

Skagit County

# Central Services Cost Allocation Plan

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, Drainage Utility, and the Skagit County Jail.

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 awards 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 2 CFR Part 200, *Cost Principles for State, Local and Indian Tribal Governments (OMB Circular A-87 Revised)*, 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.

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### 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). 2 CFR Part 200, Subpart E – Cost Principles 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.

<b>Central Services Cost Allocation Plan Feature</b>	<b>Location Provided</b>
<b>1 General</b>	
<b>a</b> 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
<b>b</b> 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
<b>c</b> 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
<b>2 Allocated Central Services</b> - For each allocated central service, the plan must also include the following: (If any self-insurance funds or fringe benefit 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
<b>a</b> A brief description of the service, an identification of the unit rendering the service and the operating agencies receiving the service.	Page 5-9, Apdx B
<b>b</b> The items of expense included in the cost of the service and the method used to distribute the cost of the service to the specific benefitted departments.	Pages 12 to 14, Appendix B
<b>c</b> A summary schedule showing the allocation of each service to the specific benefitted departments.	Appendix B
<b>3 Billed Service</b> - the information described below shall be provided for all billed central service funds, self insurance funds, and fringe benefits funds.	
<b>Internal Service Funds.</b> For each internal service fund or similar activity with an operating budget of \$5 million or more, the plan shall include:	
<b>a</b> A brief description of each service.	Pages 9 to 11
<b>b</b> A balance sheet for each fund based on individual accounts contained in the governmental unit's accounting system.	Appendix C

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<b>Internal Service Continued</b>		
<b>c</b>	A revenue/expenses statement, with revenues broken out by source, e.g., regular billings, interest earned, etc.	Appendix C
<b>d</b>	A listing of all non-operating transfers (as defined by Generally Accepted Accounting Principles (GAAP)) into and out of the fund.	Appendix C
<b>e</b>	A description of the procedures (methodology) used to charge the costs of each service to users, including how billing rates are determined.	Page 12
<b>f</b>	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.	Appendix D
<b>g</b>	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
<b>Self-Insurance Funds.</b> For each self-insurance fund, the plan shall include:		
<b>a</b>	The fund balance sheet.	Appendix C
<b>b</b>	A statement of revenue and expenses including a summary of billings and claims paid by department.	Appendix C
<b>c</b>	A listing of all non-operating transfers into and out of the fund.	Appendix C
<b>d</b>	The type(s) of risk(s) covered by the fund (e.g., automobile liability, workers' compensation, etc.).	Pages 9 to 11
<b>e</b>	An explanation of how the levels of fund contributions are determined.	Pages 9 to 11
<b>f</b>	Included 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
<b>g</b>	A description of the procedures used to charge or allocate fund contributions to benefitted activities.	Pages 9 to 11
<b>h</b>	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
<b>Fringe benefits.</b> For fringe benefit costs, the plan shall include:		Page 11 and
	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. As such, the remainder of this requirement is not applicable.	Appendix C

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## Certificate of Cost Allocation Plan

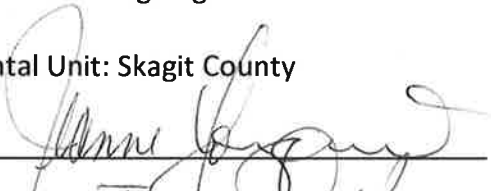
This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal as of December 31, 2016 to establish cost allocations or billings for the year ended December 31, 2018 are allowable in accordance with the requirements of the 2 CFR Part 200, "Cost Principles for State, Local, and 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 the 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: Jeanne Youngquist

Title: Auditor

Date of Execution: 12-7-17

# Skagit County

## 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 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 awards 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, 2016. 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,

# Skagit County

## Central Services Cost Allocation Plan

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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 functions as a percentage of total agenda time. For 2016, costs will be allocated to Public Health, County Road, Emergency Medical Services and the County Jail.

The Calculation is:

Commissioner’s Office Expenditures less Board of County Commissioners’ Salaries & Benefits	X	<u>Applicable Fund’s Related Agenda Time</u> Total Agenda Time
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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 40% of the Commissioners agenda items relate to a specific function. As such, approximately 60% 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

The Assessor’s function 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:

Assessor’s Expenditures less Elected Official’s Salary & Benefits	X	<u>Respective Fund’s Tax Levy</u> Total Operating Taxes Levied
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The Assessor’s Office provides services to other jurisdictions for which taxes are levied and collected by the County. Approximately 75% of operating taxes relate to these other jurisdictions. As such, approximately 75% 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 that real estate excise tax on the sale or transfer of ownership of real property. The Treasurer’s Office administers DOE Water Quality Loans; audits and recovers sales and use tax on 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 the Assessor’s costs. As such, approximately 75% 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:

Treasurer’s Expenditures less Elected Official’s Salary/Benefits	X	<u>Respective Fund’s Tax Levy</u> Total Operating Taxes Levied
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### **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

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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 employees (FTE’s) and the percentage of total accounts payable transactions.

The calculation is:

(1)	<u>Respective Fund FTE’s</u> Total County FTE’s	+	<u>Respective Fund AP Transactions</u> Total County AP Transactions
(2)	Percentage	X	Accounting Dept. Expenditures

### 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.

**Budget and Finance** – The Budget and 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 costs will be allocated based on a ratio of respective fund’s total actual expenses divided by total County actual expenses.

The calculation is:

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Administrative Services Expenditures Less Human Resources	X	<u>Respective Fund Actual Expenses</u> Total County Actual Expense
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**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’s) as it most closely tracks the effort of the human resources function in providing its 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
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### 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 contracts for services and supplies and payments of all utilities. Facility Management provides general repair and maintenance, custodial services, safety and health specialists/training, and mechanical, plumbing, electrical, 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 costs will be allocated based on a ratio by the 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:

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Facilities Management: Salaries and Wages, Personnel Benefits, Supplies, Utilities & associated operational expense	X	<u>Respective fund bldg. maintenance sq ft</u> Total County bldg. maintenance sq ft
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### **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 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 2016 was \$41 to \$1,057,691 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 to the claims processor as service provider invoices are submitted. The County is self-insured for medical, dental, vision, 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 2016

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was \$18,072 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 the 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 2016 was \$96.32 - \$3,284,151 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 \$39.51 to \$66.80 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 2016 was \$25,324 to \$366,577 semiannually.

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### **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. 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 into 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 \$107.71 to \$1,103.30 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 \$2.00 to \$144 per hour and \$47 to \$4,232.50 monthly. Vehicles are charged an hourly shop rate of \$79.00/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 management fee. Rock is charged actual cost plus a 37% 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.

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# Cost Allocation Methodology

## Introduction

The County provides support services to operating departments in nine (9) Central Services 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 service 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 service 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-fund 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 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 basis prior to the fiscal year to be used in the allocation of central service costs to funds/departments for budget control and management purposes.

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### **Specific Cost Allocation Methodologies Used in the 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:

#### **Central services that use authorized Full Time Equivalent (FTE):**

- Administrative Services Human Resources use 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.

#### **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 costs 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
- Non-Departmental

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.



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### **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).

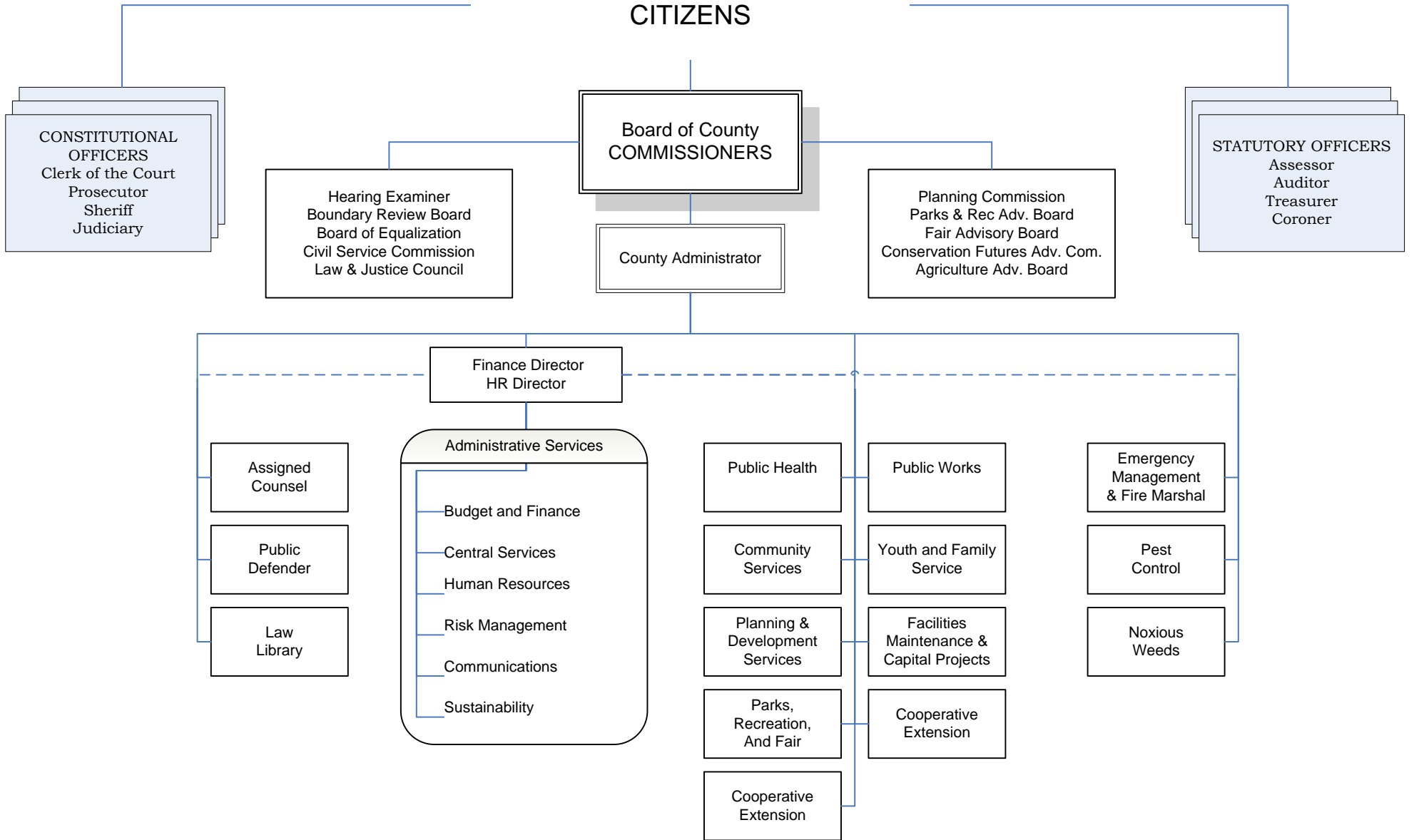
Certain internal service funds also gather costs in certain cost centers using project numbers in the financial system to “bill” its users. This is used mainly for services in which underlying billing basis remains relatively constant during the year, such as the number of email accounts or direct labor 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**

# SKAGIT COUNTY

## CITIZENS



## **Appendix B: Summary and Detail Cost Allocation Plan Components**

Fund No.	Fund Name	Total Allocated Costs	MTDC	General Fund			Cayenta actuals less BARS 594 and 595 and object 560	Allocated Costs	Pass Thru Grants	Pmts to IS Funds and Special Revenue Funds
				Indirect Cost Rate	Service Indirect Cost Rate	Total Indirect Cost Rate				
<b>Operating Departments</b>										
001	General Fund	\$ 2,248,030	33,462,548	6.72%	12.32%	19.03%	51,212,516	6,779,103	668,105	10,302,760
101	Health Department	190,371	2,521,193	7.55%	12.32%	19.87%	3,445,872		924,679	
102	Special Paths	4,477	182,610	2.45%	12.32%	14.77%	182,610			
105	Emergency Management	20,606	393,133	5.24%	12.32%	17.56%	502,324		109,191	
106	Fairgrounds	9,515	364,559	2.61%	12.32%	14.93%	364,559		-	
107	Veterans Relief	4,088	149,006	2.74%	12.32%	15.06%	149,006			
108	Law Library	15,169	136,130	11.14%	12.32%	23.46%	136,130			
110	River Improvement	1,758	139,915	1.26%		1.26%	227,494		87,579	
112	Centennial Document Preservation	593	95,836	0.62%	12.32%	12.93%	95,836		-	
113	Elections Services	25,474	964,967	2.64%	12.32%	14.96%	964,967		-	
114	Parks & Recreation	82,580	1,313,844	6.29%	12.32%	18.60%	1,313,844			
115	Substance Abuse Services	3,932	219,288	1.79%		1.79%	500,574		281,286	
116	Mental Health-Developmental Disability	89,708	4,390,750	2.04%		2.04%	5,087,399		696,649	
117	County Roads	770,949	16,932,253	4.55%		4.55%	18,291,273		1,359,020	
118	Community Services	123,963	1,221,912	10.15%	12.32%	22.46%	1,856,254		634,342	
119	Convention Center	2,221	315,234	0.70%		0.70%	315,234			
120	Clean Water Program	47,713	2,060,536	2.32%		2.32%	2,440,745		380,209	
122	Conservation Futures	13,249	164,054	8.08%	12.32%	20.39%	164,054			
123	Medic I Services	121,929	6,145,163	1.98%		1.98%	6,145,163			
124	Crime Victims Services	469	85,199	0.55%	12.32%	12.87%	85,199			
125	Communication System	18,719	3,793,017	0.49%		0.49%	3,793,017			
127	Water Quality	2,156	318,614	0.68%		0.68%	318,614			
128	Planning and Development	171,795	2,763,747	6.22%	12.32%	18.53%	2,763,747		-	
141	LAKE MANAGEMENT DISTRICT NO. 1	1,160	74,717	1.55%		1.55%	74,717			
142	LAKE MANAGEMENT DISTRICT NO. 2	266	12,018	2.22%		2.22%	12,018			
143	LAKE MANAGEMENT DISTRICT NO. 3	561	31,074	1.80%		1.80%	31,074			
144	LAKE MANAGEMENT DISTRICT NO. 4	356	15,792	2.25%		2.25%	15,792			
150	Edison Clean Water District	2,060	39,878	5.17%		5.17%	39,878			
160	Drug Enforcement Reserves	352	32,265	1.09%	12.32%	13.41%	51,265		19,000	
161	Boating Safety	741	36,595	2.03%	12.32%	14.34%	54,991		18,396	
162	Low-Income Housing	2,687	403,906	0.67%		0.67%	403,906			
163	TITLE III PROJECTS FUND	276	31,341	0.88%		0.88%	31,341			
165	Homeless Housing and Assistance	6,126	753,460	0.81%		0.81%	753,460			
170	Interlocal Investigation Reserves	3,199	125,514	2.55%	12.32%	14.86%	227,596		102,082	
201	Debt Service	10,850	2,185,650	0.50%		0.50%	2,185,650			
340	FACILITY IMPROVEMENT FUND	1,265					-		-	
341	CAPITAL IMPROVEMENTS	8,080	1,646,312	0.49%	12.32%	12.81%	1,646,312			
342	DISTRESSED COUNTY PUBLIC FACIL	9,299	1,838,390	0.51%		0.51%	1,838,390			
352	PARK IMPROVEMENT FUND	3,331	162,796	2.05%		2.05%	162,796			
401	Solid Waste Utility	107,822	9,667,268	1.12%		1.12%	9,667,268			
402	Drainage Utility	67,549	1,541,202	4.38%		4.38%	1,541,202			
403	Jail Fund	55,269	6,470,825	0.85%		0.85%	6,470,825			
		4,250,713	103,202,511				125,564,912	6,779,103	5,280,538	
									0	

**INTERNAL USE ONLY**

Not Used for Federal 2 CFR 225 Compliant Plan				IS	GIS	Insurance	Records	Total
501	Equipment Rental Fund	66,042	4,589,630	1.44%	7.15%	1.54%	2.47%	13.03%
503	Insurance Service	77,329	13,537,076	0.57%	7.15%	1.54%	2.47%	12.43%
504	Information Services	173,824	4,057,838	4.28%		1.54%	2.47%	9.24%
504	GIS / Mapping Services	49,538	846,408	5.85%	7.15%		2.47%	15.60%
504	Records Management	31,551	678,961	4.65%	7.15%	1.54%	2.47%	15.45%
	Fund 504 Combined	-						
505	Unemployment Compensation	2,322	460,585	0.50%	7.15%	1.54%	2.47%	12.34%

**Central Service Departments**

**Administrative Services**

Fund No.	Fund Name	Administrative Services									Total Allocated Costs
		County Commissioners	County Assessor	County Treasurer	County Auditor	Financial & General	Human Resources	Facilities Maintenance	Legal-Civil	Non Departmental	
<b>Operating Departments</b>											
001	General Fund	\$ 9,367	\$ 200,852	\$ 116,337	\$ 262,109	\$ 139,058	\$ 288,047	\$ 1,068,706	\$ 138,371	\$ 25,182	\$ 2,248,030
101	Health Department	20,295	-	-	18,889	10,477	21,012	117,800	-	1,897	190,371
102	Special Paths	-	-	-	2,302	759	1,279	-	-	137	4,477
105	Emergency Management	-	-	-	2,685	1,634	2,558	13,433	-	296	20,606
106	Fairgrounds	-	-	-	6,721	1,515	1,005	-	-	274	9,515
107	Veterans Relief	-	1,990	1,153	214	619	-	-	-	112	4,088
108	Law Library	-	-	-	1,484	566	914	12,104	-	102	15,169
110	River Improvement	-	-	-	706	581	365	-	-	105	1,758
112	Centennial Document Preservation	-	-	-	122	398	-	-	-	72	593
113	Elections Services	-	-	-	2,145	4,010	2,741	15,852	-	726	25,474
114	Parks & Recreation	6,245	-	-	35,833	5,460	8,039	25,237	777	989	82,580
115	Substance Abuse Services	-	-	-	1,042	911	274	1,539	-	165	3,932
116	Mental Health-Developmental Disability	-	2,857	1,655	11,067	18,246	7,857	44,048	674	3,304	89,708
117	County Roads	28,101	126,874	73,487	82,431	70,364	82,495	173,971	120,482	12,742	770,949
118	Senior Services	-	-	-	25,628	5,078	13,978	78,360	-	920	123,963
119	Convention Center	-	-	-	674	1,310	-	-	-	237	2,221
120	Clean Water Program	-	12,298	7,123	10,047	8,563	8,131	-	-	1,551	47,713
122	Conservation Futures	-	7,279	4,216	583	682	365	-	-	123	13,249
123	Medic I Services	3,122	48,439	28,056	7,400	25,537	4,751	-	-	4,625	121,929
124	Crime Victims Services	-	-	-	51	354	-	-	-	64	469
125	Communication System	-	-	-	102	15,762	-	-	-	2,854	18,719
127	Water Quality	-	-	-	592	1,324	-	-	-	240	2,156
128	Planning and Development	9,367	-	-	15,508	11,485	22,930	110,424	-	2,080	171,795
141	LAKE MANAGEMENT DISTRICT NO. 1	-	489	283	20	310	-	-	-	56	1,160
142	LAKE MANAGEMENT DISTRICT NO. 2	-	125	72	10	50	-	-	-	9	266
143	LAKE MANAGEMENT DISTRICT NO. 3	-	246	142	20	129	-	-	-	23	561
144	LAKE MANAGEMENT DISTRICT NO. 4	-	170	98	10	66	-	-	-	12	356
150	Edison Clean Water District	-	805	467	592	166	-	-	-	30	2,060
160	Drug Enforcement Reserves	-	-	-	194	134	-	-	-	24	352
161	Boating Safety	-	-	-	561	152	-	-	-	28	741
162	Low-Income Housing	-	-	-	521	1,678	183	-	-	304	2,687
163	TITLE III PROJECTS FUND	-	-	-	122	130	-	-	-	24	276
165	Homeless Housing and Assistance	-	-	-	1,515	3,131	914	-	-	567	6,126
170	Interlocal Investigation Reserves	-	-	-	2,583	522	-	-	-	94	3,199
201	Debt Service	-	-	-	122	9,083	-	-	-	1,645	10,850
340	FACILITY IMPROVEMENT FUND	-	-	-	717	-	548	-	-	-	1,265
341	CAPITAL IMPROVEMENTS	-	-	-	-	6,841	-	-	-	1,239	8,080
342	DISTRESSED COUNTY PUBLIC FACIL	-	-	-	276	7,640	-	-	-	1,383	9,299
352	PARK IMPROVEMENT FUND	-	-	-	2,532	677	-	-	-	123	3,331
401	Solid Waste Utility	-	-	-	20,925	40,174	19,459	19,990	-	7,275	107,822
402	Drainage Utility	-	-	-	6,485	6,405	49,789	-	-	4,870	67,549
403	Jail Fund	1	-	-	53,480	-	-	-	1,788	-	55,269

**Central Service Departments**

**Administrative Services**

Fund No.	Fund Name	Administrative Services									Total Allocated Costs
		County Commissioners	County Assessor	Treasurer	County Auditor	Financial & General	Human Resources	Facilities Maintenance	Legal-Civil	Non Departmental	
	Total Operating Dept Base Item Count	76,499	402,424	233,090	579,023	401,982	537,633	1,681,464	262,092	76,506	4,250,713
	<b>Internal Service Funds:</b>										
501	Equipment Rental Fund	-	-	-	35,841	19,073	7,674	-	-	3,454	66,042
503	Insurance Service	-	-	-	6,958	56,255	3,928	-	-	10,187	77,329
504	Information Services	-	-	-	21,871	16,863	16,261	115,775	-	3,054	173,824
504	GIS / Mapping Services	-	-	-	5,734	3,517	9,136	30,514	-	637	49,538
504	Records Management	-	-	-	8,828	2,822	4,568	14,822	-	511	31,551
	Fund 504 Combined	-	-	-	-	-	-	-	-	-	-
505	Unemployment Compensation	-	-	-	61	1,914	-	-	-	347	2,322
		-	-	-	-	-	-	-	-	-	-
	Add Svcs provided to External Orgs:	121,772	1,221,079	707,268	79,293	100,444	41,567	161,112	-	95,855	2,528,390
	Total Count to use in Allocating Central Services Costs based on Items	\$ 198,271	\$ 1,623,504	\$ 940,358	\$ 658,316	\$ 502,426	\$ 579,200	\$ 1,842,576	\$ 262,092	\$ 172,361	\$ 6,779,103

**County Commissioners Fund-Department included in this Central**

<b>Allocation Base</b>	<b>Agenda Hours</b>
Salaries	\$ 416,794
Benefits	168,640
Supplies	1,104
Services	24,897
Other	-
Intergovernmental	
Capital	
Total Direct Costs	<u>611,435</u>
Adjustments:	
Less: Unallowable costs- Elected Official Salaries	(410,043)
Add: Use Allowance	-
Subtotal Adjustments	<u>(410,043)</u>
Total Allowable, Allocable Costs	<u><u>\$ 201,392</u></u>

<b>Fund No.</b>	<b>Fund Name</b>	<b>Agenda Hours</b>	<b>Allocation</b>
<b>Operating Departments</b>			
001	General Fund	1.50	\$ 9,367.09
101	Health Department	3.25	20,295
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	1.00	6,245
115	Substance Abuse Services	-	-
116	Mental Health-Developmental Disability	-	-
117	County Roads	4.50	28,101
118	Senior Services	-	-
119	Convention Center		-
120	Clean Water Program	-	-
122	Conservation Futures	-	-
123	Medic I Services	0.50	3,122
124	Crime Victims Services		-
125	Communication System		-
127	Water Quality		-
128	Planning and Development	1.50	9,367



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	-	-
403 Jail Fund	0.50	-

Total Operating Department Base Item Count	12.75	104,662
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**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:	19.50	121,772
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Total Count to use in Allocating Central Services Costs based on Items	32.25	\$ 226,434
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**Assessor Fund-Department included in this Central Service Cost**

<b>Allocation Base</b>	<b>Tax Levy</b>
Salaries	1,090,692
Benefits	611,411
Supplies	5,137
Services	46,619
Other	
Intergovernmental	-
Capital	
Total Direct Costs	<u>1,753,859</u>
Adjustments:	
Less: Unallowable costs- Elected Official Salaries	(116,412)
Add: Use Allowance	-
Subtotal Adjustments	<u>(116,412)</u>
Total Allowable, Allocable Costs	<u><u>\$ 1,637,447</u></u>

<b>Fund No.</b>	<b>Fund Name</b>	<b>Tax Levy</b>	<b>Allocation</b>
<b>Operating Departments</b>			
001	General Fund	23,602,924	\$ 200,852.27
101	Health Department		-
102	Special Paths		-
105	Emergency Management		-
106	Fairgrounds		-
107	Veterans Relief	233,827	1,990
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	335,757	2,857
117	County Roads	14,909,467	126,874
118	Senior Services		-
119	Convention Center		-
120	Clean Water Program	1,445,230	12,298
122	Conservation Futures	855,357	7,279
123	Medic I Services	5,692,212	48,439
124	Crime Victims Services		-
125	Communication System		-
127	Water Quality		-
128	Planning and Development		-

141 LAKE MANAGEMENT DISTRICT NO. 1	57,500	489
142 LAKE MANAGEMENT DISTRICT NO. 2	14,670	125
143 LAKE MANAGEMENT DISTRICT NO. 3	28,860	246
144 LAKE MANAGEMENT DISTRICT NO. 4	19,965	170
150 Edison Clean Water District	94,657	805
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	1,638,536	13,943
403 Jail Fund	-	-

Total Operating Department Base Item Count	48,928,962	416,368
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**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:	143,493,740	1,221,079
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Total Count to use in Allocating Central Services Costs based on Items	<u>\$ 192,422,702</u>	<u>\$ 1,637,447</u>
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**Treasurer Fund-Department included in this Central Service Cost**

<b>Allocation Base</b>	<b>Tax Levy</b>
Salaries	579,641
Benefits	298,592
Supplies	8,256
Services	157,434
Other - Treasurer O&M	20,920
Intergovernmental	
Capital	
Total Direct Costs	1,064,843
Adjustments:	
Less: Unallowable costs- Elected Official Salaries	(116,409)
Add: Use Allowance	-
Subtotal Adjustments	<u>(116,409)</u>
Total Allowable, Allocable Costs	<u><u>\$ 948,434</u></u>

<b>Fund No.</b>	<b>Fund Name</b>	<b>Tax Levy</b>	<b>Allocation</b>
<b>Operating Departments</b>			
001	General Fund	23,602,924	116,337
101	Health Department	-	-
102	Special Paths	-	-
105	Emergency Management	-	-
106	Fairgrounds	-	-
107	Veterans Relief	233,827	1,153
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	335,757	1,655
117	County Roads	14,909,467	73,487
118	Senior Services	-	-
119	Convention Center	-	-
120	Clean Water Program	1,445,230	7,123
122	Conservation Futures	855,357	4,216
123	Medic I Services	5,692,212	28,056
124	Crime Victims Services	-	-
125	Communication System	-	-
127	Water Quality	-	-
128	Planning and Development	-	-

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	57,500	283
142 LAKE MANAGEMENT DISTRICT NO. 2	14,670	72
143 LAKE MANAGEMENT DISTRICT NO. 3	28,860	142
144 LAKE MANAGEMENT DISTRICT NO. 4	19,965	98
150 Edison Clean Water District	94,657	467
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	-	-
403 Jail Fund	-	-
		-
Total Operating Department Base Item Count	48,928,962	241,166
		-
<b>Internal Service Funds:</b>		
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:	<u>143,493,740</u>	<u>707,268</u>
Total Count to use in Allocating Central Services Costs based on Items	<u>\$ 192,422,702</u>	<u>\$ 948,434</u>

**County Auditor Fund-Department-Division included in this**

**Allocation Base**

**Average FTE & Accounts Payable**

Salaries	836,431
Benefits	416,158
Supplies	13,080
Services	15,212
Other	-
Intergovernmental	
Capital	
Total Direct Costs	<u>1,280,881</u>

Adjustments:

Less: Direct Service Costs for Administration, Licensing and Recording Divisions	(625,934)
Add: Use Allowance	-
Subtotal Adjustments	<u>(625,934)</u>

Total Allowable, Allocable Costs	<u>\$ 654,947</u>
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Fund No.	Fund Name	FTEs	FTE %	Accounts	Accounts	Average	Allocation
				Payable	Payable		
				Count	%		
<b>Operating Departments</b>							
001	General Fund	315.30	49.2502%	9,796	30.3799%	39.8151%	\$ 262,109
101	Health Department	23.00	3.5926%	692	2.1461%	2.8693%	18,889
102	Special Paths	1.40	0.2187%	155	0.4807%	0.3497%	2,302
105	Emergency Management	2.80	0.4374%	122	0.3784%	0.4079%	2,685
106	Fairgrounds	1.10	0.1718%	603	1.8701%	1.0209%	6,721
107	Veterans Relief	-	0.0000%	21	0.0651%	0.0326%	214
108	Law Library	1.00	0.1562%	95	0.2946%	0.2254%	1,484
110	River Improvement	0.40	0.0625%	49	0.1520%	0.1072%	706
112	Centennial Document Preservation	-	0.0000%	12	0.0372%	0.0186%	122
113	Elections Services	3.00	0.4686%	59	0.1830%	0.3258%	2,145
114	Parks & Recreation	8.80	1.3746%	3,067	9.5116%	5.4431%	35,833
115	Substance Abuse Services	0.30	0.0469%	87	0.2698%	0.1583%	1,042
116	Mental Health-Developmental Disability	8.60	1.3433%	651	2.0189%	1.6811%	11,067
117	County Roads	90.30	14.1050%	3,527	10.9381%	12.5215%	82,431
118	Senior Services	15.30	2.3899%	1,740	5.3962%	3.8930%	25,628
119	Convention Center	-	0.0000%	66	0.2047%	0.1023%	674
120	Clean Water Program	8.90	1.3902%	536	1.6623%	1.5262%	10,047
122	Conservation Futures	0.40	0.0625%	37	0.1147%	0.0886%	583
123	Medic I Services	5.20	0.8122%	463	1.4359%	1.1241%	7,400
124	Crime Victims Services	-	0.0000%	5	0.0155%	0.0078%	51
125	Communication System	-	0.0000%	10	0.0310%	0.0155%	102
127	Water Quality	-	0.0000%	58	0.1799%	0.0899%	592
128	Planning and Development	25.10	3.9206%	255	0.7908%	2.3557%	15,508
141	LAKE MANAGEMENT DISTRICT NO. 1	-	0.0000%	2	0.0062%	0.0031%	20
142	LAKE MANAGEMENT DISTRICT NO. 2	-	0.0000%	1	0.0031%	0.0016%	10
143	LAKE MANAGEMENT DISTRICT NO. 3	-	0.0000%	2	0.0062%	0.0031%	20
144	LAKE MANAGEMENT DISTRICT NO. 4	-	0.0000%	1	0.0031%	0.0016%	10
150	Edison Clean Water District	-	0.0000%	58	0.1799%	0.0899%	592
160	Drug Enforcement Reserves	-	0.0000%	19	0.0589%	0.0295%	194
161	Boating Safety	-	0.0000%	55	0.1706%	0.0853%	561
162	Low-Income Housing	0.20	0.0312%	41	0.1272%	0.0792%	521
163	TITLE III PROJECTS FUND	-	0.0000%	12	0.0372%	0.0186%	122
165	Homeless Housing and Assistance	1.00	0.1562%	98	0.3039%	0.2301%	1,515
170	Interlocal Investigation Reserves	-	0.0000%	253	0.7846%	0.3923%	2,583
201	Debt Service	-	0.0000%	12	0.0372%	0.0186%	122
340	FACILITY IMPROVEMENT FUND	0.60	0.0937%	40	0.1241%	0.1089%	717
341	REET Fund	-	0.0000%	-	0.0000%	0.0000%	-

342 DISTRESSED COUNTY PUBLIC FACIL	-	0.0000%	27	0.0837%	0.0419%	276
352 PARK IMPROVEMENT FUND	-	0.0000%	248	0.7691%	0.3846%	2,532
401 Solid Waste Utility	21.30	3.3271%	977	3.0299%	3.1785%	20,925
402 Drainage Utility	6.20	0.9684%	323	1.0017%	0.9851%	6,485
403 Jail Fund	54.50	8.5130%	2,494	7.7345%	8.1237%	53,480
						-
Total Operating Department Base Item Count	594.70	92.8928%	26,769	81.9941%	87.4435%	575,654
						-
<b>Internal Service Funds:</b>						
501 Equipment Rental Fund	8.40	0.0131	3,088	9.5767%	5.4444%	35,841
503 Insurance Service	4.30	0.0067	465	1.4421%	1.0569%	6,958
504 Information Services	17.80	0.0278	1,246	3.8642%	3.3223%	21,871
504 GIS / Mapping Services	10.00	0.0156	58	0.1799%	0.8709%	5,734
504 Records Management	5.00	0.0078	613	1.9011%	1.3410%	8,828
Fund 504 Combined						-
505 Unemployment Compensation		-	6	0.0186%	0.0093%	61
Add Services provided to External Organizations:	46					
Total Count to use in Allocating Central Services Costs based on Items	640.20	100.0000%	32,245	98.9766%	99.4883%	654,947

**Financial-General Administrative Services Fund-Department-**

**Allocation Base**

	<b>MTDC</b>
Salaries	335,841
Benefits	124,427
Supplies	542
Services	41,616
Other	-
Intergovernmental	
Capital	
Total Direct Costs	<u>502,426</u>
Adjustments:	
Less: Unallowable costs	
Add: Use Allowance	-
Subtotal Adjustments	<u>-</u>
Total Allowable, Allocable Costs	<u><u>\$ 502,426</u></u>

<b>Fund No.</b>	<b>Fund Name</b>	<b>MTDC</b>	<b>Allocation</b>
<b>Operating Departments</b>			
001	General Fund	33,462,548	\$ 139,058.32
101	Health Department	2,521,193	10,477
102	Special Paths	182,610	759
105	Emergency Management	393,133	1,634
106	Fairgrounds	364,559	1,515
107	Veterans Relief	149,006	619
108	Law Library	136,130	566
110	River Improvement	139,915	581
112	Centennial Document Preservation	95,836	398
113	Elections Services	964,967	4,010
114	Parks & Recreation	1,313,844	5,460
115	Substance Abuse Services	219,288	911
116	Mental Health-Developmental Disability	4,390,750	18,246
117	County Roads	16,932,253	70,364
118	Senior Services	1,221,912	5,078
119	Convention Center	315,234	1,310
120	Clean Water Program	2,060,536	8,563
122	Conservation Futures	164,054	682
123	Medic I Services	6,145,163	25,537
124	Crime Victims Services	85,199	354
125	Communication System	3,793,017	15,762
127	Water Quality	318,614	1,324
128	Planning and Development	2,763,747	11,485



130 BRYSON RD SUB-FLOOD CNTRL ZONE	0	-
131 SEDRO WOOLLEY FLD CONTROL MAIN	0	-
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	74,717	310
142 LAKE MANAGEMENT DISTRICT NO. 2	12,018	50
143 LAKE MANAGEMENT DISTRICT NO. 3	31,074	129
144 LAKE MANAGEMENT DISTRICT NO. 4	15,792	66
150 Edison Clean Water District	39,878	166
160 Drug Enforcement Reserves	32,265	134
161 Boating Safety	36,595	152
162 Low-Income Housing	403,906	1,678
163 TITLE III PROJECTS FUND	31,341	130
165 Homeless Housing and Assistance	753,460	3,131
170 Interlocal Investigation Reserves	125,514	522
201 Debt Service	2,185,650	9,083
340 FACILITY IMPROVEMENT FUND	0	-
341 Add Svcs provided to External Orgs:	1,646,312	6,841
342 DISTRESSED COUNTY PUBLIC FACIL	1,838,390	7,640
352 PARK IMPROVEMENT FUND	162,796	677
401 Solid Waste Utility	9,667,268	40,174
402 Drainage Utility	1,541,202	6,405
403 Jail Fund	6,470,825	26,890

Total Operating Department Base Item Count	96,731,686	401,982
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**Internal Service Funds:**

501 Equipment Rental Fund	4,589,630	19,073
503 Insurance Service	13,537,076	56,255
504 Information Services	4,057,838	16,863
504 GIS / Mapping Services	846,408	3,517
504 Records Management	678,961	2,822
Fund 504 Combined	0	-
505 Unemployment Compensation	460,585	1,914

Add Services provided to External Organizations:

Total Count to use in Allocating Central Services  
Costs based on Items

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\$ 120,902,184	\$ 502,426
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**Human Resources Fund-Department-Division included in**

<b>Allocation Base</b>	<b>FTE</b>
Salaries	224,158
Benefits	113,418
Supplies	2,424
Services	238,080
Other	-
Intergovernmental	
Capital	
Total Direct Costs	<u>578,080</u>
Adjustments:	
Less: Recovered costs	(250)
Add: Use Allowance	-
Subtotal Adjustments	<u>(250)</u>
Total Allowable, Allocable Costs	<u><u>\$ 577,830</u></u>

<b>Fund No.</b>	<b>Fund Name</b>	<b>FTEs</b>	<b>Allocation</b>
<b>Operating Departments</b>			
001	General Fund	315.30	\$ 288,047
101	Health Department	23.00	21,012
102	Special Paths	1.40	1,279
105	Emergency Management	2.80	2,558
106	Fairgrounds	1.10	1,005
107	Veterans Relief	-	-
108	Law Library	1.00	914
110	River Improvement	0.40	365
112	Centennial Document Preservation	-	-
113	Elections Services	3.00	2,741
114	Parks & Recreation	8.80	8,039
115	Substance Abuse Services	0.30	274
116	Mental Health-Developmental Disability	8.60	7,857
117	County Roads	90.30	82,495
118	Senior Services	15.30	13,978
119	Convention Center	-	-
120	Clean Water Program	8.90	8,131
122	Conservation Futures	0.40	365
123	Medic I Services	5.20	4,751
124	Crime Victims Services	-	-
125	Communication System	-	-
127	Water Quality	-	-
128	Planning and Development	25.10	22,930

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	0.20	183
163 TITLE III PROJECTS FUND	-	-
165 Homeless Housing and Assistance	1.00	914
170 Interlocal Investigation Reserves	-	-
201 Debt Service	-	-
340 FACILITY IMPROVEMENT FUND	0.60	548
341 Add Svcs provided to External Orgs:	-	-
342 DISTRESSED COUNTY PUBLIC FACIL	-	-
352 PARK IMPROVEMENT FUND	-	-
401 Solid Waste Utility	21.30	19,459
402 Drainage Utility	6.20	5,664
403 Jail Fund	54.50	49,789
Total Operating Department Base Item Count	594.70	398,045
<b>Internal Service Funds:</b>		
501 Equipment Rental Fund	8.40	7,674
503 Insurance Service	4.30	3,928
504 Information Services	17.80	16,261
504 GIS / Mapping Services	10.00	9,136
504 Records Management	5.00	4,568
Fund 504 Combined		-
505 Unemployment Compensation		-
Add Services provided to External Organizations:	640	439,612
Total Count to use in Allocating Central Services Costs based on Items	632.50	\$ 426,718

**General Maintenance Fund-Department included in this Central**

<b>Allocation Base</b>	<b>Square Footage</b>
Salaries	621,488
Benefits	375,947
Supplies	127,233
Services	782,649
Other	5,000
Intergovernmental	-
Capital	-
Total Direct Costs	1,912,317
Adjustments:	
Less: Unallowable costs	
Capital	-
Cost Recovery from External Organizations	(61,759)
Interest	-
Add: Use Allowance	-
Subtotal Adjustments	<u>(61,759)</u>
Total Allowable, Allocable Costs	<u><u>\$ 1,850,558</u></u>

<b>Fund No.</b>	<b>Fund Name</b>	<b>Square Footage</b>	<b>Allocation</b>
<b>Operating Departments</b>			
001	General Fund	106,925	\$ 1,068,706
101	Health Department	11,786	117,800
102	Special Paths		-
105	Emergency Management	1,344	13,433
106	Fairgrounds		-
107	Veterans Relief		-
108	Law Library	1,211	12,104
110	River Improvement		-
112	Centennial Document Preservation		-
113	Elections Services	1,586	15,852
114	Parks & Recreation	2,525	25,237
115	Substance Abuse Services	154	1,539
116	Mental Health-Developmental Disability	4,407	44,048
117	County Roads	17,406	173,971
118	Senior Services	7,840	78,360
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	11,048	110,424
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	19,990
402 Drainage Utility		-
		<hr/>
Total Operating Department Base Item Count	168,232	1,681,464
 <b>Internal Service Funds:</b>		
501 Equipment Rental Fund		-
503 Insurance Service		-
504 Information Services	11,583	115,775
504 GIS / Mapping Services	3,053	30,514
504 Records Management	1,483	14,822
Fund 504 Combined		-
505 Unemployment Compensation		-
		<hr/>
Add Services provided to External Organizations:	184,351	1,842,576
		<hr/>
Total Count to use in Allocating Central Services Costs based on Items	185,150	\$ 1,555,088
		<hr/> <hr/>

**Legal Fund-Department included in this Central Service Cost Pool-**

<b>Allocation Base</b>	<b>Direct Charge</b>
Salaries	185,726
Benefits	73,430
Supplies	
Services	
Other	
Intergovernmental	
Capital	
Total Direct Costs	259,156
Adjustments:	
Less: Unallowable costs	-
Add: Use Allowance	-
Subtotal Adjustments	-
Total Allowable, Allocable Costs	\$ 259,156

<b>Fund No.</b>	<b>Fund Name</b>	<b>Direct Charge</b>	<b>Allocation</b>
<b>Operating Departments</b>			
001	General Fund	53.393%	138,371
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	0.300%	777
115	Substance Abuse Services		-
116	Mental Health-Developmental Disability	0.260%	674
117	County Roads	46.49%	120,482
118	Senior Services		-
119	Convention Center		-
120	Clean Water Program	0%	-
122	Conservation Futures		-
123	Medic I Services		-
124	Crime Victims Services		-
125	Communication System		-
127	Water Quality		-
128	Planning and Development		-

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	-	
403 Jail Fund	0.690%	1,788

Total Operating Department Base Item Count	<hr/>	100%	262,092
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**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:	<hr/>	-
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Total Count to use in Allocating Central Services Costs based on Items	<hr/> <hr/>	1	\$ 262,092
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**Non-Departmental Fund-Department-Division included in this Central**

**Allocation Base**

	<u>MTDC</u>
Salaries	-
Benefits	143,987
Supplies	-
Services	646,886
Other	-
Intergovernmental	180,661
Capital	
Debt Service: Principal	-
Interfund Payments for Service	5,352,322
Total Direct Costs	<u>6,323,856</u>
Adjustments:	
Less: Unallowable costs	
Project 93 - Pass Thru EPA Grant	
Leoff 1 Medical	(140,358)
Ruckelshaus - Ryan Walters	
Port of Skagit Grant	(207,907)
CVAA Director	-
River Oaks - Franchise Fee	
Food Dist Ctr - Paul Schissler	
USDA - Starling Control	(22,002)
SCCAA - Pass Thru & Direct Service	(247,085)
Lourdes Young - Interpretation/Jail	
Advertis, Dependency Hrngs, Farmworker housing, etc	
Miscellaneous Direct Service	
Transfers	-
Year End Adjustments	-
NW Regional Council, NW Learn	(65,387)
NWCAA NW Clean Air Agency	(17,052)
SCOG Local Matching Funds	(12,276)
Cities Contracts - Library Services	(47,999)
Intergov/Interfund Taxes	(37,947)
Debt Service Principal Pmts	-
Central Services Billings, Insur Cost Allocation	(5,352,322)
Add: Use Allowance	-
Subtotal Adjustments	<u>(6,150,335)</u>
Total Allowable, Allocable Costs	<u>\$ 173,521</u>



<b>Fund No.</b>	<b>Fund Name</b>	<b>MTDC</b>	<b>Allocation</b>
<b>Operating Departments</b>			
001	General Fund	33,462,548	\$ 25,182
101	Health Department	2,521,193	1,897
102	Special Paths	182,610	137
105	Emergency Management	393,133	296
106	Fairgrounds	364,559	274
107	Veterans Relief	149,006	112
108	Law Library	136,130	102
110	River Improvement	139,915	105
112	Centennial Document Preservation	95,836	72
113	Elections Services	964,967	726
114	Parks & Recreation	1,313,844	989
115	Substance Abuse Services	219,288	165
116	Total Operating Dept Base Item Count	4,390,750	3,304
117	County Roads	16,932,253	12,742
118	Senior Services	1,221,912	920
119	Convention Center	315,234	237
120	Clean Water Program	2,060,536	1,551
122	Conservation Futures	164,054	123
123	Medic I Services	6,145,163	4,625
124	Crime Victims Services	85,199	64
125	Communication System	3,793,017	2,854
127	Water Quality	318,614	240
128	Planning and Development	2,763,747	2,080
130	Add Svcs provided to External Orgs:	0	-
131	SEDRO WOOLLEY FLD CONTROL MAIN	0	-
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	74,717	56
142	LAKE MANAGEMENT DISTRICT NO. 2	12,018	9
143	LAKE MANAGEMENT DISTRICT NO. 3	31,074	23
144	LAKE MANAGEMENT DISTRICT NO. 4	15,792	12
150	Edison Clean Water District	39,878	30
160	Drug Enforcement Reserves	32,265	24
161	Boating Safety	36,595	28
162	Low-Income Housing	403,906	304
163	TITLE III PROJECTS FUND	31,341	24
165	Homeless Housing and Assistance	753,460	567
170	Interlocal Investigation Reserves	125,514	94
201	Debt Service	2,185,650	1,645
340	FACILITY IMPROVEMENT FUND	0	-

341 CAPITAL IMPROVEMENTS	1,646,312	1,239
342 DISTRESSED COUNTY PUBLIC FACIL	1,838,390	1,383
352 PARK IMPROVEMENT FUND	162,796	123
401 Solid Waste Utility	9,667,268	7,275
402 Drainage Utility	1,541,202	1,160
403 Jail Fund	6,470,825	4,870

Total Operating Department Base Item Count	103,202,511	252,944
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**Internal Service Funds:**

501 Equipment Rental Fund	4,589,630	3,454
503 Insurance Service	13,537,076	10,187
504 Information Services	4,057,838	3,054
504 GIS / Mapping Services	846,408	637
504 Records Management	678,961	511
Fund 504 Combined	0	-
505 Unemployment Compensation	460,585	347

Add Services provided to External Organizations:	127,373,009	95,855
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Total Count to use in Allocating Central Services Costs based on Items	<u>\$ 230,575,520</u>	<u>\$ 173,521</u>
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## **Appendix C: Financial Information for Internal Service Funds**

SKAGIT COUNTY, WASHINGTON  
Statement of Net Position  
Internal Service Funds  
December 31, 2016

	Business-Type Activities-Enterprise Funds				Governmental Activities
	501 Equip Rent & Revolve	503 Insurance Services	504 Central Services	505 Unemploy Comp	Internal Services
<b>ASSETS</b>					
<u>Current Assets</u>					
Cash and Cash Equivalents	\$3,065,699	\$2,558,024	\$1,209,199	\$651,000	\$7,483,923
Investments	3,794,001	8,470,975	-	-	12,264,976
Accounts Receivable	1,873	-	4,384	-	6,257
Due from Other Funds	1,170,432	1,987,065	1,572,714	-	4,730,211
Due from Other Governments	6,665	-	35,498	-	42,163
Inventories and Prepayments	5,352,711	-	-	-	5,352,711
Total Current Assets	<u>\$13,391,382</u>	<u>\$13,016,065</u>	<u>\$2,821,794</u>	<u>\$651,000</u>	<u>\$29,880,241</u>
<u>Non-Current Assets</u>					
Capital Assets					
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	180,888	-	-	-	180,888
Improvements	-	-	-	-	-
Machinery and Equipment	18,062,259	-	1,818,367	-	19,880,627
Less Accumulated Depreciation	(9,254,038)	-	(1,408,121)	-	(10,662,159)
Construction in Progress	-	-	-	-	-
Unamortized Issuance Costs	-	-	-	-	-
Total Non-Current Assets	<u>\$8,989,109</u>	<u>\$0</u>	<u>\$410,247</u>	<u>\$0</u>	<u>\$9,399,356</u>
Total Assets	<u>\$22,380,491</u>	<u>\$13,016,065</u>	<u>\$3,232,041</u>	<u>\$651,000</u>	<u>\$39,279,597</u>
Deferred Outflows of Resources	<u>\$40,929</u>	<u>\$31,144</u>	<u>\$244,514</u>	<u>-</u>	<u>\$316,586</u>
<b>LIABILITIES AND FUND EQUITY</b>					
<u>Current Liabilities</u>					
Accounts/Vouchers Payable	\$138,684	\$2,416,918	\$94,064	\$15,572	\$2,665,238
Due to Other Funds	1,313,158	60,235	-	-	1,373,393
Interest Payable	-	-	-	-	-
Interfund Loans Payable	-	-	-	-	-
Accrued Wages Payable	22,303	12,607	106,816	85,971	227,698
Accrued Employee Benefits	5,655	2,582	21,904	-	30,142
Accrued Taxes Payable	-	-	-	-	-
Other Accrued Liabilities	6,000	-	27	-	6,027
Bonds Payable	-	-	-	-	-
Total Current Liabilities	<u>\$1,485,800</u>	<u>\$2,492,342</u>	<u>\$222,811</u>	<u>\$101,543</u>	<u>\$4,302,497</u>
Non-Current Liabilities					
Compensated Absences	\$40,224	\$28,342	\$206,177	\$0	\$274,743
Post Landfill Closure Costs	-	-	-	-	-
Environmental Liability	110,576	-	-	-	110,576
Net Pension Liability	251,904	191,680	1,504,906	-	1,948,490
Total Non-Current Liabilities	<u>402,704</u>	<u>220,022</u>	<u>1,711,083</u>	<u>-</u>	<u>2,333,809</u>
Total Liabilities	<u>\$1,888,504</u>	<u>\$2,712,364</u>	<u>\$1,933,895</u>	<u>\$101,543</u>	<u>\$6,636,306</u>
Deferred Inflows of Resources	<u>\$2,887</u>	<u>\$2,197</u>	<u>\$17,250</u>	<u>-</u>	<u>\$22,335</u>
<u>Net Position</u>					
Net Invested in Capital Assets	\$8,989,109	-	\$410,247	\$0	\$9,399,356
Restricted for Debt Service	-	-	-	-	-
Unrestricted	11,540,920	10,332,647	1,115,163	549,458	23,538,187
Total Net Position	<u>\$20,530,029</u>	<u>\$10,332,647</u>	<u>\$1,525,410</u>	<u>\$549,458</u>	<u>\$32,937,543</u>

SKAGIT COUNTY, WASHINGTON  
Statement of Revenue, Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2016

	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	\$ 5,884,844	\$ 1,987,065	\$ 6,411,121	\$ 504,393	\$ 14,787,423
Other Operating Revenue	57,174	12,835,814	-	-	12,892,988
Total Operating Revenue	<u>\$ 5,942,018</u>	<u>\$ 14,822,879</u>	<u>\$ 6,411,121</u>	<u>\$ 504,393</u>	<u>\$ 27,680,411</u>
<u>Operating Expenditures</u>					
Personal Services	\$522,254	\$341,871	\$2,680,708	\$418,602	\$ 3,963,435
Contractual Services	-	2,457,896	-	-	2,457,896
Supplies and Expenses	2,988,152	165,605	2,718,228	-	5,871,985
Depreciation	1,079,228	-	184,270	-	1,263,498
Payment to Claimants	-	10,571,705	-	41,983	10,613,688
Total Operating Expenditures	<u>\$4,589,633</u>	<u>\$13,537,076</u>	<u>\$5,583,206</u>	<u>\$460,585</u>	<u>\$24,170,501</u>
Operating Income (Loss)	<u>\$1,352,386</u>	<u>\$1,285,803</u>	<u>\$827,915</u>	<u>\$43,808</u>	<u>\$3,509,910</u>
<u>Non-Operating Revenue (Expenses)</u>					
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Revenue	15,284	32,692	-	-	47,977
Miscellaneous Revenue	922	-	-	-	922
Gain (Loss) on Disposition of Capital Assets	61,669	-	-	-	61,669
Interest Expense	-	-	-	-	-
Miscellaneous Expense	-	-	27,053	-	-
Total Non-Operating Revenue (Expense)	<u>\$ 77,875</u>	<u>\$ 32,692</u>	<u>\$ 27,053</u>	<u>\$ -</u>	<u>\$ 110,568</u>
Income (Loss) before Contributions and Transfers	\$ 1,430,261	\$ 1,318,495	\$ 854,969	\$ 43,808	\$ 3,647,533
Transfers In	13,288	-	-	-	13,288
Transfers Out	-	-	-	-	-
Change in Net Assets	<u>\$ 1,443,550</u>	<u>\$ 1,318,495</u>	<u>\$ 854,969</u>	<u>\$ 43,808</u>	<u>\$ 3,660,821</u>
Net Position, January 1	\$ 19,086,478	\$ 9,014,152	\$ 670,441	\$ 505,650	\$ 29,276,721
Prior Period Adjustment	-	-	-	-	-
Net Position, January 1 - restated	<u>19,086,478</u>	<u>9,014,152</u>	<u>670,441</u>	<u>505,650</u>	<u>29,276,721</u>
Net Position, December 31	<u>\$ 20,530,029</u>	<u>\$ 10,332,647</u>	<u>\$ 1,525,410</u>	<u>\$ 549,458</u>	<u>\$ 32,937,542</u>

## **Appendix D: Reconciliation of Internal Service Funds' Net Position**

**Skagit County**  
**Central Service Cost Allocation Plan -Appendix D**  
**For the Year Ended December 31, 2016**

	<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>
All Internal Service Funds					
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES FOR YEAR ENDING December 31, 2016					
<b>Appendix V to 2 CFR Part 200</b>					
NET POSITION BALANCE JANUARY 1, 2016	19,086,478	9,014,152	670,441	505,650	29,276,721
Prior Period Adjustments				-	-
Beginning Balance as restated	19,086,478	9,014,152	670,441	505,650	29,276,721
Less Invested in Capital Assets, net of related debt	8,989,109	-	410,247	-	9,399,356
Less contributions for replacement of Capital Assets					-
Appendix V to 2 CFR Part 200 BALANCE JANUARY 1, 2015	10,097,369	9,014,152	260,194	505,650	19,877,365
FY 2014 RETAINED EARNINGS INCREASE (DECREASE) Per Annual Financial Report (AFR)					
TOTAL OPERATING REVENUES	5,942,018	14,822,879	6,411,121	504,393	27,680,411
Interest revenue	15,284	32,692	-	-	47,976
Other	62,591	-	27,053	-	89,644
Total Revenues	6,019,893	14,855,571	6,438,174	504,393	27,818,031
TOTAL OPERATING EXPENSES	4,589,630	13,537,076	5,583,206	460,585	24,170,497
Loss on disposition of capital asset	-	-	-	-	-
Interest expense and fiscal charges	-	-	-	-	-
Total Expenses	4,589,630	13,537,076	5,583,206	460,585	24,170,497
Less Appendix V Unallowable Costs (None)					
Plus Appendix V Allowable Costs (None)					
2 CFR 200 Allowable Expenditures	4,589,630	13,537,076	5,583,206	460,585	24,170,497
2 CFR 200 R.E. BALANCE December 31, 2016(A)	11,527,632	10,332,647	1,115,162	549,458	23,524,899
Allowable Reserve (B)	764,938	2,256,179	930,534	76,764	4,028,416
Excess Balance (A)-(B)	10,762,694	8,076,468	184,628	472,694	19,496,483
<b>2 CFR PART 200 CONTRIBUTED CAPITAL BALANCE</b>					
Appendix V CONTRIBUTED CAPITAL BALANCE JANUARY 1, 2016	8,989,109	-	410,247	-	9,399,356
Plus: Transfers in (e.g., Contrib. Capital)	13,288	-	-	-	13,288
Less: Transfers Out (e.g., Payback of Contrib. Capital, Other Users of Fund R.E.)	-	-	-	-	-
Net Transfers	13,288	-	-	-	13,288
Appendix V CONTRIBUTED CAPITAL BALANCE DECEMBER 31, 2016 ©	9,002,397	-	410,247	-	9,412,644
<b>2 CFR Part 200 ADJUSTMENTS BALANCE</b>					
2 CFR Part 200 ADJUSTMENTS BALANCE JANUARY 1, 2016	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Unallowable Costs (None)					
Plus: Allowable Costs (None)					
2 CFR Part 200 ADJUSTMENTS BALANCE DECEMBER 31, 2016(D)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>PART IV RECONCILIATION OF 2 CFR Part 200 R.E., CONTRIBUTED CAPITAL AND ADJUSTMENTS BALANCES TO AFR BALANCE</b>					
RECONCILIATION OF 2 CFR Part 200 R.E., CONTR. CAPITAL & ADJUST. BALANCES TO AFR(A)+(C)+(D)	20,530,030	10,332,647	1,525,410	549,458	32,937,543

**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.