



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report
Pierce County Fire Protection District
No. 3
(West Pierce Fire and Rescue)

For the period January 1, 2017 through December 31, 2017

Published October 25, 2018

Report No. 1022482





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

October 25, 2018

Board of Commissioners
West Pierce Fire and Rescue
University Place, Washington

Report on Financial Statements

Please find attached our report on West Pierce Fire and Rescue's financial statements.

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

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

TABLE OF CONTENTS

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	4
Independent Auditor's Report on Financial Statements.....	7
Financial Section.....	10
About the State Auditor's Office.....	20

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

**West Pierce Fire and Rescue
January 1, 2017 through December 31, 2017**

Board of Commissioners
West Pierce Fire and Rescue
University Place, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of West Pierce Fire and Rescue, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated October 11, 2018.

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

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

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

COMPLIANCE AND OTHER MATTERS

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

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

PURPOSE OF THIS REPORT

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

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

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

Pat McCarthy

State Auditor

Olympia, WA

October 11, 2018

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

West Pierce Fire and Rescue January 1, 2017 through December 31, 2017

Board of Commissioners
West Pierce Fire and Rescue
University Place, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of West Pierce Fire and Rescue, for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's financial statements, as listed on page 10.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of West Pierce Fire and Rescue, for the year ended December 31, 2017, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

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

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of West Pierce Fire and Rescue, as of December 31, 2017, or the changes in financial position or cash flows for the year then ended, due to the significance of the matter discussed in the above "Basis for Adverse Opinion on U.S. GAAP" paragraph.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Liabilities is presented for purposes of additional analysis, as required by the prescribed BARS manual. This schedule is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Pat McCarthy

State Auditor

Olympia, WA

October 11, 2018

FINANCIAL SECTION

West Pierce Fire and Rescue January 1, 2017 through December 31, 2017

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2017
Notes to Financial Statements – 2017

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2017

**Pierce County Fire Protection District No 3
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2017**

Beginning Cash and Investments

30810	Reserved	6,341,431
30880	Unreserved	6,923,534
388 / 588	Prior Period Adjustments, Net	2,981

Revenues

310	Taxes	30,388,355
320	Licenses and Permits	130,101
330	Intergovernmental Revenues	500,897
340	Charges for Goods and Services	4,509,620
350	Fines and Penalties	-
360	Miscellaneous Revenues	812,883
Total Revenues:		36,341,856

Expenditures

510	General Government	-
520	Public Safety	33,412,874
Total Expenditures:		33,412,874
Excess (Deficiency) Revenues over Expenditures:		2,928,982

Other Increases in Fund Resources

391-393, 596	Debt Proceeds	1,003,582
397	Transfers-In	2,592,952
385	Special or Extraordinary Items	-
386 / 389	Custodial Activities	-
381, 395, 398	Other Resources	-
Total Other Increases in Fund Resources:		3,596,534

Other Decreases in Fund Resources

594-595	Capital Expenditures	1,890,364
591-593, 599	Debt Service	1,600,349
597	Transfers-Out	2,592,952
585	Special or Extraordinary Items	-
586 / 589	Custodial Activities	-
Total Other Decreases in Fund Resources:		6,083,665

Increase (Decrease) in Cash and Investments: 441,851

Ending Cash and Investments

5081000	Reserved	6,776,313
5088000	Unreserved	6,934,026
Total Ending Cash and Investments		13,710,339

The accompanying notes are an integral part of this statement.



PIERCE COUNTY FIRE PROTECTION DISTRICT No. 3
MCAG 1255
Notes to Financial Statements
January 1, 2017 through December 31, 2017

The following notes are an integral part of the accompanying financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District 3 is a special purpose government that provides fire protection services to the general public and is supported primarily through property taxes. The District was incorporated in 1944 and operates under Chapter 52 RCW and other laws of the State of Washington applicable to fire districts. In March of 2011, Fire District 2 merged into Fire District 3.

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

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

A. **Fund Accounting**

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

GOVERNMENTAL FUND TYPES:

General Fund

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

Debt Service Funds

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

B. Basis of Accounting and Measurement Focus

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

C. Budgets

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

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

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

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Variance
Legislative	\$66,845	\$33,472	\$33,373
Technology	\$1,263,263	\$1,238,660	\$24,603
Administration	\$3,066,707	\$2,981,144	\$85,563
Suppression	\$15,847,583	\$14,918,496	\$929,087
Prevention	\$1,285,419	\$1,349,687	(\$64,268)
Training	\$1,048,205	\$1,100,301	(\$52,096)
Facilities	\$1,248,931	\$1,228,703	\$20,228
Fleet	\$1,186,638	\$1,137,267	\$49,371
EMS	\$7,569,743	\$7,778,211	(\$208,468)
Emergency Management	\$291,321	\$303,682	(\$12,361)
Communications	\$1,358,183	\$1,343,251	\$14,932
Capital	\$1,831,067	\$1,890,365	(\$59,298)
Other Financing Uses	\$832,400	\$1,126,870	(\$294,470)
General Fund	\$36,896,306	\$36,430,109	\$466,197
Reserve Fund	\$477,562	\$648,136	\$(170,574)
GOB Fund	\$2,414,113	\$2,418,294	\$(4,181)

Budgeted amounts are authorized to be transferred between (departments within any fund/object classes within departments); however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the District’s legislative body.

D. Cash & Investments

It is the District's policy to invest all temporary cash surpluses. The amount is included on the statement of resources and uses arising from cash transactions as net cash and investments.

E. Capital Assets

Capital Assets are long-lived assets of the District and are recorded as capital expenditures when purchased.

F. Compensated Absences

Vacation pay may be accumulated up to 720 hours for the most senior shift employees and is payable upon separation or retirement. Sick leave may accumulate up to 1276 hours for shift employees and 1040 for most day employees. Upon separation or retirement most employees receive payment of 25% of accrued unused sick leave. Estimated liability for sick leave and vacation leave benefits on December 31, 2017 was \$4,244,702.

G. Long-Term Debt

See Note 4, Debt Service Requirements

H. Reserve Fund Balance

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

Reservations of Ending Cash and Investments consist of \$6,349,485 at year-end.

NOTE 2 – PROPERTY TAX

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

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

The District regular levy for the year 2017 was \$1.499988 per \$1,000 on an assessed valuation of \$9,046,400,629 for a total regular levy of \$13,569,493.87. The County refund fund was \$0.00001183 for a total of \$107.07.

The District EMS levy for the year 2017 was \$0.499996 per \$1,000 on an assessed valuation of \$9,046,400,629 for a total EMS levy of \$4,523,166.62. The County refund fund was \$0.000003 for a total of \$33.69.

The District excess levy for the year 2017 was \$1.226773 per \$1,000 on an assessed valuation of \$8,946,234,948 for a total excess levy of \$10,975,000.00. The County refund fund was \$0.000011 for a total of \$105.00.

Previous District 2's Bond for the year 2017 was \$0.2333903 per \$1,000 on an assessed valuation of \$5,570,067,204 for a total bond levy of \$1,300,000.00. The County refund fund was \$0.000003 for a total of \$17.53.

NOTE 3 – INVESTMENTS

The District’s investments are held by Pierce County as its agent in the District’s name. It is the District’s policy to invest all temporary cash surpluses. The interest on these investments is retained in the fund earning the interest.

All deposits and certificates of deposit are held by Pierce County in the District’s name. Cash on hand at Pierce County in the District’s name is covered by FDIC and WPDPC. Invested funds are done through a Local Government Investment Pool (LGIP). The LGIP is not registered with the Securities and Exchange Commission (SEC) as an investment company. It is a voluntary investment vehicle operated by the Washington State Treasurer. Over 530 local governments have participated in the Pool since it was started in 1986 to provide safe, liquid, and competitive investment options for local government pursuant to the Revised Code of Washington (RCW) 43.250. All investments are subject to written policies and procedures adopted by the State Treasurer’s Office. The LGIP is considered extremely low risk. Funds are invested in a portfolio of securities in a manner generally consistent with the SEC’s Rule 2A-7 of the Investment Company Act of 1940 as it currently stands. The LGIP functions as a demand deposit account where the County receives an allocation of its proportionate share of pooled earnings using an amortized cost methodology. Unrealized gains and losses due to changes in the fair values are not distributed to the County.

Investments are reported at original cost. Investments by type at December 31, 2017 were as follows:

Type of Investment	District’s Own Investment	Investments held by Pierce County	Total
L.G.I.P.		\$13,220,000	\$13,220,000

NOTE 4 – DEBT SERVICE REQUIREMENTS

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the District and summarizes the District’s debt transactions for year 2017. The debt service requirements, including interest, are as follows:

<u>District 3</u>	<u>Non-Voter Approved GOB</u>		
<u>Year</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2017	305,000	32,400	337,400
2018	310,000	23,250	333,250
2019	105,000	12,400	117,400
2020	110,000	8,725	118,725
2021	115,000	4,600	119,600
Total	945,000	81,375	1,026,375

<u>District 2</u>		<u>Voter Approved GOB</u>	
<u>Year</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2017	1,050,000	197,100	1,247,100
2018	1,140,000	155,100	1,295,100
2019	1,205,000	120,900	1,325,900
2020	1,290,000	84,750	1,374,750
2021	1,380,000	43,470	1,423,470
Total	6,065,000	601,320	6,666,320

<u>District 3</u>		<u>LOCAL Program</u>	
<u>Year</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2017	0	11,667	11,667
2018	130,916	41,888	172,804
2019	179,182	34,135	213,317
2020	188,141	24,952	213,093
2021	197,548	15,310	212,858
2022	207,426	5,186	212,611
Total	903,213	133,137	1,036,350

NOTE 5 - PENSION PLANS

A. State Sponsored Pension Plans

Substantially all of Fire District 3’s full-time and qualifying part-time employees participate in either the Public Employees Retirement System (PERS) or under the Law Enforcement Officers and Fire Fighters (LEOFF) pension plans administered by the Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans.

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

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

Department of Retirement Systems
 Communications Unit
 PO Box 48380
 Olympia, WA 98504-8380

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

At June 30, 2017, the District's proportionate share of the collective net pension liabilities, as reported on Schedule 9, was as follows:

	<i>Employer Contributions</i>	<i>Allocation %</i>	<i>Liability (Asset)</i>
PERS 1	118,664.83	0.019727%	\$936,062
PERS 2	154,985.38	0.025375%	\$881,660
LEOFF 1	0	0.109779%	(\$1,665,589)
LEOFF 2	1,024,600.51	0.648592%	(\$9,000,356)

LEOFF Plan 1

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

LEOFF Plan 2

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

B. Defined Contribution Pension Plans

457(b) Plans; Various Collective Bargaining Agreements and Personal Services agreements define the amount contributed on behalf of the District and if there are any matching funds (employee contributions) required. In 2017, the maximum monthly contribution for an employee was \$675.

- VOYA Financial
- Decision Point Financial
- Nationwide
- DCP (*State of Washington*)

OTHER DISCLOSURES

In November 2010, the citizens of Fire District 2 approved the merger of Fire District 2 into Fire District 3. The merge become effective March 1, 2011. Fire District 3 is the remaining legal entity; and it is doing business as West Pierce Fire & Rescue. All assets and liabilities of District 2 became those of District 3 with the exception of the debt listed under Note 5 and Schedule 9 - it remains with the citizens who approved it in 2001, within the boundary of Fire District 2.

The District has a commitment to pay for post-employment benefits that belong to LEOFF 1 (medical, dental, prescriptions, and long-term care) and LEOFF 2 and PERS 2 (Medical/Retiree HRA).

LEOFF 1 includes 35 retirees; amount paid out for those benefits in 2017 was \$352,766.84.

PERS 2 and LEOFF 2 includes 33 retirees; amount paid out for those benefits in 2017 was \$134,448.23.

The District has a related party relationship with South Sound 911. District 3 maintains a seat on the policy board for this organization, which is filled by one of the elected members of the Board of Fire Commissioners for the District.

Effective January 1, 2017 all employees and operations of Fire Comm will be fully transitioned to SS911.

**Pierce County Fire Protection District No 3
Schedule of Liabilities
For the Year Ended December 31, 2017**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	Refunded Non-voter approved GOB	12/1/2021	945,000	-	305,000	640,000
251.12	Voter approved GOB	12/1/2021	6,065,000	-	1,050,000	5,015,000
263.96	Local Program - Engines	6/1/2022	-	903,213	-	903,213
Total General Obligation Debt/Liabilities:			7,010,000	903,213	1,355,000	6,558,213
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences		4,460,075	2,504,099	2,719,472	4,244,702
264.30	Pension Liability		2,516,984	-	699,263	1,817,721
Total Revenue and Other (non G.O.) Debt/Liabilities:			6,977,059	2,504,099	3,418,735	6,062,423
Total Liabilities:			13,987,059	3,407,312	4,773,735	12,620,636

ABOUT THE STATE AUDITOR'S OFFICE

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

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

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

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

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

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

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

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