



Office of the Washington State Auditor  
Pat McCarthy

# Financial Statements and Federal Single Audit Report

## Mason County

For the period January 1, 2022 through December 31, 2022

*Published September 18, 2023*

Report No. 1033274



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

September 18, 2023

Board of Commissioners  
Mason County  
Shelton, Washington

**Report on Financial Statements and Federal Single Audit**

Please find attached our report on Mason 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 activities and condition.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

***Americans with Disabilities***

*In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at [webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov).*

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# SCHEDULE OF FINDINGS AND QUESTIONED COSTS

## Mason County January 1, 2022 through December 31, 2022

### SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Mason 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 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 each of its major federal programs.

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 programs were selected as major programs in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
14.228	COVID-19 – Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
20.205	Highway Planning and Construction Cluster – Highway Planning and Construction
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

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.



# MASON COUNTY

## Public Health & Human Services

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

#### Mason County January 1, 2022 through December 31, 2022

This schedule presents the status of findings reported in prior audit periods.

<b>Audit Period:</b> January 1, 2021 - December 31, 2021	<b>Report Reference No.:</b> 1031043	<b>Finding Ref. No.:</b> 2021-001	<b>ALN(s):</b> 21.023 and 21.027
<b>Federal Program Name and Granting Agency:</b> US Department of Treasury		<b>Pass-Through Agency Name:</b> Washington State Department of Commerce	
<b>Finding Caption:</b> The County did not have adequate internal controls for ensuring compliance with federal suspension and debarment requirements.			
<b>Background:</b> The Washington State Department of Commerce required the County to include a specific suspension and debarment clause in all subrecipient contracts it entered into. Our audit found the County's Public Health Department did not include the required clause in the four contracts it issued to two subrecipients.			
<b>Status of Corrective Action: (check one)</b> <div><input checked="checked" type="checkbox"/> Fully Corrected</div> <div><input type="checkbox"/> Partially Corrected</div> <div><input type="checkbox"/> Not Corrected</div> <div><input type="checkbox"/> Finding is considered no longer valid</div>			
<b>Corrective Action Taken:</b> <i>The Contracts that were in place were amended to include a suspension and debarment clause and all future contracts are to include the suspension and department clause. We also looked up our subcontractors on SAM.GOV to see what their status is.</i>			

## INDEPENDENT AUDITOR'S REPORT

### 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*

#### **Mason County January 1, 2022 through December 31, 2022**

Board of Commissioners  
Mason County  
Shelton, 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 Mason County, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's financial statements, and have issued our report thereon dated September 11, 2023.

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 state law 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.

### **REPORT ON 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

## **REPORT ON 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 its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

September 11, 2023

## INDEPENDENT AUDITOR'S REPORT

### Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

#### **Mason County January 1, 2022 through December 31, 2022**

Board of Commissioners  
Mason County  
Shelton, Washington

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

#### **Opinion on Each Major Federal Program**

We have audited the compliance of Mason County, with the types of compliance requirements identified as subject to audit 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, 2022. The County's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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, 2022.

#### **Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance with the compliance requirements referred to above.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed; and

- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Other Matters

We noted certain matters related to compliance that we have reported to the management of the County in a separate letter dated September 11, 2023.

## REPORT ON 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We noted certain other matters that we have reported to the management of the County in a separate letter dated September 11, 2023.

## 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 11, 2023

# INDEPENDENT AUDITOR'S REPORT

## Report on the Audit of the Financial Statements

### **Mason County January 1, 2022 through December 31, 2022**

Board of Commissioners  
Mason County  
Shelton, Washington

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Unmodified and Adverse Opinions**

We have audited the financial statements of Mason County, as of and for the year ended December 31, 2022, and the related notes to the financial statements, as listed in the financial section of our report.

### **Unmodified Opinion on the Regulatory Basis of Accounting (BARS Manual)**

As described in Note 1, the County has prepared these financial statements to meet the financial reporting requirements of state law and 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 accompanying financial statements referred to above present fairly, in all material respects, the cash and investments of Mason County, and its changes in cash and investments, for the year ended December 31, 2022, on the basis of accounting described in Note 1.

### **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 Mason County, as of December 31, 2022, or the changes in financial position or cash flows thereof for the year then ended, because of the significance of the matter discussed below.

## **Basis for Unmodified and Adverse Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit unmodified and adverse opinions.

## **Matter Giving Rise to 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. As described in Note 1 of the financial statements, the financial statements are prepared by the County in accordance with state law using accounting practices prescribed by the BARS Manual, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management 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 state law and the BARS Manual 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and

*Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County's financial statements. 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 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 as a whole.

## **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2023 on our consideration of the County's internal control over financial reporting and on the 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 effectiveness of the County's 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.

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

Pat McCarthy, State Auditor

Olympia, WA

September 11, 2023

## **FINANCIAL SECTION**

### **Mason County January 1, 2022 through December 31, 2022**

#### **FINANCIAL STATEMENTS**

Fund Resources and Uses Arising from Cash Transactions – 2022  
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2022  
Notes to the Financial Statements – 2022

#### **SUPPLEMENTARY AND OTHER INFORMATION**

Schedule of Liabilities – 2022  
Schedule of Expenditures of Federal Awards – 2022  
Notes to the Schedule of Expenditures of Federal Awards – 2022

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>Total for All Funds (Memo Only)</b>	<b>001 Current Expense</b>	<b>103 Sales Tax</b>	<b>104 Auditor's O&amp;M</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	63,309,465	21,694,824	1,353,351	430,989
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	43,696,542	26,518,932	1,121,522	-
320	Licenses and Permits	2,188,834	1,660,482	-	-
330	Intergovernmental Revenues	33,417,353	8,789,129	-	66,808
340	Charges for Goods and Services	19,445,011	5,546,855	-	64,585
350	Fines and Penalties	625,840	623,781	-	-
360	Miscellaneous Revenues	4,774,285	2,313,355	32,656	4,543
Total Revenues:		104,147,865	45,452,534	1,154,178	135,936
<b>Expenditures</b>					
510	General Government	18,193,901	16,407,146	-	88,657
520	Public Safety	18,173,486	18,111,247	-	-
530	Utilities	7,557,457	-	-	-
540	Transportation	12,758,656	-	-	-
550	Natural/Economic Environment	5,702,892	3,177,790	209,473	-
560	Social Services	13,638,903	478,989	-	-
570	Culture and Recreation	1,050,535	915,395	-	-
Total Expenditures:		77,075,830	39,090,567	209,473	88,657
Excess (Deficiency) Revenues over Expenditures:		27,072,035	6,361,967	944,705	47,279
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	5,481,086	378,544	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	1,080,164	52,624	-	-
Total Other Increases in Fund Resources:		6,561,250	431,168	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	7,581,742	1,119,329	-	-
591-593, 599	Debt Service	3,264,186	73,612	-	-
597	Transfers-Out	5,481,086	466,282	450,000	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	86,667	18,036	-	-
Total Other Decreases in Fund Resources:		16,413,681	1,677,259	450,000	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>17,219,604</b>	<b>5,115,876</b>	<b>494,705</b>	<b>47,279</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	40,314,152	1,457,065	1,848,056	478,270
50841	Committed	1,060,715	-	-	-
50851	Assigned	13,800,544	-	-	-
50891	Unassigned	25,353,647	25,353,647	-	-
<b>Total Ending Cash and Investments</b>		<b>80,529,058</b>	<b>26,810,712</b>	<b>1,848,056</b>	<b>478,270</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>105 Roads</b>	<b>106 Paths</b>	<b>109 Election Equipment</b>	<b>110 Crime Victim</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	9,607,493	288,610	248,130	213,227
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	9,567,363	-	-	-
320	Licenses and Permits	40,009	-	-	-
330	Intergovernmental Revenues	5,919,486	10,421	-	-
340	Charges for Goods and Services	43,617	-	45,987	66,874
350	Fines and Penalties	-	-	-	5
360	Miscellaneous Revenues	837,990	2,622	3,381	-
Total Revenues:		16,408,465	13,043	49,368	66,879
<b>Expenditures</b>					
510	General Government	-	-	1,622	91,354
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	10,583,983	2,052	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		10,583,983	2,052	1,622	91,354
Excess (Deficiency) Revenues over Expenditures:		5,824,482	10,991	47,746	(24,475)
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	178,355	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	861,877	-	-	-
Total Other Increases in Fund Resources:		1,040,232	-	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	3,535,322	-	-	-
591-593, 599	Debt Service	374	-	-	-
597	Transfers-Out	998,900	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	77	-	-	-
Total Other Decreases in Fund Resources:		4,534,673	-	-	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>2,330,041</b>	<b>10,991</b>	<b>47,746</b>	<b>(24,475)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	11,937,532	299,602	-	188,752
50841	Committed	-	-	295,876	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>11,937,532</b>	<b>299,602</b>	<b>295,876</b>	<b>188,752</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>114 Victim Witness</b>	<b>117 Community Support</b>	<b>118 Abatement</b>	<b>120 REET</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	13,983	1,039,015	277,694	89,218
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	131,481	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	23,618	8,666,495	-	11,201
340	Charges for Goods and Services	-	803,269	-	10,335
350	Fines and Penalties	-	540	-	-
360	Miscellaneous Revenues	-	911	4,418	1,426
Total Revenues:		23,618	9,602,696	4,418	22,962
<b>Expenditures</b>					
510	General Government	28,951	-	-	16,009
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	1,279	-
560	Social Services	-	8,629,012	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		28,951	8,629,012	1,279	16,009
Excess (Deficiency) Revenues over Expenditures:		(5,333)	973,684	3,139	6,953
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	-	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(5,333)</b>	<b>973,684</b>	<b>3,139</b>	<b>6,953</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	2,012,700	-	96,170
50841	Committed	8,650	-	280,834	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>8,650</b>	<b>2,012,700</b>	<b>280,834</b>	<b>96,170</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>134 Nat Forest Safety</b>	<b>135 Trial Court</b>	<b>141 Sheriff's Boating Program</b>	<b>142 Narcotics Investings Fund</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	5,068	92,323	155,723	97,843
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	25,638	-	29,142	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	1,514
360	Miscellaneous Revenues	-	-	-	550
Total Revenues:		25,638	-	29,142	2,064
<b>Expenditures</b>					
510	General Government	-	3,192	-	-
520	Public Safety	6,205	-	50,681	5,353
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		6,205	3,192	50,681	5,353
Excess (Deficiency) Revenues over Expenditures:		19,433	(3,192)	(21,539)	(3,289)
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	22,652	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	22,652	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	18,489	50,795	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	18,489	50,795	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>19,433</b>	<b>971</b>	<b>(72,334)</b>	<b>(3,289)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	24,500	93,295	83,389	94,555
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>24,500</b>	<b>93,295</b>	<b>83,389</b>	<b>94,555</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>145 Mason Water District</b>	<b>150 Public Health</b>	<b>155 ARPA Fund</b>	<b>160 Law Library</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	-	1,352,527	5,056,879	49,208
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	488,343	-	-
330	Intergovernmental Revenues	-	3,173,440	6,484,451	-
340	Charges for Goods and Services	-	496,020	-	21,420
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	176,179	3	116,538	-
Total Revenues:		176,179	4,157,806	6,600,989	21,420
<b>Expenditures</b>					
510	General Government	-	-	218,914	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	1,807,045	-
560	Social Services	-	3,718,746	33,312	-
570	Culture and Recreation	-	-	-	32,454
Total Expenditures:		-	3,718,746	2,059,271	32,454
Excess (Deficiency) Revenues over Expenditures:		176,179	439,060	4,541,718	(11,034)
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	476,255	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	476,255	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	39,702	191,983	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	1,812,254	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	39,702	2,004,237	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>176,179</b>	<b>875,613</b>	<b>2,537,481</b>	<b>(11,034)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	176,179	2,228,136	7,594,361	38,174
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>176,179</b>	<b>2,228,136</b>	<b>7,594,361</b>	<b>38,174</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>163 Lodging Tax</b>	<b>164 Mental Health</b>	<b>180 Treasurer M&amp;O</b>	<b>190 Vet Asst</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	1,100,108	1,634,063	56,673	160,786
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	1,018,942	1,464,856	-	142,658
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	68	-	42
340	Charges for Goods and Services	-	-	248,802	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	7,490	40,271	1,938	8,084
Total Revenues:		1,026,432	1,505,195	250,740	150,784
<b>Expenditures</b>					
510	General Government	14,911	-	199,639	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	435,513	-	-	-
560	Social Services	-	687,280	-	91,564
570	Culture and Recreation	-	-	-	-
Total Expenditures:		450,424	687,280	199,639	91,564
Excess (Deficiency) Revenues over Expenditures:		576,008	817,915	51,101	59,220
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	8	-	5
597	Transfers-Out	-	407,600	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	407,608	-	5
<b>Increase (Decrease) in Cash and Investments:</b>		<b>576,008</b>	<b>410,307</b>	<b>51,101</b>	<b>59,215</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	1,676,118	2,044,369	107,773	220,002
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>1,676,118</b>	<b>2,044,369</b>	<b>107,773</b>	<b>220,002</b>

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**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>192 Skok Flood</b>	<b>194 Mason Lake</b>	<b>195 Spencer Lake</b>	<b>199 Island Lake</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	15,370	68,977	7,189	29,108
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	38,963	15,405	10,406
Total Revenues:		-	38,963	15,405	10,406
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	4,338	39,274	14,728	13,452
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		4,338	39,274	14,728	13,452
Excess (Deficiency) Revenues over Expenditures:		(4,338)	(311)	677	(3,046)
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	-	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(4,338)</b>	<b>(311)</b>	<b>677</b>	<b>(3,046)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	11,032	68,666	-	-
50841	Committed	-	-	7,840	26,062
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>11,032</b>	<b>68,666</b>	<b>7,840</b>	<b>26,062</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>205 PW Fac Bond 2007</b>	<b>215 LTGO 2013 Bond</b>	<b>250 2008 GO Bond</b>	<b>350 REET 1</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	1,600	78,623	13,567	2,010,195
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	1,865,394
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	35,163	-	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	876	2,170	3,228	31,127
Total Revenues:		876	37,333	3,228	1,896,521
<b>Expenditures</b>					
510	General Government	-	300	-	205,552
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	300	-	205,552
Excess (Deficiency) Revenues over Expenditures:		876	37,033	3,228	1,690,969
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	998,900	97,375	275,695	1,310
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		998,900	97,375	275,695	1,310
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	1,077,564
591-593, 599	Debt Service	998,500	133,375	275,280	-
597	Transfers-Out	-	-	-	305,695
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		998,500	133,375	275,280	1,383,259
<b>Increase (Decrease) in Cash and Investments:</b>		<b>1,276</b>	<b>1,033</b>	<b>3,643</b>	<b>309,020</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	2,319,216
50841	Committed	-	-	-	-
50851	Assigned	2,875	79,656	17,209	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>2,875</b>	<b>79,656</b>	<b>17,209</b>	<b>2,319,216</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>351 REET 2</b>	<b>402 Landfill</b>	<b>403 N Bay</b>	<b>411 Rustlewood</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	4,230,432	2,517,726	1,777,042	133,014
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	1,865,394	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	116,004	-	-
340	Charges for Goods and Services	-	5,608,993	1,957,584	272,365
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	90,374	56,800	150,744	26,972
Total Revenues:		1,955,768	5,781,797	2,108,328	299,337
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	5,161,673	1,178,441	359,004
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	102,686	-	-	-
Total Expenditures:		102,686	5,161,673	1,178,441	359,004
Excess (Deficiency) Revenues over Expenditures:		1,853,082	620,124	929,887	(59,667)
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	240,000	-	62,000
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	92,162	-	-
Total Other Increases in Fund Resources:		-	332,162	-	62,000
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	5,275	328,024	-	-
591-593, 599	Debt Service	-	-	458,020	61,996
597	Transfers-Out	862,000	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	58,726	4,873	1,034
Total Other Decreases in Fund Resources:		867,275	386,750	462,893	63,030
<b>Increase (Decrease) in Cash and Investments:</b>		<b>985,807</b>	<b>565,536</b>	<b>466,994</b>	<b>(60,697)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	5,216,240	-	-	-
50841	Committed	-	441,453	-	-
50851	Assigned	-	2,641,804	2,244,037	72,320
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>5,216,240</b>	<b>3,083,257</b>	<b>2,244,037</b>	<b>72,320</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>412 Beards</b>	<b>413 Belfair</b>	<b>480 Storm Drainage</b>	<b>500 Information Tech</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	819,740	1,194,294	178,820	217,712
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	66,247	-	-
340	Charges for Goods and Services	252,811	509,375	-	922,719
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	15,326	703,041	-	6,328
Total Revenues:		268,137	1,278,663	-	929,047
<b>Expenditures</b>					
510	General Government	-	-	-	862,563
520	Public Safety	-	-	-	-
530	Utilities	155,881	701,992	466	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		155,881	701,992	466	862,563
Excess (Deficiency) Revenues over Expenditures:		112,256	576,671	(466)	66,484
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	2,750,000	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	2,750,000	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	651,430	-	32,116
591-593, 599	Debt Service	11,594	1,251,422	-	-
597	Transfers-Out	-	-	178,355	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	1,143	1,378	-	-
Total Other Decreases in Fund Resources:		12,737	1,904,230	178,355	32,116
<b>Increase (Decrease) in Cash and Investments:</b>		<b>99,519</b>	<b>1,422,441</b>	<b>(178,821)</b>	<b>34,368</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	919,257	2,616,738	-	252,081
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>919,257</b>	<b>2,616,738</b>	<b>-</b>	<b>252,081</b>

The accompanying notes are an integral part of this statement.

**Mason County**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>501 Equipment Rental &amp; Revolving</b>	<b>502 Unemployment</b>
<b>Beginning Cash and Investments</b>			
308	Beginning Cash and Investments	4,802,093	196,228
388 / 588	Net Adjustments	-	-
<b>Revenues</b>			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	2,499,980	73,420
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	70,170	-
Total Revenues:		2,570,150	73,420
<b>Expenditures</b>			
510	General Government	-	55,091
520	Public Safety	-	-
530	Utilities	-	-
540	Transportation	2,172,621	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		2,172,621	55,091
Excess (Deficiency) Revenues over Expenditures:		397,529	18,329
<b>Other Increases in Fund Resources</b>			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	-	-
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	73,501	-
Total Other Increases in Fund Resources:		73,501	-
<b>Other Decreases in Fund Resources</b>			
594-595	Capital Expenditures	531,713	-
591-593, 599	Debt Service	-	-
597	Transfers-Out	-	-
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	1,400	-
Total Other Decreases in Fund Resources:		533,113	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(62,083)</b>	<b>18,329</b>
<b>Ending Cash and Investments</b>			
50821	Nonspendable	-	-
50831	Restricted	-	-
50841	Committed	-	-
50851	Assigned	4,740,011	214,556
50891	Unassigned	-	-
<b>Total Ending Cash and Investments</b>		<b>4,740,011</b>	<b>214,556</b>

*The accompanying notes are an integral part of this statement.*

**Mason County**  
**Fiduciary Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>Total for All Funds (Memo Only)</b>	<b>Private-Purpose Trust</b>	<b>Custodial</b>	<b>External Investment Pool Fund</b>
308	Beginning Cash and Investments	144,269,994	200,305	19,797,586	124,272,103
388 & 588	Net Adjustments	-	-	-	-
310-390	Additions	528,164,605	495,028	475,178,196	52,491,381
510-590	Deductions	520,979,850	100,878	472,249,207	48,629,765
	Net Increase (Decrease) in Cash and Investments:	7,184,755	394,150	2,928,989	3,861,616
508	Ending Cash and Investments	151,454,748	594,454	22,726,575	128,133,719

*The accompanying notes are an integral part of this statement.*

**Mason County, WA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2022**

**Note 1 - Summary of Significant Accounting Policies**

Mason County was incorporated in 1854 and operates under the laws of the state of Washington applicable to a commissioner form of government. The County is a general-purpose local government and provides: public safety, road and street maintenance, planning and zoning, parks and recreation, judicial administration, health and social services, general administrative services, sewage collection and treatment.

The 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 for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications 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 total column is presented as "memo only" because any interfund activities are not eliminated. 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.

#### 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.

##### Investment Trust Funds

These funds are used to report fiduciary activities from the external portion of investment pools and individual investment accounts that are held in trust.

##### Custodial Funds

These funds are used to account for 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

The County adopts annual appropriated budgets for approximately 46 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:

<b>Fund/Department</b>	<b>Final Appropriated Amounts</b>	<b>Actual Expenditures</b>	<b>Variance</b>
General Fund:			
WSU	\$ 347,244	\$ 307,150	\$ 40,094
Assessor	1,453,707	1,374,048	79,659
Auditor	1,893,128	1,773,773	119,355
Emergency Management	417,433	377,507	39,926
Facilities and Grounds	1,460,148	1,335,924	124,224
Human Resources	699,310	549,133	150,177
LEOFF	100,000	79,128	20,872
Clerk	1,728,716	1,162,874	565,842
Commissioners	367,704	356,726	10,978
Support Services	1,043,923	966,562	77,361
District Court	1,503,412	1,318,932	184,480
Community Services	2,976,073	2,677,111	298,962
Historical Preservation	24,000	9,383	14,617
Parks & Trails	829,236	769,125	60,111
Probation-Juvenile	2,022,773	1,793,128	229,645
Prosecutor	2,080,150	1,703,035	377,115
Child Support Enforcement	161,447	109,451	51,996
Coroner	426,914	359,840	67,074
Sheriff	15,258,022	14,193,647	1,064,375
Courthouse Security	303,755	259,109	44,646
OPD Funding	1,271,847	1,192,356	79,491
Superior Court	1,175,160	1,092,866	82,294
Family Court	2,500	-	2,500
Therapeutic Court	816,662	516,217	300,445
Murder Expenditures	50,000	7,183	42,817
Treasurer	878,239	818,810	59,429
Non-Departmental	5,665,216	5,175,224	489,992
Motor Pool	50,829	23,291	27,538
Transfers Out	466,282	466,282	-
Total General Fund	\$ 45,473,830	\$ 40,767,815	\$ 4,706,015

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Variance
001 General Fund	\$ 45,473,830	\$ 40,767,815	\$ 4,706,015
103 Sales Tax	660,415	659,472	943
104 Auditor's O & M	108,074	88,656	19,418
105 Roads	22,849,454	15,118,658	7,730,796
106 Paths & Trails	2,223	2,052	171
109 Election Equipment Holding	51,781	1,622	50,159
110 Crime Victims	99,426	91,354	8,072
114 Victim Witness	55,635	28,951	26,684
117 Community Support Services	9,550,242	8,629,012	921,230
118 Abatement	54,296	1,279	53,017
120 REET & Property Tax Admin	100,589	16,009	84,580
134 National Forest Safety	26,525	6,206	20,319
135 Trial Court Improvements	54,213	21,681	32,532
141 Sheiff's Boating Program	107,533	101,476	6,057
142 Narcotics Investigation Fund	7,669	5,353	2,316
145 Mason County Water District	100,000		100,000
150 Public Health	4,432,359	3,758,452	673,907
155 American Rescue Plan Act	11,541,329	4,063,507	7,477,822
160 Law Library	36,307	32,454	3,853
163 Lodging Tax	772,900	450,423	322,477
164 Mental Health	1,491,138	1,094,888	396,250
180 Treasurer's M&O Fund	395,672	199,639	196,033
190 Veterans Assitance	241,340	91,569	149,771
192 Skokomish Flood Zone	10,035,620	4,338	10,031,282
194 Mason Lake Management District	106,877	39,274	67,603
195 Spencer Lake Management District	22,017	14,729	7,288
199 Island Lake Management District	30,000	13,452	16,548
205 PW Facility Bond	998,900	998,500	400
215 LTGO 2013 Bond	134,375	133,675	700
250 LTGO 2008 Bond	275,696	275,280	416
350 REET 1 - Capital Improvements	2,399,641	1,588,810	810,831
351 REET 2 - Capital Improvements	2,103,831	969,960	1,133,871
402 Landfill	6,746,876	5,548,426	1,198,450
403 N Bay Case Inlet Utility	2,110,929	1,641,333	469,596
411 Rustlewood Sewer & Water	665,793	422,032	243,761
412 Beards Cove Water	587,258	168,619	418,639
413 Belfair Sewer	7,604,413	2,606,218	4,998,195
480 Storm Drain System Development	180,571	178,820	1,751
500 Information Technology	1,057,073	894,678	162,395
501 Equipment Rental and Revolving	3,987,878	2,705,733	1,282,145
502 Unemployment Fund	234,420	55,091	179,329
	<b>\$137,495,118</b>	<b>\$93,489,496</b>	<b>\$44,005,622</b>

Amendments to the budget require either supplemental appropriation or emergency resolutions approved by the Board of County Commissioners at a public meeting following appropriate public notice. Any revisions that alter total expenditures of a fund or that affect the number of permanent employee positions, or other conditions of employment must be approved by the Commission.

D. Cash and Investments

See Note 2, Deposits and Investments

E. Capital Assets

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

F. Compensated Absences

Vacation leave may be accumulated up to 50 days and is payable upon separation or retirement. Sick leave may be accumulated 1,200 hours. Payments are recognized as expenditures when paid. The Sheriff's department clerical may accumulate up to 350 hours of vacation and 1050 hours of sick leave. Non-Union employees hired prior to April 13, 2010 will be paid for all accumulated outstanding sick leave upon retirement, death, or if an employee terminates with at least fifteen continuous years of service. If they are hired on or after April 13, 2010, they shall not be entitled to any cash out of sick leave upon separation from service. AFSCME, Engineers Guild, Teamsters General Services, Teamsters Personal Health, IWA Corrections, IWA Prosecutor's, and the Deputies Guild do not allow sick leave cash out for new hires after January 1, 2011. The Sheriff's Department also receives accumulated holiday and compensated hours upon retirement, termination, or death. The Sheriff's Department jail and corrections staff can only be paid for 30 days of vacation time upon termination, death, or retirement. The Sheriff's Department deputies receive 32 hours, or 4 days, of premium pay. This time must be used prior to any vacation or comp hours used in the current year, they can't be banked.

G. Long-Term Debt

See Note 5, *Long Term Debt*

H. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by resolution of the Board. When expenditures that meet restrictions are incurred, the County intends to use the most restricted resources first.

Restricted and Committed Portion of Ending Cash and Investments consist of \$41,374,893.

<b>Restricted/Committed Revenue Purpose</b>	<b>Amount</b>
Community Development Permit Fees	\$ 1,143,233
Sheriff Donations and Prisoner Welfare	99,276
Elections Grant Advance	136,783
Historical Preservation	77,772
Finance Public Facilities	1,848,056
Document Preservation	478,270
Road Preservation and Maintenance	12,237,134
Election Equipment Maintenance and Replacement	295,876
Facilitate testimony by the victims of crime and witnesses to crimes.	188,752
Pay costs of meeting the needs of victims of crime.	8,650
Affordable Housing	2,012,700
Used strictly for building abatement and code enforcement.	280,834
Maintenance and Development of Real Estate Excise Tax Affidavits Systems	96,170
Federal Forest Title III	24,500
Improve Trial Court	93,295
Facilitate better fiscal management of the Boating Safety Program.	83,389
Narcotic enforcement of federal, state, and local laws.	94,555
Improve water quality and shellfish protection.	176,179
Administration of public health services.	2,228,136
Grant Advance	7,594,361
Support of Law Library	38,174
Tourism Promotion, Facilities and Activities	1,676,118
Chemical Dependency or Mental Health Treatment Programs	2,044,369
Manage Tax Foreclosures	107,773
Veterans Relief	220,002
Special Assessments	113,626
Capital Projects	7,535,456
Landfill Reserve	441,453
	<b><u>\$ 41,374,893</u></b>

## **Note 2 – Deposits and Investments**

Investments are reported at original cost. Deposits and investments by type at December 31, 2022 are as follows:

Type of Investment	County's Own Investments	Investments held by County as agent for other local governments, individuals or private organizations	Total
Bank Deposits	\$ (17,668,294)	\$ 22,875,990	\$ 5,207,696
L.G.I.P.	86,001,158	128,578,757	214,579,915
U.S. Government Securities	11,946,223	-	11,946,223
Certificates of Deposit	250,000	-	250,000
Total	\$ 80,529,087	\$ 151,454,747	\$ 231,983,834

It is the County's policy to invest all temporary cash surpluses. The Bank Deposits for the County's Own investments is presenting at a deficit because of \$17.7 million in outstanding warrants at year end and RCW 36.29.020 allows the County to invest surplus of other local governments.

The interest or other earnings of income from funds of any municipal corporation of which the governing body has not taken any action pertaining to the investment of funds and that have been invested in accordance with state statutes, shall be deposited in the current expense fund of the county and may be used for general county purposes. The county takes responsibility to carefully review the statutory language governing a particular revenue source to determine restrictions related to interest and other investment income.

The interest or other earnings of income from funds of any municipal corporation invested as directed pursuant to the Revised Code of Washington are prorated to the various funds.

### *Investments in the State Local Government Investment Pool (LGIP)*

The county is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The Pool is not rated and not registered with the SEC. Rather, oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington, 98504-0200, or online at [ww.tre.wa.gov](http://ww.tre.wa.gov).

### Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the county would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The county's deposits and certificates of deposit are mostly covered

by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered or held by the county or its agent in the government's name. The investments are managed by the Treasurer, which reports investment activity to the County Finance Committee quarterly. Additionally, the County treasurer investment activity is subject to an annual investment policy review, compliance oversight, quarterly financial review, and annual reporting.

#### **Compensating Balances**

The county treasurer has a compensating balance agreement in its banking contract with Columbia Bank. The compensating balance is used to help offset the payments due for services rendered. The average compensating balance maintained during 2022 was \$9,073,021.

#### **Note 3 - Property Tax**

The County Treasurer acts as an agent to collect property tax 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 County. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The County's regular levy for the year 2022 was \$1.0649697 per \$1,000 on an assessed valuation of \$10,977,776,122 for a total regular levy of \$11,691,000 which included Mental Health for \$221,136 and Veteran's Relief for \$138,040. The Road District levy for 2022 was \$1.0217513 per \$1,000 on an assessed valuation of \$10,040,331,660 to a total regular levy of \$10,258,723.

#### **Note 4 – Leases**

During the year ending December 31, 2022, the County adopted guidance for the presentation and disclosure of leases, as required by the BARS manual. This requirement resulted in the addition of a lease liability reported on the Schedule of Liabilities.

The County leases two buildings for \$2,300 and \$4,018 per month under lease agreements ending 2023.

The County leases 29 copiers from Ricoh and De Lage for payments ranging from \$17 to \$296 per month under 5-year lease agreements.

The County leases approximately 85 tasers from Axon for \$66,586 per year ending 2023.

The County leases over 83 vehicles from Enterprise for the County departments for payments ranging between \$300 and \$900 under 4-year lease agreements with rotating end dates from 2024 to 2026.

The total amount paid for leases in the current reporting period was \$669,446. As of December 31, 2022, the future lease payments are as follows:

Year Ended December 31,	<u>Total</u>
2023	\$ 855,090
2024	660,654
2025	303,698
2026	98,040
<b>Total</b>	<u><u>\$ 1,917,482</u></u>

## **Note 5 – Long Term Debt**

### **Debt Service**

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the County and summarizes the County's debt transactions for year ended December 31, 2022.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,187,183	\$ 577,345	\$ 2,764,528
2024	2,124,358	506,038	2,630,396
2025	2,185,481	434,508	2,619,989
2026	2,250,703	370,818	2,621,521
2027	2,321,550	292,489	2,614,039
2028-2032	4,367,650	908,031	5,275,681
2033-2037	1,343,765	483,829	1,827,594
2038-2042	1,483,150	237,243	1,720,393
2043-2047	305,622	62,396	368,018
2048-2052	102,794	15,534	118,328
2053-2057	51,813	6,157	57,970
2058-2061	13,230	339	13,569
<b>Total</b>	<u><u>\$ 18,737,299</u></u>	<u><u>\$ 3,894,726</u></u>	<u><u>\$ 22,632,025</u></u>

## **Note 6 – Pension Plans**

### **State Sponsored Pension Plans**

Substantially all County 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: PERS 1, PERS 2/3, PSERS 2, LEOFF 1 and LEOFF 2.

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 Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for each plan.

The DRS ACFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

At June 30, 2022 (the measurement date of the plans), the County proportionate share of the collective net pension liabilities (assets), was as follows:

	Employer Contributions	Allocation %	Liability (Asset)
PERS 1	\$781,030	.127421	\$3,547,869
PERS 2/3	\$1,173,858	.146117	\$(5,419,160)
PSERS 2	\$161,360	.365347	\$(261,223)
LEOFF 1	\$0	.020841	\$(597,848)
LEOFF 2	\$242,035	.116908	\$(3,177,206)

Only the net pension liability is reported on the Schedule 09.

#### LEOFF Plan 1

The 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

The 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 7 – Risk Management**

Mason County is a participating member of the Washington Counties Risk Pool (WCRP). Chapter 48.62 RCW authorizes the governing body of one or more governmental entities to join together for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract 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 in August of 1988 when 15 counties 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. As of December 31, 2021, 24 counties participate in the WCRP.



The Pool allows members to jointly establish a plan of self-insurance, and provides related services, such as risk management, education, and claims administration. The Pool's liability program provides coverage for general liability, public officials liability, police professional liability, employment practices liability, and automobile liability. County deductibles range from \$10,000 to \$500,000. Reinsurance is purchased in several layers up to the policy limits of \$10,000,000. Members may purchase an optional \$5,000,000 excess of \$20,000,000 layer of coverage. Allocated Loss Adjustment Expense (ALAE) is combined with losses for purposes of the Pool retention, excess insurance, and deductibles. For losses occurring in 2021, Mason County selected a per-occurrence deductible of \$25,000.

Members make an annual contribution to fund the Pool. The Pool acquires excess and reinsurance for further protection from larger losses. For the first \$10,000,000 of coverage, the Pool acquires reinsurance. The reinsurance agreements are written with Self-Insured Retentions ("SIRs") equal to the amount of the layer of coverage below. For the Pool's 2019-20 through 2021-22 Fiscal Years, the Pool's SIR was \$2,000,000 and for the Pool's 2021-22 Fiscal Year, the Pool's SIR was \$3,000,000. The other reinsurance agreements respond up to the applicable policy limits and the agreements contain aggregate limits for the maximum annual reimbursements to the Pool of \$30,000,000 (lowest reinsured layer), \$50 million, (second layer). The Pool purchases excess coverage for the additional \$10,000,000 with an aggregate limit of \$100,000,000. Since the Pool is a cooperative program, there is a joint liability among the participating members. For the 2021-22 Fiscal Year, 16 of the Pool's 24 member counties group purchase an additional \$5,000,000 policy in excess of the pooled \$20,000,000.

New members may be asked to pay modest fees to cover the costs to analyze their loss data and risk profiles, and for their proportional shares of the entry year's assessments. New members contract under the Interlocal Agreement to remain in the Pool for at least five years. Following its initial 60-month term, any member may terminate its membership at the conclusion of any Pool fiscal year, provided the county timely files the required advance written notice. Otherwise, the Interlocal Agreement and membership automatically renews for another year. Even after termination, former members remain responsible for reassessments by the Pool for the members' proportional shares of any unresolved, unreported, and in-process claims for the periods that the former members were signatories to the Interlocal Agreement.

The Pool is fully funded by its member participants. Claims are filed directly with the Pool by members and adjusted by one of the four staff members responsible for evaluating each claim for coverage, establishing reserves, and investigating for any risk-shared liability. The Pool does not contract with any third-party administrators for claims adjustment or loss prevention services.

During 2021-22, Mason County was also one of twenty-four (24) counties which participated in the Washington Counties Property Program (WCPP). Property losses are covered under the WCPP to the participating counties' buildings and contents, vehicles, mobile/contractor equipment, EDP and communication equipment, etc. that have been scheduled. The WCPP includes 'All Other Perils ("AOP")' coverage limits of \$500 million per occurrence as well as Flood and Earthquake (catastrophe) coverages with separate occurrence limits, each being \$200 million. There are no AOP annual aggregate limits, but the flood and earthquake coverages include annual aggregate limits of \$200 million each. Each participating county is solely responsible for paying their selected deductible, ranging between \$5,000 and \$50,000. Higher deductibles apply to losses resulting from catastrophe-type losses.

Mason County also participates in the jointly purchased cyber risk and security coverage from a highly rated commercial insurer. This group-purchased cyber coverage provides limits of \$2,000,000 per claim and \$5,000,000 in the aggregate. For 2022, the Pool's SIR for cyber claims was \$250,000 from January 1 through December 31, with Mason County having no deductible.

Beginning in the 2021-22 Fiscal Year, Mason County was one of 22 counties that participated in a group purchased crime policy, which included limits of \$2,000,000 and with a county deductible of \$25,000. The Pool is governed by a board of directors which is comprised of one designated representative from each participating member. The Board of Directors generally meets three-times each year with the Annual Meeting of the Pool being held in summer. The Board approves the extent of risk-sharing, approves the Pool's self-insuring coverage documents, approves the selection of reinsurance and excess agreements, and approves the Pool's annual operating budget.

An 11-member executive committee is elected by and from the WCRP Board for staggered, 3-year terms. Authority has been delegated to the Committee by the Board of Directors to, a) approve all disbursements and review the Pool's financial health, b) approve case settlements exceeding the applicable member's deductible by more than \$100,000, c). to authorize by two-thirds majority vote commencement of lawsuits in the name of the Pool.

During 2021-22, the WCRP's assets increased to \$57,838,522 while its liabilities also increased to \$35,879,265. The Pool's net position ended at \$22,917,345. The Pool more than satisfies the State Risk Manager's solvency requirements (WAC 200.100.03001). The Pool is a cooperative program with joint liability amongst its participating members.

Deficits of the Pool resulting from any fiscal year are financed by reassessments of the deficient year's membership in proportion with the initially levied and collected deposit assessments. The Pool's reassessments receivable balance as of December 31, 2022, was zero (\$0). As such, there were no known contingent liabilities at that time for disclosure by the member counties.

#### **SELF-INSURANCE**

The County maintains insurance against most normal hazards. For general liability, the County retains the risk for general liability up to \$100,000 per claim (our "deductible" or "self-retention"). For workers compensation the County has elected to retain losses up to \$500,000 for law enforcement employees and \$350,000 for all other employees, per occurrence. Excess insurance has been purchased to cover the difference. The county risk manager and independent claims managers process claims. Based on the claims manager's estimates, the estimated ultimate loss report for general liability prepared by the Risk Pool and with management's judgment. Estimated Claims at December 31, 2022 were \$165,534 for general liability.

The General Fund is responsible for covering the settlements and loss expenses. The general fund is responsible for collecting interfund premiums from insured funds and departments, for paying claim settlements and for purchasing certain insurance policies. Interfund premiums are assessed on the basis of claims experience and are reported as revenues and expenses.

#### **Note 8 – Other Postemployment Benefits**

##### **PEBB**

The County is a participating employer in the state's Public Employees Benefits Board (PEBB) program, a defined benefit plan administered by the Washington State Health Care Authority. The plan provides medical, dental, and life insurance benefits for public employees and retirees and their dependents on a pay-as-you-go basis. The plan provides OPEB benefits through both explicit and implicit subsidies. The explicit subsidy is a set dollar amount that lowers the monthly premium paid by members over the age of 65 enrolled in Medicare Parts A and B. PEBB determines the amount of the explicit subsidy annually. The implicit subsidy results from the inclusion of active and non-Medicare eligible retirees in the same pool when determining premiums. There is an implicit subsidy from active employees since the premiums paid by retirees are lower than they would have been if the retirees were insured separately. The County had

214 active plan members and 33 retired plan members as of December 31, 2022. As of December 31, 2022, the County's total OPEB liability was \$8,106,018 as calculated using the alternative measurement method. The County contributed \$2,635,172 to the plan for the year ended December 31, 2022.

#### LEOFF I OPEB

The LEOFF I Retiree Medical Plan is a closed, single-employer, defined-benefit OPEB plan administered by the County as required by RCW 41.26.150. The plan pays for 100% of eligible retirees' healthcare costs on a pay-as-you-go basis. As of December 31, 2022, the plan had 9 members, all retirees. As of December 31, 2022, the County's total OPEB liability was \$4,298,391 as calculated using the alternative measurement method. For the year ended December 31, 2022, the County paid \$76,643 in benefits.

#### **Note 9 – External Investment Pool**

The External Investment Pool sponsored by the County through the Washington State Local Government Investment Pool (LGIP) was established on March 26, 1991. Revised Code of Washington (RCW) 36.29.022, 36.29.010, 36.29.020, authorize the County Treasurer to invest its surplus cash and any funds of municipal corporations which are not required for immediate expenditure and are in the custody or control of the County Treasurer. The External Investment Pool's investments are invested pursuant to the Revised Code of Washington. Any credits or payments to pool participants are calculated and made in a manner as required by RCW 36.29.024.

The investments are managed by the Treasurer, which reports investment activity to the County Finance Committee on a quarterly basis. Additionally, the County Treasurer investment activity is subject to an annual investment policy review, compliance oversight, quarterly financial review, and annual financial reporting. The County has not provided nor obtained any legally binding guarantees during the year ended December 31, 2022, to support the value of shares in the Pool.

The External Investment Pool is not registered with the SEC and is not subject to any formal oversight other than that provided by the County Finance Committee. The Committee is responsible for adopting investment objectives and policies, for hiring investment advisors, and for monitoring policy implementation and investment performance. The Committee's primary role is to oversee the allocation of the Pool's portfolio among the asset classes, investment vehicles, and investment managers.

The interest or other earnings of income from the funds of any municipal corporation of which the governing body has not taken any action pertaining to the investment of funds and that have been invested in accordance with state statutes, shall be deposited in the current expense fund of the county and may be used for general county purposes. The total amount of income from the External Investment Pool assigned to the County's general fund for the year was \$633,969.90. These investments made by the County Treasurer on behalf of the participants are involuntary participation in the County Treasurer's Investment Pool as they are required to be invested by statute.

Approximately 36% of the County Treasurer's Pool consists of these involuntary participants. Voluntary participants in the County Treasurer's Pool include County, Cemetery, Fire, Transit, Ports, Hospital, School and Water Districts. The deposits held for both involuntary and voluntary entities are included in the Investment Trust Funds and External Investment Pool - Custodial Fund.

The Treasurer also maintains Individual Investment Accounts, as directed by external depositors, which are invested pursuant to the Revised Code of Washington. This investment activity occurs separately from the County's Pool and is reported in the Individual Investment Trust Fund in the amount of \$128,133,719.29.

Income from the specific investments acquired for the individual municipalities, and changes in the value of those investments, affect only the municipality for which they are acquired, and are aggregated in the Individual Investment Fund.

#### **Note 10 - 2022 Belfair Sewer Fund and Rustlewood Water & Sewer Fund Financial Condition**

##### **Belfair Sewer Fund #413**

Several factors affected the Belfair sewer fund financial condition in 2022:

A Commerce grant was used to reduce debt by \$485,000:

- DOE Loan L0400005 paid in full, \$121,636.
- DOE Loan L1200025 paid in full, \$119,479.
- LTGO 2020A extra payment applied, \$243,885.

The remaining debt in the amount of \$4,721,901 will be paid off in 2027.

	<u>LTGO 2020A</u>	<u>LTGO 2021</u>	<u>Total</u>
2023	\$ 671,898	\$ 349,576	\$ 1,021,474
2024	574,997	350,878	925,875
2025	575,708	346,126	921,834
2026	576,153	350,835	926,988
2027	576,096	349,634	925,730
<b>Total</b>	<u>\$ 2,974,852</u>	<u>\$ 1,747,049</u>	<u>\$ 4,721,901</u>

The collection system was extended by a developer resulting in 102 new multi-family units and 4 single family ERUs. \$609,094 in connection fees were collected and the value of the system increased by \$1,308,000.

Commissioners approved construction that will further extend the same collection system and awarded a contract in the amount of \$4,231,500. Commissioners committed \$1,500,000 in ARPA for the project and the remainder is financed through a Public Works Commerce loan. The total new debt is assumed to be \$3,508,529. Loan payments will not begin until 2024 and are estimated to be \$175,426 per year assuming a 0.54% interest rate and 20-year term.

##### **Rustlewood Sewer Fund #411-100 and Water Fund #411-200**

The Rustlewood Water and Sewer Fund rates are adjusted each year based on the April Consumer Price Index for Goods and Services per Resolution 05-09. Annual transfers in from the General Fund (typically REET 2) and grants are typically necessary to balance the budget. The Rustlewood water and sewer systems have little capacity for expansion, therefore system growth is not expected to provide economies of scale.

In 2022 Commissioners directed staff to evaluate operational, debt and future CIP costs, and report back recommended rate/revenue changes in 2023. The intent is to implement new rates in 2024 coupled with grants to pay for planned CIP projects with the end goal of improving the fund's financial

condition.

Rustlewood Sewer expenditures are projected to average approximately \$440,000 per year over the next ten years. Approximately 14% of the expenditure is debt that will be retired in 2048, 17% in future capital improvements, and the remainder in O&M costs – primarily labor and professional services.

If unchanged other than the CPI adjustment, Rustlewood Sewer revenues are projected to average approximately \$350,000 per year excluding grants and REET 2. Some combination of grants, rate increases, other outside revenues, and expenditure reductions are needed to address the projected annual deficit of \$90,000.

Rustlewood Water expenditures are projected to average approximately \$280,000 per year over the next ten years. Currently there is no debt service and approximately 20% of expenditures are for planned capital improvements and 80% O&M costs. The County executed a 2022 Commerce grant in the amount of \$553,500 address water quality issues, and update/improve drinking water system reliability and safety.

Rustlewood Water revenues are projected to average approximately \$74,000 per year excluding grants or other sources if unchanged other than the annual CPI adjustment. Some combination of grants, rate increases, other outside revenues, and expenditure reductions are needed to address the projected annual deficit of \$206,000. Metered rates will be presented as part of the 2024 budget development.

#### **Note 11 – Related Parties**

Mason County has the following relationships:

- Mason Transit Authority – The County's Commissioners sit on the Mason Transit Board. Commissioners also have the authority to appoint members to this board.
- Mason Housing Authority – The County appoints members to the Mason County Housing Authority Board. In 2022, the County provided the Mason Housing Authority \$850 thousand in ARPA (American Rescue Plan Act) funding. \$100 thousand was for rent arrearages and \$750 thousand was for renovation of housing units.
- MACECOM – A County Commissioner sits on the Board.
- Thurston Mason Behavioral Health Organization – There is one Board member appointed by the Commissioners.

**Mason County  
Schedule of Liabilities  
For the Year Ended December 31, 2022**

<b>ID. No.</b>	<b>Description</b>	<b>Due Date</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
<b>General Obligation Debt/Liabilities</b>						
251.11	2017 Refunding Bond	12/31/2042	3,935,000	-	130,000	3,805,000
251.11	2021 Bond Refunding	12/1/2030	2,883,750	-	301,835	2,581,915
251.11	Belfair Wastewater	9/1/2032	103,610	-	103,610	-
251.11	2020A GO Refunding Bond	12/31/2032	6,466,720	-	823,455	5,643,265
251.11	2020B GO Refunding Bond	12/31/2048	1,146,190	-	32,770	1,113,420
263.96	2016 PW Building Refunding	6/1/2027	5,150,000	-	760,000	4,390,000
<b>Total General Obligation Debt/Liabilities:</b>			<b>19,685,270</b>	<b>-</b>	<b>2,151,670</b>	<b>17,533,600</b>
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
252.11	LTGO 2013 Bond	12/1/2033	1,020,000	-	75,000	945,000
259.12	Compensated Absences		5,209,267	4,941,908	5,209,267	4,941,908
264.30	Net Pension Liability		1,611,919	1,935,949	-	3,547,868
264.40	OPEB-PEBB		9,382,160	-	1,276,142	8,106,018
264.40	OPEB-LEOFF1		4,941,153	-	642,762	4,298,391
263.82	N. Bay Wasterwater System	3/1/2022	187,693	-	187,693	-
263.82	Belfair Wastewater	9/20/2027	115,891	-	115,891	-
263.22	Landfill Post Closure Liability		550,000	-	-	550,000
263.82	Beard's Cove-USDA	12/1/2059	262,711	-	4,011	258,700
263.52	Copiers	11/1/2026	176,273	-	57,720	118,553
263.52	Tasers	5/1/2023	133,171	-	66,586	66,585
263.52	Vehicles	10/31/2026	1,416,612	731,188	471,932	1,675,868
263.57	Buildings	12/1/2023	129,684	-	73,208	56,476
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>			<b>25,136,534</b>	<b>7,609,045</b>	<b>8,180,212</b>	<b>24,565,367</b>
<b>Total Liabilities:</b>			<b>44,821,804</b>	<b>7,609,045</b>	<b>10,331,882</b>	<b>42,098,967</b>

**Mason County**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Forest Service Schools and Roads Cluster								
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via WA ST Treasurer)	Schools and Roads - Grants to States	10.665	PL106-343	25,638	-	25,638	-	1,2,3
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via WA ST Treasurer)	Schools and Roads - Grants to States	10.665	PL110-343	146,502	-	146,502	-	1,2,3
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via US Forest Service)	Schools and Roads - Grants to States	10.665	.	5,868	-	5,868	-	1,2,3
Total Forest Service Schools and Roads Cluster:				178,008	-	178,008	-	
US Department of Defense (via WA ST Military Dept)	Military Forest Yield	12.U01	.	98,921	-	98,921	-	1,2,3
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA ST Dept of Commerce)	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-62210- 010/21-62210- 010	111,170	-	111,170	55,034	1,2,3
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA ST Dept of Commerce)	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	18-62210-039 Amend B	62,055	-	62,055	57,023	1,2,3
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA ST Dept of Commerce)	COVID 19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-6221C-118	606,347	-	606,347	490,552	1,2,3
Total ALN 14.228:				779,572	-	779,572	602,609	

The accompanying notes are an integral part of this schedule.



**Mason County**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA ST Dept of Commerce)	COVID 19 - Emergency Solutions Grant Program	14.231	20-4613C-117	393,039	-	393,039	380,027	1,2,3
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Washington State Patrol)	National Criminal History Improvement Program (NCHIP)	16.554	K17595	7,212	-	7,212	-	1,2,3
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via WA ST Dept of Commerce)	Crime Victim Assistance	16.575	21-31101-521	31,846	-	31,846	-	1,2,3
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via WA ST Dept of Commerce)	Violence Against Women Formula Grants	16.588	F-19-31103-082	15,646	-	15,646	-	1,2,3
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Bulletproof Vest Partnership Program	16.607		-	5,053	5,053	-	1,2,3
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via WA ST Admin of the Courts)	Comprehensive Opioid, Stimulant, and other Substances Use Program	16.838	202-AR-BX- K001	33,449	-	33,449	-	1,2,3
<b>Highway Planning and Construction Cluster</b>								

*The accompanying notes are an integral part of this schedule.*



**Mason County**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	HSIP-0000S (628)	3,177	-	3,177	-	1,2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	HSIP-0000S (634)	2,089	-	2,089	-	1,2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	STPR-Z923 (005)	24,313	-	24,313	-	1,2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	STPR-K238- 001	555,561	-	555,561	-	1,2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	HSIP-23BC (002)	53,874	-	53,874	-	1,2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	HSIP-000S (586)	858,974	-	858,974	-	1,2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	BHS-Z236 (001)	179,058	-	179,058	-	1,2,3

*The accompanying notes are an integral part of this schedule.*

**Mason County**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	STPR-U231 (002)	352,456	-	352,456	-	1,2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA ST Dept of Transportation)	Highway Planning and Construction	20.205	STPR-Z231 (002)	38,144	-	38,144	-	1,2,3
<b>Total Highway Planning and Construction Cluster:</b>								
				<b>2,067,646</b>	-	<b>2,067,646</b>	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA ST DOH)	COVID 19 - Coronavirus Relief Fund	21.019	CLH18253 Amend 23	27,095	-	27,095	-	1,2,3
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA ST DOH)	COVID 19 - Coronavirus Relief Fund	21.019	CLH18253 Amend 22	19,001	-	19,001	-	1,2,3
<b>Total ALN 21.019:</b>				<b>46,096</b>	-	<b>46,096</b>	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA ST Dept of Commerce)	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	21-4619C-117	5,211,359	-	5,211,359	5,192,056	1,2,3
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	-	-	3,048,393	3,048,393	167,900	1,2,3
<b>Total ALN 21.027:</b>				<b>5,211,359</b>	<b>3,048,393</b>	<b>8,259,752</b>	<b>5,359,956</b>	

The accompanying notes are an integral part of this schedule.

**Mason County**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via WA ST Dept of Health)	Geographic Programs - Puget Sound Action Agenda: Technical Investigations and Implementation Assistance Program	66.123	20-026	50,708	-	50,708	-	1,2,3
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via WA ST Dept of Health)	Geographic Programs - Puget Sound Action Agenda: Technical Investigations and Implementation Assistance Program	66.123	SC-106521 # 3	18,215	-	18,215	-	1,2,3
Total ALN 66.123:				68,923	-	68,923	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Dept of Health)	Public Health Emergency Preparedness	93.069	CLH18253 #23	14,689	-	14,689	-	1,2,3
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Dept of Health)	Injury Prevention and Control Research and State and Community Based Programs	93.136	CLH18253 #23	55,703	-	55,703	-	1,2,3
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF	Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		-	170,318	170,318	-	1,2,3

*The accompanying notes are an integral part of this schedule.*

**Mason County**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

Expenditures					Passed through to Subrecipients	Note	
Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	From Pass- Through Awards			From Direct Awards
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Dept of Health)	COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	CLH18253 #24	214,517	-	214,517	1,2,3
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Dept of Health)	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	CLH31019 5	2,427	-	2,427	1,2,3
Total ALN 93.323:				216,944	-	216,944	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Dept of Health)	COVID 19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	CLH18253 #23	65,595	-	65,595	1,2,3
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Dept of Social & Health Services)	Child Support Enforcement	93.563	2163-32137	106,172	-	106,172	1,2,3
US Dept of Health and Human Services (via Thurston County Health Dept)	Prev Health (PPHF)	93.758	Local agreement letter	1,536	-	1,536	1,2,3
Medicaid Cluster							

*The accompanying notes are an integral part of this schedule.*

**Mason County**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Dept of Social & Health Services)	Medical Assistance Program	93.778	K4652	19,836	-	19,836	-	1,2,3
	Medical Assistance Program	93.778	K2751 Amend 3	19,872	-	19,872	-	1,2,3
Total Medicaid Cluster:				39,708	-	39,708	-	
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via HRSA)	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	GA1RH39553- 01-00	423,951	-	423,951	289,717	1,2,3
	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	HRSA G25RH40032- 107	16,867	-	16,867	-	1,2,3
Total ALN 93.912:				440,818	-	440,818	289,717	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Health Care Authority)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	K5736	627,954	-	627,954	318,459	1,2,3

The accompanying notes are an integral part of this schedule.

**Mason County**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

	Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
					From Pass- Through Awards	From Direct Awards	Total		
	HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA ST Dept of Health)	Maternal and Child Health Services Block Grant to the States	93.994	CLH18253 #23	63,695	-	63,695	-	1,2,3
	FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Dept of Homeland Sec)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	D16-734	48,335	-	48,335	-	1,2,3
	FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA ST Military Dept)	COVID 19 - Emergency Management Performance Grants	97.042	E20-250 Amend A	3,393	-	3,393	-	1,2,3
	FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA ST Military Dept)	COVID 19 - Emergency Management Performance Grants	97.042	E22-297	17,272	-	17,272	-	1,2,3
			<b>Total ALN 97.042:</b>		<b>20,665</b>	<b>-</b>	<b>20,665</b>	<b>-</b>	
	FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA ST Military Dept)	Homeland Security Grant Program	97.067	E21-064	20,441	-	20,441	-	1,2,3
			<b>Total Federal Awards Expended:</b>		<b>10,653,972</b>	<b>3,223,764</b>	<b>13,877,736</b>	<b>6,950,768</b>	

The accompanying notes are an integral part of this schedule.

**MASON COUNTY**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2022**

**Note 1 - Basis of Accounting**

The Schedule of Expenditures of Federal Awards and State and Local Financial Assistance is prepared on the same basis as Mason County's financial statements. Mason County uses the cash basis of accounting for financial statement presentation.

**Note 2 - Federal Indirect Cost Rate**

The county has not elected to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance. The amount expended includes \$220,637.11 claimed as an indirect cost recovery using an approved indirect cost rate as noted below:

ALN	Indirect Rate	Indirect Amount
66.123	10.00%	\$ 4,609.82
93.069	17.26%	\$ 2,162.21
93.994	17.26%	\$ 9,375.51
93.136	17.26%	\$ 8,199.13
93.758	17.26%	\$ 226.05
66.123	12.03%	\$ 1,955.94
93.959	10.00%	\$ 57,086.74
93.912	10.00%	\$ 38,541.01
21.027	1.20%	\$ 61,794.77
14.231	10.00%	\$ 35,730.80
93.563	17.26%	\$ 955.14
		<b>\$ 220,637.11</b>

**Note 3 - Program Costs**

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the County's portion, are more than shown.

## ABOUT THE STATE AUDITOR'S OFFICE

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

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, [www.sao.wa.gov](http://www.sao.wa.gov). Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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