



Comprehensive Annual Financial Report

For Fiscal Year Ending
December 31, 2016

Whatcom County
WASHINGTON

Comprehensive Annual Financial Report

Whatcom County Washington

Fiscal Year Ending December 31, 2016



This Report Prepared and Published by the
Whatcom County Administrative Services Department
Finance Office

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On the Cover:

Trail at Hovander Park
Photo by Shara Struiksma

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**WHATCOM COUNTY
EXECUTIVE'S OFFICE
County Courthouse**
311 Grand Avenue, Suite #108
Bellingham, WA 98225-4082



February 12, 2018

Citizens of Whatcom County:

We are pleased to submit the Comprehensive Annual Financial Report of Whatcom County for the year ended December 31, 2016, in accordance with the provision of Chapter 36.22 of the Revised Code of Washington. The financial statements are presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by the Office of the Washington State Auditor.

The responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the County. Whatcom County has established a comprehensive internal control system to provide a reasonable basis for making these representations. Internal controls are designed both to protect the government's assets from loss, theft, or misuse and to compile reliable information for the preparation of the County's financial statements in conformity with GAAP. The County's internal controls have been designed to provide reasonable assurance that the financial statements will be free from material misstatements. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the County's financial activity have been included.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Whatcom County's MD&A can be found before the basic financial statements on page 7.

GENERAL INFORMATION

Whatcom County was created by an act of the Legislative Assembly of the Territory of Washington on March 9, 1854. In the eighteenth century, the area was visited by Spanish and British explorers; Bellingham Bay was named by Captain George Vancouver. The legislature stipulated that the Whatcom County Courthouse shall remain permanently in the settlement of Whatcom (now a part of the City of Bellingham) as the county seat. For the first few years, all business and court were transacted at the home of R. V. Peabody on the west bank of Whatcom Creek.

Whatcom County is located in the northwest corner of Washington State. Its northern border is British Columbia, Canada. On the southern border is Skagit County, east is Okanogan County and to the west is Puget Sound. The

County is 2,126 square miles in size and about two thirds of the county is part of either the Mt. Baker National Forest or the North Cascades National Park. The Cascade Range runs through the central and western part of the county and Mt. Baker, a 10,775 foot peak, is in the center. All of the incorporated areas are within the western corridor. The county seat, Bellingham, is the major city of Whatcom County with about 40 percent of the county's total population. Bellingham is located 90 miles north of Seattle, the major metropolitan city in the State of Washington and 50 miles south of Vancouver, British Columbia. The population of Whatcom County in 2016 is estimated at 212,540.

Whatcom County operates under a Home Rule Charter adopted by the voters of the county in 1978. The County Council, which consists of six members elected by districts and one member at large, is the policy determining and legislative body of the County. The Council levies taxes, makes appropriations and adopts the budget for the County. The elected County Executive presents to the County Council an annual statement of the financial and governmental affairs of the County, the budget, and capital improvement plans. The county charter was amended in November 1993 to allow the establishment of an Administrative Services department. Effective July 1994, financial accounting and reporting responsibilities were transferred to the Administrative Services Finance division under the authority of the County Executive. Tax collection, receipting, and investment responsibilities are those of the elected County Treasurer.

The County provides a wide range of services, some to all citizens and some only to unincorporated areas. Services include road construction and maintenance, law enforcement, flood control, parks and recreation services, public health services, court services, agriculture services, tax assessment and collection, planning and zoning services, mental health services, fire inspections, animal control, criminal detention, election administration, solid waste and recycling, ambulance, medical examiner, and probation services.

Most funds in this report pertain to the entity Whatcom County Government. Certain agency funds exist to fill the County's custodial role for these agencies. Under state statute, the County Treasurer is the ex officio treasurer of most special purpose districts (fire, cemetery, water, drainage, public utility district). Money received from or for the special purpose districts is deposited in a central bank account and the Treasurer invests or disburses this money according to the instructions of the respective special purpose district's governing body or administrative officer.

ECONOMIC CONDITION AND OUTLOOK

The County serves a rapidly expanding population, which has grown 10 percent since 2009. The County's greatest employment sector is "government." Employment of Whatcom County's workforce of approximately 107,690 includes the following sectors:

Agriculture, Forestry, Fishing and Hunting	4.64%
Mining	*
Utilities	*
Construction	6.86%
Manufacturing.....	11.09%

Transportation and Warehousing.....	2.56%
Wholesale/Retail Trade.....	15.28%
Professional/Technical Services	3.50%
Finance/Insurance/Real Estate	3.47%
Management of Companies and Enterprises.....	0.61%
Administrative/Waste Services.....	4.66%
Educational Services.....	1.06%
Healthcare and Social Assistance	13.22%
Arts, Entertainment and Recreation	1.89%
Accommodation and Food Services	9.85%
Government	16.72%
Information.....	1.34%
Other Services, except Public Administration.....	2.94%
Not Elsewhere Classified.....	0.31%

**Employment not shown to avoid disclosure of data for individual employer.*

Source: WA State Employment Security Department

International Transportation

Whatcom County is home to one of the highest volume border crossings between the United States and Canada. With its port, highway, rail, and air facilities, Whatcom County’s strategic physical location provides for an important international transportation hub.

The Port of Bellingham significantly contributes to the growing trade between Asia and North America, as well as the area’s local economy. The Port has more than 1,600 acres of waterfront commercial and industrial property and it administers a federally designated foreign trade zone that promotes manufacturing, warehousing and trade in the region. Over 275 companies operate on Port property.

Higher Education

Western Washington University (WWU) is one of six state-funded, four-year institutions of higher education in Washington State. WWU maintains 103 buildings on its 212 acre main campus and 2429 acres of off-campus property, which includes a 95 acre facility in Anacortes and a 15 acre facility at nearby Lake Whatcom. The university’s 2016 enrollment was 15,574. As one of the county’s largest employers, WWU employs 1,499 full-time faculty and staff.

Retail Trade

Between 2007 and 2016, annual taxable retail sales in Whatcom County grew by \$648 million or a 20 percent increase. Although the Canadian dollar has weakened, shopping in Whatcom County remains attractive to residents of British Columbia. A large component of Whatcom County’s sales tax revenue relates to construction activity. Sales tax is expected to grow gradually as the local economy grows.

Since 1988, Whatcom County has been home to Bellis Fair, an 800,000 square-foot regional shopping center with major department stores and more than 100 fashion retailers.

Bellingham Waterfront Redevelopment

On January 20, 2005, the Port of Bellingham acquired approximately 137 acres of waterfront property previously owned by Georgia Pacific Corporation. In 2012, the boundary was expanded to include approximately 100 additional acres for a total of 237 acres of waterfront property to be redeveloped. In December 2013, the Port of Bellingham's Board of Commissioners and the Bellingham City Council approved a master plan for the property, providing for long-term environmental restoration and redevelopment of Bellingham's waterfront. Developers will construct the property improvements (buildings) consistent with the approved plan. The estimated value of the property once developed is \$750 million to \$1 billion. Phases of redevelopment and investment are expected to take place over the next 40-50 years.

Fiscal Responsibility

Whatcom County is on a sustainable path. Our adopted budget maintains adequate financial reserves and funds our core services. As our economy continues to grow, our goal is to maintain services, invest in our facilities, and invest in technology to improve efficiency.

OTHER INFORMATION

Acknowledgments

Preparation of this report could not have been accomplished without the professional, efficient and dedicated service of the entire staff of our Administrative Services Finance office, the County Executive's office, County Treasurer's office, Public Works accounting office and the various department heads and employees who contributed to its preparation. We also recognize the professional efforts of the State Auditor's Office in their audit, and in the direction and advice they provide to us throughout the year.

Respectfully Submitted,



Jack Louws, County Executive

Elected Officials as of December 31, 2016

ELECTED OFFICIALS

Executive	Term Ends January, 2020	Jack Louws
Assessor	Term Ends January, 2020	Keith Willnauer
Auditor	Term Ends January, 2020	Debbie Adelstein
Prosecuting Attorney	Term Ends January, 2019	David S. McEachran
Sheriff	Term Ends January, 2020	Bill Elfo
Treasurer	Term Ends January, 2020	Steve Oliver

COUNTY COUNCIL

District No. 1, Position A	Term Ends January, 2018	Barry Buchanan
District No. 1, Position B	Term Ends January, 2020	Todd Donovan
District No. 2, Position A	Term Ends January, 2018	Ken Mann
District No. 2, Position B	Term Ends January, 2020	Satpal Sidhu
District No. 3, Position A	Term Ends January, 2018	Carl Weimer
District No. 3, Position B	Term Ends January, 2020	Barbara Brenner
Councilperson At Large	Term Ends January, 2018	Rud Browne

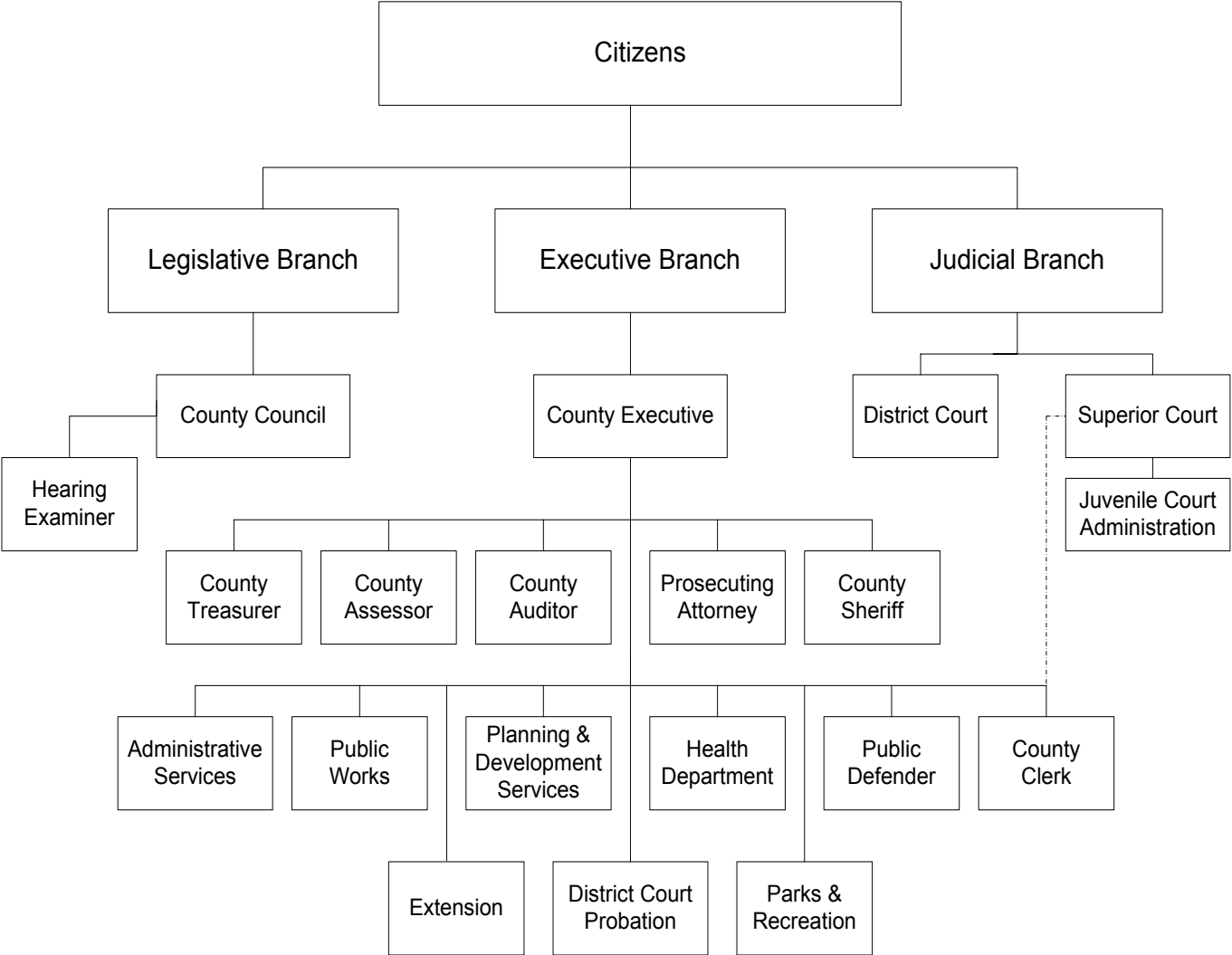
SUPERIOR COURT JUDGES

Department No. 1	Term Ends January, 2017	Ira Uhrig
Department No. 2	Term Ends January, 2017	Deborra Garrett
Department No. 3	Term Ends January, 2017	Charles Synder
Department No. 4	Term Ends January, 2017	Raquel Montoya-Lewis

DISTRICT COURT JUDGES

Position No. 1	Term Ends January, 2019	David Grant
Position No. 2	Term Ends January, 2019	Matthew Elich

Whatcom County Organizational Chart



MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2016

Whatcom County's discussion and analysis provides a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2016.

Financial Highlights

- The County's financial condition is stable and our financial growth is anticipated to be gradual.
- Assessed valuation of property increased 4.0 percent from 2015 to 2016.
- Building activity is increasing. Building permit revenues are up 7.5 percent from 2015 to 2016.
- Total retail sales increased 5.6 percent from 2015 to 2016.
- At the end of 2016, the unassigned fund balance for the General Fund was \$15,694,885, or approximately 22.0 percent of total General Fund expenditures. Total fund balance for the General Fund increased 8.8 percent for the year.
- As of December 31, 2016, the County's governmental funds reported combined ending fund balances of \$128.0 million.
- The County's outstanding general obligation debt total \$3.0 million at the end of 2016.

Government-wide Financial Statement Highlights

- Whatcom County's expenses for governmental activities increased \$9.3 million or 7.1 percent between 2015 and 2016.
- The County's long-term debt totaled \$63.7 million. This includes general obligation bonds totaling \$2.7 million, pension obligations totaling \$45.2 million, OPEB obligations totaling \$3.6 million, compensated absences totaling \$7.1 million, and projected self-insurance claims of \$4.6 million. Long-term debt increased \$7.1 million, or 12.6 percent. The increase was primarily related to increased pension obligations.
- Whatcom County's total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources (net position) by \$352,698,504 as compared to \$349,492,740 in 2015 (\$3.2 million increase). For 2016, unrestricted net position decreased \$1.3 million from last year. Unrestricted net position indicates resources that may be used to meet the government's ongoing obligations to citizens and creditors as defined by the Government Accounting Standards Board (GASB). Details of factors contributing to the decrease in net position are discussed later within this management's discussion and analysis.

Overview of the Financial Statements

The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances. The statements report information about the County as a whole using the accrual basis of accounting, which is similar to the accounting used by most private-sector businesses. The statements distinguish functions of Whatcom County that are principally supported by taxes and intergovernmental revenues ("government activities") from functions that are intended to recover all or a significant portion of their cost through user fees and charges ("business-type activities"). Governmental Activities include services provided to the public, such as law enforcement and public safety; the superior, juvenile, and district court systems; criminal prosecution and indigent defense; jails and corrections programs; road construction and maintenance; storm water management; flood control; community planning and development; parks and open space preservation; protection of public health; elections; property assessment and tax collection. Business-type activity includes Whatcom County's ferry system and the Treasurer's investment pool.

The Statement of Net Position presents information on all the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. However, this is just one indicator of financial health of the County. Other indicators include the condition of the County's capital assets (roads, buildings, bridges, etc.), changes in the property tax base, and general economic conditions within the County.

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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The governmental-wide financial statements can be found on pages 18-19 of this report.

Fund financial statements. The fund financial statements provide detailed information about the most significant funds-not the County as a whole. Some funds are required to be established by State law. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. All the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds:** Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation after the fund

financial statements.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

- **Proprietary funds:** When the County charges customers for the cost of the services it provides whether to outside customers or to other units of the County, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the County's enterprise funds (one type of proprietary fund) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds (the other type of proprietary fund), such as the County's Administrative Services Fund, to report activities that provide supplies and services to the County's other programs and activities.

The basic proprietary fund financial statements can be found on pages 24-27 of this report.

- **Fiduciary funds:** The County uses these funds to account for resources held for the benefit of parties outside the government. Fiduciary funds include investment trust funds, used to report investment activity conducted by the County on behalf of legally separate entities, such as special purpose districts that are not part of the County's reporting entity, and agency funds. Since these are not available to support the County's own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 28-29 of this report.

Notes to the financial statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-70 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information. The required supplementary information can be found on page 74-87 of this report.

The combining statements are presented in a separate section immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 88-214 of this report.

Government-wide Financial Analysis

The table on the following page reflects a condensed Statement of Net Position.

Table MDA1 - Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$169,758,949	\$168,058,658	\$2,783,746	\$2,714,191	\$172,542,695	\$170,772,849
Capital assets	250,193,719	249,276,258	2,300	2,942	250,196,019	249,279,200
Total assets	419,952,668	417,334,916	2,786,046	2,717,133	422,738,714	420,052,049
Deferred outflows of resources	8,881,604	4,961,790	153,028	85,549	9,034,632	5,047,339
Long-term debt	62,717,034	55,696,257	1,017,832	898,216	63,734,866	56,594,473
Other liabilities	10,225,639	11,508,737	85,181	55,354	10,310,820	11,564,091
Total liabilities	72,942,673	67,204,994	1,103,013	953,570	74,045,686	68,158,564
Deferred inflows of resources	5,001,604	7,318,424	27,552	129,660	5,029,156	7,448,084
Net position:						
Net investment in capital assets	247,592,484	246,574,891	2,300	2,942	247,594,784	246,577,833
Restricted	108,006,250	104,504,838	-	-	108,006,250	104,504,838
Unrestricted	(4,708,739)	(3,306,441)	1,806,209	1,716,510	(2,902,530)	(1,589,931)
Total net position	\$350,889,995	\$347,773,288	\$1,808,509	\$1,719,452	\$352,698,504	\$349,492,740

For more detailed information see page 18 for the Statement of Net Position.

Net position may serve over time as a useful indicator of a government's financial position. Whatcom County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$352,698,504 at the close of 2016; this is an increase of \$3.2 million from 2015 net position. Governmental activities increased Whatcom County's net position by \$3.1 million, thereby accounting for 97.2 percent of the increase in the net position of Whatcom County. Business-type activities increased net position \$89,057.

The largest portion of Whatcom County's net position (70.2 percent) reflects its investment in capital assets (e.g., land, buildings, equipment, and infrastructure); less any outstanding debt used to acquire those assets. Whatcom County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Whatcom 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. Net investment in capital assets increased net position by \$1.0 million. Whatcom County invested \$8.0 million in infrastructure, \$2.2 million in equipment, \$741,000 in land, \$455,000 in improvements, \$205,000 in buildings, and \$181,000 in construction in progress. Net investment in capital assets is also increased by repayment of debt related to capital assets and reduced by depreciation charged against capital assets.

Restricted net position totals \$108,006,250 or 30.6 percent of net position. Restricted net position is subject to external restrictions on how it may be used. Restrictions are imposed by legislation, grantors, bondholders, higher levels of government, or through constitutional provisions. Restricted net position is greater than last year by \$3.5 million.

The remaining balance of net position, unrestricted net position may be used to meet the government’s ongoing obligations to citizens and creditors. However, unrestricted net position currently has a negative balance of \$2.9 million.

Table MDA2 - Net Position Comparison

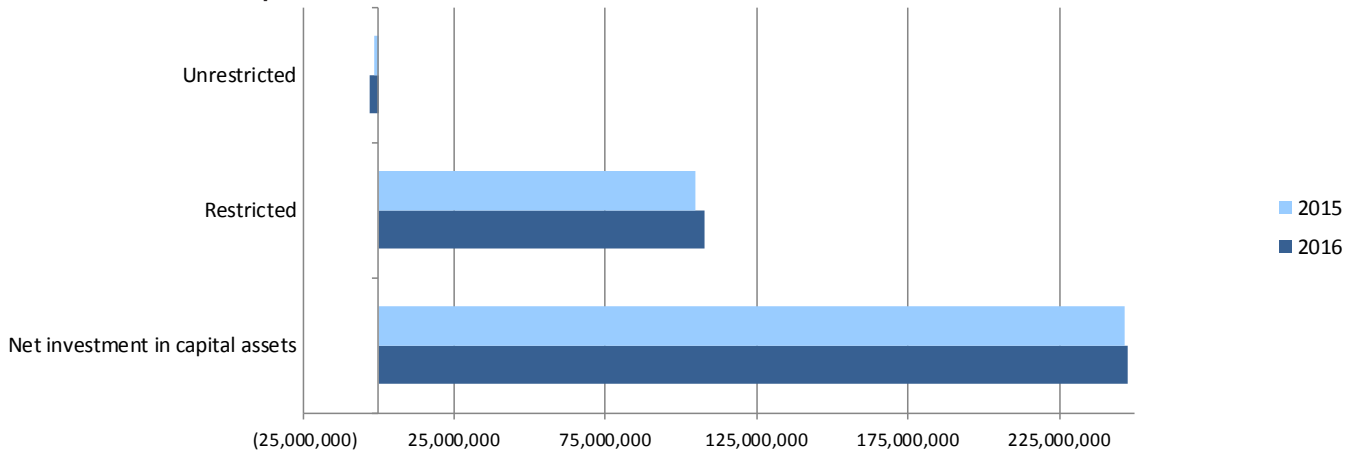


Table MDA3 - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenue:						
Charges for services	\$25,508,129	\$26,543,118	\$1,809,806	\$1,747,022	\$27,317,935	\$28,290,140
Operating grants & contributions	19,115,601	19,898,633	132,026	161,839	19,247,627	20,060,472
Capital grants & contributions	8,904,416	11,944,482	-	-	8,904,416	11,944,482
General revenue:						
Property taxes	51,789,000	51,002,880	-	-	51,789,000	51,002,880
Retail taxes	28,656,766	27,398,286	-	-	28,656,766	27,398,286
Business and occupation taxes	27,402	29,325	-	-	27,402	29,325
Excise taxes	5,411,302	4,985,002	-	-	5,411,302	4,985,002
Other	4,730,538	5,867,972	(11,536)	169	4,719,002	5,868,141
Total revenues	144,143,154	147,669,698	1,930,296	1,909,030	146,073,450	149,578,728
Expenses						
General government	33,346,649	30,779,824	-	-	33,346,649	30,779,824
Public safety	47,902,859	45,083,840	-	-	47,902,859	45,083,840
Utilities	719,438	813,977	-	-	719,438	813,977
Transportation	26,254,000	23,252,369	-	-	26,254,000	23,252,369
Natural and economic environment	8,013,891	8,060,712	-	-	8,013,891	8,060,712
Social services	18,673,421	17,996,969	-	-	18,673,421	17,996,969
Culture and recreation	4,948,161	4,558,516	-	-	4,948,161	4,558,516
Interest on long-term debt	109,862	128,260	-	-	109,862	128,260
Whatcom Co. Investment Pool	-	-	295,038	273,137	295,038	273,137
Ferry System	-	-	2,604,367	2,460,184	2,604,367	2,460,184
Total expenses	139,968,281	130,674,467	2,899,405	2,733,321	142,867,686	133,407,788
Change in net position before transfers	4,174,873	16,995,231	(969,109)	(824,291)	3,205,764	16,170,940
Special item	-	-	-	-	-	-
Transfers	(1,058,166)	(1,116,512)	1,058,166	1,116,512	-	-
Change in net position	3,116,707	15,878,719	89,057	292,221	3,205,764	16,170,940
Net position-beginning	347,773,288	371,547,995	1,719,452	2,305,046	349,492,740	373,853,041
Prior period adjustment	-	(39,653,426)	-	(877,815)	-	(40,531,241)
Net position-beginning (restated)	347,773,288	331,894,569	1,719,452	1,427,231	349,492,740	333,321,800
Net position-ending	\$350,889,995	\$347,773,288	\$1,808,509	\$1,719,452	\$352,698,504	\$349,492,740

For more detailed information see page 19 for the Statement of Activities.

Overall revenues are down \$3.5 million.

Property tax revenue is up \$786,000 or 1.5 percent over last year.

Sales tax revenue is up \$1,258,000 or 4.6 percent from 2015.

Charges for services are \$972,000 less than 2015. Most of this decrease is due to booking restrictions in the county jail

which reduced revenue received from contract agencies for jail services.

Operating grants and contributions decreased \$813,000 from last year. This was a combination of reductions in homeless housing grants and flood control related grants.

Capital grants and contributions are \$3.0 million less than 2015. These revenues fluctuate based on the capital projects that are underway during the year.

Excise tax increased \$426,000 or 8.6 percent from 2015. This is principally the result of increased real estate excise tax collections.

Other revenues are \$1.1 million less than last year. Revenue received from timber sales on State forest land is down approximately \$600,000. The entry to adjust investments held by the County at year end to market value decreased revenue approximately \$600,000. Other net changes account for an approximate \$100,000 increase.

Expenses increased \$9.5 million, transportation increased \$3.0 million, public safety increased \$2.8 million, general government increased \$2.5 million, social services increased \$700,000, and culture and recreation increased \$400,000. The increases were primarily due to increased wages and benefits.

Net position increased \$3.2 million from 2015.

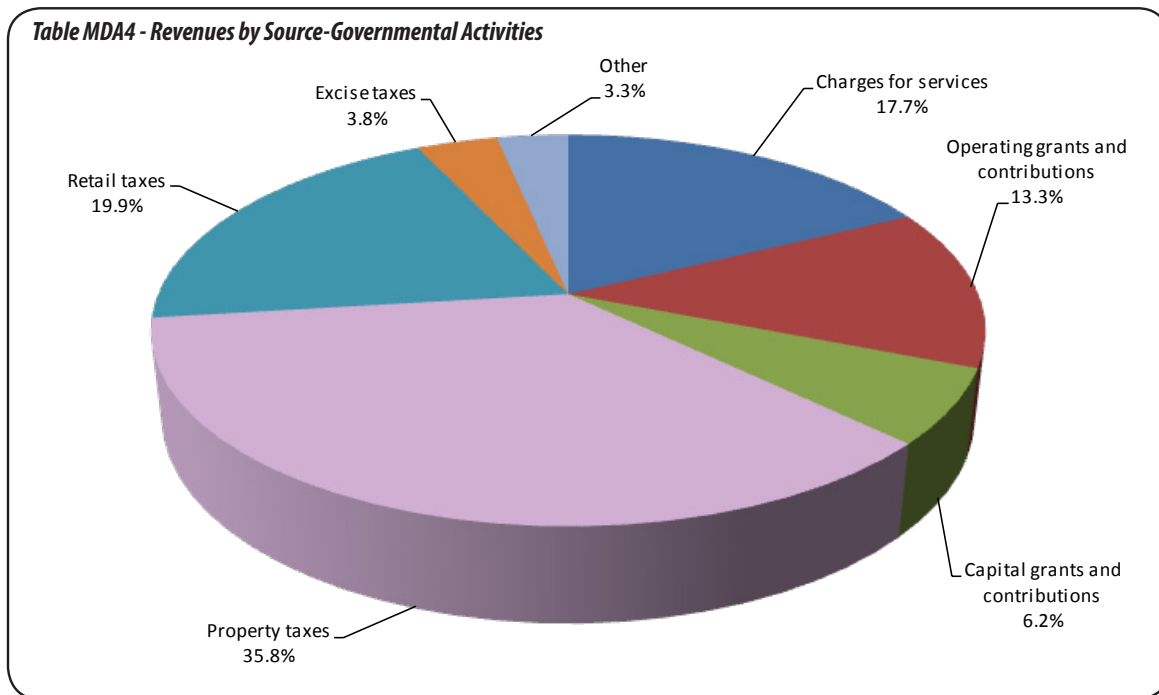
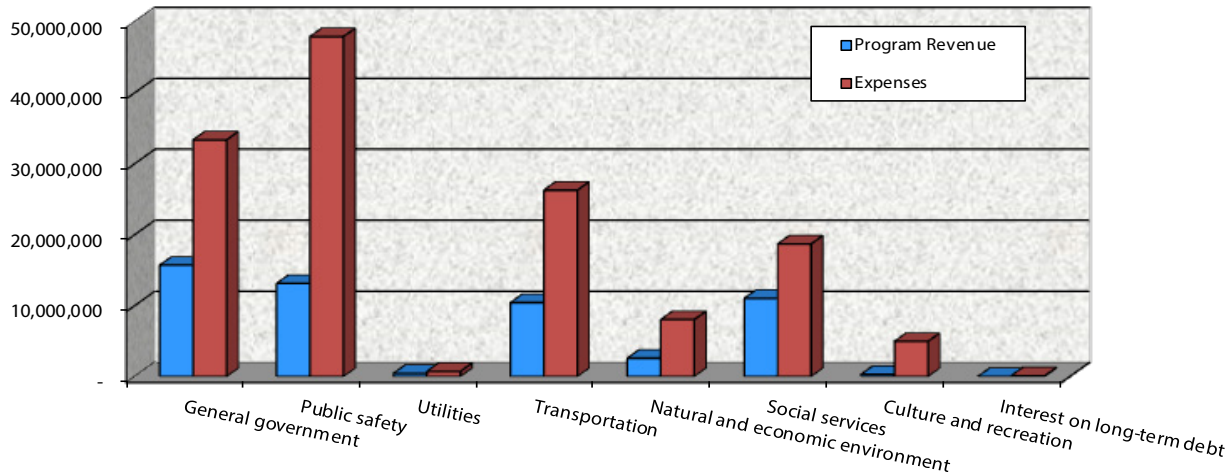


Table MDAS - Expenses and Program Revenues-Governmental Activities



Financial Analysis of the County's Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the County's financing requirements.

As of December 31, 2016, the County's governmental funds reported combined fund balances of \$128.0 million; this is an increase of \$1.8 million over 2015 or 1.4 percent. Overall, the funds collected 98.0 percent of their budgeted revenues and expended 75.5 percent of their budgeted expenditures.

Unassigned fund balance is \$15.7 million or approximately 12.3 percent. Unassigned fund balance is available for spending for any purpose. Assigned fund balance is \$2.1 million or approximately 1.6 percent. Assigned fund balance represents resources Whatcom County intends to use for specific purposes. Committed fund balance totals \$12.0 million or approximately 9.4 percent. Committed fund balance has been restricted for a specific use by the County Council. The remainder of the County's fund balances is classified as restricted. Restricted fund balance totals \$98.1 million or approximately 76.7 percent. Restricted fund balance may only be used for specific purposes. Restrictions are imposed by legislation, grantors, bondholders, higher levels of government, or through constitutional provisions.

The General Fund is the primary operating fund for the Whatcom County. At the end of 2016, unassigned fund balance of the General Fund was \$15.7 million, while total fund balance increased to \$16.9 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 22.0 percent of total General

Fund expenditures, while total fund balance represents approximately 23.7 percent of that same amount.

During 2016, the fund balance of the General Fund increased by \$1.4 million. Revenues exceeded the amended budget. The increased revenues are from higher than budgeted sales tax revenues, building industry related fees and permits and investment earnings.

Under GASB Statement No. 54, certain Special Revenue Funds are required to be reported in the General Fund. For 2016, the LEOFF I Healthcare Fund is combined into the General Fund.

The County Road Fund had a fund balance of \$28.7 million in 2016, which is \$2.2 million greater than 2015. This increase in fund balance is primarily due to funds received from closed capital project funds and less transfers out to fund capital project funds.

The fund balance for the Public Utilities Improvement Fund increased \$1.6 million. For 2016, capital project expenditures decreased \$1.2 million over 2015.

General Fund Budgetary Highlights

The following table shows a condensed Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual for the General Fund for the year ended December 31, 2016.

Table MDA6 - Condensed General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance

	Original Budget	Amended Budget	Actual
Revenues:			
Taxes	\$41,873,536	\$42,498,536	\$43,270,745
Intergovernmental	13,518,121	15,595,224	15,140,500
Other	17,837,652	16,456,984	18,023,444
Total revenues	73,229,309	74,550,744	76,434,689
Expenditures:			
Expenditures	71,398,270	75,834,367	71,374,774
Other financing sources (uses)	(5,136,618)	(3,308,538)	(3,692,249)
Total expenditures	76,534,888	79,142,905	75,067,023
Change to fund balance	\$(3,305,579)	\$(4,592,161)	\$1,367,666

General Fund actual revenues are greater than budgeted revenues by \$1,884,000. Tax revenues are greater than budgeted amounts by \$772,000. Intergovernmental revenue received was \$455,000 less than budgeted revenue. Miscellaneous revenues exceed budgeted amounts by \$933,000.

Overall expenditures for the General Fund are 94.1 percent of the approved budget at year-end. All departments had expenditures within their budgeted authority.

Capital Assets and Debt Administration

Capital assets. The County’s investment in capital assets for its governmental activities as of December 31, 2016, amounts to \$250.2 million (net of accumulated depreciation). This investment in capital assets includes land, right-of-way, easements and development rights, buildings, improvements, machinery and equipment, infrastructure and construction in progress. The total increase in capital assets over 2015 was \$917,000.

Major capital asset events during 2016 included the following:

- New equipment purchases totaled \$2.2 million, which included vehicles and road maintenance equipment.
- \$358,000 was spent on improvements to County parks.
- The County purchased conservation and access easements totaling \$409,000.
- Various projects related to roads, bridges, road-related improvements, and drainage systems totaled \$8.0 million.

Table MDA7 - Capital Assets

	Governmental Activities	
	2016	2015
Land	\$101,995,231	\$101,253,983
Construction in progress	2,855,847	2,677,937
Intangible assets	50,400	50,400
Buildings	44,838,175	46,211,303
Improvements	5,977,691	5,944,079
Equipment	11,316,489	11,134,707
Infrastructure	83,159,886	82,003,849
Totals	\$250,193,719	\$249,276,258

For more detailed information see page 48 for Capital Assets Activity.

Long-term debt. At year-end, the County had \$62,717,034 in outstanding debt compared to \$55,696,257 last year. That is an increase of \$7.0 million, which is primarily the result of an increase in pension liability. The County’s outstanding general obligation debt totaled \$3.0 million. See Note 9 to the financial statements.

Table MDA8 - Outstanding Debt

	Governmental Activities	
	2016	2015
General obligation bonds	\$2,745,521	\$3,116,873
Capital leases	270,096	285,367
Estimated self-insurance claims	4,588,227	4,278,069
Pension payable	44,254,283	37,084,207
Other postemployment benefits payable	3,627,131	3,082,173
Compensated absences	6,981,776	7,599,568
Other long-term liabilities	250,000	250,000
	<u>\$62,717,034</u>	<u>\$55,696,257</u>

State statutes limit the amount of general obligation debt the County may issue to 2.5 percent of assessed value with a vote, and 1.5 percent of assessed value with no vote required. The current debt limitation for Whatcom County is \$653 million with a vote and \$386 without a vote, both of which are significantly in excess of the County's outstanding general obligation debt of \$3.0 million.

Additional information on Whatcom County's long-term debt can be found in Note 9 on pages 63-66 of this report.

Economic Factors

Whatcom County's local economy is growing steadily. Retail sales are up 5.6 percent over 2015. The unemployment rate has been fairly constant in the last few years. For 2016, the unemployment rate is 6.2 percent. The population of Whatcom County has grown 15.3 percent over ten years ago. Per capita income of Whatcom County has been growing in recent years at approximately 2.8 percent. For 2016, the assessed valuations of property increased 4.1 percent over 2015.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Whatcom County Administrative Services Finance Office at 311 Grand Avenue, Bellingham, Washington, 98225.

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Cash, cash equivalents and pooled investments	\$130,918,595	\$2,357,348	\$133,275,943
Cash with fiscal agent	16,901	-	16,901
Investments	13,095,621	-	13,095,621
Receivables, net	3,326,183	39,866	3,366,049
Receivables-court, net	2,151,761	-	2,151,761
Due from other governments	17,433,766	-	17,433,766
Internal balances	(386,532)	386,532	-
Inventories	1,404,881	-	1,404,881
Capital assets:			
Non-depreciable	104,901,477	-	104,901,477
Depreciable, net	145,292,242	2,300	145,294,542
Pension asset, net	1,797,773	-	1,797,773
Total assets	419,952,668	2,786,046	422,738,714
Deferred outflows of resources			
Pensions	8,881,604	153,028	9,034,632
Total deferred outflows of resources	8,881,604	153,028	9,034,632
Liabilities			
Accounts payable and accrued expenses	9,940,018	85,181	10,025,199
Due to other governments	119,068	-	119,068
Unearned revenue	166,553	-	166,553
Noncurrent liabilities (Note 9):			
Due within one year	11,914,190	108,861	12,023,051
Due in more than one year	6,548,561	-	6,548,561
Pension liability, net	44,254,283	908,971	45,163,254
Total liabilities	72,942,673	1,103,013	74,045,686
Deferred inflows of resources			
Pensions	1,369,053	27,552	1,396,605
Advance payments- property tax	1,272,955	-	1,272,955
Court receivables	2,151,761	-	2,151,761
Grants received in advance	207,835	-	207,835
Total deferred inflows of resources	5,001,604	27,552	5,029,156
Net position			
Net investment in capital assets	247,592,484	2,300	247,594,784
Restricted for:			
General government	1,078,615	-	1,078,615
Public safety	691,950	-	691,950
Utilities	2,595,827	-	2,595,827
Transportation	29,600,009	-	29,600,009
Natural and economic environment	17,565,851	-	17,565,851
Social services	7,384,680	-	7,384,680
Culture and recreation	2,852,411	-	2,852,411
Debt service	608	-	608
Capital projects	46,236,299	-	46,236,299
Unrestricted (deficit)	(4,708,739)	1,806,209	(2,902,530)
Total net position	\$350,889,995	\$1,808,509	\$352,698,504

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

Functions/ Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position - Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$33,346,649	\$8,477,357	\$7,207,223	\$-	\$(17,662,069)	\$-	\$(17,662,069)
Public safety	47,902,859	10,844,756	2,264,247	-	(34,793,856)	-	(34,793,856)
Utilities	719,438	14,416	421,463	-	(283,559)	-	(283,559)
Transportation	26,254,000	1,508,958	-	8,904,416	(15,840,626)	-	(15,840,626)
Natural and economic environment	8,013,891	1,163,755	1,414,594	-	(5,435,542)	-	(5,435,542)
Social services	18,673,421	3,225,455	7,785,830	-	(7,662,136)	-	(7,662,136)
Culture and recreation	4,948,161	273,432	22,244	-	(4,652,485)	-	(4,652,485)
Interest on long-term debt	109,862	-	-	-	(109,862)	-	(109,862)
Total governmental activities	139,968,281	25,508,129	19,115,601	8,904,416	(86,440,135)	-	(86,440,135)
Business-type activities:							
Whatcom Co Investment Pool	295,038	314,146	-	-	-	19,108	19,108
Ferry System	2,604,367	1,495,660	132,026	-	-	(976,681)	(976,681)
Total business-type activities	2,899,405	1,809,806	132,026	-	-	(957,573)	(957,573)
Total primary government	\$142,867,686	\$27,317,935	\$19,247,627	\$8,904,416	(86,440,135)	(957,573)	(87,397,708)
General Revenues:							
Taxes:							
Property taxes					51,789,000	-	51,789,000
Retail taxes					28,656,766	-	28,656,766
Business and occupation taxes					27,402	-	27,402
Excise taxes					5,411,302	-	5,411,302
Unrestricted investment earnings and unrealized gains/ (losses)					669,860	(11,536)	658,324
Gain/loss on sale of capital assets					423,976	-	423,976
Miscellaneous					3,636,702	-	3,636,702
Transfers					(1,058,166)	1,058,166	-
Total general revenues and transfers					89,556,842	1,046,630	90,603,472
Change in net position					3,116,707	89,057	3,205,764
Net position-beginning					347,773,288	1,719,452	349,492,740
Net position-ending					\$350,889,995	\$1,808,509	\$352,698,504

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

	General	County Road	Public Utilities Improvement	Other Governmental Funds	Total Governmental Funds
Assets					
Cash, cash equivalents and pooled investments	\$19,164,249	\$28,147,109	\$9,926,903	\$49,650,619	\$106,888,880
Deposits with fiscal agent	10,901	-	-	-	10,901
Investments	-	-	-	13,095,621	13,095,621
Taxes receivable, net	619,551	504,847	-	109,282	1,233,680
Accounts receivable, net	474,834	52,427	828,298	376,665	1,732,224
Accounts receivable-court, net	2,038,222	-	-	113,539	2,151,761
Special assessments, net	-	-	-	52,395	52,395
Interest receivable, net	122,022	-	-	10,782	132,804
Notes receivable, net	-	-	-	165,525	165,525
Interfund receivable	416,137	39,163	-	844,046	1,299,346
Interfund loan receivable	700,000	1,438,707	-	100,000	2,238,707
Due from other governments	2,115,110	411,374	10,854,810	3,986,412	17,367,706
Employee advances	7,149	283	-	-	7,432
Prepayments	5,032	730	-	486	6,248
Advances to other funds	-	531,928	-	-	531,928
Total assets	\$25,673,207	\$31,126,568	\$21,610,011	\$68,505,372	\$146,915,158
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	\$1,538,531	\$676,230	\$28,125	\$3,628,555	\$5,871,441
Interfund payable	132,553	111,997	-	1,108,759	1,353,309
Interfund loans payable	1,860,083	-	-	2,109,000	3,969,083
Revenue collected in advance	24,356	(290)	-	-	24,066
Due to other governments	119,068	-	-	-	119,068
Other accrued liabilities	1,708,845	456,161	-	322,402	2,487,408
Other current liabilities	10,890	20,289	-	-	31,179
Unearned revenue	782	14,740	-	165,771	181,293
Total liabilities	5,395,108	1,279,127	28,125	7,334,487	14,036,847
Deferred inflows of resources					
Deferred property tax	619,550	504,847	-	109,282	1,233,679
Advance payments- property tax	523,621	658,988	-	90,346	1,272,955
Court receivables	2,038,222	-	-	113,539	2,151,761
Special assessments	-	-	-	52,395	52,395
Grants received in advance	207,835	-	-	-	207,835
Total deferred inflows of resources	3,389,228	1,163,835	-	365,562	4,918,625
Fund balances:					
Restricted	1,193,986	28,683,606	21,581,886	46,683,856	98,143,334
Committed	-	-	-	12,049,671	12,049,671
Assigned	-	-	-	2,071,796	2,071,796
Unassigned	15,694,885	-	-	-	15,694,885
Total fund balances	16,888,871	28,683,606	21,581,886	60,805,323	127,959,686
Total liabilities, deferred inflows of resources and fund balances	\$25,673,207	\$31,126,568	\$21,610,011	\$68,505,372	\$146,915,158

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

Reconciliation of the Governmental Funds
Balance Sheet
to the Statement of Net Position
December 31, 2016

Fund balance - total governmental funds	\$127,959,686
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	240,113,959
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.	25,295,003
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	11,115,287
Liabilities, including \$3,248,691 of bonds/ loans payable, \$6,387,976 of compensated absences and \$43,957,273 of pension and other postemployment benefit obligations are not due and payable in the current period and therefore are not reported in the funds.	<u>(53,593,940)</u>
Net position of governmental activities	<u><u>\$350,889,995</u></u>

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

Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
Year Ended December 31, 2016

Whatcom County
W A S H I N G T O N

	General	County Road	Public Utilities Improvement	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$43,270,745	\$18,343,258	\$3,622,268	\$20,825,762	\$86,062,033
Licenses and permits	3,623,562	104,985	-	-	3,728,547
Intergovernmental	15,140,500	6,022,703	-	6,508,844	27,672,047
Charges for service	8,386,007	452,557	-	9,499,734	18,338,298
Fines and penalties	2,212,212	-	-	126,615	2,338,827
Miscellaneous	3,801,663	151,301	71,995	1,417,013	5,441,972
Total revenues	76,434,689	25,074,804	3,694,263	38,377,968	143,581,724
Expenditures					
Current:					
General government	27,192,217	317,857	134,836	2,127,859	29,772,769
Public safety	24,923,765	-	-	21,912,233	46,835,998
Utilities	-	-	-	610,156	610,156
Transportation	-	19,517,387	-	36,848	19,554,235
Natural and economic environment	2,064,461	-	-	5,806,906	7,871,367
Social services	12,987,004	-	-	5,744,358	18,731,362
Culture and recreation	3,893,720	-	-	653,561	4,547,281
Capital outlay	300,429	2,664,217	2,000,500	7,911,800	12,876,946
Debt service:					
Principal	-	-	-	330,000	330,000
Interest	13,178	-	-	134,213	147,391
Total expenditures	71,374,774	22,499,461	2,135,336	45,267,934	141,277,505
Excess (deficiency) of revenues over expenditures	5,059,915	2,575,343	1,558,927	(6,889,966)	2,304,219
Other financing sources (uses)					
Sales of capital assets	159,082	237,775	-	27,119	423,976
Transfers in	4,485,416	2,318,268	-	11,652,551	18,456,235
Transfers out	(8,400,526)	(2,965,202)	-	(8,136,913)	(19,502,641)
Capital lease proceeds	63,779	40,795	-	9,921	114,495
Total other financing sources (uses)	(3,692,249)	(368,364)	-	3,552,678	(507,935)
Net change in fund balances	1,367,666	2,206,979	1,558,927	(3,337,288)	1,796,284
Fund balances-beginning	15,521,205	26,476,627	20,022,959	64,142,611	126,163,402
Fund balances-ending	\$16,888,871	\$28,683,606	\$21,581,886	\$60,805,323	\$127,959,686

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

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	\$1,796,284
<p>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 (\$10,012,992) exceeded depreciation expense (\$9,306,232) in the current period.</p>	706,760
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.</p>	(764,797)
<p>Revenues in the funds that are related to prior periods are not revenues in the statement of activities.</p>	(292,384)
<p>In the statement of activities, certain operating expenses are measured by the amount earned during the year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used. This amount represents the difference between the amount earned versus the amount used.</p>	1,340,844
<p>Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	<u>330,000</u>
Change in net position of governmental activities	<u><u>\$3,116,707</u></u>

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

	Page 1 of 2	
	Enterprise Funds	Internal Service Funds
Assets		
Current assets		
Cash, cash equivalents and pooled investments	\$2,357,348	\$24,029,715
Deposits with fiscal agent	-	6,000
Receivables, net	-	1,680
Interfund receivable	39,746	31,816
Due from other governments	-	66,060
Interfund loan receivable	-	241,016
Employee advances	-	258
Inventories	-	1,404,881
Prepayments	120	23,786
Total current assets	2,397,214	25,805,212
Noncurrent assets		
Interfund loan-long-term	-	957,432
Capital assets:		
Land	-	439,864
Building and structures, net	-	1,083,947
Capital leases, net	-	20,515
Other improvements, net	-	409,363
Machinery and equipment, net	2,300	8,075,671
Intangible assets, net	-	50,400
Total capital assets, net	2,300	10,079,760
Total noncurrent assets	2,300	11,037,192
Total assets	2,399,514	36,842,404
Deferred outflows of resources		
Pension	153,028	864,904
Total deferred outflows of resources	153,028	864,904
Liabilities		
Current liabilities		
Accounts payable	24,033	1,262,431
Claims cost payable	-	4,465,445
Interfund payable	7,809	9,790
Compensated absences	108,861	593,800
Other accrued liabilities	53,339	259,904
Total current liabilities	194,042	6,591,370
Noncurrent liabilities		
Other noncurrent liabilities	-	143,297
Pension liability, net	908,971	5,137,467
Total noncurrent liabilities	908,971	5,280,764
Total liabilities	1,103,013	11,872,134

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

	Enterprise Funds	Internal Service Funds
Deferred inflows of resources		
Pension	27,552	155,727
Total deferred inflows of resources	<u>27,552</u>	<u>155,727</u>
Net position		
Net investment in capital assets	2,300	10,079,760
Unrestricted	1,419,677	15,599,687
Total net position	<u>1,421,977</u>	<u>\$25,679,447</u>
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.	386,532	
Net position of business-type activities	<u>\$1,808,509</u>	

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

Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
Year Ended December 31, 2016

Whatcom County
W A S H I N G T O N

	Enterprise Funds	Internal Service Funds
Operating revenues		
Intergovernmental	\$132,026	\$-
Charges for service	1,479,971	24,154,568
Rents and parking	-	5,113,656
Fines and forfeits	-	1,590
Miscellaneous	329,835	20,138
Total operating revenues	1,941,832	29,289,952
Operating expenses		
General operations	2,725,267	28,263,108
General administration	133,859	460,447
Depreciation	642	1,522,327
Total operating expenses	2,859,768	30,245,882
Operating income (loss)	(917,936)	(955,930)
Non-operating revenues (expenses)		
Gain (loss) on sale of capital assets	-	110,120
Interest revenue	-	13,178
Interest expense	-	(234)
Unrealized gain (loss) on investments	(11,536)	(86,583)
Insurance recoveries	-	113,145
Total non-operating revenues (expenses)	(11,536)	149,626
Income (loss) before transfers	(929,472)	(806,304)
Capital contributions	-	13,630
Transfers in	1,256,594	448,989
Transfers out	(198,428)	(460,749)
Changes in net position	128,694	(804,434)
Total net position-beginning		26,483,881
Total net position-ending		\$25,679,447
Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds are reported with business-type activities.	(39,637)	
Change in net position of business-type activities	\$89,057	

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

	Enterprise Funds	Internal Service Funds
Cash flows from operating activities:		
Receipts from customers	\$3,081,890	\$29,332,351
Payments for goods and services	(1,349,016)	(21,168,612)
Payments to employees	(1,462,774)	(7,210,744)
Net cash provided (used) by operating activities	270,100	952,995
Cash flows from non-capital financing activities:		
Transfers in	1,256,594	417,224
Transfers out	(198,428)	(460,749)
Interest revenue	-	13,178
Insurance recoveries	-	113,145
Net cash provided (used) by non-capital financing activities	1,058,166	82,798
Cash flows from capital financing activities:		
Interest paid on capital debt	-	(234)
Transfers in	-	31,765
Proceeds from sale of assets	-	165,245
Purchases of capital assets	-	(1,774,529)
Net cash provided (used) by capital financing activities	-	(1,577,753)
Cash flows from investing activities:		
Unrealized gain (loss) on investments	(11,536)	(86,583)
Net cash provided (used) by investing activities	(11,536)	(86,583)
Net increase (decrease) in cash and cash equivalents	1,316,730	(628,543)
Balances - beginning of the year	1,040,618	24,658,258
Balances - end of the year	\$2,357,348	\$24,029,715
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$(917,936)	\$(955,930)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	642	1,522,327
Change in assets and liabilities:		
Receivables, net	1,140,058	42,400
Inventories	-	(65)
Accounts and other payables	(23,512)	167,742
Accrued expenses	70,848	176,521
Net cash provided by operating activities	\$270,100	\$952,995

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

Statement of Fiduciary Net Position
 Fiduciary Funds
 December 31, 2016



	Investment Trust Fund	Agency Funds
Assets		
Cash and cash equivalents	\$-	\$18,561,685
Deposits with fiscal agent	-	222,917
Assets held in trust-external investment pool	-	280,926,509
Investments	280,926,509	
Accounts receivable, net	-	8,702
Due from other governments	-	63,395
Total assets	280,926,509	299,783,208
Liabilities		
Warrants payable	-	8,968,506
Accounts payable	-	582,273
Due to other governments	-	286
Other accrued liabilities	-	23,784
Revenue collected in advance	-	294,649
Custodial accounts	-	289,913,710
Total liabilities	-	299,783,208
Net position		
Held in trust for pool participants	\$280,926,509	\$-

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

Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 Year Ended December 31, 2016

	Investment Trust Fund
Additions	
Contributions	\$228,720,125
Investment earnings:	
Interest	2,201,761
Net increase (decrease) in fair value of investments	(1,111,976)
Total additions	229,809,910
Deductions	
Distributions	214,410,097
Total deductions	214,410,097
Change in net position	15,399,813
Net position-beginning	265,526,696
Net position-ending	\$280,926,509

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



NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Whatcom 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

Whatcom County was incorporated on March 3, 1854 and operates under the laws of the State of Washington applicable to a home-rule charter county with a full-time, nonpartisan, elected County Executive and a seven member, part-time, County Council.

Whatcom County is a general purpose government providing public safety, fire inspection, road improvement, parks and recreation, judicial administration, health, social, and general administrative services. In addition, the county owns and operates a ferry.

As required by the generally accepted accounting principles the financial statements present Whatcom County- the primary government and two blended component units for which the County is financially accountable. Blended component units are legally separate entities, but are in substance a part of the County's operations and therefore the data from these units is combined with the data from the primary government.

Blended Component Units: The Flood Control Zone District was established in 1991 to implement and oversee the river improvement program and flood hazard management program. The current County Council serves as the entire governing body. The Flood Control Zone District is reported as a special revenue fund.

The Point Roberts Transportation Benefit District was established in 1991 to address the transportation needs of the Point Roberts area. The current County Council serves as the entire governing body. The Point Roberts Transportation Benefit District is reported as a special revenue fund.

B. FINANCIAL STATEMENT PRESENTATION, MEASUREMENT FOCUS, BASIS OF ACCOUNTING

In February 2015, Government Accounting Standards Board (GASB) issued Statement No. 72, Fair Value Measurement and Application. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes and also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The County has implemented this statement for the year ended December 31, 2016.

In August 2015, Government Accounting Standards Board (GASB) issued Statement No. 77, Tax Abatement Disclosures. For financial reporting purposes, this statement defines a tax abatement as resulting from an agreement between a

government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The County has implemented this statement for the year ended December 31, 2016.

The County government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the County. 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. Fiduciary activities of the County are not included in these statements.

These statements are reported using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the County's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position and demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges for services, operating grants and contributions, and capital grants and contributions. Under the accrual basis of accounting, revenues are recognized in the period which they are earned while expenses are recognized in the period in which the liability is incurred.

Eliminations have been made in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated.

When both restricted and unrestricted resources are available for use, it is county policy to use restricted resources first, then unrestricted resources as needed.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

The County reports the following major governmental funds:

- **General Fund:** This fund is the general operating fund of the county. It accounts for all financial resources

of the general government, except those required to be accounted for in another fund.

- **County Road Fund:** This fund finances the design, construction, and maintenance of county roads. Revenue consists primarily of property taxes, motor vehicle fuel tax and grants.
- **Public Utilities Improvement Fund:** This fund accounts for the collection of a rural county sales or use tax (pursuant to RCW 82.14.370) that provides funds for financing public facilities.

Governmental fund financial statements are reported using the current resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. The County considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Property tax, franchise fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, capital assets are reported as expenditures when purchased and debt service and compensated absences are recorded as expenditures when paid.

PROPRIETARY FUND FINANCIAL STATEMENTS

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

The County reports the following non-major proprietary funds:

- **Enterprise funds:** These funds are used to report any activity for which a fee is charged to external users for goods or services. The Whatcom County Investment Pool and the Ferry System are the County's enterprise funds.
- **Internal service funds:** These funds account for operations that provide goods or services to other departments or funds of the County on a cost reimbursement basis. The County's internal service funds are Equipment Rental and Revolving and Administrative Services.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

FIDUCIARY FUND FINANCIAL STATEMENTS

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Net Position (for Investment Trust Funds). Fiduciary funds are accounted for using the accrual basis of accounting, as are proprietary funds explained above. Whatcom County has two types of fiduciary funds: investment trust funds and agency funds.

Investment trust funds are used to report investment activity conducted by Whatcom County on behalf of legally separate entities such as special purpose districts that are not part of the County's reporting entity. Agency funds account for cash received and disbursed in the County's capacity as ex officio treasurer or collection agent for special purpose districts. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. BUDGETARY INFORMATION

Annual appropriated budgets are adopted on the modified accrual basis of accounting for all funds except the following special revenue funds: Tax Refund, REET Technology, Community Development, and Emergency Communications; debt service funds: CRID No. 9 General Debt and 2003 Ltd. Tax General Obligation Bond; and capital project fund: County Parks Improvement, which are not budgeted. For governmental funds, there are no differences between the budgetary basis and generally accepted accounting principles.

Annual appropriated budgets are adopted at the level of the fund, except in the General Fund, where expenditures may not exceed appropriations at the department level and the budgets constitute the legal authority for expenditures at that level. Subsidiary revenue and expenditure ledgers are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class.

Whatcom County implemented project budgeting in 2006. Project budgets are limited to capital appropriations. Project budgets may be adopted by project phase or for the entire project. Once adopted, project budgets continue until the project is complete, abandoned, or until no expenditures have been made for three years.

Except for project budgets, appropriations for all funds lapse at year-end. Expenditure authority for contracts extending beyond one year is granted through a continuing appropriation procedure.

Amending the Budget: The County Executive is authorized to approve transfers between accounts. However, any revisions that alter total expenditures of a fund, department, or that affect the number of authorized employee positions must be approved by the County Council.

When the County Council determines that it is in the best interest of the county to increase or decrease the

appropriations for a particular fund or department, it may do so by ordinance approved by a simple majority.

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 legally authorized supplemental appropriations.

D. ASSETS, LIABILITIES, AND EQUITIES

Cash and Cash Equivalents: Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The County follows the practice of pooling cash and investments of all funds held by the County Treasurer, except when otherwise requested, in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. Balances in cash and pooled investments are available on a demand basis to each fund. Earnings on cash and cash equivalents accrue to the County's General Fund, with the exception of the Veterans' Relief Fund, Whatcom County Trial Court Improvement Fund, Drug Fund, Ferry System Fund, Chemical Dependency/Mental Health Fund, Countywide Emergency Medical Services Fund, Flood Control Zone District Fund, Sub-Zone Funds, County Park Improvement Fund and 2010 Jail Improvement Fund. Investments are shown on the balance sheet at fair value.

Temporary Investments: See Note 4.

Receivables: Taxes receivable consist of property taxes due as of December 31 (See Note 5). Accrued interest receivable consists of amounts earned on investments, notes, and contracts at the end of the year.

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.

Court receivables consist of amounts owed Whatcom County as a result of court decisions in Superior Court and District Court. Court receivables include criminal penalties, infraction, and probation fees. Receivables are shown net of allowances for uncollectible accounts. Court receivables are offset by deferred inflows of resources and therefore are not reported as revenue on Whatcom County's Statement of Activities or on Whatcom County's Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds.

Notes receivable consist of amounts due from private individuals for home improvement loans granted through the Federal Community Development Block Grant Program, and loans to pay impact fees related to low-income housing from the Public Utilities Improvement Fund. Repayment of these loans is due upon sale or exchange of the property. Notes receivable also include amounts due from private individuals for on-site sewage system repairs. These loans are funded through Washington State Department of Ecology. All loans are secured by liens on the benefited properties and all are considered ultimately collectible.

Amounts Due to and from Other Governmental Units: These accounts include amounts due to or from other governments for grants, entitlements, temporary loans, taxes, and charges for services. Amounts due to other governmental units also reflect the liability for net monetary assets being held by the county in its trustee or agency capacity.

Amounts Due to and from Other Funds; Interfund Loans: Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "interfund loans receivable/payable." All other outstanding balances between funds are reported as "interfund receivable/interfund payable." 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 12 (Interfund Balances and Transfers).

Inventories: Inventories are stated at cost. Inventories in proprietary funds are valued at First In First Out inventory basis. The County has no inventory in governmental funds.

Capital Assets and Depreciation: See Note 6. Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable government or business-type columns in the government-wide financial statements. Capital assets purchased or acquired are valued at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

Table FN1 - Capital Assets and Depreciation

Capital Asset	Useful Life	Capitalization Threshold
Buildings	50 years	\$ 5,000
Capital Leases	3-30 years	\$ 5,000
Improvements	5-30 years	\$ 5,000
Machinery and Equipment	3-10 years	\$ 5,000
Infrastructure	20-50 years	\$ 50,000

Custodial Accounts: This account reflects the liability for net monetary assets being held by the county in its trustee or agency capacity.

Deferred Outflows of Resources: These accounts include a consumption of net assets that are applicable to a future reporting period. Pensions are included in these accounts.

Deferred Inflows of Resources: These accounts include acquisitions of net assets that are applicable to a future reporting period. Pensions, grants received in advance, deferred property taxes, property tax advance payments, court receivables, and special assessments are included in these accounts.

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 (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences: The County records all accumulated unused vacation and sick leave. Vacation pay, which may be accumulated up to 30 days (employees with paid time off may accumulate up to 41 days), is payable upon resignation, retirement or death. Sick leave may accumulate up to 120 days. Employees hired before May 15, 1984 can receive a cash payout of 50 percent of their accrued sick leave balance. An employee hired after that date with three years of service can receive 25 percent of their accrued sick leave. The amount reported for the employee leave benefit accrual includes 100 percent of the vacation leave accrual as of December 31, 2016. Sick leave accruals are recorded at 50 percent if hired prior to May 15, 1984 or 25 percent sick leave accrual if hired after.

All vacation and sick pay is accrued when incurred in the governmental-wide and proprietary fund financial statements.

Other Accrued Liabilities: These accounts consist of accrued wages and accrued employee benefits.

Unearned Revenues: This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria have not been met (See Note 1B).

Long-Term Debt: See Note 9.

Fund Balance Classifications: The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- *Nonspendable fund balance includes amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.*
- *Restricted fund balance consists of amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.*
- *Committed fund balance represents amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. The County Council is the highest level of decision-making authority for the County and can commit fund balance by adoption of an ordinance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.*
- *Assigned fund balance are amounts a government intends to use for a specific purpose but do not meet the criteria to be classified as committed. The County Council has authority to assign fund balance.*
- *Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the General Fund.*

Fund Balance Details:*Table FN2 - Fund Balance Details*

	General	County Road	Public Utilities Improvement	Other Govt'l Funds	Total
Fund balances:					
Restricted for:					
Boating safety	135,573				135,573
Historical document preservation	293,832				293,832
Developmental disability mileage	764,581				764,581
County roads		28,683,606			28,683,606
Public facilities projects			21,581,886		21,581,886
Debt service				608	608
Capital projects				15,132,331	15,132,331
Parks and recreation				68,298	68,298
Chemical dependency/ mental health				6,486,569	6,486,569
Emergency medical/ criminal justice				259,658	259,658
Flood control/ stormwater				14,595,769	14,595,769
Land purchases				2,859,785	2,859,785
Social services				1,008,408	1,008,408
Solid waste				2,595,827	2,595,827
Tourism promotion				1,249,293	1,249,293
Other purposes				2,427,310	2,427,310
Committed to:					
Elections				675,388	675,388
Parks and recreation				1,489,579	1,489,579
Capital projects				9,884,704	9,884,704
Assigned to:					
Corrections				1,766,819	1,766,819
Parks and recreation				46,480	46,480
Emergency management				258,497	258,497
Unassigned:	15,694,885				15,694,885
Total fund balances	<u>\$16,888,871</u>	<u>\$28,683,606</u>	<u>\$21,581,886</u>	<u>\$60,805,323</u>	<u>\$127,959,686</u>

Minimum Fund Balance: The County has established a minimum fund balance policy. This policy applies to the General Fund, County Road Fund, and Flood Control Zone District Fund. Per the policy, the Executive will only propose budgets or budget revisions that result in an ending fund balance of at least 15 percent of the fund's annual revenue of the most recently closed fiscal year.

NOTE 2 – ACCOUNTING AND REPORTING CHANGES

During 2016, the following fund was added: South Pass Rd/ Saar Creek Bridge No. 212 Fund. In 2016, the following funds were closed: Rural Road Safety Program Project Fund, Superior Court Fourth Judge Courtroom Renovation

Fund, Lake Whatcom Boulevard Re-Surfacing Fund, Slater Road/ Nooksack River Bridge Fund, Hannegan Road Structural Overlay Fund and Beaver Creek Storm Water Improvements Fund.

In 2016, the County implemented the following GASB statements: Statement No. 72, "Fair Value Measurement and Application." This Statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. Statement No. 77, "Tax Abatement Disclosures." This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

NOTE 3 – VIOLATION OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

There have been no material violations of finance-related legal or contractual provisions in any of the funds of the County. At December 31, 2016, the Nettet Farm Restoration Fund, the Hannegan Road/ Nooksack River Bridge No. 252 Fund, the Whatcom County Investment Pool Fund and the Academy Road Stormwater Improvements Fund reported deficits in fund balance. The Nettet Farm Restoration Fund's negative fund balance of \$577 and the Hannegan Road/ Nooksack River Bridge No. 252 Fund's negative fund balance of \$822 is the result of an unrealized loss on investments allocated to the funds based on pooled investments. The Whatcom County Investment Pool Fund's negative fund balance of \$26,884 is a result of the implementation of GASB 68. A portion of the County's pension liability was allocated to the Investment Pool and resulted in a negative fund balance. The Academy Road Stormwater Improvements Fund reported a fund balance deficit of 19,448. The Academy Road Stormwater Project was anticipated to be primarily REET II funded, with \$620,000 budgeted in 2015 budget. When grant funding became available for the project, REET II revenue was replaced and only \$160,000 of the REET II allocation was transferred. Some expenditures anticipated to be funded by grants subsequently were determined not to be eligible. Any funding shortage will be requested from the REET II fund.

NOTE 4 – DEPOSITS AND INVESTMENTS

Whatcom County is authorized by RCW's 39.58 and 39.59 to invest in the following types of securities: U.S. Treasury Obligations, U.S. Government Agency Obligations and U.S. Government Sponsored Enterprises (GSE's), USD dollar denominated bonds, notes or other obligations that are issued or guaranteed by supranational institutions. Banker's Acceptances (BA's) purchased through State of Washington Financial Institutions and authorized broker/dealers, Commercial Paper (in compliance with State Investment Board (SIB) policies), Corporate Notes (in compliance with SIB policies), Non-negotiable Certificates of Deposit, Repurchase Agreements, Bonds of the State of Washington and any local government in the State of Washington, General obligation bonds of a state other than the State of Washington and general obligation bonds of a local government of a state other than the State of Washington, registered warrants and notes for Whatcom County and those districts in Whatcom County for which the Treasurer is the ex-officio Treasurer (subject to compliance with RCW 39.56.030), and the Washington State Local Government Investment Pool (LGIP).

The County's cash and investments are subject to several types of risk, which are examined in more detail below:

DEPOSITS

RCW 39.58.130 authorizes the investment of municipal funds in deposits in qualified public depositories provided that in no case shall the aggregate of demand and investment deposits of public funds by any such treasurer in any one public depository exceed at any time the net worth of that depository.

Custodial Credit Risk of Bank Deposits: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. Whatcom County's deposits and certificates of deposit are entirely covered by the Federal Deposit Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington State Public Deposit Protection Commission (WPDPC). State statute permits additional amounts to be assessed on a pro rata basis to members of the WPDPC pool in the event the pool's collateral should be insufficient to cover a loss.

INVESTMENTS

Custodial Credit Risk of Investments: Custodial credit risk of investments is the risk that, in the event of the failure of a counterparty, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The county investment policy requires that all deliverable securities will be settled delivery versus payment (DVP), which ensures that securities are deposited at a third party, such as a safekeeping and custodian bank acting as an agent for the county. A signed safekeeping and custodial agreement(s) shall be entered into with a federally-regulated financial institution, currently Wells Fargo Institutional Retirement and Trust. The custodian institution shall hold the securities as evidenced by a safekeeping receipt. Non-negotiable CD's, public funds deposit accounts, and investments in the LGIP are not handled on a DVP basis, and therefore are exempt from this process. In addition, BA's and repurchase agreements (provided a signed master repurchase agreement is on file) shall be held in the Trust safekeeping department of the financial institution in the name of Whatcom County. Certificates of deposit in the County Treasurer's name, or a copy thereof, will be delivered to and held by the Treasurer's Office.

The Local Government Investment Pool (LGIP) operates in a manner consistent with SEC Rule 2a7. Participants' balances in the LGIP are not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days. Per GASB 40 guidelines the balances are also not subject to custodial credit risk. The credit risk of the LGIP is limited, as most investments are either obligations of the US government, government sponsored enterprises, or insured demand deposit accounts and certificates of deposit. There is no statutory regulatory oversight of the LGIP other than annual audits through the Washington State Auditor's Office. As a 2a7-like pool, investments in the LGIP are reported at amortized cost. The fair value of County shares in the LGIP is dollar for dollar equal to the value of pool shares.

As of December 31, 2016, the county had the following investments and maturities:

Table FN3 - Investment Maturities

Investment Type	Investments and Maturities (In Years)*		
	Fair Value	Less Than 1	1 to 5
LGIP	\$13,482,052	\$13,482,052	\$-
Money Market Savings Account	8,093,460	8,093,460	-
Federal Farm Credit Bank	54,896,065	10,020,950	44,875,115
Federal Home Loan Bank	64,313,147	23,685,597	40,627,550
Federal Home Loan Mortgage Corp	93,747,956	27,495,375	66,252,581
Federal National Mortgage Assoc.	83,474,930	15,358,013	68,116,917
International Bank Recon & Development	37,508,739	9,986,600	27,522,139
Municipal Bonds	60,740,018	25,031,970	35,708,049
Certificates of Deposit	20,092,633	20,092,633	-
Total	\$436,349,000	\$153,246,650	\$283,102,351

*Maturity terms = Expected maturity (due to calls/sales) rather than stated maturity date.

Investments Measured at Fair Value: The County measures and records its investments within the fair value hierarchy established by generally accepted accounting principles. These guidelines recognize a three-tiered hierarchy: Level 1, quoted prices in active markets for identical assets; Level 2, quoted market prices for similar assets, quoted market prices for identical or similar assets in markets that are not active; and Level 3, unobservable inputs for an asset. At December 31, 2016, the County had the following recurring fair value measurements:

Table FN4 - Investments Measured at Fair Value

Investments by fair value level	Investments Measured at Fair Value			
	Total	Level 1	Level 2	Level 3
Federal Farm Credit Bank	\$54,896,065	\$-	\$54,896,065	\$-
Federal Home Loan Bank	64,313,147	-	64,313,147	-
Federal Home Loan Mortgage Corp	93,747,956	-	93,747,956	-
Federal National Mortgage Assoc.	83,474,930	-	83,474,930	-
International Bank Recon & Development	37,508,739	-	37,508,739	-
Municipal Bonds	60,740,018	-	60,740,018	-
Total	\$394,680,855	\$-	\$394,680,855	\$-

Interest Rate Risk: As a means of limiting its exposure to interest rate risk, the county diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The county coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to five years from the purchase date unless matched to a specific cash flow. In the case of collateralized mortgage obligations, the average expected life at time of purchase must be less than five years. The portfolio is structured so that securities mature to meet cash requirements thereby avoiding the need to sell securities prior to maturity. The County

does not have a specific interest rate risk policy, however, it is cognizant of this risk and addresses it in the Whatcom County Treasurer’s Office Investment Policy, of which the WCIP is in compliance with as of December 31, 2016.

Credit Risk: State law and county policy limit investments to those authorized by state statute. Allowable investments must have, at the time of investment, one of the three highest credit ratings of a nationally recognized rating agency. The county allows 100 percent investment in US Treasuries or the LGIP. The county limits its holdings in US Government operated and sponsored entities to 90 percent of the portfolio; certificates of deposit, public funds deposit accounts, supranationals, and repurchase agreements to 40 percent of the portfolio; bankers acceptances to 25 percent of the portfolio; commercial paper and corporate notes to a combined 25 percent of the portfolio; WA state and local government bonds to 20 percent, general obligation bonds outside the state of WA to 15 percent and reverse repurchase agreements to 10 percent of the portfolio. At December 31, 2016 the county held no investments in banker’s acceptances, repurchase agreements, corporate notes, or commercial paper.

As of year-end, the credit quality ratings of debt securities (other than US government and US government guaranteed) are as follows:

Table FN5 - Credit Quality Distribution for Securities

<u>Investment Type</u>	<u>Moody’s Rating</u>	<u>S & P’s Rating</u>	<u>Percentage of Portfolio</u>
Federal Farm Credit Bank	Aaa		13%
Federal Home Loan Bank	Aaa		15%
Federal Home Loan Mortgage Corp	Aaa		20%
Federal Home Loan Mortgage Corp		AA+	1%
Federal National Mortgage Assn	Aaa		17%
Federal National Mortgage Assn		AA+	2%
General Obligation Municipal Bonds	Aaa		3%
General Obligation Municipal Bonds	Aa1		5%
General Obligation Municipal Bonds	Aa2		3%
General Obligation Municipal Bonds	Aa3		3%
General Obligation Municipal Bonds	A1		0%
General Obligation Municipal Bonds		AA+	0%
International Bank Recon & Development	Aaa		9%
LGIP	Not Rated		3%

Concentration Risk: The County allows 100 percent investment in US Treasuries and the LGIP. The County limits its holdings in US Government operated and sponsored entities to 90 percent of the portfolio and 35 percent per issuer; certificates of deposit, public funds deposit accounts, supranationals, and repurchase agreements to 40 percent of the portfolio and 15 and 10 percent per issuer respectively; bankers acceptances to 25 percent of the portfolio and 10 percent per issuer; commercial paper and corporate notes combined to 25 percent of the portfolio and 3 percent per issuer; WA state and local government bonds to 20 percent and 10 percent per issuer, general obligation bonds outside the state of WA to 15 percent and 5 percent per issuer, and reverse repurchase agreements to 10 percent of the portfolio.

EXTERNAL INVESTMENT POOL

The Whatcom County Investment Pool (WCIP) operates on an amortized cost-book value basis. The County Finance Committee performs oversight of the pool’s performance. There are no legally binding guarantees for the WCIP. Authorized investments for the WCIP are the same as investments held outside of the pool and are defined in the Whatcom County Treasurer’s Office Investment Policy.

Earnings distributions, including any realized transactions in the pool, are distributed monthly, calculated on the average daily balance of the participant’s account. The Whatcom County Treasurer, by law, is the treasurer of most governments within the county, including schools, fire and library districts. These districts do not have a legal option to have their investments handled by other than the County Treasurer. As of December 31, 2016, the WCIP had one discretionary pool participant accounting for 7 percent of pool assets.

The County reported investments at Fair Value in accordance with GASB No. 31, “Accounting and Financial Reporting for Certain Investments and External Investment Pools” and GASB No. 72, “Fair Value Measurement and Application”. At December 31, 2016, the fair value of investments in the WCIP was \$2,693,077 less than the amortized cost.

Fair value of the WCIP is reviewed by the County Finance Committee quarterly, and by the County Treasurer monthly. Fair value is determined using quoted market prices from our safekeeping agent, and with Bloomberg, an on-line financial services system.

There is no involuntary participation in the WCIP. Districts can have the County Treasurer manage their cash invested outside of the WCIP if they meet the criteria specified by the WCIP Operating Terms and Conditions. There were no investments purchased by districts not invested in the WCIP for 2016.

The Whatcom County Investment Pool’s Condensed Statement of Net Position and Changes in Net Position as of December 31, 2016 are shown on the following tables:

Table FN6 - Condensed Statement of Net Position

Assets	\$437,140,015
Less: Liabilities	-
Net assets held in trust for pool participants	\$437,140,015
Equity of internal pool participants	\$156,213,506
Equity of external pool participants	280,926,509
Total equity	\$437,140,015

Table FN7 - Condensed Statement of Changes in Net Position

Net position-beginning	\$422,464,043
Net change in investments by pool participants	14,675,972
Net position-ending	\$437,140,015

NOTE 5 – PROPERTY TAXES

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed after the end of each month. The property tax calendar is shown below:

PROPERTY TAX CALENDAR

January 1	Taxes are levied and become 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 taxes are recorded as a receivable when levied, offset by unearned revenue. During the year, property tax revenues are recognized when cash is collected. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible.

The tax collection record for Whatcom County is shown below:

Table FN8 - Tax Collection Record

Collection Year	Regular Assessed Valuation (1)	Ad Valorem Tax Levy (2)	Year of Levy Tax Collection
2016	\$25,299,329,005	\$28,531,297	98.6%
2015	24,304,119,963	28,052,610	98.4%
2014	23,679,456,188	27,579,208	98.3%
2013	23,484,411,003	27,113,497	98.2%
2012	23,531,575,782	26,693,838	97.9%
2011	23,729,066,124	26,393,783	97.8%
2010	25,077,540,196	25,592,633	96.9%

(1) Assessed valuation is based upon 100% of estimated actual valuation.

(2) Does not include conservation futures, county road district and flood control zone district levies.

The County may levy up to \$1.80 per \$1,000 of assessed valuation for general governmental services, subject to three limitations:

- Washington State law in RCW 84.55.010 limits the growth of regular property taxes to 101 percent of the previous year's levy, adjusted for new construction.
- Chapter 84.52 RCW establishes a limitation on the levies for ports, public utilities, state school, emergency medical services, counties, roads, and cities and towns. All other regular levies are reduced by a priority schedule if a composite rate of \$5.55 per thousand is exceeded.
- The Washington State Constitution limits the total regular property taxes to 1 percent of assessed valuation or \$10 per \$1000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced

until the total is at or below the 1 percent limit, with the exception of port districts, public utility districts, and new state school construction.

The County's regular levy for 2016 was \$1.1277491685 per \$1,000 on an assessed valuation of \$25.3 billion for a regular levy of \$28,531,297. This levy was used for general governmental purposes.

The Road Fund levied \$1.5441278149 per \$1,000 on an assessed value of \$12.2 billion in 2016. This resulted in a total levy of \$18,848,846 to be used for county road maintenance and construction.

The Flood Control Zone District Fund levied \$1.1344419956 per \$1,000 on an assessed value of \$25.3 billion in 2016. This resulted in a total levy of \$3,401,292 to be used to address flooding and associated storm water issues and to achieve flood damage reduction.

The Conservation Futures Fund levied \$0.0417562347 per \$1,000 on an assessed value of \$25.3 billion in 2016. This resulted in a total levy of \$1,056,405 to be used to acquire rights and interest in open space land, farm and agricultural land and timber land.

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

Capital assets activity for the year ended December 31, 2016 is shown on the following page.

Table FN9 - Capital Assets Activity

Governmental activities	Beginning Balance 01/01/2016	Increases	Decreases	Ending Balance 12/31/2016
Capital assets, not being depreciated				
Land	\$101,253,983	\$741,248	\$-	\$101,995,231
Construction in progress	2,677,937	180,932	(3,022)	2,855,847
Intangible assets	50,400	-	-	50,400
Total capital assets, not being depreciated	<u>103,982,320</u>	<u>922,180</u>	<u>(3,022)</u>	<u>104,901,478</u>
Capital assets, being depreciated				
Buildings	78,013,502	204,901	-	78,218,403
Improvements	11,907,788	454,772	-	12,362,560
Equipment	39,835,268	2,198,052	(2,199,014)	39,834,306
Infrastructure	185,687,677	8,024,268	-	193,711,945
Total capital assets being depreciated	<u>315,444,235</u>	<u>10,881,993</u>	<u>(2,199,014)</u>	<u>324,127,214</u>
Less accumulated depreciation for:				
Buildings	(31,802,199)	(1,578,029)	-	(33,380,228)
Improvements	(5,963,709)	(421,160)	-	(6,384,869)
Equipment	(28,700,561)	(1,961,139)	2,143,883	(28,517,817)
Infrastructure	(103,683,828)	(6,868,231)	-	(110,552,059)
Total accumulated depreciation	<u>(170,150,297)</u>	<u>(10,828,559)</u>	<u>2,143,883</u>	<u>(178,834,973)</u>
Total capital assets, being depreciated, net	<u>145,293,938</u>	<u>53,434</u>	<u>(55,131)</u>	<u>145,292,241</u>
Governmental activities capital assets, net	<u>\$249,276,258</u>	<u>\$975,614</u>	<u>\$(58,153)</u>	<u>\$250,193,719</u>
Business-type activities				
Capital assets, being depreciated				
Equipment	\$24,305	\$-	\$-	\$24,305
Total capital assets being depreciated	<u>24,305</u>	<u>-</u>	<u>-</u>	<u>24,305</u>
Less accumulated depreciation for:				
Equipment	(21,363)	(642)	-	(22,005)
Total accumulated depreciation	<u>(21,363)</u>	<u>(642)</u>	<u>-</u>	<u>(22,005)</u>
Total capital assets, being depreciated, net	<u>2,942</u>	<u>(642)</u>	<u>-</u>	<u>2,300</u>
Business-type activities capital assets, net	<u>\$2,942</u>	<u>\$(642)</u>	<u>\$-</u>	<u>\$2,300</u>

Depreciation expense was charged to functions/programs of the primary government as shown on the following page.

Table FN10 - Depreciation Expense

Governmental activities:	
General governments	\$1,514,413
Public safety	604,623
Utilities	105,854
Transportation	8,128,631
Natural and Economic environment	141,147
Social services	55,264
Culture & recreation	278,627
Total depreciation expense	<u>\$10,828,559</u>
Business-type activities:	
Transportation	<u>\$642</u>
Total depreciation expense	<u>\$642</u>

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*:

Table FN11 - Aggregate Pension Amounts - All Plans

Pension liabilities	\$(45,163,254)
Pension assets	\$1,797,773
Deferred outflows of resources	\$9,034,632
Deferred inflows of resources	\$(1,396,605)
Pension expense/expenditures	\$4,811,108

STATE SPONSORED PENSION PLANS

Substantially all Whatcom 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 the address on the following page.

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.

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 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:

Table FN12 - PERS Plan 1 Actual Contribution Rates

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

**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.

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 are shown on the following page.

Table FN13 - PERS Plan 2/3 Actual Contribution Rates

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

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

The County’s actual PERS plan contributions were \$2,490,469 to PERS Plan 1 and \$2,791,242 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:

- 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 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:

Table FN14 - PSERS Plan 2 Actual Contribution Rates

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%	
Total	11.54%	6.59%

The County’s actual plan contributions were \$324,140 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.

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:

Table FN15 - LEOFF Plan 2 Actual Contribution Rates

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

The County's actual contributions to the plan were \$393,726 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 \$1,435,184.

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.

- **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.

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.

Table FN16 - Estimated Rates of Return by Asset Class

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%
	100%	

Sensitivity of the Net Pension Liability/ (Asset)

The table on the following page 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.

Table FN17 - Net Pension Liability by Discount Rate

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
PERS 1	\$26,626,252	\$22,079,993	\$18,167,659
PERS 2/3	\$41,384,932	\$22,477,398	\$(11,700,783)
PSERS 2	\$2,630,750	\$605,863	\$(836,472)
LEOFF 1	\$(215,392)	\$(362,589)	\$(488,408)
LEOFF 2	\$4,024,651	\$(1,435,184)	\$(5,550,314)

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 December 31, 2016, the County reported its proportionate share of the net pension liabilities/ (assets) as follows:

Table FN18 - Net Pension Liability/(Asset) by Plan

	Liability (or Asset)
PERS 1	\$22,079,993
PERS 2/3	\$22,477,398
PSERS 2	\$605,863
LEOFF 1	\$(362,589)
LEOFF 2	\$(1,435,184)

The amount of the asset reported above for LEOFF Plan 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 liability asset that was associated with the County were as follows:

Table FN19 - Total Net Pension Liability/(Asset) for LEOFF Plan 1 and Plan 2

	LEOFF 1 Asset	LEOFF 2 Asset
Employer’s proportionate share	\$(362,589)	\$(1,435,184)
State’s proportionate share of the net pension liability/ (asset) associated with the employer	<u>\$(2,452,540)</u>	<u>\$(935,635)</u>
Total	<u><u>\$(2,815,129)</u></u>	<u><u>\$(2,370,819)</u></u>

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

Table FN20 - County's Proportionate Share of Net Pension Liabilities

	Proportionate Share 6/30/15	Proportionate Share 6/30/16	Change in Proportion
PERS 1	0.414%	0.411%	-0.003%
PERS 2/3	0.447%	0.446%	-0.001%
PSERS 2	1.392%	1.426%	0.034%
LEOFF 1	0.035%	0.035%	0.000%
LEOFF 2	0.240%	0.247%	0.007%

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*.

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 recognized pension expense as follows:

Table FN21 - Pension Expense

	Pension Expense
PERS 1	\$1,029,629
PERS 2/3	\$2,912,529
PSERS 2	\$436,800
LEOFF 1	\$(48,481)
LEOFF 2	\$480,631
Total	<u>\$4,811,108</u>

Deferred Outflows of Resources and Deferred Inflows of Resources

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

Table FN22 - Sources of Deferred Outflows/Inflows of Resources Related to Pensions

	Plan 1		Plan 2/3	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Public Employees' Retirement System (PERS)				
Difference between expected and actual experience	\$-	\$-	\$1,196,906	\$(742,015)
Net difference between projected and actual investment earnings on pension plan investments	\$555,939	\$-	\$2,750,585	\$-
Change of assumptions	\$-	\$-	\$232,322	\$-
Changes in proportion and differences between contributions and proportionate share of contributions	\$-	\$-	\$-	\$(608,601)
Contributions subsequent to the measurement date	\$1,303,198	\$-	\$1,462,395	\$-
Total	<u>\$1,859,137</u>	<u>\$-</u>	<u>\$5,642,207</u>	<u>\$(1,350,616)</u>
Plan 2				
Public Safety Employees' Retirement System (PSERS)				
Difference between expected and actual experience	\$206,374	\$-		
Net difference between projected and actual investment earnings on pension plan investments	\$124,956	\$-		
Change of assumptions	\$2,352	\$-		
Changes in proportion and differences between contributions and proportionate share of contributions	\$2,934	\$(916)		
Contributions subsequent to the measurement date	\$167,835	\$-		
Total	<u>\$504,451</u>	<u>\$(916)</u>		
Plan 1				
Plan 2				
Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)				
Difference between expected and actual experience	\$-	\$-	\$196,659	\$-
Net difference between projected and actual investment earnings on pension plan investments	\$36,857	\$-	\$515,719	\$-
Change of assumptions	\$-	\$-	\$5,411	\$-
Changes in proportion and differences between contributions and proportionate share of contributions	\$-	\$-	\$66,064	\$(45,073)
Contributions subsequent to the measurement date	\$-	\$-	\$208,127	\$-
Total	<u>\$36,857</u>	<u>\$-</u>	<u>\$991,980</u>	<u>\$(45,073)</u>

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:

Table FN23 - Deferred Outflows/Inflows Recognized in Pension Expense by Year

Year ended December 31:	PERS 1	PERS 2/3	PSERS	LEOFF 1	LEOFF 2
2017	(136,884)	(237,090)	41,067	(7,616)	(286)
2018	(136,884)	(237,090)	41,067	(7,616)	(286)
2019	510,570	2,000,345	118,051	31,920	432,852
2020	319,137	1,303,031	92,575	20,169	300,109
2021	-	-	41,949	-	6,392
Thereafter	-	-	990	-	-

NOTE 8 – RISK MANAGEMENT

The County maintains insurance against most normal hazards except for unemployment insurance, workers' compensation, medical insurance, and dental insurance where it has elected to become self-insured. Claims for these risks are processed by independent claims managers. Interfund premiums are assessed on the basis of claims experience and are reported as revenues in the Administrative Services Fund (an internal service fund) and expenses or expenditures in the paying fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. For each of the last three years, the County's settlements have not exceeded the County's insurance coverage.

At December 31, 2016, the amount of these liabilities was \$4,588,227. Changes in the balances of claims liabilities during 2015 and 2016 are shown below:

Table FN24 - Claims Liability Balance Changes

	Beginning of Year Claims Liability	Claims Paid During the Year	Estimated Additional Liability Incurred	Balance at Year End
2015	\$4,169,744	\$(7,355,264)	\$7,463,589	\$4,278,069
2016	\$4,278,069	\$(8,543,813)	\$8,853,971	\$4,588,227

In 2011, Whatcom County received an Order and Notice from the Washington State Department of Labor and Industries stating the requirement to fund a pension for the spouse of a former employee. The former employee died of causes unrelated to his open worker's compensation claim with Whatcom County, however, because he was totally and permanently disabled at the time of his death, the State has determined his surviving spouse is entitled to a spouse's pension. The total amount of the pension is \$317,910. The monthly pension benefit is \$2,470 and as of

December 31, 2016, the balance of the pension is \$152,422.

Whatcom County is a participating member of the Washington Counties Risk Pool (WCRP). Chapter 48.62 RCW authorizes the governing body of one or more governmental entities to join together for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The Pool was formed in August of 1988 when 15 counties in the state of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. As of December 31, 2016, 26 counties participate in the WCRP.

The Pool allows members to jointly establish a plan of self-insurance, and provides related services, such as risk management and claims administration. Members enjoy occurrence-based, jointly purchased and/or jointly self-insured liability coverage for bodily injury, personal injury, property damage, errors and omissions, and advertising injury caused by a covered occurrence during an eligible period and occurring anywhere in the world. Total coverage limits are \$20 million per occurrence and each member selects its occurrence deductible amount for the ensuing coverage year from these options: \$10,000, \$25,000, \$50,000, \$100,000, \$250,000, or \$500,000. For losses occurring in 2016, Whatcom County selects a per-occurrence deductible of \$100,000.

Members make an annual contribution to fund the Pool. The Pool acquires reinsurance for further protection from larger losses, direct protection for the Pool and indirect for the member counties due to the contingent liabilities they would otherwise incur from risk-sharing those losses. The reinsurance agreements are written with self-insured retentions ("SIRs") equal to the greater of the deductible for the member with the claim or \$100,000. More recent years' reinsurance programs have included "corridor deductibles" with aggregated stop losses which have the effect of increasing the Pool's SIR. For 2015-16, this "corridor" increased the SIR to \$2 million, but with an aggregated stop loss of \$3.45 million. Other reinsurance agreements respond to the applicable policy limits. Those reinsurance agreements contain aggregate limits for the maximum annual reimbursements to the Pool of \$40 million (lowest reinsured layer), \$20 million, (second layer), \$30 million (third layer), and \$50 million (final reinsured layer). Since the Pool is a cooperative program, there is a joint liability among the participating members.

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

The Pool is fully funded by its member participants. Claims are filed directly with the Pool by members and adjusted

by one of the six staff members responsible for evaluating each claim for coverage, establishing reserves, and investigating for any risk-shared liability. The Pool does not contract with any third party administrators for claims adjustment or loss prevention services.

During 2015-16, Whatcom County was also one of twenty-six (26) counties which participated in the Washington Counties Property Program (WCPP). Property losses are covered under the WCPP to the participating counties' buildings and contents, vehicles, mobile/contractor equipment, EDP and communication equipment, etc. that have been scheduled. The WCPP includes 'All Other Perils ("AOP")' coverage limits of \$500 million per occurrence as well as Flood and Earthquake (catastrophe) coverages with separate occurrence limits, each being \$200 million. There are no AOP annual aggregate limits, but the flood and earthquake coverages include annual aggregate limits of \$200 million each. Each participating county is solely responsible for paying their selected deductible, ranging between \$5,000 and \$50,000. Higher deductibles apply to losses resulting from catastrophe-type losses.

Whatcom County also participates in the jointly purchased cyber risk and security coverage from a highly-rated commercial insurer.

The Pool is governed by a board of directors which is comprised of one designated representative from each participating member. The Board of Directors generally meets three-times each year with the Annual Meeting of the Pool' being held in summer. The Board approves the extent of risk-sharing, approves the Pool's self-insuring coverage documents, approves the selection of reinsurance and excess agreements, and approves the Pool's annual operating budget.

An 11-member executive committee is elected by and from the WCRP Board for staggered, 3-year terms. Authority has been delegated to the Committee by the Board of Directors to, a) approve all disbursements and reviews the Pool's financial health, b) approve case settlements exceeding the applicable member's deductible by at least \$50,000, c) review all claims with incurred loss estimates exceeding \$100,000, and d) evaluate the Pool's operations, program deliverables, and the Executive Director's performance. Committee members are expected to participate in the Board's standing committees (finance, personnel, risk management, and underwriting) which develop or review/revise proposals for and/or recommendations to the association's policies and its coverages for the Board to consider and act upon

During 2015-16, the WCRP's assets decrease 4% to \$46.8 million while its liabilities increased slightly to \$29 million. The Pool's net position decreased slightly from \$18.9 million to \$17.9 million. The Pool more than satisfies the State Risk Manager's solvency requirements (WAC 200.100.03001). The Pool is a cooperative program with joint liability amongst its participating members.

Deficits of the Pool resulting from any fiscal year are financed by reassessments of the deficient year's membership in proportion with the initially levied and collected deposit assessments. The Pool's reassessments receivable balance as of December 31, 2016 was zero (\$0). As such, there were no known contingent liabilities at that time for disclosure by the member counties.

NOTE 9 – LONG-TERM DEBT AND LEASES

GENERAL OBLIGATION BONDS

The county issued general obligation bonds in the amount of \$6,135,000 in 2010 to refinance the 1997 and 1998 issue of bonds and to fund safety improvements to the County Jail. Interest rate on these bonds is fixed at 1.75 percent - 5.25 percent (depending on maturity date) with final maturity in 2030. Repayment will be made from Real Estate Excise Tax I Fund, Whatcom County Jail Fund and General Fund revenues. As of December 31, 2016, outstanding bonds totaled \$2,695,000.

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

Table FN25 - GO Bonds

Year Ending December 31	General Obligation Bonds	
	Principal	Interest
2017	355,000	120,412
2018	355,000	110,825
2019	140,000	98,725
2020	145,000	94,525
2021 - 2025	795,000	360,875
2026 - 2030	905,000	145,688
Total	<u>\$2,695,000</u>	<u>\$931,050</u>

In proprietary funds, unamortized debt issue costs and bond discounts are recorded as deferred charges. Annual interest expense is increased by amortization of debt costs and discounts.

ARBITRAGE

Issuers of tax-exempt bonds are generally subject to investment or arbitrage limitations under the Internal Revenue Code. For year ended December 31, 2016, Whatcom County had no arbitrage liability.

CHANGES IN LONG-TERM DEBT

The changes that occurred in long-term liabilities, during the year ended December 31, 2016, are shown on the following page.

Table FN26 - Changes in Long-Term Debt

	January 1	Additions	Reductions	December 31	Due Within One Year
Governmental Activities					
Bonds payable					
General obligation debt	\$3,025,000	\$-	\$330,000	\$2,695,000	\$355,000
Discounts/ premiums	91,873	-	41,352	50,521	-
Total bonds payable	3,116,873	-	371,352	2,745,521	355,000
Capital leases	285,367	110,667	125,938	270,096	111,969
Claims	4,278,069	8,853,971	8,543,813	4,588,227	4,465,445
Pension obligations	37,084,207	7,170,076	-	44,254,283	-
OPEB obligations	3,082,173	544,958	-	3,627,131	-
Compensated absences	7,599,568	6,268,677	6,886,469	6,981,776	6,981,776
Landfill post-closure costs	250,000	-	-	250,000	-
Total Governmental Activities	<u>\$55,696,257</u>	<u>\$22,948,349</u>	<u>\$15,927,572</u>	<u>\$62,717,034</u>	<u>\$11,914,190</u>
Business-Type Activities					
Pension obligations	\$774,661	\$134,310	\$-	\$908,971	\$-
Compensated absences	123,555	105,382	120,076	108,861	108,861
Total Business-Type Activities	<u>\$898,216</u>	<u>\$239,692</u>	<u>\$120,076</u>	<u>\$1,017,832</u>	<u>\$108,861</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the totals for governmental activities shown above.

COMPENSATED ABSENCES

For governmental activities, the compensated absences liability will be paid from the General Fund, County Road, Election Reserve, Whatcom County Jail, Chemical Dependency/Mental Health, Solid Waste, Victim Witness Assistance, and Emergency Management special revenue funds and Equipment Rental and Revolving and Administrative Services internal service funds.

OPERATING LEASES

The County leases a building from the Port of Bellingham to provide a facility for the emergency operations center. Total cost for the lease was \$67,356 for the year ended December 31, 2016. The future minimum lease payments for this lease are shown on the following page.

Table FN27 - Operating Leases

Year Ending December 31		Amount
2017	*	69,119
2018	*	71,193
2019	*	73,329
2020	*	75,529
2021	*	77,795
2022	*	80,129
2023	*	82,533
Total		<u>\$529,627</u>

**Actual lease payments will be adjusted by the Consumer Price Index. For the future minimum lease payments, a 3% increase per year was used.*

CAPITAL LEASES

Whatcom County has entered into a lease agreement for copiers that qualifies as a capital lease for accounting purposes. The assets acquired through capital leases are as follows:

Table FN28 - Capital Lease Assets

Asset:	Governmental Activities
Machinery and equipment	\$756,351
Less: Accumulated depreciation	(486,251)
Total	<u>\$270,100</u>

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

Table FN29 - Future Minimum Lease Obligations

	Governmental Activities
2017	\$117,876
2018	66,279
2019	51,290
2020	35,946
2021	6,604
Total Minimum Lease Payments	<u>277,995</u>
Less: Interest	7,899
Present Value of Minimum Lease Payments	<u>\$270,096</u>

DEBT LIMITATIONS

The amount of long-term debt that can be incurred by a county is limited by state statute. The table below presents the remaining unused long-term debt capacity available to the county based upon the limits set by statute.

Table FN30 - Long-Term Debt Capacity

Purpose of Indebtedness	Remaining Capacity
General Government (No vote required)	\$385,999,094
General Government (With 3/5 majority vote)	\$652,745,980

NOTE 10 – CONTINGENCIES

Whatcom County has claims and lawsuits pending at this time. All these claims and lawsuits were forwarded to the Washington Counties Risk Pool (see Note 8) and 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 representative. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. County management believes that such disallowances, if any, will be immaterial.

NOTE 11 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

The County has capital projects as of December 31, 2016. The projects include: new jail building, telecommunications system replacement, and Nessel Farms restoration.

Effective January 1, 2014 Whatcom County entered into interlocal agreements with the City of Bellingham and Whatcom County Fire Protection District #7 to provide county wide emergency medical advanced life support services. These agreements replace an expired interlocal agreement with the City of Bellingham. The new interlocal agreements are for the period January 1, 2014 through December 31, 2016. The agreements automatically extend for one year each January 1st provided no parties to the agreements provide a notice of termination. Payments for services for 2016 to the City of Bellingham and Whatcom County Fire Protection District #7 totaled \$4,982,297 and \$1,555,269 respectively.

These services are funded by a combination of sales tax, user fees, and transfers from the Whatcom County General Fund.

NOTE 12 – INTERFUND BALANCES AND TRANSFERS

INTERFUND BALANCES

Interfund receivables and payables are transactions that would be treated as revenues, expenditures, or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, and are similarly treated when they involve other funds of the county. At December 31, 2016, interfund receivable and interfund payable balances are as follows:

Table FN31 - Interfund Receivable/Payable

Due To	Due From				Total
	General Fund	County Road	Internal Service	All Others	
General Fund	\$-	\$-	\$-	\$416,137	\$416,137
County Road	4,622	-	8,663	25,878	39,163
Internal Service	25,933	3,219	-	2,664	31,816
All Others	101,998	108,778	1,127	671,889	883,792
Total	\$132,553	\$111,997	\$9,790	\$1,116,568	\$1,370,908

The Interfund balances resulted from the time lag between the dates when interfund goods and services were provided or reimbursable expenditures incurred and when interfund payments were made.

Interfund loans and advances are fund transfers, usually interest bearing, which will be repaid in future years. Interfund loans outstanding as of December 31, 2016 were as follows:

Table FN32 - Interfund Loans Receivable/Payable

Interfund Loan Receivable	Interfund Loan Payable		
	General Fund	All Others	Total
General Fund	\$-	\$700,000	\$700,000
County Road	661,635	1,309,000	1,970,635
Internal Service	1,198,448	-	1,198,448
All Others	-	100,000	100,000
Total	\$1,860,083	\$2,109,000	\$3,969,083

The General Fund loaned \$700,000 to non-major funds to finance cash flow.

The Road Fund loaned \$1,309,000 to non-major funds to finance cash flow and \$661,635 to the General Fund to finance the cost of replacing the Sheriff/ Jail records management system.

The Real Estate Excise Tax II Fund loaned \$100,000 to Nessel Farm Restoration Fund to finance cash flow.

The Equipment Rental and Revolving Fund loaned the General Fund \$1,198,448 to finance the Central Plaza building

and the Assessor/ Treasurer system.

INTERFUND TRANSFERS

Interfund transfers are subsidies and contributions provided by one fund to another fund with no corresponding promise for repayment. Interfund transfers provide funding for capital projects, debt service, reallocations of special revenues, and to support the operations of other funds. Interfund transfers for the year ended December 31, 2016, are shown below:

Table FN33 - Interfund Transfers

Transfer To	Transfers From				Total
	General Fund	County Road	Internal Service	All Others	
General Fund	\$-	\$301,694	\$338,816	\$3,844,906	\$4,485,416
County Road	50,000	-	121,933	2,146,335	2,318,268
Internal Service	337,789	87,231	-	23,969	448,989
All Others	8,012,737	2,576,277	-	2,320,131	12,909,145
Total	\$8,400,526	\$2,965,202	\$460,749	\$8,335,341	\$20,161,818

The General Fund transfers out primarily support the county jail, emergency medical services, and the new jail project.

Transfers out from the Road Fund include funding for capital project funds and support for the Ferry System Fund.

Non-major fund transfers out include a transfer from Real Estate Excise Tax II Fund to the General Fund to fund park operations and funds transferred from closed capital project funds back to the Road Fund.

NOTE 13 – JOINT VENTURES

Whatcom County participates with the City of Bellingham and other local governmental jurisdictions to provide a law enforcement, fire, and emergency medical communications dispatching service (What-Comm Communications Center). The governing board of What-Comm consists of three members from the county, three from the city, one representing county fire districts and one elected official to be selected by the other members. The board is responsible for establishing the budget for What-Comm and for establishing the annual financial contributions to be made by the member jurisdictions. Whatcom County and the City of Bellingham share the expenditures equally. Whatcom County contributed \$909,721 as its share of operations in 2016. Whatcom County did not have an equity interest in What-Comm in 2016. Financial statements for What-Comm Communications Center can be obtained from the City of Bellingham, 210 Lottie Street, Bellingham, Washington 98225.

NOTE 14 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

PLAN DESCRIPTION

As required by the Revised Code of Washington (RCW) Chapter 41.26, the County provides lifetime medical, dental and vision care for members of the Law Enforcement Officers and Fire Fighters (LEOFF) retirement system hired on or before September 30, 1977 under a defined benefit healthcare plan administered by the County. Medical coverage for eligible pre-Medicare retirees is provided by one of the County's employee medical insurance programs. There is currently 1 active LEOFF I member and 17 retired LEOFF I members who are receiving benefits. Financial reporting for the LEOFF retiree healthcare plan is included in the County's Comprehensive Annual Financial Report.

FUNDING POLICY

Funding for LEOFF retiree healthcare costs is provided entirely by the County as required by RCW. The County's contributions are financed on a pay-as-you-go basis.

ANNUAL OPEB COST AND NET OPEB OBLIGATION

Whatcom County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The County has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period of fifteen years as of January 1, 2016. The table on the following page 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 \$3,627,131 is included as a noncurrent liability on the Statement of Net Position.

The County's OPEB cost, the percentage of OPEB cost contributed to the plan, and the net OPEB obligation for 2016 are shown on the following page.

Table FN34 - Annual OPEB Cost

	12/31/16
Annual Required Contribution:	
Normal Cost at Year End	\$20,931
Amortization of UAAL*	754,065
Annual Required Contribution	\$774,996
Net OPEB Obligation:	
Annual Required Contribution	\$774,996
Interest on Net OPEB Obligation	123,287
Amortization of Net OPEB Obligation	(277,214)
Annual OPEB Cost	621,069
Contributions Made	(76,111)
Increase in Net OPEB Obligation	544,958
Net OPEB Obligation-Beginning of Year	3,082,173
Net OPEB Obligation-End of Year	\$3,627,131

* Unfunded Actuarial Accrued Liability (UAAL)

Table FN35 - Net OPEB Obligation

Fiscal Year Ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
12/31/14	\$637,419	16.0%	\$2,437,493
12/31/15	\$734,919	12.3%	\$3,082,173
12/31/16	\$621,069	12.3%	\$3,627,131

FUNDED STATUS AND FUNDING PROGRESS

As of January 1, 2016, the most recent actuarial valuation date, the plan was 0 percent funded. The accrued liability for benefits was \$8,383,992 and the actuarial value of the assets was 0 percent resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$8,383,992.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

METHOD AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

The following assumptions were made:

A single retirement age of 55.3 was assumed for all active members for the purpose of determining the actuarial accrued liability and normal cost. Retirement, disablement, termination, and mortality rates were assumed to follow the LEOFF I rates used in the June 30, 2014 actuarial valuation report issued by the Office of the State Actuary (OSA). Healthcare costs and trends were determined by Milliman and used by OSA in the state-wide LEOFF I medical study performed in 2013. The results were based on grouped data with four active groupings and four inactive groupings. The actuarial cost method used to determine the actuarial accrued liability was the Projected Unit Credit. The actuarial accrued liability and net OPEB obligation are amortized on an open basis as a level dollar over 15 years.

NOTE 15 – POSTCLOSURE CARE COST

Whatcom County owns four closed solid waste landfills. These are Birch-Bay Lynden, Y Road, and Pt. Roberts, all closed in the 1980's and Cedarville, which was closed in 1990 (Phase I), with final closure in 1993 under WAC 173-304. Whatcom County is required by the Department of Ecology to perform post-closure monitoring of Cedarville for a minimum of 20 years or until the landfill meets certain criteria. The County complies with this requirement through several permits which require monitoring of ground water, gas, and leachate production. A new leachate management system was constructed in 2012 but no further capital improvements are anticipated at this time. The typical annual operating budget for Cedarville is expected to be approximately \$28,000 for ground water testing and maintenance. These costs are funded by solid waste excise taxes. A reserve of \$250,000 was established in the Solid Waste Fund in 1992 to cover unforeseen post-closure care costs. The actual cost of post-closure care may change due to inflation or regulations.

NOTE 16 – TAX ABATEMENT

The County is subject to tax abatements granted by the City of Bellingham and the City of Lynden. There are two programs authorized by the State of Washington, one encourages new and rehabilitated multiple-unit dwellings in urban centers (RCW 84.14), and one encourages preservation and refurbishment of historic property (RCW 84.26).

The purpose of the New and Rehabilitated Multiple-Unit Dwellings in Urban Centers program is to encourage increased residential opportunities within urban centers, including affordable housing opportunities, in cities that plan under the growth management act. Cities determine their urban center and establish criteria in addition to the state's requirements for qualifying for the program. The value of new housing construction, conversion, and

rehabilitation improvements qualifying under this program are exempt from ad valorem property taxation for a period of eight years or twelve years if 20 percent of the units are sold or rented to low and moderate-income households.

The purpose of the Historic Property program is to encourage maintenance, improvement, and preservation of privately owned historic landmarks. To be eligible, the building must be listed in the National Register of Historic Places, certified as contributing to a National Register Historic District, listed on the City's Local Register of Historic Places, or certified as contributing to a local historic district.

County property taxes abated are as follows:

New and Rehabilitated Multiple-Unit Dwelling in Urban Centers Program

- City of Bellingham \$33,379

Historic Property Program

- City of Bellingham \$11,225
- City of Lynden \$4,902

Required Supplemental Information
Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual
General Fund
Year Ended December 31, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$41,873,536	\$42,498,536	\$43,270,745	\$772,209
Licenses and permits	3,166,844	3,166,844	3,623,562	456,718
Intergovernmental	13,518,121	15,595,224	15,140,500	(454,724)
Charges for service	9,463,143	8,000,668	8,386,007	385,339
Fines and penalties	2,420,700	2,420,700	2,212,212	(208,488)
Miscellaneous	2,786,965	2,868,772	3,801,663	932,891
Total revenues	73,229,309	74,550,744	76,434,689	1,883,945
Expenditures				
Current:				
General government	28,411,745	28,612,122	27,192,217	1,419,905
Public safety	24,354,447	26,052,110	24,923,765	1,128,345
Utilities	200	200	-	200
Natural and economic environment	1,909,737	2,688,610	2,064,461	624,149
Social services	12,313,959	13,494,622	12,987,004	507,618
Culture and recreation	4,357,423	4,488,404	3,893,720	594,684
Capital outlay	36,388	483,928	300,429	183,499
Debt service:				
Interest	14,371	14,371	13,178	1,193
Total expenditures	71,398,270	75,834,367	71,374,774	4,459,593
Excess (deficiency) of revenues over expenditures	1,831,039	(1,283,623)	5,059,915	6,343,538
Other financing sources (uses)				
Sales of capital assets	370,000	370,000	159,082	(210,918)
Transfers in	2,902,874	4,798,390	4,485,416	(312,974)
Transfers out	(8,409,492)	(8,476,930)	(8,400,526)	76,404
Capital lease proceeds	-	-	63,779	63,779
Total other financing sources (uses)	(5,136,618)	(3,308,540)	(3,692,249)	(383,709)
Net change in fund balances	(3,305,579)	(4,592,163)	1,367,666	5,959,829
Fund balances-beginning	15,521,205	15,521,205	15,521,205	-
Fund balances-ending	\$12,215,626	\$10,929,042	\$16,888,871	\$5,959,829

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

Required Supplemental Information
Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual
County Road Fund
Year Ended December 31, 2016

Whatcom County
W A S H I N G T O N

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$17,800,154	\$17,800,154	\$18,343,258	\$543,104
Licenses and permits	134,200	134,200	104,985	(29,215)
Intergovernmental	4,949,361	4,999,361	6,022,703	1,023,342
Charges for service	1,762,198	1,726,372	452,557	(1,273,815)
Miscellaneous	36,420	36,420	151,301	114,881
Total revenues	24,682,333	24,696,507	25,074,804	378,297
Expenditures				
Current:				
General government	533,480	533,480	317,857	215,623
Transportation	22,448,716	22,938,640	19,517,387	3,421,253
Capital outlay	40,000	4,399,849	2,664,217	1,735,632
Total expenditures	23,022,196	27,871,969	22,499,461	5,372,508
Excess (deficiency) of revenues over expenditures	1,660,137	(3,175,462)	2,575,343	5,750,805
Other financing sources (uses)				
Sales of capital assets	450,000	450,000	237,775	(212,225)
Transfers in	201,093	201,093	2,318,268	2,117,175
Transfers out	(1,223,438)	(2,872,057)	(2,965,202)	(93,145)
Capital lease proceeds	-	-	40,795	40,795
Total other financing sources (uses)	(572,345)	(2,220,964)	(368,364)	1,852,600
Net change in fund balances	1,087,792	(5,396,426)	2,206,979	7,603,405
Fund balances-beginning	26,476,627	26,476,627	26,476,627	-
Fund balances-ending	\$27,564,419	\$21,080,201	\$28,683,606	\$7,603,405

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

A. BUDGETARY BASIS

Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects and all proprietary funds on the modified accrual basis of accounting. For governmental funds, there are no differences between the budgetary basis and generally accepted accounting principles.

B. MATERIAL VIOLATIONS

There were no material violations of finance-related legal or contractual provisions in the general fund and special revenue funds. In addition, these fund's expenditures did not exceed legal appropriation for 2016.

Required Supplemental Information
 LEOFF I Retiree Medical Benefits
 Schedule of Funding Progress
 Year Ended December 31, 2016



Fiscal Year Ended	Actuarial Value of Assets	Actuarial Accrued Liability Entry Age	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/14	\$-	\$7,036,527	\$7,036,527	0%	\$104,976	6702.99%
12/31/15	\$-	\$7,036,527	\$7,036,527	0%	\$101,233	6950.82%
12/31/16	\$-	\$8,383,992	\$8,383,992	0%	\$109,692	7643.21%

Required Supplemental Information
 Schedule of Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS) Plan 1
 As of June 30, 2016
 Last 10 Fiscal Years*



	2015	2016
Employer's proportion of the net pension liability (asset)	0.414%	0.411%
Employer's proportionate share of the net pension liability	\$21,643,182	\$22,079,993
Employer's covered employee payroll	\$45,367,441	\$47,429,547
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	47.71%	46.55%
Plan fiduciary net position as a percentage of the total pension liability	59.10%	57.03%

*Information is only available for fiscal year 2015 and 2016.

Note: Employer's proportionate share is based on Whatcom County's employer transmittals processed by Department of Retirement Systems in the fiscal year ended June 30, 2016 relative to all other plan employers transmittals processed. Net pension liability is determined by projecting the plan's total pension liability and subtracting the plans net position. Net position will vary from year to year based on investment returns and plan experience. Whatcom County's net pension liability is calculated by multiplying its proportionate share of the net pension liability by the plans total net pension liability.

Required Supplemental Information
 Schedule of Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS) Plan 2/3
 As of June 30, 2016
 Last 10 Fiscal Years*



	2015	2016
Employer's proportion of the net pension liability (asset)	0.447%	0.446%
Employer's proportionate share of the net pension liability	\$15,961,703	\$22,477,398
Employer's covered employee payroll	\$39,639,460	\$41,561,677
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	40.27%	54.08%
Plan fiduciary net position as a percentage of the total pension liability	89.20%	85.82%

*Information is only available for fiscal year 2015 and 2016.

Note: *Employer's proportionate share is based on Whatcom County's employer transmittals processed by Department of Retirement Systems in the fiscal year ended June 30, 2016 relative to all other plan employers transmittals processed. Net pension liability is determined by projecting the plan's total pension liability and subtracting the plans net position. Net position will vary from year to year based on investment returns and plan experience. Whatcom County's net pension liability is calculated by multiplying its proportionate share of the net pension liability by the plans total net pension liability.*

Required Supplemental Information
 Schedule of Proportionate Share of the Net Pension Liability
 Public Safety Employees' Retirement System (PSERS) Plan 2
 As of June 30, 2016
 Last 10 Fiscal Years*



	2015	2016
Employer's proportion of the net pension liability (asset)	1.392%	1.426%
Employer's proportionate share of the net pension liability	\$253,983	\$605,863
Employer's covered employee payroll	\$4,074,397	\$4,618,833
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	6.23%	13.12%
Plan fiduciary net position as a percentage of the total pension liability	95.08%	90.41%

*Information is only available for fiscal year 2015 and 2016.

Note: Employer's proportionate share is based on Whatcom County's employer transmittals processed by Department of Retirement Systems in the fiscal year ended June 30, 2016 relative to all other plan employers transmittals processed. Net pension liability is determined by projecting the plan's total pension liability and subtracting the plans net position. Net position will vary from year to year based on investment returns and plan experience. Whatcom County's net pension liability is calculated by multiplying its proportionate share of the net pension liability by the plans total net pension liability.

Required Supplemental Information
 Schedule of Proportionate Share of the Net Pension Liability
 Law Enforcement Officers' and Fire Fighters' Retirement System
 (LEOFF) Plan 1
 As of June 30, 2016
 Last 10 Fiscal Years*



	2015	2016
Employer's proportion of the net pension liability (asset)	0.035%	0.035%
Employer's proportionate share of the net pension liability	\$(422,249)	\$(362,589)
State's proportionate share of the net pension liability (asset) associated with the employer	\$(2,856,082)	\$(2,452,540)
TOTAL	\$(3,278,331)	\$(2,815,129)
Employer's covered employee payroll	\$-	\$-
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	127.36%	123.74%

*Information is only available for fiscal year 2015 and 2016.

Note: LEOFF Plan 1 net position exceeds projected total pension liability. No employer contributions have been required since June of 2000. Whatcom County's Employer's proportionate share of the net pension liability (asset) was determined based on the county's total contributions to LEOFF Plan 1 relative to all other employer's contributions. If the plan becomes underfunded, funding the remaining liability will require new Washington State legislation.

Required Supplemental Information
 Schedule of Proportionate Share of the Net Pension Liability
 Law Enforcement Officers' and Fire Fighters' Retirement System
 (LEOFF) Plan 2
 As of June 30, 2016
 Last 10 Fiscal Years*

	2015	2016
Employer's proportion of the net pension liability (asset)	0.240%	0.247%
Employer's proportionate share of the net pension liability	\$(2,467,409)	\$(1,435,184)
State's proportionate share of the net pension liability (asset) associated with the employer	\$(1,631,453)	\$(935,635)
TOTAL	\$(4,098,862)	\$(2,370,819)
Employer's covered employee payroll	\$6,967,690	\$7,475,130
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	-58.83%	-31.72%
Plan fiduciary net position as a percentage of the total pension liability	111.67%	106.04%

*Information is only available for fiscal year 2015 and 2016.

Note: Employer's proportionate share is based on Whatcom County's employer transmittals processed by Department of Retirement Systems in the fiscal year ended June 30, 2016 relative to all other plan employers transmittals processed. Net pension liability (asset) is determined by projecting the plan's total pension liability and subtracting the plans net position. Net position will vary from year to year based on investment returns and plan experience. Whatcom County's net pension liability (asset) is calculated by multiplying its proportionate share of the net pension liability (asset) by the plans total net pension liability (asset).

Required Supplemental Information
 Schedule of Employer Contributions
 Public Employees' Retirement System (PERS) Plan 1
 As of December 31, 2016
 Last 10 Fiscal Years*



	2015	2016
Statutorily or contractually required contributions	\$2,097,126	\$2,490,469
Contributions in relation to the statutorily or contractually required contributions	\$(2,097,126)	\$(2,490,469)
Contribution deficiency (excess)	\$-	\$-
Covered employer payroll	\$46,030,402	\$50,783,623
Contributions as a percentage of covered employee payroll	4.56%	4.90%

*Information is only available for fiscal years 2015 and 2016.

Note: Contributions include employer contributions for PERS Plan 1 employees as well as PERS Plan 1 unfunded actuarial accrued liability (UAAL) contribution assessed on wages of PERS Plan 2 & 3 and Public Safety Employees Retirement System (PSERS) employees. Covered employer payroll fluctuates based on number of employees, hours worked and wage rates. PERS rates increase effective July 1, 2015. The employer contribution for PERS Plan 1 increased from 5.03% to 6.23% and the UAAL for PERS Plan 1 increased from 4.0% to 4.77% of covered payroll.

Required Supplemental Information
 Schedule of Employer Contributions
 Public Employees' Retirement System (PERS) Plan 2/3
 As of December 31, 2016
 Last 10 Fiscal Years*

	2015	2016
Statorily or contractually required contributions	\$2,248,551	\$2,791,242
Contributions in relation to the statorily or contractually required contributions	\$(2,248,551)	\$(2,791,242)
Contribution deficiency (excess)	<u>\$-</u>	<u>\$-</u>
Covered employer payroll	\$40,129,411	\$44,790,477
Contributions as a percentage of covered employee payroll	5.60%	6.23%

*Information is only available for fiscal years 2015 and 2016.

Note: Covered employer payroll fluctuates based on number of employees, hours worked and wage rates. PERS rates increase effective July 1, 2015. The employer contribution for PERS Plan 2&3 increased from 5.03% to 6.23% of covered payroll.

Required Supplemental Information
 Schedule of Employer Contributions
 Public Safety Employees' Retirement System (PSERS) Plan 2
 As of December 31, 2016
 Last 10 Fiscal Years*



	2015	2016
Statutorily or contractually required contributions	\$281,587	\$324,140
Contributions in relation to the statutorily or contractually required contributions	\$(281,587)	\$(324,140)
Contribution deficiency (excess)	\$-	\$-
Covered employer payroll	\$4,350,221	\$4,918,683
Contributions as a percentage of covered employee payroll	6.47%	6.59%

*Information is only available for fiscal years 2015 and 2016.

Note: Covered employer payroll fluctuates based on number of employees, hours worked and wage rates. PSERS Plan 2 employer contribution rates increased effective July 1, 2015. Rates increased from 6.52% to 6.59% of covered employee payroll.

Required Supplemental Information
 Schedule of Employer Contributions
 Law Enforcement Officers' and Fire Fighters' Retirement System
 (LEOFF) Plan 1
 As of December 31, 2016
 Last 10 Fiscal Years*



	2015	2016
Statorily or contractually required contributions	\$-	\$-
Contributions in relation to the statorily or contractually required contributions	\$-	\$-
Contribution deficiency (excess)	\$-	\$-
Covered employer payroll	\$-	\$-
Contributions as a percentage of covered employee payroll	0.00%	0.00%

*Information is only available for fiscal years 2015 and 2016.

Note: There are no Employer contributions required for LEOFF Plan 1.

Required Supplemental Information
 Schedule of Employer Contributions
 Law Enforcement Officers' and Fire Fighters' Retirement System
 (LEOFF) Plan 2
 As of December 31, 2016
 Last 10 Fiscal Years*



	2015	2016
Statorily or contractually required contributions	\$366,458	\$393,726
Contributions in relation to the statorily or contractually required contributions	\$(366,458)	\$(393,726)
Contribution deficiency (excess)	\$-	\$-
Covered employer payroll	\$7,256,591	\$7,796,545
Contributions as a percentage of covered employee payroll	5.05%	5.05%

*Information is only available for fiscal years 2015 and 2016.

Note: Covered employer payroll fluctuates based on number of employees, hours worked and wage rates. LEOFF Plan 2 employer contribution rates have not changed in the reporting period.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established in Whatcom County pursuant to State statutes or local ordinance in order to segregate resources that are designated to be used for specified purposes. Both revenues and expenditures are budgeted in compliance with procedures established in Article 6 of the Whatcom County Charter. Appropriations are authorized by ordinance at the fund level. The modified accrual basis of accounting is applied. The following lists all Special Revenue Funds included in this report:

Election Reserve - A fund to finance elections and election equipment.

Veterans' Relief - A fund to finance emergency financial assistance to veterans and their survivors.

Tax Refund - A fund is used for administrative refunds such as errors, appeals and senior citizen petition as per RCW 84.69.

Treasurer's O & M - A fund to account for extraordinary costs incurred collecting delinquent real and personal taxes.

Whatcom County Jail - A fund to finance the operations of the Whatcom County Jail.

REET Electronic Technology - A fund to account for a fee collected through the real estate excise tax. The funds are to be used to develop, implement, and maintain an electronic processing and reporting system for real estate excise tax affidavits.

Low-Income Housing - A fund used to collect a ten dollar surcharge on each recorded document. The amount collected provides funding for low-income housing.

Homeless Housing - A fund used to collect a ten dollar surcharge on each recorded document. The amount collected provides funding for homeless housing programs.

Stormwater - A fund established to explore the option of creating a stormwater utility and to implement National Pollution Discharge Elimination System (NPDES II) requirements. The fund is currently being funded by transfers from the Flood Control Zone District.

Chemical Dependency/Mental Health - A fund to account for a one-tenth of one percent sales tax to support new or expanded chemical dependency or mental health treatment services and for the operation of new or expanded therapeutic court programs.

Parks Special Revenue - A fund to account for restricted and committed revenues which will be used to fund maintenance, operations and parks improvements in accordance with external funding sources and County Council requirements.

Countywide Emergency Medical Services - A fund to account for an additional sales and use tax in the amount

of one-tenth of one percent. Two-thirds of the tax is to be used solely for costs associated with the provisions of countywide emergency medical services, and one-third is to be used for criminal justice purposes, as authorized by RCW 82.14.450.

Whatcom County Trial Court Improvement - A fund to collect funding received from Washington State to improve Superior and District Court staffing, facilities, and services.

Solid Waste Management - A fund to account for the provision of solid waste services to the residents of Whatcom County.

Convention Center - A fund to account for hotel motel tax revenue, used to promote tourism.

Victim Witness Assistance - A fund established to administer the victim witness programs. The fund is financed by the 20% of penalties assessed by the County Courts.

Community Development - A fund established to account for deferred payment loans to low and moderate income homeowners to rehabilitate their homes and in 2013 this fund's purpose was expanded to allow for accounting for on-site sewage system deferred loans and re-loaning of repayments.

Emergency Communication - A fund established for collection of the excise tax of \$.50 per month per telephone access line, approved by the voters of Whatcom County.

Whatcom County Drug - Moneys from convicted drug offenders have been placed into this fund by court order and will be used to fight the battle against drugs in Whatcom County.

Auditor's Operation and Maintenance - A fund created with a state mandated \$2 surcharge on all instruments recorded by Auditor. Expenditures from this fund shall be used for installation and maintenance of an improved system for copying, reserving, and indexing documents recorded in the county.

Emergency Management - A fund created to carry out federal and state mandated programs to prepare the community (emergency services systems and the public) to respond to emergency disasters beyond the capacity of regular emergency services.

Flood Control Zone District - A fund used to finance the maintenance and operations of flood control projects.

Point Roberts Transportation Benefit District - A fund created to address the transportation needs of the Point Roberts area.

Conservation Futures - A fund to account for a special tax levy to be used to purchase land within Whatcom County for conservation purposes.

Road Improvement Districts - A fund financed by special assessments to account for maintenance and operation of road and street lighting improvement districts.

Lynden/Everson Sub-Zone - A fund established to account for charges to those who are receiving or will receive benefit from flood control work in the Lynden/Everson Sub-Zone.

Sumas/Nooksack/Everson Sub-Zone - A fund established to account for charges to those who are receiving or will receive benefit from flood control work in the Sumas/Nooksack/Everson Sub-Zone.

Acme/Van Zandt Sub-Zone - A fund established to account for charges to those who are receiving or will receive benefit from flood control work in the Acme/Van Zandt Sub-Zone.

Samish Watershed Sub-Zone - A fund established to account for charges to those who are receiving or will receive benefit from flood control work in the Samish Watershed Sub-Zone.

Birch Bay Sub-Zone - A fund established to account for charges to those who are receiving or will receive benefit from flood control work in the Birch Bay Sub-Zone.

DEBT SERVICE FUNDS

Debt Service funds are used to account for the accumulation of resources for, and payment of, general long-term debt principal, assessment debt, interest, and related costs. Whatcom County appropriates current year expenditures and anticipated revenue. The modified accrual basis of accounting is applied. A description of each type of fund follows:

General Obligation Bond - A fund to account for redemption of bonds which are general obligations of the county. The county has ten general obligation bond funds.

Road Improvement District Special Assessment Bond - A fund to account for redemption of bonds which will be repaid from the proceeds of special assessments that have been levied against the affected property owners. The county has four road improvement district special assessment bond funds.

CAPITAL PROJECT FUNDS

Capital Projects Funds are established in Whatcom County to account for financial resources to be used for the acquisition or construction of major capital facilities. Both revenues and expenditures are budgeted in compliance with procedures established in the RCW 36.40. The modified accrual basis of accounting is applied. A description of each fund follows:

Real Estate Excise Tax II - A fund to account for an additional excise tax on sale of real property in the unincorporated portion of Whatcom County.

Real Estate Excise Tax I - A fund to account for an excise tax on each sale of real property, imposed on the unincorporated areas of the County.

County Park Improvement - A fund established to account for repair, replacement, improvements and maintenance of existing facilities and equipment for parks, recreation equipment, and senior centers. The funding for expenditure

was approved by a vote of the people, authorizing a one year excess property tax levy in the amount of \$2,500,000.

Civic Center Building Improvement - A fund created to account for the acquisition of the Civic Center Building.

East Whatcom Regional Resource Center Construction - A fund established to finance the construction of a community facility in eastern Whatcom County for the provision of early childhood education, family support and health services.

2010 Jail Improvement - A fund created to account for the funds of the 2010 bond issue. These funds are for the replacement of the security electronics in the County jail and juvenile detention facility, replacement of the fire safety systems in the County jail and creation of additional emergency exits in the housing areas of the facility.

Lummi Nation Lease - Whatcom County has entered into a lease agreement with the Lummi Nation for the continued usage of the Gooseberry Point ferry dock. The County has committed to providing in excess of 6 million dollars over the term of the lease to perform improvements. This fund will be used to account for the costs and revenues for the construction of projects at the Gooseberry Point location and surrounding areas in compliance with the terms and conditions of the approved lease.

Birch Bay Drive and Pedestrian Facility Project - A fund established to account for construction costs to improve a two mile portion of Birch Bay Drive. The project will include a separated berm/ trail to encourage walking and bicycling along Birch Bay Drive to support safety while improving non-motorized mobility. In addition, the project will provide mitigation for both beach erosion and roadway storm damage.

Birch Bay-Lynden Road/ Portal Way Signalization/ Improvement Project - A fund established to account for the cost of signalization improvements. The project will improve the signalization, channelization and illumination of the intersection located south of Blaine and west of I-5.

Potter Road-South Fork Bridge Replacement Project - A fund established to account for construction costs to replace the south fork bridge.

Rural Road Safety Program Project - A fund established to account for construction costs that will address county-wide road safety improvements to intersection safety and run-off-the-road crashes.

Sheriff's Record Management System Project - A fund established to finance the Sheriff Department's new record management system.

New Jail Project - A fund established to finance the planning, design, and construction of a new jail facility.

Superior Court Fourth Judge Courtroom Renovation - The Washington State Legislature approved the addition of a fourth Superior Court judge for Whatcom County. This fund was established to finance the Courthouse renovations necessary to accommodate space needs for a new courtroom and additional staff.

Nesset Farm Restoration - A fund established to finance various restoration projects to Nesset Farms.

State Street Building Acquisition and Improvement - A fund established to finance the acquisition and improvements to 1500 North State Street.

Slater Road Intersections Project - A fund established to account for revenues and expenditures for improvements to the Slater Road intersections at Imhoff and Ferndale Roads.

Dakota Creek Bridge No. 500 Project - A fund established to account for revenues and expenditures for seismic improvements to the Dakota Creek Bridge No. 500.

Telecommunications System Replacement - A fund established to account for revenues and expenditures for the replacement of the county's telecommunications system.

Lake Whatcom Boulevard Re-surfacing - A fund established to account for revenues and expenditures of the Lake Whatcom Boulevard re-surfacing project CRP no. 913002.

Hannegan Road/Nooksack River Bridge - A fund established to account for revenues and expenditures of the scour mitigation project.

Slater Road/ Nooksack River Bridge - A fund established to account for revenues and expenditures of the Slater Road/Nooksack river bridge painting project.

2015 County Roadway Safety Program - A fund established to account for revenues and expenditures of the County Roadway Safety Program (CRP no. 915015) project.

Hannegan Road Structural Overlay - A fund established to account for revenues and expenditures of the Hannegan Road structural overlay project CRP no. 915010.

2015 Courthouse Fire Alarm System and Juvenile Roof Improvement - A fund established to account for revenues and expenditures of the Courthouse improvements (Courthouse fire alarm system and Juvenile roof).

2015 Girard Street Building Improvement - A fund established to account for revenues and expenditures of the Girard Street improvements.

Courthouse Building Envelope Project - A fund established to account for the revenues and expenditures of the Courthouse building envelope project.

2015 Central Plaza Improvement - A fund established to account for the revenues and expenditures of the Central Plaza building improvements.

2015 Silver Lake Park Improvements - A fund established to account for the revenues and expenditures of Silver Lake Park improvements.

2015 Lighthouse Marine Park Improvements - A fund established to account for the revenues and expenditures of Lighthouse Marine Park improvements.

2015 South Fork Park Improvement - A fund established to account for the revenues and expenditures of South Fork Park.

Academy Road Storm Water Improvements - A fund established to account for the revenues and expenditures of the Academy Road storm water improvements.

Agate Heights Estate/Bay Lane Storm Water Improvements - A fund established to account for the revenues and expenditures of the Agate Heights Estate/Bay Lane storm water improvements.

Beaver Creek Storm Water Improvements - A fund established to account for the revenues and expenditures of the Beaver Creek storm water improvements.

Cedar Hills/Euclid Storm Water Improvements - A fund established to account for the revenues and expenditures of the Cedar Hills/Euclid storm water improvements.

Criminal Justice Integrated Case Management System Projects - A fund established to account for the revenues and expenditures for a new case management system in the Prosecutor's Office, Juvenile Court and District Court Probation.

Integrated Land Records and Permit Management System Projects - A fund established to account for the revenues and expenditures for improvements to the land records geographic information system (GIS), implementation of software for storm water asset maintenance, planning for the replacement of the permit system and implementation of Web GIS.

South Pass Road/Saar Creek Bridge No. 212 - A fund established to account for the revenues and expenditures of the South Pass Road/Saar Creek Bridge No. 212 replacement project.

NON-MAJOR PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services provided by one department to other departments of Whatcom County, or to other governments, on a cost reimbursement basis. The accrual basis of accounting is used in the following funds:

Equipment Rental and Revolving - A fund to finance the maintenance and operation of equipment used by the Public Works Department and other departments. This fund also maintains an inventory of road construction materials for the County.

Administrative Services - A fund to finance the central services of Whatcom County. These activities include finance, human resources, information services, and records. Also, to account for the County's self insurance activities, tort claims, and facilities management.

ENTERPRISE FUNDS

Enterprise funds are used by Whatcom County to account for operations that are financed and operated in a manner similar to a private business enterprise.

Whatcom County Investment Pool - A fund established to account for the operations of the WCIP, and to provide greater accountability to all pool participants.

Ferry System - A fund established to account for the Lummi Island Ferry operations.

FIDUCIARY FUNDS

INVESTMENT TRUST FUNDS

Investment Trust Funds are established to account for the investment activity conducted by Whatcom County on behalf of legally separate entities such as special purpose districts.

AGENCY FUNDS

Agency Funds are established to account for assets held by Whatcom County acting in the capacity of agent. Agency Funds are funds over which the county has no oversight responsibility or financial interdependency. Many independent districts are required by state statute to process all monies through the County Treasurer's office. Such funds do not represent assets of Whatcom County. Agency Funds are custodial in nature and therefore do not involve measurement of results of operations. Each independent district is responsible for preparing its own annual financial report.

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Non Major Governmental Funds
Assets				
Cash, cash equivalents and pooled investments	\$24,690,821	\$608	\$24,959,190	\$49,650,619
Investments	12,587,881	-	507,740	13,095,621
Taxes receivable, net	109,282	-	-	109,282
Accounts receivable, net	254,874	-	121,791	376,665
Accounts receivable-court, net	113,539	-	-	113,539
Special assessments, net	52,395	-	-	52,395
Interest receivable, net	10,359	-	423	10,782
Notes receivable, net	165,525	-	-	165,525
Interfund receivable	273,374	-	570,672	844,046
Interfund loan receivable	-	-	100,000	100,000
Due from other governments	1,666,086	-	2,320,326	3,986,412
Prepayments	486	-	-	486
Total assets	\$39,924,622	\$608	\$28,580,142	\$68,505,372
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	\$2,824,103	\$-	\$804,452	\$3,628,555
Interfund payable	460,343	-	648,416	1,108,759
Interfund loans payable	-	-	2,109,000	2,109,000
Other accrued liabilities	322,402	-	-	322,402
Unearned revenue	165,771	-	-	165,771
Total liabilities	3,772,619	-	3,561,868	7,334,487
Deferred inflows of resources				
Deferred property tax	109,282	-	-	109,282
Advance payments- property tax	90,346	-	-	90,346
Court receivables	113,539	-	-	113,539
Special assessments	52,395	-	-	52,395
Total deferred inflows of resources	365,562	-	-	365,562
Fund balances:				
Restricted	31,549,678	608	15,133,570	46,683,856
Committed	2,164,967	-	9,884,704	12,049,671
Assigned	2,071,796	-	-	2,071,796
Total fund balances	35,786,441	608	25,018,274	60,805,323
Total liabilities, deferred inflows of resources and fund balances	\$39,924,622	\$608	\$28,580,142	\$68,505,372

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Non-Major Governmental Funds
Year Ended December 31, 2016

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Non Major Governmental Funds
Revenues				
Taxes	\$16,904,280	\$-	\$3,921,482	\$20,825,762
Intergovernmental	2,847,133	-	3,661,711	6,508,844
Charges for service	9,499,734	-	-	9,499,734
Fines and penalties	126,615	-	-	126,615
Miscellaneous	1,637,200	(2)	(220,185)	1,417,013
Total revenues	31,014,962	(2)	7,363,008	38,377,968
Expenditures				
Current:				
General government	1,790,040	-	337,819	2,127,859
Public safety	21,912,233	-	-	21,912,233
Utilities	610,156	-	-	610,156
Transportation	36,848	-	-	36,848
Natural and economic environment	5,393,024	-	413,882	5,806,906
Social services	5,744,358	-	-	5,744,358
Culture and recreation	612,343	-	41,218	653,561
Capital outlay	700,780	-	7,211,020	7,911,800
Debt service:				
Principal	-	330,000	-	330,000
Interest	-	134,213	-	134,213
Total expenditures	36,799,782	464,213	8,003,939	45,267,934
Excess (deficiency) of revenues over expenditures	(5,784,820)	(464,215)	(640,931)	(6,889,966)
Other financing sources (uses)				
Sales of capital assets	27,119	-	-	27,119
Transfers in	7,968,650	464,218	3,219,683	11,652,551
Transfers out	(4,156,233)	-	(3,980,680)	(8,136,913)
Capital lease proceeds	9,921	-	-	9,921
Total other financing sources (uses)	3,849,457	464,218	(760,997)	3,552,678
Net change in fund balances	(1,935,363)	3	(1,401,928)	(3,337,288)
Fund balances-beginning	37,721,804	605	26,420,202	64,142,611
Fund balances-ending	\$35,786,441	\$608	\$25,018,274	\$60,805,323

	Election Reserve	Veteran's Relief	Tax Refund	Treasurer's O & M	Whatcom County Jail
Assets					
Cash, cash equivalents and pooled investments	\$529,895	\$620,884	\$243	\$507,861	\$1,941,502
Investments	-	-	-	-	-
Taxes receivable, net	7,781	6,030	-	-	-
Accounts receivable, net	-	-	-	-	48,661
Accounts receivable-court, net	-	-	-	-	-
Special assessments, net	-	-	-	-	-
Interest receivable, net	-	-	-	-	-
Notes receivable, net	-	-	-	-	-
Interfund receivable	-	4,859	-	-	22,433
Due from other governments	179,293	-	-	-	368,204
Prepayments	35	3	-	-	334
Total assets	\$717,004	\$631,776	\$243	\$507,861	\$2,381,134
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	\$13,956	\$24,514	\$-	\$149	\$321,882
Interfund payable	-	5,301	-	-	16,882
Other accrued liabilities	13,406	2,769	-	-	275,551
Unearned revenue	-	-	-	-	-
Total liabilities	27,362	32,584	-	149	614,315
Deferred inflows of resources					
Deferred property tax	7,781	6,030	-	-	-
Advance payments- property tax	6,473	4,950	-	-	-
Court receivables	-	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	14,254	10,980	-	-	-
Fund balances:					
Restricted	-	588,212	243	507,712	-
Committed	675,388	-	-	-	-
Assigned	-	-	-	-	1,766,819
Total fund balances	675,388	588,212	243	507,712	1,766,819
Total liabilities, deferred inflows of resources and fund balances					
	\$717,004	\$631,776	\$243	\$507,861	\$2,381,134

REET Electronic Tech.	Low-Income Housing	Homeless Housing	Stormwater	Chemical Dependency/ Mental Health	Parks Special Revenue	Countywide Emergency Medical Services	WC Trial Court Impr	Solid Waste
\$-	\$160,159	\$553,242	\$701,104	\$7,017,293	\$1,674,230	\$365,469	\$187,628	\$2,449,635
-	-	-	-	-	-	-	-	-
-	-	-	-	2,433	-	-	-	203,780
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	55,145	-	5,043	1,317	-
-	-	267,348	-	52,529	-	546,475	-	56,959
-	-	-	-	37	-	-	-	38
<u>\$-</u>	<u>\$160,159</u>	<u>\$820,590</u>	<u>\$701,104</u>	<u>\$7,127,437</u>	<u>\$1,674,230</u>	<u>\$916,987</u>	<u>\$188,945</u>	<u>\$2,710,412</u>
\$-	\$49,862	\$498,964	\$29,155	\$394,335	\$619	\$657,329	\$-	\$58,189
-	-	11,727	6,436	231,691	70,247	-	-	53,849
-	-	-	-	14,842	-	-	-	2,547
-	-	-	-	-	246	-	-	-
-	49,862	510,691	35,591	640,868	71,112	657,329	-	114,585
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	110,297	309,899	665,513	6,486,569	67,059	259,658	188,945	2,595,827
-	-	-	-	-	1,489,579	-	-	-
-	-	-	-	-	46,480	-	-	-
-	110,297	309,899	665,513	6,486,569	1,603,118	259,658	188,945	2,595,827
<u>\$-</u>	<u>\$160,159</u>	<u>\$820,590</u>	<u>\$701,104</u>	<u>\$7,127,437</u>	<u>\$1,674,230</u>	<u>\$916,987</u>	<u>\$188,945</u>	<u>\$2,710,412</u>

	Convention Center	Victim/ Witness Assist.	Community Development	Emergency Commun- ications	Whatcom County Drug
Assets					
Cash, cash equivalents and pooled investments	\$1,391,815	\$15,709	\$-	\$-	\$451,525
Investments	-	-	-	-	-
Taxes receivable, net	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-
Accounts receivable-court, net	-	45,056	-	-	68,483
Special assessments, net	-	-	-	-	-
Interest receivable, net	-	-	-	-	-
Notes receivable, net	-	-	165,525	-	-
Interfund receivable	-	-	-	-	3,502
Due from other governments	-	-	-	-	-
Prepayments	-	2	-	-	-
Total assets	\$1,391,815	\$60,767	\$165,525	\$-	\$523,510
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	\$132,754	\$1,363	\$-	\$-	\$6,481
Interfund payable	9,768	-	-	-	16,254
Other accrued liabilities	-	1,934	-	-	-
Unearned revenue	-	-	165,525	-	-
Total liabilities	142,522	3,297	165,525	-	22,735
Deferred inflows of resources					
Deferred property tax	-	-	-	-	-
Advance payments- property tax	-	-	-	-	-
Court receivables	-	45,056	-	-	68,483
Special assessments	-	-	-	-	-
Total deferred inflows of resources	-	45,056	-	-	68,483
Fund balances:					
Restricted	1,249,293	12,414	-	-	432,292
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balances	1,249,293	12,414	-	-	432,292
Total liabilities, deferred inflows of resources and fund balances	\$1,391,815	\$60,767	\$165,525	\$-	\$523,510

Auditor's O & M	Emergency Management	Flood Control Zone District	Point Roberts Transportation Benefit District	Conservation Futures	Road Improvement Districts	Lynden/ Everson Sub-Zone	Sumas/ Nooksack/ Everson Sub-Zone	Acme/ Van Zandt Sub-Zone
\$401,279	\$193,172	\$876,674	\$899,571	\$2,909,004	\$19,288	\$1,933	\$255,588	\$86,293
-	-	9,951,586	-	-	-	263,882	905,740	198,019
-	-	72,874	-	22,597	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	1,996	961	5,336	931
-	-	8,190	-	-	-	217	745	163
-	-	-	-	-	-	-	-	-
-	-	180,000	-	-	-	-	-	-
-	77,792	117,486	-	-	-	-	-	-
1	36	-	-	-	-	-	-	-
<u>\$401,280</u>	<u>\$271,000</u>	<u>\$11,206,810</u>	<u>\$899,571</u>	<u>\$2,931,601</u>	<u>\$21,284</u>	<u>\$266,993</u>	<u>\$1,167,409</u>	<u>\$285,406</u>
\$31,414	\$1,715	\$479,977	\$-	\$30,515	\$2,456	\$5,872	\$-	\$5,960
-	-	35,575	-	-	-	-	-	-
565	10,788	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>31,979</u>	<u>12,503</u>	<u>515,552</u>	<u>-</u>	<u>30,515</u>	<u>2,456</u>	<u>5,872</u>	<u>-</u>	<u>5,960</u>
-	-	72,874	-	22,597	-	-	-	-
-	-	60,219	-	18,704	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	1,996	961	5,336	931
-	-	133,093	-	41,301	1,996	961	5,336	931
369,301	-	10,558,165	899,571	2,859,785	16,832	260,160	1,162,073	278,515
-	-	-	-	-	-	-	-	-
-	258,497	-	-	-	-	-	-	-
<u>369,301</u>	<u>258,497</u>	<u>10,558,165</u>	<u>899,571</u>	<u>2,859,785</u>	<u>16,832</u>	<u>260,160</u>	<u>1,162,073</u>	<u>278,515</u>
<u>\$401,280</u>	<u>\$271,000</u>	<u>\$11,206,810</u>	<u>\$899,571</u>	<u>\$2,931,601</u>	<u>\$21,284</u>	<u>\$266,993</u>	<u>\$1,167,409</u>	<u>\$285,406</u>

	Samish Watershed Sub-Zone	Birch Bay Sub-Zone	Total Non Major Special Revenue Funds
Assets			
Cash, cash equivalents and pooled investments	\$30,644	\$449,181	\$24,690,821
Investments	69,269	1,199,385	12,587,881
Taxes receivable, net	-	-	109,282
Accounts receivable, net	-	-	254,874
Accounts receivable-court, net	-	-	113,539
Special assessments, net	273	42,898	52,395
Interest receivable, net	57	987	10,359
Notes receivable, net	-	-	165,525
Interfund receivable	-	1,075	273,374
Due from other governments	-	-	1,666,086
Prepayments	-	-	486
Total assets	\$100,243	\$1,693,526	\$39,924,622
Liabilities, deferred inflows of resources and fund balances			
Liabilities			
Accounts payable	\$-	\$76,642	\$2,824,103
Interfund payable	-	2,613	460,343
Other accrued liabilities	-	-	322,402
Unearned revenue	-	-	165,771
Total liabilities	-	79,255	3,772,619
Deferred inflows of resources			
Deferred property tax	-	-	109,282
Advance payments- property tax	-	-	90,346
Court receivables	-	-	113,539
Special assessments	273	42,898	52,395
Total deferred inflows of resources	273	42,898	365,562
Fund balances:			
Restricted	99,970	1,571,373	31,549,678
Committed	-	-	2,164,967
Assigned	-	-	2,071,796
Total fund balances	99,970	1,571,373	35,786,441
Total liabilities, deferred inflows of resources and fund balances	\$100,243	\$1,693,526	\$39,924,622

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Non-Major Special Revenue Funds
December 31, 2016

	Election Reserve	Veteran's Relief	Tax Refund	Treasurer's O&M	Whatcom County Jail	REET Electronic Technology
Revenues						
Taxes	\$365,253	\$288,540	\$-	\$-	\$4,004,807	\$-
Intergovernmental	11	9	-	-	95,907	-
Charges for service	959,615	-	-	184,479	3,321,267	-
Fines and penalties	-	-	-	-	-	-
Miscellaneous	(2,251)	2,766	(1)	(1,995)	276,996	-
Total revenues	1,322,628	291,315	(1)	182,484	7,698,977	-
Expenditures						
Current:						
General government	1,550,727	-	-	35,897	-	-
Public safety	-	-	-	-	13,799,476	-
Utilities	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Natural and economic environment	-	-	-	-	8,115	-
Social services	-	234,883	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	1,550,727	234,883	-	35,897	13,807,591	-
Excess (deficiency) of revenues over expenditures	(228,099)	56,432	(1)	146,587	(6,108,614)	-
Other financing sources (uses)						
Sales of capital assets	1,919	1,507	-	-	-	-
Transfers in	100,000	-	-	-	5,268,278	-
Transfers out	(11,139)	(18,626)	-	(94,992)	(411,522)	-
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources (uses)	90,780	(17,119)	-	(94,992)	4,856,756	-
Net change in fund balances	(137,319)	39,313	(1)	51,595	(1,251,858)	-
Fund balances-Beginning	812,707	548,899	244	456,117	3,018,677	-
Fund balances-ending	\$675,388	\$588,212	\$243	\$507,712	\$1,766,819	\$-

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Non-Major Special Revenue Funds
December 31, 2016

	Low-Income Housing	Homeless Housing	Stormwater	Chemical Dependency/ Mental Health	Parks Special Revenue	Countywide Emergency Medical Services
Revenues						
Taxes	\$-	\$-	\$-	\$4,002,512	\$-	\$2,220,151
Intergovernmental	-	1,456,854	-	101,214	-	275,291
Charges for service	211,100	1,133,246	28,205	126,996	1,400	3,164,125
Fines and penalties	-	-	-	-	-	-
Miscellaneous	(717)	(1,288)	(2,522)	31,586	91,032	5,168
Total revenues	210,383	2,588,812	25,683	4,262,308	92,432	5,664,735
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	7,479,467
Utilities	-	-	268	-	-	-
Transportation	-	-	-	-	-	-
Natural and economic environment	191,854	-	697,873	-	-	-
Social services	-	2,747,000	-	2,762,475	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	-	1,031	-	-
Total expenditures	191,854	2,747,000	698,141	2,763,506	-	7,479,467
Excess (deficiency) of revenues over expenditures	18,529	(158,188)	(672,458)	1,498,802	92,432	(1,814,732)
Other financing sources (uses)						
Sales of capital assets	-	-	-	-	-	-
Transfers in	-	-	750,154	-	-	1,380,737
Transfers out	-	(67,995)	(130,418)	(885,833)	(70,247)	(675,000)
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources (uses)	-	(67,995)	619,736	(885,833)	(70,247)	705,737
Net change in fund balances	18,529	(226,183)	(52,722)	612,969	22,185	(1,108,995)
Fund balances-Beginning	91,768	536,082	718,235	5,873,600	1,580,933	1,368,653
Fund balances-ending	\$110,297	\$309,899	\$665,513	\$6,486,569	\$1,603,118	\$259,658

Combining Statement of Revenues, Expenditures and
 Changes in Fund Balance
 Non-Major Special Revenue Funds
 December 31, 2016

Whatcom Co Trial Court Improvement	Solid Waste	Convention Center	Victim/ Witness Assistance	Community Development	Emergency Communi- cations	Whatcom County Drug	Auditor's O&M	Emergency Management
\$-	\$817,070	\$616,685	\$-	\$-	\$-	\$-	\$-	\$-
45,339	284,989	-	-	-	-	-	88,568	163,921
-	-	-	69,256	-	-	-	96,039	173,956
-	-	-	22,828	-	-	101,036	-	-
471	(547)	(5,166)	(58)	-	-	8,560	(1,449)	47,395
45,810	1,101,512	611,519	92,026	-	-	109,596	183,158	385,272
6,373	-	-	80,110	-	-	-	116,933	-
-	-	-	-	-	-	153,697	-	479,593
-	609,888	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	612,343	-	-	-	-	-	-
-	-	-	-	-	-	-	7,500	23,237
6,373	609,888	612,343	80,110	-	-	153,697	124,433	502,830
39,437	491,624	(824)	11,916	-	-	(44,101)	58,725	(117,558)
-	-	-	-	-	-	-	-	-
40,000	-	-	-	-	-	-	-	229,481
(16,608)	(290,075)	-	(13,507)	-	-	-	-	(25,831)
-	-	-	-	-	-	-	-	9,921
23,392	(290,075)	-	(13,507)	-	-	-	-	213,571
62,829	201,549	(824)	(1,591)	-	-	(44,101)	58,725	96,013
126,116	2,394,278	1,250,117	14,005	-	-	476,393	310,576	162,484
\$188,945	\$2,595,827	\$1,249,293	\$12,414	\$-	\$-	\$432,292	\$369,301	\$258,497

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Non-Major Special Revenue Funds
December 31, 2016

	Flood Control Zone District	Point Roberts Transportation Benefit District	Conservation Futures	Road Improvement Districts	Lynden/ Everson Sub-Zone	Sumas/ Nooksack/ Everson Sub-Zone
Revenues						
Taxes	\$3,449,595	\$68,373	\$1,071,294	\$-	\$-	\$-
Intergovernmental	335,030	-	-	-	-	-
Charges for service	30,050	-	-	-	-	-
Fines and penalties	-	492	-	16	71	363
Miscellaneous	242,434	(3,469)	(11,310)	27,299	37,733	114,302
Total revenues	4,057,109	65,396	1,059,984	27,315	37,804	114,665
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Transportation	-	-	-	36,848	-	-
Natural and economic environment	3,704,410	-	87,748	-	87,240	46,973
Social services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	43,645	-	408,963	-	-	-
Total expenditures	3,748,055	-	496,711	36,848	87,240	46,973
Excess (deficiency) of revenues over expenditures	309,054	65,396	563,273	(9,533)	(49,436)	67,692
Other financing sources (uses)						
Sales of capital assets	18,078	-	5,615	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(1,192,701)	-	(170,114)	-	-	-
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources (uses)	(1,174,623)	-	(164,499)	-	-	-
Net change in fund balances	(865,569)	65,396	398,774	(9,533)	(49,436)	67,692
Fund balances-Beginning	11,423,734	834,175	2,461,011	26,365	309,596	1,094,381
Fund balances-ending	\$10,558,165	\$899,571	\$2,859,785	\$16,832	\$260,160	\$1,162,073

Combining Statement of Revenues, Expenditures and
 Changes in Fund Balance
 Non-Major Special Revenue Funds
 December 31, 2016

Acme/ Van Zandt Sub-Zone	Samish Watershed Sub-Zone	Birch Bay Sub-Zone	Total Non Major Special Revenue Funds
\$-	\$-	\$-	\$16,904,280
-	-	-	2,847,133
-	-	-	9,499,734
78	43	1,688	126,615
23,026	19,136	740,069	1,637,200
23,104	19,179	741,757	31,014,962
-	-	-	1,790,040
-	-	-	21,912,233
-	-	-	610,156
-	-	-	36,848
10,110	13,380	545,321	5,393,024
-	-	-	5,744,358
-	-	-	612,343
-	-	216,404	700,780
10,110	13,380	761,725	36,799,782
12,994	5,799	(19,968)	(5,784,820)
-	-	-	27,119
-	-	200,000	7,968,650
-	-	(81,625)	(4,156,233)
-	-	-	9,921
-	-	118,375	3,849,457
12,994	5,799	98,407	(1,935,363)
265,521	94,171	1,472,966	37,721,804
\$278,515	\$99,970	\$1,571,373	\$35,786,441

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Election Reserve
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$363,700	\$365,253	\$1,553	\$366,471
Intergovernmental	-	11	11	16
Charges for service	900,840	959,615	58,775	877,280
Miscellaneous	-	(2,251)	(2,251)	(370)
Total revenues	1,264,540	1,322,628	58,088	1,243,397
Expenditures				
Current:				
General government	1,658,046	1,550,727	107,319	1,082,160
Capital outlay	-	-	-	11,337
Total expenditures	1,658,046	1,550,727	107,319	1,093,497
Excess (deficiency) of revenues over expenditures	(393,506)	(228,099)	165,407	149,900
Other financing sources (uses)				
Sales of capital assets	6,000	1,919	(4,081)	5,186
Transfers in	100,000	100,000	-	100,000
Transfers out	(11,139)	(11,139)	-	(10,815)
Total other financing sources (uses)	94,861	90,780	(4,081)	94,371
Net changes in fund balances	(298,645)	(137,319)	161,326	244,271
Fund balances-beginning	-	812,707	812,707	568,436
Fund balances-ending	\$(298,645)	\$675,388	\$974,033	\$812,707

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Veterans' Relief
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$278,000	\$288,540	\$10,540	\$278,185
Intergovernmental	30	9	(21)	12
Miscellaneous	2,500	2,766	266	3,162
Total revenues	280,530	291,315	10,785	281,359
Expenditures				
Current:				
Social services	317,363	234,883	82,480	286,978
Total expenditures	317,363	234,883	82,480	286,978
Excess (deficiency) of revenues over expenditures	(36,833)	56,432	93,265	(5,619)
Other financing sources (uses)				
Sales of capital assets	4,000	1,507	(2,493)	3,938
Transfers out	(31,000)	(18,626)	12,374	(15,904)
Total other financing sources (uses)	(27,000)	(17,119)	9,881	(11,966)
Net changes in fund balances	(63,833)	39,313	103,146	(17,585)
Fund balances-beginning	-	548,899	548,899	566,484
Fund balances-ending	\$(63,833)	\$588,212	\$652,045	\$548,899

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Treasurer's O & M
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Charges for service	\$290,515	\$184,479	\$(106,036)	\$194,117
Miscellaneous	-	(1,995)	(1,995)	(611)
Total revenues	290,515	182,484	(108,031)	193,506
Expenditures				
Current:				
General government	137,666	35,897	101,769	44,203
Capital outlay	4,939	-	4,939	-
Total expenditures	142,605	35,897	106,708	44,203
Excess (deficiency) of revenues over expenditures	147,910	146,587	(1,323)	149,303
Other financing sources (uses)				
Transfers out	(75,000)	(94,992)	(19,992)	(89,602)
Total other financing sources (uses)	(75,000)	(94,992)	(19,992)	(89,602)
Net changes in fund balances	72,910	51,595	(21,315)	59,701
Fund balances-beginning	-	456,117	456,117	396,416
Fund balances-ending	\$72,910	\$507,712	\$434,802	\$456,117

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Whatcom County Jail
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$3,754,902	\$4,004,807	\$249,905	\$3,838,044
Intergovernmental	69,223	95,907	26,684	137,471
Charges for service	4,401,333	3,321,267	(1,080,066)	4,510,633
Miscellaneous	294,250	276,996	(17,254)	293,584
Total revenues	8,519,708	7,698,977	(820,731)	8,779,732
Expenditures				
Current:				
Public safety	14,074,985	13,799,476	275,509	13,213,205
Natural and economic environment	43,380	8,115	35,265	6,620
Capital outlay	6,006	-	6,006	-
Total expenditures	14,124,371	13,807,591	316,780	13,219,825
Excess (deficiency) of revenues over expenditures	(5,604,663)	(6,108,614)	(503,951)	(4,440,093)
Other financing sources (uses)				
Transfers in	5,385,170	5,268,278	(116,892)	5,212,571
Transfers out	(449,640)	(411,522)	38,118	(394,745)
Insurance recoveries	-	-	-	430
Total other financing sources (uses)	4,935,530	4,856,756	(78,774)	4,818,256
Net changes in fund balances	(669,133)	(1,251,858)	(582,725)	378,163
Fund balances-beginning	-	3,018,677	3,018,677	2,640,514
Fund balances-ending	\$(669,133)	\$1,766,819	\$2,435,952	\$3,018,677

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Low-Income Housing
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Charges for service	\$227,500	\$211,100	\$(16,400)	\$192,603
Miscellaneous	-	(717)	(717)	(125)
Total revenues	227,500	210,383	(17,117)	192,478
Expenditures				
Current:				
Natural and economic environment	234,076	191,854	42,222	171,892
Total expenditures	234,076	191,854	42,222	171,892
Excess (deficiency) of revenues over expenditures	(6,576)	18,529	25,105	20,586
Fund balances-beginning	-	91,768	91,768	71,182
Fund balances-ending	\$(6,576)	\$110,297	\$116,873	\$91,768

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Homeless Housing
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$1,924,206	\$1,456,854	\$(467,352)	\$1,769,740
Charges for service	989,700	1,133,246	143,546	1,034,336
Miscellaneous	-	(1,288)	(1,288)	(1,547)
Total revenues	2,913,906	2,588,812	(325,094)	2,802,529
Expenditures				
Current:				
Social services	2,860,414	2,747,000	113,414	2,663,516
Total expenditures	2,860,414	2,747,000	113,414	2,663,516
Excess (deficiency) of revenues over expenditures	53,492	(158,188)	(211,680)	139,013
Other financing sources (uses)				
Transfers out	(53,492)	(67,995)	(14,503)	(47,463)
Total other financing sources (uses)	(53,492)	(67,995)	(14,503)	(47,463)
Net changes in fund balances	-	(226,183)	(226,183)	91,550
Fund balances-beginning	-	536,082	536,082	444,532
Fund balances-ending	\$-	\$309,899	\$309,899	\$536,082

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Stormwater
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

WASHINGTON

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$-	\$-	\$-	\$36,582
Charges for service	55,934	28,205	(27,729)	88,909
Miscellaneous	38,500	(2,522)	(41,022)	(1,457)
Total revenues	94,434	25,683	(68,751)	124,034
Expenditures				
Current:				
Utilities	-	268	(268)	-
Natural and economic environment	1,271,080	697,873	573,207	740,432
Capital outlay	-	-	-	47,278
Total expenditures	1,271,080	698,141	572,939	787,710
Excess (deficiency) of revenues over expenditures	(1,176,646)	(672,458)	504,188	(663,676)
Other financing sources (uses)				
Transfers in	1,147,956	750,154	(397,802)	954,711
Transfers out	(30,863)	(130,418)	(99,555)	(29,964)
Total other financing sources (uses)	1,117,093	619,736	(497,357)	924,747
Net changes in fund balances	(59,553)	(52,722)	6,831	261,071
Fund balances-beginning	-	718,235	718,235	457,164
Fund balances-ending	\$(59,553)	\$665,513	\$725,066	\$718,235

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Chemical Dependency/Mental Health
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$3,758,037	\$4,002,512	\$244,475	\$3,838,323
Intergovernmental	150,731	101,214	(49,517)	123,476
Charges for service	40,000	126,996	86,996	18,334
Miscellaneous	21,000	31,586	10,586	33,834
Total revenues	3,969,768	4,262,308	292,540	4,013,967
Expenditures				
Current:				
Social services	3,554,339	2,762,475	791,864	3,146,452
Capital outlay	1,031	1,031	(0)	35,491
Total expenditures	3,555,370	2,763,506	791,864	3,181,943
Excess (deficiency) of revenues over expenditures	414,398	1,498,802	1,084,404	832,024
Other financing sources (uses)				
Transfers out	(1,109,392)	(885,833)	223,559	(666,102)
Total other financing sources (uses)	(1,109,392)	(885,833)	223,559	(666,102)
Net changes in fund balances	(694,994)	612,969	1,307,963	165,922
Fund balances-beginning	-	5,873,600	5,873,600	5,707,678
Fund balances-ending	\$(694,994)	\$6,486,569	\$7,181,563	\$5,873,600

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Parks Special Revenue
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Charges for service	\$2,184	\$1,400	\$(784)	\$2,100
Miscellaneous	130,702	91,032	(39,670)	81,911
Total revenues	132,886	92,432	(40,454)	84,011
Expenditures				
Capital outlay	10,000	-	10,000	-
Total expenditures	10,000	-	10,000	-
Excess (deficiency) of revenues over expenditures	122,886	92,432	(30,454)	84,011
Other financing sources (uses)				
Transfers out	(100,000)	(70,247)	29,753	(104,000)
Total other financing sources (uses)	(100,000)	(70,247)	29,753	(104,000)
Net changes in fund balances	22,886	22,185	(701)	(19,989)
Fund balances-Beginning	-	1,580,933	1,580,933	1,600,922
Fund balances-ending	\$22,886	\$1,603,118	\$1,580,232	\$1,580,933

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Countywide Emergency Medical Services
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$3,018,092	\$2,220,151	\$(797,941)	\$2,140,282
Intergovernmental	309,879	275,291	(34,588)	301,193
Charges for service	2,490,000	3,164,125	674,125	3,258,325
Miscellaneous	20,535	5,168	(15,367)	378,310
Total revenues	5,838,506	5,664,735	(173,771)	6,078,110
Expenditures				
Current:				
Public safety	7,479,504	7,479,467	37	7,154,717
Utilities	-	-	-	2,482
Total expenditures	7,479,504	7,479,467	37	7,157,199
Excess (deficiency) of revenues over expenditures	(1,640,998)	(1,814,732)	(173,734)	(1,079,089)
Other financing sources (uses)				
Transfers in	1,380,737	1,380,737	-	1,385,299
Transfers out	(675,000)	(675,000)	-	(675,000)
Total other financing sources (uses)	705,737	705,737	-	710,299
Net changes in fund balances	(935,261)	(1,108,995)	(173,734)	(368,790)
Fund balances-beginning	-	1,368,653	1,368,653	1,737,443
Fund balances-ending	\$(935,261)	\$259,658	\$1,194,919	\$1,368,653

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Whatcom County Trial Court Improvement
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$47,500	\$45,339	\$(2,161)	\$45,807
Miscellaneous	1,054	471	(583)	798
Total revenues	48,554	45,810	(2,744)	46,605
Expenditures				
Current:				
General government	6,375	6,373	2	-
Total expenditures	6,375	6,373	2	-
Excess (deficiency) of revenues over expenditures	42,179	39,437	(2,742)	46,605
Other financing sources (uses)				
Transfers in	-	40,000	40,000	9,758
Transfers out	(34,109)	(16,608)	17,501	(27,914)
Total other financing sources (uses)	(34,109)	23,392	57,501	(18,156)
Net changes in fund balances	8,070	62,829	54,759	28,449
Fund balances-beginning	-	126,116	126,116	97,667
Fund balances-ending	\$8,070	\$188,945	\$180,875	\$126,116

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Solid Waste
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$740,000	\$817,070	\$77,070	\$826,759
Intergovernmental	198,560	284,989	86,429	288,913
Miscellaneous	12,000	(547)	(12,547)	6,889
Total revenues	950,560	1,101,512	150,952	1,122,561
Expenditures				
Current:				
Utilities	697,202	609,888	87,314	656,083
Total expenditures	697,202	609,888	87,314	656,083
Excess (deficiency) of revenues over expenditures	253,358	491,624	238,266	466,478
Other financing sources (uses)				
Transfers out	(352,528)	(290,075)	62,453	(231,814)
Total other financing sources (uses)	(352,528)	(290,075)	62,453	(231,814)
Net changes in fund balances	(99,170)	201,549	300,719	234,664
Fund balances-beginning	-	2,394,278	2,394,278	2,159,614
Fund balances-ending	\$(99,170)	\$2,595,827	\$2,694,997	\$2,394,278

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Convention Center
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$570,000	\$616,685	\$46,685	\$580,699
Miscellaneous	-	(5,166)	(5,166)	(1,682)
Total revenues	570,000	611,519	41,519	579,017
Expenditures				
Current:				
Culture and recreation	628,980	612,343	16,637	593,426
Total expenditures	628,980	612,343	16,637	593,426
Excess (deficiency) of revenues over expenditures	(58,980)	(824)	58,156	(14,409)
Fund balances-beginning	-	1,250,117	1,250,117	1,264,526
Fund balances-ending	\$(58,980)	\$1,249,293	\$1,308,273	\$1,250,117

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Victim/Witness Assistance
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$6,800	\$-	\$(6,800)	\$-
Charges for service	64,550	69,256	4,706	72,544
Fines and penalties	37,000	22,828	(14,172)	27,479
Miscellaneous	-	(58)	(58)	(18)
Total revenues	108,350	92,026	(16,324)	100,005
Expenditures				
Current:				
General government	87,054	80,110	6,944	84,824
Total expenditures	87,054	80,110	6,944	84,824
Excess (deficiency) of revenues over expenditures	21,296	11,916	(9,380)	15,181
Other financing sources (uses)				
Transfers out	(27,007)	(13,507)	13,500	(18,463)
Total other financing sources (uses)	(27,007)	(13,507)	13,500	(18,463)
Net changes in fund balances	(5,711)	(1,591)	4,120	(3,282)
Fund balances-beginning	-	14,005	14,005	17,287
Fund balances-ending	\$(5,711)	\$12,414	\$18,125	\$14,005

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Whatcom County Drug
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Fines and penalties	\$280,000	\$101,036	\$(178,964)	\$664,296
Miscellaneous	1,000	8,560	7,560	32,454
Total revenues	281,000	109,596	(171,404)	696,750
Expenditures				
Current:				
Public safety	88,000	153,697	(65,697)	104,403
Total expenditures	88,000	153,697	(65,697)	104,403
Excess (deficiency) of revenues over expenditures	193,000	(44,101)	(237,101)	592,347
Other financing sources (uses)				
Transfers out	(255,984)	-	255,984	(260,420)
Total other financing sources (uses)	(255,984)	-	255,984	(260,420)
Net changes in fund balances	(62,984)	(44,101)	18,883	331,927
Fund balances-beginning	-	476,393	476,393	144,466
Fund balances-ending	\$(62,984)	\$432,292	\$495,276	\$476,393

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Auditor's O & M
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$80,000	\$88,568	\$8,568	\$82,922
Charges for service	70,050	96,039	25,989	91,652
Miscellaneous	-	(1,449)	(1,449)	(524)
Total revenues	150,050	183,158	33,108	174,050
Expenditures				
Current:				
General government	148,754	116,933	31,821	92,653
Capital outlay	7,500	7,500	-	148,221
Total expenditures	156,254	124,433	31,821	240,874
Excess (deficiency) of revenues over expenditures	(6,204)	58,725	64,929	(66,824)
Other financing sources (uses)				
Transfers out	(9,195)	-	9,195	-
Total other financing sources (uses)	(9,195)	-	9,195	-
Net changes in fund balances	(15,399)	58,725	74,124	(66,824)
Fund balances-beginning	-	310,576	310,576	377,400
Fund balances-ending	\$(15,399)	\$369,301	\$384,700	\$310,576

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Emergency Management
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$234,079	\$163,921	\$(70,158)	\$156,877
Charges for service	133,955	173,956	40,001	91,630
Miscellaneous	54,000	47,395	(6,605)	3,243
Total revenues	422,034	385,272	(36,762)	251,750
Expenditures				
Current:				
Public safety	561,567	479,593	81,974	430,561
Capital outlay	114,117	23,237	90,880	-
Total expenditures	675,684	502,830	172,854	430,561
Excess (deficiency) of revenues over expenditures	(253,650)	(117,558)	136,092	(178,811)
Other financing sources (uses)				
Transfers in	229,481	229,481	-	218,563
Transfers out	(25,831)	(25,831)	-	(25,079)
Capital lease proceeds	-	9,921	9,921	-
Total other financing sources (uses)	203,650	213,571	9,921	193,484
Net changes in fund balances	(50,000)	96,013	146,013	14,673
Fund balances-beginning	-	162,484	162,484	147,811
Fund balances-ending	\$(50,000)	\$258,497	\$308,497	\$162,484

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Flood Control Zone District
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$3,406,020	\$3,449,595	\$43,575	\$3,402,187
Intergovernmental	1,898,862	335,030	(1,563,832)	786,063
Charges for service	304,616	30,050	(274,566)	41,763
Miscellaneous	68,780	242,434	173,654	81,097
Total revenues	5,678,278	4,057,109	(1,621,169)	4,311,110
Expenditures				
Current:				
Utilities	-	-	-	52,979
Natural and economic environment	9,688,740	3,704,410	5,984,330	4,190,742
Capital outlay	206,000	43,645	162,355	185,529
Total expenditures	9,894,740	3,748,055	6,146,685	4,429,250
Excess (deficiency) of revenues over expenditures	(4,216,462)	309,054	4,525,516	(118,140)
Other financing sources (uses)				
Sales of capital assets	30,000	18,078	(11,922)	48,170
Transfers in	63,750	-	(63,750)	200,000
Transfers out	(1,203,644)	(1,192,701)	10,943	(1,350,213)
Capital lease proceeds	-	-	-	26,962
Total other financing sources (uses)	(1,109,894)	(1,174,623)	(64,729)	(1,075,081)
Net changes in fund balances	(5,326,356)	(865,569)	4,460,787	(1,193,221)
Fund balances-beginning	-	11,423,734	11,423,734	12,616,955
Fund balances-ending	\$(5,326,356)	\$10,558,165	\$15,884,521	\$11,423,734

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Point Roberts Transportation Benefit District
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$75,000	\$68,373	\$(6,627)	\$80,498
Fines and penalties	-	492	492	653
Miscellaneous	-	(3,469)	(3,469)	(1,077)
Total revenues	75,000	65,396	(9,604)	80,074
Other financing sources (uses)				
Transfers out	(150,000)	-	150,000	-
Total other financing sources (uses)	(150,000)	-	150,000	-
Net changes in fund balances	(75,000)	65,396	140,396	80,074
Fund balances-beginning	-	834,175	834,175	754,101
Fund balances-ending	\$(75,000)	\$899,571	\$974,571	\$834,175

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Conservation Futures
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$1,049,718	\$1,071,294	\$21,576	\$1,057,124
Intergovernmental	140	-	(140)	35
Miscellaneous	200	(11,310)	(11,510)	(3,849)
Total revenues	1,050,058	1,059,984	9,926	1,053,310
Expenditures				
Current:				
Natural and economic environment	107,566	87,748	19,818	112,405
Capital outlay	407,110	408,963	(1,853)	-
Total expenditures	514,676	496,711	17,965	112,405
Excess (deficiency) of revenues over expenditures	535,382	563,273	27,891	940,905
Other financing sources (uses)				
Sales of capital assets	10,000	5,615	(4,385)	14,961
Transfers out	(171,388)	(170,114)	1,274	(167,808)
Total other financing sources (uses)	(161,388)	(164,499)	(3,111)	(152,847)
Net changes in fund balances	373,994	398,774	24,780	788,058
Fund balances-beginning	-	2,461,011	2,461,011	1,672,953
Fund balances-ending	\$373,994	\$2,859,785	\$2,485,791	\$2,461,011

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Road Improvement Districts
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Fines and penalties	\$-	\$16	\$16	\$29
Miscellaneous	28,158	27,299	(859)	28,873
Total revenues	28,158	27,315	(843)	28,902
Expenditures				
Current:				
Transportation	33,245	36,848	(3,603)	30,573
Total expenditures	33,245	36,848	(3,603)	30,573
Excess (deficiency) of revenues over expenditures	(5,087)	(9,533)	(4,446)	(1,671)
Other financing sources (uses)				
Transfers out	(1,093)	-	1,093	(1,089)
Total other financing sources (uses)	(1,093)	-	1,093	(1,089)
Net changes in fund balances	(6,180)	(9,533)	(3,353)	(2,760)
Fund balances-beginning	-	26,365	26,365	29,125
Fund balances-ending	\$(6,180)	\$16,832	\$23,012	\$26,365

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Lynden/Everson Sub-Zone
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Fines and penalties	\$-	\$71	\$71	\$48
Miscellaneous	36,907	37,733	826	37,036
Total revenues	36,907	37,804	897	37,084
Expenditures				
Current:				
Natural and economic environment	150,000	87,240	62,760	21,772
Total expenditures	150,000	87,240	62,760	21,772
Excess (deficiency) of revenues over expenditures	(113,093)	(49,436)	63,657	15,312
Fund balances-beginning	-	309,596	309,596	294,284
Fund balances-ending	\$(113,093)	\$260,160	\$373,253	\$309,596

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Sumas/Nooksack/Everson Sub-Zone
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Fines and penalties	\$-	\$363	\$363	\$375
Miscellaneous	113,595	114,302	707	115,339
Total revenues	113,595	114,665	1,070	115,714
Expenditures				
Current:				
Natural and economic environment	341,000	46,973	294,027	11,777
Total expenditures	341,000	46,973	294,027	11,777
Excess (deficiency) of revenues over expenditures	(227,405)	67,692	295,097	103,937
Fund balances-beginning	-	1,094,381	1,094,381	990,444
Fund balances-ending	\$(227,405)	\$1,162,073	\$1,389,478	\$1,094,381

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Acme/Van Zandt Sub-Zone
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Fines and penalties	\$-	\$78	\$78	\$76
Miscellaneous	22,826	23,026	200	23,189
Total revenues	22,826	23,104	278	23,265
Expenditures				
Current:				
Natural and economic environment	33,830	10,110	23,720	-
Total expenditures	33,830	10,110	23,720	-
Excess (deficiency) of revenues over expenditures	(11,004)	12,994	23,998	23,265
Fund balances-beginning	-	265,521	265,521	242,256
Fund balances-ending	\$(11,004)	\$278,515	\$289,519	\$265,521

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Samish Watershed Sub-Zone
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Fines and penalties	\$-	\$43	\$43	\$37
Miscellaneous	18,380	19,136	756	18,057
Total revenues	18,380	19,179	799	18,094
Expenditures				
Current:				
Natural and economic environment	18,250	13,380	4,870	13,930
Total expenditures	18,250	13,380	4,870	13,930
Excess (deficiency) of revenues over expenditures	130	5,799	5,669	4,164
Fund balances-beginning	-	94,171	94,171	90,007
Fund balances-ending	\$130	\$99,970	\$99,840	\$94,171

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual (GAAP Basis)
Birch Bay Sub-Zone
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Fines and penalties	\$2,500	\$1,688	\$(812)	\$6,357
Miscellaneous	760,680	740,069	(20,611)	778,663
Total revenues	763,180	741,757	(21,423)	785,020
Expenditures				
Current:				
Natural and economic environment	849,264	545,321	303,943	421,547
Capital outlay	638,773	216,404	422,369	202,902
Total expenditures	1,488,037	761,725	726,312	624,449
Excess (deficiency) of revenues over expenditures	(724,857)	(19,968)	704,889	160,571
Other financing sources (uses)				
Transfers in	200,000	200,000	-	-
Transfers out	(20,537)	(81,625)	(61,088)	(19,939)
Total other financing sources (uses)	179,463	118,375	(61,088)	(19,939)
Net changes in fund balances	(545,394)	98,407	643,801	140,632
Fund balances-beginning	-	1,472,966	1,472,966	1,332,334
Fund balances-ending	\$(545,394)	\$1,571,373	\$2,116,767	\$1,472,966

	CRID No. 9 General Debt	2003 Ltd. Tax GO Bond	2010 Ltd. Tax GO Bond	Total Non Major Debt Service Funds
Assets				
Cash, cash equivalents and pooled investments	\$-	\$-	\$608	\$608
Total assets	\$-	\$-	\$608	\$608
Fund balances:				
Restricted	\$-	\$-	\$608	\$608
Total fund balances	-	-	608	608
Total liabilities and fund balances	\$-	\$-	\$608	\$608

Combining Statement of Revenues, Expenditures and
 Changes in Fund Balance
 Non-Major Debt Service Funds
 Year Ended December 31, 2016

	CRID No. 9 General Debt	2003 Ltd. Tax GO Bond	2010 Ltd. Tax GO Bond	Total Non Major Debt Service Funds
Revenues				
Miscellaneous	\$-	\$-	\$(2)	\$(2)
Total revenues	-	-	(2)	(2)
Expenditures				
Current:				
Debt service:				
Principal	-	-	330,000	330,000
Interest	-	-	134,213	134,213
Total expenditures	-	-	464,213	464,213
Excess (deficiency) of revenues over expenditures	-	-	(464,215)	(464,215)
Other financing sources (uses)				
Transfers in	-	-	464,218	464,218
Total other financing sources (uses)	-	-	464,218	464,218
Net changes in fund balances	-	-	3	3
Fund balances-beginning	-	-	605	605
Fund balances-ending	\$-	\$-	\$608	\$608

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
2010 Ltd Tax GO Bond
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$(2)	\$(2)	\$-
Total revenues	-	(2)	(2)	-
Expenditures				
Debt service:				
Principal	330,000	330,000	-	325,000
Interest	134,218	134,213	5	147,570
Total expenditures	464,218	464,213	5	472,570
Excess (deficiency) of revenues over expenditures	(464,218)	(464,215)	3	(472,570)
Other financing sources (uses)				
Transfers in	464,218	464,218	-	471,613
Total other financing sources (uses)	464,218	464,218	-	471,613
Net changes in fund balances	-	3	3	(957)
Fund balances-beginning	-	605	-	1,562
Fund balances-ending	\$-	\$608	\$3	\$605

	Real Estate Excise Tax II	Real Estate Excise Tax I	County Park Improvement	Civic Center Building Improvement	East Whatcom Regional Resource Center Construction	2010 Jail Improvement
Assets						
Cash, cash equivalents and pooled investments	\$2,498,984	\$4,216,715	\$-	\$2,459,406	\$328,886	\$-
Investments	-	-	1,238	-	-	506,502
Accounts receivable, net	-	119,194	-	-	-	-
Interest receivable, net	-	-	1	-	-	422
Interfund receivable	463,157	-	-	-	-	-
Interfund loan receivable	100,000	-	-	-	-	-
Due from other governments	-	-	-	-	77,821	-
Total assets	\$3,062,141	\$4,335,909	\$1,239	\$2,459,406	\$406,707	\$506,924
Liabilities and fund balances						
Liabilities						
Accounts payable	\$-	\$125,537	\$-	\$-	\$77,821	\$10,876
Interfund payable	4,958	-	-	-	-	-
Interfund loans payable	-	-	-	-	-	-
Total liabilities	4,958	125,537	-	-	77,821	10,876
Fund balances:						
Restricted	3,057,183	4,210,372	1,239	2,459,406	328,886	496,048
Committed	-	-	-	-	-	-
Total fund balances	3,057,183	4,210,372	1,239	2,459,406	328,886	496,048
Total liabilities and fund balances	\$3,062,141	\$4,335,909	\$1,239	\$2,459,406	\$406,707	\$506,924

	Lummi Nation Lease	Birch Bay Dr and Pedestrian Facility Project	Birch Bay-Lynden Rd/ Portal Way Signl/Imp Prj	Potter Rd-S Fork Bridge Rplcmnt Prjt	Rural Rd Safety Program Project	Sheriff's Record Management System Prjt
Assets						
Cash, cash equivalents and pooled investments	\$1,278,812	\$317,535	\$116,274	\$773,644	\$-	\$192,320
Investments	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-
Interest receivable, net	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-
Interfund loan receivable	-	-	-	-	-	-
Due from other governments	-	-	183,367	427,407	-	-
Total assets	\$1,278,812	\$317,535	\$299,641	\$1,201,051	\$-	\$192,320
Liabilities and fund balances						
Liabilities						
Accounts payable	\$81,565	\$159,738	\$-	\$86,126	\$-	\$-
Interfund payable	-	-	-	-	-	-
Interfund loans payable	-	-	-	-	-	-
Total liabilities	81,565	159,738	-	86,126	-	-
Fund balances:						
Restricted	1,197,247	157,797	299,641	1,114,925	-	-
Committed	-	-	-	-	-	192,320
Total fund balances	1,197,247	157,797	299,641	1,114,925	-	192,320
Total liabilities and fund balances	\$1,278,812	\$317,535	\$299,641	\$1,201,051	\$-	\$192,320

New Jail Project	Sup Ct Fourth Judge Courtroom Renovation	Nesset Farm Restoration	State St Building Acquisition and Improvement	Slater Rd Intersections Project	Dakota Cr Bridge No.500 Project	Telecom-munications System Replacement	Lake Whatcom Boulevard Re-Surfacing	Hannegan Rd/ Nooksack River Bridge No. 252
\$2,709,735	\$-	\$93,804	\$2,637,005	\$285,400	\$321,908	\$690,752	\$-	\$246,725
-	-	-	-	-	-	-	-	-
-	-	2,597	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	3,022	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	981	-	-	2,453
\$2,709,735	\$-	\$99,423	\$2,637,005	\$285,400	\$322,889	\$690,752	\$-	\$249,178
\$-	\$-	\$-	\$690	\$-	\$-	\$3,168	\$-	\$-
-	-	-	-	-	-	-	-	-
-	-	100,000	-	-	-	-	-	250,000
-	-	100,000	690	-	-	3,168	-	250,000
-	-	(577)	-	285,400	322,889	-	-	(822)
2,709,735	-	-	2,636,315	-	-	687,584	-	-
2,709,735	-	(577)	2,636,315	285,400	322,889	687,584	-	(822)
\$2,709,735	\$-	\$99,423	\$2,637,005	\$285,400	\$322,889	\$690,752	\$-	\$249,178

	Slater Rd/ Nooksack River Bridge	2015 County Roadway Safety Program	Hannegan Rd Structural Overlay	2015 Courthouse Fire Alarm System and Juvenile Roof Imprvmt	2015 Girard Street Building Improvement	Courthouse Building Envelope Project
Assets						
Cash, cash equivalents and pooled investments	\$-	\$480,386	\$-	\$137,361	\$438,840	\$229,015
Investments	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-
Interest receivable, net	-	-	-	-	-	-
Interfund receivable	-	84,976	-	3,424	-	-
Interfund loan receivable	-	-	-	-	-	-
Due from other governments	-	287,909	-	-	-	-
Total assets	\$-	\$853,271	\$-	\$140,785	\$438,840	\$229,015
Liabilities and fund balances						
Liabilities						
Accounts payable	\$-	\$59,277	\$-	\$-	\$-	\$-
Interfund payable	-	-	-	-	-	-
Interfund loans payable	-	750,000	-	-	-	-
Total liabilities	-	809,277	-	-	-	-
Fund balances:						
Restricted	-	43,994	-	-	-	-
Committed	-	-	-	140,785	438,840	229,015
Total fund balances	-	43,994	-	140,785	438,840	229,015
Total liabilities and fund balances	\$-	\$853,271	\$-	\$140,785	\$438,840	\$229,015

2015 Central Plaza Improvement	2015 Silver Lake Park Improvement	2015 Lighthouse Marine Park Improvement	2015 South Fork Park Improvement	Academy Rd Storm Water Imprvmnts	Agate Heights Estate/ Bay Lane Storm Water Imprvmnts	Beaver Creek Storm Water Imprvmnts	Cedar Hills/ Euclid Storm Water Imprvmnts	Criminal Justice Integrated Case Mgmnt System Projects
\$17,784	\$794,075	\$200,804	\$196,767	\$158,832	\$696,525	\$-	\$212,453	\$591,259
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	1,290	7,198	7,605	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	771,643	-	-	568,745	-
\$17,784	\$795,365	\$208,002	\$204,372	\$930,475	\$696,525	\$-	\$781,198	\$591,259
\$-	\$377	\$-	\$8,210	\$923	\$4,248	\$-	\$41,167	\$-
3,424	-	-	-	640,000	-	-	34	-
-	-	-	-	309,000	-	-	700,000	-
3,424	377	-	8,210	949,923	4,248	-	741,201	-
-	-	-	-	(19,448)	692,277	-	39,997	-
14,360	794,988	208,002	196,162	-	-	-	-	591,259
14,360	794,988	208,002	196,162	(19,448)	692,277	-	39,997	591,259
\$17,784	\$795,365	\$208,002	\$204,372	\$930,475	\$696,525	\$-	\$781,198	\$591,259

	Integrated Land Records and Permit Management System Projects	S Pass Rd/Saar Ck BridgeNo. 212	Total Non Major Capital Project Funds
Assets			
Cash, cash equivalents and pooled investments	\$1,049,739	\$587,445	\$24,959,190
Investments	-	-	507,740
Accounts receivable, net	-	-	121,791
Interest receivable, net	-	-	423
Interfund receivable	-	-	570,672
Interfund loan receivable	-	-	100,000
Due from other governments	-	-	2,320,326
Total assets	\$1,049,739	\$587,445	\$28,580,142
Liabilities and fund balances			
Liabilities			
Accounts payable	\$4,400	\$140,329	\$804,452
Interfund payable	-	-	648,416
Interfund loans payable	-	-	2,109,000
Total liabilities	4,400	140,329	3,561,868
Fund balances:			
Restricted	-	447,116	15,133,570
Committed	1,045,339	-	9,884,704
Total fund balances	1,045,339	447,116	25,018,274
Total liabilities and fund balances	\$1,049,739	\$587,445	\$28,580,142

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Non-Major Capital Project Funds
Year Ended December 31, 2016

Whatcom County

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	Real Estate Excise Tax II	Real Estate Excise Tax I	County Park Improvement	Civic Center Building Improvement	East Whatcom Regional Resource Ctr Construction	2010 Jail Improvement	Lummi Nation Lease
Revenues							
Taxes	\$1,960,741	\$1,960,741	\$-	\$-	\$-	\$-	\$-
Intergovernmental	6,822	-	-	-	129,430	-	-
Miscellaneous	(8,616)	101,331	222	(9,002)	(1,661)	5,491	(2,925)
Total revenues	1,958,947	2,062,072	222	(9,002)	127,769	5,491	(2,925)
Expenditures							
Current:							
General government	-	337,819	-	-	-	-	-
Natural and economic environment	54,177	-	-	-	-	-	-
Culture and recreation	39,453	1,765	-	-	-	-	-
Capital outlay	28,913	210,872	-	5,060	245,067	242,223	794,882
Total expenditures	122,543	550,456	-	5,060	245,067	242,223	794,882
Excess (deficiency) of revenues over expenditures	1,836,404	1,511,616	222	(14,062)	(117,298)	(236,732)	(797,807)
Other financing sources (uses)							
Transfers in	-	-	-	-	300,000	-	-
Transfers out	(1,831,383)	(424,000)	-	-	-	-	-
Total other financing sources (uses)	(1,831,383)	(424,000)	-	-	300,000	-	-
Net changes in fund balances	5,021	1,087,616	222	(14,062)	182,702	(236,732)	(797,807)
Fund balances-beginning	3,052,162	3,122,756	1,017	2,473,468	146,184	732,780	1,995,054
Fund balances-ending	\$3,057,183	\$4,210,372	\$1,239	\$2,459,406	\$328,886	\$496,048	\$1,197,247

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Non-Major Capital Project Funds
Year Ended December 31, 2016

	Birch Bay Dr and Pedestrian Facility Project	Birch Bay- Lynden Rd/ Portal Way Signl/Imp Prj	Potter Rd-S Fork Bridge Rplcmnt Prjt	Rural Rd Safety Program Project	Sheriff's Record Management System Prjt	New Jail Project	Sup Ct Fourth Judge Courtroom Renovation
Revenues							
Taxes	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Intergovernmental	157,870	210,563	1,852,214	-	-	-	-
Miscellaneous	(729)	2,045	(3,278)	98	(519)	(12,286)	359
Total revenues	157,141	212,608	1,848,936	98	(519)	(12,286)	359
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Natural and economic environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	625,006	35,993	1,192,513	-	2,799	13,537	-
Total expenditures	625,006	35,993	1,192,513	-	2,799	13,537	-
Excess (deficiency) of revenues over expenditures	(467,865)	176,615	656,423	98	(3,318)	(25,823)	359
Other financing sources (uses)							
Transfers in	-	-	-	-	-	1,000,000	-
Transfers out	-	-	-	(39,620)	-	-	(145,016)
Total other financing sources (uses)	-	-	-	(39,620)	-	1,000,000	(145,016)
Net changes in fund balances	(467,865)	176,615	656,423	(39,522)	(3,318)	974,177	(144,657)
Fund balances-beginning	625,662	123,026	458,502	39,522	195,638	1,735,558	144,657
Fund balances-ending	\$157,797	\$299,641	\$1,114,925	\$-	\$192,320	\$2,709,735	\$-

Combining Statement of Revenues, Expenditures and
 Changes in Fund Balance
 Non-Major Capital Project Funds
 Year Ended December 31, 2016

Nesset Farm Restoration	State St Building Acquisition and Improvement	Slater Rd Intersections Project	Dakota Cr Bridge No.500 Project	Telecomm- unications System Replacement	Lake Whatcom Boulevard Re-Surfacing	Hannegan Rd/ Nooksack River Bridge No. 252	Slater Rd/ Nooksack River Bridge	2015 County Roadway Safety Program
\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
-	-	-	31,281	-	-	7,270	9,734	612,782
2,265	(9,576)	(647)	1,718	(1,724)	2,459	(1,192)	2,208	(825)
2,265	(9,576)	(647)	32,999	(1,724)	2,459	6,078	11,942	611,957
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,597	34,479	102,989	68,412	161,776	443	7,270	1,428	617,541
2,597	34,479	102,989	68,412	161,776	443	7,270	1,428	617,541
(332)	(44,055)	(103,636)	(35,413)	(163,500)	2,016	(1,192)	10,514	(5,584)
-	-	-	-	-	-	-	9,683	-
-	-	-	-	-	(993,421)	-	(20,198)	-
-	-	-	-	-	(993,421)	-	(10,515)	-
(332)	(44,055)	(103,636)	(35,413)	(163,500)	(991,405)	(1,192)	(1)	(5,584)
(245)	2,680,370	389,036	358,302	851,084	991,405	370	1	49,578
\$(577)	\$2,636,315	\$285,400	\$322,889	\$687,584	\$-	\$(822)	\$-	\$43,994

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Non-Major Capital Project Funds
Year Ended December 31, 2016

	Hannegan Rd Structural Overlay	2015 Courthouse Fire Alarm System and Juvenile Roof Imprvmt	2015 Girard Street Building Improvement	Courthouse Building Envelope Project	2015 Central Plaza Improvement	2015 Silver Lake Park Improvement	2015 Lighthouse Marine Park Improvement
Revenues							
Taxes	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	1,472	(220)	(1,543)	(791)	195	(2,803)	(617)
Total revenues	1,472	(220)	(1,543)	(791)	195	(2,803)	(617)
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Natural and economic environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	68,198	111,448	25,271	19,576	108,756	43,322	3,721
Total expenditures	68,198	111,448	25,271	19,576	108,756	43,322	3,721
Excess (deficiency) of revenues over expenditures	(66,726)	(111,668)	(26,814)	(20,367)	(108,561)	(46,125)	(4,338)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(527,042)	-	-	-	-	-	-
Total other financing sources (uses)	(527,042)	-	-	-	-	-	-
Net changes in fund balances	(593,768)	(111,668)	(26,814)	(20,367)	(108,561)	(46,125)	(4,338)
Fund balances-beginning	593,768	252,453	465,654	249,382	122,921	841,113	212,340
Fund balances-ending	\$-	\$140,785	\$438,840	\$229,015	\$14,360	\$794,988	\$208,002

Combining Statement of Revenues, Expenditures and
 Changes in Fund Balance
 Non-Major Capital Project Funds
 Year Ended December 31, 2016

2015 South Fork Park Improvement	Academy Rd Storm Water Imprvmnts	Agate Heights Estate/ Bay Lane Storm Water Imprvmnts	Beaver Creek Storm Water Imprvmnts	Cedar Hills/ Euclid Storm Water Imprvmnts	Criminal Justice Integrated Case Mgmt System Projects	Integrated Land Records and Permit Management System Projects	S Pass Rd/Saar Ck BridgeNo. 212	Total Non Major Capital Project Funds
\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$3,921,482
-	75,000	-	-	568,745	-	-	-	3,661,711
48	(191,071)	(2,831)	-	(78,117)	(2,155)	(3,577)	(3,390)	(220,184)
48	(116,071)	(2,831)	-	490,628	(2,155)	(3,577)	(3,390)	7,363,009
-	-	-	-	-	-	-	-	337,819
-	26,644	33,931	-	299,130	-	-	-	413,882
-	-	-	-	-	-	-	-	41,218
281,702	78,385	-	-	1,097,920	5,102	114,326	859,494	7,211,021
281,702	105,029	33,931	-	1,397,050	5,102	114,326	859,494	8,003,940
(281,654)	(221,100)	(36,762)	-	(906,422)	(7,257)	(117,903)	(862,884)	(640,931)
-	95,000	170,000	-	335,000	-	-	1,310,000	3,219,683
-	-	-	-	-	-	-	-	(3,980,680)
-	95,000	170,000	-	335,000	-	-	1,310,000	(760,997)
(281,654)	(126,100)	133,238	-	(571,422)	(7,257)	(117,903)	447,116	(1,401,928)
477,816	106,652	559,039	-	611,419	598,516	1,163,242	-	26,420,202
\$196,162	\$(19,448)	\$692,277	\$-	\$39,997	\$591,259	\$1,045,339	\$447,116	\$25,018,274

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Real Estate Excise Tax II
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

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	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$1,436,000	\$1,960,741	\$524,741	\$1,685,850
Intergovernmental	-	6,822	6,822	64,612
Miscellaneous	-	(8,616)	(8,616)	793
Total revenues	1,436,000	1,958,947	522,947	1,751,255
Expenditures				
Current:				
Natural and economic environment	-	54,177	(54,177)	-
Culture and recreation	190,574	39,453	151,121	214,202
Capital outlay	28,914	28,913	1	189,882
Total expenditures	219,488	122,543	96,945	404,084
Excess (deficiency) of revenues over expenditures	1,216,512	1,836,404	619,892	1,347,171
Other financing sources (uses)				
Transfers in	-	-	-	4,000
Transfers out	(1,945,560)	(1,831,383)	114,177	(4,012,888)
Total other financing sources (uses)	(1,945,560)	(1,831,383)	114,177	(4,008,888)
Net changes in fund balances	(729,048)	5,021	734,069	(2,661,717)
Fund balances-beginning	-	3,052,162	3,052,162	5,713,879
Fund balances-ending	\$(729,048)	\$3,057,183	\$3,786,231	\$3,052,162

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Real Estate Excise Tax I
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Taxes	\$1,436,000	\$1,960,741	\$524,741	\$1,685,849
Intergovernmental	145,000	-	(145,000)	-
Miscellaneous	44,537	101,331	56,794	(4,704)
Total revenues	1,625,537	2,062,072	436,535	1,681,145
Expenditures				
Current:				
General government	315,884	337,819	(21,935)	349,774
Natural and economic environment	50,000	-	50,000	-
Culture and recreation	430,000	1,765	428,235	-
Capital outlay	92,333	210,872	(118,539)	6,444
Total expenditures	888,217	550,456	337,761	356,218
Excess (deficiency) of revenues over expenditures	737,320	1,511,616	774,296	1,324,927
Other financing sources (uses)				
Transfers in	-	-	-	38,343
Transfers out	(424,000)	(424,000)	-	(703,000)
Total other financing sources (uses)	(424,000)	(424,000)	-	(664,657)
Net changes in fund balances	313,320	1,087,616	774,296	660,270
Fund balances-beginning	-	3,122,756	3,122,756	2,462,486
Fund balances-ending	\$313,320	\$4,210,372	\$3,897,052	\$3,122,756

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Civic Center Building Improvement
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(9,002)	\$(9,002)	\$(2,820)
Total revenues	-	(9,002)	(9,002)	(2,820)
Expenditures				
Capital outlay	2,446,653	5,060	2,441,593	49,373
Total expenditures	2,446,653	5,060	2,441,593	49,373
Excess (deficiency) of revenues over expenditures	(2,446,653)	(14,062)	2,432,591	(52,193)
Fund balances-beginning	-	2,473,468	2,473,468	2,525,661
Fund balances-ending	\$(2,446,653)	\$2,459,406	\$4,906,059	\$2,473,468

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 East Whatcom Regional Resource Ctr Construction
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Intergovernmental	\$750,000	\$129,430	\$(620,570)	\$-
Miscellaneous	-	(1,661)	(1,661)	(214)
Total revenues	750,000	127,769	(622,231)	(214)
Expenditures				
Capital outlay	1,196,358	245,067	951,291	29,730
Total expenditures	1,196,358	245,067	951,291	29,730
Excess (deficiency) of revenues over expenditures	(446,358)	(117,298)	329,060	(29,944)
Other financing sources (uses)				
Transfers in	300,000	300,000	-	63,000
Total other financing sources (uses)	300,000	300,000	-	63,000
Net changes in fund balances	(146,358)	182,702	329,060	33,056
Fund balances-beginning	-	146,184	146,184	113,128
Fund balances-ending	\$(146,358)	\$328,886	\$475,244	\$146,184

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 2010 Jail Improvement
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

Whatcom County
 W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$5,491	\$5,491	\$4,530
Total revenues	-	5,491	5,491	4,530
Expenditures				
Capital outlay	699,967	242,223	457,744	7,266
Total expenditures	699,967	242,223	457,744	7,266
Excess (deficiency) of revenues over expenditures	(699,967)	(236,732)	463,235	(2,736)
Fund balances-beginning	-	732,780	732,780	735,516
Fund balances-ending	\$(699,967)	\$496,048	\$1,196,015	\$732,780

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Lummi Nation Lease
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$(2,925)	\$(2,925)	\$(2,324)
Total revenues	-	(2,925)	(2,925)	(2,324)
Expenditures				
Capital outlay	2,000,000	794,882	1,205,118	-
Total expenditures	2,000,000	794,882	1,205,118	-
Excess (deficiency) of revenues over expenditures	(2,000,000)	(797,807)	1,202,193	(2,324)
Fund balances-beginning	-	1,995,054	1,995,054	1,997,378
Fund balances-ending	\$(2,000,000)	\$1,197,247	\$3,197,247	\$1,995,054

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Birch Bay Drive & Pedestrian Facility Project
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

Whatcom County
 W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$105,756	\$157,870	\$52,114	\$817,523
Miscellaneous	-	(729)	(729)	(690)
Total revenues	105,756	157,141	51,385	816,833
Expenditures				
Capital outlay	1,232,785	625,006	607,779	985,114
Total expenditures	1,232,785	625,006	607,779	985,114
Excess (deficiency) of revenues over expenditures	(1,127,029)	(467,865)	659,164	(168,281)
Fund balances-beginning	-	625,662	625,662	793,943
Fund balances-ending	\$(627,029)	\$157,797	\$784,826	\$625,662

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Birch Bay Lynden Rd/Portal Way Signalization Improv. Project
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$229,569	\$210,563	\$(19,006)	\$52,897
Miscellaneous	-	2,045	2,045	(1,659)
Total revenues	229,569	212,608	(16,961)	51,238
Expenditures				
Capital outlay	200,701	35,993	164,708	68,237
Total expenditures	200,701	35,993	164,708	68,237
Excess (deficiency) of revenues over expenditures	28,868	176,615	147,747	(16,999)
Fund balances-beginning	-	123,026	123,026	140,025
Fund balances-ending	\$28,868	\$299,641	\$270,773	\$123,026

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Potter Rd-S Fork Bridge Replacement Project
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

Whatcom County
 W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$2,910,916	\$1,852,214	\$(1,058,702)	\$1,908,786
Miscellaneous	-	(3,278)	(3,278)	(1,294)
Total revenues	2,910,916	1,848,936	(1,061,980)	1,907,492
Expenditures				
Capital outlay	2,712,081	1,192,513	1,519,568	2,387,922
Total expenditures	2,712,081	1,192,513	1,519,568	2,387,922
Excess (deficiency) of revenues over expenditures	198,835	656,423	457,588	(480,430)
Fund balances-beginning	-	458,502	458,502	938,932
Fund balances-ending	\$198,835	\$1,114,925	\$916,090	\$458,502

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Rural Rd Safety Program Project
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$292,776	\$-	\$(292,776)	\$-
Miscellaneous	-	98	98	1,265
Total revenues	292,776	98	(292,678)	1,265
Expenditures				
Current:				
Capital outlay	330,721	-	330,721	-
Total expenditures	330,721	-	330,721	-
Excess (deficiency) of revenues over expenditures	(37,945)	98	38,043	1,265
Other financing sources (uses)				
Transfers out	-	(39,620)	(39,620)	-
Total other financing sources (uses)	-	(39,620)	(39,620)	-
Net changes in fund balances	(37,945)	(39,522)	(1,577)	1,265
Fund balances-beginning	-	39,522	39,522	38,257
Fund balances-ending	\$(37,945)	\$-	\$37,945	\$39,522

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Sheriff's Record Mgmt System Project
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

Whatcom County
 W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(519)	\$(519)	\$(297)
Total revenues	-	(519)	(519)	(297)
Expenditures				
Capital outlay	196,303	2,799	193,504	82,983
Total expenditures	196,303	2,799	193,504	82,983
Excess (deficiency) of revenues over expenditures	(196,303)	(3,318)	192,985	(83,280)
Fund balances-beginning	-	195,638	195,638	278,918
Fund balances-ending	\$(196,303)	\$192,320	\$388,623	\$195,638

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
New Jail Project
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(12,286)	\$(12,286)	\$(2,589)
Total revenues	-	(12,286)	(12,286)	(2,589)
Expenditures				
Capital outlay	185,740	13,537	172,203	356,747
Total expenditures	185,740	13,537	172,203	356,747
Excess (deficiency) of revenues over expenditures	(185,740)	(25,823)	159,917	(359,336)
Other financing sources (uses)				
Transfers in	-	1,000,000	1,000,000	1,000,000
Total other financing sources (uses)	-	1,000,000	1,000,000	1,000,000
Net changes in fund balances	(185,740)	974,177	1,159,917	640,664
Fund balances-beginning	-	1,735,558	1,735,558	1,094,894
Fund balances-ending	\$(185,740)	\$2,709,735	\$2,895,475	\$1,735,558

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Superior Ct 4th Judge Courtroom Renovation
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$359	\$359	\$760
Total revenues	-	359	359	760
Expenditures				
Capital outlay	-	-	-	301,723
Total expenditures	-	-	-	301,723
Excess (deficiency) of revenues over expenditures	-	359	359	(300,963)
Other financing sources (uses)				
Transfers out	(145,016)	(145,016)	-	
Total other financing sources (uses)	(145,016)	(145,016)	-	-
Net changes in fund balances	(145,016)	(144,657)	359	(300,963)
Fund balances-beginning	-	144,657	144,657	445,620
Fund balances-ending	\$(145,016)	\$-	\$145,016	\$144,657

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Nessel Farm Restoration
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$250,000	\$2,265	\$(247,735)	\$599
Total revenues	250,000	2,265	(247,735)	599
Expenditures				
Capital outlay	249,287	2,597	246,690	663
Total expenditures	249,287	2,597	246,690	663
Excess (deficiency) of revenues over expenditures	713	(332)	(1,045)	(64)
Fund balances-beginning	-	(245)	(245)	(181)
Fund balances-ending	\$713	\$(577)	\$(1,290)	\$(245)

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
State St Building Acquisition & Improv.
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(9,576)	\$(9,576)	\$(3,546)
Total revenues	-	(9,576)	(9,576)	(3,546)
Expenditures				
Capital outlay	2,687,025	34,479	2,652,546	65,815
Total expenditures	2,687,025	34,479	2,652,546	65,815
Excess (deficiency) of revenues over expenditures	(2,687,025)	(44,055)	2,642,970	(69,361)
Other financing sources (uses)				
Transfers in	-	-	-	400,000
Total other financing sources (uses)	-	-	-	400,000
Net changes in fund balances	(2,687,025)	(44,055)	2,642,970	330,639
Fund balances-beginning	-	2,680,370	2,680,370	2,349,731
Fund balances-ending	\$(2,687,025)	\$2,636,315	\$5,323,340	\$2,680,370

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Slater Rd Intersections Project
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$685	\$-	\$(685)	\$23,192
Miscellaneous	-	(647)	(647)	818
Total revenues	685	(647)	(1,332)	24,010
Expenditures				
Current:				
Transportation	389,250	-	389,250	-
Capital outlay	-	102,989	(102,989)	2,132,128
Total expenditures	389,250	102,989	286,261	2,132,128
Excess (deficiency) of revenues over expenditures	(388,565)	(103,636)	284,929	(2,108,118)
Other financing sources (uses)				
Transfers in	-	-	-	990,000
Total other financing sources (uses)	-	-	-	990,000
Net changes in fund balances	(388,565)	(103,636)	284,929	(1,118,118)
Fund balances-beginning	-	389,036	389,036	1,507,154
Fund balances-ending	\$(388,565)	\$285,400	\$673,965	\$389,036

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Dakota Creek Bridge No. 500 Project
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$74,893	\$31,281	\$(43,612)	\$2,791,183
Miscellaneous	-	1,718	1,718	27,510
Total revenues	74,893	32,999	(41,894)	2,818,693
Expenditures				
Current:				
Transportation	407,828	-	407,828	-
Capital outlay	-	68,412	(68,412)	3,555,745
Total expenditures	407,828	68,412	339,416	3,555,745
Excess (deficiency) of revenues over expenditures	(332,935)	(35,413)	297,522	(737,052)
Other financing sources (uses)				
Transfers in	-	-	-	450,000
Total other financing sources (uses)	-	-	-	450,000
Net changes in fund balances	(332,935)	(35,413)	297,522	(287,052)
Fund balances-beginning	-	358,302	358,302	645,354
Fund balances-ending	\$(332,935)	\$322,889	\$655,824	\$358,302

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Telecommunications System Replacement
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$(1,724)	\$(1,724)	\$56
Total revenues	-	(1,724)	(1,724)	56
Expenditures				
Capital outlay	853,611	161,776	691,835	791,734
Total expenditures	853,611	161,776	691,835	791,734
Excess (deficiency) of revenues over expenditures	(853,611)	(163,500)	690,111	(791,678)
Fund balances-beginning	-	851,084	851,084	1,642,762
Fund balances-ending	\$(853,611)	\$687,584	\$1,541,195	\$851,084

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Lake Whatcom Boulevard Re-Surfacing
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$2,459	\$2,459	\$(2,358)
Total revenues	-	2,459	2,459	(2,358)
Expenditures				
Current:				
Transportation	993,763	-	993,763	-
Capital outlay	-	443	(443)	506,237
Total expenditures	993,763	443	993,320	506,237
Excess (deficiency) of revenues over expenditures	(993,763)	2,016	995,779	(508,595)
Other financing sources (uses)				
Transfers in	-	-	-	1,500,000
Transfers out	-	(993,421)	(993,421)	-
Total other financing sources (uses)	-	(993,421)	(993,421)	1,500,000
Net changes in fund balances	(993,763)	(991,405)	2,358	991,405
Fund balances-beginning	-	991,405	991,405	-
Fund balances-ending	\$(993,763)	\$-	\$993,763	\$991,405

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Hannegan Road/Nooksack River Bridge No. 252
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$101,741	\$7,270	\$(94,471)	\$118,259
Miscellaneous	-	(1,192)	(1,192)	(328)
Total revenues	101,741	6,078	(95,663)	117,931
Expenditures				
Current:				
Transportation	102,439	-	102,439	-
Capital outlay	-	7,270	(7,270)	137,561
Total expenditures	102,439	7,270	95,169	137,561
Excess (deficiency) of revenues over expenditures	(698)	(1,192)	(494)	(19,630)
Other financing sources (uses)				
Transfers in	-	-	-	20,000
Total other financing sources (uses)	-	-	-	20,000
Net changes in fund balances	(698)	(1,192)	(494)	370
Fund balances-beginning	-	370	370	-
Fund balances-ending	\$(698)	\$(822)	\$(124)	\$370

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Slater Road/Nooksack River Bridge
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$560,905	\$9,734	\$(551,171)	\$1,139,095
Miscellaneous	-	2,208	2,208	(1,933)
Total revenues	560,905	11,942	(548,963)	1,137,162
Expenditures				
Current:				
Transportation	542,641	-	542,641	-
Capital outlay	-	1,428	(1,428)	1,157,359
Total expenditures	542,641	1,428	541,213	1,157,359
Excess (deficiency) of revenues over expenditures	18,264	10,514	(7,750)	(20,197)
Other financing sources (uses)				
Transfers in	-	9,683	9,683	20,198
Transfers out	-	(20,198)	(20,198)	-
Total other financing sources (uses)	-	(10,515)	(10,515)	20,198
Net changes in fund balances	18,264	(1)	(18,265)	1
Fund balances-beginning	-	1	1	-
Fund balances-ending	\$18,264	\$-	\$(18,264)	\$1

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
2015 County Roadway Safety Program
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$680,000	\$612,782	\$(67,218)	\$-
Miscellaneous	-	(825)	(825)	(1,982)
Total revenues	680,000	611,957	(68,043)	(1,982)
Expenditures				
Current:				
Transportation	747,857	-	747,857	-
Capital outlay	-	617,541	(617,541)	18,440
Total expenditures	747,857	617,541	130,316	18,440
Excess (deficiency) of revenues over expenditures	(67,857)	(5,584)	62,273	(20,422)
Other financing sources (uses)				
Transfers in	-	-	-	70,000
Total other financing sources (uses)	-	-	-	70,000
Net changes in fund balances	(67,857)	(5,584)	62,273	49,578
Fund balances-beginning	-	49,578	49,578	-
Fund balances-ending	\$(67,857)	\$43,994	\$111,851	\$49,578

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Hannegan Road Structural Overlay
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$1,472	\$1,472	\$(1,372)
Total revenues	-	1,472	1,472	(1,372)
Expenditures				
Current:				
Transportation	595,140	-	595,140	-
Capital outlay	-	68,198	(68,198)	1,404,860
Total expenditures	595,140	68,198	526,942	1,404,860
Excess (deficiency) of revenues over expenditures	(595,140)	(66,726)	528,414	(1,406,232)
Other financing sources (uses)				
Transfers in	-	-	-	2,000,000
Transfers out	-	(527,042)	(527,042)	-
Total other financing sources (uses)	-	(527,042)	(527,042)	2,000,000
Net changes in fund balances	(595,140)	(593,768)	1,372	593,768
Fund balances-beginning	-	593,768	593,768	-
Fund balances-ending	\$(595,140)	\$-	\$595,140	\$593,768

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 2015 Courthouse Fire Alarm System & Juvenile Roof Improvement
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(220)	\$(220)	\$(626)
Total revenues	-	(220)	(220)	(626)
Expenditures				
Capital outlay	253,079	111,448	141,631	6,921
Total expenditures	253,079	111,448	141,631	6,921
Excess (deficiency) of revenues over expenditures	(253,079)	(111,668)	141,411	(7,547)
Other financing sources (uses)				
Transfers in	-	-	-	260,000
Total other financing sources (uses)	-	-	-	260,000
Net changes in fund balances	(253,079)	(111,668)	141,411	252,453
Fund balances-beginning	-	252,453	252,453	-
Fund balances-ending	\$(253,079)	\$140,785	\$393,864	\$252,453

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 2015 Girard Street Building Improvement
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

Whatcom County
 W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(1,543)	\$(1,543)	\$(1,157)
Total revenues	-	(1,543)	(1,543)	(1,157)
Expenditures				
Capital outlay	466,811	25,271	441,540	44,189
Total expenditures	466,811	25,271	441,540	44,189
Excess (deficiency) of revenues over expenditures	(466,811)	(26,814)	439,997	(45,346)
Other financing sources (uses)				
Transfers in	-	-	-	511,000
Total other financing sources (uses)	-	-	-	511,000
Net changes in fund balances	(466,811)	(26,814)	439,997	465,654
Fund balances-beginning	-	465,654	465,654	-
Fund balances-ending	\$(466,811)	\$438,840	\$905,651	\$465,654

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Courthouse Building Envelope Project
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$(791)	\$(791)	\$(618)
Total revenues	-	(791)	(791)	(618)
Expenditures				
Capital outlay	250,000	19,576	230,424	-
Total expenditures	250,000	19,576	230,424	-
Excess (deficiency) of revenues over expenditures	(250,000)	(20,367)	229,633	(618)
Other financing sources (uses)				
Transfers in	-	-	-	250,000
Total other financing sources (uses)	-	-	-	250,000
Net changes in fund balances	(250,000)	(20,367)	229,633	249,382
Fund balances-beginning	-	249,382	249,382	-
Fund balances-ending	\$(250,000)	\$229,015	\$479,015	\$249,382

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 2015 Central Plaza Improvement
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

Whatcom County
 W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$195	\$195	\$(305)
Total revenues	-	195	195	(305)
Expenditures				
Capital outlay	123,226	108,756	14,470	36,774
Total expenditures	123,226	108,756	14,470	36,774
Excess (deficiency) of revenues over expenditures	(123,226)	(108,561)	14,665	(37,079)
Other financing sources (uses)				
Transfers in	-	-	-	160,000
Total other financing sources (uses)	-	-	-	160,000
Net changes in fund balances	(123,226)	(108,561)	14,665	122,921
Fund balances-beginning	-	122,921	122,921	-
Fund balances-ending	\$(123,226)	\$14,360	\$137,586	\$122,921

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
2015 Silver Lake Park Improvement
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$(2,803)	\$(2,803)	\$(2,085)
Total revenues	-	(2,803)	(2,803)	(2,085)
Expenditures				
Capital outlay	843,198	43,322	799,876	36,802
Total expenditures	843,198	43,322	799,876	36,802
Excess (deficiency) of revenues over expenditures	(843,198)	(46,125)	797,073	(38,887)
Other financing sources (uses)				
Transfers in	-	-	-	880,000
Total other financing sources (uses)	-	-	-	880,000
Net changes in fund balances	(843,198)	(46,125)	797,073	841,113
Fund balances-beginning	-	841,113	841,113	-
Fund balances-ending	\$(843,198)	\$794,988	\$1,638,186	\$841,113

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
2015 Lighthouse Marine Park Improvement
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(617)	\$(617)	\$(618)
Total revenues	-	(617)	(617)	(618)
Expenditures				
Capital outlay	212,958	3,721	209,237	37,042
Total expenditures	212,958	3,721	209,237	37,042
Excess (deficiency) of revenues over expenditures	(212,958)	(4,338)	208,620	(37,660)
Other financing sources (uses)				
Transfers in	-	-	-	250,000
Total other financing sources (uses)	-	-	-	250,000
Net changes in fund balances	(212,958)	(4,338)	208,620	212,340
Fund balances-beginning	-	212,340	212,340	-
Fund balances-ending	\$(212,958)	\$208,002	\$420,960	\$212,340

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
2015 South Fork Park Improvement
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$209,000	\$-	\$(209,000)	\$-
Miscellaneous	-	48	48	(1,184)
Total revenues	209,000	48	(208,952)	(1,184)
Expenditures				
Capital outlay	688,000	281,702	406,298	-
Total expenditures	688,000	281,702	406,298	-
Excess (deficiency) of revenues over expenditures	(479,000)	(281,654)	197,346	(1,184)
Other financing sources (uses)				
Transfers in	-	-	-	479,000
Total other financing sources (uses)	-	-	-	479,000
Net changes in fund balances	(479,000)	(281,654)	197,346	477,816
Fund balances-beginning	-	477,816	477,816	-
Fund balances-ending	\$(479,000)	\$196,162	\$675,162	\$477,816

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Academy Road Stormwater Improvements
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County

W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Intergovernmental	\$-	\$75,000	\$75,000	\$949,093
Miscellaneous	-	(191,071)	(191,071)	(80)
Total revenues	-	(116,071)	(116,071)	949,013
Expenditures				
Current:				
Natural and economic environment	95,000	26,644	68,356	238,117
Capital outlay	106,639	78,385	28,254	764,244
Total expenditures	201,639	105,029	96,610	1,002,361
Excess (deficiency) of revenues over expenditures	(201,639)	(221,100)	(19,461)	(53,348)
Other financing sources (uses)				
Transfers in	735,000	95,000	(640,000)	160,000
Total other financing sources (uses)	735,000	95,000	(640,000)	160,000
Net changes in fund balances	533,361	(126,100)	(659,461)	106,652
Fund balances-beginning	-	106,652	106,652	-
Fund balances-ending	\$533,361	\$(19,448)	\$(552,809)	\$106,652

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Agate Heights Estate/Bay Lane Stormwater Improvements
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$(2,831)	\$(2,831)	\$(1,457)
Total revenues	-	(2,831)	(2,831)	(1,457)
Expenditures				
Current:				
Natural and economic environment	170,000	33,931	136,069	49,504
Capital outlay	560,496	-	560,496	-
Total expenditures	730,496	33,931	696,565	49,504
Excess (deficiency) of revenues over expenditures	(730,496)	(36,762)	693,734	(50,961)
Other financing sources (uses)				
Transfers in	170,000	170,000	-	610,000
Total other financing sources (uses)	170,000	170,000	-	610,000
Net changes in fund balances	(560,496)	133,238	693,734	559,039
Fund balances-beginning	-	559,039	559,039	-
Fund balances-ending	\$(560,496)	\$692,277	\$1,252,773	\$559,039

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Beaver Creek Stormwater Improvements
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

Whatcom County
 W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Expenditures				
Capital outlay	\$565,000	\$-	\$565,000	\$-
Total expenditures	565,000	-	565,000	-
Excess (deficiency) of revenues over expenditures	(565,000)	-	565,000	-
Other financing sources (uses)				
Transfers in	565,000	-	(565,000)	-
Total other financing sources (uses)	565,000	-	(565,000)	-
Net changes in fund balances	-	-	-	-
Fund balances-beginning	-	-	-	-
Fund balances-ending	\$-	\$-	\$-	\$-

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Cedar Hills/Euclid Stormwater Improvements
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$790,586	\$568,745	\$(221,841)	\$175,205
Miscellaneous	-	(78,117)	(78,117)	(1,254)
Total revenues	790,586	490,628	(299,958)	173,951
Expenditures				
Current:				
Natural and economic environment	331,389	299,130	32,259	192,532
Capital outlay	1,231,665	1,097,920	133,745	-
Total expenditures	1,563,054	1,397,050	166,004	192,532
Excess (deficiency) of revenues over expenditures	(772,468)	(906,422)	(133,954)	(18,581)
Other financing sources (uses)				
Transfers in	335,000	335,000	-	630,000
Total other financing sources (uses)	335,000	335,000	-	630,000
Net changes in fund balances	(437,468)	(571,422)	(133,954)	611,419
Fund balances-beginning	-	611,419	611,419	-
Fund balances-ending	\$(437,468)	\$39,997	\$477,465	\$611,419

Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 Budget and Actual (GAAP Basis)
 Criminal Justice Integrated Case Mgmt System Projects
 Year Ended December 31, 2016
 (With comparative totals for December 31, 2015)

Whatcom County
 W A S H I N G T O N

	2016		Variance Favorable (Unfavorable)	2015
	Budget	Actual		Actual
Revenues				
Miscellaneous	\$-	\$(2,155)	\$(2,155)	\$(1,484)
Total revenues	-	(2,155)	(2,155)	(1,484)
Expenditures				
Capital outlay	600,000	5,102	594,898	-
Total expenditures	600,000	5,102	594,898	-
Excess (deficiency) of revenues over expenditures	(600,000)	(7,257)	592,743	(1,484)
Other financing sources (uses)				
Transfers in	-	-	-	600,000
Total other financing sources (uses)	-	-	-	600,000
Net changes in fund balances	(600,000)	(7,257)	592,743	598,516
Fund balances-beginning	-	598,516	598,516	-
Fund balances-ending	\$(600,000)	\$591,259	\$1,191,259	\$598,516

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
Integrated Land Records & Permit Mgmt System Projects
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(3,577)	\$(3,577)	\$(2,884)
Total revenues	-	(3,577)	(3,577)	(2,884)
Expenditures				
Capital outlay	1,166,126	114,326	1,051,800	2,208
Total expenditures	1,166,126	114,326	1,051,800	2,208
Excess (deficiency) of revenues over expenditures	(1,166,126)	(117,903)	1,048,223	(5,092)
Other financing sources (uses)				
Transfers in	-	-	-	1,168,334
Total other financing sources (uses)	-	-	-	1,168,334
Net changes in fund balances	(1,166,126)	(117,903)	1,048,223	1,163,242
Fund balances-beginning	-	1,163,242	1,163,242	-
Fund balances-ending	\$(1,166,126)	\$1,045,339	\$2,211,465	\$1,163,242

Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
South Pass Road/Saar Creek Bridge No. 212
Year Ended December 31, 2016
(With comparative totals for December 31, 2015)

Whatcom County
W A S H I N G T O N

	2016		2015	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Miscellaneous	\$-	\$(3,390)	\$(3,390)	\$-
Total revenues	-	(3,390)	(3,390)	-
Expenditures				
Capital outlay	1,310,000	859,494	450,506	-
Total expenditures	1,310,000	859,494	450,506	-
Excess (deficiency) of revenues over expenditures	(1,310,000)	(862,884)	447,116	-
Other financing sources (uses)				
Transfers in	1,310,000	1,310,000	-	-
Total other financing sources (uses)	1,310,000	1,310,000	-	-
Net changes in fund balances	-	447,116	447,116	-
Fund balances-beginning	-	-	-	-
Fund balances-ending	\$-	\$447,116	\$447,116	\$-

Schedule of Revenues, Expenditures and Changes in
Fund Balance
Budget and Actual
Public Utilities Improvement
Year Ended December 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues				
Taxes	\$3,381,319	\$3,381,319	\$3,622,268	\$240,949
Miscellaneous	47,102	47,102	71,995	24,893
Total revenues	3,428,421	3,428,421	3,694,263	265,842
Expenditures				
Current:				
General government	162,067	162,067	134,836	27,231
Capital outlay	306,000	7,406,000	2,000,500	5,405,500
Total expenditures	468,067	7,568,067	2,135,336	5,432,731
Excess (deficiency) of revenues over expenditures	2,960,354	(4,139,646)	1,558,927	5,698,573
Fund balance as of January 1	-	-	20,022,959	20,022,959
Fund balance as of December 31	\$2,960,354	\$(4,139,646)	\$21,581,886	\$25,721,532

	Equipment Rental	Administrative Services	Total
Assets			
Current assets			
Cash, cash equivalents and pooled investments	\$8,790,910	\$15,238,805	\$24,029,715
Deposits with fiscal agent	-	6,000	6,000
Receivables, net	-	1,680	1,680
Interfund receivable	16,850	14,966	31,816
Due from other governments	-	66,060	66,060
Interfund loan receivable	241,016	-	241,016
Employee advances	258	-	258
Inventories	1,364,388	40,493	1,404,881
Prepayments	87	23,699	23,786
Total current assets	10,413,509	15,391,703	25,805,212
Noncurrent assets			
Interfund loan-long-term	957,432	-	957,432
Capital assets:			
Land	320,864	119,000	439,864
Building and structures, net	1,037,400	46,547	1,083,947
Capital leases, net	-	20,515	20,515
Other improvements, net	408,222	1,141	409,363
Machinery and equipment, net	7,848,607	227,064	8,075,671
Intangible assets, net	50,400	-	50,400
Total capital assets, net	9,665,493	414,267	10,079,760
Total noncurrent assets	10,622,925	414,267	11,037,192
Total assets	21,036,434	15,805,970	36,842,404
Deferred outflows of resources			
Pension	164,279	700,625	864,904
Total deferred outflows of resources	164,279	700,625	864,904
Liabilities			
Current liabilities			
Accounts payable	467,254	795,177	1,262,431
Claims cost payable	-	4,465,445	4,465,445
Interfund payable	9,790	-	9,790
Compensated absences	139,230	454,570	593,800
Other accrued liabilities	46,171	213,733	259,904
Total current liabilities	662,445	5,928,925	6,591,370
Noncurrent liabilities			
Other noncurrent liabilities	-	143,297	143,297
Pension liability, net	975,807	4,161,660	5,137,467
Total noncurrent liabilities	975,807	4,304,957	5,280,764
Total liabilities	1,638,252	10,233,882	11,872,134
Deferred inflows of resources			
Pension	29,578	126,149	155,727
Total deferred inflows of resources	29,578	126,149	155,727
Net position			
Net investment in capital assets	9,665,493	414,267	10,079,760
Unrestricted	9,867,390	5,732,297	15,599,687
Total net position	\$19,532,883	\$6,146,564	\$25,679,447

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position
Internal Service Funds
Year Ended December 31, 2016

Whatcom County
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	Equipment Rental	Administrative Services	Total
Operating Revenue			
Charges for service	\$5,222,026	\$18,932,542	\$24,154,568
Rents and parking	5,110,632	3,024	5,113,656
Fines and forfeits	-	1,590	1,590
Miscellaneous	12,072	8,066	20,138
Total operating revenues	10,344,730	18,945,222	29,289,952
Operating expenses			
General operations	8,042,806	20,220,302	28,263,108
General administration	460,447	-	460,447
Depreciation	1,416,068	106,259	1,522,327
Total operating expenses	9,919,321	20,326,561	30,245,882
Operating income (loss)	425,409	(1,381,339)	(955,930)
Non-operating revenues (expenses)			
Gain (loss) on sale of capital assets	110,120	-	110,120
Interest revenue	13,178	-	13,178
Interest expense	-	(234)	(234)
Unrealized gain (loss) on investments	(32,633)	(53,950)	(86,583)
Insurance recoveries	4,051	109,094	113,145
Total non-operating revenues (expenses)	94,716	54,910	149,626
Income (loss) before transfers	520,125	(1,326,429)	(806,304)
Capital contributions	13,630	-	13,630
Transfers in	31,765	417,224	448,989
Transfers out	(194,450)	(266,299)	(460,749)
Changes in net position	371,070	(1,175,504)	(804,434)
Total net position-beginning	19,161,813	7,322,068	26,483,881
Total net position-ending	\$19,532,883	\$6,146,564	\$25,679,447

	Equipment Rental	Administrative Services	Total
Cash flows from operating activities:			
Receipts from customers	\$10,610,701	\$18,721,650	\$29,332,351
Payments for goods and services	(7,620,857)	(13,547,755)	(21,168,612)
Payments to employees	(1,272,499)	(5,938,245)	(7,210,744)
Net cash provided (used) by operating activities	1,717,345	(764,350)	952,995
Cash flows from non-capital financing activities:			
Transfers in	-	417,224	417,224
Transfers out	(194,450)	(266,299)	(460,749)
Interest revenue	13,178	-	13,178
Insurance recoveries	4,051	109,094	113,145
Net cash provided (used) by non-capital financing activities	(177,221)	260,019	82,798
Cash flows from capital financing activities:			
Interest paid on capital debt		(234)	(234)
Transfers in	31,765	-	31,765
Proceeds from sale of assets	165,245	-	165,245
Purchases of capital assets	(1,575,394)	(199,135)	(1,774,529)
Net cash provided (used) by capital financing activities	(1,378,384)	(199,369)	(1,577,753)
Cash flows from investing activities:			
Unrealized gain (loss) on investments	(32,633)	(53,950)	(86,583)
Net cash provided (used) by investing activities	(32,633)	(53,950)	(86,583)
Net Increase (decrease) in cash and cash equivalents	129,107	(757,650)	(628,543)
Balances - beginning of the year	8,661,803	15,996,455	24,658,258
Balances - end of the year	\$8,790,910	\$15,238,805	\$24,029,715
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$425,409	\$(1,381,339)	\$(955,930)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	1,416,068	106,259	1,522,327
Change in assets and liabilities:			
Receivables, net	265,972	(223,572)	42,400
Inventories	(478)	413	(65)
Accounts and other payables	(384,312)	552,054	167,742
Accrued expenses	(5,314)	181,835	176,521
Net cash provided by operating activities	\$1,717,345	\$(764,350)	\$952,995

	Enterprise Funds		
	Whatcom County Investment Pool	Ferry System	Totals
Assets			
Current assets			
Cash, cash equivalents and pooled investments	\$91,715	\$2,265,633	\$2,357,348
Interfund receivable	-	39,746	39,746
Prepayments	19	101	120
Total current assets	91,734	2,305,480	2,397,214
Noncurrent assets			
Capital assets:			
Machinery and equipment, net	-	2,300	2,300
Total noncurrent assets	-	2,300	2,300
Total assets	91,734	2,307,780	2,399,514
Deferred outflows of resources			
Pension	14,253	138,775	153,028
Total deferred outflows of resources	14,253	138,775	153,028
Liabilities			
Current liabilities			
Accounts payable	8,012	16,021	24,033
Interfund payable	-	7,809	7,809
Compensated absences	32,626	76,235	108,861
Other accrued liabilities	5,008	48,331	53,339
Total current liabilities	45,646	148,396	194,042
Noncurrent liabilities			
Pension liability, net	84,659	824,312	908,971
Total noncurrent liabilities	84,659	824,312	908,971
Total liabilities	130,305	972,708	1,103,013
Deferred inflows of resources			
Pension	2,566	24,986	27,552
Total deferred inflows of resources	2,566	24,986	27,552
Net position			
Net investment in capital assets	-	2,300	2,300
Unrestricted	(26,884)	1,446,561	1,419,677
Total net position	\$(26,884)	\$1,448,861	\$1,421,977

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position
Non-Major Enterprise Funds
Year Ended December 31, 2016

Whatcom County
W A S H I N G T O N

	Enterprise Funds		
	Whatcom County Investment Pool	Ferry System	Totals
Operating revenues			
Intergovernmental	\$-	\$132,026	\$132,026
Charges for service	-	1,479,971	1,479,971
Miscellaneous	314,146	15,689	329,835
Total operating revenues	314,146	1,627,686	1,941,832
Operating expenses			
General operations	294,521	2,430,746	2,725,267
General administration	-	133,859	133,859
Depreciation	-	642	642
Total operating expenses	294,521	2,565,247	2,859,768
Operating income (loss)	19,625	(937,561)	(917,936)
Non-operating revenues (expenses)			
Unrealized gain (loss) on investments	-	(11,536)	(11,536)
Total non-operating revenues (expenses)	-	(11,536)	(11,536)
Income (loss) before transfers	19,625	(949,097)	(929,472)
Transfers in	-	1,256,594	1,256,594
Transfers out	-	(198,428)	(198,428)
Changes in net position	19,625	109,069	128,694
Total net position-beginning	(46,509)	1,339,792	1,293,283
Total net position-ending	\$(26,884)	\$1,448,861	\$1,421,977

	Enterprise Funds		
	Whatcom County Investment Pool	Ferry System	Totals
Cash flows from operating activities:			
Receipts from customers	\$308,179	\$2,773,711	\$3,081,890
Payments for goods and services	(52,885)	(1,296,131)	(1,349,016)
Payments to employees	(235,339)	(1,227,435)	(1,462,774)
Net cash provided (used) by operating activities	19,955	250,145	270,100
Cash flows from non-capital financing activities:			
Transfers in	-	1,256,594	1,256,594
Transfers out	-	(198,428)	(198,428)
Net cash provided (used) by non-capital financing activities	-	1,058,166	1,058,166
Cash flows from investing activities:			
Unrealized gain (loss) on investments	-	(11,536)	(11,536)
Net cash provided (used) by investing activities	-	(11,536)	(11,536)
Net increase (decrease) in cash and cash equivalents	19,955	1,296,775	1,316,730
Balances - beginning of the year	71,760	968,858	1,040,618
Balances - end of the year	\$91,715	\$2,265,633	\$2,357,348
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$19,625	\$(937,561)	\$(917,936)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	-	642	642
Change in assets and liabilities:			
Receivables, net	(5,967)	1,146,025	1,140,058
Accounts and other payables	20	(23,532)	(23,512)
Accrued expenses	6,277	64,571	70,848
Net cash provided by operating activities	\$19,955	\$250,145	\$270,100

	Investment Trust Fund
Assets	
Certificates of deposit and saving accounts	\$18,508,016
Taxable municipal notes	36,758,630
Municipal discounts	2,346,909
US agency notes	190,367,813
Supranational agency notes	24,333,998
LGIP	8,611,143
Total assets	280,926,509
Net position	
Held in trust for pool participants	280,926,509
Total net position	\$280,926,509

Combining Statement of Changes in Net Position
Investment Trust Funds
Year Ended December 31, 2016

	Investment Trust Fund
Additions	
Contributions	\$228,720,125
Investment earnings:	
Interest	2,201,761
Net Increase (decrease) in fair value of investments	(1,111,976)
Total additions	<u>229,809,910</u>
Deductions	
Distributions	214,410,097
Total deductions	<u>214,410,097</u>
Change in net position	15,399,813
Net position-beginning	265,526,696
Net position-ending	<u>\$280,926,509</u>

	Cemetery Districts	Drainage, Diking & Flood Cntr Districts	Park & Recreation Districts	Watershed Mngmt Project Joint Board	Rural Library	Northwest Regional Council
Assets						
Cash and cash equivalents	\$1,235,377	\$347,195	\$560,568	\$7,331	\$148,075	\$1,243,400
Deposits with fiscal agent	-	-	-	-	-	-
Assets held in trust-external investment pool	1,682,586	183,674	737,898	-	11,113,227	1,592,844
Accounts receivable, net	-	-	-	-	-	-
Due from other governments	-	-	-	63,395	-	-
Total assets	\$2,917,963	\$530,869	\$1,298,466	\$70,726	\$11,261,302	\$2,836,244
Liabilities						
Warrants payable	\$-	\$-	\$-	\$-	\$-	\$-
Accounts payable	4,100	3,260	12,036	77,281	209,189	77,503
Due to other governments	-	-	-	286	-	-
Other accrued liabilities	-	-	-	-	-	-
Revenue collected in advance	-	-	-	-	-	-
Custodial accounts	2,913,863	527,609	1,286,430	(6,841)	11,052,113	2,758,741
Total liabilities	\$2,917,963	\$530,869	\$1,298,466	\$70,726	\$11,261,302	\$2,836,244

Council of Government	Hospital Districts	Port	P.U.D. District	Whatcom Transit	School Districts	Watershed Districts	Fire Districts	Water Districts
\$6,950	\$62,147	\$83,795	\$6,898	\$-	\$7,067,203	\$239,706	\$1,196,304	\$918,683
-	-	-	-	-	222,917	-	-	-
72,894	258,596	-	11,000,793	32,727,471	194,982,642	-	21,363,785	5,210,099
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$79,844	\$320,743	\$83,795	\$11,007,691	\$32,727,471	\$202,272,762	\$239,706	\$22,560,089	\$6,128,782
\$-	\$-	\$-	\$-	\$-	\$6,857,564	\$-	\$-	\$-
-	188	-	-	-	-	-	109,336	89,380
-	-	-	-	-	-	-	-	-
-	-	-	-	-	23,271	-	513	-
-	-	-	-	-	-	-	-	-
79,844	320,555	83,795	11,007,691	32,727,471	195,391,927	239,706	22,450,240	6,039,402
\$79,844	\$320,743	\$83,795	\$11,007,691	\$32,727,471	\$202,272,762	\$239,706	\$22,560,089	\$6,128,782

	Treasurer's Suspense	Inmate Trust Fund	Claims Fund	Total
Assets				
Cash and cash equivalents	\$3,298,300	\$28,811	\$2,110,942	\$18,561,685
Deposits with fiscal agent	-	-	-	222,917
Assets held in trust-external investment pool	-	-	-	280,926,509
Accounts receivable, net	8,702	-	-	8,702
Due from other governments	-	-	-	63,395
Total assets	\$3,307,002	\$28,811	\$2,110,942	\$299,783,208
Liabilities				
Warrants payable	\$-	\$-	\$2,110,942	\$8,968,506
Accounts payable	-	-	-	582,273
Due to other governments	-	-	-	286
Other accrued liabilities	-	-	-	23,784
Revenue collected in advance	294,649	-	-	294,649
Custodial accounts	3,012,353	28,811	-	289,913,710
Total liabilities	\$3,307,002	\$28,811	\$2,110,942	\$299,783,208

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Cemetery Districts
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$964,936	\$1,040,427	\$769,986	\$1,235,377
Assets held in trust-external investment pool	1,648,127	147,887	113,428	1,682,586
Total assets	\$2,613,063	\$1,188,314	\$883,414	\$2,917,963
Liabilities				
Accounts payable	\$5,387	\$382,402	\$383,689	\$4,100
Other accrued liabilities	16	367,728	367,744	-
Custodial accounts	2,607,660	306,203	-	2,913,863
Total liabilities	\$2,613,063	\$1,056,333	\$751,433	\$2,917,963

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Drainage, Diking and Flood Control Districts
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$383,771	\$150,059	\$186,635	\$347,195
Assets held in trust-external investment pool	153,384	34,319	4,029	183,674
Total assets	\$537,155	\$184,378	\$190,664	\$530,869
Liabilities				
Accounts payable	\$-	\$138,211	\$134,951	\$3,260
Custodial accounts	537,155	-	9,546	527,609
Total liabilities	\$537,155	\$138,211	\$144,497	\$530,869

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Park and Recreation Districts
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$426,455	\$1,632,745	\$1,498,632	\$560,568
Assets held in trust-external investment pool	679,352	123,287	64,741	737,898
Total assets	\$1,105,807	\$1,756,032	\$1,563,373	\$1,298,466
Liabilities				
Accounts payable	\$660	\$302,734	\$291,358	\$12,036
Other accrued liabilities	(1)	115,998	115,997	-
Custodial accounts	1,105,148	181,282	-	1,286,430
Total liabilities	\$1,105,807	\$600,014	\$407,355	\$1,298,466

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Watershed Management Project Joint Board
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$162,748	\$220,933	\$376,350	\$7,331
Due from other governments	-	253,597	190,202	63,395
Total assets	\$162,748	\$474,530	\$566,552	\$70,726
Liabilities				
Accounts payable	\$52,726	\$391,230	\$366,675	\$77,281
Due to other governments	-	286	-	286
Custodial accounts	110,022	-	116,863	(6,841)
Total liabilities	\$162,748	\$391,516	\$483,538	\$70,726

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Rural Library
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$143,320	\$14,735,710	\$14,730,955	\$148,075
Assets held in trust-external investment pool	10,480,007	6,252,664	5,619,444	11,113,227
Total assets	\$10,623,327	\$20,988,374	\$20,350,399	\$11,261,302
Liabilities				
Accounts payable	\$284,513	\$3,784,845	\$3,860,169	\$209,189
Custodial accounts	10,338,814	713,299	-	11,052,113
Total liabilities	\$10,623,327	\$4,498,144	\$3,860,169	\$11,261,302

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Northwest Regional Council
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$1,144,029	\$13,101,877	\$13,002,506	\$1,243,400
Assets held in trust-external investment pool	1,336,566	257,395	1,117	1,592,844
Total assets	\$2,480,595	\$13,359,272	\$13,003,623	\$2,836,244
Liabilities				
Accounts payable	\$93,583	\$6,158,329	\$6,174,409	\$77,503
Custodial accounts	2,387,012	371,729	-	2,758,741
Total liabilities	\$2,480,595	\$6,530,058	\$6,174,409	\$2,836,244

	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$13,787	\$2,567,311	\$2,574,148	\$6,950
Assets held in trust-external investment pool	165,898	1,100,899	1,193,903	72,894
Total assets	\$179,685	\$3,668,210	\$3,768,051	\$79,844
Liabilities				
Accounts payable	\$-	\$815,366	\$815,366	\$-
Other accrued liabilities	-	1,105,155	1,105,155	-
Custodial accounts	179,685	-	99,841	79,844
Total liabilities	\$179,685	\$1,920,521	\$2,020,362	\$79,844

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Hospital Districts
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$8,365	\$441,120	\$387,338	\$62,147
Assets held in trust-external investment pool	279,384	121,485	142,273	258,596
Total assets	\$287,749	\$562,605	\$529,611	\$320,743
Liabilities				
Accounts payable	\$102	\$194,133	\$194,047	\$188
Other accrued liabilities	-	31,364	31,364	-
Custodial accounts	287,647	32,908	-	320,555
Total liabilities	\$287,749	\$258,405	\$225,411	\$320,743

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Port
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$94,219	\$7,263,196	\$7,273,620	\$83,795
Total assets	\$94,219	\$7,263,196	\$7,273,620	\$83,795
Liabilities				
Custodial accounts	\$94,219	\$-	\$10,424	\$83,795
Total liabilities	\$94,219	\$-	\$10,424	\$83,795

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 P.U.D. District
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$16,850	\$43,628,598	\$43,638,550	\$6,898
Assets held in trust-external investment pool	9,728,413	20,780,244	19,507,864	11,000,793
Total assets	\$9,745,263	\$64,408,842	\$63,146,414	\$11,007,691
Liabilities				
Accounts payable	\$7,206	\$3,481,031	\$3,488,237	\$-
Custodial accounts	9,738,057	1,269,634	-	11,007,691
Total liabilities	\$9,745,263	\$4,750,665	\$3,488,237	\$11,007,691

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Whatcom Transit
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$-	\$61,439,380	\$61,439,380	\$-
Assets held in trust-external investment pool	30,755,351	31,980,249	30,008,129	32,727,471
Total assets	\$30,755,351	\$93,419,629	\$91,447,509	\$32,727,471
Liabilities				
Custodial accounts	\$30,755,351	\$1,972,120	\$-	\$32,727,471
Total liabilities	\$30,755,351	\$1,972,120	\$-	\$32,727,471

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 School Districts
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$8,109,388	\$568,335,207	\$569,377,392	\$7,067,203
Deposits with fiscal agent	193,717	28,624,381	28,595,181	222,917
Assets held in trust-external investment pool	187,807,449	155,401,920	148,226,727	194,982,642
Total assets	\$196,110,554	\$752,361,508	\$746,199,300	\$202,272,762
Liabilities				
Warrants payable	\$7,678,536	\$182,016,973	\$182,837,945	\$6,857,564
Matured long-term debt	-	17,240,731	17,240,731	-
Matured interest payable	-	11,354,450	11,354,450	-
Other accrued liabilities	23,271	-	-	23,271
Custodial accounts	188,408,747	182,315,871	175,332,691	195,391,927
Total liabilities	\$196,110,554	\$392,928,025	\$386,765,817	\$202,272,762

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Watershed Districts
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$118,760	\$424,128	\$303,182	\$239,706
Total assets	\$118,760	\$424,128	\$303,182	\$239,706
Liabilities				
Accounts payable	\$22,209	\$283,608	\$305,817	\$-
Custodial accounts	96,551	143,155	-	239,706
Total liabilities	\$118,760	\$426,763	\$305,817	\$239,706

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Fire Districts
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$929,727	\$50,009,490	\$49,742,913	\$1,196,304
Assets held in trust-external investment pool	18,248,137	17,113,553	13,997,905	21,363,785
Accounts receivable, net	-	2	2	-
Total assets	\$19,177,864	\$67,123,045	\$63,740,820	\$22,560,089
Liabilities				
Accounts payable	\$492,009	\$10,328,761	\$10,711,434	\$109,336
Other accrued liabilities	5	10,751,114	10,750,606	513
Custodial accounts	18,685,850	3,764,390	-	22,450,240
Total liabilities	\$19,177,864	\$24,844,265	\$21,462,040	\$22,560,089

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Water Districts
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$1,432,365	\$11,578,373	\$12,092,055	\$918,683
Assets held in trust-external investment pool	4,244,628	1,827,468	861,997	5,210,099
Total assets	\$5,676,993	\$13,405,841	\$12,954,052	\$6,128,782
Liabilities				
Accounts payable	\$18,877	\$5,161,851	\$5,091,348	\$89,380
Other accrued liabilities	10	1,036,495	1,036,505	-
Custodial accounts	5,658,106	381,296	-	6,039,402
Total liabilities	\$5,676,993	\$6,579,642	\$6,127,853	\$6,128,782

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Treasurer's Suspense
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$3,395,282	\$134,759,396	\$134,856,378	\$3,298,300
Accounts receivable, net	20,373	2,363,161	2,374,832	8,702
Total assets	\$3,415,655	\$137,122,557	\$137,231,210	\$3,307,002
Liabilities				
Revenue collected in advance	\$112,373	\$686,833	\$504,557	\$294,649
Custodial accounts	3,303,282	-	290,929	3,012,353
Total liabilities	\$3,415,655	\$686,833	\$795,486	\$3,307,002

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Inmate Trust Fund
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$26,415	\$1,054,882	\$1,052,486	\$28,811
Total assets	\$26,415	\$1,054,882	\$1,052,486	\$28,811
Liabilities				
Custodial accounts	\$26,415	\$1,054,882	\$1,052,486	\$28,811
Total liabilities	\$26,415	\$1,054,882	\$1,052,486	\$28,811

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Claims Fund
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$1,894,214	\$239,115,549	\$238,898,821	\$2,110,942
Total assets	\$1,894,214	\$239,115,549	\$238,898,821	\$2,110,942
Liabilities				
Warrants payable	\$1,894,214	\$105,350,499	\$105,133,771	\$2,110,942
Total liabilities	\$1,894,214	\$105,350,499	\$105,133,771	\$2,110,942

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Total Agency Funds
 For the Year Ended December 31, 2016



	Balance January 1	Additions	Deletions	Balance December 31
Assets				
Cash and cash equivalents	\$19,264,631	\$1,151,498,381	\$1,152,201,327	\$18,561,685
Deposits with fiscal agent	193,717	28,624,381	28,595,181	222,917
Assets held in trust-external investment pool	265,526,696	235,141,370	219,741,557	280,926,509
Accounts receivable, net	20,373	2,363,163	2,374,834	8,702
Due from other governments	-	253,597	190,202	63,395
Total assets	\$285,005,417	\$1,417,880,892	\$1,403,103,101	\$299,783,208
Liabilities				
Warrants payable	\$9,572,750	\$287,367,472	\$287,971,716	\$8,968,506
Accounts payable	977,272	31,422,501	31,817,500	582,273
Due to other governments	-	286	-	286
Matured long-term debt	-	17,240,731	17,240,731	-
Matured interest payable	-	11,354,450	11,354,450	-
Other accrued liabilities	23,301	13,407,854	13,407,371	23,784
Revenue collected in advance	112,373	686,833	504,557	294,649
Custodial accounts	274,319,721	192,506,769	176,912,780	289,913,710
Total liabilities	\$285,005,417	\$553,986,896	\$539,209,105	\$299,783,208

Schedule of Expenditures - Budget and Actual
 General Fund by Department
 Year Ended December 31, 2016



	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Expenditures*				
Assessor	\$2,920,622	\$3,246,045	\$3,068,302	\$177,743
Auditor	1,312,399	1,339,509	1,332,333	7,176
County Council	1,139,265	1,435,804	1,253,972	181,832
County Executive	706,898	719,754	692,790	26,964
Planning & Development Services	5,203,234	5,566,432	5,238,543	327,889
Treasurer	1,439,383	1,487,760	1,448,280	39,480
Sheriff	14,242,438	15,488,335	15,089,779	398,556
District Court	2,179,738	2,312,151	2,282,810	29,341
District Court Probation	1,609,756	1,691,907	1,549,847	142,060
Hearing Examiner	188,958	196,128	194,107	2,021
Juvenile	4,691,221	4,821,560	4,501,880	319,680
Prosecuting Attorney	6,025,441	6,360,345	6,259,193	101,152
Public Defender	3,654,165	3,848,087	3,823,759	24,328
Superior Court	4,766,243	5,022,710	4,971,338	51,372
Extension	440,203	467,604	452,679	14,925
Non-Departmental	13,846,582	13,578,855	11,962,394	1,616,461
Park	3,845,152	3,930,869	3,779,518	151,351
Health	11,596,064	12,797,442	11,873,776	923,666
Total expenditures	\$79,807,762	\$84,311,297	\$79,775,300	\$4,535,997

* Includes transfers out.

Statistical Section

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the County’s financial performance has changed over time.

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These schedules offer demographic and economic indicators to assist users in understanding the socioeconomic environment within which the County operates.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Net Position by Component
 Last Ten Fiscal Years
(accrual basis of accounting)
 Schedule 1

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities				
Invested in capital assets, net of related debt	\$152,741,995	\$154,711,058	\$161,673,277	\$170,627,638
Restricted	42,636,125	48,763,237	52,108,715	55,818,803
Unrestricted	42,369,254	40,277,750	41,820,506	48,310,008
Total governmental activities net position	\$237,747,374	\$243,752,045	\$255,602,498	\$274,756,449
Business-type activities				
Invested in capital assets, net of related debt	\$-	\$-	\$-	\$13,604
Unrestricted	1,118,015	1,281,325	1,065,524	717,027
Total business-type activities net position	\$1,118,015	\$1,281,325	\$1,065,524	\$730,631
Primary government				
Invested in capital assets, net of related debt	\$152,741,995	\$154,711,058	\$161,673,277	\$170,641,242
Restricted	42,636,125	48,763,237	52,108,715	55,818,803
Unrestricted	43,487,269	41,559,075	42,886,030	49,027,035
Total primary government net position	\$238,865,389	\$245,033,370	\$256,668,022	\$275,487,080

Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)
 Schedule 1

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$177,863,686	\$174,525,706	\$181,963,507	\$237,208,328	\$246,574,891	\$247,592,484
82,559,994	93,042,965	98,335,999	104,602,157	104,504,838	108,006,250
30,353,275	33,346,775	31,177,254	29,737,510	(3,306,441)	(4,708,739)
<u>\$290,776,955</u>	<u>\$300,915,446</u>	<u>\$311,476,760</u>	<u>\$371,547,995</u>	<u>\$347,773,288</u>	<u>\$350,889,995</u>
\$9,385	\$5,166	\$4,226	\$3,584	\$2,942	\$2,300
1,074,308	1,720,740	1,938,503	2,301,462	1,716,510	1,806,209
<u>\$1,074,308</u>	<u>\$1,725,906</u>	<u>\$1,942,729</u>	<u>\$2,305,046</u>	<u>\$1,719,452</u>	<u>\$1,808,509</u>
\$177,877,290	\$174,530,872	\$181,967,733	\$237,211,912	\$246,577,833	\$247,594,784
82,559,994	93,042,965	98,335,999	104,602,157	104,504,838	108,006,250
31,070,302	35,067,515	33,115,757	32,038,972	(1,589,931)	(2,902,530)
<u>\$291,507,586</u>	<u>\$302,641,352</u>	<u>\$313,419,489</u>	<u>\$373,853,041</u>	<u>\$349,492,740</u>	<u>\$352,698,504</u>

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Schedule 2

	Fiscal Year			
	2007	2008	2009	2010
Expenses				
Governmental activities:				
General government	\$28,158,688	\$27,997,779	\$28,168,081	\$28,311,133
Public safety	37,224,359	38,232,242	40,222,432	39,655,473
Utilities	-	-	-	-
Physical environment	5,347,914	6,186,344	5,837,464	5,879,096
Transportation	22,278,320	22,798,444	21,018,834	20,425,894
Natural and economic environment	3,124,810	2,850,280	3,238,483	3,202,356
Social services	11,434,223	12,120,599	12,533,782	12,554,614
Culture and recreation	4,477,382	4,629,266	4,471,334	4,341,404
Interest on long-term debt	455,019	386,777	349,055	338,326
Total governmental activities expenses	112,500,715	115,201,731	115,839,465	114,708,296
Business-type activities:				
Whatcom County Investment Pool	210,241	210,241	231,888	237,051
Whatcom County Ferry System	2,122,726	2,122,726	2,610,124	2,703,673
Total business-type activities expense	2,332,967	2,332,967	2,842,012	2,940,724
Total primary government expenses	\$114,833,682	\$117,534,698	\$118,681,477	\$117,649,020
Program Revenues				
Governmental activities:				
Charges for services				
General government	\$4,961,311	\$5,053,605	\$4,943,476	4,864,383
Public safety	4,493,174	4,792,536	4,304,219	4,255,009
Utilities	-	-	-	-
Physical environment	872,539	814,710	765,824	780,925
Transportation	1,927,735	1,783,013	2,898,710	2,821,648
Natural and economic environment	727,247	760,265	1,046,421	1,166,884
Social services	2,172,139	2,113,196	2,603,941	2,604,947
Culture and recreation	375,583	447,164	382,305	334,926
Operating grants and contributions	18,649,931	20,863,909	22,394,421	25,612,409
Capital grants and contributions	6,780,293	5,945,726	11,302,265	10,320,164
Total governmental activities program revenues	40,959,952	42,574,124	50,641,582	52,761,295
Business-type activities:				
Charges for services	1,352,430	1,551,139	1,488,534	1,432,710
Total business-type activities program revenues	1,352,430	1,551,139	1,488,534	1,432,710
Total primary government program revenues	\$42,312,382	\$44,125,263	\$52,130,116	\$54,194,005
Net (Expense)/Revenue				
Governmental activities	\$(71,540,763)	\$(72,627,607)	\$(65,197,883)	\$(61,947,001)
Business-type activities	(980,537)	(781,828)	(1,353,478)	(1,508,014)
Total primary government net expense	\$(72,521,300)	\$(73,409,435)	\$(66,551,361)	\$(63,455,015)

Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)
 Schedule 2

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$28,299,947	\$28,215,657	\$27,733,347	\$27,929,915	\$30,779,824	\$33,346,649
39,647,081	39,547,247	41,025,695	44,827,618	45,083,840	47,902,859
-	-	728,915	1,065,930	813,977	719,438
4,906,672	4,858,695	-	-	-	-
21,759,103	21,548,292	22,423,554	22,594,861	23,252,369	26,254,000
3,461,965	3,864,716	8,756,169	7,978,742	8,060,712	8,013,891
12,908,382	13,889,613	19,148,787	19,161,487	17,996,969	18,673,421
4,081,926	4,494,034	4,001,986	4,317,013	4,558,516	4,948,161
303,440	232,859	175,929	152,606	128,260	109,862
115,368,516	116,651,113	123,994,382	128,028,172	130,674,467	139,968,281
240,334	246,714	255,269	265,862	273,137	295,038
2,489,181	2,370,448	2,531,174	2,397,874	2,460,184	2,604,367
2,729,515	2,617,162	2,786,443	2,663,736	2,733,321	2,899,405
\$118,098,031	\$119,268,275	\$126,780,825	\$130,691,908	\$133,407,788	\$142,867,686
\$5,104,591	\$5,071,916	\$8,016,016	\$7,604,267	\$7,974,131	\$8,477,357
3,623,893	4,045,779	8,161,295	10,706,721	12,133,288	10,844,756
-	-	758,431	-	10,000	14,416
769,494	776,426	-	-	-	-
2,687,479	2,671,800	2,434,042	2,315,887	2,269,749	1,508,958
1,049,701	1,254,669	1,182,061	923,215	1,214,652	1,163,755
2,331,138	2,675,550	2,649,232	2,399,275	2,684,025	3,225,455
361,225	365,545	364,486	294,734	257,273	273,432
26,001,375	22,426,812	21,304,942	21,399,828	19,898,633	19,115,601
8,089,478	6,111,570	7,609,133	12,285,684	11,944,482	8,904,416
50,018,374	45,400,067	52,479,638	57,929,611	58,386,233	53,528,146
1,887,527	1,780,726	1,875,383	1,917,273	1,908,861	1,809,806
1,887,527	1,780,726	1,875,383	1,917,273	1,908,861	1,809,806
\$51,905,901	\$47,180,793	\$54,355,021	\$59,846,884	\$60,295,094	\$55,337,952
\$(65,350,142)	\$(71,251,046)	\$(71,514,744)	\$(70,098,561)	\$(72,288,234)	\$(86,440,135)
(841,988)	(836,436)	(911,060)	(746,463)	(824,460)	(957,573)
\$(66,192,130)	\$(72,087,482)	\$(72,425,804)	\$(70,845,024)	\$(73,112,694)	\$(87,397,708)

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Schedule 2

	Fiscal Year			
	2007	2008	2009	2010
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes:				
Property taxes	\$42,763,435	\$44,559,288	\$46,380,334	\$47,208,461
Timber taxes	278,895	329,173	184,659	183,636
Retail taxes	20,126,476	21,174,687	22,018,138	22,368,270
Business and occupation taxes	-	-	-	-
Excise taxes	5,181,286	3,744,369	2,773,961	2,466,037
Penalties and interest	1,659,701	1,582,257	1,519,426	2,362,264
Unrestricted investment earnings	5,648,889	4,397,348	2,610,935	1,358,391
Gain/loss on sale of capital assets	406,285	2,041,760	902,804	698,530
Miscellaneous	1,626,065	1,748,534	1,806,786	2,869,262
Special item-gain on acquired capital asset	-	-	-	-
Transfers	(409,126)	(945,138)	(1,148,707)	(1,162,091)
Total governmental activities	77,281,906	78,632,278	77,048,336	78,352,760
Business-type activities:				
Unrestricted investment earnings	-	-	-	-
Transfers	409,126	945,138	1,148,707	1,162,091
Total business-type activities	409,126	945,138	1,148,707	1,162,091
Total primary government	\$77,691,032	\$79,577,416	\$78,197,043	\$79,514,851
Change in Net Assets				
Governmental activities	\$5,741,143	\$6,004,671	\$11,850,453	\$16,405,759
Business-type activities	(571,411)	163,310	(204,771)	(345,923)
Total primary government	\$5,169,732	\$6,167,981	\$11,645,682	\$16,059,836

Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)
 Schedule 2

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$47,891,011	\$48,366,671	\$49,162,835	\$50,107,903	\$51,002,880	\$51,789,000
354,707	550,876	-	-	-	-
22,887,516	24,049,680	25,757,926	26,485,109	27,398,286	28,656,766
-	-	31,439	31,211	29,325	27,402
2,612,122	3,202,538	2,888,689	4,126,810	4,985,002	5,411,302
2,498,709	2,088,649	-	-	-	-
1,096,735	717,360	(6,966)	911,649	741,899	669,860
1,013,444	1,453,925	708,201	530,863	1,018,373	423,976
1,677,984	2,438,487	4,570,601	4,860,753	4,107,700	3,636,702
-	-	-	44,220,000	-	-
(1,195,050)	(1,025,137)	(1,134,728)	(1,104,502)	(1,116,512)	(1,058,166)
78,837,178	81,843,049	81,977,997	130,169,796	88,166,953	89,556,842
-	-	(7,746)	4,278	169	(11,536)
1,195,050	1,025,137	1,134,728	1,104,502	1,116,512	1,058,166
1,195,050	1,025,137	1,126,982	1,108,780	1,116,681	1,046,630
\$80,032,228	\$82,868,186	\$83,104,979	\$131,278,576	\$89,283,634	\$90,603,472
\$13,487,036	\$10,592,003	\$10,463,253	\$60,071,235	\$15,878,719	\$3,116,707
353,062	188,701	215,922	362,317	292,221	89,057
\$13,840,098	\$10,780,704	\$10,679,175	\$60,433,552	\$16,170,940	\$3,205,764

Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Schedule 3

	Fiscal Year				
	2007	2008	2009	2010	2011
General Fund					
Reserved	\$1,578,146	\$496,119	\$1,905,595	\$349,228	\$-
Unreserved	13,946,987	10,449,164	5,780,610	8,839,368	-
Restricted	-	-	-	-	158,781
Unassigned	-	-	-	-	10,370,694
Total general fund	\$15,525,133	\$10,945,283	\$7,686,205	\$9,188,596	\$10,529,475
All Other Governmental Funds					
Reserved	\$11,536,525	\$7,462,881	\$10,233,116	\$10,092,405	\$-
Restricted	-	-	-	-	85,559,994
Committed	-	-	-	-	418,449
Assigned	-	-	-	-	4,107,225
Unreserved, reported in:					
Special revenue funds	28,828,111	38,144,944	45,552,152	51,695,565	-
Capital projects funds	16,861,084	19,377,053	17,469,599	21,780,998	-
Debt service funds	-	-	-	-	-
Total all other governmental funds	\$57,225,720	\$64,984,878	\$73,254,867	\$83,568,968	\$90,085,668

Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Schedule 3

Fiscal Year				
2012	2013	2014	2015	2016
\$-	\$-	\$-	\$-	\$-
-	-	-	-	-
536,962	693,229	334,317	788,981	1,193,986
10,869,965	11,658,731	12,703,184	14,732,224	15,694,885
<u>\$11,406,927</u>	<u>\$12,351,960</u>	<u>\$13,037,501</u>	<u>\$15,521,205</u>	<u>\$16,888,871</u>
\$-	\$-	\$-	\$-	\$-
94,313,965	94,441,322	97,862,280	96,777,284	96,949,348
361,694	5,381,198	7,873,940	10,638,840	12,049,671
4,464,983	2,516,944	2,838,698	3,226,073	2,071,796
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$99,140,642</u>	<u>\$102,339,464</u>	<u>\$108,574,918</u>	<u>\$110,642,197</u>	<u>\$111,070,815</u>

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Schedule 4

	Fiscal Year			
	2007	2008	2009	2010
Revenues				
Taxes	\$70,107,234	\$71,604,169	\$73,092,573	\$75,212,285
Licenses and permits	2,274,537	2,129,723	2,318,034	2,314,115
Intergovernmental	25,185,457	26,676,379	33,569,286	35,734,318
Charges for services	11,024,720	11,014,729	11,719,977	11,240,618
Fines and forfeits	2,215,230	2,472,025	1,996,883	2,314,995
Miscellaneous	7,252,667	6,091,879	3,818,078	3,187,505
Total revenues	118,059,845	119,988,904	126,514,831	130,003,836
Expenditures				
General government	24,866,182	26,805,883	26,465,479	26,796,709
Public safety	35,688,892	36,746,100	39,325,404	39,352,531
Utilities	-	-	-	-
Physical environment	5,316,908	6,159,485	5,886,626	5,992,306
Transportation	15,626,476	16,678,152	15,278,092	14,881,399
Natural and economic environment	3,106,759	2,852,800	3,224,050	3,202,329
Social services	11,392,901	12,019,930	12,433,475	12,522,896
Culture and recreation	4,412,479	4,494,523	4,337,790	4,201,730
Capital outlay	13,466,397	8,241,819	13,503,595	13,908,191
Debt service:				
Principal	1,471,877	1,564,266	1,636,834	4,984,596
Interest	443,708	377,370	340,715	343,889
Total expenditures	115,792,579	115,940,328	122,432,060	126,186,576
Excess of revenues over (under) expenditures	2,267,266	4,048,576	4,082,771	3,817,260
Other Financing Sources (Uses)				
Proceeds of refunding long-term debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Sales of capital assets	406,285	2,041,760	902,804	698,530
Transfers in	14,419,515	13,070,745	19,572,672	20,336,343
Transfers out	(17,084,402)	(15,991,306)	(19,547,336)	(20,060,214)
Insurance recoveries	-	9,533	-	31,395
Capital lease proceeds	-	-	-	152,156
Proceeds of refunding long-term debt	-	-	-	6,299,585
Prior period adjustments	-	-	-	-
Total other financing sources (uses)	(2,258,602)	(869,268)	928,140	7,457,795
Net change in fund balance	\$8,664	\$3,179,308	\$5,010,911	\$11,275,055
Debt service as a percentage of noncapital expenditures	1.9%	1.8%	1.8%	4.7%

Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Schedule 4

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$77,746,503	\$79,361,709	\$78,837,505	\$81,875,139	\$83,520,080	\$86,062,033
2,091,213	2,005,544	2,395,846	2,419,488	2,624,103	3,728,547
33,678,960	28,279,651	28,898,339	33,448,448	31,488,197	27,672,047
10,738,984	11,173,817	17,488,346	18,286,508	19,777,059	18,338,298
2,157,685	2,735,872	2,732,376	2,579,177	3,133,762	2,338,827
2,991,394	3,261,098	4,404,838	5,720,852	5,979,987	5,441,972
129,404,739	126,817,691	134,757,250	144,329,612	146,523,188	143,581,724
26,560,989	26,509,059	26,332,143	26,455,321	27,201,170	29,772,940
38,991,462	39,015,373	40,077,056	43,838,275	44,819,680	46,835,998
-	-	627,269	963,733	711,578	610,156
4,925,995	4,905,619	-	-	-	-
15,744,702	16,065,687	16,712,235	16,646,535	17,599,399	19,554,235
3,461,926	3,871,139	8,775,376	7,962,671	8,042,322	7,871,367
12,859,278	13,958,410	19,153,283	19,176,980	18,270,835	18,731,362
4,003,549	4,347,714	3,889,340	4,111,155	4,404,120	4,547,281
13,058,768	7,765,286	21,880,066	18,879,190	19,993,746	12,876,775
1,912,564	945,754	333,600	310,000	325,000	330,000
308,415	236,501	188,140	175,969	163,122	147,391
121,827,648	117,620,542	137,968,508	138,519,829	141,530,972	141,277,505
7,577,091	9,197,149	(3,211,258)	5,809,783	4,992,216	2,304,219
-	-	-	-	-	-
-	-	-	-	-	-
1,013,444	1,453,925	5,142,165	530,863	1,018,373	423,976
18,045,344	11,417,019	32,701,080	20,621,047	25,587,633	18,456,235
(19,173,253)	(12,394,872)	(30,988,691)	(20,049,538)	(27,154,480)	(19,502,641)
-	-	216,662	-	430	-
24,916	259,205	202,916	8,840	106,811	114,495
-	-	-	-	-	-
-	-	80,981	-	-	-
(89,549)	735,277	7,355,113	1,111,212	(441,233)	(507,935)
\$7,487,542	\$9,932,426	\$4,143,855	\$6,920,995	\$4,550,983	\$1,796,284
2.0%	1.1%	0.4%	0.4%	0.4%	0.4%

Assessed Value of Taxable Property
Last Ten Fiscal Years
Schedule 5

Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Public Utilities and Water Craft	Total Assessed Value	Total Direct Tax Rate
2007	\$21,046,543,035	\$578,359,690	\$574,762,041	\$22,199,664,766	2.85
2008	\$23,082,183,045	\$638,899,035	\$543,741,467	\$24,264,823,547	2.69
2009	\$23,880,773,485	\$679,638,800	\$517,127,911	\$25,077,540,196	2.56
2010	\$22,505,099,007	\$677,339,019	\$546,628,098	\$23,729,066,124	2.54
2011	\$22,308,236,281	\$662,811,967	\$560,527,534	\$23,531,575,782	2.75
2012	\$22,244,515,577	\$675,219,121	\$564,676,305	\$23,484,411,003	2.81
2013	\$22,331,901,450	\$683,030,216	\$664,524,522	\$23,679,456,188	2.88
2014	\$22,863,130,493	\$702,320,859	\$738,668,611	\$24,304,119,963	2.93
2015	\$23,750,717,549	\$739,041,515	\$809,569,941	\$25,299,329,005	2.91
2016	\$25,123,357,108	\$768,790,092	\$782,541,344	\$26,674,688,544	2.85

Source: Whatcom County Assessor.



Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
(rate per \$1,000 of assessed value)
 Schedule 6

Fiscal Year	Direct Rates				Overlapping Rates				
	General Fund	Special Revenue Funds	Debt Service	Total Direct	School Districts	Fire Districts	Port Districts	Cities & Towns	State of WA
2007	1.119	1.733	0.000	2.852	3.292	1.078	0.342	2.345	2.698
2008	1.061	1.631	0.000	2.692	3.122	1.053	0.325	2.282	2.427
2009	0.991	1.573	0.000	2.564	3.080	1.005	0.306	2.131	2.219
2010	0.995	1.542	0.000	2.537	3.060	1.106	0.296	2.095	2.198
2011	1.086	1.665	0.000	2.751	3.418	1.078	0.297	2.202	2.456
2012	1.110	1.702	0.000	2.812	3.586	1.110	0.289	2.252	2.508
2013	1.128	1.749	0.000	2.877	2.715	1.203	0.286	2.372	2.670
2014	1.138	1.787	0.000	2.925	2.783	0.853	0.289	2.347	2.616
2015	1.128	1.780	0.000	2.908	2.864	1.264	0.288	2.331	2.484
2016	1.102	1.746	0.000	2.848	2.864	1.318	0.276	2.205	2.307

Source: Whatcom County Assessor.

Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
(rate per \$1,000 of assessed value)
 Schedule 6

Overlapping Rates				
Rural Library	Hospital District	Park & Rec District	Water District	Cemetery Districts
0.374	0.489	0.071	0.806	0.066
0.350	0.538	0.082	0.465	0.060
0.339	0.564	0.070	0.440	0.060
0.440	0.583	0.083	0.431	0.060
0.486	0.543	0.073	0.511	0.070
0.500	0.564	0.084	0.514	0.069
0.500	0.588	0.084	0.000	0.073
0.500	0.595	0.084	0.000	0.072
0.500	0.589	0.084	0.000	0.072
0.496	0.597	0.084	0.000	0.072

Principal Property Tax Payers
Current Year and Nine Years Ago
Schedule 7



Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
BP West Coast Products (ARCO)	\$933,025,580	1	3.50%	\$958,607,910	1	4.32%
Puget Sound Energy	444,597,212	2	1.67	307,783,572	3	1.39
Phillips 66 Company	417,238,415	3	1.56	539,070,135	2	2.43
Alumet Corporation (Intalco)	62,997,098	4	0.24	92,586,685	4	0.42
Trans Mountain Pipeline	60,116,077	5	0.23	-		0.00
Northwest Pipeline Corporation	55,155,255	6	0.21	46,722,516	7	0.21
Bellis Fair Partners	51,408,559	7	0.19	-		0.00
Phillips 66 Company	47,955,650	8	0.18	-		-
PK II Sunset Square LLC	37,857,292	9	0.14	-		-
IKO Pacific INC	37,370,051	10	0.14	-		-
Sumas Cogeneration Co., LP	-		-	46,076,705	8	0.21
Tenaska Washington Partners	-		-	58,050,505	5	0.26
Semiahmoo Resort Company LLC	-		-	47,186,775	6	0.21
Cascade Natural Gas Corporation	-		-	44,951,511	9	0.20
Verizon	-		-	43,297,169	10	0.20
Total	\$2,147,721,189		8.05%	\$2,184,333,483		9.84%

Source: Whatcom County Assessor.

Property Tax Levies and Collections
Last Ten Fiscal Years
Schedule 8



Fiscal Year Ended Dec 31	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$41,982,591	\$40,855,941	97.32%	\$919,109	\$41,775,050	99.51%
2008	\$44,627,279	\$43,683,039	97.88%	\$872,790	\$44,555,829	99.84%
2009	\$46,463,503	\$45,913,252	98.82%	\$705,064	\$46,618,316	100.33%
2010	\$47,153,892	\$45,685,615	96.89%	\$1,172,306	\$46,857,921	99.37%
2011	\$47,847,922	\$46,776,167	97.76%	\$1,608,502	\$48,384,669	101.12%
2012	\$48,443,499	\$47,404,513	97.86%	\$1,049,012	\$48,453,525	100.02%
2013	\$49,323,113	\$48,426,750	98.18%	\$808,809	\$49,235,559	99.82%
2014	\$49,129,805	\$48,287,204	98.28%	\$939,420	\$49,226,624	100.20%
2015	\$50,997,296	\$50,198,000	98.43%	\$889,288	\$51,087,288	100.18%
2016	\$51,837,827	\$51,478,304	99.31%	\$1,750,447	\$53,228,751	102.68%

Source: Whatcom County Assessor and Whatcom County Treasurer.

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
Schedule 9

Fiscal Year	Governmental Activities			Total Primary Government Total	Percentage of Personal Income Percentage	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Capital Leases			
2007	\$8,675,000	\$-	\$418,255	\$9,093,255	0.38%	\$48
2008	\$7,145,000	\$-	\$454,846	\$7,599,846	0.47%	\$40
2009	\$5,545,000	\$-	\$302,541	\$5,847,541	0.61%	\$30
2010	\$6,735,000	\$-	\$387,240	\$7,122,240	0.51%	\$36
2011	\$4,865,000	\$-	\$268,374	\$5,133,374	0.74%	\$25
2012	\$3,965,000	\$-	\$384,412	\$4,349,412	0.90%	\$21
2013	\$3,660,000	\$-	\$441,338	\$4,101,338	1.00%	\$20
2014	\$3,350,000	\$-	\$311,275	\$3,661,275	1.12%	\$18
2015	\$3,025,000	\$-	\$285,367	\$3,310,367	1.28%	\$16
2016	\$2,695,000	\$-	\$270,096	\$2,965,096	Not Available	\$14

Note: Details of the County's outstanding debt can be found in the Notes to the Financial Statements.

Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
Schedule 10

Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2007	\$8,675,000	0.04%	\$47.07
2008	\$7,145,000	0.03%	\$37.94
2009	\$5,545,000	0.02%	\$29.03
2010	\$6,735,000	0.03%	\$34.88
2011	\$4,865,000	0.02%	\$24.88
2012	\$3,965,000	0.02%	\$19.32
2013	\$3,660,000	0.02%	\$17.74
2014	\$3,350,000	0.01%	\$16.14
2015	\$3,025,000	0.01%	\$14.42
2016	\$2,695,000	0.01%	\$12.68

Note: Details of the County's outstanding debt can be found in the Notes to the Financial Statements.

^a See Schedule 5 for property value data.

^b Population data can be found in Schedule 14.

Direct and Overlapping Governmental Activities Debt
Schedule 11



Jurisdiction	Gross Debt Outstanding	Percentage Applicable to Whatcom County	Amount Applicable to Whatcom County
Whatcom County	\$2,695,000	100%	\$2,695,000
Total Direct Bonded Debt	\$2,695,000		\$2,695,000
Fire Districts	\$2,770,000	100%	\$2,770,000
Water Districts	\$552,668	100%	\$552,668
School Districts		100%	\$0
Park Districts	\$3,616,174	100%	\$3,616,174
Total Overlapping Bonded Debt	\$6,938,842		\$6,938,842
Total Direct & Overlapping Bonded Debt	\$9,633,842		\$9,633,842

Source: Whatcom County Treasurer.



	Fiscal Year				
	2007	2008	2009	2010	2011
Debt limit	\$332,994,971	\$363,972,353	\$376,163,103	\$355,935,992	\$352,973,637
Total net debt applicable to limit	17,952,035	16,095,405	15,119,442	16,587,403	15,087,827
Legal debt margin	\$315,042,936	\$347,876,948	\$361,043,661	\$339,348,589	\$337,885,810
Total net debt applicable to the limit as a percentage of debt limit	5.39%	4.42%	4.02%	4.66%	4.27%

Note: The amount of long-term debt that can be incurred by the county is limited by state statute. See Schedule of Limitation of Indebtedness.

Fiscal Year				
2012	2013	2014	2015	2016
\$352,266,165	\$355,191,843	\$364,561,799	\$379,489,935	\$400,120,328
14,852,077	13,476,969	14,742,520	14,520,168	14,121,234
\$337,414,088	\$341,714,874	\$349,819,279	\$364,969,767	\$385,999,094
4.22%	3.79%	4.04%	3.83%	3.53%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed value	26,674,688,544
Debt limit (1.5% of assessed value without a vote)	400,120,328
Debt applicable to limit:	
Outstanding debt	14,121,842
Less: Amounts set aside for repayment of general obligation debt	(608)
Total net debt applicable to limit	14,121,234
Legal debt margin	\$385,999,094

Pledged Revenue Coverage
 Last Ten Fiscal Years
 Schedule 13

Fiscal Year	Special Assessment Bonds			Coverage
	Assessments Collected	Debt Service		
		Principal	Interest	
2007	\$7,952	\$-	\$-	-
2008	\$7,123	\$-	\$-	-
2009	\$-	\$-	\$-	-
2010	\$-	\$-	\$-	-
2011	\$7,283	\$-	\$-	-
2012	\$-	\$-	\$-	-
2013	\$-	\$-	\$-	-
2014	\$-	\$-	\$-	-
2015	\$-	\$-	\$-	-
2016	\$-	\$-	\$-	-

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2007	188,300	\$6,750,225	\$35,004	35.45	26,755	4.2%
2008	191,000	\$7,010,166	\$35,592	35.53	26,787	5.0%
2009	193,100	\$7,111,092	\$35,478	35.65	26,514	8.3%
2010	195,500	\$7,378,285	\$36,596	35.87	26,711	8.8%
2011	202,100	\$7,759,117	\$38,098	36.89	27,161	8.3%
2012	205,262	\$8,029,146	\$39,117	36.97	27,375	7.1%
2013	206,353	\$8,476,121	\$41,076	37.22	27,369	6.2%
2014	207,600	\$8,509,074	\$40,840	37.54	26,039	6.4%
2015	209,790	\$9,024,371	\$42,511	36.50	26,177	5.9%
2016	212,540	Not Available	Not Available	N/A	26,508	6.2%

Source: Population provided by Washington State Office Of Financial Management. Personal income and per capita personal income provided by the U.S. Bureau of Economic Analysis. Unemployment rate provided by the Washington State Department of Employment Security. Median age provided by Economic Development Intelligence System. School enrollment data provided by Education Service District #189.

Principal Employers
Current and Nine Years Ago
Schedule 15



Employer	2016			2007		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
St. Joseph Hospital (FTE)	2,126	1	2.00%	2,217	1	2.21%
Lummi Nation (Total Employees)	1,780	2	1.68%	700	8	0.70%
Western Washington (FTE)	1,499	5	1.41%	1,664	2	1.66%
Bellingham School District (FTE)	987	3	0.93%	1,300	3	1.29%
Whatcom County (FTE)	881	4	0.83%	956	4	0.95%
BP (Cherry Point (Estimate))	820	6	0.77%	725	6	0.72%
City of Bellingham	788	7	0.74%	795	5	0.79%
Fred Meyer (FTE)	778	8	0.73%	-	-	-
Haggen, Inc (Total Employees)	751	9	0.71%	720	7	0.72%
Zodiac Interiors (Heath Tecna)	607	10	0.57%	-	-	-
Ferndale School District	-	-	-	681	9	0.68%
Sodexo Services	-	-	-	671	10	0.67%
Total	11,017		10.38%	10,429		10.38%

Source: WWU Center for Economic and Business Research.

Full-Time Equivalent County Government Employees
by Function/Program
Last Ten Fiscal Years
Schedule 16

Function/ Program	Full-Time Equivalent Employees as of December 31									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Administrative Svcs	81.75	81.05	78.45	66.85	61.85	61.15	60.55	60.55	63.80	63.80
Assessor	30.00	30.00	30.00	29.00	28.00	28.00	28.00	28.00	28.00	28.00
Auditor	22.00	22.00	21.00	19.00	19.00	19.00	19.00	18.00	17.00	17.00
County Council	10.50	10.50	10.50	9.50	9.50	9.50	9.50	9.50	10.50	10.50
County Executive	4.50	4.50	4.40	4.00	4.00	4.00	3.70	4.70	4.70	4.70
District Court Prob.	19.50	19.50	18.50	15.70	15.70	15.70	14.00	14.00	14.00	14.00
District Court	21.00	21.00	20.00	18.50	18.50	18.50	18.50	18.50	18.50	19.50
Prosecuting Attorney	54.60	54.60	54.60	50.90	50.90	49.90	49.90	49.90	49.90	50.90
Public Defender	36.80	37.80	36.80	32.80	29.80	29.80	28.80	28.80	30.00	30.00
Superior Court	44.50	44.50	43.50	40.20	40.20	40.20	39.20	39.20	42.20	42.20
Treasurer	16.00	16.00	15.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Public Safety										
Jail	91.50	91.50	92.50	88.50	86.50	86.50	86.50	86.50	86.50	86.50
Juvenile Court Admin	45.80	46.80	46.80	38.40	38.40	37.40	37.60	37.60	38.70	38.70
Planning & Dev't Svcs	74.60	73.60	67.60	47.00	47.00	45.00	43.00	44.00	44.50	46.00
Sheriff	106.20	108.20	108.70	106.50	108.50	108.50	107.50	107.50	106.50	107.50
Transportation										
Public Works	173.70	176.20	169.70	153.70	155.70	155.70	154.70	154.70	161.00	162.00
Economic Environment										
Hearing Examiner	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mental & Physical Health										
Health	84.70	90.70	86.70	75.20	73.15	73.15	71.35	71.35	75.35	78.40
Culture and Recreation										
Cooperative Extension	2.52	2.52	2.42	2.52	2.52	2.52	2.52	2.00	2.00	2.00
Parks & Recreation	34.75	34.75	33.75	25.75	23.00	23.00	23.00	23.00	23.00	23.00
Total	955.92	966.72	941.92	838.02	826.22	821.52	811.32	811.80	830.15	838.70

Source: Whatcom County Administrative Services.

Operating Indicators by Function/Program
Last Ten Fiscal Years
Schedule 17

Function/ Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
General Election (1)										
# of Registered Voters	102,458	115,314	114,292	116,581	117,162	125,485	127,002	127,300	129,345	138,962
# of Votes	55,059	101,399	61,288	86,993	69,147	104,727	69,709	76,123	61,136	114,920
% of Reg. Voters Voting	53.7%	87.9%	53.6%	74.6%	59.0%	83.5%	54.9%	59.8%	47.3%	82.7%
Assessor (2)										
Real Property Parcels	109,013	109,507	110,327	111,567	111,107	111,302	111,453	111,744	112,043	112,562
Building Permits Evaluated	5,821	4,083	5,460	3,186	4,622	2,716	3,099	2,405	1,387	2900
New Single Family Residences	2,592	877	496	151	210	314	517	421	516	579
Judicial (3)										
District Court Infractions	21,062	21,253	17,478	19,142	18,206	18,790	16,802	15,226	17,384	16,027
Public Safety (4)										
# of Fire Inspections	336	337	325	253	180	168	164	159	120	121
# Sheriffs - Commissioned	82.00	84.00	84.00	85.00	88.00	88.00	85.50	85.50	84.50	85.5
# Sheriffs - Civilian	24.20	24.20	24.70	20.50	20.50	20.50	22.00	22.00	22.00	22.00
Calls for Service	29,917	29,499	27,642	27,230	26,632	25,713	26,313	26,218	27,373	28,340
Average Daily Jail and Work Center Population										
Center Population	262	277	283	275	261	278	258	371	345	320
Building Department										
Permits Applications	1,409	1,142	855	946	739	722	744	755	816	811
Mechanical/Plumbing	515	420	433	467	461	512	460	547	592	629
Physical Environment (5)										
Flood Permits Issued	32	17	22	55	91	118	137	127	99	133
Transportation (6)										
Roads Oiled	667.15	667.94	663.93	663.55	663.24	661.75	661.34	661.07	660.33	660.15
Roads Asphalt	236.11	237.83	233.39	233.94	234.09	235.66	234.45	234.10	234.89	222.73
Roads Gravel	31.74	30.46	30.40	30.40	29.55	29.35	29.37	29.27	29.06	29.06
Roads Misc	16.04	15.54	15.60	15.60	14.59	14.59	14.59	15.04	14.27	26.89
Ferry Passengers	222,604	216,838	207,160	197,980	185,801	182,484	171,317	176,798	186,170	186,097
Ferry Vehicle Trips	129,552	123,285	119,400	110,405	107,164	109,336	106,594	111,590	113,880	114,228
Culture and Recreation (7)										
Number of Parks	12	20	20	20	17	17	20	20	20	20

(1) Source: Whatcom County Auditor.
(2) Source: Whatcom County Assessor.
(3) Source: Whatcom County District Court.
(4) Source: Whatcom County Sheriff and Planning and Development Departments.
(5) Source: Whatcom County Public Works (River and Flood Divisions).
(6) Source: Whatcom County Public Works.
(7) Source: Whatcom County Parks.

Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years
 Schedule 18

Function/ Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function										
Public Safety (1)										
Sheriff Patrol Units	91.50	93.50	93.5	93.5	93.5	93.5	93	93	93	93
Transportation (1)										
Miles of Road	951.04	951.77	943.32	943.49	941.47	941.35	939.75	939.48	938.55	938.83
Traffic Signals	4	3	3	3	3	3	3	4	4	4
Ferry Vessel	1	1	1	1	1	1	1	1	1	1
Fire Protection (2)										
No. of Districts	16	16	12	12	11	11	14	14	13	13
Culture and Recreation (3)										
Regional Parks - Number	12	20	20	20	17	17	20	20	20	20
Community Parks - Number	-	-	-	-	-	-	2	4	4	4
Neighbor Parks - Number	-	-	-	-	-	-	4	4	4	4
Parks - Acres	6,894.88	7,030.38	7,030.38	7,030.38	7,109.00	7,109.00	7,156.00	16,008.00	16,018.00	16,122.00
Senior Centers	8*	8*	8*	8*	8*	8*	8*	8*	8*	8
Public Schools (4)										
Number of Schools										
Elementary	35	35	35	36	37	36	36	34	32	34
Middle	11	11	11	10	11	11	11	11	11	11
High	10	10	11	11	11	11	11	12	11	11
Alternative or Special	17	16	13	13	14	13	13	11	13	14
Education										
Community Colleges	1	1	1	1	1	1	1	1	1	1
Technical	1	1	1	1	1	1	1	1	1	1

*Two Senior Centers are County Owned.

(1) Source: Whatcom County Public Works.

(2) Source: Whatcom County Small Taxing Districts.

(3) Source: Whatcom County Parks.

(4) Source: Education Service District #189.