

<b>WATER DISTRICT FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$5,626	\$47,164	\$40,004	\$12,786
Investments	100,069	6,132	0	106,201
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$105,697</b>	<b>\$53,296</b>	<b>\$40,004</b>	<b>\$118,987</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	105,697	53,296	40,004	118,987
<b>TOTAL LIABILITIES</b>	<b>\$105,697</b>	<b>\$53,296</b>	<b>\$40,004</b>	<b>\$118,987</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 8 of 10

<b>SEWER DISTRICTS FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$324,941	\$2,823,383	\$3,090,980	\$57,344
Investments	1,905,165	2,203,306	1,405,229	2,703,241
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$2,230,106</b>	<b>\$5,026,689</b>	<b>\$4,496,209</b>	<b>\$2,760,585</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to Other Funds	0	0	0	0
Custodial accounts	2,230,106	5,026,689	4,496,209	2,760,585
<b>TOTAL LIABILITIES</b>	<b>\$2,230,106</b>	<b>\$5,026,689</b>	<b>\$4,496,209</b>	<b>\$2,760,585</b>

<b>FIRE DISTRICTS FUNDS</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$2,216,009	\$11,059,623	\$11,041,558	\$2,234,074
Investments	4,670,892	4,358,751	5,467,613	3,562,029
Taxes receivable	158,562	3,581,093	3,613,569	126,086
Deposits	0	19,345	19,345	0
<b>TOTAL ASSETS</b>	<b>\$7,045,464</b>	<b>\$19,018,812</b>	<b>\$20,142,085</b>	<b>\$5,922,190</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	7,045,464	19,018,812	20,142,085	5,922,190
<b>TOTAL LIABILITIES</b>	<b>\$7,045,464</b>	<b>\$19,018,812</b>	<b>\$20,142,085</b>	<b>\$5,922,190</b>

<b>NORTH SOUND RSN</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$13,139	\$43,626,783	\$43,367,799	\$272,123
Investments	2,521,024	981,196	0	3,502,221
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$2,534,162</b>	<b>\$44,607,979</b>	<b>\$43,367,799</b>	<b>\$3,774,343</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	2,534,162	44,607,979	43,367,799	3,774,343
<b>TOTAL LIABILITIES</b>	<b>\$2,534,162</b>	<b>\$44,607,979</b>	<b>\$43,367,799</b>	<b>\$3,774,343</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 9 of 10

<b>SKAGIT EMERGENCY COMM</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$403,967	\$3,533,123	\$3,177,507	\$759,583
Investments	287,671	8,499	0	296,170
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$691,638</b>	<b>\$3,541,622</b>	<b>\$3,177,507</b>	<b>\$1,055,753</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to Other Funds	0	0	0	0
Custodial accounts	691,638	3,541,622	3,177,507	1,055,753
<b>TOTAL LIABILITIES</b>	<b>\$691,638</b>	<b>\$3,541,622</b>	<b>\$3,177,507</b>	<b>\$1,055,753</b>

<b>SKAGIT COMMUNITY NETWORK</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$1,802	\$0	\$0	\$1,802
Investments	0	0	0	0
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$1,802</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,802</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to Other Funds	0	0	0	0
Custodial accounts	1,802	0	0	1,802
<b>TOTAL LIABILITIES</b>	<b>\$1,802</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,802</b>

<b>PUBLIC FACILITIES DISTRICT</b>	<b>Balance January 1,2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31,2005</b>
<b>ASSETS</b>				
Cash	\$1,425,082	\$5,180,431	\$6,480,625	\$124,888
Investments	586,538	2,403,619	1,435,812	1,554,345
Taxes receivable	0	0	0	0
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$2,011,619</b>	<b>\$7,584,050</b>	<b>\$7,916,437</b>	<b>\$1,679,232</b>
<b>LIABILITIES</b>				
Warrants payable	\$0	\$0	\$0	\$0
Due to other funds	0	0	0	0
Custodial accounts	2,011,619	7,584,050	7,916,437	1,679,232
<b>TOTAL LIABILITIES</b>	<b>\$2,011,619</b>	<b>\$7,584,050</b>	<b>\$7,916,437</b>	<b>\$1,679,232</b>

**SKAGIT COUNTY, WASHINGTON**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Fiscal Year Ended December 31, 2005**

Page 10 of 10

<b>TOTALS</b>	<b>Balance</b> <b>January 1, 2005</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance</b> <b>December 31, 2005</b>
<b>ASSETS</b>				
Cash	\$23,053,638	\$1,583,115,357	\$1,576,655,689	\$29,513,306
Investments	231,229,658	\$727,705,333	\$697,194,236	261,740,755
Taxes receivable	3,070,795	\$99,391,733	\$99,937,502	2,525,026
Deposits	35,000	\$10,574,689	\$10,609,689	0
<b>TOTAL ASSETS</b>	<b>\$257,389,091</b>	<b>\$2,420,787,113</b>	<b>\$2,384,397,116</b>	<b>\$293,779,087</b>
<b>LIABILITIES</b>				
Warrants payable	\$12,031,066	\$501,002,943	\$499,416,746	\$13,617,263
Due to other funds	0	0	0	0
Custodial accounts	245,358,025	\$1,919,784,170	\$1,884,980,370	280,161,824
<b>TOTAL LIABILITIES</b>	<b>\$257,389,091</b>	<b>\$2,420,787,113</b>	<b>\$2,384,397,116</b>	<b>\$293,779,087</b>

# Capital Assets





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

These are assets used in operations funded by governmental funds. This includes all capital assets of the County except for those used in Enterprise or Internal service funds.

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

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

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

**SKAGIT COUNTY, WASHINGTON**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Function and Activity**  
**As of December 31, 2005**

General Government	Total	Land	Buildings	Improvements	Development		
					Rights	Infrastructure	Equipment
Legislative	\$50,018		\$27,842	\$8,876			\$13,300
Judicial	174,192		18,461				155,731
Finance/Records Services	593,837		132,135				461,702
Legal	42,119		16,700				25,419
Central Services	452,032						452,032
Land, Buildings & Improvements	57,908,287	16,939,737	36,838,261	4,130,289			0
<b>Total General Government</b>	<b>\$59,220,485</b>	<b>\$16,939,737</b>	<b>\$37,033,399</b>	<b>\$4,139,165</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,108,184</b>
<b>Security of Persons &amp; Property</b>							
Law Enforcement	\$386,663		\$14,708				\$371,955
Fire Control	0						0
Detention & Correction	172,532			62,009			110,523
Emergency Services	376,405						376,405
Juvenile Services	35,081						35,081
Communications/Alarm/Dispatch	1,183,765						1,183,765
<b>Total Security of Persons/Prop</b>	<b>\$2,154,446</b>	<b>\$0</b>	<b>\$14,708</b>	<b>\$62,009</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,077,729</b>
<b>Utilities and Environment</b>							
Environmental Preservation	\$6,317,138				6,298,890		\$18,248
Flood Control	\$6,961						6,961
<b>Total Utilities and Environment</b>	<b>\$6,324,099</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,298,890</b>	<b>\$0</b>	<b>\$25,209</b>
<b>Transportation</b>							
Road & Street Maintenance	\$461,257,331	\$33,661	\$1,989,451	\$1,320,270		457,505,657	\$408,292
<b>Total Transportation</b>	<b>\$461,257,331</b>	<b>\$33,661</b>	<b>\$1,989,451</b>	<b>\$1,320,270</b>	<b>\$0</b>	<b>\$457,505,657</b>	<b>\$408,292</b>
<b>Economic Environment</b>							
Aging	\$218,066		\$111,616	\$37,331			\$69,119
Planning & Community Development	593,168		563,461				29,707
<b>Total Economic Environment</b>	<b>\$811,234</b>	<b>\$0</b>	<b>\$675,077</b>	<b>\$37,331</b>	<b>\$0</b>	<b>\$0</b>	<b>\$98,826</b>
<b>Mental &amp; Physical Health</b>							
Public Health	\$108,162			\$24,065			\$84,097
Coroner	0						0
Substance Abuse	587,865		587,865				0
Community Services Admin.	8,028						8,028
<b>Total Mental/Physical Health</b>	<b>\$704,055</b>	<b>\$0</b>	<b>\$587,865</b>	<b>\$24,065</b>	<b>\$0</b>	<b>\$0</b>	<b>\$92,125</b>
<b>Culture &amp; Recreation</b>							
Spectator & Community Events	34,138		13,959	10,392			9,787
Participant Recreation	431,773			317,306			114,467
Culture & Recreation Facilities	222,468	160,751		20,858			40,859
<b>Total Culture &amp; Recreation</b>	<b>\$688,379</b>	<b>\$160,751</b>	<b>\$13,959</b>	<b>\$348,556</b>	<b>\$0</b>	<b>\$0</b>	<b>\$165,113</b>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$531,160,028</b>	<b>\$17,134,149</b>	<b>\$40,314,459</b>	<b>\$5,931,396</b>	<b>\$6,298,890</b>	<b>\$457,505,656</b>	<b>\$3,975,478</b>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

**SKAGIT COUNTY, WASHINGTON**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function and Activity**  
**For Year Ended December 31, 2005**

<b><i>General Government</i></b>	General Fixed Assets Jan 1, 2005	Additions	Deletions	General Fixed Assets Dec. 31, 2005
Legislative	\$13,300	\$36,718		\$50,018
Judicial	155,731	18,461		\$174,192
Finance/Records Services	269,950	323,887		593,837
Legal	25,419	16,700		42,119
Central Services	1,551,745		1,099,713	452,032
Land, Buildings & Improvements	55,731,986	2,416,917	240,615	57,908,288
<b>Total General Government</b>	<b>\$57,748,131</b>	<b>\$2,812,683</b>	<b>\$1,340,328</b>	<b>\$59,220,485</b>
<b><i>Security of Persons &amp; Property</i></b>				
Law Enforcement	\$371,955	\$66,222	\$51,514	386,663
Fire Control	0			0
Detention & Correction	110,523	62,009		172,532
Emergency Services	22,337	361,914	7,846	376,405
Juvenile Services	35,081			35,081
Communications/Alarm/Dispatch	1,183,765			1,183,765
<b>Total Security of Persons/Prop</b>	<b>\$1,723,661</b>	<b>\$490,145</b>	<b>\$59,360</b>	<b>\$2,154,446</b>
<b><i>Utilities and Environment</i></b>				
Environmental Preservation	5,262,800	1,054,338		\$6,317,138
Flood Control	\$6,961			\$6,961
<b>Total Utilities and Environment</b>	<b>\$5,269,761</b>	<b>\$1,054,338</b>	<b>\$0</b>	<b>\$6,324,099</b>
<b><i>Transportation</i></b>				
Road & Street Maintenance	\$464,527,248	\$2,795,233	\$6,065,150	\$461,257,331
<b>Total Transportation</b>	<b>\$464,527,248</b>	<b>\$2,795,233</b>	<b>\$6,065,150</b>	<b>\$461,257,331</b>
<b><i>Economic Environment</i></b>				
Aging	\$153,637	\$64,429		\$218,066
Planning & Community Development	547,227	45,941		\$593,168
<b>Total Economic Environment</b>	<b>\$700,864</b>	<b>\$110,370</b>	<b>\$0</b>	<b>\$811,234</b>
<b><i>Mental &amp; Physical Health</i></b>				
Public Health	\$88,065	\$31,622	\$11,525	\$108,162
Coroner	0			0
Substance Abuse	0	587,865		587,865
Community Services Admin.	8,028		0	8,028
<b>Total Mental/Physical Health</b>	<b>\$96,093</b>	<b>\$619,487</b>	<b>\$11,525</b>	<b>\$704,055</b>
<b><i>Culture &amp; Recreation</i></b>				
Spectator & Community Events	34,138			34,138
Participant Recreation	145,865	285,908		431,773
Culture, Recreation & Park Facilities	36,932	185,536		222,468
<b>Total Culture &amp; Recreation</b>	<b>\$216,935</b>	<b>\$471,444</b>	<b>\$0</b>	<b>\$688,379</b>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$530,282,692</b>	<b>\$8,353,700</b>	<b>\$7,476,363</b>	<b>\$531,160,028</b>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

**SKAGIT COUNTY, WASHINGTON**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Source**  
**December 31, 2005**

**General Fixed Assets**

Land	\$17,134,149
Buildings	40,314,459
Other Improvements	5,931,396
Equipment	3,975,478
Development Rights	6,298,890
Infrastructure	<u>457,505,656</u>
<b>Total General Fixed Assets:</b>	<b><u><u>\$531,160,028</u></u></b>

**Investment in General Fixed Assets From:**

General Fund Revenue	\$ 36,478,227
Special Revenue Funds Revenue	<u>494,681,801</u>
<b>Total Investment in General Fixed Assets:</b>	<b><u><u>\$ 531,160,028</u></u></b>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

Statistical Section



# SKAGIT COUNTY, WASHINGTON

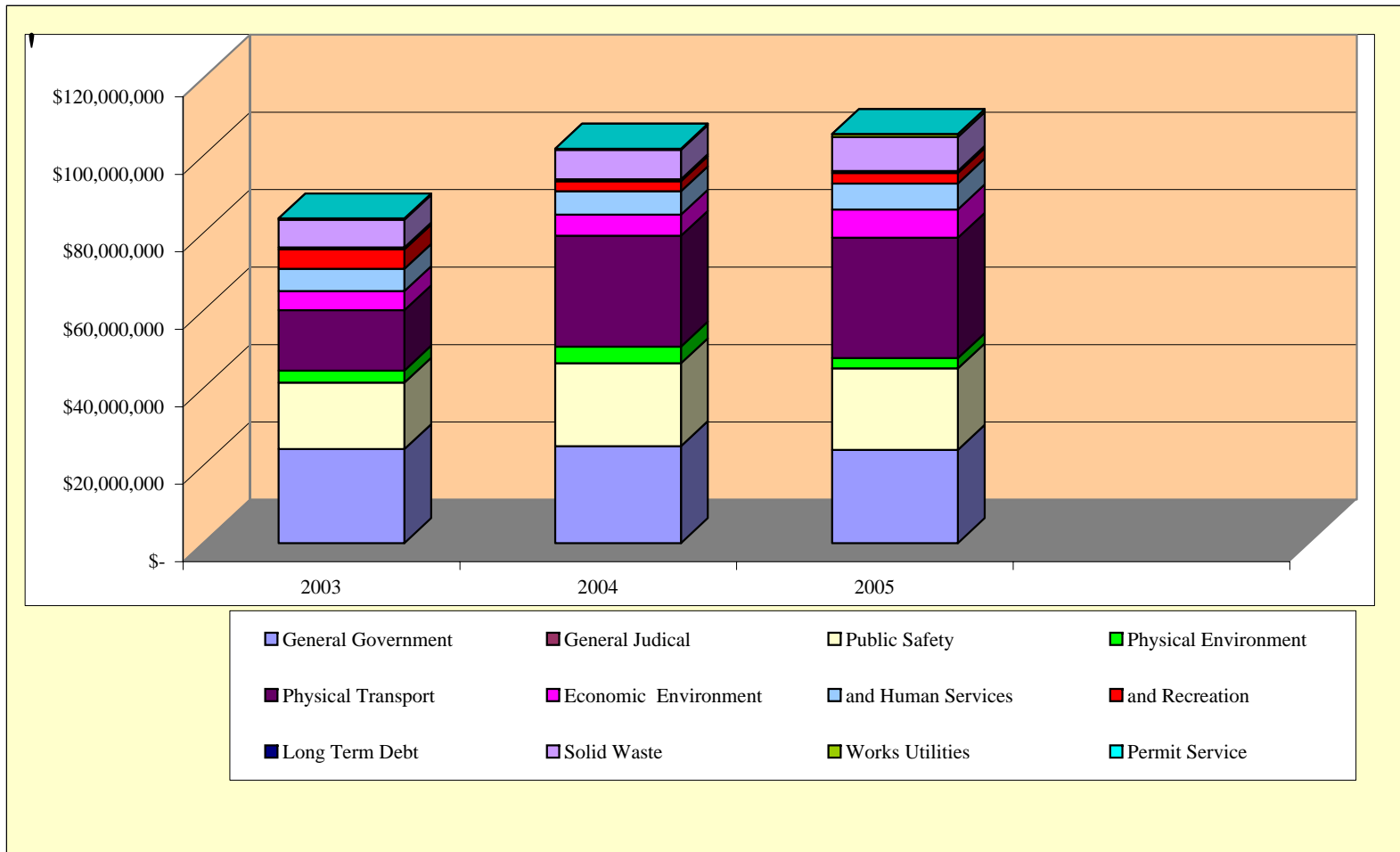
## Government-Wide Expense By Function

### Last Ten Years

(amounts expressed in thousands)

Year	General Government	Judicial	Public Safety	Physical Environment	Transport	Economic Environment	Health and Human Services	Culture and Recreation	Interest on Long Term Debt	Solid Waste	Public Works Utilities	Permit Service	Total
2003	\$ 24,267,759	\$ -	\$ 17,143,366	\$ 3,138,267	\$ 15,574,415	\$ 4,932,106	\$ 5,732,219	\$ 4,991,191	\$ 519,350	\$ 7,132,390	\$ 374,143	\$ -	\$ 83,805,206
2004	\$ 25,021,132	\$ -	\$ 21,411,406	\$ 4,289,893	\$ 28,630,892	\$ 5,409,542	\$ 6,045,448	\$ 2,611,408	\$ 530,488	\$ 7,523,230	\$ 351,798	\$ -	\$ 101,825,237
2005	\$ 24,063,135	\$ -	\$ 21,022,495	\$ 2,680,477	\$ 31,030,917	\$ 7,346,469	\$ 6,688,020	\$ 2,721,796	\$ 523,482	\$ 8,744,612	\$ 769,880	\$ -	\$ 105,591,283

173



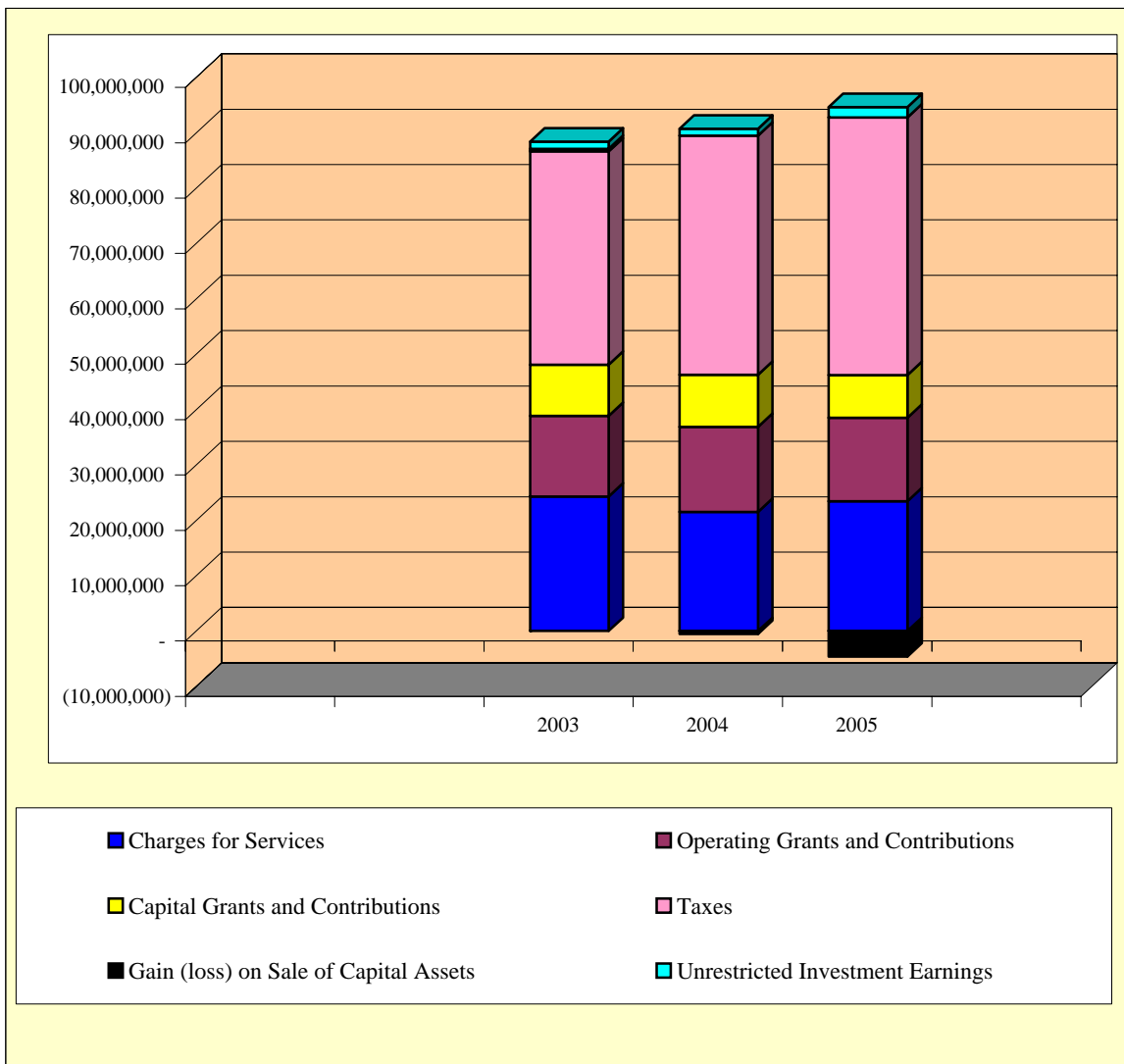
Note: Less than ten years data is provided because 2003 was the first year for government wide expenses under GASB #34

# SKAGIT COUNTY , WASHINGTON

## Government-Wide Revenue By Function

### Last Ten Years

Year	Program Revenues			General Revenues			Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Gain (loss) on Sale of Capital Assets	Unrestricted Investment Earnings	
2003	\$ 24,267,359	\$ 14,601,748	\$ 9,242,276	\$ 38,497,885	\$ 469,053	\$ 1,330,705	\$ 88,409,026
2004	\$ 21,498,291	\$ 15,382,603	\$ 9,379,915	\$ 43,212,366	\$ (563,436)	\$ 1,229,215	\$ 90,138,954
2005	\$ 23,427,747	\$ 15,076,233	\$ 7,721,163	\$ 46,529,681	\$ (4,636,036)	\$ 1,878,787	\$ 89,997,575



Note: Less than ten years data is provided because 2003 was the first year for government wide revenues under GASB #34

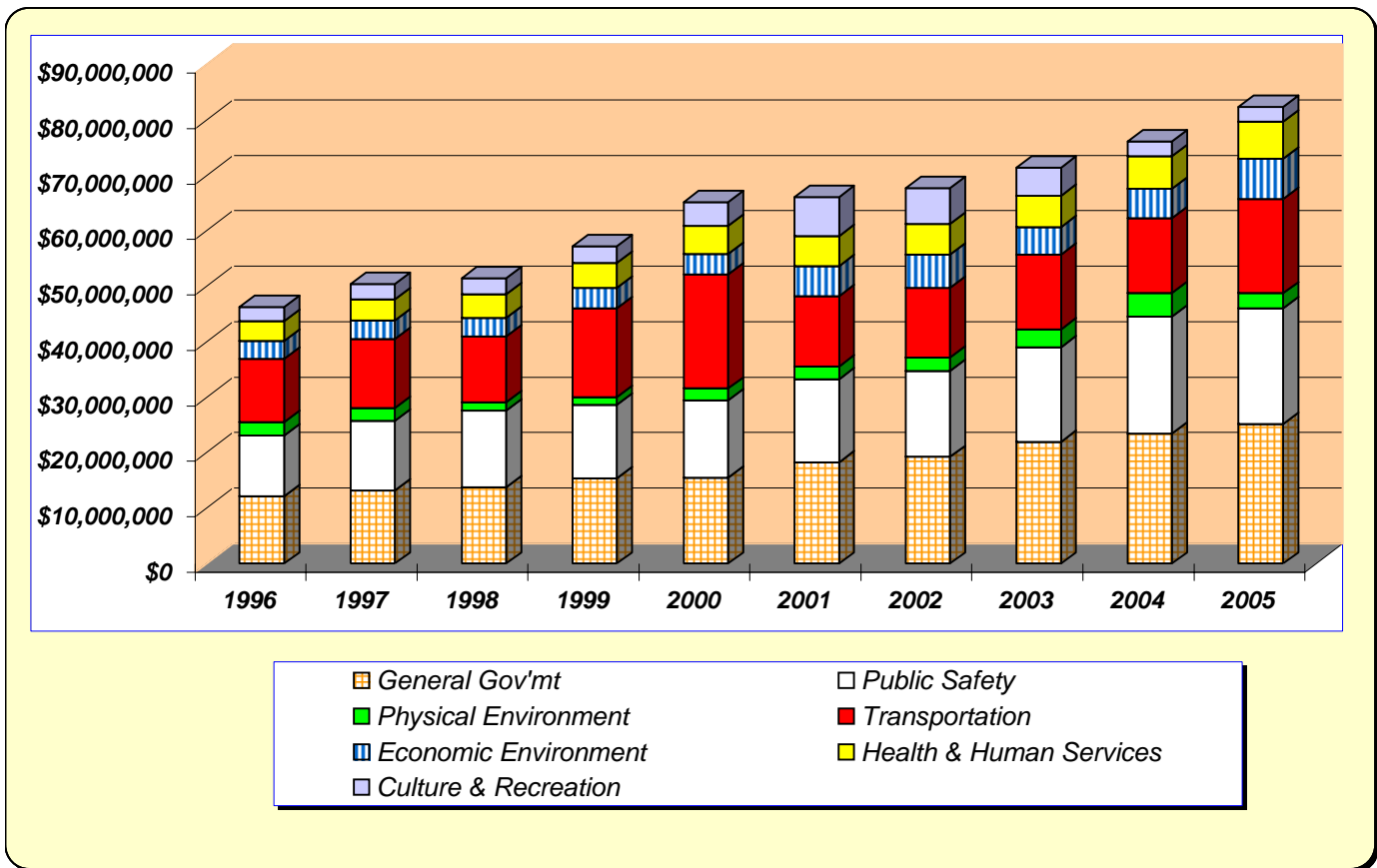
# SKAGIT COUNTY, WASHINGTON

## STATISTICAL TABLES

### GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION\*

For a Ten Year Period

Year	General Government	Public Safety	Physical Environment	Transportation	Economic Environment	Health & Human Services	Culture & Recreation	TOTAL
1996	\$12,169,778	\$10,951,276	\$2,422,762	\$11,344,954	\$3,281,409	\$3,560,558	\$2,517,660	\$46,248,397
1997	\$13,183,227	\$12,606,376	\$2,224,045	\$12,493,133	\$3,325,213	\$3,825,692	\$2,708,535	\$50,366,220
1998	\$13,778,613	\$13,788,037	\$1,527,563	\$11,866,276	\$3,246,850	\$4,274,686	\$2,901,787	\$51,383,812
1999	\$15,433,261	\$13,177,602	\$1,380,794	\$16,077,707	\$3,625,235	\$4,576,987	\$2,982,679	\$57,254,265
2000	\$15,495,011	\$13,956,981	\$2,121,556	\$20,597,529	\$3,716,908	\$4,995,222	\$4,304,969	\$65,188,176
2001	\$18,289,286	\$14,958,541	\$2,272,689	\$12,661,704	\$5,453,017	\$5,467,423	\$7,033,639	\$66,136,299
2002	\$19,247,743	\$15,519,549	\$2,388,389	\$12,595,572	\$5,941,627	\$5,597,164	\$6,370,450	\$67,660,494
2003	\$22,002,351	\$17,042,628	\$3,148,041	\$13,516,319	\$4,926,412	\$5,724,294	\$4,978,894	\$71,338,939
2004	\$23,489,142	\$21,057,717	\$4,275,730	\$13,430,770	\$5,330,530	\$5,929,076	\$2,573,625	\$76,086,590
2005	\$25,170,204	\$20,845,177	\$2,728,097	\$16,976,293	\$7,259,979	\$6,701,986	\$2,659,565	\$82,341,301



\* Includes General, Special Revenue, Debt Service, and Capital Projects funds (Intragovernmental expenditures reflected in actual funds expended)

Excludes non-recurring debt-service costs, capitalized and non-capitalized improvements.



# SKAGIT COUNTY, WASHINGTON

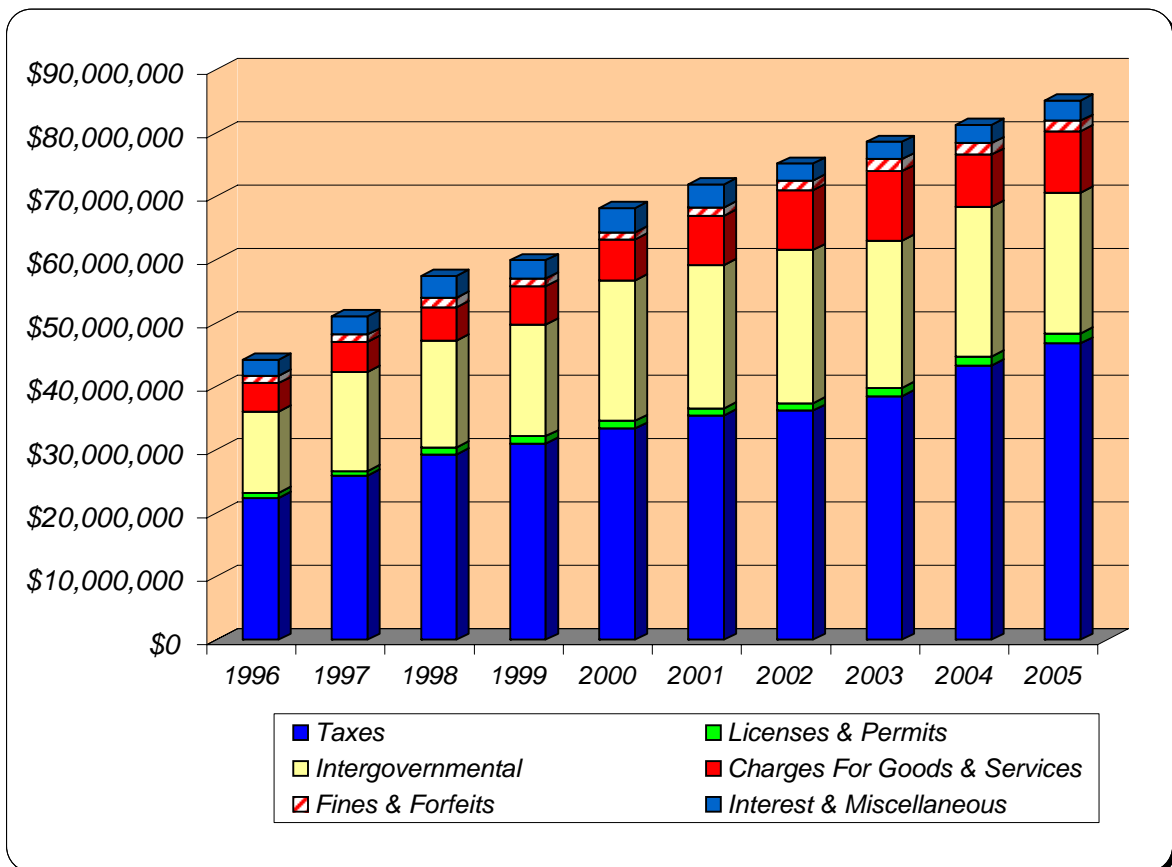
## STATISTICAL TABLES

### GENERAL GOVERNMENTAL REVENUES BY SOURCE\*

For a Ten Year Period

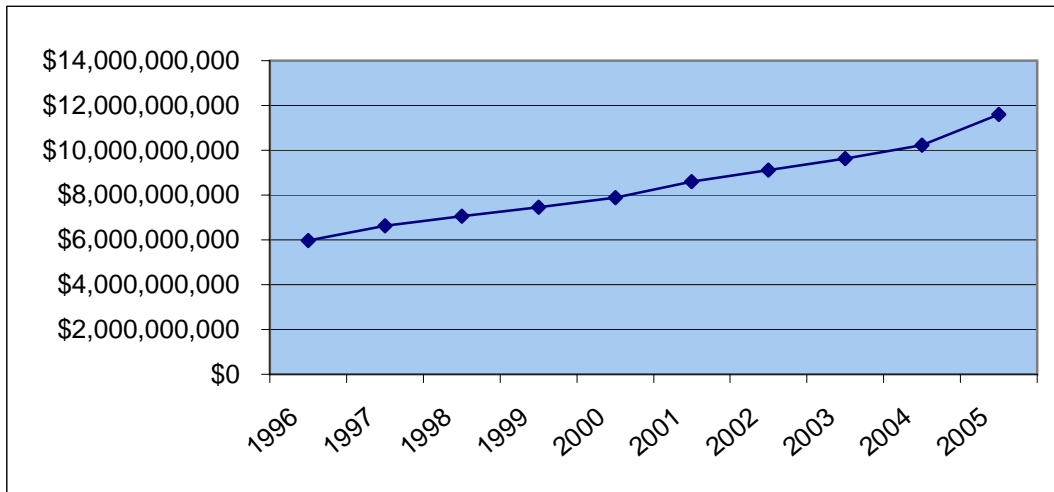
Year	Taxes	Licenses & Permits	Intergov'mt	Charges for Goods & Services	Fines and Forfeits	Interest & Misc.	Total
1996	\$22,400,994	\$790,300	\$12,806,350	\$4,491,989	\$1,156,412	\$2,526,042	\$44,172,085
1997	\$25,890,662	\$713,768	\$15,641,576	\$4,743,260	\$1,205,650	\$2,860,082	\$51,054,996
1998	\$29,251,278	\$1,099,490	\$16,849,603	\$5,299,075	\$1,469,124	\$3,479,588	\$57,448,158
1999	\$30,951,946	\$1,173,031	\$17,642,118	\$6,055,194	\$1,206,116	\$2,875,769	\$59,904,174
2000	\$33,351,287	\$1,211,395	\$22,164,618	\$6,421,365	\$1,174,205	\$3,791,139	\$68,114,009
2001	\$35,389,416	\$1,146,817	\$23,573,320	\$7,808,249	\$1,263,153	\$3,648,225	\$72,829,180
2002	\$36,150,798	\$1,169,624	\$24,304,457	\$9,445,217	\$1,531,897	\$2,661,191	\$75,263,184
2003	\$38,448,924	\$1,305,497	\$23,206,807	\$10,989,359	\$1,912,572	\$2,722,721	\$78,585,880
2004	\$43,286,157	\$1,422,214	\$23,652,318	\$8,207,694	\$1,804,401	\$2,917,562	\$81,290,346
2005	\$46,755,376	\$1,563,872	\$22,210,354	\$9,706,578	\$1,674,965	\$3,170,109	\$85,081,254

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



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

Year	Real Property Assessed Value	Personal Property Assessed Value	Total Assessed Value
1996	\$5,572,427,655	\$409,154,225	\$5,981,581,880
1997	\$5,966,200,352	\$676,267,960	\$6,642,468,312
1998	\$6,382,066,068	\$661,720,714	\$7,043,786,782
1999	\$6,716,745,926	\$744,570,716	\$7,461,316,642
2000	\$7,103,186,348	\$780,836,645	\$7,884,022,993
2001	\$7,805,819,286	\$794,696,921	\$8,600,516,207
2002	\$8,271,017,360	\$838,169,892	\$9,109,187,252
2003	\$8,735,243,216	\$900,051,468	\$9,635,294,684
2004	\$9,255,714,763	\$965,923,623	\$10,221,638,386
2005	\$10,622,301,046	\$972,398,736	\$11,594,699,782



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**  
**STATISTICAL TABLES**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
 (Per \$1,000 of Assessed Value)  
 For a Ten Year Period

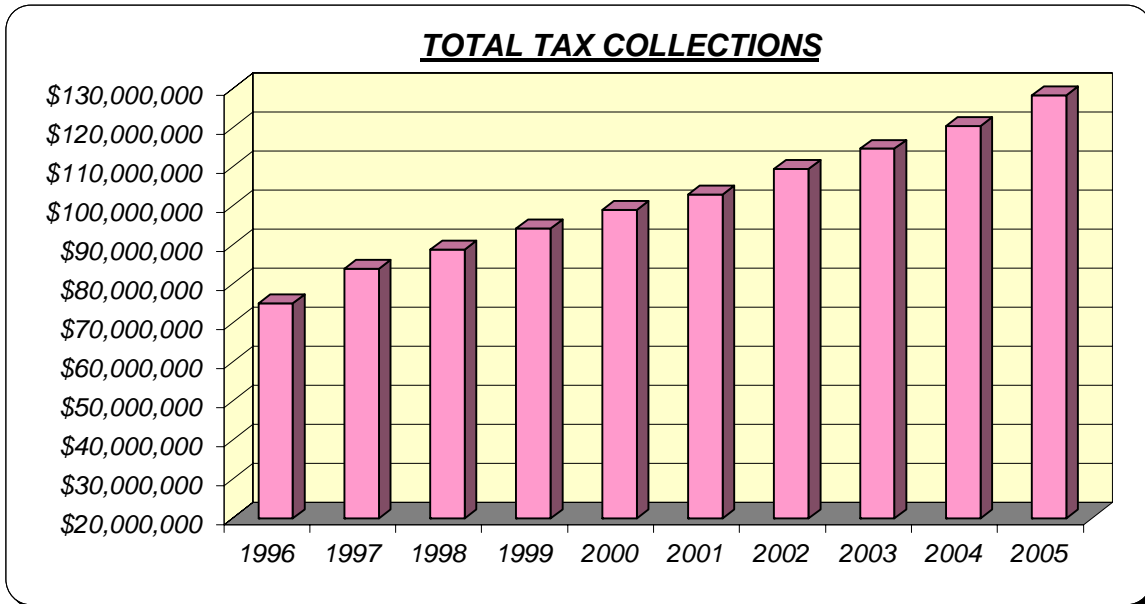
Year	General Fund	Special Revenue Funds	Total	School Districts	Fire Districts	Cemetery Districts	Port Districts	Cities and Towns	State of Washington	Special Assessment Districts	Hospitals	Parks and Recreation Districts	Dike and Drainage Districts	Darrington & LaConner Library Districts	Total
1997	1.56	2.30	3.85	31.25	13.21	0.28	0.48	22.11	3.62	3.91	0.88	0.16	107.84	0.79	192.22
1998	1.60	2.39	3.99	32.99	14.70	0.37	0.43	22.13	3.44	0.00	0.97	0.16	110.60	0.79	194.56
1999	1.61	2.37	3.98	34.58	15.20	0.35	0.40	22.10	3.23	0.00	0.92	0.14	120.28	0.78	205.94
2000	1.65	2.37	4.02	33.39	15.36	0.49	0.37	21.29	3.24	0.00	0.92	0.14	119.18	0.81	195.19
2001	1.64	2.40	4.05	34.08	15.42	0.43	0.35	22.40	3.09	0.00	0.91	0.13	115.60	0.84	197.30
2002	1.60	2.28	3.88	35.60	15.18	0.41	0.31	21.78	2.85	0.00	0.84	0.12	109.94	0.83	195.62
2003	1.58	2.25	3.83	35.89	16.14	0.39	0.28	21.36	2.82	0.00	0.81	0.11	120.74	1.30	203.67
2004	1.57	2.27	3.84	36.29	15.26	0.39	0.25	21.39	2.78	0.00	0.73	0.10	124.05	1.46	210.38
2005	1.55	2.23	3.78	35.34	14.42	0.37	0.22	20.02	2.71	0.00	2.07	0.10	103.67	1.37	184.07
2006	1.52	1.99	3.51	32.05	14.25	0.35	0.24	18.89	2.51	0.00	2.08	0.09	109.42	1.35	184.71

178

SOURCE: Skagit County Assessor

**SKAGIT COUNTY, WASHINGTON**  
**STATISTICAL TABLES**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
For a Ten 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%



- (1) Includes prior years delinquent tax collections
- (2) Percent computed on current year's levy
- (3) Includes omissions, supplements, and cancellations

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

<u>Year</u>	<u>Assessment Receivable January 1</u>	<u>Additions</u>	<u>Collections</u>	<u>Assessment Receivable December 31</u>
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

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 Ten Year Period

<b>Year</b>	<b>Population</b>	<b>Assessed Value</b>	<b>G.O. Bonded Debt *</b>	<b>Less Debt Service Fund (restated)</b>	<b>Net Bonded Debt (restated)</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Debt Per Capita (restated)</b>
1996	95,500	\$5,981,581,880	\$150,000	\$0	\$150,000	0.0025%	\$2
1997	97,705	\$6,642,468,312	\$996,195	\$1,619	\$994,576	0.0150%	\$10
1998	98,700	\$7,043,786,782	\$966,348	\$14,521	\$951,827	0.0137%	\$10
1999	100,600	\$7,461,316,642	\$896,202	\$17,964	\$878,238	0.0120%	\$9
2000	103,478	\$7,884,022,993	\$8,820,754	\$21,062	\$8,799,692	0.1119%	\$85
2001	106,000	\$8,600,516,207	\$8,540,000	\$0	\$8,540,000	0.0993%	\$81
2002	105,100	\$9,109,187,252	\$8,280,000	\$0	\$8,280,000	0.0909%	\$79
2003	106,700	\$9,635,294,684	\$10,395,000	\$0	\$10,395,000	0.1079%	\$97
2004	108,800	\$10,221,638,386	\$9,960,000	\$0	\$9,960,000	0.0974%	\$92
2005	110,900	\$11,594,699,782	\$9,655,000	\$0	\$9,655,000	0.0833%	\$87

\* Excludes Proprietary Bonds Payable



**SKAGIT COUNTY, WASHINGTON**  
**STATISTICAL TABLES**  
**COMPUTATION OF DIRECT & OVERLAPPING DEBT**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

JURISDICTION	NET DEBT OUTSTANDING	PERCENTAGE APPLICABLE TO SKAGIT COUNTY	AMOUNT APPLICABLE TO SKAGIT COUNTY
Direct Debt			
Skagit County	\$16,105,000	100%	\$16,105,000
Total Direct Debt	<u>\$16,105,000</u>		<u>\$16,105,000</u>
Overlapping debt			
Port Districts	\$13,010,000	100%	\$13,010,000
Hospital Districts	\$107,018,578	100%	\$107,018,578
School Districts	\$158,093,500	100%	\$158,093,500
Educational Service Dist #189	\$2,280,000	100%	\$2,280,000
Cities in Skagit County	\$17,002,596	100%	\$17,002,596
Dike Districts	\$4,587,289	100%	\$4,587,289
Fire Districts	\$2,316,491	100%	\$2,316,491
Public Facilities District	\$9,450,000	100%	\$9,450,000
Total Overlapping Debt	<u>\$313,758,454</u>		<u>\$313,758,454</u>
Total Direct & Overlapping Debt	<u><u>\$329,863,454</u></u>		<u><u>\$329,863,454</u></u>

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



# SKAGIT COUNTY, WASHINGTON

## STATISTICAL TABLES

### RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES FOR A TEN YEAR PERIOD

<u>Year</u>	<u>Principal</u>	<u>Interest and Fiscal Charges</u>	<u>Total* Debt Service</u>	<u>Total** General Expenditures</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>
1996	0	0	0	46,248,397	0.00%
1997	\$28,805	\$2,180	\$30,985	\$50,366,221	0.06%
1998	\$85,428	\$67,108	\$152,536	\$51,383,812	0.30%
1999	\$103,811	\$58,428	\$162,239	\$57,254,265	0.28%
2000	\$134,343	\$315,808	\$450,151	\$65,188,176	0.69%
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%

\* Does not include Enterprise Funds

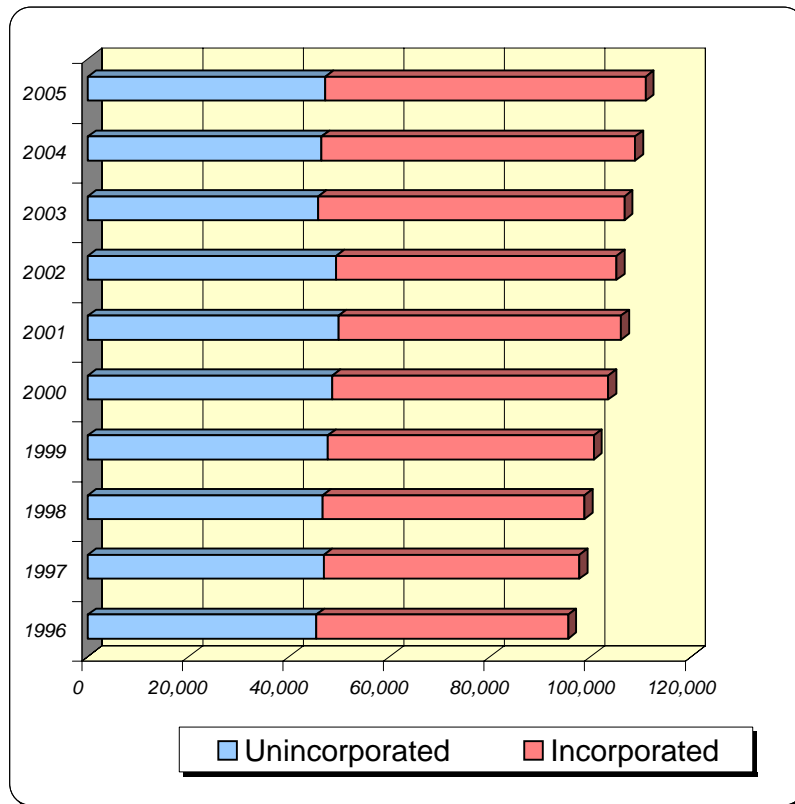
\*\* Includes General, Special Revenue, Capital Projects, and Debt Service funds

# SKAGIT COUNTY, WASHINGTON

## STATISTICAL TABLES

### DEMOGRAPHIC STATISTICS

For a Ten Year Period



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Unincorporated	45,442	46,931	46,750	47,685	48,635	49,820	45,205	45,830	46,455	47,250
Incorporated	50,058	50,774	51,950	52,915	54,843	56,180	59,895	60,870	62,345	63,650
<b>Totals</b>	<b>95,500</b>	<b>97,705</b>	<b>98,700</b>	<b>100,600</b>	<b>103,478</b>	<b>106,000</b>	<b>105,100</b>	<b>106,700</b>	<b>108,800</b>	<b>110,900</b>
Income Per Capita	\$20,794	\$21,535	\$21,777	\$22,670	\$20,173	\$25,184	\$26,414	\$23,679	\$23,036	\$23,748
Unemployment Rate	8.4%	7.4%	7.1%	6.3%	6.6%	7.2%	7.5%	7.8%	7.0%	5.5%
School Enrollment	17,200	17,233	17,987	18,604	18,778	18,916	18,185	19,280	18,932	19,121

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

**SKAGIT COUNTY, WASHINGTON**  
**STATISTICAL TABLES**  
**PROPERTY VALUE, CONSTRUCTION, AND BANK ACTIVITY**  
**For a Ten Year Period**

**CONSTRUCTION\***

Year	Commercial			Industrial			Residential		
	Number of Units	Value	Percent Change	Number of Units	Value	Percent Change	Number of Units	Value	Percent Change
1996	113	\$9,197,750	40.67%	9	\$3,207,612	377.76%	295	\$32,458,752	51.67%
1997	92	\$8,143,683	-11.46%	9	\$848,633	-73.54%	215	\$22,096,261	-31.93%
1998	81	\$12,383,806	52.07%	16	\$5,571,580	556.54%	215	\$28,853,528	30.58%
1999	148	\$8,626,072	-30.34%	16	\$4,033,283	-27.61%	198	\$30,235,456	4.79%
2000	116	\$7,863,460	-8.84%	6	\$2,020,760	-49.90%	247	\$39,393,837	30.29%
2001	104	\$8,099,910	3.01%	17	\$4,569,391	126.12%	201	\$37,522,702	-4.75%
2002	144	\$9,153,243	13.00%	24	\$7,314,756	60.08%	212	\$36,929,127	-1.58%
2003	115	\$5,957,432	-34.91%	23	\$8,936,764	22.17%	214	\$42,709,159	15.65%
2004	124	\$9,201,491	54.45%	17	\$6,261,827	-29.93%	331	\$59,074,389	38.32%
2005	111	\$6,589,936	-28.38%	17	\$4,802,866	-23.30%	319	\$59,502,779	0.73%

Year	Commercial**	PROPERTY VALUE***	
	Bank Deposits	Commercial	Residential
1996	\$643,402,000	\$1,267,478,252	\$3,591,934,997
1997	\$596,402,000	\$1,229,289,040	\$3,934,758,287
1998	\$622,769,000	\$1,741,964,885	\$4,457,061,662
1999	\$693,350,000	\$2,009,425,936	\$4,873,783,970
2000	\$737,936,000	\$2,202,895,740	\$5,132,723,221
2001	\$778,078,000	\$2,238,454,737	\$5,548,221,761
2002	\$856,542,000	\$2,229,434,518	\$6,232,667,272
2003	\$920,980,000	\$2,200,249,400	\$6,972,101,847
2004	\$1,076,000,000	\$3,104,779,327	\$7,400,330,733
2005	\$1,146,000,000	\$3,054,277,580	\$7,482,018,078

SOURCES: \* Skagit County Planning Department  
\*\*fdic.gov(June 30 Fiscal Yr-dollar amounts in millions )  
\*\*\* Skagit County Assessor

**SKAGIT COUNTY, WASHINGTON**  
**STATISTICAL TABLES**  
**2004 CERTIFIED TOP TEN TAXPAYERS**  
**(2005 Assessment For 2006 Taxes)**

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>ASSESSED VALUE</u>	<u>PERCENT OF TOTAL</u>
Equilon Enterprises LLC	Petroleum Products	\$299,539,613	2.58%
Tesoro Corp	Petroleum Products	\$213,364,380	1.84%
Puget Sound Energy/Electric	Utility	\$205,682,135	1.77%
Verizon Northwest Inc	Utility	\$68,270,465	0.59%
March Point Cogeneration Co	Power Generator	\$58,104,284	0.50%
NW Pipeline Corp	Utility	\$40,855,918	0.35%
Pacific Woodtech Corp	Wood Products	\$39,829,500	0.34%
PPR Cascade LLC	Utility	\$30,804,600	0.27%
Cascade Natural Gas Corp	Utility	\$26,900,267	0.23%
PACCAR Truck Testing, Inc	Research & Development	\$26,741,812	0.23%
		<u>\$1,010,092,974</u>	<u>8.71%</u>
<i>TOTAL COUNTY ASSESSED VALUE</i>		<i>\$11,594,699,782</i>	

Source: Skagit County Assessor

# SKAGIT COUNTY, WASHINGTON

## STATISTICAL TABLES

### PRINCIPAL EMPLOYERS - 2004-2005

	<u>Number of Employees</u>
EDUCATION SERVICES	3,782
SKAGIT VALLEY HOSPITAL	1,030
SKAGIT COUNTY GOVERNMENT	846
ISLAND HOSPITAL	508
DRAPER VALLEY FARMS	500
REGENCE BLUE SHIELD	425
PUGET SOUND REFINING-SHELL OIL PRODUCTS U.S.	413
TESORO NORTHWEST	356
SKAGIT VALLEY MEDICAL CENTER	310
SNELSON COMPANIES, INC	300
SWINOMISH NORTHERN LIGHTS CASINO	299
BROWN & COLE	290
NORTHERN MARINE	280
WAL*MART	271
CITY OF MOUNT VERNON	271
FRED MEYER STORES	218
HAGGEN FOOD & PHARMACY	207
KARMART AUTOMOTIVE GROUP	203
TRIDENT SEAFOODS	202
NORTHWEST HORTICULTURE	200
DAKOTA CREEK INDUSTRIES	200
TRI COUNTY TRUSS	198
CITY OF ANACORTES	196
PACIFIC MARINER	190
DUNLAP TOWING	184
SKAGIT STATE BANK	172
PACIFIC WOOD TECH	165
SKAGIT VALLEY PUBLISHING	152

Source: *Northwest Business Monthly*  
*Individual Employers*

**SKAGIT COUNTY, WASHINGTON**  
**STATISTICAL TABLES**  
**MISCELLANEOUS STATISTICAL REPORT**

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
(A) MILES OF ROAD										
Roads, paved	745	743	747	739	750	756	761	765	765	757
Roads, unpaved	57	60	58	57	48	43	39	38	38	39
(B) BUILDING PERMITS										
Permits issued	1,200	1,067	1,081	971	932	885	876	962	1,036	1,036
Value of buildings	\$90,395,003	\$92,860,057	\$77,394,017	\$61,926,292	\$62,770,782	\$64,543,917	\$65,656,977	\$78,917,211	\$91,786,911	\$93,228,793
(C) FIRE PROTECTION										
Number of districts	19	19	19	18	18	16	16	16	16	16
Number of paid firefighters	50	50	60	52	54	56	57	60	62	64
Number of volunteer firefighters	745	755	683	683	510	516	528	718	538	682
(D) POLICE PROTECTION										
Number of employees, commissioned	49	49	49	49	49	55	57	56	59	59
Number of employees, civilian and limited commission	53	53.5	50.5	48.5	48.5	50.1	49	51	54	55
Average monthly jail population	151	137	156	146	158	161	175	227	223	224
Police patrol units, vehicle	57	57	62	61	61	60	69	70	72	70
Police patrol units, boats	3	3	3	2	2	2	2	3	3	3
(E) RECREATIONAL FACILITIES										
Number of parks	22	26	30	40	40	39	36	36	32	32
Park acreage	1219	1,627	1,724	1,713	1,713	1,644	1,639	1,430	1,747	1,751
(F) GENERAL ELECTIONS										
Number of registered voters	53,358	52,509	54,982	60,646	65,105	63,261	64,279	54,318	63,185	67,968
Number of votes cast	41,849	32,960	35,621	33,705	45,847	26,362	33,681	26,118	52,577	38,599
Percentage voting	78%	63%	65%	56%	70%	42%	52%	48%	83%	57%
(G) PUBLIC EDUCATION										
Elementary	24	27	27	26	26	26	26	25	25	25
Middle/Junior High	6	6	6	8	8	6	6	6	6	6
High	6	6	6	8	8	8	8	8	8	8
Community College	1	1	1	1	1	1	1	1	1	1
Alternative	4	4	5	7	7	6	7	8	8	10
Special Education	2	1	1	1	1	2	2	2	2	3

**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*

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