

ANNUAL REPORT CERTIFICATION

South Whidbey Parks and Recreation District
(Official Name of Government)

0619
MCAG No.

Submitted pursuant to RCW 43.09.230 to the Washington State Auditor's Office

For the Fiscal Year Ended 12/31/2024

GOVERNMENT INFORMATION:

Official Mailing Address	<u>5475 Maxwellton Road</u>
	<u>Langley, WA 98260</u>
Official Website Address	<u>www.swparks.org</u>
Official E-mail Address	<u>swparks@swparks.org</u>
Official Phone Number	<u>(360) 221-5484</u>

AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title	<u>Teresa Johnson CPA</u>
Contact Phone Number	<u></u>
Contact E-mail Address	<u>team@tdj.cpa</u>

I certify 28th day of May, 2025, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting Systems Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Signatures

Teresa Johnson (team@tdj.cpa)

South Whidbey Parks and Recreation District
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		Total for All Funds (Memo Only)	001 General	201 Bond	301 Capital
Beginning Cash and Investments					
308	Beginning Cash and Investments	1,383,269	1,094,217	41,352	247,700
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	2,846,887	1,614,156	1,232,731	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	352,381	352,381	-	-
340	Charges for Goods and Services	211,525	211,525	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	235,050	37,943	-	197,107
Total Revenues:		3,645,843	2,216,005	1,232,731	197,107
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	1,376,168	1,373,292	-	2,876
Total Expenditures:		1,376,168	1,373,292	-	2,876
Excess (Deficiency) Revenues over Expenditures:		2,269,675	842,713	1,232,731	194,231
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	15,206,809	-	-	15,206,809
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		15,206,809	-	-	15,206,809
Other Decreases in Fund Resources					
594-595	Capital Expenditures	1,104,112	618,771	-	485,341
591-593, 599	Debt Service	1,375,246	56,022	1,212,821	106,403
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		2,479,358	674,793	1,212,821	591,744
Increase (Decrease) in Cash and Investments:		14,997,126	167,920	19,910	14,809,296
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	14,868,213	-	61,262	14,806,951
50841	Committed	587,824	528,580	-	59,244
50851	Assigned	190,801	-	-	190,801
50891	Unassigned	733,557	733,557	-	-
Total Ending Cash and Investments		16,380,395	1,262,137	61,262	15,056,996

The accompanying notes are an integral part of this statement.

SOUTH WHIDBEY PARKS AND RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

JANUARY 1, 2024 THROUGH DECEMBER 31, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The South Whidbey Parks and Recreation District was formed by a special election certified in November of 1983 and operates under the laws of the State of Washington applicable to a park district. The South Whidbey Parks and Recreation District is a special purpose local government and provides for the management, control, improvement, maintenance and acquisition of parks, and recreational facilities.

The South Whidbey Parks and Recreation District (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.

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, except for fiduciary funds, which are presented by fund types. The total column is presented as "memo only" because any interfund activities are not eliminated. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund (Maintenance and Operations 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. An internal reserve fund is rolled up into the general fund for reporting purposes.

Debt Service Funds (Bond Redemption Fund)

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

Capital Projects Funds

These funds account for financial resources which are restricted, committed or assigned for the acquisition or construction of capital facilities or other capital assets.

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. Cash and Investments

It is the District's policy to invest all temporary cash surpluses. For further information, see Note 3 – *Deposits and Investments*.

D. Capital Assets

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

E. Compensated Absences

Compensated Absences are defined as leave for which employees may receive cash payments when the leave is used for time off or other cash payments like unused leave paid upon annual conversion options or termination of employment. Payments are recognized as expenditures when paid. The District calculated the liability assuming that the leave accruals would be used first in, first out.

Vacation leave may be accumulated up to 400 hours and is payable upon separation or retirement. Sick leave may be accumulated up to 480 hours. Upon death or retirement employees receive between 10%-40% payment for unused sick leave, depending on months of service.

F. Liabilities

See Note 4 for *Long-term Liabilities*, Note 5 – Leases, Note 6 – SBITA, and Note 7 for *Pensions*.

G. Leases and Subscription Based Information Technology Arrangements (SBITA)

Leases and SBITAs are reported as liabilities if the total payments over the live of the lease or SBITA is more than \$5,000. For more information see Note 5 – *Leases* and Note 6 – *SBITA*.

H. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by the Board of Commissioners. The District's goal is to maintain a Beginning Cash level of 25% of the projected total operating expenses for the year. When expenditures that meet restrictions are incurred, the District intends to use the most restricted resources first.

The District reports restricted, assigned, committed, and unrestricted Ending Cash and Investments.

The restricted balance consists of \$61,262 in the Bond Fund for the payment of bond principal and interest and \$14,806,951 in the Capital Funds for the 2024 bond issuance unspent proceeds.

Ending Cash and Investments also consists of Committed amounts due to resolutions approved by the Board of Commissioners:

– Capital Fund	59,244
– Operating Reserve Fund	528,580

The District's goal is to maintain the balance of the Operating Reserve Fund at a minimum level equal to 25% of the projected total operating expenses for the upcoming year. Additionally, a Capital Reserve of 30% of available cash at end of each year is the targeted threshold with a maximum capacity of \$250,000.

NOTE 2 – BUDGET COMPLIANCE

Budgets

The District adopts annual appropriated budgets for the maintenance and operation, capital and bond funds. These budgets are appropriated at the fund level except the general fund, where budget is adopted at the department level.

The budget constitutes the legal authority for expenditures at that level or the board may authorize expenditures in excess of budget by unanimous vote, if sufficient revenue is available to pay such expenditures. 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 follows:

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Remaining
<u>General Fund</u>			
Administration Department	\$ 1,096,850	\$ 998,679	\$ 98,171
Maintenance Department	178,075	182,449	(4,374)
Programming Department	157,360	151,120	6,240
Projects/Equipment Department	1,109,200	659,815	449,385
Debt Service Department	48,421	56,022	(7,601)
Campground Department	10,000	-	10,000
Transfers	133,871	197,117	(63,246)
<i>Total General Fund</i>	<i>2,733,777</i>	<i>2,245,202</i>	<i>488,575</i>
	Transfer Elimination	197,117	
<i>Total General Fund, per Financial Statements</i>		<i>\$ 2,048,085</i>	
Property & Capital/Construction Fund	15,244,998	594,620	14,650,378
Bond Fund	1,262,625	1,212,821	49,804
<i>Total District</i>	<i>\$19,241,400</i>	<i>\$ 3,855,526</i>	<i>\$ 15,188,757</i>

The Maintenance Department is overbudget due to transactions that were higher costs than expected. The Debt Service Department was overbudget due to expenses approved by the board in 2024 for an early debt payoff and the Transfer Out is over budget due to a County transfer error and correction.

The table above includes transfers between funds that are consolidated for reporting purposes on the Fund Resources and Uses Arising from Cash Transactions financial statement.

NOTE 3 – DEPOSITS & INVESTMENTS

Investments are reported at amortized cost. Deposits and investments by type at December 31, 2024 are as follows:

Type of Deposit or Investment	District's own deposits & investments
Island County Cash Deposits	\$ 474,581
Island County Investment Pool	15,905,314
Petty Cash	500
Totals	\$ 16,380,395

It is the District's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

Deposits and Investments in Island County Investment Pool

The District is a voluntary participant in the Island County treasury pool, an external investment pool operated by the County Treasurer. The pool is not rated or registered with the SEC. Rather, oversight is provided by the County Finance Committee in accordance with RCW 36.48.070. The district reports its investment in the pool at amortized cost, which is the same as the value of the pool per share. The pool does not impose liquidity fees or redemption gates on participant withdrawals.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the district would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The district's deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered or held by the district or its agent in the government's name.

NOTE 4 – LONG-TERM LIABILITIES

Debt Service

The accompanying Schedule of Liabilities provides more details of the outstanding debt and liabilities of the district and summarizes the district's debt transactions for the year ended December 31, 2024. The debt service requirements for general obligation bonds and direct financing purchases are as follows:

Debt Service Requirements			
	Principal	Interest	Total
2025 \$	129,013	\$ 650,102	\$ 779,115
2026	125,609	647,430	773,039
2027	127,831	644,803	772,634
2028	14,012	642,121	656,133
2029	144,614	641,519	786,133
2030-2034	1,343,043	3,061,622	4,404,665
2035-2039	2,747,477	2,586,152	5,333,629
2040-2044	4,691,458	1,759,858	6,451,316
2045-2048	5,458,645	584,190	6,042,835
TOTALS \$	<u>14,781,702</u>	<u>\$ 11,217,797</u>	<u>\$ 25,999,499</u>

Compensated Absences

During the year ended December 31, 2024, the following changes occurred in compensated absences:

	Beginning Balance 1/1/2024	Additions	Reductions	Ending Balance 12/31/2024
Compensated Absences*	74,108	39,593	-	113,701

*additions and reductions are reported as a net change

NOTE 5 – LEASES

As a lessee, the District is recognizing the following leases, per the BARS manual guidance.

Lease Description	Lease Type	Start Date	Initial Term	Payment Timing	Payment Amount	Lease Payable at 12/31/2024
Copiers	Equipment	Jul-22	5 Year	Monthly	\$120	\$1,920

The leases have no cancellation clauses.

The District paid \$1,440 for leases thru December 31, 2024. The future minimum lease payments, as of December 31, 2024, are as follows:

	Total
2025 \$	1,440
2026	480
\$	1,920

These liabilities are included on Schedule 9- Schedule of Long-term Liabilities.

NOTE 6 – SOFTWARE BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The District is recognizing the following SBITA's, per the BARS manual guidance.

Subscription Description	Subscription Type	Start Date	Initial Term	Payment Timing	Payment Amount	Subscription Payable at 12/31/2024
Financial and Payroll Software	Software	Jan-23	1 Year	Monthly	\$30	\$1,440

There are no cancellation clauses and the District anticipates extending use for 5 years.

The District paid \$360 for SBITA's thru December 31, 2024. The future minimum SBITA payments, as of December 31, 2024, are as follows:

	Total
2025 \$	360
2026	360
2027	360
2028	360
	<u>\$ 1,440</u>

These liabilities are included on Schedule 9 - Schedule of Long-term Liabilities.

NOTE 7 – PENSION PLANS

A. State Sponsored Pension Plans

Substantially all of the District’s full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans.

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

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for each plan. The DRS ACFR may be obtained from the DRS website at www.drs.wa.gov.

At June 30, 2024 (the measurement date of the plans), the District’s proportionate share of the collective net pension liabilities (assets), was as follows:

	Employer Contributions	Allocation %	Liability (Asset)
PERS 1	\$ 14,407	0.002407	\$ 42,768
PERS 2/3	30,937	0.003143	(103,611)

Only the net pension liabilities are reported on the Schedule 09.

NOTE 8 – DEFERRED CONTRIBUTION PENSION PLAN

The Districts’ Section 457 Plan is a single-employer defined contribution plan. Plan benefit terms have been established by the Washington State Department of Retirement Deferred Compensation Program (DCP) and the Districts’ personnel policy. The District makes matching contributions on behalf of participating employees. No assets are accumulated in trusts or equivalent arrangements by the Authority which meet the criteria in GASB 73, paragraph 101. The plan assets are administered by a third-party, which is the Washington State Department of Retirement Systems – Washington State Investment Board.

Plan assets are held in each employee's name and are the property of the employee and are 100% vested upon contribution.

Contribution rates for employees can change annually and are limited by the State of Washington DCP regulations and the IRS Section 457 limitations. Per the DCP program, the minimum contribution is \$30 per month and cannot exceed \$22,500 per year. The District matches up to 6.2% of regular wages for full-time personnel. Pension expense and employer contributions for the District was \$35,898 for the year ended December 31, 2024.

NOTE 9 – PROPERTY TAXES

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

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

The District has a regular levy and two bond levies for the year 2024. The levy rates are per \$1,000 on assessed valuation for a total of \$2,885,196 as follows:

Levy	Levy Rate	Valuation	Total Levy
Regular	0.2061148474	\$ 7,872,171,268	\$ 1,622,571
Bond	0.0150620535	7,809,360,143	117,625
Bond 2023	0.1466189264	7,809,360,143	1,145,000
			<u>\$ 2,885,196</u>

NOTE 10 – RISK MANAGEMENT

The District is a member of the Enduris Washington (Pool). Chapter 48.62 RCW provides the exclusive source of local government entity authority to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and contract for risk management, claims, and administrative services. The Pool was formed on July 10, 1987 pursuant to the provisions of Chapter 48.62 RCW, Chapter 200-100 WAC, and Chapter 39.34 RCW when two counties and two cities in the State of Washington joined together by signing an interlocal governmental agreement to fund their self-insured losses and jointly purchase insurance and administrative services. For the Pool's fiscal year ending August 31, 2024, there were 507 Enduris members representing a broad array of special purpose districts throughout the state.

The Enduris program provides various forms of joint self-insurance and reinsurance coverage for its members: Liability coverage, which includes General Liability, Automobile Liability, Public Officials' Errors and Omissions liability, Terrorism liability and Employment Practices liability; Property coverage, which includes Building and Contents, Mobile Equipment, Boiler and Machinery, and Business Interruption/Extra Expense;

Automobile Physical Damage coverage; Cyber coverage; Crime blanket coverage; Named Position coverage; and an Identity Fraud reimbursement policy. Pollution and Cyber coverage are provided on a claims-made coverage form. Crime coverage is provided on a discovery form. All other coverage is provided on an occurrence coverage form.

Members are responsible for a coverage deductible or co-pay on each covered loss. Each policy year members receive a Memorandum of Coverage (MOC) outlining the specific coverage, limits, and deductibles/co-pays that apply to them. In certain cases, the Pool may allow members to elect to participate in the programs at limits, coverage, deductibles, and co-pays that are specific to their needs. Enduris is responsible for payment of all covered losses above the member retention, up to the Pool self-insured retention (SIR). Enduris acquires excess/reinsurance from unrelated insurance companies to cover losses above the Pool's SIR up to the coverage maximum limit of liability. The tables below reflect the Pool's SIR, reinsurance limits, and member deductibles/co-pays by coverage type.

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/ Reinsurance Limits	Member Deductibles/ Co-Pays ⁽¹⁾
Liability:				
General Liability	Per Occurrence	\$1 million	\$20 million	\$1,000 - \$100,000
Automobile Liability	Per Occurrence	\$1 million	\$20 million	\$1,000 - \$100,000
Public Officials Errors and Omissions Liability	Each Wrongful Act Member Aggregate	\$1 million	\$20 million \$20 million	\$1,000 - \$100,000
Terrorism Liability ⁽²⁾	Per Occurrence	\$500,000 Pool Aggregate	None \$1 million	\$1,000 - \$100,000
Employment Practices Liability	Per Occurrence Member Aggregate	\$1 million	\$20 million \$20 million	20% Copay ⁽³⁾
Property ⁽⁴⁾:				
Buildings and Contents	Per Occurrence	\$500,000 - \$250,000	\$1 billion	\$1,000
Mobile Equipment	Per Occurrence	\$500,000	\$1 billion	\$1,000
- \$250,000 Boiler and Machinery	Per Occurrence	\$500,000 \$1,000 - \$250,000	\$500,000	\$100 million
Business Interruption	Per Occurrence	\$500,000	\$100 million (BI)/ \$50 million (EE)	\$1,000 - \$250,000
(BI)/ Extra Expense (EE) ⁽⁵⁾				
Sublimit ⁽⁶⁾:				
Flood	Per Occurrence	\$500,000	\$50 million (shared by Pool members)	\$1,000 - \$250,000
Earthquake	Per Occurrence	5% of indemnity, subject to a \$500,000 minimum		\$10 million (shared by Pool members)

\$1,000 - \$250,000

Terrorism Primary	Per Occurrence Pool Aggregate	\$250,000	\$100 million per occurrence \$200 million aggregate	\$1,000 - \$250,0
Terrorism Excess	Per Occurrence APIP Per Occurrence APIP Aggregate	\$500,000	\$600 million/ Pool aggregate \$1.1 billion/ per occurrence APIP program \$1.4 billion/ APIP program aggregate	\$0
Automobile Physical Damage ⁽⁷⁾	Per Occurrence	\$500,000 with exceptions	\$1 billion	\$250 - \$1,000
Cyber ⁽⁸⁾	Each Claim APIP Aggregate	\$50,000 to \$100,000 with waiting period	\$2 million \$45 million	20% Copay

Coverage	Coverage Type	Pool Retention	Excess/ Limits	Member Co-Pays (1)
Pollution ⁽⁹⁾	Each Claim APIP Aggregate	\$250,000 with exceptions	\$2 million \$25 million	\$1,000 - \$250,000
Crime Blanket ⁽¹⁰⁾	Per Occurrence	\$50,000	\$1 million	\$1,000
Named Position ⁽¹¹⁾	Per Occurrence	\$50,000	\$1 million	\$1,000
Identity Fraud Expense Reimbursement ⁽¹²⁾	Member Aggregate	\$0	\$25,000	\$0

(1) Members may request or be required to pay a higher deductible than the minimum for certain coverage, and certain types of losses require a specific co-pay or deductible.

(2) Terrorism liability is fully funded by the Pool, i.e., no excess/reinsurance is procured.

(3) Members are responsible for a 20% co-pay for Employment Practices Liability coverage claim costs. However, the co-pay may be waived if they meet established guidelines.

(4) Property coverage for each member is based on a detailed property schedule. Scheduled items are covered to the extent of the cost of repair or replacement according to the excess/reinsurance policy terms. Under the Alliant Property Insurance Program (APIP), reinsurance carriers cover insured losses over \$500,000 to the limit of \$1 billion, except for certain types of sub-limited property losses such as floods, earthquakes, and terrorism.

(5) Business Interruption(BI)/Extra Expense (EE) coverage is based on scheduled revenue-generating locations/operations. A limited number of members are scheduled; the rest are limited to \$500,000 of coverage with a \$2.5 million Pool maximum for undeclared exposure. The waiting period (deductible) is typically 24 hours, but there are exceptions specific to the type of exposure covered.

(6) This Property Program sub-limit list is simplified and is not all-inclusive. In addition, sub-limits are often shared or aggregated by all pool members and, in a few cases, are shared by all APIP members. Deductibles often vary by coverage sub-limit.

(7) Auto Physical Damage coverage includes comprehensive, collision, and additional coverage (i.e., rental reimbursement, towing, and personal property). Each member's coverage is based on a detailed vehicle schedule. The Pool's Auto Physical Damage coverage deductible is \$500,000 per occurrence with certain exceptions: \$25,000

for on-premises comprehensive and collision; a \$100,000 minimum for emergency vehicles and all other vehicles with an RCV of \$250,000 to \$750,000; \$250,000 for all vehicles with an RCV above \$750,000.

- (8) Cyber coverage is included under the Pool's Property program on an optional basis. Members are subject to a 20% co-pay per loss and the Pool's SIR is tiered between \$50,000 and \$100,000 depending on the insured/member's property TIV with an 8-hour waiting period. By meeting established guidelines, the co-pay may be waived. The reinsurance maximum limit of liability is \$2 million, with various declared sub-limits.
- (9) Pollution coverage is included under the Pool's Property program on an optional basis. Members are subject to a 20% co-pay per loss. The Pool's SIR is \$250,000, with certain specific deductibles ranging from \$250,000 to \$1 million. The reinsurance maximum limit of liability is \$2 million, with various declared sub-limits.
- (10) Each member is provided with \$2,500 of Crime Blanket coverage (also referred to as "Employee Dishonesty Coverage with Faithful Performance"). Members may elect to "buy up" the coverage from \$2,500 to \$1 million.
- (11) Named Position coverage is optional. Members may elect to schedule various employees, directors, and commissioners, with individual limits of between \$5,000 and \$1 million.
- (12) Enduris purchases Identity Fraud Expense Reimbursement coverage. Member claims are not subject to a deductible; the limit is \$25,000 per member.

Members make an annual contribution to fund the Pool. Since Enduris is a cooperative program, there is joint liability among the participating members. There were no claim settlements above the insurance coverage in any of the last three policy years.

Upon joining the Pool, members are contractually obligated to remain for at least one year. They must give notice 60 days before renewal to terminate participation. The Interlocal Governmental Agreement (formerly known as the Master Agreement) is automatically renewed each year unless provisions for withdrawal or termination are applied. Any Member terminated or withdrawing from the Pool shall be liable pro-rata for any assessments levied against Members for any year in which that Member belonged to the Pool as if they were still a Member.

Its member participants fully fund Enduris. Members file claims with the Pool, which determines coverage and administers the claims.

A seven-member Board of Directors governs the Pool. The Pool's members elect the Board, and the positions are filled on a rotating basis. The Board meets quarterly, oversees Enduris' business affairs, and provides policy direction to the Pool's Executive Director.

NOTE 11 – OTHER DISCLOSURES

Subsequent Events

In 2023 the District had GO Bonds of \$27 million authorized by voter approval for an Aquatic Recreation Facility, \$15 million was issued in 2024 and \$12 million will be issued in 2025 or 2026.

Contract Commitments

The District has active project contracts as of December 31, 2024. The projects include an Aquatic Center and the Pickleball Court Project.

At year-end the District's commitments for projects are as follows:

Project	Spent to Date	Remaining Commitment
Aquatic Center	\$ 1,117,661	\$ 1,075,879
Pickleball Court Project	27,375	70,902
	<u>\$ 1,145,036</u>	<u>\$ 1,146,781</u>

The Aquatic center is financed by a GO Bond and grants/donations. The Pickleball Court Project is financed by grants/donations.

NOTE 12: ACCOUNTING CHANGES

During fiscal year 2024, the District implemented compensated absences as required by the BARS Manual. The effect of that accounting standard is that the District has also included sick expected to be used during employment life and personal leave in the estimated calculations. This has increased the liability that is shown on the schedule of long-term liabilities.

South Whidbey Parks and Recreation District

Schedule 01

For the year ended December 31, 2024

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0619	001	General	3084100	Committed Cash and Investments - Beginning	\$381,814
0619	001	General	3089100	Unassigned Cash and Investments - Beginning	\$712,403
0619	001	General	3111000	Property Tax	\$1,614,156
0619	001	General	3476000	Program Fees	\$211,525
0619	001	General	3611000	Investment Earnings	\$27,818
0619	001	General	3620000	Rents and Leases	\$8,973
0619	001	General	3670000	Contributions and Donations from Nongovernmental Sources	\$170
0619	001	General	3699100	Miscellaneous Other Operating	\$982
0619	001	General	3340420	State Award from Department of Commerce	\$352,381
0619	201	Bond	3083100	Restricted Cash and Investments - Beginning	\$41,352
0619	201	Bond	3111000	Property Tax	\$1,232,731
0619	301	Capital	3084100	Committed Cash and Investments - Beginning	\$59,176
0619	301	Capital	3611000	Investment Earnings	\$197,107
0619	301	Capital	3085100	Assigned Cash and Investments - Beginning	\$188,524
0619	001	General	5084100	Committed Cash and Investments - Ending	\$528,580
0619	001	General	5089100	Unassigned Cash and Investments - Ending	\$733,557
0619	001	General	5710010	Educational and Recreational Activities	\$88,263
0619	001	General	5710030	Educational and Recreational Activities	\$192,164
0619	001	General	5768010	General Parks	\$526,011
0619	001	General	5768020	General Parks	\$235,155
0619	001	General	5768030	General Parks	\$162,109
0619	001	General	5768040	General Parks	\$169,089

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0619	201	Bond	5083100	Restricted Cash and Investments - Ending	\$61,262
0619	301	Capital	5083100	Restricted Cash and Investments - Ending	\$14,806,951
0619	301	Capital	5084100	Committed Cash and Investments - Ending	\$59,244
0619	301	Capital	5768010	General Parks	\$2,767
0619	301	Capital	5768040	General Parks	\$109
0619	301	Capital	5085100	Assigned Cash and Investments - Ending	\$190,801
0619	001	General	5768030	General Parks	\$501
0619	301	Capital	3911000	General Obligation Bonds Issued	\$14,875,000
0619	301	Capital	3920000	Premiums on Bonds Issued	\$331,809
0619	001	General	5917670	Debt Repayment - Park Facilities	\$37,455
0619	001	General	5927680	Interest and Other Debt Service Cost - Park Facilities	\$18,567
0619	001	General	5947560	Capital Expenditures/Expenses - Cultural and Recreational Facilities	\$356,712
0619	001	General	5947640	Capital Expenditures/Expenses - Park Facilities	\$262,059
0619	201	Bond	5917670	Debt Repayment - Park Facilities	\$953,790
0619	201	Bond	5927680	Interest and Other Debt Service Cost - Park Facilities	\$259,031
0619	301	Capital	5947560	Capital Expenditures/Expenses - Cultural and Recreational Facilities	\$969
0619	301	Capital	5947540	Capital Expenditures/Expenses - Cultural and Recreational Facilities	\$383,966
0619	301	Capital	5927580	Interest and Other Debt Service Cost - Cultural and Recreational Facilities	\$106,403

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0619	301	Capital	5947580	Capital Expenditures/Expenses - Cultural and Recreational Facilities	\$100,406

**South Whidbey Parks and Recreation District
Schedule of Liabilities
For the Year Ended December 31, 2024**

ID. No.	Debt ID Title	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities							
263.91	Miscellaneous Debt	2015 Gabelein Property Loan (campground)	11/15/2045	419,758	-	11,843	407,915
251.12	Voted General obligation bonds	Bond Debt - Heritage Bank	12/1/2027	446,772	-	108,790	337,982
251.12	Voted General obligation bonds	GO Bond - Aquatic Recreation Center	12/1/2048	-	14,875,000	845,000	14,030,000
Total General Obligation Debt/Liabilities:				866,530	14,875,000	965,633	14,775,897
Revenue and Other (non G.O.) Debt/Liabilities							
263.92	Miscellaneous Debt	2019 Permabuilt Maintenance Storage Building	5/15/2025	17,237	-	17,237	-
264.30	Pension Liabilities	Pension		51,704	-	8,936	42,768
259.12	Compensated Absences	Compensated Absences		74,108	39,593	-	113,701
263.57	Leases, SBITA, and PPPs	Leases		3,360	-	1,440	1,920
263.57	Leases, SBITA, and PPPs	SBITA's		1,800	-	360	1,440
263.92	Miscellaneous Debt	2020 Kubota/Toro Workman HDX/Infield Groomer	12/15/2024	6,575	-	6,575	-
Total Revenue and Other (non G.O.) Debt/Liabilities:				154,784	39,593	34,548	159,829
Total Liabilities:				1,021,314	14,914,593	1,000,181	14,935,726

**South Whidbey Parks and Recreation District
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2024**

State Agency Name	Program Title	Identification Number	Total
State Award from Department of Commerce	SWARC	24-96647-268	247,672
		Sub-Total:	247,672
State Award from Recreation and Conservation Office	SW Sports Complex-Pickleball Courts	22-1455D / 2022-06	45,730
		Sub-Total:	45,730
		Total State Grants Expended:	293,402

South Whidbey Parks and Recreation District
Schedule 21 Questions 1-6 (unaudited)
For Fiscal Year Ended: 2024

Property and Liability Insurance	Health and Welfare Insurance	Unemployment Compensation Obligations	Workers Compensation Obligations	Other Risks or Obligations
Belong to a public entity risk pool	All benefits provided by health insurance company or HMO	Pay taxes to the Department of Employment Security ("Taxable")	Pay premiums to the Department of Labor and Industries	

Washington PFML Program	Entity	Government Type
Pay premiums to the State’s program for both benefits	South Whidbey Parks and Recreation District	Park and Recreation District