

SKAGIT COUNTY

Central Services Cost Allocation Plan

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The Skagit County

Central Services Cost Allocation Plan

Introduction

Skagit County (the county) provides a wide variety of services to the citizens of Skagit County. Skagit County is a municipal corporation incorporated November 28, 1883. The County operates under a Commission form of government, and has all powers granted by the constitution and laws of the state. The county provides the full range of services contemplated by statute or charter. 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 a Solid Waste Utility and Drainage Utility.

The county is a local government, established as a subdivision of the State of Washington. It is funded mostly from local taxing sources, but is funded from some federal award and pass-through awards from the State of Washington.

The county administers various federal and state funded programs. While the federal portion of the county's total funding is important, it is not a major source of funding for the county.

The county is submitting this Central Services Cost Allocation Plan (CSCAP) prepared in accordance with principles and procedures of the U.S. Office of Management and Budget Circular A-87 (OMB A-87) *Cost Principles for State, Local and Indian Tribal Governments*, Attachment C. The county is not considered a "major local government", so its cost allocation plan does not need to be approved by a federal cognizant agency.

The county has substantial historical data, upon which to build the CSCAP. However, the county assigns volumes of transaction data or staff assigned to specific programs based on actual data from the preceding year and those assignments are quantified and described in this CSCAP.

Submission and Documentation Requirements

The county has used the guidance for preparing this CSCAP provided by *Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government- Implementation Guide for Office of Management and Budget Circular A-87* (document ASMB C-10). Section 4.5 of this publication discusses submission and documentation requirements. The table below lists the features of the CSCAP, whether the feature is not applicable and where the information is provided in this CSCAP.

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Central Services Cost Allocation Plan Feature	Location provided
1. General	
<ul style="list-style-type: none"> An organization chart sufficiently detailed to show operations including the central service activities of the State/local government whether or not they are shown as benefiting from central service functions. 	Appendix A
<ul style="list-style-type: none"> A copy of the Annual Financial Report (or a copy of the Executive Budget if budgeted costs are being proposed) to support the allowable costs of each central service activity included in the plan 	The audited annual financial report is available
<ul style="list-style-type: none"> A certification that the plan was prepared in accordance with this Circular, contains only allowable costs, and was prepared in a manner that treated similar costs consistently among the various Federal awards and between Federal and non-Federal awards/activities. 	Page 4
2. Allocated Central Services- For each allocated central service, the plan must also include the following: (If any self-insurance funds or fringe benefits costs are treated as allocated (rather than billed) central services, documentation discussed in Billed Services sections below shall also be included.)	Self Insurance funds are included in the Billed Service Category
<ul style="list-style-type: none"> A brief description of the service, an identification of the unit rendering the service and the operating agencies receiving the service. 	Pages 5 to 9 and Appendix B
<ul style="list-style-type: none"> The items of expense included in the cost of the service and the method used to distribute the cost of the service to benefitted departments. 	Pages 12 to 14 and Appendix B
<ul style="list-style-type: none"> A summary schedule showing the allocation of each service to the specific benefitted departments. 	Appendix B
3. Billed Services- The information described below shall be provided for all billed central services, including internal service funds, self-insurance funds, and fringe benefit funds.	
➤ Internal service funds. For each internal service fund or similar activity with an operating budget of \$5 million or more, the plan shall include:	
<ul style="list-style-type: none"> A brief description of each service. 	Pages 9 to 11
<ul style="list-style-type: none"> A balance sheet for each fund based on individual accounts contained in the governmental unit's accounting system. A revenue/expenses statement, with revenues broken out by source, e.g., regular billings, interest earned, etc. A listing of all non-operating transfers (as defined by Generally Accepted Accounting Principles (GAAP)) into and out of the fund. 	Appendix C

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Central Services Cost Allocation Plan Feature	Location provided
<ul style="list-style-type: none"> • A description of the procedures (methodology) used to charge the costs of each service to users, including how billing rates are determined. • A schedule of current rates. 	Page 12
<ul style="list-style-type: none"> • A schedule comparing total revenues (including imputed revenues) generated by the service to the allowable costs of the service, as determined under this Circular, with an explanation of how variances will be handled. • Revenues shall consist of all revenues generated by the service, including unbilled and uncollected revenues. If some users were not billed for the services (or were not billed at the full rate for that class of users), a schedule showing the full imputed revenues associated with these users shall be provided. Expenses shall be broken out by object cost categories (e.g., salaries, supplies, etc.). 	Appendix D
➤ Self-insurance funds. For each self-insurance fund, the plan shall include:	
<ul style="list-style-type: none"> • The fund balance sheet; • A statement of revenue and expenses including a summary of billings and claims paid by department; • A listing of all non-operating transfers into and out of the fund; 	Appendix C
<ul style="list-style-type: none"> • The type(s) of risk(s) covered by the fund (e.g., automobile liability, workers' compensation, etc.); • An explanation of how the levels of fund contributions are determined. 	Pages 9 to 11
<ul style="list-style-type: none"> • Include a copy of the current actuarial report (with the actuarial assumptions used) if the contributions are determined on an actuarial basis 	Actuarial Report is available
<ul style="list-style-type: none"> • A description of the procedures used to charge or allocate fund contributions to benefitted activities 	Pages 9 to 11
<ul style="list-style-type: none"> • Reserve levels in excess of claims (1) submitted and adjudicated but not paid, (2) submitted but not adjudicated, and (3) incurred but not submitted must be identified and explained. 	Appendix C
➤ Fringe benefits. For fringe benefit costs, the plan shall include:	
The county participates in the State of Washington's pension systems and its employee benefits are included in the self-insurance funds, with the information provided above. <u>As such, the remainder of this requirement is not applicable.</u>	Page 11 and Appendix C

Certificate of Cost Allocation Plan

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal as of December 31, 2011 to establish cost allocations or billings for the year ended December 31, 2013 are allowable in accordance with the requirements of OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments," and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Governmental Unit: Skagit County

Signature: _____

Name of Official: Frank Youngquist

Title: _____

Date of Execution: 12-4-12

Description of Central Services

Introduction

The county provides support services to operating departments in nine (9) Central Service Departments. In addition support services are provided in six (6) Internal Services funds or sub-funds that include self-insurance and fringe benefit programs.

Operating departments may charge one another for actual services provided. This is typically based on actual time charges captured in a time reporting system or a job cost system. This CSCAP does not quantify or present amounts of these interdepartmental charges as these charges are outside of the central service allocation or direct billed services plan.

The county uses the Cayenta software system for its accounting and financial reporting processes. Costs are captured at various levels of detail. In descending order, costs are captured at the fund, sub-fund, department, division, activity/project and job cost levels. Direct federal award programs and Federal awards passed through from the State of Washington are typically assigned a discrete project number or job cost number.

Certain central service departments use division or activity designations to separately account for services which are allocable to benefitting functions using a different allocation base and methodology. As a result, certain departments show more than one pool and how it is allocated to benefitting functions in the summary schedules of cost allocation in Appendix B.

Central Service Functions

The following provides a description of the central services and the benefitting functions presented in Appendix B. The costs presented in Appendix B are actual costs for the year ended December 31, 2011. The costs have been summarized, for presentation purposes into six direct categories; Salaries, Benefits, Supplies, Services, Intergovernmental and Capital.

Commissioners

The Board of County Commissioners serves as the county's legislative body and as chief policy makers for many important county operations and functions. The Commissioners are responsible for the adoption of a balanced budget for each calendar year, for adopting, amending and repealing ordinances and laws of the county, such as those governing traffic, zoning, and general health, safety and welfare of the public. The Commissioners are responsible for the operation of budget and administration of programs under the control of all departments without a separately elected official.

The Commissioner's Office provides overall guidance to all County functions through the budgeting and regulatory process. Costs are directly related to the amount of Commissioners' session time available. Therefore, the Commissioner's Office costs will be allocated to those funds that have standard agenda time with the Commissioners on the basis of regular agenda time scheduled for the respective

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functions as a percentage of total agenda time. For 2013, costs will be allocated to County Roads, Solid Waste, Drainage Utility and Equipment Rental and Revolving Funds.

The calculation is:

$$\begin{array}{l} \text{Commissioner's Office Expenditures} \\ \text{less Board of County Commissioners'} \\ \text{salaries and benefits} \end{array} \times \frac{\text{Applicable Fund's} \\ \text{Related Agenda Time}}{\text{Total Agenda Time}}$$

The County Board of Commissioners costs are allocated to benefitting departments based on the agenda time that is specifically designated for that purpose. Agenda matters that do not benefit a specific function are tracked separately and are not allocated to specific departments. Approximately 30% of the Commissioners agenda items relate to a specific function. As such, approximately 70% of the Commissioner's Office Expenditures (less the Board of County Commissioners' salaries and benefits) are retained in this cost pool and are not distributed to county departments.

Assessor's Office

The Assessor's functions of valuation, notification of assessed value, and computation of tax are directly related to the dollar value of tax levy. Therefore, the Assessor's Office costs will be allocated to all Funds that levy taxes on the basis of the applicable fund's tax levy as a percentage of the total operating taxes levied by the Assessor. The Drainage Utility Fund will not be allocated a portion of the cost of the Assessor's Office as the assessment for the Drainage Utility Fund is formula driven not value based.

The calculation is:

$$\begin{array}{l} \text{Assessor's Expenditures less} \\ \text{Elected Official's Salary/Benefits} \end{array} \times \frac{\text{Respective Fund's Tax Levy}}{\text{Total Operating Taxes Levied}}$$

The Assessor's Office provides services to other jurisdictions for which taxes are levied and collected by the county. Approximately 76% of operating taxes relate to these other jurisdictions. As such, approximately 76% of the Assessor's Office Expenditures (less the Assessor's salaries and benefits) are retained in this cost pool and are not distributed to county departments.

Treasurer

The County Treasurer holds a key position of public trust in the financial affairs of local government. Acting as the "bank" for the county, schools, ports, hospitals, and fire districts, along with other units of local government, the Treasurer's Office receipts, disburses, invests and accounts for the funds of each local jurisdiction. In addition, the Treasurer is charged with the collection of various taxes and assessments that are distributed on a regular basis to each of these governmental units. The Treasurer is required to conduct bond sales, which are authorized by the county or other local jurisdictions. A detailed record is kept of each bond for the allotted period of time. The Treasurer administers and collects the real estate excise tax on the sale or transfer of ownership on real property. The Treasurer's Office administers DOE Water Quality Loans; audits and recovers sales and use tax on

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businesses and erroneously coded vehicles licensing fees; implements the yearly tax foreclosure sale and conducts additional sales needed on county owned or tax title property; and administers the BUCKS program, which is a required course for all county employees handling cash. With responsibilities extending beyond the scope of county operations, the County Treasurer plays a key fiduciary role in the operation of local government.

The Treasurer's Office workload is most directly and logically related to tax levies. As a result, the Treasurer's Office costs will be allocated to all applicable Funds including the Drainage Utility Fund on the basis of the respective tax levy as a percentage of the total operating taxes levied by the Assessor. This is the same basis used to allocate Assessor's costs. As such, approximately 76% of the Treasurer's Office Expenditures (less the Treasurer's salaries and benefits) are retained in this cost pool and are not distributed to county departments.

The calculation is:

$$\begin{array}{l} \text{Treasurer's Expenditures less} \\ \text{Elected Official's Salary/Benefits} \end{array} \times \frac{\text{Respective Funds Tax Levy}}{\text{Total Operating Taxes Levied}}$$

County Auditor

The County Auditor independently oversees all County offices to ensure fiscal compliance with State law and County policy. The County Auditor aggressively administers a program of internal auditing to provide the County with a very high level of confidence that County assets are safeguarded to the highest reasonable degree. The County Auditor, as the official keeper of accounts for the County, designs and administers the accounting system for the County and maintains the highest standard of care to ensure the integrity of all accounting records and reports.

The main function of the Auditor's Office, which is significantly related to all County Funds' activities, is the accounting function. The accounting function costs will be allocated to all applicable funds based on the average of the percentage of full time equivalents (FTE's) and the percentage of total accounts payable transactions.

The calculation is:

$$\begin{array}{l} (1) \frac{\text{Respective Fund FTE's}}{\text{Total County FTE's}} + \frac{\text{Respective Fund AP Transactions}}{\text{Total County AP Transactions}} \\ (2) \quad \% \quad \times \quad \text{Accounting Dept Expenditures} \end{array}$$

Administrative Services

The County Administrator oversees the Budget and Finance Director, the Director of Human Resource Management, Communications, Upriver Services, and serves as an aide to the Skagit County Board of Commissioners. The Administrator is also responsible for oversight of the day-to-day management responsibilities in the board directed departments.

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Budget and Finance - The Budget/Finance division manages budget and financial management matters for the County. Duties include: Coordinating the annual budget process, financial analysis, budget preparation, budget management, revenue forecasting, project management, contract management, and management of the County's financial system.

The budget and finance function costs are allocated to benefitting departments based on actual expenses as it most closely tracks the effort of the budget and finance function in providing its financial services.

Administrative Services provided include the coordination of efforts and administration of services aimed at improving employee productivity and management of County government. The specific functions presently serving all applicable Funds are: general administrative services and budget/financial management. The cost will be allocated based on a ratio of respective fund's total actual expenses divided by total County actual expenses.

The calculation is:

Administrative Services Expenditures		<u>Respective Fund Actual Expenses</u>
Less Human Resources	x	Total County Actual Expense

Human Resources - Human Resources ensures the best qualified personnel are recruited and employed to staff Skagit County. Staff continues to strengthen administrative rules and regulations and develop harmonious relationships among all employee groups. They are responsible for monitoring all employee benefits as well as classification and/or salary studies in order to maintain the integrity of the County. Human Resources engages in the process of recruiting, screening, departmental personnel services, benefits management, record keeping, salary and compensation assessment, union negotiations and a host of other personnel related services for all County Funds and Departments.

The human resources function costs are allocated to benefitting departments based on the count of full time equivalents (FTE) as it most closely tracks the effort of the human resources function in providing its human resources services.

The cost will be allocated based on a ratio of FTE's by Fund divided by total FTE's for the County.

The calculation is:

Human Resource Expenditures	X	<u>Respective Fund FTE</u>
		Total County FTE

General Maintenance

General Maintenance provides building maintenance and custodial services for County Facilities. This includes but is not limited to the following: mechanical and electrical equipment services, building maintenance and upkeep, custodial services, land maintenance, leases for additional space and establishing contract for service and supplies and payment of all utilities. Facility Management provides general repair and maintenance, custodial services, safety and health specialists/training,

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and mechanical, plumbing, electrical, telephone system and security systems services.

The general maintenance function costs are allocated to benefitting departments based on the square feet of occupied space for each department as it most closely tracks the effort of the general maintenance function in providing its facilities maintenance services. The cost will be allocated based on a ratio by fund of building square footage for County maintained buildings divided by the total square footage for County maintained buildings. Bond payments from this department will not be included.

The Calculation is:

Facilities Management: Salaries and Wages, Personnel Benefits, Supplies, Utilities & associated operational expense $\times \frac{\text{Respective fund bldg maintenance sq ft}}{\text{Total County bldg maintenance sq ft}}$

Prosecuting Attorney / Civil Division

The Prosecutor, through the Civil Division, provides legal advice to all departments of the County. Upon request of the Commissioners, this office litigates civil cases, advises all departments regarding legal matters, and enforces the Skagit County Code. The costs will be directly charged to respective funds on an actual or estimated basis.

Non-Departmental

The Non-Departmental Department is used to record those expenditures that are not directly associated with any particular department within the County. These costs are allocated to benefitting departments based on Modified Total Direct Cost. Only those costs that are incurred and benefit all departments are included in the allocation.

Internal Service Funds

The county accounts for services provided to operating departments in six (6) internal service funds or sub-funds. The services and methods of calculating the assessments from these internal service funds are briefly described below.

Insurance Services

The Insurance Services Department recognizes and evaluates potential liability, monitors insurance coverage and trends, property liability and casualty losses, and investigates claims. Billings are based on the history of claims and operating expenses and are billed out annually at year end. The rate varies per year based on the amount of claims, property values, and actual expenses incurred. The rate for 2011 was \$2,009 to \$562,094 annually.

The Insurance Services Fund is also used as a holding account for employee benefits. Premiums are transferred into the Insurance Services Fund and payments are made

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to the claims processor as service provider invoices are submitted. The county is self-insured for medical, dental, and unemployment claims. Medical and Dental accrual rates are determined by an actuary on an annual basis. Those actuarial numbers are used, in conjunction with negotiated union contracts, to set accrual rates on an annual basis. The composite rate for 2011 was \$15,564 per year for a full time employee. (This includes medical, dental, life, vision and EAP.)

Information Services

The Information Services (IS) Department is the County's central technology provider. This department provides the computer and business information system support required by County departments. These services include network services, systems support, application development and maintenance and general PC support.

Billings are based on the amount of expenditure per cost center divided by the metric used to allocate costs for that cost center. Differing metrics are used based on the type of expense. The rate for each cost center changes from quarter to quarter based on the expenses incurred by each cost center. The rate for 2011 was \$0 - \$106,549 per quarter.

Geographic Information Services

The Geographic Information Services (GIS) office is a centralized service center that provides mapping and GIS services to meet the business needs of our partners, customers, and clients within Skagit County and the communities we serve. This includes providing support and maintenance in the areas of data conversion, cartography, remote sensing, computer graphics and visualization, Global Positioning Systems (GPS), database design, software development, address system maintenance, and 911-database maintenance.

Billings are based on the actual number of hours spent on a project. The current rate is \$32.49 to \$59.70 per straight time hour of work.

Records Management

The Records Management Department is responsible for management of all County records, including property records, court records and any other records that pertain to the County. They also convert County records from paper files to either microfilm or optical images to reduce the bulk of records. The Records Management Department is also responsible for the purchase of all copiers and supplies for all county departments as well as interoffice and USPS mail.

Billings are based on the estimated number of time spent on records management and mail services for billed departments and the number of copiers used by a department as a percentage of total copiers. Billed amounts vary by billing period. The rate for 2011 was \$41,041 - \$310,000 semiannually.

Unemployment Compensation

The Unemployment Compensation Insurance Fund receives payments from operating funds and departments. The monies received are used for payment of actual claims paid by the state. The county is self-insured for unemployment claims.

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Billings are based on the history of claims and operating expenses. The current rate is 1.5% of the first \$60,000 of salary.

Equipment Rental Fund

The Equipment Rental and Revolving Fund (ER&R) is responsible for managing the acquisition, assignment, and disposition of fleet equipment; maintaining and repairing fleet equipment; maintaining fleet equipment records; providing short-term motor pool service; and administering a capital fleet equipment replacement plan all in support of the Sheriff's Department, General Government, and Public Works Divisions such as the Solid Waste Utility and Road Maintenance and Construction. The charges for services are designed to recover costs at or near breakeven while ensuring a positive cash balance in the Fund. Customers pay a monthly or hourly replacement fee to the Fund for each specific vehicle set at an amount designed to recover adequate funds to replace the vehicle at a future date mutually agreed upon by ER&R and the customer at the time the vehicle goes in service. ER&R also collects a fixed annual administrative overhead fee included in the lease rates for each vehicle to support wages and benefits, allocated costs, rent, and all other costs assessed to ER&R. The rate is \$77.66 - \$1,637.31 depending on the estimated amount of time a piece of equipment spends in the shop and whether or not it has a county-installed radio. Equipment is charged out at either hourly or monthly rates, depending on the type of equipment. Current rates are \$3 - \$164.00 per hour and \$31 - \$10,078 monthly. Vehicles are charged an hourly shop rate of \$73.00/hour designed to recover all of the costs of providing fleet maintenance and repair services. Parts and materials are charged at actual cost plus a 13% parts management fee. Fuel is charged actual cost plus a \$0.41/gallon fuel management fee. Rock is charged actual cost plus a 24% management fee. Pool vehicle rental fees are intended to support the cost of fuel, maintenance, replacement costs, and administration. Pool vehicle rental fees are assessed a monthly rental fee for the use of a pool vehicle. All assessments and charges are reviewed annually and updated as needed.

Fringe Benefit Plans and Related Costs

Health and benefit costs are accounted for in the Insurance Services Fund described above. Unemployment compensation benefits are accounted for in the Unemployment Compensation Internal Service Fund. The county also provides pension benefits through its participation in the State of Washington's Public Employee Retirement System (PERS). Each of the PERS plans is a cost-sharing multiple-employer plan with employer and employee contribution rates established by the Washington State Legislature.

Cost Allocation Methodology

Introduction

The county provides support services to operating departments in nine (9) Central Service Departments. In addition support services are provided by six (6) Internal Service funds or sub-funds that include self-insurance and fringe benefit programs.

Operating departments may charge one another for actual services provided. This is typically based on actual time charges captured in a time reporting system or a job cost system. This CSCAP does not quantify or present amounts of these interdepartmental charges as these charges are outside of the central service allocation or direct billed services plan.

The county uses the Cayenta software system for its accounting and financial reporting processes. Costs are captured at various levels of detail. In descending order, costs are captured at the fund, sub-fund, department, division, activity/project and job cost levels. Direct federal award programs and Federal awards passed through from the State of Washington are typically assigned a discrete project number or job cost number.

Certain central service departments use division or activity designations to separately account for services which are allocable to benefitting functions using a different allocation base and methodology. As a result, certain departments show more than one pool and how it is allocated to benefitting functions in the summary schedules of cost allocation in Appendix B.

Accounting, Financial Reporting and Cost Allocation Systems

The county uses the Cayenta accounting software to accumulate costs in division, activity/project or job cost numbers that are linked to each department within a fund. The accounting system is able to produce cost reports by fund and sub-fund. The sub-funds and/or division designations for each central service function are combined into individual central service cost pools as is reflected in Appendix B.

Each central service cost center grouping uses a unique method to allocate its costs to the benefitting departments. However, several central services use the same base, upon which, to allocate its costs. Other cost center groupings may use different methods for certain segments of its cost pool for allocation based on data it accumulates during the preceding year.

The accounting system provides for determining the allocation bases prior to the fiscal year to be used in the allocation of central service costs to funds/departments for budget control and management purposes.

Specific Cost Allocation Methodologies Used in this CSCAP

As provided in the Description of Central Services Section of this CSCAP, each central service cost center grouping uses a unique base, upon which to allocate its costs. The central service functions allocated in this CSCAP are grouped by the allocation base used as follows:

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Central services that use authorized Full Time Equivalents (FTE):

- Administrative Services Human Resources uses FTE as the only allocation base.
- The County Auditor uses FTEs for one-half of its allocation base with the remainder using accounts payable transaction counts.

The efforts in these central services are directly related to the size of the county's staffing.

Central services that use operating tax levies:

- Assessor's Office
- Treasurer's Office

The efforts in these central services are directly related to the dollar value of the levies assessed and collected by the county. These central service functions provide services to other jurisdictions for which taxes are levied and collected by the county. Since approximately 76% of operating taxes relate to these other jurisdictions, approximately 76% of the cost of these central service functions are retained in this cost pool and are not distributed to county departments.

Central services that use actual expense data:

- Administrative Services Budget and Finance

The effort in this central service includes compiling and monitoring the annual budget as well as the overall administration of the County. The effort is most closely related to the dollar value of the expenses tracked through the financial system.

Central services that use specific data tracking systems to provide for an indication of effort and related benefit:

- The County Commissioners use an agenda tracking system to determine its efforts for the prior year.
- The legal-civil function provides an estimate of its actual effort by department, (e.g. direct labor hours) to provide for an allocation of its effort.
- The general maintenance function tracks the square feet of county facilities occupied by each county department.

Cost Accounting Procedure:

Costs are accumulated in funds, departments, divisions, activity/project and job cost numbers as previously described. The cost allocation plan is used to calculate an indirect cost rate for each operating fund/department to use in the ensuing year. At the end of each fiscal year, county accounting staff applies the allocation factors to the actual costs incurred and generates a journal entry to transfer costs out of central service cost centers (senders) and into the operating department (receivers).

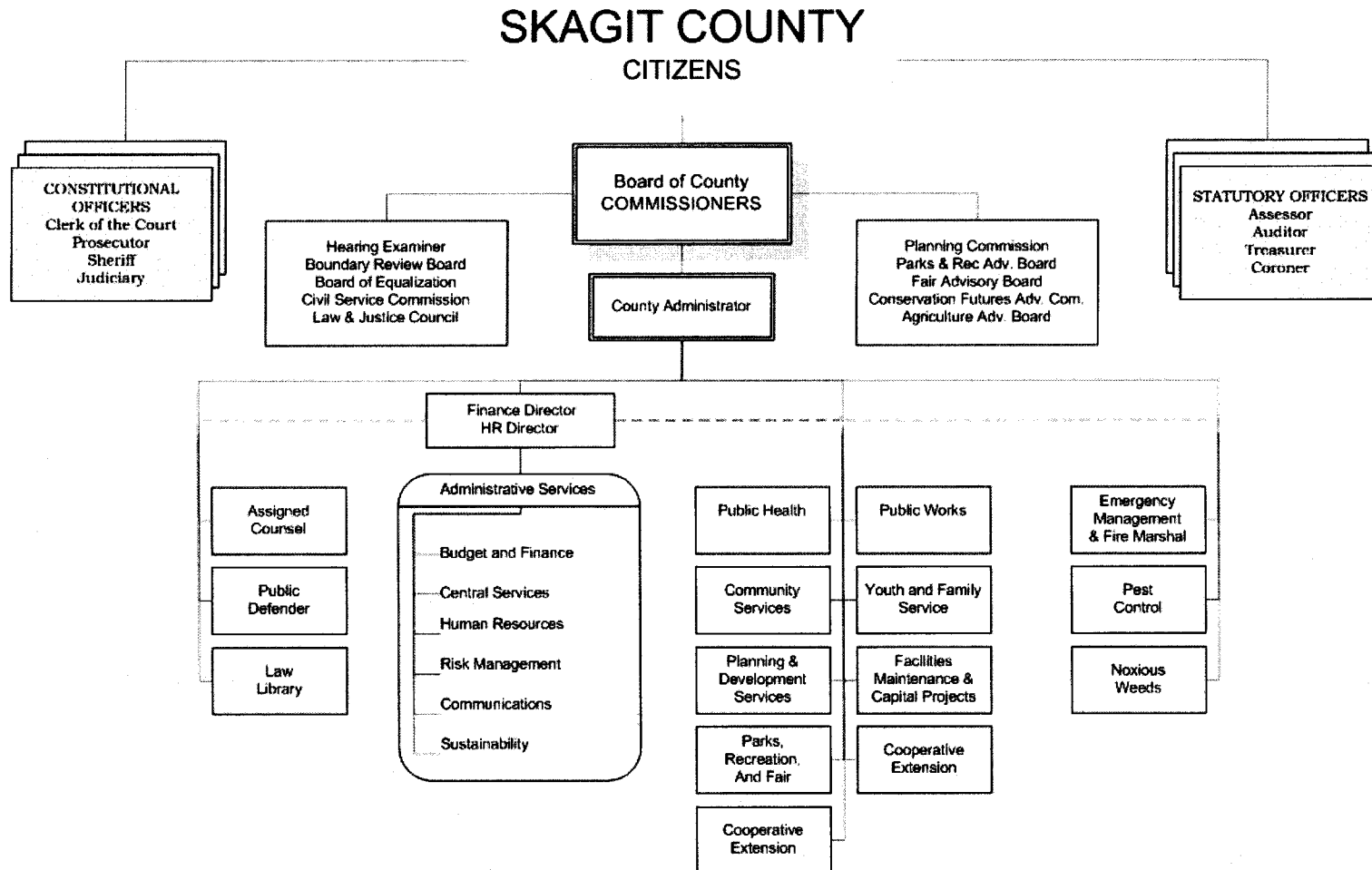
Certain internal service funds also gather costs in certain cost centers using project numbers in the financial system to "bill" its users. This is used mainly for services in

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which the underlying billing basis remains relatively constant during the year, such as the number of email accounts or direct labor hours. Other internal services use a direct charge basis whereby costs are transferred using a journal entry based on the actual transactions for the prior month. The Cayenta system is able to process internal service fund “assessments” prior to calculating the amount of the central service assessments.

Since the County uses a single-tier allocation methodology, whereby central service departments only charge operating departments and not one another, the county does not need to run two assessment proceeding steps.

Appendix A: Organization Chart



Appendix B: Summary and Detail Cost Allocation Plan Components

Skagit County
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Summary of Allocated Central Services Costs
For the Year Ended December 31, 2011

Fund No.	Fund Name	Total Allocated Costs	MTDC	General Fund Indirect Cost Rate	Internal Service Indirect Cost Rate	Total Indirect Cost Rate
Operating Departments						
001	General Fund	\$ 1,890,890	29,290,974	6.46%	11.19%	17.64%
101	Health Department	214,664	3,450,629	6.22%	11.19%	17.41%
102	Special Paths	2,120	204,129	1.04%	11.19%	12.22%
105	Emergency Management	24,984	529,863	4.72%	11.19%	15.90%
106	Fairgrounds	4,059	237,733	1.71%	11.19%	12.89%
107	Veterans Relief	3,112	144,917	2.15%	11.19%	13.33%
108	Law Library	14,345	141,043	10.17%	11.19%	21.36%
110	River Improvement	8,014	491,535	1.63%		1.63%
112	Centennial Document Preservation	783	120,581	0.65%	11.19%	11.84%
113	Elections Services	6,783	446,765	1.52%	11.19%	12.70%
114	Parks & Recreation	58,555	1,188,753	4.93%	11.19%	16.11%
115	Substance Abuse Services	22,108	2,160,298	1.02%		1.02%
116	Mental Health-Developmental Disability	99,506	3,762,139	2.64%		2.64%
117	County Roads	704,804	14,656,245	4.81%		4.81%
118	Community Services	69,348	1,626,122	4.26%	11.19%	15.45%
119	Convention Center	2,457	310,164	0.79%		0.79%
120	Clean Water Program	45,499	1,732,750	2.63%		2.63%
122	Conservation Futures	13,320	188,219	7.08%	11.19%	18.26%
123	Medic I Services	72,784	4,128,216	1.76%		1.76%
124	Crime Victims Services	606	85,430	0.71%	11.19%	11.90%
125	Communication System	19,685	3,255,685	0.60%		0.60%
127	Water Quality	2,592	282,108	0.92%		0.92%
128	Planning and Development	168,833	2,579,730	6.54%	11.19%	17.73%
130	BRYSON RD SUB-FLOOD CNTRL ZONE	-	0	#DIV/0!		#DIV/0!
131	SEDRO WOOLLEY FLD CONTROL MAIN	423	32,974	1.28%		1.28%
132	BRITT SLOUGH FLOOD CONTROL	-	0	#DIV/0!		#DIV/0!
133	Sedro-Woolley SUB-FLOOD CNTRL ZON	-	0			
134	MT VERNON SO SFCZ MAINTENANCE	-	0			
135	DUNBAR SFCZ MAINTENANCE	-	0	#DIV/0!		#DIV/0!
137	BLANCHARD SUB FLOOD CONTROL M	-	0	#DIV/0!		#DIV/0!
139	HANSEN CREEK SUB FLOOD CONTROL	-	0	#DIV/0!		#DIV/0!
140	WARNER PRAIRIE SUB-FLOOD	-	0	#DIV/0!		#DIV/0!
141	LAKE MANAGEMENT DISTRICT NO. 1	1,031	41,963	2.46%		2.46%
142	LAKE MANAGEMENT DISTRICT NO. 2	241	4,824	4.99%		4.99%

Skagit County
Central Services Cost Allocation Plan
Summary of Allocated Central Services Costs

For the Year Ended December 31, 2011

143	LAKE MANAGEMENT DISTRICT NO. 3	523	20,527	2.55%		2.55%
144	LAKE MANAGEMENT DISTRICT NO. 4	320	4,847	6.61%		6.61%
150	Edison Clean Water District	667	25,992	2.57%		2.57%
160	Drug Enforcement Reserves	333	35,782	0.93%	11.19%	12.12%
161	Boating Safety	1,420	66,089	2.15%	11.19%	13.33%
162	Low-Income Housing	1,587	231,362	0.69%		0.69%
163	TITLE III PROJECTS FUND	546	71,098	0.77%		0.77%
165	Homeless Housing and Assistance	4,007	462,822	0.87%		0.87%
170	Interlocal Investigation Reserves	5,519	524,946	1.05%	11.19%	12.24%
201	Debt Service	10,127	1,660,020	0.61%		0.61%
340	FACILITY IMPROVEMENT FUND					
341	CAPITAL IMPROVEMENTS	4,707	778,440	0.60%	11.19%	11.79%
342	DISTRESSED COUNTY PUBLIC FACIL	7,445	1,203,142	0.62%		0.62%
352	PARK IMPROVEMENT FUND	2,564	204,967	1.25%		1.25%
401	Solid Waste Utility	97,316	7,830,485	1.24%		1.24%
402	Drainage Utility	43,912	1,400,860	3.13%		3.13%
		3,632,540	85,615,168			

Skagit County
Central Services Cost Allocation Plan
Summary of Allocated Central Service Costs
For the Year Ended December 31, 2011

Central Service Departments											
Adminstrative Services											
Fund No.	Fund Name	County Commissioners	County Assessor	Treasurer	County Auditor	Financial & General	Human Resources	Facilities Maintenance	Legal-Civil	Non Departmental	Total Allocated Costs
Operating Departments											
001	General Fund	\$ 21,873	\$ 195,300	\$ 96,037	\$ 218,532	\$ 100,799	\$ 200,923	\$ 874,650	\$ 106,467	\$ 76,308	\$ 1,890,890
101	Health Department	2,430	-	-	26,013	11,875	24,545	140,812	-	8,990	214,664
102	Special Paths	-	-	-	886	702	-	-	-	532	2,120
105	Emergency Management	-	-	-	4,179	1,823	3,425	14,176	-	1,380	24,984
106	Fairgrounds	-	-	-	2,622	818	-	-	-	619	4,059
107	Veterans Relief	-	1,445	710	81	499	-	-	-	378	3,112
108	Law Library	-	-	-	1,581	485	571	11,341	-	367	14,345
110	River Improvement	2,430	-	-	1,716	1,692	896	-	-	1,281	8,014
112	Centennial Document Preservation	-	-	-	54	415	-	-	-	314	783
113	Elections Services	-	-	-	2,084	1,537	1,998	-	-	1,164	6,783
114	Parks & Recreation	4,861	-	-	29,084	4,091	5,137	12,286	-	3,097	58,555
115	Substance Abuse Services	-	-	-	2,342	7,434	571	6,133	-	5,628	22,108
116	Mental Health-Developmental Disability	-	2,769	1,362	14,041	12,947	3,425	55,162	-	9,801	99,506
117	County Roads	17,012	107,742	52,981	76,576	50,437	57,080	221,141	83,653	38,182	704,804
118	Senior Services	-	-	-	28,035	5,596	15,983	15,499	-	4,236	69,348
119	Convention Center	-	-	-	582	1,067	-	-	-	808	2,457
120	Clean Water Program	7,291	11,306	5,560	6,755	5,963	4,110	-	-	4,514	45,499
122	Conservation Futures	-	6,762	3,325	1,239	648	856	-	-	490	13,320
123	Medic I Services	-	32,058	15,764	-	14,206	-	-	-	10,755	72,784
124	Crime Victims Services	-	-	-	89	294	-	-	-	223	606
125	Communication System	-	-	-	-	11,204	-	-	-	8,482	19,685
127	Water Quality	-	-	-	886	971	-	-	-	735	2,592
128	Planning and Development	13,367	-	-	13,748	8,878	13,414	112,706	-	6,721	168,833
130	BRYSON RD SUB-FLOOD CNTRL ZONE	-	-	-	-	-	-	-	-	-	-
131	SEDRO WOOLLEY FLD CONTROL MAIN	-	-	-	224	113	-	-	-	86	423
132	BRITT SLOUGH FLOOD CONTROL	-	-	-	-	-	-	-	-	-	-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE	-	-	-	-	-	-	-	-	-	-
134	MT VERNON SO SFCZ MAINTENANCE	-	-	-	-	-	-	-	-	-	-
135	DUNBAR SFCZ MAINTENANCE	-	-	-	-	-	-	-	-	-	-
137	BLANCHARD SUB FLOOD CONTROL MT	-	-	-	-	-	-	-	-	-	-
139	HANSEN CREEK SUB FLOOD CONTROL	-	-	-	-	-	-	-	-	-	-
140	WARNER PRAIRIE SUB-FLOOD	-	-	-	-	-	-	-	-	-	-
141	LAKE MANAGEMENT DISTRICT NO. 1	-	497	245	36	144	-	-	-	109	1,031

Skagit County
Central Services Cost Allocation Plan
Summary of Allocated Central Service Costs
For the Year Ended December 31, 2011

Central Service Departments											
Adminstrative Services											
Fund No.	Fund Name	County Commissioners	County Assessor	Treasurer	County Auditor	Financial & General	Human Resources	Facilities Maintenance	Legal-Civil	Non Departmental	Total Allocated Costs
142	LAKE MANAGEMENT DISTRICT NO. 2	-	130	64	18	17	-	-	-	13	241
143	LAKE MANAGEMENT DISTRICT NO. 3	-	256	126	18	71	-	-	-	53	523
144	LAKE MANAGEMENT DISTRICT NO. 4	-	183	90	18	17	-	-	-	13	320
150	Edison Clean Water District	-	-	-	510	89	-	-	-	68	667
160	Drug Enforcement Reserves	-	-	-	116	123	-	-	-	93	333
161	Boating Safety	-	-	-	1,020	227	-	-	-	172	1,420
162	Low-Income Housing	-	-	-	188	796	-	-	-	603	1,587
163	TITLE III PROJECTS FUND	-	-	-	116	245	-	-	-	185	546
165	Homeless Housing and Assistance	-	-	-	1,208	1,593	-	-	-	1,206	4,007
170	Interlocal Investigation Reserves	-	-	-	2,345	1,807	-	-	-	1,368	5,519
201	Debt Service	-	-	-	89	5,713	-	-	-	4,325	10,127
340	FACILITY IMPROVEMENT FUND	-	-	-	892	-	571	-	-	-	1,463
341	CAPITAL IMPROVEMENTS	-	-	-	-	2,679	-	-	-	2,028	4,707
342	DISTRESSED COUNTY PUBLIC FACIL	-	-	-	170	4,140	-	-	-	3,134	7,445
352	PARK IMPROVEMENT FUND	-	-	-	1,324	705	-	-	-	534	2,564
401	Solid Waste Utility	-	-	-	18,470	26,947	12,598	18,901	-	20,400	97,316
402	Drainage Utility	4,861	14,233	6,999	5,262	4,821	4,087	-	-	3,649	43,912
Total Operating Dept Base Item Count		74,125	372,681	183,262	463,147	294,629	350,188	1,482,806	190,120	223,043	3,634,003
Internal Service Funds:											
501	Equipment Rental Fund	-	-	-	30,542	17,904	5,137	-	-	13,554	67,137
503	Insurance Service	-	-	-	6,542	36,510	1,712	-	-	27,639	72,404
504	Information Services	-	-	-	21,263	11,647	8,562	11,813	-	8,817	62,103
504	GIS / Mapping Services	-	-	-	4,552	3,370	5,708	17,956	-	2,552	34,138
504	Records Management	-	-	-	9,730	2,338	2,854	18,901	-	1,770	35,594
	Fund 504 Combined	-	-	-	-	-	-	-	-	-	-
505	Unemployment Compensation	-	-	-	36	1,096	-	-	-	830	1,962
Add Svcs provided to External Orgs:		81,417	1,080,366	531,259	-	-	-	-	-	-	1,693,042
Total Count to use in Allocating Central Services Costs based on Items											
		\$ 155,542	\$ 1,453,048	\$ 714,521	\$ 535,813	\$ 367,495	\$ 374,162	\$ 1,531,476	\$ 190,120	\$ 278,205	\$ 5,600,381

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, County Commissioners
For the Year Ended December 31, 2011

**County Commissioners Fund-Department included in this Central
Service Cost Pool- 001-0007**

Allocation Base	Agenda Hours
Salaries	\$ 372,080
Benefits	130,273
Supplies	1,409
Services	19,031
Other	-
Intergovernmental	
Capital	
Total Direct Costs	<u>522,793</u>
Adjustments:	
Less: Unallowable costs- Elected Official Salaries	(367,251)
Add: Use Allowance	-
Subtotal Adjustments	<u>(367,251)</u>
Total Allowable, Allocable Costs	<u><u>\$ 155,542</u></u>

Fund No.	Fund Name	Agenda Hours	Allocation
Operating Departments			
001	General Fund	4.50	\$ 21,873
101	Health Department	0.50	2,430
102	Special Paths		-
105	Emergency Management		-
106	Fairgrounds		-
107	Veterans Relief		-
108	Law Library		-
110	River Improvement	0.50	2,430
112	Centennial Document Preservation		-
113	Elections Services		-
114	Parks & Recreation	1.00	4,861
115	Substance Abuse Services		-
116	Mental Health-Developmental Disability		-
117	County Roads	3.50	17,012
118	Senior Services		-
119	Convention Center		-
120	Clean Water Program	1.50	7,291
122	Conservation Futures		-
123	Medic I Services		-
124	Crime Victims Services		-
125	Communication System		-
127	Water Quality		-
128	Planning and Development	2.75	13,367

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, County Commissioners
For the Year Ended December 31, 2011

Fund No.	Fund Name	Agenda Hours	Allocation
130	BRYSON RD SUB-FLOOD CNTRL ZONE		-
131	SEDRO WOOLLEY FLD CONTROL MAIN		-
132	BRITT SLOUGH FLOOD CONTROL		-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE		-
134	MT VERNON SO SFCZ MAINTENANCE		-
135	DUNBAR SFCZ MAINTENANCE		-
137	BLANCHARD SUB FLOOD CONTROL MT		-
139	HANSEN CREEK SUB FLOOD CONTROL		-
140	WARNER PRAIRIE SUB-FLOOD		-
141	LAKE MANAGEMENT DISTRICT NO. 1		-
142	LAKE MANAGEMENT DISTRICT NO. 2		-
143	LAKE MANAGEMENT DISTRICT NO. 3		-
144	LAKE MANAGEMENT DISTRICT NO. 4		-
150	Edison Clean Water District		-
160	Drug Enforcement Reserves		-
161	Boating Safety		-
162	Low-Income Housing		-
163	TITLE III PROJECTS FUND		-
165	Homeless Housing and Assistance		-
170	Interlocal Investigation Reserves		-
201	Debt Service		-
340	FACILITY IMPROVEMENT FUND		-
341	Add Svcs provided to External Orgs:		-
342	DISTRESSED COUNTY PUBLIC FACIL		-
352	PARK IMPROVEMENT FUND	-	-
401	Solid Waste Utility	-	-
402	Drainage Utility	1.00	4,861
Total Operating Department Base Item Count		15.25	74,125
Internal Service Funds:			
501	Equipment Rental Fund		-
503	Insurance Service		-
504	Information Services		-
504	GIS / Mapping Services		-
504	Records Management		-
	Fund 504 Combined		-
505	Unemployment Compensation		-
Add Services provided to External Organizations:		16.75	81,417
Total Count to use in Allocating Central Services Costs based on Items		32.00	\$ 155,542

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Assessor
For the Year Ended December 31, 2011

Assessor Fund-Department included in this Central Service Cost
Pool-001-0001

Allocation Base	Tax Levy
Salaries	1,034,661
Benefits	474,847
Supplies	17,956
Services	13,351
Other	
Intergovernmental	11,543
Capital	
Total Direct Costs	<u>1,552,358</u>
Adjustments:	
Less: Unallowable costs- Elected Official Salaries	(99,310)
Add: Use Allowance	-
Subtotal Adjustments	<u>(99,310)</u>
Total Allowable, Allocable Costs	<u>\$ 1,453,048</u>

Fund No.	Fund Name	Tax Levy	Allocation
Operating Departments			
001	General Fund	22,047,553	\$ 195,300
101	Health Department		-
102	Special Paths		-
105	Emergency Management		-
106	Fairgrounds		-
107	Veterans Relief	163,100	1,445
108	Law Library		-
110	River Improvement		-
112	Centennial Document Preservation		-
113	Elections Services		-
114	Parks & Recreation		-
115	Substance Abuse Services		-
116	Mental Health-Developmental Disability	312,600	2,769
117	County Roads	12,163,090	107,742
118	Senior Services		-
119	Convention Center		-
120	Clean Water Program	1,276,373	11,306
122	Conservation Futures	763,312	6,762
123	Medic I Services	3,619,099	32,058
124	Crime Victims Services		-
125	Communication System		-
127	Water Quality		-
128	Planning and Development		-
130	BRYSON RD SUB-FLOOD CNTRL ZONE		-

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Assessor
For the Year Ended December 31, 2011

Fund No.	Fund Name	Tax Levy	Allocation
131	SEDRO WOOLLEY FLD CONTROL MAIN		-
132	BRITT SLOUGH FLOOD CONTROL		-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE		-
134	MT VERNON SO SFCZ MAINTENANCE		-
135	DUNBAR SFCZ MAINTENANCE		-
137	BLANCHARD SUB FLOOD CONTROL MT		-
139	HANSEN CREEK SUB FLOOD CONTROL		-
140	WARNER PRAIRIE SUB-FLOOD		-
141	LAKE MANAGEMENT DISTRICT NO. 1	56,146	497
142	LAKE MANAGEMENT DISTRICT NO. 2	14,670	130
143	LAKE MANAGEMENT DISTRICT NO. 3	28,860	256
144	LAKE MANAGEMENT DISTRICT NO. 4	20,670	183
150	Edison Clean Water District		-
160	Drug Enforcement Reserves		-
161	Boating Safety		-
162	Low-Income Housing		-
163	TITLE III PROJECTS FUND		-
165	Homeless Housing and Assistance		-
170	Interlocal Investigation Reserves		-
201	Debt Service		-
340	FACILITY IMPROVEMENT FUND		-
341	Add Svcs provided to External Orgs:		-
342	DISTRESSED COUNTY PUBLIC FACIL		-
352	PARK IMPROVEMENT FUND		-
401	Solid Waste Utility		-
402	Drainage Utility	1,606,799	14,233
Total Operating Department Base Item Count		42,072,272	372,681
Internal Service Funds:			
501	Equipment Rental Fund		
503	Insurance Service		
504	Information Services		
504	GIS / Mapping Services		
504	Records Management		
	Fund 504 Combined		
505	Unemployment Compensation		
Add Services provided to External Organizations:		121,963,401	1,080,366
Total Count to use in Allocating Central Services			
Costs based on Items		\$ 164,035,673	\$ 1,453,048

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Treasurer
For the Year Ended December 31, 2011

Treasurer Fund-Department included in this Central Service Cost

Pools-001-0023

Allocation Base	Tax Levy
Salaries	469,816
Benefits	224,292
Supplies	7,639
Services	104,024
Other - Treasurer O&M	8,060
Intergovernmental	
Capital	
Total Direct Costs	813,831
Adjustments:	
Less: Unallowable costs- Elected Official Salaries	(99,310)
Add: Use Allowance	-
Subtotal Adjustments	(99,310)
Total Allowable, Allocable Costs	<u>\$ 714,521</u>

Fund No.	Fund Name	Tax Levy	Allocation
Operating Departments			
001	General Fund	22,047,553	\$ 96,037
101	Health Department	-	-
102	Special Paths	-	-
105	Emergency Management	-	-
106	Fairgrounds	-	-
107	Veterans Relief	163,100	710
108	Law Library	-	-
110	River Improvement	-	-
112	Centennial Document Preservation	-	-
113	Elections Services	-	-
114	Parks & Recreation	-	-
115	Substance Abuse Services	-	-
116	Mental Health-Developmental Disability	312,600	1,362
117	County Roads	12,163,090	52,981
118	Senior Services	-	-
119	Convention Center	-	-
120	Clean Water Program	1,276,373	5,560
122	Conservation Futures	763,312	3,325
123	Medic I Services	3,619,099	15,764
124	Crime Victims Services	-	-
125	Communication System	-	-
127	Water Quality	-	-
128	Planning and Development	-	-

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Treasurer
For the Year Ended December 31, 2011

Fund No.	Fund Name	Tax Levy	Allocation
130	BRYSON RD SUB-FLOOD CNTRL ZONE	-	-
131	SEDRO WOOLLEY FLD CONTROL MAIN	-	-
132	BRITT SLOUGH FLOOD CONTROL	-	-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE	-	-
134	MT VERNON SO SFCZ MAINTENANCE	-	-
135	DUNBAR SFCZ MAINTENANCE	-	-
137	BLANCHARD SUB FLOOD CONTROL MT	-	-
139	HANSEN CREEK SUB FLOOD CONTROL	-	-
140	WARNER PRAIRIE SUB-FLOOD	-	-
141	LAKE MANAGEMENT DISTRICT NO. 1	56,146	245
142	LAKE MANAGEMENT DISTRICT NO. 2	14,670	64
143	LAKE MANAGEMENT DISTRICT NO. 3	28,860	126
144	LAKE MANAGEMENT DISTRICT NO. 4	20,670	90
150	Edison Clean Water District	-	-
160	Drug Enforcement Reserves	-	-
161	Boating Safety	-	-
162	Low-Income Housing	-	-
163	TITLE III PROJECTS FUND	-	-
165	Homeless Housing and Assistance	-	-
170	Interlocal Investigation Reserves	-	-
201	Debt Service	-	-
340	FACILITY IMPROVEMENT FUND	-	-
341	Add Svcs provided to External Orgs:	-	-
342	DISTRESSED COUNTY PUBLIC FACIL	-	-
352	PARK IMPROVEMENT FUND	-	-
401	Solid Waste Utility	-	-
402	Drainage Utility	1,606,799	6,999
Total Operating Department Base Item Count		42,072,272	183,262
Internal Service Funds:			
501	Equipment Rental Fund		
503	Insurance Service		
504	Information Services		
504	GIS / Mapping Services		
504	Records Management		
	Fund 504 Combined		
505	Unemployment Compensation		
Add Services provided to External Organizations:		121,963,401	531,259
Total Count to use in Allocating Central Services			
Costs based on Items		\$ 164,035,673	\$ 714,521

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, County Auditor
For the Year Ended December 31, 2011

Fund No.	Fund Name	FTEs	FTE %	Accounts Payable Count	Accounts Payable %	Average	Allocation
134	MT VERNON SO SFCZ MAINTENANCE	-	0.0000%	-	0.0000%	0.0000%	-
135	DUNBAR SFCZ MAINTENANCE	-	0.0000%	-	0.0000%	0.0000%	-
137	BLANCHARD SUB FLOOD CONTROL MT	-	0.0000%	-	0.0000%	0.0000%	-
139	HANSEN CREEK SUB FLOOD CONTROL	-	0.0000%	-	0.0000%	0.0000%	-
140	WARNER PRAIRIE SUB-FLOOD	-	0.0000%	-	0.0000%	0.0000%	-
141	LAKE MANAGEMENT DISTRICT NO. 1	-	0.0000%	4	0.0134%	0.0067%	36
142	LAKE MANAGEMENT DISTRICT NO. 2	-	0.0000%	2	0.0067%	0.0033%	18
143	LAKE MANAGEMENT DISTRICT NO. 3	-	0.0000%	2	0.0067%	0.0033%	18
144	LAKE MANAGEMENT DISTRICT NO. 4	-	0.0000%	2	0.0067%	0.0033%	18
150	Edison Clean Water District	-	0.0000%	57	0.1904%	0.0952%	510
160	Drug Enforcement Reserves	-	0.0000%	13	0.0434%	0.0217%	116
161	Boating Safety	-	0.0000%	114	0.3808%	0.1904%	1,020
162	Low-Income Housing	-	0.0000%	21	0.0701%	0.0351%	188
163	TITLE III PROJECTS FUND	-	0.0000%	13	0.0434%	0.0217%	116
165	Homeless Housing and Assistance	-	0.0000%	135	0.4509%	0.2255%	1,208
170	Interlocal Investigation Reserves	-	0.0000%	262	0.8751%	0.4376%	2,345
201	Debt Service	-	0.0000%	10	0.0334%	0.0167%	89
340	FACILITY IMPROVEMENT FUND	1.00	0.1526%	54	0.1804%	0.1665%	892
341	REET Fund	-	0.0000%	-	0.0000%	0.0000%	-
342	DISTRESSED COUNTY PUBLIC FACIL	-	0.0000%	19	0.0635%	0.0317%	170
352	PARK IMPROVEMENT FUND	-	0.0000%	148	0.4944%	0.2472%	1,324
401	Solid Waste Utility	22.07	3.3669%	1,056	3.5273%	3.4471%	18,470
402	Drainage Utility	7.16	1.0923%	261	0.8718%	0.9820%	5,262
Total Operating Department Base Item Count		613.50	93.5927%	23,736	79.2839%	86.4383%	463,147
Internal Service Funds:							
501	Equipment Rental Fund	9.00	0.0137	3,002	10.0274%	5.7002%	30,542
503	Insurance Service	3.00	0.0046	594	1.9841%	1.2209%	6,542
504	Information Services	15.00	0.0229	1691	5.6483%	3.9683%	21,263
504	GIS / Mapping Services	10.00	0.0153	52	0.1737%	0.8496%	4,552
504	Records Management	5.00	0.0076	859	2.8693%	1.8160%	9,730
Fund 504 Combined							
505	Unemployment Compensation	-	-	4	0.0134%	0.0067%	36
Add Services provided to External Organizations:							
Total Count to use in Allocating Central Services							
Costs based on Items		655.50	100.0000%	29,938	100.0000%	100.0000%	535,813

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Financial and General Administrative Services
For the Year Ended December 31, 2011

Financial-General Administrative Services Fund-Department-
Division included in this Central Service Cost Pool-001-0010-001
Allocation Base

	MTDC
Salaries	268,129
Benefits	89,306
Supplies	1,883
Services	8,177
Other	-
Intergovernmental	
Capital	
Total Direct Costs	<u>367,495</u>
Adjustments:	
Less: Unallowable costs	
Add: Use Allowance	-
Subtotal Adjustments	<u>-</u>
Total Allowable, Allocable Costs	<u><u>\$ 367,495</u></u>

Fund No.	Fund Name	MTDC	Allocation
Operating Departments			
001	General Fund	29,290,974	\$ 100,799
101	Health Department	3,450,629	11,875
102	Special Paths	204,129	702
105	Emergency Management	529,863	1,823
106	Fairgrounds	237,733	818
107	Veterans Relief	144,917	499
108	Law Library	141,043	485
110	River Improvement	491,535	1,692
112	Centennial Document Preservation	120,581	415
113	Elections Services	446,765	1,537
114	Parks & Recreation	1,188,753	4,091
115	Substance Abuse Services	2,160,298	7,434
116	Mental Health-Developmental Disability	3,762,139	12,947
117	County Roads	14,656,245	50,437
118	Senior Services	1,626,122	5,596
119	Convention Center	310,164	1,067
120	Clean Water Program	1,732,750	5,963
122	Conservation Futures	188,219	648
123	Medic I Services	4,128,216	14,206
124	Crime Victims Services	85,430	294
125	Communication System	3,255,685	11,204
127	Water Quality	282,108	971

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Financial and General Administrative Services
For the Year Ended December 31, 2011

Fund No.	Fund Name	MTDC	Allocation
128	Planning and Development	2,579,730	8,878
130	BRYSON RD SUB-FLOOD CNTRL ZONE	0	-
131	SEDRO WOOLLEY FLD CONTROL MAIN	32,974	113
132	BRITT SLOUGH FLOOD CONTROL	0	-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE	0	-
134	MT VERNON SO SFCZ MAINTENANCE	0	-
135	DUNBAR SFCZ MAINTENANCE	0	-
137	BLANCHARD SUB FLOOD CONTROL MT	0	-
139	HANSEN CREEK SUB FLOOD CONTROL	0	-
140	WARNER PRAIRIE SUB-FLOOD	0	-
141	LAKE MANAGEMENT DISTRICT NO. 1	41,963	144
142	LAKE MANAGEMENT DISTRICT NO. 2	4,824	17
143	LAKE MANAGEMENT DISTRICT NO. 3	20,527	71
144	LAKE MANAGEMENT DISTRICT NO. 4	4,847	17
150	Edison Clean Water District	25,992	89
160	Drug Enforcement Reserves	35,782	123
161	Boating Safety	66,089	227
162	Low-Income Housing	231,362	796
163	TITLE III PROJECTS FUND	71,098	245
165	Homeless Housing and Assistance	462,822	1,593
170	Interlocal Investigation Reserves	524,946	1,807
201	Debt Service	1,660,020	5,713
340	FACILITY IMPROVEMENT FUND	0	-
341	Add Svcs provided to External Orgs:	778,440	2,679
342	DISTRESSED COUNTY PUBLIC FACIL	1,203,142	4,140
352	PARK IMPROVEMENT FUND	204,967	705
401	Solid Waste Utility	7,830,485	26,947
402	Drainage Utility	1,400,860	4,821
Total Operating Department Base Item Count		85,615,168	294,629
Internal Service Funds:			
501	Equipment Rental Fund	5,202,660	17,904
503	Insurance Service	10,609,357	36,510
504	Information Services	3,384,526	11,647
504	GIS / Mapping Services	979,412	3,370
504	Records Management	679,433	2,338
	Fund 504 Combined	0	-
505	Unemployment Compensation	318,530	1,096
Add Services provided to External Organizations: _____			
Total Count to use in Allocating Central Services			
Costs based on Items		<u>\$ 106,789,086</u>	<u>\$ 367,495</u>

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Human Resources
For the Year Ended December 31, 2011

Human Resources Fund-Department-Division included in this
Central Service Cost Pool-001-0010-005

Allocation Base	FTE
Salaries	179,486
Benefits	82,542
Supplies	3,024
Services	110,120
Other	-
Intergovernmental	
Capital	
Total Direct Costs	<u>375,172</u>
Adjustments:	
Less: Recovered costs	(1,010)
Add: Use Allowance	-
Subtotal Adjustments	<u>(1,010)</u>
Total Allowable, Allocable Costs	<u><u>\$ 374,162</u></u>

Fund No.	Fund Name	FTEs	Allocation
Operating Departments			
001	General Fund	352.00	\$ 200,923
101	Health Department	43.00	24,545
102	Special Paths	-	-
105	Emergency Management	6.00	3,425
106	Fairgrounds	-	-
107	Veterans Relief	-	-
108	Law Library	1.00	571
110	River Improvement	1.57	896
112	Centennial Document Preservation	-	-
113	Elections Services	3.50	1,998
114	Parks & Recreation	9.00	5,137
115	Substance Abuse Services	1.00	571
116	Mental Health-Developmental Disability	6.00	3,425
117	County Roads	100.00	57,080
118	Senior Services	28.00	15,983
119	Convention Center	-	-
120	Clean Water Program	7.20	4,110
122	Conservation Futures	1.50	856
123	Medic I Services	-	-
124	Crime Victims Services	-	-
125	Communication System	-	-
127	Water Quality	-	-

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Human Resources
For the Year Ended December 31, 2011

Fund No.	Fund Name	FTEs	Allocation
128	Planning and Development	23.50	13,414
130	BRYSON RD SUB-FLOOD CNTRL ZONE	-	-
131	SEDRO WOOLLEY FLD CONTROL MAIN	-	-
132	BRITT SLOUGH FLOOD CONTROL	-	-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE	-	-
134	MT VERNON SO SFCZ MAINTENANCE	-	-
135	DUNBAR SFCZ MAINTENANCE	-	-
137	BLANCHARD SUB FLOOD CONTROL MT	-	-
139	HANSEN CREEK SUB FLOOD CONTROL	-	-
140	WARNER PRAIRIE SUB-FLOOD	-	-
141	LAKE MANAGEMENT DISTRICT NO. 1	-	-
142	LAKE MANAGEMENT DISTRICT NO. 2	-	-
143	LAKE MANAGEMENT DISTRICT NO. 3	-	-
144	LAKE MANAGEMENT DISTRICT NO. 4	-	-
150	Edison Clean Water District	-	-
160	Drug Enforcement Reserves	-	-
161	Boating Safety	-	-
162	Low-Income Housing	-	-
163	TITLE III PROJECTS FUND	-	-
165	Homeless Housing and Assistance	-	-
170	Interlocal Investigation Reserves	-	-
201	Debt Service	-	-
340	FACILITY IMPROVEMENT FUND	1.00	571
341	Add Svcs provided to External Orgs:	-	-
342	DISTRESSED COUNTY PUBLIC FACIL	-	-
352	PARK IMPROVEMENT FUND	-	-
401	Solid Waste Utility	22.07	12,598
402	Drainage Utility	7.16	4,087
Total Operating Department Base Item Count		613.50	350,188
Internal Service Funds:			
501	Equipment Rental Fund	9.00	5,137
503	Insurance Service	3.00	1,712
504	Information Services	15.00	8,562
504	GIS / Mapping Services	10.00	5,708
504	Records Management	5.00	2,854
	Fund 504 Combined		-
505	Unemployment Compensation		-
Add Services provided to External Organizations: _____			
Total Count to use in Allocating Central Services			
Costs based on Items		655.50	\$ 374,162

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, General Maintenance
For the Year Ended December 31, 2011

**General Maintenance Fund-Department included in this
Central Service Cost Pool-001-0014**

Allocation Base	Square Footage
Salaries	464,376
Benefits	260,246
Supplies	87,198
Services	799,882
Other	131,945
Intergovernmental	-
Capital	-
Total Direct Costs	1,743,647
Adjustments:	
Less: Unallowable costs	
Capital	-
Cost Recovery from External Organizations	(212,171)
Interest	-
Add: Use Allowance	-
Subtotal Adjustments	<u>(212,171)</u>
Total Allowable, Allocable Costs	<u>\$ 1,531,476</u>

Fund No.	Fund Name	Square Footage	Allocation
Operating Departments			
001	General Fund	92,551	\$ 874,650
101	Health Department	14,900	140,812
102	Special Paths		-
105	Emergency Management	1,500	14,176
106	Fairgrounds		-
107	Veterans Relief		-
108	Law Library	1,200	11,341
110	River Improvement		-
112	Centennial Document Preservation		-
113	Elections Services		-
114	Parks & Recreation	1,300	12,286
115	Substance Abuse Services	649	6,133
116	Mental Health-Developmental Disability	5,837	55,162
117	County Roads	23,400	221,141
118	Senior Services	1,640	15,499
119	Convention Center		-
120	Clean Water Program		-
122	Conservation Futures		-
123	Medic I Services		-
124	Crime Victims Services		-

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, General Maintenance
For the Year Ended December 31, 2011

Fund No.	Fund Name	Square Footage	Allocation
125	Communication System		-
127	Water Quality		-
128	Planning and Development	11,926	112,706
130	BRYSON RD SUB-FLOOD CNTRL ZONE		-
131	SEDRO WOOLLEY FLD CONTROL MAIN		-
132	BRITT SLOUGH FLOOD CONTROL		-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE		-
134	MT VERNON SO SFCZ MAINTENANCE		-
135	DUNBAR SFCZ MAINTENANCE		-
137	BLANCHARD SUB FLOOD CONTROL MT		-
139	HANSEN CREEK SUB FLOOD CONTROL		-
140	Total Operating Dept Base Item Count		-
141	LAKE MANAGEMENT DISTRICT NO. 1		-
142	LAKE MANAGEMENT DISTRICT NO. 2		-
143	LAKE MANAGEMENT DISTRICT NO. 3		-
144	LAKE MANAGEMENT DISTRICT NO. 4		-
150	Edison Clean Water District		-
160	Drug Enforcement Reserves		-
161	Boating Safety		-
162	Low-Income Housing		-
163	TITLE III PROJECTS FUND		-
165	Homeless Housing and Assistance		-
170	Add Svcs provided to External Orgs:		-
201	Debt Service		-
340	FACILITY IMPROVEMENT FUND		-
341	CAPITAL IMPROVEMENTS		-
342	DISTRESSED COUNTY PUBLIC FACIL		-
352	PARK IMPROVEMENT FUND		-
401	Solid Waste Utility	2,000	18,901
402	Drainage Utility		-
Total Operating Department Base Item Count		156,903	1,482,806
Internal Service Funds:			
501	Equipment Rental Fund		-
503	Insurance Service		-
504	Information Services	1,250	11,813
504	GIS / Mapping Services	1,900	17,956
504	Records Management	2,000	18,901
	Fund 504 Combined		-
505	Unemployment Compensation		-
Add Services provided to External Organizations:			
Total Count to use in Allocating Central Services			
Costs based on Items		162,053	\$ 1,531,476

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Legal
For the Year Ended December 31, 2011

Legal Fund-Department included in this Central Service Cost Pool-
001-0020-003

Allocation Base	Direct Charge
Salaries	141,093
Benefits	49,027
Supplies	
Services	
Other	
Intergovernmental	
Capital	
Total Direct Costs	190,120
Adjustments:	
Less: Unallowable costs	-
Add: Use Allowance	-
Subtotal Adjustments	-
Total Allowable, Allocable Costs	\$ 190,120

Fund No.	Fund Name	Direct Charge	Allocation
Operating Departments			
001	General Fund	56% \$	106,467
101	Health Department		-
102	Special Paths		-
105	Emergency Management		-
106	Fairgrounds		-
107	Veterans Relief		-
108	Law Library		-
110	River Improvement		-
112	Centennial Document Preservation		-
113	Elections Services		-
114	Parks & Recreation		-
115	Substance Abuse Services		-
116	Mental Health-Developmental Disability		-
117	County Roads	44%	83,653
118	Senior Services		-
119	Convention Center		-
120	Clean Water Program		-
122	Conservation Futures		-
123	Medic I Services		-
124	Crime Victims Services		-
125	Communication System		-
127	Water Quality		-
128	Planning and Development		-

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Legal
For the Year Ended December 31, 2011

Fund No.	Fund Name	Direct Charge	Allocation
130	BRYSON RD SUB-FLOOD CNTRL ZONE		-
131	SEDRO WOOLLEY FLD CONTROL MAIN		-
132	BRITT SLOUGH FLOOD CONTROL		-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE		-
134	MT VERNON SO SFCZ MAINTENANCE		-
135	DUNBAR SFCZ MAINTENANCE		-
137	BLANCHARD SUB FLOOD CONTROL MT		-
139	HANSEN CREEK SUB FLOOD CONTROL		-
140	WARNER PRAIRIE SUB-FLOOD		-
141	LAKE MANAGEMENT DISTRICT NO. 1		-
142	LAKE MANAGEMENT DISTRICT NO. 2		-
143	LAKE MANAGEMENT DISTRICT NO. 3		-
144	LAKE MANAGEMENT DISTRICT NO. 4		-
150	Edison Clean Water District		-
160	Drug Enforcement Reserves		-
161	Boating Safety		-
162	Low-Income Housing		-
163	TITLE III PROJECTS FUND		-
165	Homeless Housing and Assistance		-
170	Interlocal Investigation Reserves		-
201	Debt Service		-
340	FACILITY IMPROVEMENT FUND		-
341	Add Svcs provided to External Orgs:		-
342	DISTRESSED COUNTY PUBLIC FACIL		-
352	PARK IMPROVEMENT FUND		-
401	Solid Waste Utility		-
402	Drainage Utility		-
<hr/>			
	Total Operating Department Base Item Count	100%	190,120
 Internal Service Funds:			
501	Equipment Rental Fund		-
503	Insurance Service		-
504	Information Services		-
504	GIS / Mapping Services		-
504	Records Management		-
	Fund 504 Combined		-
505	Unemployment Compensation		-
	Add Services provided to External Organizations:		-
	Total Count to use in Allocating Central Services		
	Costs based on Items	1 \$	190,120
		<hr/> <hr/>	

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Non-Departmental
For the Year Ended December 31, 2011

Non-Departmental Fund-Department-Division included in this
Central Service Cost Pool-001-0025
Allocation Base

	<u>MTDC</u>
Salaries	-
Benefits	154,108
Supplies	-
Services	571,513
Other	-
Intergovernmental	481,525
Capital	
Debt Service: Principal	56,667
Interfund Payments for Service	<u>4,680,940</u>
Total Direct Costs	5,944,753
Adjustments:	
Less: Unallowable costs	
Project 93 - Pass Thru EPA Grant	
Leoff 1 Medical	(151,092)
Ruckelshaus - Ryan Walters	
Lobbying - Weidner	
Farm Power Rexville Grant - Pass Thru	
River Oaks - Franchise Fee	
Food Dist Ctr - Paul Schissler	
USDA - Starling Control	(15,314)
SCCAA - Pass Thru & Direct Service	(336,138)
Lourdes Young - Interpretation/Jail	
Advertis, Dependency Hrngs, Farmworker housing, etc	
Miscellaneous Direct Service	
Transfers	(250,000)
Year End Adjustments	-
NW Regional Council, NW Learn	(61,743)
SCOG Local Matching Funds	(9,340)
Cities Contracts - Library Services	(48,000)
Intergov/Interfund Taxes	(112,442)
Debt Service Principal Pmts	(56,667)
Central Services Billings, Insur Cost Allocation	(4,625,812)
Add: Use Allowance	-
Subtotal Adjustments	<u>(5,666,548)</u>
Total Allowable, Allocable Costs	<u>\$ 278,205</u>

Fund No.	Fund Name	MTDC	Allocation
Operating Departments			
001	General Fund	29,290,974	\$ 76,308

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Non-Departmental
For the Year Ended December 31, 2011

Fund No.	Fund Name	MTDC	Allocation
101	Health Department	3,450,629	8,990
102	Special Paths	204,129	532
105	Emergency Management	529,863	1,380
106	Fairgrounds	237,733	619
107	Veterans Relief	144,917	378
108	Law Library	141,043	367
110	River Improvement	491,535	1,281
112	Centennial Document Preservation	120,581	314
113	Elections Services	446,765	1,164
114	Parks & Recreation	1,188,753	3,097
115	Substance Abuse Services	2,160,298	5,628
116	Total Operating Dept Base Item Count	3,762,139	9,801
117	County Roads	14,656,245	38,182
118	Senior Services	1,626,122	4,236
119	Convention Center	310,164	808
120	Clean Water Program	1,732,750	4,514
122	Conservation Futures	188,219	490
123	Medic I Services	4,128,216	10,755
124	Crime Victims Services	85,430	223
125	Communication System	3,255,685	8,482
127	Water Quality	282,108	735
128	Planning and Development	2,579,730	6,721
130	Add Svcs provided to External Orgs:	0	-
131	SEDRO WOOLLEY FLD CONTROL MAIN	32,974	86
132	BRITT SLOUGH FLOOD CONTROL	0	-
133	Sedro-Woolley SUB-FLOOD CNTRL ZONE	0	-
134	MT VERNON SO SFCZ MAINTENANCE	0	-
135	DUNBAR SFCZ MAINTENANCE	0	-
137	BLANCHARD SUB FLOOD CONTROL MT	0	-
139	HANSEN CREEK SUB FLOOD CONTROL	0	-
140	WARNER PRAIRIE SUB-FLOOD	0	-
141	LAKE MANAGEMENT DISTRICT NO. 1	41,963	109
142	LAKE MANAGEMENT DISTRICT NO. 2	4,824	13
143	LAKE MANAGEMENT DISTRICT NO. 3	20,527	53
144	LAKE MANAGEMENT DISTRICT NO. 4	4,847	13
150	Edison Clean Water District	25,992	68
160	Drug Enforcement Reserves	35,782	93
161	Boating Safety	66,089	172
162	Low-Income Housing	231,362	603
163	TITLE III PROJECTS FUND	71,098	185
165	Homeless Housing and Assistance	462,822	1,206
170	Interlocal Investigation Reserves	524,946	1,368
201	Debt Service	1,660,020	4,325
340	FACILITY IMPROVEMENT FUND	0	-
341	CAPITAL IMPROVEMENTS	778,440	2,028

Skagit County
Central Services Cost Allocation Plan
Allocation of Costs, Non-Departmental
For the Year Ended December 31, 2011

Fund No.	Fund Name	MTDC	Allocation
342	DISTRESSED COUNTY PUBLIC FACIL	1,203,142	3,134
352	PARK IMPROVEMENT FUND	204,967	534
401	Solid Waste Utility	7,830,485	20,400
402	Drainage Utility	1,400,860	3,649
Total Operating Department Base Item Count		85,615,168	223,043
Internal Service Funds:			
501	Equipment Rental Fund	5,202,660	13,554
503	Insurance Service	10,609,357	27,639
504	Information Services	3,384,526	8,817
504	GIS / Mapping Services	979,412	2,552
504	Records Management	679,433	1,770
	Fund 504 Combined	0	-
505	Unemployment Compensation	318,530	830
Add Services provided to External Organizations: _____			
Total Count to use in Allocating Central Services			
Costs based on Items		<u>\$ 106,789,086</u>	<u>\$ 278,205</u>

Appendix C: Financial Information for Internal Service Funds

Skagit County
Central Service Cost Allocation Plan -Appendix C
For the Year Ended December 31, 2011

SKAGIT COUNTY, WASHINGTON
Statement of Net Assets
Internal Service Funds
December 31, 2011

	Business-Type Activities-Enterprise Funds				Governmental Activities
	501 Equip Rent & Revolve	503 Insurance Services	504 Central Services	505 Unemploy Comp	Internal Services
ASSETS					
<u>Current Assets</u>					
Cash and Cash Equivalents	\$3,722,686	\$7,874,671	\$1,439,147	\$63,012	\$13,099,514
Investments	-	-	-	-	-
Accounts Receivable	12,973	-	51,675	-	64,648
Due from Other Funds	-	1,445,755	890,755	250,000	2,586,510
Due from Other Governments	-	-	19,699	-	19,699
Inventories and Prepayments	5,472,554	-	-	-	5,472,554
Total Current Assets	\$9,208,213	\$9,320,426	\$2,401,276	\$313,012	\$21,242,925
<u>Non-Current Assets</u>					
Capital Assets					
Land	\$0	\$0	\$0	\$0	\$0
Buildings	180,888	-	-	-	180,888
Improvements	-	-	-	-	-
Machinery and Equipment	15,122,950	-	1,625,018	-	16,747,968
Less Accumulated Depreciation	(7,737,530)	-	(1,235,554)	-	(8,973,084)
Construction in Progress	-	-	-	-	-
Unamortized Issuance Costs	-	-	-	-	-
Total Non-Current Assets	\$7,566,308	\$0	\$389,464	\$0	\$7,955,772
Total Assets	\$16,774,521	\$9,320,426	\$2,790,740	\$313,012	\$29,198,697
LIABILITIES AND FUND EQUITY					
<u>Current Liabilities</u>					
Accounts/Vouchers Payable	\$186,428	\$4,504,367	\$62,303	\$72,660	\$4,825,756
Due to Other Funds	169,237	35,749	-	-	204,986
Interest Payable	-	-	-	-	-
Interfund Loans Payable	-	-	-	-	-
Accrued Wages Payable	22,470	12,327	78,062	28,176	141,035
Accrued Employee Benefits	4,413	1,524	12,940	-	18,877
Accrued Taxes Payable	-	-	-	-	-
Other Accrued Liabilities	7,350	-	-	-	7,350
Bonds Payable	-	-	-	-	-
Total Current Liabilities	\$389,898	\$4,553,967	\$153,305	\$100,836	\$5,198,004
<u>Non-Current Liabilities</u>					
Compensated Absences	62,451	10,568	180,491	-	253,510
Post Landfill Closure Costs	-	-	-	-	-
Environmental Liability	196,511	-	-	-	196,511
Bonds Payable	-	-	-	-	-
Total Non-Current Liabilities	\$258,962	\$10,568	\$180,491	\$0	\$450,021
Total Liabilities	\$648,860	\$4,564,535	\$333,796	\$100,836	\$5,648,025
<u>Net Assets</u>					
Invested in Capital Assets, Net of Related Debt	\$7,566,308	\$0	\$389,464	\$0	\$7,955,772
Restricted for Debt Service	-	-	-	-	-
Unrestricted	8,559,353	4,755,891	2,067,480	212,176	15,594,900
Total Net Assets	\$16,125,661	\$4,755,891	\$2,456,944	\$212,176	\$23,550,672

Total Liabilities + Total Net Assets	16,774,521	9,320,426.00	2,790,740.00	313,012.00	29,198,697
Statement in balance	-	-	-	-	-

Skagit County
Central Service Cost Allocation Plan -Appendix C
For the Year Ended December 31, 2011

SKAGIT COUNTY, WASHINGTON
Statement of Revenue, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2011

	Business-Type Activities-Enterprise Funds				Governmental Activities
	501 Equip Rent & Revolving	503 Insurance Services	504 Central Services	505 Unemploy Comp	Internal Services
<u>Operating Revenues</u>					
Charges for Service	\$5,847,692	\$1,445,755	\$5,355,964	\$317,514	\$12,966,926
Other Operating Revenue	67,551	10,418,131	-	-	10,485,682
Total Operating Revenue	<u>\$5,915,243</u>	<u>\$11,863,886</u>	<u>\$5,355,964</u>	<u>\$317,514</u>	<u>\$23,452,608</u>
<u>Operating Expenditures</u>					
Personal Services	\$720,942	\$353,793	\$2,775,872	\$57,126	\$3,907,733
Contractual Services	-	1,817,332	-	-	1,817,332
Supplies and Expenses	3,619,280	42,209	2,252,050	-	5,913,539
Depreciation	881,186	-	15,449	-	896,635
Payment to Claimants	-	8,396,023	-	261,404	8,657,427
Total Operating Expenditures	<u>\$5,221,408</u>	<u>\$10,609,357</u>	<u>\$5,043,371</u>	<u>\$318,530</u>	<u>\$21,192,666</u>
Operating Income (Loss)	<u>\$693,835</u>	<u>\$1,254,529</u>	<u>\$312,593</u>	<u>(\$1,016)</u>	<u>\$2,259,942</u>
<u>Non-Operating Revenue (Expenses)</u>					
Intergovernmental Revenue	\$0	\$0	\$0	\$0	\$0
Interest Revenue	10,788	13,431	251	-	24,470
Miscellaneous Revenue	-	71,960	12,151	-	84,111
Gain (Loss) on Disposition of Capital Assets	69,490	-	(189,084)	-	(119,594)
Interest Expense	-	-	-	-	-
Miscellaneous Expense	-	-	-	-	-
Total Non-Operating Revenue (Expense)	<u>\$80,278</u>	<u>\$85,391</u>	<u>(\$176,682)</u>	<u>\$0</u>	<u>(\$11,013)</u>
Income (Loss) before Contributions and Transfers	<u>\$774,113</u>	<u>\$1,339,920</u>	<u>\$135,911</u>	<u>(\$1,016)</u>	<u>\$2,248,929</u>
Transfers In	-	-	-	250,000	250,000
Transfers Out	-	-	-	-	-
Change in Net Assets	<u>\$774,113</u>	<u>\$1,339,920</u>	<u>\$135,911</u>	<u>\$248,984</u>	<u>\$2,498,929</u>
Net Assets, January 1	\$15,351,547	\$3,415,971	\$2,375,735	(\$36,808)	\$21,106,445
Prior Period Adjustment	-	-	(54,702)	-	(54,702)
Net Assets, January 1 - restated	<u>15,351,547</u>	<u>3,415,971</u>	<u>2,321,033</u>	<u>(36,808)</u>	<u>21,051,743</u>
Net Assets, December 31	<u><u>\$16,125,661</u></u>	<u><u>\$4,755,891</u></u>	<u><u>\$2,456,944</u></u>	<u><u>\$212,176</u></u>	<u><u>\$23,550,672</u></u>

Appendix D: Reconciliation of Internal Service Funds' Net Assets

Skagit County
Central Service Cost Allocation Plan -Appendix D
For the Year Ended December 31, 2011

All Internal Service Funds	<u>Equipment Rental Fund (501)</u>	<u>Insurance Services Fund (503)</u>	<u>Central Services Fund (504)</u>	<u>Unemployment Compensation Fund (505)</u>	<u>Total Internal Service Funds</u>
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES FOR YEAR ENDING December 31, 2011					
PART I A-87 R.E. BALANCE					
NET ASSET BALANCE JANUARY 1, 2010	15,351,547	3,415,971	2,375,735	(36,808)	21,106,445
Prior Period Adjustments	-	-	(54,702)	-	(54,702)
Beginning Balance as restated	<u>15,351,547</u>	<u>3,415,971</u>	<u>2,321,033</u>	<u>(36,808)</u>	<u>21,051,743</u>
Less Invested in Capital Assets, net of related debt	7,566,308	-	389,464	-	7,955,772
Less contributions for replacement of Capital Assets	NOTE				-
A-87 R.E. BALANCE JANUARY 1, 2011		<u>7,785,239</u>	<u>3,415,971</u>	<u>1,931,569</u>	<u>(36,808)</u>
FY 2011 RETAINED EARNINGS INCREASE (DECREASE) Per Annual Financial Report (AFR)					
TOTAL OPERATING REVENUES	5,915,244	11,863,886	5,355,964	317,514	23,452,608
Interest revenue	10,788	13,431	251	-	24,470
Other	<u>69,490</u>	<u>71,960</u>	<u>(176,933)</u>	-	<u>(35,483)</u>
Total Revenues	5,995,522	11,949,277	5,179,282	317,514	23,441,595
TOTAL OPERATING EXPENSES	5,221,408	10,609,357	5,043,371	318,530	21,192,666
Loss on disposition of capital asset	-	-	-	-	-
Interest expense and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	5,221,408	10,609,357	5,043,371	318,530	21,192,666
Less A-87 Unallowable Costs (None)					
Plus A-87 Allowable Costs (None)					
OMB A-87 Allowable Expenditures	<u>5,221,408</u>	<u>10,609,357</u>	<u>5,043,371</u>	<u>318,530</u>	<u>21,192,666</u>
A-87 R.E. BALANCE December 31, 2011 (A)	8,559,353	4,755,891	2,067,480	(37,824)	15,344,900
Allowable Reserve (B)	<u>870,235</u>	<u>1,768,226</u>	<u>840,562</u>	<u>53,088</u>	<u>3,532,111</u>
Excess Balance (A)-(B)	NOTE 7,689,118	2,987,665	1,226,918	(90,912)	11,812,789
PART II A-87 CONTRIBUTED CAPITAL BALANCE					
A-87 CONTRIBUTED CAPITAL BALANCE JANUARY 1, 2011	7,566,308	-	389,464	-	7,955,772
Plus: Transfers in (e.g., Contrib. Capital)	-	-	-	250,000	250,000
Less: Transfers Out (e.g., Payback of Contrib. Capital, Other Users of Fund R.E.)	-	-	-	-	-
Net Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
A-87 CONTRIBUTED CAPITAL BALANCE DECEMBER 31, 2011 ©	<u>7,566,308</u>	<u>-</u>	<u>389,464</u>	<u>250,000</u>	<u>8,205,772</u>
PART III A-87 ADJUSTMENTS BALANCE					
A-87 ADJUSTMENTS BALANCE JANUARY 1, 2011	\$ -	\$ -	\$ -	\$ -	\$ -
Less: A-87 Unallowable Costs (None)					
Plus: A-87 Allowable Costs (None)					
A-87 ADJUSTMENTS BALANCE DECEMBER 31, 2011(D)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
PART IV RECONCILIATION OF A-87 R.E., CONTRIBUTED CAPITAL AND ADJUSTMENTS BALANCES TO AFR BALANCE					
RECONCILIATION OF A-87 R.E., CONTR. CAPITAL & ADJUST. BALANCES TO AFR(A)+(C)+(D)	16,125,661	4,755,891	2,456,944	212,176	23,550,672

NOTE: A significant portion of the Equipment Rental and Revolving Fund Unrestricted Net Assets relates to charges for the replacement of equipment. The amount of accumulated collections for future equipment replacement is not currently available.