

# **Snohomish County, Washington**

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## **Comprehensive Annual Financial Report**

For The Year Ended December 31, 2007

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**Snohomish County, Washington**

**Annual Financial Report**  
**For The Year Ended December 31, 2007**

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Aaron Reardon  
**Snohomish County Executive**

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Roger Neumaier  
**Director of Finance**

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Sharyl L. Raines, CPA  
**Controller**

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Snohomish County Finance Department  
3000 Rockefeller Ave. MS 610  
Everett, WA 98201  
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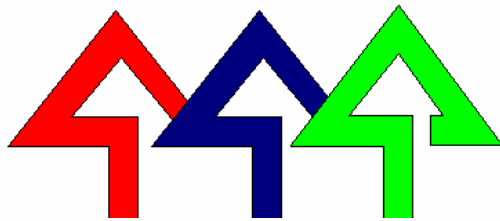
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**Snohomish County, Washington**

**Introductory Section**







Snohomish County  
Finance Department

AARON REARDON  
COUNTY EXECUTIVE

June 30, 2008

County Executive Aaron Reardon,  
Members of the Snohomish County Council, and  
Snohomish County Residents

I am pleased to transmit to you the Comprehensive Annual Financial Report (CAFR) of Snohomish County, Washington for the year ended December 31, 2007. The governmental financial reporting model provides a clear picture of the County as a single, unified entity, and also provides traditional fund-based financial statements. The two perspectives (government-wide and fund statements) enhance the County's accountability by providing readers a basis for comparison and the ability to assess long-term impacts of near-term financing decisions.

The CAFR consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, County management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls is designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

The County's financial statements have been audited by the Washington State Auditor's Office. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principals used and significant estimates made by management; and evaluating the overall financial statement presentation. Based on the results of these audit procedures, the auditor issued an unqualified ("clean") audit opinion. A copy of the auditor's opinion letter is presented at the beginning of the "Financial Section" of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements as related to the administration of federal awards. That report will be issued separately and available upon request after September 30, 2008.

The CAFR contains four major sections: Introductory, Financial, Statistical and Compliance. The Introductory Section is designed to provide basic background information about the County. The Financial Section includes "Management's Discussion and Analysis" (MD&A), the financial statements, the notes to the financial statements and combining financial statements. The MD&A provides a narrative analysis of financial condition and operating results; it should be read in conjunction with this letter of transmittal. The Statistical Section provides economic and financial data for the last six years. The Compliance Section includes schedules of expenditures of federal, state, and local awards (grants).

## **County Profile**

Snohomish County is located on Puget Sound, between Skagit County to the north and King County (and Seattle) to the south. Covering 2,090 square miles, it is geographically the 13<sup>th</sup> largest county in Washington. The County is the third most populous in the state, and one of the fastest growing. Topography varies from saltwater beaches, rolling hills and rich river bottom farmlands in the west to dense forest and alpine wilderness in the mountainous east.

Snohomish County operates under a Home Rule Charter, which was adopted by a vote of citizens in 1979 and amended through the charter review process in January of 1997 and 2007. Independently elected administrative officials include the County Executive, the Prosecuting Attorney, the Sheriff, the Auditor, the Clerk, the Treasurer, and the Assessor who are elected at-large.

A five-member County Council, elected by district, constitutes the legislative body. Elected officials serve four-year terms, councilman elections are staggered. Snohomish County provides many services on a countywide basis and some services only to unincorporated areas.

Within appropriate jurisdictions, the County provides road construction and maintenance, law enforcement, criminal prosecution and indigent defense, superior and district court services, criminal detention and correction, tax assessment and collections, planning and community development services, elections and recordings, inquests, and an array of human services. In addition, the County owns and operates an airport and industrial park, fairgrounds, various park and recreation areas including a golf course, a solid waste disposal facility, and a data processing center.

The Snohomish County Treasurer acts as the *ex-officio* treasurer for most special purpose districts of Snohomish County. Monies received from or for the special purpose districts are deposited in a centralized bank account. The County Treasurer invests or disburses moneys pursuant to instructions of the respective special purpose district's governing body or administrative officers.

Most funds in this report pertain to the entity of Snohomish County. Certain agency funds pertain to the County's custodianship of assets belonging to independent governments and special purpose districts. Component units included in this report are the Pilchuck Development Corporation and the Snohomish County Public Facilities District. The County also participates in the Snohomish Emergency Radio Systems (SERS) joint venture.

The annual budget (biennial beginning in 2009) serves as the foundation for the County's financial planning and expenditure control. The Council is required to adopt a final budget prior to the start of the ensuing fiscal year and prior to the expenditure of any County funds. Budgetary controls are maintained to ensure compliance with legal provisions embodied in the annual appropriated budget. With the exception of construction funds, which receive project-life budget authority through plans and systems ordinances, activities of all County funds are included in the annual (biennial) budget process. A budget increase or decrease to a fund must be authorized by the County Council via ordinance.

## **Local Economy**

Economic conditions have a direct impact on the County's revenues and the demand for County services. Therefore the information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local jobs continue to grow in many categories, particularly in the manufacturing sector. As of April 2008, Snohomish County's non-farm jobs had grown at an annual rate of 6.3 percent from the prior year. The May 2008 unemployment rate reported for Snohomish County was 4.7 percent, which favorably compares to the state of Washington's rate of 5.3 percent during the same time period. This is the 20<sup>th</sup> month in a row that the County has experienced unemployment rates below 5 percent, which is considered full employment per economic standards.

The County's retail sales tax collections decreased by 3.6 percent during the first quarter of 2008 as compared to the same period last year. Residential real estate development and sales significantly declined in the past six months primarily due to the erosion of consumers' confidence in the national economy as well as the credit crunch induced by the national subprime mortgage default crises. The degree to which County sales rebound in the coming year will be highly dependent upon local job growth, inflationary pressures fueled by high energy and food prices, and consumers' perceptions of the strength of the national economy.

Locally, Boeing and ancillary companies continue to grow. Other sectors of the local economy including life sciences and health care also report strong sustainable growth. In addition, the expanding deep water port facility located within Snohomish County as well as the County's regional airport facility provide the capacity to import and export virtually anything from or to anywhere in the world.

### **Long-Term Financial Planning**

The County has demonstrated its commitment to maintaining a strong general fund balance. Current five year budget projections include a general fund balance equivalent to at least 11 percent of revenues through the year 2013. The underlying assumptions include funding of currently underfunded pensions and revenue streams that often increase at a slower rate than expenditures.

The state legislature recently enacted streamlined sales tax sourcing legislation. This act, which conforms Washington's sales tax code to national standards, takes effect in mid-2008 and is expected to increase the County's share of sales tax receipts.

Based on an incentive of a state sales tax credit, many cities within the County are likely to pursue annexations of unincorporated urban areas within the next two years. To qualify for the credit, annexation processes must be started by January 1, 2010 and completed by December 31, 2010. The net result of the annexations will be a reduction in both County revenues and expenditures. County leadership expects to have a better idea of the magnitude of these changes in 2009, as by that time cities will have formally begun initiating the lengthy processes required to meet the 2010 deadlines.

The County will continue to face challenges in meeting ever-growing demands for services and employee related costs in an environment of limited revenues. The Executive's and Council's focus is on improving efficiencies and effectiveness via innovative solutions that lead to providing the essential infrastructure and services prioritized by citizens.

### **Financial Policies**

Since 2004, the County has budgeted utilizing a priorities-based process. The primary goals of the process are to ensure that expenditures do not exceed revenues and that priority be given to functions/projects that have been identified by citizens as most critical to their quality of life. To enhance accountability, specific performance measures and targeted outcomes are required of funded programs. Reports quantifying progress towards achieving the identified goals are available to the government and taxpayers via the "SnoStat" system. The system tracks how well the County is delivering services, the costs of services, and the efficiency and effectiveness of service delivery. Beginning in 2009, the County is moving to biennial budgeting which will continue to incorporate all aspects of the priorities-based budget process.

As required by County Charter and State law, the County annually prepares a six-year Capital Improvement Program (CIP) plan. The document provides discussion and analysis of issues (including costs) related to public facilities necessary for development under the Growth Management Act (GMA) as well as other public facilities and services that are provided by the County but not "necessary for development" (non-GMA facilities). Contents of the document are used when setting budget priorities.

The County is self-insured for a wide-range of loss exposures including property, liability and worker's compensation. The County manages risk through a variety of methods including insurance, loss prevention, loss control and comprehensive safety programs. As a result of extensive partnerships between departments with a higher loss potential, there is a cooperative effort to control losses and reduce costs.

### **Major Initiatives**

The primary objective of all major initiatives is to meet the taxpayers' desires and expectations for safer communities, a healthier environment and a better quality of life. To achieve those goals, County leadership continually strives to seek innovative solutions to regional challenges. Following is information regarding several of the highest priority initiatives:

**Expanded Community Infrastructure and Development Initiative** which allowed the County to utilize bonding capacity to begin work now on necessary transportation, parks and environmental restoration infrastructure, while decreasing the long-term costs. The bond funding has been supplemented with a \$10 million low interest Public Works Trust Fund Loan slated to relieve traffic congestion in specific parts of the County. These programs highlight infrastructure improvements that are central to quality of life and economic vitality. In some cases these improvements will be brought on line almost 10 years ahead of schedule. Cost savings are achieved by utilizing the lower interest rates available in the last few years and avoiding the future's inflated construction costs and likely higher interest rates.

**Environmental Initiatives** include a variety of programs to keep water clean and streams healthy through restoration projects and protections for critical habitat, including reduced urban sprawl. In addition, the County has taken steps to reduce the county's greenhouse gas emissions to 20 percent below year 2000 levels by the year 2020. Emission reduction programs include converting the county's fleet to biodiesel and also investing in infrastructure for biodiesel production that utilizes innovative processes such as the capture of methane gas from a closed county landfill, which is then used to process locally grown biodiesel crops.

**Housing and Homelessness Initiative** involves partnering with a local housing consortium to define a regional affordable housing action plan. The goal is to create opportunities for innovative public/private partnerships that will ultimately make significant inroads to solving the affordable housing concerns of the region.

**Economic Development** continues to be a central theme for many of the County's policy initiatives. This strategy is enabled by strong partnerships and communications with diverse business, labor and professional groups in the community. It is recognized that a healthy economy benefits the citizens of the County and is a constructive way to assure that County government revenue streams are stable. To this end, the County's mission is to partner in removing regulatory barriers and expanding opportunities for job growth. In support of this mission the County is aggressively moving forward with its partners to improve the local tax structure, market the unique skills of the local workforce, increase the availability of skilled labor and build a four-year university in Snohomish County. Ultimately these initiatives will allow the County's workers and businesses to effectively meet the challenges of competing in a global economy.

**Focus on Farming** continues to be a high priority for County government. In support of local farming enterprises, the County has dedicated staff specifically to agricultural planning, including streamlining and providing assistance with the permitting processes. The County also coordinates an annual farming conference to provide up to date information on sustainable agricultural practices.

**Technology** improvements continue to be a high priority of the County and are regularly implemented. Some of the more recent improvements include a new Interactive Voice Response system to improve permitting inspections and scheduling; a new on-line public meetings video broadcast and replay system accessible from the Internet; increased on-line permitting services; expansion of electronic document and records management systems; enhanced GIS delivery of new county-wide high resolution orthophotos and LiDAR data; and additional e-commerce systems. Along with the many application improvements, the Network infrastructure and personal productivity tools took a giant leap forward in 2007. Among the many accomplishments were replacement of several T-1 (1.54Mhz) remote transports with Gigabit speed fiber connections at a reduced cost; implementation of

voice over IP (VOIP) trunking to improve bandwidth utilization; deployment of SharePoint 2007 as the next generation collaboration tool; and implementation of server virtualization. In 2004, 2006, and 2007 Snohomish County has been rated among the top 10 organizations in the nation as part of the Digital Counties Survey from The Center for Digital Government and National Association of Counties (NACo). Such improvements benefit both citizens and employees by improving services, reducing costs and increasing overall efficiency and effectiveness.

**Acknowledgements**

A financial report of this nature is not possible without the coordinated efforts of the staff from the Financial Operations Division of the Finance Department, the Treasurer's Office, and the other departments with staff that process financial transactions or otherwise contribute to the information presented in this report. We greatly appreciate the efforts of all involved. Further appreciation is extended to the Executive and County Council for their interest in and support of the County's accounting and financial functions.

I will be happy to respond to any questions or comments about the information contained in this report.

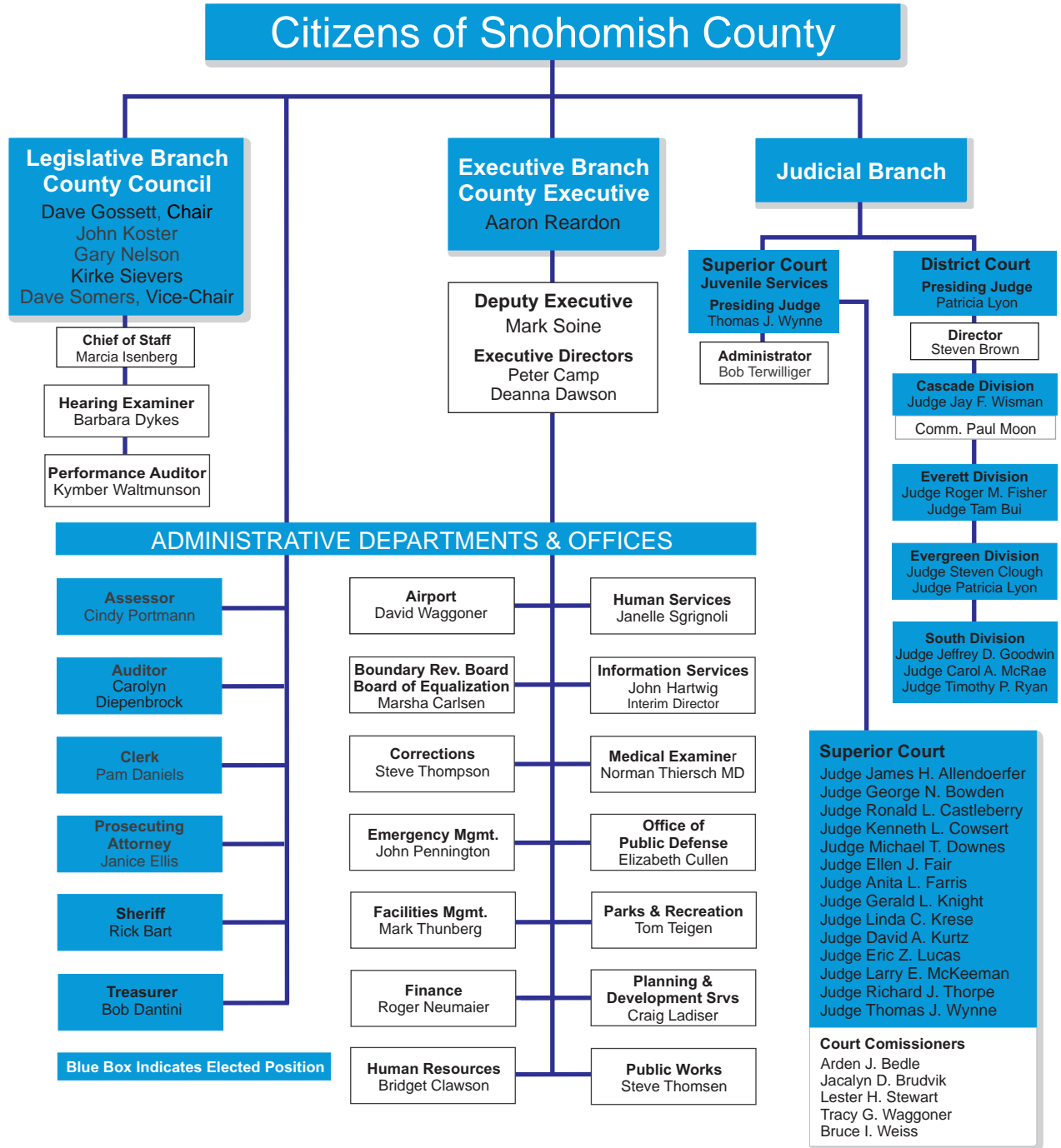
Sincerely,



Roger Neumaier  
Director of Finance

# Snohomish County Organizational Chart

Effective September 2007



**COUNTY EXECUTIVE**

Aaron Reardon

**COUNTY COUNCIL**

John Koster	<i>District 1</i>
Kirke Sievers	<i>District 2</i>
Gary Nelson	<i>District 3</i>
Dave Gossett	<i>District 4</i>
Dave Somers	<i>District 5</i>

**ELECTED OFFICE**

Cindy Portmann	<i>Assessor</i>
Carolyn Diepenbrock	<i>Auditor</i>
Pam L. Daniels	<i>Clerk</i>
Janice Ellis	<i>Prosecuting Attorney</i>
Rick Bart	<i>Sheriff</i>
Bob Dantini	<i>Treasurer</i>

**SUPERIOR COURT JUDGES**

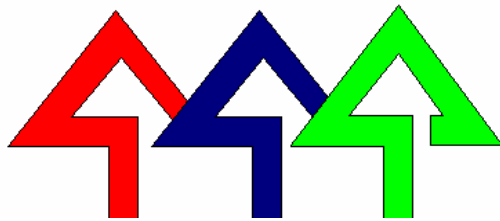
James H. Allendoerfer	Gerald L. Knight
George N. Bowden	Linda C. Krese
Ronald L. Castleberry	David A. Kurtz
Kenneth L. Cowsert	Eric Z. Lucas
Michael T. Downes	Larry E. McKeeman
Ellen J. Fair	Richard J. Thorpe
Anita L. Farris	Thomas J. Wynne

**DISTRICT COURT JUDGES**

Jay F. Wisman	<i>Cascade District Court</i>
Roger M. Fisher	<i>Everett District Court</i>
Tam Bui	<i>Everett District Court</i>
Steven M. Clough	<i>Evergreen District Court</i>
Patricia L. Lyon	<i>Evergreen District Court</i>
Jeffrey D. Goodwin	<i>South District Court</i>
Carol A. McRae	<i>South District Court</i>
Timothy P. Ryan	<i>South District Court</i>

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**Snohomish County, Washington**  
**Financial Section**





**Washington State Auditor  
Brian Sonntag**

**INDEPENDENT AUDITOR'S REPORT**

June 30, 2008

County Executive and Council  
Snohomish County  
Everett, Washington

We have audited the accompanying financial statements of the the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Snohomish County, Washington, as of and for the year ended December 31, 2007 which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Snohomish County, Washington, as of December 31, 2007, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, Special Revenue Fund, County Road Fund, and Community Development Fund funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, during the year ended December 31, 2007, the County has implemented the Governmental Accounting Standards Board's Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.

The management's discussion and analysis on pages 3 through 15 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation

of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as Combining Fund Statements on pages 75 through 97 and Compliance Section on pages 118 through 129 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is written in a cursive, flowing style with a large initial "B".

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

Our discussion and analysis of Snohomish County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2007. Please read it in conjunction with the transmittal letter at the front of this report, the County's financial statements and the notes to the financial statements, which follow.

## FINANCIAL HIGHLIGHTS

- As of December 31, 2007, total assets of the County exceeded the total liabilities by \$900.5 million (net assets). \$579 million or 64 percent, of this amount is invested in capital assets, net of related debt. Of the remaining net assets, \$155.8 million is unrestricted and may be used to meet the County's ongoing obligations.
- In 2007, the County's total net assets increased by 10.6% or \$86 million from the prior year, as restated. The governmental net assets increased by 18.64% or \$120.4 million from the prior year, as restated. The business type net assets decreased 20.4% or \$34.4 million.
- As of December 31, 2007, the County's governmental funds reported combined ending fund balances of \$233.2 million. Approximately 94% or \$219 million is unreserved/unrestricted fund balance available for spending at the government's discretion within the purposes specified for the County's funds.
- At the end of 2007, the unreserved/unrestricted fund balance for the general fund was \$31.2 million amounting to 16 percent of total general fund expenditures for 2007. Total fund balance for the general fund increased by 1% or \$349 thousand for the year.
- New bonded debt was issued during 2007 in the amount of \$1.2 million. Principal payments made during 2007 were \$21.6 million. Total activity for all debt during 2007 resulted in a net decrease of \$20.4 million.

## USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Basic Financial Statements include the Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements. Within the Government-wide financial Statements, the Statement of Net Assets and the Statement of Activities provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund Financial Statements for governmental activities tell how these funds' services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the County's operations in more detail than the Government-wide Statements by providing information about the County's most significant funds. The remaining Basic Financial Statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

The Comprehensive Annual Financial Report (CAFR) also includes a Supplemental Schedules section that provides more detailed information about the County.

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## ***Reporting the County as a Whole - Countywide Financial Statements***

The Countywide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

### ***Statement of Net Assets and Statement of Activities***

The **Statement of Net Assets** presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. **The Statement of Activities** presents information showing how the County's net assets changed during the current year. These statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

These two statements report the County's net assets and changes in them. Over time, increases or decreases in the County's net assets are one indicator of whether its financial health is improving or deteriorating. Readers of these statements should also consider other non-financial factors, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall health of the County.

In the Statement of Net Assets and the Statement of Activities, the County is divided into three kinds of activities:

#### **Governmental Activities:**

Most of the County's programs and services are reported here, including general government, public safety, public works, health, human services, and economic development. Governmental activities are primarily supported by property taxes, sales taxes, federal and state grants, and state shared revenues.

#### **Business-Type Activities:**

These functions are intended to recover all, or a significant portion of, their costs through user fees and charges to external users of goods and services. User fees are charged for surface water management, solid waste disposal, and the Paine Field Airport.

#### **Discretely Presented Component Units:**

The County's financial statements include financial information of the Pilchuck Development Corporation (PDC) and the Snohomish County Public Facilities District (PFD). These component units are described in the notes to the financial statements. The component units are separate legal entities and may buy, sell, lease, and mortgage property in their own name and can sue or be sued in their own name.

## ***Reporting the County's Most Significant Funds***

### **Fund Financial Statements:**

The fund financial statements provide detailed information about the most significant funds. Some funds are required to be established by state law or by bond covenants. The County Council establishes funds to help it control and manage money for particular purposes (an example would be the Snohomish County Road Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (an example would be grants received from the federal government for various services provided by

the Human Services Department). The County's governmental and proprietary funds use different accounting approaches.

**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 assists in determining if fewer financial resources can be spent in the near future to finance the County's programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliation Statements are provided to describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds. The County's major governmental funds are the General Fund, the Special Revenue Fund, the County Road Fund and the Community Development Fund. Individual fund data for each of the non-major funds is provided in the form of combining statements in the supplemental schedules section.

**Proprietary funds:**

Proprietary funds are generally used to account for services for which the County charges customers a fee. Proprietary funds are reported using the accrual method of accounting, which is the same method used for reporting the Statement of Net Assets and the Statement of Activities. The proprietary fund statements provide additional types of information than do the governmental fund statements, such as cash flows.

**Reporting the County's Fiduciary Responsibilities:**

The County is the trustee, or fiduciary, for several entities such as fire districts. All of the County's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations.

***Notes to the Financial Statements:***

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

***Other Information – Combining Statements***

The combining statements, which provide detail information for non-major governmental and internal service funds are presented in the supplemental schedules section.

**FINANCIAL ANALYSIS**

As noted earlier, the County's net assets, when reviewed over time, may serve as a useful indicator of the County's financial position. The following schedule provides a summary of the assets, liabilities, and net assets of the County.

	Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2007	2006 <sup>a</sup>	2007	2006 <sup>a</sup>	2007	2006 <sup>a</sup>
<b>Assets</b>						
Current	\$ 378,385,430	\$ 366,833,600	\$ 53,210,642	\$ 62,808,904	\$ 431,596,072	\$ 429,642,504
Noncurrent	23,064,589	16,339,175	853,779	36,811,681	23,918,368	53,150,856
Capital Assets	796,957,117	688,855,827	205,753,995	191,693,480	1,002,711,112	880,549,307
<b>Total Assets</b>	<b>1,198,407,136</b>	<b>1,072,028,602</b>	<b>259,818,416</b>	<b>291,314,065</b>	<b>1,458,225,552</b>	<b>1,363,342,667</b>
<b>Liabilities</b>						
Current Liabilities	146,811,470	129,562,793	27,751,328	17,500,594	174,562,798	147,063,387
Noncurrent Liabilities	284,903,129	296,189,280	98,256,176	105,651,109	383,159,305	401,840,389
<b>Total Liabilities</b>	<b>431,714,599</b>	<b>425,752,073</b>	<b>126,007,504</b>	<b>123,151,703</b>	<b>557,722,103</b>	<b>548,903,776</b>
<b>Net Assets</b>						
Invested in Capital, Net of Related Debt	478,804,557	355,764,092	100,214,881	86,840,303	579,019,438	442,604,395
Restricted	165,659,338	146,198,410	-	483,319	165,659,338	146,681,729
Unrestricted	122,228,642	144,314,027	33,596,031	80,838,740	155,824,673	225,152,767
<b>Total Net Assets</b>	<b>\$ 766,692,537</b>	<b>\$ 646,276,529</b>	<b>\$ 133,810,912</b>	<b>\$ 168,162,362</b>	<b>\$ 900,503,449</b>	<b>\$ 814,438,891</b>

<sup>(a)</sup> 2006 Total Liabilities and Total Net Assets have been restated for Governmental Activities and in total. See Note 6A, "Prior Period Adjustments".

Snohomish County's financial position improved for 2007. For the year ended December 31, 2007, net assets changed as follows:

Total Net Assets of the County increased by \$86 million or 10.6% from the prior year, as restated. Governmental Activities' Total Net Assets increased by 18.6% from the prior year, as restated. The increase was primarily due to capital contributions of roads infrastructure assets received from developers. Business-Type Activities' Total Net Assets decreased by 20% from the prior year. The decrease was primarily due to the Solid Waste fund's change in accounting estimate for post closure care costs.

Total assets of the County exceeded total liabilities by \$900.5 million (net assets). Unrestricted net assets for governmental activities were \$122 million and for business-type activities were \$33.6 million. These assets assist the County in meeting ongoing obligations to citizens and creditors. Governmental activities restricted net assets were \$165.7 million. There were no restricted net assets for business-type activities. Restricted net assets are subject to external legal or contractual restrictions, such as those imposed by the Revised Code of Washington or by contractual agreements with parties outside the County.

The County's total assets were \$1.5 billion as of December 31, 2007. Capital assets represent \$1 billion of this amount. As required by GASB Statement No. 34, the County now reports its infrastructure assets, which amounted to \$369 million, net of depreciation, at December 31, 2007. The County's current assets consist of \$364 million of cash and investments, \$66.3 million of receivables, net of allowance for uncollectible accounts, and miscellaneous other current assets of \$1.7 million. Total non-current assets include \$15 million for the County's equity interest in the Snohomish Emergency Radio System joint venture, \$1.4 million for deferred charges and \$7.6 million for notes/contracts receivable.



The largest portion of the County's net assets (64.3 %) reflects its investment in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets for operations and to provide services to citizens; consequently, these assets are not available for future spending. Although the 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.

At December 31, 2007, the County had total outstanding liabilities of \$558 million. General obligation bonds and other long-term loans payable were \$398.5 million, of which \$43.2 million was due within one year. Other current liabilities consist of accounts payable of \$25 million, deferred revenues of \$70 million, accrued liabilities of \$13.8 million and landfill closure costs reserve of \$13.5 million. A liability of \$18.3 million is recorded for general liability, workers' compensation and health benefit claims, of which \$3.1 million was due within one year. Other non-current liabilities include compensated absences of \$11.7 million.

The following schedule provides a summary of the changes in net assets:

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2007	2006 <sup>a</sup>	2007	2006 <sup>a</sup>	2007	2006 <sup>a</sup>
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	77,378,301	83,827,079	73,075,180	68,931,779	150,453,481	152,758,858
Operating Grants and Contributions	86,920,410	80,315,573	803,589	1,807,053	87,723,999	82,122,626
Capital Grants and Contributions	15,683,872	8,100,411	1,295,165	4,267,233	16,979,037	12,367,644
<b>Total Program Revenues</b>	<b>179,982,583</b>	<b>172,243,063</b>	<b>75,173,934</b>	<b>75,006,065</b>	<b>255,156,517</b>	<b>247,249,128</b>
<b>General Revenues</b>						
Property Taxes	117,605,963	113,292,998	-	-	117,605,963	113,292,998
Sales/Use Taxes	44,992,980	44,999,112	-	-	44,992,980	44,999,112
Other Taxes	38,124,664	41,302,717	-	-	38,124,664	41,302,717
Intergovernmental Revenues	7,941,303	6,082,860	-	16,242	7,941,303	6,099,102
Interest Earnings	30,658,146	17,733,221	3,208,503	2,545,889	33,866,649	20,279,110
Miscellaneous Revenues	4,988,582	4,256,658	219,593	265,827	5,208,175	4,522,485
Private Donations	548,145	939,272	-	-	548,145	939,272
Equity Adjustment in Joint Ventures	(860,511)	(603,796)	-	-	(860,511)	(603,796)
Disposition of Capital Assets	(673,192)	(3,172,923)	10,855	375,004	(662,337)	(2,797,919)
<b>Total General Revenues</b>	<b>243,326,080</b>	<b>224,830,119</b>	<b>3,438,951</b>	<b>3,202,962</b>	<b>246,765,031</b>	<b>228,033,081</b>
<b>Total Revenues</b>	<b>423,308,663</b>	<b>397,073,182</b>	<b>78,612,885</b>	<b>78,209,027</b>	<b>501,921,548</b>	<b>475,282,209</b>
<b>Expenses</b>						
General Government	55,964,618	50,164,853	-	-	55,964,618	50,164,853
Judicial	34,685,247	32,850,186	-	-	34,685,247	32,850,186
Public Safety	109,772,843	111,421,993	-	-	109,772,843	111,421,993
Physical Environment	1,536,500	1,740,824	-	-	1,536,500	1,740,824
Transportation	70,545,437	70,649,830	-	-	70,545,437	70,649,830
Health and Human Services	41,273,673	39,395,181	-	-	41,273,673	39,395,181
Economic Environment	38,534,639	23,403,085	-	-	38,534,639	23,403,085
Culture and Recreation	14,391,698	12,255,319	-	-	14,391,698	12,255,319
Interest on Long-Term Debt	14,922,637	13,760,659	-	-	14,922,637	13,760,659
Airport	-	-	14,729,642	14,965,934	14,729,642	14,965,934
Solid Waste	-	-	65,406,460	48,459,676	65,406,460	48,459,676
Surface Water	-	-	10,326,280	11,666,245	10,326,280	11,666,245
<b>Total Expenses</b>	<b>381,627,292</b>	<b>355,641,930</b>	<b>90,462,382</b>	<b>75,091,855</b>	<b>472,089,674</b>	<b>430,733,785</b>
<b>Excess (Deficiency) Before Contributions, Extraordinary Items, and Transfers</b>						
	41,681,371	41,431,252	(11,849,497)	3,117,172	29,831,874	44,548,424
Capital Contributions	82,827,678	35,660	-	-	82,827,678	35,660
Extraordinary Item	-	-	(26,594,994)	-	(26,594,994)	-
Transfers In (Out)	(4,093,041)	(4,413,064)	4,093,041	4,413,064	-	-
<b>Change in Net Assets</b>	<b>120,416,008</b>	<b>37,053,848</b>	<b>(34,351,450)</b>	<b>7,530,236</b>	<b>86,064,558</b>	<b>44,584,084</b>
Net Assets, Beginning of Year	\$ 646,276,529	\$ 609,222,681	\$ 168,162,362	\$ 160,632,126	\$ 814,438,891	\$ 769,854,807
Net Assets, End of Year	\$ 766,692,537	\$ 646,276,529	\$ 133,810,912	\$ 168,162,362	\$ 900,503,449	\$ 814,438,891

(a) 2006 Governmental Activities Charges for Services, Net Assets, Beginning of Year and End of Year have been restated. See Note 6A, "Prior Period Adjustment", which accounts for the total \$1,101,022 adjustment. In addition, several 2006 line item amounts have been restated to align with 2007 reporting changes that more appropriately allocate expenses by function, net interfund revenue against expense, match operating grants to program expense and reallocate operating assessments to charges for services.

The Total Change in Net Assets was an increase of 10.6% or \$86 million from the prior year, as restated. Of that total, Governmental Activities reported the most significant increases in capital and operating grants and contributions revenue as well as interest revenue. Governmental Activities' expense increased from the prior year as restated by 7.3%, resulting in Excess Before Contributions, Extraordinary Items and Transfers of \$42 million. An additional increase to the Governmental Activities Change in Net Assets was capital contributions of \$83 million. In total, governmental activities net assets increased \$120.4 million or 18.64% from the prior year, as restated. Business-type Activities' net assets decreased 20% from the prior year primarily due to a \$14 million change in accounting estimate for Solid Waste's post closure care costs and the \$27 million write-off of Solid Waste's impaired land improvements asset.

Total 2007 revenues for the County were \$502 million. Of the total County revenues, governmental activities provided 84% or \$423 million while business-type activities provided 16% or \$79 million, which is nearly equivalent to the ratio in 2006.

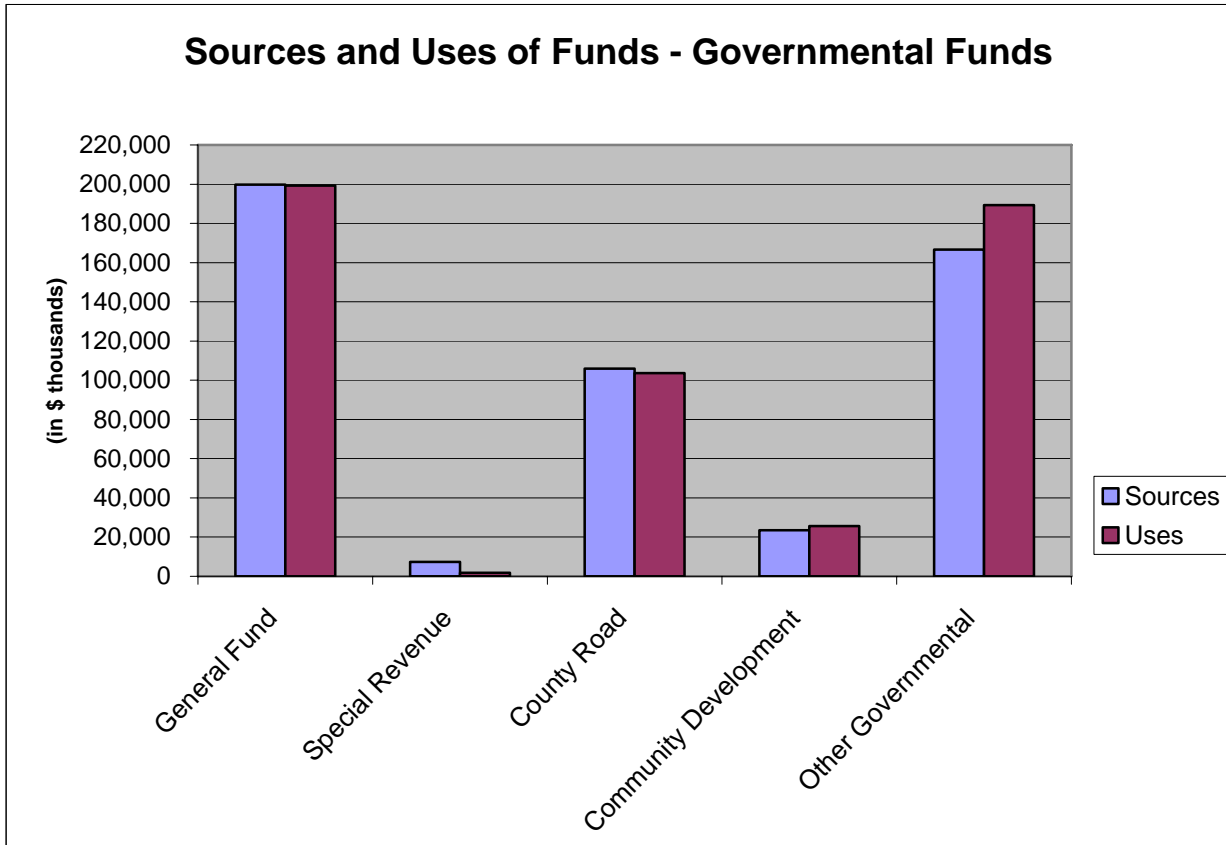
Property taxes, operating grants and contributions, and charges for services together accounted for 67% of total governmental activity revenues. Property taxes provided 28% or \$117.6 million, operating grants and contributions provided 21% or \$87 million, and charges for services provided 18% or \$77 million of total governmental activity revenues. Most of the governmental activities resources were spent for Public Safety (29%), General Government (15%) and Transportation (18.5%). Interest on long-term debt of \$15 million was 3.9% of governmental activities expenses for 2007.

Revenues for business-type activities consisted primarily of charges for services of \$73 million (93%). Operating expenses for Solid Waste Management represented 72.3% of total expenses for business-type activities, Surface Water Management expenses were at 11.4%, and Airport expenses were at 16.3%.

## **FUND FINANCIAL INFORMATION**

### ***Governmental Funds***

The General Fund, Special Revenue Fund, County Road Fund and Community Development Fund are the County's 2007 major funds. These funds account for 55% of total governmental fund assets and 45% of total governmental fund balances. Governmental funds' total assets amounted to \$335.4 million and total liabilities were \$102.2 million. The governmental funds' uses of funds exceeded the sources of funds, resulting in a net decrease in fund balance of \$16.6 million. This was largely due to increased general government, transportation and economic environment expenditures. The total fund balance for all governmental funds at December 31, 2007 was \$233 million.



**General Fund**

The County’s General Fund is the main operating fund of the County and is used to account for all financial resources that are not restricted by state or federal laws, or other externally imposed requirements. As of December 31, 2007, total assets were \$42 million and total liabilities were \$10.8 million. The ending fund balance of \$31.2 million represents approximately 15% of the budgeted uses of funds for the next fiscal year. The net change in fund balance for the general fund in 2007 was an increase of \$349 thousand or 1% of ending fund balance. The increase was greater than budgeted, but less than recent years’ fund balance increases largely due to general fund expenditures having increased at a greater rate than revenues during 2007.

**The Special Revenue Fund**

The Special Revenue Fund accounts for various revenues that are restricted for specific purposes and are either small in amount or are for projects that have a limited life. The single largest source of project assets currently reported in the Special Revenue Fund are related to Brightwater Mitigation fees received from King County. Current deferred revenues related to those fees amount to \$49 million and account for 88% of the fund’s total assets and 99.9% of the fund’s total liabilities. The fund reported insignificant revenue and expense for other projects.

**The County Road Fund**

The County Road Fund accounts for the construction, maintenance and inspection of county streets, roads, and bridges and other countywide public works projects. The fund reported total assets of \$68.7 million, total liabilities of \$7 million and an ending fund balance of \$61.6 million, an increase of \$2.2 million or 4%

from the prior year. This increase was primarily due to the difference between increased intergovernmental revenues and increased transportation expenditures.

**The Community Development Fund**

The Community Development Fund accounts for permitting inspection, plan review, fire investigation/inspection, long-range planning, economic development, and implementation of the Comprehensive Plan. Total assets for this fund were \$17 million and total liabilities were \$9.7 million with ending fund balance at \$7.3 million, a decrease of \$1.6 million, or 18% from the prior year. The decrease is primarily the result of increased expenditures and transfers out.

**Other Governmental Funds**

The County has 29 other special revenue funds, 5 debt service funds and 5 capital projects funds. These funds reported total assets of \$151.7 million, total liabilities of \$25.2 million and fund balances of \$126.4 million. \$13.8 million of the ending fund balance was reserved for debt service.

**Proprietary Funds**

The County reported three major enterprise funds that represent the business-type activities in the government-wide financial statements. Seven internal service funds account for the operation of services provided to the different departments of the County. The principal users of internal service fund services are the County’s governmental activities; therefore, the internal service funds are consolidated into the governmental column in the Government-wide Financial Statements.

Net Assets - Proprietary Funds										
	Solid Waste		Airport		Surface Water		Total		Internal Service Funds	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
<b>Assets</b>										
Current Assets	\$ 31,015,390	\$ 39,255,190	\$ 9,187,935	\$ 8,860,153	\$ 13,007,317	\$ 14,693,561	\$ 53,210,642	\$ 62,808,904	\$ 36,972,512	\$ 29,060,314
Noncurrent Assets	527,376	36,464,811	236,708	250,531	89,695	96,339	853,779	36,811,681	18,981	20,296
Capital Assets	74,641,318	63,134,451	99,805,533	102,115,462	31,307,144	26,443,567	205,753,995	191,693,480	37,647,109	40,429,877
<b>Total Assets</b>	<b>106,184,084</b>	<b>138,854,452</b>	<b>109,230,176</b>	<b>111,226,146</b>	<b>44,404,156</b>	<b>41,233,467</b>	<b>259,818,416</b>	<b>291,314,065</b>	<b>74,638,602</b>	<b>69,510,487</b>
<b>Liabilities</b>										
Current Liabilities	21,295,226	11,010,078	3,911,068	2,918,619	2,545,034	3,571,897	27,751,328	17,500,594	8,910,735	6,145,491
Noncurrent Liabilities	36,006,707	40,182,828	47,862,149	50,197,169	14,387,320	15,271,112	98,256,176	105,651,109	19,473,364	17,479,122
<b>Total Liabilities</b>	<b>57,301,933</b>	<b>51,192,906</b>	<b>51,773,217</b>	<b>53,115,788</b>	<b>16,932,354</b>	<b>18,843,009</b>	<b>126,007,504</b>	<b>123,151,703</b>	<b>28,384,099</b>	<b>23,624,613</b>
<b>Net Assets</b>										
Invested in Capital, Net of Related Debt	35,523,015	17,502,935	45,836,913	55,686,374	18,854,953	13,650,994	100,214,881	86,840,303	34,474,404	37,096,033
Restricted	-	482,898	-	421	-	-	-	483,319	6,903,476	5,424,619
Unrestricted	13,359,136	69,675,713	11,620,046	2,423,563	8,616,849	8,739,464	33,596,031	80,838,740	4,876,623	3,365,222
<b>Total Net Assets</b>	<b>\$ 48,882,151</b>	<b>\$ 87,661,546</b>	<b>\$ 57,456,959</b>	<b>\$ 58,110,358</b>	<b>\$ 27,471,802</b>	<b>\$ 22,390,458</b>	<b>\$ 133,810,912</b>	<b>\$ 168,162,362</b>	<b>\$ 46,254,503</b>	<b>\$ 45,885,874</b>

Changes in Net Assets – Proprietary Funds										
	Solid Waste		Airport		Surface Water		Total		Internal Service Funds	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Operating Income (Loss)	\$ 1,003,475	\$ 2,671,605	\$ (53,513)	\$ (822,102)	\$ (401,362)	\$ (1,633,473)	\$ 548,600	\$ 216,030	\$ (429,547)	\$ 3,271,853
Non-Operating Revenues (Expenses)	(12,480,999)	11,544	(535,605)	2,212,937	618,508	676,661	(12,398,096)	2,901,142	2,268,001	2,201,448
Extraordinary Items and Transfers	(27,301,871)	(68,621)	(64,281)	(40,961)	4,864,198	4,522,646	(22,501,954)	4,413,064	(1,469,825)	(17,809,733)
<b>Changes in Net Assets</b>	<b>\$ (38,779,395)</b>	<b>\$ 2,614,528</b>	<b>\$ (653,399)</b>	<b>\$ 1,349,874</b>	<b>\$ 5,081,344</b>	<b>\$ 3,565,834</b>	<b>\$ (34,351,450)</b>	<b>\$ 7,530,236</b>	<b>\$ 368,629</b>	<b>\$ (12,336,432)</b>

Statement of Cash Flow – Proprietary Funds

	Solid Waste		Airport		Surface Water		Total		Internal Service Funds	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Cash Flow from Operating Activities	\$ 4,288,514	\$ 6,412,929	\$ 3,083,972	\$ 3,120,748	\$ (607,887)	\$ (477,206)	\$ 6,764,599	\$ 9,056,471	\$ 11,124,099	\$ 7,842,321
Cash Flow from Capital and Related Financing Activities	(14,754,266)	(9,165,308)	(5,738,484)	961,994	(7,289,036)	823,740	(27,781,786)	(7,379,574)	(1,674,286)	(4,846,104)
Cash Flow from Non-Capital Financing Activities	199,908	(21,000)	1,279,970	137,243	5,533,131	4,562,648	7,013,009	4,678,891	(2,466,294)	(18,232,421)
Cash Flow from Investing Activities	(9,912,020)	23,138,834	470,986	1,341,839	717,911	496,882	(8,723,123)	24,977,555	1,267,248	5,532,369
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (20,177,864)</b>	<b>\$ 20,365,455</b>	<b>\$ (903,556)</b>	<b>\$ 5,561,824</b>	<b>\$ (1,645,881)</b>	<b>\$ 5,406,064</b>	<b>\$ (22,727,301)</b>	<b>\$ 31,333,343</b>	<b>\$ 8,250,767</b>	<b>\$ (9,703,835)</b>
Cash and Cash Equivalents, January 1	34,085,233	13,719,778	8,622,548	3,060,724	13,764,180	8,358,116	56,471,961	25,138,618	26,800,556	36,504,391
<b>Cash and Cash Equivalents, December 31</b>	<b>\$ 13,907,369</b>	<b>\$ 34,085,233</b>	<b>\$ 7,718,992</b>	<b>\$ 8,622,548</b>	<b>\$ 12,118,299</b>	<b>\$ 13,764,180</b>	<b>\$ 33,744,660</b>	<b>\$ 56,471,961</b>	<b>\$ 35,051,323</b>	<b>\$ 26,800,556</b>

**Solid Waste Management Fund**

This fund is used to account for solid waste disposal operations, capital improvements and debt service. Restricted investments in the amount of \$13.5 million represent funds set aside to finance long-term landfill post-closure care costs. Total assets as of December 31, 2007 were \$106.2 million, total liabilities were \$57.3 million, and net assets were \$48.9 million. Net Assets decreased \$38.8 million or 44% from the prior year primarily due to the impairment of land improvements associated with the Regional Landfill site that was developed in the early 1990's, but never activated for use. Operating income was \$1 million, a decrease of \$1.7 million from last year's operating income. Non-operating expenses increased \$12.5 million primarily due to a change in accounting estimate for post closure care costs related to the closed Cathcart landfill site.

**Airport Fund**

This fund is used to account for the operation, capital improvements and debt service of Paine Field, Snohomish County's Airport. Total assets were \$109 million, total liabilities were \$51.8 million, and net assets were \$57.5 million. The operating loss of \$53.5 thousand was a decrease of \$769 thousand from last year's operating loss. The smaller operating loss in 2007 resulted primarily from increased rent, lease and concession revenues and decreased contractual services expense.

**Surface Water Management Fund**

This fund accounts for the operations of the Surface Water Management Division. The purpose of this division is to protect and enhance water quality and aquatic habitats, and to minimize damage from flooding and erosion. Total assets as of December 31, 2007 were \$44.4 million, total liabilities were \$16.9 million, and net assets were \$27.5 million. Surface Water's 2007 operating loss of \$401 thousand was a decrease in operating loss of \$1.2 million from last year's operating loss. The 2007 decrease in operating loss was largely due to decreased supplies expense and reduced intergovernment payments for services.

**Internal Service Funds**

The County's internal service funds are used to provide fleet management, information services, risk management, road surface materials (pits and quarries), employee benefits, facility services and employee training. Total assets as of December 31, 2007 were \$74.6 million, total liabilities were \$28.4 million and net assets were \$46.3 million. Internal service funds operating loss of \$430 thousand was a decrease of \$3.7 million from last year's operating income. The decrease in total internal service funds operating

income was the result of a variety of factors particularly increased supplies and depreciation expense of the ER&R fund and increased personnel services and contractual services expense in the Insurance fund.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The County's 2007 General Fund budget included a planned fund balance use of \$1.1 million. The actual contribution to fund balance was just over \$349 thousand due to careful management of increasing costs. The County's 2008 adopted budget has a planned use of fund balance of over \$3 million dollars before any under-expenditure. The County Executive's five-year general fund projection predicts stability in fund balance.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

The following schedule provides a summary of the County's capital assets activity. Snohomish County's total investment in capital assets, including construction in progress, amounts to \$1 billion. Infrastructure assets, net of accumulated depreciation, represent \$368.6 million of capital assets.

	<b>Capital Assets</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
<b>Capital Assets</b>						
Land	\$ 147,511,428	\$ 140,186,855	\$ 31,861,447	\$ 31,045,795	\$ 179,372,875	\$ 171,232,650
Building and Structures, Net	180,820,852	184,007,913	69,349,416	70,472,363	250,170,268	254,480,276
Other Improvements, Net	33,725,206	33,393,216	60,258,461	49,139,122	93,983,667	82,532,338
Machinery and Equipment, Net	34,423,275	35,802,956	1,429,471	1,805,829	35,852,746	37,608,785
Infrastructure Assets, Net	344,854,268	259,610,945	23,723,317	26,021,610	368,577,585	285,632,555
Construction in Progress	55,081,500	35,204,294	18,757,211	13,174,463	73,838,711	48,378,757
Intangibles, Net	540,588	649,648	374,672	34,298	915,260	683,946
<b>Total Capital Assets</b>	<b>\$ 796,957,117</b>	<b>\$ 688,855,827</b>	<b>\$ 205,753,995</b>	<b>\$ 191,693,480</b>	<b>\$ 1,002,711,112</b>	<b>\$ 880,549,307</b>

### Governmental Activities - Capital Assets

Land purchases for 2007 amounted to \$8.3 million, annexations resulted in a land decrease of \$1 million, the net increase in land was \$7.3 million. The net increase of construction in progress for governmental activities was \$19.9 million; this was primarily due to continued work on the Cathcart project, which is a 25-acre complex with eight buildings that will be jointly owned by the contributing funds.

### Business-Type Activities - Capital Assets

Business-type activities reported an overall increase in capital assets due to construction in progress and other improvements activities.

More detailed information on the County's capital assets can be found in this report in Note 3D.

### Governmental Activities – Debt

New debt of \$1.2 million was issued during 2007. Principal payments made during 2007 for governmental activities' debt totaled \$12.8 million, which included \$11.9 million for general obligation bond debt, \$165 thousand for special assessment debt and \$771 thousand for loans. Interest expense for 2007 was \$14.9 million.

See Note 3E to the financial statements for additional information on long-term debt.



### **Business-Type Activities – Debt**

No new debt was issued during 2007. Total principal payments made during 2007 for business-type activities were \$8.8 million, which included \$7.5 million for general obligation debt and \$1.3 million for loans. Interest expense for 2007 was \$4.5 million.

See Note 3E to the financial statements for additional information on long-term debt.

### **ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES**

Snohomish County is impacted by a slowing national economy, but continues to show overall economic strength. The entire Puget Sound region’s economy expanded in 2007. The outstanding success of Boeing Aircraft’s 787 airplane has caused other airplane part manufacturers to locate in the County and has resulted in strong employment growth. Virtually every sector of the local economy has benefited from Boeing’s resurgence. The County’s employer base continues to diversify, currently including innovative industries in aerospace, life sciences, technology and health care. Additionally the County is home to an expanding deep-water port and has other infrastructure in place that allows the County the ability to import and export virtually anything from anywhere in the world.

County retail sales in 2007 were 6% greater than in 2006. Retail sales are anticipated to continue growing at this level. After several years of rapid real estate sales growth, Real Estate Excise Tax collections were 21% lower in 2007 than in 2006. An additional reduction of about the same amount in Real Estate Excise Tax collections is anticipated for 2008. This slow down in the local real estate industry is less significant than has occurred across much of the rest of the country and the County anticipates that the County’s high employment and relatively low housing costs, compared to neighboring King County, will stabilize the market in 2009.

In developing its 2008 budget, the County addressed long-term financial challenges by prioritizing the services it chooses to fund. In 2004, the County began to implement a priority-based budgeting process. Priority Based Budgeting is a process where the amount of revenue available for the budget is distributed based upon:

- Identification of outcomes that citizens want from the government. These outcomes are grouped into baskets of citizen expectations and referred to as priorities. For this reason, the budgeting approach is also often referred to as outcome-based budgeting.
- Identification of the level of revenue that is historically supported by County residents and the commitment to live within these available resources.
- Allocation of revenues to support the priority outcomes based upon citizen input.
- Essentially a unique version of a zero based budget.

The County has received national attention for its priority-based budget development process and is further developing its priority-based budgeting approach in its 2009 – 2010 biennial budget development process. This will be Snohomish County’s first biennial budget.

In addition to prioritizing what it does, the County is emphasizing improving how it does what it does through the improved use of technology. The County is implementing major technology initiatives in the areas of building permits, imaging, and automated administrative payroll and Human Resource systems.



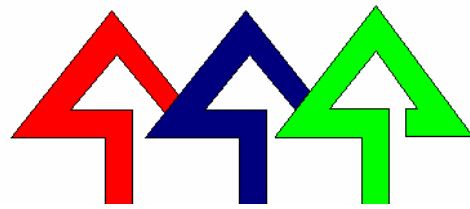
The County's 2007 General Fund budget does not include any tax increases. Property tax receipts continue to reflect growth due to construction, but a one per-cent general levy decrease was authorized for the 2008 budget. An increase in the Roads levy for unincorporated areas was approved.

## **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, 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 additional financial information, contact the Finance Department, at the following address: Snohomish County, 3000 Rockefeller, M/S 610, Everett, WA 98201 or by calling 425-388-3401 or by visiting our website:

<http://www1.co.snohomish.wa.us/Departments/Finance/>.

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# **Financial Statements**



**Snohomish County, WA**  
**Statement of Net Assets**  
**December 31, 2007**



	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash and Equivalents	\$ 301,768,349	\$ 33,623,138	\$ 335,391,487	\$ -
Cash and Equivalents, Restricted	14,593,753	121,522	14,715,275	1,003,661
Investments, Restricted	-	13,495,000	13,495,000	97,312
Taxes Receivables	4,791,628	-	4,791,628	-
Other Receivables, Net	4,996,670	4,903,980	9,900,650	-
Interest Receivable	9,843,096	170,943	10,014,039	3,488
Due from Other Governments	40,711,919	854,699	41,566,618	-
Inventories	1,268,221	-	1,268,221	-
Prepayments	411,794	-	411,794	-
Other Restricted Assets	-	41,360	41,360	-
<b>Total Current Assets</b>	<b>378,385,430</b>	<b>53,210,642</b>	<b>431,596,072</b>	<b>1,104,461</b>
<b>Non-Current Assets</b>				
Notes/Contracts Receivable	7,620,073	-	7,620,073	-
Investment in Joint Venture	14,871,878	-	14,871,878	-
Deferred Charges	572,638	853,779	1,426,417	-
Land	147,511,428	31,861,447	179,372,875	-
Buildings and Structures, Net	180,820,852	69,349,416	250,170,268	-
Other Improvements, Net	33,725,206	60,258,461	93,983,667	-
Machinery and Equipment, Net	34,423,275	1,429,471	35,852,746	-
Infrastructure Assets, Net	344,854,268	23,723,317	368,577,585	-
Construction in Progress	55,081,500	18,757,211	73,838,711	-
Intangible Assets, Net	540,588	374,672	915,260	-
<b>Total Non-Current Assets</b>	<b>820,021,706</b>	<b>206,607,774</b>	<b>1,026,629,480</b>	<b>-</b>
<b>Total Assets</b>	<b>\$ 1,198,407,136</b>	<b>\$ 259,818,416</b>	<b>\$ 1,458,225,552</b>	<b>\$ 1,104,461</b>

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

**Snohomish County, WA  
Statement of Net Assets  
December 31, 2007**



	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	20,400,541	4,550,704	24,951,245	3,379
Claims and Judgments Payable	3,123,226	-	3,123,226	-
Due to Other Governments	5,258,717	386,134	5,644,851	-
Accrued Liabilities	12,266,606	1,519,012	13,785,618	-
Deferred Revenue	69,515,875	627,614	70,143,489	-
Custodial Accounts	95,796	-	95,796	-
Bonds, Notes and Loans Payable	36,150,709	7,051,342	43,202,051	-
Landfill Closure Costs Reserve	-	13,495,000	13,495,000	-
Payable from Restricted Assets	-	121,522	121,522	-
<b>Total Current Liabilities</b>	<b>146,811,470</b>	<b>27,751,328</b>	<b>174,562,798</b>	<b>3,379</b>
<b>Non-Current Liabilities</b>				
Employee Benefits Payable	10,822,984	885,854	11,708,838	-
Special Assessment Debt w/ Govt Commitment	1,045,001	-	1,045,001	-
Bonds, Notes and Loans Payable	257,908,001	97,370,322	355,278,323	-
Claims and Judgments Payable	15,127,143	-	15,127,143	-
<b>Total Non-Current Liabilities</b>	<b>284,903,129</b>	<b>98,256,176</b>	<b>383,159,305</b>	<b>-</b>
<b>Total Liabilities</b>	<b>431,714,599</b>	<b>126,007,504</b>	<b>557,722,103</b>	<b>3,379</b>
<b>NET ASSETS</b>				
<b>Invested in Capital Assets, Net of Related Debt</b>	<b>478,804,557</b>	<b>100,214,881</b>	<b>579,019,438</b>	<b>-</b>
Restricted for:				
General Government	5,439,038	-	5,439,038	-
Capital Purposes	13,962,127	-	13,962,127	-
Public Safety	12,251,135	-	12,251,135	-
Health & Human Services	7,794,504	-	7,794,504	-
Economic Environment	9,563,065	-	9,563,065	999,733
Physical Environment	9,255,211	-	9,255,211	-
Culture and Recreation	4,442,914	-	4,442,914	101,349
Transportation	89,157,127	-	89,157,127	-
Debt Service	13,794,217	-	13,794,217	-
<b>Total Restricted Net Assets</b>	<b>165,659,338</b>	<b>-</b>	<b>165,659,338</b>	<b>1,101,082</b>
Unrestricted	122,228,642	33,596,031	155,824,673	-
<b>Total Net Assets</b>	<b>\$ 766,692,537</b>	<b>\$ 133,810,912</b>	<b>\$ 900,503,449</b>	<b>\$ 1,101,082</b>

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

**SNOHOMISH COUNTY**  
**STATEMENT OF ACTIVITIES**  
For Fiscal Year Ended December 31, 2007



Functions/Programs			Program Revenues			Net (Expenses) Revenues and Changes in Net Assets			Component Units
	Expenses	Indirect Expense Allocation	Operating		Capital	Primary Government			
			Charges for Services	Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total	
<b>Governmental activities:</b>									
General Government	\$ 59,919,197	\$ (3,954,579)	\$ 19,719,316	\$ 9,282,552	\$ 109,078	\$ (26,853,672)	\$ -	\$ (26,853,672)	\$ -
Judicial	34,685,247	-	8,910,294	2,228,860	-	(23,546,093)	-	(23,546,093)	-
Public Safety	109,637,779	135,064	15,536,123	13,547,284	680,672	(80,008,764)	-	(80,008,764)	-
Physical Environment	1,491,136	45,364	115,904	530,094	216,167	(674,335)	-	(674,335)	-
Transportation	69,460,558	1,084,879	371,149	17,132,372	14,657,596	(38,384,320)	-	(38,384,320)	-
Health and Human Services	40,818,705	454,968	62,510	34,536,152	-	(6,675,011)	-	(6,675,011)	-
Economic Environment	37,428,675	1,105,964	31,004,756	9,514,738	-	1,984,855	-	1,984,855	-
Culture and Recreation	14,305,414	86,284	1,658,249	148,358	20,359	(12,564,732)	-	(12,564,732)	-
Interest on long-term debt	14,922,637	-	-	-	-	(14,922,637)	-	(14,922,637)	-
<b>Total governmental activities</b>	<b>382,669,348</b>	<b>(1,042,056)</b>	<b>77,378,301</b>	<b>86,920,410</b>	<b>15,683,872</b>	<b>(201,644,709)</b>	<b>-</b>	<b>(201,644,709)</b>	<b>-</b>
<b>Business-type activities:</b>									
Airport	14,485,698	243,944	12,349,595	327,393	803,406	-	(1,249,248)	(1,249,248)	-
Solid Waste Management	64,828,228	578,232	51,539,240	313,520	-	-	(13,553,700)	(13,553,700)	-
Surface Water Management	10,106,400	219,880	9,186,345	162,676	491,759	-	(485,500)	(485,500)	-
Total business-type activities	89,420,326	1,042,056	73,075,180	803,589	1,295,165	-	(15,288,448)	(15,288,448)	-
Total primary government	472,089,674	-	150,453,481	87,723,999	16,979,037	(201,644,709)	(15,288,448)	(216,933,157)	-
<b>Component Units</b>	<b>1,591,889</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,591,889)</b>
			General revenues:						
			Property taxes			117,605,963	-	117,605,963	-
			Sales/Use Tax			44,992,980	-	44,992,980	2,098,850
			Other Taxes			38,124,664	-	38,124,664	-
			Intergovernmental Revenues			7,941,303	-	7,941,303	-
			Interest and Investment Earnings			30,658,146	3,208,503	33,866,649	33,622
			Miscellaneous Revenues			4,988,582	219,593	5,208,175	-
			Private Donations			548,145	-	548,145	-
			Gain (Loss) in Joint Venture			(860,511)	-	(860,511)	-
			Disposition of Capital Assets			(673,192)	10,855	(662,337)	-
			<b>Total General Revenues</b>			<b>243,326,080</b>	<b>3,438,951</b>	<b>246,765,031</b>	<b>2,132,472</b>
			<b>Capital Contributions</b>			<b>82,827,678</b>	<b>-</b>	<b>82,827,678</b>	<b>-</b>
			<b>Extraordinary Item</b>			<b>-</b>	<b>(26,594,994)</b>	<b>(26,594,994)</b>	<b>-</b>
			<b>Transfers</b>			<b>(4,093,041)</b>	<b>4,093,041</b>	<b>-</b>	<b>-</b>
			<b>Total General Revenue, Contributions, Extraordinary Item, and Transfers</b>			<b>322,060,717</b>	<b>(19,063,002)</b>	<b>302,997,715</b>	<b>2,132,472</b>
			Change in Net Assets			120,416,008	(34,351,450)	86,064,558	540,583
			Net Assets - Beginning			645,175,507	168,162,362	813,337,869	560,499
			Prior Period Adjustment			1,101,022	-	1,101,022	-
			Net Assets - Ending			<b>\$ 766,692,537</b>	<b>\$ 133,810,912</b>	<b>\$ 900,503,449</b>	<b>\$ 1,101,082</b>

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

**Snohomish County, WA**  
**Balance Sheet**  
**Governmental Funds**  
**As of December 31, 2007**



	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>County Road Fund</b>	<b>Community Development Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 25,584,957	\$ 55,779,929	\$ 59,131,853	\$ 15,337,834	\$ 110,882,453	\$ 266,717,026
Cash and Cash Equivalents, Restricted	-	-	-	-	14,593,753	14,593,753
Taxes Receivable	2,564,680	-	2,029,516	-	197,432	4,791,628
Other Receivables, Net	1,007,230	-	669,605	864,692	2,830,129	5,371,656
Interest Receivable	574,924	193,200	206,372	63,521	319,439	1,357,456
Due From Other Governments	12,287,209	-	6,629,835	767,105	15,313,619	34,997,768
Notes / Contracts Receivable	79,723	-	-	-	7,540,350	7,620,073
<b>Total Assets</b>	<b>\$ 42,098,723</b>	<b>\$ 55,973,129</b>	<b>\$ 68,667,181</b>	<b>\$ 17,033,152</b>	<b>\$ 151,677,175</b>	<b>\$ 335,449,360</b>
<b>LIABILITIES</b>						
Accounts Payable	3,252,240	8,447	4,393,852	178,106	10,235,354	18,067,999
Due To Other Governments	1,362	-	-	-	5,257,355	5,258,717
Accrued Liabilities	3,980,002	-	638,967	333,356	504,993	5,457,318
Deferred Revenue	3,610,019	49,330,097	2,029,004	9,211,608	9,150,227	73,330,955
Custodial Accounts	7,114	-	-	-	88,682	95,796
<b>Total Liabilities</b>	<b>10,850,737</b>	<b>49,338,544</b>	<b>7,061,823</b>	<b>9,723,070</b>	<b>25,236,611</b>	<b>102,210,785</b>
<b>FUND BALANCES</b>						
<b>Reserved For</b>						
Debt Service	-	-	-	-	13,794,217	13,794,217
<b>Total Reserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,794,217</b>	<b>13,794,217</b>
<b>Unreserved Equity</b>						
General Fund	31,247,986	-	-	-	-	31,247,986
Special Revenue Funds	-	6,634,585	61,605,358	7,310,082	75,899,206	151,449,231
Capital Projects Funds	-	-	-	-	36,747,141	36,747,141
<b>Total Unreserved Equity</b>	<b>31,247,986</b>	<b>6,634,585</b>	<b>61,605,358</b>	<b>7,310,082</b>	<b>112,646,347</b>	<b>219,444,358</b>
Total Fund Balances	31,247,986	6,634,585	61,605,358	7,310,082	126,440,564	233,238,575
Total Liabilities and Fund Balances	<b>\$ 42,098,723</b>	<b>\$ 55,973,129</b>	<b>\$ 68,667,181</b>	<b>\$ 17,033,152</b>	<b>\$ 151,677,175</b>	<b>\$ 335,449,360</b>

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



**Reconciliation  
 Governmental Funds Balance  
 Sheet to the Statement of Net Assets  
 For the Year Ended As of December 31, 2007**

Total fund balance as shown on the Governmental Funds Balance Sheet	\$ 233,238,575
Amounts reported for governmental activities in the statement of activities are different because:	
Capital Assets used in governmental activities are not financial resources and are therefore not reported in the fund statement. This includes Investment in Joint Venture of \$14.9 million.	774,181,885
Long-term debt is not due and payable in the current period and is therefore not reported in the fund statement. This includes the current and non-current portion of the long-term debt, accrued interest payable, and capital leases payable.	(287,833,808)
Internal service funds are used by the County to charge the costs of certain activities, like insurance and fleet services, to individual funds. The assets and liabilities of these funds are included in governmental activities in the Statement of Net Assets.	46,254,504
Full accrual adjustments to the governmental funds, such as to record long term compensated absences payable, to record allowance for doubtful accounts, and to reclassify deferred revenues for property taxes.	<u>851,381</u>
Net Assets of Governmental Activities as shown on the Statement of Net Assets	<u><u>\$ 766,692,537</u></u>

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

**Snohomish County, WA**  
**Statement of Revenues, Expenditures**  
**and Changes In Fund Balances**  
**Governmental Funds**  
**As of December 31, 2007**



	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>County Road Fund</b>	<b>Community Development Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>Detailed Revenues</b>						
Property Taxes	\$ 65,832,569	\$ -	\$ 46,871,281	\$ -	\$ 4,788,218	\$ 117,492,068
Sales/Use Taxes	44,992,980	-	-	-	-	44,992,980
Other Taxes	9,564,897	-	249,817	-	28,309,949	38,124,663
Licenses and Permits	3,033,967	-	-	-	-	3,033,967
Charges for Services	31,437,587	-	6,548,930	21,124,982	13,373,398	72,484,897
Operating Assessments	20,842	-	-	-	-	20,842
Intergovernmental Revenues	17,443,561	1,835,168	32,878,439	-	58,751,263	110,908,431
Fines and Forfeitures	5,657,711	-	-	-	455,393	6,113,104
Interest and Investment Earnings	8,695,624	2,093,680	2,884,761	1,062,532	6,261,062	20,997,659
Rents, Leases, and Concessions	5,226,982	-	69,260	-	3,979,590	9,275,832
Private Contributions & Donations	-	13,189	-	-	534,957	548,146
Miscellaneous Revenues	1,210,027	187,620	787,977	116,838	7,688,664	9,991,126
<b>Total Detail Revenues</b>	<b>193,116,747</b>	<b>4,129,657</b>	<b>90,290,465</b>	<b>22,304,352</b>	<b>124,142,494</b>	<b>433,983,715</b>
<b>Detailed Expenditures</b>						
<i>Current</i>						
General Government	47,156,791	14,504	10,663,022	-	9,572,800	67,407,117
Judicial	32,110,245	17,035	-	-	282,605	32,409,885
Public Safety	94,207,057	84,688	-	-	17,539,245	111,830,990
Physical Environment	-	-	-	-	3,572,770	3,572,770
Transportation	44,128	-	82,533,101	-	27,946,176	110,523,405
Health & Human Services	4,302,421	-	-	-	37,103,467	41,405,888
Economic Environment	4,471,586	-	-	22,557,089	11,751,481	38,780,156
Culture & Recreation	9,078,386	1,180	-	-	8,588,732	17,668,298
<i>Debt Service</i>						
Principal Payments	-	-	487,897	-	12,182,304	12,670,201
Interest	1,189,015	-	45,788	-	13,655,865	14,890,668
<b>Total Detail Expenditures</b>	<b>192,559,629</b>	<b>117,407</b>	<b>93,729,808</b>	<b>22,557,089</b>	<b>142,195,445</b>	<b>451,159,378</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>557,118</b>	<b>4,012,250</b>	<b>(3,439,343)</b>	<b>(252,737)</b>	<b>(18,052,951)</b>	<b>(17,175,663)</b>
<b>Other Financial Sources (Uses)</b>						
Disposition Of Capital Assets	231,643	-	934,505	-	-	1,166,148
Transfers In	5,143,754	3,275,000	14,693,066	1,172,756	42,450,158	66,734,734
Transfers Out	(6,772,179)	(1,653,661)	(9,939,900)	(3,128,068)	(47,047,460)	(68,541,268)
Bond Proceeds	1,189,015	-	-	-	-	1,189,015
<b>Total Other Financial Sources (Uses)</b>	<b>(207,767)</b>	<b>1,621,339</b>	<b>5,687,671</b>	<b>(1,955,312)</b>	<b>(4,597,302)</b>	<b>548,629</b>
<b>Net Change in Fund Equity</b>	<b>349,351</b>	<b>5,633,589</b>	<b>2,248,328</b>	<b>(2,208,049)</b>	<b>(22,650,253)</b>	<b>(16,627,034)</b>
<b>Fund Balance - Beginning</b>	<b>30,898,635</b>	<b>1,000,996</b>	<b>59,357,030</b>	<b>8,931,835</b>	<b>148,576,091</b>	<b>248,764,587</b>
Prior Period Adjustments	-	-	-	586,296	514,726	1,101,022
<b>Fund Balance - Ending</b>	<b>\$ 31,247,986</b>	<b>\$ 6,634,585</b>	<b>\$ 61,605,358</b>	<b>\$ 7,310,082</b>	<b>\$ 126,440,564</b>	<b>\$ 233,238,575</b>

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

**Reconciliation  
 Governmental Funds Statement  
 Of Revenues, Expenditures, and  
 Changes in Fund Balances to the  
 Statement of Activities.  
 For the Year Ended As of December 31, 2007**

Net Change in fund balances of Governmental Funds \$ (16,627,034)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and is reported as depreciation expense.	37,223,691
Capital contributions, donations, and equity adjustment to the investment in joint venture do not provide current financial resources and therefore are not reported as revenues in governmental funds.	78,738,124
Repayment of bond principal are reported as expenditures in the fund statements and as a reduction of long-term liabilities in the statement of net assets.	12,670,203
Debt proceeds are reported as current financial resources in the funds statement and as increases long-term liabilities in the statement of net assets.	(1,189,015)
Accrued interest payable is not recorded on the fund statements.	119,326
Internal service funds are used by the County to charge the costs of certain activities, such as insurance and fleet management services, to individual funds. The net cost of the internal service funds are reported as governmental activities in the statement of activities.	368,629
Some expenses and revenues reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures and revenues in governmental funds.	<u>9,112,084</u>
Change in net assets of governmental activities on the statement of activities	<u>\$ 120,416,008</u>

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

**Snohomish County, WA**  
**Budgetary Comparison Statement**  
**General Fund**  
**For the Year Ended December 31, 2007**



	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Budgeted Fund Balance, January 1</b>	\$ 1,089,645	\$ 1,757,439	\$ 30,898,635	\$ 29,141,196
<b>Resources (in-flows)</b>				
Property Taxes	\$ 65,930,545	\$ 65,930,545	\$ 65,832,569	\$ (97,976)
Sales Use Taxes	43,644,293	43,644,293	44,992,980	1,348,687
Other Taxes	11,780,474	11,780,474	9,564,897	(2,215,577)
License and Permits	2,882,157	2,882,157	3,033,967	151,810
Charges for Services	34,461,329	34,461,329	31,437,587	(3,023,742)
Operating Assessments	23,518	23,518	20,842	(2,676)
Intergovernmental Revenues	17,547,582	17,710,700	17,443,561	(267,139)
Fines and Forfeitures	5,089,643	5,089,643	5,657,711	568,068
Interest and Investment Earnings	7,040,893	7,040,893	8,695,624	1,654,731
Rents, Leases, and Concessions	5,007,662	5,007,662	5,226,982	219,320
Miscellaneous Revenues	1,637,135	1,866,135	1,210,027	(656,108)
Transfers in	4,993,254	4,993,254	5,143,754	150,500
Disposition of Capital Assets	50,000	50,000	231,643	181,643
Bond Proceeds	1,800,000	1,800,000	1,189,015	(610,985)
<b>Total Resources (in flows)</b>	<b>\$ 201,888,485</b>	<b>\$ 202,280,603</b>	<b>\$ 199,681,159</b>	<b>\$ (2,599,444)</b>
<b>Amounts Available for Appropriation</b>	<b>202,978,130</b>	<b>204,038,042</b>	<b>230,579,794</b>	<b>26,541,752</b>
<b>Charges to Appropriations (out flows)</b>				
General Government	50,085,525	50,087,751	47,156,791	2,930,960
Judicial	32,674,086	32,655,997	32,110,245	545,752
Public Safety	94,057,837	94,626,868	94,207,057	419,811
Transportation	52,000	52,000	44,128	7,872
Health & Human Services	4,309,916	4,309,916	4,302,421	7,495
Economic Environment	4,345,469	4,567,382	4,471,586	95,796
Culture & Recreation	9,232,216	9,223,140	9,078,386	144,754
Debt Service	1,800,000	1,800,000	1,189,015	610,985
Transfers Out	6,421,081	6,714,988	6,772,179	(57,191)
<b>Amount Charged to Appropriations (out flows)</b>	<b>202,978,130</b>	<b>204,038,042</b>	<b>199,331,808</b>	<b>4,706,234</b>
<b>Budgeted Fund Balance, December 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,247,986</b>	<b>\$ 31,247,986</b>

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

**Snohomish County, WA**  
**Budgetary Comparison Statement**  
**Special Revenue Fund**  
**For the Year Ended December 31, 2007**



	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Budgeted Fund Balance, January 1</b>	\$ (24,861,352)	\$ (24,801,352)	\$ 1,000,996	\$ 25,802,348
Resources (in-flows)				
Intergovernmental Revenues	\$ 51,055,000	\$ 51,055,000	\$ 1,835,168	\$ (49,219,832)
Interest and Investment Earnings	21,150	29,050	2,093,680	2,064,630
Private Contributions & Donations	21,000	21,000	13,189	(7,811)
Miscellaneous Revenues	120,000	120,000	187,620	67,620
Transfers in	3,275,000	3,275,000	3,275,000	-
<b>Total Resources (in flows)</b>	<b>\$ 54,492,150</b>	<b>\$ 54,500,050</b>	<b>\$ 7,404,657</b>	<b>\$ (47,095,393)</b>
<b>Amounts Available for Appropriation</b>	<b>29,630,798</b>	<b>29,698,698</b>	<b>8,405,653</b>	<b>(21,293,045)</b>
Charges to Appropriations (out flows)				
General Government	61,150	61,150	14,504	46,646
Judicial	120,000	120,000	17,035	102,965
Public Safety	21,000	88,900	84,688	4,212
Culture & Recreation	15,000	15,000	1,180	13,820
Transfers Out	29,413,648	29,413,648	1,653,661	27,759,987
<b>Amount Charged to Appropriations (out flows)</b>	<b>29,630,798</b>	<b>29,698,698</b>	<b>1,771,068</b>	<b>27,927,630</b>
<b>Budgeted Fund Balance, December 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,634,585</b>	<b>\$ 6,634,585</b>

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

**Snohomish County, WA**  
**Budgetary Comparison Statement**  
**County Roads Fund**  
**For the Year Ended December 31, 2007**



	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Budgeted Fund Balance, January 1</b>	\$ 6,064,532	\$ 6,064,532	\$ 59,357,030	\$ 53,292,498
Resources (in-flows)				
Property Taxes	\$ 47,318,673	\$ 47,318,673	\$ 46,871,281	\$ (447,392)
Other Taxes	170,000	170,000	249,817	79,817
Charges for Services	6,596,069	6,596,069	6,548,930	(47,139)
Intergovernmental Revenues	39,592,680	41,339,830	32,878,439	(8,461,391)
Interest and Investment Earnings	1,800,000	1,800,000	2,884,761	1,084,761
Rents, Leases, and Concessions	75,000	75,000	69,260	(5,740)
Miscellaneous Revenues	275,000	275,000	787,977	512,977
Transfers in	18,816,000	18,896,000	14,693,066	(4,202,934)
Disposition of Capital Assets	-	-	934,505	934,505
<b>Total Resources (in flows)</b>	<b>\$ 114,643,422</b>	<b>\$ 116,470,572</b>	<b>\$ 105,918,036</b>	<b>\$ (10,552,536)</b>
<b>Amounts Available for Appropriation</b>	<b>120,707,954</b>	<b>122,535,104</b>	<b>165,275,066</b>	<b>42,739,962</b>
<b>Charges to Appropriations (out flows)</b>				
General Government	15,062,743	13,420,493	10,663,022	2,757,471
Transportation	95,385,125	98,854,525	82,533,101	16,321,424
Debt Service	529,950	529,950	533,685	(3,735)
Transfers Out	9,730,136	9,730,136	9,939,900	(209,764)
<b>Amount Charged to Appropriations (out flows)</b>	<b>120,707,954</b>	<b>122,535,104</b>	<b>103,669,708</b>	<b>18,865,396</b>
<b>Budgeted Fund Balance, December 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 61,605,358</b>	<b>\$ 61,605,358</b>

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

**Snohomish County, WA**  
**Budgetary Comparison Statement**  
**Community Development Fund**  
**For the Year Ended December 31, 2007**



	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Budgeted Fund Balance, January 1</b>	\$ 3,678,888	\$ 3,678,888	\$ 8,931,835	\$ 5,252,947
Resources (in-flows)				
Charges for Services	\$ 24,289,733	\$ 24,289,733	\$ 21,124,982	\$ (3,164,751)
Interest and Investment Earnings	438,000	438,000	1,062,532	624,532
Miscellaneous Revenues	134,000	134,000	116,838	(17,162)
Transfers in	1,172,756	1,172,756	1,172,756	-
<b>Total Resources (in flows)</b>	<b>\$ 26,034,489</b>	<b>\$ 26,034,489</b>	<b>\$ 23,477,108</b>	<b>\$ (2,557,381)</b>
<b>Amounts Available for Appropriation</b>	<b>29,713,377</b>	<b>29,713,377</b>	<b>32,408,943</b>	<b>2,695,566</b>
<b>Charges to Appropriations (out flows)</b>				
Public Safety	87,215	87,215	-	87,215
Economic Environment	26,498,094	26,498,094	22,557,089	3,941,005
Transfers Out	3,128,068	3,128,068	3,128,068	-
<b>Amount Charged to Appropriations (out flows)</b>	<b>29,713,377</b>	<b>29,713,377</b>	<b>25,685,157</b>	<b>4,028,220</b>
Prior Period Adjustment	-	-	586,296	586,296
<b>Budgeted Fund Balance, December 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,310,082</b>	<b>\$ 7,310,082</b>

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

**Snohomish County, WA**  
**Statement of Net Assets**  
**Proprietary Funds**  
**As of December 31, 2007**



	Business Type Activities			Governmental Activities	
	Solid Waste	Airport	Surface Water	Total Enterprise Funds	Internal Service Funds
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	\$ 13,785,847	\$ 7,718,992	\$ 12,118,299	\$ 33,623,138	\$ 35,051,323
Cash and Cash Equivalents, Restricted	121,522	-	-	121,522	-
Investments, Restricted	13,495,000	-	-	13,495,000	-
Other Receivables, Net	3,236,229	1,345,317	322,434	4,903,980	35,511
Interest Receivable	103,338	26,370	41,235	170,943	96,036
Due From Other Governments	273,454	97,256	483,989	854,699	109,628
Inventories	-	-	-	-	1,268,220
Prepayments	-	-	-	-	411,794
Other Restricted Assets	-	-	41,360	41,360	-
<b>Total Current Assets</b>	<b>31,015,390</b>	<b>9,187,935</b>	<b>13,007,317</b>	<b>53,210,642</b>	<b>36,972,512</b>
<b>Non-Current Assets</b>					
Deferred Charges	527,376	236,708	89,695	853,779	18,981
Capital assets					
Land	3,985,484	22,064,326	5,811,637	31,861,447	392,837
Buildings and Structures, Net	28,406,061	40,943,355	-	69,349,416	5,673,605
Other Improvements, Net	35,375,732	-	24,882,729	60,258,461	837,848
Machinery and Equipment, Net	1,205,994	117,502	105,975	1,429,471	23,826,150
Infrastructure Assets, Net	-	23,723,317	-	23,723,317	-
Construction in Progress	5,668,047	12,582,361	506,803	18,757,211	6,916,669
Intangibles, Net	-	374,672	-	374,672	-
<b>Total Non-Current Assets</b>	<b>75,168,694</b>	<b>100,042,241</b>	<b>31,396,839</b>	<b>206,607,774</b>	<b>37,666,090</b>
<b>Total Assets</b>	<b>106,184,084</b>	<b>109,230,176</b>	<b>44,404,156</b>	<b>259,818,416</b>	<b>74,638,602</b>

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



**Snohomish County, WA**  
**Statement of Net Assets**  
**Proprietary Funds**  
**As of December 31, 2007**



	Business Type Activities			Governmental Activities	
	Solid Waste	Airport	Surface Water	Total Enterprise Funds	Internal Service Funds
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	\$ 2,775,334	\$ 1,045,834	\$ 729,536	\$ 4,550,704	\$ 2,332,542
Claims and Judgments Payable	-	-	-	-	3,123,226
Due to Other Governments	-	-	386,134	386,134	-
Accrued Liabilities	678,369	563,816	276,827	1,519,012	680,247
Deferred Revenue	119,677	185,503	322,434	627,614	2,617,441
Bonds, Notes and Loans Payable	4,105,324	2,115,915	830,103	7,051,342	157,279
Future Landfill Closure Costs Reserve	13,495,000	-	-	13,495,000	-
Payable from Restricted Assets	121,522	-	-	121,522	-
<b>Total Current Liabilities</b>	<b>21,295,226</b>	<b>3,911,068</b>	<b>2,545,034</b>	<b>27,751,328</b>	<b>8,910,735</b>
<b>Non-Current Liabilities</b>					
Employee Benefits Payable	466,351	213,625	205,878	885,854	1,330,813
Bonds, Notes, and Loans Payable	35,540,356	47,648,524	14,181,442	97,370,322	3,015,408
Claims and Judgments Payable	-	-	-	-	15,127,143
<b>Total Non-Current Liabilities</b>	<b>36,006,707</b>	<b>47,862,149</b>	<b>14,387,320</b>	<b>98,256,176</b>	<b>19,473,364</b>
<b>Total Liabilities</b>	<b>57,301,933</b>	<b>51,773,217</b>	<b>16,932,354</b>	<b>126,007,504</b>	<b>28,384,099</b>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	35,523,015	45,836,913	18,854,953	100,214,881	34,474,404
Restricted for:					
Capital Purposes	-	-	-	-	6,903,476
<b>Total Restricted Net Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,903,476</b>
Unrestricted	13,359,136	11,620,046	8,616,849	33,596,031	4,876,623
<b>Total Net Assets</b>	<b>\$ 48,882,151</b>	<b>\$ 57,456,959</b>	<b>\$ 27,471,802</b>	<b>\$ 133,810,912</b>	<b>\$ 46,254,503</b>

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

Snohomish County, WA  
Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2007



	Business Type Activities			Governmental Activities	
	Solid Waste	Airport	Surface Water	Total	Internal
				Enterprise Funds	Service Funds
<b>Operating Revenues</b>					
Charges for Services	\$ 51,539,240	\$ 3,130,453	\$ 577,809	\$ 55,247,502	\$ 78,717,727
Operating Assessments	-	-	8,933,298	8,933,298	-
Rents, Leases, and Concessions	-	9,789,027	-	9,789,027	1,391,594
<b>Total Operating Revenues</b>	<u>51,539,240</u>	<u>12,919,480</u>	<u>9,511,107</u>	<u>73,969,827</u>	<u>80,109,321</u>
<b>Operating Expenses</b>					
Personnel Services	11,118,250	3,960,261	4,652,513	19,731,024	15,354,082
Supplies	1,244,755	444,567	354,663	2,043,985	9,743,098
Interfund-Intergovernmental Payments for Service	5,377,117	1,074,318	2,420,370	8,871,805	3,383,706
Depreciation	3,825,710	4,226,440	848,991	8,901,141	6,290,198
Miscellaneous Expenses	28,643	95,079	-	123,722	15,244
Contractual Services	28,941,290	3,172,328	1,635,932	33,749,550	45,752,540
<b>Total Operating Expenses</b>	<u>50,535,765</u>	<u>12,972,993</u>	<u>9,912,469</u>	<u>73,421,227</u>	<u>80,538,868</u>
<b>Operating Income (Loss)</b>	<u>1,003,475</u>	<u>(53,513)</u>	<u>(401,362)</u>	<u>548,600</u>	<u>(429,547)</u>
<b>Non-Operating Revenues (Expenses)</b>					
Intergovernmental Revenues	313,520	1,130,798	645,435	2,089,753	73,170
Interest and Investment Earnings	2,046,973	459,904	701,625	3,208,502	1,270,884
Private Contributions and Donations	-	-	9,000	9,000	-
Miscellaneous Revenues	18,348	200,227	1,021	219,596	357,665
Disposition of Capital Assets	10,855	-	-	10,855	717,577
Interest Expense	(1,479,260)	(2,326,534)	(738,573)	(4,544,367)	(151,295)
Change in Accounting Estimate	(13,391,435)	-	-	(13,391,435)	-
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(12,480,999)</u>	<u>(535,605)</u>	<u>618,508</u>	<u>(12,398,096)</u>	<u>2,268,001</u>
<b>Income (Loss) Before Extraordinary Item and Transfers</b>	<u>(11,477,524)</u>	<u>(589,118)</u>	<u>217,146</u>	<u>(11,849,496)</u>	<u>1,838,454</u>
Extraordinary Item	(26,594,994)	-	-	(26,594,994)	-
Transfers In	33,000	-	5,112,960	5,145,960	2,360,396
Transfers Out	(739,877)	(64,281)	(248,762)	(1,052,920)	(3,830,221)
<b>Change in Net Assets</b>	<u>(38,779,395)</u>	<u>(653,399)</u>	<u>5,081,344</u>	<u>(34,351,450)</u>	<u>368,629</u>
Net Assets, Beginning	87,661,546	58,110,358	22,390,458	168,162,362	45,885,874
<b>Net Assets, Ending</b>	<u>\$ 48,882,151</u>	<u>\$ 57,456,959</u>	<u>\$ 27,471,802</u>	<u>\$ 133,810,912</u>	<u>\$ 46,254,503</u>

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

Snohomish County, WA  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2007



	Business-type Activities				Governmental Activities
	Solid Waste	Airport	Surface Water	Total	Internal Service
<b>Cash Flows from Operating Activities</b>					
Receipts from Operations	\$ 51,578,349	\$ 11,737,778	\$ 9,464,152	\$ 72,780,279	\$ 82,692,722
Payments to Employees	(11,022,217)	(4,109,396)	(4,659,640)	(19,791,253)	(14,856,359)
Payments of Claims	(30,890,501)	(3,470,092)	(2,992,029)	(37,352,622)	(53,328,558)
Internal Activity - Payment to Other Funds	(5,377,117)	(1,074,318)	(2,420,370)	(8,871,805)	(3,383,706)
<b>Total Cash Flows from Operating Activities</b>	<b>\$ 4,288,514</b>	<b>\$ 3,083,972</b>	<b>\$ (607,887)</b>	<b>\$ 6,764,599</b>	<b>\$ 11,124,099</b>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Capital Acquisition and Construction	\$ (6,752,353)	\$ (1,929,738)	\$ (5,726,045)	\$ (14,408,136)	\$ (2,508,949)
Sale of Capital Assets	10,855	-	-	10,855	1,146,398
Principal Paid on Loans	(6,579,324)	(1,377,271)	(793,375)	(8,749,970)	(154,199)
Interest Paid on Loans	(1,433,444)	(2,431,475)	(769,616)	(4,634,535)	(157,536)
<b>Total Cash Flows from Capital and Related Financing Activities</b>	<b>\$ (14,754,266)</b>	<b>\$ (5,738,484)</b>	<b>\$ (7,289,036)</b>	<b>\$ (27,781,786)</b>	<b>\$ (1,674,286)</b>
<b>Cash Flows from Non-Capital Financing Activities</b>					
Intergovernmental Revenue	\$ 313,520	\$ 1,130,798	\$ 645,435	\$ 2,089,753	\$ 73,170
Miscellaneous Revenue	18,346	200,226	1,020	219,592	357,665
Transfers, net	(131,958)	(51,054)	4,886,676	4,703,664	(2,897,129)
<b>Total Cash Flows from Non-Capital Financing Activities</b>	<b>\$ 199,908</b>	<b>\$ 1,279,970</b>	<b>\$ 5,533,131</b>	<b>\$ 7,013,009</b>	<b>\$ (2,466,294)</b>
<b>Cash Flows from Investing Activities</b>					
Interest on Investments	\$ 2,019,543	\$ 470,986	\$ 717,911	\$ 3,208,440	\$ 1,267,248
Purchase of Investments	(11,931,563)	-	-	(11,931,563)	-
<b>Total Cash Flows from Investing Activities</b>	<b>\$ (9,912,020)</b>	<b>\$ 470,986</b>	<b>\$ 717,911</b>	<b>\$ (8,723,123)</b>	<b>\$ 1,267,248</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (20,177,864)</b>	<b>\$ (903,556)</b>	<b>\$ (1,645,881)</b>	<b>\$ (22,727,301)</b>	<b>\$ 8,250,767</b>
Cash and Cash Equivalents, January 1, 2007	34,085,233	8,622,548	13,764,180	56,471,961	26,800,556
<b>Cash and Cash Equivalents, December 31, 2007</b>	<b>\$ 13,907,369</b>	<b>\$ 7,718,992</b>	<b>\$ 12,118,299</b>	<b>\$ 33,744,660</b>	<b>\$ 35,051,323</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>					
Net Operating Income (loss)	\$ 1,003,475	\$ (53,513)	\$ (401,362)	\$ 548,600	\$ (429,547)
Depreciation Expense	3,825,710	4,226,440	848,991	8,901,141	6,290,198
Changes in Receivables, net	20,928	(1,242,420)	(51,107)	(1,272,599)	(34,041)
Changes in Inventories	-	-	-	-	201,968
Changes in Accounts Payable & Other Liabilities	(561,599)	153,465	(1,079,592)	(1,487,726)	4,921,245
Changes in Prepaid Items and Operating Assessments	-	-	75,183	75,183	174,276
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 4,288,514</b>	<b>\$ 3,083,972</b>	<b>\$ (607,887)</b>	<b>\$ 6,764,599</b>	<b>\$ 11,124,099</b>

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

**Snohomish County, WA**  
**Statement of Fiduciary Net Assets**  
**As of December 31, 2007**



**Agency Funds**

**ASSETS**

**Current Assets**

Cash and Cash Equivalents	\$ 811,170,314
Taxes Receivable	26,779,572
Other Receivables, Net	3,971,179
Interest Receivable	3,738
<b>Total Assets</b>	<b><u>841,924,803</u></b>

**LIABILITIES**

**Current Liabilities**

Due to Other Governments	<u>841,924,803</u>
<b>Total Liabilities</b>	<b><u>\$ 841,924,803</u></b>

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

## **Note 1 Summary Of Significant Accounting Policies**

### **General**

The County of Snohomish, Washington (the “County”), was incorporated in 1861 and operates under the laws of the State of Washington applicable to a home rule charter county. The charter was adopted by a vote of the citizens of Snohomish County in 1979 and was amended through the charter review process effective January 1, 1997 and January 1, 2007. The executive branch of the county government is elected at large and consists of the county executive, the prosecuting attorney, the sheriff, the auditor, the clerk, the treasurer, and the assessor. Fourteen superior court judges and eight district court judges are also elected at large. A five-member council, elected by district, constitutes the legislative body.

Snohomish County is a general-purpose government and provides services such as public safety, fire prevention, road construction and maintenance, parks and recreation, judicial administration, health and social programs and general administration. The County also operates an airport, a fairground, and is responsible for the disposal of solid waste and the control of surface water runoff.

The County’s financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The County implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions beginning with the 2007 reporting year.

### **1.A Reporting Entity**

These financial statements present the County (the primary government) and its component units, the Pilchuck Development Corporation (“PDC”) and Snohomish County Public Facilities District (“PFD”). The component units are combined and presented in a single column on the government-wide financial statements.

In determining the financial reporting entity, the County complies with the provisions of GASB Statement No. 14, “The Financial Reporting Entity,” and GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units.” Accordingly, the County reports as component units those entities where the County appointed a voting majority of the board of directors, the County is able to impose its will, or where a financial benefit or burden relationship exists.

The County created the PDC in 1983 to promote and finance industrial development. The Snohomish County Council appoints the Corporation's board of directors. The Corporation may issue industrial revenue bonds to finance industrial development facilities upon approval of the County Council; however, the County has no financial responsibility for such bonds.

Snohomish County established the PFD in July 2001 for the sole purpose of pursuing joint ownership, financing or operational relationships with any other public agency

within the County for the development of Regional Center projects and/or with a nonprofit entity for the development of a Regional Center project at Paine Field. A five-member board of directors appointed by the County Council governs the PFD.

The PFD has formalized support for four regional centers: the City of Everett Public Facilities District's Arena and Parking Garage, the South Snohomish County Public Facilities District's Regional Convention Center in Lynnwood, the City of Edmond's Public Facilities District's remodel of the Puget Sound Christian College for use as a Performing Arts and Convention Center, and the Future of Flight in conjunction with Snohomish County Paine Field Airport.

Financial statements for the Pilchuck Development Corporation and Snohomish Public Facilities District can be obtained by writing to the Snohomish County Finance Department, MS 610, 3000 Rockefeller Ave., Everett, WA 98201.

### **1.B Measurement Focus, Basis Of Accounting, and Financial Statement Presentation**

#### Government-Wide Financial Statements

The *statement of net assets* and *statement of activities* present financial information about the County as a whole on a full accrual basis with an economic resource measurement focus. They include all County funds except for the agency funds, which are reported separately. The statements distinguish between governmental and business-type activities. *Governmental activities* generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. *Business-type activities* are financed in whole or in part by fees charged to external parties for goods or services. Program revenues as reported on the statement of activities include charges to customers and users of goods or services provided by that program, and grants or contributions that are restricted for use by that program. Taxes and other revenues that are not specific to a particular program are reported as general revenues.

The expenses and program revenues of governmental activities are reported on the statement of activities by function/program. Fund financial statements also report governmental fund expenditures by function/program. The County reports the following functions/programs:

*General Government* - Legislative and administrative services, including expenses for recording and elections, financial services, legislative, personnel administration, administration and facility management.

*Judicial* - Court system for civil, criminal, and juvenile cases, including jury and witness fees and other judicial and legal costs.

*Public Safety* - Protection and safety of the citizenry at large, including expenses for law enforcement, fire protection services, inspections and regulatory enforcements, detention and corrections, emergency services and juvenile services.

*Physical Environment* - Conservation and preservation of the environment, and animal control services.

*Transportation* - Programs to ensure safe and adequate flow of vehicles and pedestrians in the County, including costs for road and street preservation, construction, and maintenance.

*Economic Environment* - Community planning and development services, housing programs, and promotion of tourism.

*Health and Human Services* - Programs that provide prevention, intervention and rehabilitative human services for County citizens with an emphasis on serving those most in need. They include costs associated with programs such as veterans' services, mental health, substance abuse prevention and treatment, public health, and children's services.

*Culture and Recreation* - Costs associated with the maintenance and general operations of County parks, trails, natural land and recreational facilities and the fairgrounds.

#### Interfund Activity

Interfund activity can be classified into two general categories:

- *Reciprocal* interfund activities are transfers similar to exchange and exchange-like transactions (quasi-external). Interfund services provided and used are reported as revenues in the seller funds and expenditures/expenses in the purchaser funds.
- *Nonreciprocal* interfund activities are nonexchange transactions – no equivalent value is received for the assets transferred and there is no requirement for repayment. They include interfund transfers and interfund reimbursements. Interfund transfers have been eliminated within the governmental activities and business-type activities categories. Transfers between these two activities are reported on the statement of activities. Interfund reimbursements have been eliminated from the statement of activities. See Note 3H for details of transfers.

#### Fund Financial Statements

The fund financial statements individually present major funds and present non-major funds in total. A fund is considered major if it is the primary operating fund of the entity or if its assets, liabilities, revenues, or expenditures/expenses equal at least 10% of the corresponding total for all funds of that category or type, or at least 5% of the corresponding total for all governmental and enterprise funds combined. Separate financial statements are provided for governmental, proprietary, and fiduciary funds.

The governmental fund financial statements are prepared using a modified accrual accounting basis with a current financial resources measurement focus. The modified accrual basis differs from the full accrual basis in the following ways:

- Purchases of capital assets are considered expenditures.
- Redemptions of long-term debt are considered expenditures when due.

- Proceeds from long-term debt are considered "other financing sources" when received.
- Revenues are recognized only when they become both measurable and available to finance expenditures of the current period. Revenues are considered available if received within 60 days.
- Interest on long-term debt is not accrued, but is recorded as an expenditure when due.
- Accumulated unpaid vacation, sick pay, and other employee benefits are considered expenditures when paid.

The *governmental funds* are accounted for with a flow of current financial resources measurement focus, which emphasizes the current sources and uses of resources. The County reports the following governmental funds:

The **general fund** is the primary operating fund of the County. It is used to account for all financial resources except those funds required to be accounted for separately.

**Special revenue funds** account for revenues which are to be utilized for specific purposes and/or expenditures incurred in the performance of specific activities. Major special revenue funds include the Special Revenue Fund, County Road Fund and the Community Development Fund.

- The Special Revenue Fund accounts for various revenues that are restricted for a specific purpose and are either small in amount or are for projects that have a limited life. Revenue streams and associated expenditures are appropriately segregated and tracked within the fund. Revenue/expenditure streams currently recorded within the fund include Animal Benefit Bequests, Blanch Miller Juvenile Court funds, Parks Donations, Trial Court Improvement funds, Brightwater Mitigation fees, and Community Impact funds.
- The County Road Fund accounts for the construction, maintenance, and inspection of county streets, roads and bridges and the design and coordination of countywide public works projects. Revenue is primarily from road and other taxes and from state and federal grants.
- The Community Development fund is responsible for long-range planning, including review of the County's Comprehensive Plan, zoning, permitting, and inspection. Additionally, Community Development collects and distributes traffic, parks, and schools mitigation funds for the various local governments operating within Snohomish County. Revenue is generated by service charges, taxes, and both state and federal grants.

The **debt service funds** account for the accumulation of resources for the payment of general and special assessment long-term debt.

**Capital projects funds** account for the resources and expenditures relating to the acquisition and development of capital improvements other than those accounted for in the proprietary funds.



*Proprietary funds* are accounted for with a flow of economic resources measurement focus, which emphasizes the measurement of costs and determination of net income. They consist of *enterprise fund types* and *internal service fund types*. All assets and all liabilities are reported on the balance sheet. Revenues and expenses are reported on a full accrual basis - revenues are recorded when earned, expenses are recorded when a measurable liability has been incurred. Proprietary funds disclose the composition of cash flows on a separate statement of cash flows. Operating income for the proprietary funds includes all revenues derived in the normal course of operations except for interest and investment earnings, gain or loss on the sale of capital assets, capital grants and contributions, and some miscellaneous non-recurring revenues. Operating expenses include all expenses derived in the normal course of operation. Non-operating expenses include interest expense and any other expenses not incurred as a result of the normal operation and purpose of the fund. In accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 20, the County has elected to follow all Financial Accounting Standards Board (FASB) pronouncements issued prior to November 30, 1989, unless they conflict with a GASB pronouncement. Under this election, the County chooses not to follow FASB pronouncements issued after that date.

**Enterprise funds** account for operations of business-type activities, which are financed primarily by user charges. The accounting focus is on the measurement of costs and the determination of net income. The County maintains three enterprise funds: solid waste management, airport operation and maintenance, and surface water management.

- The solid waste management fund, administered by the department of public works, accounts for the operations, capital improvements, and debt service of the County's solid waste facilities. Revenue comes from the collection of fees at the facilities.
- The airport fund accounts for the operations, capital improvements, and debt service of Paine Field, Snohomish County's airport. The fund is wholly supported by fees for services. Additional capital funding is received from federal grants, and bond issues may be used to finance capital improvements.
- The surface water management fund, administered by the department of public works, accounts for operations relating to the management of storm drainage and surface water. Revenue comes from the collection of charges to property owners.

**Internal service funds** account for centralized operations related to providing goods or services to various County departments on a cost-reimbursement basis. The County's internal service funds are presented in the proprietary fund financial statements. In the government-wide financial statements, interfund transactions relating to internal service fund activity have been eliminated. Any residual activity and net assets are reported as governmental activities. The County maintains seven internal service funds: equipment rental and revolving fund, information services fund, Snohomish County insurance fund, pits and quarries fund, employee benefit fund, facility services fund, and the training fund.

### Fiduciary Funds

Fiduciary funds account for assets held by the County as an agent for other entities. These consist of clearing accounts - assets equal liabilities.

## **1.C Assets, Liabilities, and Equity**

### Cash, Cash Equivalents, and Investments

For the purpose of the statement of net assets, cash and cash equivalents include funds held by the County Treasurer, the Washington State Treasurer's Local Government Investment Pool, and bank accounts not administered by the County Treasurer. These are primarily depository accounts, revolving accounts, and change funds. The Washington State Treasurer's Local Investment Pool is considered to be cash equivalents as funds held within the pool can be liquidated on demand to meet daily cash flow needs.

Investments are recorded at cost, which is materially equivalent to fair value. Additional cash and investment disclosures are presented in Note 3.A.

### Interfund Receivables and Payables

Occasionally, transactions for goods and services between County funds may result in amounts which are due but not yet paid. These are reported as "due to/from other funds" on the balance sheet. Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (non-current portion) are reported as "advances to and from other funds."

### Receivables

Property taxes levied for the current year are recorded as taxes receivable and deferred revenue. As tax payments are collected, the taxes receivable and deferred revenue balances are reduced and revenue is recognized in the fund statements. Taxes receivable includes the related interest and penalties. Other receivables represent primarily amounts due from private individuals and organizations for goods or services rendered.

Amounts reported as due from other governments and notes/contract receivable represent receivables from other governments for goods and services rendered, grant reimbursements or entitlements. Amounts due for grant reimbursements are recorded in the period in which the authorized disbursements are made.

### Inventories

Governmental funds use the purchase method whereby inventory items are considered expenditures when purchased. Proprietary funds value inventories using average cost method.

### Capital Assets

Capital assets are recorded at actual cost. Donated capital assets are recorded at estimated fair market value on the date of donation. Capital costs in the governmental funds are reported as expenditures of the current period in the fund financial statements

and as assets in the government-wide financial statements. Individual assets (except infrastructure) with a total cost of less than \$5,000 are reported as expenses in the period in which they were incurred. Infrastructure expenditures (roads, bridges, traffic signals, and other public property) in excess of \$100,000 are capitalized and depreciated over their useful life in the government-wide financial statements.

Depreciation of capital assets is reported as an allocated expense in the statement of activities. Depreciation is calculated using the straight-line method based on the estimated useful life of the asset. Generally, buildings and other land improvements are assigned estimated useful lives of 10 to 50 years, machinery and equipment 3 to 20 years, and infrastructure 5 to 60 years.

#### Restricted Assets and Liabilities

Restricted assets include cash and investments that are subject to legal restrictions and also other assets which are considered to be restricted for a particular purpose such as customer deposits. Related liabilities are reported as payable from restricted assets.

Restricted investments of business-type activities in the amount of \$13,495,000 represent funds set aside to finance the post-closure care costs of the Cathcart Landfill, which closed in 1992. Federal, state and local requirements mandate that such reserves be established to cover future post-closure care costs such as site monitoring, testing, maintenance, and treatment of leachates. The County has no landfills in active operation. The related liability in the amount of \$13,495,000 represents the estimated cost of future post-closure care as of December 31, 2007. This estimate is subject to change due to inflation, technological changes, or regulatory changes.

#### Investment in Joint Venture

Snohomish County Emergency Radio Systems (SERS), a public nonprofit corporation, was established via an interlocal agreement between the County, nine cities, and a fire district located within the county. Each member city and the County provide a voting member to the SERS board of directors. The purpose of SERS is to develop a countywide public safety communications system. The County financed its investment in SERS with general obligation bond proceeds.

In accordance with generally accepted accounting principles, the investment balance was adjusted by (\$860,511) for the 2007 year to reflect the County's share of SERS revenues and expenditures.

The County entered into an interlocal agreement with SERS to provide accounting services, including preparation of SERS financial statements. Pursuant to this agreement, SERS pays the County an annual fee of \$48,000. SERS also reimburses the County for various minor miscellaneous expenses. SERS financial statements are subject to audit by the Washington State Auditor's Office and can be obtained by writing to the Snohomish County Finance Department, MS 610, 3000 Rockefeller Ave., Everett, WA 98201.

### Long-Term Debt

Long-term debt incurred by the governmental funds is not reported as a liability in the governmental fund financial statements, but is reported in the government-wide statement. The debt proceeds (including any bond premium) are reported as other financing sources and payment of principal, interest, and debt issuance costs are reported as expenditures. Proprietary fund debt is reported on the same basis in both the government-wide and fund financial statements. Bond premiums/discounts and issuance costs are deferred and amortized over the life of the bonds.

### Employee Benefits Payable

The County's policies regarding vacation, sick leave and compensatory time permit employees to be compensated for earned but unused vacation leave, compensatory time, and a portion of their sick leave. The liability for such compensated absences in governmental funds is recorded as long-term debt in the government-wide statements. Proprietary fund reporting is the same in both the fund statements and the government-wide statements. The current portion of this debt is estimated based on historical trends.

### Deferred Revenues

Deferred revenues are recorded for property taxes, special assessments, grant related advances, and prepaid revenues. There are differences between deferred revenues reported on the fund statements and those reported on the entity-wide statements. Deferred revenue for property taxes and special assessments is reclassified to revenue on the entity-wide statements.

### Equity Classifications

The government-wide financial statements present equity as net assets and are displayed in three components:

- Invested in capital assets, net of related debt: Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net assets: Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, and contributors; or (2) legal restrictions resulting from constitutional provisions or enabling legislation.
- Unrestricted net assets: All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The governmental funds' financial statements present equity as fund balance. Fund balance is further classified as reserved and unreserved. Proprietary fund equity is classified the same as in the government-wide statements.

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## **Note 2 Stewardship, Compliance, And Accountability**

### **2.A Budgetary Requirements**

Annual appropriated budgets are adopted for the general, special revenue, debt service, and proprietary funds on the modified accrual basis of accounting. Budgets for capital project funds are adopted at the level of the individual project for fiscal periods that correspond to the lives of the projects. Annual appropriated budgets are adopted at the program level within each fund ("appropriation unit").

All departments of County government submit their proposed budget to the County Executive. From these submissions, the County Executive develops the recommended budget that is presented to the County Council on or before October 1st of each year. The Council holds public hearings and has the ability to make amendments prior to adopting the final budget at least 30 days before the end of the calendar year. The County Executive has veto power over budget ordinances approved by the Council.

Budget transfers and reallocations within departments and between programs within a fund in amounts of \$50,000 or less may be made without Council approval subject to certain significant restrictions. These restrictions include revisions that create new salaried positions and that establish new programs or delete ongoing programs. Changes to personnel costs and capital costs are also restricted.

Unless otherwise provided by the appropriation ordinances, all unexpended and unencumbered annual appropriations lapse at the end of the year, except for the Capital Projects funds in the 300 series, which are multi-year funds.

#### **Budgetary Comparison Statement**

The budgetary comparison statement (budgetary basis) for the general fund and major special revenue funds differs from the statement of revenues, expenditures and changes in fund balance (GAAP basis) as explained below.

**Explanation of Differences between Budgetary Sources and Uses of Funds and GAAP Revenues and Expenditures For the Year Ended December 31, 2007**

	General Fund	Special Revenue Fund	County Road Fund	Community Development
<b>Sources (Inflows) of resources</b>				
Actual amounts (budgetary basis) "Available for appropriation" from the budgetary comparison schedules	\$ 230,579,794	\$ 8,405,653	\$ 165,275,066	\$ 32,408,943
<b>Adjustments:</b>				
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for GAAP reporting	(30,898,635)	(1,000,996)	(59,357,030)	(8,931,835)
<b>Reclassifications:</b>				
Revenues included as budgetary resources but reported as "other financial sources" in the fund financial statements	(6,564,412)	(3,275,000)	(15,627,571)	(1,172,756)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 193,116,747</u>	<u>\$ 4,129,657</u>	<u>\$ 90,290,465</u>	<u>\$ 22,304,352</u>
<b>Uses (Outflows) of resources</b>				
Actual amounts (budgetary basis) "Amount charged to appropriations" from the budgetary comparison schedules	\$ 199,331,808	\$ 1,771,068	\$ 103,669,708	\$ 25,685,157
<b>Reclassifications:</b>				
Operating/Capital Transfers-out are included as a charge to appropriation but reported as "other financial sources of funds" in the fund financial statements	(6,772,179)	(1,653,661)	(9,939,900)	(3,128,068)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 192,559,629</u>	<u>\$ 117,407</u>	<u>\$ 93,729,808</u>	<u>\$ 22,557,089</u>

**2.B Deficit Fund Equity**

Insurance Fund

At December 31, 2007, the insurance fund (an internal service fund) reported a deficit fund balance of \$3,235,586. This represents a \$702,662 decrease in the deficit from the prior year. Adjustments to rates are being made to address this deficit.

**Note 3 Detail Notes On Transaction Classes/Accounts**

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

### 3.A Deposits And Investments

#### Deposits

The County's deposits and certificates of deposit are covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). The PDPC provides protection for public treasurer deposits that exceed the amount insured by FDIC.

#### Investments

It is the policy of the Snohomish County Treasurer (Treasurer) to invest funds in accordance with governing statutes to obtain the highest return possible consistent with the safety and liquidity objectives outlined in investment policy and conforming to all state/local statutes governing the investment of public funds. Among the authorized investments (but not limited to) are U.S. Treasury securities, U.S. Agency Securities, Certificates of Deposit with qualified public depositories, and Washington State Local Government Investment Pool (LGIP). The LGIP is an unrated 2a-7 like pool that has an average maturity which does not exceed 90 days. The Treasurer in December 2007 liquidated an internal county pool that included only the funds that are reported as part of the primary government.

*Custodial Credit Risk:* This is the risk that in the event of the failure of the 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. All County securities are held for safekeeping by the Union Bank of California, as the County's agent, in the County's name.

*Interest Rate Risk:* In accordance with its investment policy, the County manages its exposure to investments that are highly sensitive to changes in fair value due to interest rate change by limiting the weighted average of maturity of its investments. In accordance with the policy one half of the portfolio is comprised of investments maturing within a year. The remainder of the portfolio will not exceed five years in maturity. The average maturity of the portfolio shall not exceed two years.

Investments are reported at fair value which is materially equivalent to cost. As of December 31, 2007, the County held the following investments:

<b>Investment Type</b>	<b>Fair Value</b>	<b>Weighted Average Maturity (Years)</b>
U.S. Agencies	1,000,000	.002
Local Government Investment Pool	1,042,380,999	
Municipal Investor Account	74,624,923	
Certificate of Deposit	<u>26,524,119</u>	.008
<b>Total Fair Value</b>	<b>1,144,530,041</b>	
<b>Portfolio Weighted Average Maturity</b>		<b>.0002</b>



*Credit Risk:* Credit risk is related to quality ratings of investments held by the County. State law and County Investment Policy limit the type of investments the County can hold. At year end the county held obligations of the U.S. Government, U.S. agency issues, the Washington State Local Government Investment Pool, and time certificates of deposit with authorized Washington State banks. The ratings as of December 31, 2007 are:

Investment	Fair Value	S&P Rating
Local Government Investment Pool	1,042,380,999	Not subject
Municipal Investor	74,624,923	Not subject
Certificate of Deposit	26,524,119	Not subject
Federal Home Loan Mortgage Corporation	1,000,000	AAA
Total	1,144,530,041	

*Concentration of Credit Risk:* Concentration risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The County limits its exposure to concentration risk by requiring diversification of its investments by type and institution. The County limits to 25% of the portfolio to a single security type or amount deposited with a single financial institution, with the exception of U.S. Treasury and Agency Securities and the Local Government Investment Pool.

Investment		Percent of Portfolio
Local Government Investment Pool	1,042,380,999	91.1%
Municipal Investor	74,624,923	6.5%
Certificate of Deposit	26,524,119	2.3%
Federal Home Loan Mortgage Corporation	1,000,000	0.1%
Total	1,144,530,041	100.00%

### 3.B Taxes Receivable

#### Taxing Authority

The County is authorized to levy both “regular” property taxes and “excess” property taxes. Regular property taxes are subject to limitations as to rates and amounts, and are imposed for general municipal purposes, including the payment of debt service on limited tax general obligation bonds. The County also may impose “excess” property taxes that are not subject to limitation when authorized by a 60 percent majority popular vote, as provided in Article VII, Section 2, of the State Constitution and Revised Code of Washington (RCW), RCW 84.52.052. To be valid, such popular vote must have a minimum voter turnout of 40 percent of the number who voted at the last County general election, except that one-year excess tax levies also are valid if the turnout is not less than 24 percent of the number who voted at the last County general election. Excess levies may be imposed without a popular vote when necessary to prevent the impairment of the obligation of contracts.



### Property Tax Rates and Limitations

The Washington State constitution and Washington State law (RCW 84.55.010) allow counties to limit the rate of property taxes. A county may levy taxes at a maximum rate of \$1.80 per \$1,000 of assessed value against all real and personal property subject to taxation for general county purposes. This includes payment of principal and interest on bonds issued by the County without a vote of the people (including limited tax general bond obligations) (RCW 84.52). The County's regular levy for 2007 was \$.803 per \$1,000 on an assessed valuation of \$84.1 billion for a total regular tax levy of \$67.6 million.

The County is also authorized to levy \$2.25 per \$1,000 of assessed valuation in unincorporated areas for road construction and maintenance. This levy is subject to the same limitations as the levy for general government services. The County's road levy for 2007 was \$1.2394 per \$1,000 on assessed valuation of \$38.58 billion for a total road levy of \$47.8 million.

A county may increase its levy from \$1.80 to \$2.475 for general county purposes if the total levies for both county and road purposes do not exceed \$4.05 per \$1,000 of assessed value and no other taxing district has had its levy reduced as a result of the increased county levy.

The \$1.80 per \$1,000 limitation on the general purposes levy is exclusive of certain regular property taxes: (i) a voted levy for emergency medical services, limited to \$0.50 per \$1,000 (authorized by RCW 84.52.069); (ii) a voted levy to finance affordable housing for very low income households, limited to \$0.50 per \$1,000 (authorized by RCW 84.52.105); and (iii) a non-voted levy for conservation futures, limited to \$0.0625 per \$1,000 (authorized by RCW 84.34.230). The County currently is levying \$0.0366 per \$1,000 for conservation futures.

Aggregate regular property tax levies by the State and all taxing districts except port districts and public utility districts are subject to a rate limitation of one percent of the true and fair value of property (or \$10.00 per \$1,000) by Article VII, Section 2 of the State Constitution and by RCW 84.52.050. Within the one percent limitation, aggregate regular property tax levies by all taxing districts except the State, port districts and public utility districts are subject to a rate limitation of \$5.90 per \$1,000 of assessed value (or 0.59%) by RCW 84.52.043(2). This limitation is exclusive of levies for emergency medical services, affordable housing for very low-income households and acquiring conservation futures. If aggregate regular property tax levies exceed the one percent or \$5.90 per \$1,000 limitations, levies requested by "junior" taxing districts within the area affected are reduced or eliminated according to a detailed prioritized list (RCW 84.52.010), in order to bring the aggregate levy into compliance. Junior taxing districts are defined by RCW 84.52.043 as all taxing districts other than the State, counties, cities, towns, road districts, port districts, and public utility districts.

### Property Tax Calendar

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. The following is an annual timeline for tax collections:

<b>Property Tax Calendar</b>	
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 and deferred revenue when levied. Property tax collections are recorded as a reduction of the receivable. Also, upon collection, the related deferred revenue is reclassified to revenue, on the modified accrual basis. For the statement of activities, property taxes are revenue in the year they are levied. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible. Prior year tax levies were recorded using the same principle, and delinquent taxes are evaluated annually. The balance of taxes receivable includes related interest and penalties.

Property Tax Levy Procedures

In the State of Washington, the county assessor (the "Assessor") determines the value of all real and personal property throughout the county that is subject to ad valorem taxation. The Assessor's duties and methods of determining value are prescribed and controlled by statute and by detailed regulations promulgated by the Department of Revenue of the State of Washington. For tax purposes, the assessed value of property is set at 100% of its actual value. All property is subject to revaluation every year. The Assessor lists the property on a tax roll at its current assessed value and the tax roll is filed in the Assessor's office.

The Assessor's determinations are subject to revision by the County Board of Equalization and, for certain property, subject to further revision by the State Board of Equalization. After all administrative procedures are completed, the County receives the Assessor's final certificate of assessed value of property within the county.

Property taxes are levied in specific amounts, and the rates for all taxes levied for all taxing districts in the county (including the County) are determined, calculated, and fixed by the Assessor based upon the assessed valuation of the property within the various taxing districts. The Assessor extends the taxes to be levied within each taxing district upon a tax roll, which contains the total amount of taxes to be so levied and collected. The tax roll is delivered to the County Treasurer by January 15 of each year, and an abstract of the tax roll showing the total amount of taxes collectible in each of the taxing districts for the year, is delivered to the County Auditor at the same time. The Treasurer creates a tax account for each taxpayer and is responsible for the collection of taxes due to each account. All such taxes are due and payable on the 30th of April of each year, but if the amount due from a taxpayer exceeds \$50, one-half may be paid then and the balance no later than October 31 of that year.

The method of giving notice of payment of taxes due, the Treasurer’s accounting for the money collected, the division of the taxes among the various taxing districts, notices of delinquency, and collection procedures are all covered by detailed statutes.

Tax Liens and Foreclosure

Property taxes and all charges and expenses relating to the taxes constitute a statutory lien on the property taxed. The lien attaches to the property from and including January 1 in the year in which the tax is levied, and is discharged only when the taxes are paid. In other respects, and subject to the “Homestead Exemption,” the lien for delinquent property taxes is prior to all other liens or encumbrances of any kind on real or personal property subject to taxation. The courts have not decided whether the Homestead Law (chapter 6.13 RCW) may give the occupying homeowner a right in the forced sale of the family residence for delinquent general property taxes to retain the first \$40,000 of proceeds of the sale (see *Algona v. Sharp*, 30 Wn. App. 837, 638, P.2d 627 (1982), holding the homestead right superior to liens for local improvement district assessments).

By law, the Treasurer may commence foreclosure of a tax lien on real property after three years have passed since the first delinquency. The County Treasurer may commence foreclosure proceedings in superior court upon all tax liens embraced by the certificate of delinquency. The County Treasurer must immediately sell the property to the highest and best bidder for cash upon entry of the order of foreclosure. The minimum bid allowable is the total amount of the taxes, interest, penalty, and costs due. To the extent property is stricken to the County at a foreclosure sale, that property is exempt from taxation for so long as the County holds it. A property owner may redeem their property at any time prior to the foreclosure sale by paying the County Treasurer the amount of the certificate of delinquency and all taxes, interest and costs accruing after the certificate of delinquency is issued, together with interest on such amount at the rate of 12% per annum.

**3.C Other Receivables**

Other receivables consist primarily of customer accounts receivable. These are reported net of allowance for uncollectible accounts as follows:

**Other Receivables**  
**As of December 31, 2007**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total Primary Government</b>
Other Receivables	\$ 5,958,853	\$ 5,159,531	\$ 11,118,384
Allowance for Uncollectibles	(962,183)	(255,551)	(1,217,734)
Other Receivables, Net	<u>\$ 4,996,670</u>	<u>\$ 4,903,980</u>	<u>\$ 9,900,650</u>

**3.D Capital Assets**

The following is a summary of changes in capital assets for the County primary government:

**CAPITAL ASSETS**  
For the year ended December 31, 2007

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital assets not depreciated:				
Land	\$ 140,186,855	\$ 8,390,169	\$ (1,065,596)	\$ 147,511,428
Construction in progress	35,204,294	30,767,403	(10,890,197)	55,081,500
Total capital assets not depreciated	<u>175,391,149</u>	<u>39,157,572</u>	<u>(11,955,793)</u>	<u>202,592,928</u>
Other capital assets:				
Buildings	240,546,368	2,776,486	(4,540)	243,318,314
Other improvements	39,817,554	3,258,404	-	43,075,958
Equipment	72,443,756	8,329,306	(4,295,759)	76,477,303
Infrastructure	466,566,290	111,944,307	(2,295,163)	576,215,434
Intangible assets	7,658,538	18,000	-	7,676,538
Total other capital assets at historical cost	<u>827,032,506</u>	<u>126,326,503</u>	<u>(6,595,462)</u>	<u>946,763,547</u>
Less accumulated depreciation for:				
Buildings	(56,538,455)	(5,963,547)	4,540	(62,497,462)
Other improvements	(6,424,338)	(2,926,414)	-	(9,350,752)
Equipment	(36,640,800)	(8,293,367)	2,880,139	(42,054,028)
Infrastructure	(206,955,345)	(25,242,027)	836,206	(231,361,166)
Intangible assets	(7,008,890)	(127,060)	-	(7,135,950)
Total accumulated depreciation	<u>(313,567,828)</u>	<u>(42,552,415)</u>	<u>3,720,885</u>	<u>(352,399,358)</u>
Other capital assets, net	<u>513,464,678</u>	<u>83,774,088</u>	<u>(2,874,577)</u>	<u>594,364,189</u>
Governmental activities capital assets, net	<u>\$ 688,855,827</u>	<u>\$ 122,931,660</u>	<u>\$ (14,830,370)</u>	<u>\$ 796,957,117</u>
<b>Business-type Activities</b>				
Capital assets not depreciated:				
Land	\$ 31,045,796	\$ 815,651	\$ -	\$ 31,861,447
Construction in progress	13,174,462	8,548,645	(2,965,896)	18,757,211
Total capital assets not depreciated	<u>44,220,258</u>	<u>9,364,296</u>	<u>(2,965,896)</u>	<u>50,618,658</u>
Other capital assets:				
Buildings	90,256,922	1,949,399	(144,874)	92,061,447
Other improvements	80,564,534	14,248,696	(678,778)	94,134,452
Equipment	5,566,177	169,618	(57,981)	5,677,814
Infrastructure	88,753,402	501,853	-	89,255,255
Intangible assets	1,202,382	357,672	-	1,560,054
Total other capital assets at historical cost	<u>266,343,417</u>	<u>17,227,238</u>	<u>(881,633)</u>	<u>282,689,022</u>
Less accumulated depreciation for:				
Buildings	(19,784,559)	(2,927,472)	-	(22,712,031)
Other improvements	(31,425,412)	(2,676,838)	226,259	(33,875,991)
Equipment	(3,760,348)	(542,394)	54,399	(4,248,343)
Infrastructure	(62,731,792)	(2,800,146)	-	(65,531,938)
Intangible assets	(1,168,084)	(17,298)	-	(1,185,382)
Total accumulated depreciation	<u>(118,870,195)</u>	<u>(8,964,148)</u>	<u>280,658</u>	<u>(127,553,685)</u>
Other capital assets, net	<u>147,473,222</u>	<u>8,263,090</u>	<u>(600,975)</u>	<u>155,135,337</u>
Business-type activities capital assets, net	<u>\$ 191,693,480</u>	<u>\$ 17,627,386</u>	<u>\$ (3,566,871)</u>	<u>\$ 205,753,995</u>

The differences between depreciation expense and accumulative depreciation are the transfer of assets between governmental activities and business-type activities.

Depreciation

Amounts posted in the accumulated depreciation account include retirement of assets sold or transferred, current period depreciation expense, and prior period adjustments. Amounts of depreciation expense charged to capital assets by function are as follows:

**Depreciation Expense  
For the Year Ended December 31, 2007**

<b>Governmental Activities</b>	
General Government	\$ 10,854,469
Judicial	2,805,875
Public Safety	1,677,849
Physical Environment	91,118
Transportation	25,652,960
Economic Environment	17,198
Health and Human Services	9,108
Culture and Recreation	1,378,790
<b>Total Governmental Activities</b>	<b>42,487,367</b>
<b>Business-type Activities</b>	
Airport	4,226,440
Solid Waste Management	3,825,710
Surface Water Management	848,991
<b>Total Business-type Activities</b>	<b>8,901,141</b>
<b>Total Primary Government</b>	<b>\$ 51,388,508</b>

**3.E Long-Term Debt**

The County’s long-term debt consists primarily of general obligation bonds, Washington State public works trust fund loans, and special assessment bonds for Road Improvement District (RID) 24A.

RID 24A bonds were issued in 1997 for \$3.8 million as special limited obligation bonds. These are payable solely from assessments levied on property owners. As of December 31, 2007, there were \$179.1 thousand in delinquent assessments, including interest and penalties. Bonds due in 2011 and a portion due in 2012 have been redeemed during 2007 – the next due date is in 2012. RID guaranty funds are required by state law and are reflected by restricted assets of \$163,350 recorded as of December 31, 2007. State law also requires that county road funds be used to make up for any insufficiencies in monies available to make debt payments.

Refunded Debt

In 2005 the County defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the County’s financial statements. At December 31, 2007, \$12.7 million of bonds outstanding are considered defeased.

The following table summarizes the long-term debt issued and outstanding as of December 31, 2007:

**2007 Schedule of Long Term Debt**

Purpose	Original Issue Amount	Beginning Outstanding Balance	Ending Outstanding Balance	Scheduled Payoff Date	2008 Redemption	Interest Rate
<b>Governmental Activities</b>						
<b>1997 Bond Issue</b>						
Honeywell Campus	2,665,000	320,000	-	2007	-	4.5-6.0%
Honeywell Corrections	565,000	70,000	-	2007	-	4.5-6.0%
Conservation Futures	24,800,000	1,125,000	-	2017	-	4.5-6.0%
Memorial Stadium Series A	400,000	-	-	2027	-	4.5-6.0%
Memorial Stadium Series B	1,134,775	1,134,775	1,134,775	2026	-	4.5-6.0%
GTE Building	2,035,000	90,000	-	2017	-	4.5-6.0%
Total 1997 Issue	31,599,775	2,739,775	1,134,775		-	
<b>1999 Bond Issue</b>						
Parks Land Purchase	8,333,248	1,703,460	1,163,052	2014	567,820	4.8-6.0%
Snohomish County Radio Project	4,435,662	587,370	401,706	2019	195,789	4.8-6.0%
City of Edmonds Radio Project	1,479,808	195,956	134,016	2019	65,319	4.8-6.0%
Fire District No. 1 Radio Project	1,389,386	183,983	125,828	2019	61,328	4.8-6.0%
City of Lynnwood Radio Project	1,795,107	237,709	162,571	2019	79,236	4.8-6.0%
City of Marysville Radio Project	1,197,020	158,509	108,406	2019	52,837	4.8-6.0%
City of Mill Creek Radio Project	451,709	59,815	40,908	2019	19,938	4.8-6.0%
City of Mountlake Terrace Radio Project	804,410	106,520	72,850	2019	35,507	4.8-6.0%
City of Woodway Radio Project	60,674	8,035	5,495	2019	2,678	4.8-6.0%
Snocom 800 MHz/Edmonds	404,986	53,629	36,677	2019	17,876	4.8-6.0%
Snocom 800 MHz/Mountlake Terrace	215,882	28,587	19,551	2019	9,529	4.8-6.0%
Snocom 800 MHz/Other	905,356	119,887	81,992	2019	39,963	4.8-6.0%
Information Services GIS Phase III	2,865,000	1,025,000	535,000	2008	535,000	4.8-6.0%
Total 1999 Issue	24,338,248	4,468,460	2,888,052		1,682,820	
<b>2001 Bond Issue</b>						
800 MHZ Radio Project Phase 2	12,572,432	10,709,366	10,221,559	2021	512,197	5.0-5.5%
Parks	5,667,266	4,827,453	4,607,565	2021	230,883	5.0-5.5%
County Campus Redevelopment	117,258,945	106,057,425	102,936,253	2026	3,280,731	5.0-5.5%
Total 2001 Issue	135,498,643	121,594,244	117,765,377		4,023,811	
<b>2001 Refunding Bond Issue</b>						
Denny Youth Center	15,925,000	13,065,000	11,860,000	2015	1,260,000	4.0-5.5%
Memorial Stadium	4,385,000	3,915,000	3,740,000	2018	200,000	4.0-5.5%
Medical Examiner	1,345,000	1,105,000	1,000,000	2015	105,000	4.0-5.5%
Total 2001 Issue	21,655,000	18,085,000	16,600,000		1,565,000	
<b>2003 Bond Issue</b>						
Auditor Voting Equipment Purchase	4,740,000	3,775,000	3,500,000	2017	280,000	2.0-5.0%
Sheriff's Gun Range Construction	738,000	638,000	610,000	2022	29,000	2.0-5.0%
County Campus Redevelopment	45,500,000	41,205,000	40,000,000	2027	1,240,000	2.0-5.0%
Total 2003 Issue	50,978,000	45,618,000	44,110,000		1,549,000	
<b>2003A Bond Issue</b>						
County Campus Redevelopment	3,755,000	3,450,000	3,340,000	2027	115,000	2.0-5.0%
Park Improvements/Willis Tucker Park	2,035,000	1,810,000	1,730,000	2023	80,000	2.0-4.9%
Total 2003A Issue	5,790,000	5,260,000	5,070,000		195,000	
<b>2005A Bond Issue</b>						
County New Administration Building	2,926,055	2,850,406	2,771,902	2030	81,359	3.0-4.4%
Existing Administration Building Remodel	3,110,324	3,029,911	2,946,463	2030	86,482	3.0-4.4%
Mission Building	487,688	475,079	461,995	2030	13,560	3.0-4.4%
County Campus Redevelopment - Jail	1,853,213	1,805,300	1,755,580	2030	51,528	3.0-4.4%
Other Campus Remodel Projects	975,375	950,158	923,990	2030	27,120	3.0-4.4%
Fairgrounds Property	507,195	494,082	480,475	2030	14,103	3.0-4.4%
Sheriff Storage/Gun Range	390,150	380,063	369,596	2030	10,848	3.0-4.4%
Memorial Stadium	435,000	435,000	435,000	2027	-	3.0-4.4%
Total 2005A Issue	10,685,000	10,420,000	10,145,000		285,000	
<b>2005B Bond Issue</b>						
GTE Building	1,191,659	1,183,649	1,180,216	2017	93,822	3.0-5.0%
Conservation Futures	14,655,477	14,556,977	14,514,762	2017	1,153,864	3.0-5.0%
Cathcart Athletic Fields	3,507,469	3,483,499	3,467,520	2014	15,979	3.0-5.0%
Snohomish County Radio Project	2,820,390	2,790,009	2,773,132	2019	16,878	3.0-5.0%
City of Edmonds Radio Project	940,929	930,793	925,162	2019	5,631	3.0-5.0%
Fire District No. 1 Radio Project	883,434	873,918	868,631	2019	5,287	3.0-5.0%
City of Lynnwood Radio Project	1,141,411	1,129,115	1,122,284	2019	6,831	3.0-5.0%
City of Marysville Radio Project	761,119	752,920	748,365	2019	4,555	3.0-5.0%
City of Mill Creek Radio Project	287,218	284,124	282,405	2019	1,719	3.0-5.0%
City of Mountlake Terrace Radio Project	511,481	505,971	502,910	2019	3,061	3.0-5.0%
City of Woodway Radio Project	38,580	38,164	37,933	2019	231	3.0-5.0%
Snocom 800 MHz/Edmonds	257,509	254,735	253,194	2019	1,541	3.0-5.0%
Snocom 800 MHz/Mountlake Terrace	137,265	135,787	134,966	2019	821	3.0-5.0%
Snocom 800 MHz/Other	575,665	569,464	566,019	2019	3,445	3.0-5.0%
Various County Remodel/Building Projects	415,000	415,000	415,000	2019	-	4.0%
Total 2005B Issue	28,124,606	27,904,125	27,792,499		1,313,665	



Notes To The Financial Statements  
December 31, 2007

**2007 Schedule of Long Term Debt**

Purpose	Original Issue Amount	Beginning Outstanding Balance	Ending Outstanding Balance	Scheduled Payoff Date	2008 Redemption	Interest Rate
<b>Governmental Activities, cont'd</b>						
<b>2006 Bond Issue</b>						
Parks	2,650,000	2,650,000	2,435,000	2016	225,000	4.3-5.1%
PW Cathcart Fleet/Road Maint Center	10,448,886	10,448,886	10,123,932	2026	339,343	4.3-5.1%
Sheriff Gun Range/Impound Lot	1,855,410	1,855,410	1,797,708	2026	60,257	4.3-5.1%
Roads	22,721,054	22,721,054	22,014,444	2026	737,900	4.3-5.1%
Total 2006 Issue	37,675,350	37,675,350	36,371,083		1,362,500	
<b>2006A Bond Issue</b>						
Cathcart Lard Acquisition	22,198,640	22,198,640	23,387,655	2007	23,387,655	Variable
Total G.O. Bonds - Governmental Activities	368,543,262	295,963,594	285,264,441		35,364,451	
Bond Discounts and Premiums		5,432,655	5,105,734		327,272	
Deferred Amount on Refunding		(1,524,793)	(1,406,923)		(117,871)	
Net G.O. Bonds - Governmental Activities	368,543,262	299,871,455	288,963,252		35,573,852	
<b>Public Works Trust Fund Loans</b>						
Relocate Road Away from River	500,000	324,211	297,193	2018	27,018	1.0%
County Wide Payment Overlays	3,703,529	1,960,055	1,764,049	2016	196,005	1.0%
Bridge Replacement Program Phase 111	1,000,000	476,316	423,392	2015	52,924	1.0%
High Bridge Road Re-alignment	844,615	390,778	341,931	2014	48,847	3.0%
88th. St. NE Road Improvements	45,000	18,947	16,579	2014	2,368	1.0%
Enhanced Bridge Replacement Program	665,873	190,880	152,704	2011	38,176	1.0%
Enhanced Bridge Replacement Program	1,218,000	273,516	205,137	2010	68,379	1.0%
Road Improvements	1,000,000	162,539	108,359	2009	54,180	1.0%
Total PWTF Loans	8,977,017	3,797,242	3,309,344		487,897	
<b>Other Loans</b>						
Evaluation & Treatment Facility	1,000,000	350,000	241,667	2009	116,667	0%
Furniture, Fixtures and Equipment	1,973,000	1,719,450	1,544,447	2015	181,694	3.8%
Total Other Loans	2,973,000	2,069,450	1,786,114		298,361	
<b>Special Assessment Bonds</b>						
Road Improvement District	3,856,632	1,210,000	1,045,000		-	
Total Debt - Governmental Activities	384,349,911	306,948,147	295,103,710		36,360,110	
<b>Business-Type Activities</b>						
<b>1997 Bond Issue</b>						
Airport	8,415,000	380,000	-	2007	-	4.5-6.0%
<b>1998 Bond Issue</b>						
Solid Waste	19,450,000	9,120,000	7,005,000	2010	2,225,000	3.8-5.4%
<b>1999 Bond Issue</b>						
Airport Building Purchase	1,188,488	242,948	165,875	2014	80,983	4.8-6.0%
Airport Building Purchase	1,118,264	228,593	156,074	2014	76,198	4.8-6.0%
Total 1999 Issue	2,306,752	471,540	321,948		157,180	
<b>2001 Bond Issue</b>						
Surface Water Management	13,777,451	11,735,817	11,201,256	2021	561,289	5.0-5.5%
Airport Debt Service 10 Year	502,339	286,978	235,042	2011	54,533	5.0-5.3%
Airport Debt Service 20 Year	10,686,567	9,102,961	8,688,325	2021	435,367	5.0-5.5%
Total 2001 Issue	24,966,357	21,125,756	20,124,623		1,051,189	
<b>2003 Bond Issue</b>						
T-Hangar Paine Field	2,552,000	2,210,000	2,113,000	2022	100,000	2.0-5.0%
Solid Waste Facility Construction	18,905,000	16,362,000	15,647,000	2022	736,000	2.0-5.0%
Paine Field Museum	22,465,000	22,465,000	22,465,000	2027	695,000	3.1-5.0%
Total 2003 Issue	43,922,000	41,037,000	40,225,000		1,531,000	
<b>2003A Bond Issue</b>						
Solid Waste Refunding 1993B	7,780,000	2,605,000	-	2007	-	2.0-2.5%
<b>2005B Bond Issue</b>						
Airport	4,982,863	4,949,373	4,935,020	2017	392,314	3.0-5.0%
Airport C-3	500,235	496,817	494,538	2014	2,279	3.0-5.0%
Airport C-5	382,296	379,684	377,942	2014	1,742	3.0-5.0%
Total 2005B Issue	5,865,394	5,825,874	5,807,500		396,335	
<b>2006 Bond Issue</b>						
Surface Water Projects	2,880,000	2,880,000	2,745,000	2021	145,000	4.3-5.1%
Various Airport Projects	4,833,831	4,833,831	4,683,501	2026	156,986	4.3-5.1%
Airport Runway/Ramp	1,953,063	1,953,063	1,892,324	2026	63,429	4.3-5.1%
Airport Interfund Loan	1,757,757	1,757,757	1,703,091	2026	57,086	4.3-5.1%
Total 2006 Issue	11,424,650	11,424,650	11,023,917		422,500	
Total G.O. Bonds - Business-Type Activities	124,130,153	91,989,820	84,507,988		5,783,204	
Bond Discounts and Premiums		3,760,884	3,476,023		253,021	
Deferred Amount on Refunding		(167,343)	(151,406)		(15,937)	
Net G.O. Bonds - Business-Type Activities	124,130,153	95,583,361	87,832,605		6,020,287	

**2007 Schedule of Long Term Debt**

Purpose	Original Issue Amount	Beginning Outstanding Balance	Ending Outstanding Balance	Scheduled Payoff Date	2008 Redemption	Interest Rate
<b>Business-Type Activities, cont'd</b>						
<b>Public Works Trust Fund Loans</b>						
Recycling & Transfer Station Construction	10,000,000	8,470,588	7,941,176	2022	529,412	0.5%
Recycling & Transfer Station Construction	1,000,000	789,474	736,842	2021	52,632	0.5%
Recycling & Transfer Station Reconstruction	10,000,000	7,871,930	7,309,649	2020	562,281	1.0%
Dry Creek Estates Drainage Improvements	225,001	106,579	94,737	2015	11,842	1.0%
Surface Water Detention & Drainage Systems	1,116,160	281,248	224,999	2011	56,250	1.0%
Regional Stormwater Detention Facility	665,000	146,562	109,922	2010	36,641	1.0%
Storm Drainage System	267,140	190,815	171,733	2016	19,081	1.0%
Total PWTF Loans	23,273,301	17,857,196	16,589,058		1,268,138	
Total Debt - Business-Type Activities	147,403,454	113,440,557	104,421,664		7,288,425	

The following table summarizes the changes in long-term debt during 2007:

**Long-term Debt  
For the Year Ended December 31, 2007**

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Non-Current Portion
<b>Governmental Activities:</b>						
General Obligation Bonds	\$ 295,963,594	\$ 1,189,015	\$ 11,888,169	\$ 285,264,440	\$ 35,364,451	\$ 249,899,990
Special Assessment Bonds	1,210,000	-	165,000	1,045,000	-	1,045,000
Loans Payable	5,866,692	-	771,233	5,095,458	786,258	4,309,200
Total Bonds, Notes, and Loans Payable	303,040,286	1,189,015	12,824,402	291,404,898	36,150,709	255,254,190
Unamortized Prem/Disc on G.O. Bond	5,432,655	-	326,921	5,105,734	327,272	4,778,463
Deferred Amount on Refunding	(1,524,793)	-	(117,871)	(1,406,922)	(117,871)	(1,289,052)
<b>Subtotal</b>	<b>306,948,148</b>	<b>1,189,015</b>	<b>13,033,452</b>	<b>295,103,710</b>	<b>36,360,110</b>	<b>258,743,600</b>
<b>Business-type Activities:</b>						
G.O. Bonds/Solid Waste	28,087,000	-	5,435,000	22,652,000	2,961,000	19,691,000
G.O. Bonds/Airport	49,287,003	-	1,377,271	47,909,732	2,115,915	45,793,817
G.O. Bonds/Surface Water	14,615,817	-	669,561	13,946,256	706,289	13,239,967
Loans Payable/Solid Waste	17,131,992	-	1,144,324	15,987,668	1,144,324	14,843,344
Loans Payable/Surface Water	725,204	-	123,814	601,390	123,814	477,577
Total Bonds, Notes, and Loans Payable	109,847,016	-	8,749,970	101,097,046	7,051,342	94,045,704
Unamortized Prem/Disc on G.O. Bond	3,760,884	-	284,861	3,476,023	253,021	3,223,003
Deferred Amount on Refunding	(167,343)	-	(15,937)	(151,406)	(15,937)	(135,468)
<b>Subtotal</b>	<b>113,440,557</b>	<b>-</b>	<b>9,018,893</b>	<b>104,421,664</b>	<b>7,288,425</b>	<b>97,133,238</b>
<b>Total Primary Government:</b>	<b>\$ 420,388,705</b>	<b>\$ 1,189,015</b>	<b>\$ 22,052,346</b>	<b>\$ 399,525,374</b>	<b>\$ 43,648,535</b>	<b>\$ 355,876,839</b>



Debt service requirements at December 31, 2007 are as follows:

**Debt Service Requirements  
For the Year Ended December 31, 2007**

**Governmental Activities**

	General Obligation		Other Debt		Special Assessment	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	35,364,451	13,073,652	786,258	96,729	-	-
2009	11,981,528	12,532,730	801,539	83,925	-	-
2010	12,498,224	11,963,088	629,573	70,856	-	-
2011	13,159,824	11,358,783	568,682	58,053	-	-
2012	13,772,687	10,748,873	538,282	45,648	95,000	-
2013-2017	73,446,216	42,640,172	1,744,106	65,081	950,000	173,565
2018-2022	63,806,821	24,911,009	27,018	270	-	-
2023-2027	59,319,690	8,599,682	-	-	-	-
2028-2030	1,915,000	169,969	-	-	-	-
<b>Total</b>	<b>\$285,264,442</b>	<b>\$135,997,958</b>	<b>\$ 5,095,458</b>	<b>\$ 420,562</b>	<b>\$ 1,045,000</b>	<b>\$ 173,565</b>

**Debt Service Requirements  
For the Year Ended December 31, 2007**

**Business-Type Activities**

	Solid Waste		Airport		Surface Water		Other Debt	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2008	2,961,000	1,116,101	2,115,915	2,366,836	706,289	729,610	1,268,138	122,500
2009	3,105,000	968,051	2,214,118	2,270,813	739,354	695,383	1,268,138	112,729
2010	3,263,000	804,064	2,304,954	2,161,863	773,821	659,540	1,268,138	102,958
2011	857,000	631,726	2,418,414	2,046,615	814,762	620,849	1,231,497	93,187
2012	882,000	604,945	2,456,438	1,943,113	853,875	579,312	1,175,248	83,782
2013-2017	5,114,000	2,317,925	13,697,635	7,744,361	5,002,148	2,166,284	5,833,473	286,396
2018-2022	6,470,000	966,275	12,565,261	4,356,396	5,056,007	676,079	4,544,427	76,074
2023-2027	-	-	10,136,997	1,505,358	-	-	-	-
<b>Total</b>	<b>\$ 22,652,000</b>	<b>\$ 7,409,088</b>	<b>\$ 47,909,732</b>	<b>\$ 24,395,354</b>	<b>\$ 13,946,256</b>	<b>\$ 6,127,056</b>	<b>\$ 16,589,058</b>	<b>\$ 877,627</b>

**Debt Limitation**

**Voted Debt** - The County may issue general obligation bonds for general county purposes in an amount not to exceed 2.5 percent of the assessed value of all taxable property. Unlimited tax general obligation bonds require an approving vote, and any election to validate general obligation bonds must have a voter turnout of at least 40 percent of those who voted in the last State general election. Of those voting, 60 percent must be in the affirmative. The principal of and interest on voted general obligation bonds is payable from property taxes in excess of regular property taxes, without limitation as to rate or amount.

**Non-voted Debt** - The County Council may, by ordinance, authorize the issuance of limited tax general obligation bonds in an amount up to 1.5 percent of the assessed valuation within the County without authorization of the voters. No combination of limited and unlimited tax bonds may exceed 2.5 percent of the assessed valuation. The principal and interest on non-voted debt is payable from regular property tax levies or from other available revenues of the County.

The computation of the County’s general obligation debt capacity is displayed in the statistical section of this report.

The County contracts with a consultant to analyze arbitrage requirements and for the year ended December 31, 2007 there is no arbitrage liability with its general obligation debt issues.

### 3.F Compensated Absences

The compensated absences liability attributable to the governmental activities will be liquidated primarily by the general fund. Historically, approximately 61% has been paid by the general fund, 15% by the road fund and the remainder by various other governmental and internal service funds.

**Compensated Absences (in \$/1000)  
For the Year Ended December 31, 2007**

	<b>Beginning Balance</b>	<b>Addition/ (Deletion)</b>	<b>Ending Balance</b>	<b>Amounts Due Within One Year</b>
Governmental Activities	\$ 15,192	\$ (524)	\$ 14,668	\$ 4,400
Business-type Activities				
Solid Waste	594	72	666	200
Airport	455	(150)	305	92
Surface Water	322	(28)	294	88
Subtotal Business-type	1,371	(106)	1,265	380
Total Primary Government	\$ 16,563	\$ (630)	\$ 15,933	\$ 4,780

### 3.G Accrued Liabilities

The County’s accrued liabilities include the following:

**Accrued Liabilities  
As of December 31, 2007**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total Primary Government</b>
Interest Payable	\$ 2,073,496	\$ 412,291	\$ 2,485,787
Wages Payable	9,012,849	414,345	9,427,194
Other Accrued Liabilities	1,180,261	692,376	1,872,637
Total	\$ 12,266,606	\$ 1,519,012	\$ 13,785,618

### 3.H Transfers

Transfers represent subsidies and contributions provided to operating funds and capital project funds with no corresponding debt or promise to repay. Most recurring transfers are for the purpose of funding debt service payments. Transfers for general operating purposes and transfers of assets are also done on a routine basis. The following table summarizes the transfers made between funds and activities:

Schedule of Interfund Transfers  
For the Year Ended December 31, 2007

Disbursing Funds	Receiving Funds											Transfers Out		
	Governmental Activities							Business-type Activities						
	General Fund	Special Revenue Fund	County Road Fund	Community Development Fund	Other Governmental Funds	Internal Service Funds	Subtotal Governmental Activities	Solid Waste Fund	Airport Fund	Surface Water Fund	Subtotal Business-type Activities	Total Statement of Activities	Full Accrual Activity*	Total Fund Statements
<b>Governmental Activities</b>														
General Fund	\$ -	\$ -	\$ 70,000	\$ 950,000	\$ 4,660,524	\$ 1,278,680	\$ 6,959,205	\$ -	\$ -	\$ 285,000	\$ 285,000	\$ 7,244,205	\$ (472,025)	\$ 6,772,179
Special Revenue Fund	-	-	111,406	-	654,854	-	766,260	-	-	887,401	887,401	1,653,661	-	1,653,661
County Road Fund	1,898,085	-	-	85,698	7,956,117	159,325	10,099,225	-	-	-	-	10,099,225	(159,325)	9,939,900
Community Development Fund	1,135,942	-	-	-	1,892,126	163,883	3,191,951	-	-	100,000	100,000	3,291,951	(163,883)	3,128,068
Other Governmental Funds	1,580,247	3,275,000	13,824,359	69,665	24,424,630	21,448	43,195,349	33,000	-	3,840,559	3,873,559	47,068,908	(21,448)	47,047,460
Internal Service Funds	352,908	-	687,300	-	2,790,013	-	3,830,221	-	-	-	-	3,830,221	-	3,830,221
<b>Subtotal</b>	<b>4,967,182</b>	<b>3,275,000</b>	<b>14,693,066</b>	<b>1,105,363</b>	<b>42,378,264</b>	<b>1,623,336</b>	<b>68,042,210</b>	<b>33,000</b>	<b>-</b>	<b>5,112,960</b>	<b>5,145,960</b>	<b>73,188,170</b>	<b>(816,681)</b>	<b>72,371,490</b>
<b>Business-type Activities</b>														
Solid Waste Fund	-	-	-	67,393	22,182	650,302	739,877	-	-	-	-	739,877	-	739,877
Airport Fund	-	-	-	-	-	64,281	64,281	-	-	-	-	64,281	-	64,281
Surface Water Fund	176,572	-	-	-	49,712	22,478	248,762	-	-	-	-	248,762	-	248,762
<b>Subtotal</b>	<b>176,572</b>	<b>-</b>	<b>-</b>	<b>67,393</b>	<b>71,894</b>	<b>737,061</b>	<b>1,052,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,052,920</b>	<b>-</b>	<b>1,052,920</b>
<b>Transfers In</b>														
Total Statement of Activities	\$ 5,143,754	\$ 3,275,000	\$ 14,693,066	\$ 1,172,756	\$ 42,450,158	\$ 2,360,396	\$ 69,095,130	\$ 33,000	\$ -	\$ 5,112,960	\$ 5,145,960	\$ 74,241,090	\$ (816,681)	\$ 73,424,409
Full Accrual Activity*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Fund Statements</b>	<b>\$ 5,143,754</b>	<b>\$ 3,275,000</b>	<b>\$ 14,693,066</b>	<b>\$ 1,172,756</b>	<b>\$ 42,450,158</b>	<b>\$ 2,360,396</b>	<b>\$ 69,095,130</b>	<b>\$ 33,000</b>	<b>\$ -</b>	<b>\$ 5,112,960</b>	<b>\$ 5,145,960</b>	<b>\$ 74,241,090</b>	<b>\$ (816,681)</b>	<b>\$ 73,424,409</b>

\*The governmental fund statements and the entity-wide statements reflect a different basis of accounting and measurement focus. Accordingly, not all transfer activity is reflected in the governmental fund statements.

Total Transfers on Statement of Activities	
<b>Governmental Activities</b>	
Total transfers in	\$ 69,095,130
Less total transfers out	(73,188,170)
Net transfers out to business-type activities	<u>(4,093,041)</u>
<b>Business-type Activities</b>	
Total transfers in	5,145,960
Less total transfers out	(1,052,920)
Net transfers in from governmental activities	<u>\$ 4,093,041</u>

### 3.I Net Assets

The County reported \$165.7 million in restricted net assets. These net assets are subject to external restrictions such as those imposed by the state and federal law or by contractual agreements with third parties. Unrestricted net assets of \$155.8 million represents the amount that the County may use to meet its ongoing obligations that is not subject to third party restrictions.

The restricted net assets of governmental activities are summarized below:

Restricted Net Assets – Governmental Activities

**Restricted Net Assets - Governmental Activities  
As of December 31, 2007**

<b>General Government</b>	
Auditor's Operation and Maintenance	991,299
Elections Equipment Cumulative Reserve	708,254
Grant Control	3,030,627
Snohomish County Tomorrow Cumulative Reserve	44,897
Tax Refund Fund	312,836
Treasurer's Operation & Maintenance	351,125
<b>Subtotal</b>	<b>5,439,038</b>
<b>Public Safety</b>	
Antiprofitteering Revolving	76,077
Arson Investigation & Equipment	2,648
Boating Safety	149,508
Crime Victims/Witness	533,889
Corrections Commissary	115,435
Emergency Services Communication	4,042,528
Sheriff Drug Buy Fund	696,465
Special Revenue Funds	6,634,585
<b>Subtotal</b>	<b>12,251,135</b>
<b>Health &amp; Human Services</b>	
Housing Trust Fund	3,002,876
Human Services Fund	4,791,628
<b>Subtotal</b>	<b>7,794,504</b>
<b>Culture and Recreation</b>	
Fair Sponsorships & Donations	51,626
Parks Mitigation	4,391,288
<b>Subtotal</b>	<b>4,442,914</b>
<b>Transportation</b>	
County Road	61,605,358
Transportation Mitigation	27,551,769
<b>Subtotal</b>	<b>89,157,127</b>
<b>Physical Environment</b>	
Conservation Futures Tax	8,695,706
River Management	559,505
<b>Subtotal</b>	<b>9,255,211</b>
<b>Economic Environment</b>	
Community Development	7,310,082
Convention & Performing Arts	2,252,983
<b>Subtotal</b>	<b>9,563,065</b>
<b>Capital Acquisition</b>	
Equipment Rental and Revolving	6,903,476
Real Estate Excise Tax	7,058,651
<b>Subtotal</b>	<b>13,962,127</b>
<b>Debt Service</b>	
Road Improvement District 11A Assessment	3,175
Road Improvement District 13 Long Term Debt	533
Limited Tax Debt Service	13,571,169
Road Improvement District 24A	19,476
Road Improvement District 30	36,514
Snohomish County Road Improvement Guarantee	163,350
<b>Subtotal</b>	<b>13,794,217</b>
<b>Total Restricted Net Assets</b>	<b>\$ 165,659,338</b>

## Note 4 Other Notes

### **4.A Employee Pension And Other Benefit Plans**

Substantially all Snohomish County full-time and qualifying part-time employees participate in the Public Employees Retirement System (PERS), Public Employees Retirement System Judicial Benefit Multiplier (PERS-JBM), Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF), or the Public Safety Employees Retirement System (PSERS). These systems are defined benefit pension plans administered by the Washington State Department of Retirement Systems for local government employers statewide. The Department of Retirement Systems issues a comprehensive annual financial report which is available on its website at <http://www.drs.wa.gov/> or by writing:

Department of Retirement Systems  
P.O. Box 48380  
Olympia, WA 98504-8380

#### Public Employees' Retirement System (PERS) Plans 1, 2 and 3

##### *Plan Description*

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in a judicial retirement system); employees of legislative committees; community and technical colleges, college and university employees not participating in national higher education retirement programs; judges of district and municipal courts; and employees of local governments.

PERS participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercise an option to transfer their membership to Plan 3. PERS participants joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to PERS Plan 3.

PERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. PERS retirement benefit provisions are established in state statute and may be amended only by the State Legislature.

Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The annual benefit is two percent of the average final compensation per year of service, capped at 60 percent. The average final compensation is based on the greatest compensation during any 24 eligible consecutive compensation months. Plan 1 retirements from inactive status prior to the age of 65 may receive actuarially reduced benefits. The benefit is actuarially reduced to reflect the choice of a survivor option. A cost-of living allowance (COLA) is granted at age 66 based upon years of service times the COLA amount, increased by three percent annually. Plan 1 members may also elect to receive an additional COLA amount (indexed to the Seattle Consumer Price Index), capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members may retire at the age of 65 with five years of service, or at the age of 55 with 20 years of service, with an allowance of two percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible consecutive 60-month period. Plan 2 retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a three percent per year reduction applies; otherwise an actuarial reduction will apply. The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at three percent annually.

Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. The defined benefit portion provides a benefit calculated at one percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible consecutive 60-month period. Effective June 7, 2006, 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 twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 prior to June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan. Vested Plan 3 members are eligible to retire with full benefits at age 65, or at age 55 with 10 years of service. Retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a three percent per year reduction applies; otherwise an actuarial reduction will apply. The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

The defined contribution portion can be distributed in accordance with an option selected by the member, either as a lump sum or pursuant to other options authorized by the Employee Retirement Benefits Board.

*Funding Policy*

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Employee Retirement Benefits Board sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee’s age. As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

The required contribution rates, expressed as a percentage of covered payrolls, for the year ended December 31, 2007 were:

<b>Contributor</b>	<b>PERS 1 Required</b>	<b>PERS 2 Required</b>	<b>PERS 3 Required</b>	
Employer	5.46%	5.46%	5.46%	1/01/07-6/30/07
Employee	6.00%	3.50%	6 options- rates 5-15%	1/01/07-6/30/07
<b>Total</b>	<b>11.46%</b>	<b>8.96%</b>	N/A	
Employer	6.12%	6.12%	6.12%	7/01/07-8/31/07
Employee	6.00%	4.15%	6 options- rates 5-15%	7/01/07-8/31/07
<b>Total</b>	<b>12.12%</b>	<b>10.27%</b>	N/A	
Employer	6.13%	6.13%	6.13%	9/01/07-12/31/07
Employee	6.00%	4.15%	6 options- rates 5-15%	9/01/07-12/31/07
<b>Total</b>	<b>12.13%</b>	<b>10.28%</b>	N/A	

Both Snohomish County and the employees made the required contributions. Snohomish County’s required contributions of employees and employers for the years ended December 31, 2007 were:

<b>Year</b>	<b>PERS Plan 1</b>	<b>PERS Plan 2</b>	<b>PERS Plan 3</b>
2007	\$1,103,234	\$11,779,112	\$1,628,359
2006	922,186	7,061,645	973,690
2005	844,958	4,255,711	682,960
2004	843,149	2,811,481	553,399
2003	958,074	2,467,825	367,745
2002	1,111,033	2,347,711	8,827



*Judicial Benefit Multiplier*

Beginning January 1, 2007 through December 31, 2007, judicial members of PERS may choose to participate in the Judicial Benefit Multiplier Program (JBM). Current justices or judges in PERS Plan 1 and 2 may make a one-time irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of average financial compensation. Judges in PERS Plan 3 can elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of average compensation.

Members who choose to participate in JBM will accrue service credit at the higher multiplier beginning with the date of their election, pay higher contributions, stop contributing to the Judicial Retirement Account (JRA), and be given the option to increase the multiplier on past judicial service. Members who do not choose to participate will: continue to accrue service credit at the regular multiplier; continue to participate in JRA, if applicable; never be a participant in the JBM Program; and continue to pay contributions at the regular PERS rate.

Justices and judges who are newly elected or appointed to judicial service and choose to become PERS members on or after January 1, 2007, or who have not previously opted into PERS membership, are required to participate in the JBM Program.

Justices and judges who are newly elected or appointed to judicial service will: return to prior PERS Plan if membership had previously been established; be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member; accrue the higher multiplier for all judicial service; not contribute to JRA; and not have the option to increase the multiplier for past judicial service.

The required contribution rates, expressed as a percentage of covered payrolls, for the year ended December 31, 2007 were:

Contributor	PERS-JBM 1 Required	PERS-JBM 2 Required	PERS-JBM 3 Required	
Employer	5.46%	5.46%	5.46%	1/01/07-6/30/07
Employee	12.26%	8.75%	Minimum of 7.5%	1/01/07-6/30/07
<b>Total</b>	<b>17.72%</b>	<b>14.21%</b>	N/A	
Employer	6.12%	6.12%	6.12%	7/01/07-8/31/07
Employee	12.26%	10.38%	Minimum of 7.5%	7/01/07-8/31/07
<b>Total</b>	<b>18.38%</b>	<b>16.50%</b>	N/A	
Employer	6.13%	6.13%	6.13%	9/01/07-12/31/07
Employee	12.26%	10.38%	Minimum of 7.5%	9/01/07-12/31/07
<b>Total</b>	<b>18.39%</b>	<b>16.51%</b>	N/A	

Both Snohomish County and the employees made the required contributions. Snohomish County's required contributions of employees and employers for the year ended December 31, 2007 were:

Year	PERS-JBM Plan 1	PERS-JBM Plan 2	PERS-JBM Plan 3*
2007	\$ 23,213	\$ 79,842	\$ 0

\* as of 12/31/2007 the County did not have any employees participating in PERS-JBM Plan 3

Law Enforcement Officers' And Fire Fighters' Retirement System (LEOFF)

*Plan Description*

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members. Membership in the system includes all full-time, fully compensated, local law enforcement officers and firefighters. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003, being an exception. In addition, effective July 24, 2005, current members of PERS who are emergency medical technicians can elect to become members of LEOFF Plan 2.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature for the LEOFF Plan 2 retirement plan.

LEOFF defined benefit retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through state legislative appropriations. LEOFF retirement benefit provisions are established in state statute and may be amended by the State Legislature.

Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary is as follows:

Term of Service	Percent of Final Average Salary
20 or more years	2.0%
10 but less than 20 years	1.5%
5 but less than 10 years	1.0%

The final average salary 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. If membership was established in LEOFF after February 18, 1974, the service retirement benefit is capped at 60 percent of final average salary. A cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index).

Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members may retire at the age of 50 with 20 years of service, or at the age of 53 with five years of service, with an allowance of two percent of the final average salary per year of service. The final average salary is based on the highest consecutive 60 months. Plan 2 retirements prior to the age of 53 are actuarially reduced for each year that the benefit commences prior to age 53 and to reflect the choice of a survivor option. 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. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at three percent annually.

The required contribution rates, expressed as a percentage of covered payrolls, for the year ended December 31, 2007 were:

	Contributor	LEOFF 1 Required	LEOFF 2 Required
1/01/07-6/30/07	Employer	0.18%	4.90%
1/01/07-6/30/07	Employee	0.00%	7.85%
	<b>Total</b>	<b>0.18%</b>	<b>12.75%</b>
7/01/07-8/31/07	Employer	0.18%	5.35%
7/01/07-8/31/07	Employee	0.00%	8.60%
	<b>Total</b>	<b>0.18%</b>	<b>13.95%</b>
9/01/07-12/31/07	Employer	0.16%	5.35%
9/01/07-12/31/07	Employee	0.00%	8.64%
	<b>Total</b>	<b>0.16%</b>	<b>13.99%</b>

Both Snohomish County and the employees made the required contributions. Snohomish County's required contributions for the years ended December 31, 2007 were:

	LEOFF Plan 1	LEOFF Plan 2
2007	\$ 1,023	\$ 2,765,771
2006	1,149	2,342,219
2005	1,742	1,904,633
2004	1,867	1,421,344
2003	2,032	1,315,879
2002	2,265	1,104,314

Public Safety Employee's Retirement System (PSERS) Plan 2

In 2004 the Washington State Legislature created the Public Safety Employees' Retirement System (PSERS) Plan 2, a retirement plan for certain public employees whose jobs contain a high degree of physical risk to their own personal safety, but who are not eligible for membership in the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF). Members of the Public Employees' Retirement System (PERS) Plan 2 or 3, working in PSERS positions on or before July 1, 2006 may elect to prospectively begin PSERS membership. This election must have been made from July 1, 2006 through September 30, 2006, and is irrevocable. Employees hired into

designated PSERS positions on or after July 1, 2006 are automatically enrolled in PSERS.

Plan 2 members may retire with full retirement benefits at age 65 with at least five years of service credit, or at age 60 with 10 years of service credit. Members are eligible for early retirement at age 53 with at least 20 years of service credit. A benefit reduction of three percent per year from age 60 would apply.

The required contribution rates, expressed as a percentage of covered payrolls, for the year ended December 31, 2007 were:

<b>PSERS 2</b>		
<b>Contributor</b>	<b>Required</b>	
Employer	8.53%	1/01/07-6/30/07
Employee	6.57%	1/01/07-6/30/07
<b>Total</b>	<b>15.1%</b>	
Employer	8.54%	7/01/07-8/31/07
Employee	6.57%	7/01/07-8/31/07
<b>Total</b>	<b>15.11%</b>	
Employer	8.55%	9/01/07-12/31/07
Employee	6.57%	9/01/07-12/31/07
<b>Total</b>	<b>15.12%</b>	

Both Snohomish County and the employees made the required contributions. Snohomish County's required contributions of employees and employers for the years ended December 31, 2007 were:

<b>Year</b>	<b>PSERS Plan 2</b>
2007	\$ 986,542
2006	235,174

Other Post-Employment Benefit (OPEB) Plans Plan Description

Under Revised Code of Washington (RCW) Chapter 41.16, all medical, hospital, and nursing care as long as a disability exists are covered for any active member hired prior to March 1, 1970. For any retired member hired prior to March 1, 1970, medical, hospital, and nursing care are covered at the discretion of the Retirement Board. Members retired prior to 1961 for reasons other than duty disability are not eligible for medical benefits during retirement.

In 1970, LEOFF was established by the Legislature under RCW Chapter 41.26. LEOFF members who joined the system by September 30, 1977 are Plan 1 members. For Plan 1 members, the necessary hospital, medical, and nursing care expenses not payable by workers' compensation, Social Security, etc, are covered.

Funding Policy

The funding policy is based upon the pay-as-you-go financing requirements.

Annual OPEB Cost and Net OPEB Obligation

The County’s annual other post-employment benefit (OPEB) cost is calculated based upon the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period of thirty years as of January 1, 2007. The following table shows the components of the County’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County’s net OPEB for LEOFF.

<b>Annual Required Contribution (ARC)</b>	<b>12/31/2007</b>
1. Annual Normal Cost (1/1/07)	\$115,077
2. Amortization of UAAL (1/1/07)	1,230,515
3. Interest to 12/31/07 [(1)+(2)]x(i)*	67,280
4. ARC at 12/31/07 [(1)+(2)+(3)]	\$1,412,872
5. Interest on prior Net OPEB Obligation	\$0
6. Adjustment to ARC	0
7. Annual OPEB cost [(4)+(5)-(6)]	\$1,412,872
8. Employer Contributions	\$857,709
9. Change in Net OPEB Obligation [(7)-(8)]	555,163
10. Net OPEB Obligation at 1/1/07	\$0
11. Net OPEB Obligation at 12/31/07 [(9)+(10)]	\$555,163

\* ‘i’ the assumed interest rate is 5.0% in 2007.  
(UAAL is defined as “Unfunded Actuarial Accrued Liability”.)

The County’s annual OPEB cost, the percentage of OPEB cost contributed to the plan, and the net OPEB obligation for 2007 were as follows:

<b>Year Ended</b>	<b>Annual OPEB Cost</b>	<b>Percentage of OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
12/31/2007	\$1,412,872	60.7%	\$555,163

Funded Status and Funding Progress

As of January 1, 2007, the most recent actuarial valuation date, the plan was 0% funded. The accrued liability for benefits was \$19.9 million, and the actuarial value of assets was \$0, resulting in a UAAL of \$19.9 million.

Schedule of Funding Progress:

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability Entry Age	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio
01/01/2007	\$ 0	\$ 19,861,839	\$ 19,861,839	0 %

Actuarial valuations involve 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 contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

As of December 31<sup>st</sup> 2007, the County has adequate fund balance to pay the full 2007 annual required contribution (ARC).

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation. The actuarial 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.

In the January 1, 2007 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions used included a 5% discount rate, which is based upon the long-term investment yield on the investments that are expected to be used to finance the payment of benefits.

The UAAL is being amortized on a closed basis at the assumed discount rate. The remaining amortization period at January 1, 2007 was 30 years.

**4.B Risk Management**

Snohomish County is exposed to various risks of loss, including theft, property damage, or destruction of assets, business interruption, errors and omissions, injuries to employees, and natural disasters.

The County uses two internal service funds to account for and finance property/casualty, worker's compensation, and employee medical and dental benefits self-insurance programs. The County has a professional claims adjuster to adjudicate all general liability claims under \$15,000, per County Code 2.90.060 and contracts with a third-party claim administrators for general liability claims under \$10,000 (small claims), for workers' compensation, unemployment compensation, and employee medical benefits claims. The Civil Division of the County's Prosecuting Attorney's office handles general liability claims over \$15,000. The County self-insures up to \$1,000,000, and

procures insurance for coverage of occurrences, accidents or events, above \$1,000,000. Since 2000, claims settlements have not exceeded this commercial coverage.

Claims settlements and loss expenses are reported in the Insurance Fund and the Employee Benefit Fund. These funds are responsible for collecting interfund premiums from insured funds and departments, for paying claim settlements, and for purchasing certain excess insurance policies. Interfund premiums are assessed on the basis of claims experience, insurance policy purchases, and risk management programs. The County's established liabilities for probable losses for 2006 and 2007 are:

**Claims and Judgments Payable  
For the Year Ended December 31, 2006**

	<b>Beginning of the Year Liability</b>	<b>Current Year Claims &amp; Changes in Estimates</b>	<b>Claims Payments</b>	<b>Balance at Year End</b>	<b>Claims due Within one year</b>
Workers Compensation	\$ 8,105,130	\$ 1,074,684	\$ (2,537,818)	\$ 6,641,996	\$ 1,328,399
General Liability	6,983,548	2,083,192	(1,572,271)	7,494,469	1,498,894
Employee Medical Benefits	2,225,958	16,966,686	(17,037,455)	2,155,189	-
<b>Total</b>	<b>\$ 17,314,636</b>	<b>\$ 20,124,562</b>	<b>\$ (21,147,544)</b>	<b>\$ 16,291,654</b>	<b>\$ 2,827,293</b>

**Claims and Judgments Payable  
For the Year Ended December 31, 2007**

	<b>Beginning of the Year Liability</b>	<b>Current Year Claims &amp; Changes in Estimates</b>	<b>Claims Payments</b>	<b>Balance at Year End</b>	<b>Claims due Within one year</b>
Workers Compensation	\$ 6,641,996	\$ 2,564,347	\$ (2,478,413)	\$ 6,727,930	\$ 1,345,586
General Liability	7,494,469	2,528,335	(1,134,602)	8,888,202	1,777,640
Employee Medical Benefits	2,155,189	19,735,474	(19,256,426)	2,634,237	-
<b>Total</b>	<b>\$ 16,291,654</b>	<b>\$ 24,828,157</b>	<b>\$ (22,869,442)</b>	<b>\$ 18,250,369</b>	<b>\$ 3,123,226</b>

There are no non-incremental claims adjustment expenses included in claims and judgments payable.

Insurance Fund

The Insurance Fund accounts for the County's property/casualty insurance program. Established in 1977, this fund accounts for the County's exposures to loss due to the tortuous conduct of the County and includes those that are commonly covered by general liability, property/automobile liability, airport/aircraft liability police professional, directors and officials, and error and omissions, and professional malpractice insurance policies. In addition to its general insurance policies and excess liability policy, the County has specific liability insurance policies to cover some of its other exposures, and coverage for protection against other types of losses such as employee dishonesty.



The fund also accounts for safety and worker's compensation liability. The County is self-insured for workers' compensation as certified under the Revised Code of Washington, Industrial Insurance Act, and Title 51.

General liability estimates are based on an actuarial analysis prepared by AON Actuarial & Analytical Consulting in the following February of each year. The estimate includes all pending claim reserves and estimates for incurred, but not yet received claims (IBNR).

Unemployment compensation is expensed quarterly as claims are billed from the Washington State Employment Security Department. Claims settlements and loss expenses are accrued in the insurance fund for the estimated settlement value of both reported and unreported claims. This fund is responsible for collecting interfund premiums from insured funds and departments, for paying claim settlements and for purchasing certain insurance policies. Interfund premiums are assessed on the basis of claims experience and are reported as revenues by the insurance fund and expenses or expenditures by the insured departments and funds.

#### Employee Benefits Program Fund

The Employee Benefits Program Fund accounts for medical, dental, vision, life, accidental death and dismemberment, long-term-disability, and other benefits, including LEOFF retiree medical benefits. The benefits offered by the County include both self-insured medical and vision plans, which the County offers to employees, outside district subscribers, and COBRA subscribers. Snohomish County retirees may participate in a self-insured retiree medical insurance plan. In addition, the County offers a premium-based medical insurance plan to its employees, outside district subscribers, and COBRA subscribers. Interfund premiums are calculated on per subscriber per month basis and charged to departments through composite rates that include expected claims, expenses, premiums, and administrative expenses. In most cases, employees contribute towards medical insurance premiums.

#### **4.C Commitments, Contingencies and Legal Matters**

Snohomish County has recorded in its financial statements all material liabilities, including an estimate for situations not yet resolved but where, based on available information, management believes it is probable that the County will have to make payment. All known or pending claims are properly recognized within the recorded liabilities of the Snohomish County insurance fund, or are covered by insurance policies.

#### Debt

The County has guaranteed payment of \$20,850,000 in revenue bonds issued by the Snohomish County Housing Authority and \$13,760,000 in senior lien housing revenue bonds issued by Housing Authority of the City of Everett. The County's management has reviewed the housing authorities' ability to meet the debt service requirements on these bonds and does not anticipate that it will become necessary for the County to fulfill these guarantees. Accordingly, no liability has been recorded for them.



Contracts

In June 1992, Solid Waste Management entered into a waste export contract with Regional Disposal Company, also referred to as Rabanco, to transport Snohomish County's solid waste to RDC's Klickitat County, Washington landfill. The County agrees to deliver 95% of its solid waste (net of recyclable and construction debris) or 150,000 tons per year, whichever is greater. The original contract with Rabanco was for a term of seven years (which began in 1992). In 1995, the County exercised its right to renew the contract for two consecutive seven-year periods in exchange for a reduction in the waste export fee, thus providing for a contract term of 21 years of waste transport, ending May 13, 2013. In 2007, Snohomish County paid RDC an average rate of approximately \$46.46 per ton. This rate is adjusted quarterly based on average bale weights and also each October by 65% of the fractional change in the consumer price index. The County paid RDC \$24.0 million in 2007. The projected annual estimates range from \$20 million to \$35 million through the end of the contract, based on a 3% escalation and a 4% tonnage increase.

Beginning December 15, 2005, Snohomish County leased a portion of the Future of Flight to the Boeing Company, through June 15, 2030. The lease for the building has a set annual lease amount that ties to their pro-rated portion of debt service through the life of the lease. In addition, Boeing pays a land rent for their footprint of the building with rent adjusted to fair market value every 5 years.

The leased space is to be used for Boeing Tour Center related activities, including theatre and conference presentations, special events, educational programs, and a gift shop. Boeing and Snohomish County agree to jointly market the facility.

Construction

At December 31, 2007, the County had pending construction project contracts in progress. The commitments related to the remaining contract balances are summarized as follows:

	<b>Estimated Contracts</b>	<b>Expended to 12/31/07</b>	<b>Balance Unexpended</b>
<b>Governmental Activities</b>			
County Roads	\$ 71,849,341	\$ 54,347,165	\$ 17,502,176
Facilities Management	759,859	550,074	209,785
Parks Construction	7,943,569	4,040,998	3,902,571
Road Maintenance/Facility	42,806,590	41,816,144	990,446
<b>Total Governmental Activities</b>	<b>123,359,359</b>	<b>100,754,381</b>	<b>22,604,978</b>
<b>Business-type Activities</b>			
Airport	12,787,624	11,026,813	1,760,811
Solid Waste	1,438,370	1,350,128	88,242
Surface Water	4,946,031	4,072,148	873,883
<b>Total Business-type Activities</b>	<b>19,172,025</b>	<b>16,449,089</b>	<b>2,722,936</b>
<b>Total Primary Government</b>	<b>\$ 142,531,384</b>	<b>\$ 117,203,470</b>	<b>\$ 25,327,914</b>

Operating Leases

Future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of December 31, 2007 are as follows:

<u>Year</u>	<u>Amounts</u>
2008	\$ 889,104
2009	517,723
2010	172,662
2011	-
2012	-
Later years	-
Total minimum payments required	<u>\$ 1,579,489</u>

The following schedule shows the composition of total 2007 rental expenditures for all operating leases, except those with terms of a month or less that were not renewed:

<u>Rental Type</u>	<u>Value</u>
Total 2007 Minimum rentals	\$1,110,344

Grant Program Involvement

The County participates in various federal or state grant/loan programs. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability for reimbursement that may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Environmental Liabilities

Snohomish County has a number of closed landfill sites, four of which have a current potential for risk of environmental liability due to groundwater contamination. No determination has been made regarding the extent of the contamination, if any, nor has any range of financial liability been determined. State, local, and federal laws and regulations require that Snohomish County perform certain maintenance and monitoring functions at the closed Cathcart Landfill site for a minimum of twenty years after closure or until the site is stabilized. The landfill was closed in 1992. The 2007 post-closure plan update resulted in increased estimates in annual maintenance and monitoring costs as well as extended the date that required monitoring will cease. A change in accounting estimate has been recognized in 2007 to reflect the updated estimates. The estimated liability for post-closure care costs is \$13,495,000 at December 31, 2007. A restricted landfill post-closure investment account established for the purpose of paying the liability was also increased to \$13,495,000 at December 31, 2007. It is anticipated that future inflation costs will be financed in part from earnings on the investment account. The actual cost of post-closure care may be further adjusted in the future due to inflation or deflation, changes in technology, or changes in applicable laws and regulations.

### Litigation

The County is a party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include accrual or provisions for loss contingencies that may result from these proceedings.

The following case involves claims for material damages against the County. Currently, the County is unable to provide an opinion as to the ultimate outcome of each case or the amount of damages that may be found:

Corrections officers at the County jail filed 128 damage claims in December 2002. The employees allege that the County has required them to work during their lunch breaks in violation of the provisions of their collective bargaining agreements, state, and federal law. The employees work eight hour shifts with an included and paid half hour lunch break. Each employee claims damages in the amount of \$5,000 per year for each of the last six years or portion thereof worked. The County's position is that it has properly paid for lunch time periods pursuant to the collective bargaining agreements. An additional 12 claims were filed in January and February 2003. All of the claims were denied in February 2003. A lawsuit was filed by the claimants in King County Superior Court on May 2, 2003. On February 6, 2004, cross motions for summary judgment were denied by the Court, but the Court allowed for the inclusion of 20 additional plaintiffs to the Complaint, for a total of 160 plaintiffs. Motions for reconsideration were filed by both sides in March 2004 and denied by the Superior Court. Motions for discretionary review filed by both sides in April 2004 with Division I of the State Court of Appeals were granted. Briefs were filed in July and October, 2004; oral argument was held before the Court of Appeals on March 3, 2005, following which the Court of Appeals affirmed the trial court's denial of summary judgment and remanded the case to King County Superior Court. The County filed a Motion for Summary Judgment as to Certain Plaintiffs in September 2006. The Court dismissed with prejudice all custody officers that were not part of the case on May 20, 2003. The County then filed three motions for summary judgment as to day, swing and graveyard shifts. The Court granted the County's summary judgment motion with respect to the graveyard shift in December 2006. This order reduced the amount of plaintiffs to approximately 110. The case was set to proceed to trial on February 12, 2007, but it was delayed by the Court due to illness, transfer of this case to a new civil judge, and a request by the Court for the parties to participate in a status conference. On February 26, 2007, the Court held a status conference and raised two issues regarding contract language interpretation and damages. The Court requested that the parties submit additional briefs regarding these issues but did not issue a briefing schedule at that time. The parties have agreed to a group of ten "representative plaintiffs" for trial. That trial is set for July 28, 2008.

A mediation was held on May 14, 2008, and another session will occur in June. The excess carrier (AIG) has been asserting various coverage defenses, but has also been monitoring the case and may be willing to help fund a settlement if the County pays its Self Insured Risk (\$1 million). Based on the current state of the case law in Washington, we feel the County would be more likely than not to prevail in a coverage dispute.

While the outcome of the above noted proceedings cannot be predicted with certainty, the County feels that any settlement or judgment not covered by insurance would not have a material adverse effect on the financial condition of the County.

#### 4.D Major Customers

The County's major customers include:

	% of Receivable	% of Sales
<b>Solid Waste</b>		
Allied Waste	21%	9%
Waste Management	43%	39%
Rubatino Refuse	17%	15%
<b>Airport</b>		
Boeing Company	42%	19%
Flying Heritage Collection	25%	3%
Kilo Six, LLC	14%	1%

### Note 5 Reconciliation Of Government-Wide And Fund Financial Statements

#### 5.A Explanation of Differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

Total fund balances for the governmental funds balance sheet differs from net assets of governmental activities as reported in the statement of net assets due to the accounting methods used to prepare these statements. The governmental funds balance sheet is presented on a modified accrual basis and the statement of net assets is presented on a full accrual basis. In addition, net internal service fund activity is included in government activities on the statement of net assets. Details of the differences between these two presentations are as follows:

##### Capital Related Items

When capital assets that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net assets included those capital assets among the assets of the County as a whole.

Costs of Capital Assets	\$ 1,079,209,492
Accumulated Depreciation	<u>(319,899,485)</u>
Capital Assets, Net	759,310,007
Investment in Joint Venture	14,871,878
Total Capital Assets Added	<u>\$ 774,181,885</u>

##### Long-Term Debt Transactions

Long-term liabilities and related deferred charges applicable to the County's governmental debt activities are not due and payable in the current period, and

accordingly, are not reported at the fund level. All debt liabilities (both current and long-term) are reported in the statement of net assets.

Unamortized Bond Expenses, Premium, and Discounts	\$ (3,045,858)
Interest Payable on Long-Term Debt (Accrued Liabilities)	(2,060,967)
Current Portion of Long-Term Debt	(35,993,430)
Noncurrent Portion of Long-Term Debt	<u>(246,733,553)</u>
Total Long-Term Debt	<u><u>\$(287,833,808)</u></u>

### Internal Service Funds

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets because they primarily serve governmental activities of the County.

Internal Service Funds Total Current Assets	\$ 36,972,512
Internal Service Funds Total Capital Assets, Net	<u>37,666,091</u>
Internal Service Funds Total Assets	74,638,603
Internal Service Funds Total Current Liabilities	8,910,736
Internal Service Funds Total Noncurrent Liabilities	<u>19,473,363</u>
Internal Service Funds Total Liabilities	28,384,099
Internal Service Funds Net Assets	<u><u>\$ 46,254,504</u></u>

### Other Assets and Liabilities Related to Full Accrual Adjustments

Offsets to full accrual adjustments to the governmental funds:

Compensated Absences Payable	(13,560,245)
Offset to Deferred Revenue for Property Taxes	6,432,519
Interest and Penalties Receivable Property Tax	8,389,603
Allowance for Bad Debts	<u>(410,496)</u>
Total	<u><u>\$ 851,381</u></u>

## **5.B Explanation of Differences Between Governmental Fund Operating Statements and the Statement of Activities**

Details of the differences between these two presentations are as follows:

### Capital Related Items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year. In addition, assets donated or contributed to the County's governmental activities do not provide current financial resource and therefore are not reported as revenues in governmental funds.

Capital Related Expenditures	\$ 73,420,860
Depreciation Expense	(36,197,169)
Subtotal	<u>37,223,691</u>
Contributions and Donations from Private Sources (Capital Donations)	82,827,678
Asset Transfers	(816,681)
Gain/Loss on Capital Assets	(2,556,917)
Equity Adjustment in Joint Venture	(860,511)
Miscellaneous Capital Adjustments	144,555
Subtotal	<u>78,738,124</u>
Increase (Decrease) in Net Assets	<u><u>\$ 115,961,815</u></u>

### Long-Term Debt Transactions

In the statement of activities, debt and capital lease proceeds increase long-term liabilities. However, in the governmental funds, debt proceeds are treated as other financing sources since they provide current financial resources to governmental funds.

Repayments of bond principal and capital lease principal are reported as an expenditure in the governmental funds and thus have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities.

Accrual of interest payments for long-term debt do not require the use of current financial resources, and accordingly, are not reported as expenditures in governmental funds.

Principal Payments on Long Term Debt	\$ 12,670,203
Bond Proceeds	(1,189,015)
Accrued Interest Expense/Bond Costs on Long Term Debt	119,326
Increase (Decrease) in Net Assets	<u><u>\$ 11,600,514</u></u>

### Internal Service Funds Revenues and Expenses

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets because they primarily serve governmental activities of the County.

Internal Service Funds Total Operating Revenues	\$ 80,109,321
Internal Service Funds Total Operating Expenses	(80,538,868)
Internal Service Funds Total Non-operating Revenue/Expenses	2,268,001
Internal Service Funds Net Transfers & Contributions	(1,469,825)
Internal Service Funds Net Income (Loss)	<u><u>\$ 368,629</u></u>

### Other Full Accrual Adjustments

Some revenues and expenses reported in the statement of activities do not represent a change in current financial resources, and therefore, are not reported as revenues and expenditures in the governmental funds.

Adjustments to equity relating to long-term assets and liabilities do not require the use of current financial resources and therefore are not reported as expenditures or revenues in governmental funds.

Reclassify Deferred Revenue	653,549
Penalties and interest on property taxes	8,389,603
Adjust Liability for Compensated Absences	439,321
Bad Debt Expense	9,547
Current portion of other governmental 800 MHz debt	(356,118)
Other full accrual adjustments	(23,818)
Total Increase (Decrease) to Net Assets	<u>\$ 9,112,084</u>

## **Note 6 Other Disclosures**

### **6.A Prior Period Adjustments**

Prior period adjustments were recorded as follows:

- US Department of HUD Grants: In 2007, \$572,027 was added to fund balance from deferred revenue to correct undesignated unreserved fund balance. In previous years, the deferred revenue was over stated by \$572,027. The 2007 correction accurately adjusts the fund balance and the related liability.
- US Department of HUD Grants: \$57,301 was deducted from fund balance to correct duplicate receipts from the prior year.
- Planning and Development Services: \$586,296 was added to fund balance to recognize revenue earned prior to 2007, but recorded as deferred revenue (liability).

### **6.B Change in Accounting Estimate**

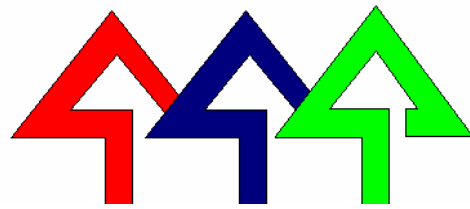
The Solid Waste Fund's expenses include a change in accounting estimate in the amount of \$13,391,435. The change is due to an updated estimate of annual landfill post-closure care costs and an extension of the time required to monitor the closed landfill. (See also Note 4C-Environmental Liabilities – Landfill Post-Closure Care Costs)

### **6.C Extraordinary Item**

An extraordinary item in the amount of \$26,594,994 is reported in the Solid Waste Fund. Improvements made to the Regional Landfill site during the 1990's to prepare it for use as a future landfill were impaired in 2007. In accordance with the requirements of GASB 42, the impaired asset has been permanently devalued.

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## **Combining Fund Statements**



Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007



Special Revenue Funds

	River Management	Extradition Scvs - Pend Ord	Corrections Commissary	Convention & Performing Arts	Crime Victims- Witness	Human Services
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 380,464	\$ 9,833	\$ 266,879	\$ 2,544,777	\$ 535,141	\$ 722,642
Cash and Cash Equivalents, Restricted	-	-	-	-	-	-
Taxes Receivable	12,577	-	-	-	-	53,674
Other Receivables, Net	-	-	1,912	-	-	53,384
Interest Receivable	-	-	-	9,720	1,685	-
Due From Other Governments	248,990	-	-	-	6,334	10,887,889
Notes / Contracts Receivable	-	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 642,031</u>	<u>\$ 9,833</u>	<u>\$ 268,791</u>	<u>\$ 2,554,497</u>	<u>\$ 543,160</u>	<u>\$ 11,717,589</u>
<b>LIABILITIES</b>						
Accounts Payable	60,286	-	36,099	300,759	347	2,727,575
Due To Other Governments	-	-	-	-	-	27,835
Accrued Liabilities	9,663	-	1,942	755	8,924	244,172
Deferred Revenue	12,577	-	26,633	-	-	3,926,379
Custodial Accounts	-	-	88,682	-	-	-
<b>Total Liabilities</b>	<u>82,526</u>	<u>-</u>	<u>153,356</u>	<u>301,514</u>	<u>9,271</u>	<u>6,925,961</u>
<b>FUND BALANCES</b>						
<b>Reserved For</b>						
Debt Service	-	-	-	-	-	-
<b>Total Reserved</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Unreserved Equity</b>						
Special Revenue Funds	559,505	9,833	115,435	2,252,983	533,889	4,791,628
Capital Projects Funds	-	-	-	-	-	-
<b>Total Unreserved Equity</b>	<u>559,505</u>	<u>9,833</u>	<u>115,435</u>	<u>2,252,983</u>	<u>533,889</u>	<u>4,791,628</u>
<b>Total Fund Balances</b>	<u>559,505</u>	<u>9,833</u>	<u>115,435</u>	<u>2,252,983</u>	<u>533,889</u>	<u>4,791,628</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 642,031</u>	<u>\$ 9,833</u>	<u>\$ 268,791</u>	<u>\$ 2,554,497</u>	<u>\$ 543,160</u>	<u>\$ 11,717,589</u>

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

Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007

Special Revenue Funds

	Grant Control	Sheriff-Search & Rescue Helicopter	Sheriff Drug Buy	Arson Investigation & Equipment	Tax Refund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ (102,153)	\$ 96,265	\$ 1,679,363	\$ 2,648	\$ 312,836
Cash and Cash Equivalents, Restricted	-	-	1,150	-	-
Taxes Receivable	-	-	-	-	28
Other Receivables, Net	1,305,591	4,159	121	-	-
Interest Receivable	-	-	9,124	-	-
Due From Other Governments	2,442,890	4,388	160,000	-	-
Notes / Contracts Receivable	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 3,646,328</u>	<u>\$ 104,812</u>	<u>\$ 1,849,758</u>	<u>\$ 2,648</u>	<u>\$ 312,864</u>
<b>LIABILITIES</b>					
Accounts Payable	377,336	-	769,727	-	-
Due To Other Governments	-	-	300,911	-	-
Accrued Liabilities	107,614	-	82,655	-	-
Deferred Revenue	130,751	-	-	-	28
Custodial Accounts	-	-	-	-	-
<b>Total Liabilities</b>	<u>615,701</u>	<u>-</u>	<u>1,153,293</u>	<u>-</u>	<u>28</u>
<b>FUND BALANCES</b>					
<b>Reserved For</b>					
Debt Service	-	-	-	-	-
<b>Total Reserved</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Unreserved Equity</b>					
Special Revenue Funds	3,030,627	104,812	696,465	2,648	312,836
Capital Projects Funds	-	-	-	-	-
<b>Total Unreserved Equity</b>	<u>3,030,627</u>	<u>104,812</u>	<u>696,465</u>	<u>2,648</u>	<u>312,836</u>
<b>Total Fund Balances</b>	<u>3,030,627</u>	<u>104,812</u>	<u>696,465</u>	<u>2,648</u>	<u>312,836</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 3,646,328</u>	<u>\$ 104,812</u>	<u>\$ 1,849,758</u>	<u>\$ 2,648</u>	<u>\$ 312,864</u>

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

Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007

Special Revenue Funds

	US Department of HUD Grant	Housing Trust	Emergency Services Communications System	Evergreen Fairground Cumulative Reserve	Conservation Futures Tax
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ (1,013,217)	\$ 2,763,343	\$ 5,166,492	\$ 1,545,913	\$ 8,671,294
Cash and Cash Equivalents, Restricted	-	-	-	-	-
Taxes Receivable	-	-	-	-	119,560
Other Receivables, Net	-	-	-	-	-
Interest Receivable	2,650	9,733	17,900	3,347	30,821
Due From Other Governments	1,315,794	-	-	-	-
Notes / Contracts Receivable	6,533,058	1,007,292	-	-	-
<b>Total Assets</b>	<u>\$ 6,838,285</u>	<u>\$ 3,780,368</u>	<u>\$ 5,184,392</u>	<u>\$ 1,549,260</u>	<u>\$ 8,821,675</u>
<b>LIABILITIES</b>					
Accounts Payable	1,875	-	1,137,271	19,377	-
Due To Other Governments	4,689,438	-	-	-	-
Accrued Liabilities	-	-	4,593	-	6,409
Deferred Revenue	1,849,500	777,492	-	-	119,560
Custodial Accounts	-	-	-	-	-
<b>Total Liabilities</b>	<u>6,540,813</u>	<u>777,492</u>	<u>1,141,864</u>	<u>19,377</u>	<u>125,969</u>
<b>FUND BALANCES</b>					
<b>Reserved For</b>					
Debt Service	-	-	-	-	-
<b>Total Reserved</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Unreserved Equity</b>					
Special Revenue Funds	297,472	3,002,876	4,042,528	1,529,883	8,695,706
Capital Projects Funds	-	-	-	-	-
<b>Total Unreserved Equity</b>	<u>297,472</u>	<u>3,002,876</u>	<u>4,042,528</u>	<u>1,529,883</u>	<u>8,695,706</u>
<b>Total Fund Balances</b>	<u>297,472</u>	<u>3,002,876</u>	<u>4,042,528</u>	<u>1,529,883</u>	<u>8,695,706</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 6,838,285</u>	<u>\$ 3,780,368</u>	<u>\$ 5,184,392</u>	<u>\$ 1,549,260</u>	<u>\$ 8,821,675</u>

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

Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007

	Special Revenue Funds				
	Auditor's Operation & Maintenance	Public Works Facility Construction	Elections Equipment Cumulative Reserve	Snohomish County Tomorrow Cumulative Reserve	Real Estate Excise Tax
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 1,016,658	\$ 7,171,422	\$ 563,975	\$ 47,917	\$ 7,009,473
Cash and Cash Equivalents, Restricted	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Other Receivables, Net	-	-	179,622	-	-
Interest Receivable	2,885	15,445	1,975	181	49,178
Due From Other Governments	-	-	-	-	-
Notes / Contracts Receivable	-	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 1,019,543</u></b>	<b><u>\$ 7,186,867</u></b>	<b><u>\$ 745,572</u></b>	<b><u>\$ 48,098</u></b>	<b><u>\$ 7,058,651</u></b>
<b>LIABILITIES</b>					
Accounts Payable	24,173	2,858,397	27,318	278	-
Due To Other Governments	-	-	-	-	-
Accrued Liabilities	4,071	-	-	2,923	-
Deferred Revenue	-	-	10,000	-	-
Custodial Accounts	-	-	-	-	-
<b>Total Liabilities</b>	<b><u>28,244</u></b>	<b><u>2,858,397</u></b>	<b><u>37,318</u></b>	<b><u>3,201</u></b>	<b><u>-</u></b>
<b>FUND BALANCES</b>					
<b>Reserved For</b>					
Debt Service	-	-	-	-	-
<b>Total Reserved</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Unreserved Equity</b>					
Special Revenue Funds	991,299	4,328,470	708,254	44,897	7,058,651
Capital Projects Funds	-	-	-	-	-
<b>Total Unreserved Equity</b>	<b><u>991,299</u></b>	<b><u>4,328,470</u></b>	<b><u>708,254</u></b>	<b><u>44,897</u></b>	<b><u>7,058,651</u></b>
<b>Total Fund Balances</b>	<b>991,299</b>	<b>4,328,470</b>	<b>708,254</b>	<b>44,897</b>	<b>7,058,651</b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 1,019,543</u></b>	<b><u>\$ 7,186,867</u></b>	<b><u>\$ 745,572</u></b>	<b><u>\$ 48,098</u></b>	<b><u>\$ 7,058,651</u></b>

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

Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007

Special Revenue Funds

	Transportation Mitigation	Boating Safety	Antiprofitteering Revolving	Parks Mitigation	Fair Sponsorships & Donations
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 27,656,665	\$ 259,609	\$ 75,834	\$ 4,380,855	\$ 52,445
Cash and Cash Equivalents, Restricted	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Other Receivables, Net	35,386	-	-	-	-
Interest Receivable	98,889	886	243	10,433	-
Due From Other Governments	-	6,626	-	-	-
Notes / Contracts Receivable	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 27,790,940</u>	<u>\$ 267,121</u>	<u>\$ 76,077</u>	<u>\$ 4,391,288</u>	<u>\$ 52,445</u>
<b>LIABILITIES</b>					
Accounts Payable	-	117,613	-	-	440
Due To Other Governments	239,171	-	-	-	-
Accrued Liabilities	-	-	-	-	379
Deferred Revenue	-	-	-	-	-
Custodial Accounts	-	-	-	-	-
<b>Total Liabilities</b>	<u>239,171</u>	<u>117,613</u>	<u>-</u>	<u>-</u>	<u>819</u>
<b>FUND BALANCES</b>					
<b>Reserved For</b>					
Debt Service	-	-	-	-	-
<b>Total Reserved</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Unreserved Equity</b>					
Special Revenue Funds	27,551,769	149,508	76,077	4,391,288	51,626
Capital Projects Funds	-	-	-	-	-
<b>Total Unreserved Equity</b>	<u>27,551,769</u>	<u>149,508</u>	<u>76,077</u>	<u>4,391,288</u>	<u>51,626</u>
<b>Total Fund Balances</b>	<u>27,551,769</u>	<u>149,508</u>	<u>76,077</u>	<u>4,391,288</u>	<u>51,626</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 27,790,940</u>	<u>\$ 267,121</u>	<u>\$ 76,077</u>	<u>\$ 4,391,288</u>	<u>\$ 52,445</u>

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

Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007

Special Revenue Funds

	Sno Co Arts Commission	Sno Co Road Improvement Guaranty	Treasurer's Operation & Maintenance	Total Special Revenue Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 218,616	\$ -	\$ 351,212	\$ 72,387,201
Cash and Cash Equivalents, Restricted	-	163,350	-	164,500
Taxes Receivable	-	-	-	185,839
Other Receivables, Net	-	-	58,564	1,638,739
Interest Receivable	-	-	-	265,095
Due From Other Governments	-	-	-	15,072,911
Notes / Contracts Receivable	-	-	-	7,540,350
<b>Total Assets</b>	<u>\$ 218,616</u>	<u>\$ 163,350</u>	<u>\$ 409,776</u>	<u>\$ 97,254,635</u>
<b>LIABILITIES</b>				
Accounts Payable	1,500	-	87	8,460,458
Due To Other Governments	-	-	-	5,257,355
Accrued Liabilities	-	-	-	474,100
Deferred Revenue	-	-	58,564	6,911,484
Custodial Accounts	-	-	-	88,682
<b>Total Liabilities</b>	<u>1,500</u>	<u>-</u>	<u>58,651</u>	<u>21,192,079</u>
<b>FUND BALANCES</b>				
<b>Reserved For</b>				
Debt Service	-	163,350	-	163,350
<b>Total Reserved</b>	<u>-</u>	<u>163,350</u>	<u>-</u>	<u>163,350</u>
<b>Unreserved Equity</b>				
Special Revenue Funds	217,116	-	351,125	75,899,206
Capital Projects Funds	-	-	-	-
<b>Total Unreserved Equity</b>	<u>217,116</u>	<u>-</u>	<u>351,125</u>	<u>75,899,206</u>
<b>Total Fund Balances</b>	<u>217,116</u>	<u>163,350</u>	<u>351,125</u>	<u>76,062,556</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 218,616</u>	<u>\$ 163,350</u>	<u>\$ 409,776</u>	<u>\$ 97,254,635</u>

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



Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007

Debt Service Funds

	Road Improvement Dist 13 Long Term Debt	Road Improvement Dist 11A Assessment	Limited Tax Debt Service	Road Improvement Dist 24A	Road Improvement Dist 30	Total Debt Service Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash and Cash Equivalents, Restricted	533	3,175	13,374,981	19,755	36,387	13,434,831
Taxes Receivable	-	-	11,478	-	-	11,478
Other Receivables, Net	-	-	19,031	1,156,865	15,494	1,191,390
Interest Receivable	-	-	13,505	65	127	13,697
Due From Other Governments	-	-	169,926	-	-	169,926
Notes / Contracts Receivable	-	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 533</u>	<u>\$ 3,175</u>	<u>\$ 13,588,921</u>	<u>\$ 1,176,685</u>	<u>\$ 52,008</u>	<u>\$ 14,821,322</u>
<b>LIABILITIES</b>						
Accounts Payable	-	-	6,274	344	-	6,618
Due To Other Governments	-	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-	-
Deferred Revenue	-	-	11,478	1,156,865	15,494	1,183,837
Custodial Accounts	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>17,752</u>	<u>1,157,209</u>	<u>15,494</u>	<u>1,190,455</u>
<b>FUND BALANCES</b>						
<b>Reserved For</b>						
Debt Service	533	3,175	13,571,169	19,476	36,514	13,630,867
<b>Total Reserved</b>	<u>533</u>	<u>3,175</u>	<u>13,571,169</u>	<u>19,476</u>	<u>36,514</u>	<u>13,630,867</u>
<b>Unreserved Equity</b>						
Special Revenue Funds	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-
<b>Total Unreserved Equity</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Fund Balances</b>	<u>533</u>	<u>3,175</u>	<u>13,571,169</u>	<u>19,476</u>	<u>36,514</u>	<u>13,630,867</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 533</u>	<u>\$ 3,175</u>	<u>\$ 13,588,921</u>	<u>\$ 1,176,685</u>	<u>\$ 52,008</u>	<u>\$ 14,821,322</u>

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

Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007



Capital Projects Funds

	Capital Projects	Parks Construction	Facility Construction	Data Processing Capital	Facilities Improvements
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 3,119,474	\$ 24,322,603	\$ 2,712,092	\$ 8,059,132	\$ 281,951
Cash and Cash Equivalents, Restricted	987,605	-	5,575	-	1,242
Taxes Receivable	-	-	115	-	-
Other Receivables, Net	-	-	-	-	-
Interest Receivable	3,877	4,736	8,808	23,226	-
Due From Other Governments	1,929	68,853	-	-	-
Notes / Contracts Receivable	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 4,112,885</b>	<b>\$ 24,396,192</b>	<b>\$ 2,726,590</b>	<b>\$ 8,082,358</b>	<b>\$ 283,193</b>
<b>LIABILITIES</b>					
Accounts Payable	1,021,287	275,460	295,074	175,215	1,242
Due To Other Governments	-	-	-	-	-
Accrued Liabilities	2,457	14,549	-	13,887	-
Deferred Revenue	1,054,791	-	115	-	-
Custodial Accounts	-	-	-	-	-
<b>Total Liabilities</b>	<b>2,078,535</b>	<b>290,009</b>	<b>295,189</b>	<b>189,102</b>	<b>1,242</b>
<b>FUND BALANCES</b>					
<b>Reserved For</b>					
Debt Service	-	-	-	-	-
<b>Total Reserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unreserved Equity</b>					
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	2,034,350	24,106,183	2,431,401	7,893,256	281,951
<b>Total Unreserved Equity</b>	<b>2,034,350</b>	<b>24,106,183</b>	<b>2,431,401</b>	<b>7,893,256</b>	<b>281,951</b>
<b>Total Fund Balances</b>	<b>2,034,350</b>	<b>24,106,183</b>	<b>2,431,401</b>	<b>7,893,256</b>	<b>281,951</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,112,885</b>	<b>\$ 24,396,192</b>	<b>\$ 2,726,590</b>	<b>\$ 8,082,358</b>	<b>\$ 283,193</b>

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

Snohomish County, WA  
Combining Balance Sheet  
Other Governmental Funds  
As of December 31, 2007

Capital Projects Funds

	<u>Total Capital Projects Funds</u>	<u>Total Other Governmental Funds</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 38,495,252	\$ 110,882,453
Cash and Cash Equivalents, Restricted	994,422	14,593,753
Taxes Receivable	115	197,432
Other Receivables, Net	-	2,830,129
Interest Receivable	40,647	319,439
Due From Other Governments	70,782	15,313,619
Notes / Contracts Receivable	-	7,540,350
<b>Total Assets</b>	<u>\$ 39,601,218</u>	<u>\$ 151,677,175</u>
<b>LIABILITIES</b>		
Accounts Payable	1,768,278	10,235,354
Due To Other Governments	-	5,257,355
Accrued Liabilities	30,893	504,993
Deferred Revenue	1,054,906	9,150,227
Custodial Accounts	-	88,682
<b>Total Liabilities</b>	<u>2,854,077</u>	<u>25,236,611</u>
<b>FUND BALANCES</b>		
<b>Reserved For</b>		
Debt Service	-	13,794,217
<b>Total Reserved</b>	-	13,794,217
<b>Unreserved Equity</b>		
Special Revenue Funds	-	75,899,206
Capital Projects Funds	36,747,141	36,747,141
<b>Total Unreserved Equity</b>	<u>36,747,141</u>	<u>112,646,347</u>
<b>Total Fund Balances</b>	36,747,141	126,440,564
<b>Total Liabilities and Fund Balances</b>	<u>\$ 39,601,218</u>	<u>\$ 151,677,175</u>

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

Snohomish County, WA  
Combining Statement of Revenues,  
Expenditures, and Changes in Fund Balance  
Other Governmental Funds  
For the Year Ended December 31, 2007

Special Revenue Funds

	River Management	Extradition Svcs - Pend Ord	Corrections Commissary	Convention & Performing Arts	Crime Victims- Witness	Human Services
<b>Detailed Revenues</b>						
Property Taxes	\$ 322,362	\$ -	\$ -	\$ -	\$ -	\$ 1,392,318
Sales/Use Taxes	-	-	-	-	-	-
Other Taxes	3,088	-	-	2,187,066	-	13,339
Charges for Services	85,549	-	815,881	-	437,647	1,400,587
Intergovernmental Revenues	766,973	-	-	-	14,533	42,181,576
Fines and Forfeitures	-	-	-	-	1,357	113,336
Interest and Investment Earnings	2,336	-	-	103,087	25,559	13,706
Rents, Leases, and Concessions	-	-	-	-	-	-
Private Contributions & Donations	-	-	-	-	-	187,017
Miscellaneous Revenues	-	-	-	-	-	8,625
<b>Total Detail Revenues</b>	<b>1,180,308</b>	<b>-</b>	<b>815,881</b>	<b>2,290,153</b>	<b>479,096</b>	<b>45,310,504</b>
<b>Detailed Expenditures</b>						
<i>Current</i>						
General Government	-	-	-	-	540,587	-
Judicial	-	-	-	-	-	-
Public Safety	-	-	637,012	-	-	178,307
Physical Environment	1,940,716	-	-	-	-	-
Transportation	-	-	-	-	-	110,000
Health & Human Services	-	-	-	-	-	37,103,467
Economic Environment	-	-	-	1,286,553	-	10,162,567
Culture & Recreation	-	-	-	-	-	740,531
<i>Debt Service</i>						
Principal Payments	-	-	-	-	-	108,333
Interest	-	-	-	-	-	-
<b>Total Detail Expenditures</b>	<b>1,940,716</b>	<b>-</b>	<b>637,012</b>	<b>1,286,553</b>	<b>540,587</b>	<b>48,403,205</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(760,408)</b>	<b>-</b>	<b>178,869</b>	<b>1,003,600</b>	<b>(61,491)</b>	<b>(3,092,701)</b>
<b>Other Financial Sources (Uses)</b>						
Transfers In	810,568	-	-	-	37,824	3,705,981
Transfers Out	(74,183)	-	-	(313,309)	-	-
<b>Total Other Financial Sources (Uses)</b>	<b>736,385</b>	<b>-</b>	<b>-</b>	<b>(313,309)</b>	<b>37,824</b>	<b>3,705,981</b>
<b>Net Change in Fund Equity</b>	<b>(24,023)</b>	<b>-</b>	<b>178,869</b>	<b>690,291</b>	<b>(23,667)</b>	<b>613,280</b>
<b>Fund Balance - Beginning</b>	<b>583,528</b>	<b>9,833</b>	<b>(63,434)</b>	<b>1,562,692</b>	<b>557,556</b>	<b>4,178,348</b>
Prior Period Adjustments	-	-	-	-	-	-
<b>Fund Balance - Ending</b>	<b>559,505</b>	<b>9,833</b>	<b>115,435</b>	<b>2,252,983</b>	<b>533,889</b>	<b>4,791,628</b>

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

Snohomish County, WA  
Combining Statement of Revenues,  
Expenditures, and Changes in Fund Balance  
Other Governmental Funds  
For the Year Ended December 31, 2007

Special Revenue Funds

	Grant Control	Sheriff-Search & Rescue Helicopter	Sheriff Drug Buy	Arson Investigation & Equipment	Tax Refund	US Department of HUD Grants
<b>Detailed Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 9	\$ -
Sales/Use Taxes	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-
Charges for Services	-	-	61,446	167	-	-
Intergovernmental Revenues	12,592,186	-	169,130	-	-	44,331
Fines and Forfeitures	-	-	340,700	-	-	-
Interest and Investment Earnings	1,074	1,231	102,683	-	-	-
Rents, Leases, and Concessions	-	-	-	-	-	-
Private Contributions & Donations	-	500	-	-	-	-
Miscellaneous Revenues	9,930	15,138	1,598,206	-	-	-
<b>Total Detail Revenues</b>	<b>12,603,190</b>	<b>16,869</b>	<b>2,272,165</b>	<b>167</b>	<b>9</b>	<b>44,331</b>
<b>Detailed Expenditures</b>						
<i>Current</i>						
General Government	3,020,263	-	-	-	-	-
Judicial	7,283	-	-	-	-	-
Public Safety	9,027,455	273,592	2,717,680	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	55,782	-	-	-	-	-
Health & Human Services	-	-	-	-	-	-
Economic Environment	159,642	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
<i>Debt Service</i>						
Principal Payments	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Detail Expenditures</b>	<b>12,270,425</b>	<b>273,592</b>	<b>2,717,680</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>332,765</b>	<b>(256,723)</b>	<b>(445,515)</b>	<b>167</b>	<b>9</b>	<b>44,331</b>
<b>Other Financial Sources (Uses)</b>						
Transfers In	163,321	190,000	-	-	-	-
Transfers Out	(313,628)	-	(72,928)	-	-	-
<b>Total Other Financial Sources (Uses)</b>	<b>(150,307)</b>	<b>190,000</b>	<b>(72,928)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Equity</b>	<b>182,458</b>	<b>(66,723)</b>	<b>(518,443)</b>	<b>167</b>	<b>9</b>	<b>44,331</b>
<b>Fund Balance - Beginning</b>	<b>2,848,169</b>	<b>171,535</b>	<b>1,214,908</b>	<b>2,481</b>	<b>312,827</b>	<b>(261,585)</b>
Prior Period Adjustments	-	-	-	-	-	514,726
<b>Fund Balance - Ending</b>	<b>3,030,627</b>	<b>104,812</b>	<b>696,465</b>	<b>2,648</b>	<b>312,836</b>	<b>297,472</b>

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

**Snohomish County, WA**  
**Combining Statement of Revenues,**  
**Expenditures, and Changes in Fund Balance**  
**Other Governmental Funds**  
**For the Year Ended December 31, 2007**



**Special Revenue Funds**

	Housing Trust	Emergency Services Communication System	Evergreen Fairground Cumulative Reserve	Conservation Futures Tax	Auditor's Operation & Maintenance	Public Works Facility Construction
<b>Detailed Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ 3,071,671	\$ -	\$ -
Sales/Use Taxes	-	-	-	-	-	-
Other Taxes	-	4,894,300	-	29,506	-	-
Charges for Services	-	-	-	-	531,278	-
Intergovernmental Revenues	-	-	-	48,369	286,442	-
Fines and Forfeitures	-	-	-	-	-	-
Interest and Investment Earnings	131,409	178,918	37,246	523,837	35,545	765,066
Rents, Leases, and Concessions	-	-	117,842	-	-	-
Private Contributions & Donations	-	-	-	-	-	-
Miscellaneous Revenues	-	435,781	2,621	-	-	5,336,400
<b>Total Detail Revenues</b>	<b>131,409</b>	<b>5,508,999</b>	<b>157,709</b>	<b>3,673,383</b>	<b>853,265</b>	<b>6,101,466</b>
<b>Detailed Expenditures</b>						
<i>Current</i>						
General Government	-	-	-	-	676,573	-
Judicial	-	-	-	-	-	-
Public Safety	-	3,783,874	-	-	-	-
Physical Environment	-	-	-	1,632,054	-	-
Transportation	-	-	-	-	-	27,747,011
Health & Human Services	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Culture & Recreation	-	-	392,817	-	-	-
<i>Debt Service</i>						
Principal Payments	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Detail Expenditures</b>	<b>-</b>	<b>3,783,874</b>	<b>392,817</b>	<b>1,632,054</b>	<b>676,573</b>	<b>27,747,011</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>131,409</b>	<b>1,725,125</b>	<b>(235,108)</b>	<b>2,041,329</b>	<b>176,692</b>	<b>(21,645,545)</b>
<b>Other Financial Sources (Uses)</b>						
Transfers In	-	-	981,518	-	-	4,657,700
Transfers Out	-	-	(34,397)	(2,137,392)	-	(186,160)
<b>Total Other Financial Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>947,121</b>	<b>(2,137,392)</b>	<b>-</b>	<b>4,471,540</b>
<b>Net Change in Fund Equity</b>	<b>131,409</b>	<b>1,725,125</b>	<b>712,013</b>	<b>(96,063)</b>	<b>176,692</b>	<b>(17,174,005)</b>
<b>Fund Balance - Beginning</b>	<b>2,871,467</b>	<b>2,317,403</b>	<b>817,870</b>	<b>8,791,769</b>	<b>814,607</b>	<b>21,502,475</b>
Prior Period Adjustments	-	-	-	-	-	-
<b>Fund Balance - Ending</b>	<b>3,002,876</b>	<b>4,042,528</b>	<b>1,529,883</b>	<b>8,695,706</b>	<b>991,299</b>	<b>4,328,470</b>

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

**Snohomish County, WA**  
**Combining Statement of Revenues,**  
**Expenditures, and Changes in Fund Balance**  
**Other Governmental Funds**  
**For the Year Ended December 31, 2007**

**Special Revenue Funds**

	<b>Elections Equipment Cumulative Reserve</b>	<b>Snohomish County Tomorrow Cumulative Reserve</b>	<b>Real Estate Excise Tax</b>	<b>Transportation Mitigation</b>	<b>Boating Safety</b>	<b>Antiprofitereing Revolving</b>
<b>Detailed Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales/Use Taxes	-	-	-	-	-	-
Other Taxes	-	-	21,099,233	-	-	-
Charges for Services	266,061	-	-	7,426,565	-	-
Intergovernmental Revenues	126,897	82,736	-	994,702	101,085	-
Fines and Forfeitures	-	-	-	-	-	-
Interest and Investment Earnings	31,918	2,286	1,087,138	1,539,332	11,534	3,186
Rents, Leases, and Concessions	-	-	-	-	-	-
Private Contributions & Donations	-	-	-	-	-	-
Miscellaneous Revenues	-	20	-	-	7,933	-
<b>Total Detail Revenues</b>	<b>424,876</b>	<b>85,042</b>	<b>22,186,371</b>	<b>9,960,599</b>	<b>120,552</b>	<b>3,186</b>
<b>Detailed Expenditures</b>						
<i>Current</i>						
General Government	215,511	-	-	-	-	-
Judicial	-	-	-	-	-	-
Public Safety	-	-	-	-	106,295	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	33,383	-	-
Health & Human Services	-	-	-	-	-	-
Economic Environment	-	142,719	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
<i>Debt Service</i>						
Principal Payments	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Detail Expenditures</b>	<b>215,511</b>	<b>142,719</b>	<b>-</b>	<b>33,383</b>	<b>106,295</b>	<b>-</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>209,365</b>	<b>(57,677)</b>	<b>22,186,371</b>	<b>9,927,216</b>	<b>14,257</b>	<b>3,186</b>
<b>Other Financial Sources (Uses)</b>						
Transfers In	-	50,190	-	-	-	-
Transfers Out	(278,699)	-	(31,399,668)	(5,036,359)	-	-
<b>Total Other Financial Sources (Uses)</b>	<b>(278,699)</b>	<b>50,190</b>	<b>(31,399,668)</b>	<b>(5,036,359)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Equity</b>	<b>(69,334)</b>	<b>(7,487)</b>	<b>(9,213,297)</b>	<b>4,890,857</b>	<b>14,257</b>	<b>3,186</b>
<b>Fund Balance - Beginning</b>	<b>777,588</b>	<b>52,384</b>	<b>16,271,948</b>	<b>22,660,912</b>	<b>135,251</b>	<b>72,891</b>
Prior Period Adjustments	-	-	-	-	-	-
<b>Fund Balance - Ending</b>	<b>708,254</b>	<b>44,897</b>	<b>7,058,651</b>	<b>27,551,769</b>	<b>149,508</b>	<b>76,077</b>

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

Snohomish County, WA  
Combining Statement of Revenues,  
Expenditures, and Changes in Fund Balance  
Other Governmental Funds  
For the Year Ended December 31, 2007

Special Revenue Funds

	Parks Mitigation	Fair Sponsorship & Donations	Sno Co Arts Commission	Sno Co Road Improvement Guaranty	Treasurer's Operation & Maintenance	Total Special Revenue Funds
<b>Detailed Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,786,360
Sales/Use Taxes	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	28,226,532
Charges for Services	2,347,932	-	-	-	285	13,373,398
Intergovernmental Revenues	-	-	-	-	77,883	57,486,843
Fines and Forfeitures	-	-	-	-	-	455,393
Interest and Investment Earnings	183,270	-	-	6,185	18,938	4,805,484
Rents, Leases, and Concessions	-	-	-	-	-	117,842
Private Contributions & Donations	-	344,632	2,808	-	-	534,957
Miscellaneous Revenues	-	19,015	-	-	-	7,433,669
<b>Total Detail Revenues</b>	<b>2,531,202</b>	<b>363,647</b>	<b>2,808</b>	<b>6,185</b>	<b>97,106</b>	<b>117,220,478</b>
<b>Detailed Expenditures</b>						
<i>Current</i>						
General Government	-	-	-	-	32,922	4,485,856
Judicial	-	-	-	-	-	7,283
Public Safety	-	-	-	-	-	16,724,215
Physical Environment	-	-	-	-	-	3,572,770
Transportation	-	-	-	-	-	27,946,176
Health & Human Services	-	-	-	-	-	37,103,467
Economic Environment	-	-	-	-	-	11,751,481
Culture & Recreation	60,166	350,123	11,098	-	-	1,554,735
<i>Debt Service</i>						
Principal Payments	-	-	-	-	-	108,333
Interest	-	-	-	-	-	-
<b>Total Detail Expenditures</b>	<b>60,166</b>	<b>350,123</b>	<b>11,098</b>	<b>-</b>	<b>32,922</b>	<b>103,254,316</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,471,036</b>	<b>13,524</b>	<b>(8,290)</b>	<b>6,185</b>	<b>64,184</b>	<b>13,966,162</b>
<b>Other Financial Sources (Uses)</b>						
Transfers In	-	-	225,406	-	-	10,822,508
Transfers Out	(2,800,420)	-	-	-	(175,000)	(42,822,143)
<b>Total Other Financial Sources (Uses)</b>	<b>(2,800,420)</b>	<b>-</b>	<b>225,406</b>	<b>-</b>	<b>(175,000)</b>	<b>(31,999,635)</b>
<b>Net Change in Fund Equity</b>	<b>(329,384)</b>	<b>13,524</b>	<b>217,116</b>	<b>6,185</b>	<b>(110,816)</b>	<b>(18,033,473)</b>
<b>Fund Balance - Beginning</b>	<b>4,720,672</b>	<b>38,102</b>	<b>-</b>	<b>157,165</b>	<b>461,941</b>	<b>93,581,303</b>
Prior Period Adjustments	-	-	-	-	-	514,726
<b>Fund Balance - Ending</b>	<b>4,391,288</b>	<b>51,626</b>	<b>217,116</b>	<b>163,350</b>	<b>351,125</b>	<b>76,062,556</b>

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



Snohomish County, WA  
Combining Statement of Revenues,  
Expenditures, and Changes in Fund Balance  
Other Governmental Funds  
For the Year Ended December 31, 2007

Debt Service Funds

	Road Improvement Dist 13 Long Term Debt	Road Improvement Dist 11A Assessment	Limited Tax Debt Service	Road Improvement Dist 24A	Road Improvement Dist 30	Total Debt Service Funds
<b>Detailed Revenues</b>						
Property Taxes	\$ -	\$ -	\$ 1,858	\$ -	\$ -	\$ 1,858
Sales/Use Taxes	-	-	-	-	-	-
Other Taxes	-	-	-	82,308	1,109	83,417
Charges for Services	-	-	-	-	-	-
Intergovernmental Revenues	-	-	772,488	-	-	772,488
Fines and Forfeitures	-	-	-	-	-	-
Interest and Investment Earnings	-	-	789,817	5,405	1,364	796,586
Rents, Leases, and Concessions	-	-	3,677,146	-	-	3,677,146
Private Contributions & Donations	-	-	-	-	-	-
Miscellaneous Revenues	-	-	19,030	123,606	5,485	148,121
<b>Total Detail Revenues</b>	-	-	5,260,339	211,319	7,958	5,479,616
<b>Detailed Expenditures</b>						
<i>Current</i>						
General Government	-	-	-	-	-	-
Judicial	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Health & Human Services	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
<i>Debt Service</i>						
Principal Payments	-	-	11,908,971	165,000	-	12,073,971
Interest	-	-	13,581,965	73,900	-	13,655,865
<b>Total Detail Expenditures</b>	-	-	25,490,936	238,900	-	25,729,836
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	-	(20,230,597)	(27,581)	7,958	(20,250,220)
<b>Other Financial Sources (Uses)</b>						
Transfers In	-	-	20,265,982	-	-	20,265,982
Transfers Out	-	-	(1,375,000)	-	-	(1,375,000)
<b>Total Other Financial Sources (Uses)</b>	-	-	18,890,982	-	-	18,890,982
<b>Net Change in Fund Equity</b>	-	-	(1,339,615)	(27,581)	7,958	(1,359,238)
<b>Fund Balance - Beginning</b>	533	3,175	14,910,784	47,057	28,556	14,990,105
Prior Period Adjustments	-	-	-	-	-	-
<b>Fund Balance - Ending</b>	<u>533</u>	<u>3,175</u>	<u>13,571,169</u>	<u>19,476</u>	<u>36,514</u>	<u>13,630,867</u>

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

**Snohomish County, WA**  
**Combining Statement of Revenues,**  
**Expenditures, and Changes in Fund Balance**  
**Other Governmental Funds**  
**For the Year Ended December 31, 2007**



**Capital Projects Funds**

	<b>Capital Projects</b>	<b>Parks Construction</b>	<b>Facility Construction</b>	<b>Data Processing Capital</b>	<b>Facilities Improvement</b>
<b>Detailed Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales/Use Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Charges for Services	-	-	-	-	-
Intergovernmental Revenues	261,246	121,608	109,078	-	-
Fines and Forfeitures	-	-	-	-	-
Interest and Investment Earnings	31,850	129,027	177,596	320,519	-
Rents, Leases, and Concessions	-	-	-	-	184,602
Private Contributions & Donations	-	-	-	-	-
Miscellaneous Revenues	3	106,871	-	-	-
<b>Total Detail Revenues</b>	<b>293,099</b>	<b>357,506</b>	<b>286,674</b>	<b>320,519</b>	<b>184,602</b>
<b>Detailed Expenditures</b>					
<i>Current</i>					
General Government	229,888	-	1,676,613	3,150,814	29,629
Judicial	275,322	-	-	-	-
Public Safety	-	-	815,030	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Health & Human Services	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture & Recreation	-	7,033,997	-	-	-
<i>Debt Service</i>					
Principal Payments	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total Detail Expenditures</b>	<b>505,210</b>	<b>7,033,997</b>	<b>2,491,643</b>	<b>3,150,814</b>	<b>29,629</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(212,111)</b>	<b>(6,676,491)</b>	<b>(2,204,969)</b>	<b>(2,830,295)</b>	<b>154,973</b>
<b>Other Financial Sources (Uses)</b>					
Transfers In	58,695	7,047,491	415,962	3,839,520	-
Transfers Out	(1,660,709)	(1,189,608)	-	-	-
<b>Total Other Financial Sources (Uses)</b>	<b>(1,602,014)</b>	<b>5,857,883</b>	<b>415,962</b>	<b>3,839,520</b>	<b>-</b>
<b>Net Change in Fund Equity</b>	<b>(1,814,125)</b>	<b>(818,608)</b>	<b>(1,789,007)</b>	<b>1,009,225</b>	<b>154,973</b>
<b>Fund Balance - Beginning</b>	<b>3,848,475</b>	<b>24,924,791</b>	<b>4,220,408</b>	<b>6,884,031</b>	<b>126,978</b>
Prior Period Adjustments	-	-	-	-	-
<b>Fund Balance - Ending</b>	<b>2,034,350</b>	<b>24,106,183</b>	<b>2,431,401</b>	<b>7,893,256</b>	<b>281,951</b>

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

**Snohomish County, WA**  
**Combining Statement of Revenues,**  
**Expenditures, and Changes in Fund Balance**  
**Other Governmental Funds**  
**For the Year Ended December 31, 2007**

Capital Projects Funds

	<u>Total Capital Projects Funds</u>	<u>Total Other Governmental Funds</u>
<b>Detailed Revenues</b>		
Property Taxes	\$ -	\$ 4,788,218
Sales/Use Taxes	-	-
Other Taxes	-	28,309,949
Charges for Services	-	13,373,398
Intergovernmental Revenues	491,932	58,751,263
Fines and Forfeitures	-	455,393
Interest and Investment Earnings	658,992	6,261,062
Rents, Leases, and Concessions	184,602	3,979,590
Private Contributions & Donations	-	534,957
Miscellaneous Revenues	106,874	7,688,664
<b>Total Detail Revenues</b>	<u>1,442,400</u>	<u>124,142,494</u>
<b>Detailed Expenditures</b>		
<i>Current</i>		
General Government	5,086,944	9,572,800
Judicial	275,322	282,605
Public Safety	815,030	17,539,245
Physical Environment	-	3,572,770
Transportation	-	27,946,176
Health & Human Services	-	37,103,467
Economic Environment	-	11,751,481
Culture & Recreation	7,033,997	8,588,732
<i>Debt Service</i>		
Principal Payments	-	12,182,304
Interest	-	13,655,865
<b>Total Detail Expenditures</b>	<u>13,211,293</u>	<u>142,195,445</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(11,768,893)	(18,052,951)
<b>Other Financial Sources (Uses)</b>		
Transfers In	11,361,668	42,450,158
Transfers Out	(2,850,317)	(47,047,460)
<b>Total Other Financial Sources (Uses)</b>	<u>8,511,351</u>	<u>(4,597,302)</u>
<b>Net Change in Fund Equity</b>	(3,257,542)	(22,650,253)
<b>Fund Balance - Beginning</b>	40,004,683	148,576,091
Prior Period Adjustments	-	514,726
<b>Fund Balance - Ending</b>	<u>36,747,141</u>	<u>126,440,564</u>

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

**Snohomish County, WA**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**As of December 31, 2007**



**Governmental Activities (Internal Service Funds)**

	<b>Equipment Rental &amp; Revolving</b>	<b>Information Services</b>	<b>Snohomish County Insurance</b>	<b>Pits and Quarries</b>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 6,614,020	\$ 4,746,356	\$ 12,253,587	\$ 1,946,750
Other Receivables, Net	-	23,711	-	10,644
Interest Receivable	20,017	14,769	37,605	6,863
Due From Other Governments	62,752	46,876	-	-
Inventories	1,017,140	166,910	-	84,170
Prepayments	-	-	411,794	-
<b>Total Current Assets</b>	<b>7,713,929</b>	<b>4,998,622</b>	<b>12,702,986</b>	<b>2,048,427</b>
<b>Non-Current Assets</b>				
Deferred Charges	18,981	-	-	-
Capital assets				
Land	389,185	-	-	3,652
Buildings and Structures, Net	4,205,897	-	-	1,467,708
Other Improvements, Net	402,500	31,053	-	404,295
Machinery and Equipment, Net	23,360,036	437,999	-	28,115
Construction in Progress	6,916,669	-	-	-
<b>Total Non-Current Assets</b>	<b>35,293,268</b>	<b>469,052</b>	<b>-</b>	<b>1,903,770</b>
<b>Total Assets</b>	<b>43,007,197</b>	<b>5,467,674</b>	<b>12,702,986</b>	<b>3,952,197</b>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts Payable	\$ 435,498	\$ 552,822	\$ 163,475	\$ 20,207
Claims and Judgments Payable	-	-	3,123,226	-
Accrued Liabilities	186,076	386,126	78,944	-
Deferred Revenue	-	-	-	-
Bonds, Notes, and Loans Payable	157,279	-	-	-
<b>Total Current Liabilities</b>	<b>778,853</b>	<b>938,948</b>	<b>3,365,645</b>	<b>20,207</b>
<b>Non-Current Liabilities</b>				
Employee Benefits Payable	207,879	448,121	80,022	-
Bonds, Notes, and Loans Payable	3,015,408	-	-	-
Claims and Judgments Payable	-	-	12,492,905	-
<b>Total Non-Current Liabilities</b>	<b>3,223,287</b>	<b>448,121</b>	<b>12,572,927</b>	<b>-</b>
<b>Total Liabilities</b>	<b>4,002,140</b>	<b>1,387,069</b>	<b>15,938,572</b>	<b>20,207</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	32,101,581	469,052	-	1,903,771
Restricted for:				
Capital Purposes	6,903,476	-	-	-
<b>Total Restricted Net Assets</b>	<b>6,903,476</b>	<b>-</b>	<b>-</b>	<b>-</b>
Unrestricted	\$ -	\$ 3,611,553	\$ (3,235,586)	\$ 2,028,219
<b>Total Net Assets</b>	<b>\$ 39,005,057</b>	<b>\$ 4,080,605</b>	<b>\$ (3,235,586)</b>	<b>\$ 3,931,990</b>

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

**Snohomish County, WA**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**As of December 31, 2007**

**Governmental Activities (Internal Service Funds)**

	<b>Employee Benefit</b>	<b>Facility Services</b>	<b>Training Fund</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 9,019,347	\$ 407,979	\$ 63,284	\$ 35,051,323
Other Receivables, Net	1,062	94	-	35,511
Interest Receivable	16,782	-	-	96,036
Due From Other Governments	-	-	-	109,628
Inventories	-	-	-	1,268,220
Prepayments	-	-	-	411,794
<b>Total Current Assets</b>	<b>9,037,191</b>	<b>408,073</b>	<b>63,284</b>	<b>36,972,512</b>
<b>Non-Current Assets</b>				
Deferred Charges	-	-	-	18,981
Capital assets				
Land	-	-	-	392,837
Buildings and Structures, Net	-	-	-	5,673,605
Other Improvements, Net	-	-	-	837,848
Machinery and Equipment, Net	-	-	-	23,826,150
Construction in Progress	-	-	-	6,916,669
<b>Total Non-Current Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,666,090</b>
<b>Total Assets</b>	<b>9,037,191</b>	<b>408,073</b>	<b>63,284</b>	<b>74,638,602</b>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts Payable	\$ 1,038,468	\$ 112,807	\$ 9,265	\$ 2,332,542
Claims and Judgments Payable	-	-	-	3,123,226
Accrued Liabilities	14,450	6,703	7,948	680,247
Deferred Revenue	2,569,944	47,497	-	2,617,441
Bonds, Notes, and Loans Payable	-	-	-	157,279
<b>Total Current Liabilities</b>	<b>3,622,862</b>	<b>167,007</b>	<b>17,213</b>	<b>8,910,735</b>
<b>Non-Current Liabilities</b>				
Employee Benefits Payable	574,799	10,677	9,315	1,330,813
Bonds, Notes, and Loans Payable	-	-	-	3,015,408
Claims and Judgments Payable	2,634,238	-	-	15,127,143
<b>Total Non-Current Liabilities</b>	<b>3,209,037</b>	<b>10,677</b>	<b>9,315</b>	<b>19,473,364</b>
<b>Total Liabilities</b>	<b>6,831,899</b>	<b>177,684</b>	<b>26,528</b>	<b>28,384,099</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	-	-	-	34,474,404
Restricted for:				
Capital Purposes	-	-	-	6,903,476
<b>Total Restricted Net Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,903,476</b>
Unrestricted	\$ 2,205,292	\$ 230,389	\$ 36,756	\$ 4,876,623
<b>Total Net Assets</b>	<b>\$ 2,205,292</b>	<b>\$ 230,389</b>	<b>\$ 36,756</b>	<b>\$ 46,254,503</b>

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

**Snohomish County, WA**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Fund Net Assets**  
**Internal Service Funds**  
**For the Year Ended December 31, 2007**



	<b>Governmental Activities (Internal Service Funds)</b>			
	<b>Equipment Rental &amp; Revolving</b>	<b>Information Services</b>	<b>Snohomish County Insurance</b>	<b>Pits and Quarries</b>
<b>Operating Revenues</b>				
Charges for Services	\$ 17,087,936	\$ 17,526,253	\$ 9,998,396	\$ 516,900
Rents, Leases, and Concessions	95,340	-	-	18,000
<b>Total Operating Revenues</b>	<u>17,183,276</u>	<u>17,526,253</u>	<u>9,998,396</u>	<u>534,900</u>
<b>Operating Expenses</b>				
Personnel Services	3,790,917	8,265,334	2,032,690	-
Supplies	8,476,816	1,060,617	42,743	43,895
Interfund-Intergovernmental Payments for Service	1,091,546	1,359,085	318,058	426,949
Depreciation	6,057,881	144,479	-	87,838
Miscellaneous Expenses	-	-	-	-
Contractual Services	586,142	5,017,890	7,612,936	74,055
<b>Total Operating Expenses</b>	<u>20,003,302</u>	<u>15,847,405</u>	<u>10,006,427</u>	<u>632,737</u>
<b>Operating Income (Loss)</b>	<u>(2,820,026)</u>	<u>1,678,848</u>	<u>(8,031)</u>	<u>(97,837)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Intergovernmental Revenues	73,170	-	-	-
Interest and Investment Earnings	246,368	239,748	516,143	101,436
Miscellaneous Revenues	31,601	140,725	119,167	-
Disposition of Capital Assets	9,001	-	-	708,576
Interest Expense	(151,295)	-	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<u>208,845</u>	<u>380,473</u>	<u>635,310</u>	<u>810,012</u>
<b>Income (Loss) Before Contributions and Transfers</b>	<u>(2,611,181)</u>	<u>2,059,321</u>	<u>627,279</u>	<u>712,175</u>
Transfers In	1,427,304	-	75,383	-
Transfers Out	-	(2,100,291)	-	(687,300)
<b>Change in Net Assets</b>	<u>(1,183,877)</u>	<u>(40,970)</u>	<u>702,662</u>	<u>24,875</u>
Net Assets, Beginning	40,188,934	4,121,575	(3,938,248)	3,907,115
<b>Net Assets, Ending</b>	<u>\$ 39,005,057</u>	<u>\$ 4,080,605</u>	<u>\$ (3,235,586)</u>	<u>\$ 3,931,990</u>

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

**Snohomish County, WA**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Fund Net Assets**  
**Internal Service Funds**  
**For the Year Ended December 31, 2007**



**Governmental Activities (Internal Service Funds)**

	<b>Employee Benefit</b>	<b>Facility Services</b>	<b>Training Fund</b>	<b>Total Internal Service Funds</b>
<b>Operating Revenues</b>				
Charges for Services	\$ 32,730,505	\$ 559,237	\$ 298,500	\$ 78,717,727
Rents, Leases, and Concessions	-	1,278,254	-	1,391,594
<b>Total Operating Revenues</b>	<b>32,730,505</b>	<b>1,837,491</b>	<b>298,500</b>	<b>80,109,321</b>
<b>Operating Expenses</b>				
Personnel Services	972,888	157,279	134,974	15,354,082
Supplies	5,973	-	113,054	9,743,098
Interfund-Intergovernmental Payments for Service	170,000	17,864	204	3,383,706
Depreciation	-	-	-	6,290,198
Miscellaneous Expenses	-	15,244	-	15,244
Contractual Services	31,559,040	888,965	13,512	45,752,540
<b>Total Operating Expenses</b>	<b>32,707,901</b>	<b>1,079,352</b>	<b>261,744</b>	<b>80,538,868</b>
<b>Operating Income (Loss)</b>	<b>22,604</b>	<b>758,139</b>	<b>36,756</b>	<b>(429,547)</b>
<b>Non-Operating Revenues (Expenses)</b>				
Intergovernmental Revenues	-	-	-	73,170
Interest and Investment Earnings	167,189	-	-	1,270,884
Miscellaneous Revenues	66,172	-	-	357,665
Disposition of Capital Assets	-	-	-	717,577
Interest Expense	-	-	-	(151,295)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>233,361</b>	<b>-</b>	<b>-</b>	<b>2,268,001</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>255,965</b>	<b>758,139</b>	<b>36,756</b>	<b>1,838,454</b>
Transfers In	857,709	-	-	2,360,396
Transfers Out	(292,137)	(750,493)	-	(3,830,221)
<b>Change in Net Assets</b>	<b>821,537</b>	<b>7,646</b>	<b>36,756</b>	<b>368,629</b>
Net Assets, Beginning	1,383,755	222,743	-	45,885,874
<b>Net Assets, Ending</b>	<b>\$ 2,205,292</b>	<b>\$ 230,389</b>	<b>\$ 36,756</b>	<b>\$ 46,254,503</b>

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

**Snohomish County, WA**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2007**



	<b>Governmental Activities - Internal Service</b>			
	<b>Equipment Rental &amp; Revolving</b>	<b>Information Services</b>	<b>Snohomish County Insurance</b>	<b>Pits and Quarries</b>
<b>Cash Flows from Operating Activities</b>				
Receipts from Operations	\$ 17,179,818	\$ 17,493,821	\$ 9,998,396	\$ 536,906
Payments to Employees	(3,799,365)	(8,414,794)	(1,978,581)	-
Payments of Claims	(8,900,085)	(6,173,221)	(5,954,196)	(125,755)
Internal Activity - Payment to Other Funds	(1,091,546)	(1,359,085)	(318,058)	(426,949)
<b>Total Cash Flows from Operating Activities</b>	<b>\$ 3,388,822</b>	<b>\$ 1,546,721</b>	<b>\$ 1,747,561</b>	<b>\$ (15,798)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Capital Acquisition and Construction	\$ (2,234,486)	\$ (274,463)	\$ -	\$ -
Sale of Capital Assets	436,781	-	-	709,617
Principal Paid on Loans	(154,199)	-	-	-
Interest Paid on Loans	(157,536)	-	-	-
<b>Total Cash Flows from Capital and Related Financing Activities</b>	<b>\$ (2,109,440)</b>	<b>\$ (274,463)</b>	<b>\$ -</b>	<b>\$ 709,617</b>
<b>Cash Flows from Non-Capital Financing Activities</b>				
Intergovernmental Revenue	\$ 73,170	\$ -	\$ -	\$ -
Miscellaneous Revenue	31,601	140,727	119,166	-
Transfers, Net	-	(2,100,291)	75,383	(687,300)
<b>Total Cash Flows from Non-Capital Financing Activities</b>	<b>\$ 104,771</b>	<b>\$ (1,959,564)</b>	<b>\$ 194,549</b>	<b>\$ (687,300)</b>
<b>Cash Flows from Investing Activities</b>				
Interest on Investments	\$ 244,099	\$ 242,929	\$ 515,286	\$ 102,431
<b>Total Cash Flows from Investing Activities</b>	<b>\$ 244,099</b>	<b>\$ 242,929</b>	<b>\$ 515,286</b>	<b>\$ 102,431</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ 1,628,252</b>	<b>\$ (444,377)</b>	<b>\$ 2,457,396</b>	<b>\$ 108,950</b>
Cash and Cash Equivalents, January 1, 2007	4,985,768	5,190,733	9,796,191	1,837,800
<b>Cash and Cash Equivalents, December 31, 2007</b>	<b>\$ 6,614,020</b>	<b>\$ 4,746,356</b>	<b>\$ 12,253,587</b>	<b>\$ 1,946,750</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>				
Net Operating Income (loss)	\$ (2,820,026)	\$ 1,678,848	\$ (8,031)	\$ (97,837)
Depreciation Expense	6,057,881	144,479	-	87,838
Changes in Receivables, Net	(3,458)	(32,432)	-	2,006
Changes in Inventories	282,160	(64,741)	-	(15,451)
Changes in Accounts Payable & Other Liabilities	(127,735)	(179,433)	1,581,316	7,646
Changes in Prepaid Items	-	-	174,276	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 3,388,822</b>	<b>\$ 1,546,721</b>	<b>\$ 1,747,561</b>	<b>\$ (15,798)</b>

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



**Snohomish County, WA**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2007**

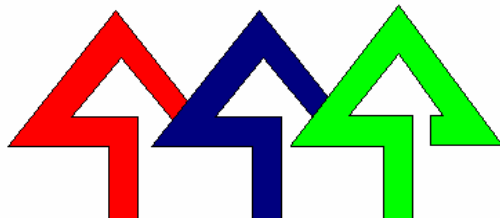


**Governmental Activities - Internal Service**

	<b>Employee Benefit</b>	<b>Facility Services</b>	<b>Training Fund</b>	<b>Total Internal Service Funds</b>
<b>Cash Flows from Operating Activities</b>				
Receipts from Operations	\$ 35,300,351	\$ 1,884,930	\$ 298,500	\$ 82,692,722
Payments to Employees	(403,167)	(142,741)	(117,711)	(14,856,359)
Payments of Claims	(31,194,458)	(863,542)	(117,301)	(53,328,558)
Internal Activity - Payment to Other Funds	(170,000)	(17,864)	(204)	(3,383,706)
<b>Total Cash Flows from Operating Activities</b>	<b>\$ 3,532,726</b>	<b>\$ 860,783</b>	<b>\$ 63,284</b>	<b>\$ 11,124,099</b>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Capital Acquisition and Construction	\$ -	\$ -	\$ -	\$ (2,508,949)
Sale of Capital Assets	-	-	-	1,146,398
Principal Paid on Loans	-	-	-	(154,199)
Interest Paid on Loans	-	-	-	(157,536)
<b>Total Cash Flows from Capital and Related Financing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,674,286)</b>
<b>Cash Flows from Non-Capital Financing Activities</b>				
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ 73,170
Miscellaneous Revenue	66,171	-	-	357,665
Transfers, Net	565,572	(750,493)	-	(2,897,129)
<b>Total Cash Flows from Non-Capital Financing Activities</b>	<b>\$ 631,743</b>	<b>\$ (750,493)</b>	<b>\$ -</b>	<b>\$ (2,466,294)</b>
<b>Cash Flows from Investing Activities</b>				
Interest on Investments	\$ 162,503	\$ -	\$ -	\$ 1,267,248
<b>Total Cash Flows from Investing Activities</b>	<b>\$ 162,503</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,267,248</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ 4,326,972</b>	<b>\$ 110,290</b>	<b>\$ 63,284</b>	<b>\$ 8,250,767</b>
Cash and Cash Equivalents, January 1, 2007	4,692,375	297,689	-	26,800,556
<b>Cash and Cash Equivalents, December 31, 2007</b>	<b>\$ 9,019,347</b>	<b>\$ 407,979</b>	<b>\$ 63,284</b>	<b>\$ 35,051,323</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>				
Net Operating Income (loss)	\$ 22,604	\$ 758,139	\$ 36,756	\$ (429,547)
Depreciation Expense	-	-	-	6,290,198
Changes in Receivables, Net	(98)	(59)	-	(34,041)
Changes in Inventories	-	-	-	201,968
Changes in Accounts Payable & Other Liabilities	3,510,220	102,703	26,528	4,921,245
Changes in Prepaid Items	-	-	-	174,276
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 3,532,726</b>	<b>\$ 860,783</b>	<b>\$ 63,284</b>	<b>\$ 11,124,099</b>

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

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**Snohomish County, Washington**

**Statistical Section**



## Statistical Section

*This part of Snohomish County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.*

<b><u>Contents</u></b>	<b><u>Page</u></b>
<p><b>Financial Trends</b></p> <p>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</p>	99
<p><b>Revenue Capacity</b></p> <p>These schedules contain information to help the reader assess the County's most significant local revenue source, property taxes.</p>	104
<p><b>Debt Capacity</b></p> <p>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</p>	108
<p><b>Demographic and Economic Information</b></p> <p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</p>	113
<p><b>Operating Information</b></p> <p>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</p>	115

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**2007 Statistical Section**

**Snohomish County  
Net Assets by Component  
Last Six Fiscal Years**  
(accrual basis of accounting)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Governmental activities</b>						
Invested in capital assets, net of related debt	\$ 226,040,998	\$ 260,378,806	\$ 369,205,670	\$ 409,196,739	\$ 355,764,092	\$ 478,804,557
Restricted	106,853,331	98,566,556	96,861,290	100,650,084	146,198,410	165,659,338
Unrestricted	221,072,264	216,642,602	112,208,590	103,150,841	143,213,005	122,228,642
<b>Total governmental activities net assets</b>	<b>\$ 553,966,593</b>	<b>\$ 575,587,964</b>	<b>\$ 578,275,550</b>	<b>\$ 612,997,664</b>	<b>\$ 645,175,507</b>	<b>\$ 766,692,537</b>
<b>Business-type activities</b>						
Invested in capital assets, net of related debt	\$ 89,174,846	\$ 40,217,786	\$ 76,442,345	\$ 80,264,793	\$ 86,840,303	\$ 100,214,881
Restricted	1,020,494	524,424	144,783	1,169,347	483,319	-
Unrestricted	32,644,367	83,978,762	80,450,341	79,197,986	80,838,740	33,596,031
<b>Total business-type activities net assets</b>	<b>\$ 122,839,707</b>	<b>\$ 124,720,972</b>	<b>\$ 157,037,469</b>	<b>\$ 160,632,126</b>	<b>\$ 168,162,362</b>	<b>\$ 133,810,912</b>
<b>Primary government</b>						
Invested in capital assets, net of related debt	\$ 315,215,844	\$ 300,596,592	\$ 445,648,015	\$ 489,461,532	\$ 442,604,395	\$ 579,019,438
Restricted	107,873,825	99,090,980	97,006,073	101,819,431	146,681,729	165,659,338
Unrestricted	253,716,631	300,621,364	192,658,931	182,348,827	224,051,745	155,824,673
<b>Total primary government net assets</b>	<b>\$ 676,806,300</b>	<b>\$ 700,308,936</b>	<b>\$ 735,313,019</b>	<b>\$ 773,629,790</b>	<b>\$ 813,337,869</b>	<b>\$ 900,503,449</b>

**Source:** Comprehensive annual financial reports for the relevant year. In order to show comparative data, information is presented back to 2002 when the County implemented GASB Statement 34.

**2007 Statistical Section**

**Snohomish County  
Changes in Net Assets  
Last Six Fiscal Years**  
(accrual basis of accounting)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006<sup>a</sup></u>	<u>2007</u>
<b>Expenses</b>						
<b>Governmental Activities</b>						
General Government	\$ 53,841,154	\$ 62,958,728	\$ 46,718,903	\$ 50,301,316	\$ 50,164,853	\$ 55,964,618
Judicial	17,916,332	25,575,344	20,166,002	27,477,146	32,850,186	34,685,247
Public Safety	102,207,111	109,032,524	113,959,180	111,075,223	111,421,993	109,772,843
Physical Environment	1,060,676	1,394,065	1,952,459	2,297,829	1,740,824	1,536,500
Transportation	47,055,056	59,054,567	60,366,386	61,874,844	70,649,830	70,545,437
Health and Human Services	46,769,865	50,582,393	54,035,137	42,291,009	39,395,181	41,273,673
Economic Environment	6,190,567	6,822,412	8,313,652	18,078,779	23,403,085	38,534,639
Culture and Recreation	9,707,267	8,741,778	9,817,204	14,543,675	12,255,319	14,391,698
Interest on Long-Term Debt	13,625,354	14,158,019	12,625,411	13,450,239	13,760,659	14,922,637
<b>Total Government Activities</b>	<b>298,373,382</b>	<b>338,319,830</b>	<b>327,954,334</b>	<b>341,390,060</b>	<b>355,641,930</b>	<b>381,627,292</b>
<b>Business-type Activities</b>						
Airport	9,977,571	11,002,920	12,517,378	12,654,257	14,965,934	14,729,642
Solid Waste Management <sup>d</sup>	37,666,718	39,626,488	41,183,511	43,954,363	48,459,676	65,406,460
Surface Water Management	14,726,090	10,882,548	9,144,389	9,784,503	11,666,245	10,326,280
<b>Total Business-type Activities</b>	<b>62,370,379</b>	<b>61,511,956</b>	<b>62,845,278</b>	<b>66,393,123</b>	<b>75,091,855</b>	<b>90,462,382</b>
<b>Total Primary Government</b>	<b>\$ 360,743,761</b>	<b>\$ 399,831,786</b>	<b>\$ 390,799,612</b>	<b>\$ 407,783,183</b>	<b>\$ 430,733,785</b>	<b>\$ 472,089,674</b>
<b>Program Revenues</b>						
<b>Governmental Activities</b>						
<b>Charges for Services</b>						
General Government	17,749,694	24,035,857	25,045,731	24,826,535	23,594,710	19,719,316
Judicial	7,156,915	6,916,902	7,558,622	7,647,186	7,663,698	8,910,294
Public Safety	8,418,987	7,991,403	10,877,264	10,034,054	16,718,697	15,536,123
Physical Environment	43,425	37,576	41,544	48,582	69,143	115,904
Transportation	322,096	391,486	308,278	320,987	310,773	371,149
Health and Human Services	54,990	57,810	112,054	665,558	1,396,988	62,510
Economic Environment	19,906,974	21,776,063	25,828,048	27,175,678	31,499,083	31,004,756
Culture and Recreation	1,376,535	1,612,480	1,589,882	1,617,121	1,987,691	1,658,249
Operating Grants and Contributions	85,343,305	91,937,289	89,617,300	78,288,261	80,315,573	86,920,410
Capital Grants and Contributions	14,116,283	20,008,216	11,163,799	12,519,144	8,100,411	15,683,872
<b>Total Governmental Activities Program Revenues</b>	<b>154,489,204</b>	<b>174,765,082</b>	<b>172,142,522</b>	<b>163,143,106</b>	<b>171,656,767</b>	<b>179,982,583</b>
<b>Business-type Activities</b>						
<b>Charges for Services</b>						
Airport	8,465,649	8,879,379	9,451,606	9,984,358	11,312,328	12,349,595
Solid Waste Management	39,032,344	38,356,634	40,738,170	42,823,205	48,536,889	51,539,240
Surface Water Management	157,173	413,620	231,296	305,559	9,082,562	9,186,345
Operating Grants and Contributions	1,322,200	255,102	1,136,541	585,282	1,807,053	803,589
Capital Grants and Contributions	3,300,937	2,204,891	2,326,307	2,364,451	4,267,233	1,295,165
<b>Total Business-type Activities Program Revenues</b>	<b>52,278,303</b>	<b>50,109,626</b>	<b>53,883,920</b>	<b>56,062,855</b>	<b>75,006,065</b>	<b>75,173,934</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 206,767,507</b>	<b>\$ 224,874,708</b>	<b>\$ 226,026,442</b>	<b>\$ 219,205,961</b>	<b>\$ 246,662,832</b>	<b>\$ 255,156,517</b>
<b>Net (Expense) Revenue</b>						
Governmental Activities	\$ (143,884,178)	\$ (163,554,748)	\$ (155,811,812)	\$ (178,246,954)	\$ (183,985,163)	\$ (201,644,709)
Business-type Activities	(10,092,076)	(11,402,330)	(8,961,358)	(10,330,268)	(85,790)	(15,288,448)
<b>Total Primary Government Net Expense</b>	<b>\$ (153,976,254)</b>	<b>\$ (174,957,078)</b>	<b>\$ (164,773,170)</b>	<b>\$ (188,577,222)</b>	<b>\$ (184,070,953)</b>	<b>\$ (216,933,157)</b>



**2007 Statistical Section**

**Snohomish County  
Changes in Net Assets  
Last Six Fiscal Years**  
(accrual basis of accounting)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006<sup>a</sup></u>	<u>2007</u>
<b>General Revenues and Other Changes in Net Assets</b>						
<b>Governmental Activities</b>						
Property taxes	\$ 103,977,910	\$ 107,898,975	\$ 106,944,619	\$ 110,016,852	\$ 113,292,998	\$ 117,605,963
Sales/Use Tax	31,765,803	31,879,829	33,718,351	40,161,174	44,999,112	44,992,980
Other Taxes	22,889,381	27,740,115	30,934,619	39,055,856	41,302,717	38,124,664
Operating Assessments	21,171	20,569	21,086	21,579	-	-
Intergovernmental Revenues	-	-	724,249	369,014	6,082,860	7,941,303
Interest and Investment Earnings	10,611,292	10,329,398	5,543,229	10,352,955	17,733,221	30,658,146
Miscellaneous Revenues	5,218,990	7,714,657	3,241,841	4,254,060	4,256,657	4,988,582
Capital Contributions	-	-	-	-	35,660	82,827,678
Private Donations	1,778,882	1,053,505	930,800	2,500,133	939,272	548,145
Gain (Loss) in Joint Venture	(665,998)	398,813	206,528	(71,934)	(603,796)	(860,511)
Disposition of Capital Assets	806,041	88,935	(7,033)	8,306,100	(3,172,923)	(673,192)
Transfers	(1,804,304)	(2,755,803)	(31,773,006)	(4,490,816)	(4,413,064)	(4,093,041)
<b>Total Governmental Activities</b>	<b>174,599,168</b>	<b>184,368,993</b>	<b>150,485,283</b>	<b>210,474,973</b>	<b>220,452,714</b>	<b>322,060,717</b>
<b>Business-type Activities</b>						
Property taxes	-	-	-	-	-	-
Sales/Use Tax	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-
Operating Assessments	5,623,474	7,271,795	8,415,940	9,046,077	-	-
Intergovernmental Revenues	-	-	-	-	16,242	-
Interest and Investment Earnings	856,063	735,424	753,608	1,706,384	2,545,889	3,208,503
Miscellaneous Revenues	66,478	512,694	297,860	30,716	265,828	219,593
Capital Contributions	-	-	-	-	-	-
Private Donations	5,000	-	11,200	25,440	-	-
Gain (Loss) in Joint Venture	-	-	-	-	-	-
Disposition of Capital Assets	2,214,400	2,007,877	26,238	-	375,004	10,855
Extraordinary Item <sup>c</sup>	-	-	-	-	-	(26,594,994)
Transfers	1,804,304	2,755,803	31,773,006	4,490,816	4,413,064	4,093,041
<b>Total Business-type Activities</b>	<b>10,569,719</b>	<b>13,283,593</b>	<b>41,277,852</b>	<b>15,299,433</b>	<b>7,616,027</b>	<b>(19,063,002)</b>
<b>Total Primary Government</b>	<b>\$ 185,168,887</b>	<b>\$ 197,652,586</b>	<b>\$ 191,763,135</b>	<b>\$ 225,774,406</b>	<b>\$ 228,068,741</b>	<b>\$ 302,997,715</b>
<b>Change in Net Assets</b>						
Governmental Activities	\$ 30,714,990	\$ 20,814,245	\$ (5,326,529)	\$ 32,228,019	\$ 36,467,551	\$ 120,416,008
Business-type Activities	477,643	1,881,263	32,316,494	4,969,165	7,530,237	(34,351,450)
<b>Total Primary Government</b>	<b>\$ 31,192,633</b>	<b>\$ 22,695,508</b>	<b>\$ 26,989,965</b>	<b>\$ 37,197,184</b>	<b>\$ 43,997,788</b>	<b>\$ 86,064,558</b>

**Source:** Comprehensive annual financial reports for the relevant year. In order to show comparative data, information is presented back to 2002 when the County implemented GASB Statement 34.

<sup>a</sup> Several 2006 line item amounts have been restated to align with 2007 reporting changes that more appropriately allocate expenses by function, net interfund revenue against expense, match operating grants to program expense and reallocate operating assessments to charges for services.

<sup>b</sup> In 2007, Solid Waste had a change in accounting estimate. See notes to the financial statements (Note 6B).

<sup>c</sup> In 2007, Solid Waste had an extraordinary item. See notes to the financial statements (Note 6C).

**2007 Statistical Section**

**Snohomish County  
Fund Balances of Governmental Funds  
Last Six Fiscal Years**  
(modified accrual basis of accounting)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General fund						
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	21,189,531	15,587,542	11,462,000	22,663,605	30,898,635	31,247,986
Total general fund	<u>\$ 21,189,531</u>	<u>\$ 15,587,542</u>	<u>\$ 11,462,000</u>	<u>\$ 22,663,605</u>	<u>\$ 30,898,635</u>	<u>\$ 31,247,986</u>
All Other Governmental Funds						
Reserved	\$ 25,555,705	\$ 25,246,294	\$ 24,916,407	\$ 19,201,302	\$ 16,154,562	\$ 13,794,217
Unreserved, reported in:						
Special revenue funds	105,634,172	99,091,627	106,182,452	113,510,136	161,706,707	151,449,231
Debt service funds	-	6,494,637	-	-	-	-
Capital projects funds	150,492,164	146,821,400	67,822,350	38,603,521	40,004,683	36,747,141
Total all other governmental funds	<u>\$ 281,682,041</u>	<u>\$ 277,653,958</u>	<u>\$ 198,921,209</u>	<u>\$ 171,314,959</u>	<u>\$ 217,865,952</u>	<u>\$ 201,990,589</u>

**Source:** Comprehensive annual financial reports for the relevant year. In order to show comparative data, information is presented back to 2002 when the County implemented GASB Statement 34.

**2007 Statistical Section**

**Snohomish County  
Changes in Fund Balances of Governmental Funds  
Last Six Fiscal Years**  
(modified accrual basis of accounting)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Revenues</b>						
Property Taxes	\$ 103,977,910	\$ 107,898,975	\$ 108,001,171	\$ 110,806,520	\$ 113,681,922	\$ 117,492,068
Sales/Use Taxes	31,765,803	31,879,829	33,718,352	40,161,175	44,999,111	44,992,980
Other Taxes	22,889,381	27,740,115	30,934,620	39,055,854	41,302,717	38,124,663
Licenses & Permits	1,744,725	2,188,331	2,243,898	2,488,857	2,744,882	3,033,967
Charges for Services	50,721,312	57,601,532	63,728,149	64,225,276	81,120,772	72,484,897
Operating Assessments	21,171	20,569	21,086	21,579	21,667	20,842
Intergovernmental Revenues	99,459,588	111,945,505	101,505,347	91,176,419	93,034,399	110,908,431
Fines & Forfeitures	5,327,360	5,394,344	5,822,589	5,866,404	6,397,767	6,113,104
Interest & Investment Earnings	10,099,606	9,980,650	5,074,953	8,917,350	16,507,018	20,997,659
Rents, Leases & Concessions	3,534,876	3,377,420	3,887,006	3,561,144	3,838,777	9,275,832
Private Contributions & Donations	436,410	493,177	497,871	1,476,858	1,133,985	548,146
Miscellaneous Revenues	5,131,708	7,001,877	2,875,534	5,968,727	3,912,449	9,991,126
<b>Total Revenues</b>	<b>335,109,850</b>	<b>365,522,324</b>	<b>358,310,576</b>	<b>373,726,163</b>	<b>408,695,466</b>	<b>433,983,715</b>
<b>Expenditures</b>						
General Government	65,715,645	88,395,435	94,425,343	69,928,124	57,803,101	67,407,117
Judicial	22,012,492	41,507,460	58,006,508	39,295,815	30,644,809	32,409,885
Public Safety	102,203,937	111,407,981	109,835,509	110,592,861	118,661,735	111,830,990
Physical Environment	1,857,809	1,549,226	4,486,225	3,896,780	6,232,448	3,572,770
Transportation	70,460,743	96,760,628	70,718,677	80,568,949	88,484,852	110,523,405
Health & Human Services	46,610,419	50,264,975	53,707,164	42,296,024	39,430,030	41,405,888
Economic Environment	6,190,566	6,413,771	8,245,119	17,773,827	23,281,916	38,780,156
Culture & Recreation	17,832,502	11,612,482	17,256,316	18,051,052	13,858,708	17,668,298
Debt Service						
Principal Payments	6,312,980	14,915,588	10,477,334	11,563,727	11,134,624	12,670,201
Interest	13,903,824	12,894,158	13,049,459	13,055,728	13,295,411	14,890,668
<b>Total Expenditures</b>	<b>353,100,917</b>	<b>435,721,704</b>	<b>440,207,654</b>	<b>407,022,887</b>	<b>402,827,634</b>	<b>451,159,378</b>
Excess (deficiency) of revenues over (under) expenditures	(17,991,067)	(70,199,380)	(81,897,078)	(33,296,724)	5,867,832	(17,175,663)
<b>Other Financial Sources (Uses)</b>						
Disposition Of Capital Assets	123,504	1,400	-	10,500,795	250,173	1,166,148
Transfers In	41,009,393	45,097,742	38,830,245	54,219,273	77,244,268	66,734,734
Transfers Out	(39,919,999)	(44,802,316)	(39,791,456)	(63,246,168)	(85,330,206)	(68,541,268)
Bond Proceeds	4,538,319	59,465,353	-	41,900,487	61,043,662	1,189,015
Payment to Refunded Bond Escrow Agent	-	-	-	(28,976,403)	-	-
<b>Total Other Financial Sources (Uses)</b>	<b>5,751,217</b>	<b>59,762,179</b>	<b>(961,211)</b>	<b>14,397,984</b>	<b>53,207,897</b>	<b>548,629</b>
<b>Net Change in Fund Balances</b>	<b>\$ (12,239,850)</b>	<b>\$ (10,437,201)</b>	<b>\$ (82,858,289)</b>	<b>\$ (18,898,740)</b>	<b>\$ 59,075,729</b>	<b>\$ (16,627,034)</b>
Debt service as a percentage of noncapital expenditures	5.7%	6.4%	5.3%	6.0%	6.1%	6.1%

**Source:** Comprehensive annual financial reports for the relevant year. In order to show comparative data, information is presented back to 2002 when the County implemented GASB Statement 34.

**2007 Statistical Section**
**Snohomish County  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Six Fiscal Years**

<b>Fiscal Year Ended December 31</b>	<b>Real Property Land</b>	<b>Real Property Improvements</b>	<b>Personal Property</b>	<b>Utilities<sup>a</sup></b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value<sup>b</sup></b>	<b>Assessed Value as a Percentage of Actual Value<sup>b</sup></b>
2002	\$ 17,485,380,704	\$ 24,905,714,759	\$ 2,243,239,705	\$ 893,597,583	\$ 45,527,932,751	\$ 3.33	\$ 54,166,488,875	84.05%
2003	19,335,731,223	26,962,349,713	2,165,502,260	799,366,781	49,262,949,977	3.20	58,659,732,078	83.98%
2004	22,329,352,763	28,630,047,670	2,318,155,218	752,016,074	54,029,571,725	2.96	60,516,126,319	89.28%
2005	26,154,120,849	31,533,829,221	2,302,697,836	810,418,097	60,801,066,003	2.67	60,801,066,003	100.00%
2006	30,986,359,797	34,375,232,664	2,408,691,827	827,486,259	68,597,770,547	2.45	68,597,770,547	100.00%
2007	41,374,550,385	39,249,907,854	2,622,453,013	877,653,392	84,124,564,644	2.08	84,124,564,644	100.00%

**Source:** Snohomish County Assessors Office

<sup>a</sup> 2002-2006 amounts have been restated to include Utilities Assessments to more accurately report Total Taxable Assessed Value.

<sup>b</sup> Beginning with the 2005 tax year, property in Snohomish County is reassessed each year. Therefore, beginning with the 2005 tax year, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

**2007 Statistical Section**

**Snohomish County  
Direct and Overlapping Property Tax Rates  
Last Six Fiscal Years**  
(rate per \$1,000 of assessed value)

Fiscal Year	Direct		Overlapping Rates <sup>c</sup>			
	County Rate <sup>ab</sup>	Washington State	Cities and Towns	Fire Districts	School Districts	Other Districts
2002	\$ 3.33	\$ 3.29	\$ 2.57	\$ 1.52	\$ 4.48	\$ 0.28
2003	3.20	3.18	2.57	1.56	4.79	0.28
2004	2.96	2.95	2.49	1.50	4.76	0.26
2005	2.67	2.79	2.25	1.42	4.35	0.23
2006	2.45	2.53	2.01	1.41	4.18	0.22
2007	2.08	2.16	1.79	1.35	3.81	0.19

**Source:** Snohomish County Assessors Office

**Note:** See notes to the financial statements (Note 3B) for additional information on the property tax rates and limitations.

<sup>a</sup> Includes County Road rate (1.24 for 2007) which applies to areas outside of cities.

<sup>b</sup> 2002-2006 rates have been restated to more accurately report total County rate.

<sup>c</sup> Overlapping rates are those of local governments that apply to property owners within the county. Not all overlapping rates apply to all county property owners; for example, although the county property tax rates apply to all city property owners, the Fire Protection Districts rates apply only to the property owners whose property is located within that district's geographic boundaries.

2007 Statistical Section

**Snohomish County  
Principal Property Tax Payers  
Current and Five Years Ago**

Taxpayer	2007			2002		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Boeing	\$ 1,386,217,273	1	1.65%	\$ 1,414,754,956	1	3.11%
GTE/Verizon	411,405,375	2	0.49%	477,831,270	2	1.05%
Kimberly Clark	223,085,532	3	0.27%	189,475,351	3	0.42%
Equity Assets Mgmt Inc.	155,584,154	4	0.18%	—		—
Alderwood Mall LLC	129,876,806	5	0.15%	86,851,732	7	0.19%
Puget Sound Energy/Gas	124,789,421	6	0.15%	109,176,494	4	0.24%
Avalonbay Communities Inc.	123,064,645	7	0.15%	105,287,300	5	0.23%
Fred Meyer	117,401,694	8	0.14%	98,736,122	6	0.22%
Cingular	112,699,522	9	0.13%	—		—
Teachers Ins & Annuity Assn.	110,012,767	10	0.13%	75,359,992	10	0.17%
Fluke Electronics Corp.	—		—	84,997,425	8	0.19%
BF Goodrich Aerospace	—		—	81,576,426	9	0.18%
<b>Total</b>	<b>\$ 2,894,137,189</b>		<b>3.44%</b>	<b>\$ 2,724,047,068</b>		<b>5.98%</b>
<b>Total Taxable Assessed Value</b>	<b>\$ 84,124,564,644</b>			<b>\$ 45,527,932,751</b>		

**Source:** Snohomish County Assessors Office

**2007 Statistical Section**

**Snohomish County  
Property Tax Levies and Collections  
Last Six Fiscal Years**

Fiscal Year Ended December 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
2002 <sup>a</sup>	\$ 103,765,435	\$ 99,955,457	96.33%	\$ 3,669,381	\$ 103,624,838	99.86%
2003	107,548,107	104,038,372	96.74%	3,461,080	107,499,452	99.95%
2004	107,095,374	104,121,288	97.22%	2,887,543	107,008,831	99.92%
2005	110,250,526	107,350,735	97.37%	2,683,154	110,033,889	99.80%
2006	114,154,621	111,369,500	97.56%	1,901,255	113,270,755	99.23%
2007	118,469,841	115,398,394	97.41%	-	115,398,394	97.41%

**Source:** Snohomish County Treasurers Office

<sup>a</sup> Restated 2002 amounts to accurately reflect data.

**2007 Statistical Section**

**Snohomish County  
Ratios of Outstanding Debt by Type  
Last Six Fiscal Years**

(amounts expressed in thousands, except per capita)

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Special Assessment Bonds	Other Debt	General Obligation Bonds	Other Debt			
2002	\$ 213,191	\$ 2,490	\$ 6,396	\$ 61,922	\$ 20,374	\$ 304,373	1.53%	\$ 481
2003	255,924	2,100	6,139	100,371	19,969	384,503	1.90%	604
2004	246,327	1,710	5,492	94,108	18,798	366,435	1.73%	569
2005	246,326	1,445	6,716	87,298	19,125	360,910	1.62%	551
2006	295,964	1,210	5,867	91,990	17,857	412,888	Unavailable	616
2007	285,264	1,045	5,095	84,508	16,589	392,501	Unavailable	572

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Statistical Schedule - Demographic and Economic Statistics for personal income and population data.



2007 Statistical Section

**Snohomish County**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Six Fiscal Years**

(amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligation		Percentage of Estimated Actual Taxable Value <sup>a</sup> of Property		Per Capita <sup>b</sup>
	Bonds	Total			
2002	\$ 275,113	\$ 275,113	0.60%		\$ 435
2003	356,295	356,295	0.72%		560
2004	340,435	340,435	0.63%		529
2005	333,624	333,624	0.55%		509
2006	387,954	387,954	0.57%		579
2007	369,772	369,772	0.44%		539

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Statistical Schedule - Assessed Value and Estimated Actual Value of Taxable Property for property value data.

<sup>b</sup> See Statistical Schedule - Demographic and Economic Statistics for population data.

**2007 Statistical Section**

**Snohomish County  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2007**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
<b>Cities and Towns:</b>			
City of Arlington	16,616,118	100.00%	16,616,118
City of Bothell	7,261,310	49.81%	3,616,619
City of Brier	993,972	100.00%	993,972
Town of Darrington	187,250	100.00%	187,250
City of Edmonds	29,073,599	100.00%	29,073,599
City of Everett	39,032,853	100.00%	39,032,853
City of Gold Bar	66,270	100.00%	66,270
City of Granite Falls <sup>a</sup>	47,655	100.00%	47,655
Town of Index	-	100.00%	-
City of Lake Stevens	2,914,922	100.00%	2,914,922
City of Lynnwood	7,342,883	100.00%	7,342,883
City of Marysville	22,621,722	100.00%	22,621,722
City of Mill Creek	323,312	100.00%	323,312
City of Monroe	12,701,296	100.00%	12,701,296
City of Mountlake Terrace	4,515,814	100.00%	4,515,814
City of Mukilteo	-	100.00%	-
City of Snohomish	1,204,968	100.00%	1,204,968
City of Stanwood	2,649,605	100.00%	2,649,605
City of Sultan	1,551,133	100.00%	1,551,133
Town of Woodway	43,428	100.00%	43,428
<b>Total Cities and Towns</b>	<b>149,148,110</b>		<b>145,503,419</b>
<b>School Districts:</b>			
Arlington	53,195,000	100.00%	53,195,000
Darrington	3,370,000	94.93%	3,199,159
Edmonds	255,745,000	100.00%	255,745,000
Everett	270,830,000	100.00%	270,830,000
Granite Falls	39,595,307	100.00%	39,595,307
Lake Stevens	72,240,000	100.00%	72,240,000
Lakewood	12,240,000	100.00%	12,240,000
Marysville	133,160,000	100.00%	133,160,000
Monroe	39,825,000	100.00%	39,825,000
Mukilteo	108,333,601	100.00%	108,333,601
Northshore	314,733,912	36.63%	115,301,911
Snohomish	133,930,000	100.00%	133,930,000
Stanwood-Camano	33,520,000	41.87%	14,033,642
Sultan	3,315,000	100.00%	3,315,000
<b>Total School Districts</b>	<b>1,474,032,820</b>		<b>1,254,943,620</b>
<b>Water and Sewer Districts</b>	18,890,155	100.00%	18,890,155
<b>Flood Districts</b>	292,663	100.00%	292,663
<b>Fire Districts</b>	21,999,520	100.00%	21,999,520
<b>Ports</b>	21,060,000	100.00%	21,060,000
<b>Hospitals</b>	64,840,000	100.00%	64,840,000
<b>Libraries:</b>			
Granite Falls LCFA	1,040,000	100.00%	1,040,000
King County Library	74,330,000	1.54%	1,142,122
Monroe LCFA	6,000,000	100.00%	6,000,000

2007 Statistical Section

**Snohomish County**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2007**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Snohomish LCFA	6,370,000	100.00%	6,370,000
Total Libraries	87,740,000		14,552,122
<b>Parks:</b>			
East County Parks & Recreation	375,000	100.00%	375,000
Northshore Parks & Recreation	3,375,000	36.64%	1,236,572
Total Parks	3,750,000		1,611,572
<b>Public Facilities Districts</b>	70,768,804	100.00%	70,768,804
Subtotal, overlapping debt	1,912,522,071		1,614,461,875
<b>Snohomish County direct debt</b>	385,874,795	100.00%	385,874,795
Total direct and overlapping debt	<u>2,298,396,866</u>		<u>2,000,336,670</u>

**Sources:** Outstanding debt data provided by each governmental unit. Applicable percentage calculated based on assessed values provided by Snohomish County Assessors Office, King County Assessors Office, and Pierce County Assessors Office.

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, for each overlapping government.

<sup>a</sup> 2006 outstanding GO Debt amount was used as 2007 amount was unavailable.

**2007 Statistical Section**

**Snohomish County  
Legal Debt Margin Information  
Last Six Fiscal Years**  
(amounts expressed in thousands)

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Assessed Value	\$ 49,262,950	\$ 54,029,572	\$ 60,801,066	\$ 68,597,771	\$ 84,124,565	\$ 99,315,203
<b>Limited Tax General Obligation Debt Not Requiring a Vote:</b>						
Debt Limit - 1.5% of Total Assessed Value	\$ 738,944	\$ 810,444	\$ 912,016	\$ 1,028,967	\$ 1,261,868	\$ 1,489,728
Debt applicable to limit:						
General obligation debt	301,889	382,404	364,724	359,466	411,677	391,457
Less: Amount set aside for repayment of general obligation debt	(24,916)	(30,993)	(24,186)	(19,159)	(14,793)	(13,375)
Total net debt applicable to limit	<u>276,973</u>	<u>351,411</u>	<u>340,539</u>	<u>340,307</u>	<u>396,884</u>	<u>378,082</u>
<b>Remaining Debt Capacity Not Requiring Vote</b>	<u>\$ 461,971</u>	<u>\$ 459,032</u>	<u>\$ 571,477</u>	<u>\$ 688,659</u>	<u>\$ 864,984</u>	<u>\$ 1,111,646</u>
Total net debt applicable to the limit as a percentage of debt limit	37.48%	43.36%	37.34%	33.07%	31.45%	25.38%
<b>Tax General Obligation Debt Including Voted Debt:</b>						
Debt Limit - 2.5% of Total Assessed Value	\$ 1,231,574	\$ 1,350,739	\$ 1,520,027	\$ 1,714,944	\$ 2,103,114	\$ 2,482,880
Debt applicable to limit:						
General obligation debt	301,889	382,404	364,724	359,466	411,677	391,457
Less: Amount set aside for repayment of general obligation debt	(24,916)	(30,993)	(24,186)	(19,159)	(14,793)	(13,375)
Total net debt applicable to limit	<u>276,973</u>	<u>351,411</u>	<u>340,539</u>	<u>340,307</u>	<u>396,884</u>	<u>378,082</u>
<b>Remaining Debt Capacity Including Voted Debt</b>	<u>\$ 954,601</u>	<u>\$ 999,328</u>	<u>\$ 1,179,488</u>	<u>\$ 1,374,637</u>	<u>\$ 1,706,230</u>	<u>\$ 2,104,798</u>
Total net debt applicable to the limit as a percentage of debt limit	22.49%	26.02%	22.40%	19.84%	18.87%	15.23%

**Snohomish County  
Demographic and Economic Statistics  
Last Six Fiscal Years**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2002	632,156	\$ 19,899,982	31,480	7.0%
2003	636,591	20,191,501	31,718	7.1%
2004	644,102	21,142,828	32,825	5.7%
2005	655,564	22,288,551	33,999	5.1%
2006	669,887	Unavailable	Unavailable	4.6%
2007	686,300	Unavailable	Unavailable	4.0%

**Source:** Population, personal income, and per capita personal income provided by US Bureau of Economic Analysis and Washington State Office of Financial Management. Unemployment rate provided by Washington State Employment Security Department.

**2007 Statistical Section**

**Snohomish County  
Principal Employers  
Current Year and Five Years Ago**

Employer	2007			2002		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Boeing	29,000	1	8.23%	20,000	1	6.44%
Naval Station Everett	6,000	2	1.70%	6,087	2	1.96%
Premiera Blue Cross	3,310	3	0.94%	1,693	6	0.55%
Providence Everett Medical Center	3,250	4	0.92%	2,624	4	0.85%
Washington State	3,000	5	0.85%	3,023	3	0.97%
Snohomish County Government	2,700	6	0.77%	2,566	5	0.83%
Tulalip Tribes Enterprises	2,300	7	0.65%	1,334	10	0.43%
Rinker Materials Northwest	1,800	8	0.51%	—		—
Everett School District	1,770	9	0.50%	—		—
Verizon Northwest	1,550	10	0.44%	—		—
Goodrich	—		—	1,650	7	0.53%
Verizon	—		—	1,633	8	0.53%
Edmonds School District	—		—	1,425	9	0.46%
<b>Total</b>	<b>54,680</b>		<b>15.51%</b>	<b>42,035</b>		<b>13.54%</b>
Total County Employment	352,510			310,400		

**Source:** Economic Development Council of Snohomish County. Total County employment provided by Washington State Employment Security Department.

**2007 Statistical Section**

**Snohomish County  
Full-time Equivalent County Government Employees by Function  
Last Six Fiscal Years**

<u>Function</u>	<u>Full-time Equivalent Employees as of December 31</u>					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Government	526	555	550	553	571	681
Judicial	352	299	300	311	244	252
Public Safety	800	846	857	878	998	914
Physical Environment	221	216	215	215	223	235
Transportation	436	411	411	404	396	398
Health and Human Services	135	138	138	136	172	160
Economic Environment	176	176	183	194	218	271
Culture and Recreation	72	70	69	70	67	76
<b>Total</b>	<b>2,718</b>	<b>2,711</b>	<b>2,723</b>	<b>2,761</b>	<b>2,889</b>	<b>2,987</b>

**Source:** Snohomish County Finance (Budget)

**2007 Statistical Section**

**Snohomish County  
Operating Indicators and Capital Assets by Function  
Last Six Fiscal Years**

<u>Function</u>	<u>Fiscal Year</u>					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Judicial</u>						
Superior Court - New Case Filings						
Criminal	2,826	2,751	3,098	3,107	3,411	3,900
Civil	10,513	12,568	13,137	12,608	12,126	13,786
Domestic Violence	1,498	1,409	1,252	1,390	1,218	1,396
Domestic	3,406	3,415	3,411	3,344	3,505	3,260
Probate	1,545	1,526	1,547	1,566	1,515	1,552
Adoption/Paternity	1,172	1,147	1,145	1,154	1,146	1,118
Mental	756	726	826	882	868	852
Juvenile Case Type 7 <sup>a</sup>	3,386	3,028	3,875	3,999	3,885	4,326
Juvenile Offender	2,239	2,621	2,007	1,847	1,733	2,202
District Court						
Infractions	68,602	77,645	76,172	78,465	87,820	92,230
DUI	2,989	3,156	3,649	3,166	3,307	4,158
Criminal Traffic	7,067	7,344	4,491	3,701	7,975	8,823
Criminal Misdemeanors	6,274	6,185	6,111	5,950	5,907	5,570
Civil	12,146	11,017	11,765	11,916	11,578	12,925
Small Claims	910	2,366	2,596	2,667	2,294	2,038
Felony	3,583	4,004	5,075	5,641	5,994	5,733
<u>Public Safety</u>						
Sheriff						
Call Responders	162	185	185	189	193	203
Total 911-Initiated Calls	143,111	148,006	150,867	145,477	153,503	142,728
Total Self-Initiated Calls	81,633	95,693	131,099	137,697	122,939	120,173
Precincts	3	3	3	3	3	3
Sheriff Vehicles	245	255	274	276	270	279
Corrections						
Bookings	19,092	19,946	19,987	22,732	25,560	25,574
Average Daily Population	998	892	823	981	1,206	1,284
<u>Physical Environment</u>						
Surface Water						
Miles of Habitat Restored	9	5	9	19	26	34
Solid Waste						
Customers Served	395,391	402,376	467,388	534,667	613,452	647,128
Tons Exported (refuse)	440,005	422,852	443,963	461,782	506,531	518,820
Tons Exported (recycle)	13,910	13,598	17,548	21,730	27,705	31,895
Transfer Stations <sup>b</sup>	4	4	3	3	3	3
Drop Box Sites	5	5	5	5	5	5
<u>Transportation</u>						
County Roads						
Miles of Road Resurfaced <sup>c</sup>	146	120	99	118	115	90
Miles of Road (FFC7,8,9,14,16,17,19)	1,650	1,660	1,677	1,697	1,690	1,657
County Road Vehicles & Equipment	514	510	520	514	515	516
Bridges	190	196	197	200	200	205
Airport						
Runways	3	3	3	3	3	3
Taxiways	8	8	8	9	10	10
Parking Ramps	5	5	5	5	6	6



**2007 Statistical Section**

**Snohomish County  
Operating Indicators and Capital Assets by Function  
Last Six Fiscal Years**

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Health and Human Services</u>						
Human Services						
Children Receiving ECEAP <sup>d</sup> Services	837	831	824	837	824	930
Households Receiving Energy Assistance	3,667	4,723	6,321	7,883	8,675	5,892
Vouchers Issued to Veterans	1,086	1,404	2,119	2,423	2,703	4,146
<u>Economic Environment</u>						
Planning and Development Services						
Permits Issued	14,250	13,527	14,575	16,226	14,920	14,227
Customers Served	NA	NA	29,494	30,434	31,871	31,696
Annexations Proposed/Approved	12	10	13	29	31	30
<u>Culture and Recreation</u>						
Parks						
Parks Facility Users	681,011	795,398	947,869	1,198,274	1,432,135	1,434,139
Parkland Acreage	9,610	9,858	9,862	9,865	9,875	9,800
Golf Courses	1	1	1	1	1	1

**Source:** Various county departments.

**Note:** Indicators and capital assets are not available for the general government function.

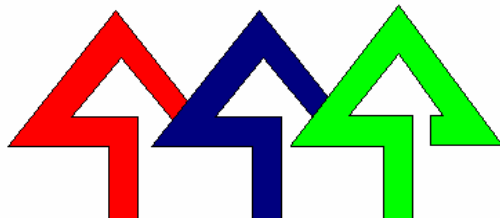
<sup>a</sup> Dependency, Termination of Parental Rights, At Risk Youth, Child in Need of Services & Truancy

<sup>b</sup> Includes Cathcart Temporary station for years 2002-2003

<sup>c</sup> Centerline Miles of roadway preservation and rehabilitation

<sup>d</sup> ECEAP (Early Childhood Education and Assistance Program)

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**Snohomish County, Washington**  
**Compliance Section**



Grantor/Pass-Through Grantor/Program Title	CFDA Number	Other Identification Number	Current Year Expenditures
<b>U. S. DEPARTMENT OF AGRICULTURE</b>			
<b><u>School Breakfast Program:</u></b>			
Direct:			
National School Breakfast Program 06-07	10.553	31-002-9790	\$ 19,856
National School Breakfast Program 07-08	10.553	31-002-9790	9,438
<b>Total CFDA 10.553 School Breakfast Program</b>			<b>29,294</b>
<b><u>National School Lunch Program:</u></b>			
Direct:			
National Lunch Program 06-07	10.555	31-002-9790	\$ 36,343
National Lunch Program 07-08	10.555	31-002-9790	17,125
<b>Total CFDA 10.555 National School Lunch Program</b>			<b>53,468</b>
<b><u>State Administrative Matching Grants for Food Stamps Program:</u></b>			
Indirect: <i>Through WA State Dept. of Early Learning</i>			
Children's Basic Food Nutrition Education Program	10.561	S07-33102-B15	\$ 5,768
Children's Basic Food Nutrition Education Program - Pass Through	10.561	S07-33102-B16	39,545
Children's Basic Food Nutrition Education Program	10.561	N16348	5,334
<b>Total CFDA 10.561 State Administrative Matching Grants for Food Stamps Program</b>			<b>50,647</b>
<b><u>Cooperative Forestry Assistance:</u></b>			
Direct:			
Beaver Creek Culvert Replacement	10.664	NFS 06-DG-11060500-05	\$ 26,667
<b>Total CFDA 10.664 Cooperative Forestry Assistance</b>			<b>26,667</b>
<b>Schools and Roads Grants to States</b>			
Indirect:			
Federal Forest	10.665	NA	\$ 313,628
Pass-Through Federal Forest	10.665	NA	100,000
<b>Total CFDA 10.665 Schools and Roads Grants to States</b>			<b>413,628</b>
<b><u>Forest Health Protection:</u></b>			
Direct:			
Control and Management of Japanese Knotweed in Stilly	10.680	05-DG-11062764-026	38,119
<b>Total CFDA 10.680 Forest Health Protection</b>			<b>38,119</b>
<b>TOTAL U. S. DEPARTMENT OF AGRICULTURE</b>			<b>\$ 611,823</b>
<b>U. S. DEPARTMENT OF COMMERCE</b>			
<b><u>Coastal Zone Management Administration Awards:</u></b>			
Indirect:			
NW Straits: MRC Year 6 Admin and Action Project	11.419	G0600109	\$ 78,656
Marine Resources Committee Administration	11.419	G0800005	18,035
<b>Total CFDA 11.419 Coastal Zone Management Administration Awards</b>			<b>96,691</b>
<b><u>Pacific Coast Salmon Recovery/Pacific Coast Salmon Treaty Program:</u></b>			
Indirect:			
Snohomish County Lead Entity Operational Grant	11.438	05-2018	\$ 8,257
Snohomish County Lead Entity Operational Grant	11.438	07-1480	18,948
Stillaguamish Lead Entity	11.438	05-2016	14,759
North Meander Sough Reconnection, Phase II	11.438	05-1605R	56,359
Primary Sources of Fine Sediment	11.438	05-1564N	57,488
<b>Total CFDA 11.438 Pacific Coast Salmon Recovery/Pacific Salmon Treaty Program</b>			<b>155,811</b>
<b><u>Automated Flood Warning Systems (AFWS)</u></b>			
Direct:			
Snohomish County Automated Flood Warning System	11.450	NAO6NWS4500005	\$ 25,082
<b>Total CFDA 11.450 Automated Flood Warning System</b>			<b>25,082</b>
<b>TOTAL U. S. DEPARTMENT OF COMMERCE</b>			<b>\$ 277,584</b>
<b>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<b><u>Community Development Block Grants/Entitlement Grants:</u></b>			
Indirect:			
City of Everett 07-08 CDBG Weatherization	14.218	None Assigned	\$ 2,929
Direct:			
Community Development Block Grant Entitlement-Pass Thru	14.218	B-03-UC-53-0003	\$ 165,885

2007 Schedule of Expenditures of Federal Awards

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Other Identification Number	Current Year Expenditures
Community Development Block Grant Entitlement-Pass Thru	14.218	B-04-UC-53-0003	501,726
Community Development Block Grant Entitlement-Pass Thru	14.218	B-05-UC-53-0003	245,497
Community Development Block Grant Entitlement	14.218	B-06-UC-53-0003	331,837
Community Development Block Grant Entitlement-Pass Thru	14.218	B-06-UC-53-0003	1,406,707
Community Development Block Grant Entitlement	14.218	B-07-UC-53-0003	344,258
Community Development Block Grant Entitlement-Pass Thru	14.218	B-07-UC-53-0003	185,234
Community Development Block Grant Entitlement-Pass Thru	14.218	B-98-UC-53-0003	150,000
<b>Total CFDA 14.218 Community Development Block Grants/Entitlement Grants</b>			<b>3,334,073</b>
 <b>Emergency Shelter Grants Program:</b>			
<i>Indirect: Through WA State Dept of Community, Trade, and Econ. Development</i>			
Emergency Shelter Grant Program (ESGP)	14.231	06-46106-48	\$ 263
Pass-Through ESGP	14.231	06-46106-48	19,887
ESGP	14.231	07-46106-48	1,338
Pass-Through ESGP	14.231	07-46106-48	15,661
 Direct:			
HUD - ESGP-Pass Thru	14.231	S-05-UC-53-0004	\$ 9,164
HUD - ESGP	14.231	S-06-UC-53-0004	3,992
HUD - ESGP-Pass Thru	14.231	S-06-UC-53-0004	112,750
HUD - ESGP	14.231	S-07-UC-53-0004	6,759
HUD - ESGP-Pass Thru	14.231	S-07-UC-53-0005	26,605
<b>Total CFDA 14.231 Emergency Shelter Grants Program</b>			<b>196,419</b>
 <b>Supportive Housing Program:</b>			
Direct:			
Supportive Housing Program	14.235	WA01B30-4001	\$ 2,202
Pass-Through Supportive Housing Program	14.235	WA01B30-4001	129,026
Supportive Housing Program	14.235	WA01B30-4013	1,052
Pass-Through Supportive Housing Program	14.235	WA01B30-4013	75,463
Supportive Housing Program	14.235	WA01B40-4001	400
Pass-Through Supportive Housing Program	14.235	WA01B40-4001	52,640
Supportive Housing Program	14.235	WA01B50-4001	204
Supportive Housing Program	14.235	WA01B50-4002	841
Pass-Through Supportive Housing Program	14.235	WA01B50-4002	31,429
Supportive Housing Program	14.235	WA01B50-4005	94
Pass-Through Supportive Housing Program	14.235	WA01B50-4005	159,668
Supportive Housing Program	14.235	WA01B50-4006	326
Pass-Through Supportive Housing Program	14.235	WA01B50-4006	14,273
Pass-Through Supportive Housing Program	14.235	WA01B50-4009	70,471
Supportive Housing Program	14.235	WA01B50-4010	929
Pass-Through Supportive Housing Program	14.235	WA01B50-4010	79,582
Supportive Housing Program	14.235	WA01B50-4012	872
Pass-Through Supportive Housing Program	14.235	WA01B50-4012	160,896
Supportive Housing Program	14.235	WA01B50-4013	956
Pass-Through Supportive Housing Program	14.235	WA01B50-4013	39,980
Supportive Housing Program	14.235	WA01B50-4015	961
Pass-Through Supportive Housing Program	14.235	WA01B50-4016	96,606
Supportive Housing Program	14.235	WA01B50-4017	43,180
Supportive Housing Program	14.235	WA01B60-4003	39
Pass-Through Supportive Housing Program	14.235	WA01B60-4003	32,390
Supportive Housing Program	14.235	WA01B60-4005	317
Pass-Through Supportive Housing Program	14.235	WA01B60-4005	16,766
Supportive Housing Program	14.235	WA01B60-4007	63
Pass-Through Supportive Housing Program	14.235	WA01B60-4007	41,030
Supportive Housing Program	14.235	WA01B60-4009	127
Pass-Through Supportive Housing Program	14.235	WA01B60-4009	41,008
Supportive Housing Program	14.235	WA01B60-4010	191
Pass-Through Supportive Housing Program	14.235	WA01B60-4011	3,892
Supportive Housing Program	14.235	WA01B60-4017	63
<b>Total CFDA 14.235 Supportive Housing Program</b>			<b>1,097,937</b>
 <b>HOME Investment Partnership Program:</b>			
Direct:			
Pass-Through Home Program	14.239	M-02-DC-53-0201	\$ 109,387
Pass-Through Home Program	14.239	M-03-DC-53-0201	602,729
Home Program	14.239	M-04-DC-53-0201	47,876
Pass-Through Home Program	14.239	M-04-DC-53-0201	457,572
Pass-Through Home Program	14.239	M-05-DC-53-0201	23,553
Home Program	14.239	M-06-DC-53-0201	168,856
Pass-Through Home Program	14.239	M-06-DC-53-0201	73,063

2007 Schedule of Expenditures of Federal Awards

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Other Identification Number	Current Year Expenditures
Home Program	14.239	M-07-DC-53-0201	32,165
Pass-Through Home Program	14.239	M-07-DC-53-0201	625,113
<b>Total CFDA 14.239 HOME Investment Partnership Program</b>			<u>2,140,314</u>
<b>TOTAL U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b>\$ 6,768,743</b>
<b>DEPARTMENT OF THE INTERIOR</b>			
<b><u>Fish and Wildlife Management Assistance:</u></b>			
Direct:			
Creswell Creek Habitat Improvement Project	15.608	13320-5-J022	\$ 30,000
Indirect:			
Middle Fork Quilceda Creek Riparian Restoration	15.608	2005-0197-0111	\$ 4,400
Puget Sound Salmon Skills Bank	15.608	2006-0098-002	\$ 13,500
Mosher Creek Wetland Restoration	15.608	2006-0098-008	1,525
Stillaguamish Watershed Knotweed Control	15.608	2006-0098-017	1,564
Spencer Island Estuary Restoration	15.608	2004-0145-000	\$ 41,309
<b>Total CFDA 15.608 Fish and Wildlife Management Assistance</b>			<u>92,298</u>
<b>TOTAL DEPARTMENT OF THE INTERIOR</b>			<b>\$ 92,298</b>
<b>U. S. DEPARTMENT OF JUSTICE</b>			
<b><u>Juvenile Accountability Incentive Block Grants:</u></b>			
Indirect:			
Juvenile Accountability Incentive Block Grant	16.523	0663-98449	\$ 34,110
Juvenile Accountability Incentive Block Grant	16.523	0663-98449-02	17,957
<b>Total CFDA 16.523 Juvenile Accountability Incentive Block Grants</b>			<u>52,067</u>
<b><u>Juvenile Justice and Delinquency Prevention/Allocation to States:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
DARTS Secure CRC Bridges	16.540	I-300-00606	\$ 52,670
Juvenile Justice Program Development Unit	16.540	I-100-00807	5,109
Juvenile Justice Program Development Unit	16.540	I-100-01606	7,628
<b>Total CFDA 16.540 Juvenile Justice and Delinquency Prevention/Allocation to States</b>			<u>65,407</u>
<b><u>Drug Court Discretionary Grant Program:</u></b>			
Direct:			
Juvenile Drug Court Implementation	16.585	2003-DC-BX-0029	\$ 27,720
<b>Total CFDA 16.585 Drug Court Discretionary Grant Program</b>			<u>27,720</u>
<b><u>State Criminal Alien Assistance Program:</u></b>			
Direct:			
State Criminal Alien Assistance Program	16.606	2007-F7411-WA-AP	\$ 93,874
<b>Total CFDA 16.606 State Criminal Alien Assistance Program</b>			<u>93,874</u>
<b><u>Bulletproof Vest Partnership Program:</u></b>			
Direct:			
Bulletproof Vest Partnership	16.607	FY2005 Award	\$ 12,947
<b>Total CFDA 16.607 Bulletproof Vest Partnership Program</b>			<u>12,947</u>
<b><u>Public Safety Partnership and Community Policing Grants:</u></b>			
Indirect <i>Through Washington State Patrol</i>			
WASPC Contract	16.710	WASPCMI06107	\$ 23,473
Direct:			
COPS Technology	16.710	2004-SHWX-0176	\$ 110,420
COPS Technology	16.710	2004-CKWX-0280	178,561
COPS Technology	16.710	2006-CKWX-0092	788,182
COPS Technology	16.710	2005-CKWX-0241	27,384
COPS Technology	16.710	2005-CKWX-0242	69,797
<b>Total CFDA 16.710 Public Safety Partnership and Community Policing Grants</b>			<u>1,197,817</u>
<b><u>Edward Byrne Memorial Justice Assistance Grant Program</u></b>			
Direct:			
Sheriff JAG	16.738	2005-DJBX-1714	\$ 70,841
Indirect:			
Justice Assistance Grant 2006-2007	16.738	F06-66201015	\$ 176,548
Justice Assistance Grant 2007-2008	16.738	F07-66707015	115,857
<b>Total CFDA 16.738 Edward Byrne Memorial Justice Assistance Grant Program</b>			<u>363,246</u>

2007 Schedule of Expenditures of Federal Awards

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Other Identification Number	Current Year Expenditures
<b>WSP Eradication Agreement:</b>			
Indirect: <i>Through Washington State Patrol</i>			
WSP Eradication Agreement	16.999	C071141FED	\$ 9,188
<b>Total CFDA 16.999 WSP Eradication Agreement</b>			<u>9,188</u>
<b>TOTAL U. S. DEPARTMENT OF JUSTICE</b>			<b>\$ 1,822,266</b>
<b>U. S. DEPARTMENT OF TRANSPORTATION</b>			
<b>Airport Improvement Program:</b>			
Direct:			
Federal Aviation Administration	20.106	3-53-0028-40	\$ 529,912
Federal Aviation Administration	20.106	3-53-0028-41	241,331
<b>Total CFDA 20.106 Airport Improvement Program</b>			<u>771,243</u>
<b>Highway Planning and Construction:</b>			
Direct:			
Beaver Creek Culvert Replacement	20.205	DTFH70-07-E00002	\$ 88,000
Big Four Creek Fish Passage	20.205	DTFH70-E-00012	1,314
Indirect:			
Granite Falls Bridge 102 Rehab	20.205	BHM-X310(006)	\$ 146,332
Marten Creek Bridge #562 Replacement	20.205	BRS-X310(008)	4,090
Skykomish River Slough Bridge #150	20.205	BROS-2031 (091)	209,556
May Creek Bridge #572 Replacement	20.205	BROS-2031(098)	43,235
Swanson Road Bridge #80	20.205	BROS-2031 (073) LA-2031	2,245,717
Woods Creek Bridge No. 445	20.205	BROS-2031(087) LA3924	954,597
Sauk River Bridge No. 414	20.205	BROS-2031(088) LA4307	6,332,062
Granite Falls Alternate Route	20.205	NCPD-STPR x310(007)	121,349
Little Pilchuck Creek Bridge #601	20.205	BROS-2031(092) LA5216	20,627
Machias Bridge #44	20.205	BRS-F310 (001) LA-1966	4,373
Lowell/Snohomish River Trail	20.205	CM-STPE 2616 (002)	75,283
Cascadian Way Pedestrian Safety	20.205	STPE-2593(002)	119,208
South County Rural Guardrails	20.205	STPH-000S(183)	410,117
SR9 Corridor Operations Analysis	20.205	STPUL-0009(056)	4,985
Countywide ITS-Phase 1	20.205	STPUL-9931(008)	132,599
51st Ave NE/122nd Place NE	20.205	STPUL-2693(002)	60,311
SNOCAP Study	20.205	STPUL-2031(094) LA5293	12,936
Rieter Road Rail Road Crossing	20.205	STPX 2031(097)	11,694
Blue Bridge #538	20.205	ER-0701(060)	322,991
Index Galena Road MP6.4 to MP6.9	20.205	ER-0701(063)	10,740
Mountain Loop Hwy@ Blue Bridge #538	20.205	ER-0701(064)	6,306
311th AVE SE	20.205	ER-0701(067)	56,301
Index Galena RD. MP 11.0 to 11.1	20.205	ER-0701(069)	5,590
MT. Loop Hwy MP 11.9 to 11.92	20.205	ER-0701(070)	65,424
MT. Loop Hwy MP 12.8 to 12.9	20.205	ER-0701(071)	520
Index Galena Rd MP 13.0 to 13.05	20.205	ER-0701(072)	24,766
MT. Loop Hwy MP 13.8 to 13.9	20.205	ER-0701(073)	6,782
MT. Loop Hwy MP 14.1 to 14.2	20.205	ER-0701(074)	3,405
MT. Loop Hwy at Perry Creek	20.205	ER-0701(075)	5,614
MT. Loop Hwy MP 17.0 to 17.6	20.205	ER-0701(076)	11,376
Lowell Snohomish Rd SR9 to Airport Way	20.205	ER-0701(077)	28,271
<b>Total CFDA 20.205 Highway Planning and Construction</b>			<u>11,546,471</u>
<b>Interagency Hazardous Materials Public Sector Training and Planning Grants:</b>			
Indirect:			
Hazardous Material Emergency Preparedness-HMEP 07	20.703	E07-215	\$ 1,741
Hazardous Material Emergency Preparedness-HMEP 08	20.703	E08-105	3,065
<b>Total CFDA 20.703 Interagency Hazardous Materials Public Sector Training and Planning Grants</b>			<u>4,806</u>
<b>TOTAL U. S. DEPARTMENT OF TRANSPORTATION</b>			<b>\$ 12,322,520</b>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>			
<b>Environmental Protection Consolidated Grants-Program Support:</b>			
Indirect:			
Puget Sound Watershed Protection	66.600	G0700292	\$ 46,395
Puget Sound Watershed Protection	66.600	G0700303	15,464
<b>Total CFDA 66.600 Environmental Protection Consolidated Grants-Program Support</b>			<u>61,859</u>



2007 Schedule of Expenditures of Federal Awards

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Other Identification Number	Current Year Expenditures
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>			<b>\$ 61,859</b>
<b>U. S. DEPARTMENT OF ENERGY</b>			
<b><u>Weatherization Assistance for Low-Income Persons:</u></b>			
Indirect: <i>Through WA State Dept of Community, Trade, and Econ. Development</i>			
06-07 DOE Weatherization	81.042	F06-434-422	\$ 145,661
07-08 DOE Weatherization	81.042	F07-43103-422	165,972
<b>Total CFDA 81.042 Weatherization Assistance for Low-Income Persons</b>			<b>311,633</b>
<b><u>2006 BPA Weatherization Program:</u></b>			
Indirect: <i>Through WA State Dept of Community, Trade, and Econ. Development</i>			
2006 BPA Weatherization Program	81.999	F07-446-422	\$ 129,177
<b>Total CFDA 81.999 2003 BPA Weatherization Program</b>			<b>129,177</b>
<b>TOTAL U. S. DEPARTMENT OF ENERGY</b>			<b>\$ 440,810</b>
<b>U. S. DEPARTMENT OF EDUCATION</b>			
<b><u>Safe and Drug Free Schools and Communities- State Grants</u></b>			
Indirect:			
Community Mobilization-Youth RAP 06-07	84.186	N/A	\$ 4,344
<b>Total CFDA 84.186 Safe and Drug Free Schools and Communities- State Grants</b>			<b>4,344</b>
<b>TOTAL U. S. DEPARTMENT OF EDUCATION</b>			<b>\$ 4,344</b>
<b>U. S. ELECTION ASSISTANCE COMMISSION</b>			
<b><u>Help America Vote Act Requirements Payments:</u></b>			
Indirect:			
Help America Vote Act (HAVA)	90.401	G-2853	\$ 146,335
<b>Total CFDA 90.401 Help America Vote Act Requirements Payments</b>			<b>146,335</b>
<b>TOTAL U. S. ELECTION ASSISTANCE COMMISSION</b>			<b>\$ 146,335</b>
<b>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<b><u>Medical Reserve Corps Small Grant Program:</u></b>			
Indirect:			
Medical Reserve Corps -NACCHO	93.008	MRC -07435	\$ 10,000
Direct:			
Medical Reserves Corps Demonstration Grant Program	93.008	MRC SGO 30102-03-03	\$ 49,082
<b>Total CFDA 93.008 Medical Reserve Corps Small Grant Program</b>			<b>59,082</b>
<b><u>Special Programs for the Aging Title VII, Chapter 3/Programs for Prevention of Elder Abuse, Neglect, and Exploitation:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
Older Americans Act-Elder Abuse	93.041	0769-11379	\$ 6,242
<b>Total CFDA 93.041 Special Programs for the Aging Title VII, Chapter 3/Programs for Prevention of Elder Abuse, Neglect, and Exploitation</b>			<b>6,242</b>
<b><u>Special Programs for the Aging Title III Part D/Disease Prevention and Health Promotion Services:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
Pass-Through Older Americans Act - Title IIID	93.043	0769-11379	\$ 35,783
<b>Total CFDA 93.043 Special Programs for the Aging Title III Part D/Disease Prevention and Health Promotion Services</b>			<b>35,783</b>
<b><u>Special Programs for the Aging Title III Part B/Grants for Supportive Services and Senior Centers:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
Older Americans Act- Misc ADSA Services	93.044	0769-11379	\$ 1,750
Older Americans Act-Title IIIB	93.044	0769-11379	233,111
Pass-Through Older Americans Act - Title IIIB	93.044	0769-11379	433,171
<b>Total CFDA 93.044 Special Programs for the Aging Title III Part B/Grants for Supportive Services and Senior Centers</b>			<b>668,032</b>
<b><u>Special Programs for the Aging Title III Part C/Nutrition Services:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
Older Americans Act-Title 3C-1	93.045	0769-11379	\$ 35,868
Pass-Through Older Americans Act-Title 3C-1	93.045	0769-11379	333,608

2007 Schedule of Expenditures of Federal Awards

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Other Identification Number	Current Year Expenditures
Older Americans Act-Title 3C-2	93.045	0769-11379	27,530
Pass-Through Older Americans Act-Title 3C-2	93.045	0769-11379	247,773
<b>Total CFDA 93.045 Special Programs for the Aging Title III Part C/Nutrition Services</b>			<b>644,779</b>
<b><u>National Family Caregiver Support:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
Older Americans Act-Title 3E	93.052	0769-11379	\$ 25,147
Pass-Through Older Americans Act-Title 3E	93.052	0769-11379	206,150
<b>Total CFDA 93.052 National Family Caregiver Support</b>			<b>231,297</b>
<b><u>Consolidated Knowledge Development and Application (KD&amp;A) Program:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
05-07 DSHS DASA Community Services Work Order	93.230	8895-8	\$ 15,748
Pass-Through 05-07 DSHS DASA Community Services Work Order	93.230	8895-8	178,009
07-09 DSHS DASA Community Services Work Order	93.230	0763-20354	2,699
Pass-Through 07-09 DSHS DASA Community Services Work Order	93.230	0763-20354	25,005
<b>Total CFDA 93.230 Consolidated Knowledge Development and Application (KD&amp;A) Program</b>			<b>221,461</b>
<b><u>Substance Abuse and Mental Health Services-Access to Recovery:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
05-07 DSHS Community Services Work Order	93.275	8895-8	\$ 168,097
Pass-Through 05-07 DSHS Community Services Work Order	93.275	8895-8	589,259
07-09 DSHS Community Services Work Order	93.275	0763-20354	97,794
Pass-Through 07-09 DSHS Community Services Work Order	93.275	0763-20354	180,197
<b>Total CFDA 93.275 Substance Abuse and Mental Health Services-Access to Recovery</b>			<b>1,035,347</b>
<b><u>Child Support Enforcement:</u></b>			
Indirect:			
Family Support Federal Share	93.563	75-1501-0-1-609	\$ 1,825,163
Title IV-D (Clerk)	93.563	2110-80559	662,864
Title IV-D (Commissioners)	93.563	2110-80559	132,750
<b>Total CFDA 93.563 Child Support Enforcement</b>			<b>2,620,777</b>
<b><u>Low-Income Home Energy Assistance:</u></b>			
Indirect: <i>Through WA State Dept of Community, Trade, and Econ. Development</i>			
2006 LIHEAP Weatherization Program	93.568	F07-431-422	\$ 479,762
2007 LIHEAP Energy	93.568	07-32106-081	1,471,303
2008 LIHEAP-EAP	93.568	08-32106-081	430,623
<b>Total CFDA 93.568 Low-Income Home Energy Assistance</b>			<b>2,381,688</b>
<b><u>Community Services Block Grant:</u></b>			
Indirect: <i>Through WA State Dept of Community, Trade, and Econ. Development</i>			
2006 Community Services Block Grant	93.569	F06-32100-026	\$ 42,869
Pass-Through 2006 Community Services Block Grant	93.569	F06-32100-026	151,217
2007 Community Services Block Grant	93.569	F07-32100-026	73,806
Pass-Through 2007 Community Services Block Grant	93.569	F07-32100-026	230,527
<b>Total CFDA 93.569 Community Services Block Grant</b>			<b>498,419</b>
<b><u>Medical Assistance Program:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
Adult Day Health	93.778	0669-02251	2,000
Adult Day Health	93.778	0769-22632	764
Title XIX Matched by SCSA-Federal	93.778	0669-02251	29,352
Pass-Through Title XIX Matched By SCSA	93.778	0669-02251	41,045
Title XIX Chore-Federal	93.778	0669-02251	1,034,918
Title XIX Chore-Federal	93.778	0769-22632	1,008,849
Title XIX Matched by SCSA-Federal	93.778	0769-22632	30,811
Pass-Through Title XIX Matched By SCSA	93.778	0769-22632	54,531
06-07 Regional Long Term Care Ombudsman Program	93.778	No Number Assigned	52,779
07-08 Regional Long Term Care Ombudsman Program	93.778	No Number Assigned	57,286
<b>Total CFDA 93.778 Medical Assistance Program</b>			<b>2,312,335</b>
<b><u>Block Grants for Community Mental Health Services:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			
CMH Federal Block Grant	93.958	NSMHA-Snohomish-FBG-06-07	\$ 17,483
Pass-Through CMH Federal Block Grant	93.958	NSMHA-Snohomish-FBG-06-07	39,339
Pass-Through CMH Federal Block Grant	93.958	NSMHA-Snohomish-FBG-07-08	8,427
<b>Total CFDA 93.958 Block Grants for Community Mental Health Services</b>			<b>65,249</b>
<b><u>Block Grants for Prevention and Treatment of Substance Abuse:</u></b>			
Indirect: <i>Through WA State Dept of Social and Health Services (DSHS)</i>			

2007 Schedule of Expenditures of Federal Awards

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Other Identification Number	Current Year Expenditures
05-07 DSHS DASA Community Services Work Order	93.959	8895-8	\$ 109,546
Pass-Through 05-07 DSHS DASA Community Services Work Order	93.959	8895-8	268,741
07-09 DSHS DASA Community Services Work Order	93.959	0763-20354	92,033
Pass-Through 07-09 DSHS DASA Community Services Work Order	93.959	0763-20354	230,768
<b>Total CFDA 93.959 Block Grants for Prevention and Treatment of Substance Abuse</b>			<b>701,088</b>
<b>TOTAL U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>\$ 11,481,579</b>
<b>DEPARTMENT OF HOMELAND SECURITY</b>			
<b>Urban Areas Security Initiative:</b>			
Indirect:			
FFY 06 UASI Initiative	97.008	E07-143	\$ 330,836
FFY 05 UASI Initiative	97.008	E06-041	797,470
<b>Total CFDA 97.008 Urban Areas Security Initiative</b>			<b>1,128,306</b>
<b>Disaster Grants- Public Assistance:</b>			
Indirect:			
Disaster Assistance/Kayak Point & Centennial Trail	97.036	E06-738	\$ 9,351
Disaster Assistance (Parks-Federal)	97.036	E07-773	11,008
Disaster Grants- Public Asst. President Declared	97.036	Mission# 07-3894	4,928
07 FEMA	97.036	E07-773 1671-DR-WA	36,185
<b>Total CFDA 97.036 Disaster Grants- Public Assistance</b>			<b>61,472</b>
<b>Emergency Management Performance Grants:</b>			
Indirect:			
Emergency Management Performance Grant (EMPG) '07	97.042	E07-370	\$ 145,250
<b>Total CFDA 97.042 Emergency Management Performance Grants</b>			<b>145,250</b>
<b>Cooperating Technical Partners:</b>			
Direct:			
Mapping Activity	97.045	EMS-2006-GR-0008	\$ 59,191
<b>Total CFDA 97.045 Cooperating Technical Partners</b>			<b>59,191</b>
<b>Citizen Corps:</b>			
Indirect:			
Citizen Corps Program (CCP) '05	97.053	OMB 560-07	\$ 4,519
Pass-Through Citizen Corps Program (CCP) '05	97.053	OMB 560-07	4,312
Citizen Corps Program (CCP) '06	97.053	OMB 820-07	6,434
Pass-Through Citizen Corps Program (CCP) '06	97.053	OMB 820-07	7,012
<b>Total CFDA 97.053 Citizen Corps</b>			<b>22,277</b>
<b>Homeland Security Grant Program:</b>			
Indirect:			
State Homeland Security Grant Pgm (SHSGP) FFY 05	97.067	E06-022	\$ 128,838 See Note 3
Pass-Through State Homeland Security Grant Pgm (SHSGP) FFY 05	97.067	E06-022	1,219,567 See Note 3
State Homeland Security Grant Pgm (SHSGP) FFY 06	97.067	E07-190	131,918
Pass-Through State Homeland Security Grant Pgm (SHSGP) FFY 06	97.067	E07-190	226,408
<b>Total CFDA 97.067 Homeland Security Grant Program</b>			<b>1,706,731</b>
<b>Law Enforcement Terrorism Prevention Program (LETPP):</b>			
Indirect:			
Through Law Enforcement Terrorism & Protection Program (LETPP) FYY 2004	97.074	CO 70138FED/CO 8043 FED	\$ 44,861
Pass-Through Law Enforcement Terrorism & Protection Program (LETPP) FYY 2004	97.074	CO 70138FED/CO 8043 FED	35,100
Law Enforcement Terrorism & Protection Program (LETPP) FYY 2005	97.074	CO 60539 FED	472,326
Through Law Enforcement Terrorism & Protection Program (LETPP) FYY 2006	97.074	CO 70728FED	84,140
Pass-Through Law Enforcement Terrorism & Protection Program (LETPP) FYY 2007	97.074	CO 70728FED	44,245
<b>Total CFDA 97.074 Law Enforcement Terrorism Prevention Program (LETPP)</b>			<b>680,672</b>
<b>Buffer Zone Protection Plan (BZPP):</b>			
Indirect:			
Buffer Zone Protection Program (BZPP)	97.078	E07-323	\$ 41,292
<b>Total CFDA 97.078 Buffer Zone Protection Plan (BZPP)</b>			<b>41,292</b>
<b>TOTAL DEPARTMENT OF HOMELAND SECURITY</b>			<b>\$ 3,845,191</b>
<b>U. S. EXECUTIVE OFFICE OF THE PRESIDENT</b>			
<b>High Intensity Drug Trafficking Areas:</b>			
Indirect: <i>Through Washington State Patrol</i>			
WSP Interdiction	7.999	C071010FED	\$ 29,929

2007 Schedule of Expenditures of Federal Awards

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Other Identification Number	Current Year Expenditures
Direct:			
HIDTA 2007	7.999	I7PNWP504	\$ 531,978
HIDTA 2006	7.999	I6PNWP504	182,659
HIDTA 2005	7.999	I5PNWP504	1,085
Indirect:			
HIDTA Community Support Initiative	7.999	10203	13,900
Pass-Through HIDTA Community Support Initiative	7.999	10203	15,770
Pass-Through HIDTA Community Support Initiative	7.999	9006000127	3,325
Pass-Through HIDTA Community Support Initiative	7.999	9006000116	13,745
<b>Total CFDA 7.999 High Intensity Drug Trafficking Areas:</b>			<u>792,391</u>
<b>TOTAL U. S. EXECUTIVE OFFICE OF THE PRESIDENT</b>			<b>\$ 792,391</b>
<b>TOTAL EXPENDITURE OF FEDERAL ASSISTANCE</b>			<b><u>\$ 38,667,744</u></b>

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**NOTE 1 - BASIS OF ACCOUNTING**

The Schedule of Federal Awards is prepared on the same basis of accounting as the County's financial statements. The county uses the modified accrual basis for its governmental and fiduciary fund types and the accrual basis of accounting for the proprietary fund types.

**NOTE 2 - PROGRAM COSTS**

The amounts shown as current year expenditures represent only the federal portion of the program costs. Actual program costs, including the County's portion, may be more than shown.

**NOTE 3 - NONCASH AWARDS - EQUIPMENT**

The County received equipment and supplies that were purchased with federal Homeland Security funds by the State of Washington. This amount reported on the schedule is the value of the property on the date it was received by the County and priced by the State of Washington.

Grantor/Program Title	State Contract Number	Total
<b>Washington State Department of Agriculture</b>		
Spartina Control and Eradication	IA07-05-05	\$ 9,962
Spartina Control and Eradication	IA08-06-05	45,970
Reed Sweetgrass Eradication	IA08-31-05	1,683
<b>Total Washington State Department of Agriculture</b>		<b>\$ 57,615</b>
<b>Washington State Department of Archaeology and Historic Preservation</b>		
Mission Building Windows and Stucco Walls Restoration	FY08-90002-008	\$ 2,320
<b>Total Washington State Department of Archaeology and Historic Preservation</b>		<b>\$ 2,320</b>
<b>Office of the Administrator of the Court</b>		
Volunteer Guardian Ad Litem 05-07	IAA06026	\$ 56,285
Volunteer Guardian Ad Litem 07-09	IAA08058	70,149
<b>Total Office of the Administrator of the Court</b>		<b>\$ 126,434</b>
<b>County Road Administration Board</b>		
180th St. SW@ Snohomish Ave	3103-01	\$ 73,059
Jordan Road Bridge #42	3105-01	102,064
Jordan Road Bridge Approaches	3107-01	9,704
<b>Total County Road Administration Board</b>		<b>\$ 184,827</b>
<b>Department of Community Trade and Economic Development</b>		
TDR Opportunities	T07-633303-002	\$ 100,000
Drug Prosecution Grant	S06-66200014	20,184
Drug Prosecution Grant	S08-66208-004	17,873
2007 PSE Energy Matchmaker Program	O07-422-422	65,082
2005-2007 Energy Matchmaker	S05-941-422	954,220
Washington State Meth Initiative Program	S06-6610052	130,143
Transitional Housing, Operating & Rent Program	08-46104-20	4,224
Pass-Through Transitional Housing, Operating & Rent Program	08-46104-20	67,498
2007-2009 Community Services Block Grant	SFY08-32100-218	2,954
Housing Grant Assistance Program (HGAP)	07-46108-006	15,463
2005-2007 Emergency Shelter Assistance Program	S06-46105-31	12,118
Pass-Through 2005-2007 Emergency Shelter Assistance Program	S06-46105-31	181,727
2007-2009 Emergency Shelter Assistance Program	S08-46105-31	13,951
Pass-Through 2007-2009 Emergency Shelter Assistance Program	S08-46105-31	169,509
05-07 Transitional Housing & Rent Program (THOR)	06-46104-20	2,924
Pass-Through 05-07 Transitional Housing & Rent Program (THOR)	06-46104-20	96,192
Early Childhood Education & Assistance Program	S06-33101-E30	355,913
Pass-Through Early Childhood Education & Assistance Program	S06-33101-E30	2,012,361
2006 Stop Grant	F06-31103-080	30,974
2007 Stop Grant	F07-31103-069	4,984
<b>Total Department of Community Trade and Economic Development</b>		<b>\$ 4,258,294</b>
<b>Washington Council for the Prevention of Child Abuse and Neglect</b>		
Strengthening Families Through Early Care and Education	210775(K7121)	\$ 500
<b>Total Washington Council for the Prevention of Child Abuse and Neglect</b>		<b>\$ 500</b>
<b>Washington State Department of Ecology</b>		
Independent Remedial Action Grant	G0800506	\$ 200,000
Coordinated Prevention Grant	G0600150	393,074
Coordinated Prevention Grant	G0700140	77,041
Snohomish River Pollutant	G0400041	106,429
Voluntary Cleanup Program	G0800461	200,000
Digital Topographic Data Development	G0600232	90,128
Local Government Heavy-Duty Diesel Retrofit	G0700031	73,170
Snohomish County Septic System Program	G0600297	7,470
Evergreen State Fairgrounds LID Improvements	G0700212	84,134
South Fork Big Trees	G0700234	10,198
Aquatic Weeds Management Fund - Lake Serene Milfoil Erad.	G0500152	4,727
Sauk River Corridor Assessment	G0600122	11,909

Grantor/Program Title	State Contract Number	Total
Animal Waste Management Campaign	G0400139	82,457
Integrating Stormwater Water Quality Management	G0400361	60,163
<b>Total Department of Ecology</b>		<b>\$ 1,400,900</b>
<b>Department of Social and Health Services</b>		
Detention Services	0563-85172	\$ 15,093
Family Support State Share	75-1501-0-1-609	898,961
Family Reconciliation Service	0763-28674	3,225
Secure Crisis Residential Center	0763-21541	280,562
Secure Crisis Residential Center	0663-00356	364,598
Detention Services	Bridge Agreement	5,289
2007 Diagnostic Juvenile Court Services	Bridge Agreement	19,092
2005-2007 Diagnostic Juvenile Court Services	0563-85172	45,191
2007 HB3900 Community Corrections Program	Bridge Agreement	138,088
2005-2007 HB3900 Community Corrections Program	0563-85172	156,314
Evidence Based Expansion	0763-30349	31,669
2007 Consolidated Contract	Bridge Agreement	706,477
2006-2007 Consolidated Contract	0563-85128	770,277
2007-2009 ART Quality Assurance Specialist	0763-20404	55,362
2005-2007 ART Quality Assurance Specialist	0563-83212	52,571
Pass-Through Senior Drug Education	0669-02251	6,268
Pass-Through Senior Drug Education	0769-22632	6,289
Kinship Caregiver Support	0769-22632	18,859
Kinship Caregiver Support	0669-02251	36,740
07-09 DSHS Community Services Work Order	0763-20354	402,907
Pass-Through 07-09 DSHS Community Services Work Order	0763-20354	1,556,410
05-07 DSHS Community Services Work Order	8895-8	389,782
Pass-Through 05-07 DSHS Community Services Work Order	8895-8	1,616,161
Pass-Through Senior Farmer's Market Nutrition Program	0669-02251	11,329
Pass-Through Senior Farmer's Market Nutrition Program	0769-22632	37,309
Title XIX Matched by SCSA-State	0669-02251	29
2007-2008 Title XIX Matched by SCSA-State	0769-22632	28
Title XIX/Chore-(State Fund)	0669-02251	975,023
SCSA	0769-22632	84,429
Pass-Through SCSA	0769-22632	132,971
SCSA	0669-02251	122,996
Pass-Through SCSA	0669-02251	304,696
Respite	0669-02251	51,008
Pass-Through Respite	0669-02251	83,090
State Family Caregiver	0769-22632	66,024
Pass-Through State Family Caregiver	0769-22633	87,820
State Family Caregiver	0669-02251	2,258
Pass-Through State Family Caregiver	0669-02251	20,323
2005-2007 Expanded Family Support Grant	0563-84333	5,417
2007-2009 Community Services Family Support	0763-25248	828
2005-2007 DDD County Services	0563-80667	192,482
Pass-Through 2005-2007 DDD County Services	0563-80667	2,484,184
2007-2009 DDD County Services	0763-20845	126,610
Pass-Through 2007-2009 DDD County Services	0763-20845	1,732,472
<b>Total Department of Social and Health Services</b>		<b>\$ 14,097,513</b>
<b>Washington State Department of Transportation</b>		
Washington Airport Aid Program	SNO-02-05	\$ 28,960
<b>Total Washington State Department of Transportation</b>		<b>\$ 28,960</b>
<b>Washington State Department of Corrections</b>		
Twin Rivers Contract	COCO5388 Amendment No. 6	\$ 74,464
Twin Rivers Contract	COCO5388 Amendment No. 5	75,541
<b>Total Washington State Department of Corrections</b>		<b>\$ 150,005</b>
<b>Washington State Department of Fish &amp; Wildlife</b>		
Snohomish Co. Lead Entity Operational Grant	07-1480	\$ 18,948
Stillaguamish Lead Entity	05-2018	8,257

## 2007 Schedule of State and Local Financial Assistance

Grantor/Program Title	State Contract Number	Total
Stillaguamish Lead Entity	05-2016	14,759
<b>Total State Department of Fish &amp; Wildlife</b>		<b>\$ 41,964</b>
<b>Washington State Department of Health</b>		
EMS Participation Grant	31C02	\$ 1,439
<b>Total Washington State Department of Health</b>		<b>\$ 1,439</b>
<b>Washington State Recreation and Conservation Office</b>		
Lake Stevens Community Ballfield	01-1143D	\$ 834
North County Ballfields	04-1383A	14,379
Paradise Valley Conservation Area Trails	05-1159D	49,040
Centennial Trail - Arlington North	04-1340D	35,327
Salmon Recovery Board - Snohomish R Confluence Reach	02-1623R	241,040
Salmon Recovery Board - Middle Fork Quilceda Riparian Restoration	2005-0197-011	3,600
Salmon Recovery Board - Stillaguamish Watershed Knotweed Control	2006-009-8017	1,251
Mosher Creek Wetland Restoration	2006-0098-008	1,198
Smith Island Estuary Acquisition	05-1514A	19,002
Skykomish River Braided Reach Restoration	06-2202R	5,009
<b>Total Washington State Recreation and Conservation Office</b>		<b>\$ 370,680</b>
<b>Washington Traffic Safety Commission</b>		
WSTSC Traffic Enforcement	N/A	\$ 28,000
05-07 Snohomish County Drinking And Driving Countermeasures	07ST-12	18,942
07-09 Snohomish County Drinking And Driving Countermeasures	09ST-12	18,936
<b>Total Washington Traffic Safety Commission</b>		<b>\$ 65,878</b>
<b>Distribution Account Wash. St. Treasurer's Office</b>		
Death Investigations 25% Pathologist Salary	RCW 68.50.104	\$ 56,793
Death Investigations 40% Contract Pathologist	RCW 68.50.104	9,200
Infant and Child Autopsy Cost	RCW 43.103.100	21,189
<b>Total Distribution Account Wash. St. Treasurer's Office</b>		<b>\$ 87,182</b>
<b>Washington State Department of Early Learning</b>		
Early Childhood Education and Assistance Program	08-CS-0127	\$ 377,515
Pass-Through Early Childhood Education and Assistance Program	08-CS-0127	1,086,295
<b>Total Washington State Department of Early Learning</b>		<b>\$ 1,463,810</b>
<b>Washington State Military Department</b>		
Disaster Assistance	E07-773	\$ 1,669
<b>Total Washington State Military Department</b>		<b>\$ 1,669</b>
<b>Washington State Transportation Improvement Board</b>		
20th St. SE-91st to 99th	9-P-031(015)-1	\$ 377,542
20th St. SE-91st to Cavelro RD	9-P-031(016)-1	178,135
<b>Total Washington State Transportation Improvement Board</b>		<b>555,677</b>
<b>Local Sources</b>		
Community Mobilization-Youth RAP 2007-2008	N/A	\$ 37
Cascade Harvest Coalition	FTT 11-2006	12,358
2007-2008 Puget Sound Energy - LIP	Sno. PSE LIP Prog 2008	43,008
2006-2007 Puget Sound Energy - LIP	Sno. PSE LIP Prog 2007	71,940
Pass-Through King County Developmental Disabilities	N/A	69,067
<b>Total Local Sources</b>		<b>\$ 196,410</b>
<b>Total State and Other Assistance</b>		<b>\$ 23,092,077</b>



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Grantor/Program Title	State Contract Number	Total
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**NOTES TO THE SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS**

**NOTE 1 - BASIS OF ACCOUNTING**

The Schedule of State and Local Awards is prepared on the same basis of accounting as the County's financial statements. The county uses the modified accrual basis for its governmental and fiduciary fund types and the accrual basis of accounting for the proprietary fund types.

**NOTE 2 - PROGRAM COSTS**

The amounts shown as current year expenditures represent only the state portion of the program costs. Actual program costs, including the County's portion, may be more than shown.

**NOTE 3 - Vouchers**

The expenditure amount reported includes the value of food vouchers distributed by a subrecipient agency to eligible clients