



Office of the Washington State Auditor
Pat McCarthy

**Financial Statements and Federal Single Audit
Report**
Okanogan County

For the period January 1, 2016 through December 31, 2016

Published September 25, 2017

Report No. 1019933





Office of the Washington State Auditor
Pat McCarthy

September 25, 2017

Board of Commissioners
Okanogan County
Okanogan, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Okanogan County's financial statements and compliance with federal laws and regulations.

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

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Okanogan County January 1, 2016 through December 31, 2016

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Okanogan County are summarized below in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the County’s financial statements in accordance with its regulatory basis of accounting. Separately, we issued an adverse opinion on the fair presentation of all funds with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared using a basis of accounting other than GAAP.

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the County.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the County’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs:

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>CFDA No.</u>	<u>Program or Cluster Title</u>
20.205	Highway Planning and Construction

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The County did not qualify as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

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

**Okanogan County
January 1, 2016 through December 31, 2016**

Board of Commissioners
Okanogan County
Okanogan, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Okanogan County, Washington, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's financial statements, and have issued our report thereon dated September 18, 2017.

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

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

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

COMPLIANCE AND OTHER MATTERS

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

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

PURPOSE OF THIS REPORT

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

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

A handwritten signature in black ink that reads "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly legible.

Pat McCarthy

State Auditor

Olympia, WA

September 18, 2017

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE**

**Okanogan County
January 1, 2016 through December 31, 2016**

Board of Commissioners
Okanogan County
Okanogan, Washington

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM**

We have audited the compliance of Okanogan County, Washington, with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2016. The County's major federal programs are identified in the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.


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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies

in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

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

Pat McCarthy

State Auditor

Olympia, WA

September 18, 2017

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Okanogan County January 1, 2016 through December 31, 2016

Board of Commissioners
Okanogan County
Okanogan, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Okanogan County, Washington, for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's financial statements, as listed on page 14.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of Okanogan County, for the year ended December 31, 2016, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

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

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Okanogan County, as of December 31, 2016, or the changes in financial position or cash flows for the year then ended, due to the significance of the matter discussed in the above "Basis for Adverse Opinion on U.S. GAAP" paragraph.

Other Matters

Supplementary and Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The accompanying Schedule of Liabilities is also 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.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Pat McCarthy

State Auditor

Olympia, WA

September 18, 2017

FINANCIAL SECTION

Okanogan County January 1, 2016 through December 31, 2016

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2016
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2016
Notes to the Financial Statements – 2016

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2016
Schedule of Expenditures of Federal Awards – 2016
Notes to the Schedule of Expenditures of Federal Awards – 2016

Okanogan County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		Total for All Funds (Memo Only)	001 GENERAL FUND	101 VETERANS RELIEF
Beginning Cash and Investments				
30810	Reserved	23,016,857	3,009	50,529
30880	Unreserved	6,855,956	2,707,081	-
388 / 588	Prior Period Adjustments, Net	1,862	1,427	-
Revenues				
310	Taxes	15,252,378	8,233,559	60,872
320	Licenses and Permits	290,963	272,953	-
330	Intergovernmental Revenues	16,100,692	4,989,655	475
340	Charges for Goods and Services	12,668,474	3,406,769	-
350	Fines and Penalties	961,069	880,192	-
360	Miscellaneous Revenues	1,465,793	731,314	-
Total Revenues:		46,739,369	18,514,443	61,347
Expenditures				
510	General Government	8,922,121	8,544,374	-
520	Public Safety	11,458,526	9,715,485	-
530	Utilities	2,388,001	49	-
540	Transportation	13,522,477	-	-
550	Natural and Economic Environment	2,249,179	663,690	-
560	Social Services	996,689	325,230	72,837
570	Culture and Recreation	432,452	58,266	-
Total Expenditures:		39,969,446	19,307,093	72,837
Excess (Deficiency) Revenues over Expenditures:		6,769,923	(792,652)	(11,490)
Other Increases in Fund Resources				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	613,912	95,000	143
385	Special or Extraordinary Items	-	-	-
386 / 389	Custodial Activities	104,434	136	-
381, 395, 398	Other Resources	15,999	11,586	-
Total Other Increases in Fund Resources:		734,345	106,722	143
Other Decreases in Fund Resources				
594-595	Capital Expenditures	6,829,614	172,954	16,200
591-593, 599	Debt Service	1,125,347	-	-
597	Transfers-Out	613,912	85,346	-
585	Special or Extraordinary Items	-	-	-
586 / 589	Custodial Activities	103,607	-	-
581	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		8,672,481	258,300	16,200
Increase (Decrease) in Cash and Investments:		(1,168,212)	(944,230)	(27,547)
Ending Cash and Investments				
5081000	Reserved	23,287,315	100,229	22,982
5088000	Unreserved	5,419,146	1,667,061	-
Total Ending Cash and Investments		28,706,461	1,767,289	22,982

The accompanying notes are an integral part of this statement.

102 ROAD FUND	103 NOXIOUS WEED CONTROL	104 MENTAL HEALTH	105 DEVELOPMENTS L DISABILITIES	106 COUNTY DRUG CONTROL	107 ALCOHOL/DRUG ABUSE
6,304,388	-	93,455	23,861	23,620	155,255
-	96,595	-	-	-	-
434	-	-	-	-	-
4,444,335	-	80,783	18,209	-	-
18,010	-	-	-	-	-
7,906,748	247,143	632	143	-	5,174
9,983	176,982	-	-	-	-
-	-	-	-	-	-
44,293	254,528	-	-	-	-
12,423,369	678,653	81,416	18,352	-	5,174
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,531,743	-	-	-	-	-
3,900	620,836	-	-	-	-
-	-	60,000	-	-	95,000
-	-	-	-	-	-
9,535,643	620,836	60,000	-	-	95,000
2,887,726	57,817	21,415	18,352	-	(89,826)
-	-	-	-	-	-
60,000	762	-	-	-	39,861
-	-	-	-	-	-
186	-	-	-	-	-
-	-	-	-	-	-
60,186	762	-	-	-	39,861
3,922,181	43,420	-	-	-	-
341,281	-	-	-	-	-
4,644	-	39,861	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,268,106	43,420	39,861	-	-	-
(1,320,194)	15,159	(18,446)	18,352	-	(49,965)
4,984,627	-	75,010	42,212	23,620	105,290
-	111,754	-	-	-	-
4,984,627	111,754	75,010	42,212	23,620	105,290

108 LAW LIBRARY	109 JAIL COMMISSARY	110 TREASURER'S O & M	111 PROBATION SERVICES	112 COUNTY FAIR	113 BECCA BILL IMPACT FUND
15,773	-	100,133	20,832	-	22,185
-	128,131	-	-	3,085	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	36,275	58,122
10,390	23,437	-	168,801	102,994	-
-	-	75,819	-	-	-
-	60,154	-	-	31,887	-
<u>10,390</u>	<u>83,592</u>	<u>75,819</u>	<u>168,801</u>	<u>171,156</u>	<u>58,122</u>
-	-	67,255	-	-	-
-	57,737	-	137,366	-	50,647
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
12,942	-	-	-	120,652	-
<u>12,942</u>	<u>57,737</u>	<u>67,255</u>	<u>137,366</u>	<u>120,652</u>	<u>50,647</u>
<u>(2,552)</u>	<u>25,854</u>	<u>8,564</u>	<u>31,435</u>	<u>50,504</u>	<u>7,475</u>
-	-	-	-	-	-
-	-	-	-	-	220
-	-	-	-	-	-
-	-	-	-	103,607	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,607</u>	<u>220</u>
-	34,724	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>34,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(2,552)</u>	<u>(8,870)</u>	<u>8,564</u>	<u>31,435</u>	<u>154,111</u>	<u>7,695</u>
13,221	-	108,697	52,267	-	29,880
-	119,262	-	-	157,197	-
<u>13,221</u>	<u>119,262</u>	<u>108,697</u>	<u>52,267</u>	<u>157,197</u>	<u>29,880</u>

114 PATH & TRAILS	117 OK CO INFRASTRUCTUR E FUND	119 PEST CONTROL	120 TSC-911 COMMUNICATIO NS	121 EMERGENCY SERVICES	124 SHERIFF'S SPECIAL PROJECTS
77,535	845,992	-	409,170	-	-
-	-	160,315	-	73,885	107,534
-	-	-	-	-	-
-	583,179	-	364,907	-	-
-	-	-	-	-	-
17,159	-	356	1,762,629	412,385	5,948
-	-	1,263	16,958	49,884	-
-	-	-	-	-	-
97	2,301	71,884	245	-	13,998
17,256	585,480	73,504	2,144,740	462,268	19,946
-	-	-	-	-	-
-	-	-	702,544	500,172	25,705
-	-	-	-	-	-
-	-	-	-	-	-
-	108,333	74,069	-	-	-
-	-	-	-	-	-
-	40,000	-	-	-	-
-	148,333	74,069	702,544	500,172	25,705
17,256	437,147	(566)	1,442,195	(37,903)	(5,759)
-	-	-	-	-	-
-	-	168	674	76,778	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	168	674	76,778	-
-	-	-	1,323,040	-	-
-	230,938	-	-	-	-
60,000	209,721	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
60,000	440,659	-	1,323,040	-	-
(42,744)	(3,512)	(398)	119,829	38,875	(5,759)
34,791	842,480	-	529,001	-	-
-	-	159,917	-	112,759	101,776
34,791	842,480	159,917	529,001	112,759	101,776

125 OKANOGAN CO. PARKS & RECREATION	126 STADIUM/TOURIS M FUND	127 FACILITIES	129 CRIME VICTIMS' COMPENSATION	132 DRUG TASK FORCE	134 CAPITALIMPROV EMENT TAX FUND
-	299,806	-	5,066	587,006	375,424
63,703	-	436,035	-	-	-
-	-	-	-	-	-
-	431,664	30,000	-	-	360,184
-	-	-	-	-	-
56,776	-	-	55,239	104,406	35,824
-	-	-	26,572	30,000	-
-	-	-	2,306	2,751	-
118	-	47,181	-	14,758	1,322
<u>56,894</u>	<u>431,664</u>	<u>77,181</u>	<u>84,117</u>	<u>151,916</u>	<u>397,330</u>
-	-	-	83,253	-	-
-	-	-	-	131,563	-
-	-	-	-	-	-
-	-	-	-	-	-
-	413,004	-	-	-	-
-	-	-	-	-	-
49,986	-	150,606	-	-	-
<u>49,986</u>	<u>413,004</u>	<u>150,606</u>	<u>83,253</u>	<u>131,563</u>	<u>-</u>
6,908	18,660	(73,425)	864	20,352	397,330
-	-	-	-	-	-
-	-	-	-	6,125	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,413	-	-	-
<u>-</u>	<u>-</u>	<u>4,413</u>	<u>-</u>	<u>6,125</u>	<u>-</u>
-	-	8,069	-	31,190	-
-	-	29,165	-	-	214,613
-	-	-	-	-	95,000
-	-	-	-	-	-
-	-	103,607	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>140,842</u>	<u>-</u>	<u>31,190</u>	<u>309,613</u>
6,908	18,660	(209,854)	864	(4,713)	87,717
-	318,466	-	5,930	582,294	463,141
70,611	-	226,182	-	-	-
<u>70,611</u>	<u>318,466</u>	<u>226,182</u>	<u>5,930</u>	<u>582,294</u>	<u>463,141</u>

137 TITLE III PROJECTS	141 AFFORDABLE HOUSING FUND	142 COUNTY HOMELESS	143 THERAPEUTIC COURT FUND	144 REET/REVALV	195 TRIAL COURT IMPROVEMENT
150,002	9,257	268,417	343,886	145,630	132,456
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	644,685	-	-
-	-	-	-	-	-
71,477	-	-	-	16,907	36,272
-	39,427	193,681	838	-	7,365
-	-	-	-	-	-
234	-	-	-	-	-
<u>71,711</u>	<u>39,427</u>	<u>193,681</u>	<u>645,523</u>	<u>16,907</u>	<u>43,637</u>
-	-	-	103,781	5,807	32,915
65,191	-	-	72,116	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	38,486	326,861	-	-	-
-	-	-	443,622	-	-
-	-	-	-	-	-
<u>65,191</u>	<u>38,486</u>	<u>326,861</u>	<u>619,519</u>	<u>5,807</u>	<u>32,915</u>
<u>6,519</u>	<u>941</u>	<u>(133,180)</u>	<u>26,004</u>	<u>11,100</u>	<u>10,722</u>
-	-	-	-	-	-
-	-	-	314	-	162
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>314</u>	<u>-</u>	<u>162</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,519</u>	<u>941</u>	<u>(133,180)</u>	<u>26,318</u>	<u>11,100</u>	<u>10,884</u>
156,522	10,197	135,237	370,204	156,730	143,340
-	-	-	-	-	-
<u>156,522</u>	<u>10,197</u>	<u>135,237</u>	<u>370,204</u>	<u>156,730</u>	<u>143,340</u>

402 LIBERTY WOODLANDS SEWER SYSTEM	405 SOLID WASTE ENTERPRISE	406 MAZAMA WQPS	407 CONCONULLY SEWER ENTERPRISE	408 EDELWEISS SEWER SYSTEM	410 EASTLAKE UTILITY CONSTRUCTION
95,414	9,210,120	171,108	58,808	51,495	7,903
-	3,079,590	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	147,386	-	-	-	83,125
17,592	2,768,824	-	106,921	14,695	11,150
-	-	-	-	-	-
221	83,057	477	397	119	8
<u>17,813</u>	<u>2,999,268</u>	<u>477</u>	<u>107,318</u>	<u>14,813</u>	<u>94,283</u>
-	-	-	-	-	-
-	-	-	-	-	-
6,358	2,312,155	262	64,470	4,707	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,358</u>	<u>2,312,155</u>	<u>262</u>	<u>64,470</u>	<u>4,707</u>	<u>-</u>
<u>11,455</u>	<u>687,112</u>	<u>215</u>	<u>42,848</u>	<u>10,107</u>	<u>94,283</u>
-	-	-	-	-	-
-	-	-	-	-	214,366
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,366</u>
-	105,067	-	-	-	-
-	-	-	-	-	309,350
-	119,340	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>224,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>309,350</u>
<u>11,455</u>	<u>462,705</u>	<u>215</u>	<u>42,848</u>	<u>10,107</u>	<u>(701)</u>
106,869	10,059,788	171,323	101,656	61,602	7,202
-	2,692,627	-	-	-	-
<u>106,869</u>	<u>12,752,415</u>	<u>171,323</u>	<u>101,656</u>	<u>61,602</u>	<u>7,202</u>

501 EQUIPMENT RENTAL & REVOLVING FUND	504 M.A.R.C FUND	710 BERG TRUST FUND
2,415,897	279,751	263,674
-	-	-
-	-	-
-	-	-
-	-	-
-	50,436	-
5,449,051	34,896	-
-	-	-
106,441	-	761
<u>5,555,491</u>	<u>85,332</u>	<u>761</u>
-	84,737	-
-	-	-
-	-	-
3,990,734	-	-
-	-	-
-	-	-
-	-	-
<u>3,990,734</u>	<u>84,737</u>	<u>-</u>
<u>1,564,758</u>	<u>595</u>	<u>761</u>
-	-	-
119,340	-	-
-	-	-
504	-	-
-	-	-
<u>119,844</u>	<u>-</u>	<u>-</u>
1,172,769	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>1,172,769</u>	<u>-</u>	<u>-</u>
511,833	595	761
2,927,729	280,346	264,435
-	-	-
<u>2,927,729</u>	<u>280,346</u>	<u>264,435</u>

Okanogan County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		Total for All Funds (Memo Only)	600 OUTSIDE TRUST ACCOUNTS	621 LUMBERING TRUST FUND	622 TREASURER TAX/SALE TRUST
308	Beginning Cash and Investments	898,660	218,393	117,658	411,355
388 & 588	Prior Period Adjustments, Net	-	-	-	-
310-360	Revenues	151,881	-	339	151,542
380-390	Other Increases and Financing Sources	7,304,966	1,798,121	-	-
510-570	Expenditures	-	-	-	-
580-590	Other Decreases and Financing Uses	7,322,091	1,826,581	-	-
	Net Increase (Decrease) in Cash and Investments:	134,756	(28,460)	339	151,542
508	Ending Cash and Investments	1,033,416	189,933	117,997	562,897

		623 FOREST EXCISE TAX SUSPENSE	630 AGENCY FUNDS
308	Beginning Cash and Investments	32,257	118,997
388 & 588	Prior Period Adjustments, Net	-	-
310-360	Revenues	-	-
380-390	Other Increases and Financing Sources	6,970	5,499,876
510-570	Expenditures	-	-
580-590	Other Decreases and Financing Uses	-	5,495,510
	Net Increase (Decrease) in Cash and Investments:	6,970	4,366
508	Ending Cash and Investments	39,227	123,362

The accompanying notes are an integral part of this statement.

Okanogan County
Notes to the Financial Statements
For the year ended December 31, 2016

Note 1 - Summary of Significant Accounting Policies

Okanogan County was incorporated on February 22, 1888 and operates under the laws of the state of Washington applicable to a fourth class county with a commissioner form of government. Okanogan County is a general purpose local government and provides the community, along with its component units (cemetery, flood control, irrigation, water, hospital, school districts, cities/towns), public safety, fire prevention, health and social services, street improvement, parks and recreation, weed and pest controls, and general administrative services. In addition, the County, at this time, owns and operates various sewer systems.

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

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

A. Fund Accounting

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

GOVERNMENTAL FUND TYPES:

General Fund

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

Special Revenue Funds

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

Debt Service Funds

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs on general long-term debt.

Capital Projects Funds

These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

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.

PROPRIETARY FUND TYPES:

Enterprise Funds

These funds account for operations that provide goods or services to the general public and are supported primarily through user charges.

Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the government on a cost reimbursement basis.

FIDUCIARY FUND TYPES:

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

Private-Purpose Trust Funds

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

Agency Funds

These funds are used to account assets that the government holds on behalf of others in a custodial capacity.

B. Basis of Accounting and Measurement Focus

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

C. Budgets

Okanogan County adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund level except the general (current expense) fund, where budget is adopted at the department level). The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

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

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

Fund/Department	Final Appropriated	Actual Expenditures	Variance
<u>General Fund:</u>			
001. Advanced Expenditures	\$12,050	(\$2,002.17)	\$14,052.17
002. County Agent	\$86,107	\$56,658.40	\$29,448.60
003. County Assessor	\$918,524	\$881,933.09	\$36,590.91
004. County Auditor	\$520,440	\$497,819.50	\$22,620.50
005. Planning	\$693,538	\$663,852.00	\$29,686.00
006. County Clerk	\$539,547	\$514,973.76	\$24,573.24
007. County Commissioners	\$562,700	\$520,238.50	\$42,461.50
008. County Coroner	\$107,975	\$85,106.02	\$22,868.98
009. Courthouse Maintenance	\$505,588	\$467,050.01	\$38,537.99
010. Disability Board	\$500	\$118.80	\$381.20
011. District Court	\$797,748	\$762,989.46	\$34,758.54
012. Equalization Board	\$2,160	\$1,585.39	\$574.61
013. County Jail	\$3,818,383	\$3,671,940.11	\$146,442.89
014. County Juvenile	\$1,644,695	\$1,517,276.80	\$127,418.20
015. Non-Departmental	\$4,183,489	\$2,831,266.30	\$1,352,222.70
016. County Prosecutor	\$1,329,106	\$1,300,672.02	\$28,433.98
017. County Sheriff	\$3,857,828	\$3,597,227.85	\$260,600.15
019. State Examiner	\$74,650	\$67,271.93	\$7,378.07
020. Superior Court	\$614,734	\$589,658.04	\$25,075.96
021. County Treasurer	\$494,152	\$482,940.49	\$11,211.51
022. Civil Service Commission	\$6,000	\$5,896.09	\$103.91
023. Building	\$310,850	\$305,803.49	\$5,046.51
024. Communications	\$713,188	\$707,796.27	\$5,391.73
026. Central Services	\$249,880	\$248,296.30	\$1,583.70
027. Elections	\$261,954	\$248,441.46	\$13,512.54
Total General Fund	\$22,305,786	\$20,024,809.91	\$2,280,976.09

Fund/Department	Final Appropriated	Actual Expenditures	Variance
<u>Miscellaneous Funds:</u>			
101. Veteran's Fund	\$106,606	\$89,037.07	\$17,568.93
102. Road Fund	\$15,792,406	\$13,799,274.18	\$1,993,131.82
103. Noxious Weed	\$985,219	\$664,256.06	\$320,962.94
104. Mental Health	\$145,000	\$99,860.74	\$45,139.26
105. Developmental Disabilities	\$60,000	\$0.00	\$60,000.00
106. County Drug Control	\$40,000	\$0.00	\$40,000.00
107. Alcohol/Drug Control	\$100,000	\$95,000.00	\$5,000.00
108. Law Library	\$14,000	\$12,942.17	\$1,057.83
109. Jail Commissary	\$72,604	\$92,461.23	(\$19,857.23)
110. Treasurer's O & M	\$87,537	\$67,255.29	\$20,281.71
111. Probation Services	\$142,280	\$137,365.91	\$4,914.09
112. County Fair	\$151,801	\$120,651.72	\$31,149.28
113. Becca Bill	\$54,667	\$50,646.73	\$4,020.27
114. Paths and Trails	\$60,000	\$60,000.00	\$0.00
116. Flood Control	\$2,550	\$3,900.04	(\$1,350.04)
117. Infrastructure	\$717,200	\$588,992.05	\$128,207.95
119. Pest Control	\$107,990	\$74,069.20	\$33,920.80
120. TSC-911 Communications	\$3,155,729	\$2,025,583.71	\$1,130,145.29
121. Emergency Services	\$520,605	\$500,172.13	\$20,432.87
122. Sewer & Water	\$500	\$141.20	\$358.80
123. Solid Waste Closure	\$82,543	\$11,905.41	\$70,637.59
124. Sheriff's Special Projects	\$137,100	\$25,704.78	\$111,395.22
125. Park & Rec-Snowmobile	\$35,440	\$49,986.32	(\$14,546.32)
126. Stadium Tourism	\$534,350	\$413,003.51	\$121,346.49
127. Facilities	\$418,533	\$291,447.60	\$127,085.40
129. Crime Victims' Comp.	\$90,765	\$83,253.20	\$7,511.80
130. WSU Publication/Mtg.	\$1,633	\$1,444.79	\$188.21
132. Drug Task Force	\$347,078	\$162,752.93	\$184,325.07
134. Capital Improvement Tax	\$339,100	\$309,613.28	\$29,486.72
136. Medical Ins. Reserve	\$306,040	\$306,039.39	\$0.61
137. Title III Projects	\$150,000	\$65,191.35	\$84,808.65
141. Affordable Housing	\$45,000	\$38,486.40	\$6,513.60
142. County Homeless	\$347,500	\$326,860.99	\$20,639.01
143. Therapeutic Court Fund	\$694,624	\$619,519.00	\$75,105.00
144. REET/REVALV	\$20,000	\$5,806.95	\$14,193.05

Fund/Department	Final Appropriated	Actual Expenditures	Variance
195. Trial Court Improvement	\$55,467	\$32,914.84	\$22,552.16
196. Equipment Reserve Fund	\$82,000	\$78,771.99	\$3,228.01
197. Vehicle Reserve fund	\$74,616	\$82,642.00	(\$8,026.00)
198. Current Expense Reserve	\$500,000	\$500,000.00	\$0.00
402. Liberty Woodlands Sewer	\$21,225	\$6,358.24	\$14,866.76
405. Solid Waste Enterprise	\$3,802,785	\$3,360,848.96	\$441,936.04
406. Mazama Water Quality	\$3,669	\$261.76	\$3,407.24
407. Conconully Lakes Sewer	\$86,490	\$64,470.31	\$22,019.69
408. Edelweiss Sewer System	\$24,480	\$4,706.91	\$19,773.09
410. Eastlake Utility Construct.	\$309,351	\$309,349.74	\$1.26
501. ER&R	\$5,639,647	\$5,163,503.42	\$476,143.58
503 (199) Elections Equipment Reserve	\$20	\$20.00	\$0.00
504. M.A.R.C.	\$119,593	\$84,736.94	\$34,856.06
Total Miscellaneous Funds	\$36,585,743	\$30,881,210	\$5,704,533

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

D. Cash and Investments

See Note 3, *Deposits and Investments*.

E. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5000 and an estimated useful life in excess of 1 year. Capital assets and inventory are recorded as capital expenditures when purchased.

F. Compensated Absences

Vacation leave may be accumulated up to 30 days and is payable upon separation or retirement. Sick leave may be accumulated 960 hours. Upon separation (except for cause) or retirement employees do receive payment for unused sick leave for 25% of all sick leave hours over 700 hours accrued. Payments are recognized as expenditures when paid.

G. Long-Term Debt

See Note 4, *Debt Service Requirements*.

H. Other Financing Sources or Uses

Okanogan County's *Other Financing Sources or Uses* consist of:

- Sale of Capital Assets
- Interest and other Debt Service Costs
- Capital Expenditures
- Insurance Recoveries

I. Risk Management

Okanogan County is a member of the Washington Counties Risk Pool ("Pool"). The Washington Counties Risk Pool ("WCRP" or "Pool"), "Created by Counties for Counties" in August 1988, is an association of member counties independent of all other associations of which the counties are members. Its foundational agreement authorized the Pool's creation pursuant to Chapters 48.62 and 39.34 Revised Code of Washington ("RCW") "to provide member counties programs of joint self-insurance, joint purchasing of insurance, and joint contracting for or hiring of personnel to provide risk management, claims handling, and administrative services."

The WCRP is not an "insurer" (RCW 48.01.050) or an insurance company and is not subject to the special laws and rules that govern insurers and insurance companies. Washington's pools operate under the State's "pooling" laws and regulations, specifically RCW 48.62 and Washington Administrative Code ("WAC") 200-100. Pools are risk-sharing entities that must first be approved by and are thereafter overseen by and report to the State Risk Manager. They are not regulated by the Office of the Insurance Commissioner. As public entities, pools are subject to annual audits by the State Auditor's Office.

The Pool is governed by a board of directors consisting of one director (and at least one alternate director) from each member county that represent their county and are appointed by their county's legislative authority. The Board of Directors, which includes both elected and appointed officials, meets at least three times each year with the Pool's Annual Meeting being held each summer. The Board's responsibilities include: a) determining the risk-sharing extent of the 3rd-party self-insured liability coverage by approving the insuring document (coverage form), b) selecting the reinsurance(s) to acquire and the excess insurance(s) to jointly-purchase or offer for "member option" purchase, c) approving the Pool's annual operating budget(s) and work program(s), and d) approving the members' deposit assessments and, when necessary, reassessments.

Regular oversight of the Pool's operations is furnished by an 11-person executive committee. The committeepersons are elected by the Pool's board of directors from its membership to staggered 3-year terms. The committee meets several times throughout the year to approve all Pool disbursements and examine the Pool's financial health; to approve any case settlement exceeding the member's deductible by at least \$50,000, and to review all claims with incurred loss estimates exceeding \$100,000; to evaluate the Executive Director and the Pool's operations and program deliverables; and to participate in the board's standing committees (finance, personnel, risk management, and underwriting) for development or review/revision of the organization's policies and coverage documents.

The Department of Enterprise Services, through the Risk Management Division, administers the Local Government Self-Insurance Program (LGSi). The program provides approval and oversight of joint self-insured local government property/liability programs under the provisions of Chapter

48.62 RCW and WAC 200-100. The most recently published examination reports are available for viewing at: <http://www.des.wa.gov/services/Risk/Self-Insurance/Pages/poolReports.aspx>

The Pool is a cooperative program with joint liability amongst its participating members. Contingent liabilities occur when assets are not sufficient to cover liabilities. Deficits of the Pool resulting from any fiscal year are financed by reassessments (aka retroactive assessments) placed upon the deficient year's membership in proportion with the deposit assessments initially levied and collected.

The county budgets an amount annually to cover the self-insured portion of claims and adjusting expenses. No reserve funds are maintained for this purpose, and no accruals are made for estimated settlement values for open litigation. Insurance premiums are paid by each fund having separate insurable interests; most claims not covered by insurance are paid by the Current Expense Fund out of the Non-Departmental budget.

For more information on the Washington Counties Risk Pool including financial information, please visit <https://www.wcrp.info/>

J. Reserved Portion of Ending Cash and Investments

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

Reservations of Ending Cash and Investments consist of:

Fund #	Fund Name	Amount	Purpose of Reserved Funds
001	General Fund	\$ 100,228.52	For boating safety (RCW 88.02.650) and capital improvement project in jail (funds provided by RCW 82.46) Unspent specialized grant funds - internal committed (resolution 82-97)
101	Veteran's Relief	\$ 22,982.00	For the relief of indigent veterans, their families, and the families of deceased indigent veterans (RCW 73.08)
102	Road Fund	\$ 4,984,627.00	For the construction, alteration, repair, improvement, or maintenance of county roads (RCW 36.82)
104	Mental Health	\$ 75,010.00	To provide or coordinate mental health community services (RCW 71.20)
105	Developmental Disabilities	\$ 42,212.00	To provide or coordinate community services for persons with developmental disabilities (RCW 71.20)
106	County Drug Control	\$ 23,620.00	Law enforcement drug control efforts/services (RCW 66.08)
107	Alcohol/Drug Abuse	\$ 105,290.00	Alcohol and/or drug abuse services (RCW 84.56)
108	Law Library	\$ 13,221.00	Law library services for the public (RCW 27.24)
110	Treasurer's O & M	\$ 108,697.00	Treasurer operations and maintenance fund (RCW 84.56)
111	Probation Services	\$ 52,267.00	Probation services (RCW 10.64)
113	BECCA Bill Impact Fund	\$ 29,880.00	Services provided under the family reconciliation act (truancy programs) (RCW 13.32A)
114	Path & Trails	\$ 34,791.00	Constructing, maintaining and improving of county bicycle paths, lanes, routes, etc. (RCW 36.82)

117	OK CO Infrastructure Fund	\$	842,480.00	Financing of public facilities serving economic development in rural counties (RCW 82.14.370)
120	TSC-911 Communications	\$	529,001.00	911 emergency communications services (RCW 82.14B)
126	Stadium/Tourism Fund	\$	318,466.00	Tourism and agricultural promotion (RCW 67.28)
129	Crime Victims' Compensation	\$	5,930.00	Comprehensive services to victims and witnesses of all types of crime (RCW 7.68)
132	Drug Task Force	\$	582,294.00	Expansion and improvement of controlled substances related law enforcement activity (RCW 69.50)
134	Capital Improvement Tax	\$	463,141.00	Preserve, prevent the decline of, or extend the useful life of a capital project (RCW 82.46)
137	Title III Projects	\$	156,522.00	For activities under the Firewise Communities Program (Title 16USC Section 500)
141	Affordable Housing Fund	\$	10,197.00	Housing activities that serve extremely low and very low-income households in the county (RCW 36.22)
142	County Homeless	\$	135,237.00	Operating costs for emergency shelters and licensed overnight youth shelters (RCW 36.22)
143	Therapeutic Court Fund	\$	370,204.00	For the operation or delivery of chemical dependency, mental health and therapeutic court programs/services (RCW 82.14)
144	REET/REVALV	\$	156,730.00	Maintenance and operation of an annual revaluation system for property tax valuation and excise tax affidavits (RCW 82.45)
195	Trial Court Improvement	\$	143,340.00	Fund improvements to superior and district court staffing, programs, facilities, or services (RCW 3.58)
402	Liberty Woodlands Sewer System	\$	106,869.00	Sewer enterprise fund (RCW 36.94)
405	Solid Waste Enterprise	\$	10,059,788.00	For the operation, closure, post-closure, financial and monitoring requirements for waste facilities (173-303 WAC)
406	Mazama WQPS	\$	171,323.00	Sewer enterprise fund (RCW 36.94)
407	Conconully Sewer	\$	101,656.00	Sewer enterprise fund (RCW 36.94)
408	Edelweiss Sewer System	\$	61,602.00	Sewer enterprise fund (RCW 36.94)
410	Eastlake Utility Construction	\$	7,202.00	Utility enterprise fund (RCW 36.94)
501	Equipment Rental & Revolving Fund	\$	2,927,729.00	For the purchase, maintenance, and repair of county road department equipment (RCW 36.33A)
504	M.A.R.C. Fund	\$	280,346.00	For ongoing preservation of historical documents of all county offices and departments (RCW 36.22)

Note 2 - Property Tax

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

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

Okanogan County's regular levy for the year 2016 was 1.361877 per \$1,000 on an assessed valuation of \$3,916,185,339 for a total regular levy of \$5,333,363.

Okanogan County is also authorized to levy \$2.25 per \$1,000 of assessed valuation in unincorporated areas for road construction and maintenance. This levy is subject to the same limitations as the levy for general government services. The Okanogan County's road levy for 2016 was 1.523524 per \$1,000 on an assessed valuation of \$2,884,014,293 total road levy of \$4,393,866.

Note 3 – Deposits and Investments

It is Okanogan County's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

All deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation and the Washington Public Deposit Protection Commission. All investments are insured, registered or held by the county or its agent in Okanogan County's name.

Investments are reported at original cost. Investments by type at December 31, 2016 are as follows:

<u>Type of Investment</u>	<u>Okanogan County's own investments</u>	Investments held by Okanogan County as an agent for other local governments, individuals or <u>private organizations</u>	<u>Total</u>
U.S. Government Securities/Money Market		65,644,212.50	65,644,212.50
L.G.I.P./State Pool	1,011,672.59		1,011,672.59
Time Value Investment	1,000,000.00		1,000,000.00
Hospital Dist #1 Registered Warrants		395,945.70	395,945.70
Hospital Dist #3 Registered Warrants		0.00	0.00
Hospital Dist #4 Registered Warrants		0.00	0.00
County Residual		2,155,787.50	2,155,787.50
Washington Federal Bank	11,017,667.88		11,017,667.88
Total	13,029,340.47	68,195,945.70	81,225,286.17

Note 4 – Debt Service Requirements

Debt Service

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of Okanogan County and summarizes the county's debt transactions for year ended December 31, 2016.

The debt service requirements for general obligation bonds, revenue bonds are as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2017	641,396.35	146,170.99	787,567.34
2018	506,396.35	132,589.83	638,986.18
2019	516,396.35	123,598.66	639,995.01
2020	526,396.35	112,357.49	638,753.84
2021	536,396.35	100,816.32	637,212.67
2022-2026	1,977,862.48	332,793.18	2,310,655.66
2027-2031	1,406,683.57	173,465.94	1,580,149.51
2032-2036	1,226,683.58	43,381.77	1,270,065.35
TOTAL	7,338,211.38	1,165,174.18	8,503,385.56

Note 5 – Pension Plans

A. State Sponsored Pension Plans

Substantially all Okanogan County's full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans: Public Employees' Retirement System (PERS), Public Safety Employees' Retirement System (PSERS) and the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF).

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

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

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

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

At June 30, 2016 (the measurement date of the plans), Okanogan County's proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

	Allocation %	Liability (Asset)
PERS 1	.008245 %	\$ 442,795
PERS 1 UAAL	.104631 %	\$ 5,619,178
PERS 2/3	.124561 %	\$ 6,271,548
PSERS 2	.272412 %	\$ 115,770
LEOFF Plan 1	.007425%	(\$76,499)
LEOFF Plan 2	.076649%	(\$445,814)

LEOFF Plan 1

Okanogan County also participates in LEOFF Plan 1. The LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.

LEOFF Plan 2

Okanogan County also participates in the LEOFF Plan 2. The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute.

Note 6 - Other Disclosures

A. Accounting and Reporting Changes

1. The funds that are combined (otherwise known as 'roll up') per BARS manual instructions into other funds are as follows:

General Fund #001 includes:

- #130 – WSU Extension Office Fund
- #135 – DSHS Timber Pass Through Fund
- #136 – Medical Insurance Reserve Fund
- #196 – Equipment Reserve Fund
- #197 - Vehicle Reserve Fund
- #198 – Current Expense Reserve Fund
- #199 – Elections Equipment Reserve Fund

Road Fund #102 includes:

- #116 – County Flood Control Fund
- #122 – Sewer and Water Fund

Solid Waste Fund #405 includes:

- #123 – Solid Waste Closure Reserve Fund

2. The County combined (rolled – up) funds as noted in section 1 above, necessitate the elimination of transfers in and out between combined funds in order to properly report revenue and expenditures. Because the net value of these transactions is zero, the elimination of these transactions has no material impact to the financial statements. The following transfer entries were eliminated from the financial statements:

General Fund Transfer Eliminations

Fund #	Transfer In	Fund #	Transfer Out
198-General Reserve	\$500,000.00	001 – General	\$500,000.00
001 – General	\$296,699.00	136-Medical Reserve	\$296,699.00
001 – General	\$28,522.00	197-Vehicle Reserve	\$28,522.00
196-Equipment Reserve	\$55,000.00	001 – General	\$55,000.00
196-Equipment Reserve	\$10,000.00	001 – General	\$10,000.00
001 – General	\$500,000.00	198-General Reserve	\$500,000.00
197-Vehicle Reserve	\$27,000.00	001 – General	\$27,000.00
197-Vehicle Reserve	\$11,094.00	001 – General	\$11,094.00
	\$1,428,315.00		\$1,428,315.00

Solid Waste Transfer Eliminations

Fund #	Transfer In	Fund #	Transfer Out
123-Solid Waste Closure Reserve	\$16,000.00	405-Solid Waste	\$16,000.00
123-Solid Waste Closure Reserve	\$16,000.00	405-Solid Waste	\$16,000.00
123-Solid Waste Closure Reserve	\$322,000.00	405-Solid Waste	\$322,000.00
123-Solid Waste Closure Reserve	\$110,000.00	405-Solid Waste	\$110,000.00
123-Solid Waste Closure Reserve	\$322,000.00	405-Solid Waste	\$322,000.00
123-Solid Waste Closure Reserve	\$50,000.00	405-Solid Waste	\$50,000.00
123-Solid Waste Closure Reserve	\$192.25	405-Solid Waste	\$192.25
	\$836,192.25		\$836,192.25

GO Bond Fund (#201) Transfer Eliminations

Fund #	Transfer In	Fund #	Transfer Out
201	\$341,281.25	102 - Road Fund	\$341,281.25
201	\$230,937.50	117- Infrastructure Fund	\$230,937.50
201	\$214,613.28	134-Capital Improvements	\$214,613.28
201	\$29,165.48	127-Facilities	\$29,165.48
	\$815,997.51		\$815,997.51

3. The County utilizes a debt service fund (#201). This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. However, in order to properly report the debt service transactions, the transfer transactions (see item #4) have been eliminated and expenditure transactions have been indicated in each appropriate fund on the financial statements. The expenditure transactions are as follows:

<u>Fund#</u>	<u>BARS code</u>		<u>Amount</u>
102 - Road	5919570	\$	335,000.00
102 - Road	5929580	\$	6,281.25
117 - Infrastructure	5919570	\$	207,968.75
117 - Infrastructure	5929580	\$	22,968.75
127 - Facilities	5911870	\$	28,252.24
127 - Facilities	5921880	\$	913.24
134 – Capital Improvements	5911870	\$	152,661.00
134 – Capital Improvements	5921880	\$	61,952.28
			<u>\$ 815,997.51</u>

B. Extraordinary Events

Okanogan County suffered record setting widespread wildfires during 2014 and 2015 causing extensive damage throughout the county. Property tax refunds have been and continue to be processed for citizens who have been impacted by these fires. As of the date of the completion of this report, the following property tax refund amounts have been processed per the County's Treasurer's office:

Processed in 2015:

Carlton Complex Fire - \$89,910.71 in property tax refunds
Okanogan Complex Fire - \$32,840.68 in property tax refunds

Processed in 2016:

Carlton Complex Fire - \$804.15 in property tax refunds
Okanogan Complex Fire - \$22,456.85 in property tax refunds

**Okanogan County
Schedule of Liabilities
For the Year Ended December 31, 2016**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	Refinancing 1998 LTGO Bond	12/1/2017	265,000	-	130,000	135,000
251.11	Advance Refunding 2003 LTGO	12/1/2023	1,690,000	-	185,000	1,505,000
251.11	LTGO Shop 1&2 Fire Main, Shop 4	1/1/2016	335,000	-	335,000	-
251.11	QECB 2013	12/1/2033	1,025,000	-	50,000	975,000
Total General Obligation Debt/Liabilities:			3,315,000	-	700,000	2,615,000
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences-County		944,507	149,743	-	1,094,250
259.12	Compensated Absences-Public Works		209,553	49,051	-	258,604
263.12	County Claims & Judgements		-	101,024	100,205	819
263.99	LEOFF 1 Retirees		2,770,914	-	203,848	2,567,066
252.11	PW-04-691-PRE-127 Eastside Osoyoos LK Sewer Utility	6/1/2024	378,536	-	42,060	336,476
252.11	PW-06-962-032 Eastside Osoyoos LK Sewer Utility	6/1/2036	4,606,070	-	219,337	4,386,733
259.12	Compensated Absences-Solid Waste		31,346	16,538	-	47,884
263.22	Public Works Landfills Closure Reserve		4,194,143	336,066	-	4,530,209
263.22	Public Works Landfills Post Closure Reserve		1,720,191	115,626	-	1,835,817
264.30	Pension Liability		10,775,813	1,673,477	-	12,449,290
Total Revenue and Other (non G.O.) Debt/Liabilities:			25,631,073	2,441,525	565,450	27,507,148
Total Liabilities:			28,946,073	2,441,525	1,265,450	30,122,148

Okanogan County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2016

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Child Nutrition Cluster								
Food And Nutrition Service, Department Of Agriculture (via State of WA Superintendent of Public Instruction)	National School Lunch Program	10.555	159859	24,140	-	24,140	-	
Total Child Nutrition Cluster:				24,140	-	24,140	-	
Forest Service Schools and Roads Cluster								
Forest Service, Department Of Agriculture	Schools and Roads - Grants to States	10.665	None	-	61,562	61,562	65,191	
Forest Service, Department Of Agriculture	Schools and Roads - Grants to States	10.665	None	-	759,438	759,438	-	
Total Forest Service Schools and Roads Cluster:				-	821,000	821,000	65,191	
Forest Service, Department Of Agriculture (via National Forest Foundation)	National Forest Foundation	10.682	WI-602	10,000	-	10,000	-	
National Oceanic And Atmospheric Administration (noaa), Department Of Commerce (via Upper Columbia Salmon Recovery Board)	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	11.438	09-1588N	2,125	-	2,125	-	
Office Of Community Planning And Development, Department Of Housing And Urban Development (via WA State Department of Commerce)	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	15-68420-011	107,473	-	107,473	105,124	
Violence Against Women Office, Department Of Justice (via The Support Center)	Violence Against Women Formula Grants	16.588	F15-31103-023	22,662	-	22,662	-	

The accompanying notes are an integral part of this schedule.

Okanogan County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2016

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Bureau Of Justice Assistance, Department Of Justice	State Criminal Alien Assistance Program	16.606	None	-	24,833	24,833	-	
Bureau Of Justice Assistance, Department Of Justice	Bulletproof Vest Partnership Program	16.607	None	-	3,108	3,108	-	
Bureau Of Justice Assistance, Department Of Justice (via WA State Department of Commerce)	Edward Byrne Memorial Justice Assistance Grant Program	16.738	F15-31440-012	80,027	-	80,027	-	
Bureau Of Justice Assistance, Department Of Justice (via WA State Department of Commerce)	Edward Byrne Memorial Justice Assistance Grant Program	16.738	F16-31440-012	21,459	-	21,459	-	
Total CFDA 16.738:				101,486	-	101,486	-	
Highway Planning and Construction Cluster								
Federal Highway Administration (fhwa), Department Of Transportation (via WA State Department of Transportation)	Highway Planning and Construction	20.205	LA-8486	56,648	-	56,648	-	
Federal Highway Administration (fhwa), Department Of Transportation (via WA State Department of Transportation)	Highway Planning and Construction	20.205	LA-8061	1,514,147	-	1,514,147	-	
Federal Highway Administration (fhwa), Department Of Transportation (via WA State Department of Transportation)	Highway Planning and Construction	20.205	LA-8676	1,840	-	1,840	-	
Federal Highway Administration (fhwa), Department Of Transportation (via WA State Department of Transportation)	Highway Planning and Construction	20.205	LA-8787	72,853	-	72,853	-	

The accompanying notes are an integral part of this schedule.

Okanogan County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2016

	Expenditures						Passed through to Subrecipients	Note
	Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	From Pass-Through Awards	From Direct Awards	Total	
	Federal Highway Administration (fhwa), Department Of Transportation (via WA State Department of Transportation)	Highway Planning and Construction	20.205	LA-8804	203,924	-	203,924	-
	Federal Highway Administration (fhwa), Department Of Transportation (via WA State Department of Transportation)	Highway Planning and Construction	20.205	LA-8805	489,211	-	489,211	-
	Federal Highway Administration (fhwa), Department Of Transportation (via WA State Department of Transportation)	Highway Planning and Construction	20.205	LA-8677	369,776	-	369,776	-
	Federal Highway Administration (fhwa), Department Of Transportation (via WA State Department of Commerce)	Highway Planning and Construction	20.205	LA-8986	409	-	409	-
		Total Highway Planning and Construction Cluster:			2,708,808	-	2,708,808	-
	Highway Safety Cluster							
	National Highway Traffic Safety Administration (nhtsa), Department Of Transportation (via WA State Traffic Safety)	State and Community Highway Safety	20.600	None	1,347	-	1,347	-
	National Highway Traffic Safety Administration (nhtsa), Department Of Transportation (via WA State Traffic Safety)	State and Community Highway Safety	20.600	None	5,948	-	5,948	-
		Total Highway Safety Cluster:			7,295	-	7,295	-
	U.s. Election Assistance Commission (via WA State Secretary of State)	Help America Vote Act Requirements Payments	90.401	G2848	975	-	975	-

The accompanying notes are an integral part of this schedule.

Okanogan County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2016

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Administration For Children And Families, Department Of Health And Human Services (via WA State Department of Social and Health Services)	Child Support Enforcement	93.563	2110-80580	191,276	-	191,276	-	3
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-10-WA-4243 -PW-00031	7,849	-	7,849	-	2A
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-10-WA-4243 -PW-00036	5,274	-	5,274	-	2B
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-10-WA-4243 -PW-00039	47,453	-	47,453	-	2C
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-10-WA-4243 -PW-00047	715,992	-	715,992	-	
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-10-WA-4243 -PW-00058	92,996	-	92,996	-	2D
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-10-WA-4243 -PW-00060	32,610	-	32,610	-	2E
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-10-WA-4243 -PW-00074	437,569	-	437,569	-	2F

The accompanying notes are an integral part of this schedule.

Okanogan County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2016

Federal Agency (Pass-Through Agency)	Federal Program	Expenditures					Passed through to Subrecipients	Note
		CFDA Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total		
		Total CFDA 97.036:		1,339,743	-	1,339,743	-	
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Emergency Management Performance Grants	97.042	E16-181	22,544	-	22,544	-	
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Homeland Security Grant Program	97.067	E15-109	29,225	-	29,225	-	
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Homeland Security Grant Program	97.067	E16-072	19,850	-	19,850	-	
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Homeland Security Grant Program	97.067	E15-201	36,855	-	36,855	-	
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA State Military Department)	Homeland Security Grant Program	97.067	E16-183	62,951	-	62,951	-	
Total CFDA 97.067:				148,882	-	148,882	-	
Total Federal Awards Expended:				4,687,408	848,941	5,536,349	170,315	

Okanogan County

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2016

Note 1 – Basis of Accounting

This schedule is prepared on the same basis of accounting as Okanogan County's financial statements. Okanogan County uses the cash basis of accounting. This basis of accounting recognizes revenues only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year budget appropriations as required by law.

Note 2 – Program Costs

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including Okanogan County's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

- A. \$7849.20 included on SEFA but was incurred in 2015
- B. \$1,788.96 included on SEFA but was incurred in 2015
- C. \$16,865.98 included on SEFA but was incurred in 2015
- D. \$92,995.56 included on SEFA but was incurred in 2015
- E. \$32,610.15 included on SEFA but was incurred in 2015
- F. \$108,097.28 included on SEFA but was incurred in 2015

Note 3 – Indirect Cost Rate

Okanogan County has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

ABOUT THE STATE AUDITOR'S OFFICE

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

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

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

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

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

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

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

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