



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report
Kitsap 911 Public Authority (PDA)

For the period January 1, 2017 through December 31, 2017

Published December 6, 2018

Report No. 1022743





**Office of the Washington State Auditor
Pat McCarthy**

December 6, 2018

Board of Directors
Kitsap 911 Public Authority (PDA)

Bremerton, Washington

Report on Financial Statements

Please find attached our report on the Kitsap 911 Public Authority (PDA)'s financial statements. We are issuing this report in order to provide information on the Authority's financial condition.

Sincerely,

A handwritten signature in cursive script that reads "Pat McCarthy".

Pat McCarthy
State Auditor
Olympia, WA

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**Kitsap 911 Public Authority (PDA)
January 1, 2017 through December 31, 2017**

Board of Directors
Kitsap 911 Public Authority (PDA)
Bremerton, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Kitsap 911 Public Authority (PDA), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated November 28, 2018.

We issued an unmodified opinion on the fair presentation of the Authority's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the Authority using accounting practices prescribed by Washington State statutes and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of the Authority's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However,

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

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy

State Auditor

Olympia, WA

November 28, 2018

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Kitsap 911 Public Authority (PDA) January 1, 2017 through December 31, 2017

Board of Directors
Kitsap 911 Public Authority (PDA)
Bremerton, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Kitsap 911 Public Authority (PDA), for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, as listed on page 10.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Washington State statutes and the *Budgeting, Accounting and Reporting System (BARS)* manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the Kitsap 911 Public Authority (PDA) has prepared these financial statements to meet the financial reporting requirements of Washington State statutes using accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Kitsap 911 Public Authority (PDA), for the year ended December 31, 2017, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. The effects on the financial statements of the variances between GAAP and the accounting practices the Authority used, as described in Note 1, although not reasonably determinable, are presumed to be material. As a result, we are required to issue an adverse opinion on whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Kitsap 911 Public Authority (PDA), as of December 31, 2017, or the changes in financial position or cash flows for the year then ended, due to the significance of the matter discussed in the above "Basis for Adverse Opinion on U.S. GAAP" paragraph.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Liabilities is presented for purposes of additional analysis, as required by the prescribed BARS manual. This schedule is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2018 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Pat McCarthy

State Auditor

Olympia, WA

November 28, 2018

FINANCIAL SECTION

Kitsap 911 Public Authority (PDA) January 1, 2017 through December 31, 2017

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2017
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2017
Notes to the Financial Statements – 2017

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2017

**Kitsap 911 Public Authority (PDA)
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2017**

Beginning Cash and Investments

30810	Reserved	-
30880	Unreserved	-
388 / 588	Prior Period Adjustments, Net	-

Revenues

310	Taxes	-
320	Licenses and Permits	-
330	Intergovernmental Revenues	7,073,734
340	Charges for Goods and Services	2,393,410
350	Fines and Penalties	-
360	Miscellaneous Revenues	349,051
Total Revenues:		9,816,194

Expenditures

520	Public Safety	9,272,110
Total Expenditures:		9,272,110
Excess (Deficiency) Revenues over Expenditures:		544,085

Other Increases in Fund Resources

391-393, 596	Debt Proceeds	-
397	Transfers-In	-
385	Special or Extraordinary Items	4,214,142
386 / 389	Custodial Activities	-
381, 395, 398	Other Resources	-
Total Other Increases in Fund Resources:		4,214,142

Other Decreases in Fund Resources

594-595	Capital Expenditures	39,412
591-593, 599	Debt Service	446,014
597	Transfers-Out	-
585	Special or Extraordinary Items	-
586 / 589	Custodial Activities	(4,063)
Total Other Decreases in Fund Resources:		481,363

Increase (Decrease) in Cash and Investments: 4,276,864

Ending Cash and Investments

5081000	Reserved	1,041,735
5088000	Unreserved	3,235,128
Total Ending Cash and Investments		4,276,863

The accompanying notes are an integral part of this statement.

Kitsap 911 Public Authority (PDA)
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2017

		<u>Investment Trust</u>
308	Beginning Cash and Investments	-
388 & 588	Prior Period Adjustment, Net	-
310-390	Additions	20,807
510-590	Deductions	16,587
	Net Increase (Decrease) in Cash and Investments:	4,220
508	Ending Cash and Investments	4,220

The accompanying notes are an integral part of this statement.

Kitsap 911 Public Authority
Notes to the Financial Statements
For the year ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies

Kitsap 911 Public Authority was incorporated on December 26th, 2016 and operates under the laws of the state of Washington applicable to a Public Development Authority. The Authority is a special purpose local government and provides Enhanced 911 Operations and Emergency Dispatch Services to local governments and citizens in Kitsap County, Washington.

The Authority reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (“BARS”) Manual prescribed by the State Auditor’s Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (“GAAP”) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are not presented using the classifications defined in GAAP.

A. Fund Accounting

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government’s resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

FIDUCIARY FUND TYPES:

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

Private-Purpose Trust Funds

These funds report all trust arrangements under which principal and income benefit individuals, private organizations or other governments.

Kitsap 911 Public Authority
Notes to the Financial Statements
For the year ended December 31, 2017

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid.

In accordance with state law, the Authority also recognizes expenditures paid up to twenty (20) days after the close of the fiscal year for claims incurred during the previous period.

C. Budgets

The Authority adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

The 2017 appropriated and actual expenditures for the legally adopted budgets were as follows:

Fund/Department	Final Appropriated Amounts	Actual Expenses	Variance
001 Operating Fund	\$ 12,097,154	\$ 9,753,473	\$ 2,343,681
600 Flex Spending Agency Fund		16,587	(16,587)

Budgeted amounts are authorized to be transferred between departments within any fund or object classes within departments; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the Authority's legislative body.

D. Cash and Investments

See Note 2, *Deposits and Investments*.

E. Capital Assets

Capital assets are fixed assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of 1 year. Infrastructure assets are considered capital assets when cost exceeds \$25,000 with an estimated useful life in excess of 1 year. Capital assets and inventory are recorded as capital expenditures when purchased.

Kitsap 911 Public Authority
Notes to the Financial Statements
For the year ended December 31, 2017

F. Compensated Absences

Annual (vacation) leave may be accumulated up to three hundred sixty (360) hours and is payable upon separation or retirement. The estimated cost of unpaid annual leave accrued through 2017 prior to the preparation of the annual report is \$227,929.

Sick leave may be accumulated up to one thousand two hundred (1,200) hours. At the discretion of the employee, and subject to certain criteria, he/she may convert their previous calendar year's accumulated and unused sick leave to annual leave on a 10 to 1 ratio (10:1). Upon separation or retirement employees do not receive payment for unused or unconverted sick leave.

Compensatory time may be accrued up to sixty (60) hours in lieu of overtime, but must be used within the calendar year in which the time was earned. At the discretion of the employee, he/she may cash-out their unused compensatory time at any point during the year. Any unused compensatory time earned during the year will be automatically cashed out at the end of each calendar year, upon separation or retirement. Payments are recognized as expenditures when paid. The estimated cost of unpaid compensatory time accrued through 2017 prior to the preparation of the annual report is \$7,378.

The Authority also tracks schedule-correction hours to adjust for work shifts. Qualifying employees may use thirty (30) schedule-correction hours each calendar year. Any unused schedule-correction hours earned during the year will be automatically cashed out at the end of each calendar year, upon separation or retirement. The estimated cost of unpaid schedule-correction hours accrued through 2017 prior to the preparation of the annual report is \$1,810.

The total estimated cost of unpaid compensated absences accrued through 2017 prior to the preparation of the annual report is \$237,177.

G. Long-Term Debt

See Note 3, *Debt Service Requirements*.

H. Reserved Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as reserved when it is subject to restrictions on use imposed by external parties or due to internal commitments established by the Authority's Board of Directors. When expenditures that meet restrictions are incurred, the Authority intends to use reserved resources first before using unreserved amounts.

As of December 31, 2017 the Authority had approximately \$1,041,735 in funds requiring the reservation of Ending Cash and Investments. This amount has been reserved as a stabilization fund which:

- provides for adequate monthly cash flow regardless of fluctuation or late payment/posting of revenues,
- minimizes the need for sudden decreases to service levels or midyear increases to user fees by providing a reasonable level of funding from which the Authority can respond to unforeseen occurrences such as revenue shortfalls, natural disasters, or equipment failure, and
- allows the Authority to take advantage of grant opportunities that occur outside of the regular budget cycle.

Kitsap 911 Public Authority
Notes to the Financial Statements
For the year ended December 31, 2017

Note 2 – Deposits and Investments

It is the Authority’s policy to invest all temporary cash surpluses.

All deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission. All investments are insured, registered or held by the Authority or its agent in the government’s name.

Investments are reported at fair market value. Investments by type at December 31, 2017 are as follows:

Type of Investment	The Authority's Own Investments	Investments Held by the Authority as an Agent for Other Local Governments, Individuals, or Private Organizations.	Total
Kitsap County LGIP	\$ 3,711,308	\$ -	\$ 3,711,308

Note 3 – Debt Service Requirements

Debt Service

The accompanying Schedule of Liabilities (“Schedule 9”) provides more details of the outstanding debt and liabilities of the Authority and summarizes the Authority debt transactions for year ended December 31, 2017.

The debt service requirements for the Authority’s debt payments are as follows:

Year	Principal	Interest	Total Debt Service
2018	\$ 351,874	\$ 92,242	\$ 444,116
2019	361,175	81,380	442,555
Totals	\$ 713,049	\$ 173,622	\$ 886,671

Kitsap 911 Public Authority
Notes to the Financial Statements
For the year ended December 31, 2017

Note 4 – Pension Plans

A. State Sponsored Pension Plans

Substantially all of the Authority’s full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (the “DRS”), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans PERS 1 UAAL and PERS 2/3.

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The DRS, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
 Communications Unit
 P.O. Box 48380
 Olympia, WA 98540-8380

Also, the DRS CAFR may be downloaded from the DRS website at www.drs.wa.gov.

At June 30, 2017 (the measurement date of the plans), the Authority’s proportionate share of the collective net pension liabilities, as reported on the Schedule 9, was as follows:

Plan Type	Employer Contributions	Plan Liability / Asset	Responsibility Percentage	Net Pension Liability	Net Pension Asset
PERS 1 UAAL	\$ 119,119	\$ 4,745,078,000	0.01980276%	\$ 939,656	
PERS 2/3	155,579	3,474,522,000	0.02547178%	885,023	
				\$ 1,824,679	\$ -

Note 5 – Risk Management

Kitsap 911 Public Authority is a member of the Washington Cities Insurance Authority (the “WCIA”). Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed the WCIA on January 1, 1981. The WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and / or jointly contracting for risk management services. The WCIA has a total of 161 members.

New members initially contract for a three-year term, and automatically renew thereafter on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general,

Kitsap 911 Public Authority
Notes to the Financial Statements
For the year ended December 31, 2017

automobile, police, errors or omissions, stop gap, employment practices and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$21 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$25 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

Insurance for property, automobile physical damage, fidelity, inland marine, and boiler and machinery coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage is self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that to \$300 million per occurrence subject to aggregates and sublimits. Automobile physical damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

In-house services include risk management consultation, loss control field services, and claims and litigation administration. The WCIA contracts for certain claims investigations, consultants for personnel and land use issues, insurance brokerage, actuarial, and lobbyist services.

The WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, reinsurance and other administrative expenses. As outlined in the interlocal, the WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of the WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs the WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of the WCIA.

Note 6 - Other Disclosures

Extraordinary Items

The Authority was formed on December 26, 2016; it was previously an element of Kitsap County. The Authority's Board of Directors elected to become an independent entity. Kitsap County had fund balances allocated to the Authority, and transferred these funds on January 1, 2017. Accordingly, the Authority does not recognize a beginning balance in 2017, but instead a non-operating inflow of fund balance as a one-time transaction.

The Authority also maintains its responsibility for a portion of an LTGO Refunding bond issued by the county in 2015. The County reports this debt in full on its Schedule 9, and the Authority reports its portion as debt due to the County on the Authority's Schedule 9.

Kitsap 911 Public Authority
Notes to the Financial Statements
For the year ended December 31, 2017

Interlocal Agreements

The Authority has executed service agreements to provide its customers with enhanced emergency 911 communications services including radio communication, dispatch, teletype service and telephone calls directed to the customer and to refer those calls to customer by radio or other appropriate means. As of December 31, 2017 those customers included:

- Bainbridge Island, City of
- Bainbridge Island Fire Department
- Bremerton, City of
- Central Kitsap Fire and Rescue
- Kitsap County Fire District #18/Poulsbo Fire Department
- North Kitsap Fire and Rescue
- Port Gamble S'Kallam Tribe
- Port Orchard, City of
- Poulsbo, City of
- South Kitsap Fire and Rescue

**Kitsap 911 Public Authority (PDA)
Schedule of Liabilities
For the Year Ended December 31, 2017**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
263.85	Portion of County 2015 LTGO Funding	12/1/2019	-	1,052,557	339,508	713,049
	Total General Obligation Debt/Liabilities:		-	1,052,557	339,508	713,049
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences		-	237,117	-	237,117
264.30	Pension Liabilities		-	1,824,679	-	1,824,679
	Total Revenue and Other (non G.O.) Debt/Liabilities:		-	2,061,796	-	2,061,796
	Total Liabilities:		-	3,114,353	339,508	2,774,845

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov