

**Washington State Auditor's Office**  
**Financial Statements Audit Report**

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**Peninsula Metropolitan Park District**  
**(PenMet Parks)**  
**Pierce County**

Audit Period  
January 1, 2009 through December 31, 2011

Report No. 1008983

Issue Date  
February 11, 2013



WASHINGTON  
**TROY KELLEY**  
STATE AUDITOR



**Washington State Auditor  
Troy Kelley**

February 11, 2013

Board of Commissioners  
PenMet Parks  
Gig Harbor, Washington

***Report on Financial Statements***

Please find attached our report on the PenMet Parks' financial statements.

We are issuing this report in order to provide information on the District's financial condition.

Sincerely,

**TROY KELLEY  
STATE AUDITOR**

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Pierce County  
January 1, 2009 through December 31, 2011**

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**Independent Auditor's Report on Internal  
Control over Financial Reporting and on  
Compliance and Other Matters in Accordance  
with *Government Auditing Standards***

**PenMet Parks  
Pierce County  
January 1, 2009 through December 31, 2011**

Board of Commissioners  
PenMet Parks  
Gig Harbor, Washington

We have audited the financial statements of the PenMet Parks, Pierce County, Washington, as of and for the years ended December 31, 2011, 2010 and 2009, and have issued our report thereon dated December 14, 2012.

We conducted our audits 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.

***INTERNAL CONTROL OVER FINANCIAL REPORTING***

In planning and performing our audits, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

*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 District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## **COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of the District'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*.

This report is intended for the information and use of management and the Board of Commissioners. 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.



**TROY KELLEY**  
STATE AUDITOR

December 14, 2012

# **Independent Auditor's Report on Financial Statements**

## **PenMet Parks Pierce County January 1, 2009 through December 31, 2011**

Board of Commissioners  
PenMet Parks  
Gig Harbor, Washington

We have audited the accompanying financial statements of the PenMet Parks, Pierce County, Washington, for the years ended December 31, 2011, 2010 and 2009. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the District prepares its financial statements on the basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System (BARS)* manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the PenMet Parks, for the years ended December 31, 2011, 2010 and 2009, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the District'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedules of Long-Term Debt are presented for

purposes of additional analysis as required by the prescribed BARS manual. These schedules are 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.

The report is intended for the information and use of the management and the Board of Commissioners of the District. 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.



**TROY KELLEY**  
STATE AUDITOR

December 14, 2012

# **Financial Section**

**PenMet Parks  
Pierce County  
January 1, 2009 through December 31, 2011**

## ***FINANCIAL STATEMENTS***

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MCAG NO. (2865)  
 PENINSULA METROPOLITAN PARK DISTRICT  
 FUND RESOURCES AND USES  
 ARISING FROM CASH TRANSACTIONS  
 For the Year Ended December 31, 2011

BARS CODE	Total for All Funds	001 General	002 Debt Service	301 Homestead Park	302 Rosedale Park	303 Wollochet Estuary	304 Hale Pass Park
<b>Beginning Cash and Investments</b>							
308.10	Reserved	\$144,897					
308.80	Unreserved	1,951,601		642,803	28,538	8,711	16,967
	Prior Period Adjustments (388.80 and 588.80)	57					
<b>Revenues and Other Sources</b>							
310	Taxes	3,797,237					
320	Licenses and Permits	0					
330	Intergovernmental	166,000					
340	Charges for Goods and Services	140,228					
350	Fines and Penalties	0					
360	Miscellaneous	79,121					
370	Capital Contributions	0					
390	Other Financing Sources	2,491,032	537,174	351,679		94,600	
	<b>Total Revenues and Other Financing Sources</b>	<b>6,673,618</b>	<b>537,174</b>	<b>351,679</b>	<b>0</b>	<b>94,600</b>	<b>0</b>
<b>Operating Expenditures:</b>							
510	General Government	425,879					
520	Public Safety	0					
530	Physical Environment	0					
540	Transportation	0					
550	Economic Environment	0					
560	Mental and Physical Health	0					
570	Culture and Recreational	1,184,996		3,076			
	<b>Total Operating Expenditures</b>	<b>1,610,875</b>	<b>0</b>	<b>3,076</b>	<b>0</b>	<b>0</b>	<b>0</b>
591-593	Debt Service	546,476	537,174	4,000			
594-595	Capital Expenditures	2,290,114		816,614	28,538	94,600	13,117
598	Other Expenditures	0					
	<b>Total Expenditures</b>	<b>4,447,466</b>	<b>537,174</b>	<b>823,690</b>	<b>28,538</b>	<b>94,600</b>	<b>13,117</b>
596-599	Other Financing Uses	2,475,832				8,711	3,850
	<b>Total Expenditures and Other Financing Uses</b>	<b>6,923,298</b>	<b>537,174</b>	<b>823,690</b>	<b>28,538</b>	<b>103,311</b>	<b>16,967</b>
	<b>Excess (Deficit) of Resources Over Uses</b>	<b>1,846,875</b>	<b>0</b>	<b>170,792</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>
380	Nonrevenues (Except 384)	34,767		1,500			
580	Nonexpenditures (Except 584)	25,000					
<b>Ending Cash and Investments:</b>							
508.10	Reserved	144,897					
508.80	Unreserved	1,711,745	0	172,292	0	0	0

The Accompanying Notes Are An Integral Part Of This Statement.

MCAG NO. (2865)  
PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES  
ARISING FROM CASH TRANSACTIONS  
For the Year Ended December 31, 2011

BARS CODE	306		307	308	309	317	318	319
	Maplewood	Harbor Family Park						
<b>Beginning Cash and Investments</b>								
308.10	Reserved							
308.80	Unreserved	163,108	19,325	14,631	5,684	29,100	5,029	
	Prior Period Adjustments (388.80 and 588.80)							
<b>Revenues and Other Sources</b>								
310	Taxes							
320	Licenses and Permits							
330	Intergovernmental							
340	Charges for Goods and Services							
350	Fines and Penalties							
360	Miscellaneous		100					
370	Capital Contributions							
390	Other Financing Sources			225,000		27,500	48,711	1,032,800
	<b>Total Revenues and Other Financing Sources</b>	<b>0</b>	<b>100</b>	<b>225,000</b>	<b>0</b>	<b>27,500</b>	<b>48,711</b>	<b>1,032,800</b>
<b>Operating Expenditures:</b>								
510	General Government							
520	Public Safety							
530	Physical Environment							
540	Transportation							
550	Economic Environment							
560	Mental and Physical Health							
570	Culture and Recreational				5,544		3,630	
	<b>Total Operating Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,544</b>	<b>0</b>	<b>3,630</b>	<b>0</b>
591-593	Debt Service					5,000		
594-595	Capital Expenditures	158,028		26,006			48,584	1,020,985
598	Other Expenditures							
	<b>Total Expenditures</b>	<b>158,028</b>	<b>0</b>	<b>26,006</b>	<b>5,544</b>	<b>5,000</b>	<b>52,214</b>	<b>1,020,985</b>
596-599	Other Financing Uses	5,080	19,325		140	36,690		
	<b>Total Expenditures and Other Financing Uses</b>	<b>163,108</b>	<b>19,325</b>	<b>26,006</b>	<b>5,684</b>	<b>41,690</b>	<b>52,214</b>	<b>1,020,985</b>
<b>Excess (Deficit) of Resources Over Uses</b>								
		(0)	100	213,625	0	14,910	1,526	11,815
380	Nonrevenues (Except 384)							
580	Nonexpenditures (Except 584)							
<b>Ending Cash and Investments:</b>								
508.10	Reserved							
508.80	Unreserved	0	100	213,625	0	14,910	1,526	11,815

The Accompanying Notes Are An Integral Part Of This Statement.

MCAG NO. (2865)  
 PENINSULA METROPOLITAN PARK DISTRICT  
 FUND RESOURCES AND USES  
 ARISING FROM CASH TRANSACTIONS  
 For the Year Ended December 31, 2011

BARS CODE	321 Knight Forest	325 Park Imp. Fund	330 Capital Grant Program	350 Capital Equip. Fund	360 Computer Fund	361 Comp. Park Plan	362 Recreation Fitness
<b>Beginning Cash and Investments</b>							
308.10 Reserved							
308.80 Unreserved		110,745	45,822	37,486	7,000		
Prior Period Adjustments (388.80 and 588.80)							
<b>Revenues and Other Sources</b>							
310 Taxes							
320 Licenses and Permits							
330 Intergovernmental							
340 Charges for Goods and Services							
350 Fines and Penalties							
360 Miscellaneous		7,000					
370 Capital Contributions							
390 Other Financing Sources		30,073	41,590	10,200		26,025	5,000
<b>Total Revenues and Other Financing Sources</b>	<b>0</b>	<b>37,073</b>	<b>41,590</b>	<b>10,200</b>	<b>0</b>	<b>26,025</b>	<b>5,000</b>
<b>Total Resources</b>							
	<b>0</b>	<b>147,818</b>	<b>87,412</b>	<b>47,686</b>	<b>7,000</b>	<b>26,025</b>	<b>5,000</b>
Operating Expenditures:							
510 General Government							
520 Public Safety							
530 Physical Environment							
540 Transportation							
550 Economic Environment							
560 Mental and Physical Health							
570 Culture and Recreational		3,241					
<b>Total Operating Expenditures</b>	<b>0</b>	<b>0</b>	<b>3,241</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
591-593 Debt Service							
594-595 Capital Expenditures	14,120		9,481	39,906	6,974		
598 Other Expenditures							
<b>Total Expenditures</b>	<b>14,120</b>	<b>0</b>	<b>12,722</b>	<b>39,906</b>	<b>6,974</b>	<b>0</b>	<b>0</b>
596-599 Other Financing Uses		101,933					
<b>Total Expenditures and Other Financing Uses</b>	<b>14,120</b>	<b>101,933</b>	<b>12,722</b>	<b>39,906</b>	<b>6,974</b>	<b>0</b>	<b>0</b>
<b>Excess (Deficit) of Resources Over Uses</b>	<b>(14,120)</b>	<b>45,885</b>	<b>74,690</b>	<b>7,780</b>	<b>26</b>	<b>26,025</b>	<b>5,000</b>
380 Nonrevenues (Except 384)	25,000						
580 Nonexpenditures (Except 584)		25,000					
<b>Ending Cash and Investments:</b>							
508.10 Reserved							
508.80 Unreserved	10,880	20,885	74,690	7,780	26	26,025	5,000

The Accompanying Notes Are An Integral Part Of This Statement.

MCAG NO. (2865)  
 PENINSULA METROPOLITAN PARK DISTRICT  
 FUND RESOURCES AND USES  
 ARISING FROM CASH TRANSACTIONS  
 For the Year Ended December 31, 2011

BARS CODE	365 Equip. Replacement	055 Recreation Revolving	701 Endowment	750 Restricted Endowment
<b>Beginning Cash and Investments</b>				
308.10 Reserved				\$144,897
308.80 Unreserved	137,475	21,478	139,485	0
Prior Period Adjustments (388.80 and 588.80)				
<b>Revenues and Other Sources</b>				
310 Taxes				
320 Licenses and Permits				
330 Intergovernmental				
340 Charges for Goods and Services		82,524	56,901	
350 Fines and Penalties				
360 Miscellaneous		773	52,827	
370 Capital Contributions				
390 Other Financing Sources	60,680			
<b>Total Revenues and Other Financing Sources</b>	<b>60,680</b>	<b>83,297</b>	<b>109,728</b>	<b>0</b>
<b>Total Resources</b>	<b>198,155</b>	<b>104,775</b>	<b>249,213</b>	<b>144,897</b>
<b>Operating Expenditures:</b>				
510 General Government			18	
520 Public Safety				
530 Physical Environment				
540 Transportation				
550 Economic Environment				
560 Mental and Physical Health				
570 Culture and Recreational		52,545	5,158	
<b>Total Operating Expenditures</b>	<b>0</b>	<b>52,545</b>	<b>5,176</b>	<b>0</b>
591-593 Debt Service				
594-595 Capital Expenditures	2,961			
598 Other Expenditures				
<b>Total Expenditures</b>	<b>2,961</b>	<b>52,545</b>	<b>5,176</b>	<b>0</b>
596-599 Other Financing Uses				
<b>Total Expenditures and Other Financing Uses</b>	<b>2,961</b>	<b>52,545</b>	<b>5,176</b>	<b>0</b>
<b>Excess (Deficit) of Resources Over Uses</b>	<b>195,194</b>	<b>52,230</b>	<b>244,037</b>	<b>144,897</b>
380 Nonrevenues (Except 384)				
580 Nonexpenditures (Except 584)				
<b>Ending Cash and Investments:</b>				
508.10 Reserved				144,897
508.80 Unreserved	195,194	52,230	244,037	

The Accompanying Notes Are An Integral Part Of This Statement.

**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2010

BARS CODE		Total for All Funds	001	201
			Operating Fund	Debt Service Fund
		Total Amount	Actual Amount	Actual Amount
<b>Beginning Cash and Investments</b>		\$2,576,217	\$631,733	\$0
	Prior Period Adjustments (388.80 and 588.80)			
<b>Revenues and Other Sources</b>				
310	Taxes	\$3,741,613	3,741,613	
320	Licenses and Permits	\$0		
330	Intergovernmental	\$270	270	
340	Charges for Goods and Services	\$46,619	680	
350	Fines and Penalties	\$0		
360	Miscellaneous	\$58,350	3,349	
370	Capital Contributions	\$369,601	251	0
390	Other Financing Sources	\$3,512,169	0	533,578
<b>Total Revenues and Other Financing Sources</b>		7,728,622	3,746,163	533,578
<b>Total Resources</b>		10,304,839	4,377,896	533,578
Operating Expenditures:				
510	General Government	\$419,142	414,398	
520	Public Safety	\$0		
530	Physical Environment	\$0		
540	Transportation	\$0		
550	Economic Environment	\$0		
560	Mental and Physical Health	\$0		
570	Culture and Recreational	\$1,079,142	976,853	
<b>Total Operating Expenditures</b>		1,498,284	1,391,251	0
591-593	Debt Service	\$538,882	304	533,578
594-595	Capital Outlay	\$2,695,422	21,000	
<b>Total Expenditures</b>		4,732,588	1,412,555	533,578
597-599	Other Financing Uses	\$3,491,169	2,450,404	
<b>Total Expenditures and Other Financing Uses</b>		8,223,757	3,862,959	533,578
<b>Excess (Deficit) of Resources Over Uses</b>		2,081,083	514,938	0
380	Nonrevenues (Except 384)	\$15,414	3,277	
580	Nonexpenditures (Except 584)	\$0		
<b>Ending Cash and Investments:</b>		\$2,096,497	\$518,215	\$0
508.10	Reserved 1/	\$144,897		
508.80	Unreserved 1/	\$139,486		

1/ Disclosure of reserved/unreserved fund balances is optional

The Accompanying Notes Are An Integral Part Of This Statement.

PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

BARS CODE		301	302	303
		Sehmel Homestead	Rosedale Park	Wollochet Estuary
		Actual Amount	Actual Amount	Actual Amount
<b>Beginning Cash and Investments</b>		\$970,537	\$42,754	\$8,898
	Prior Period Adjustments (388.80 and 588.80)			
<b>Revenues and Other Sources</b>				
310	Taxes			
320	Licenses and Permits			
330	Intergovernmental			
340	Charges for Goods and Services			
350	Fines and Forfeits			
360	Miscellaneous	0		
370	Capital Contributions	0	0	369,350
390	Other Financing Sources	1,304,050		135,600
<b>Total Revenues and Other Sources</b>		1,304,050	0	504,950
<b>Total Resources</b>		2,274,587	42,754	513,848
Operating Expenditures:				
510	General Government	3,340		
520	Public Safety			
530	Physical Environment			
540	Transportation			
550	Economic Environment			
560	Mental and Physical Health			
570	Culture and Recreation	86,002		
<b>Total Operating Expenditures</b>		89,342	0	0
591-593	Debt Service			
594-595	Capital Outlay	1,336,445	14,216	136,137
<b>Total Expenditures</b>		1,425,787	14,216	136,137
597-599	Other Financing Uses	206,000		369,000
<b>Total Expenditures and Other Financing Uses</b>		1,631,787	14,216	505,137
<b>Excess (Deficit) of Resources Over Uses</b>		642,800	28,538	8,711
380	Nonrevenues (Except 384 )			0
580	Nonexpenditures (Except 584 )			
<b>Ending Cash and Investments:</b>		\$642,800	\$28,538	\$8,711
508.10	Reserved 1/			
508.80	Unreserved 1/			

1/ Disclosure of reserved/unreserved fund balances is optional

The Accompanying Notes Are An Integral Part Of This Statement.

PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

BARS CODE		304	306	307
		Hale Pass Park	Maplewood	Harbor Family Pk
		Actual Amount	Actual Amount	Actual Amount
<b>Beginning Cash and Investments</b>		\$32,224	\$0	\$30,433
	Prior Period Adjustments (388.80 and 588.80)			
<b>Revenues and Other Sources</b>				
310	Taxes			
320	Licenses and Permits			
330	Intergovernmental			
340	Charges for Goods and Services			
350	Fines and Forfeits			
360	Miscellaneous			
370	Capital Contributions	0	0	0
390	Other Financing Sources		163,108	
<b>Total Revenues and Other Financing Sources</b>		0	163,108	0
<b>Total Resources</b>		32,224	163,108	30,433
Operating Expenditures:				
510	General Government			
520	Public Safety			
530	Physical Environment			
540	Transportation			
550	Economic Environment			
560	Mental and Physical Health			
570	Culture and Recreation			
<b>Total Operating Expenditures</b>		0	0	0
591-593	Debt Service			
594-595	Capital Outlay	15,256		
<b>Total Expenditures</b>		15,256	0	0
597-599	Other Financing Uses			11,108
<b>Total Expenditures and Other Financing Uses</b>		15,256	0	11,108
<b>Excess (Deficit) of Resources Over Uses</b>		16,968	163,108	19,325
380	Nonrevenues (Except 384 )			
580	Nonexpenditures (Except 584 )			
<b>Ending Cash and Investments:</b>		\$16,968	\$163,108	\$19,325
508.10	Reserved 1/			
508.80	Unreserved 1/			

1/ Disclosure of reserved/unreserved fund balances is optional

The Accompanying Notes Are An Integral Part Of This Statement.

PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

BARS CODE		308	309	317
		Dog Park	McCormick Forest	Madrona Links
		Actual Amount	Actual Amount	Actual Amount
<b>Beginning Cash and Investments</b>		\$25,382	\$0	\$68,226
	Prior Period Adjustments (388.80 and 588.80)			
<b>Revenues and Other Sources</b>				
310	Taxes			
320	Licenses and Permits			
330	Intergovernmental			
340	Charges for Goods and Services			
350	Fines and Forfeits			
360	Miscellaneous			
370	Capital Contributions	0	0	0
390	Other Financing Sources		20,000	1,000,852
<b>Total Revenues and Other Financing Sources</b>		0	20,000	1,000,852
<b>Total Resources</b>		25,382	20,000	1,069,078
Operating Expenditures:				
510	General Government			1,404
520	Public Safety			
530	Physical Environment			
540	Transportation			
550	Economic Environment			
560	Mental and Physical Health			
570	Culture and Recreation		14,316	
<b>Total Operating Expenditures</b>		0	14,316	1,404
591-593	Debt Service			5,000
594-595	Capital Outlay	10,750		1,000,000
<b>Total Expenditures</b>		10,750	14,316	1,006,404
597-599	Other Financing Uses			33,574
<b>Total Expenditures and Other Financing Uses</b>		10,750	14,316	1,039,978
<b>Excess (Deficit) of Resources Over Uses</b>		14,632	5,684	29,100
380	Nonrevenues (Except 384 )			
580	Nonexpenditures (Except 584 )			
<b>Ending Cash and Investments:</b>		\$14,632	\$5,684	\$29,100
508.10	Reserved 1/			
508.80	Unreserved 1/			

1/ Disclosure of reserved/unreserved fund balances is optional

The Accompanying Notes Are An Integral Part Of This Statement.



**PENINSULA METROPOLITAN PARK DISTRICT**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2010

BARS CODE		318	325	330
		DeMolay Spit	Park Imp. Fund	Capital Grant Fund
		Actual Amount	Actual Amount	Actual Amount
<b>Beginning Cash and Investments</b>		\$0	\$350,847	\$70,594
	Prior Period Adjustments (388.80 and 588.80)			
<b>Revenues and Other Sources</b>				
310	Taxes			
320	Licenses and Permits			
330	Intergovernmental			
340	Charges for Goods and Services			
350	Fines and Forfeits			
360	Miscellaneous			
370	Capital Contributions	0	0	0
390	Other Financing Sources	106,200	153,948	0
<b>Total Revenues and Other Financing Sources</b>		106,200	153,948	0
<b>Total Resources</b>		106,200	504,795	70,594
Operating Expenditures:				
510	General Government	0		
520	Public Safety			
530	Physical Environment			
540	Transportation			
550	Economic Environment			
560	Mental and Physical Health			
570	Culture and Recreation			
<b>Total Operating Expenditures</b>		0	0	0
591-593	Debt Service	0		
594-595	Capital Outlay	102,083		24,773
<b>Total Expenditures</b>		102,083	0	24,773
597-599	Other Financing Uses	0	394,050	
<b>Total Expenditures and Other Financing Uses</b>		102,083	394,050	24,773
<b>Excess (Deficit) of Resources Over Uses</b>		4,117	110,745	45,821
380	Nonrevenues (Except 384 )	911		
580	Nonexpenditures (Except 584 )			
<b>Ending Cash and Investments:</b>		\$5,028	\$110,745	\$45,821
508.10	Reserved 1/			
508.80	Unreserved 1/			

1/ Disclosure of reserved/unreserved fund balances is optional

*The Accompanying Notes Are An Integral Part Of This Statement.*

PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

BARS CODE		350	360	365
		Capital Equipment	Computer Fund	Equipment Replace
		Actual Amount	Actual Amount	Actual Amount
<b>Beginning Cash and Investments</b>		\$52,767	\$0	\$81,475
	Prior Period Adjustments (388.80 and 588.80)			
<b>Revenues and Other Sources</b>				
310	Taxes			
320	Licenses and Permits			
330	Intergovernmental			
340	Charges for Goods and Services			
350	Fines and Forfeits			
360	Miscellaneous			
370	Capital Contributions	0	0	0
390	Other Financing Sources	31,833	7,000	56,000
<b>Total Revenues and Other Financing Sources</b>		31,833	7,000	56,000
<b>Total Resources</b>		84,600	7,000	137,475
Operating Expenditures:				
510	General Government			
520	Public Safety			
530	Physical Environment			
540	Transportation			
550	Economic Environment			
560	Mental and Physical Health			
570	Culture and Recreation			
<b>Total Operating Expenditures</b>		0	0	0
591-593	Debt Service			
594-595	Capital Outlay	31,307		
<b>Total Expenditures</b>		31,307	0	0
597-599	Other Financing Uses	27,033		
<b>Total Expenditures and Other Financing Uses</b>		58,340	0	0
<b>Excess (Deficit) of Resources Over Uses</b>		26,260	7,000	137,475
380	Nonrevenues (Except 384 )	11,226		
580	Nonexpenditures (Except 584 )			
<b>Ending Cash and Investments:</b>		\$37,486	\$7,000	\$137,475
508.10	Reserved 1/			
508.80	Unreserved 1/			

1/ Disclosure of reserved/unreserved fund balances is optional

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**PENINSULA METROPOLITAN PARK DISTRICT**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2010

BARS CODE		375	550	
		Land Acquisition	Recreation Rev.	
		Actual Amount	Actual Amount	Actual Amount
<b>Beginning Cash and Investments</b>		\$3,455	\$0	\$0
	Prior Period Adjustments (388.80 and 588.80)			
<b>Revenues and Other Sources</b>				
310	Taxes			
320	Licenses and Permits			
330	Intergovernmental			
340	Charges for Goods and Services		21,478	
350	Fines and Forfeits			
360	Miscellaneous		0	
370	Capital Contributions	0	0	0
390	Other Financing Sources		0	0
<b>Total Revenues and Other Financing Sources</b>		0	21,478	0
<b>Total Resources</b>		3,455	21,478	0
Operating Expenditures:				
510	General Government			
520	Public Safety			
530	Physical Environment			
540	Transportation			
550	Economic Environment			
560	Mental and Physical Health			
570	Culture and Recreation			
<b>Total Operating Expenditures</b>		0	0	0
591-593	Debt Service			
594-595	Capital Outlay	3,455		0
<b>Total Expenditures</b>		3,455	0	0
597-599	Other Financing Uses	0		
<b>Total Expenditures and Other Financing Uses</b>		3,455	0	0
<b>Excess (Deficit) of Resources Over Uses</b>		0	21,478	0
380	Nonrevenues (Except 384 )			
580	Nonexpenditures (Except 584 )			
<b>Ending Cash and Investments:</b>		\$0	\$21,478	\$0
508.10	Reserved 1/		0	
508.80	Unreserved 1/			

1/ Disclosure of reserved/unreserved fund balances is optional  
The Accompanying Notes Are An Integral Part Of This Statement.

PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

BARS CODE		701	750	
		Endowment	Endowment	
		Actual Amount	Actual Amount	Actual Amount
<b>Beginning Cash and Investments</b>		\$61,995	\$144,897	\$0
	Prior Period Adjustments (388.80 and 588.80)			
<b>Revenues and Other Sources</b>				
310	Taxes			
320	Licenses and Permits			
330	Intergovernmental			
340	Charges for Goods and Services	24,461	0	
350	Fines and Forfeits			
360	Miscellaneous	55,001	0	
370	Capital Contributions	0	0	0
390	Other Financing Sources	0	0	0
<b>Total Revenues and Other Financing Sources</b>		79,462	0	0
<b>Total Resources</b>		141,457	144,897	0
Operating Expenditures:				
510	General Government	0		
520	Public Safety			
530	Physical Environment			
540	Transportation			
550	Economic Environment			
560	Mental and Physical Health			
570	Culture and Recreation	1,971		
<b>Total Operating Expenditures</b>		1,971	0	0
591-593	Debt Service	0		
594-595	Capital Outlay	0		0
<b>Total Expenditures</b>		1,971	0	0
597-599	Other Financing Uses	0		
<b>Total Expenditures and Other Financing Uses</b>		1,971	0	0
<b>Excess (Deficit) of Resources Over Uses</b>		139,486	144,897	0
380	Nonrevenues (Except 384 )			
580	Nonexpenditures (Except 584 )			
<b>Ending Cash and Investments:</b>		\$139,486	\$144,897	\$0
508.10	Reserved 1/		144,897	
508.80	Unreserved 1/	\$139,486		

1/ Disclosure of reserved/unreserved fund balances is optional  
The Accompanying Notes Are An Integral Part Of This Statement.

**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 001 Current Expense		Fund Number and Name 201 Debt Service Fund	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		\$496,340	\$496,340	\$0	\$0
<b>Revenues and Other Sources</b>					
310	Taxes	3,812,877	3,704,934		
320	Licenses and Permits				
330	Intergovernmental	25,000	42,430		
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous	14,000	3,713		
370	Capital Contributions				
390	Other Financing Sources	0	0	584,266	500,020
<b>Total Revenues and Other Sources</b>		3,851,877	3,751,078	584,266	500,020
<b>Total Resources</b>		4,348,217	4,247,418	584,266	500,020
Operating Expenditures:					
510	General Government	368,185	355,702		
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation	937,619	717,538		
<b>Total Operating Expenditures</b>		1,305,804	1,073,240	0	0
591-593	Debt Service	0	304	584,266	500,020
594-595	Capital Outlay	222,400	222,400		
<b>Total Expenditures</b>		1,528,204	1,295,943	584,266	500,020
597-599	Other Financing Uses	2,323,673	2,321,173		
<b>Total Expenditures and Other Uses</b>		3,851,877	3,617,116	584,266	500,020
<b>Excess (Deficit) of Resources Over Uses</b>		496,340	630,301	0	0
380	Nonrevenues (Except 384 and 388.80)	0	1,432		
580	Nonexpenditures (Except 584 and 588.80)				
<b>Ending Net Cash and Investments</b>		\$496,340	\$631,733	\$0	\$0

The Accompanying Notes Are An Integral Part Of This Statement.

**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 303 Capital Fund Wollochet Bay		Fund Number and Name 304 Capital Fund Hales Pass	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		\$2,228	\$2,228	\$32,627	\$32,627
<b>Revenues and Other Sources</b>					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous				
370	Capital Contributions				
390	Other Financing Sources	94,600	169,700	0	0
<b>Total Revenues and Other Sources</b>		94,600	169,700	0	0
<b>Total Resources</b>		96,828	171,928	32,627	32,627
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
<b>Total Operating Expenditures</b>		0	0	0	0
591-593	Debt Service				
594-595	Capital Outlay	94,600	163,052	32,627	403
<b>Total Expenditures</b>		94,600	163,052	32,627	403
597-599	Other Financing Uses	0	0		
<b>Total Expenditures and Other Uses</b>		94,600	163,052	32,627	403
<b>Excess (Deficit) of Resources Over Uses</b>		2,228	8,876	0	32,224
380	Nonrevenues (Except 384 and 388.80)		22		
580	Nonexpenditures (Except 584 and 588.80)	0	0		
<b>Ending Net Cash and Investments</b>		\$2,228	\$8,898	\$0	\$32,224

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**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 317 Capital Fund Madrona Golf		Fund Number and Name 300 Capital Fund	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		\$0	\$0	\$0	\$0
<b>Revenues and Other Sources</b>					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous				
370	Capital Contributions				
390	Other Financing Sources	2,050,352	2,050,352		
<b>Total Revenues and Other Sources</b>		2,050,352	2,050,352	0	0
<b>Total Resources</b>		2,050,352	2,050,352	0	0
Operating Expenditures:					
510	General Government		4,000		
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
<b>Total Operating Expenditures</b>		0	4,000	0	0
591-593	Debt Service	0	8,000		
594-595	Capital Outlay	1,965,000	1,969,020	0	0
<b>Total Expenditures</b>		1,965,000	1,981,020	0	0
597-599	Other Financing Uses	85,352	1,106	0	0
<b>Total Expenditures and Other Uses</b>		2,050,352	1,982,126	0	0
<b>Excess (Deficit) of Resources Over Uses</b>		0	68,226	0	0
380	Nonrevenues (Except 384 and 388.80)	0	0	0	0
580	Nonexpenditures (Except 584 and 588.80)	0	0	0	0
<b>Ending Net Cash and Investments</b>		\$0	\$68,226	\$0	\$0

The Accompanying Notes Are An Integral Part Of This Statement.

**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 350 Capital Fund Capital		Fund Number and Name 365 Capital Fund Equipment	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		\$0	\$0	\$32,757	\$32,757
<b>Revenues and Other Sources</b>					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous				
370	Capital Contributions				
390	Other Financing Sources	222,400	222,400	48,718	48,718
<b>Total Revenues and Other Sources</b>		222,400	222,400	48,718	48,718
<b>Total Resources</b>		222,400	222,400	81,475	81,475
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
<b>Total Operating Expenditures</b>		0	0	0	0
591-593	Debt Service				
594-595	Capital Outlay	169,633	169,633		
<b>Total Expenditures</b>		169,633	169,633	0	0
597-599	Other Financing Uses	0	0		
<b>Total Expenditures and Other Uses</b>		169,633	169,633	0	0
<b>Excess (Deficit) of Resources Over Uses</b>		52,767	52,767	81,475	81,475
380	Nonrevenues (Except 384 and 388.80)	0	0	0	0
580	Nonexpenditures (Except 584 and 588.80)	0	0	0	0
<b>Ending Net Cash and Investments</b>		\$52,767	\$52,767	\$81,475	\$81,475



**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 750 Capital Fund Restricted		Fund Number and Name	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		10,170	10,170		
<b>Revenues and Other Sources</b>					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous	134,000	134,727		
370	Capital Contributions				
390	Other Financing Sources				
<b>Total Revenues and Other Sources</b>		134,000	134,727	0	0
<b>Total Resources</b>		144,170	144,897	0	0
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
<b>Total Operating Expenditures</b>		0	0	0	0
591-593	Debt Service				
594-595	Capital Outlay	0	0	0	0
<b>Total Expenditures</b>		0	0	0	0
597-599	Other Financing Uses				
<b>Total Expenditures and Other Uses</b>		0	0	0	0
<b>Excess (Deficit) of Resources Over Uses</b>		144,170	144,897	0	0
380	Nonrevenues (Except 384 and 388.80)	0	0		
580	Nonexpenditures (Except 584 and 588.80)	0	0		
<b>Ending Net Cash and Investments</b>		\$144,170	\$144,897	\$0	\$0

*The Accompanying Notes Are An Integral Part Of This Statement.*

**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 301 Capital Fund (Sehmel Park)		Fund Number and Name 302 Capital Fund Rosedale Park	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		\$5,927,498	\$5,927,498	\$43,192	\$43,192
<b>Revenues and Other Sources</b>					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous	0	9,149		
370	Capital Contributions	255,000	255,000	0	0
390	Other Financing Sources	200,000	200,000	0	0
<b>Total Revenues and Other Sources</b>		455,000	464,149	0	0
<b>Total Resources</b>		6,382,498	6,391,647	43,192	43,192
Operating Expenditures:					
510	General Government		0		
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation	112,500	112,452		
<b>Total Operating Expenditures</b>		112,500	112,452	0	0
591-593	Debt Service				
594-595	Capital Outlay	6,269,998	5,308,659	43,192	438
<b>Total Expenditures</b>		6,382,498	5,421,111	43,192	438
597-599	Other Financing Uses				0
<b>Total Expenditures and Other Uses</b>		6,382,498	5,421,111	43,192	438
<b>Excess (Deficit) of Resources Over Uses</b>		0	970,537	0	42,754
380	Nonrevenues (Except 384 and 388.80)	0	0	0	0
580	Nonexpenditures (Except 584 and 588.80)	0	0	0	0
<b>Ending Net Cash and Investments</b>		\$0	\$970,537	\$0	\$42,754

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**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 307 Capital Fund Harbor Family		Fund Number and Name 308 Capital Fund Dog Park	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		30,433	30,433	25,382	25,382
<b>Revenues and Other Sources</b>					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental	0	0		
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous				
370	Capital Contributions				
390	Other Financing Sources	0	0	0	0
<b>Total Revenues and Other Sources</b>		0	0	0	0
<b>Total Resources</b>		30,433	30,433	25,382	25,382
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation			0	0
<b>Total Operating Expenditures</b>		0	0	0	0
591-593	Debt Service				
594-595	Capital Outlay	30,433	0	25,382	0
<b>Total Expenditures</b>		30,433	0	25,382	0
597-599	Other Financing Uses	0	0		
<b>Total Expenditures and Other Uses</b>		30,433	0	25,382	0
<b>Excess (Deficit) of Resources Over Uses</b>		0	30,433	0	25,382
380	Nonrevenues (Except 384 and 388.80)	0	0	0	0
580	Nonexpenditures (Except 584 and 588.80)	0	0	0	0
<b>Ending Net Cash and Investments</b>		\$0	\$30,433	\$0	\$25,382

The Accompanying Notes Are An Integral Part Of This Statement.

**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 325 Capital Fund Park Imp Program		Fund Number and Name 330 Capital Fund Capital Grant	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		\$22,258	\$22,258	16,196	16,196
<b>Revenues and Other Sources</b>					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous				
370	Capital Contributions				
390	Other Financing Sources	328,589	328,589	65,000	65,000
<b>Total Revenues and Other Sources</b>		328,589	328,589	65,000	65,000
<b>Total Resources</b>		350,847	350,847	81,196	81,196
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation	0	0	0	0
<b>Total Operating Expenditures</b>		0	0	0	0
591-593	Debt Service				
594-595	Capital Outlay	0	0	65,000	10,602
<b>Total Expenditures</b>		0	0	65,000	10,602
597-599	Other Financing Uses	0	0	0	0
<b>Total Expenditures and Other Uses</b>		0	0	65,000	10,602
<b>Excess (Deficit) of Resources Over Uses</b>		350,847	350,847	16,196	70,594
380	Nonrevenues (Except 384 and 388.80)	0	0	0	0
580	Nonexpenditures (Except 584 and 588.80)	0	0	0	0
<b>Ending Net Cash and Investments</b>		\$350,847	\$350,847	\$16,196	\$70,594

The Accompanying Notes Are An Integral Part Of This Statement.

**PENINSULA METROPOLITAN PARK DISTRICT  
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 375 Capital Fund Land Acquisition		Fund Number and Name 701 Capital Fund Unrestricted	
		Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>		3,455	3,455	9,306	9,306
<b>Revenues and Other Sources</b>					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services			3,500	3,463
350	Fines and Forfeits				
360	Miscellaneous			40,350	49,226
370	Capital Contributions				
390	Other Financing Sources				
<b>Total Revenues and Other Sources</b>		0	0	43,850	52,689
<b>Total Resources</b>		3,455	3,455	53,156	61,995
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
<b>Total Operating Expenditures</b>		0	0	0	0
591-593	Debt Service				
594-595	Capital Outlay			0	0
<b>Total Expenditures</b>		0	0	0	0
597-599	Other Financing Uses	0	0		
<b>Total Expenditures and Other Uses</b>		0	0	0	0
<b>Excess (Deficit) of Resources Over Uses</b>		3,455	3,455	53,156	61,995
380	Nonrevenues (Except 384 and 388.80)	0	0	0	0
580	Nonexpenditures (Except 584 and 588.80)	0	0	0	0
<b>Ending Net Cash and Investments</b>		\$3,455	\$3,455	\$53,156	\$61,995

*The Accompanying Notes Are An Integral Part Of This Statement.*



# Peninsula Metropolitan Park District

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"Today we touch tomorrow"

MCAG NO. 2865

## NOTES TO FINANCIAL STATEMENTS JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

### NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

The Peninsula Metropolitan Park District uses the revenue and expenditure classifications contained in the *Budgeting, Accounting and Reporting System* (BARS) manual. The manual is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

The Peninsula Metropolitan Park District was formed by a special election certified on May 28, 2004 and operates under the laws of the State of Washington applicable to metropolitan park districts. The Peninsula Metropolitan Park District is a general purpose government and provides for the management, control, improvement, maintenance and acquisition of parks, and recreational facilities. The Peninsula Metropolitan Park District uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

a. Fund Accounting

The accounts of the Peninsula Metropolitan Park District are organized on the basis of funds, each which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The Peninsula Metropolitan Park District's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following fund types are used by the Peninsula Metropolitan Park District:

#### GOVERNMENTAL FUND TYPES:

##### General Fund

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

##### Special Revenue Funds

These funds account for revenues that are legally restricted or committed to finance particular activities of the Peninsula Metropolitan Park District.

##### Debt Service Funds

These funds account for the accumulation of resources to pay principal, interest and related costs on general long-term debt.

## Capital Projects Funds

These funds account for financial resources which are committed for the acquisition or construction of general government capital projects.

## Permanent Funds

These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.

### b. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year budget appropriations as required by state law.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

### c. Budgets

Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects and permanent funds.

Annual appropriated budgets are adopted at the fund level except the general fund, where budgets are adopted at the department level. The budgets constitute the legal authority for expenditures at that level. Annual appropriations for the general fund lapse at the fiscal period end.

The Executive Director is authorized to transfer budgeted amounts between departments within any fund with the exception of the legislative department; 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 Peninsula Metropolitan Park District's legislative body.



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## 2011 Budget

Fund/Department	2011 Final Appropriated Amounts - Without Fund Transfers	Actual Expenditures	Variance
<b>General Fund:</b>			
Legislative Department	\$89,083	\$108,526	-\$19,443
Executive Department	\$568,535	\$553,145	\$15,390
Finance Department	\$102,308	\$97,260	\$5,048
Recreation Department	\$207,167	\$211,097	-\$3,930
Maintenance Department	\$616,314	\$638,818	-\$22,504
<b>Total General Fund</b>	<b>\$1,583,407</b>	<b>\$1,608,845</b>	<b>-\$25,438</b>
<b>Capital Funds</b>			
	2011 Appropriation & Transfers	Actual Expenditures & Transfers Out	Variance
Sehmel Homestead Fund	\$995,982	\$823,690	\$172,292
Rosedale Park	\$28,538	\$28,538	\$0
Wollochet Estuary Fund	\$103,311	\$103,311	\$0
Hale Pass Park	\$16,967	\$16,967	\$0
Maplewood	\$163,108	\$163,108	\$0
Harbor Family Park	\$19,325	\$19,325	\$0
Dog Park	\$239,631	\$26,006	\$213,625
McCormick Forest Parking	\$5,684	\$5,684	\$0
Madrona Golf Course	\$56,600	\$41,690	\$14,910
DeMolay Fox Island Spit	\$53,740	\$52,214	\$1,526
Peninsula Gardens	\$1,032,800	\$1,020,985	\$11,815
Knight Forest	\$25,000	\$14,120	\$10,880
Park Imp. Fund	\$147,818	\$126,933	\$20,885
Capital Grants Fund	\$87,412	\$12,722	\$74,690
Equipment Fund	\$47,686	\$39,906	\$7,780
Computer Fund	\$7,000	\$6,974	\$26
Comp Park Plan	\$26,025	\$0	\$26,025
Fitness Plan	\$5,000	\$0	\$5,000
Equipment Replacement Fund	\$198,155	\$2,961	\$195,194
<b>Total Capital Fund</b>	<b>\$3,259,782</b>	<b>\$2,505,134</b>	<b>\$754,648</b>
<b>Recreation Revolving</b>	<b>\$104,775</b>	<b>\$52,545</b>	<b>\$52,230</b>
<b>Endowment</b>	<b>\$249,213</b>	<b>\$5,176</b>	<b>\$244,037</b>
<b>Restricted Endowment</b>	<b>\$144,897</b>	<b>\$0</b>	<b>\$144,897</b>
<b>Total Endowment Fund</b>	<b>\$394,110</b>	<b>\$5,176</b>	<b>\$388,934</b>



d. Cash

It is the Peninsula Metropolitan Park District's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is prorated to the various funds.

e. Deposits

The Peninsula Metropolitan Parks District deposits and certificates of deposits are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission.

f. Investments See Note No. 3

g. Capital Assets

Capital assets are long-lived assets of the Peninsula Metropolitan Park District and are recorded as expenditures when purchased.

h. Compensated Absences

Vacation leave may be accumulated up to 240 hours and is payable upon separation or retirement. The total value of accrued vacation hours at the end of fiscal year 2011 is \$38,053.16.

Sick leave may be accumulated up to 960 hours. Upon death or retirement employees do receive 25% payment for unused sick leave. The total value of accrued sick leave hours for eligible employees is \$1,034.84.

i. Long-Term Debt See Note No. 6

j. Other Financing Sources Or Uses

The Peninsula Metropolitan Park District's "Other Financing Sources or Uses" consist of transfers in and out between funds.

k. Risk Management

Peninsula Metropolitan Park District is a member of the Enduris (WGEP). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entity to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act.

The Pool was formed July 10, 1987 when two (2) counties and two (2) cities in the State of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. The Pool

now insures health districts, port districts, public utility districts, water districts, sewer districts, irrigation districts, reclamation districts, diking districts, drainage districts, flood control districts, fire protection districts, mosquito control districts, weed districts, conservation districts, library districts, regional mental health support networks, cemetery districts, park & recreation districts, air pollution districts, public development authorities, public facility districts, metropolitan municipal corporations, and other political subdivisions, governmental subdivisions, municipal corporations, and quasi-municipal corporations.

The Pool allows members to jointly purchase excess insurance coverage, share in the self-insured retention, establish a plan for total self-insurance, and provide excellent risk management services and other related services. The Pool provides “occurrence” policies for all lines of liability coverage including Public Official’s Liability. The Property coverage is written on an ‘all risk’ basis, blanket form using current Statement of Values. The Property coverage includes mobile equipment, electronic data processing equipment, valuable papers, building ordinance coverage, property in transit, extra expense, consequential loss, account receivable, fine arts, inventory or appraisal cost, automobile physical damage to insured vehicles. Boiler and machinery coverage is included on a blanket limit of \$100 million for all members. The Pool offers employee dishonesty coverage up to a liability limit of \$500,000.

Members make an annual contribution to fund the Pool. The Pool acquires insurance from unrelated underwriters that are subject to a “per occurrence” \$500,000 deductible on liability loss, \$100,000 deductible on property loss, and \$5,000 deductible on boiler and machinery loss. The member is responsible for the first \$1,000 of the deductible amount of each claim, while the Pool is responsible for the remaining \$499,000 on liability losses, \$99,000 on property loss, \$4,000 on boiler and machinery loss. Insurance carriers cover all losses over the deductibles as shown to the policy maximum limits. Since the Pool is a cooperative program, there is a joint liability among the participating members.

The contract requires members to continue membership for a period of not less than one (1) year and must give notice 60 days before terminating participation. The Intergovernmental Contract is automatically renewed after the initial one (1) full fiscal year commitment. Even after termination, a member is still responsible for contribution to the Pool for any unresolved, unreported and in-process claims for the period they were a signatory to the Intergovernmental Contract.

The Pool is fully funded by its member participants. Claims are filed by members with the Washington Governmental Entity Pool, and are administered in house.

A Board of Directors consisting of seven (7) board members governs the Pool. Its members elect the Board and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for conducting the business affairs of the Pool.



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1. Reserve Fund Balance

The current service policy as adopted by the Board of Commissioners is:

Three years of average operational expense that includes current debt payments to a maximum of six months of current operational expense that includes current debt payments excluding capital expenditures.

The current balance in the reserve account is \$660,755 and with the addition of \$175,000 from the 2012 budget the District will be in compliance.

**NOTE 2 – COMPLIANCE AND ACCOUTABILITY**

There have been no material violations of finance-related legal or contractual provisions.

There have been no expenditures exceeding legal appropriations in any of the funds of Peninsula Metropolitan Park District.

**NOTE 3 – INVESTMENTS**

The Peninsula Metropolitan Park District's investments are insured, registered or held by Pierce County or its agent in the Peninsula Metropolitan Park District's name.

All of the Peninsula Metropolitan Park District's investments matured on 12/31/2011 and were reinvested on 1/5/2012.

**NOTE 4 – PROPERTY TAXES**

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

Property tax revenues are recognized when cash is received by the Peninsula Metropolitan Park District. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied. Total delinquent taxes as of 12/31/2011 are \$148,382.93.

The Peninsula Metropolitan Park District's regular levy for the year 2011 was \$.552761177917 per \$1,000 on an assessed valuation of \$6,334,808,105 for a total regular levy of \$3,501,635.99.

**NOTE 5 – INTERFUND LOANS AND ADVANCES**

The following table displays interfund loan activity during 2011:

<u>Borrowing Fund</u>	<u>Lending Fund</u>	<u>Balance 1/1/2011</u>	<u>New Loans</u>	<u>Repayments</u>	<u>Balance 12/31/2011</u>
Knight Forest (321)	Park Imp. (325)	\$0	\$25,000	\$0	\$25,000

**NOTE 6 – LONG-TERM DEBT**

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the Peninsula Metropolitan Park District and summarizes the Peninsula Metropolitan Park District’s debt transactions for 2011

. The debt service requirements, including interest, are as follows:

	General Obligation Bonds	Notes Payable	Miscellaneous Debt	Compensated Absences
2011	\$500,483.76	\$134,600	\$250,000	\$25,329
2012	\$500,768.76	\$1,965,421	\$965,000	\$39,088
2013	\$500,268.76	\$0	\$0	\$0
2014	\$499,108.76	\$0	\$0	\$0
2015	\$497,268.76	\$0	\$0	\$0
2016	\$499,728.76	\$0	\$0	\$0
2017	\$501,273.76	\$0	\$0	\$0
2018	\$496,873.76	\$0	\$0	\$0
2019	\$496,888.76	\$0	\$0	\$0
2020	\$501,007.50	\$0	\$0	\$0
2021	\$499,200.00	\$0	\$0	\$0
2022	\$500,720.00	\$0	\$0	\$0
2023	\$501,360.00	\$0	\$0	\$0
2024	\$501,120.00	\$0	\$0	\$0
<b>TOTALS</b>	<b>\$6,996,071.34</b>	<b>\$2,100,021</b>	<b>\$1,215,000</b>	<b>\$64,417</b>

Pursuant to Resolution R2005-005 signed by the Board of Commissioners on June 13, 2005 \$6,530,000 of 2005 Limited Tax General Obligation Bonds were issued to pay the cost of acquiring and improving District facilities. Pursuant to Resolution R2012-014 signed by the Board of Commissioners on April 14, 2012 \$4,925,000 of 2005 Limited Tax General Obligation Bonds were authorized to be reissued. A total of \$5,610,000 of Limited Tax General Obligation Refunding Bonds were issued for the purpose of refunding a portion of the District’s outstanding general debt for debt service savings and prepay a portion of a promissory note issued to acquire certain real property for park and recreation purposes.

On June 19, 2006 PenMet Parks entered into an agreement with the YMCA to provide public access to the new Gig Harbor YMCA and expanded Aquatic Center. The \$250,000 project expense is funded from General Fund revenues. The agreement specifies an annual payment of \$250,000. The last installment payment was made on September 2, 2011.

On October 16, 2006 PenMet Parks paid \$19,000 and signed an option to purchase 1.5 acres of property on Wollochet Bay Estuary for \$660,000 with a note accruing interest at an annual rate of 4%. The first installment payment was paid March 30, 2007 in the amount of \$167,000. Additional installments in the amount of \$94,600 are paid on March 30<sup>th</sup> of each succeeding year until paid in full. Total interest on this note for 2009 is \$15,702.90; 2010 is \$12,547.02; and total interest on this note for 2011 is \$9,264.90.

On August 26, 2008 PenMet Parks signed a Purchase and Sale Agreement for the acquisition of the Tacoma Narrows Airport and the Madrona Links Golf Course in a partnership with Pierce County. This project resulted in PenMet Parks ownership of the Golf Course and the Airport by Pierce County. The initial \$1,965,000 project cost in 2009 was funded through a \$965,000 line of credit with Key Bank on 12/21/2009 that will be used to extinguish the FAA interest in the Madrona Links Golf Course and paid back over a three-year period. On March 31, 2012 the District will pay off the \$965,000 line of credit. The interest rate on the line of credit is the sum of the Prime Rate plus .50% per annum, payable in monthly installments. Total interest paid on this line of credit in 2011 was \$36,690. Total interest budgeted for 2012 is \$37,380.

On May 20, 2010 PenMet Parks signed a Purchase and Sale Agreement for the acquisition of the Tacoma DeMolay Sandspit Nature Preserve. The District signed a Promissory Note to the Seller in the amount of \$1,900,000. This note shall not accrue interest until January 1, 2012 at which time interest shall begin to accrue at the rate of 4% on any unpaid balance. The District will make annual payments of \$40,000 or more starting December 31, 2011 and each year thereafter until the note is paid in full. The Promissory note shall be paid in full no later than 20 years after closing.

In 2012 PenMet Parks signed a Purchase and Sale Agreement with the Greater Gig Harbor Foundation for the acquisition of the Knight Forest property. The \$630,000 purchase price was funded partially through a \$628,000 bond issued to Timberland Bank. This bond accrues interest at Prime Rate minus .75% and is due June 15, 2013. Accrued interest on this bond shall be payable monthly on the 15<sup>th</sup> day of each month, beginning February 15, 2012. The District may prepay all or any portion of this bond on any date without penalty or fee upon at least 15 calendar days prior written notice.

#### **NOTE 7 – PENSION PLANS**

Substantially all of the Peninsula Metropolitan Park District's full-time and part-time employees participate in the Public Employees Retirement System (PERS) administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the Peninsula Metropolitan Park District's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
PO Box 48380  
Olympia, WA 98504-8380

#### **NOTE 8 – OTHER DISCLOSURES**



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## NOTES TO FINANCIAL STATEMENTS JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

### NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

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a. Fund Accounting

The accounts of the Peninsula Metropolitan Park District are organized on the basis of funds, each which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The Peninsula Metropolitan Park District's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following fund types are used by the Peninsula Metropolitan Park District:

GOVERNMENTAL FUND TYPES:

General Fund

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

Special Revenue Funds

These funds account for revenues that are legally restricted or designated to finance particular activities of the Peninsula Metropolitan Park District.



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## Debt Service Funds

These funds account for the accumulation of resources to pay principal, interest and related costs on general long-term debt.

## Capital Projects Funds

These funds account for financial resources which are designated for the acquisition or construction of general government capital projects.

## Permanent Funds

These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.

### b. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year budget appropriations as required by state law.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

### c. Budgets

Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects and permanent funds.

Annual appropriated budgets are adopted at the fund level except the general fund, where budgets are adopted at the department level. The budgets constitute the legal authority for expenditures at that level. Annual appropriations for the general fund lapse at the fiscal period end.

The Executive Director is authorized to transfer budgeted amounts between departments within any fund with the exception of the legislative department; 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 Peninsula Metropolitan Park District's legislative body.

**2010 Budget**

Fund/Department	2010 Final Appropriated Amounts - Without Fund Transfers	Actual Expenditures	Variance
<b>General Fund:</b>			
Legislative Department	\$85,780	\$63,826	\$21,954
Executive Department	\$511,501	\$608,300	-\$96,799
Finance Department	\$96,063	\$93,780	\$2,283
Recreation Department	\$180,038	\$182,669	-\$2,631
Maintenance Department	\$432,309	\$442,986	-\$10,677
Total General Fund	\$1,305,691	\$1,391,561	-\$85,870
<b>Capital Funds</b>			
	2010 Appropriation & Transfers In	Actual Expenditures & Transfers Out	Variance
Sehmel Homestead Fund	\$2,274,587	\$1,631,788	\$642,799
Park Imp. Fund	\$504,795	\$394,050	\$110,745
Wollochet Estuary Fund	\$494,848	\$486,137	\$8,711
Capital Grant Program	\$70,594	\$24,773	\$45,821
Equipment Fund	\$95,826	\$58,340	\$37,486
Land Acquisition Fund	\$3,455	\$3,455	\$0
Harbor Family Park	\$30,433	\$11,108	\$19,325
Dog Park	\$25,382	\$10,750	\$14,632
Hale Pass Park	\$32,223	\$15,256	\$16,967
Rosedale Park	\$42,753	\$14,215	\$28,538
Madrona Golf Course	\$1,069,078	\$1,039,978	\$29,100
Equipment Replacement Fund	\$137,475	\$0	\$137,475
Maplewood	\$163,108		\$163,108
Computer Fund	\$7,000		\$7,000
DeMolay Fox Island Spit	\$107,111	\$102,083	\$5,028
McCormick Forest Parking	\$20,000	\$14,316	\$5,684
Total Capital Fund	\$5,078,668	\$3,806,249	\$1,272,419

See Note 6 Line of Credit

d. Cash

It is the Peninsula Metropolitan Park District's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is prorated to the various funds.





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e. Deposits

The Peninsula Metropolitan Parks District deposits and certificates of deposits are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission.

f. Investments See Note No. 3

g. Capital Assets

Capital assets are long-lived assets of the Peninsula Metropolitan Park District and are recorded as expenditures when purchased.

h. Compensated Absences

Vacation leave may be accumulated up to 240 hours and is payable upon separation or retirement. The total value of accrued vacation hours at the end of fiscal year 2011 is \$25,329.24.

Sick leave may be accumulated up to 960 hours. Upon separation or retirement employees do receive 25% payment for unused sick leave. The total value of accrued sick leave hours for eligible employees is \$0

i. Long-Term Debt See Note No. 6

j. Other Financing Sources Or Uses

The Peninsula Metropolitan Park District's "Other Financing Sources or Uses" consist of transfers in and out between funds.

k. Risk Management

Peninsula Metropolitan Park District is a member of the Enduris (WGEP). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entity to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act.

The Pool was formed July 10, 1987 when two (2) counties and two (2) cities in the State of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. The Pool now insures health districts, port districts, public utility districts, water districts, sewer districts, irrigation districts, reclamation districts, diking districts, drainage districts, flood control districts, fire protection

districts, mosquito control districts, weed districts, conservation districts, library districts, regional mental health support networks, cemetery districts, park & recreation districts, air pollution districts, public development authorities, public facility districts, metropolitan municipal corporations, and other political subdivisions, governmental subdivisions, municipal corporations, and quasi-municipal corporations.

The Pool allows members to jointly purchase excess insurance coverage, share in the self-insured retention, establish a plan for total self-insurance, and provide excellent risk management services and other related services. The Pool provides “occurrence” policies for all lines of liability coverage including Public Official’s Liability. The Property coverage is written on an “all risk” basis, blanket form using current Statement of Values. The Property coverage includes mobile equipment, electronic data processing equipment, valuable papers, building ordinance coverage, property in transit, extra expense, consequential loss, account receivable, fine arts, inventory or appraisal cost, automobile physical damage to insured vehicles. Boiler and machinery coverage is included on a blanket limit of \$100 million for all members. The Pool offers employee dishonesty coverage up to a liability limit of \$500,000.

Members make an annual contribution to fund the Pool. The Pool acquires insurance from unrelated underwriters that are subject to a “per occurrence” \$500,000 deductible on liability loss, \$100,000 deductible on property loss, and \$5,000 deductible on boiler and machinery loss. The member is responsible for the first \$1,000 of the deductible amount of each claim, while the Pool is responsible for the remaining \$499,000 on liability losses, \$99,000 on property loss, \$4,000 on boiler and machinery loss. Insurance carriers cover all losses over the deductibles as shown to the policy maximum limits. Since the Pool is a cooperative program, there is a joint liability among the participating members.

The contract requires members to continue membership for a period of not less than one (1) year and must give notice 60 days before terminating participation. The Intergovernmental Contract is automatically renewed after the initial one (1) full fiscal year commitment. Even after termination, a member is still responsible for contribution to the Pool for any unresolved, unreported and in-process claims for the period they were a signatory to the Intergovernmental Contract.

The Pool is fully funded by its member participants. Claims are filed by members with the Washington Governmental Entity Pool, and are administered in house.

A Board of Directors consisting of seven (7) board members governs the Pool. Its members elect the Board and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for conducting the business affairs of the Pool.

1. Reserve Fund Balance

The current service policy as adopted by the Board of Commissioners is:

Three years of average operational expense that includes current debt payments to a maximum of six months of current operational expense that includes current debt payments excluding capital expenditures.

The current balance in the reserve account is \$518,271. The District estimates to reach the current reserve policy goal of \$822,000 in 2012.

**NOTE 2 – COMPLIANCE AND ACCOUTABILITY**

There have been no material violations of finance-related legal or contractual provisions.

There have been no expenditures exceeding legal appropriations in any of the funds of Peninsula Metropolitan Park District. For the 2010 calendar year the Board of Commissioners authorized the use of \$113,518 of unrestricted reserve funds to supplement the general fund.

**NOTE 3 – INVESTMENTS**

The Peninsula Metropolitan Park District's investments are insured, registered or held by Pierce County or its agent in the Peninsula Metropolitan Park District's name.

All of the Peninsula Metropolitan Park District's investments matured on 12/31/2010 and were reinvested on 1/6/2011.

**NOTE 4 – PROPERTY TAXES**

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

Property tax revenues are recognized when cash is received by the Peninsula Metropolitan Park District. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied. Total delinquent taxes as of 12/31/2010 are \$184,034.78.

The Peninsula Metropolitan Park District's regular levy for the year 2010 was \$.50359730635 per \$1,000 on an assessed valuation of \$6,973,019,823 for a total regular levy of \$3,511,594.00.

**NOTE 5 – INTERFUND LOANS AND ADVANCES**

The following table displays interfund loan activity during 2010:

There were no inter-fund loans during 2010.

**NOTE 6 – LONG-TERM DEBT**

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the Peninsula Metropolitan Park District and summarizes the Peninsula Metropolitan Park District’s debt transactions for 2010

. The debt service requirements, including interest, are as follows:

	General Obligation Bonds	Notes Payable	Miscellaneous Debt	Compensated Absences
2011	\$500,483.76	\$134,600	\$250,000	\$25,329
2012	\$500,768.76	\$1,965,421	\$965,000	\$0
2013	\$500,268.76	\$0	\$0	\$0
2014	\$499,108.76	\$0	\$0	\$0
2015	\$497,268.76	\$0	\$0	\$0
2016	\$499,728.76	\$0	\$0	\$0
2017	\$501,273.76	\$0	\$0	\$0
2018	\$496,873.76	\$0	\$0	\$0
2019	\$496,888.76	\$0	\$0	\$0
2020	\$501,007.50	\$0	\$0	\$0
2021	\$499,200.00	\$0	\$0	\$0
2022	\$500,720.00	\$0	\$0	\$0
2023	\$501,360.00	\$0	\$0	\$0
2024	\$501,120.00	\$0	\$0	\$0
<b>TOTALS</b>	<b>\$6,996,071.34</b>	<b>\$2,100,021</b>	<b>\$1,215,000</b>	<b>\$25,329</b>

Pursuant to Resolution R2005-005 signed by the Board of Commissioners on June 13, 2005 \$6,530,000 of 2005 Limited Tax General Obligation Bonds were issued to pay the cost of acquiring and improving District facilities.

On June 19, 2006 the Peninsula Metropolitan Park District entered into an agreement with the YMCA to provide public access to the new Gig Harbor YMCA and expanded Aquatic Center. The \$250,000 project expense is funded from General Fund revenues. The agreement specifies an annual payment of \$250,000. The last installment payment will be made in 2011.

On October 16, 2006 the Peninsula Metropolitan Park District paid \$19,000 and signed an option to purchase 1.5 acres of property on Wollochet Bay Estuary for \$660,000. The first installment payment shall be due March 30, 2007 in the amount of \$167,000. Additional installments in the amount of \$94,600 shall be paid on March 30<sup>th</sup> of each succeeding year until paid in full. Total interest on this note for 2009 is \$15,702.90, 2010 is \$12,547.02 and total interest for 2011 is \$9,264.90.

On August 26, 2008 the Peninsula Metropolitan Park District formed a partnership with Pierce County for the acquisition of the Tacoma Narrows Airport and the Madrona Links Golf Course. The site is presently owned jointly by Pierce County and PenMet Parks. PenMet Parks has ownership of the Golf Course and the Airport by Pierce County. The \$2,965,000 project cost is funded from General Fund revenues and will be paid in two annual installments as specified in the purchase and sales agreement. One million dollars will be paid to the City of Tacoma by December 31, 2009 and another million dollars will be paid by December 31, 2010. Another \$965,000 will be funded through a line of credit and will be used to extinguish FAA interest in the Madrona Links Golf Course. The line of credit will be funded through General Fund Revenues and will be paid off by the end of 2011.

On May 20, 2010 the Peninsula Metropolitan Park District signed a purchase and sale agreement for the acquisition of the DeMolay Sandspit Property. The District signed a Promissory Note to the Seller in the amount of \$1,900,000. This note shall not accrue interest until January 1, 2012 at which time interest shall begin to accrue at the rate of 4% on any unpaid balance. The District will make annual payments of \$40,000 or more on or before December 31, 2011 and each year thereafter until the note is paid in full. The promissory note shall be paid in full no later than 20 years after closing.

#### **NOTE 7 – PENSION PLANS**

Substantially all of the Peninsula Metropolitan Park District's full-time and part-time employees participate in the Public Employees Retirement System (PERS) administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the Peninsula Metropolitan Park District's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
PO Box 48380  
Olympia, WA 98504-8380

#### **NOTE 8 – OTHER DISCLOSURES**



# Peninsula Metropolitan Park District

3622 Grandview Street, PO Box 425, Gig Harbor, WA 98335  
Office: 253-858-3400 Fax: 253-858-3401  
E-mail: [Info@PenMetParks.org](mailto:Info@PenMetParks.org)

"Today we touch tomorrow"

## MCAG NO. 2865

### NOTES TO FINANCIAL STATEMENTS JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

#### NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

The Peninsula Metropolitan Park District uses the revenue and expenditure classifications contained in the *Budgeting, Accounting and Reporting System* (BARS) manual. The manual is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

The Peninsula Metropolitan Park District was formed by a special election certified on May 28, 2004 and operates under the laws of the State of Washington applicable to metropolitan park districts. The Peninsula Metropolitan Park District is a general purpose government and provides for the management, control, improvement, maintenance and acquisition of parks, and recreational facilities. The Peninsula Metropolitan Park District uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

a. Fund Accounting

The accounts of the Peninsula Metropolitan Park District are organized on the basis of funds, each which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The Peninsula Metropolitan Park District's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following fund types are used by the Peninsula Metropolitan Park District:

#### GOVERNMENTAL FUND TYPES:

##### General Fund

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

##### Special Revenue Funds

These funds account for revenues that are legally restricted or designated to finance particular activities of the Peninsula Metropolitan Park District.



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## Debt Service Funds

These funds account for the accumulation of resources to pay principal, interest and related costs on general long-term debt.

## Capital Projects Funds

These funds account for financial resources which are designated for the acquisition or construction of general government capital projects.

## Permanent Funds

These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.

### b. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year budget appropriations as required by state law.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

### c. Budgets

Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects and permanent funds.

Annual appropriated budgets are adopted at the fund level except the general fund, where budgets are adopted at the department level. The budgets constitute the legal authority for expenditures at that level. Annual appropriations for the general fund lapse at the fiscal period end.

The Executive Director is authorized to transfer budgeted amounts between departments within any fund with the exception of the legislative department; 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 Peninsula Metropolitan Park District's legislative body.

**2009 Budget**

Fund/Department	2009 Final Appropriated Amounts - Without Fund Transfers	Actual Expenditures	Variance
General Fund:			
Legislative Department	\$88,305	\$100,851	-\$12,546
Executive Department	\$527,974	\$509,088	\$18,886
Finance Department	\$95,947	\$93,841	\$2,106
Recreation Department	\$218,175	\$104,396	\$113,779
Maintenance Department	\$377,903	\$265,368	\$112,535
Total General Fund	\$1,308,304	\$1,073,544	\$234,760
Capital Funds	2009 Appropriation	Actual Expenditures	Variance
Sehmel Homestead Fund	\$6,391,646	\$5,421,111	\$970,535
Park Imp. Fund	\$350,848	\$0	\$350,848
Wollochet Estuary Fund	\$171,950	\$163,052	\$8,898
Capital Grant Program	\$81,196	\$10,602	\$70,594
Equipment Fund	\$222,400	\$169,633	\$52,767
Land Acquisition Fund	\$3,455	\$0	\$3,455
Harbor Family Park	\$30,433	\$0	\$30,433
Dog Park	\$25,382	\$0	\$25,382
Hale Pass Park	\$32,626	\$403	\$32,223
Rosedale Park	\$42,192	\$438	\$41,754
Madrona Golf Course	\$2,050,352	\$1,982,126	\$68,226
Equipment Replacement Fund	\$81,475	\$0	\$81,475
Total Capital Fund	\$9,483,955	\$7,747,365	\$1,736,590



d. Cash

It is the Peninsula Metropolitan Park District's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is prorated to the various funds.

e. Deposits

The Peninsula Metropolitan Parks District deposits and certificates of deposits are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission.

f. Investments See Note No. 3

g. Capital Assets

Capital assets are long-lived assets of the Peninsula Metropolitan Park District and are recorded as expenditures when purchased.

h. Compensated Absences

Vacation leave may be accumulated up to 200 hours and is payable upon separation or retirement. The total value of accrued vacation hours at the end of fiscal year 2009 is \$22,598.73.

Sick leave may be accumulated up to 960 hours. Upon separation or retirement employees do receive 25% payment for unused sick leave. The total value of accrued sick leave hours for eligible employees is \$9,790.19.

i. Long-Term Debt See Note No. 6

j. Other Financing Sources Or Uses

The Peninsula Metropolitan Park District's "Other Financing Sources or Uses" consist of transfers in and out between funds.

k. Risk Management

Peninsula Metropolitan Park District is a member of the Washington Governmental Entity Pool (WGEP). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entity to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act.

The Pool was formed July 10, 1987 when two (2) counties and two (2) cities in the State of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. The Pool now insures health districts, port districts, public utility districts, water districts, sewer districts, irrigation districts, reclamation districts, diking districts, drainage districts, flood control districts, fire protection districts, mosquito control districts, weed districts, conservation districts, library districts, regional mental health support networks, cemetery districts, park & recreation districts, air pollution districts, public development authorities, public facility districts, metropolitan municipal corporations, and other political subdivisions, governmental subdivisions, municipal corporations, and quasi-municipal corporations.

The Pool allows members to jointly purchase excess insurance coverage, share in the self-insured retention, establish a plan for total self-insurance, and provide excellent risk management services and other related services. The Pool provides “occurrence” policies for all lines of liability coverage including Public Official’s Liability. The Property coverage is written on an ‘all risk’ basis, blanket form using current Statement of Values. The Property coverage includes mobile equipment, electronic data processing equipment, valuable papers, building ordinance coverage, property in transit, extra expense, consequential loss, account receivable, fine arts, inventory or appraisal cost, automobile physical damage to insured vehicles. Boiler and machinery coverage is included on a blanket limit of \$100 million for all members. The Pool offers employee dishonesty coverage up to a liability limit of \$500,000.

Members make an annual contribution to fund the Pool. The Pool acquires insurance from unrelated underwriters that are subject to a “per occurrence” \$500,000 deductible on liability loss, \$100,000 deductible on property loss, and \$5,000 deductible on boiler and machinery loss. The member is responsible for the first \$1,000 of the deductible amount of each claim, while the Pool is responsible for the remaining \$499,000 on liability losses, \$99,000 on property loss, \$4,000 on boiler and machinery loss. Insurance carriers cover all losses over the deductibles as shown to the policy maximum limits. Since the Pool is a cooperative program, there is a joint liability among the participating members.

The contract requires members to continue membership for a period of not less than one (1) year and must give notice 60 days before terminating participation. The Intergovernmental Contract is automatically renewed after the initial one (1) full fiscal year commitment. Even after termination, a member is still responsible for contribution to the Pool for any unresolved, unreported and in-process claims for the period they were a signatory to the Intergovernmental Contract.

The Pool is fully funded by its member participants. Claims are filed by members with the Washington Governmental Entity Pool, and are administered in house.

A Board of Directors consisting of seven (7) board members governs the Pool. Its members elect the Board and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for conducting the business affairs of the Pool.

1. Reserve Fund Balance

The current service policy as adopted by the Board of Commissioners is:  
Three years of average operational expense that includes current debt payments to a maximum of six months of current operational expense that includes current debt payments excluding capital expenditures.

**NOTE 2 – COMPLIANCE AND ACCOUTABILITY**

There have been no material violations of finance-related legal or contractual provisions.

There have been no expenditures exceeding legal appropriations in any of the funds of Peninsula Metropolitan Park District.

**NOTE 3 – INVESTMENTS**

The Peninsula Metropolitan Park District's investments are insured, registered or held by Pierce County or its agent in the Peninsula Metropolitan Park District's name.

All of the Peninsula Metropolitan Park District's investments matured on 12/31/2009 and were reinvested on 1/4/2010.

**NOTE 4 – PROPERTY TAXES**

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

Property tax revenues are recognized when cash is received by the Peninsula Metropolitan Park District. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied.

The Peninsula Metropolitan Park District's regular levy for the year 2009 was \$.472263022030 per \$1,000 on an assessed valuation of \$7,436,273,509 for a total regular levy of \$3,511,877.00.

**NOTE 5 – INTERFUND LOANS AND ADVANCES**

The following table displays interfund loan activity during 2009:

There were no inter fund loans during 2009.

**NOTE 6 – LONG-TERM DEBT**

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the Peninsula Metropolitan Park District and summarizes the Peninsula Metropolitan Park District’s debt transactions for 2009

. The debt service requirements, including interest, are as follows:

	General Obligation Bonds	Notes Payable	Miscellaneous Debt	Compensated Absences
2010	\$500,003.76	\$194,600	\$250,000	\$32,389
2011	\$500,483.76	\$134,600	\$250,000	\$0
2012	\$500,768.76	\$1,965,421	\$965,000	\$0
2013	\$500,268.76	\$0	\$0	\$0
2014	\$499,108.76	\$0	\$0	\$0
2015	\$497,268.76	\$0	\$0	\$0
2016	\$499,728.76	\$0	\$0	\$0
2017	\$501,273.76	\$0	\$0	\$0
2018	\$496,873.76	\$0	\$0	\$0
2019	\$496,888.76	\$0	\$0	\$0
2020	\$501,007.50	\$0	\$0	\$0
2021	\$499,200.00	\$0	\$0	\$0
2022	\$500,720.00	\$0	\$0	\$0
2023	\$501,360.00	\$0	\$0	\$0
2024	\$501,120.00	\$0	\$0	\$0
<b>TOTALS</b>	<b>\$7,496,075.01</b>	<b>\$2,294,621</b>	<b>\$1,465,000</b>	<b>\$32,389</b>

Pursuant to Resolution R2005-005 signed by the Board of Commissioners on June 13, 2005 \$6,530,000 of 2005 Limited Tax General Obligation Bonds were issued to pay the cost of acquiring and improving District facilities.

In 2006 the Peninsula Metropolitan Park District entered into an agreement with the YMCA to provide public access to the new Gig Harbor YMCA and expanded Aquatic Center. The \$250,000 project expense is funded from General Fund revenues. The agreement specifies an annual payment of \$250,000. The last installment payment will be made in 2011.

In 2006 the Peninsula Metropolitan Park District paid \$19,000 and signed an option to purchase 1.5 acres of property on Wollochet Bay Estuary for \$660,000. The first installment payment shall be due March 30, 2007 in the amount of \$167,000. Additional installments in the amount of \$94,600 shall be paid on March 30<sup>th</sup> of each succeeding year until paid in full.

In 2009 the Peninsula Metropolitan Park District formed a partnership with Pierce County for the acquisition of the Tacoma Narrows Airport and the Madrona Links Golf Course. The site is presently owned jointly by Pierce County and PenMet Parks. Ultimately the project will result in PenMet Parks ownership of the Golf Course and the Airport by Pierce County. The \$2,965,000 project cost is funded from General Fund revenues and will be paid in two annual installments as specified in the purchase and sales agreement. One million dollars will be paid to the City of Tacoma by December 31, 2009 and another million dollars will be paid by December 31, 2010. Another \$965,000 will be funded through a line of credit and will be used to extinguish FAA interest in the Madrona Links Golf Course. The line of credit will be funded through General Fund Revenues over a three-year period.

#### **NOTE 7 – PENSION PLANS**

Substantially all of the Peninsula Metropolitan Park District's full-time and part-time employees participate in the Public Employees Retirement System (PERS) administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the Peninsula Metropolitan Park District's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
PO Box 48380  
Olympia, WA 98504-8380

#### **NOTE 8 – OTHER DISCLOSURES**

##### **RCO #06-1600A – Harbor Family Park**

On September 21, 2007 the Recreation and Conservation Funding Board (RCFB/RCO) of the State of Washington notified PenMet Parks of the successful application in the Washington Wildlife and Recreation Program, Local Parks category, for a \$500,000 grant toward the acquisition of the land for Harbor Family Park, RCO #06-1600A.

The RCO grant program is a reimbursement program which requires that expenditures be made and then the entity, PenMet Parks, would apply for reimbursement.

The sale of the property was closed on October 30, 2007 and the application to the RCO for reimbursement was submitted on November 30, 2007. The reimbursement check was issued by the State on February 19, 2008 and the District is on a cash basis so the grant funding is recognized this fiscal year. Total expenses of \$1,256,201.01 for the purchase of the land was recognized in October of 2007.



# Peninsula Metropolitan Park District

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"Today we touch tomorrow"

## RCO #08-1235A – Wollochet Estuary

On July 9, 2009 the Recreation and Conservation Funding Board (RCFB/RCO) of the State of Washington notified PenMet Parks of the successful application in the Washington Wildlife and Recreation Program, Local Parks category, for a \$369,500 grant toward the acquisition of the land for Wollochet Bay Estuary, RCO #08-1235A.

The RCO grant program is a reimbursement program which requires that expenditures be made and the entity, PenMet Parks, would apply for reimbursement.

The sale of the property was closed on March 19, 2007 and the application to the RCO for reimbursement was submitted on December 30, 2009. The reimbursement check was issued by the State on January 19, 2010, and the District is on a cash basis so the grant funding is recognized next fiscal year. Total expenses of \$440,800 for the purchase of the land have been recognized as of December 31, 2009.

**PENINSULA METROPOLITAN PARK DISTRICT  
SCHEDULE OF LONG TERM DEBT  
For the Year Ended December 31, 2011**

ID No.	Description	Maturity Date	Beginning	Additions	Reductions	BARS Code for Redemption of Debt Only	Ending
251.12	Sehmel Homestead Park LTGO Bonds	12/1/2024	\$5,215,000	\$0	\$290,000	59171	\$4,925,000
263.91	Key Bank Line of Credit LTGO Bond	3/31/2011	\$965,000	\$0	\$0	59171	\$965,000
263.91	Six Year Interagency Agreement Public Use	9/2/2011	\$250,000	\$0	\$250,000	59179	\$0
263.51	Purchase & Sale Agreement Wollochet Bay	9/30/2012	\$190,200	\$0	\$94,600	59177	\$95,600
263.61	Purchase & Sale Agreement DeMolay Property	6/18/2012	\$1,900,000	\$0	\$40,000	59177	\$1,860,000
259.11	Compensated Absences - Vacation/Sick Leave	12/31/2011	\$0	\$39,088	\$0	57610	\$39,088
<b>Total</b>			<b>\$8,520,200</b>	<b>\$39,088</b>	<b>\$674,600</b>		<b>\$7,884,688</b>

**PENINSULA METROPOLITAN PARK DISTRICT**  
**SCHEDULE OF LONG TERM DEBT**  
 For the Year Ended December 31, 2010

G.O. Debt  
 Notes Payable  
 Compensated Absences

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt	Amount Issued in Current Year	BARS Code for Receipt	Receiving Fund Number	Amount Redeemed in Current Year	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/10
251.12	6/12/2005	12/1/2024	\$5,495,000	\$0	391.11.00	301	\$280,000	591.71.00	201	\$5,215,000
263.91	12/21/2009	3/16/2012	\$965,000	\$0	391.11.00	317	\$0	591.71.00	201	\$965,000
263.91	6/19/2006	9/2/2011	\$500,000	\$0	N/A Cash Basis	200	\$250,000	576.20.63	001	\$250,000
263.51	10/16/2006	9/30/2012	\$284,800	\$0	N/A Cash Basis	303	\$94,600	594.76.61	303	\$190,200
263.61	5/20/2010	6/18/2012	\$0	\$2,000,000	N/A Cash Basis	318	\$100,000	594.76.61	318	\$1,900,000
259.11	12/31/2010	12/31/2010	\$0	\$25,329	Vacation/Sick Leave	001	\$0	576.10.00	001	\$25,329
<b>Total</b>			<b>\$7,244,800</b>	<b>\$2,025,329</b>			<b>\$724,600</b>			<b>\$8,545,529</b>



**PENINSULA METROPOLITAN PARK DISTRICT  
SCHEDULE OF LONG TERM DEBT  
For the Year Ended December 31, 2009**

G.O. Debt  
 Notes Payable  
 Compensated Absences

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt	Amount Issued in Current Year	BARS Code for Receipt	Receiving Fund Number	Amount Redeemed in Current Year	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/09
251.12	6/12/2005	12/1/2024	\$5,765,000	\$0	391.11.00	301	\$270,000	591.71.00	201	\$5,495,000
263.91	3/16/2010	3/16/2012	\$0	\$965,000	391.11.00	317	\$0	591.71.00	201	\$965,000
263.91	6/19/2006	9/2/2011	\$750,000	\$0	N/A	001	\$250,000	576.20.63	201	\$500,000
263.51	10/16/2006	9/30/2012	\$379,400	\$0	N/A	303	\$94,600	594.76.61	303	\$284,800
259.11	12/31/2009	12/31/2009	\$0	\$32,389	N/A	001	\$0	576.10.00	001	\$32,389
<b>Total</b>			\$6,894,400	\$997,389			\$614,600			\$7,277,189



# **ABOUT THE STATE AUDITOR'S OFFICE**

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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.

Our mission is to work with our audit clients and citizens as an advocate for government accountability. 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.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

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 and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

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

**State Auditor  
Chief of Staff**

**Troy Kelley  
Doug Cochran**

**Website  
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