



# KITSAP COUNTY, WASHINGTON

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended December 31, 2016





# KITSAP COUNTY, WASHINGTON

## Comprehensive Annual Financial Report

**For The Fiscal Year Ended December 31, 2016**

Prepared by the Kitsap County Auditor's Office

County Auditor  
**Honorable Dolores Gilmore**

Financial Manager  
**David Schureman, CPA**

**Kitsap County Auditor's Office**  
619 Division Street  
Port Orchard, WA 98366  
auditor@co.kitsap.wa.us  
360-337-7129

## Table of Contents

Introductory Section.....	1
Transmittal Letter.....	2
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	6
List of Elected and Appointed Officials.....	7
Organization Chart.....	8
Financial Section.....	9
Independent Auditor’s Report.....	10
Management’s Discussion & Analysis.....	13
Basic Financial Statements.....	27
Statements of Net Position.....	28
Statement of Activities.....	29
Balance Sheet - Government Funds.....	30
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	33
Statement of Revenues, Expenditures, and Changes in.....	34
Fund Balances - Governmental Funds.....	34
Reconciliation of Statement of Revenues, Expenditures, and Changes.....	37
in Fund Balances of Governmental Funds to the Statement of Activities.....	37
Statement of Revenues, Expenditures, and Changes in.....	38
Fund Balances - Budget and Actual - General Fund.....	38
Statement of Revenues, Expenditures, and Changes in.....	39
Fund Balances - Budget and Actual - Major Funds.....	39
Statement of Net Position – Proprietary Fund.....	42
Statement of Revenues, Expenses, and Changes in Fund.....	43
Net Position-Proprietary Funds.....	43
Statement of Cash Flows – Proprietary Funds.....	44
Statement of Fiduciary Net Position.....	45
Statement of Changes in Fiduciary Net Position.....	46
Notes to Financial Statements.....	47
Required Supplementary Information.....	99
Schedule of Funding Progress - LEOFF1.....	100
Schedule of Proportionate Share of of Net Pension Liability and Related Ratios.....	101
Schedule of Employer Contributions.....	106
NonMajor Funds.....	110
Description.....	111
Combining Balance Sheet - Nonmajor Funds.....	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Funds.....	130
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget And Actual - Nonmajor Funds.....	144
Component Unit.....	205
Component Unit Statement of Net Position.....	206
Component Unit Statement of Revenues, Expenditures and Changes in Fund Balances.....	207

Intenal Service Funds.....	208
Description - Internal Service Funds.....	209
Combining Statement of Net Position - Internal Service Funds.....	210
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds.....	212
Combining Statement of Cash Flows – Internal Service Funds.....	214
Agency Funds.....	216
Description - Agency Funds .....	217
Combining Statement of Fiduciary Net Position .....	218
Combining Statement of Changes in Assets and Liabilities for Agency Funds .....	221
Statistical Section.....	229
Table 1 Net Position by components .....	230
Table 2 Changes In Net Position .....	231
Table 3 Fund Balances of Governmental Funds.....	233
Table 4 Changes in Fund Balances of Governmental Funds .....	234
Table 5 Assessed Value and Estimated Actual Value of Property .....	236
Table 6 Property Tax Rate - All Overlapping Governments.....	237
Table 7 Principal Property Taxpayers .....	238
Table 8 Property Tax Levies and Collections.....	239
Table 9 Ratios of Outstanding Debt by Type .....	240
Table 10 Ratios of General Bonded Debt .....	241
Table 11 Computation of Overlapping Debt to Assessed Value and Net.....	242
Table 12 Legal Debt Margin Information.....	243
Table 13 Pledged Revenue Coverage - Sewer Bonds .....	244
Table 14 Demographic and Economic Indicators.....	245
Table 15 Principle Employers.....	246
Table 16 Full-time Equivalent County Employees by Function.....	247
Table 17 Operating Indicators by Function/Program .....	248
Table 18 Capital Asset Statistics by Function.....	249



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# Introductory Section

Kitsap County Auditor | Financial Division

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July 27, 2017

To the Honorable Board of County Commissioners and Citizens of Kitsap County:

The County Auditor's Office is pleased to present the Comprehensive Annual Financial Report (CAFR) of Kitsap County for the year ended December 31, 2016.

The CAFR presents financial statements in accordance with the provisions of the Revised Code of Washington Title 36 – COUNTIES 36.22 County auditor, and in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by independent auditors from the Office of the Washington State Auditor. This version is designed to provide comprehensible financial information to legislative bodies, creditors, investors, teachers, and students of public finance and the public.

The Independent Auditor's Report is located at the front of the financial section of this report and provides an introduction, overview, and analysis of the basic financial statements. Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and should be read together.

Management assumes full responsibility for the integrity of the information contained in this report. Every reasonable effort is made to ensure accuracy that this material does not contain misstatements.

## MAJOR INITIATIVES

The citizens of Kitsap County deserve services that are enriching, convenient and affordable. The Board of County Commissioners do this by focusing on:

- Secure and Healthy Communities
- Protecting Natural Resources and Systems
- Supporting a Prosperous Local Economy
- Providing Inclusive Government
- Effective and Efficient Services

The opioid epidemic is leading national headlines and that is why the Board of County Commissioners will continue to invest sustained funding to aggressively combat drug abuse, violent crimes and property crimes by enforcement and prevention tactics. Emphasis on secure communities is evidenced by the large percentage of the General Fund budget going to the Law and Justice Programs. Expenditures in these programs were \$64.83 million in 2016 or 75% of general fund expenditures.

Other priorities include identifying and securing lands and shorelines that should be protected and investing in and transportation systems (roads, trails, transit, and ferries). The County spent over \$46.4 million on road maintenance and construction in 2016 and has a budget of over \$50 million for road maintenance and construction in 2017. Over the past seven years, the County has issued more than \$61 million in Revenue bonds to pay for the upgrade of sewer systems. The county also issued over \$99 million in Refunding bonds to take advantage of low-interest rates.

Kitsap County's strong fiscal management remains its hallmark. Moody's Investors Service assigned a bond credit rating of Aa2 to Kitsap County in early 2017. March 15, 2015, Standard and Poor's assigned a rating of AA+ for Kitsap County's General Obligation and Refunding Bonds. The County's highly favorable ratings are proof of how smart government works to your benefit.

## THE COUNTY

Incorporated in 1857 as a county prescribed by the state statute, Kitsap County is a special place—triangulated between Seattle to the East, Tacoma to the South and Hood Canal and the Olympic Mountains to the West. The topography is mostly rolling hills separated by valleys and bays, with altitudes from sea level to the 1,761 feet of the Green and Gold Mountains.

The Revised Code of Washington Title 36, Chapter 36.40 establishes the rules for Kitsap County's budget process. From that, the annual budget becomes the guide for Kitsap County's financial planning and control to work with the Board of County Commissioners to adopt a final budget by no later than the close of the fiscal year.

The benefits provided by Kitsap County are public safety; construction and maintenance of highways, streets, and other infrastructure; judicial administration; planning and development; parks and recreation; health and social services; sewer services; conveying the people's voice in selecting their representative government and ensuring the integrity of the people's historic birth, death, marriage, real estate and election records; and general administrative services defined by statute.

Locally elected officials include the County Assessor, Auditor, Clerk, Prosecuting Attorney, Sheriff, Treasurer, eight Superior Court Judges, four District Court Judges, and a three-member Board of County Commissioners. Policy-making and legislative authority are vested in the governing Board of County Commissioners, which are all elected at-large on a partisan basis for four-year terms and the chair is elected by the majority vote of the Board members. The Board appoints the County Administrator. The County Administrator serves the Board by overseeing its departments and providing leadership for the general administration of the County.

## LOCAL ECONOMY

The information presented in the financial statements is highlighted by five main categories that the County operates.

**Population.** Kitsap County has the seventh largest population of Washington State's 39 counties. In 2016, the County's population increased to an estimated 264,811 which was up by 4,680 last

year. We have the third highest population density in the state of Washington, only surpassed by King and Clark Counties.

**Employment.** All employment categories experienced minor decreases in 2016. Total employment in 2016 was 112,240, a decrease by 1,856 from last year, however, unemployment was stable at 5.6% a slim increase of .6% from last year. Kitsap County remains strong due to the availability of a well-trained, highly motivated workforce.

**Construction.** New construction property values climbed to \$235 million which was up 16.3% from last year. The assessed value of all properties in Kitsap County totaled \$31.27 billion which was up 10.3% from last year. New construction is an important economic indicator that affects county planning. For example, the County issued 2,567 building permits which was up 11% from last year. These positive trends are used to forecast future growth in the County property tax base.

**Sales Tax Revenue.** The overall condition of the economy led to an increase in consumer confidence, which led to increased retail sales and sales tax for 2016. Sales tax revenue was \$39,436,741 which was a 10% increase from last year. Based on current economic forecasts, total sales tax revenues are expected to continue increasing gradually in 2017.

**Growth in Expenses.** There are concerns that growth in revenues will not keep up with growth in expenses, even during this economic rebound. This is an issue that will be monitored closely, along with annexations by cities, because this will impact the County's operations, services and programs.

## RELEVANT FINANCIAL POLICIES

County leadership approved making the county guarantor on certain Kitsap County Consolidated Housing Authority (now Housing Kitsap) loans back in 2005 totaling approximately \$57 million. The County issued General Obligation refunding bonds to retire the remaining \$17.03 million balance of these bonds in 2013.

The refunding bonds also paid off the remaining balance of the Kitsap County Consolidated Housing Authority Revenues bonds from 2003, which was also part of the earlier \$57 million guarantee. In return, Housing Kitsap pledged to pay back the County. A receivable from Housing Kitsap was recorded with a balance of \$15.87 million as of December 31, 2016.



## AWARDS AND ACKNOWLEDGEMENTS

For the nineteenth year, Kitsap County was awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA). We are proud of the recognition we received on the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2015.

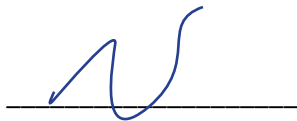
The preparation of this report would not have been possible without the dedicated services of the entire staff of the Auditor's Financial Services Division. We also owe a great debt to many others within the County, especially the Treasurer's and Assessor's staff. And we are grateful for the professional efforts of Washington State Auditor's Office in their audit, and in the direction and advice they provide to us throughout the year.

Finally, we express our appreciation to the Board of County Commissioners for their leadership and continued support in planning the financial affairs of Kitsap County.

Respectively submitted,



Dolores Gilmore, County Auditor



David G. Schureman, CPA  
Financial Services Manager



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Kitsap County  
Washington**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO

**KITSAP COUNTY**  
**List of Elected and Appointed Officials**  
**December 31, 2016**

**Elected Officials**

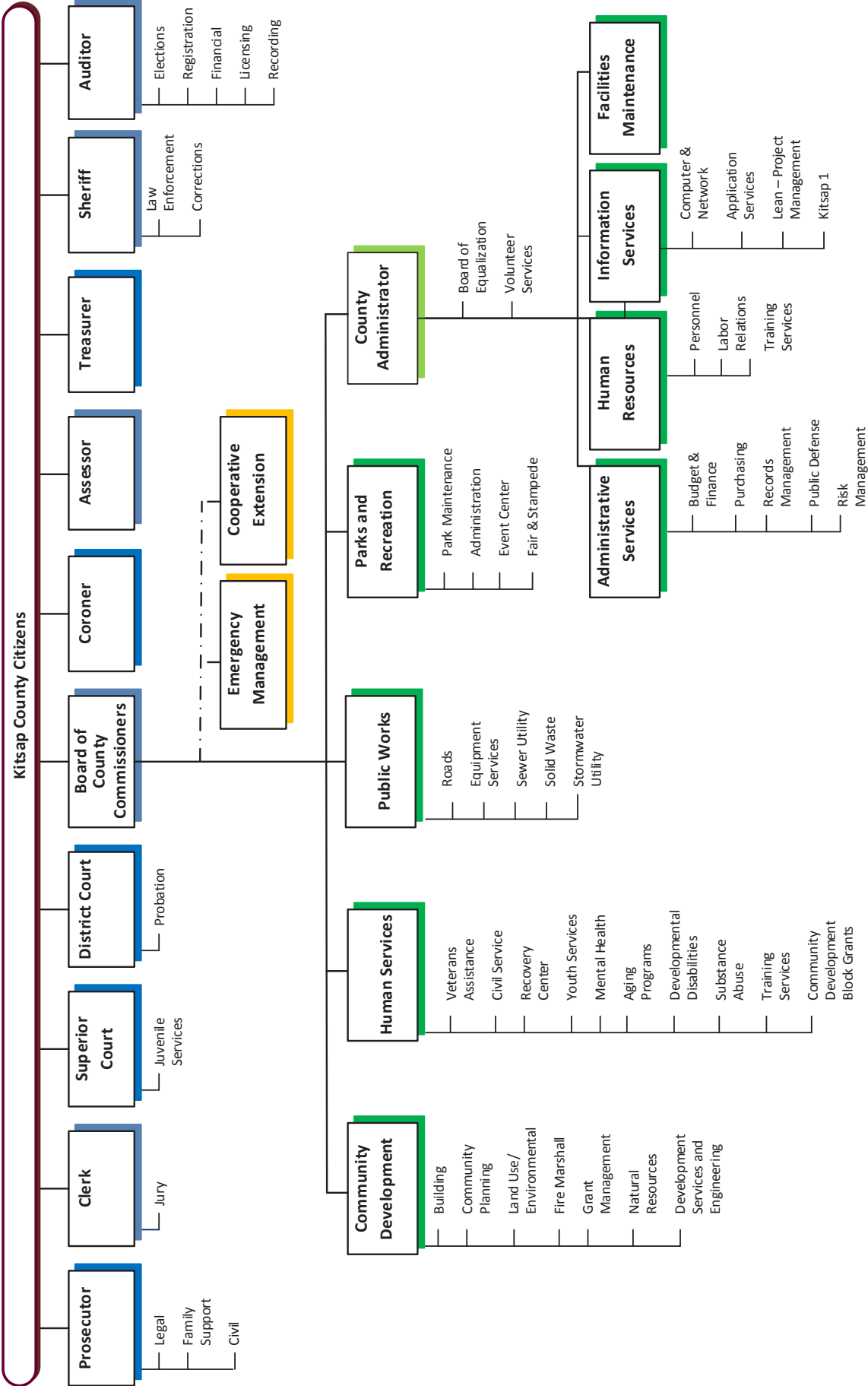
<b><u>TITLE</u></b>	<b><u>INCUMBENT</u></b>	<b><u>END OF TERM</u></b>
<b>Commissioners</b>		
Commissioner, District #1	Robert Gelder	12/31/19
Commissioner, District #2	Charlotte Garrido	12/31/19
Commissioner, District #3	Edward E. Wolfe	12/31/18
<b>Judges</b>		
Superior Court Judge, #1	Jeanette Dalton	12/31/20
Superior Court Judge, #2	Leila Mills	12/31/20
Superior Court Judge, #3	Melissa Hemstreet	12/31/20
Superior Court Judge, #4	William Houser	12/31/20
Superior Court Judge, #5	Jeffrey Bassett	12/31/20
Superior Court Judge, #6	Kevin D Hull	12/31/20
Superior Court Judge, #7	Jennifer Forbes	12/31/20
Superior Court Judge, #8	Sally F. Olsen	12/31/20
District Court Judge, #1	Claire Bradley	12/31/19
District Court Judge, #2	Jeffrey J. Jahns	12/31/19
District Court Judge, #3	Marilyn Paja	12/31/19
District Court Judge, #4	Stephen J. Holman	12/31/19
Assessor	Phil Cook	12/31/18
Auditor	Dolores Gilmore	12/31/18
Clerk	Dave Peterson	12/31/18
Coroner	Greg Sandstrom	12/31/18
Prosecuting Attorney	Tina Robinson	12/31/18
Sheriff	Gary Simpson	12/31/18
Treasurer	Meredith Green	12/31/18

**Appointed Officials**

<b><u>TITLE</u></b>	<b><u>INCUMBENT</u></b>
County Administrator	Karen Goon
Director of Public Works	Andrew Nelson
Director of Administrative Services	Amber D'Amato
Director of Human Resources	Vacant
Director of Human Services	Doug Washburn
Director of Community Development	Louisa Garbo
Director of Parks and Recreation	Jim Dunwiddie
Director of Information Services & Facilities	Bud Harris



# Kitsap County, Washington Functional Organization Chart - 2016





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# Financial Section

Kitsap County Auditor | Financial Division

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## Office of the Washington State Auditor Pat McCarthy

### INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

July 27, 2017

Board of Commissioners  
Kitsap County  
Port Orchard, Washington

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of Kitsap County, Washington, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of Kitsap County, Washington, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, County Roads, Real Estate Excise Tax, and Mental Health Medicaid funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Matters of Emphasis**

As described in Note 1, during the year ended December 31, 2016, the County has implemented the Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages four through 15, information on postemployment benefits other than pensions on page 86 and pension plan information on pages 87 through 95 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as combining and individual fund statements and schedules on pages 96 through 211 is presented for purposes of additional analysis and is not a required part of the basic 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. This information has been subjected to auditing procedures applied in the audit of the basic 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 basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we will also issue our report dated July 27, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the County's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Sincerely,

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





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# Management's Discussion and Analysis

Kitsap County Auditor | Financial Division

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## Kitsap County, Washington

### ***Management's Discussion and Analysis For the Year Ended December 31, 2016***

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As management of Kitsap County, we offer readers of Kitsap County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found section II of this report. All amounts, unless otherwise indicated, are expressed in millions of dollars.

#### **Financial Highlights**

- The assets of Kitsap County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$553.19 (net position). Of this amount, \$115.69 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased \$24.13 with a \$10.77 increase on the Governmental side and a \$13.06 increase on the Business-Type side. As the economy continues to improve so does the County.
- As of the close of the current fiscal year, Kitsap County's governmental funds reported combined ending fund balances of \$109.90, an increase of \$1.13 from the prior year. Approximately \$20.68 of this amount is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$20.68 or 23.8 percent of the total general fund expenditures. \$0.99 of this balance was from funds formerly reported as special revenue funds that no longer qualified under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.
- Kitsap County's total general obligation debt decreased by \$5.81 (6.8 percent) during the current fiscal year. This represents 2016 principle payments.

#### ***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to Kitsap County's basic financial statements. Kitsap County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of Kitsap County's finances, in a manner similar to a private-sector business.

# Kitsap County, Washington

## *Management's Discussion and Analysis For the Year Ended December 31, 2016*

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increases or decreases in net position may serve as a useful indicator of whether the financial position of Kitsap County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Kitsap County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Kitsap County include general government, public safety, highways and streets, economic development, and culture and recreation. The business-type activities of Kitsap County include solid waste, sewer and surface water operations.

The government-wide financial statements can be found on pages 28 - 29 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Kitsap County, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Kitsap County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Kitsap County maintains ninety-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental

# Kitsap County, Washington

## *Management's Discussion and Analysis For the Year Ended December 31, 2016*

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fund statement of revenues, expenditures, and changes in fund balances for the general fund, county roads fund, real estate excise tax fund, mental health Medicaid fund and KC LTGO 2013 Refunding Bond fund, all of which are considered major funds.

Thirteen funds were rolled up into the general fund because they did not meet the Special Revenue Fund criteria as stated in GASB Statement No. 54 (also see Note 1.E.12). Data from the other ninety-one governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Kitsap County adopts an annual appropriated budget for all its funds, with the exception of those listed in the notes to the financial statements, see Note 1D. A budgetary comparison statement has been provided for each of the major funds to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 30 - 41 of this report.

**Proprietary funds.** Kitsap County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Kitsap County uses enterprise funds to account for its Sanitary Sewer operations, Solid Waste activities and Surface Water Utility activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. Kitsap County uses internal service funds to account for its management information systems, self-insurance activities, elections activities, employer medical benefits, building repair & replacement and fleet of equipment. Because all these services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste, and Sewer funds and Surface Water Utility, which are considered major funds of Kitsap County. Conversely, all the internal service funds are combined into single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 42 - 44 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support Kitsap County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 45 - 46 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund

## Kitsap County, Washington

### *Management's Discussion and Analysis For the Year Ended December 31, 2016*

financial statements. The notes to the financial statements can be found on pages 48 - 98 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 109 - 217 of this report.

#### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Kitsap County, assets exceeded liabilities by \$553.19 at the close of the most recent fiscal year. The County's fiscal condition remains stable.

The largest portion of Kitsap County's net position (76.3 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are not available for future spending. Although Kitsap County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

<b>Kitsap County's Net Position</b>						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2016	2015	2016	2015	2016
Assets:						
Current & other assets	\$ 185.79	\$ 191.07	\$ 78.65	\$ 75.75	\$ 264.44	\$ 266.82
Capital assets	388.76	392.92	129.62	142.98	518.38	535.90
Total assets	574.55	583.99	208.27	218.73	782.82	802.72
Deferred outflows	6.81	11.93	0.69	1.47	7.50	13.40
Total assets and deferred outflows	\$ 581.36	\$ 595.92	\$ 208.96	\$ 220.20	\$ 790.32	\$ 816.12
Liabilities						
Other liabilities	20.41	32.10	5.94	6.05	26.35	38.15
Long-term liabilities	148.64	147.27	75.10	73.85	223.74	221.12
Total liabilities	\$ 169.05	\$ 179.37	\$ 81.04	\$ 79.90	\$ 250.09	\$ 259.27
Deferred inflows	10.17	3.48	0.86	0.20	11.03	3.68
Total liabilities and deferred inflow	\$ 179.22	\$ 182.85	\$ 81.90	\$ 80.10	\$ 261.12	\$ 262.95
Net position						
Net investment in capital assets	326.36	335.51	70.08	85.81	396.44	421.32
Restricted	12.19	11.71	5.22	4.47	17.41	16.18
Unrestricted	63.60	65.85	51.76	49.83	115.36	115.69
Total net position	\$ 402.15	\$ 413.07	\$ 127.06	\$ 140.11	\$ 529.21	\$ 553.19

An additional portion of Kitsap County's net position (3.0 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$115.69) may be used to meet the government's ongoing obligations to citizens and creditors.

Kitsap County, Washington

*Management's Discussion and Analysis  
For the Year Ended December 31, 2016*

<b>Kitsap County's Net Position</b>						
	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2015	2016	2015	2016	2015	2016
Assets:						
Current & other assets	\$ 185.79	\$ 191.07	\$ 78.65	\$ 75.75	\$ 264.44	\$ 266.82
Capital assets	388.76	392.92	129.62	142.98	518.38	535.90
Total assets	574.55	583.99	208.27	218.73	782.82	802.72
Deferred outflows	6.81	11.93	0.69	1.47	7.50	13.40
Total assets and deferred outflows	\$ 581.36	\$ 595.92	\$ 208.96	\$ 220.20	\$ 790.32	\$ 816.12
Liabilities						
Other liabilities	20.41	32.10	5.94	6.05	26.35	38.15
Long-term liabilities	148.64	147.27	75.10	73.85	223.74	221.12
Total liabilities	\$ 169.05	\$ 179.37	\$ 81.04	\$ 79.90	\$ 250.09	\$ 259.27
Deferred inflows	10.17	3.48	0.86	0.20	11.03	3.68
Total liabilities and deferred inflow	\$ 179.22	\$ 182.85	\$ 81.90	\$ 80.10	\$ 261.12	\$ 262.95
Net position						
Net investment in capital assets	326.36	335.51	70.08	85.81	396.44	421.32
Restricted	12.19	11.71	5.22	4.47	17.41	16.18
Unrestricted	63.60	65.85	51.76	49.83	115.36	115.69
Total net position	\$ 402.15	\$ 413.07	\$ 127.06	\$ 140.11	\$ 529.21	\$ 553.19

An additional portion of Kitsap County's net position (3.0 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$115.69) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Kitsap County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true last fiscal year.

The government's net position increased by \$24.13 during the current fiscal year. The increase was partially propelled by an increase in sales tax as the economy continued to rebound. We also saw major increases in our proprietary operations.

Refer to the Notes to the Financial Statements (Note 6) for a more in depth discussion of capital assets.

The government's restricted net position decreased from \$17.41 to \$16.18. This was caused by an overall reduction in outstanding debt. Unrestricted net position held steady at \$115.69.

**Governmental activities.** Governmental activities increased the County's net position by \$10.77. The key element of this net change was increased sales tax revenue.

**Kitsap County, Washington**

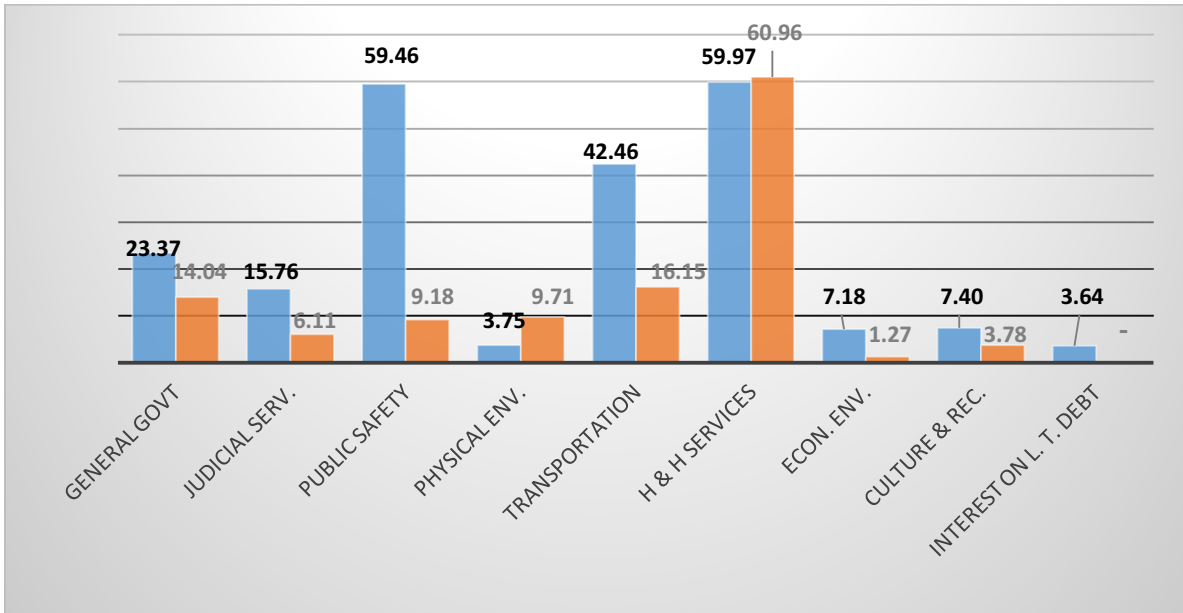
**Management's Discussion and Analysis  
For the Year Ended December 31, 2016**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2016	2015	2016	2015	2016
	<b>Revenues:</b>					
Program revenues						
Charges for services	\$ 24.42	\$ 26.48	\$ 46.06	\$ 47.32	\$ 70.48	\$ 73.80
Operating grants	75.87	87.47	1.88	4.95	77.75	92.42
Capital grants	6.36	7.26	1.73	3.64	8.09	10.90
General revenues						
Property taxes	59.76	60.22		-	59.76	60.22
Sales taxes	35.98	39.44		-	35.98	39.44
Other taxes	13.35	13.92		-	13.35	13.92
Investment earnings	2.04	2.28	0.39	0.50	2.43	2.78
Other income	4.17	4.07	-	-	4.17	4.07
<b>Total revenues</b>	<b>221.95</b>	<b>241.14</b>	<b>50.06</b>	<b>56.41</b>	<b>272.01</b>	<b>297.55</b>
<b>Expenses</b>						
General government	21.90	23.37	-	-	21.90	23.37
Judicial services	15.10	15.76	-	-	15.10	15.76
Public safety	52.48	59.46	-	-	52.48	59.46
Physical environment	4.05	3.75	-	-	4.05	3.75
Transportation	40.57	42.46	-	-	40.57	42.46
Health & human services	52.53	59.97	-	-	52.53	59.97
Economic environment	6.62	7.18	-	-	6.62	7.18
Culture & recreation	7.11	7.40	-	-	7.11	7.40
Interest on LT debt	4.28	3.64	-	-	4.28	3.64
Utilities	-	-	40.03	42.70	40.03	42.70
<b>Total expenses</b>	<b>204.64</b>	<b>222.99</b>	<b>40.03</b>	<b>42.70</b>	<b>244.67</b>	<b>265.69</b>
Incr (decr) in net position before	17.31	18.15	10.03	13.71	27.34	31.86
Transfers	0.47	0.35	(0.47)	(0.35)	-	-
Special items		(7.73)				(7.73)
Incr (decr) in net position	17.78	10.77	9.56	13.36	27.34	24.13
Beginning Net position	432.13	402.15	125.62	127.06	557.75	529.21
Prior period adjustments	(0.11)	0.15	(1.87)	(0.30)	(1.98)	(0.15)
Decrease in net position resulting from change in accounting princ.	(47.67)	-	(6.25)	-	(53.92)	-
<b>Ending Net position</b>	<b>\$ 402.15</b>	<b>\$ 413.07</b>	<b>\$ 127.08</b>	<b>\$ 140.12</b>	<b>\$ 529.21</b>	<b>\$ 553.19</b>

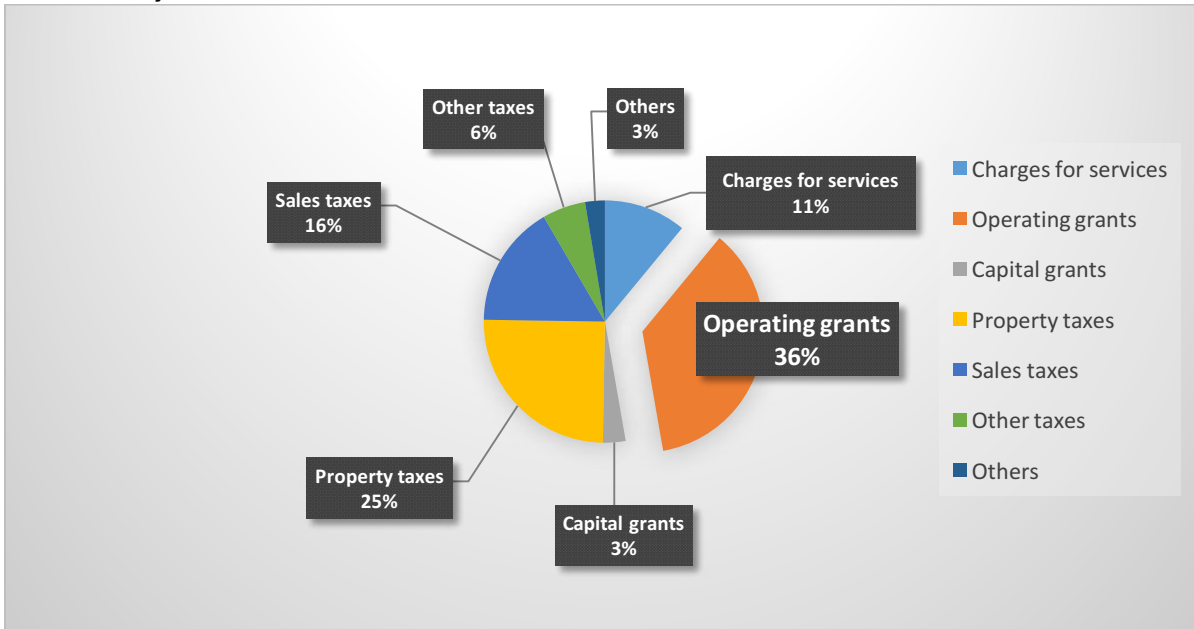
## Kitsap County, Washington

### *Management's Discussion and Analysis For the Year Ended December 31, 2016*

#### **Expenses and Program Revenues - Governmental Activities**



#### **Revenues by Source – Governmental Activities**



*Business-type activities.* Business-type activities increased the County's net position by \$13.04. The primary elements of this increase were:

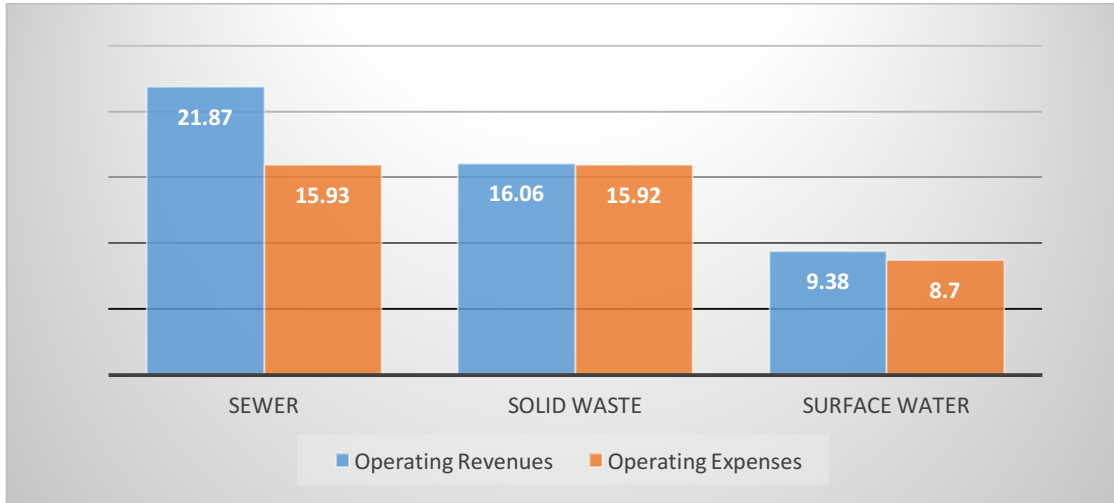


## Kitsap County, Washington

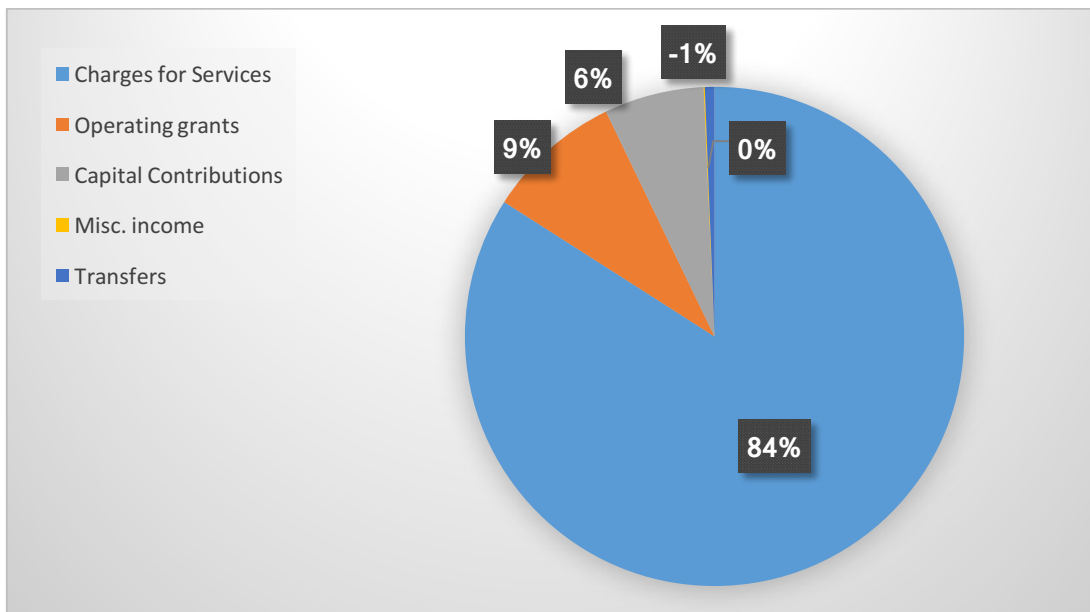
### Management's Discussion and Analysis For the Year Ended December 31, 2016

- Profitability of the Sanitary Sewer operation **\$8.73**
- Profitability of the Surface Water utility **\$3.96**

#### Expenses and Program Revenues – Business-type Activities



#### Business –type Activity Revenues



## Kitsap County, Washington

### *Management's Discussion and Analysis For the Year Ended December 31, 2016*

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#### ***Financial Analysis of the Government's Funds***

As noted earlier, Kitsap County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

***Governmental funds.*** The focus of Kitsap County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Kitsap County's governmental funds reported combining ending fund balances of \$109.90, an increase of \$1.13 in comparison with the prior year.

The general fund is the chief operating fund of Kitsap County. At the end of the current fiscal year, unassigned fund balance of the general fund decreased to \$20.68, while the total fund balance increased to \$21.04. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 23.8 percent of the total general fund expenditures.

The key factor to the increase was the increase in retail sales tax revenues which increased by over \$2.32.

County Roads fund balance decreased by \$7.61 primarily due to increased activity in major roads construction and maintenance projects put off in previous years while the economy recovered.

Real Estate Excise Tax fund balance increased from \$6.18 in 2015 to \$7.31 in 2016. This was due to continued major commercial property sales in 2016 helping increase Real Estate Excise Tax collected.

Mental Health Medicaid fund had a balance of \$6.25 in 2016 more than doubling the funds balance of \$3.10 in 2015. This reflected increased state funding for the program.

Debt service funds have a total fund balance of \$8.04, all of which is reserved for the payment of debt service. Fund balance has not significantly changed compared with 2015.

## Kitsap County, Washington

### *Management's Discussion and Analysis For the Year Ended December 31, 2016*

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**Proprietary funds.** Kitsap County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Sewer fund's total net position was \$86.69 in 2016, up \$8.73 from 2015. This increase was caused by operating income as operating revenues exceeded operating expenses.

Solid Waste fund's total net position was \$24.76 for 2016, up .69 from 2015 as a result of operating income exceeding operating expenses.

Surface Water fund's total net position was \$28.66 for 2016 up \$3.65 from 2015. This was all due to operating income exceeding operating expenses.

#### **General Fund Budgetary Highlights**

Actual general fund revenues exceeded final budgeted revenues by \$2.95 during fiscal year 2016. The biggest reasons for this were sales taxes exceeding budget by \$1.42 and intergovernmental revenues exceeding budget by \$1.42.

Budget amendments and supplemental appropriations are typically made during the year to prevent budget overruns and to increase appropriations for unanticipated expenditures after adoption of the original budget.

During the year there was a \$2.76 increase in appropriations between the original and final amended budget, however, the actual expenditures of the general fund came in well under the final budget total of \$87.89, with a total of \$86.75.

#### **Capital Assets**

At the end of fiscal year 2016, Kitsap County's investment in capital assets for its governmental activities was \$812.17 as reflected in the following schedule, which represents a net increase of \$1.81 or .2 percent from last year. See Note 6 to the financial statements for further details on Capital Assets.

**Kitsap County, Washington**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2016**

Change in Capital Assets (millions)

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2016	2015	2016	2015	2016
Land	\$ 67.28	\$ 69.76	\$ 2.89	\$ 3.53	\$ 70.17	\$ 73.29
Infrastructure	497.68	503.02	-	-	497.68	503.02
Building	129.35	120.99	56.47	56.76	185.82	177.75
Building Improv	34.60	34.42	97.06	104.56	131.66	138.98
Machinery & Equipment	61.14	49.06	9.63	9.65	70.77	58.71
Construction in progress	20.31	34.92	56.62	67.56	76.93	102.48
Total	810.36	812.17	222.67	242.06	1,033.03	1,054.23
Less: accumulated depreciation	421.60	419.25	93.05	99.08	514.65	518.33
Net capital assets	\$388.76	\$ 392.92	\$ 129.62	\$ 142.98	\$ 518.38	\$ 535.90

Governmental activities.

Following are the major additions to Capital Assets for Governmental Activities:

- Various infrastructure projects were completed during the year at a cost of \$5.34
- The County purchased land for conservation purposes \$2.42
- Equipment Rental Fleet was updated at a cost of \$3.35

Business-type activities.

Following are the major activities in this area in 2016:

- Infrastructure continues to make up the majority of construction in progress, with on-going projects at \$14.57
- Completed the Manchester Treatment and outfall project \$4.63

**Long-term Liabilities**

At year-end, the County had \$230.70 in long-term liabilities versus \$227.38 last year, a net increase of \$3.32 and 1.4 percent.

Long-term liabilities, at Year-End

Kitsap County, Washington

*Management's Discussion and Analysis  
For the Year Ended December 31, 2016*

	2015	Additions	Reductions	2016
<b>Government activities:</b>				
Capital leases	\$ 0.29	\$ 0.02	\$ 0.10	\$ 0.21
Bonds Payable	86.08	-	5.81	80.27
Compensated absences - Gov	5.56	4.56	4.81	5.31
Compensated absences - Int Serv	0.43	0.39	0.37	0.45
Notes Payable	1.95	-	0.07	1.88
Net OPEB Obligation	6.73	0.97	-	7.70
Net Pension Liability - Gov	44.16	10.03		54.19
Net Pension Liability - Int Serv	3.17	0.75		3.92
Other items	0.28	-	0.04	0.24
Total	\$ 148.65	\$ 16.72	\$ 11.20	\$ 154.17
<b>Enterprise activities:</b>				
Bonds Payable	\$ 61.31	\$ 0.01	\$ 2.60	\$ 58.72
Compensated absences	0.64	0.64	0.60	\$ 0.68
Net Pension Liability	5.81	1.33	-	7.14
Other items	10.98	-	0.98	10.00
Total	\$ 78.74	\$ 1.98	\$ 4.18	\$ 76.54
Total Debt	\$ 227.39	\$ 18.69	\$ 15.38	\$ 230.70

GASB Statement No. 68, Accounting and Financial Reporting for Pensions continued to impact the County in 2016. As a result the County's net pension liability increased by over \$12 in 2016.

The Standard and Poor's Corporation and Moody's Investors Service provided a bond rating of AA+ and Aa2 respectively for Kitsap County's debt as of April 2017.

The State limits the amount of general obligation debts the County can issue without the vote of the people to 1.5% of the total assessed value. As of the end of the fiscal year, the County has \$342.35 remaining in debt capacity (non-voted). More detail information on capital assets and long-term debt are provided in the Notes to the Financial Statements (Notes 4, 6 and 9).

**ECONOMIC FACTORS**

The economy of the County is based mostly on government services. The largest employer by far is Kitsap Naval Base with over 30,500 employees including military personnel. Kitsap County has the only shipyard on the West Coast capable of overhauling nuclear aircraft carriers. Harrison Medical Center is next, employing over 2,379, Kitsap County is third employing over 1,160.

**Kitsap County, Washington**

***Management's Discussion and Analysis  
For the Year Ended December 31, 2016***

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**Contacting the County's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives.

If you have questions about this report or need additional financial information, contact:

**Dave Schureman, Financial Manager**

[DSchureman@co.kitsap.wa.us](mailto:DSchureman@co.kitsap.wa.us)

(360) 337-7132

[www.kitsapgov.com](http://www.kitsapgov.com)

Kitsap County Auditor's Office  
619 Division Street, MS-31  
Port Orchard, Washington, 98366



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# Basic Financial Statements

Kitsap County Auditor | Financial Division

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# KITSAP COUNTY, WASHINGTON

## Statement of Net Position

December 31, 2016

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Unit PFD</b>
<b>ASSETS</b>				
Cash and Cash equivalents	\$ 127,190,283	\$ 5,702,175	\$ 132,892,458	206,061
Deposits with fiscal agents	-	-	-	-
Investments	10,161,159	59,812,190	69,973,349	934,810
Receivables(net)				
Property taxes	2,137,099	-	2,137,099	-
Special assessments	1,622	22,017	23,639	-
Accounts	701,779	3,937,255	4,639,034	-
Others	30,477	-	30,477	-
Due from agency agency fund	780	-	780	-
Internal balances	359,326	(359,326)	0	-
Due from other governments	6,166,787	1,680,473	7,847,260	-
Prepayments	339,810	-	339,810	-
Inventories	1,788,211	235,912	2,024,123	-
Restricted assets:				
Cash and cash equivalents	2,030,987	272,518	2,303,505	-
Deposits with fiscal agents	-	-	-	250,000
Investments	4,162,820	4,199,260	8,362,080	-
Notes/Contracts	9,961,578	-	9,961,578	-
Special Assessment Receivable	-	247,650	247,650	-
Long-term Receivable from Comp. Unit	7,000,030	-	7,000,030	-
Long-term Receivable from KCCHA	15,869,845	-	15,869,845	-
Capital assets, net (Note1)				
Land	69,756,380	3,530,131	73,286,511	-
Infrastructure	176,148,443	-	176,148,443	-
Buildings	75,210,679	17,028,490	92,239,169	-
Improvements & Other Buildings	16,017,479	54,120,242	70,137,721	-
Machinery & Equipment	20,864,443	741,551	21,605,994	-
Construction In Progress	34,918,462	67,564,468	102,482,930	-
Net pension asset	3,166,963	-	3,166,963	-
Total assets	<u>583,985,441</u>	<u>218,735,006</u>	<u>802,720,447</u>	<u>1,390,871</u>
<b>DEFERRED OUTFLOWS-Pensions</b>	<u>11,935,214</u>	<u>1,475,139</u>	<u>13,410,353</u>	<u>-</u>
Total assets and deferred outflows	<u>595,920,655</u>	<u>220,210,145</u>	<u>816,130,800</u>	<u>1,390,871</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	6,464,421	2,832,784	9,297,205	-
Due to agency fund	-	-	-	-
Due to other governments	1,074,434	48,453	1,122,887	-
Other liabilities	13,418,322	270,812	13,689,134	30
Debt interest payable	-	208,500	208,500	-
Unearned revenue	4,235,092	-	4,235,092	-
Non current Liabilities (Note 2):				
Due within one year	6,889,256	2,851,951	9,741,207	595,000
Due in more than one year	89,182,211	66,541,417	155,723,628	6,405,000
Net pension liability	58,111,273	7,143,465	65,254,738	-
Total liabilities	<u>179,375,010</u>	<u>79,897,382</u>	<u>259,272,392</u>	<u>7,000,030</u>
<b>DEFERRED INFLOWS</b>				
Deferred inflows related to pensions	1,597,918	197,495	1,795,413	-
Golf course service concession arrangement	1,877,979	-	1,877,979	-
Total deferred inflows	<u>3,475,897</u>	<u>197,495</u>	<u>3,673,392</u>	<u>-</u>
Total liabilities and deferred inflows	<u>182,850,907</u>	<u>80,094,877</u>	<u>262,945,784</u>	<u>7,000,030</u>
<b>NET POSITION</b>				
Net investment in capital assets	335,510,859	84,270,527	419,781,386	-
Restricted:				
Capital Projects	3,666,821	-	3,666,821	-
Debt service	8,040,647	4,471,778	12,512,425	-
Unrestricted	65,851,422	51,372,964	117,224,386	(5,609,159)
Total net position	<u>\$ 413,069,748</u>	<u>\$ 140,115,269</u>	<u>\$ 553,185,017</u>	<u>\$ (5,609,159)</u>

The notes to the financial statements are an integral part of this statement.



# KITSAP COUNTY, WASHINGTON

## Statement of Activities

For the Year Ended December 31, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities		Total
						Governmental Activities	Business-Type Activities	
<b>Primary Government:</b>								
<b>Governmental Activities</b>								
General Government	\$ 23,378,345	\$ 9,512,306	\$ 4,529,039	\$ -	\$ (9,337,000)	\$ -	\$ -	\$ (9,337,000)
Judicial Services	15,758,611	4,181,858	1,931,182	-	(9,645,571)	-	-	(9,645,571)
Public Safety	59,462,871	1,601,922	7,583,157	-	(50,277,792)	-	-	(50,277,792)
Physical Environment	3,745,980	7,087,367	2,618,984	-	5,960,370	-	-	5,960,370
Transportation	42,458,025	2,668,165	6,223,107	7,258,516	(26,308,237)	-	-	(26,308,237)
Health & Human Services	59,966,150	271,277	60,686,320	-	991,448	-	-	991,448
Economic Environment	7,180,359	-	1,271,885	-	(5,908,474)	-	-	(5,908,474)
Culture & Recreation	7,402,353	1,156,816	2,621,944	-	(3,623,593)	-	-	(3,623,593)
Interest on Long-term Debt	3,637,060	-	-	-	(3,637,060)	-	-	(3,637,060)
<b>Total Governmental</b>	<b>222,989,753</b>	<b>26,479,711</b>	<b>87,465,618</b>	<b>7,258,516</b>	<b>(101,785,908)</b>	<b>0</b>	<b>0</b>	<b>(101,785,908)</b>
<b>Business-type Activities</b>								
Solid Waste	15,923,690	16,067,863	388,521	-	532,694	-	-	532,694
Sewer Utility	18,070,385	21,871,049	1,115,607	3,642,328	8,558,599	-	-	8,558,599
Surface Water	8,701,119	9,382,240	3,443,521	-	4,124,642	-	-	4,124,642
Total business-type activities	42,695,194	47,321,152	4,947,649	3,642,328	13,215,935	-	-	13,215,935
<b>Total Primary Government</b>	<b>265,684,947</b>	<b>73,800,863</b>	<b>92,413,267</b>	<b>10,900,844</b>	<b>(101,785,908)</b>	<b>13,215,935</b>	<b>13,215,935</b>	<b>(88,569,973)</b>
<b>Component Units:</b>								
Public Facility District(PFD)	597,512	-	-	-	60,220,741	-	-	60,220,741
<b>General revenues:</b>								
<b>Taxes:</b>								
Property taxes, levied for general purposes								
Property taxes, levied for debt service								
Sales & use taxes								
Other taxes								
Investment earnings								
Miscellaneous								
Special item - Transfer of assets to Kilsap 911								
Special item - Demolition of Silverdale community center								
Transfers								
Total general revenues, special items, and transfers					350,362			(508,179)
Change in net position					112,556,439			112,702,300
Net position - beginning					10,770,531			24,132,327
Prior Period Adjustments					402,149,215			529,207,948
Net position - ending					150,000			(155,261)
					\$ 413,069,748	\$ 140,115,269	\$	553,185,019

The notes to the financial statements are an integral part of this statement.

**Balance Sheet  
Governmental Funds  
December 31, 2016**

	Special Revenue Funds		
	General Fund	County Roads	Real Estate Excise Tax
<b>ASSETS</b>			
Cash and Cash equivalents	\$ 20,846,419	\$ 27,018,782	\$ 5,845,896
Deposits with fiscal agents	-	-	-
Investments	436,961	2,709,359	1,473,240
Receivables(net)			
Property Taxes	1,374,722	715,488	-
Special assessments	-	1,622	-
Accounts	33,954	-	-
Notes/Contracts	-	1,196	3,955,004
Others	-	-	-
Due from other funds	694,408	663,484	-
Due from other governments	1,177,793	744,018	-
Interfund loan receivable	-	-	-
Prepayments	204,617	-	-
Advance to other funds	160,000	-	-
<b>Total assets</b>	<b>\$ 24,928,874</b>	<b>\$ 31,853,949</b>	<b>\$ 11,274,140</b>
<b>DEFERRED OUTFLOWS</b>			
Total assets and deferred outflows	<u>\$ 24,928,874</u>	<u>\$ 31,853,949</u>	<u>\$ 11,274,140</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	864,914	1,499,850	-
Due to other funds	298,970	445,817	-
Due to other governments	-	-	-
Other liabilities	1,209,386	480,748	-
Advance from other fund	-	-	-
Revenues collected in advance	5,505	400	7,480
Unearned revenue	-	-	3,955,004
Interfund loan payable	127,573	-	-
<b>Total liabilities</b>	<b>2,506,348</b>	<b>2,426,814</b>	<b>3,962,484</b>
<b>DEFERRED INFLOWS</b>			
	1,377,201	717,111	-
<b>Fund balances</b>			
Nonspendable	364,617	-	-
Restricted	-	-	7,311,656
Committed	-	28,710,024	-
Assigned	-	-	-
Unassigned	20,680,708	-	-
<b>Total fund balance</b>	<b>21,045,325</b>	<b>28,710,024</b>	<b>7,311,656</b>
<b>Total inflows, liabilities &amp; fund balances</b>	<b>\$ 24,928,874</b>	<b>\$ 31,853,949</b>	<b>\$ 11,274,140</b>

The notes to the financial statements are an integral part of this statement

**Balance Sheet**  
**Governmental Funds**  
**December 31, 2016**

	Special Revenue Fund	Debt Service Fund
	Mental Health Medicaid Fund	KCLTGO 2013 Refund
<b>ASSETS</b>		
Cash and Cash equivalents	\$ 5,587,890	\$ 1,821,035
Deposits with fiscal agents	-	
Investments	1,435,175	1,095,585
Receivables(net)		
Property Taxes	-	
Special assessments	-	
Accounts	-	
Notes/Contracts	-	15,869,845
Others	-	
Due from other funds	304,605	
Due from other governments	141,643	250,000
Interfund loan receivable	-	
Prepayments	-	
Advance to other funds	-	
<b>Total assets</b>	<b>\$ 7,469,313</b>	<b>\$ 19,036,465</b>
<b>DEFERRED OUTFLOWS</b>		
	<b>\$ 7,469,313</b>	<b>\$ 19,036,465</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
Accounts payable	825,162	
Due to other funds	369,392	-
Due to other governments	-	
Other liabilities	22,732	
Advance from other fund	-	
Revenues collected in advance	-	
Unearned revenues	-	
Interfund loan payable	-	
<b>Total liabilities</b>	<b>1,217,286</b>	<b>-</b>
<b>DEFERRED INFLOWS</b>		
	-	15,869,845
<b>Fund Balances</b>		
Nonspendable	-	
Restricted	6,252,026	3,166,621
Committed	-	
Assigned	-	
Unassigned	-	
<b>Total fund balances</b>	<b>6,252,026</b>	<b>3,166,621</b>
<b>Total inflows, liabilities and fund balances</b>	<b>\$ 7,469,313</b>	<b>\$ 19,036,465</b>

The notes to the financial statements are an integral part of this statement

**Balance Sheet**  
**Governmental Funds**  
**December 31, 2016**

	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>		
Cash and Cash equivalents	\$ 30,274,788	\$ 91,394,810
Deposits with fiscal agents	-	-
Investments	7,173,659	14,323,979
Receivables(net)		
Property Taxes	46,889	2,137,099
Special assessments	-	1,622
Accounts	24,321	58,275
Notes/Contracts	13,005,408	32,831,452
Others	30,477	30,477
Due from other funds	1,179,855	2,842,352
Due from other governments	3,635,570	5,949,025
Interfund loan receivable	127,573	127,573
Prepayments	-	204,617
Advance to other funds	-	160,000
<b>Total assets</b>	<b>\$ 55,498,539</b>	<b>\$ 150,061,281</b>
<b>DEFERRED OUTFLOWS</b>		
	-	-
	<b>\$ 55,498,539</b>	<b>\$ 150,061,281</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
Accounts payable	2,719,094	5,909,019
Due to other funds	1,809,920	2,924,099
Due to other governments	1,074,434	1,074,434
Other liabilities	296,334	2,009,199
Advance from other fund	160,000	160,000
Revenues collected in advance	252,401	265,786
Unearned revenues	14,303	3,969,307
Interfund loan payable	-	127,573
<b>Total liabilities</b>	<b>6,326,484</b>	<b>16,439,418</b>
<b>DEFERRED INFLOWS</b>		
	5,761,418	23,725,575
<b>Fund Balances</b>		
Nonspendable	7,000,000	7,364,617
Restricted	31,867,969	48,598,272
Committed	4,548,280	33,258,304
Assigned	-	-
Unassigned	(5,610)	20,675,098
<b>Total fund balances</b>	<b>43,410,638</b>	<b>109,896,290</b>
<b>Total inflows, liabilities and fund balances</b>	<b>\$ 55,498,540</b>	<b>\$ 150,061,283</b>

The notes to the financial statements are an integral part of this statement

**KITSAP COUNTY**  
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF NET POSITION  
 December 31, 2016

Fund balances of governmental funds - page 32 \$ 109,896,290

Amounts reported for the governmental activities in the statement of net position are different because:

Capital assets net of depreciation have not been included as financial resources in governmental fund activity.

Capital assets	812,169,618	
Accum Depreciation	(419,253,632)	
Capital assets net of depreciation		392,915,986

Long term debt and compensated absences that have not been included in the governmental fund activity.

Capital lease	210,051	
Bond payable	80,275,000	
Compensated absences	5,306,500	
Notes payable	1,877,979	
OPEB Liability	7,699,859	
PWTF Loans	236,266	
Net pension liability	54,193,658	
Long-term debt		(149,799,313)

Other assets not available to pay for current-period expenditures and, therefore, are deferred in the funds. (498,926)

Taxes/Assessments receivable	2,138,721
Housing Kitsap receivable	15,869,845
Loans receivable CDBG and Home programs	3,827,429
Net pension asset	3,166,963

Pension adjustments 8,837,517

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.

Assets	42,069,234	
Liabilities	(15,353,998)	
Uses Other than Operations	-	
Assets less liabilities		26,715,236

Net position of governmental activities - page 28 \$ 413,069,748

The notes to the financial statements are an integral part of this statement.

**Statement of Revenue, Expenditures, and Changes in Fund Balances**

**Governmental Funds**

For the Year Ended December 31, 2016

	Special Revenue Funds		
	General Fund	County Roads	Real Estate Excise Tax
<b>REVENUES:</b>			
Property taxes	\$ 33,599,049	\$ 24,269,371	\$ -
Retail sales & use taxes	26,111,251	-	-
Other taxes	5,116,403	50,343	6,322,191
Licenses and permits	162,968	180,240	-
Intergovernmental	10,504,020	13,481,623	-
Charges for services	9,240,361	1,177,465	-
Fines & forfeits	1,931,886	-	-
Investment earnings	1,191,789	17,647	148,002
Miscellaneous	1,132,492	107,006	150,000
Total revenues	<u>88,990,218</u>	<u>39,283,695</u>	<u>6,620,194</u>
<b>EXPENDITURES:</b>			
Current:			
General government	26,183,555	-	2,500
Judicial Services	15,383,485	-	-
Public safety	40,554,291	-	-
Physical Environment	1,824	-	-
Transportation	-	30,567,808	-
Health & Human Services	-	-	-
Economic Environment	-	-	-
Culture & recreation	4,616,699	-	-
Debt service			
Principal	-	47,253	-
Interest and other charges	10,608	1,418	900
Capital outlay	177,096	15,786,296	-
Total expenditures	<u>86,927,557</u>	<u>46,402,775</u>	<u>3,400</u>
Excess(deficiency) of revenues over expenditures	<u>2,062,661</u>	<u>(7,119,080)</u>	<u>6,616,794</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Sale of capital assets	-	-	-
Transfers in	5,060,096	-	-
Transfers out	(5,525,970)	(344,179)	(5,638,993)
Total other financing sources & uses	<u>(465,874)</u>	<u>(344,179)</u>	<u>(5,638,993)</u>
Net change in fund balance	<u>1,596,787</u>	<u>(7,463,259)</u>	<u>977,801</u>
Fund balances-beginning	18,830,378	36,323,085	6,183,855
Prior period adjustments	618,161	(149,802)	150,000
Fund balances	<u>\$ 21,045,326</u>	<u>\$ 28,710,024</u>	<u>\$ 7,311,656</u>

The notes to the financial statements are an integral part of this statement.

**Statement of Revenue, Expenditures, and Changes in Fund Balances**

**Governmental Funds**

For the Year Ended December 31, 2016

	Special Revenue Fund	Debt Service Funds
	Mental Health Medicaid Fund	KCLTGO 2013 Refund
<b>REVENUES:</b>		
Property taxes	\$ -	\$ -
Retail sales & use taxes	-	
Other taxes	-	
Licenses and permits	-	
Intergovernmental	41,932,654	230,904
Charges for services	-	
Fines & forfeits	-	
Investment earnings	9,341	199,047
Miscellaneous	-	
Total revenues	<u>41,941,996</u>	<u>429,951</u>
<b>EXPENDITURES:</b>		
Current:		
General government	-	
Judicial Services	-	
Public safety	-	
Physical Environment	-	-
Transportation	-	
Health & Human Services	37,549,130	
Economic Environment	-	
Culture & recreation	-	
Debt service		
Principal	-	2,085,000
Interest and other charges	-	1,677,475
Capital outlay	-	
Total expenditures	<u>37,549,130</u>	<u>3,762,475</u>
Excess(deficiency) of revenues over expenditures	<u>4,392,866</u>	<u>(3,332,524)</u>
<b>OTHER FINANCING SOURCES (USES):</b>		
Sale of capital assets		
Transfers in	-	4,292,873
Transfers out	(1,238,411)	-
Total other financing sources & uses	<u>(1,238,411)</u>	<u>4,292,873</u>
Net change in fund balance	<u>3,154,456</u>	<u>960,348</u>
Fund balances-beginning	3,097,571	2,206,272
Prior period adjustments	-	-
Fund balances-ending	<u>\$ 6,252,026</u>	<u>\$ 3,166,620</u>

The notes to the financial statements are an integral part of this statement.

**Statement of Revenue, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2016**

	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>		
Property taxes	\$ 2,352,321	\$ 60,220,741
Retail sales & use taxes	13,324,836	39,436,087
Other taxes	2,429,528	13,918,465
Licenses and permits	5,261,911	5,605,119
Intergovernmental	28,574,933	94,724,134
Charges for services	6,138,949	16,556,774
Fines & forfeits	248,833	2,180,719
Investment earnings	713,648	2,279,474
Miscellaneous	2,680,293	4,069,792
	<u>61,725,252</u>	<u>238,991,305</u>
<b>EXPENDITURES:</b>		
Current:		
General government	2,358,019	28,544,074
Judicial Services	358,554	15,742,039
Public safety	15,264,922	55,819,213
Physical Environment	3,744,157	3,745,980
Transportation	76,451	30,644,260
Health & Human Services	22,277,302	59,826,432
Economic Environment	7,177,122	7,177,122
Culture & recreation	1,477,701	6,094,400
Debt service		
Principal	4,562,995	6,695,248
Interest and other charges	1,946,660	3,637,060
Capital outlay	4,081,993	20,045,385
Total expenditures	<u>63,325,875</u>	<u>237,971,212</u>
	<u>(1,600,623)</u>	<u>1,020,093</u>
<b>OTHER FINANCING SOURCES (USES):</b>		
Sale of capital assets	378,248	378,248
Transfers in	11,448,979	20,801,947
Transfers out	<u>(8,472,667)</u>	<u>(21,220,219)</u>
Total other financing sources & uses	<u>3,354,559</u>	<u>(40,024)</u>
Net change in fund balance	<u>1,753,936</u>	<u>980,069</u>
Fund balances-beginning	42,125,060	108,766,221
Prior period adjustments	(468,359)	150,000
Fund balances-ending	<u>\$ 43,410,638</u>	<u>\$ 109,896,291</u>

The notes to the financial statements are an integral part of this statement.



## KITSAP COUNTY

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2016

Net change in fund balances-total governmental funds - page 36 \$ 980,069

Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of activities because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital out-lay	20,048,904
Depreciation	(17,773,282)

Capital Asset Transactions

Proceeds from the sale of capital assets not recognized in the Statement of Activity	(378,248)
Special Item - transfer of assets to Kitsap 911	(7,211,965)
Special Item - demolition of Silverdale Community Center	(508,179)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items

Bond principal	6,695,248
Recording of Net OPEB Obligation	(972,065)

Revenues in statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Accounts Receivable - Housing Kitsap	35,181
Property taxes receivable	2,137,099
Special Assessments	1,622

Internal services Activities

Net Transfers	768,632
Depreciation already included above	2,313,366
Net profit	4,634,149

Change in net position of governmental activities - page 29 \$ 10,770,531

The notes to the financial statements are an integral part of this statement.

# KITSAP COUNTY, WASHINGTON

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### General Fund

Year Ended December 31, 2016

	2016					
	Original Budget	Final Budget	Actual	Variance With Final Budget	Budget to GAAP Basis Differences	Actual GAAP Basis
<b>REVENUES:</b>						
Property taxes	\$ 33,902,266	\$ 33,902,266	\$ 33,599,001	\$ (303,265)	\$ 47	\$ 33,599,049
Retail sales & use taxes	24,691,391	24,691,391	26,111,251	1,419,860	-	26,111,251
Other taxes	5,153,875	5,153,875	5,113,820	(40,055)	2,583	5,116,403
Licenses and permits	123,446	123,446	162,968	39,522	-	162,968
Intergovernmental	8,833,951	9,076,467	10,496,378	1,419,911	7,642	10,504,020
Charges for services	9,302,820	9,380,057	9,240,361	(139,696)	-	9,240,361
Fines & forfeits	1,963,215	1,964,415	1,926,955	(37,460)	4,930	1,931,886
Investment Earnings	727,520	727,520	1,188,944	461,424	2,844	1,191,789
Miscellaneous	820,711	832,711	964,436	131,725	168,056	1,132,492
	<u>85,519,195</u>	<u>85,852,148</u>	<u>88,804,115</u>	<u>2,951,967</u>	<u>186,103</u>	<u>88,990,218</u>
<b>EXPENDITURES:</b>						
Current:						
Administrative Services	\$ 824,246	\$ 861,548	\$ 783,240	\$ 78,308	\$ -	783,240
Assessor	2,312,198	2,369,413	2,278,249	91,164	-	2,278,249
Auditor	1,843,736	1,919,809	1,867,748	52,061	-	1,867,748
Commissioners	1,518,286	1,567,203	1,545,068	22,135	-	1,545,068
General Administration	4,620,317	5,190,917	6,753,034	(1,562,117)	-	6,753,034
Human resources	1,437,144	1,466,749	1,311,956	154,793	-	1,311,956
Prosecuting attorney	8,966,063	9,126,191	8,896,266	229,925	-	8,896,266
Facilities Maintenance	1,875,672	1,878,763	1,753,975	124,788	-	1,753,975
Treasurer	996,996	1,017,635	994,018	23,617	-	994,018
Total general government	<u>24,394,658</u>	<u>\$ 25,398,228</u>	<u>26,183,555</u>	<u>(785,327)</u>	<u>-</u>	<u>26,183,555</u>
Judicial Services						
Clerk	\$ 3,316,105	\$ 3,489,595	\$ 3,428,670	\$ 60,925	\$ -	3,428,670
District court	2,813,409	2,869,568	2,690,698	178,870	-	2,690,698
Superior court	3,114,425	3,176,899	3,137,266	39,633	-	3,137,266
Juvenile	2,767,841	2,849,049	2,742,952	106,097	-	2,742,952
Public defense	2,690,195	3,477,425	3,383,899	93,526	-	3,383,899
Total Judicial services	<u>14,701,975</u>	<u>15,862,536</u>	<u>15,383,485</u>	<u>479,051</u>	<u>-</u>	<u>15,383,485</u>
Public safety						
Sheriff	\$ 20,563,790	\$ 20,579,659	\$ 20,169,366	\$ 410,293	\$ 4,157	20,173,523
Jail	14,078,218	14,255,910	14,105,213	150,697	-	14,105,213
Juvenile	5,109,118	5,273,260	4,850,305	422,955	-	4,850,305
Coroner	1,163,299	1,202,619	1,176,558	26,061	-	1,176,558
Human services	242,130	253,670	248,692	4,978	-	248,692
Total Public Safety	<u>41,156,555</u>	<u>41,565,118</u>	<u>40,550,135</u>	<u>1,014,983</u>	<u>4,157</u>	<u>40,554,291</u>
Physical Environment					\$ 1,824	1,824
Culture & recreation						
Parks	\$ 4,282,180	\$ 4,368,258	4,080,263	\$ 287,995	\$ 166,780	4,247,043
Cooperative Extension	385,937	389,897	369,656	20,241	-	369,656
Personnel & Human Resources	-	-	-	-	-	-
Total Culture & Recreation	<u>4,668,117</u>	<u>4,758,155</u>	<u>4,449,919</u>	<u>308,236</u>	<u>166,780</u>	<u>4,616,699</u>
Interest and other charges	9,600	9,600	9,270	330	1,338	10,608
Capital outlay	200,000	293,227	177,096	116,131	-	177,096
Total expenditures	<u>85,130,905</u>	<u>87,886,864</u> #	<u>86,753,458</u> #	<u>1,133,406</u>	<u>174,099</u>	<u>86,927,557</u>
Excess(deficiency) of revenues over expenditures	388,290	(2,034,716) #	2,050,656 #	4,085,372	12,005	2,062,661
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	3,767,240	# 5,720,526	5,141,838	(578,688)	56,085	5,060,096
Transfers out	(4,155,530)	# (5,880,621)	(5,648,797)	231,824	(15,000)	(5,525,970)
Total other financing sources & uses	<u>(388,290)</u> #	<u>(160,095)</u>	<u>(506,959)</u>	<u>(346,864)</u>	<u>41,085</u>	<u>(465,874)</u>
Net change in fund balance	-	(2,194,811)	1,543,697	3,738,508	53,090	1,596,787
Fund balances-beginning	17,884,299	17,884,299	17,884,299	-	946,079	18,830,378
Prior period adjustments			618,161	618,161		618,161
Fund balances-ending	<u>17,884,299</u>	<u>15,689,488</u>	<u>20,046,157</u>	<u>4,356,669</u>	<u>999,169</u>	<u>21,045,326</u>

The notes to the financial statements are an integral part of this statement.

# KITSAP COUNTY, WASHINGTON

## County Roads Fund 101 & 102

### Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 24,296,090	\$ 24,296,090	\$ 24,269,371	\$ (26,719)
Other taxes	50,000	50,000	50,343	343
Licenses and permits	160,000	160,000	180,240	20,240
Intergovernmental	15,438,386	15,438,386	13,481,623	(1,956,763)
Charges for services	584,000	584,000	1,177,465	593,465
Investment earnings	2,700	2,700	17,647	14,947
Miscellaneous	15,000	15,000	107,006	92,006
Total revenues	<u>40,546,176</u>	<u>40,546,176</u>	<u>39,283,695</u>	<u>(1,262,481)</u>
<b>EXPENDITURES:</b>				
Current:				
Transportation	29,505,140	29,505,140	30,567,808	(1,062,668)
Debt service				
Principal	47,260	47,260	47,253	7
Interest and other charges	1,600	1,600	1,418	182
Capital outlay	18,498,000	18,498,000	15,786,296	2,711,704
Total expenditures	<u>48,052,000</u>	<u>48,052,000</u>	<u>46,402,775</u>	<u>1,649,225</u>
Excess(deficiency) of revenues over expenditures	<u>(7,505,824)</u>	<u>(7,505,824)</u>	<u>(7,119,080)</u>	<u>386,744</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	2,500,000	-	(2,500,000)
Transfers out	(344,178)	(2,993,980)	(344,179)	2,649,801
Total other financing sources & uses	<u>(344,178)</u>	<u>(493,980)</u>	<u>(344,179)</u>	<u>149,801</u>
Net change in fund balance	<u>(7,850,002)</u>	<u>(7,999,804)</u>	<u>(7,463,259)</u>	<u>536,545</u>
Fund balances-beginning	31,525,011	26,928,011	36,323,085	9,395,074
Prior period adjustments	-	-	(149,802)	(149,802)
Fund balances-ending	<u>\$ 23,675,009</u>	<u>\$ 18,928,207</u>	<u>\$ 28,710,024</u>	<u>\$ 9,781,817</u>

The notes to the financial statements are an integral part of this statement

# KITSAP COUNTY, WASHINGTON

## Real Estate Excise Tax Fund 131

### Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Other taxes	\$ 4,831,420	\$ 4,831,420	\$ 6,322,191	1,490,771
Investment earnings	158,080	158,080	148,002	(10,078)
Miscellaneous	150,750	150,750	150,000	(750)
Total revenues	<u>5,140,250</u>	<u>5,140,250</u>	<u>6,620,194</u>	<u>1,479,944</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	2,500	2,500	-
Debt service	-	-	-	-
Interest and other charges	-	900	900	-
Capital Outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>3,400</u>	<u>3,400</u>	<u>-</u>
Excess(deficiency) of revenues over expenditures	<u>5,140,250</u>	<u>5,136,850</u>	<u>6,616,794</u>	<u>1,479,944</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	<u>(3,538,074)</u>	<u>(5,638,995)</u>	<u>(5,638,993)</u>	<u>2</u>
Total other financing sources & uses	<u>(3,538,074)</u>	<u>(5,638,995)</u>	<u>(5,638,993)</u>	<u>2</u>
Net change in fund balance	<u>1,602,176</u>	<u>(502,145)</u>	<u>977,801</u>	<u>1,479,946</u>
Fund balances-beginning	4,849,354	4,179,354	6,183,855	2,004,501
Prior period adjustments	-	-	150,000	150,000
Fund balances-ending	<u>\$ 6,451,530</u>	<u>\$ 3,677,209</u>	<u>\$ 7,311,656</u>	<u>\$ 3,634,447</u>

The notes to the financial statements are an integral part of this statement

# KITSAP COUNTY, WASHINGTON

## Mental Health Medicaid 187

### Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 30,100,000	\$ 39,200,000	\$ 41,932,654	\$ 2,732,654
Investment earnings	10,000	10,000	9,341	(659)
Total revenues	30,110,000	39,210,000	41,941,996	2,731,996
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	35,010,000	39,210,000	37,549,130	1,660,870
Total expenditures	35,010,000	39,210,000	37,549,130	1,660,870
Excess(deficiency) of revenues over expenditures	(4,900,000)	-	4,392,866	4,392,866
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(1,238,411)	(1,238,411)
Total other financing sources & uses	-	-	(1,238,411)	(1,238,411)
Net change in fund balance	(4,900,000)	-	3,154,455	3,154,455
Fund balances-beginning	3,463,237	3,463,237	3,097,571	(365,666)
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ (1,436,763)	\$ 3,463,237	\$ 6,252,026	\$ 2,788,789

The notes to the financial statements are an integral part of this statement

# KITSAP COUNTY, WASHINGTON

## Statement of Net Position

Proprietary Funds  
December 31, 2016

	Sanitary Sewer	Solid Waste	Surface Water Utility	Total	Governmental Activities Internal Service Funds
<b>ASSETS</b>					
Current assets:					
Cash and Cash equivalents	\$ 2,775,856	\$ 1,602,866	\$ 1,323,453	\$ 5,702,175	\$ 37,826,460
Investments	35,784,967	22,979,953	1,047,270	59,812,190	-
Receivables(net)			-	-	-
Special assessments	22,017	-	-	22,017	-
Accounts	2,139,282	1,608,308	189,665	3,937,255	643,504
Due from other funds	453,479	7,190	31,748	492,417	653,482
Due from other governments	83,494	24,503	1,572,476	1,680,473	217,762
Prepayments	-	-	-	-	135,193
Inventories	235,912	-	-	235,912	1,788,211
Restricted assets:					
Cash and cash equivalents	272,518	-	-	272,518	-
Deposits with fiscal agents	-	-	-	-	-
Investments	4,199,260	-	-	4,199,260	-
Total current assets	45,966,785	26,222,820	4,164,612	76,354,217	41,264,612
Noncurrent assets					
Special Assessment Receivable	247,650			247,650	-
Capital assets					
Land	1,204,327	472,444	1,853,360	3,530,131	-
Buildings	55,722,546	802,991	239,210	56,764,747	1,659,927
Improvements & Other Buildings	81,045,301	2,027,224	21,482,964	104,555,489	940,439
Machinery & Equipments	9,330,371	96,281	221,899	9,648,551	36,130,304
Construction In Progress	57,223,271	66,763	10,274,434	67,564,468	97,323
Less accumulated depreciation	(90,379,407)	(2,037,303)	(6,661,793)	(99,078,503)	(20,720,552)
Total noncurrent assets	114,394,059	1,428,400	27,410,074	143,232,533	18,107,441
Total assets	\$ 160,360,844	\$ 27,651,220	\$ 31,574,686	\$ 219,586,750	\$ 59,372,053
<b>DEFERRED OUTFLOWS</b>					
Deferred Outflows Related to Pensions	804,621	268,207	402,311	1,475,139	804,622
Total assets and deferred outflows	\$ 161,165,465	\$ 27,919,427	\$ 31,976,997	\$ 221,061,889	\$ 60,176,675
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued expenses	1,471,212	916,098	445,474	2,832,784	555,402
Due to other funds	45,196	173,226	633,321	851,743	213,151
Due to other governments	10,362	38,091	-	48,453	-
Other liabilities	133,316	55,113	82,383	270,812	10,115,127
Debt interest payable	208,500	-	-	208,500	-
Current portion of long term liabilities	2,635,249	39,901	16,309	2,851,951	44,497
Total current liabilities	4,503,835	1,222,429	1,177,487	7,064,243	10,928,177
Noncurrent Liabilities					
Net Pension Liability	3,917,614	1,290,340	1,935,511	7,143,465	3,917,615
Due in more than one year	65,949,202	605,922	146,785	66,541,417	400,481
Total noncurrent liabilities	69,866,816	1,896,262	2,082,296	73,684,882	4,318,096
Total liabilities	\$ 74,370,651	\$ 3,118,691	\$ 3,259,783	\$ 80,749,125	\$ 15,246,273
<b>DEFERRED INFLOWS</b>					
Deferred Inflows Related to Pensions	107,725	35,908	53,862	197,495	107,725
Total liabilities and deferred inflows	\$ 74,478,376	\$ 3,154,599	\$ 3,313,645	\$ 80,946,620	\$ 15,353,998
<b>NET POSITION</b>					
Net investment in capital assets	55,432,053	1,428,400	27,410,074	84,270,527	18,107,441
Restricted:					
Debt service	4,471,778	-	-	4,471,778	-
Unrestricted	26,783,258	23,336,428	1,253,278	51,372,964	26,715,236
Total net position	\$ 86,687,089	\$ 24,764,828	\$ 28,663,352	\$ 140,115,269	\$ 44,822,677

The notes to the financial statements are an integral part of this statement.

# KITSAP COUNTY, WASHINGTON

## Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the Year Ended December 31, 2016

	Sanitary Sewer	Solid Waste	Surface Water Utility	Total	Governmental Activities Internal Service Funds
Operating revenues:					
Charges for services	\$ 21,869,945	\$ 16,062,805	\$ 9,348,907	\$ 47,281,657	\$ 41,395,837
Miscellaneous	1,104	5,058	33,333	39,495	526,121
Total operating revenues	<u>21,871,049</u>	<u>16,067,863</u>	<u>9,382,240</u>	<u>47,321,152</u>	<u>41,921,958</u>
Operating expenses:					
Personal services	5,882,630	2,035,439	3,101,053	11,019,122	8,032,598
Contractual services	976,846	2,047,322	2,411,821	5,435,989	15,609,721
Utilities	1,375,691	11,017,989	62,645	12,456,325	23,483
Repair and maintenance	180,202	82,854	411,390	674,446	1,200,018
Other supplies and expenses	2,573,873	632,977	1,558,529	4,765,379	7,807,546
Insurance claims and expenses	25,383	8,715	78,779	112,877	2,301,077
Depreciation	4,917,206	98,394	1,076,902	6,092,502	2,313,366
Total operating expenses	<u>15,931,831</u>	<u>15,923,690</u>	<u>8,701,119</u>	<u>40,556,640</u>	<u>37,287,809</u>
Operating income	<u>5,939,218</u>	<u>144,173</u>	<u>681,121</u>	<u>6,764,512</u>	<u>4,634,149</u>
Nonoperating revenue (expenses)					
Interest and investment revenue	305,090	145,716	45,417	496,223	-
Miscellaneous revenue	1,115,607	388,521	3,443,521	4,947,649	-
Interest expense	(2,138,554)	-	-	(2,138,554)	-
Total nonoperating expenses	<u>(717,857)</u>	<u>534,237</u>	<u>3,488,938</u>	<u>3,305,318</u>	<u>-</u>
Income (loss) before contributions & transfers	5,221,361	678,410	4,170,059	10,069,830	4,634,149
Capital contributions	3,642,328	-	-	3,642,328	136,601
Transfers in	-	-	-	-	1,338,947
Transfers out	(137,407)	-	(212,955)	(350,362)	(570,315)
Change in net position	<u>8,726,282</u>	<u>678,410</u>	<u>3,957,104</u>	<u>13,361,796</u>	<u>5,539,382</u>
Total net position - beginning	77,960,807	24,086,418	25,011,509	127,058,734	39,277,730
Prior period adjustment	-	-	(305,261)	(305,261)	5,565
Total net position - ending	<u>\$ 86,687,088</u>	<u>\$ 24,764,827</u>	<u>\$ 28,663,351</u>	<u>\$ 140,115,268</u>	<u>\$ 44,822,677</u>

The notes to the financial statements are an integral part of this statement.

# KITSAP COUNTY, WASHINGTON

## Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2016

	Sanitary Sewer	Solid Waste	Surface Water Utility	Total	Governmental Activities Internal service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 21,424,841	\$ 15,502,726	\$ 10,191,161	\$ 47,118,728	\$ 41,961,601
Payments to suppliers	(3,918,012)	(13,720,139)	(4,685,216)	(22,323,367)	(26,977,925)
Payments to employees	(5,883,222)	(2,060,299)	(3,157,025)	(11,100,546)	(8,131,638)
Net cash provided by operating activities	\$ 11,623,607	\$ (277,712)	\$ 2,348,920	\$ 13,694,815	\$ 6,852,038
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Operating grants received	\$ 1,032,113	\$ 575,660	\$ 2,185,612	\$ 3,793,385	\$ -
Transfers in	-	-	-	-	1,338,947
Transfers out	(137,407)	-	(212,955)	(350,362)	(570,315)
Net cash provided by noncapital activities	\$ 894,706	\$ 575,660	\$ 1,972,657	\$ 3,443,023	\$ 768,632
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital contributions	\$ 3,137,462	\$ -	\$ -	\$ 3,137,462	\$ -
Purchases of capital assets	(15,200,307)	(308,684)	(4,389,379)	(19,898,370)	(4,989,136)
Principal paid on capital debt	(3,304,036)	-	-	(3,304,036)	-
Interest paid on capital debt	(1,746,879)	-	-	(1,746,879)	-
Net cash from related financing activities	\$ (17,113,760)	\$ (308,684)	\$ (4,389,379)	\$ (21,811,823)	\$ (4,989,136)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sales and maturities of investments	\$ 12,000,000	\$ 1,010,000	\$ 3,200,469	\$ 16,210,469	\$ -
Purchase of Investments	(7,487,488)	(2,445,716)	(2,514,159)	(12,447,363)	-
Interest and dividends	305,090	145,716	45,417	496,223	-
Net cash provided by investing activities	4,817,602	(1,290,000)	731,727	4,259,329	-
Net increase (decrease) in cash and cash equivalents	222,155	(1,300,736)	663,925	(414,656)	2,631,534
Balances - beginning of the year	2,826,219	2,903,602	659,528	6,389,349	35,194,926
Balances - end of the year	\$ 3,048,374	\$ 1,602,866	\$ 1,323,453	\$ 5,974,693	\$ 37,826,460
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ 5,939,218	\$ 144,173	681,121	\$ 6,764,512	4,634,149
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	4,917,206	98,394	1,076,902	6,092,502	2,313,366
Change in assets and liabilities:					
Receivables, net	(171,097)	(564,700)	10,707	(725,090)	(605,831)
Due from other funds	(275,111)	(437)	798,214	522,666	96,893
Due from other governments	-	-	-	-	17,421
Prepayments	-	-	-	-	(11,654)
Inventories	11,270	-	-	11,270	168,285
Deferred inflows	(360,514)	(120,172)	(180,258)	(660,944)	(332,268)
Accounts and other payables	1,216,545	12,282	62,400	1,291,227	321,937
Due to other funds	(23,986)	44,350	(10,456)	9,908	78,763
Due to other governments	1,015	(105)	(216,742)	(215,832)	-
Accrued expenses	9,139	13,191	2,747	25,077	(62,251)
Deferred outflows	(429,104)	(143,035)	(214,552)	(786,691)	(532,162)
Net pension liability	746,174	233,193	349,791	1,329,158	746,176
Employee benefits	42,852	5,154	(10,954)	37,052	19,214
Net cash provided by operating activities	\$ 11,623,607	\$ (277,712)	\$ 2,348,920	\$ 13,694,815	\$ 6,852,038
<b>Noncash investing, capital and financing activities</b>					
Contribution of capital assets	504,866			504,866	136,601

The notes to the financial statements are an integral part of this statement.



# KITSAP COUNTY, WASHINGTON

## Statement of Fiduciary Net Position December 31, 2016

	Private Purpose Trust <u>Funds</u>	Agency <u>Funds</u>
<b>ASSETS</b>		
Cash	\$ 134,582	\$ 44,028,568
Deposits with Fiscal Agents		-
Investments		438,969,757
Taxes Receivable		5,662,483
Other Current Receivables		48,983
Due From Other Funds		780
Due From Other Governments		50,453
Total Assets	<u>\$ 134,582</u>	<u>\$ 488,761,024</u>
<b>LIABILITIES</b>		
Warrants Payable		\$ 4,308
Accounts Payable		-
Sales Tax Payable		-
Other Accrued Liabilities		-
Due to Other Funds		-
Due to Other Governments		-
Interfund loans		-
Custodial Account	-	488,756,716
Total Liabilities	<u>\$ -</u>	<u>\$ 488,761,024</u>
<b>NET POSITION</b>	<u>\$ 134,582</u>	

The notes to the financial statements are an integral part of this statement.

# KITSAP COUNTY, WASHINGTON

## Statement of Changes in Fiduciary Net Position December 31, 2016

	Private Purpose Trust Funds
<b>ADDITIONS:</b>	
Contributions:	
Additions By Participants	\$ 619,750
Total Contributions	
Investment Income:	
Interest, Dividends and Other	4
Total Investment Income	
Total Additions	<u>\$ 619,754</u>
<b>DEDUCTIONS:</b>	
Distributions to Participants	(623,502)
Trust Administrative Costs	
Total Deductions	<u>\$ (623,502)</u>
Change in Net Position Held for Individuals, Organizations and Other Governments	(3,748)
Net Position as of January 1, 2016	\$ 138,330
Net Position as of December 31, 2016	<u>\$ 134,582</u>

See accompanying notes to financial statements



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# Notes to Financial Statements

Kitsap County Auditor | Financial Division

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## Notes to the Financial Statement Table of Contents

Note 1. Summary of Significant Account Policies.....	49
A. Reporting Entity Government-Wide & Fund Financial Statements .....	50
C. Measurement Focus, Basis of Accounting & Financial Statement Presentation.....	52
D. Budgetary Information .....	53
E. Assets, Liabilities & Equity .....	55
Note 2. Reconciliation of Government-Wide & Fund Financial Statements .....	61
Note 3. Stewardship, Compliance & Accountability.....	62
Note 4. Deposits & Investments .....	62
Note 5. Property Tax .....	64
Note 6. Capital Assets .....	65
Note 7. Pension Plans.....	67
Note 8. Risk Management .....	79
Note 9. Long-Term Debt .....	81
A. General Obligation Bonds.....	82
B. Loans.....	83
C. Notes Payable .....	83
D. Revenue Bonds .....	84
E. Pollution Remediation Obligation.....	84
F. Compensated Absences .....	85
Note 10. Leases.....	85
Note 12. Contingencies & Litigations .....	87
Note 11. Changes In Long-Term Liabilities.....	87
Note 13. Inter-Fund Balances & Transfers .....	88
Note 14. Receivables & Payables.....	89
Note 15. Deferred Compensation .....	90
Note 16. Deferred Outflows & Inflows of Resources .....	91
Note 17. Service Concession Arrangement .....	91
Note 18. Other Post-Employment Benefits.....	92
Note 20. Pollution Remediation Obligation .....	96
Note 21. Other Note Disclosures.....	97

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Kitsap County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

#### A. Reporting entity

Kitsap County is a municipal corporation of Washington State, governed under the commissioner form of government. The accompanying financial statements present the government and entities for which the government is considered to be financially accountable. The voters of Kitsap County elected the three-member board on a partisan basis to serve overlapping 4-year terms. The Board of County Commissioners is the legislative body and also has a quasi-judicial role in dealing with land use matters. The body is also responsible for all administrative duties of running the County, which are not expressly given to any other County position. As required by generally accepted accounting principles the financial statements present Kitsap County, the primary government, and its component units. The component units discussed below are included in the County reporting entity because of the significance of their operational or financial relationships with the County.

Discretely presented component units. The Public Facility District (PFD) is governed by the seven-member board appointed by the Board of County Commissioners. It is a legally separate entity. The PFD was responsible for the construction of the Kitsap Conference Center at Bremerton Harborside (City of Bremerton) and the County's Event Center, using sales tax revenues. The PFD was created and the Kitsap County Board of Commissioners appointed its board members, therefore the County is financially responsible for its operations. The County financed the PFD projects through an \$11.395 million bond issue and the PFD pledged its tax revenues to the County through an interlocal government agreement. The debt is reported on the County's books. The component unit does not issue separate financial statements, therefore, we have included these statements in our basic Financial Statement section.

Blended component units. The Industrial Development Corporation of Kitsap County (IDC) was created and approved by the Kitsap County Board of County Commissioners on May 17, 1999 to construct and maintain industrial facilities throughout Kitsap County. All three County Commissioners are on its board of directors, therefore, the County is financially responsible for the operation of the corporation. IDC sold \$2 million in non-recourse revenue bonds in 2003 which neither the County, nor IDC is responsible to repay under the loan agreement. The issuer (IDC) loaned the proceeds of the bonds to CARA Group, LLC, a Washington limited liability company (the Borrower) pursuant to a loan agreement dated March 1, 2003. The Borrower is obligated to make payments to the trustee in amounts sufficient to pay the principal and premium, if any, interest on the bonds, and certain other fees and expenses and to make payments sufficient to pay the purchase price of bonds tendered or deemed tendered for purchase to the extent that other moneys are not available. The corporation did not have any activity during the current year, therefore there is nothing to report.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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### B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Our policy is to allocate indirect costs to a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements or a particular function or segment. Internally dedicated resources are reported as general revenues rather than program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated for the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Amounts reported as program revenues include 1) charges to customers, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. General revenues include all taxes.

Indirect costs are allocated by either the number of staff, or the square footage of the office occupancy. Insurance costs are allocated by the number of staff covered, and information services costs that are not direct costs are allocated by the number of users.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

The General Fund is the County's operating fund. It accounts for all financial resources of the general government, except those required or elected to be accounted for in another fund.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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The County Roads Fund receives most of its revenue from property taxes and federal and state grants. The Fund is used to account for the maintenance and the construction of County roads and bridges.

The Real Estate Excise Tax Fund is used to account for the collection of real estate excise taxes to be used for capital projects.

The Mental Health Medicaid fund is used to account for Medicaid grant funds received by the mental health program and the spending of those funds.

The 2013 LTGO Refunding Bonds Fund is used to account for activity related to the issuance of refunding bonds in 2013.

The County reports the following major enterprise funds:

The Solid Waste Fund is used to account for the costs of providing solid waste services to the residents of Kitsap County;

The Sanitary Sewer Fund is used to account for the costs of providing sewage disposal services to the residents of Kitsap County; and

The Surface Water Utility Fund is used to account for costs of providing surface water utilities to the residents of Kitsap County.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are use charges for sewer, collection fees for solid waste, and use charges for surface water. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Additionally, the County reports the following fund types:

Internal Service Funds provide services to County departments and offices on a cost reimbursement basis:

Equipment Rental & Revolving (ER&R) Fund manages the County's fleet of vehicles and road construction and maintenance equipment;

Building Repair & Replacement (BR&R) Fund provides building services for the County;

Employer Benefits Fund administers the County's self-funded employee welfare plan;

Self Insurance Fund is responsible for the County's general liability, property, crime/dishonesty, workers compensation and unemployment insurance policies and programs;

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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Elections Fund provides election services for the County and Junior Taxing Districts; and

Information Services Fund maintains and manages the County's computer equipment and software.

### Fiduciary Funds

Private Purpose Trust Funds are used to record amounts deposited with the County Clerk through Superior Court trust arrangements. In addition, these funds are used to record fees collected and held by the Jail on behalf of inmates.

Agency funds are used to account for the funds held in a custodial nature for other governmental entities, the vast majority in the form of cash and investments. The entities include school districts, the public utility district, recreation districts, the public health district, the library district, cities and towns, ports, water districts, fire districts and sewer districts.

### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The County considers property taxes as available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered measurable and available only when cash is received by the County.



# Kitsap County, Washington

Notes to Financial Statements

December 31, 2016

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## D. Budgetary Information

### 1. Scope of Budget

Annual appropriated budgets are adopted for all governmental funds of the County on the modified accrual basis of accounting. Budgets for debt service and capital project funds are adopted at the level of the individual debt issue or project and for one fiscal year. Budgets for these types of funds are adopted every year throughout the lives of the debt issues or projects.

Other budgets are adopted at the level of the fund, except in the general (current expense) fund, where expenditures may not exceed appropriations at the department level and the budgets constitute the legal authority for expenditures at that level.

Appropriations for general and special revenue funds lapse at year-end, except for appropriations for capital outlays, which are carried forward from year to year until fully expended or the purpose of the appropriation has been accomplished or abandoned.

Encumbrances accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year

Budgets were not adopted for the following funds in 2016 because no expenditures were anticipated:

- Human Resources Board
- Special Purpose Path
- Real Property Fund
- GMA Transportation Impact Fee, Central Kitsap Fund
- Wetland Mitigation Bank
- Bucklin Ridge Park Development
- Clear Creek Ed/Awareness
- Regional Septic Loan Program
- Kitsap County Grants
- Long Lake Management District
- Indianola Forest Fund
- Service Area 1 Road Impact Fee Fund
- Service Area 2 Road Impact Fee Fund
- Service Area 3 Road Impact Fee Fund
- Service Area 4 Road Impact Fee Fund
- Regional Service Area Roads Fund
- McCormick Village Traffic Impact Fee Fund
- McCormick Village Park Impact Fee
- Mental Health Medicaid Match
- ARRA EECBG

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

### 2. Amending the Budget

Kitsap County's budget procedures comply with chapter 36.40 of the Revised Code of Washington. Budgets may be administratively revised within all funds except the general fund, as long as total appropriations are not changed. General fund department budgets may be revised administratively as long as the department total appropriation is not changed. In accordance with the laws of the State of Washington, any unexpended appropriation balances lapse at the close of the fiscal year.

The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

The financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all transfers, allocations, supplemental appropriations, and other legally authorized changes applicable for the fiscal year.

The budgets are integrated into the accounting system. The budgetary data, as presented in the financial statements for all funds with annual budgets, compare the expenditures with the amended budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison statement for the general fund and special revenue funds present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended.

The general fund statement includes information about budget to actual basis differences which arose as a result of including non-qualifying special revenue funds in the general fund for financial statement presentation purposes. Thirteen special revenue funds did not meet the GASB 54 classification criteria and were rolled up into the general fund. See *Note 1. E. 13, Fund Balance Classification*, for further details.

#### Budget revisions

Revisions were made to the original budgets of the following funds during the year:

	<b>Original Budget</b>	<b>Budget Change</b>	<b>Final Budget</b>
General Fund	\$89,286,435	\$4,481,050	\$93,767,485
Major Funds	\$90,706,727	\$8,954,123	\$99,660,850
Non Major Funds	\$74,867,997	\$5,616,943	\$80,484,940
		\$19,052,116	

### 3. Excess of expenditures over appropriations

For the year ended December 31, 2016 expenditures did not exceed appropriations in any of the general fund departments.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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### 4. Deficit Balance

At December 31, 2016, Emergency Services fund reported a deficit balance of fund net position in the amount of \$5,610. The year-end fund balance deficit for the fund is expected to be reversed in 2017.

### E. Assets, Liabilities and Equity

#### 1. Cash and Cash Equivalents

It is the County's policy to invest all temporary cash surpluses. At December 31, 2016, the treasurer was holding \$176.9 million in short-term residual investments of surplus cash. This amount is classified on the balance sheet as cash and cash equivalents in various funds. The interest on these investments is credited to the general fund.

For purposes of the statement of cash flows, the County considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

#### 2. Investments

Investments for the government are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares (see *Note 4, Deposits and Investments*).

#### 3. Receivables

Taxes receivable consists of property taxes and related interest and penalties (see *Note 5, Property Tax*). Accrued interest receivable consists of amounts earned on investments, notes, and contracts at the end of the year.

Special assessments are recorded when levied. Special assessments receivable consist of current and delinquent assessments and related interest and penalties. Deferred assessments on the fund financial statements consist of unbilled special assessments that are liens against the property benefited. As of December 31, 2016, no special assessments receivables were delinquent.

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. Notes and contracts receivable consist of amounts owed on open account from private individuals or organizations for goods and services rendered.

#### 4. Amounts Due to and from Other Funds and Governments, Interfund Loans and

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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### Advances Receivable

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either interfund loans receivable/payable or advances to/from other funds. All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. A separate schedule of interfund loans receivable and payable is furnished in *Note 13, Interfund Balances and Transfers*.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

### 5. Inventories and Prepaid Items

Inventories in governmental funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. A comparison to market value is not considered necessary.

Inventories in proprietary funds are valued at cost using the weighted average method.

The County pays annual insurance premiums for various insurance policies it purchases during the year. The portion of these premiums that covers future periods are recorded as prepaid insurance.

The County entered into a 25-year land lease with Washington State Military Department in 2008. The Coroner Facility was constructed on the leased property. Upon execution of the contract, the entire cost of the lease was paid to the lessor. Prepaid rent is being expensed annually over the life of the lease.

### 6. Restricted Assets and Liabilities

The restricted assets of the enterprise funds consist of cash and investment balances of \$4,471,778, restricted for debt service. Specific debt service reserve requirements are described in *Note 9, Long Term Debt*.

### 7. Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), and are reported in applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the county as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Infrastructure assets are assets with an initial individual cost of \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Costs for additions and improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the asset.

The costs for normal maintenance and repairs are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current fiscal year, the total interest expense incurred by county proprietary funds attributable to capital projects was \$2,442,350. Of this amount, \$303,796 was included as part of the cost of capital assets under construction in connection with sewer projects during 2016.

Property, plant and equipment of the county are depreciated using the straight-line method over the following estimated useful lives:

Capital Asset Type	Life in Years
Buildings & Other Improvements	20 - 45
Machinery & Equipment	4 - 12
Vehicles	6 - 10
Trucks & Trailers	7 - 15
Sewer System	20 - 50
Road System	7 - 25
Bridges	40
Sidewalks	30

### 8. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. All vacation and sick pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements.

Vacation pay, which may be accumulated up to 45 days (360 hours), is payable upon resignation, retirement or death.

### 9. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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(including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See *Note 7, Pension Plans* for more information about pensions.

### 10. Other Accrued Liabilities

These accounts consist primarily of accrued wages and accrued employee benefits.

### 10. Long Term Debt

The County has issued various Limited Tax General Obligation Bonds and Revenue Bonds. Additionally, in 2011 the County purchased a golf course for which it signed a 20-year promissory note. For more information about the County's long term debt, see *Note 9, Long Term Debt*.

### 11. Unearned Revenues

This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria have not been met.

### 12. Fund Balance Classification

Fund balances are reported as nonspendable, restricted, committed, assigned or unassigned.

Each year, special revenue fund balances are analyzed; funds not meeting the GASB Statement No. 54 definition of special revenue funds are reclassified and reported with the general fund (see *Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual, General Fund*, page 27).

The county uses restricted resources first, then unrestricted resources as needed, when both restricted and unrestricted resources are available for use. When expenditures are incurred that can be paid from unrestricted resources, the county uses committed fund balance first, then assigned fund balance, then unassigned fund balance.

- Nonspendable Fund Balance includes items that cannot be spent because the related assets are not in spendable form or must be maintained intact. This includes nonspendable resources such as advances and prepaid amounts in the general fund and the long-term portion of notes receivable in a debt service fund.
- Restricted Fund Balance represents resources that have constraints placed upon their use either by external parties or imposed by law through a constitutional provision or enabling legislation.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

- Committed Fund Balance includes amounts that can be used only for specific purposes pursuant to constraints imposed by a formal action of the Kitsap County Board of Commissioners, the County's highest level of decision making authority. By formal action (Resolution #203-2011 dated 12/19/2011), the Board of County Commissioners identified committed fund balances.
- Assigned Fund Balance represents amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Use of assigned fund balance may be established by the Board of County Commissioners or an official designated by the Board, for this purpose. The county had no assigned fund balance in 2016.
- Unassigned Fund Balance is the residual amount of the general fund not included in the four categories described above. Any deficit fund balances within governmental fund types are also reported as unassigned.

As a result of 2016 analysis of the county's special revenue funds, thirteen funds did not meet the meet the special revenue fund definition of GASB 54 and their fund balances were reported as unassigned fund balance in the general fund.

The following table illustrates the composition of the general fund's fund balance as of December 31, 2016:

	Unassigned Fund Balance	Total Fund Balance
General Fund ( <i>prior to inclusion of non-qualifying special revenue funds</i> )	\$19,681,539	\$20,046,155
<u>Non-qualifying Special Revenue Funds</u>		
108 - Human Resources Board	83,745	83,745
119 - Special Purpose Path	73,767	73,767
134 - 1% for Art Program	16,573	16,573
137 - Real Property Fund	36,441	36,441
140 - Drug Forfeiture Enforcement	44,019	44,019
151 - Wetland Mitigation Bank	6,660	6,660
157 - Bucklin Ridge Park	1,217	1,217
158 - Clear Creek Education/Awareness	2	2
165 - Kitsap County Grants	54	54
170 - Indianola Forest	270,644	270,644
172 - KC Forest Stewardship	(90,682)	(90,682)
178 - McCormick Village Traffic Impact	391,184	391,184
180 - McCormick Village Park Impact	165,544	165,544
General Fund ( <i>after inclusion of non-qualifying special revenue funds</i> )	\$20,680,708	\$21,045,325

Governmental fund balances are reported according to the relative constraints that control how the funds can be spent (see description of fund balance types, above).

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

As of December 31, 2016, nonspendable fund balance was \$7.36 million, restricted fund balance totaled \$48.60 million, committed fund balance was \$33.26 million and unassigned fund balance was \$20.68 million. The county had no assigned fund balance in 2016.

A summary of governmental fund balances as of December 31, 2016 is presented in the table below:

	General	Special Revenue			Debt Svc	Nonmajor Governmental Funds
		County Roads	Real Estate Excise Tax	Mental Health Medicaid	KC LTGO 2013 Refunding	
<b>Nonspendable:</b>						
Petty cash, change funds						
Advances	\$160,000					
Prepaid Items	204,617					
Note Receivable						\$7,000,000
<b>Total Nonspendable Fund Balance</b>	<b>\$364,617</b>					<b>\$7,000,000</b>
<b>Restricted for:</b>						
Boating Safety						\$200,775
Cencom						580,842
County Stadium						430,297
Court Services						368,778
Disability Services						1,098,254
Document Preservation						341,575
Drug Dependency Treatment						1,892,381
Drug Enforcement						880,743
Elections Services						157,102
Electronic Technology						306,992
Emergency Management						91,793
Environmental Protection						2,263,919
Housing Programs						2,542,859
Jail Services						2,298,857
Jobs Training						110,992
Law Library						154,148
Mental Health Services				6,252,026		9,212,308
Noxious Weed Control						263,839
Parks & Conservation						1,644,542
Real Estate Excise Tax			7,311,656			
Special Investigations						55,408
Treasurer Services						1,297,732
Youth Services						55,961
Various Grants						8,658
Veterans Relief & Human Svc						901,744
Capital Projects						3,666,821
Debt Service					3,166,621	1,040,647
<b>Total Restricted Fund Balance</b>			<b>\$7,311,656</b>	<b>\$6,252,026</b>	<b>\$3,166,621</b>	<b>\$31,867,968</b>
<b>Committed for:</b>						
Community Development						\$3,335,236
Commute Reduction						171,030
County Fair Operations						133,961
County Parks						407,811
Crime Prevention						337,851



# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

Public Access Television					162,391
Road Construction & Maint.		\$28,710,024			
<b>Total Committed Fund Balance</b>		<b>\$28,710,024</b>			<b>\$4,548,280</b>

	General	Special Revenue			Debt Svc	Nonmajor Governmental Funds
		County Roads	Real Estate Excise Tax	Mental Health Medicaid	KC LTGO 2013 Refunding	
<b>Unassigned:</b>						
Unassigned Fund Balance	\$20,680,708					(\$5,610)
<b>Total Unassigned Fund Balance</b>	<b>\$20,680,708</b>					<b>(\$5,610)</b>
<b>Total Fund Balance</b>	<b>\$21,045,325</b>	<b>\$28,710,024</b>	<b>\$7,311,656</b>	<b>\$6,252,026</b>	<b>\$3,166,621</b>	<b>\$43,410,638</b>

13. GASB Statement No. 72, Fair Value Measurement and Application implemented.

The county implemented GASB Statement No. 72, *Fair Value Measurement and Application* in 2016. The Statement addresses accounting and financial reporting issues related to fair value measurements and affects reporting of certain categories of financial assets. For more information, see Note 4, Deposits and Investments.

**NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position

The governmental funds' balance sheet includes reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position.

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental funds' statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense."

# Kitsap County, Washington

Notes to Financial Statements

December 31, 2016

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## **NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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

## **NOTE 4. DEPOSITS AND INVESTMENTS**

### A. Deposits

#### Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of the counterparty to complete an investment transaction the County would not be able to recover the value of the investment or collateral securities. County policy dictates that all investment instruments other than non-negotiable certificates of deposit, bank money market deposits, and funds placed with Washington LGIP be transacted on a delivery-versus-payment basis. The County does not have custodial risk as all investments and deposits are either insured or held by a third party custody provider in the County's name.

The County's deposits and certificates of deposit and certificates of deposit are entirely 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).

### B. Investments

#### Investments Measured at Amortized Cost

Type of Investment	Maturities	County's own investments	Investments held by County as an agent for others	Total
Money Market Savings Accounts	.003 years	\$7,384,724	\$12,726,978	\$20,111,702
Washington State Local Government Investment Pool	.003 years	63,869,510	110,073,968	173,943,478
	<b>Total</b>	<b>\$71,254,234</b>	<b>\$122,800,946</b>	<b>\$194,055,180</b>

Custodial credit risk is the risk that in the event of a failure of the counterparty to complete an investment transaction the County would not be able to recover the value of the investment or collateral securities. County policy dictates that all investment instruments other than non-negotiable certificates of deposit, bank money market deposits, and funds placed with Washington LGIP be transacted on a delivery-versus-payment basis. The County does not have custodial risk as all investments and deposits are either insured or held by a third-party custody provider in the County's name.

#### Investments Measured at Fair Value

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

As allowed by the state statute, all investments of the County's funds are obligations of the U.S. Government, U.S. agency issues, the Washington State Local Government Investment Pool (LGIP), certificates of deposit, municipal obligations or money market deposits. All temporary investments are stated at fair value. Other property and investments are shown on the statement of net position at cost.

All securities purchased by the County are held by a third-party custody provider, Wells Fargo Bank.

The County measures and reports investments at fair value using the valuation input hierarchy established by generally accepted accounting principles as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: These quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable;
- Level 3: Unobservable inputs for an asset or liability.

At year-end, the County held the following investment measured at fair value:

Investment Type	Rating	Weighted Average Maturity Years	%	Fair Value	Fair Value Measurements Using		
					Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
FHLB	AAA/AA+	0.94	8.87%	\$61,487,625		X	
FFCB	AAA/AA+	2.21	38.16%	265,203,609		X	
FHLMC	AAA/AA+	1.38	11.37%	78,798,349		X	
FNMA	AAA/AA+	2.17	5.39%	37,257,613		X	
US Treasuries	AAA/AA+	1.03	6.98%	48,455,052	X		
Municipal Securities	A+	0.95	1.32%	9,174,756		X	
			<b>100.00%</b>	<b>\$500,377,004</b>			

Interest Rate Risk. In accordance with its investment policy, the government manages its exposure to declines in fair values by limiting the final maturity of its investments to less than five years.

Credit Risk. It is the government's policy to limit its investment types to the top rated by nationally recognized statistical rating organizations, the Washington State Investment Pool and money market accounts either covered by the FDIC or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission. The County did not hold any mortgage-backed securities or commercial paper of any type.

The Washington State LGIP is an unrated 2a-7 like pool, as defined by GASB 31, and therefore is not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days. The balance in the LGIP is not subject to custodial risk since all investments or deposits held by the LGIP are either insured or held by a third-party custody provider in the LGIP's name. The County may withdraw its participation for same or next day settlement.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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### **NOTE 5. PROPERTY TAX**

The County Treasurer acts as an agent to collect property tax levied in the County for all taxing authorities.

<b>Property Tax Calendar</b>	
January 1	Tax is levied and becomes an enforceable lien against properties.
February 14	Tax bills are mailed.
April 30	First of two equal installment payments is due.
May 31	Assessed value of property established for next year's levy at 100 percent of market value.
October 31	Second installment is due.

Property tax is recorded as a receivable and revenue when levied. Property tax collected in advance of the fiscal year to which it applies is recorded as a deferred inflow and recognized as revenue of the period to which it applies. The balance of taxes receivable includes related interest and penalties. No allowance for uncollectible tax is established because delinquent taxes are considered fully collectible. Prior year tax levies were recorded using the same principal, and delinquent taxes are evaluated annually.

The County's regular levy for the year 2016 was \$1.1198 per \$1,000 of assessed valuation of \$28,330,184,232 for a total regular levy of \$31,768,569.

The County's Conservation Futures levy for the year 2016 was \$0.0467 per \$1,000 of assessed valuation of \$28,330,184,232 for a total Conservation Futures levy of \$1,325,728.

The County's road levy for the year 2016 was \$1.4329 per \$1,000 of assessed valuation of \$16,864,294,045 for total road levy of \$24,214,692.

The diverted County road levy for 2016 was \$0.1721 per \$1,000 of assessed valuation of \$18,864,294,045 for a total diverted road levy of \$2,907,967.

Washington State Constitution and Washington State law, RCW 84.55.010, limit the rate.

Assessments are levied against properties located within sewer utility local improvement districts and are recorded as Assessments Receivable and Contributed Capital when assessment rolls are issued. The proceeds are restricted for payment of revenue bond principal and interest.

Special assessments for road improvement districts are recorded as Assessments Receivable and Deferred Revenue when assessment rolls are issued. Special assessments are recognized as revenue only to the extent those individual installments are considered current assets. The proceeds are restricted for payment of special assessment bond principal and interest.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

### **NOTE 6. CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2016 was as follows:

<b>Governmental activities</b>	<b>Beginning Balance 01/01/2016</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance 12/31/2016</b>
Capital assets, not being depreciated:				
Land	\$67,281,980	\$2,629,400	\$155,000	\$69,756,380
Land, infrastructure	69,838,666	-	-	69,838,666
Construction in progress	20,311,179	21,283,173	6,675,890	34,918,462
<u>Total capital assets not being depreciated</u>	\$157,431,825	\$23,912,573	\$6,830,890	\$174,513,507
Capital assets, being depreciated:				
Buildings	\$129,351,377	\$7,946	\$8,365,088	\$120,994,235
Improvements other than buildings	34,601,869	792,675	977,483	34,417,061
Machinery and equipment	61,136,497	6,574,413	18,645,153	49,065,757
Infrastructure	427,842,530	5,336,527	-	433,179,056
<u>Total capital assets being depreciated</u>	\$652,932,273	\$12,711,561	\$27,987,724	\$637,656,111
Less accumulated depreciation for:				
Buildings	\$45,443,702	\$2,914,100	\$2,574,346	\$45,783,456
Improvements other than buildings	17,486,261	1,462,429	549,109	18,399,582
Machinery and equipment	41,925,572	3,272,850	16,997,108	28,201,314
Infrastructure	316,745,378	10,123,902	-	326,869,279
<u>Total accumulated depreciation</u>	\$421,600,912	\$17,773,282	\$20,120,562	\$419,253,632
<u>Total capital assets, being depreciated, net</u>	\$231,331,361	(\$5,061,720)	\$7,768,162	\$218,402,479
<b>Governmental activities capital assets, net</b>	<b>\$388,763,185</b>	<b>\$18,850,853</b>	<b>\$14,698,052</b>	<b>\$392,915,986</b>

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

Business-type activities	Beginning Balance 01/01/2016	Increases	Decreases	Ending Balance 12/31/2016
Capital assets, not being depreciated:				
Land	\$2,889,181	\$640,950	-	\$3,530,131
Construction in progress	56,615,086	18,802,161	7,852,779	67,564,468
<u>Total capital assets not being depreciated</u>	\$59,504,267	\$19,443,110	\$7,852,779	\$71,094,599
Capital assets, being depreciated:				
Buildings	\$56,474,612	\$290,135	-	\$56,764,747
Improvements other than buildings	97,060,634	7,561,712	66,857	104,555,489
Machinery and equipment	9,633,665	14,885	-	9,648,550
<u>Total capital assets being depreciated</u>	\$163,168,911	\$7,866,732	\$66,857	\$170,968,786
Less accumulated depreciation for:				
Buildings	\$37,650,749	\$2,085,508	-	\$39,736,257
Improvements other than buildings	46,932,340	3,569,764	66,857	50,435,247
Machinery and equipment	8,469,771	437,230	-	8,907,000
<u>Total accumulated depreciation</u>	\$93,052,859	\$6,092,502	\$66,857	\$99,078,504
<u>Total capital assets, being depreciated, net</u>	\$70,116,052	\$1,774,230	-	\$71,890,282
<b>Business-type activities capital assets, net</b>	<b>\$129,620,319</b>	<b>\$21,217,341</b>	<b>\$7,852,779</b>	<b>\$142,984,881</b>

Depreciation expense was charged to functions/programs of the primary government as follows:

Function	Governmental	Business-Type
General government	\$1,781,786	-
Judicial services	16,572	-
Public safety	2,710,252	-
Transportation	11,813,765	-
Health & human services	139,718	-
Economic environment	3,237	-
Culture and recreation	1,307,953	-
Utilities	-	\$6,092,502
<b>Total depreciation expense</b>	<b>\$17,773,282</b>	<b>\$6,092,502</b>

# Kitsap County, Washington

Notes to Financial Statements

December 31, 2016

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## Construction commitments

The County had no active construction projects as of December 31, 2016.

## **NOTE 7. PENSION PLANS**

The following table represents the aggregate pension amounts for all plans subject to the requirements of the [GASB Statement 68, Accounting and Financial Reporting for Pensions](#) for the year 2016:

<b>Aggregate Pension Amounts – All Plans</b>	
Pension liabilities	(\$65,293,564)
Pension assets	\$3,166,963
Deferred outflows of resources	\$13,410,353
Deferred inflows of resources	(\$1,795,413)
Pension expense/expenditures	\$8,469,208

### **State Sponsored Pension Plans**

Substantially all of the County's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

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

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

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

### **Public Employees' Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

### Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2016 were as follows:

<b>PERS Plan 1</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee*</b>
PERS Plan 1	6.23%	6.00%
PERS Plan 1 UAAL	4.77%	6.00%
Administrative Fee	0.18%	
<b>Total</b>	<b>11.18%</b>	<b>6.00%</b>

\* For employees participating in JBM, the contribution rate was 12.26%.

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.



# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

**PERS Plan 3** defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

### Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2016 were as follows:

PERS Plan 2/3		
Actual Contribution Rates:	Employer 2/3	Employee 2*
PERS Plan 2/3	6.23%	6.12%
PERS Plan 1 UAAL	4.77%	
Administrative Fee	0.18%	
Employee PERS Plan 3		varies
<b>Total</b>	<b>11.18%</b>	<b>6.12%</b>

\* For employees participating in JBM, the contribution rate was 15.30%.

The County's actual PERS plan contributions were \$3,102,341 to PERS Plan 1 and \$3,882,745 to PERS Plan 2/3 for the year ended December 31, 2016.

### **Public Safety Employees' Retirement System (PSERS)**

PSERS Plan 2 was created by the 2004 Legislature and became effective July 1, 2006. To be eligible for membership, an employee must work on a full time basis and:

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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- Have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington, and carry a firearm as part of the job; or
- Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals; or
- Function as a limited authority Washington peace officer, as defined in [RCW 10.93.020](#); or
- Have primary responsibility to supervise eligible members who meet the above criteria.

PSERS membership includes:

- PERS 2 or 3 employees hired by a covered employer before July 1, 2006, who met at least one of the PSERS eligibility criteria and elected membership during the period of July 1, 2006 to September 30 2006; and
- Employees hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria.

PSERS covered employers include:

- Certain State of Washington agencies (Department of Corrections, Department of Natural Resources, Gambling commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol),
- Washington State Counties,
- Washington State Cities (except for Seattle, Spokane, and Tacoma),
- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

PSERS Plan 2 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the average final compensation (AFC) for each year of service. The AFC is based on the member's 60 consecutive highest creditable months of service. Benefits are actuarially reduced for each year that the member's age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years). There is no cap on years of service credit. Members are eligible for retirement at the age of 65 with five years of service; or at the age of 60 with at least ten years of PSERS service credit; or at age 53 with 20 years of service. Retirement before age 60 is considered an early retirement. PSERS members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a three percent per year reduction for each year between the age at retirement and age 60 applies. PSERS Plan 2 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PSERS Plan 2 members are vested after completing five years of eligible service.

### Contributions

The **PSERS Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The Plan 2 employer rates include components to address the PERS Plan 1

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

unfunded actuarial accrued liability and administrative expense currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates.

The PSERS Plan 2 required contribution rates (expressed as a percentage of current-year covered payroll) for 2016 were as follows:

PSERS Plan 2		
Actual Contribution Rates:	Employer	Employee
PSERS Plan 2	6.59%	6.59%
PERS Plan 1 UAAL	4.77%	
Administrative Fee	0.18%	
<b>Total</b>	<b>11.54%</b>	<b>6.59%</b>

The County's actual plan contributions were \$646,338 to PSERS Plan 2 for the year ended December 31, 2016.

### Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. LEOFF is comprised of two separate defined benefit plans.

**LEOFF Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined per year of service calculated as a percent of final average salary (FAS) as follows:

- 20+ years of service – 2.0% of FAS
- 10-19 years of service – 1.5% of FAS
- 5-9 years of service – 1% of FAS

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last ten years of service. Members are eligible for retirement with five years of service at the age of 50. Other benefits include duty and non-duty disability payments, a cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

### Contributions

Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan I had no required employer or employee contributions for fiscal year 2016. Employers paid only the administrative expense of 0.18 percent of covered payroll.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

**LEOFF Plan 2** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the final average salary (FAS) per year of service (the FAS is based on the highest consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 2 members are vested after the completion of five years of eligible service.

### Contributions

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.18 percent. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2016 were as follows:

<b>LEOFF Plan 2</b>	<b>Employer</b>	<b>Employee</b>
<b>Actual Contribution Rates:</b>		
State and local governments	5.05%	8.41%
Administrative Fee	0.18%	
<b>Total</b>	<b>5.23%</b>	<b>8.41%</b>

The County's actual contributions to the plan were \$534,961 for the year ended December 31, 2016.

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. For the state fiscal year ending June 30, 2016, the state contributed \$60,375,158 to LEOFF Plan 2. The amount recognized by the County as its proportionate share of this amount is \$416,888.

### **Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2016 with a valuation date of June 30, 2015. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2007-2012 Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2015 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2016. Plan liabilities were rolled forward from June 30, 2015, to June 30, 2016, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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- **Inflation:** 3.0% total economic inflation; 3.75% salary inflation
- **Salary increases:** In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.5%

Mortality rates were based on the RP-2000 report's Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

There were minor changes in methods and assumptions since the last valuation.

- For all systems, except LEOFF Plan 2, the assumed valuation interest rate was lowered from 7.8% to 7.7%. Assumed administrative factors were updated.
- Valuation software was corrected on how the nonduty disability benefits for LEOFF Plan 2 active members is calculated.
- New LEOFF Plan 2 benefit definitions were added within the OSA valuation software to model legislation signed into law during the 2015 legislative session.

### Discount Rate

The discount rate used to measure the total pension liability for all DRS plans was 7.5 percent.

To determine that rate, an asset sufficiency test included an assumed 7.7 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. (All plans use 7.7 percent except LEOFF 2, which has assumed 7.5 percent). Consistent with the long-term expected rate of return, a 7.5 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS 2/3, PSERS 2, SERS 2/3, and TRS 2/3 employers, whose rates include a component for the PERS 1, and TRS 1 plan liabilities). Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.5 percent was used to determine the total liability.

### Long-Term Expected Rate of Return

The long-term expected rate of return on the DRS pension plan investments of 7.5 percent was determined using a building-block-method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of WSIB's capital market assumptions. The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various future times. The long-term expected rate of return of 7.5 percent approximately equals the median of the simulated investment returns over a 50-year time horizon.

# Kitsap County, Washington

Notes to Financial Statements

December 31, 2016

## Estimated Rates of Return by Asset Class

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.70%
Tangible Assets	5%	4.40%
Real Estate	15%	5.80%
Global Equity	37%	6.60%
Private Equity	23%	9.60%
	<b>100%</b>	

## Sensitivity of the Net Pension Liability/(Asset)

The table below presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5 percent) or 1-percentage point higher (8.5 percent) than the current rate.

Plan	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
PERS 1	\$37,907,228	\$31,434,817	\$25,864,909
PERS 2/3	\$60,910,280	\$33,082,200	(\$17,221,195)
PSERS 2	\$3,371,888	\$776,547	(\$1,072,124)
LEOFF 1	(\$437,083)	(\$735,779)	(\$991,097)
LEOFF 2	\$6,817,712	(\$2,431,184)	(\$9,402,166)

## Pension Plan Fiduciary Net Position

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

## Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the County reported a total pension liability of \$65,293,564 and a total pension asset of \$3,166,963 for its proportionate share of the net pension liabilities (assets) as follows:

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

Plan	Liability (or Asset)
PERS 1	\$31,434,817
PERS 2/3	\$33,082,200
PSERS 2	\$776,547
LEOFF 1	(\$735,779)
LEOFF 2	(\$2,431,184)

The amount of the asset reported above for LEOFF Plans 1 and 2 reflects a reduction for State pension support provided to the County. The amount recognized by the County as its proportionate share of the net pension asset, the related State support, and the total portion of the net pension asset that was associated with the County were as follows:

	LEOFF 1 Asset
Employer's proportionate share	(\$735,779)
State's proportionate share of the net pension asset associated with the employer	(\$4,976,789)
<b>Total</b>	<b>(\$5,712,568)</b>

	LEOFF 2 Asset
Employer's proportionate share	(\$2,431,184)
State's proportionate share of the net pension asset associated with the employer	(\$1,584,955)
<b>Total</b>	<b>(\$4,016,140)</b>

At June 30, the County's proportionate share of the collective net pension liabilities was as follows:

Plan	Proportionate Share 6/30/15	Proportionate Share 6/30/16	Change in Proportion
PERS 1	0.568%	0.585%	0.017%
PERS 2/3	0.648%	0.657%	0.009%
PSERS 2	1.598%	1.827%	0.229%
LEOFF 1	0.072%	0.071%	(0.001%)
LEOFF 2	0.314%	0.418%	0.104%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2016. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). In fiscal year 2016, the state of Washington contributed 87.12 percent of LEOFF 1 employer contributions and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 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. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data.

In fiscal year 2016, the state of Washington contributed 39.46 percent of LEOFF 2 employer contributions pursuant to [RCW 41.26.725](#) and all other employers contributed the remaining 60.54 percent of employer contributions.

The collective net pension liability (asset) was measured as of June 30, 2016, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2015, with update procedures used to roll forward the total pension liability to the measurement date.

### Pension Expense

For the year ended December 31, 2016, the County's recognized pension expense as follows:

Plan	Pension Expense
PERS 1	\$2,621,914
PERS 2/3	\$4,710,299
PSERS 2	\$557,310
LEOFF 1	(\$88,514)
LEOFF 2	\$668,199
<b>Total</b>	<b>\$8,469,208</b>

### Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2016, the County's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	-
Net difference between projected and actual investment earnings on pension plan investments	\$791,479	-
Changes of assumptions	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-



# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

Contributions subsequent to the measurement date	\$1,792,440	-
<b>Total</b>	<b>\$2,583,919</b>	<b>-</b>

PERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$1,761,604	\$(1,092,098)
Net difference between projected and actual investment earnings on pension plan investments	\$4,048,306	-
Changes of assumptions	\$341,931	-
Changes in proportion and differences between contributions and proportionate share of contributions	\$332,063	-
Contributions subsequent to the measurement date	\$2,062,854	-
<b>Total</b>	<b>\$8,546,759</b>	<b>(\$1,092,098)</b>

PSERS 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$264,513	-
Net difference between projected and actual investment earnings on pension plan investments	\$160,159	-
Changes of assumptions	\$3,015	-
Changes in proportion and differences between contributions and proportionate share of contributions	\$19,708	(\$1,722)
Contributions subsequent to the measurement date	\$197,476	-
<b>Total</b>	<b>\$644,872</b>	<b>(\$1,722)</b>

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

LEOFF 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	-
Net difference between projected and actual investment earnings on pension plan investments	\$74,791	-
Changes of assumptions	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
<b>Total</b>	<b>\$74,791</b>	<b>-</b>

LEOFF 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$333,138	-
Net difference between projected and actual investment earnings on pension plan investments	\$873,622	-
Changes of assumptions	\$9,167	-
Changes in proportion and differences between contributions and proportionate share of contributions	\$72,646	(\$701,592)
Contributions subsequent to the measurement date	\$271,440	-
<b>Total</b>	<b>\$1,560,013</b>	<b>(\$701,592)</b>

Deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	PERS 1	PERS 2/3	PSERS 2	LEOFF 1	LEOFF 2
2017	(\$194,879)	\$130,583	\$55,276	(\$15,456)	(\$134,880)
2018	(\$194,879)	\$130,583	\$55,276	(\$15,456)	(\$134,880)
2019	\$726,888	\$3,193,611	\$153,948	\$64,774	\$598,851
2020	\$454,348	\$1,937,031	\$121,295	\$40,928	\$373,983
2021	-	-	\$56,409	-	(\$116,093)
Thereafter	-	-	\$3,468	-	-
<b>Total</b>	<b>\$791,479</b>	<b>\$5,391,807</b>	<b>\$445,673</b>	<b>\$74,791</b>	<b>\$586,980</b>

# Kitsap County, Washington

Notes to Financial Statements

December 31, 2016

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## **NOTE 8. RISK MANAGEMENT**

### **A. General Liability, Property and Workers Compensation**

The County is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors or omissions, injuries to employees, and natural disasters. Kitsap County uses its Risk Management Fund, an internal service fund, to finance and administer the County's property/casualty and workers' compensation self-insurance programs. The County contracts with a plan administrator to process medical and dental claims made against its workers' compensation program.

RCW 48.62 authorizes the governing body of any governmental entity to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and to contract for risk management, claims, and administrative services. Kitsap County was a member of the Washington Counties Risk Pool until October 2010, when it made the determination to withdraw from the risk pool in order to have more control over decisions made with respect to risk management activities.

Kitsap County self-insures its general liability and workers' compensation risk up to \$500,000 per occurrence. The County purchases excess liability and worker's compensation policies to insure its general, automobile, employment liability, and workers compensation risks, including public officials' errors and omissions.

#### General liability

The County purchased an excess insurance policy with a \$20 million limit for liability protection and a \$500,000 self-insured retention. The County is responsible for the first \$500,000 of each claim and the insurer covers up to \$20 million per occurrence. The County has never had a claim in excess of the policy limits. This policy also covers auto liability, employment and public officials' liability. As of December 31, 2016, the County's estimated total undiscounted outstanding liability for general liability is \$6,889,646.

#### Property insurance

The county has a \$50,000 per occurrence deductible and is insured for up to \$250 million per occurrence through an independent insurance carrier. The earthquake coverage has a deductible of 2% of the total damage per occurrence with a \$100,000 minimum and \$1 million maximum deductible.

The County's property insurance policy includes \$2 million cyber liability coverage which provides third party liability coverage for information security and privacy liability, privacy notification costs, claims expenses and penalties, and website media content. Cyber liability coverage also provides first party computer security for cyber extortion loss, data protection loss and business interruption loss. The cyber liability coverage has a \$50,000 deductible per occurrence.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

### Crime/dishonesty insurance

The employee crime/dishonesty policy has a \$5,000 deductible and \$1 million in coverage. This policy is endorsed to include a Position bond, which provides certain elected officials with bond coverage as required by the State statute.

### Workers compensation

The County assumes risk for workers' compensation of up to \$500,000 per occurrence, as allowed by State statute. The County purchases an excess workers' compensation policy that provides statutory limits coverage. Interfund premiums are based on each department's loss experience and number and class of employees. As of December 31, 2016, the County's estimated total undiscounted outstanding liability for the workers' compensation program is \$2,824,705.

### Self Insured Workers Compensation and General Liability Claims Activity

The County maintains a balance in a liability account within the Self Insurance fund to provide for claims payments. Workers Compensation and Claims liability will not be adjusted in 2016 because we believe that the current reserve balance is adequate:

- According to the most recently actuarial report available a reserve balance of \$8.988 million indicates reserve funding at a 90% confidence level; the County's reserve balance is currently \$9,714 million, indicating reserve funding at a greater than 90% confidence level;
- There have been no significant changes in fund revenue or expenses (claims payments) in the past two years and the fund ended the years with modest net surpluses; and
- Current year workers compensation and general liability claims payments approximate ten-year average annual claims payments.

An actuarial review is scheduled for early 2017. Workers Compensation and Claims liability balance will be evaluated in 2017 to confirm the adequacy of the liability balance.

Following is a summary of the changes in the self-insurance fund liabilities for estimated claim settlements for the years ended December 2015 and 2016:

Workers Compensation	Year Ended	
	12/31/2015	12/31/2016
Claims liability, beginning of year	\$2,824,705	\$2,824,705
Estimated claims (including IBNRs)	\$1,099,658	\$1,012,171
Claims payments	(\$1,099,658)	(\$1,012,171)
Claims liability, end of year	\$2,824,705	\$2,824,705

General Liability	Year Ended	
	12/31/2015	12/31/2016
Claims liability, beginning of year	\$6,889,646	\$6,889,646
Estimated claims (including IBNRs)	\$695,202	\$646,745
Claims payments	(\$695,202)	(\$646,745)
Claims liability, end of year	\$6,889,646	\$6,889,646

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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### B. Self Funded Employee Welfare Benefit Plan

In 2013, Kitsap County established a self-funded employee welfare benefit plan to provide certain health care benefits to eligible employees and their dependents. The County contracted with Premera Blue Cross and Group Health to perform administrative services to process medical claims. Activity related to the program is accounted for in the Employer Benefits Fund, an internal service fund and is managed by the Human Resources department.

In order to limit its financial liability for large claims, the County purchased a Stop Loss insurance policy. For 2016, the policy reimburses the County for medical claims in excess of \$200,000 per covered person.

The County's self-funded employee welfare benefit plan covers eligible employees and their dependents for medical costs. The County purchases dental, life, AD&D and LTD insurance.

Interfund medical premiums are established based upon a composite rate of expected claims and expenses prior to the beginning of the fiscal year and are charged to departments on an employee by employee basis, each month.

Depending upon the plan and level of coverage selected by an employee, there may be employee contributions towards premiums. These contributions are collected by the Employer Benefits Fund and are used to offset claims expenses.

### C. Unemployment Risk

The County has elected to retain the risk for unemployment compensation payable to former County employees. The State of Washington Employment Security Department bills the County for the unemployment compensation benefits paid to former employees. Expenditures are then recognized in various County funds. The County's unemployment program is managed by the Human Resources department.

## **NOTE 9. LONG-TERM DEBT**

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds Payable is reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

State law provides that debt cannot be incurred in excess of the following percentages of the value of the taxable property of the County:

- 1.5% - Without a vote of the people
- 2.5% - With a vote of the people
- 5.0% - With a vote of the people, provided the indebtedness in excess of 2.5% is for utilities, parks, or open space development.

As of December 31, 2016, the debt limits for the County were as follows:

	Without a Vote	With a Vote	
		2.5%	5.0%
Legal Limit	\$424,952,763	\$708,254,606	\$1,416,509,212
Applicable Outstanding Debt	\$82,599,296	\$82,599,296	\$82,599,296
<b>Margin Available</b>	<b>\$342,353,467</b>	<b>\$625,655,309</b>	<b>\$1,333,909,915</b>

### A. General Obligation Bonds

The county issues general obligation and revenue bonds to provide funds for the purchase of assets and the acquisition and construction of major capital facilities. Bonded indebtedness has also been entered into to advance refund several general obligation and revenue bonds. General obligation bonds have been issued for both governmental and business-type activities and are being repaid from the applicable resources. The revenue bonds are being repaid by proprietary fund revenues.

General obligation bonds currently outstanding are as follows:

Purpose	Maturity Range	Interest Rate	Original Amount	Amount of Installment
2010 – refunding; Coroner Facility & CKCC, BAN (property acquisition)	12/1/17 – 12/1/30	3.0 – 4.0	\$9,220,000	\$190,000 – \$530,000
2011 - refunding	12/1/17 – 12/1/27	3.0 – 4.0	\$20,370,000	\$500,000 – \$1,550,000
2013 - refunding	12/1/17 – 12/1/34	3.0 – 4.0	\$48,280,000	\$530,000 – \$5,265,000
2015 - refunding	6/1/17 – 6/1/31	2.0 – 5.0	\$21,635,000	\$560,000 – \$2,020,000

The annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2017	\$6,040,000	\$3,055,108
2018	6,250,000	2,872,608
2019	8,945,000	2,659,608
2020	6,190,000	2,314,708
2021	6,245,000	2,051,133
2022 – 2026	32,125,000	5,997,630
2027 – 2031	12,705,000	1,316,288
2032 – 2034	1,775,000	127,938
<b>Total</b>	<b>\$80,275,000</b>	<b>\$20,395,021</b>

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

### B. Loans

Public Works Trust Fund and Department of Ecology loans currently outstanding are as follows:

Purpose	Maturity Range	Interest Rate	Original Amount	Amount of Installment
2001 – Roads PWTF loan #PW-01-691-037 – Anderson Hill	7/1/17 – 7/1/21	0.5	\$897,812	\$47,253
2001 – Sewer PWTF loan #PW-01-691-036 – Kingston	7/1/17 – 7/1/21	0.5	\$2,605,000	\$150,816
2012 – Sewer PWTF loan #PC-12-951-040 – Techite Forcemain	6/1/17 – 6/1/31	0.25	\$5,205,000	\$256,600
2005 – Sewer DOE loan #L0400026 – Kingston PLT	5/1/17 – 5/1/25	1.5	\$14,188,000	\$303,064 - \$599,355

The annual debt service requirements to maturity for loans are as follows:

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2017	\$47,253	\$1,181	\$947,065	\$84,431
2018	47,253	945	955,216	74,885
2019	47,253	709	963,489	65,216
2020	47,253	473	971,888	55,421
2021	47,253	236	980,414	45,500
2022 – 2026	-	-	3,357,507	88,558
2027 – 2031	-	-	1,282,998	9,622
<b>Total</b>	<b>\$236,265</b>	<b>\$3,544</b>	<b>\$9,458,577</b>	<b>\$423,633</b>

### C. Notes Payable

The County has a note payable of \$1.88 million due to the Rolling Hills Golf Course Partnership from the purchase of the Rolling Hills Golf Course in March 2011. Principal and interest payments are due annually for 20 years, beginning in October 2012. The note matures in 2031.

The annual debt service requirement to maturity for the note payable is as follows:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2017	\$77,534	\$122,466
2018	82,590	117,410
2019	87,976	112,024
2020	93,713	106,287
2021	99,824	100,176

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

2022 – 2026	605,681	394,319
2027 – 2031	830,661	169,339
<b>Total</b>	<b>\$1,877,979</b>	<b>\$1,122,021</b>

### D. Revenue bonds

Revenue bonds currently outstanding are as follows:

Purpose	Maturity Range	Interest Rate	Original Amount	Amount of Installment
Sewer refunding 2010A	12/1/17 – 12/1/18	4.0	\$5,775,000	\$780,000 - \$805,000
Sewer 2010B	12/1/28 – 12/1/40	6.714 – 7.364	\$37,120,000	\$1,090,000 - \$4,100,000
Sewer 2010C	12/1/28	6.696	\$1,110,000	\$1,110,000
Sewer 2015	12/1/17 – 12/1/27	2.75 – 5.00	\$17,360,000	\$880,000 - \$1,920,000

Debt service requirements for the revenue bonds are as follows:

Year Ending December 31	Business-Type Activities	
	Principal	Interest
2017	\$1,660,000	\$2,427,629
2018	1,805,000	2,370,029
2019	1,760,000	2,297,829
2020	1,830,000	2,227,429
2021	1,920,000	2,135,929
2022 – 2026	8,180,000	9,615,106
2027 – 2031	11,110,000	8,057,500
2032 – 2036	14,220,000	5,276,729
2037 – 2040	14,690,000	1,626,916
<b>Total</b>	<b>\$57,175,000</b>	<b>\$36,035,096</b>

### E. Pollution Remediation Obligation

In 2011, the Solid Waste fund recorded a liability of \$742,805 which represents the County's share of cleanup costs of the Hansville Landfill. The liability was adjusted to \$542,207 in 2016 as a result of recalculation of the costs. The Washington State Department of Ecology identified the County and Waste Management, Inc. as Potentially Liable Parties (PLPs) for remediation of the site. See Note 18, *Pollution Remediation Obligation* for additional information.



# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

### F. Compensated absences

It is the policy of the County to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave earned after January 1, 1984. Sick leave earned before January 1, 1984 is payable at 50% at retirement or death, and employees may accumulate up to a maximum of 150 days.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. An employee may accumulate up to 360 hours (45 days). All outstanding vacation leave is payable upon resignation, termination, retirement, or death.

### NOTE 10. LEASES

#### Operating Leases

The County does not have any non-cancelable operating leases.

#### Capital Leases

The County entered into a lease agreement for financing a ballot counting system in April 2013. The system was purchased from Hart InterCivic for \$467,168 and the purchase was financed through SunTrust Equipment Finance and Lease Corporation.

The installment loan has a five year term with the first installment payment due on April 8, 2014 and annually on the anniversary date, thereafter. The annual payment amount is \$100,028 and the installment loan bears interest at a rate of 1.66% per annum.

In November 2015, the County entered into a lease agreement for financing a dish washing machine for the Jail. The machine was purchased from and financed by WCP Solutions. The cost of the machine was \$22,099.

The installment loan has a three-year term and the County began making monthly installment payments of \$713 in 2016. The installment loan bears interest at a rate of 10% per annum. The County paid a total of \$9,270 to WCP Solutions in 2016.

This lease agreements qualify as capital leases for accounting purposes, therefore, have been recorded at the present value of future minimum lease payments as of the lease inception dates.

The assets (capital and non-capitalized) acquired through the capital leases are as follows:

Asset	Governmental Activities
<b>Non capitalized equipment</b>	
Computer equipment (balloting system)*	\$29,987

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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<b>Capitalized equipment</b>	
Computer equipment (balloting system)*	\$76,144
Dish washing machine	22,099
Total capitalized equipment	98,243
Less: accumulated depreciation	(\$48,743)
Capitalized equipment, net of accumulated depreciation	\$49,500
<b>Total capitalized and non-capitalized equipment</b>	<b>\$79,487</b>

\*The remainder of the balloting system cost was for software, installation, licensing and support.

The future minimum lease obligation and the net present value of the minimum lease payments as of December 31, 2016 are as follows:

<b>Year Ending December 31</b>	<b>Governmental Activities</b>
2017	\$108,585
2018	107,872
Total minimum lease payments	216,457
Less: Interest portion of payments	(6,405)
<b>Present value of minimum lease payments</b>	<b>\$210,051</b>

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

### **NOTE 11. CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Bonds payable:					
General obligation bonds	\$ 86,085,000	\$ -	\$ 5,810,000	\$ 80,275,000	\$ 6,040,000
Total bonds payable	<u>86,085,000</u>	<u>-</u>	<u>5,810,000</u>	<u>80,275,000</u>	<u>6,040,000</u>
Capital leases	290,391	22,099	102,438	210,051	104,191
Comp Absences - Gov	5,546,747	4,568,472	4,808,719	5,306,500	575,780
Comp Absences - Int Svc	425,764	393,907	374,694	444,978	44,498
Notes payable	1,950,766	-	72,787	1,877,979	77,534
Net OPEB obligation	6,727,794	972,065	-	7,699,859	-
Net Pension Liability - Gov	44,163,308	10,030,350	-	54,193,658	-
Net Pension Liability - Int Svc	3,171,440	746,174	-	3,917,614	-
Other liabilities	<u>283,520</u>	<u>-</u>	<u>47,253</u>	<u>236,266</u>	<u>47,253</u>
<b>Governmental activities</b>					
Long-term liabilities	<u>\$ 148,644,729</u>	<u>\$ 16,733,067</u>	<u>\$ 11,215,891</u>	<u>\$ 154,161,905</u>	<u>\$ 6,889,256</u>
<b>Business-type activities</b>					
Bonds payable:					
Revenue bonds	59,540,000	-	2,365,000	57,175,000	1,660,000
Unamortized premium/ discount	<u>1,765,909</u>	<u>12,115</u>	<u>238,667</u>	<u>1,539,356</u>	<u>174,608</u>
Total bonds payable	61,305,909	12,115	2,603,667	58,714,356	1,834,608
Other liabilities	10,977,038	-	976,253	10,000,784	947,065
Net Pension Liability	5,814,307	1,329,158	-	7,143,465	-
Compensated absences	<u>641,174</u>	<u>641,479</u>	<u>604,425</u>	<u>678,228</u>	<u>70,278</u>
<b>Business-type activities</b>					
Long-term liabilities	<u>\$ 78,738,427</u>	<u>\$ 1,982,752</u>	<u>\$ 4,184,346</u>	<u>\$ 76,536,833</u>	<u>\$ 2,851,951</u>
Total	<u>\$ 227,383,156</u>	<u>\$ 18,715,819</u>	<u>\$ 15,400,236</u>	<u>\$ 230,698,738</u>	<u>\$ 9,741,207</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. The general fund generally liquidates the claims, judgments, compensated absences and OPEB obligations from governmental activities.

All bond issues comply with arbitrage regulations as verified by an outside consultant, BLX Group. Five-year reports are prepared as required.

### **NOTE 12. CONTINGENCIES AND LITIGATIONS**

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's legal advisor the resolution of these matters will not have a material adverse effect on the financial condition of the County.

The County participates in a number of federal and state assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. Other than the instances described above, Kitsap County management believes that such disallowances, if any, will be immaterial.

### **NOTE 13. INTER-FUND BALANCES AND TRANSFERS**

#### 1. Advances To/From Other Funds

The general fund advance balance is the outstanding long-term loan between the CDBG, Home Entitlement, JTPA funds and the general fund. In each case the advances from the general fund provide for operating costs to these grant funded programs while they await reimbursements from federal and state agencies.

Advances From	Advances To		TOTAL
	Non-Major Funds	Fiduciary Funds	
General Fund	\$160,000	-	\$160,000
<b>TOTAL</b>	<b>\$160,000</b>	<b>-</b>	<b>\$160,000</b>

#### 2. Due from other funds/Due to other funds

The outstanding balances between funds result mainly from the time lag between the dates that a) interfund goods and services are provided; b) transactions are recorded in the accounting system; and c) payments between funds are made.

DUE FROM OTHER FUNDS									
DUE TO OTHER FUNDS	General	Roads	Mental Health Medicaid	Non-Major	Solid Waste	Sewer Utility	Surface Stormwater	Internal Service	TOTAL
General	-	\$306	\$11,312	\$507,388	\$946	\$1,316	\$97,118	\$76,021	\$694,408
Roads	3,126	-	-	484,314	3,992	4,254	153,339	14,457	663,484
Mental Health	-	-	-	304,605	-	-	-	-	304,605
Non-Major	10,957	256,344	357,231	446,066	37,260	-	-	72,476	1,180,333
Solid Waste	11-	5,094	-	-	1,436	-	650	-	7,190
Sewer Utility	-	-	-	-	103,461	-	350,018	-	453,479
Surface Stormwater	-	12,456	-	-	7,122	12,170	-	-	31,748
Internal Service	284,438	171,618	849	67,642	19,008	27,114	32,196	50,197	653,063
Agency	439	-	-	-	-	341	-	-	780
<b>TOTAL</b>	<b>\$298,970</b>	<b>\$445,817</b>	<b>\$369,392</b>	<b>\$1,810,015</b>	<b>\$173,226</b>	<b>\$45,196</b>	<b>\$633,321</b>	<b>\$213,151</b>	<b>\$3,989,089</b>

#### 3. Transfers

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

Transfers are used to a) move revenues from funds with collection authorization to the debt service funds as debt principal and interest payments become due; b) move unrestricted revenues to finance various programs that the County must account for in other funds.

TRANSFERS					
IN	General	Non-Major	LTGO 2013	Internal Service	TOTAL
OUT					
General	-	\$3,355,038	\$1,081,985	\$1,088,947	\$5,525,970
Roads	-	344,179	-	-	344,179
REET	1,019,210	1,922,939	2,696,844	-	5,638,992
Mental Health Medicaid	82,260	1,156,151	-	-	1,238,411
Non-Major	3,958,626	3,749,998	514,044	250,000	8,472,667
Sewer Utility	-	137,407	-	-	137,407
Surface Stormwater	-	212,955	-	-	212,955
Internal Service	-	570,315	-	-	570,315
<b>TOTAL</b>	<b>\$5,060,096</b>	<b>\$11,448,981</b>	<b>\$4,292,873</b>	<b>\$1,338,947</b>	<b>\$22,140,896</b>

### **NOTE 14. RECEIVABLES AND PAYABLES**

#### Federal grants and assistance awards

Federal grants and assistance awards made on the basis of entitlement periods are reported as “due from other governments” (inter-government receivables) and revenues in the year in which entitlement occurs. Federal or state reimbursement type grants for the acquisition of capital assets of proprietary fund types are reported as “due from other governments” (inter-governmental receivables) and “capital contributions” in the year during which the related expenditure occurs. All other federal and state reimbursement type grants are reported as “due from other governments” (inter-governmental receivables) and revenues in the year in which the related expenditure or expenses are incurred.

#### Public Facility District receivable

The County has a \$7.0 million long-term receivable due from the Public Facility District, one of its component units. The County sold G.O. bonds and gave the proceeds to the PFD and the PFD pledged its sales tax revenue to repay the County. The debt is carried on the County’s books and the note is reflected on the PFD books as well.

#### Housing Kitsap receivable

The County has a \$15.9 million long-term receivable due from Housing Kitsap.

The County and Housing Kitsap entered into a loan and repayment agreement in 2013, following issuance of Kitsap County LTGO Refunding bonds to settle loans in connection with Housing Kitsap’s Harborside

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

Condominiums and Poplars Apartments projects, for which the County became liable when Housing Kitsap found that it was unable to repay or restructure the loans.

The original receivable amount was reported as \$16.48 million. The term of the note receivable is 41 years, maturing June 30, 2053.

During 2013, principal in the amount of \$389,000 was applied against the receivable resulting in an ending balance of \$16.09 million. The original receivable excluded the cost of reoffering premiums that were paid upon issuance of the bonds in 2013 because the County viewed the premiums as a component of the interest to be collected over the life of the receivable rather than as a separate obligation by Housing Kitsap. The County paid reoffering premiums in the amount of \$1.8 million.

In 2014, the County changed its position with respect to the reoffering premiums and restated Housing Kitsap's receivable balance to include the premiums that were paid, for a total restated original balance of \$18.32 million. Payments made in 2013 and 2014 were recalculated and applied to the receivable, reducing the balance to \$17.08 million as of December 31, 2014.

During 2016, the County received payments of \$422,820, of which \$231,719 was applied to principal and \$191,100 was applied to interest. The receivable balance as of December 31, 2016 was \$15.9 million.

### **NOTE 15. DEFERRED COMPENSATION**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County (without being restricted to the provisions of the benefits under the plan). The amounts are subject only to the claims of the County's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair value of the deferred account for each participant.

It is the opinion of the County's legal counsel that the County has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The County believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The investment carrying values of the plans as of December 31, 2016, are as follows:

<b>Investment Company</b>	<b>Carrying Value</b>
Nationwide	\$16,208,302
Voya	7,575,926

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

ICMA	1,551,031
MassMutual	7,634,229
<b>Total</b>	<b>\$32,969,488</b>

### **NOTE 16. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

Under GASB 65, *Items Previously Reported as Assets and Liabilities*, a number of items are now reported as deferred outflows and inflows of resources.

Fund	Item	Deferred Inflows	Deferred Outflows
General	Taxes receivable	\$1,377,201	-
County roads	Taxes receivable	\$717,111	-
Noxious weed control	Taxes receivable	\$9,121	-
Veterans relief	Taxes receivable	\$8,893	-
Conservation futures	Taxes receivable	\$37,996	-
CDBG	Notes receivable	\$300,000	-
HOME	Notes receivable	\$3,527,429	-
2013 LTGO refunding bonds	Notes receivable	\$15,869,845	-
Parks capital improvement	SCA	\$1,877,979	-
Various	Pensions	\$1,795,413	\$13,410,353
	<b>Total</b>	<b>\$25,520,988</b>	<b>\$13,410,353</b>

The County purchased the Rolling Hills Golf Course in 2011, and entered into a service concession arrangement (SCA) with the seller to operate the golf course. Deferred inflows associated with the SCA are \$1.88 million as of December 31, 2016. More information about the service concession arrangement is available in Note 17, *Service Concession Arrangement*.

In 2013, Housing Kitsap (formerly known as Kitsap County Consolidated Housing Authority) agreed to repay debt previously assumed by the County, recorded as a note receivable and deferred inflow of \$17.08 million. Deferred inflows associated with the note receivable are \$15.87 million as of December 31, 2016. For further details about this transaction see Note 14, *Receivables and Payables*.

The County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* in 2015. Deferred inflows and deferred outflows related to GASB 68 are included in the table above, Pensions. See Note 7, *Pension Plans* for more information.

### **NOTE 17. SERVICE CONCESSION ARRANGEMENT**

In March 2011, the County purchased a golf course property consisting of approximately 104 acres encompassing the golf course, clubhouse, outbuildings and storage sheds, and various property and equipment items necessary to operate the golf course and clubhouse. The purchase was financed by a

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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note payable to the seller, the terms of which are annual payments of \$200,000 for a period of 20 years. The note bears interest at 6.5% and the note balance was \$1,877,979 as of December 31, 2016.

The cost of the golf course was \$2,200,400 of which \$2,112,855 was capitalized. The County reports the golf course and related equipment as a capital asset which had a net book value of \$1,908,853 at year-end.

The County entered into lease agreement with The Rolling Hills Golf Course, LLC (RHGC) in 2011. Under the agreement RHGC will operate and collect user fees and other revenue from the Rolling Hills Golf Course, Pro Shop and Restaurant facility. The initial term of the lease is five years with three renewal options for subsequent renewal terms of five years each, for a potential total of 20 years.

Beginning in October 2012 and annually thereafter, RHGC will pay the County installment payments of \$200,000 over the course of the arrangement; the present value of these installment payments at the time the agreement was entered into were estimated to be \$2,200,000. Deferred inflows related to the golf course are \$1,877,979 as of December 31, 2015.

In addition to the annual installment payments, RHGC will begin making Lease Reserve Payments of \$10,000 per year beginning in year six through year ten of the lease, then \$20,000 per year beginning in year 11 through year 20 of the lease or until such time as the reserve balance reaches \$200,000. The purpose of the lease reserve payments is to establish a reserve from which the County may draw, should RHGC default on an annual lease payment. If RHGC does not default on an annual lease payment, the reserve balance will be credited against RHGC's annual lease payment for the final year of the lease.

RHGC is required to operate and maintain the golf course and pro shop, restaurant, bar and banquet room in accordance with the Rolling Hills Golf Course Lease Agreement.

### **NOTE 18. OTHER POST-EMPLOYMENT BENEFITS**

#### Plan Description

As required by the Revised Code of Washington (RCW) Chapter 41.26, the County provides lifetime medical care for members of the Law Enforcement Officers and Firefighters (LEOFF) retirement system hired before October 1, 1977 under a defined benefit multi-employer healthcare plan. The members necessary hospital, medical, and nursing care expenses not payable by worker's compensation, social security, insurance provided by another employer, other pension plan or any other similar source are covered. Under the authorization of the LEOFF Disability Board, direct payment is made for other retiree medical plan benefit provisions. Financial reporting for the LEOFF retiree healthcare plan is included in the County's Comprehensive Annual Financial Report. As of December 31, 2016, there were 36 inactive participants in this closed plan.



# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

### Funding Policy

Funding for LEOFF retiree healthcare costs is provided entirely by the County as required by RCW. The County's funding policy is based upon pay-as-you-go financing requirements.

### Annual OPEB Cost and Net OPEB Obligation

The Annual Required Contribution (ARC) represents the level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period of thirty years as of January 1, 2008. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB. The net OPEB obligation of \$7,699,859 is included as a noncurrent liability on the Statement of Net Position. The actuarial valuation was performed on December 31, 2016.

Other Post Employment Benefits Obligation	Year Ended 12/31/2016
Determination of annual required contribution:	
Normal cost at year end	-
Amortization of UAAL*	\$1,629,205
Annual required contribution (ARC)	\$1,629,205
Determination of net OPEB obligation:	
Annual required contribution	\$1,629,205
Interest on prior year net OPEB obligation	269,112
Adjustment to ARC	(605,105)
Annual OPEB cost	\$1,293,212
Contributions	321,147
Increase in net OPEB obligations	\$972,065
Net OPEB obligation – beginning of year	\$6,727,794
Increase in net OPEB obligations	972,065
Net OPEB obligation – end of year	\$7,699,859

\*\*Unfunded Actuarial Accrued Liability

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

The County's annual OPEB cost, the contribution, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations were as follows:

Year ended	Annual cost	Contribution	Percentage of annual OPEB cost contributed	Net OPEB obligations
2009	\$1,072,127	\$450,113	42%	\$2,219,478
2010	\$984,620	\$472,936	48%	\$2,731,162
2011	\$885,327	\$474,752	54%	\$3,141,737
2012	\$1,025,832	\$417,652	41%	\$3,749,917
2013	\$1,411,439	\$384,928	27%	\$4,776,428
2014	\$1,166,478	\$397,351	34%	\$5,545,555
2015	\$1,498,112	\$315,873	21%	\$6,727,794
2016	\$1,629,205	\$321,147	20%	\$7,699,859

### Funding Status

As of December 31, 2016, the most recent alternative method measurement date, the plan was 0% funded. The accrued liability for benefits was \$18,114,132 and the actuarial value of assets was \$0 resulting in a UAAL of \$18,114,132. Historically Kitsap County has used a pay-as-you-go approach to funding. If Kitsap County were to contribute the ARC to the plan every year, a liability would not be recorded. If the ARC is not fully funded in a given year, a liability is reported for the unpaid portion of the ARC.

### Actuarial Methods and Assumptions

The County's annual other post-employment benefit (OPEB) cost is calculated based upon the Annual Required Contribution (ARC), an amount determined using the alternative method permitted under GASB No. 45. A single retirement age of 56.24 was assumed for all active members for the purpose of determining the actuarial liability. Termination and mortality rates were assumed to follow the LEOFF 1 termination and mortality rates used in the June 30, 2011 actuarial valuation issued by the Office of State Actuary (OSA). Healthcare costs and trends were determined by Millman and used by OSA in the state-wide LEOFF 1 medical performed in 2016. The results were based on grouped data with 4 active groupings and 4 inactive groupings. The actuarial cost method used to determine AAL was Projected Unit Credit. The AAL and NOO are amortized on an open basis as a level dollar over 15 years. These assumptions are individually and collectively reasonable for the purpose of this valuation. The healthcare cost inflation rates were the only assumed inflation rates considered.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The Schedule of Funding Progress for this postemployment defined benefit plan is detailed in the Required Supplementary Information section of this report immediately following the notes to the financial statements. This schedule presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

### **NOTE 19. JOINT VENTURES**

#### A. Olympic Consortium

Kitsap, Jefferson and Clallam Counties entered into an agreement to establish the Olympic Consortium (“Consortium”). The Consortium is governed by a nine-member Board composed of three appointees from each of the three Counties.

The Consortium established a Workforce Development Council (“WDC”). The Consortium and WDC jointly manage the area’s One-Stop system for the delivery of unified Workforce development services for adults and youth in the three-county area.

The Consortium and WDC are fully funded by federal and state grants.

As the designated grant recipient and administrative entity for the WDC and Consortium, Kitsap County receives and disburses grant funds; acquires, disposes of and manages property; executes grants, sub-grants and contracts; employs administrative staff; and develops procedures for program planning, fiscal management, evaluating program performance and other administrative functions, on behalf of and consistent with the goals and policies developed by the WDC and Board.

Funds granted to the Consortium are allocated and expended among the three counties according to federal and state formula, approved plans, grants and all pertinent laws and regulations.

In 2016 the Consortium received and expended \$3.37 million on employment development activities within the three-county area.

Consortium financial activity is reported within Kitsap County’s CAFR, non-major governmental funds #191 JTPA Administration and #192 Employment Training. Financial statements for the Consortium can be obtained from the Kitsap County Auditor, Financial Services Division, 614 Division Street, MS-31, Port Orchard, WA 98366.

#### B. Salish Behavioral Health Organization

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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Kitsap, Jefferson and Clallam Counties, and Jamestown S’Klallam Tribe entered into an interlocal agreement to establish a Behavioral Health Organization (“BHO”). The BHO is named the Salish Behavioral Health Organization (“SBHO”). The purpose of the BHO is to plan, establish and operate a comprehensive behavioral health system within the three-county area.

The BHO is governed by a five-member Board composed of one elected commissioner from each of the three counties, one elected tribal official representing the various tribes in the three counties, and one non-voting representative from the Salish Behavioral Health Organization Advisory Board.

The Board has designated Kitsap County as the grant recipient and administrative entity of the BHO. The county is responsible for receiving and disbursing grant funds, all functions necessary for operation of the program including executing grants, sub grants, contracts and other agreements as authorized by the Board; employing administrative staff; organizing and hiring qualified persons; developing procedures for program planning, operating, assessment and fiscal management; and any other administrative functions needed in furtherance of goals and policies developed by the Board.

SBHO contracts with the State of Washington Department of Social and Health Services (“DSHS”) to provide behavioral health services (services for mental health and substance use disorders) in the three-county area. The revenue provided by DSHS is used to pay for public behavioral health services for the Medicaid and non-Medicaid populations. The BHO allocates funds to participating counties and tribes in accordance with federal, state and tribal formulas, approved plans, grants and all pertinent laws and rules.

Certain county contributions to mental health programs, such as millage, mental health sales tax and current expense contributions will be retained by each county and dispensed by the Board of County Commissioners. The BHO will allocate funds currently received by counties to providers within those counties. New funds received by the BHO are allocated to the three counties and participating tribes by the Board.

In 2016 the BHO Consortium expended \$45.26 million on behavioral health activities within the three-county area.

SBHO financial activity is reported within Kitsap County’s CAFR, major and non-major governmental funds #187 Mental Health Medicaid and #188 Mental Health Non-Medicaid. Financial statements for the SBHO can be obtained from the Kitsap County Auditor, Financial Services Division, 614 Division Street, MS-31, Port Orchard, WA 98366.

### **NOTE 20. POLLUTION REMEDIATION OBLIGATION**

In accordance with Governmental Accounting Standards Board Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, which became effective for fiscal periods beginning after December 15, 2007, liabilities for environmental cleanup obligations were recorded in the Solid Waste fund.

#### Hansville Landfill

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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The Hansville Landfill closed in 1989. Kitsap County, together with Waste Management of Washington, Inc. were identified as Potentially Liable Parties (PLPs) for remediation of contamination at the Hansville Landfill under the Model Toxics Control Act (MTCA). The Cleanup Action Plan (CAP) providing for Natural Attenuation of Groundwater with Enhanced Monitoring and Institutional Controls was approved by the Washington State Department of Ecology in 2011 as part of the Amended Consent Decree.

The current closure cost estimate for the Hansville Landfill site was revised to \$1,549,164 in September 2016, for the years 2017 - 2034. The Solid Waste Fund recognized a liability of \$542,207 for its share of the estimated costs remaining to be recognized as determined by the Washington State Department of Ecology.

The Solid Waste Fund is using the local government financial test as the financial mechanism to assure the total cost of remedial activities at the Hansville Landfill, including Waste Management of Washington, Inc.'s share. The estimated costs are based on current costs of sampling and are updated annually, and the liability is adjusted accordingly.

### **NOTE 21. OTHER NOTE DISCLOSURES**

#### **C. Subsequent Events**

1. In 2017, the county will be amending its 2011 agreement to purchase Rolling Hills Golf Course. The amendment will reduce the sale price of the golf course from \$4 million to \$3 million, decrease the county's annual payment to the seller from \$200,000 to \$100,000, and extend the contract term by 6 years from 2031 to 2037. All other terms and conditions remain in effect.

The county will also be amending the leaseback agreement under which the seller agreed to lease back and operate the golf course. The lessee's annual lease payment to the county will be reduced from \$200,000 to \$100,000 and the lease term is extended from 2031 to 2037. All other terms and conditions remain in effect.

2. In 2017, the county amended its 2013 loan and repayment agreement with Housing Kitsap:
  - The County released its security interest in certain Norm Dicks Government Center units so that Housing Kitsap can sell the units. Proceeds from the sale may only be used for relocation of Housing Kitsap operations, improvements for the new office space and equipment purchases.
  - Regarding sale of certain identified properties (collateral), use of the proceeds from the sales is limited to development directly benefiting housing in Kitsap county and repayment of the loan to Kitsap County.
  - A new section allowing for the deferral of payment of Excess Funds in 2018, 2019 and 2020 was added. The maximum deferral allowed is \$300,000 per year for a total of \$900,000.

# Kitsap County, Washington

## Notes to Financial Statements

December 31, 2016

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3. The county is negotiating a settlement agreement with Bremerton School district for cleanup at the Crownhill Elementary School site. The cleanup, including periodic reviews by the Department of Ecology, is expected to last for 30 years. The costs of the cleanup will be shared among Bremerton School District, the US Navy and Kitsap County. The county's share of the costs is \$502,459.
4. Pursuant to the provisions of RCW 35.21.730 through RCW 35.21.759, Kitsap County passed an ordinance creating a Public Development Authority. Effective December 26, 2016, Kitsap County department Cencom, responsible for 911 dispatch services in Kitsap County, was reorganized and re-established as, Kitsap 911, a separate legal entity. All assets and liabilities of the department were transferred to the new entity.

### D. Prior Period Adjustments

The general fund and DCD reported prior period adjustments of \$444,146. The general fund provided funding for DCD's policy and planning activities and from 2012 through 2015 included an indirect cost allocation in its operating transfer to DCD. The indirect cost allocation should not have been included in the operating transfer. The prior period adjustment removes the transfers from the fund balances of the general fund and DCD.

The roads fund and DCD reported prior period adjustments of \$149,802. The roads fund supports DCD's engineering activities. From 2012 through 2015 the roads fund reimbursed DCD for an indirect cost allocation that should not have been included in the reimbursement. The prior period removes the transfers from the fund balances of DCD and the roads fund.

The general fund and DCD reported prior period adjustments of \$174,015. Beginning in 2017, DCD's policy and planning activities will be accounted for in the general fund. In the process of closing out policy and planning activities it was determined that the DCD activity had been overfunded in prior years and the excess transfers were returned to the general fund. The portion of the excess transfers attributable to 2015 were reported as a prior period adjustment.

The REET fund reported a prior period adjustment of \$150,000. In 2004, the county sold two condominium units in the Bremerton Government Center to the Health District. The note receivable from the Health District is accounted for in the REET fund. In 2015, the unearned revenue account was not adjusted to the outstanding note receivable balance. The prior year adjustment to unearned revenue is being made.

The surface stormwater fund reported a prior period adjustment of \$305,261. It has been determined that the Lighthouse Tidegate Replacement project and Chico Creek project will not be completed by the utility. Prior year costs are being removed from construction in progress.



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# Required Supplementary Information

Kitsap County Auditor | Financial Division

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REQUIRED SUPPLEMENTARY INFORMATION

**KITSAP COUNTY, WASHINGTON**

Schedule of Funding Progress

Law Enforcement Officers and Firefighters (LEOFF1)

As of December 31, 2016

Accuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of covered Payroll [(b-a)/c]
02/11/08	\$ -	\$ 13,400,355	\$ 13,400,355	0%	\$ -	N/A
02/10/10	-	12,339,603	12,339,603	0%	-	N/A
01/20/11	-	11,721,211	11,721,211	0%	-	N/A
02/14/12	-	10,919,266	10,919,266	0%	-	N/A
12/31/13	-	17,775,124	17,775,124	0%	-	N/A
12/31/14	-	15,621,539	15,621,539	0%	-	N/A
12/31/15	-	14,286,979	14,286,979	0%	-	N/A
12/31/16	-	18,114,132	18,114,132	0%	-	N/A



REQUIRED SUPPLEMENTARY INFORMATION

**KITSAP COUNTY, WASHINGTON**

Schedule of Proportionate Share of the Net Pension Liability

PERS 1

As of June 30, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Employer's proportion of the net pension liability (asset)	0.568032%	0.585327%
Employer's proportionate share of the net pension liability (asset)	<u>\$ 29,713,356</u>	<u>\$ 31,434,817</u>
TOTAL	<u>\$ 29,713,356</u>	<u>\$ 31,434,817</u>
Covered payroll (2)	\$ 59,040,780	\$ 62,695,480
Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	50.33%	50.14%
Plan fiduciary net position as a percentage of the total pension liability (asset)	59.10%	57.03%

**Notes to Schedule:**

(1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.

(2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5).

REQUIRED SUPPLEMENTARY INFORMATION

**KITSAP COUNTY, WASHINGTON**

Schedule of Proportionate Share of the Net Pension Liability

PERS 2/3

As of June 30, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Employer's proportion of the net pension liability (asset)	0.647736%	0.657055%
Employer's proportionate share of the net pension liability (asset)	<u>\$ 23,143,976</u>	<u>\$ 33,082,200</u>
TOTAL	<u>\$ 23,143,976</u>	<u>\$ 33,082,200</u>
Covered payroll (2)	\$ 57,619,857	\$ 61,485,576
Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	40.17%	53.80%
Plan fiduciary net position as a percentage of the total pension liability (asset)	89.20%	85.82%

**Notes to Schedule:**

(1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.

(2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5).

REQUIRED SUPPLEMENTARY INFORMATION

**KITSAP COUNTY, WASHINGTON**

Schedule of Proportionate Share of the Net Pension Liability

PSERS

As of June 30, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Employer's proportion of the net pension liability (asset)	1.598298%	1.827255%
Employer's proportionate share of the net pension liability (asset)	\$ <u>291,721</u>	\$ <u>776,547</u>
TOTAL	\$ <u><u>291,721</u></u>	\$ <u><u>776,547</u></u>
Covered payroll (2)	\$ 4,373,157	\$ 5,935,170
Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	6.67%	13.08%
Plan fiduciary net position as a percentage of the total pension liability (asset)	95.08%	90.41%

Notes to Schedule:

(1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.

(2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5).

**REQUIRED SUPPLEMENTARY INFORMATION**

**KITSAP COUNTY, WASHINGTON**

**Schedule of Proportionate Share of the Net Pension Liability**

LEOFF 1

As of June 30, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Employer's proportion of the net pension liability (asset)	0.072079%	0.071415%
Employer's proportionate share of the net pension liability (asset)	\$ (868,711)	\$ (735,779)
State's proportionate share of the net pension liability (asset) associated with the employer	<u>\$ (5,875,940)</u>	<u>\$ (4,976,789)</u>
<b>TOTAL</b>	<u><u>\$ (6,744,651)</u></u>	<u><u>\$ (5,712,568)</u></u>
Covered payroll (2)	\$ -	\$ -
Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability (asset)	127.36%	123.74%

**Notes to Schedule:**

(1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.

(2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5). There were no employer contributions to the LEOFF 1 plan in 2016.

**REQUIRED SUPPLEMENTARY INFORMATION**

**KITSAP COUNTY, WASHINGTON**

Schedule of Proportionate Share of the Net Pension Liability

LEOFF 2

As of June 30, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Employer's proportion of the net pension liability (asset)	0.313939%	0.417995%
Employer's proportionate share of the net pension liability (asset)	\$ (3,226,665)	\$ (2,431,184)
State's proportionate share of the net pension liability (asset) associated with the employer	<u>\$ (2,133,473)</u>	<u>\$ (1,584,955)</u>
<b>TOTAL</b>	<u><u>\$ (5,360,138)</u></u>	<u><u>\$ (4,016,140)</u></u>
Covered payroll (2)	\$ 9,111,737	\$ 12,662,712
Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	35.41%	19.20%
Plan fiduciary net position as a percentage of the total pension liability (asset)	111.67%	106.04%

**Notes to Schedule:**

(1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.

(2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5).

**REQUIRED SUPPLEMENTARY INFORMATION**

**KITSAP COUNTY, WASHINGTON**

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Schedule of Employer Contributions

PERS 1 (includes UAAL)

As of December 31, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Statutorily or contractually required contributions	\$ 3,055,274	\$ 3,373,735
Contributions in relation to the statutorily or contractually required contributions (3)	<u>\$ (3,055,274)</u>	<u>\$ (3,373,735)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll (2)	\$ 68,318,226	\$ 69,207,503
Contributions as a percentage of covered payroll	4.47%	4.87%

**Notes to Schedule:**

- (1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.
- (2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5).
- (3) Contributions are actual employer contributions to the plan. For PERS 1 this includes the portion of PERS 2/3 and PSERS 2 contributions that fund the PERS 1 UAAL. Contributions do not include employer-paid member contributions (GASB 82 paragraph 8).

**REQUIRED SUPPLEMENTARY INFORMATION**

**KITSAP COUNTY, WASHINGTON**

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Schedule of Employer Contributions

PERS 2/3

As of December 31, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Statutorily or contractually required contributions	\$ 3,438,475	\$ 3,882,745
Contributions in relation to the statutorily or contractually required contributions (3)	<u>\$ (3,438,475)</u>	<u>\$ (3,882,745)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll (2)	\$ 61,392,090	\$ 62,341,583
Contributions as a percentage of covered payroll	5.60%	6.23%

**Notes to Schedule:**

(1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.

(2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5).

(3) Contributions are actual employer contributions to the plan.

REQUIRED SUPPLEMENTARY INFORMATION

**KITSAP COUNTY, WASHINGTON**

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Schedule of Employer Contributions

PSERS 2

As of December 31, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Statutorily or contractually required contributions	\$ 364,844	\$ 374,944
Contributions in relation to the statutorily or contractually required contributions (3)	<u>\$ (364,844)</u>	<u>\$ (374,944)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll (2)	\$ 5,640,112	\$ 5,689,600
Contributions as a percentage of covered payroll	6.47%	6.59%

**Notes to Schedule:**

- (1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.
- (2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5).
- (3) Contributions are actual employer contributions to the plan.



**REQUIRED SUPPLEMENTARY INFORMATION**

**KITSAP COUNTY, WASHINGTON**

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Schedule of Employer Contributions

LEOFF 2

As of December 31, 2016

Last 10 Fiscal Years (1)

	<u>2015</u>	<u>2016</u>
Statutorily or contractually required contributions	\$ 597,598	\$ 534,961
Contributions in relation to the statutorily or contractually required contributions (3)	\$ (597,598)	\$ (534,961)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll (2)	\$ 11,833,541	\$ 10,593,273
Contributions as a percentage of covered payroll	5.05%	5.05%

**Notes to Schedule:**

(1) Pension schedules in the required supplementary information section are intended to show information for ten years; additional years' information will be presented as it becomes available.

(2) Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, paragraph 5).

(3) Contributions are actual employer contributions to the plan.



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# NonMajor Funds

Kitsap County Auditor | Financial Division

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# KITSAP COUNTY, WASHINGTON

## Non-major Governmental Funds

### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditure for particular purposes.

**Central Communications (CENCOM)** - A fund established by intergovernmental agreement to provide a consolidated emergency communication system for Kitsap County, the cities, fire districts, police agencies and medical agencies therein.

**Emergency Services** - A fund used to account for emergency management and planning as well as coordination with volunteer agencies to provide emergency services within Kitsap County.

**Law Library** - A fund used to account for the purchase of legal publications and to maintain a law library used by judges, attorneys and the general public.

**KPREP Fund** - A fund used to account for the disaster preparedness programs within the county.

**Mental Health Sales Tax** – fund receives funding from the 1/10<sup>th</sup> of 1% sales tax designated for Mental Health and provides funding for various mental health programs across the County.

**Housing and Homelessness** – A fund used to account for the County’s housing and homeless programs , funded in part by the special fee charged on the recording of public documents recorded in the County.

**Election Reserve** - A fund established to accumulate revenue to be used for the purchase of election related capital outlay.

**Auditor’s Document Preservation** - A fund established to accumulate surcharge fees to be used for the installation and maintenance of an improved system for copying, preserving and indexing documents recorded in the County.

**Housing Affordability** – A fund used to account for the special fee on the recording of public documents throughout the County.

**Westnet** - A fund used to account for the drug enforcement programs.

**Boating Safety Improvement** - A fund, managed by the Sheriff’s Department, to account for state and local funding of marine patrol and boating safety.

**Noxious Weed Control** – a fund used to account for the eradication and control of noxious weeds in Kitsap county.

**Treasurer’s Maintenance and Operation** - A revolving fund used by the County Treasurer to defray the cost of foreclosure, and sale for delinquent taxes.

**Electronic Technology Excise** – a fund used to account for the collection of state distributed REET fund to be used exclusively for development, implementation, and maintenance of an electronic processing and reporting system for the real estate excise tax affidavits.

**Veteran’s Relief** - A fund used to finance emergency financial assistance to veterans and their surviving spouses.

**Expert Witness** - A fund used to account for the funds provided to cover the costs of expert witnesses.

**Conservation Future Tax** - A fund used to account for the collection of taxes to be used for future conservation measures.

**Community Service** - A fund used to account for the collection of court fines which are used to support the community service program.

**County Stadium** - A fund used to account for the local motel/hotel transient tax.

**County Fair** – Used to account for activity related to the annual fair.

**Prisoners’ Commissary** - A fund used to account for the monies from the Jail Commissary.

**SIU Revenue** - A fund used to finance special investigations by the Sheriff’s Office.

**S.A.I.V.S** - A fund used to finance the investigations of domestic and sexual abuse and provide services to the Victims.

**Anti-profiteering Revolving** - A revolving fund used to account for the crime investigation by the Prosecutor’s Office.

**Family Court Services** - A fund used to account for a program to assist the minor children of parties involved in domestic relation litigation.

**Trial Court Improvement fund** – The fund is used to receive fees from civil lawsuits in District and Superior courts and the funds are used to fund improvements to Superior and District Court staffing, programs, facilities, and services.

**Public Defense Funding** – The fund used to account for public defense funding as well as the costs associated with the program.

**Pooling Fees** - A fund used to account for the revenues and expenditures of the Treasurer’s investment pool operations.

**GMA Park Impact Fees** - A fund used to account for the development impact fees that are restricted to park development.

**GMA Transportation Impact Fees Central Kitsap** - A fund used to account for the development impact fees that are to be used for transportation purposes in the Central Kitsap area.

**County Parks Acquisition & Development** - A fund used to account for monies used for the acquisition and development of County parks.

**USDOJ BJA JAG** Grants fund is used to account for activities of the US Department of Justice Bureau of Justice Assistance grants.

**Point No Point Lighthouse** – A fund used to account for monies received for rentals of the Point No Point Lighthouse as well as recording expenditures of maintaining it.

**Crime Prevention** - A fund established to accumulate funding for use by the K-9/Crime Prevention unit.

**Regional Septic Loans Program Fund** – This fund is used to record activity of the Regional Septic Loan program.

**Recovery Center** - A fund used to account for the operation of the substance abuse rehabilitation facility.

**Dispute Resolution Center** - A fund used to account for the operation of a family dispute resolution center.

**CDBG Entitlement** - A fund used to account for the Community Development Block Grant.

**Home Entitlement Grants** – This fund is to account for the Home Entitlement Grant.

**Kitsap Abatement Fund** – The fund used to record activity of the abatement program operated by the Community Development Department.

**Community Development** – The fund used to record activity of the Community Development Department formerly part of the general fund.

**Jail & Juvenile Sales Tax** – A fund used to account for the special sales tax for the jail expansion and the construction of the new Juvenile facility

**Service Area 1 Road Impact Fee** – A fund used to account for activities in the service area number 1

**Service Area 2 Road Impact Fee** – A fund used to account for activities in the service area number 2

**Service Area 3 Road Impact Fee** – A fund used to account for activities in the service area number 3

**Service Area 4 Road Impact Fee** – A fund used to account for activities in the service area number 4

**Regional Service Area Impact** - A fund used to account for activities in the regional service area

**PEG Fund** – A fund established to account for funds collected and disbursed for the purpose of securing equipment and facilities for the Public Access and Government Education Television facility.

**Mental Health Fund** – Fund used to account for funding and activity of the mental health program excluding Medicaid and other major aid programs.

**Developmental Disabilities** - A fund used to account for the County's developmental disabilities program.

**Substance Abuse Treatment** - A fund used to account for the county's substance abuse treatment program.

**Youth Services / Juvenile** – A fund used to account for private donations received for the purpose of paying for specific needs of youth serviced by the Juvenile Department.

**M/H Medicaid Match** – This fund is used to account for local matching funds of the Medicaid program. The State requires these funds to be tracked separately in order for county to receive match.

**Mental Health non-medicaid fund** – The fund used to account for funding and activity of state mental health funding

**Commute Trip Reduction** - A fund used to account for the funding of reducing the number of employee commute trips.

**Area Agency on Aging** - A fund used to account for the funding of the senior citizens' program.

**JTPA Administration** - A fund used to account for uses of the Job Training Partnership Act funding.

**Employment Training** – A fund used to account for activities of the new Employment Training program.

**Kitsap Regional Coordinating Council** - A fund used to account for various grant programs.

**ARRA EECBG** – A fund used to account for activity of the Conservation Grant Program.

### **Capital Projects Funds**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

**Bethel Corridor Development Project** – Established for the purpose of accounting for financial resources and expenditures related to the Bethel Corridor Development capital project for improvements on Bethel Road.

**KC LTGO 2010** – This fund is used to account for projects funded by the 2010 GO Bonds.

**Poplars Capital Projects** – This fund records all activity related to the Poplars property

**Juvenile Services Facility** - A fund used to account for the expansion of the Juvenile Services Center.

**Silverdale Projects** – The fund used to account for capital projects related to the proposed Silverdale Community Center.

**Parks Capital Improvement** - A fund used to account for various park improvement projects.

**Jail Expansion** - A fund used to account for the expansion of current County Jail building.

**K. C. Capital Project - 2001** - A fund used to account for the refunding of certain L.T.G.O. Bonds,

Public Works Annex and open space acquisitions.

**2002A Facility Project** - A fund used to account for the addition to the Kitsap County Fair Event Center.

**Administrative Building** – A fund used to account for the construction of the county’s new administrative building.

**KC LTGO 2006 Bond Project** – A fund used to account for the several capital projects including remodel of the Public Works Building, Parks Improvements, Court House remodel and future Morgue.

### **Debt Service Funds**

**General Obligation Refunding Bonds 1996** – A fund used to account for the service of debt associated with the 1996 General Obligation Refunding Bonds issue. The county used the proceeds from the bond sales to refund portions of the County’s 1989, 1991 and 1992A outstanding Limited Tax Levy General Obligation Bonds.

**2011 Refunding Bond** – This fund is used to account for service of debt associated with the 2011 Refunding Bond issues.

**KC 2013 Refunding** – This fund used to account for all activity related to the 2013 refunding.

**Special Assessments** - A fund used to service all debts of the County that are backed by special assessments.

**General Obligation Bonds 1999** - A fund used to account for the service of debt associated with financing of open space land purchase.

**General Obligation Bonds 1999B** - A fund used to account for the service of debt associated with the financing of the acquisition of new technology systems for 911 communications, making energy system improvements, and refunding bonds.

**General Obligation Bonds 2000** - A fund used to account for the service of debt associated with the financing of the building addition to the Kitsap County Adult Detention Center.

**General Obligation Bonds 2001 & Refunding** - A fund used to account for the service of debt associated with the financing of acquisition of open space land, Surface Storm water Management Utility projects, and to refund the County’s 1992A callable limited tax general obligation refunding bonds.

**General Obligation Bonds 2006** – Established for the purpose of accounting for debt service for the 2006 LTD GO Bonds. The Bonds were issued to provide funding for a number of capital projects throughout the county.

# KITSAP COUNTY, WASHINGTON

## Combining Balance Sheet Nonmajor Governmental Funds December 31, 2016

	Special Revenue Funds				
	Cencom 103	Emergency Services 104	Law Library 105	KPREP Fund 106	Mental Health Sales Tax 107
<b>ASSETS</b>					
Cash and Cash equivalents	\$ 589,178	\$ -	\$ 156,924	\$ 91,921	\$ 6,088,394
Deposits with fiscal agents	-	-	-	-	-
Investments	-	10	-	-	-
Receivables(net)	-	-	-	-	-
Property taxes	-	-	-	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	-
Notes/Contracts	-	-	-	-	-
Others	-	-	-	-	-
Due from other funds	19,755	-	-	-	74,168
Due from other governments	-	74,390	-	69	-
Interfund loan receivable	-	-	-	-	-
Prepayments	-	-	-	-	-
Advance to other funds	-	-	-	-	-
<b>Total assets</b>	<b>\$ 608,934</b>	<b>\$ 74,400</b>	<b>\$ 156,924</b>	<b>\$ 91,991</b>	<b>\$ 6,162,562</b>
<b>DEFERRED OUTFLOWS</b>					
	-	-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 608,934</b>	<b>\$ 74,400</b>	<b>\$ 156,924</b>	<b>\$ 91,991</b>	<b>\$ 6,162,562</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	5,220	11,846	2,709	198	362,008
Due to other funds	22,822	729	67	-	30,888
Due to other governments	-	-	-	-	-
Other liabilities	50	67,436	-	-	2,113
Advance from other fund	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Interfund loan payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>28,092</b>	<b>80,011</b>	<b>2,776</b>	<b>198</b>	<b>395,009</b>
<b>DEFERRED INFLOWS</b>					
	-	-	-	-	-
<b>Fund balances</b>					
Nonspendable	-	-	-	-	-
Restricted	580,842	-	154,148	91,793	5,767,553
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(5,610)	-	-	-
<b>Total Fund Balance</b>	<b>580,842</b>	<b>(5,610)</b>	<b>154,148</b>	<b>91,793</b>	<b>5,767,553</b>
<b>Total liabilities, deferred inflows &amp; fund balances</b>	<b>\$ 608,934</b>	<b>\$ 74,400</b>	<b>\$ 156,924</b>	<b>\$ 91,991</b>	<b>\$ 6,162,562</b>



## Special Revenue Funds

Homeless Housing 109	Election Reserve 111	Aud. Doc. Preservation 112	Housing Affordability 113	Westnet 114	Boating Safety Improvement 117	Noxious Weed Control 120	Treasurer's M&O 121
24,398	\$ 70,577	\$ 379,944	\$ 2,566,951	\$ 95,319	\$ 7,365	\$ 310,292	\$ 71,633
-	-	-	-	-	-	-	-
-	-	-	-	175,896	193,410	-	559,254
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	9,121	-
-	-	-	-	-	-	-	-
48,469	68,431	-	-	-	-	1,909	-
-	31,329	-	-	27,625	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 72,867</u>	<u>\$ 170,336</u>	<u>\$ 379,944</u>	<u>\$ 2,566,951</u>	<u>\$ 298,840</u>	<u>\$ 200,775</u>	<u>\$ 321,321</u>	<u>\$ 630,887</u>
-	-	-	-	-	-	-	-
<u>\$ 72,867</u>	<u>\$ 170,336</u>	<u>\$ 379,944</u>	<u>\$ 2,566,951</u>	<u>\$ 298,840</u>	<u>\$ 200,775</u>	<u>\$ 321,321</u>	<u>\$ 630,887</u>
23	10,320	5,577	98,676	7,554	-	46,388	169
11	2,913	32,181	-	2,408	-	166	-
-	-	-	-	-	-	-	-
1,783	-	611	1,044	1,457	-	1,806	5
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,817</u>	<u>13,233</u>	<u>38,370</u>	<u>99,720</u>	<u>11,419</u>	<u>-</u>	<u>48,360</u>	<u>173</u>
-	-	-	-	-	-	9,121	-
-	-	-	-	-	-	-	-
71,050	157,103	341,575	2,467,231	163,830	200,775	263,840	630,714
-	-	-	-	123,591	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>71,050</u>	<u>157,103</u>	<u>341,575</u>	<u>2,467,231</u>	<u>287,421</u>	<u>200,775</u>	<u>263,840</u>	<u>630,714</u>
<u>\$ 72,867</u>	<u>\$ 170,336</u>	<u>\$ 379,944</u>	<u>\$ 2,566,951</u>	<u>\$ 298,840</u>	<u>\$ 200,775</u>	<u>\$ 321,321</u>	<u>\$ 630,887</u>

# KITSAP COUNTY, WASHINGTON

## Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2016

	Special Revenue Funds				
	Electronic Technology Excise 123	Veteran's Relief 124	Expert Witness 125	Conservation Futures Tax 129	Community Service 130
<b>ASSETS</b>					
Cash and Cash equivalents	\$ 128,810	\$ 106,037	\$ 48,422	\$ 1,212,260	\$ 79,576
Deposits with fiscal agents	-	-	-	-	-
Investments	178,182	94,070	-	383,071	-
Receivables(net)	-	-	-	-	-
Property taxes	-	8,893	-	37,996	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	-
Notes/Contracts	-	-	-	-	-
Others	-	-	-	-	-
Due from other funds	-	-	-	-	37,152
Due from other governments	-	-	-	30,000	-
Interfund loan receivable	-	-	-	-	-
Prepayments	-	-	-	-	-
Advance to other funds	-	-	-	-	-
<b>Total assets</b>	<b>\$ 306,991</b>	<b>\$ 209,000</b>	<b>\$ 48,422</b>	<b>\$ 1,663,327</b>	<b>\$ 116,728</b>
<b>DEFERRED OUTFLOWS</b>					
	-	-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 306,991</b>	<b>\$ 209,000</b>	<b>\$ 48,422</b>	<b>\$ 1,663,327</b>	<b>\$ 116,728</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	-	17,336	-	-	-
Due to other funds	-	7	-	-	-
Due to other governments	-	-	-	-	-
Other liabilities	-	442	-	-	2,476
Advance from other fund	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Interfund loan payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>17,785</b>	<b>-</b>	<b>-</b>	<b>2,476</b>
<b>DEFERRED INFLOWS</b>					
	-	8,893	-	37,996	-
<b>Fund balances</b>					
Nonspendable	-	-	-	-	-
Restricted	306,991	182,322	48,422	1,625,331	-
Committed	-	-	-	-	114,251
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balance</b>	<b>306,991</b>	<b>182,322</b>	<b>48,422</b>	<b>1,625,331</b>	<b>114,251</b>
<b>Total liabilities, deferred inflows &amp; fund balances</b>	<b>\$ 306,991</b>	<b>\$ 209,000</b>	<b>\$ 48,422</b>	<b>\$ 1,663,327</b>	<b>\$ 116,728</b>

Special Revenue Funds

County Stadium 132	County Fair 133	Prisoner Commissary 135	SIU Revenue 136	Kitsap S.A.I.V.S 139	Anti-Profitteering Revolving 141	Family Court Services 142	Trial Court Improvement 143
\$ 469,539	\$ 83,621	\$ 183,858	\$ 191,296	\$ 31,370	\$ 25,684	\$ 48,471	\$ 163,510
-	-	-	-	-	-	-	-
-	58,334	-	483,547	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	28,470	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,601	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 469,539</u>	<u>\$ 141,955</u>	<u>\$ 212,328</u>	<u>\$ 674,843</u>	<u>\$ 33,972</u>	<u>\$ 25,684</u>	<u>\$ 48,471</u>	<u>\$ 163,510</u>
-	-	-	-	-	-	-	-
<u>\$ 469,539</u>	<u>\$ 141,955</u>	<u>\$ 212,328</u>	<u>\$ 674,843</u>	<u>\$ 33,972</u>	<u>\$ 25,684</u>	<u>\$ 48,471</u>	<u>\$ 163,510</u>
39,242	7,994	22,413	6,171	1,537	-	350	-
-	-	-	182	284	-	-	-
-	-	-	-	-	-	-	-
3	-	259	-	26	-	658	-
-	-	-	-	-	-	-	-
-	-	-	-	-	2,401	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>39,245</u>	<u>7,994</u>	<u>22,673</u>	<u>6,352</u>	<u>1,848</u>	<u>2,401</u>	<u>1,008</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
430,295	-	189,655	668,491	32,124	23,284	47,464	163,510
-	133,961	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>430,295</u>	<u>133,961</u>	<u>189,655</u>	<u>668,491</u>	<u>32,124</u>	<u>23,284</u>	<u>47,464</u>	<u>163,510</u>
<u>\$ 469,539</u>	<u>\$ 141,955</u>	<u>\$ 212,328</u>	<u>\$ 674,843</u>	<u>\$ 33,972</u>	<u>\$ 25,684</u>	<u>\$ 48,471</u>	<u>\$ 163,510</u>

# KITSAP COUNTY, WASHINGTON

## Combining Balance Sheet Nonmajor Governmental Funds December 31, 2016

	Special Revenue Funds				
	Public Defense Funding 144	Pooling Fees 145	GMA Park Impact Fees 146	GMA Trans. Impact Fees C Kitsap 148	County Parks Acquisition & Develop 150
<b>ASSETS</b>					
Cash and Cash equivalents	\$ 150,323	\$ 739,846	\$ 195,899	\$ 1,584	\$ 203,213
Deposits with fiscal agents	-	-	-	-	-
Investments	-	-	-	6,063	106,880
Receivables(net)	-	-	-	-	-
Property taxes	-	-	-	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	-
Notes/Contracts	-	-	-	-	-
Others	-	-	-	-	-
Due from other funds	-	-	-	-	37
Due from other governments	-	-	-	-	-
Interfund loan receivable	-	-	-	-	127,573
Prepayments	-	-	-	-	-
Advance to other funds	-	-	-	-	-
<b>Total assets</b>	<b>\$ 150,323</b>	<b>\$ 739,846</b>	<b>\$ 195,899</b>	<b>\$ 7,647</b>	<b>\$ 437,703</b>
<b>DEFERRED OUTFLOWS</b>					
	-	-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 150,323</b>	<b>\$ 739,846</b>	<b>\$ 195,899</b>	<b>\$ 7,647</b>	<b>\$ 437,703</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	1,175	70,122	-	-	24,416
Due to other funds	-	184	-	-	3,639
Due to other governments	-	-	-	-	-
Other liabilities	1,562	2,521	-	-	1,837
Advance from other fund	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Interfund loan payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>2,736</b>	<b>72,827</b>	<b>-</b>	<b>-</b>	<b>29,892</b>
<b>DEFERRED INFLOWS</b>					
	-	-	-	-	-
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	147,587	667,018	195,899	7,647	-
Committed	-	-	-	-	407,811
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balance</b>	<b>147,587</b>	<b>667,018</b>	<b>195,899</b>	<b>7,647</b>	<b>407,811</b>
<b>Total liabilities, deferred inflows &amp; fund balances</b>	<b>\$ 150,323</b>	<b>\$ 739,846</b>	<b>\$ 195,899</b>	<b>\$ 7,647</b>	<b>\$ 437,703</b>

## Special Revenue Funds

USDOJ BJA JAG Grant 152	Pt No Point Lighthouse 155	Crime Prevention 159	Regional Septic Loans Prog 161	Recovery Center 162	Dispute Resolution Center 163	CDBG Entitlement 164	Home Entitlement 166
-	\$ 19,857	\$ 26,162	\$ 97	\$ 409,822	\$ 12,767	\$ 45,068	\$ 58,131
	-	-	-	-	-	-	-
	7,151	74,079	-	1,168,641	-	9,066	10
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	300,000	3,527,429
	-	-	-	-	-	-	2,007
	-	-	-	634,910	-	10,629	-
9,457	-	-	-	-	-	193,768	285,534
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<u>\$ 9,457</u>	<u>\$ 27,008</u>	<u>\$ 100,240</u>	<u>\$ 97</u>	<u>\$ 2,213,373</u>	<u>\$ 12,767</u>	<u>\$ 558,532</u>	<u>\$ 3,873,110</u>
	-	-	-	-	-	-	-
<u>\$ 9,457</u>	<u>\$ 27,008</u>	<u>\$ 100,240</u>	<u>\$ 97</u>	<u>\$ 2,213,373</u>	<u>\$ 12,767</u>	<u>\$ 558,532</u>	<u>\$ 3,873,110</u>
9,457	7,795	232	-	21,882	2,550	151,845	302,567
-	-	-	-	408,950	-	313	10,629
	-	-	-	-	-	-	-
	-	-	-	39,072	-	4,281	-
	-	-	-	-	-	100,000	30,000
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
9,457	7,795	232	-	469,904	2,550	256,439	343,196
-	-	-	-	-	-	300,000	3,527,429
	-	-	-	-	-	-	-
-	19,212	-	97	1,743,468	10,217	2,093	2,485
	-	100,009	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	19,212	100,009	97	1,743,468	10,217	2,093	2,485
<u>\$ 9,457</u>	<u>\$ 27,008</u>	<u>\$ 100,240</u>	<u>\$ 97</u>	<u>\$ 2,213,373</u>	<u>\$ 12,767</u>	<u>\$ 558,532</u>	<u>\$ 3,873,110</u>

# KITSAP COUNTY, WASHINGTON

## Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2016

	Special Revenue Funds				
	Kitsap Abatement 167	Community Development 168	Jail & Juvenile Sales Tax 171	Service Area 1 Rd Impact Fee 173	Service Area 2 Rd Impact Fee 174
<b>ASSETS</b>					
Cash and Cash equivalents	\$ 83,249	\$ 3,410,733	\$ 2,109,203	\$ 681,808	\$ 553,432
Deposits with fiscal agents	-	-	-	-	-
Investments	-	-	-	52,308	135,567
Receivables(net)	-	-	-	-	-
Property taxes	-	-	-	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	-
Notes/Contracts	-	-	-	-	-
Others	-	-	-	-	-
Due from other funds	-	240,321	-	-	-
Due from other governments	-	768,502	-	-	-
Interfund loan receivable	-	-	-	-	-
Prepayments	-	-	-	-	-
Advance to other funds	-	-	-	-	-
<b>Total assets</b>	<b>\$ 83,249</b>	<b>\$ 4,419,556</b>	<b>\$ 2,109,203</b>	<b>\$ 734,117</b>	<b>\$ 688,998</b>
<b>DEFERRED OUTFLOWS</b>					
	-	-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 83,249</b>	<b>\$ 4,419,556</b>	<b>\$ 2,109,203</b>	<b>\$ 734,117</b>	<b>\$ 688,998</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	-	116,880	-	-	-
Due to other funds	-	937,541	-	-	-
Due to other governments	-	-	-	-	-
Other liabilities	-	105,483	-	-	-
Advance from other fund	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-
Unearned revenue	-	7,666	-	-	-
Interfund loan payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>1,167,569</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS</b>					
	-	-	-	-	-
<b>Fund Balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	2,109,203	734,117	688,998
Committed	83,249	3,251,987	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balance</b>	<b>83,249</b>	<b>3,251,987</b>	<b>2,109,203</b>	<b>734,117</b>	<b>688,998</b>
<b>Total liabilities, deferred inflows &amp; fund balances</b>	<b>\$ 83,249</b>	<b>\$ 4,419,556</b>	<b>\$ 2,109,203</b>	<b>\$ 734,117</b>	<b>\$ 688,998</b>

## Special Revenue Funds

Service Area 3 Rd Impact Fee 175	Service Area 4 Rd Impact Fee 176	Regional Service Area Impact 177	PEG Fund 179	Mental Health 181	Developmental Disabilities 182	Substance Abuse 183	Youth Services Juvenile 185
\$ 79,983	\$ 233,233	\$ 101,743	\$ 162,392	\$ 416,929	\$ 1,644,174	\$ 114,198	\$ 56,521
-	-	-	-	-	-	-	-
8,941	105,399	107,862	-	741,327	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	8,991	-	-	-
-	-	-	-	-	281,068	43,116	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 88,924</u>	<u>\$ 338,632</u>	<u>\$ 209,605</u>	<u>\$ 162,392</u>	<u>\$ 1,167,247</u>	<u>\$ 1,925,242</u>	<u>\$ 157,315</u>	<u>\$ 56,521</u>
-	-	-	-	-	-	-	-
<u>\$ 88,924</u>	<u>\$ 338,632</u>	<u>\$ 209,605</u>	<u>\$ 162,392</u>	<u>\$ 1,167,247</u>	<u>\$ 1,925,242</u>	<u>\$ 157,315</u>	<u>\$ 56,521</u>
-	-	-	-	909	315,333	2,481	560
-	-	-	1	-	167	230	-
-	-	-	-	-	507,575	-	-
-	-	-	-	-	3,912	5,690	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	1	909	826,988	8,401	560
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
88,924	338,632	209,605	-	1,166,338	1,098,254	148,913	55,962
-	-	-	162,391	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>88,924</u>	<u>338,632</u>	<u>209,605</u>	<u>162,391</u>	<u>1,166,338</u>	<u>1,098,254</u>	<u>148,913</u>	<u>55,962</u>
<u>\$ 88,924</u>	<u>\$ 338,632</u>	<u>\$ 209,605</u>	<u>\$ 162,392</u>	<u>\$ 1,167,247</u>	<u>\$ 1,925,242</u>	<u>\$ 157,315</u>	<u>\$ 56,521</u>

# KITSAP COUNTY, WASHINGTON

## Combining Balance Sheet Nonmajor Governmental Funds December 31, 2016

	Special Revenue Funds				
	Mental Health Medicaid match 186	Mental Health Non-medicaid 188	Commute Trip Reduct 189	Area Agency On Aging 190	JTPA Administration 191
<b>ASSETS</b>					
Cash and Cash equivalents	\$ 5,828	\$ 1,632,501	\$ 191,277	\$ 788,935	\$ 16,464
Deposits with fiscal agents		-	-	-	-
Investments		576,467	-	-	-
Receivables(net)		-	-	-	-
Property taxes		-	-	-	-
Special assessments		-	-	-	-
Accounts		-	-	-	-
Notes/Contracts		-	-	-	-
Others		-	-	-	-
Due from other funds		33,299	-	-	1,787
Due from other governments		622,130	-	655,673	325,004
Interfund loan receivable		-	-	-	-
Prepayments		-	-	-	-
Advance to other funds		-	-	-	-
<b>Total assets</b>	<b>\$ 5,828</b>	<b>\$ 2,864,396</b>	<b>\$ 191,277</b>	<b>\$ 1,444,608</b>	<b>\$ 343,254</b>
<b>DEFERRED OUTFLOWS</b>		-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 5,828</b>	<b>\$ 2,864,396</b>	<b>\$ 191,277</b>	<b>\$ 1,444,608</b>	<b>\$ 343,254</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	5	289,733	20,205	114,846	304,603
Due to other funds		296,246	41	3,815	2,333
Due to other governments	5,823	-	-	561,036	-
Other liabilities		-	-	45,489	6,318
Advance from other fund		-	-	-	30,000
Revenues collected in advance		-	-	-	-
Unearned revenue		-	-	-	-
Interfund loan payable		-	-	-	-
<b>Total Liabilities</b>	<b>5,828</b>	<b>585,979</b>	<b>20,247</b>	<b>725,186</b>	<b>343,254</b>
<b>DEFERRED INFLOWS</b>		-	-	-	-
<b>Fund balances</b>					
Nonspendable		-	-	-	-
Restricted	-	2,278,417	-	719,422	-
Committed		-	171,030	-	-
Assigned		-	-	-	-
Unassigned		-	-	-	-
<b>Total Fund Balance</b>	<b>-</b>	<b>2,278,417</b>	<b>171,030</b>	<b>719,422</b>	<b>-</b>
<b>Total liabilities, deferred inflows &amp; fund balances</b>	<b>\$ 5,828</b>	<b>\$ 2,864,396</b>	<b>\$ 191,277</b>	<b>\$ 1,444,608</b>	<b>\$ 343,254</b>



Special Revenue Funds			Capital Project Funds				
Employment Training 192	Kitsap Regional Coord Council 193	ARRA EECBG 195	Total Special Revenue Funds	Bethel Corridor Dev Proj 333	KC LTGO 2010 335	Poplars Cap Proj 336	Juvenile Services Facility 352
\$ 219,336	\$ 64,198	\$ 8,658	\$ 27,662,915	\$ 63,558	\$ 1,763	\$ 432,684	\$ 1,951
-	-	-	-	-	-	-	-
-	-	-	5,225,533	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	46,889	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	9,121	-	-	15,200	-
-	-	-	3,827,429	-	-	-	-
-	-	-	30,477	-	-	-	-
-	-	-	1,179,855	-	-	-	-
83,084	-	-	3,433,351	-	-	-	-
-	-	-	127,573	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 302,420</u>	<u>\$ 64,198</u>	<u>\$ 8,658</u>	<u>\$ 41,543,144</u>	<u>\$ 63,558</u>	<u>\$ 1,763</u>	<u>\$ 447,884</u>	<u>\$ 1,951</u>
-	-	-	-	-	-	-	-
<u>\$ 302,420</u>	<u>\$ 64,198</u>	<u>\$ 8,658</u>	<u>\$ 41,543,144</u>	<u>\$ 63,558</u>	<u>\$ 1,763</u>	<u>\$ 447,884</u>	<u>\$ 1,951</u>
189,637	15,813	-	2,608,776	-	-	6,189	-
1,790	48,385	-	1,806,924	-	-	16	1
-	-	-	1,074,434	-	-	-	-
-	-	(0)	296,334	-	-	-	-
-	-	-	160,000	-	-	-	-
-	-	-	2,401	-	-	-	-
-	-	-	7,666	-	-	6,637	-
-	-	-	-	-	-	-	-
<u>191,427</u>	<u>64,198</u>	<u>(0)</u>	<u>5,956,534</u>	<u>-</u>	<u>-</u>	<u>12,842</u>	<u>1</u>
-	-	-	3,883,439	-	-	-	-
-	-	-	-	-	-	-	-
110,993	-	8,658	27,160,501	63,558	1,763	435,042	1,951
-	-	-	4,548,280	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	(5,610)	-	-	-	-
<u>110,993</u>	<u>-</u>	<u>8,658</u>	<u>31,703,171</u>	<u>63,558</u>	<u>1,763</u>	<u>435,042</u>	<u>1,951</u>
<u>\$ 302,420</u>	<u>\$ 64,198</u>	<u>\$ 8,658</u>	<u>\$ 41,543,144</u>	<u>\$ 63,558</u>	<u>\$ 1,763</u>	<u>\$ 447,884</u>	<u>\$ 1,952</u>

# KITSAP COUNTY, WASHINGTON

## Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2016

	Capital Project Funds				
	Silverdale Projects 363	Parks Capital Improvement 382	Jail Construction 383	KC Capital Project 2001 384	Administrative Building 387
<b>ASSETS</b>					
Cash and Cash equivalents	\$ 181,008	\$ 991,527	\$ 2,831	\$ -	\$ 193,756
Deposits with fiscal agents	-	-	-	-	-
Investments	-	1,318,094	3	215,042	164,424
Receivables(net)	-	-	-	-	-
Property taxes	-	-	-	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	-
Notes/Contracts	-	1,877,979	-	-	-
Others	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	202,219	-	-	-
Interfund loan receivable	-	-	-	-	-
Prepayments	-	-	-	-	-
Advance to other funds	-	-	-	-	-
<b>Total assets</b>	<b>\$ 181,008</b>	<b>\$ 4,389,817</b>	<b>\$ 2,835</b>	<b>\$ 215,042</b>	<b>\$ 358,180</b>
<b>DEFERRED OUTFLOWS</b>					
	-	-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 181,008</b>	<b>\$ 4,389,817</b>	<b>\$ 2,835</b>	<b>\$ 215,042</b>	<b>\$ 358,180</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	8,560	95,569	-	-	-
Due to other funds	1	2,979	-	-	-
Due to other governments	-	-	-	-	-
Other liabilities	-	-	-	-	-
Advance from other fund	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Interfund loan payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>8,561</b>	<b>98,547</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS</b>					
	-	1,877,979	-	-	-
<b>Fund balances</b>					
Nonspendable	-	-	-	-	-
Restricted	172,447	2,413,291	2,835	215,042	358,180
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balance</b>	<b>172,447</b>	<b>2,413,291</b>	<b>2,835</b>	<b>215,042</b>	<b>358,180</b>
<b>Total liabilities, deferred inflows &amp; fund balances</b>	<b>\$ 181,008</b>	<b>\$ 4,389,817</b>	<b>\$ 2,835</b>	<b>\$ 215,042</b>	<b>\$ 358,180</b>

Capital Project Funds		Debt Service Funds					
2006 LTGO Bond Project 392	Total Capital Project Funds	Refunding Bond 1996 1996 230	KC LTGO 2010 235	KC LTGO 2011 Refund 236	KC LTGO 2015 Refund 238	Special Assessments 265/266	K.C.G.O. Bonds 1999 281
\$ 2,711	\$ 1,871,790	\$ 95,147	\$ 145,888	\$ 106,048	\$ 4	\$ 60,973	\$ 26,974
-	-	-	-	-	-	-	-
-	1,697,562	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	15,200	-	-	-	-	-	-
-	1,877,979	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	202,219	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 2,711</u>	<u>\$ 5,664,749</u>	<u>\$ 95,147</u>	<u>\$ 145,888</u>	<u>\$ 106,048</u>	<u>\$ 4</u>	<u>\$ 60,973</u>	<u>\$ 26,974</u>
-	-	-	-	-	-	-	-
<u>\$ 2,711</u>	<u>\$ 5,664,749</u>	<u>\$ 95,147</u>	<u>\$ 145,888</u>	<u>\$ 106,048</u>	<u>\$ 4</u>	<u>\$ 60,973</u>	<u>\$ 26,974</u>
-	110,318	-	-	-	-	-	-
-	2,996	-	-	-	-	-	-
-	-	-	-	-	-	-	-
0	0	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	6,637	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>0</u>	<u>119,951</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	1,877,979	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,711	3,666,821	95,147	145,888	106,048	4	60,973	26,974
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,711</u>	<u>3,666,821</u>	<u>95,147</u>	<u>145,888</u>	<u>106,048</u>	<u>4</u>	<u>60,973</u>	<u>26,974</u>
<u>\$ 2,711</u>	<u>\$ 5,664,750</u>	<u>\$ 95,147</u>	<u>\$ 145,888</u>	<u>\$ 106,048</u>	<u>\$ 4</u>	<u>\$ 60,973</u>	<u>\$ 26,974</u>

# KITSAP COUNTY, WASHINGTON

## Combining Balance Sheet Nonmajor Governmental Funds December 31, 2016

	Debt Service Funds				
	K.C. G.O. Bonds 1999 B 282	K.C. Bond 2000 283	G.O. Bond 2001 & Ref 284	G.O. Bond 2002A 286	G.O. Bond 2003 287
<b>ASSETS</b>					
Cash and Cash equivalents	\$ 58,093	\$ 26,842	\$ 113,081	\$ 70,228	\$ 5,178
Deposits with fiscal agents	-	-	-	-	-
Investments	-	-	-	250,563	-
Receivables(net)	-	-	-	-	-
Property taxes	-	-	-	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	-
Notes/Contracts	300,000	-	-	7,000,000	-
Others	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interfund loan receivable	-	-	-	-	-
Prepayments	-	-	-	-	-
Advance to other funds	-	-	-	-	-
<b>Total assets</b>	<b>\$ 358,093</b>	<b>\$ 26,842</b>	<b>\$ 113,081</b>	<b>\$ 7,320,791</b>	<b>\$ 5,178</b>
<b>DEFERRED OUTFLOWS</b>					
	-	-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 358,093</b>	<b>\$ 26,842</b>	<b>\$ 113,081</b>	<b>\$ 7,320,791</b>	<b>\$ 5,178</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Other liabilities	-	-	-	-	-
Advance from other fund	-	-	-	-	-
Revenues collected in advance	-	-	-	250,000	-
Unearned revenue	-	-	-	-	-
Interfund loan payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250,000</b>	<b>-</b>
<b>DEFERRED INFLOWS</b>					
	-	-	-	-	-
<b>Fund balances</b>					
Nonspendable	-	-	-	7,000,000	-
Restricted	358,093	26,842	113,081	70,791	5,178
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balance</b>	<b>358,093</b>	<b>26,842</b>	<b>113,081</b>	<b>7,070,791</b>	<b>5,178</b>
<b>Total liabilities, deferred inflows &amp; fund balances</b>	<b>\$ 358,093</b>	<b>\$ 26,842</b>	<b>\$ 113,081</b>	<b>\$ 7,320,791</b>	<b>\$ 5,178</b>

G.O. Bond 2003B 288	G.O. Bond 2004 289	Road Improvement Guaranty 290	G.O. Bond 2005 291	G.O. Bond 2006 292	Total Debt Service Funds	Total Nonmajor Governmental Funds
\$ 8,136	\$ 17,284	\$ 2,737	\$ 3,337	\$ 134	\$ 740,084	\$ 30,274,788
-	-	-	-	-	-	-
-	-	-	-	-	250,563	7,173,659
-	-	-	-	-	-	-
-	-	-	-	-	-	46,889
-	-	-	-	-	-	-
-	-	-	-	-	-	24,321
-	-	-	-	-	7,300,000	13,005,408
-	-	-	-	-	-	30,477
-	-	-	-	-	-	1,179,855
-	-	-	-	-	-	3,635,570
-	-	-	-	-	-	127,573
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 8,136	\$ 17,284	\$ 2,737	\$ 3,337	\$ 134	\$ 8,290,647	\$ 55,498,539
-	-	-	-	-	-	-
\$ 8,136	\$ 17,284	\$ 2,737	\$ 3,337	\$ 134	\$ 8,290,647	\$ 55,498,539
-	-	-	-	-	-	-
-	-	-	-	-	-	2,719,094
-	-	-	-	-	-	1,809,920
-	-	-	-	-	-	1,074,434
-	-	-	-	-	-	296,334
-	-	-	-	-	-	160,000
-	-	-	-	-	250,000	252,401
-	-	-	-	-	-	14,303
-	-	-	-	-	-	-
-	-	-	-	-	250,000	6,326,484
-	-	-	-	-	-	5,761,418
-	-	-	-	-	7,000,000	7,000,000
8,136	17,284	2,737	3,337	134	1,040,647	31,867,969
-	-	-	-	-	-	4,548,280
-	-	-	-	-	-	-
-	-	-	-	-	-	(5,610)
8,136	17,284	2,737	3,337	134	8,040,647	43,410,638
\$ 8,136	\$ 17,284	\$ 2,737	\$ 3,337	\$ 134	\$ 8,290,647	\$ 55,498,540

**KITSAP COUNTY, WASHINGTON**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2016**

	Special Revenue Funds				
	Cencom 103	Emergency Services 104	Law Library 105	KPREP Fund 106	Mental Health Sales Tax 107
<b>REVENUES:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	
Retail sales & use taxes	4,277,582	-	-	-	4,265,444
Other taxes	2,426,168	-	-	-	
Licenses and permits	-	-	-	-	
Intergovernmental	1,621,633	347,654	-	784,130	
Charges for services	1,017,470	-	79,775	-	
Fines & forfeits	-	-	-	-	
Investment earnings	22,733	0	-	-	
Miscellaneous	259,194	2,453	298	-	
<b>Total revenues</b>	<b>9,624,780</b>	<b>350,107</b>	<b>80,073</b>	<b>784,130</b>	<b>4,265,444</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	
Judicial Services	-	-	88,295	-	
Public safety	13,436,656	560,296	-	672,759	
Physical Environment	-	-	-	-	
Transportation	-	-	-	-	
Health & Human Services	-	-	-	-	2,167,099
Economic Environment	-	-	-	-	
Culture & recreation	-	-	-	-	
Debt service					
Principal	-	-	-	-	
Interest and other charges	-	-	-	-	
Capital outlay	373	-	-	-	
Total expenditures	13,437,030	560,296	88,295	672,759	2,167,099
Excess(deficiency) of revenues over expenditures	(3,812,249)	(210,189)	(8,222)	111,371	2,098,345
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from BANS	-	-	-	-	
Write Off of Note					
Issuance of Refunding Bonds					
Payment to bond refunding escrow agent					
Sale of capital assets	-	-	-	-	
Transfers in	1,209,775	231,855	-	-	
Transfers out	(441,449)	-	-	-	(573,949)
Premiums on bonds					
Total other financing sources & uses	768,326	231,855	-	-	(573,949)
<b>SPECIAL ITEMS:</b>					
Sales of pledged assets					
Net change in fund balance	(3,043,924)	21,666	(8,222)	111,371	1,524,396
Fund balances-beginning	3,624,765	(27,277)	162,370	(19,578)	4,243,156
Prior period adjustment					
Fund balances-ending	\$ 580,842	\$ (5,611)	\$ 154,148	\$ 91,793	\$ 5,767,552

## Special Revenue Funds

Homeless Housing 109	Election Reserve 111	Auditor's Document Preserv.112	Housing Affordability 113	Westnet 114	Boating Safety Improve.117	Noxious Weed Control 120	Treasurer's M&O 121
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	99,741	-	168,512	68,229	342	-
99,955	231,012	128,160	1,595,223	-	-	238,243	151,665
-	-	-	-	36,905	-	-	-
-	-	-	-	1,289	1,259	1,674	4,295
-	-	-	-	-	5,000	176	(90)
99,955	231,012	227,901	1,595,223	206,705	74,488	240,435	155,870
-	104,349	237,095	1,389,456	-	-	-	176,788
-	-	-	-	-	-	-	-
-	-	-	-	268,867	85,968	-	-
-	-	-	-	-	-	247,983	-
94,660	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	95,208	-	-	-	-	-	-
-	4,820	-	-	-	-	-	-
-	-	-	-	-	-	-	-
94,660	204,377	237,095	1,389,456	268,867	85,968	247,983	176,788
5,295	26,635	(9,193)	205,768	(62,162)	(11,480)	(7,548)	(20,918)
-	-	-	-	-	-	-	-
48,383	-	-	-	37,390	-	-	-
-	-	(31,850)	-	(19,501)	-	-	(250,000)
48,383	-	(31,850)	-	17,889	-	-	(250,000)
53,678	26,635	(41,043)	205,768	(44,273)	(11,480)	(7,548)	(270,918)
17,372	130,467	382,618	2,261,464	331,694	212,255	271,387	901,632
\$ 71,050	\$ 157,102	\$ 341,575	\$ 2,467,232	\$ 287,421	\$ 200,775	\$ 263,839	\$ 630,714

# KITSAP COUNTY, WASHINGTON

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Special Revenue Funds					
	Electronic Technology Excise 123	Veteran's Relief 124	Expert Witness 125	Conservation Futures Tax 129	Community Service 130	Kitsap County Stadium 132
<b>REVENUES:</b>						
Property taxes	\$ -	\$ 319,040	\$ -	\$ 1,325,561	\$ -	\$ -
Retail sales & use taxes	-	-	-	-	-	502,838
Other taxes	-	652	-	2,708	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	21,870	125	-	518	-	-
Charges for services	25,625	-	-	-	137,892	-
Fines & forfeits	-	-	25,683	-	30,549	-
Investment earnings	1,160	612	-	2,493	-	-
Miscellaneous	-	6,015	-	3,325	-	-
<b>Total revenues</b>	<b>48,655</b>	<b>326,444</b>	<b>25,683</b>	<b>1,334,605</b>	<b>168,441</b>	<b>502,838</b>
<b>EXPENDITURES:</b>						
Current:						
General government	810	-	42,994	-	-	-
Judicial Services	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical Environment	-	-	-	9,087	-	-
Transportation	-	-	-	-	-	-
Health & Human Services	-	313,770	-	-	133,061	-
Economic Environment	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	323,254
Debt service	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>810</b>	<b>313,770</b>	<b>42,994</b>	<b>9,087</b>	<b>133,061</b>	<b>323,254</b>
Excess(deficiency) of revenues over expenditures	47,845	12,674	(17,310)	1,325,518	35,379	179,584
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from BANS	-	-	-	-	-	-
Write Off of Note	-	-	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(1,189,344)	-	(22,673)
Premiums on bonds	-	-	-	-	-	-
<b>Total other financing sources &amp; use:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,189,344)</b>	<b>-</b>	<b>(22,673)</b>
<b>SPECIAL ITEMS:</b>						
Sales of pledged assets	-	-	-	-	-	-
Net change in fund balance	47,845	12,674	(17,310)	136,174	35,379	156,910
Fund balances-beginning	259,147	169,649	65,731	1,489,156	78,872	273,383
Prior period adjustment	-	-	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 306,992</b>	<b>\$ 182,323</b>	<b>\$ 48,421</b>	<b>\$ 1,625,330</b>	<b>\$ 114,251</b>	<b>\$ 430,293</b>



Special Revenue Funds							
Kitsap County Fair 133	Prisoner Commissary 135	SIU Revenue 136	Kitsap SAIVS 139	Anti- Profiteering Revolving 141	Family Court Services 142	Trial Court Improvement 143	Public Defense Fd 144
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	17,373	-	-
-	-	112,849	46,516	-	-	90,680	225,110
-	-	-	5,411	-	-	-	-
-	-	140,729	-	3,153	-	-	-
380	-	3,147	-	-	-	-	-
139,937	213,594	14,130	-	-	-	-	-
140,316	213,594	270,855	51,927	3,153	17,373	90,680	225,110
-	-	-	50,393	-	-	-	-
-	-	-	-	-	23,208	-	215,867
-	157,498	58,956	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
92,571	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	93,944	-	-	-	-	-
92,571	157,498	152,899	50,393	-	23,208	-	215,867
47,746	56,096	117,956	1,534	3,153	(5,835)	90,680	9,243
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	(37,390)	-	-	-	(99,000)	-
-	-	(37,390)	-	-	-	(99,000)	-
47,746	56,096	80,566	1,534	3,153	(5,835)	(8,320)	9,243
86,215	133,559	587,925	30,590	20,131	53,299	171,830	138,344
\$ 133,961	\$ 189,655	\$ 668,491	\$ 32,124	\$ 23,284	\$ 47,464	\$ 163,510	\$ 147,587

**KITSAP COUNTY, WASHINGTON**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Special Revenue Funds					
	Pooling Fees 145	GMA Park Impact Fees 146	GMA Trans. Impact Fees C Kitsap 148	County Parks Acquisition & Develop. 150	USDOJ BJA JAG Grant 152	Pt No Point Lighthouse 155
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -		\$ -
Retail sales & use taxes	-	-	-	-		-
Other taxes	-	-	-	-		-
Licenses and permits	-	-	-	-		-
Intergovernmental	-	-	-	-	9,457	-
Charges for services	-	265,589	-	55,907		-
Fines & forfeits	-	-	-	53		-
Investment earnings	496,432	-	39	696		158
Miscellaneous	-	-	-	361,360		26,009
<b>Total revenues</b>	<b>496,432</b>	<b>265,589</b>	<b>39</b>	<b>418,016</b>	<b>9,457</b>	<b>26,167</b>
<b>EXPENDITURES:</b>						
Current:						
General government	356,135	-	-	-		-
Judicial Services	-	-	-	-		-
Public safety	-	-	-	-		-
Physical Environment	-	414	-	-	9,457	-
Transportation	-	-	-	-		-
Health & Human Services	-	-	-	-		-
Economic Environment	-	-	-	-		-
Culture & recreation	-	-	-	333,833		45,312
Debt service	-	-	-	-		-
Principal	-	-	-	-		-
Interest and other charges	-	-	-	-		-
Capital outlay	-	-	-	-		-
<b>Total expenditures</b>	<b>356,135</b>	<b>414</b>	<b>-</b>	<b>333,833</b>	<b>9,457</b>	<b>45,312</b>
Excess(deficiency) of revenues over expenditures	140,297	265,175	39	84,182	-	(19,145)
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from BANS	-	-	-	-		-
Write Off of Note	-	-	-	-		-
Issuance of Refunding Bonds	-	-	-	-		-
Payment to bond refunding escrow agent	-	-	-	-		-
Sale of capital assets	-	-	-	-		-
Transfers in	-	-	-	-		-
Transfers out	-	(187,045)	-	(25,000)		-
Premiums on bonds	-	-	-	-		-
<b>Total other financing sources &amp; uses</b>	<b>-</b>	<b>(187,045)</b>	<b>-</b>	<b>(25,000)</b>	<b>-</b>	<b>-</b>
<b>SPECIAL ITEMS:</b>						
Sales of pledged assets						
Net change in fund balance	140,297	78,130	39	59,182	-	(19,145)
Fund balances-beginning	526,721	117,769	7,608	348,630		38,357
Prior period adjustment						
<b>Fund balances-ending</b>	<b>\$ 667,018</b>	<b>\$ 195,899</b>	<b>\$ 7,647</b>	<b>\$ 407,812</b>	<b>\$ -</b>	<b>\$ 19,212</b>

## Special Revenue Funds

Crime Prevention 159	Regional Septic Loans Prog 161	Recovery Center 162	Dispute Resolution Center 163	CDBG Entitlement 164	Home Entitlement 166	Kitsap Abatement 167	Community Development 168
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,970	-	-	-	-	-	-	5,241,568
-	-	688,464	-	862,426	334,918	-	1,268,519
-	-	66,399	30,915	-	-	-	1,560,514
11,761	-	-	-	-	-	-	-
482	-	7,606	-	59	13,345	-	-
3,388	-	112,731	-	41,897	118,860	-	380,182
18,602	-	875,201	30,915	904,383	467,123	-	8,450,783
-	-	-	-	-	-	-	-
-	-	-	31,184	-	-	-	-
14,825	-	-	-	-	-	-	-
-	-	-	-	-	-	376	3,325,639
-	-	-	-	-	-	-	-
-	-	2,637,941	-	-	-	-	-
-	-	-	-	903,063	496,380	-	5,521,103
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
14,825	-	2,637,941	31,184	903,063	496,380	376	8,846,742
3,777	-	(1,762,740)	(269)	1,319	(29,256)	(376)	(395,959)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,814,580	-	-	-	-	2,057,123
-	-	-	-	-	-	-	(243,650)
-	-	-	-	-	-	-	-
-	-	1,814,580	-	-	-	-	1,813,473
3,777	-	51,840	(269)	1,319	(29,256)	(376)	1,417,514
96,232	97	1,691,629	10,486	774	31,741	83,625	2,302,831
-	-	-	-	-	-	-	(468,359)
\$ 100,009	\$ 97	\$ 1,743,469	\$ 10,217	\$ 2,093	\$ 2,485	\$ 83,249	\$ 3,251,986

**KITSAP COUNTY, WASHINGTON**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Special Revenue Funds				
	Jail & Juvenile Sale Tax 171	Service Area 1 Rd Impact Fee 173	Service Area 2 Rd Impact Fee 174	Service Area 3 Rd Impact Fee 175	Service Area 4 Rd Impact Fee 176
<b>REVENUES:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	4,278,972	-	-	-	-
Other taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	232,548	143,109	21,957	51,579
Fines & forfeits	-	-	-	-	-
Investment earnings	-	340	882	58	686
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>4,278,972</b>	<b>232,889</b>	<b>143,991</b>	<b>22,016</b>	<b>52,265</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Judicial Services	-	-	-	-	-
Public safety	-	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Health & Human Services	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture & recreation	-	-	-	-	-
Debt service	-	-	-	-	-
Principal	-	-	-	-	-
Interest and other charges	363	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess(deficiency) of revenues over expenditures	4,278,610	232,889	143,991	22,016	52,265
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from BANS	-	-	-	-	-
Write Off of Note	-	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-
Payment to bond refunding escrow agen	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(4,155,367)	-	-	-	-
Premiums on bonds	-	-	-	-	-
<b>Total other financing sources &amp; use:</b>	<b>(4,155,367)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>SPECIAL ITEMS:</b>					
Sales of pledged assets					
Net change in fund balance	123,243	232,889	143,991	22,016	52,265
Fund balances-beginning	1,985,959	501,228	545,007	66,909	286,366
Prior period adjustment					
<b>Fund balances-ending</b>	<b>\$ 2,109,202</b>	<b>\$ 734,117</b>	<b>\$ 688,998</b>	<b>\$ 88,925</b>	<b>\$ 338,631</b>

## Special Revenue Funds

Regional Service Area Impact 177	PEG Fund 179	Mental Health 181	Developmental Disabilities 182	Substance Abuse 183	Youth Serv Juvenile 185	Mental Health Non-medicaid 188	Commute Trip Reduction 189
\$ -	\$ -	\$ 457,721	\$ 250,000	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	3,169,875	492,326	-	7,371,082	-
-	-	-	-	-	-	-	-
702	-	4,825	-	-	-	3,752	-
-	91,551	-	9,220	2,530	2,831	-	75,198
702	91,551	462,546	3,429,095	494,856	2,831	7,374,834	75,198
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	5,477	-	-
-	-	-	-	-	-	-	76,451
-	-	70,353	3,382,494	403,070	-	6,064,031	-
-	46,309	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	9,894	-	-	-	-	-	-
-	56,202	70,353	3,382,494	403,070	5,477	6,064,031	76,451
702	35,349	392,192	46,601	91,786	(2,646)	1,310,803	(1,253)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	18,564	-	7,500	-
-	-	(414,814)	-	(230,029)	-	(405,177)	-
-	-	-	-	-	-	-	-
-	-	(414,814)	-	(211,465)	-	(397,677)	-
702	35,349	(22,621)	46,601	(119,679)	(2,646)	913,127	(1,253)
208,903	127,041	1,188,959	1,051,653	268,591	58,607	1,365,291	172,283
\$ 209,605	\$ 162,390	\$ 1,166,338	\$ 1,098,254	\$ 148,912	\$ 55,961	\$ 2,278,418	\$ 171,030

**KITSAP COUNTY, WASHINGTON**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Special Revenue Funds				
	Area Agency On Aging 190	JTPA Admin 191	Employment Training Fund 192	K. Regional Coordinating Council 193	ARRA EECBG 195
<b>REVENUES:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	3,694,315	2,223,692	1,113,787	74,540	-
Charges for services	-	-	-	-	-
Fines & forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Miscellaneous	743	-	29,291	2,116	-
<b>Total revenues</b>	<b>3,695,057</b>	<b>2,223,692</b>	<b>1,143,078</b>	<b>76,656</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Judicial Services	-	-	-	-	-
Public safety	-	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Health & Human Services	3,644,053	2,223,692	1,143,078	-	-
Economic Environment	-	-	-	210,267	-
Culture & recreation	-	-	-	-	-
Debt service	-	-	-	-	-
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>3,644,053</b>	<b>2,223,692</b>	<b>1,143,078</b>	<b>210,267</b>	<b>-</b>
Excess(deficiency) of revenues over expenditures	51,004	-	-	(133,611)	-
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from BANS	-	-	-	-	-
Write Off of Note	-	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-
Payment to bond refunding escrow agen	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	39,865	-	-	132,612	-
Transfers out	-	-	-	(48,385)	-
Premiums on bonds	-	-	-	-	-
<b>Total other financing sources &amp; use:</b>	<b>39,865</b>	<b>-</b>	<b>-</b>	<b>84,227</b>	<b>-</b>
<b>SPECIAL ITEMS:</b>					
Sales of pledged assets	-	-	-	-	-
Net change in fund balance	90,869	-	-	(49,384)	-
Fund balances-beginning	628,555	-	110,992	49,382	8,658
Prior period adjustment	-	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 719,424</b>	<b>\$ -</b>	<b>\$ 110,992</b>	<b>\$ (2)</b>	<b>\$ 8,658</b>

Capital Projects Funds							
Total Special Revenue Funds	Bethel Corridor Dev Project 333	KCLTGO 2010 Bond 335	Poplars Cap Project 336	Juvenile Services Facility 352	Silverdale Projects 363	Parks Capital Improve. 382	Jail Construction 383
\$ 2,352,321	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13,324,836	-	-	-	-	-	-	-
2,429,528	-	-	-	-	-	-	-
5,261,911	-	-	-	-	-	-	-
24,891,310	-	-	-	-	-	2,564,921	-
6,138,949	-	-	-	-	-	-	-
248,833	-	-	-	-	-	-	-
569,108	-	-	-	-	-	139,228	-
1,901,936	-	-	381,673	-	-	293,831	0
57,118,732	-	-	381,673	-	-	2,997,980	0
2,358,019	-	-	-	-	-	-	-
358,554	-	-	-	-	-	-	-
15,261,302	-	-	-	3,620	-	-	-
3,592,956	-	-	150,588	-	613	-	-
76,451	-	-	-	-	-	-	-
22,277,302	-	-	-	-	-	-	-
7,177,122	-	-	-	-	-	-	-
794,970	-	-	-	-	-	682,732	-
-	-	-	-	-	-	-	-
95,208	-	-	-	-	-	72,787	-
5,183	-	-	-	-	-	127,213	-
104,211	-	-	-	-	123,937	3,853,846	-
52,101,277	-	-	150,588	3,620	124,549	4,736,578	-
5,017,455	-	-	231,085	(3,620)	(124,549)	(1,738,598)	0
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	378,240	-
5,597,647	-	-	-	-	121,502	1,314,524	-
(8,374,623)	-	-	(78,400)	-	-	(19,644)	-
-	-	-	-	-	-	-	-
(2,776,976)	-	-	(78,400)	-	121,502	1,673,120	-
2,240,479	-	-	152,685	(3,620)	(3,047)	(65,478)	0
29,931,040	63,558	1,763	282,358	5,570	175,494	2,478,771	2,834
(468,359)	-	-	-	-	-	-	-
\$ 31,703,160	\$ 63,558	\$ 1,763	\$ 435,043	\$ 1,950	\$ 172,447	\$ 2,413,293	\$ 2,834

**KITSAP COUNTY, WASHINGTON**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Capital Projects Funds			Total Capital Projects	K.C. G.O. Refunding Bond 1996 230
	Capital Proj. 2001 384	Administrative Building 387	2006 LTGO Bond Project 392		
<b>REVENUES:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	2,564,921	-
Charges for services	-	-	-	-	-
Fines & forfeits	-	-	-	-	-
Investment earnings	1,400	1,070	-	141,698	-
Miscellaneous	-	-	-	675,503	-
<b>Total revenues</b>	<b>1,400</b>	<b>1,070</b>	<b>-</b>	<b>3,382,122</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Judicial Services	-	-	-	-	-
Public safety	-	-	-	3,620	-
Physical Environment	-	-	-	151,200	-
Transportation	-	-	-	-	-
Health & Human Services	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture & recreation	-	-	-	682,732	-
Debt service					
Principal	-	-	-	72,787	-
Interest and other charges	-	-	-	127,213	-
Capital outlay	-	-	-	3,977,783	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,015,335</b>	<b>-</b>
Excess(deficiency) of revenues over expenditures	1,400	1,070	-	(1,633,212)	-
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from BANS	-	-	-	-	-
Write Off of Note	-	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-	-
Sale of capital assets	-	-	-	378,240	-
Transfers in	-	-	-	1,436,026	-
Transfers out	-	-	-	(98,044)	-
Premiums on bonds	-	-	-	-	-
<b>Total other financing sources &amp; use:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,716,222</b>	<b>-</b>
<b>SPECIAL ITEMS:</b>					
Sales of pledged assets					
Net change in fund balance	1,400	1,070	-	83,009	-
Fund balances-beginning	213,641	357,110	2,713	3,583,812	95,148
Prior period adjustment	-	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 215,041</b>	<b>\$ 358,180</b>	<b>\$ 2,713</b>	<b>\$ 3,666,821</b>	<b>\$ 95,148</b>



Debt Service Funds						
KC 2010 LTGO 235	KC 2011 Refunding 236	KCLTGO 2015 Refunding 238	Special Assessments 265/266	GO Bond 1999 281	GO Bond 1999B 282	GO Bond Bonds 2000 283
\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
-	-		-	-	-	-
-	-		-	-	-	-
-	839,131	8,902	-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
-	102,850	4	-	-	-	-
-	941,981	8,905	-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
500,000	1,415,000	1,255,000	-	-	90,000	-
144,883	525,600	856,900	-	-	-	-
-	-		-	-	-	-
644,883	1,940,600	2,111,900	-	-	90,000	-
(644,883)	(998,619)	(2,102,995)	-	-	(90,000)	-
-	-		-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
644,209	1,099,303	2,102,998	-	-	-	-
-	-		-	-	-	-
-	-		-	-	-	-
644,209	1,099,303	2,102,998	-	-	-	-
(674)	100,684	4	-	-	(90,000)	-
146,562	5,363		60,973	26,975	448,093	26,842
\$ 145,889	\$ 106,047	\$ 4	\$ 60,973	\$ 26,975	\$ 358,093	\$ 26,842

**KITSAP COUNTY, WASHINGTON**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Debt Service Funds				
	GO Bond 2001 & Refunding 284	GO Bond 2002A 286	GO Bond 2003 287	GO Bond 2003B 288	GO Bond 2004 289
<b>REVENUES:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	256,714	-	-	-
Charges for services	-	-	-	-	-
Fines & forfeits	-	-	-	-	-
Investment earnings	-	2,842	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>259,557</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Judicial Services	-	-	-	-	-
Public safety	-	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Health & Human Services	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture & recreation	-	-	-	-	-
Debt service	-	-	-	-	-
Principal	-	580,000	-	-	-
Interest and other charges	-	259,131	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>839,131</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess(deficiency) of revenues over expenditures	-	(579,574)	-	-	-
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from BANS	-	-	-	-	-
Write Off of Note	-	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-
Payment to bond refunding escrow agen	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Premiums on bonds	-	-	-	-	-
<b>Total other financing sources &amp; use:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>SPECIAL ITEMS:</b>					
Sales of pledged assets	-	(579,574)	-	-	-
<b>Net change in fund balance</b>	<b>-</b>	<b>(579,574)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances-beginning	113,081	7,650,366	5,178	8,135	17,284
Prior period adjustment	-	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 113,081</b>	<b>\$ 7,070,792</b>	<b>\$ 5,178</b>	<b>\$ 8,135</b>	<b>\$ 17,284</b>

Road Improvement Guaranty 290	LTGO 2005 Refunding 291	LTGO 2006 292	Total Debt Service	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 2,352,321
-	-	-	-	13,324,836
-	-	-	-	2,429,528
-	-	-	-	5,261,911
-	-	13,955	1,118,702	28,574,933
-	-	-	-	6,138,949
-	-	-	-	248,833
-	-	-	2,842	713,648
-	-	-	102,854	2,680,293
-	-	13,955	1,224,398	61,725,252
-	-	-	-	2,358,019
-	-	-	-	358,554
-	-	-	-	15,264,922
-	-	-	-	3,744,157
-	-	-	-	76,451
-	-	-	-	22,277,302
-	-	-	-	7,177,122
-	-	-	-	1,477,701
-	-	-	-	-
-	-	555,000	4,395,000	4,562,995
-	-	27,750	1,814,264	1,946,660
-	-	-	-	4,081,993
-	-	582,750	6,209,264	63,325,875
-	-	(568,795)	(4,984,866)	(1,600,623)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	378,240
-	-	568,795	4,415,306	11,448,979
-	-	-	-	(8,472,667)
-	-	-	-	-
-	-	568,795	4,415,306	3,354,551
-	-	-	(569,560)	1,753,928
2,737	3,337	134	8,610,208	42,125,060
-	-	-	-	(468,359)
\$ 2,737	\$ 3,337	\$ 134	\$ 8,040,648	\$ 43,410,638

# KITSAP COUNTY, WASHINGTON

## Cencom Fund 103

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Retail sales & use taxes	3,785,184	3,785,184	4,277,582	492,398
Other taxes	2,527,074	2,527,074	2,426,168	(100,906)
Intergovernmental	1,623,063	1,623,063	1,621,633	(1,430)
Charges for services	1,039,890	1,039,890	1,017,470	(22,420)
Investment earnings	15,745	15,745	22,733	6,988
Miscellaneous	262,377	262,377	259,194	(3,183)
Total revenues	<u>9,253,333</u>	<u>9,253,333</u>	<u>9,624,780</u>	<u>371,447</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	10,256,258	10,256,258	13,436,656	(3,180,398)
Capital outlay	888,181	888,181	373	887,808
Total expenditures	<u>11,144,439</u>	<u>11,144,439</u>	<u>13,437,030</u>	<u>(2,292,591)</u>
Excess(deficiency) of revenues over expenditures	<u>(1,891,106)</u>	<u>(1,891,106)</u>	<u>(3,812,249)</u>	<u>(1,921,143)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,170,398	1,170,398	1,209,775	39,377
Transfers out	(470,733)	(470,733)	(441,449)	29,284
Total other financing sources & uses	<u>699,665</u>	<u>699,665</u>	<u>768,326</u>	<u>68,661</u>
Net change in fund balance	<u>(1,191,441)</u>	<u>(1,191,441)</u>	<u>(3,043,924)</u>	<u>(1,852,483)</u>
Fund balances-beginning	<u>2,183,224</u>	<u>2,183,224</u>	<u>3,624,765</u>	<u>1,441,541</u>
Fund balances-ending	<u>\$ 991,783</u>	<u>\$ 991,783</u>	<u>\$ 580,842</u>	<u>\$ (410,942)</u>

# KITSAP COUNTY, WASHINGTON

## Emergency Services Fund 104

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	313,689	313,689	347,654	33,965
Miscellaneous	-	-	2,453	2,453
Total revenues	<u>313,689</u>	<u>313,689</u>	<u>350,107</u>	<u>36,418</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	545,544	552,249	560,296	(8,047)
Capital Outlay		1,500	-	1,500
Total expenditures	<u>545,544</u>	<u>553,749</u>	<u>560,296</u>	<u>(6,547)</u>
Excess(deficiency) of revenues over expenditures	<u>(231,855)</u>	<u>(240,060)</u>	<u>(210,189)</u>	<u>29,871</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	231,855	231,855	231,855	-
Transfers out	-	-	-	-
Total other financing sources & uses	<u>231,855</u>	<u>231,855</u>	<u>231,855</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>(8,205)</u>	<u>21,666</u>	<u>29,871</u>
Fund balances-beginning	<u>(23,196)</u>	<u>(24,396)</u>	<u>(27,277)</u>	<u>(2,881)</u>
Fund balances-ending	<u>\$ (23,196)</u>	<u>\$ (32,601)</u>	<u>\$ (5,611)</u>	<u>\$ 26,990</u>

# KITSAP COUNTY, WASHINGTON

## Law Library Fund 105

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	89,000	89,000	79,775	(9,225)
Miscellaneous	140	140	298	158
Total revenues	<u>89,140</u>	<u>89,140</u>	<u>80,073</u>	<u>(9,067)</u>
<b>EXPENDITURES:</b>				
Current:				
Judicial Services	90,610	90,610	88,295	2,315
Total expenditures	<u>90,610</u>	<u>90,610</u>	<u>88,295</u>	<u>2,315</u>
Excess(deficiency) of revenues over expenditures	<u>(1,470)</u>	<u>(1,470)</u>	<u>(8,222)</u>	<u>(6,752)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>(1,470)</u>	<u>(1,470)</u>	<u>(8,222)</u>	<u>(6,752)</u>
Fund balances-beginning	165,050	165,050	162,370	(2,680)
Prior period adjustments	-	-	-	-
Fund balances-ending	<u>\$ 163,580</u>	<u>\$ 163,580</u>	<u>\$ 154,148</u>	<u>\$ (9,432)</u>

# KITSAP COUNTY, WASHINGTON

## KPREP Fund 106

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 694,741	\$ 694,741	\$ 784,130	\$ 89,389
Total revenues	<u>694,741</u>	<u>694,741</u>	<u>784,130</u>	<u>89,389</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	694,741	694,741	672,759	21,982
Total expenditures	<u>694,741</u>	<u>694,741</u>	<u>672,759</u>	<u>21,982</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>111,371</u>	<u>111,371</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>-</u>	<u>-</u>	<u>111,371</u>	<u>111,371</u>
Fund balances-beginning	(111,472)	(111,472)	(19,578)	91,894
Prior period adjustments	-	-	-	-
Fund balances-ending	<u>\$ (111,472)</u>	<u>\$ (111,472)</u>	<u>\$ 91,793</u>	<u>\$ 203,265</u>

# KITSAP COUNTY, WASHINGTON

## Mental Health Sales Tax Fund 107

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Retail sales and use taxes	\$ 3,345,000	\$ 3,359,430	\$ 4,265,444	\$ 906,014
Total revenues	<u>3,345,000</u>	<u>3,359,430</u>	<u>4,265,444</u>	<u>906,014</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	2,465,143	2,465,143	2,167,099	298,044
Total expenditures	<u>2,465,143</u>	<u>2,465,143</u>	<u>2,167,099</u>	<u>298,044</u>
Excess(deficiency) of revenues over expenditures	<u>879,857</u>	<u>894,287</u>	<u>2,098,345</u>	<u>1,204,058</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(879,857)	(894,287)	(573,949)	320,338
Total other financing sources & uses	<u>(879,857)</u>	<u>(894,287)</u>	<u>(573,949)</u>	<u>320,338</u>
Net change in fund balance	-	-	1,524,396	1,524,396
Fund balances-beginning	<u>2,503,590</u>	<u>2,503,590</u>	<u>4,243,156</u>	<u>1,739,566</u>
Fund balances-ending	<u>\$ 2,503,590</u>	<u>\$ 2,503,590</u>	<u>\$ 5,767,552</u>	<u>\$ 3,263,962</u>



# KITSAP COUNTY, WASHINGTON

## Homeless Housing 109

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	95,000	95,000	99,955	4,955
Miscellaneous	14,200	14,200	-	(14,200)
Total revenues	109,200	109,200	99,955	(9,245)
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
Health & human services	109,200	109,200	94,660	14,540
Capital outlay	-	-	-	-
Total expenditures	109,200	109,200	94,660	14,540
Excess(deficiency) of revenues over expenditures	-	-	5,295	5,295
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	48,383	48,383
Total other financing sources & uses	-	-	48,383	48,383
Net change in fund balance	-	-	53,678	53,678
Fund balances-beginning	-	-	17,372	17,372
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ -	\$ -	\$ 71,050	\$ 71,050

# KITSAP COUNTY, WASHINGTON

## Election Reserve Fund 111

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	233,638	235,659	231,012	(4,647)
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>233,638</b>	<b>235,659</b>	<b>231,012</b>	<b>(4,647)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	93,325	93,325	104,349	(11,024)
Principal	-	-	95,208	(95,208)
Interest and other charges	-	-	4,820	(4,820)
Debt service				
Principal			95,208	
Interest and other charges	100,028	100,028	4,820	95,208
Capital outlay	11,500	11,500	-	
<b>Total expenditures</b>	<b>204,853</b>	<b>204,853</b>	<b>204,377</b>	<b>(15,845)</b>
Excess(deficiency) of revenues over expenditures	28,785	30,806	26,635	(4,171)
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	28,785	30,806	26,635	(4,171)
Fund balances-beginning	37,020	37,020	130,467	93,447
<b>Fund balances-ending</b>	<b>\$ 65,805</b>	<b>\$ 67,826</b>	<b>\$ 157,102</b>	<b>\$ 89,276</b>

# KITSAP COUNTY, WASHINGTON

## Auditor's Document Preservation Fund 112

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 99,741	\$ (20,259)
Charges for services	163,324	163,324	128,160	(35,164)
Total revenues	<u>283,324</u>	<u>283,324</u>	<u>227,901</u>	<u>(55,423)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	290,113	293,033	237,095	55,938
Total expenditures	<u>290,113</u>	<u>293,033</u>	<u>237,095</u>	<u>55,938</u>
Excess(deficiency) of revenues over expenditures	<u>(6,789)</u>	<u>(9,709)</u>	<u>(9,193)</u>	<u>516</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(31,850)	(31,850)	-
Total other financing sources & uses	<u>-</u>	<u>(31,850)</u>	<u>(31,850)</u>	<u>-</u>
Net change in fund balance	<u>(6,789)</u>	<u>(41,559)</u>	<u>(41,043)</u>	<u>516</u>
Fund balances-beginning	302,107	297,107	382,618	85,511
Fund balances-ending	<u>\$ 295,318</u>	<u>\$ 255,548</u>	<u>\$ 341,575</u>	<u>\$ 86,027</u>

# KITSAP COUNTY, WASHINGTON

## Housing Affordability Fund 113

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	2,052,669	2,011,432	1,595,223	(416,209)
Total revenues	2,052,669	2,011,432	1,595,223	(416,209)
<b>EXPENDITURES:</b>				
Current:				
General government	1,981,559	1,940,475	1,389,456	551,019
Total expenditures	1,981,559	1,940,475	1,389,456	551,019
Excess(deficiency) of revenues over expenditures	71,110	70,957	205,768	134,811
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	71,110	70,957	205,768	134,811
Fund balances-beginning	2,136,750	2,136,750	2,261,464	124,714
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ 2,207,860	\$ 2,207,707	\$ 2,467,232	\$ 259,525

# KITSAP COUNTY, WASHINGTON

## Westnet Fund 114

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 130,000	\$ 130,000	\$ 168,512	\$ 38,512
Fines & forfeits	85,000	85,000	36,905	(48,095)
Investment earnings	1,800	1,800	1,289	(511)
Total revenues	<u>216,800</u>	<u>216,800</u>	<u>206,705</u>	<u>(10,095)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	578,362	578,362	268,867	309,495
Capital outlay	10,000	10,000	-	10,000
Total expenditures	<u>588,362</u>	<u>588,362</u>	<u>268,867</u>	<u>319,495</u>
Excess(deficiency) of revenues over expenditures	<u>(371,562)</u>	<u>(371,562)</u>	<u>(62,162)</u>	<u>309,400</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	83,344	83,344	37,390	(45,954)
Transfers out	(70,000)	(70,000)	(19,501)	50,499
Total other financing sources & uses	<u>13,344</u>	<u>13,344</u>	<u>17,889</u>	<u>4,545</u>
Net change in fund balance	<u>(358,218)</u>	<u>(358,218)</u>	<u>(44,273)</u>	<u>313,945</u>
Fund balances-beginning	18,687	18,687	331,694	313,007
Fund balances-ending	<u>\$ (339,531)</u>	<u>\$ (339,531)</u>	<u>\$ 287,421</u>	<u>\$ 626,952</u>

# KITSAP COUNTY, WASHINGTON

## Boating Safety Improvement Fund 117

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 66,500	\$ 66,500	\$ 68,229	\$ 1,729
Investment earnings	900	900	1,259	359
Miscellaneous			5,000	
Total revenues	<u>67,400</u>	<u>67,400</u>	<u>74,488</u>	<u>2,088</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	62,472	62,472	85,968	(23,496)
Capital Outlay	60,000	60,000	-	60,000
Total expenditures	<u>122,472</u>	<u>122,472</u>	<u>85,968</u>	<u>36,504</u>
Excess(deficiency) of revenues over expenditures	<u>(55,072)</u>	<u>(55,072)</u>	<u>(11,480)</u>	<u>43,592</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(15,000)</u>	<u>(15,000)</u>	-	15,000
Total other financing sources & uses	<u>(15,000)</u>	<u>(15,000)</u>	-	15,000
Net change in fund balance	<u>(70,072)</u>	<u>(70,072)</u>	<u>(11,480)</u>	<u>58,592</u>
Fund balances-beginning	<u>108,322</u>	<u>123,489</u>	<u>212,255</u>	<u>88,766</u>
Fund balances-ending	<u>\$ 38,250</u>	<u>\$ 53,417</u>	<u>\$ 200,775</u>	<u>\$ 147,358</u>

# KITSAP COUNTY, WASHINGTON

## Noxious Weed Control Fund 120

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 15,300	\$ 15,300	\$ 342	\$ (14,958)
Charges for services	221,000	221,000	238,243	17,243
Investment earnings	-	-	1,674	1,674
Miscellaneous	-	-	176	176
<b>Total revenues</b>	<b>236,300</b>	<b>236,300</b>	<b>240,435</b>	<b>4,135</b>
<b>EXPENDITURES:</b>				
Current:				
Physical Environment	320,471	324,638	247,983	76,655
Capital outlay	10,000	10,000	-	
<b>Total expenditures</b>	<b>330,471</b>	<b>334,638</b>	<b>247,983</b>	<b>76,655</b>
Excess(deficiency) of revenues over expenditures	(94,171)	(98,338)	(7,548)	90,790
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	(94,171)	(98,338)	(7,548)	90,790
Fund balances-beginning	196,250	126,249	271,387	145,138
<b>Fund balances-ending</b>	<b>\$ 102,079</b>	<b>\$ 27,911</b>	<b>\$ 263,839</b>	<b>\$ 235,928</b>

# KITSAP COUNTY, WASHINGTON

## Treasurer's M&O 121

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 103,000	\$ 103,000	\$ 151,665	\$ 48,665
Investment earnings	3,500	3,500	4,295	795
Miscellaneous	1,500	1,500	(90)	(1,590)
Total revenues	<u>108,000</u>	<u>108,000</u>	<u>155,870</u>	<u>47,870</u>
<b>EXPENDITURES:</b>				
Current:				
General government	158,360	164,352	176,788	(12,436)
Total expenditures	158,360	164,352	176,788	(12,436)
Excess(deficiency) of revenues over expenditures	<u>(50,360)</u>	<u>(56,352)</u>	<u>(20,918)</u>	<u>35,434</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(250,000)	(250,000)	-
Total other financing sources & uses	-	(250,000)	(250,000)	-
Net change in fund balance	<u>(50,360)</u>	<u>(306,352)</u>	<u>(270,918)</u>	<u>35,434</u>
Fund balances-beginning	889,673	889,673	901,632	11,959
Fund balances-ending	<u>\$ 839,313</u>	<u>\$ 583,321</u>	<u>\$ 630,714</u>	<u>\$ 47,393</u>



# KITSAP COUNTY, WASHINGTON

## Electronic Technology Fund 123

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 21,870	\$ 21,870
Charges for aervices	-	-	25,625	25,625
Investment earnings	-	939	1,160	221
Total revenues	-	939	48,655	47,716
<b>EXPENDITURES:</b>				
Current:				
General government	-	939	810	129
Total expenditures	-	939	810	129
Excess(deficiency) of revenues over expenditures	-	-	47,845	47,845
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	-	-	47,845	47,845
Fund balances-beginning	-	-	259,147	259,147
Fund balances-ending	\$ -	\$ -	\$ 306,992	\$ 306,992

# KITSAP COUNTY, WASHINGTON

## Veteran's Relief Fund 124

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 317,000	\$ 317,000	\$ 319,040	\$ 2,040
Other taxes	-	-	652	652
Intergovernmental	-	-	125	125
Investment earnings	1,000	1,000	612	(388)
Miscellaneous			6,015	6,015
Total revenues	<u>318,000</u>	<u>318,000</u>	<u>326,444</u>	<u>8,444</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	<u>318,000</u>	<u>335,000</u>	<u>313,770</u>	<u>21,230</u>
Total expenditures	<u>318,000</u>	<u>335,000</u>	<u>313,770</u>	<u>21,230</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>(17,000)</u>	<u>12,674</u>	<u>29,674</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>-</u>	<u>(17,000)</u>	<u>12,674</u>	<u>29,674</u>
Fund balances-beginning	<u>163,357</u>	<u>143,357</u>	<u>169,649</u>	<u>26,292</u>
Fund balances-ending	<u>\$ 163,357</u>	<u>\$ 126,357</u>	<u>\$ 182,323</u>	<u>\$ 55,966</u>

# KITSAP COUNTY, WASHINGTON

## Expert Witness Fund 125

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Fines & forfeits	\$ 24,000	\$ 24,000	\$ 25,683	\$ 1,683
Total revenues	24,000	24,000	25,683	1,683
<b>EXPENDITURES:</b>				
Current:				
General government	102,000	102,000	42,994	59,006
Total expenditures	102,000	102,000	42,994	59,006
Excess(deficiency) of revenues over expenditures	(78,000)	(78,000)	(17,310)	60,690
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	(78,000)	(78,000)	(17,310)	60,690
Fund balances-beginning	8,935	8,935	65,731	56,796
Fund balances-ending	\$ (69,065)	\$ (69,065)	\$ 48,421	\$ 117,486

# KITSAP COUNTY, WASHINGTON

## Conservation Futures Tax Fund 129

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ 1,325,561	\$ 1,325,561
Other taxes	1,415,745	1,415,745	2,708	(1,413,037)
Intergovernmental	2,000	2,000	518	(1,483)
Investment earnings	1,025	1,025	2,493	1,468
Miscellaneous	2,117	2,117	3,325	1,208
Total revenues	<u>1,420,887</u>	<u>1,420,887</u>	<u>1,334,605</u>	<u>(86,282)</u>
<b>EXPENDITURES:</b>				
Physical Environment	<u>5,837</u>	<u>5,837</u>	<u>9,087</u>	<u>3,250</u>
Total expenditures	<u>5,837</u>	<u>5,837</u>	<u>9,087</u>	<u>3,250</u>
Excess(deficiency) of revenues over expenditures	<u>1,415,050</u>	<u>1,415,050</u>	<u>1,325,518</u>	<u>(89,532)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(1,380,344)</u>	<u>(1,269,344)</u>	<u>(1,189,344)</u>	<u>80,000</u>
Total other financing sources & uses	<u>(1,380,344)</u>	<u>(1,269,344)</u>	<u>(1,189,344)</u>	<u>80,000</u>
Net change in fund balance	<u>34,706</u>	<u>145,706</u>	<u>136,174</u>	<u>(9,532)</u>
Fund balances-beginning	<u>1,764,687</u>	<u>1,239,686</u>	<u>1,489,156</u>	<u>249,470</u>
Fund balances-ending	<u>\$ 1,799,393</u>	<u>\$ 1,385,392</u>	<u>\$ 1,625,330</u>	<u>\$ 239,938</u>

# KITSAP COUNTY, WASHINGTON

## Community Service Fund 130

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 130,000	\$ 130,000	\$ 137,892	\$ 7,892
Fines & forfeits	30,000	30,000	30,549	549
Total revenues	<u>160,000</u>	<u>160,000</u>	<u>168,441</u>	<u>8,441</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	140,810	144,863	133,061	11,802
Total expenditures	<u>140,810</u>	<u>144,863</u>	<u>133,061</u>	<u>11,802</u>
Excess(deficiency) of revenues over expenditures	<u>19,190</u>	<u>15,137</u>	<u>35,379</u>	<u>20,242</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>19,190</u>	<u>15,137</u>	<u>35,379</u>	<u>20,242</u>
Fund balances-beginning	<u>111,112</u>	<u>111,112</u>	<u>78,872</u>	<u>(32,240)</u>
Fund balances-ending	<u>\$ 130,302</u>	<u>\$ 126,249</u>	<u>\$ 114,251</u>	<u>\$ (11,998)</u>

# KITSAP COUNTY, WASHINGTON

## Kitsap County Stadium Fund 132

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Retail sales & use taxes	\$ 330,000	\$ 344,000	\$ 502,838	\$ 158,838
Total revenues	<u>330,000</u>	<u>344,000</u>	<u>502,838</u>	<u>158,838</u>
<b>EXPENDITURES:</b>				
Current:				
Culture & recreation	295,672	309,672	323,254	(13,582)
Total expenditures	<u>295,672</u>	<u>309,672</u>	<u>323,254</u>	<u>(13,582)</u>
Excess(deficiency) of revenues over expenditures	<u>34,328</u>	<u>34,328</u>	<u>179,584</u>	<u>145,256</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(22,673)	(22,673)	(22,673)	
Total other financing sources & uses	<u>(22,673)</u>	<u>(22,673)</u>	<u>(22,673)</u>	<u>(0)</u>
Net change in fund balance	<u>11,655</u>	<u>11,655</u>	<u>156,910</u>	<u>145,255</u>
Fund balances-beginning	167,059	167,059	273,383	106,324
Prior period adjustments	-	-	-	-
Fund balances-ending	<u>\$ 178,714</u>	<u>\$ 178,714</u>	<u>\$ 430,293</u>	<u>\$ 251,579</u>

# KITSAP COUNTY, WASHINGTON

## Kitsap County Fair Fund 133

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Invest earnings	\$ 300	\$ 300	\$ 380	\$ 80
Miscellaneous	147,000	147,000	139,937	\$ (7,064)
Total revenues	147,300	147,300	140,316	(6,984)
<b>EXPENDITURES:</b>				
Current:				
Culture & recreation	104,709	104,709	92,571	12,138
Total expenditures	104,709	104,709	92,571	12,138
Excess(deficiency) of revenues over expenditures	42,591	42,591	47,746	5,155
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	42,591	42,591	47,746	5,155
Fund balances-beginning	160,333	85,681	86,215	534
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ 202,924	\$ 128,272	\$ 133,961	\$ 5,689

# KITSAP COUNTY, WASHINGTON

## Prisoner Commissary Fund 135

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	190,000	190,000	213,594	23,594
Total revenues	190,000	190,000	213,594	23,594
<b>EXPENDITURES:</b>				
Public safety	200,153	220,153	157,498	62,655
Total expenditures	200,153	220,153	157,498	62,655
Excess(deficiency) of revenues over expenditures	(10,153)	(30,153)	56,096	86,249
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	(10,153)	(30,153)	56,096	86,249
Fund balances-beginning	120,778	89,678	133,559	43,881
Fund balances-ending	\$ 110,625	\$ 59,525	\$ 189,655	\$ 130,130



# KITSAP COUNTY, WASHINGTON

## SIU Revenue Fund 136

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 112,849	\$ 112,849
Fines & forfeits	45,000	45,000	140,729	95,729
Investment earnings	2,000	2,000	3,147	1,147
Miscellaneous	-	-	14,130	14,130
Total revenues	<u>47,000</u>	<u>47,000</u>	<u>270,855</u>	<u>223,855</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	103,016	103,016	58,956	44,060
Capital outlay	75,000	75,000	93,944	(18,944)
Total expenditures	<u>178,016</u>	<u>178,016</u>	<u>152,899</u>	<u>25,117</u>
Excess(deficiency) of revenues over expenditures	<u>(131,016)</u>	<u>(131,016)</u>	<u>117,956</u>	<u>248,972</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	50,000	50,000	-	(50,000)
Transfers out	(102,344)	(102,344)	(37,390)	64,954
Total other financing sources & uses	<u>(52,344)</u>	<u>(52,344)</u>	<u>(37,390)</u>	<u>14,954</u>
Net change in fund balance	<u>(183,360)</u>	<u>(183,360)</u>	<u>80,566</u>	<u>263,926</u>
Fund balances-beginning	<u>412,676</u>	<u>412,676</u>	<u>587,925</u>	<u>175,249</u>
Fund balances-ending	<u>\$ 229,316</u>	<u>\$ 229,316</u>	<u>\$ 668,491</u>	<u>\$ 439,175</u>

# KITSAP COUNTY, WASHINGTON

## Kitsap SAIVS Fund 139

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 41,961	\$ 41,961	\$ 46,516	\$ 4,555
Charges for services	3,600	3,600	5,411	1,811
Interest earnings	-	-	-	-
Total revenues	<u>45,561</u>	<u>45,561</u>	<u>51,927</u>	<u>6,366</u>
<b>EXPENDITURES:</b>				
Current:				
General government	76,019	76,019	50,393	25,626
Total Expenditures	<u>76,019</u>	<u>76,019</u>	<u>50,393</u>	<u>25,626</u>
Excess(deficiency) of revenues over expenditures	<u>(30,458)</u>	<u>(30,458)</u>	<u>1,534</u>	<u>31,992</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>(30,458)</u>	<u>(30,458)</u>	<u>1,534</u>	<u>31,992</u>
Fund balances-beginning	140	140	30,590	30,450
Fund balances-ending	<u>\$ (30,318)</u>	<u>\$ (30,318)</u>	<u>\$ 32,124</u>	<u>\$ 62,442</u>

# KITSAP COUNTY, WASHINGTON

## Anti-Profitteering Revolving Fund 141

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Fines & forfeits	\$ 2,400	\$ 2,400	\$ 3,153	\$ 753
Total revenues	<u>2,400</u>	<u>2,400</u>	<u>3,153</u>	<u>753</u>
<b>EXPENDITURES:</b>				
Current:				
General government	23,150	23,150	-	23,150
Total expenditures	<u>23,150</u>	<u>23,150</u>	<u>-</u>	<u>23,150</u>
Excess(deficiency) of revenues over expenditures	<u>(20,750)</u>	<u>(20,750)</u>	<u>3,153</u>	<u>23,903</u>
<b>OTHER FINANCING SOURCES (USES)</b>	-	-	-	-
Net change in fund balance	<u>(20,750)</u>	<u>(20,750)</u>	<u>3,153</u>	<u>23,903</u>
Fund balances-beginning	<u>(740)</u>	<u>(740)</u>	<u>20,131</u>	<u>20,871</u>
Fund balances-ending	<u>\$ (21,490)</u>	<u>\$ (21,490)</u>	<u>\$ 23,284</u>	<u>\$ 44,774</u>

# KITSAP COUNTY, WASHINGTON

## Family Court Services Fund 142

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 14,772	\$ 14,772	\$ 17,373	\$ 2,601
Total revenues	14,772	14,772	17,373	2,601
<b>EXPENDITURES:</b>				
Current:				
Judicial Services	24,400	24,400	23,208	1,192
Total expenditures	24,400	24,400	23,208	1,192
Excess(deficiency) of revenues over expenditures	(9,628)	(9,628)	(5,835)	3,793
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	(9,628)	(9,628)	(5,835)	3,793
Fund balances-beginning	47,203	47,203	53,299	6,096
Fund balances-ending	\$ 37,575	\$ 37,575	\$ 47,464	\$ 9,889

# KITSAP COUNTY, WASHINGTON

## Trial Court Improvement Fund 143

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 99,000	\$ 99,000	\$ 90,680	\$ (8,320)
Total revenues	99,000	99,000	90,680	(8,320)
<b>EXPENDITURES:</b>				
Excess(deficiency) of revenues over expenditures	99,000	99,000	90,680	(8,320)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(99,000)	(99,000)	(99,000)	-
Total other financing sources & uses	(99,000)	(99,000)	(99,000)	-
Net change in fund balance	-	-	(8,320)	(8,320)
Fund balances-beginning	179,215	179,215	171,830	(7,385)
Fund balances-ending	\$ 179,215	\$ 179,215	\$ 163,510	\$ (15,705)

# KITSAP COUNTY, WASHINGTON

## Public Defense Funding 144

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 180,038	\$ 180,038	\$ 225,110	\$ 45,072
Total revenues	180,038	180,038	225,110	45,072
<b>EXPENDITURES:</b>				
Current:				
Judicial Services	214,827	218,184	215,867	2,317
Total expenditures	214,827	218,184	215,867	2,317
Excess(deficiency) of revenues over expenditures	(34,789)	(38,146)	9,243	47,389
<b>OTHER FINANCING SOURCES (USES):</b>				
Total other financing sources & uses	-	-	-	-
Net change in fund balance	(34,789)	(38,146)	9,243	47,389
Fund balances-beginning	132,437	132,437	138,344	5,907
Fund balances-ending	\$ 97,648	\$ 94,291	\$ 147,587	\$ 53,296

# KITSAP COUNTY, WASHINGTON

## Pooling Fees Fund 145

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Investment earnings	\$ 300,000	\$ 300,000	\$ 496,432	\$ 196,432
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>496,432</u>	<u>196,432</u>
<b>EXPENDITURES:</b>				
Current:				
General government	689,520	692,931	356,135	336,796
Total expenditures	<u>689,520</u>	<u>692,931</u>	<u>356,135</u>	<u>336,796</u>
Excess(deficiency) of revenues over expenditures	<u>(389,520)</u>	<u>(392,931)</u>	<u>140,297</u>	<u>533,228</u>
	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>	-	-	-	-
Net change in fund balance	<u>(389,520)</u>	<u>(392,931)</u>	<u>140,297</u>	<u>533,228</u>
Fund balances-beginning	<u>461,255</u>	<u>461,255</u>	<u>526,721</u>	<u>-</u>
Fund balances-ending	<u>\$ 71,735</u>	<u>\$ 68,324</u>	<u>\$ 667,018</u>	<u>\$ 533,228</u>

# KITSAP COUNTY, WASHINGTON

## GMA Park Impact Fees Fund 146

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 137,957	\$ 137,957	\$ 265,589	\$ 127,632
Total revenues	<u>137,957</u>	<u>137,957</u>	<u>265,589</u>	<u>127,632</u>
<b>EXPENDITURES:</b>				
Physical Environment	414	414	414	-
Total expenditures	<u>414</u>	<u>414</u>	<u>414</u>	<u>-</u>
Excess(deficiency) of revenues over expenditures	<u>137,543</u>	<u>137,543</u>	<u>265,175</u>	<u>127,632</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	80,000	80,000	-	(80,000)
Transfers out	<u>(187,045)</u>	<u>(187,045)</u>	<u>(187,045)</u>	<u>0</u>
Total other financing sources & uses	<u>(107,045)</u>	<u>(107,045)</u>	<u>(187,045)</u>	<u>(80,000)</u>
Net change in fund balance	<u>30,498</u>	<u>30,498</u>	<u>78,130</u>	<u>47,632</u>
Fund balances-beginning	<u>90,509</u>	<u>90,509</u>	<u>117,769</u>	<u>27,260</u>
Fund balances-ending	<u>\$ 121,007</u>	<u>\$ 121,007</u>	<u>\$ 195,899</u>	<u>\$ 74,892</u>



# KITSAP COUNTY, WASHINGTON

## County Parks Acquisition & Development Fund 150

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	65,230	65,230	55,907	(9,323)
Fines & forfeits	\$ 1,500.00	\$ 1,500	53	(1,447)
Investment earnings	700	700	696	(4)
Miscellaneous	307,800	307,800	361,360	53,560
Total revenues	<u>375,230</u>	<u>375,230</u>	<u>418,016</u>	<u>42,786</u>
<b>EXPENDITURES:</b>				
Current:				
Culture & recreation	454,006	482,118	333,833	148,285
Capital outlay	-	-	-	-
Total expenditures	<u>454,006</u>	<u>482,118</u>	<u>333,833</u>	<u>148,285</u>
Excess(deficiency) of revenues over expenditures	<u>(78,776)</u>	<u>(106,888)</u>	<u>84,182</u>	<u>191,070</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(25,000)	-
Total other financing sources & uses	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>
Net change in fund balance	<u>(78,776)</u>	<u>(106,888)</u>	<u>59,182</u>	<u>191,070</u>
Fund balances-beginning	<u>410,951</u>	<u>410,951</u>	<u>348,630</u>	<u>(62,321)</u>
Fund balances-ending	<u>\$ 332,175</u>	<u>\$ 304,063</u>	<u>\$ 407,812</u>	<u>\$ 128,749</u>

# KITSAP COUNTY, WASHINGTON

## USDOJ BJA JAG Grants Fund 152

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 37,671	\$ 37,671	\$ 9,457	\$ (28,214)
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>37,671</u>	<u>37,671</u>	<u>9,457</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Current:				
Physical environment	\$ 37,671	37,671	9,457	28,214
Interest on long-term debt	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>37,671</u>	<u>37,671</u>	<u>9,457</u>	<u>28,214</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances-beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# KITSAP COUNTY, WASHINGTON

## Point No Point Lighthouse Fund 155

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Investment earnings			\$ 158	
Miscellaneous	\$ 21,000	\$ 21,100	26,009	\$ 4,909
Total revenues	<u>21,000</u>	<u>21,100</u>	<u>26,167</u>	<u>4,909</u>
<b>EXPENDITURES:</b>				
Current:				
Culture & recreation	40,402	40,402	45,312	(4,910)
Total expenditures	<u>40,402</u>	<u>40,402</u>	<u>45,312</u>	<u>(4,910)</u>
Excess(deficiency) of revenues over expenditures	<u>(19,402)</u>	<u>(19,302)</u>	<u>(19,145)</u>	<u>157</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>(19,402)</u>	<u>(19,302)</u>	<u>(19,145)</u>	<u>157</u>
Fund balances-beginning	<u>45,412</u>	<u>33,412</u>	<u>38,357</u>	<u>4,945</u>
Fund balances-ending	<u>\$ 26,010</u>	<u>\$ 14,110</u>	<u>\$ 19,212</u>	<u>\$ 5,102</u>

# KITSAP COUNTY, WASHINGTON

## Crime Prevention Fund 159

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 500	\$ 500	\$ 2,970	\$ 2,470
Fines & forfeits	15,000	15,000	11,761	(3,239)
Investment earnings	400	400	482	82
Miscellaneous	1,000	1,000	3,388	2,388
Total revenues	<u>16,900</u>	<u>16,900</u>	<u>18,602</u>	<u>1,702</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	59,693	59,693	14,825	44,868
Total expenditures	<u>59,693</u>	<u>59,693</u>	<u>14,825</u>	<u>44,868</u>
Excess(deficiency) of revenues over expenditures	<u>(42,793)</u>	<u>(42,793)</u>	<u>3,777</u>	<u>46,570</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>(42,793)</u>	<u>(42,793)</u>	<u>3,777</u>	<u>46,570</u>
Fund balances-beginning	19,559	19,559	96,232	76,673
Fund balances-ending	<u>\$ (23,234)</u>	<u>\$ (23,234)</u>	<u>\$ 100,009</u>	<u>\$ 123,243</u>

# KITSAP COUNTY, WASHINGTON

## Recovery Center Fund 162

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,322,000	\$ 1,522,000	\$ 688,464	\$ (833,536)
Charges for services	26,007	26,007	66,399	40,392
Investment earnings	6,000	6,000	7,606	1,606
Miscellaneous	160,000	160,000	112,731	(47,269)
Total revenues	<u>1,514,007</u>	<u>1,714,007</u>	<u>875,201</u>	<u>(838,806)</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	2,668,754	2,868,754	2,637,941	230,813
Total expenditures	<u>2,668,754</u>	<u>2,868,754</u>	<u>2,637,941</u>	<u>230,813</u>
Excess(deficiency) of revenues over expenditures	<u>(1,154,747)</u>	<u>(1,154,747)</u>	<u>(1,762,740)</u>	<u>(607,993)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,154,747	1,154,747	1,814,580	659,833
Total other financing sources & uses	<u>1,154,747</u>	<u>1,154,747</u>	<u>1,814,580</u>	<u>659,833</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>51,840</u>	<u>51,840</u>
Fund balances-beginning	<u>1,532,408</u>	<u>1,532,408</u>	<u>1,691,629</u>	<u>159,221</u>
Fund balances-ending	<u>\$ 1,532,408</u>	<u>\$ 1,532,408</u>	<u>\$ 1,743,469</u>	<u>\$ 211,061</u>

# KITSAP COUNTY, WASHINGTON

## Dispute Resolution Center Fund 163

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 40,000	\$ 40,000	\$ 30,915	\$ (9,085)
Total revenues	40,000	40,000	30,915	(9,085)
<b>EXPENDITURES:</b>				
Current:				
Judicial Services	40,000	40,000	31,184	8,816
Total expenditures	40,000	40,000	31,184	8,816
Excess(deficiency) of revenues over expenditures	-	-	(269)	(269)
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	-	-	(269)	(269)
Fund balances-beginning	10,864	10,864	10,486	(378)
Fund balances-ending	\$ 10,864	\$ 10,864	\$ 10,217	\$ (647)

# KITSAP COUNTY, WASHINGTON

## CDBG Entitlement Fund 164

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,427,598	\$ 1,427,598	\$ 862,426	\$ (565,172)
Investment earnings		\$ 150	59	(91)
Miscellaneous			41,897	41,897
Total revenues	<u>1,427,598</u>	<u>1,427,748</u>	<u>904,383</u>	<u>(523,365)</u>
<b>EXPENDITURES:</b>				
Current:				
Economic Environment	<u>1,427,748</u>	<u>1,427,748</u>	<u>903,063</u>	<u>524,685</u>
Total expenditures	<u>1,427,748</u>	<u>1,427,748</u>	<u>903,063</u>	<u>524,685</u>
Excess(deficiency) of revenues over expenditures	<u>(150)</u>	<u>-</u>	<u>1,319</u>	<u>1,319</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>(150)</u>	<u>-</u>	<u>1,319</u>	<u>1,319</u>
Fund balances-beginning	<u>171</u>	<u>171</u>	<u>774</u>	<u>603</u>
Fund balances-ending	<u>\$ 21</u>	<u>\$ 171</u>	<u>\$ 2,093</u>	<u>\$ 1,922</u>

# KITSAP COUNTY, WASHINGTON

## Home Entitlement Fund 166

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,596,799	\$ 1,596,799	\$ 334,918	\$ (1,261,881)
Investment earnings	\$ 24,293	\$ 24,293	13,345	(10,948)
Miscellaneous	20,826	20,826	118,860	98,034
Total revenues	<u>1,641,918</u>	<u>1,641,918</u>	<u>467,123</u>	<u>(1,174,795)</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	-	-	-	-
Economic Environment	1,641,918	1,641,918	496,380	1,145,538
Total Expenditures	<u>1,641,918</u>	<u>1,641,918</u>	<u>496,380</u>	<u>1,145,538</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(29,256)</u>	<u>(29,256)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(29,256)</u>	<u>(29,256)</u>
Fund balances-beginning	<u>4,969</u>	<u>4,969</u>	<u>31,741</u>	<u>26,772</u>
Fund balances-ending	<u>\$ 4,969</u>	<u>\$ 4,969</u>	<u>\$ 2,485</u>	<u>\$ (2,484)</u>



# KITSAP COUNTY, WASHINGTON

## Kitsap Abatement 167

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Total revenues	-	-	-	-
<b>EXPENDITURES:</b>				
Current:				
Physical Environment	40,000	40,000	376	39,624
Total expenditures	40,000	40,000	376	39,624
Excess(deficiency) of revenues over expenditures	(40,000)	(40,000)	(376)	39,624
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	-	-	-	-
	(40,000)	(40,000)	(376)	39,624
Fund balances-beginning	45,522	45,522	83,625	38,103
Fund balances-ending	\$ 5,522	\$ 5,522	\$ 83,249	\$ 77,727

# KITSAP COUNTY, WASHINGTON

## Community Development 168

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 3,808,498	\$ 3,838,618	\$ 5,241,568	\$ 1,402,950
Intergovernmental	887,438	1,184,112	1,268,519	84,407
Charges for services	1,797,712	1,830,269	1,560,514	(269,755)
Miscellaneous	20,000	50,000	380,182	330,182
Total revenues	<u>6,513,648</u>	<u>6,902,999</u>	<u>8,450,783</u>	<u>1,547,784</u>
<b>EXPENDITURES:</b>				
Current:				
Physical Environment	\$ 3,377,987	\$ 3,577,148	\$ 3,325,639	\$ 251,509
Economic Environment	5,487,889	5,966,264	5,521,103	445,161
Total expenditures	<u>8,865,876</u>	<u>9,543,412</u>	<u>8,846,742</u>	<u>696,670</u>
Excess(deficiency) of revenues over expenditures	<u>(2,352,228)</u>	<u>(2,640,413)</u>	<u>(395,959)</u>	<u>2,244,454</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	2,208,106	2,453,000	2,057,123	(395,877)
Transfers out	-	(687,796)	(243,650)	-
Total other financing sources & uses	<u>2,208,106</u>	<u>1,765,204</u>	<u>1,813,473</u>	<u>1,848,577</u>
Net change in fund balance	<u>(144,122)</u>	<u>(875,209)</u>	<u>1,417,514</u>	<u>1,848,577</u>
Fund balances-beginning	2,302,831	2,302,831	2,302,831	-
Prior period adjustments	-	-	(468,359)	(468,359)
Fund balances-ending	<u>\$ 2,158,709</u>	<u>\$ 1,427,622</u>	<u>\$ 3,251,986</u>	<u>\$ 1,380,218</u>

# KITSAP COUNTY, WASHINGTON

## Jail & Juvenile Sales Tax Fund 171

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Retail sales & use taxes	\$ 4,098,264	\$ 4,098,264	\$ 4,278,972	\$ 180,708
Investment earnings	-	-	-	-
Total revenues	<u>4,098,264</u>	<u>4,098,264</u>	<u>4,278,972</u>	<u>180,708</u>
<b>EXPENDITURES:</b>				
Current:				
Interest and other charges	-	363	363	1
Total expenditures	-	363	363	1
Excess(deficiency) of revenues over expenditures	<u>4,098,264</u>	<u>4,097,901</u>	<u>4,278,610</u>	<u>180,709</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(3,926,083)	(4,156,083)	(4,155,367)	716
Total other financing sources & uses	<u>(3,926,083)</u>	<u>(4,156,083)</u>	<u>(4,155,367)</u>	<u>716</u>
Net change in fund balance	<u>172,181</u>	<u>(58,182)</u>	<u>123,243</u>	<u>181,425</u>
Fund balances-beginning	<u>1,468,499</u>	<u>1,468,499</u>	<u>1,985,959</u>	<u>517,460</u>
Fund balances-ending	<u>\$ 1,640,680</u>	<u>\$ 1,410,317</u>	<u>\$ 2,109,202</u>	<u>\$ 698,885</u>

# KITSAP COUNTY, WASHINGTON

## PEG Fund 179

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	\$ 96,464	\$ 96,464	\$ 91,551	\$ (4,913)
Total revenues	<u>96,464</u>	<u>96,464</u>	<u>91,551</u>	<u>(4,913)</u>
	6			
<b>EXPENDITURES:</b>				
Current:				
Economic Environment	88,291	88,291	46,309	41,982
Capital outlay	40,000	40,000	9,894	30,106
Total expenditures	<u>128,291</u>	<u>128,291</u>	<u>56,202</u>	<u>72,089</u>
Excess(deficiency) of revenues over expenditures	<u>(31,827)</u>	<u>(31,827)</u>	<u>35,349</u>	<u>67,176</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	-	-
Total other financing sources & uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(31,827)</u>	<u>(31,827)</u>	<u>35,349</u>	<u>67,176</u>
Fund balances-beginning	<u>104,866</u>	<u>87,620</u>	<u>127,041</u>	<u>39,421</u>
Fund balances-ending	<u>\$ 73,039</u>	<u>\$ 55,793</u>	<u>\$ 162,390</u>	<u>\$ 106,597</u>

# KITSAP COUNTY, WASHINGTON

## Mental Health Fund 181

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 550,000	\$ 550,000	\$ 457,721	\$ (92,279)
Investment earnings	5,000	5,000	4,825	(175)
Miscellaneous	-	-	-	-
Total revenues	<u>555,000</u>	<u>555,000</u>	<u>462,546</u>	<u>(92,454)</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	105,000	105,000	70,353	34,647
Total expenditures	<u>105,000</u>	<u>105,000</u>	<u>70,353</u>	<u>34,647</u>
Excess(deficiency) of revenues over expenditures	<u>450,000</u>	<u>450,000</u>	<u>392,192</u>	<u>(57,808)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(450,000)	(450,000)	(414,814)	35,186
Total other financing sources & uses	<u>(450,000)</u>	<u>(450,000)</u>	<u>(414,814)</u>	<u>35,186</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(22,621)</u>	<u>(22,621)</u>
Fund balances-beginning	<u>1,220,076</u>	<u>1,220,076</u>	<u>1,188,959</u>	<u>(31,117)</u>
Fund balances-ending	<u>\$ 1,220,076</u>	<u>\$ 1,220,076</u>	<u>\$ 1,166,338</u>	<u>\$ (53,738)</u>

# KITSAP COUNTY, WASHINGTON

## Develop Disabilities Fund 182

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
Intergovernmental	3,401,000	3,401,000	3,169,875	(231,125)
Miscellaneous	11,000	11,000	9,220	(1,780)
Total revenues	<u>3,662,000</u>	<u>3,662,000</u>	<u>3,429,095</u>	<u>(232,905)</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	3,662,000	3,662,000	3,382,494	279,506
Total expenditures	<u>3,662,000</u>	<u>3,662,000</u>	<u>3,382,494</u>	<u>279,506</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>46,601</u>	<u>46,601</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>-</u>	<u>-</u>	<u>46,601</u>	<u>46,601</u>
Fund balances-beginning	<u>1,000,158</u>	<u>1,000,158</u>	<u>1,051,653</u>	<u>51,495</u>
Fund balances-ending	<u>\$ 1,000,158</u>	<u>\$ 1,000,158</u>	<u>\$ 1,098,254</u>	<u>\$ 98,096</u>

# KITSAP COUNTY, WASHINGTON

## Substance Abuse 183

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,384,400	\$ 1,384,400	\$ 492,326	\$ (892,074)
Investment earnings			2,530	
Total revenues	<u>1,384,400</u>	<u>1,384,400</u>	<u>494,856</u>	<u>(892,074)</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	444,661	444,661	403,070	41,591
Total expenditures	<u>444,661</u>	<u>444,661</u>	<u>403,070</u>	<u>41,591</u>
Excess(deficiency) of revenues over expenditures	<u>939,739</u>	<u>939,739</u>	<u>91,786</u>	<u>(847,953)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	18,564	18,564	18,564	-
Transfers out	(958,303)	(958,303)	(230,029)	728,274
Total other financing sources & uses	<u>(939,739)</u>	<u>(939,739)</u>	<u>(211,465)</u>	<u>728,274</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(119,679)</u>	<u>(119,679)</u>
Fund balances-beginning	268,547	(637,570)	268,591	906,161
Prior period adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances-ending	<u>\$ 268,547</u>	<u>\$ (637,570)</u>	<u>\$ 148,912</u>	<u>\$ 786,482</u>

# KITSAP COUNTY, WASHINGTON

## Youth Services Juvenile 185

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	\$ 2,250	\$ 2,250	\$ 2,831	\$ 581
Total revenues	<u>2,250</u>	<u>2,250</u>	<u>2,831</u>	<u>581</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	102,004	102,004	5,477	96,527
Capital outlay	40,000	40,000		
Total expenditures	<u>142,004</u>	<u>142,004</u>	<u>5,477</u>	<u>96,527</u>
Excess(deficiency) of revenues over expenditures	<u>(139,754)</u>	<u>(139,754)</u>	<u>(2,646)</u>	<u>137,108</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>(139,754)</u>	<u>(139,754)</u>	<u>(2,646)</u>	<u>137,108</u>
Fund balances-beginning	9,619	9,619	58,607	48,988
Fund balances-ending	<u>\$ (130,135)</u>	<u>\$ (130,135)</u>	<u>\$ 55,961</u>	<u>\$ 186,096</u>



# KITSAP COUNTY, WASHINGTON

## Mental Health Non-medicaid Fund 188

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 8,445,000	\$ 8,445,000	\$ 7,371,082	\$ (1,073,918)
Investment earnings	2,500	2,500	3,752	1,252
Total revenues	<u>8,447,500</u>	<u>8,447,500</u>	<u>7,374,834</u>	<u>(1,072,666)</u>
<b>EXPENDITURES:</b>				
Current:				
Health and human services	8,455,000	8,455,000	6,064,031	2,390,969
Total expenditures	<u>8,455,000</u>	<u>8,455,000</u>	<u>6,064,031</u>	<u>2,390,969</u>
Excess(deficiency) of revenues over expenditures	<u>(7,500)</u>	<u>(7,500)</u>	<u>1,310,803</u>	<u>1,318,303</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	7,500	7,500	7,500	-
Transfers out			<u>(405,177)</u>	<u>(405,177)</u>
Total other financing sources & uses	<u>7,500</u>	<u>7,500</u>	<u>(397,677)</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>913,127</u>	<u>913,127</u>
Fund balances-beginning	<u>857,538</u>	<u>857,538</u>	<u>1,365,291</u>	<u>507,753</u>
Fund balances-ending	<u>\$ 857,538</u>	<u>\$ 857,538</u>	<u>\$ 2,278,418</u>	<u>\$ 1,420,880</u>

# KITSAP COUNTY, WASHINGTON

## Commuter Trip Reduction Fund 189

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	\$ 59,168	\$ 59,168	\$ 75,198	\$ 16,030
Total revenues	59,168	59,168	75,198	16,030
<b>EXPENDITURES:</b>				
Current:				
Transportation	102,004	102,004	76,451	25,553
Total expenditures	102,004	102,004	76,451	25,553
Excess(deficiency) of revenues over expenditures	(42,836)	(42,836)	(1,253)	41,583
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	-	-	-	-
	(42,836)	(42,836)	(1,253)	41,583
Fund balances-beginning	81,651	81,654	172,283	90,629
Fund balances-ending	\$ 38,815	\$ 38,818	\$ 171,030	\$ 132,212

# KITSAP COUNTY, WASHINGTON

## Area Agency on Aging Fund 190

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 3,954,100	\$ 3,954,100	\$ 3,694,315	\$ (259,786)
Miscellaneous	2,035	2,035	743	(1,292)
Total revenues	<u>3,956,135</u>	<u>3,956,135</u>	<u>3,695,057</u>	<u>(261,078)</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	3,996,000	3,996,000	3,644,053	351,947
Total expenditures	<u>3,996,000</u>	<u>3,996,000</u>	<u>3,644,053</u>	<u>351,947</u>
Excess(deficiency) of revenues over expenditures	<u>(39,865)</u>	<u>(39,865)</u>	<u>51,004</u>	<u>90,869</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	39,865	39,865	39,865	-
Total other financing sources & uses	<u>39,865</u>	<u>39,865</u>	<u>39,865</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>90,869</u>	<u>90,869</u>
Fund balances-beginning	<u>543,741</u>	<u>543,731</u>	<u>628,555</u>	<u>84,824</u>
Fund balances-ending	<u>\$ 543,741</u>	<u>\$ 543,731</u>	<u>\$ 719,424</u>	<u>\$ 175,693</u>

# KITSAP COUNTY, WASHINGTON

## JTPA Admin Fund 191

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 2,165,000	\$ 2,558,000	\$ 2,223,692	\$ (334,308)
Miscellaneous	-	-	-	-
Total revenues	<u>2,165,000</u>	<u>2,558,000</u>	<u>2,223,692</u>	<u>(334,308)</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	2,165,000	2,558,000	2,223,692	334,308
Total expenditures	<u>2,165,000</u>	<u>2,558,000</u>	<u>2,223,692</u>	<u>334,308</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	-	-	-	-
Fund balances-beginning	-	-	-	-
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# KITSAP COUNTY, WASHINGTON

## Employment Training Fund 192

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,295,000	\$ 1,295,000	\$ 1,113,787	\$ (181,213)
Miscellaneous	45,000	45,000	29,291	(15,709)
Total revenues	<u>1,340,000</u>	<u>1,340,000</u>	<u>1,143,078</u>	<u>(196,922)</u>
<b>EXPENDITURES:</b>				
Current:				
Health & Human Services	1,340,000	1,340,000	1,143,078	196,922
Total expenditures	<u>1,340,000</u>	<u>1,340,000</u>	<u>1,143,078</u>	<u>196,922</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances-beginning	<u>110,992</u>	<u>110,992</u>	<u>110,992</u>	<u>-</u>
Fund balances-ending	<u>\$ 110,992</u>	<u>\$ 110,992</u>	<u>\$ 110,992</u>	<u>\$ -</u>

# KITSAP COUNTY, WASHINGTON

## Kitsap/Regional Coordinating Council Fund 193

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 218,890	\$ 218,890	\$ 74,540	\$ (144,350)
Charges for services	81,000	81,000	-	(81,000)
Miscellaneous	-	-	2,116	2,116
Total revenues	<u>299,890</u>	<u>299,890</u>	<u>76,656</u>	<u>(223,234)</u>
<b>EXPENDITURES:</b>				
Current:				
Economic Environment	518,690	508,190	210,267	297,923
Total expenditures	<u>518,690</u>	<u>508,190</u>	<u>210,267</u>	<u>297,923</u>
Excess(deficiency) of revenues over expenditures	<u>(218,800)</u>	<u>(208,300)</u>	<u>(133,611)</u>	<u>74,689</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	116,800	116,800	132,612	15,812
Transfers out			(48,385)	(48,385)
Total other financing sources & uses	<u>116,800</u>	<u>116,800</u>	<u>84,227</u>	<u>(32,573)</u>
Net change in fund balance	<u>(102,000)</u>	<u>(91,500)</u>	<u>(49,384)</u>	<u>42,116</u>
Fund balances-beginning	<u>96,820</u>	<u>96,920</u>	<u>49,382</u>	<u>(47,538)</u>
Fund balances-ending	<u>\$ (5,180)</u>	<u>\$ 5,420</u>	<u>\$ (2)</u>	<u>\$ (5,422)</u>

# KITSAP COUNTY, WASHINGTON

## Poplars Capital Project 336

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	317,500	317,500	381,673	\$ 64,173
Total revenues	<u>317,500</u>	<u>317,500</u>	<u>381,673</u>	<u>64,173</u>
<b>EXPENDITURES:</b>				
Physical Environment	168,873	168,873	150,588	18,285
Total expenditures	<u>168,873</u>	<u>168,873</u>	<u>150,588</u>	<u>18,285</u>
Excess(deficiency) of revenues over expenditures	<u>148,627</u>	<u>148,627</u>	<u>231,085</u>	<u>82,458</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(78,400)	(78,400)	(78,400)	-
Total other financing sources & uses	<u>(78,400)</u>	<u>(78,400)</u>	<u>(78,400)</u>	<u>-</u>
Net change in fund balance	70,227	70,227	152,685	82,458
Fund balances-beginning	<u>207,411</u>	<u>207,411</u>	<u>282,358</u>	<u>74,947</u>
Fund balances-ending	<u>\$ 277,638</u>	<u>\$ 277,638</u>	<u>\$ 435,043</u>	<u>\$ 157,405</u>

# KITSAP COUNTY, WASHINGTON

## Juvenile Services Facility Fund 352

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Total revenues	-	-	-	-
<b>EXPENDITURES:</b>				
Current:				
Physical safety	-	-	3,620	(3,620)
Interest and other charges	-	-	-	-
Capital outlay	5,571	5,571	-	5,571
Total expenditures	5,571	5,571	3,620	1,951
Excess(deficiency) of revenues over expenditures	(5,571)	(5,571)	(3,620)	1,951
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	-	-
Total other financing sources & uses	-	-	-	-
Net change in fund balance	(5,571)	(5,571)	(3,620)	1,951
Fund balances-beginning	1,606	1,606	5,570	3,964
Fund balances-ending	\$ (3,965)	\$ (3,965)	\$ 1,950	\$ 5,915



# KITSAP COUNTY, WASHINGTON

## Silverdale Projects 363

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Total revenues	-	-	-	-
<b>EXPENDITURES:</b>				
Current:				
Physical Environment	60,000	170,711	613	170,098
Capital outlay	-	-	123,937	(123,937)
Total Expenditures	60,000	170,711	124,549	46,162
Excess(deficiency) of revenues over expenditures	(60,000)	(170,711)	(124,549)	46,162
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in		121,502	121,502	-
Transfers out		-	-	-
Total other financing sources & uses	-	121,502	121,502	-
Net change in fund balance	(60,000)	(49,209)	(3,047)	46,162
Fund balances-beginning	175,494	168,015	175,494	7,479
Fund balances-ending	\$ 115,494	\$ 118,806	\$ 172,447	\$ 53,641

# KITSAP COUNTY, WASHINGTON

## Parks Capital Improvement 382

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 132,500	\$ 1,881,892	\$ 2,564,921	\$ 683,029
Investment earnings	5,000	5,000	139,228	134,228
Miscellaneous	-	20,000	293,831	273,831
Total revenues	<u>137,500</u>	<u>1,906,892</u>	<u>2,997,980</u>	<u>1,091,088</u>
<b>EXPENDITURES:</b>				
Current:				
Culture & recreation	523,087	526,984	682,732	(155,748)
Debt service:				
Principal			72,787	
Interest and other charges			127,213	
Capital outlay	1,629,784	4,652,134	3,853,846	798,288
Total expenditures	<u>2,152,871</u>	<u>5,179,118</u>	<u>4,736,578</u>	<u>642,540</u>
Excess(deficiency) of revenues over expenditures	<u>(2,015,371)</u>	<u>(3,272,226)</u>	<u>(1,738,598)</u>	<u>1,533,628</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of assets			378,240	378,240
Transfers in	882,000	1,314,524	1,314,524	-
Transfers out	-	(19,644)	(19,644)	(0)
Total other financing sources & uses	<u>882,000</u>	<u>1,294,880</u>	<u>1,673,120</u>	<u>378,240</u>
Net change in fund balance	<u>(1,133,371)</u>	<u>(1,977,346)</u>	<u>(65,478)</u>	<u>1,911,868</u>
Fund balances-beginning	<u>2,703,498</u>	<u>2,703,498</u>	<u>2,478,771</u>	<u>(224,727)</u>
Fund balances-ending	<u>\$ 1,570,127</u>	<u>\$ 726,152</u>	<u>\$ 2,413,293</u>	<u>\$ 1,687,141</u>

# KITSAP COUNTY, WASHINGTON

## KC2010 LTGO 235

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Total revenues	-	-	-	-
<b>EXPENDITURES:</b>				
Current:				
Physical Environment	-	-	-	-
Principal	500,000	500,000	500,000	-
Interest and other charges	144,883	144,209	144,883	(674)
Total expenditures	644,883	644,209	644,883	(674)
Excess(deficiency) of revenues over expenditures	(644,883)	(644,209)	(644,883)	(674)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	644,209	644,209	644,209	-
Total other financing sources & uses	644,209	644,209	644,209	-
Net change in fund balance	(674)	-	(674)	(674)
Fund balances-beginning	146,562	146,562	146,562	-
Fund balances-ending	\$ 145,889	\$ 146,562	\$ 145,889	\$ (674)

# KITSAP COUNTY, WASHINGTON

## KC2011 LTGO 236

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 839,131	\$ 839,131
Miscellaneous	102,850	102,850	102,850	\$ -
Total revenues	102,850	102,850	941,981	839,131
<b>EXPENDITURES:</b>				
Current:				
Principal	1,415,000	1,415,000	1,415,000	-
Interest and other charges	525,600	525,600	525,600	-
Total expenditures	1,940,600	1,940,600	1,940,600	-
Excess(deficiency) of revenues over expenditures	(1,837,750)	(1,837,750)	(998,619)	839,131
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,938,433	1,938,433	1,099,303	(839,130)
Total other financing sources & uses	1,938,433	1,938,433	1,099,303	(839,130)
Net change in fund balance	100,683	100,683	100,684	1
Fund balances-beginning	5,363	5,363	5,363	-
Fund balances-ending	\$ 106,046	\$ 106,046	\$ 106,047	\$ 1

# KITSAP COUNTY, WASHINGTON

## KC LTGO Bond Fund 2013 237

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 389,337	\$ 389,337	\$ 230,904	\$ (158,433)
Interest earnings		-	199,047	\$ 199,047
Total revenues	<u>389,337</u>	<u>389,337</u>	<u>429,951</u>	<u>40,614</u>
<b>EXPENDITURES:</b>				
Current:				
Physical environment		-	-	
Principal	2,085,000	2,085,000	2,085,000	-
Interest and other charges	<u>1,677,475</u>	<u>1,677,475</u>	<u>1,677,475</u>	<u>-</u>
Total expenditures	<u>3,762,475</u>	<u>3,762,475</u>	<u>3,762,475</u>	<u>-</u>
Excess(deficiency) of revenues over expenditures	<u>(3,373,138)</u>	<u>(3,373,138)</u>	<u>(3,332,524)</u>	<u>40,614</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	3,373,138	4,292,873	4,292,873	(1)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources & uses	<u>3,373,138</u>	<u>4,292,873</u>	<u>4,292,873</u>	<u>(1)</u>
Net change in fund balance	<u>-</u>	<u>919,735</u>	<u>960,348</u>	<u>40,613</u>
Fund balances-beginning	<u>1,339,050</u>	<u>1,339,050</u>	<u>2,206,272</u>	<u>867,222</u>
Fund balances-ending	<u>\$ 1,339,050</u>	<u>\$ 2,258,785</u>	<u>\$ 3,166,620</u>	<u>\$ 907,835</u>

# KITSAP COUNTY, WASHINGTON

## KC LTGO 2015 Refunding 238

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 8,902	\$ 8,902
Miscellaneous	8,900	8,900	4	(8,896)
Total revenues	<u>8,900</u>	<u>8,900</u>	<u>8,905</u>	<u>5</u>
<b>EXPENDITURES:</b>				
Current:				
Principal	1,255,000	1,255,000	1,255,000	-
Interest and other charges	856,900	856,900	856,900	-
Total expenditures	<u>2,111,900</u>	<u>2,111,900</u>	<u>2,111,900</u>	<u>-</u>
Excess(deficiency) of revenues over expenditures	<u>(2,103,000)</u>	<u>(2,103,000)</u>	<u>(2,102,995)</u>	<u>5</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	2,103,000	2,133,000	2,102,998	(30,002)
Total other financing sources & uses	<u>2,103,000</u>	<u>2,133,000</u>	<u>2,102,998</u>	<u>(30,002)</u>
Net change in fund balance	-	30,000	4	(29,996)
Fund balances-beginning	<u>120,238</u>	<u>120,238</u>	<u>-</u>	<u>(120,238)</u>
Fund balances-ending	<u>\$ 120,238</u>	<u>\$ 150,238</u>	<u>\$ 4</u>	<u>\$ (150,234)</u>

# KITSAP COUNTY, WASHINGTON

## GO Bond 2002A 286

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 839,130	\$ 839,130	\$ 256,714	\$ (582,416)
Investment earnings	-	-	2,842	2,842
Total revenues	<u>839,130</u>	<u>839,130</u>	<u>259,557</u>	<u>(579,573)</u>
<b>EXPENDITURES:</b>				
Current:				
Principal	-	-	580,000	(580,000)
Interest and other charges	-	-	259,131	(259,131)
Total expenditures	-	-	839,131	(839,131)
Excess(deficiency) of revenues over expenditures	<u>839,130</u>	<u>839,130</u>	<u>(579,574)</u>	<u>(1,418,704)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(839,130)	(839,130)	-	839,130
Total other financing sources & uses	<u>(839,130)</u>	<u>(839,130)</u>	<u>-</u>	<u>839,130</u>
Net change in fund balance	-	-	(579,574)	(579,574)
Fund balances-beginning	<u>8,220,785</u>	<u>8,220,785</u>	<u>7,650,366</u>	<u>(570,419)</u>
Fund balances-ending	<u>\$ 8,220,785</u>	<u>\$ 8,220,785</u>	<u>\$ 7,070,792</u>	<u>\$ (1,149,993)</u>

# KITSAP COUNTY, WASHINGTON

LTGO 2006 292

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2016

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 13,955	\$ 13,955	\$ 13,955	\$ (0)
Total revenues	13,955	13,955	13,955	(0)
<b>EXPENDITURES:</b>				
Current:				
Principal	555,000	555,000	555,000	-
Interest and other charges	27,750	27,750	27,750	-
Total expenditures	582,750	582,750	582,750	-
Excess(deficiency) of revenues over expenditures	(568,795)	(568,795)	(568,795)	(0)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	568,795	568,795	568,795	0
Total other financing sources & uses	568,795	568,795	568,795	0
Net change in fund balance	-	-	-	-
Fund balances-beginning	134	134	134	-
Fund balances-ending	\$ 134	\$ 134	\$ 134	\$ -





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# Component Unit

Kitsap County Auditor | Financial Division

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# KITSAP COUNTY, WASHINGTON

## Combining Statement of Position

Component Unit - Public Facilities District

December 31, 2016

	PFD KFEC Facility 966	PFD Operations 968	PFD Kitsap Con 976	PFD Regional Center Cap 977	Total
<b>ASSETS</b>					
Current assets:					
Cash and Cash equivalents	\$ 46,646	\$ 5,400	\$ -	\$ 154,016	\$ 206,061
Deposits with fiscal agents				250,000	250,000
Investments			1,127	933,683	934,810
Total current assets	\$ 46,646	\$ 5,400	\$ 1,127	\$ 1,337,698	1,390,871
Total assets					
Deferred outflows		-	-		
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Other liabilities	-	30	-	-	30
Notes/Contracts		-	-	7,000,000	7,000,000
Total liabilities	-	30	-	7,000,000	7,000,030
Deferred inflows		-			
<b>NET POSITION</b>					
Net investment in capital assets		-			
Unrestricted	46,646	5,370	1,127	(5,662,302)	(5,609,158)
Total net position	\$ 46,646	\$ 5,370	\$ 1,127	\$ (5,662,302)	\$ (5,609,158)

## KITSAP COUNTY, WASHINGTON

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Component Unit - Public Facilities District

For the Year Ended December 31, 2016

	PFD KFEC Facility 966	PFD Operations 968	PFD Kitsap Con 976	PFD Regional Center Cap 977	Total
<b>REVENUES:</b>					
Retail sales & use taxes	\$ -	\$ -	\$ -	\$ 1,418,988	\$ 1,418,988
Intergovernmental				-	-
Interest earnings	-		7	4,812	4,819
Miscellaneous	-	-		155	155
Total revenues	-	-	7	1,423,954	1,423,962
<b>EXPENDITURES:</b>					
Current:					
Physical environment	206,160	111,782		279,571	597,512
Capital outlay			-		-
Total expenditures	206,160	111,782	-	279,571	597,512
Excess(deficiency) of revenues over expenditures	(206,160)	(111,782)	7	1,144,384	826,449
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers out	-	-	-	(318,500)	(318,500)
Transfers in	238,500	80,000	-	-	318,500
Total other financing sources & uses	238,500	80,000	-	(318,500)	-
Net change in fund balance	32,340	(31,782)	7	825,884	826,449
Net position-beginning	14,306	37,152	1,120	(6,488,185)	(6,435,607)
Prior period adjustments			-		-
Net position-ending	\$ 46,646	\$ 5,370	\$ 1,127	\$ (5,662,301)	\$ (5,609,158)



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# Internal Service Funds

Kitsap County Auditor | Financial Division

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# KITSAP COUNTY, WASHINGTON

## Internal Service Funds

Internal Service Funds are used by Kitsap County to account for the financing of goods and services provided by a department to other departments or agencies of Kitsap County, or to other governmental units on a cost-reimbursement basis.

A description of each fund follows:

**Equipment Rental & Revolving Fund** – A fund used to account for the operation of County vehicles and rent of equipment to other funds within the County.

**Building Repair and Replacements** – A fund used to account for operation of County Maintenance and Building repairs.

**Information Services** – A fund used to account for the operations of data processing services to County departments.

**Self-Insurance** – A fund used to account for the insurance and self-insured claims of the County.

**Elections Services** – A fund used to account for the elections operation to the County and other outside government agencies.

**Employer Benefits Fund** - Accounts for the activities of employer medical, dental, vision, life, accidental death and dismemberment, and long-term disability benefit programs and will account for future modifications to existing benefits or additions of new employee benefits.

# KITSAP COUNTY, WASHINGTON

## Combining Statement of Net Position

Internal Service Funds

December 31, 2016

	Equipment Rental and Revolving	Building Repair and Replacement	Employer Benefits	Self Insurance
<b>ASSETS</b>				
Current assets:				
Cash and Cash equivalents	\$ 19,913,886	\$ 108,629	\$ 6,423,272	\$ 9,723,352
Deposits with fiscal agents	-	-	-	-
Receivables, net	484	-	99,939	542,814
Due from other funds	364,419	-	-	-
Due from other governments	-	-	-	-
Prepayments	-	-	-	135,193
Inventories	1,788,211	-	-	-
Total current assets	<u>22,067,000</u>	<u>108,629</u>	<u>6,523,211</u>	<u>10,401,359</u>
Noncurrent assets:				
Buildings	1,659,927	940,439	0	0
Machinery & Equipment	31,902,905	6,812	-	4,222
Construction In Progress	-	97,323	-	-
Less accumulated depreciation	(17,131,230)	(12,664)	-	(4,222)
Total noncurrent assets	<u>16,431,602</u>	<u>1,031,910</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 38,498,602</u>	<u>\$ 1,140,539</u>	<u>\$ 6,523,211</u>	<u>\$ 10,401,359</u>
<b>DEFERRED OUTFLOWS</b>				
Deferred Outflows Related to Pensions	134,104	-	-	-
Total assets and deferred outflows	<u>\$ 38,632,706</u>	<u>\$ 1,140,539</u>	<u>\$ 6,523,211</u>	<u>\$ 10,401,359</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 351,798	\$ 6,587	\$ 1,313	\$ 46,261
Due to other funds	20,349	7	4,252	32,422
Due to other governments	-	-	-	-
Other liabilities	29,159	-	2,486	9,721,986
Current portion of long term liabilities	7,038	-	1,022	2,813
Total current liabilities	<u>408,344</u>	<u>6,594</u>	<u>9,073</u>	<u>9,803,482</u>
Noncurrent Liabilities				
Net pension liability	652,936	-	-	-
Due in more than one year	63,344	-	9,203	25,315
Total noncurrent liabilities	<u>716,280</u>	<u>-</u>	<u>9,203</u>	<u>25,315</u>
Total liabilities	<u>1,124,624</u>	<u>6,594</u>	<u>18,276</u>	<u>9,828,797</u>
<b>DEFERRED INFLOWS</b>				
Deferred Inflows Related to Pensions	17,954	-	-	-
Total liabilities and deferred inflows	<u>\$ 1,142,578</u>	<u>\$ 6,594</u>	<u>\$ 18,276</u>	<u>\$ 9,828,797</u>
<b>NET POSITION</b>				
Net investment in capital assets	\$ 16,431,602	\$ 1,031,910	\$ -	\$ -
Restricted:				
Debt service	-	-	-	-
Unrestricted	21,058,526	102,035	6,504,935	572,562
Total net position	<u>\$ 37,490,128</u>	<u>\$ 1,133,945</u>	<u>\$ 6,504,935</u>	<u>\$ 572,562</u>

Elections	Information Services	Total
\$ -	\$ 1,657,321	\$ 37,826,460
-	-	-
-	267	643,504
-	289,063	653,482
208,968	8,794	217,762
-	-	135,193
-	-	1,788,211
<u>208,968</u>	<u>1,955,445</u>	<u>41,264,612</u>
0	0	2,600,366
273,457	3,942,908	36,130,304
-	-	97,323
<u>(273,457)</u>	<u>(3,298,979)</u>	<u>(20,720,552)</u>
-	643,929	18,107,441
<u>\$ 208,968</u>	<u>\$ 2,599,374</u>	<u>\$ 59,372,053</u>
134,104	536,414	804,622
<u>\$ 343,072</u>	<u>\$ 3,135,788</u>	<u>\$ 60,176,675</u>
\$ 20,385	\$ 129,058	\$ 555,402
76,291	79,830	213,151
-	-	-
284,116	77,380	10,115,127
4,092	29,532	44,497
<u>384,884</u>	<u>315,800</u>	<u>10,928,177</u>
652,936	2,611,743	3,917,615
36,828	265,791	400,481
<u>689,764</u>	<u>2,877,534</u>	<u>4,318,096</u>
<u>1,074,648</u>	<u>3,193,334</u>	<u>15,246,273</u>
17,954	71,817	107,725
<u>\$ 1,092,602</u>	<u>\$ 3,265,151</u>	<u>\$ 15,353,998</u>
\$ -	\$ 643,929	\$ 18,107,441
-	-	-
<u>(749,530)</u>	<u>(773,292)</u>	<u>26,715,236</u>
<u>\$ (749,530)</u>	<u>\$ (129,363)</u>	<u>\$ 44,822,677</u>

# KITSAP COUNTY, WASHINGTON

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets Internal Service Funds For the Year Ended December 31, 2016

	Equipment Rental and Revolving	Building Repair and Replacement	Employer Benefits	Self Insurance
Operating revenues:				
Charges for services	\$ 11,816,570	\$ -	\$ 16,749,730	\$ 4,047,545
Miscellaneous	32,398	-	213,317	249,984
Total operating revenues	<u>11,848,968</u>	<u>-</u>	<u>16,963,047</u>	<u>4,297,529</u>
Operating expenses:				
Personal services	1,309,074	-	252,843	1,302,330
Contractual services	166,251	9,313	13,719,843	896,315
Utilities	23,323	-	-	160
Repair and maintenance	20,301	116,604	-	-
Other supplies and expenses	5,196,223	4,767	15,376	479,168
Ins. claims and expenses	5,362	-	826,691	1,453,943
Depreciation	2,061,148	11,017	-	-
Total operating expenses	<u>8,781,682</u>	<u>141,701</u>	<u>14,814,753</u>	<u>4,131,916</u>
Operating income	<u>3,067,286</u>	<u>(141,701)</u>	<u>2,148,294</u>	<u>165,613</u>
Nonoperating revenue (expenses)				
Interest revenue	-	-	-	-
Miscellaneous revenue	-	-	-	-
Interest expense	-	-	-	-
Miscellaneous expense	-	-	-	-
Total nonoperating exp.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before contributions & transfers	3,067,286	(141,701)	2,148,294	165,613
Capital contributions	136,601	-	-	-
Transfers in	360,269	128,678	-	-
Transfers out	(570,315)	-	-	-
Change in Net Position	2,993,841	(13,023)	2,148,294	165,613
Total net position - beginning	34,496,287	1,141,403	4,356,641	406,949
Prior period adjustment		5,565		
Total net position - ending	<u>\$ 37,490,128</u>	<u>\$ 1,133,945</u>	<u>\$ 6,504,935</u>	<u>\$ 572,562</u>



Elections	Information Services	Total
\$ 1,546,939	\$ 7,235,053	\$ 41,395,837
19	30,403	\$ 526,121
<u>1,546,958</u>	<u>7,265,456</u>	<u>41,921,958</u>
868,427	4,299,924	8,032,598
236,231	581,768	15,609,721
-	-	23,483
19,722	1,043,391	1,200,018
552,809	1,559,203	7,807,546
1,555	13,526	2,301,077
1,422	239,779	2,313,366
<u>1,680,166</u>	<u>7,737,591</u>	<u>37,287,809</u>
<u>(133,208)</u>	<u>(472,135)</u>	<u>4,634,149</u>
-	-	-
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
(133,208)	(472,135)	4,634,149
-	-	136,601
-	850,000	1,338,947
-	-	(570,315)
<u>(133,208)</u>	<u>377,865</u>	<u>5,539,382</u>
<u>(616,322)</u>	<u>(507,228)</u>	<u>39,277,730</u>
		5,565
<u>\$ (749,530)</u>	<u>\$ (129,363)</u>	<u>\$ 44,822,677</u>

**KITSAP COUNTY, WASHINGTON**

**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2016**

	Equipment Rental and Revolving	Building Repair and Replacement	Employer Benefits	Self Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 11,978,006	\$ -	\$ 16,877,249	\$ 4,285,875
Payments to suppliers	(5,000,352)	(136,362)	(14,556,678)	(3,387,913)
Payments to employees	(1,303,656)	-	(252,408.00)	(1,301,224)
Net cash provided by operating activities	<u>5,673,998</u>	<u>(136,362)</u>	<u>2,068,163</u>	<u>(403,262)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in	360,269	128,678	-	-
Transfers out	(570,315)	-	-	-
Net cash provided by noncapital activities	<u>(210,046)</u>	<u>128,678</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital contributions	-	-	-	-
Proceeds from sales and maturities of investments	-	-	-	-
Purchases of capital assets	(4,012,872)	(897,746)	-	-
Principal paid on capital debt	-	-	-	-
Interest paid on capital debt	-	-	-	-
Net cash from related financing activities	<u>(4,012,872)</u>	<u>(897,746)</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	-	-	-	-
Purchase of investments	-	-	-	-
Interest and dividends	-	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (decrease) in cash and cash equivalents	1,451,080	(905,430)	2,068,163	(403,262)
Balances - beginning of the year	18,462,806	1,014,059	4,355,109	10,126,614
Balances - end of the year	<u>\$ 19,913,886</u>	<u>\$ 108,629</u>	<u>\$ 6,423,272</u>	<u>\$ 9,723,352</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ 3,067,286	\$ (141,701)	\$ 2,148,294	\$ 165,613
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	2,061,148	11,017	-	-
Change in assets and liabilities:				
Receivables, net	(484)	-	(85,798)	(542,814)
Due from other funds	129,522	-	-	-
Due from other governments	-	-	-	-
Prepayments	-	-	-	(11,654)
Inventories	168,285	-	-	-
Deferred inflows	(29,146)	-	-	-
Accounts and other payables	237,984	(5,685)	415	8,158
Due to other funds	2,332	7	4,252	(24,294)
Due to other governments	-	-	-	-
Accrued expenses	2,507	-	565	623
Deferred outflows	(88,694)	-	-	-
Net pension liability	124,363	-	-	-
Employee leave benefits	(1,105)	-	435	1,106
Net cash provided by operating activities	<u>\$ 5,673,998</u>	<u>\$ (136,362)</u>	<u>\$ 2,068,163</u>	<u>\$ (403,262)</u>
<b>Noncash investing, capital and financing activities</b>				
Contribution of capital assets	\$ 136,601			

Elections	Information Services	Total
\$ 1,559,801	\$ 7,260,670	41,961,601
(801,102)	(3,095,518)	(26,977,925)
(890,144)	(4,384,206)	(8,131,638)
<u>(131,445)</u>	<u>(219,054)</u>	<u>6,852,038</u>
-	850,000	1,338,947
-	-	(570,315)
<u>-</u>	<u>850,000</u>	<u>768,632</u>
-	-	-
-	-	-
-	(78,518)	(4,989,136)
-	-	-
-	-	-
<u>-</u>	<u>(78,518)</u>	<u>(4,989,136)</u>
-	-	-
-	-	-
<u>(131,445)</u>	<u>552,428</u>	<u>2,631,534</u>
131,445	1,104,893	35,194,926
<u>\$ -</u>	<u>\$ 1,657,321</u>	<u>\$ 37,826,460</u>
\$ (133,208)	\$ (472,135)	\$ 4,634,149
1,422	239,779	2,313,366
-	23,265	(605,831)
-	(32,629)	96,893
12,843	4,578	17,421
-	-	(11,654)
-	-	168,285
(60,625)	(242,497)	(332,268)
18,489	62,576	321,937
44,139	52,327	78,763
-	-	-
(53,413)	(12,533)	(62,251)
(88,694)	(354,774)	(532,162)
124,363	497,450	746,176
3,239	15,539	19,214
<u>\$ (131,445)</u>	<u>\$ (219,054)</u>	<u>\$ 6,852,038</u>

\$ 136,601



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# Agency Funds

Kitsap County Auditor | Financial Division

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# **KITSAP COUNTY, WASHINGTON**

## **AGENCY FUNDS**

Agency funds are used to account for monies held by Kitsap County as an agent for other government units. Many independent governmental entities are required by statute to deposit and disburse all funds through the County Treasurer's Office. Agency funds are custodial in nature (assets equal liabilities) and do not measure the results of operations. Each agency is responsible for the preparation of its own financial report.

# KITSAP COUNTY, WASHINGTON

## Combining Statement of Fiduciary Net Position Agency Funds December 31, 2016

	State Schools	Treasurer's Suspense	School Districts	P.U.D.'s	Recreation Districts	Public Health
<b>ASSETS</b>						
Cash	\$ 306,603	\$ 789,949	\$ 26,080,410	\$ 846,207	\$ 1,487,157	\$ 103,131
Deposits with Fiscal Agents	-	-	-	-	-	-
Investments	-	-	289,533,906	8,835,147	1,733,851	2,880,444
Taxes Receivable	1,512,318	-	1,439,721	65,647	118,258	-
Other Current Receivables	-	-	-	-	-	-
Due From Other Funds	-	780	-	-	-	-
Due From Other Governments	-	-	-	-	-	48,453
Total Assets	<u>1,818,921</u>	<u>790,729</u>	<u>317,054,036</u>	<u>9,747,001</u>	<u>3,339,266</u>	<u>3,032,028</u>
<b>LIABILITIES</b>						
Warrants Payable	-	-	-	-	-	-
Accounts Payable	-	-	-	-	-	-
Sales Tax Payable	-	-	-	-	-	-
Interfund loan payable	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-
Custodial Account	1,818,921	790,729	317,054,036	9,747,001	3,339,266	3,032,028
Total Liabilities	<u>\$ 1,818,921</u>	<u>\$ 790,729</u>	<u>\$ 317,054,036</u>	<u>\$ 9,747,001</u>	<u>\$ 3,339,266</u>	<u>\$ 3,032,028</u>

Regional Library	Cities & Towns	Ports	Water Districts	Fire Districts	Sewer Districts	Public Transportation
\$ 399,124	\$ 255,190	\$ 1,063,256	\$ 945,235	\$ 1,470,042	\$ 1,441,843	\$ 5,181,798
-	-	-	-	-	-	-
3,971,686	34,608,960	8,117,630	13,908,825	58,486,849	8,695,914	8,186,355
306,092	633,287	202,426	(1,630)	1,386,363	-	-
-	48,983	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,000	-	-	-
<u>4,676,902</u>	<u>35,546,420</u>	<u>9,383,312</u>	<u>14,854,431</u>	<u>61,343,253</u>	<u>10,137,757</u>	<u>13,368,153</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,676,902	35,546,420	9,383,312	14,854,431	61,343,253	10,137,757	13,368,153
<u>\$ 4,676,902</u>	<u>\$ 35,546,420</u>	<u>\$ 9,383,312</u>	<u>\$ 14,854,431</u>	<u>\$ 61,343,253</u>	<u>\$ 10,137,757</u>	<u>\$ 13,368,153</u>

# KITSAP COUNTY, WASHINGTON

Page 3 of 3

## Combining Statement of Fiduciary Net Position

### Agency Funds

December 31, 2016

	Pass- Thru	Kitsap 911	Totals 2016
<b>ASSETS</b>			
Cash	\$ 25,326	\$ 3,633,300	\$ 44,028,568
Deposits with Fiscal Agents	-	-	-
Investments	10,189	-	438,969,757
Taxes Receivable	-	-	5,662,483
Other Current Receivables	-	-	48,983
Due From Other Funds	-	-	780
Due From Other Governments	-	-	50,453
Total Assets	<u>35,515</u>	<u>3,633,300</u>	<u>488,761,024</u>
<b>LIABILITIES</b>			
Warrants Payable	4,308	-	4,308
Accounts Payable	-	-	-
Sales Tax Payable	-	-	-
Interfund loan payable	-	-	-
Due to Other Funds	-	-	-
Due to Other Governments	-	-	-
Custodial Account	31,207	3,633,300	488,756,716
Total Liabilities	<u>\$ 35,515</u>	<u>\$ 3,633,300</u>	<u>\$ 488,761,024</u>



# KITSAP COUNTY, WASHINGTON

## Statement of Changes in Assets and Liabilities Agency Funds For the Fiscal Year Ended December 31, 2016

	Balance January 1	Additions	Deletions	Balance December 31
<b>State Schools</b>				
<b>Assets</b>				
Cash	\$ 336,996	\$ 66,832,589	\$ 66,862,982	\$ 306,603
Deposits with Fiscal Agents/Trustees	-	-	-	-
Investments	-	-	-	-
Taxes Receivable	1,693,633	-	181,315	1,512,318
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,030,629</b>	<b>\$ 66,832,589</b>	<b>\$ 67,044,297</b>	<b>\$ 1,818,921</b>
<b>Liabilities:</b>				
Warrants Payable	-	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	2,030,629	66,832,589	67,044,297	1,818,921
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 2,030,629</b>	<b>\$ 66,832,589</b>	<b>\$ 67,044,297</b>	<b>\$ 1,818,921</b>

	Balance January 1	Additions	Deletions	Balance December 31
<b>Treasurer's Suspense</b>				
<b>Assets</b>				
Cash	\$ 673,857	\$ 34,247,691	\$ 34,131,600	\$ 789,949
Deposits with Fiscal Agents/Trustees	-	-	-	\$ -
Investments	-	-	-	\$ -
Taxes Receivable	-	-	-	\$ -
Other Current Receivables	-	-	-	\$ -
Due From Other Funds	228	553	-	\$ 780
Due From Other Governmental Units	-	-	-	\$ -
<b>Total Assets</b>	<b>\$ 674,084</b>	<b>\$ 34,248,244</b>	<b>\$ 34,131,600</b>	<b>\$ 790,729</b>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Interfund Loan Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	674,084	34,248,244	34,131,600	790,729
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 674,084</b>	<b>\$ 34,248,244</b>	<b>\$ 34,131,600</b>	<b>\$ 790,729</b>

**Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Fiscal Year Ended December 31, 2016**

	Balance January 1	Additions	Deletions	Balance December 31
<b>School Districts</b>				
<b>Assets</b>				
Cash	\$ 16,001,224	\$ 602,203,120	\$ 592,123,934	\$ 26,080,410
Deposits with Fiscal Agents/Trustees	-	20,470,650	20,470,650	-
Investments	109,497,592	318,033,663	137,997,348	289,533,906
Taxes Receivable	1,808,279	56,703	425,261	1,439,721
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 127,307,094</u>	<u>\$ 940,764,136</u>	<u>\$ 751,017,194</u>	<u>\$ 317,054,036</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	127,307,094	940,764,136	751,017,194	317,054,036
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 127,307,094</u>	<u>\$ 940,764,136</u>	<u>\$ 751,017,194</u>	<u>\$ 317,054,036</u>

	Balance January 1	Additions	Deletions	Balance December 31
<b>P.U.D.'s</b>				
<b>Assets</b>				
Cash	\$ 705,741	\$ 26,171,521	\$ 26,031,055	\$ 846,207
Deposits with Fiscal Agents/Trustees	-	2,078,405	2,078,405	-
Investments	7,888,703	6,455,428	5,508,984	8,835,147
Taxes Receivable	73,233	-	7,585	65,647
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 8,667,677</u>	<u>\$ 34,705,354</u>	<u>\$ 33,626,030</u>	<u>\$ 9,747,001</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	8,667,677	34,705,354	33,626,030	9,747,001
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 8,667,677</u>	<u>\$ 34,705,354</u>	<u>\$ 33,626,030</u>	<u>\$ 9,747,001</u>

**Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Fiscal Year Ended December 31, 2016**

	Balance January 1	Additions	Deletions	Balance December 31
<b>Recreation Districts</b>				
<b>Assets</b>				
Cash	\$ 1,513,183	\$ 12,272,320	\$ 12,298,346	\$ 1,487,157
Deposits with Fiscal Agents/Trustees	-	1,262,970	1,262,970	-
Investments	1,585,918	1,937,933	1,790,000	1,733,851
Taxes Receivable	109,501	8,757	-	118,258
Interest Receivable	-	-	-	-
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 3,208,601</u>	<u>\$ 15,481,980</u>	<u>\$ 15,351,316</u>	<u>\$ 3,339,266</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Interfund Loans Payable	-	-	-	-
Custodial Account	3,208,601	15,481,980	15,351,316	3,339,266
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 3,208,601</u>	<u>\$ 15,481,980</u>	<u>\$ 15,351,316</u>	<u>\$ 3,339,266</u>
<b>Public Health</b>				
<b>Assets</b>				
Cash	\$ 92,133	\$ 22,077,599	\$ 22,066,601	\$ 103,131
Deposits with Fiscal Agents/Trustees	-	-	-	-
Investments	2,484,657	9,020,787	8,625,000	2,880,444
Taxes Receivable	-	-	-	-
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	264,285	48,453	264,285	48,453
Total Assets	<u>\$ 2,841,075</u>	<u>\$ 31,146,839</u>	<u>\$ 30,955,886</u>	<u>\$ 3,032,028</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	2,841,075	31,146,839	30,955,886	3,032,028
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 2,841,075</u>	<u>\$ 31,146,839</u>	<u>\$ 30,955,886</u>	<u>\$ 3,032,028</u>

**Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Fiscal Year Ended December 31, 2016**

	Balance January 1	Additions	Deletions	Balance December 31
<b>Regional Library</b>				
<b>Assets</b>				
Cash	\$ 63,201	\$ 18,792,391	\$ 18,456,467	\$ 399,124
Deposits with Fiscal Agents/Trustees	-	-	-	-
Investments	3,849,696	6,921,990	6,800,000	3,971,686
Taxes Receivable	340,778	-	34,685	306,092
Interest Receivable	-	-	-	-
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 4,253,675</u>	<u>\$ 25,714,380</u>	<u>\$ 25,291,152</u>	<u>\$ 4,676,902</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	4,253,675	25,714,380	25,291,152	4,676,902
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 4,253,675</u>	<u>\$ 25,714,380</u>	<u>\$ 25,291,152</u>	<u>\$ 4,676,902</u>
	Balance January 1	Additions	Deletions	Balance December 31
<b>Cities &amp; Towns</b>				
<b>Assets</b>				
Cash	\$ 314,094	\$ 43,420,583	\$ 43,479,488	\$ 255,190
Deposits with Fiscal Agents/Trustees	-	-	-	-
Investments	32,455,160	16,064,627	13,910,827	34,608,960
Taxes Receivable	689,401	2,306	58,420	633,287
Other Current Receivables	215,083	-	166,100	48,983
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 33,673,737</u>	<u>\$ 59,487,517</u>	<u>\$ 57,614,834</u>	<u>\$ 35,546,420</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	33,673,737	59,487,517	57,614,834	35,546,420
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 33,673,737</u>	<u>\$ 59,487,517</u>	<u>\$ 57,614,834</u>	<u>\$ 35,546,420</u>

**Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Fiscal Year Ended December 31, 2016**

<b>Ports</b>	Balance January 1	Additions	Deletions	Balance December 31
<b>Assets</b>				
Cash	\$ 1,352,502	\$ 11,999,646	\$ 12,288,892	1,063,256
Deposits with Fiscal Agents/Trustees	-	198,475	198,475	-
Investments	7,931,030	1,312,915	1,126,314	8,117,630
Taxes Receivable	231,109	1,056	29,739	202,426
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 9,514,641</u>	<u>\$ 13,512,092</u>	<u>\$ 13,643,420</u>	<u>\$ 9,383,312</u>
<b>Liabilities:</b>				
Warrants Payable	-	-	-	\$ -
Accounts Payable	-	-	-	0
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	9,514,641	13,512,092	13,643,420	9,383,312
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 9,514,641</u>	<u>\$ 13,512,092</u>	<u>\$ 13,643,420</u>	<u>\$ 9,383,312</u>

<b>Water Districts</b>	Balance January 1	Additions	Deletions	Balance December 31
<b>Assets</b>				
Cash	\$ 847,386	\$ 25,416,969	\$ 25,318,634	\$ 945,721
Deposits with Fiscal Agents/Trustees	-	1,601,813	1,602,299	(486)
Investments	14,203,276	7,972,828	8,267,280	13,908,825
Taxes Receivable	(2,309)	679	-	(1,630)
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	2,000	-	-	2,000
Total Assets	<u>\$ 15,050,353</u>	<u>\$ 34,992,289</u>	<u>\$ 35,188,212</u>	<u>\$ 14,854,431</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	15,050,353	34,992,289	35,188,212	14,854,431
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 15,050,353</u>	<u>\$ 34,992,289</u>	<u>\$ 35,188,212</u>	<u>\$ 14,854,431</u>

**Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2016**

	Balance January 1	Additions	Deletions	Balance December 31
<b>Fire Districts</b>				
<b>Assets</b>				
Cash	\$ 5,705,304	\$ 120,014,230	\$ 124,249,492	\$ 1,470,042
Deposits with Fiscal Agents/Trustees	-	-	-	-
Investments	60,736,305	45,744,840	47,994,295	58,486,849
Taxes Receivable	1,443,111	46,576	103,326	1,386,362
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 67,884,720</u>	<u>\$ 165,805,646</u>	<u>\$ 172,347,113</u>	<u>\$ 61,343,253</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	67,884,720	165,805,646	172,347,113	61,343,253
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 67,884,720</u>	<u>\$ 165,805,646</u>	<u>\$ 172,347,113</u>	<u>\$ 61,343,253</u>
<b>Sewer Districts</b>				
<b>Assets</b>				
Cash	\$ 632,807	\$ 17,433,872	\$ 16,624,837	\$ 1,441,843
Deposits with Fiscal Agents/Trustees	-	-	-	-
Investments	8,422,107	3,652,737	3,378,930	8,695,914
Taxes Receivable	-	-	-	-
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 9,054,914</u>	<u>\$ 21,086,609</u>	<u>\$ 20,003,766</u>	<u>\$ 10,137,757</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	9,054,914	21,086,609	20,003,766	10,137,757
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 9,054,914</u>	<u>\$ 21,086,609</u>	<u>\$ 20,003,766</u>	<u>\$ 10,137,757</u>

**Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Fiscal Year Ended December 31, 2016**

	Balance January 1	Additions	Deletions	Balance December 31
<b>Public Transportation</b>				
<b>Assets</b>				
Cash	\$ 5,793,717	\$ 63,765,244	\$ 64,377,163	\$ 5,181,798
Deposits with Fiscal Agents/Trustees	-	630,227	630,227	-
Investments	11,218,056	9,543,299	12,575,000	8,186,355
Taxes Receivable	-	-	-	-
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 17,011,773</u>	<u>\$ 73,938,770</u>	<u>\$ 77,582,390</u>	<u>\$ 13,368,153</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Interfund Loans Payable	-	-	-	-
Custodial Account	17,011,773	73,938,770	77,582,390	13,368,153
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 17,011,773</u>	<u>\$ 73,938,770</u>	<u>\$ 77,582,390</u>	<u>\$ 13,368,153</u>

	Balance January 1	Additions	Deletions	Balance December 31
<b>Pass-Thru</b>				
<b>Assets</b>				
Cash	\$ 96,204	\$ 496,162	\$ 567,040	\$ 25,326
Deposits with Fiscal Agents/Trustees	-	-	-	-
Investments	175,818	317	165,945	10,189
Taxes Receivable	-	-	-	-
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ 272,021</u>	<u>\$ 496,479</u>	<u>\$ 732,985</u>	<u>\$ 35,515</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	376	-	-	376
Custodial Account	271,645	496,479	732,985	35,139
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ 272,021</u>	<u>\$ 496,479</u>	<u>\$ 732,985</u>	<u>\$ 35,515</u>

**Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2016**

	Balance January 1	Additions	Deletions	Balance December 31
<b>Kitsap 911</b>				
<b>Assets</b>				
Cash	\$ -	\$ 3,633,300	\$ -	\$ 3,633,300
Deposits with Fiscal Agents/Trustees	-	-	-	-
Investments	-	-	-	-
Taxes Receivable	-	-	-	-
Other Current Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 3,633,300</u>	<u>\$ -</u>	<u>\$ 3,633,300</u>
<b>Liabilities:</b>				
Warrants Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Custodial Account	-	3,633,300	-	3,633,300
Due to Other Governmental Units	-	-	-	-
Deferred Compensation	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 3,633,300</u>	<u>\$ -</u>	<u>\$ 3,633,300</u>





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# Statistical Section

Kitsap County Auditor | Financial Division

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# KITSAP COUNTY, WASHINGTON

Table 1

## Net Position by Component

### Last Ten Fiscal Years

(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 327,899	\$ 336,650	\$ 337,423	\$ 329,346	\$ 330,249	\$ 325,882	\$ 319,654	\$ 320,748	\$ 326,360	\$ 335,511
Restricted	16,531	13,837	21,404	18,758	15,984	13,681	13,022	13,981	12,194	11,707
Unrestricted	75,427	70,512	44,582	50,676	52,207	53,902	86,958	97,403	63,595	65,851
<b>Total governmental activities net position</b>	<b>\$ 419,857</b>	<b>\$ 420,999</b>	<b>\$ 403,409</b>	<b>\$ 398,780</b>	<b>\$ 398,440</b>	<b>\$ 393,465</b>	<b>\$ 419,634</b>	<b>\$ 432,132</b>	<b>\$ 402,149</b>	<b>\$ 413,070</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 42,020	\$ 42,903	\$ 47,506	\$ 53,159	\$ 53,847	\$ 53,332	\$ 61,483	\$ 80,135	\$ 70,080	\$ 85,810
Restricted	11,801	44	44	3,449	3,342	3,342	3,342	4,441	5,222	4,472
Unrestricted	51,476	67,114	67,734	60,168	60,238	62,209	54,738	41,054	51,756	49,834
<b>Total business-type activities net position</b>	<b>\$ 105,297</b>	<b>\$ 110,061</b>	<b>\$ 115,284</b>	<b>\$ 116,776</b>	<b>\$ 117,427</b>	<b>\$ 118,883</b>	<b>\$ 119,563</b>	<b>\$ 125,630</b>	<b>\$ 127,059</b>	<b>\$ 140,115</b>
<b>Primary government capital assets</b>										
Net investment in capital assets	\$ 369,919	\$ 379,553	\$ 384,929	\$ 382,505	\$ 384,095	\$ 379,215	\$ 381,137	\$ 400,883	\$ 396,440	\$ 421,321
Restricted	28,332	13,881	21,448	22,207	19,326	17,023	16,375	18,421	17,416	16,179
Unrestricted	126,903	137,626	112,316	110,844	112,446	116,111	141,685	138,458	115,352	115,685
<b>Total primary government net position</b>	<b>\$ 525,154</b>	<b>\$ 531,060</b>	<b>\$ 518,693</b>	<b>\$ 515,556</b>	<b>\$ 515,867</b>	<b>\$ 512,349</b>	<b>\$ 539,197</b>	<b>\$ 557,763</b>	<b>\$ 529,208</b>	<b>\$ 553,185</b>

# KITSAP COUNTY, WASHINGTON

Table 2

## Change in Net Position Last Ten Fiscal Years

(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 23,571	\$ 26,687	\$ 27,213	\$ 27,402	\$ 25,549	\$ 24,934	\$ 19,290	\$ 25,090	\$ 21,904	\$ 23,378
Judicial Services	14,388	14,611	14,577	13,506	13,872	13,331	13,954	14,063	15,098	15,759
Public Safety	50,515	51,517	51,901	50,796	49,375	49,145	49,931	50,590	52,483	59,463
Physical Environment	4,956	3,982	4,198	4,588	3,044	3,288	3,342	3,493	4,045	3,746
Transportation	37,485	37,460	37,761	36,831	37,020	38,056	37,842	38,456	40,574	42,458
Health & Human Services	40,585	44,876	47,931	46,998	43,615	43,974	43,858	49,067	52,533	59,966
Economic Environment	8,276	8,752	7,639	7,698	6,523	6,747	6,459	7,004	6,623	7,180
Culture & Recreation	8,075	7,293	6,885	6,436	6,766	6,908	6,494	6,628	7,112	7,402
Interest on Long-Term Debt	5,563	5,444	5,367	6,445	5,599	5,399	4,715	4,359	4,287	3,637
Total Governmental	\$ 193,414	\$ 200,621	\$ 203,472	\$ 200,700	\$ 191,363	\$ 191,782	\$ 185,885	\$ 198,752	\$ 204,660	\$ 222,990
Business Type Activities										
Solid Waste	16,627	14,033	13,780	13,823	14,373	13,637	13,749	14,259	14,907	15,924
Sewer Utility	14,198	14,886	14,026	14,545	15,763	16,613	17,805	16,986	16,930	18,070
Surface Water	4,710	4,813	5,505	6,150	7,055	7,388	7,918	8,060	8,201	8,701
Golf	7	27	416	0	0	0	0	0	0	0
Total Business Type Activities	\$ 35,542	\$ 33,759	\$ 33,727	\$ 34,518	\$ 37,191	\$ 37,638	\$ 39,472	\$ 39,306	\$ 40,038	\$ 42,695
Total Primary Government Expenses	\$ 228,956	\$ 234,380	\$ 237,199	\$ 235,218	\$ 228,554	\$ 229,420	\$ 225,357	\$ 238,058	\$ 244,698	\$ 265,685
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services										
General Government	\$ 8,734	\$ 8,833	\$ 10,327	\$ 10,581	\$ 8,502	\$ 8,639	\$ 9,077	\$ 8,743	\$ 9,061	\$ 9,512
Judicial Services	4,617	4,650	4,486	4,414	4,804	5,007	5,255	4,974	4,701	4,182
Public Safety	1,466	929	1,269	1,289	1,033	1,053	868	693	652	1,602
Physical Environment	677	5,781	4,068	4,094	3,850	4,224	4,361	4,844	5,826	7,087
Transportation	2,268	2,840	2,462	2,468	3,445	3,012	2,401	2,448	2,987	2,668
Health & Human Services	380	292	219	203	199	182	195	167	179	271
Economic Environment	5,330	56	86	79	75	91	100	78	0	0
Culture and Recreation	997	939	1,117	1,006	1,055	1,449	1,124	1,076	1,013	1,157
Operating Grants	69,473	72,120	71,831	72,055	67,947	66,458	66,651	78,453	75,878	87,466
Capital Grants and Contributions	3,540	3,799	4,053	1,662	3,265	2,556	3,035	1,463	6,369	7,259
Total Governmental Activities	\$ 97,482	\$ 100,239	\$ 99,918	\$ 97,851	\$ 94,175	\$ 92,671	\$ 93,067	\$ 102,939	\$ 106,665	\$ 121,204
Program Revenues										

# KITSAP COUNTY, WASHINGTON

Table 2

## Change in Net Position Last Ten Fiscal Years

(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Business Type Activities</b>										
Charges for Services										
Solid Waste	\$ 15,083	\$ 13,621	\$ 12,665	\$ 12,407	\$ 12,290	\$ 12,163	\$ 12,632	\$ 13,777	\$ 14,855	\$ 16,068
Sewer Utility	13,191	14,817	14,398	14,325	15,809	16,029	17,391	19,878	20,670	21,871
Surface Water	6,167	6,916	7,347	7,493	7,397	7,394	7,689	8,311	10,530	9,382
Golf	0	0	0	0	0	0	0	0	0	0
Operating Grants	0	0	0	608	1,037	998	1,161	2,265	1,882	4,948
Capital Grants and contributions	1,824	831	3,117	742	784	1,925	1,186	903	1,726	3,642
Total business-type activities	\$ 36,265	\$ 36,185	\$ 37,527	\$ 35,575	\$ 37,317	\$ 38,509	\$ 40,059	\$ 45,134	\$ 49,664	\$ 55,911
Program revenues	\$ 133,747	\$ 136,424	\$ 137,445	\$ 133,426	\$ 131,492	\$ 131,180	\$ 133,126	\$ 148,074	\$ 156,329	\$ 177,115
Program Revenues										
Net (Expense)/Revenue	(95,932)	(100,382)	(103,554)	(102,849)	(97,188)	(99,111)	(92,818)	(95,813)	(97,994)	(101,786)
Governmental Activities	723	2,426	3,800	1,057	126	871	587	5,828	9,626	13,216
Business-type activities	\$ (95,209)	\$ (97,956)	\$ (99,754)	\$ (101,792)	\$ (97,062)	\$ (98,240)	\$ (92,231)	\$ (89,985)	\$ (88,369)	\$ (88,570)
Total Primary Government Net Expense										
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	\$ 50,637	\$ 51,816	\$ 52,821	\$ 54,472	\$ 55,249	\$ 56,249	\$ 57,360	\$ 58,720	\$ 59,764	\$ 60,221
Property taxes, levied for debt service	0	0	0	0	0	0	0	0	0	0
Sales & use taxes	32,270	29,642	27,339	26,498	26,995	27,008	27,667	32,383	35,976	39,436
Fines & forfeits	0	0	0	0	0	0	0	0	0	0
Other taxes	11,440	9,774	9,288	10,139	9,989	11,062	12,288	11,958	13,349	13,918
Investment earnings	6,440	4,739	3,064	2,183	1,704	1,683	1,512	1,541	2,044	2,279
Miscellaneous	4,147	5,087	5,133	4,763	3,772	3,428	3,357	3,741	4,170	4,071
Special item - gain(loss) transfer of assets to Kitsap 911	0	0	(10,330)	0	0	(2,578)	(1,181)	0	0	(7,212)
Extraordinary item - gain(loss) on annexation	0	0	(2,168)	(216)	0	(1,081)	0	0	0	0
Special item - gain - Housing Kitsap receivable	0	0	0	0	0	0	16,090	0	0	0
Special item - loss on demolition of building	0	0	0	0	(1,195)	(1,977)	0	0	0	(508)
Transfers	383	538	542	382	334	349	350	378	472	350
Total Governmental activities	\$ 105,317	\$ 101,596	\$ 85,689	\$ 98,221	\$ 96,848	\$ 94,143	\$ 117,443	\$ 108,722	\$ 115,775	\$ 112,556
Business-type activities										
Investment earnings	\$ 3,042	\$ 2,034	\$ 1,189	\$ 816	\$ 859	\$ 649	\$ 442	\$ 346	\$ 393	\$ 496
Miscellaneous	471	842	776	0	0	0	0	0	0	0
Special item - gain(loss) on sale of capital assets	0	0	0	0	0	0	0	0	0	0
Transfers	(383)	(538)	(542)	(382)	(334)	(349)	(350)	(378)	(472)	(350)
Total business-type activities	\$ 3,130	\$ 2,338	\$ 1,423	\$ 434	\$ 525	\$ 300	\$ 92	\$ (32)	\$ (79)	\$ 146
Total Primary Government	\$ 108,447	\$ 103,934	\$ 87,112	\$ 98,655	\$ 97,373	\$ 94,443	\$ 117,535	\$ 108,690	\$ 115,696	\$ 112,702
<b>Change in Net Position</b>										
Governmental activities	9,385	1,214	(17,865)	(4,628)	(340)	(4,968)	24,625	12,909	17,781	10,771
Business Type activities	3,853	4,764	5,223	1,491	651	1,171	679	5,797	9,546	13,362
Total Primary Government	\$ 13,238	\$ 5,978	\$ (12,642)	\$ (3,137)	\$ 311	\$ (3,797)	\$ 25,304	\$ 18,705	\$ 27,327	\$ 24,132

# KITSAP COUNTY, WASHINGTON

Table 3

Fund Balances of Governmental Funds Last Ten Fiscal Years (amounts expressed in thousands)	2007	2008	2009 (1)	2010	2011 (2)	2012	2013	2014	2015	2016
<b>General Fund (Per GASB 54) (2)</b>										
Nonspendable	0	0	0	0	\$ 440	\$ 443	\$ 418	\$ 387	\$ 376	\$ 365
Restricted	0	0	0	0	0	0	0	0	0	0
Committed	0	0	0	0	0	0	0	0	0	0
Assigned	0	0	0	0	0	0	0	0	0	0
Unassigned	0	0	0	0	13,233	18,018	18,395	20,589	18,455	20,681
<b>General Fund (Prior to GASB 54) (2)</b>										
Reserved	\$ 11,577	\$ 11,197	\$ 462	\$ 451	0	0	0	0	0	0
Unreserved	9,313	6,581	5,111	7,900	0	0	0	0	0	0
<b>Total General Fund</b>	<b>\$ 20,890</b>	<b>\$ 17,778</b>	<b>\$ 5,573</b>	<b>\$ 8,351</b>	<b>\$ 13,673</b>	<b>\$ 18,461</b>	<b>\$ 18,813</b>	<b>\$ 20,976</b>	<b>\$ 18,830</b>	<b>\$ 21,045</b>
<b>All Other Governmental Funds (Per GASB 54) (2)</b>										
Nonspendable	0	0	0	0	\$ 9,785	\$ 9,260	\$ 8,710	\$ 8,150	\$ 7,580	\$ 7,000
Restricted	0	0	0	0	55,836	26,728	29,646	35,920	42,592	48,598
Committed	0	0	0	0	1,535	32,334	35,309	37,410	39,811	33,258
Assigned	0	0	0	0	(413)	-	(268)	(136)	(47)	(6)
Unassigned	0	0	0	0	-	-	-	-	-	-
<b>All Other Governmental Funds (Prior to GASB 54) (2)</b>										
Reserved	0	\$ 2,267	\$ 2,713	\$ 2,042	-	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	58,430	51,796	46,522	49,966	-	-	-	-	-	-
Debt Service Funds	1,777	1,506	12,319	11,716	-	-	-	-	-	-
Capital Projects Funds	14,754	12,331	9,052	7,074	-	-	-	-	-	-
<b>Total all other Governmental Funds</b>	<b>\$ 74,961</b>	<b>\$ 67,900</b>	<b>\$ 70,606</b>	<b>\$ 70,798</b>	<b>\$ 66,743</b>	<b>\$ 68,322</b>	<b>\$ 73,397</b>	<b>\$ 81,345</b>	<b>\$ 89,936</b>	<b>\$ 88,851</b>

(1) Receivable/Reserved fund balance moved from General fund to Debt Service fund (\$11.015 million).

(2) Prior to the implementation of GASB Statement No. 54 in 2011, fund balances were classified as Reserved or Unreserved. Under GASB Statement No. 54, fund balances are classified as Nonspendable, Reserved, Committed, Assigned or Unassigned. General Fund's Fund Balance includes fund balances of thirteen funds previously classified as Special Revenue funds, that did not meet the new Special Revenue fund definition of GASB Statement No. 54. See Note 1. E. 12 for details.

# KITSAP COUNTY, WASHINGTON

Table 4

## Changes in Fund Balances, Governmental Funds

### Last Ten Fiscal Years

(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>										
Property Taxes	\$ 50,638	\$ 51,816	\$ 52,821	\$ 54,472	\$ 55,249	\$ 56,249	\$ 57,360	\$ 58,720	\$ 59,764	\$ 60,221
Retail Sales & Use Taxes	32,270	29,641	27,339	26,498	26,995	27,008	27,667	32,383	35,976	39,436
Other Taxes	11,439	9,774	9,288	10,139	9,989	11,062	12,288	11,958	13,349	13,918
Licenses and Permits	3,286	2,637	1,847	2,597	2,415	2,782	2,917	3,315	4,144	5,605
Intergovernmental	73,003	75,919	75,884	73,717	71,212	68,703	69,686	79,916	82,252	94,724
Charges for Services	15,185	15,824	15,894	15,463	14,066	14,605	14,568	14,370	15,528	16,557
Fines & Forfeits	3,523	2,998	2,719	2,452	2,820	3,105	2,660	2,541	2,382	2,181
Investment Earnings	6,449	4,739	3,064	2,183	1,704	1,682	1,512	1,541	2,044	2,279
Miscellaneous	4,077	5,028	4,669	4,724	3,749	3,415	3,343	4,005	4,088	4,070
<b>Total Revenues</b>	<b>\$ 199,870</b>	<b>\$ 198,376</b>	<b>\$ 193,525</b>	<b>\$ 192,245</b>	<b>\$ 188,199</b>	<b>\$ 188,611</b>	<b>\$ 192,001</b>	<b>\$ 208,750</b>	<b>\$ 219,528</b>	<b>\$ 238,991</b>
<b>Expenditures</b>										
Current:										
General Government	\$ 26,840	\$ 28,817	\$ 27,540	\$ 27,173	\$ 24,376	\$ 25,254	\$ 25,000	\$ 27,248	\$ 26,888	\$ 28,544
Judicial Services	14,367	14,592	14,556	13,486	13,854	13,312	13,938	14,045	15,081	15,742
Public Safety	45,790	47,059	47,703	45,942	45,071	44,512	45,200	46,318	51,164	52,186
Physical Environment	4,956	3,982	4,198	4,588	3,044	3,289	3,342	3,493	4,122	3,746
Transportation	22,124	23,404	23,249	23,744	24,208	25,215	25,193	25,937	28,334	30,644
Health & Human Services	40,433	44,725	47,780	46,854	43,475	43,834	43,718	48,928	52,479	59,826
Economic Environment	8,260	8,737	7,624	7,684	6,518	6,743	6,455	7,000	6,542	7,177
Culture and Recreation	6,944	6,053	5,482	5,165	5,479	5,595	5,266	5,447	5,942	6,094
Debt Service										
Principal	5,744	6,129	17,438	9,692	11,567	9,803	23,057	6,189	6,424	6,695
Interest and Other Charges	5,567	5,444	6,664	5,959	5,275	5,075	4,553	4,359	4,287	3,637
Capital Outlay	19,014	19,917	14,678	8,038	10,379	4,406	6,216	11,267	11,411	20,045
<b>Total Expenditures</b>	<b>\$ 200,039</b>	<b>\$ 208,859</b>	<b>\$ 216,912</b>	<b>\$ 198,325</b>	<b>\$ 193,246</b>	<b>\$ 187,038</b>	<b>\$ 201,938</b>	<b>\$ 200,231</b>	<b>\$ 212,675</b>	<b>\$ 234,338</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ (169)	\$ (10,483)	\$ (23,387)	\$ (6,080)	\$ (5,047)	\$ 1,573	\$ (9,937)	\$ 8,518	\$ 6,853	\$ 4,653

# KITSAP COUNTY, WASHINGTON

Table 4

## Changes in Fund Balances, Governmental Funds

### Last Ten Fiscal Years

(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Other Financing Sources (Uses):</b>										
Proceeds from BANS	0	0	\$ 40,546	\$ 876	\$ 640	\$ 492	\$ 220	0	0	0
Refunding Bonds Issued	0	0	0	9,416	20,422	0	53,278	0	24,509	0
Premiums on Bonds	0	0	0	73	869	0	0	0	0	0
Capital-Related Debt Issued	0	0	0	0	0	0	0	0	0	0
Payment to Bond Refunding Escrow Agent	0	0	0	(7,141)	(21,363)	0	(37,914)	0	(24,412)	0
Sale of Capital Assets	0	4	0	7	0	567	117	1,659	104	378
Transfers In	18,443	18,792	29,349	20,725	15,780	17,659	31,582	14,420	16,428	20,802
Transfers Out	(18,015)	(18,416)	(28,775)	(20,373)	(15,492)	(17,607)	(31,982)	(14,077)	(16,932)	(24,854)
Other Adjustments	0	0	0	0	0	0	0	0	0	0
Total Other Financing Sources & Uses	\$ 428	\$ 380	\$ 41,120	\$ 3,583	\$ 856	\$ 1,111	\$ 15,301	\$ 2,002	\$ (303)	\$ (3,673)
<b>Special Items</b>										
Payment of Assumed Debt	0	0	(54,103)	0	0	0	0	0	0	0
Special Item-Sales of Pledged Assets	0	0	26,595	5,468	5,459	3,688	121	0	0	0
Total Special Items	0	0	(27,508)	5,468	5,459	3,688	121	0	0	0
Net Change in Fund Balance	\$ 259	\$ (10,103)	\$ (9,775)	\$ 2,971	\$ 1,268	\$ 6,372	\$ 5,485	\$ 10,521	\$ 6,550	\$ 980

Debt Service as a Percentage of  
Non-capital Expenditures

6.2%	6.1%	11.9%	8.2%	8.1%	9.2%	14.1%	5.6%	5.3%	4.8%
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# KITSAP COUNTY, WASHINGTON

Table 5

Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

Fiscal Year	REAL PROPERTY				PERSONAL PROPERTY				TOTALS				Ratio of Total Assessed Value To Total Estimated Actual Value	Total Kitsap County Levy Rate per \$1,000
	Assessed Value		Estimated Actual Value		Assessed Value		Estimated Actual Value		Assessed Value		Estimated Actual Value			
2007	\$ 27,857,987	\$ 31,801,355	\$ 433,991	\$ 433,991	\$ 28,291,978	\$ 32,235,346	\$ 87.9%	2.21						
2008	\$ 31,882,028	\$ 36,395,009	\$ 456,171	\$ 465,956	\$ 32,338,199	\$ 36,860,965	\$ 87.8%	2.02						
2009	\$ 31,870,208	\$ 37,058,381	\$ 421,446	\$ 434,929	\$ 32,291,654	\$ 37,493,310	\$ 86.2%	2.08						
2010	\$ 29,476,028	\$ 34,314,352	\$ 442,035	\$ 447,404	\$ 29,918,063	\$ 34,761,756	\$ 86.2%	2.32						
2011	\$ 27,707,518	\$ 31,414,420	\$ 443,635	\$ 449,934	\$ 28,151,153	\$ 31,864,354	\$ 88.4%	2.50						
2012	\$ 26,438,990	\$ 29,773,637	\$ 412,734	\$ 464,790	\$ 26,851,724	\$ 30,238,427	\$ 88.8%	2.65						
2013	\$ 25,423,782	\$ 27,604,640	\$ 394,485	\$ 428,322	\$ 25,818,267	\$ 28,032,962	\$ 92.1%	2.65						
2014	\$ 25,194,072	\$ 26,586,892	\$ 406,644	\$ 446,861	\$ 25,600,716	\$ 28,132,655	\$ 91.0%	2.90						
2015	\$ 26,394,721	\$ 28,049,650	\$ 399,946	\$ 425,022	\$ 26,794,667	\$ 28,474,673	\$ 94.1%	2.83						
2016	\$ 27,555,323	\$ 30,995,864	\$ 397,422	\$ 447,044	\$ 27,952,754	\$ 31,442,908	\$ 88.9%	2.77						

Source: Kitsap County Assessor



# KITSAP COUNTY, WASHINGTON

Table 6

Property Tax Rates - All Overlapping Governments  
Per \$1,000 of Assessed Value  
Last Ten Years

Fiscal Year	Kitsap County				Other Taxing Districts							Totals
	Kitsap County*	County Roads	County	Kitsap County	School Districts	Fire Districts	Port Districts	Cities	Public Library	Public Utility District	Other*	
2007	0.96	1.25	2.21	5.12	1.41	0.50	1.71	0.31	0.07	1.38	12.71	
2008	0.88	1.14	2.02	4.61	1.34	0.46	1.52	0.28	0.06	1.26	11.55	
2009	0.90	1.18	2.08	4.74	1.40	0.46	1.57	0.29	0.06	1.36	11.96	
2010	0.99	1.33	2.32	5.21	1.70	0.50	1.73	0.33	0.07	1.50	13.36	
2011	1.07	1.43	2.50	5.49	1.79	0.52	1.87	0.35	0.07	1.50	14.09	
2012	1.13	1.52	2.65	6.19	1.82	0.53	1.95	0.37	0.08	1.59	15.18	
2013	1.20	1.61	2.81	6.69	1.85	0.30	2.01	0.40	0.09	0.91	15.06	
2014	1.24	1.66	2.90	6.76	1.87	0.32	2.05	0.40	0.09	1.08	15.47	
2015	1.20	1.63	2.83	6.47	1.90	0.31	1.98	0.39	0.08	0.91	14.87	
2016	1.17	1.60	2.77	6.54	2.11	0.31	1.94	0.38	0.08	1.07	15.20	

Source: Kitsap County Assessor

\*Includes Current Expense, Conservation Futures, and Cencom / 911 Facility.

# KITSAP COUNTY, WASHINGTON

Table 7

## Principal Property Taxpayers

December 31, 2016

Reported in Thousands

Name	2016			2007		
	Assessed Value	Rank	Percent of County Assessed Value**	Assessed Value	Rank	Percent of County Assessed Value**
Puget Sound Energy	208,403	1	0.736%	131,580	1	0.460%
PPR Kitsap Mall LLC	78,777	2	0.278%	92,502	2	0.324%
Qwest Corporation	50,898	3	0.180%	51,485	3	0.180%
Walmart	46,522	4	0.164%	36,801	5	0.129%
Fred Meyer Stores Inc	37,359	5	0.132%	22,234	11	0.078%
Fairgrounds Road LLC	28,136	6	0.099%	29,691	6	0.104%
United Telephone Co of the NW	26,895	7	0.095%	24,488	8	0.086%
PK 1 Silverdale Shopping Center LLC	26,687	8	0.094%	29,493	7	0.103%
Alamo Silverdale LLC	24,875	9	0.088%			
NA Mariners Glen 68 LP	23,826	10	0.084%			
LBG Bainbridge LLC	22,273	11	0.079%			
Ohava Investment Group	22,225	12	0.078%			
Cascade Natural Gas Corp	21,859	13	0.077%	23,478	9	0.082%
Santa Fe Ridge Apartments LLC	21,479	15	0.076%			
Safeway Inc	21,556	14	0.076%			
ABS WA O LLC	21,431	16	0.076%			
Silverdale Central LLC	21,097	17	0.074%			
Tahoe Lane Apartments LLC	20,201	18	0.071%			
Gemini Wellington Fee Owner LLC	19,987	19	0.071%			
Gemini Ridgetop Fee Owner LLC	18,122	20	0.064%			
Forest City				48,133	4	0.168%
Kitsap Credit Union				22,461	10	0.079%
Mentor J P				18,337	12	0.064%
Laurelhurst Apartments Co				17,275	13	0.060%
FW Outlook Apartments LLC				15,622	14	0.055%
Country Club of Seattle				14,892	15	0.052%
PNW Island Village LLC				14,882	16	0.052%
Apanage Corp				14,732	17	0.052%
Quail Hollow Assoc/Greystone Serv Corp				14,288	18	0.050%
Liberty Ridge Apts LLC				13,228	19	0.046%
Little Valley Storage LLC				12,438	20	0.044%
	28,330	2016		28,579	2007	
	Assessed Value **					

Source: Kitsap County Assessor

# KITSAP COUNTY, WASHINGTON

Table 8

## Property Tax Levies and Collections\* Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Year (Original Levy)	Adjustments (1)	Total Adjusted Tax Levy	Collected in the Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Uncollected Taxes (2)	
				Amount	Percentage of Levy		Amount	Percentage of Adj Levy	Amount	Percentage of Adj Levy
2007	\$ 50,348,481	\$ 513,141	\$ 50,861,622	\$ 49,536,310	98.39%	\$ 1,282,403	\$ 50,818,713	99.92%	\$ 42,909	0.08%
2008	\$ 52,321,921	\$ 20,525	\$ 52,342,446	\$ 50,776,187	97.05%	\$ 1,520,059	\$ 52,296,246	99.91%	\$ 46,200	0.09%
2009	\$ 53,644,646	\$ (61,648)	\$ 53,582,998	\$ 51,777,046	96.52%	\$ 1,750,052	\$ 53,527,098	99.90%	\$ 55,900	0.10%
2010	\$ 54,581,251	\$ (153,471)	\$ 54,427,780	\$ 52,778,658	96.70%	\$ 1,600,693	\$ 54,379,351	99.91%	\$ 48,429	0.09%
2011	\$ 55,458,279	\$ (229,759)	\$ 55,228,520	\$ 53,687,415	96.81%	\$ 1,491,127	\$ 55,178,542	99.91%	\$ 49,978	0.09%
2012	\$ 56,410,557	\$ (202,206)	\$ 56,208,351	\$ 54,763,640	97.08%	\$ 1,377,009	\$ 56,140,648	99.88%	\$ 67,703	0.12%
2013	\$ 57,248,798	\$ (90,239)	\$ 57,158,559	\$ 55,825,744	97.51%	\$ 1,319,302	\$ 57,145,046	99.98%	\$ 13,513	0.02%
2014	\$ 58,327,285	\$ (65,500)	\$ 58,261,784	\$ 57,263,948	98.18%	\$ 755,030	\$ 58,018,978	99.58%	\$ 242,806	0.42%
2015	\$ 59,452,629	\$ (54,431)	\$ 59,398,198	\$ 58,546,937	98.48%	\$ 475,689	\$ 59,022,626	99.37%	\$ 375,572	0.63%
2016	\$ 60,119,406	\$ (76,182)	\$ 60,043,224	\$ 59,245,780	98.55%	\$ (0)	\$ 59,245,780	98.67%	\$ 797,444	1.33%

Source: Kitsap County Treasurer

\* Excludes Agency Funds.  
The levy of any given fiscal year is based on the assessed values from the tax roll of the preceding calendar year.  
Adjustments in original levy are due to omits, cancellations and supplements during the fiscal year.  
The amounts in the total uncollected taxes column are cumulative totals of all taxes levied at the end of the year.  
Does not include state school

# KITSAP COUNTY, WASHINGTON

Table 9

## Ratios of Outstanding Debt by Type Last Ten Fiscal Years

(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Special Assessment Bonds	Other Debt (2)	Sewer Bonds	General Obligation Bonds	Other Debt (2)	Other Debt (2)				
2007	\$ 108,789	\$ 45	\$ 6,036	\$ 19,150	\$ 221	\$ 11,476	\$ 145,717	1.452%	\$ 616		
2008	\$ 102,866	\$ 5	\$ 5,829	\$ 17,520	\$ 114	\$ 10,854	\$ 137,188	1.304%	\$ 575		
2009	\$ 100,335	\$ -	\$ 31,438	\$ 15,825	\$ -	\$ 10,225	\$ 157,822	1.510%	\$ 640		
2010	\$ 97,862	\$ -	\$ 27,292	\$ 52,535	\$ -	\$ 10,400	\$ 188,089	1.766%	\$ 747		
2011	\$ 91,962	\$ -	\$ 24,484	\$ 50,620	\$ -	\$ 9,485	\$ 176,551	1.701%	\$ 734		
2012	\$ 84,644	\$ -	\$ 22,489	\$ 48,650	\$ -	\$ 11,484	\$ 167,267	1.543%	\$ 678		
2013	\$ 98,890	\$ -	\$ 2,937	\$ 46,595	\$ -	\$ 12,019	\$ 160,441	1.387%	\$ 613		
2014	\$ 93,465	\$ -	\$ 2,734	\$ 44,440	\$ -	\$ 11,329	\$ 151,968	1.284%	\$ 598		
2015	\$ 86,085	\$ -	\$ 2,525	\$ 59,540	\$ -	\$ 10,398	\$ 158,547	1.271%	\$ 599		
2016	\$ 80,275	\$ -	\$ 2,324	\$ 57,175	\$ -	\$ 9,459	\$ 149,233	N/A	N/A		

Source: Kitsap County Treasurer

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

(2) Other Debt - Governmental Activities includes various Public Works Trust Funds debt, notes payable

Bremerton Government Center, Bank of America/BAN - KCCCHA debt refinance;

Other Debt - Business Type Activities includes various Public Works Trust Fund debt.

# KITSAP COUNTY, WASHINGTON

Table 10

## Ratios of General Bonded Debt Outstanding

### Last Ten Fiscal Years

(amounts expressed thousands, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds (2)	Total Net Bonded General Obligation Debt	Net Bonded General Obligation Debt as a Percentage of Estimated Actual Value of Property	Net Bonded General Obligation Debt Per Capita (1)
2007	\$ 109,010	\$ 1,686	\$ 107,324	0.33%	\$ 438
2008	\$ 102,980	\$ 1,414	\$ 101,566	0.28%	\$ 412
2009	\$ 100,335	\$ 12,276	\$ 88,059	0.23%	\$ 356
2010	\$ 97,862	\$ 11,540	\$ 86,322	0.25%	\$ 344
2011	\$ 91,962	\$ 10,879	\$ 81,083	0.25%	\$ 319
2012	\$ 84,644	\$ 10,291	\$ 74,353	0.25%	\$ 293
2013	\$ 98,890	\$ 9,712	\$ 89,178	0.32%	\$ 350
2014	\$ 93,465	\$ 9,122	\$ 84,343	0.30%	\$ 330
2015	\$ 86,085	\$ 8,398	\$ 77,687	0.28%	\$ 304
2016	\$ 80,275	\$ 7,828	\$ 72,447	0.25%	\$ 276

Source: Kitsap County Treasurer, Kitsap County Assessor

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property

(1) Population data can be found in the Schedule of Demographic and Economic Statistics

(2) Increase in 2009 due to reclassification of a Note Receivable from General Fund into Debt Service Fund where debt is paid.

Less: Amounts Available is all outstanding debt listed on Schedule 09 that has a fund balance at the end of the year.

# KITSAP COUNTY, WASHINGTON

Table 11

## Computation of Direct and Overlapping Debt December 31, 2016

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to Kitsap County</u>	<u>Amount Applicable to Kitsap County</u>
<u>Direct:</u> Kitsap County	\$ 82,599,296	100%	\$ 82,599,296
<u>Overlapping debt:</u> Cities	\$ 55,680,000	100%	\$ 55,680,000
School Districts	\$ 255,196,110	100%	\$ 255,196,110
Park Districts	\$ 6,840,000	100%	\$ 6,840,000
Fire Districts	\$ 27,058,199	100%	\$ 27,058,199
Port Districts	\$ 6,833,039	100%	\$ 6,833,039
Utility Districts	\$ 4,455,000	100%	\$ 4,455,000
Total Overlapping	\$ 356,062,348		\$ 356,062,348
Total Direct & Overlapping	<u>\$ 438,661,644</u>		<u>\$ 438,661,644</u>

Note: All overlapping governments with debt are contained within the boundaries of the County.

Source: Kitsap County Treasurer

# KITSAP COUNTY, WASHINGTON

Table 12

## Legal Debt Margin Information Last Ten Fiscal Years (amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt Limit	\$ 714,487	\$ 816,307	\$ 814,933	\$ 754,916	\$ 710,862	\$ 678,312	\$ 652,991	\$ 647,773	\$ 679,005	\$ 708,255
Total net debt applicable to limit	115,046	108,809	131,773	125,153	116,446	107,133	101,827	96,199	88,610	82,599
Legal debt margin	\$ 599,441	\$ 707,498	\$ 683,160	\$ 629,763	\$ 594,416	\$ 571,179	\$ 551,163	\$ 551,574	\$ 590,395	\$ 625,655
Total net debt applicable to the limit as a percentage of debt limit	16.10%	13.33%	16.17%	16.58%	16.38%	15.79%	15.59%	14.85%	13.05%	11.66%

### Legal Debt Margin Calculation for Fiscal Year 2016

Total assessed value	\$ 28,330,184
Debt limit (2.5% of total assessed value)	708,255
Debt applicable to limit:	
General Obligation bonds	80,275
Other debt	2,324
Total net debt applicable to limit	82,599
Legal debt margin	\$ 625,655

Note: Under Washington State finance law, Kitsap County's outstanding general obligation debt should not exceed 2.5% of total assessed property value (or 5%, provided the indebtedness in excess of 2.5% is for utilities, parks, or open space development). By law, general obligation debt subject to the limitation may be offset by the amount set aside for repaying general obligation bonds.

# KITSAP COUNTY, WASHINGTON

Table 13

**Pledged Revenue Coverage**  
**Last Ten Fiscal Years**  
 (amounts expressed in thousands)

Fiscal Year	Sewer Revenue Bonds										Special Assessment Bonds				
	Sewer Charges and Other (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service			Total	Coverage	Special Assessment Collections			Debt Service		Total	Coverage
				Principal	Interest	Total			Principal	Interest	Total	Principal	Interest		
2007	\$ 14,595,251	\$ 8,686,432	\$ 5,908,819	\$ 1,565,000	\$ 922,287	\$ 2,487,287	2.38	\$ 18,700	\$ 20,000	\$ 3,478	\$ 23,478	0.80			
2008	\$ 15,744,093	\$ 9,649,643	\$ 6,094,450	\$ 1,630,000	\$ 862,471	\$ 2,492,471	2.45	\$ 20,072	\$ 40,000	\$ 2,408	\$ 42,408	0.47			
2009	\$ 14,947,282	\$ 9,346,812	\$ 5,600,470	\$ 1,695,000	\$ 795,720	\$ 2,490,720	2.25	\$ 10,339	\$ 5,000	\$ 268	\$ 5,268	1.96			
2010	\$ 14,693,440	\$ 9,548,330	\$ 5,145,110	\$ 1,765,000	\$ 777,645	\$ 2,542,645	2.02	-	-	-	-	N/A			
2011	\$ 16,123,263	\$ 9,370,873	\$ 6,752,390	\$ 1,915,000	\$ 2,103,593	\$ 4,018,593	1.68	-	-	-	-	N/A			
2012	\$ 16,410,931	\$ 10,228,273	\$ 6,182,658	\$ 1,970,000	\$ 2,163,577	\$ 4,133,577	1.50	-	-	-	-	N/A			
2013	\$ 17,660,732	\$ 11,089,471	\$ 6,571,261	\$ 2,055,000	\$ 2,159,958	\$ 4,214,958	1.56	-	-	-	-	N/A			
2014	\$ 20,088,432	\$ 10,000,593	\$ 10,087,839	\$ 2,155,000	\$ 2,048,381	\$ 4,203,381	2.40	-	-	-	-	N/A			
2015	\$ 20,892,496	\$ 9,423,863	\$ 11,468,633	\$ 2,260,000	\$ 2,278,469	\$ 4,538,469	2.53	-	-	-	-	N/A			
2016	\$ 22,176,139	\$ 11,014,625	\$ 11,161,514	\$ 2,365,000	\$ 2,341,294	\$ 4,706,294	2.37	-	-	-	-	N/A			

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements.

(1) Sewer charges and other includes investment earnings but not tap fees.

(2) Operating expenses do not include interest or depreciation.



# KITSAP COUNTY, WASHINGTON

Table 14

## Demographic Statistics Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (millions of dollars) (2)</b>	<b>Per Capita Personal Income (3)</b>	<b>School Enrollment (4)</b>	<b>Unemployment Rate (5)</b>
2007	244,800	10,038	42,452	42,926	4.4
2008	246,800	10,518	44,046	40,463	5.0
2009	247,600	10,454	42,406	40,678	7.7
2010	251,133	10,649	42,314	39,280	8.2
2011	253,900	10,377	43,117	39,642	7.9
2012	254,500	10,842	43,956	38,888	7.4
2013	254,000	11,564	44,215	38,411	6.8
2014	255,900	11,838	46,573	38,255	6.6
2015	258,200	12,474	47,162	37,942	5.0
2016	* 262,590	N/A	N/A	39,020	5.7

Sources:

(1) State of Washington - Office of Financial Management

(2) Bureau of Economic Analysis, an agency of the U.S. Department of Commerce

(3) Bureau of Economic Analysis, an agency of the U.S. Department of Commerce

(4) Washington Office of Superintendent of Public Instruction and Private School Review

(5) Washington Employment Security Department//LMEA; US Bureau of Labor Statistics, Local Area Unemployment Statistics

\* Estimate

**KITSAP COUNTY, WASHINGTON**

**Table 15**

**Principal Employers  
Current year and Ten Years Ago**

EMPLOYER	2014			2007		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
(1) Naval Base Kitsap	30,784	1	39.26%	36,380	1-3, 7	30.97%
Harrison Hospital	2,442	2	3.11%	1,972	4	1.68%
Washington State Government	1,746	3	2.23%			
Central Kitsap School District	1,469	4	1.87%	1,601	5	1.36%
Olympic College	1,206	5	1.54%	1,497	6	1.27%
South Kitsap School District	1,176	6	1.50%	1,203	9	1.02%
Kitsap County	1,126	7	1.44%	1,243	8	1.06%
North Kitsap School District	844	8	1.08%	1,025	10	0.87%
Port Madisdon Enterprises	752	9	0.96%			
Bremerton School District	663	10	0.85%			
Martha & Mary Health Services	599	11	0.76%			
<b>Total</b>	<b>42,807</b>		<b>54.59%</b>	<b>44,921</b>		<b>38.24%</b>
Total non-farm employment	78,420			117,460		

Note - 2014 data is the most recent data available from Kitsap Regional Economic Development Alliance as of the preparation of this report.

Sources:  
Kitsap Regional Economic Development Alliance  
The US Census Bureau

(1) "Naval Base Kitsap" is the total of all military bases in Kitsap County and includes military and civilian employees

# KITSAP COUNTY, WASHINGTON

Table 16

## Full-time Equivalent County Employees by Function Last Ten Fiscal Years

	2007	2008	2009	2010	2011 (1)	2012	2013	2014	2015	2016
<b>Governmental Activities:</b>										
General Government										
Administrative Services	10	11	10	11	11	9	10	11	11	11
Assessor	33	32	32	32	23	23	22	22	22	22
Auditor	37	37	39	39	29	29	28	28	28	28
Commissioners	12	12	12	15	10	10	11	12	12	12
ER&R	15	16	16	15	16	16	16	16	16	16
Facilities Maintenance	28	29	29	29	21	21	11	11	11	11
Information Services	30	29	33	33	33	35	41	41	42	42
Personnel	17	16	15	15	13	12	13	13	15	15
Purchasing	3	3	4	4	2	2	1	2	1	1
Self Insurance	3	3	3	3	3	1	2	2	2	2
Treasurer	13	13	13	13	11	11	11	11	12	12
Workers Compensation	2	2	2	2	3	2	2	2	1	1
Total General Government	203	203	208	211	175	171	168	171	174	174
Judicial Services:	198	195	199	204	174	172	173	178	183	183
Public Safety	444	456	460	461	406	393	394	398	400	400
Physical Environment	3	3	3	3	3	3	3	3	3	3
Transportation	141	140	141	140	146	142	137	140	140	148
Health & Human Services	81	87	88	88	83	84	80	81	78	82
Economic Environment	90	92	90	90	47	48	52	57	63	67
Culture and Recreation	55	35	36	34	30	31	33	34	36	36
Total Governmental	1012	1008	1017	1020	889	873	872	891	903	919
<b>Business Type Activities:</b>										
Solid Waste	22	22	25	25	25	25	26	26	24	24
Sewer Utility	63	63	62	61	64	64	66	66	65	65
Surface Water	30	29	12	30	30	30	30	32	33	34
Total Business Type Activities	115	115	99	116	119	119	122	124	122	123
<b>Total Government</b>	<b>1330</b>	<b>1326</b>	<b>1324</b>	<b>1347</b>	<b>1183</b>	<b>1163</b>	<b>1162</b>	<b>1186</b>	<b>1199</b>	<b>1216</b>

Source: Kitsap County Budget Book Appendix E.

(1) Beginning in 2011, only authorized funded positions are included in the County's FTE count; unfunded positions that were included in prior years' FTE counts are not included for 2012.

# KITSAP COUNTY, WASHINGTON

Table 17

## Operation Indicators by Function/ Program Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Judicial Services										
Prosecutor										
Total Criminal Referrals	12,446	11,802	13,424	11,348	15,459	14,309	13,743	12,211	N/A	N/A
Public Safety										
Sheriffs										
Complaint Reports	16,840	16,631	14,859	14,376	14,553	14,238	13,670	13,479	12,607	N/A
Jail										
Bookings	10,866	10,204	10,180	9,835	9,359	9,031	8,813	8,606	8,130	8,436
Average Daily Jail Population	488	408	376	436	461	396	450	448	387	399
Cencom										
Emergency Calls Answered	221,651	155,904	157,027	159,937	157,381	166,809	165,860	178,860	180,824	190,653
Incidents Dispatched	242,855	239,995	238,097	244,984	247,602	283,861	241,623	250,623	306,353	257,859
Transportation										
Roads										
Sealcoating (center in. miles)	19.39	0	0	17.17	0.00	12.54	14.62	14.64	17.34	16.63
Maintenance Overlays (center in. miles)	20.52	15.99	16.09	18.37	44.82	17.01	18.33	28.89	33.38	18.54
Business Type Activities										
Sewer Utility										
Total Treated Sewage (gallons) (1)	1,536,700	1,530,734	1,470,900	1,620,600	1,526,400	1,461,400	1,352,000	1,500,000	1,439,000	1,541,000
Sewer Permits Issued	84	162	120	68	131	112	171	77	51	156
Surface and Storm Water Management										
Catch Basins Maintained	7,560	11,000	11,015	7,196	6,081	7,566	6,196	7,566	10,799	11,000
Number of Request for Action	22	136	93	131	117	203	131	122	173	203
Solid Waste										
Tons of Garbage Disposed	217,824	196,439	182,299	181,156	178,024	176,398	178,081	187,914	193,432	207,038
Tons of Recyclables Collected	36,702	36,294	37,254	36,383	36,592	36,730	31,053	30,649	36,572	40,790

Sources: Various County Departments

Note: Some indicators are not available for government functions.

(1) Reported in thousands

# KITSAP COUNTY, WASHINGTON

Table 18

## Capital Asset Statistics by Function Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Judicial Services (1)										
Superior Court Rooms	9	9	8	8	8	8	8	8	8	8
District Court Rooms	5	5	4	4	4	4	4	4	4	4
Public Safety										
Sheriffs Stations	3	3	3	3	3	3	3	3	3	3
Jail										
Beds (2)	587	587	587	587	587	587	587	587	587	587
Juvenile Detention Center										
Beds	103	103	103	103	103	103	103	103	103	103
Cencom										
Buildings	1	1	1	1	1	1	1	1	1	1
Broadcast Towers	6	5	5	5	8	9	8	9	73	73
Transportation										
Roads										
Miles of Roads Maintained	939	930	914	923	921	904	915	915	907	918
Traffic Signals	41	43	44	44	41	44	45	46	44	44
Street Lights	496	496	545	545	545	554	772	777	777	777
Culture and Recreation										
Parks										
Developed parks	77	78	78	81	79	79	75	79	72	72
Parks acreage	5,800	5,694	5,800	6,119	6,344	6,344	6,340	7,000	7,399	7,566
Business Type Activities										
Sewer Utility										
Treatment Plants	4	4	4	4	4	4	4	4	4	4
Pump Stations	65	67	64	64	64	64	64	64	58	58
Surface and Storm Water Management										
Number of Retention Facilities (Ponds)	551	551	551	551	413	459	459	460	460	475
Solid Waste										
Transfer Stations	4	4	4	4	4	4	4	4	4	4

Sources: Various County Departments

Note: Some indicators are not available for government functions.

(1) Includes both Juvenile and Adult courts

(2) Breakdown of Jail Beds: 479 regular beds, 108 floor space



**Kitsap County Auditor's Office**  
**Financial Division**  
619 Division St., Port Orchard, WA 98366  
[www.kitsapgov.com/aud/](http://www.kitsapgov.com/aud/)  
(360) 337-7129