

WASCO COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021



12700 SW 72nd Ave.
Tigard, OR 97223

Wasco County, Oregon
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For the Year Ended June 30, 2021

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Wasco County, Oregon
Elected Officials and Agent of Record
For the year ended June 30, 2021

WASCO COUNTY BOARD OF COMMISSIONERS

Commissioner	Scott Hege The Dalles, Oregon 97058
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Commissioner	Kathy Schwartz The Dalles, Oregon 97058
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Commissioner	Steve Kramer Dufur, Oregon 97058
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OTHER ELECTED OFFICIALS:

Treasurer	Elijah Preston The Dalles, Oregon 97058
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Clerk	Lisa Gамbee The Dalles, Oregon 97058
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Sheriff	Lane Magill The Dalles, Oregon 97058
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District Attorney	Matthew Ellis The Dalles, Oregon 97058
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Assessor	Jill Amery The Dalles, Oregon 97058
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OTHER:

Insurance Agent of Record	Breanna Wimber The Stratton Agency 318 W 2 nd St The Dalles, Oregon 97058
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PAULY, ROGERS AND CO., P.C.
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January 25, 2022

To the Board of Commissioners
Wasco County

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wasco County as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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. The financial statements of the Wasco County Library Service District and the Wasco County 4H and Extension Service District (component units) were not audited in accordance with Government Auditing Standards.

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 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 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.

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wasco County, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary and other information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal expenditures is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents and the schedule of expenditures of federal expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents and the schedule of federal expenditures, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Reports on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2022 on our consideration of the internal control over financial reporting and on our tests of 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 internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 25, 2022, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in black ink, appearing to read "Ken Allen". The signature is fluid and cursive, with a large initial "K" and "A".

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

Wasco County, Oregon
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

This discussion and analysis is intended to be an easily readable analysis of Wasco County's financial activities based on currently known facts, decisions or conditions. This analysis focuses on current year activities and should be read in conjunction with the financial statements in the audit.

REPORT LAYOUT

This discussion and analysis is intended to serve an introduction to Wasco County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The first several statements are highly condensed and present a government-wide view of the County's finances including the Statement of Net Position and the Statement of Activities.

Government-Wide Financial Statements

Statement of Net Position: The focus of the Statement of Net Position is to present the difference between Assets, Liabilities and Deferred Inflows/Outflows divided into three components: net investment in capital assets, restricted and unrestricted. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

Statement of Activities: The focus of the Statement of Activities is to present the major program costs and match major resources with each. To the extent a program's cost is not recovered by grants and direct charges, it is paid from general taxes and other resources. This Statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

The government wide financial statements include two service districts as discretely presented component units. Requests for copies of the separately issued financial statements for the service districts should be addressed to Wasco County, 511 Washington Street, Room 207, The Dalles, Oregon 97058.

Fund Financial Statements

Following the government-wide statements is a section containing fund financial statements. The County's major funds are presented in their own column and the remaining funds are combined into a column titled "Non-Major Governmental Funds". For each major fund, a Budgetary Comparison Statement is presented. Readers who wish to obtain information on non-major funds can find it in the Combining Schedules of Non-Major Funds and/or the Supplemental Information-Budgetary Comparison Schedules sections of this report.

Notes to the Financial Statements

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

Finally, completing the document is a series of other financial and statistical schedules, and the reports by the independent certified public accountants, as required by statute.

The MD&A is intended to explain the significant changes in financial position and differences in operations between the current and prior years.

COUNTY AS A WHOLE

GOVERNMENT-WIDE FINANCIAL STATEMENTS

This section discusses and analyzes significant difference between fiscal year 2021 and fiscal year 2020. A condensed version of the Primary Government Statement of Net Position at June 30, 2021 and 2020 follows:

TABLE 1
NET POSITION AS OF YEAR END

	June 30, 2021	June 30, 2020
ASSETS		
Cash and Investments	43,314,532	38,005,099
Other Assets	6,743,563	7,594,263
Capital Assets	17,429,973	17,475,746
TOTAL ASSETS	<u>67,488,068</u>	<u>63,075,108</u>
DEFERRED OUTFLOW OF RESOURCES		
Related to Pensions & OPEB	11,098,478	8,409,089
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>11,098,478</u>	<u>8,409,089</u>
LIABILITIES		
Other Liabilities	1,114,529	1,203,704
Long Term Liabilities	897,369	915,581
Net Pension Liabilities	12,056,898	12,470,271
TOTAL LIABILITIES	<u>14,068,796</u>	<u>14,589,556</u>
DEFERRED INFLOW OF RESOURCES		
Related to Pensions & OPEB	2,354,972	911,777
TOTAL DEFERRED INFLOW OF RESOURCES	<u>2,354,972</u>	<u>911,777</u>
NET POSITION		
Investing in Capital Assets Net of Related Debt	17,429,973	17,475,746
Restricted	10,666,113	10,885,434
Unrestricted	34,066,692	27,621,684
TOTAL NET POSITION	<u>62,162,778</u>	<u>55,982,864</u>

Governmental Activities

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. The County's assets exceeded liabilities by \$62,162,778 at the close of fiscal year 2021.

A large portion of the County's net position reflects investment in capital assets (land, buildings, improvements, machinery and equipment, bridges and infrastructure), net of accumulated depreciation and the debt used to acquire the assets. Fixed Assets account for just under 26% of the total Net Assets of the County.

The total net position increased by \$6,179,914 or 11.0%.

- Cash and investments increased \$5,309,433 due to the ARPA funds awarded in June (\$2.55 million).
- Depreciable assets decreased \$45,773 due to depreciation being greater than additional capital costs.

TABLE 2
NET POSITION AS OF YEAR END

	June 30, 2021	June 30, 2020
Program revenues		
Charges for Services	11,030,436	11,984,268
Operating Grants and Contributions	8,390,232	3,266,076
Capital Grants and Contributions	-	358,054
General Revenues		
Taxes for General Purposed	10,296,406	10,018,908
Other Taxes	718,144	887,975
Interest	377,595	861,632
Miscellaneous	1,496,189	1,407,451
Transfers from Other Government	-	4,434,136
Gain (Loss) on Joint Venture	248,357	237,284
Gain (Loss) on Sale of Capital Assets	-	-
Total Program and General Revenues	<u>32,557,359</u>	<u>33,455,784</u>
Expense		
General Government	16,089,030	5,488,957
Public Safety	4,621,024	4,589,325
Highway and Streets	4,492,524	4,118,556
Health and Welfare	886,310	831,317
Culture and Recreation	288,557	334,010
Total Expense	<u>26,377,445</u>	<u>15,362,165</u>
Chang in Net Assets	6,179,914	18,093,619
Net Position, Beginning	55,982,864	37,889,245
Net Position, Ending	<u>\$ 62,162,778</u>	<u>\$ 55,982,864</u>

Governmental Activities

The ending net position is an increase of \$6,179,914 or 11.0%.

- Charges for Services decreased \$953,832 pr 8.0%.
 - ⊖ Overall revenues are down due to COVID closures
- COVID grant revenue caused Operating Grants and Contributions to grow by \$5,124,156 or 156.9%
- In FY20, \$4,434,136 was transferred into Wasco County for the funding of the Building Codes department – there is not a similar transfer in FY21.

BUDGETARY HIGHLIGHTS

The General Fund revenue exceeded the revised budget amount by \$2,198,056. This was primarily due to Intergovernmental revenue \$1,534,065 more than budgeted. \$1,869,176 was received for Corona Virus Relief funds not included in the budget.

The General Fund Departments controlled costs and managed to come in under budget by 14.3% (\$2,023,125). Expense budgets were executed to 86.6% total – all departments in the General Fund remained under budget to contribute to this result. Personnel costs in the General Fund contributed \$876,515 to this savings across all departments while Materials & Services added an additional \$375,430 in savings. The remainder of the savings - \$771,180 – is due to not incurring budgeted capital costs

primarily in Facilities projects not initiated.

General Fund revenues exceeded the budget projections by \$2,198,056 or 14%. \$1,534,065 of this is in the Intergovernmental and tied to COVID grants to assist with the recovery and response to the pandemic. Licenses, fees & permits exceeded the budgeted plan by \$507,222; \$210,879 due to the solid waste hose fee. The only area to be significantly under budget is the Investment earning as \$148,061 under budget – this is a 65.7% decrease.

The Public Works fund saw revenues down \$349,263 below budget due to lowered Intergovernmental funds (\$231,438 under budget) and decreased Charges for Services (\$76,919 under budget). This is due to the pandemic response. Additionally, investments earnings have decreased significantly by \$22,516

CAPITAL ASSETS AND DEBT ADMINISTRATION

As of June 30, 2021 the County had invested over \$34.0 million in capital assets, after depreciation the net value of the assets is \$17.4 million.

Table 3
CAPITAL ASSETS SUMMARY

	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 1,370,320	\$ -	\$ -	\$ 1,370,320
<i>Depreciable Assets</i>				
Buildings	15,752,400	-	-	15,752,400
Furniture & Equipment	10,764,360	826,667	(165,978)	11,425,049
Infrastructure	5,433,139	-	-	5,433,139
	31,949,899	826,667	(165,978)	32,610,588
<i>Accumulated Depreciation</i>				
Buildings	4,529,670	271,701		4,801,371
Furniture & Equipment	8,645,061	215,731		8,860,792
Infrastructure	2,669,742	219,030		2,888,772
	15,844,473	706,462	-	16,550,935
Depreciable Assets - Net	16,105,426	120,205	(165,978)	16,059,653
Net Fixed Assets	\$ 17,475,746	\$ 120,205	\$ (165,978)	\$ 17,429,973

The net value of the fixed assets remained flat – actually decreasing \$45,773 or 0.3%

DEBT OUTSTANDING

At the close of the fiscal year, the only long term liabilities (debt) for the County consisted of Compensated Absences, OPEB obligation and the Net Pension Liability.

Table 3
CAPITAL ASSETS SUMMARY

	Beginning Balance	Additions	Deletions	Ending Balance	Due in One Year
Compensated Absences	\$ 155,423	\$ 145,112	\$(155,423)	\$ 145,112	\$ 145,112
OPEB Obligation	760,158	-	(7,901)	752,257	
Net Pension Liability	12,470,271	-	(413,373)	12,056,898	
Long Term Liabilities	<u>\$ 13,385,852</u>	<u>\$ 145,112</u>	<u>\$(576,697)</u>	<u>\$ 12,954,267</u>	<u>\$ 145,112</u>

ECONOMIC FACTORS

Wasco County's permanent rate is \$4.2523 per thousand. This absolute limitation on tax revenues and the County's dependence on property taxes do not allow it to keep pace with increased demands for services. Counties are highly susceptible to economic pressures given the large reliance on property taxes to fund County services. This creates a certain amount of financial uncertainty for Counties as we move through economic cycles. Budgeting in this type of an environment where such a large percent of a county's budget can be impacted by market conditions creates challenges for forecasting budgets into the future. Property taxes represent approximately 48.2% of total General Fund revenues. The County does monitor all of its resources and determines the need for program adjustments or fee increases accordingly.

The impact of COVID on the economics is still being felt. The county has been able to implement remote work for many staff members combined with being open to residents. The safety protocols put in place do put restrictions on the normal functioning of business. However, most departments have not been fiscally impacted directly. The exceptions being the Fair, RV Park and Museum as all three had been closed in FY20 but managed to reopen in FY21.

2021 – 2022 YEAR BUDGET

The budget for fiscal year 2022 has been compiled. The major guideline is to maintain the current service levels. Any additional service must be supported by a sustainable revenue source. Budgets also considered the impact of COVID where reasonably determinable.

FINANCIAL CONTACT

The County's financial statements are designed to be presented to users (citizens, taxpayers, customers, investors and creditors) with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions about the report or need additional financial information, please contact the County's Finance Director at 511 Washington Street, Room 207, The Dalles Oregon 90758.

Wasco County, Oregon
Statement of Net Position
June 30, 2021
(all amounts are in dollars)

	Primary Governmental Activities	Component Units
Assets		
Cash and investments	\$ 43,314,532	\$ 2,584,126
Receivables, net of allowances for uncollectibles		
Property taxes	502,243	100,113
Other	2,829,196	-
Inventory	498,133	-
Prepays	317,956	-
Investment in joint venture	2,596,035	-
Capital assets:		
Non-depreciable capital assets	1,370,320	-
Depreciable capital assets, net of depreciation	16,059,653	-
Total assets	67,488,068	2,684,239
Deferred Outflows of Resources		
Deferred outflow of resources - pension	10,887,402	-
Deferred outflow of resources - OPEB	211,076	-
Total deferred outflows of resources	11,098,478	-
Liabilities		
Accounts payable	534,946	-
Accrued liabilities	579,583	-
Non-current liabilities		
Compensated absences	145,112	-
OPEB obligation	752,257	-
Net pension liability	12,056,898	-
Total liabilities	14,068,796	-
Deferred Inflows of Resources		
Deferred inflow of resources - pension	2,252,133	-
Deferred inflow of resources - OPEB	102,839	-
Total deferred inflows of resources	2,354,972	-
Net Position		
Net investment in capital assets	17,429,973	-
Restricted for:		
General government	41,813	-
Public safety	1,998,751	-
Highways and streets	7,981,891	-
Health and welfare	-	-
Culture and recreation	643,658	-
Unrestricted	34,066,692	2,684,239
Total net position	\$ 62,162,778	\$ 2,684,239

Wasco County, Oregon
Statement of Activities
For the year ended June 30, 2021
(all amounts are in dollars)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Component Units
Primary Government						
General government	\$ 16,089,030	\$ 3,713,091	\$ 8,390,232	\$ -	\$ (3,985,707)	\$ -
Public Safety	4,621,024	3,243,175	-	-	(1,377,849)	-
Highways and streets	4,492,524	3,810,777	-	-	(681,747)	-
Health and welfare	886,310	-	-	-	(886,310)	-
Culture and recreation	288,557	263,393	-	-	(25,164)	-
Total primary government	26,377,445	11,030,436	8,390,232	-	(6,956,777)	-
Component Unit						
Component units	\$ 2,101,434	\$ -	\$ -	\$ -		\$ (2,101,434)
General Revenues:						
Property taxes					10,296,406	2,172,503
Other taxes					718,144	-
Interest and investment earnings					377,595	21,103
Miscellaneous					1,496,189	121,055
Transfer from other government					-	-
Gain (loss) on joint venture					248,357	-
Total general revenues					13,136,691	2,314,661
Change in net position					6,179,914	213,227
Net position - beginning					55,982,864	2,471,012
Net position - ending					\$ 62,162,778	\$ 2,684,239

Wasco County, Oregon
Balance Sheet - Governmental Funds

June 30, 2021

(all amounts are in dollars)

	General	Public Works	Total Non-Major Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	21,964,505	7,900,573	13,449,454	43,314,532
Receivables:				
Taxes	502,243	-	-	502,243
Other	2,295,593	280,098	253,505	2,829,196
Prepays	317,956	-	-	317,956
Inventories	-	498,133	-	498,133
Total assets	25,080,297	8,678,804	13,702,959	47,462,060
Liabilities				
Accounts payable	148,121	86,493	300,332	534,946
Accrued liabilities	369,517	112,287	97,779	579,583
Total Liabilities	517,638	198,780	398,111	1,114,529
Deferred inflows of resources:				
Unavailable revenue	2,421,502	-	-	2,421,502
Total deferred inflows of resources	2,421,502	-	-	2,421,502
Fund Balances				
Nonspendable	317,956	498,133	-	816,089
Restricted	-	7,981,891	4,351,257	12,333,148
Committed	9,308,192	-	5,097,599	14,405,791
Assigned	-	-	3,855,992	3,855,992
Unassigned	12,515,009	-	-	12,515,009
Total fund balances	22,141,157	8,480,024	13,304,848	43,926,029
Total liabilities, deferred inflows of resources and fund balances	25,080,297	8,678,804	13,702,959	47,462,060

Wasco County, Oregon
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2021
(all amounts are in dollars)

Total fund balances - governmental funds	\$	43,926,029
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Capital assets	\$ 33,980,908	
Accumulated depreciation	<u>(16,550,935)</u>	17,429,973
Investments in joint ventures are not financial resources and, therefore are not reported in the funds		
		2,596,035
Certain non-current assets and deferred outflows of resources recorded in the Statement of Net Position expended in the governmental funds:		
Deferred outflows of resources - pension	10,887,402	
Deferred outflows of resources - OPEB	<u>211,076</u>	11,098,478
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability	(12,056,898)	
Other post employment benefits payable	(752,257)	
Compensated absences payable	<u>(145,112)</u>	(12,954,267)
Deferred inflows of resources on the Statement of Net Position represent amounts that were not available to fund current expenditures, and therefore are not reported in the governmental funds. However unavailable revenue in the governmental funds is considered available in the Statement of Activities:		
Deferred inflows of resources - pension	(2,252,133)	
Deferred inflows of resources - OPEB	(102,839)	
Unavailable revenue	<u>2,421,502</u>	<u>66,530</u>
Total net position - governmental activities	\$	<u>62,162,778</u>

Wasco County, Oregon
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the year ended June 30, 2021
(all amounts are in dollars)

	General	Public Works	Total Non-Major Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 10,296,406	-	\$ -	\$ 10,296,406
Licenses, fees and permits	2,409,702	17,974.00	1,225,931	3,653,607
Intergovernmental	6,769,032	3,362,347.00	2,744,842	12,876,221
Federal revenues	-	-	-	-
Charges for services	126,858	377,081.00	528,810	1,032,749
Fines and restitution	39,028	-	32,382	71,410
Investment earnings	220,680	59,422.00	97,493	377,595
Rents	203,134	-	-	203,134
Internal services	-	-	-	-
Grants and donations	-	-	2,301,691	2,301,691
Miscellaneous	1,270,990	18,136.00	201,630	1,490,756
Pass-through payments	5,435	-	-	5,435
Total revenues	21,341,265	3,834,960.00	7,132,779	32,309,004
Expenditures				
Current:				
Assessor	691,680	-	-	691,680
Clerk	354,501	-	9,305	363,806
Sheriff	2,289,275	-	2,837,162	5,126,437
Employee and administrative services	2,745,632	-	-	2,745,632
Administration	8,456,899	-	3,519,471	11,976,370
District attorney	627,553	-	36,727	664,280
Planning	750,772	-	362,189	1,112,961
Public works	48,551	4,400,304.00	22,018	4,470,873
Youth services	845,401	-	-	845,401
Total expenditures	16,810,264	4,400,304.00	6,786,872	27,997,440
Excess (deficiency) of revenues over (under) expenditures	4,531,001	(565,344.00)	345,907	4,311,564
Other Financing Sources (Uses)				
Transfer from other government	-	-	-	-
Transfers from other funds	2,873,333	-	244,645	3,117,978
Transfers to other funds	(2,639,645)	-	(478,333)	(3,117,978)
Gain/loss on the sale of fixed assets	30,577	-	-	30,577
Total other financing sources (uses)	264,265	-	(233,688)	30,577
Net change in fund balances	4,795,266	(565,344.00)	112,219	4,342,141
Fund balances - beginning	17,345,891	9,045,368.00	13,192,629	39,583,888
Fund balances - ending	\$ 22,141,157	8,480,024.00	\$ 13,304,848	\$ 43,926,029

Wasco County, Oregon
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2021
(all amounts are in dollars)

Net change in fund balances - governmental funds	\$	4,342,141
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This amount is the difference between capital outlays and depreciation in the current period.</p>		
Capital asset expenditures	\$	826,667
Gain/loss on disposal of capital assets		135,401
Current year depreciation expense		<u>(706,462)</u>
		255,606
<p>The County has an equity interest in a joint venture. The allocated gain or (loss) from this investment is not a current financial resource and therefore is not reported in the governmental funds.</p>		
		248,357
<p>Revenues in the funds that do not provide current financial resources are not reported as revenues in the Statement of Activities as follows:</p>		
Change in unavailable revenues		2,421,502
<p>Changes in deferred inflows of resources not available to fund current expenditures and therefore not reported in the governmental funds</p>		
Related to pensions and OPEBs		4,506,048
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Change in compensated absences		10,311
Change in other post employment benefits		(7,901)
Change in pension liability		<u>(5,596,150)</u>
		(5,593,740)
Change in net position - governmental activities	\$	<u>6,179,914</u>

Wasco County, Oregon
Statement of Fiduciary Net Position

June 30, 2021

(all amounts are in dollars)

	Private- Purpose Trust Funds	Custodial Funds
Assets		
Cash with treasurer	72,035	2,657,132
Taxes receivable		1,325,912
Accounts receivable		
Total assets	<u>72,035</u>	<u>3,983,044</u>
Liabilities		
Accounts payable	59	-
Due to other governments	-	2,414,677
Total Liabilities	<u>59</u>	<u>2,414,677</u>
Net Position	<u><u>71,976</u></u>	<u><u>1,568,367</u></u>

Wasco County, Oregon
Statement of Changes in Fiduciary Net Position
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Private- Purpose Trust Funds</u>	<u>Custodial Funds</u>
Additions:		
Investment earnings	556	13,649
Miscellaneous	5,875	29,696,460
Total Additions	<u>6,431</u>	<u>29,710,109</u>
Deductions		
Materials and services	<u>9,948</u>	<u>29,295,531</u>
Change in net position	(3,517)	414,578
Net position held - beginning	<u>75,493</u>	<u>1,153,789</u>
Net Position held - ending	<u><u>71,976</u></u>	<u><u>1,568,367</u></u>

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of Wasco County, Oregon conform to the generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant policies:

A. REPORTING ENTITY:

Wasco County, Oregon is a non-home rule county governed by an elected Board of County Commissioners consisting of three County Commissioners, one of whom serves as County Chair. Other elected officials include the County Clerk, County Treasurer, County Sheriff, County Assessor and County District Attorney.

As required by GAAP, these financial statements present the County and its component units – legally separate entities for which the County is considered to be financially accountable. Financial accountability is defined by GASB 61, as appointment of a voting majority of the component unit’s board and either a) the ability to impose its will on the organization, or b) the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government.

Wasco County reports two component units. These are the Wasco County 4-H and Extension Service District and the Wasco County Library Service District. These Districts began operations July 1, 2008 and are included in the County’s statements as discretely presented component units. Each District has separate audited financial statements available upon request through Wasco County.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

The statement of net position and the statement of activities display information about the primary government (the County) and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category governmental, proprietary and fiduciary-are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PREPARATION:

The government-wide, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

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

GASB 34 establishes criteria (percentage of the assets, liabilities, revenues or expenditure/expense of either fund category or the governmental and enterprise funds combined) for the determination of major funds. Nonmajor funds are combined in a single column in the fund financial statements. The County reports the following major governmental funds:

GENERAL FUND: This is the County's primary operating fund and is always considered a major fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

PUBLIC WORKS FUND: This fund accounts for revenues and expenditures used in constructing and maintaining County roads.

Additionally, the County reports the following fund types:

SPECIAL REVENUE FUNDS: These funds are primarily operating funds that account for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating funds authorized to make the expenditures.

CAPITAL PROJECTS FUNDS: Expenditures for major construction projects or equipment acquisitions are accounted for in the capital projects funds.

CUSTODIAL FUNDS: These funds account for assets held by the County in a custodial capacity. These funds consist of monies owed to component taxing districts.

D. ASSETS, LIABILITIES AND NET POSITION:

1. *Cash, Cash Equivalents, and Investments:* State statutes authorize the County to invest in obligations of the U.S. Treasury, certificates of deposit, U.S. government agency securities, instrumentalities of U.S. government-sponsored corporations, commercial paper, bankers' acceptances, repurchase agreements and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). Additionally, Oregon Revised Statutes require that deposits be made with approved depository banks. Local Government Investment Pool balances are backed by the full faith and credit of the State of Oregon.

The County maintains a cash and investment pool for all of the County's funds. Monies within the cash and investment pool are identified by fund and by type. Interest earned on the cash and investment pool is allocated to the individual funds based on the individual fund's average cash balance for the period in which the interest was earned. The cash and investment pool possesses the general characteristics of a demand deposit account since the cash and investment pool has sufficient liquidity in that any fund may deposit or withdraw cash at any time without notice or penalty.

2. *Inventories and Prepaid Expenses:* Inventory-type items are considered to be an expenditure when purchased. Except for the Public Works Fund, the amount of inventory at year end was not considered significant and is not reported on the balance sheet. The Public Works Fund inventory is recorded at valued at cost using the first-in/first-out (FIFO) method.. Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid expenses.
3. *Fund Balance:* In the fund financial statements, Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) defines the different type of fund balances a government entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts be properly reported within one of the five fund balance components below:

Nonspendable – Includes amounts that cannot be spent because of either 1) not in spendable form or 2) legally or contractually required to be maintained intact.

Restricted – Consists of amounts that can only be spent for specific purpose stipulated by external resource providers, constitutional provisions or enabling legislation.

Committed – Consists of amounts that can only be used for the specific purposes determined by a formal action of the County's highest level of decision-making authority, which includes resolutions. Those committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action (resolution) it employed previously to commit the amounts.

Assigned – Consists of amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The authority for assigning fund balance is expressed by the Board of Commissioners, or their designee as established in the County’s Fund Balance Policy.

Unassigned – The residual classification of fund balance includes all spendable amounts that have not been restricted, committed or assigned.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use, it is the County’s policy to use committed resources first, then assigned and then unassigned as needed.

Below is a schedule of ending fund balances, based on the standards in GASB 54:

GASB 54 Schedule of ending fund balances

Fund Balances	General Fund	Public Works Fund	Non-Major Funds	Total All Funds
Total Nonspendable	317,956	498,133	-	816,089
Restricted:				
Public Works Fund	-	3,445,180	-	3,445,180
Road Reserve Fund	-	4,536,711	-	4,536,711
County Fair Fund	-	-	227,432	227,432
County School Fund	-	-	-	-
Land Corner Perservation Fund	-	-	123,325	123,325
Forest Health Fund	-	-	417,148	417,148
Law Laibrary Fund	-	-	132,915	132,915
Parks Fund	-	-	283,311	283,311
Community Corrections Fund	-	-	936,031	936,031
Court Facilities Fund	-	-	234,867	234,867
Clerk Records Fund	-	-	41,813	41,813
Economic Development Fund	-	-	1,638,390	1,638,390
911 Communications Fund	-	-	316,025	316,025
Total Restricted	-	7,981,891	4,351,257	12,333,148
Committed:				
Building Codes - General Fund	-	-	3,400,966	3,400,966
Buidling Codes - Electrical Fund	-	-	764,540	764,540
Household Hazardous Waste Fund	-	-	701,427	701,427
District Attorney Fund	-	-	3,631	3,631
Museum Fund	-	-	227,035	227,035
Kramer Field Fund	35,696	-	-	35,696
Equipment Reserve Fund	94,680	-	-	94,680
Facility Reserve Fund	3,434,256	-	-	3,434,256
General Operating Reserve Fund	5,743,560	-	-	5,743,560
Total Committed	9,308,192	-	5,097,599	14,405,791
Assigned:				
Capital Acquisition Fund	-	-	3,855,992	3,855,992
Total Assigned	-	-	3,855,992	3,855,992
Total Unassigned	12,515,009	-	-	12,515,009
Fund Balances	\$ 22,141,157	\$ 8,480,024	\$ 13,304,848	\$ 43,926,029

4. *Capital Assets:* Include property and equipment, infrastructure and land, and are reported in the government-wide financial statements. Capital assets (other than infrastructure) are defined by the County as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than one year. Infrastructure assets are defined by the County as assets with an initial, individual cost of more than \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Equipment and Software	5 to 45 years
Buildings and Improvements	45 to 100 years
Infrastructure	25 to 100 years

5. *Compensated Absences:* Vacation time for employees who are members of bargaining units accumulates based on the number of years of service, ranging from 10 to 20 working days per year. Vacation pay is vested when earned.

Vacation time for employees who are not member of bargaining units is awarded based on the number of years of service, ranging from 12 to 28 working days per year. Vacation is awarded on a pro-rata basis each pay period. The liability for compensated absences reported in the government-wide consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Sick leave accumulates at the rate of twelve (12) days per year for full time employees. There is no limit on accumulation, and it is not compensable upon termination of employment.

6. *Investment in Joint Ventures:* Investment in joint ventures with other governments is reported at cost plus or minus the County's share of operating income or loss utilizing the equity method of accounting for investments.
7. *Long-Term Obligations:* In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are treated as period costs in the year of issue and are shown as other financial uses. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as debt service expenditures..
8. *Property tax revenues and receivables:* Property taxes are collected by the Wasco County Tax Collector and distributed to County Funds monthly. The fund financial statements reflect property taxes as revenue when collected by the Tax Collector and available to the County to pay current period expenditures. The government-wide financial statements reflect property taxes as revenue in the year levied.

Property taxes receivable at year end have been reported on the balance sheet. No allowance has been made for uncollectible taxes since past history has shown losses to be minimal. In the fund financial statements, taxes receivable considered not available for payment of current year expenditures have been offset as deferred inflows of resources – unavailable revenue.

Property taxes are levied on July 1st pursuant to Oregon Revised Statute 310.030. Taxes are payable in full on November 15th or are payable in installments the last of which is due on May 15th of the year following the year in which imposed. Taxes become delinquent on real property if not paid by May 15th. On January 1st and July 1st, tax liens attach to person and real property respectively to secure payment of all taxes, penalties and interest ultimately imposed. Personal property is subject

to summary seizure and the responsible taxpayer is subject to warrant service 30 days after the delinquency date. Foreclosure proceedings begin on real property after three years from the date taxes become delinquent.

9. *Deferred outflows/inflows of resources:* In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometime report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

10. *Pensions:* Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. *Interfund Activity:*

Transfers – Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Operating interfund transactions are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers.

Receivables and Payables – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” (i.e., current portion of interfund loans).

12. *Use of Estimates:* the financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. These estimates include assessing the collectability of accounts receivable, use and recoverability of inventory and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period determined to be necessary. Actual results could differ from the estimates.
13. *Other Post-Employment Benefits (OPEB) Obligations:* The County's net OPEB obligation is recognized as a liability and the Annual Required Contribution (ARC) is expensed, as determined by the County's actuary, in the government-wide financial statements.
14. *Fair Value Inputs and Methodologies and Hierarchy:* Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market

participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

- Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access
- Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)
- Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund’s own assumptions used in determining the fair value of investments)

15. *Net Position:* Net position is comprised of the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

Net Investment in Capital Assets – consists of all capital assets, net of accumulated depreciation and reduced by any outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. A portion of Net Position is restricted for Debt Service and for System Development.

Unrestricted net position – consists of all other assets that are not included in the other categories previously mentioned.

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

A. BUDGETS AND BUDGETARY ACCOUNTING:

Budgets are prepared on the modified accrual basis for all funds. Except for the Fiduciary Fund, all of which are agency funds that account for "pass-through" transactions, the County adopts annual budgets for each of its funds, and sub-funds as determined appropriate, as required by state law. The resolution, authorizing appropriations for each fund, sets the level by which expenditures cannot lawfully exceed appropriations. The

levels of control established by the resolution are: personnel services, materials and services, debt service, capital outlay and transfers out. The County's published budget contains more specific detailed information for the above mentioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval of the Board of County Commissioners. Appropriations lapse at year-end.

The County adopted resolutions for appropriation transfers which adjusted the fiscal year 2020-2021 original Budget, as well as several appropriation transfers. Expenditures of the various funds were within authorized appropriations.

NOTE 3 – DETAILED NOTES ON ALL FUNDS:

A. CASH AND INVESTMENTS:

The County maintains a pool of cash and investments that are available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and investments. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances. Cash and Investments (recorded at cost) for the County, its discretely presented component units and fiduciary funds, are as follows:

Deposits with Financial Institutions	
Petty Cash	3,183
Demand Deposits	2,812,890
Investments	<u>45,811,752</u>
Total Cash and Investments	<u>48,627,825</u>

The County Investment of cash funds is regulated by Oregon Revised Statutes. Under these guidelines, cash funds may be invested in bank accounts, general obligation issues of the United States and its agencies, certain states and certain guaranteed investments issued by banks. During the year, the County purchased investment instruments, but did not participate in any repurchase of reverse repurchase agreements.

DEPOSITS:

Custodial Credit Risk is the risk that, in the event of a bank failure, the County 's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides Insurance for the County's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program. Oregon Revised Statutes and County policy require depository institutions to maintain on deposit, with the collateral pool manager, securities having a value not less than 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. As of June 30, 2021, the total bank balance per the bank statements was \$3,100,720. Of these deposits, \$250,000 was covered by federal depository insurance. The remainder, if any, is collateralized the Oregon Public Funds Collateralization Program (PFCP).

INVESTMENTS:

State statutes authorize investment primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the State Treasurer's Investment Pool, among others. Investments are valued at fair value as required by GASB 72. The categorization of a value determined for investments is based on the pricing transparency of the investments and is not necessarily an indication of the risks associated with investing in those securities. Security pricing is provided by a third-party, and is reported monthly to the County by its custodian bank. US Government agencies fall into level 1 of the fair value hierarchy. Banker's acceptances and LGIP fall under level 2 of the fair value hierarchy.

<u>Investment Type</u>	<u>Maturity</u>	<u>Cost</u>
Local Government Investment Pool	1 Day	\$ 45,305,704
US Government Agency Securities	Less than 1 year	-
Corporate Bond	Under 3 year	506,048
		<u>\$ 45,811,752</u>

Investment Pool: Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2021. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool.

We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2021, the fair value of the position in the LGIP is 100.40% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The County's position in the Pool at June 30, 2021 is stated at cost which approximates the fair value.

Custodial Credit Risk – Investments is the risk that, in the event of failure of the counterparty (e.g., broker dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The County's investment policy provides that broker/dealers and financial institutions meet certain qualifications which are reviewed annually.

Credit Risk – Investments is the risk an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The State of Oregon Local Government Investments Pool is unrated. The minimum weighted average credit rating of the portfolio's rated investments shall be Aa/AA/AA.

Concentration of Credit Risk – Investments is the risk of loss attributed to the magnitude of an entity’s investment in a single issuer. The County diversifies the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in the over-investing in specific instruments, individual financial institutions or maturities.

Interest Rate Risk – Investments is the risk interest rates will increase after investments are purchased. The County mitigates this risk by matching investment maturities to expected cash outflows. Unless matched to a specific cash flow requirement, the County does not invest in securities maturing more than five years from the date of settlement. The maximum average maturity of the County’s portfolio cannot exceed 2.5 years at any time.

Foreign Currency Risk – Investment is the risk of loss caused by investing in foreign currencies. The County’s investment policy mitigates this risk by prohibiting investments not U.S. dollar denominated. Therefore, the County is not exposed to this risk.

Issue Type	Maximum % Holdings	Minimum Ratings Moody’s / S&P / Fitch
US Treasury Obligations	100%	None
US Agency Securities	100%	-
Per Agency (Senior Obligations Only)	33%	-
Oregon Short Term Fund	Maximum allowed per ORS 294.810	-
Bankers’ Acceptances	25% ⁽¹⁾	A1+/P1/F1+
Time Deposits/Savings Accounts/Certificates of Deposit ⁽²⁾	50%	-
Per Institution	25%	
Repurchase Agreements	5%	-
Corporate Debt (Total)	15% ⁽³⁾	-
Corporate Commercial Paper	15% ⁽³⁾	
Per Issuer	2.5% ⁽⁴⁾	A1/P1/F1
Corporate Bonds	10% ⁽³⁾	
Per Issuer	2.5% ⁽⁴⁾	Aa2/AA/AA
Municipal Debt (Total)	10%	-
Municipal Commercial Paper	10%	A1/P1/F
Municipal Bonds	10%	1

⁽¹⁾ 25% Maximum per ORS 294.035(D)

⁽²⁾ As authorized by ORS 294.035(3)(d)

⁽³⁾ 35% Maximum per ORS 294.035(D)

⁽⁴⁾ 5% Maximum per ORS 294.035(D)

B. CAPITAL ASSETS:

The following schedule shows the changes in the Capital Assets for the year ended June 30, 2021:

Capital Assets Summary

	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$1,370,320			\$1,370,320
<i>Depreciable Assets</i>				
Buildings	\$15,752,400			\$15,752,400
Furniture & Equipment	\$10,764,359	\$826,667	(\$165,978)	\$11,425,048
Infrastructure	\$5,433,139			\$5,433,139
	<hr/>	<hr/>	<hr/>	<hr/>
	\$31,949,898	\$826,667	(\$165,978)	\$32,610,587
Accumulated Depreciation				
Buildings	\$4,529,670	\$271,701		\$4,801,372
Furniture & Equipment	\$8,645,061	\$215,731		\$8,860,792
Infrastructure	\$2,669,741	\$219,030		\$2,888,771
	<hr/>	<hr/>	<hr/>	<hr/>
	\$15,844,473	\$706,462	\$0	\$16,550,935
Depreciable Assets - Net	\$16,105,425	\$120,205	(\$165,978)	\$16,059,653
	<hr/>	<hr/>	<hr/>	<hr/>
Net Fixed Assets	\$17,475,746	\$120,205	(\$165,978)	\$17,429,973

Depreciation By Program for the year:

General Government	120,766
Public Safety	139,175
Highways & Streets	271,519
Health & Welfare	149,688
Culture & Recreation	25,313
Total	<hr/> <hr/> 706,462

C. INVESTMENT IN JOINT VENTURES:

The QualityLife Intergovernmental Agency (QLife) is jointly owned by the City of The Dalles and Wasco County, Oregon, each party owning 50 percent. QLife operates a fiber optic network to the residents and businesses in The Dalles, Wasco County and the new Maupin Project. The Maupin project started in the fiscal year ended June 30, 2016 and will be a separate operating network from the one that serves the City and Wasco County. Revenues earned by QLife are expended for the continued operations and maintenance of the network. Upon dissolution of QLife, the net position would be shared 50 percent each to the City and Wasco County. QLife is governed by a five-member board comprised of two appointees from the City, two appointees from Wasco County and a fifth member appointed by the other four. The County's net investment and its share of the operation results of QLife are reported in the County's governmental activities. Net position of the County's governmental fund increased \$248,357 for a net gain in fiscal year ended June 30, 2021. The County's investment in QLife of \$2,596,035 can be accounted for using the equity method. Complete financial statements for QLife can be obtained from Wasco County Finance Office, 511 Washington St, The Dalles, OR 97058.

D. LONG-TERM DEBT:

Changes in Long-Term Liabilities:

Long-term liability activity for the year ended June 30, 2021 was as follows:

	Balance 7/1/2020	Increase	Decrease	Balance 6/30/2021	Due in less than 1 year
Compensated Absences	155,423	145,112	(155,423)	145,112	145,112
OPEB Obligation	760,158		(7,901)	752,257	
Net Pension Liability	12,470,271	-	(413,373)	12,056,898	
Total Long-Term Liabilities	13,385,852	145,112	(576,697)	12,954,267	145,112

EMPLOYEE PENSION PLANS:

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<http://www.oregon.gov/pers/documents/financials/CAFR/2020-CAFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. *PERS Pension (Chapter 238)*. The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. *Pension Benefits*. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
 - ii. *Death Benefits*. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member’s account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.

- iii. *Disability Benefits.* A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. *Benefit Changes After Retirement.* Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.
- b. *OPSRP Pension Program (OPSRP DB).* The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. *Pension Benefits.* This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
- A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii. *Death Benefits.* Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
 - iii. *Disability Benefits.* A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
 - iv. *Benefit Changes After Retirement.* Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2021 were \$4,772,007,

excluding amounts to fund employer specific liabilities and including a lump sum payment establishing an account to pay down the County’s net pension liability. The breakdown of the payment is \$932,007 for normal yearly costs and \$3,840,000 for the account to pay down the liability (referred to as a “Side Account”). In addition approximately \$100,516 in employee contributions were paid or picked up by the County in fiscal 2021. At June 30, 2021, the County reported a net pension liability of \$12,056,898 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2018. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2020 and 2019, the County’s proportion was .055 percent. Pension expense for the year ended June 30, 2021 was \$1,686,961.

The rates in effect for the year ended June 30, 2021 were:

- (1) Tier 1/Tier 2 – 19.77%
- (2) OPSRP general services – 11.94%
- (3) OPSRP police and fire – 16.57%
- (4) Rate Credit (starting in December) reduced all rates by 4.3%

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	530,649	-
Changes of assumptions	647,056	22,671
Net difference between projected and actual earnings on investments	1,417,735	-
Changes in proportionate share	500,478	2,075,382
Differences between County contributions and proportionate share of system contributions	<u>3,019,477</u>	<u>154,080</u>
Subtotal	6,115,395	2,252,133
County contributions subsequent to measuring date	<u>4,772,007</u>	N/A
Deferred outflow (inflow) of resources	<u>10,887,402</u>	<u>2,252,133</u>

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2022	\$ 898,658
2023	1,135,286
2024	1,009,694
2025	739,408
2026	80,215
Thereafter	-
Total	<u>\$ 3,863,261</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 12, 2021. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

Actuarial Valuations: The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2018 rolled forward to June 30, 2019
Experience Study Report	2018, Published December 31, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with Moro decision, blend based on service.
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Assumed Asset Allocation:

<u>Asset Class/Strategy</u>	<u>OIC Policy Range</u>		<u>OIC Target Allocation</u>	<u>Asset Class/Strategy</u>	<u>Actual Allocation³</u>
Debt Securities	15.0	- 25.0	% 20.0 %	Debt Securities	20.0 %
Public Equity	27.5	- 37.5	32.5	Public Equity	31.8
Real Estate	9.5	- 15.5	12.5	Real Estate	11.4
Private Equity	14.0	- 21.0	17.5	Private Equity	22.9
Alternatives Portfolio	7.5	- 17.5	15.0	Alternatives Portfolio	10.5
Opportunity Portfolio ¹	0.0	- 3.0	0.0	Opportunity Portfolio	2.1
Risk Parity ²	0.0	- 2.5	2.5	Risk Parity	1.3
Total			100.0 %	Total	100.0 %

¹Opportunity Portfolio is an investment strategy and it may be invested up to 3% of total plan net position.

²Risk Parity is a new investment strategy added to the asset allocation mix in 2019.

³Based on the actual investment value at 6/30/2020.

(Source: June 30, 2020 PERS ACFR; p. 102)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Long-Term Expected Rate of Return¹

Asset Class	Target Allocation	Annual Arithmetic Return ²	20-Year Annualized Geometric Mean	Annual Standard Deviation
Core Fixed Income	9.60 %	4.14 %	4.07 %	3.90 %
Short-Term Bonds	9.60	3.70	3.68	2.10
Bank/Leveraged Loans	3.60	5.40	5.19	6.85
High Yield Bonds	1.20	6.13	5.74	9.35
Large/Mid Cap US Equities	16.17	7.35	6.30	15.50
Small Cap US Equities	1.35	8.35	6.68	19.75
Micro Cap US Equities	1.35	8.86	6.79	22.10
Developed Foreign Equities	13.48	8.30	6.91	17.95
Emerging Market Equities	4.24	10.35	7.69	25.35
Non-US Small Cap Equities	1.93	8.81	7.25	19.10
Private Equity	17.50	11.95	8.33	30.00
Real Estate (Property)	10.00	6.19	5.55	12.00
Real Estate (REITS)	2.50	8.29	6.69	21.00
Hedge Fund of Funds - Diversified	1.50	4.28	4.06	6.90
Hedge Fund - Event-driven	0.38	5.89	5.59	8.10
Timber	1.13	6.36	5.61	13.00
Farmland	1.13	6.87	6.12	13.00
Infrastructure	2.25	7.51	6.67	13.85
Commodities	1.13	5.34	3.79	18.70
Assumed Inflation - Mean			2.50 %	1.65 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, revised as of April 24, 2019.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

(Source: June 30, 2020 PERS ACFR; p. 72-74)

Discount Rate: The discount rate used to measure the total pension liability was 7.20 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate – The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
County's proportionate share of the net pension liability (asset)	17,903,498	12,056,898	7,154,253

Changes Subsequent to the Measurement Date:

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2020 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan: A deferred compensation plan is available to employees wherein they may execute an individual agreement with the County for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the County.

OPSRP Individual Account Program (OPSRP IAP):

Plan Description: Employees of the County are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits: Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits: Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions: Employees of the County pay six (6) percent of their covered payroll. The County paid \$100,516 in contributions to member IAP accounts for the year ended June 30, 2021. The County did not make any optional contributions to member IAP accounts for the year ended June 30, 2021.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700, Tigard, OR 97281-3700.

E. OTHER POST-EMPLOYMENT BENEFITS:

Plan Description

As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution (currently \$60 per month) toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The Plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS requires that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS; (2) receive both Medicare Parts A and B coverage; and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS, or (2) was insured at the time the member died and the member retired before May 1, 1991.

Contributions

Participating public employers are contractually required to contribute to RHIA at a rate assessed each biennium by OPERS. For fiscal year 2020 the rate is 0.06% of annual covered payroll for Tier 1/Tier 2 employees and 0.00% for OPSRP employees. The OPERS sets the net-retiree healthcare rate based on the estimated OPEB expense of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The OPEB expense represents the annual cost allocated to the current year (normal cost) and the amortization of any unfunded accrued liabilities of the plan (UAL cost). The unfunded accrued liabilities are amortized over a closed period equal to the average of the expected remaining lives of all employees that are

provided with OPEB through the OPEB plan (active employees and inactive employees). The County's contributions to RHIA were consistent with the net-retiree healthcare rate as charged by OPERS. Amounts paid for RHIA were included with the payments for the retirement plan. The County's participation in RHIA is immaterial to the financial statements.

Post-employment Health Insurance Subsidy

Plan Description

The County administers a single-employer defined benefit healthcare plan that covers both active and retired participants. The plan provides post-retirement healthcare benefits for eligible retirees and their dependents through the County's group health insurance plans. The County's post-retirement plan was established in accordance with Oregon Revised Statutes (ORS) 243.303 which states, in part, that for the purposes of establishing healthcare premiums, the calculated rate must be based on the cost of all plan members, including both active employees and retirees. Because claim costs are generally higher for retiree groups than for active members, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective. The valuation date was July 1, 2020 and the measurement date was June 30, 2020.

Funding Policy

The County has not established a trust fund to finance the cost of post-employment health care benefits related to implicit rate subsidies. Premiums are paid by retirees based on the rates established for active employees. Additional costs related to an implicit subsidy are paid by the County on a pay-as-you-go basis. There is no obligation on the part of the County to fund these benefits in advance.

Actuarial Methods and Assumptions

The County engaged an actuary to perform a valuation as of June 30, 2021 using the Entry Age Normal, level percent of salary Actuarial Cost Method. Mortality rates were based on the RP-2000 healthy white collar male and female mortality tables, set back one year for males. Mortality is projected on a generational basis using Scale BB for males and females. Demographic assumptions regarding retirement, mortality, and turnover are based on Oregon PERS valuation assumptions as of December 31, 2019. Election rate and lapse assumptions are based on experience implied by valuation data for this and other Oregon public employers.

**Changes in Total OPEB Liability
June 30, 2020 to June 30, 2021**

**Increase (Decrease)
Total OPEB Liability**

Balance as of June 30, 2020	\$ 760,158
Changes for the year:	
Service cost	54,702
Interest on total OPEB liability	27,619
Effect of changes to benefit terms	0
Effect of economic/demographic gains or losses	53,986
Effect of assumptions changes or inputs	(92,245)
Benefit payments	<u>(51,963)</u>
Balance as of June 30, 2021	\$ 752,257

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Trend Rates

The following analysis presents the net OPB liability using a discount rate of 2.21% as well as what the County's net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability, 2021	806,141	752,257	701,166

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability, 2021	673,520	752,257	845,456

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Benefits:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	(4,644)	47,635
Changes of assumptions	(98,195)	93,537
Benefit Payments	-	69,904
Total as of June 30, 2021	<u>(102,839)</u>	<u>211,076</u>

Amounts Reported as deferred outflows or inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2022	\$ 7,076
2023	7,076
2024	7,076
2025	7,076
2026	10,769
Thereafter	(740)
Total	\$ 38,333

F. INTERFUND TRANSFERS:

The following table reflects the interfund transfers completed during the year ended June 30, 2021.

<u>Fund#</u>	<u>Fund Name</u>	<u>GASB 54 Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
101	GENERAL FUND	General Fund	400,000	2,639,645
203	FAIR	Non-Major Governmental Fund	29,000	-
208	SPECIAL ECONOMIC DEVELOPMENT	Non-Major Governmental Fund	-	405,000
211	MUSEUM	Non-Major Governmental Fund	22,500	-
220	911 COMMUNICATIONS	Non-Major Governmental Fund	193,145	73,333
324	911 EQUIPMENT RESERVE	General Fund	30,000	-
327	GENERAL OPERATING RESERVE	General Fund	2,443,333	-
Total All Transfers			3,117,978	3,117,978
Total General Fund			2,873,333	2,639,645
Total Non-Major Governmental Fund			244,645	478,333
			3,117,978	3,117,978

G. DEFERRED COMPENSATION

The County offers a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. This plan, available to all full time employees, permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency. All amounts of compensation deferred under the plan are held in trust by the plan administrator for the sole benefit of the participants.

H. TAX ABATEMENTS

Wasco County has authorized tax-exempt status for three qualified firms within the County: Powder Pure, Hix The Dalles, and Design LLC. All properties are required to meet State and Federal funding requirements which include annual physical inspections and an annual audit of financial activity and programmatic compliance. The property tax exemption may be removed if the property is being used for any purpose other than the provisions of low income housing, or if the property is no longer eligible under the stated provisions of ORS 307.540 to 307.548. Section E of the renewal application requires the applicant to acknowledge compliance

with the requirements annually. For fiscal year ending June 30, 2021, the foregone property tax revenue for the all taxing districts in the County as a whole is \$33,848,639 while the County's share is \$7,369,352.

NOTE 4 – OTHER INFORMATION:

A. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance with nominal deductible levels. Losses over the past three years have not exceeded the insurance coverage.

Liabilities are reported when it is probable that a loss occurred and the amount of the loss can be reasonable estimated. Any liability for claims or judgements would be reported in the appropriate governmental fund.

The County has elected to finance the liability for unemployment compensation benefits to County employees by reimbursing the State of Oregon Employment Division for the County's actual costs for unemployment benefits.

B. JOINTLY GOVERNED ORGANIZATIONS

Wasco County, Oregon, in conjunction with Sherman County, Hood River County, and Gilliam County, has created a regional jail facility in Wasco County known as Northern Oregon Corrections (NORCOR). The board of NORCOR is composed of five members, one from each of the participating governments, along with one sheriff. Wasco County budgeted expenditures to NORCOR for the year ended June 30, 2021 totaled \$2,213,150 with actual expenditures being \$2,227,236. The difference between budget to actual is based on medical care usage. Financial information for this entity may be obtained from the Administrator, Northern Oregon Corrections, 201 Webber Road, The Dalles, OR 97058.

Wasco County, Oregon, in conjunction with Sherman County and Gilliam County, has created a public health department in Wasco County known as North Central Public Health District (NCPHD). The board of NCPHD is composed of nine members total, one from each of the participating governments along with two other members from each County. Wasco County budgeted expenditures to NCPHD for the year ended June 30, 2021 total \$440,157. Actual expenditures are the same as budgeted. Financial information for this district may be obtained from the Finance Manager, North Central Public Health District, 419 E 7th Street, The Dalles, OR 97058.

C. RELATED PARTIES

During the year, the County had the following related party transactions. Qlife revenues from clerk fees, computer, GIS and administrative services totaled \$60,557 and expenditures totaled \$16,560. At June 30, 2021 the County has a \$0, balance to the Agency for services received.

Required Supplementary Information

Wasco County, Oregon
Schedule of Changes in Other Post-Employment Benefits and Related Ratios
For the last four fiscal years

			Year Ended	
	Year Ended	Year Ended	June 30,	Year Ended
	June 30, 2021	June 30, 2020	2019	June 30, 2018
Total Other Post Employment Benefits Liability at June 30, Prior Year	760,158	700,278	586,655	606,828
<u>Changes for the year:</u>				
Service Cost	54,702	48,704	37,058	39,536
Interest	27,619	28,224	21,347	17,795
Changes in Benefit Terms	-	-	-	-
Differences between expected and actual experience	-	-	-	-
Effect of economic/demographic gains or losses	53,986	-	(7,179)	-
Changes in assumptions or other input	(92,245)	22,693	117,737	(33,198)
Employer Contributions	-	-	-	-
Benefit Payments	(51,963)	(39,741)	(55,340)	(44,306)
Net changes for the year	<u>-7,901</u>	<u>59,880</u>	<u>113,623</u>	<u>-20,173</u>
Total Other Post Employment Benefits Liability at June 30, Current Year	<u>752,257</u>	<u>760,158</u>	<u>700,278</u>	<u>586,655</u>
Fiduciary Net Position - Beginning	-	-	-	-
Contributions - Employer	51,963	39,741	55,340	44,306
Contributions - Employee	-	-	-	-
Net Investment Income	-	-	-	-
Benefit Payments	(51,963)	(39,741)	(55,340)	(44,306)
Administrative Expense	-	-	-	-
Net changes for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fiduciary Net Position - Ending	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Liability for Other Post Employment Benefits - End of Year	<u>752,257</u>	<u>760,158</u>	<u>700,278</u>	<u>586,655</u>
Fiduciary Net Position as a percentage of the total Single Employer Pension Liability	0%	0%	0%	0%
Covered Payroll	6,538,686	7,202,930	6,632,738	6,693,117
Net Single Employer Pension Plan as a Percentage of Covered Payroll	12%	11%	11%	9%

Required Supplementary Information

**Wasco County, Oregon
Schedule of the Proportionate Share of the Net Pension Liability
For the last eight fiscal years**

Year Ended June 30,	Proportion of the net pension liability (asset) (a)	Proportionate share of the net pension liability (asset) (b)	Covered payroll (c)	Proportionate share of the net pension liability (asset) as a percentage of its covered payroll (b/c)	Plan fiduciary net position as a percentage of the total pension liability
2021	0.05524747%	12,056,898	7,202,930	167.39%	75.80%
2020	0.07209247%	12,470,271	6,632,738	188.01%	80.20%
2019	0.06788966%	10,284,389	6,605,716	155.69%	82.10%
2018	0.06336891%	8,542,153	6,924,289	123.37%	83.10%
2017	0.06589545%	9,892,442	6,032,943	163.97%	80.50%
2016	0.06589548%	9,892,442	5,852,439	169.03%	91.90%
2015	0.07752839%	4,451,263	6,480,919	68.68%	103.60%
2014	0.09664647%	4,932,011	6,480,919	76.10%	91.97%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Required Supplementary Information (Continued)

**Wasco County, Oregon
Schedule of Contributions
For the last eight fiscal years**

Year ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
	(a)	(b)	(a-b)	(c)	(b/c)
2021	\$ 932,007	\$ 932,007	\$ -	\$ 6,538,686	14.25%
2020	1,127,685	1,127,685	-	7,202,930	15.66%
2019	1,003,234	1,003,234	-	6,632,738	15.13%
2018	1,025,704	1,025,704	-	6,605,716	15.53%
2017	774,484	774,484	-	6,924,289	11.19%
2016	686,501	686,501	-	6,032,943	11.38%
2015	604,704	604,704	-	5,852,439	10.33%
2014	692,025	692,025	-	6,480,919	10.68%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
101 General Fund
For the year ended June 30, 2020
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 10,331,863	\$ 10,331,863	\$ 10,296,406	\$ (35,457)
Licenses, fees, and permits	1,902,480	1,902,480	2,409,702	507,222
Intergovernmental	2,524,833	2,524,833	4,058,898	1,534,065
Charges for services	133,209	133,209	126,858	(6,351)
Fines and forfeitures	35,000	35,000	39,028	4,028
Rents	199,779	199,779	203,134	3,355
Pass-through payments	2,000	2,000	5,435	3,435
Investment earnings	225,200	225,200	77,139	(148,061)
Miscellaneous	397,609	397,609	733,429	335,820
Total revenues	<u>15,751,973</u>	<u>15,751,973</u>	<u>17,950,029</u>	<u>2,198,056</u>
Expenditures				
Current by Department:				
Assessor	875,646	875,646	691,680	183,966
Clerk	362,861	362,861	354,501	8,360
Sheriff	2,553,361	2,553,361	2,289,275	264,086
Employee and administrative services	3,780,584	3,780,584	2,745,632	1,034,952
Administration	3,966,259	3,966,259	3,750,427	215,832
District attorney	744,169	744,169	627,553	116,616
Planning	864,432	864,432	750,772	113,660
Public works	58,347	58,347	48,551	9,796
Youth services	917,408	917,408	845,401	72,007
Contingencies	1,438,918	1,438,918	-	1,438,918
Total expenditures	<u>15,561,985</u>	<u>15,561,985</u>	<u>12,103,792</u>	<u>3,458,193</u>
Excess (deficiency) of revenues over (under) expenditures	<u>189,988</u>	<u>189,988</u>	<u>5,846,237</u>	<u>5,656,249</u>
Other Financing Sources (Uses)				
Sale of fixed assets	4,000	4,000	30,577	26,577
Transfers from other governments	-	-	-	-
Transfers from other funds	562,426	562,426	400,000	(162,426)
Transfers to other funds	(2,639,645)	(2,639,645)	(2,639,645)	-
Total other financing sources (uses)	<u>(2,073,219)</u>	<u>(2,073,219)</u>	<u>(2,209,068)</u>	<u>(135,849)</u>
Net change in fund balances	<u>(1,883,231)</u>	<u>(1,883,231)</u>	<u>3,637,169</u>	<u>5,520,400</u>
Fund balances - beginning	8,296,431	7,878,296	9,195,796	1,317,500
Fund balances - ending	<u>\$ 6,413,200</u>	<u>\$ 5,995,065</u>	<u>12,832,965</u>	<u>\$ 6,837,900</u>
Reconciliation to GAAP Fund Balance				
233 Kramer Field Fund			35,696	
324 911 Equipment Reserve Fund			94,680	
326 Facility Capital Reserve Fund			3,434,256	
327 General Operating Reserve Fund			<u>5,743,560</u>	
Total GAAP Fund Balance			<u>22,141,157</u>	

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

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
202 Public Works
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, fees and permits	\$ 12,000	\$ 12,000	\$ 17,974	\$ 5,974
Intergovernmental	3,593,785	3,593,785	3,362,347	(231,438)
Charges for services	454,000	454,000	377,081	(76,919)
Internal services	-	-	3,180	3,180
Investment earnings	45,000	45,000	22,484	(22,516)
Miscellaneous	42,500	42,500	14,956	(27,544)
Total revenues	<u>4,147,285</u>	<u>4,147,285</u>	<u>3,798,022</u>	<u>(349,263)</u>
Expenditures				
Current:				
Public Works	4,036,620	4,036,620	3,599,304	437,316
Contingencies	2,018,310	2,018,310	-	2,018,310
Total expenditures	<u>6,054,930</u>	<u>6,054,930</u>	<u>3,599,304</u>	<u>2,455,626</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,907,645)</u>	<u>(1,907,645)</u>	<u>198,718</u>	<u>2,106,363</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,907,645)</u>	<u>(1,907,645)</u>	<u>198,718</u>	<u>2,106,363</u>
Fund balances, budgetary basis - beginning	2,431,010	2,431,010	3,744,595	1,313,585
Fund balances, budgetary basis - ending	<u>\$ 523,365</u>	<u>\$ 523,365</u>	<u>\$ 3,943,313</u>	<u>\$ 3,419,948</u>
Reconciliation to GAAP Fund Balance				
321 Road Reserve Fund			<u>4,536,711</u>	
Total GAAP Fund Balance			<u>\$ 8,480,024</u>	

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

Wasco County, Oregon
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021
(all amounts are in dollars)

	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Assets			
Cash and investments	9,578,782	3,870,672	13,449,454
Receivables	253,505	-	253,505
Total assets	<u>9,832,287</u>	<u>3,870,672</u>	<u>13,702,959</u>
Liabilities			
Accounts payable	285,652	14,680	300,332
Accrued liabilities	97,779	-	97,779
Total liabilities	<u>383,431</u>	<u>14,680</u>	<u>398,111</u>
Fund Balances			
Restricted	4,351,257	-	4,351,257
Committed	5,097,599	-	5,097,599
Assigned	-	3,855,992	3,855,992
Total fund balances	<u>9,448,856</u>	<u>3,855,992</u>	<u>13,304,848</u>
Total liabilities and fund balances	<u>9,832,287</u>	<u>3,870,672</u>	<u>13,702,959</u>

Wasco County, Oregon
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Total Nonmajor Funds</u>
Revenues			
Licenses, fees, and permits	\$ 1,225,931	\$ -	\$ 1,225,931
Intergovernmental	2,744,842	-	2,744,842
Charges for services	528,810	-	528,810
Fines and restitution	32,382	-	32,382
Grants and donations	2,301,691	-	2,301,691
Investment Earnings	68,581	28,912	97,493
Miscellaneous	201,630	-	201,630
Total Revenues	<u>7,103,867</u>	<u>28,912</u>	<u>7,132,779</u>
Expenditures			
Current by Department:			
Clerk	9,305	-	9,305
Sheriff	2,837,162	-	2,837,162
Administration	3,405,071	114,400	3,519,471
District attorney	36,727	-	36,727
Household hazardous waste	362,189	-	362,189
Public works	22,018	-	22,018
Youth services	-	-	-
Total expenditures	<u>6,672,472</u>	<u>114,400</u>	<u>6,786,872</u>
Excess (deficiency) of revenues over (under) expenditures	<u>431,395</u>	<u>(85,488)</u>	<u>345,907</u>
Other Financing Sources (Uses):			
Transfers from other governments	-	-	-
Transfers from other funds	244,645	-	244,645
Transfers to other funds	(478,333)	-	(478,333)
Total other financing sources (Uses)	<u>(233,688)</u>	<u>-</u>	<u>(233,688)</u>
Net change in fund balances	<u>197,707</u>	<u>(85,488)</u>	<u>112,219</u>
Fund balances - beginning	9,251,149	3,941,480	13,192,629
Fund balances - ending	<u>\$ 9,448,856</u>	<u>\$ 3,855,992</u>	<u>\$ 13,304,848</u>

SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS

** These funds do not meet the GASB 54 definition of Special Revenue Funds and are included in the General Fund in the GAAP-basis financial statements. They are budgeted as Special Revenue Funds under Oregon Budget Law.

BUILDING CODES - GENERAL FUND: Revenues and expenditures from the operation of the Building Codes function not related to Electrical Building Codes are recorded in this fund. The primary source of revenue is the issuance of building permits. Expenditures are primarily related to inspections and processing of permits.

BUILDING CODES - ELECTRICAL FUND: Revenues and expenditures from the operation of the Building Codes function related to Electrical Building Codes are recorded in this fund. The primary source of revenue is the issuance of electrical building permits. Expenditures are primarily related to inspections and processing of electrical permits.

COUNTY FAIR FUND: Revenues and expenditures from the operation of the County Fair are recorded in this fund. The primary source of revenue for the Fair is money earned from the annual County Fair operation. Revenues are also received from the State Video Lottery Commission. Expenditures are mainly for the fair and year-round maintenance of the fairgrounds.

COUNTY SCHOOL FUND: The County School Fund is used to account for the receipt of forest reserve rental revenues and distributions from the State of Oregon Common School Fund. By law, these funds are distributed to the school districts in Wasco County.

LAND CORNER PRESERVATION FUND: This fund accounts for revenues and expenditures for the surveying of all section corners in Wasco County. Revenues are mainly fees charged for recording and interest on investments.

FOREST HEALTH FUND: The County receives Federal Title III money to be used to maintain the health of forests within County boundaries. Revenues are from grants and interest on investments. Expenditures are for materials and services.

HOUSEHOLD HAZARDOUS WASTE FUND: Income is from the Oregon Department of Environmental Quality grants and surcharges on local garbage services. Monies are expended for the Sanitarian and the Public Health Business Manager to supervise the collection of fees and the contracting of services and building projects relating to the disposal of household hazardous waste.

LAW LIBRARY FUND: This fund is used to maintain a law library within the County. Revenues are mainly from filing fees and expenditures are for materials and services.

PARKS FUND: This fund receives RV and campsite fees to pay for a park manager and operations for Hunt Park.

COMMUNITY CORRECTIONS FUND: This fund accounts for revenues from state grants and fees from participants in the community corrections program. Expenditures are for operations of the program.

COURT FACILITIES SECURITY FUND: This fund accounts for revenues from assessments on court fines. Expenditures are for materials and services.

CLERK RECORDS FUND: Oregon law requires a separate fund to account for a recording fee. The revenue is used to acquire storage and create and maintain a retrieval system for County records.

SPECIAL ECONOMIC DEVELOPMENT PAYMENTS FUND: This fund accounts for Enterprise Zone Tax Abatement Agreement Project fees. Fees are then distributed for local services or infrastructure.

DISTRICT ATTORNEY FUND: This fund accounts for forfeiture proceeds. Victim and Drug Court donation balances in the General Fund are also transferred into this fund. Expenditures are for materials and services and capital expenditures. This fund is included in the General Fund in the GAAP-basis financial statements.

MUSEUM FUND: Revenues are mainly from donations and contributions from the City of The Dalles and Wasco County. Expenditures are for personnel services, materials and services, and capital expenditures.

911 COMMUNICATIONS FUND: The County administrates the 911 emergency center for all of the emergency services providers in Wasco County. Revenues are primarily from intergovernmental agreements and phone taxes. Expenditures are for 911 operations. This fund is included in the General Fund in the GAAP-basis financial statements.

** **KRAMER FIELD FUND:** This fund accounts for monies remaining after the construction of Kramer Field. Revenue is from interest earned on investments. Expenditures are for materials and services. This fund is included in the General Fund in the GAAP-basis financial statements.

Wasco County, Oregon
Combining Balance Sheet
Special Revenue Funds
June 30, 2021
(all amounts are in dollars)

	<u>Building Codes - General Fund</u>	<u>Building Codes - Electrical Fund</u>	<u>County Fair Fund</u>	<u>County School Fund</u>	<u>Land Corner Preservation Fund</u>	<u>Forest Health Fund</u>
Assets						
Cash and investments	\$ 3,502,463	\$ 778,731	\$ 252,139	\$ -	\$ 124,349	\$ 417,148
Receivables	-	553	4,165	-	-	-
Total assets	<u>\$ 3,502,463</u>	<u>\$ 779,284</u>	<u>\$ 256,304</u>	<u>\$ -</u>	<u>\$ 124,349</u>	<u>\$ 417,148</u>
Liabilities						
Accounts payable	\$ 87,121	\$ 9,002	\$ 26,711	\$ -	\$ 149	\$ -
Accrued liabilities	14,376	5,742	2,161	-	875	-
Total liabilities	<u>101,497</u>	<u>14,744</u>	<u>28,872</u>	<u>-</u>	<u>1,024</u>	<u>-</u>
Fund Balances						
Restricted	-	-	227,432	-	123,325	417,148
Committed	<u>3,400,966</u>	<u>764,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>3,400,966</u>	<u>764,540</u>	<u>227,432</u>	<u>-</u>	<u>123,325</u>	<u>417,148</u>
Total liabilities and fund balances	<u>\$ 3,502,463</u>	<u>\$ 779,284</u>	<u>\$ 256,304</u>	<u>\$ -</u>	<u>\$ 124,349</u>	<u>\$ 417,148</u>

Wasco County, Oregon
Combining Balance Sheet
Special Revenue Funds
June 30, 2021
(all amounts are in dollars)

	<u>Household Hazardous Waste Fund</u>	<u>Law Library Fund</u>	<u>Parks Fund</u>	<u>Community Corrections Fund</u>	<u>Court Facilities Security Fund</u>	<u>Clerk Records Fund</u>
Assets						
Cash and investments	\$ 746,510	\$ 134,562	\$ 290,001	\$ 996,142	\$ 232,510	\$ 41,813
Receivables	39,249	-	15,511	-	2,357	-
Total assets	<u>\$ 785,759</u>	<u>\$ 134,562</u>	<u>\$ 305,512</u>	<u>\$ 996,142</u>	<u>\$ 234,867</u>	<u>\$ 41,813</u>
Liabilities						
Accounts payable	\$ 80,380	\$ 1,647	\$ 21,622	\$ 22,118	\$ -	\$ -
Accrued liabilities	3,952	-	579	37,993	-	-
Total liabilities	<u>84,332</u>	<u>1,647</u>	<u>22,201</u>	<u>60,111</u>	<u>-</u>	<u>-</u>
Fund Balances						
Restricted	-	132,915	283,311	936,031	234,867	41,813
Committed	<u>701,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>701,427</u>	<u>132,915</u>	<u>283,311</u>	<u>936,031</u>	<u>234,867</u>	<u>41,813</u>
Total liabilities and fund balances	<u>\$ 785,759</u>	<u>\$ 134,562</u>	<u>\$ 305,512</u>	<u>\$ 996,142</u>	<u>\$ 234,867</u>	<u>\$ 41,813</u>

Wasco County, Oregon
Combining Balance Sheet
Special Revenue Funds
June 30, 2021
(all amounts are in dollars)

	Special Economic Development	District Attorney	Museum Fund	911 Communications	Total
Assets					
Cash and investments	\$ 1,648,943	\$ 3,631	\$ 235,118	\$ 174,722	\$ 9,578,782
Receivables	-	-	-	191,670	253,505
Total assets	<u>\$ 1,648,943</u>	<u>\$ 3,631</u>	<u>\$ 235,118</u>	<u>\$ 366,392</u>	<u>\$ 9,832,287</u>
Liabilities					
Accounts payable	\$ 10,553	\$ -	\$ 6,597	\$ 19,752	\$ 285,652
Accrued liabilities	-	-	1,486	30,615	97,779
Total liabilities	<u>10,553</u>	<u>-</u>	<u>8,083</u>	<u>50,367</u>	<u>383,431</u>
Fund Balances					
Restricted	1,638,390	-	-	316,025	4,351,257
Committed	-	3,631	227,035	-	5,097,599
Total fund balances	<u>1,638,390</u>	<u>3,631</u>	<u>227,035</u>	<u>316,025</u>	<u>9,448,856</u>
Total liabilities and fund balances	<u>\$ 1,648,943</u>	<u>\$ 3,631</u>	<u>\$ 235,118</u>	<u>\$ 366,392</u>	<u>\$ 9,832,287</u>

Wasco County, Oregon
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Funds
For the year ended June 30, 2021
(all amounts are in dollars)

	Building Codes - General Fund	Building Codes - Electrical Fund	County Fair Fund	County School Fund	Land Corner Preservation Fund	Forest Health Fund
Revenues						
Licenses, fees, and permits	\$ 436,710	\$ 86,926	\$ 72,505	\$ -	\$ 53,375	\$ -
Intergovernmental	-	-	53,167	249,110	-	39,834
Charges for services	-	-	-	-	-	-
Fines and restitution	-	-	-	-	-	-
Grants and contributions	-	-	-	-	-	-
Investment earnings	24,021	5,400	1,550	509	804	2,835
Miscellaneous	160,032	1,830	7,200	-	-	-
Total Revenues	620,763	94,156	134,422	249,619	54,179	42,669
Expenditures						
Current by Department:						
Assessor	-	-	-	-	-	-
Clerk	-	-	-	-	-	-
Sheriff	-	-	-	-	-	-
Employee and administrative services	-	-	-	-	-	-
Administration	664,557	197,640	99,130	249,965	-	-
District attorney	-	-	-	-	-	-
Household hazardous waste	-	-	-	-	-	-
Public works	-	-	-	-	22,018	-
Youth services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	664,557	197,640	99,130	249,965	22,018	-
Excess (deficiency) of revenues over (under) expenditures	(43,794)	(103,484)	35,292	(346)	32,161	42,669
Other Financing Sources (Uses):						
Transfers from other governments	-	-	-	-	-	-
Transfers from other funds	-	-	29,000	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources	-	-	29,000	-	-	-
(Uses)	-	-	29,000	-	-	-
Net change in fund balances	(43,794)	(103,484)	64,292	(346)	32,161	42,669
Fund balances - beginning	3,444,760	868,024	163,140	346	91,164	374,479
Fund balances - ending	\$ 3,400,966	\$ 764,540	\$ 227,432	\$ -	\$ 123,325	\$ 417,148

Wasco County, Oregon
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Funds
For the year ended June 30, 2021
(all amounts are in dollars)

	Household Hazardous Waste Fund	Law Library Fund	Parks Fund	Community Corrections Fund	Court Facilities Security Fund	Clerk Records Fund
Revenues						
Licenses, fees, and permits	\$ 410,013	\$ 18,707	\$ 7,769	\$ 121,016	\$ -	\$ 10,074
Intergovernmental	-	-	68,685	1,824,973	-	-
Charges for services	12,200	-	-	-	-	-
Fines and restitution	-	-	-	-	32,382	-
Grants and contributions	-	-	-	-	-	-
Investment earnings	5,071	1,070	2,233	7,273	1,592	331
Miscellaneous	21,067	-	-	11,496	-	-
Total Revenues	448,351	19,777	78,687	1,964,758	33,974	10,405
Expenditures						
Current by Department:						
Assessor	-	-	-	-	-	-
Clerk	-	-	-	-	-	9,305
Sheriff	-	-	-	1,784,439	-	-
Employee and administrative services	-	-	-	-	-	-
Administration	-	-	81,476	-	-	-
District attorney	-	28,941	-	-	-	-
Household hazardous waste	362,189	-	-	-	-	-
Public works	-	-	-	-	-	-
Youth services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	362,189	28,941	81,476	1,784,439	-	9,305
Excess (deficiency) of revenues over (under) expenditures	86,162	(9,164)	(2,789)	180,319	33,974	1,100
Other Financing Sources (Uses):						
Transfers from other governments	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-
(Uses)	-	-	-	-	-	-
Net change in fund balances	86,162	(9,164)	(2,789)	180,319	33,974	1,100
Fund balances - beginning	615,265	142,079	286,100	755,712	200,893	40,713
Fund balances - ending	\$ 701,427	\$ 132,915	\$ 283,311	\$ 936,031	\$ 234,867	\$ 41,813

Wasco County, Oregon
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Funds
For the year ended June 30, 2021
(all amounts are in dollars)

	Special Economic Development	District Attorney	Museum Fund	911 Communications	Total
Revenues					
Licenses, fees, and permits	\$ -	\$ -	\$ 8,836	\$ -	\$ 1,225,931
Intergovernmental	-	-	35,000	474,073	2,744,842
Charges for services	-	-	-	516,610	528,810
Fines and restitution	-	-	-	-	32,382
Grants and contributions	2,283,744	517	17,430	-	2,301,691
Investment earnings	11,934	64	1,826	2,068	68,581
Miscellaneous	-	-	5	-	201,630
Total Revenues	<u>2,295,678</u>	<u>581</u>	<u>63,097</u>	<u>992,751</u>	<u>7,103,867</u>
Expenditures					
Current by Department:					
Assessor	-	-	-	-	-
Clerk	-	-	-	-	9,305
Sheriff	-	-	-	1,052,723	2,837,162
Employee and administrative services	-	-	-	-	-
Administration	2,013,960	-	98,343	-	3,405,071
District attorney	-	7,786	-	-	36,727
Household hazardous waste	-	-	-	-	362,189
Public works	-	-	-	-	22,018
Youth services	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>2,013,960</u>	<u>7,786</u>	<u>98,343</u>	<u>1,052,723</u>	<u>6,672,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>281,718</u>	<u>(7,205)</u>	<u>(35,246)</u>	<u>(59,972)</u>	<u>431,395</u>
Other Financing Sources (Uses):					
Transfers from other governments	-	-	-	-	-
Transfers from other funds	-	-	22,500	193,145	244,645
Transfers to other funds	(405,000)	-	-	(73,333)	(478,333)
Total other financing sources	<u>(405,000)</u>	<u>-</u>	<u>22,500</u>	<u>119,812</u>	<u>(233,688)</u>
(Uses)	<u>(405,000)</u>	<u>-</u>	<u>22,500</u>	<u>119,812</u>	<u>(233,688)</u>
Net change in fund balances	<u>(123,282)</u>	<u>(7,205)</u>	<u>(12,746)</u>	<u>59,840</u>	<u>197,707</u>
Fund balances - beginning	1,761,672	10,836	239,781	256,185	9,251,149
Fund balances - ending	<u>\$ 1,638,390</u>	<u>\$ 3,631</u>	<u>\$ 227,035</u>	<u>\$ 316,025</u>	<u>\$ 9,448,856</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
150 Building Codes - General Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, fees, and permits	\$ 1,051,523	\$ 1,051,523	\$ 436,710	\$ (614,813)
Investment earnings	38,154	38,154	24,021	(14,133)
Miscellaneous	300,000	300,000	160,032	(139,968)
Total revenues	<u>1,389,677</u>	<u>1,389,677</u>	<u>620,763</u>	<u>(768,914)</u>
Expenditures				
Current:				
Administration	1,550,638	1,574,638	664,557	910,081
Contingencies	129,220	129,220	-	129,220
Total expenditures	<u>1,679,858</u>	<u>1,703,858</u>	<u>664,557</u>	<u>1,039,301</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(290,181)</u>	<u>(314,181)</u>	<u>(43,794)</u>	<u>270,387</u>
Other Financing Sources (Uses)				
Transfers from other governments	-	-	-	-
Transfers from other funds	200,000	200,000	-	(200,000)
Transfers to other funds	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>200,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(290,181)</u>	<u>(314,181)</u>	<u>(43,794)</u>	<u>270,387</u>
Fund balances, budgetary basis - beginning	<u>3,468,549</u>	<u>3,468,549</u>	<u>3,444,760</u>	<u>(23,789)</u>
Fund balances, budgetary basis - ending	<u>\$ 3,178,368</u>	<u>\$ 3,154,368</u>	<u>\$ 3,400,966</u>	<u>\$ 246,598</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
160 Building Codes - Electrical Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, fees, and permits	\$ 133,000	\$ 133,000	\$ 86,926	\$ (46,074)
Investment earnings	1,000	1,000	5,400	4,400
Miscellaneous	-	-	1,830	1,830
Total revenues	<u>134,000</u>	<u>134,000</u>	<u>94,156</u>	<u>(39,844)</u>
Expenditures				
Current:				
Administration	234,710	249,710	197,640	52,070
Contingencies	117,356	117,356	-	117,356
Total expenditures	<u>352,066</u>	<u>367,066</u>	<u>197,640</u>	<u>169,426</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(218,066)</u>	<u>(233,066)</u>	<u>(103,484)</u>	<u>129,582</u>
Other Financing Sources (Uses)				
Transfers from other governments	-	-	-	-
Transfers from other funds	200,000	200,000	-	(200,000)
Transfers to other funds	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>200,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(218,066)</u>	<u>(233,066)</u>	<u>(103,484)</u>	<u>129,582</u>
Fund balances, budgetary basis - beginning	<u>790,162</u>	<u>790,162</u>	<u>868,024</u>	<u>77,862</u>
Fund balances, budgetary basis - ending	<u>\$ 572,096</u>	<u>\$ 557,096</u>	<u>\$ 764,540</u>	<u>\$ 207,444</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
203 County Fair Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses, fees, and permits	\$ 104,240	\$ 104,240	\$ 72,505	\$ (31,735)
Intergovernmental	53,167	53,167	53,167	-
Contributions and donations	18,000	18,000	-	(18,000)
Investment earnings	15,000	15,000	1,550	(13,450)
Miscellaneous	7,200	7,200	7,200	-
Total revenues	197,607	197,607	134,422	(63,185)
Expenditures				
Current:				
Administration	200,946	200,946	99,130	101,816
Contingencies	63,244	63,244	-	63,244
Total expenditures	264,190	264,190	99,130	165,060
Excess (deficiency) of revenues over (under) expenditures	(66,583)	(66,583)	35,292	101,875
Other Financing Sources (Uses)				
Transfers from other funds	29,000	29,000	29,000	-
Total other financing sources (uses)	29,000	29,000	29,000	-
Net change in fund balances	(37,583)	(37,583)	64,292	101,875
Fund balances, budgetary basis - beginning	131,648	131,648	163,140	31,492
Fund balances, budgetary basis - ending	\$ 94,065	\$ 94,065	\$ 227,432	\$ 133,367

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
204 County School Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 424,040	\$ 424,040	\$ 249,110	\$ (174,930)
Investment earnings	200	200	509	309
Total revenues	424,240	424,240	249,619	(174,621)
Expenditures				
Current:				
Administration	424,440	424,440	249,965	174,475
Excess (deficiency) of revenues over (under) expenditures	(200)	(200)	(346)	(146)
Net change in fund balances	(200)	(200)	(346)	(146)
Fund balances, budgetary basis - beginning	200	200	346	146
Fund balances, budgetary basis - ending	\$ -	\$ -	\$ -	\$ -

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
205 Land Corner Preservation Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses, fees, and permits	\$ 30,000	\$ 30,000	\$ 53,375	\$ 23,375
Investment earnings	900	900	804	(96)
Total revenues	30,900	30,900	54,179	23,279
Expenditures				
Current:				
Public Works	24,298	24,298	22,018	2,280
Contingency	39,940	39,940	-	39,940
Total expenditures	64,238	64,238	22,018	42,220
Excess (deficiency) of revenues over (under) expenditures	(33,338)	(33,338)	32,161	65,499
Other Financing Sources (Uses)				
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(33,338)	(33,338)	32,161	65,499
Fund balances, budgetary basis - beginning	79,930	79,930	91,164	11,234
Fund balances, budgetary basis - ending	\$ 46,592	\$ 46,592	\$ 123,325	\$ 76,733

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
206 Forest Health Program Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 40,267	\$ 40,267	\$ 39,834	\$ (433)
Investment earnings	2,700	2,700	2,835	135
Total revenues	42,967	42,967	42,669	(298)
Expenditures				
General government:				
Materials and services	50,000	50,000	-	50,000
Contingencies	204,658	204,658	-	204,658
Excess (deficiency) of revenues over (under) expenditures	(211,691)	(211,691)	42,669	254,360
Other Financing Sources (Uses)				
Transfers to other funds	(162,426)	(162,426)	-	162,426
Total other financing sources (uses)	(162,426)	(162,426)	-	162,426
Net change in fund balances	(374,117)	(374,117)	42,669	416,786
Fund balances - beginning	374,117	374,117	374,479	362
Fund balances - ending	\$ -	\$ -	\$ 417,148	\$ 417,148

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
207 Household Hazardous Waste Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses, fees, and permits	\$ 420,000	\$ 420,000	\$ 410,013	\$ (9,987)
Charges for services	12,200	12,200	12,200	-
Miscellaneous	8,600	13,600	21,067	7,467
Investment earnings	9,000	9,000	5,071	(3,929)
Total revenues	449,800	454,800	448,351	(6,449)
Expenditures				
Current:				
Household hazardous waste	562,283	562,283	362,189	200,094
Contingencies	205,738	205,738	-	205,738
Total expenditures	768,021	768,021	362,189	405,832
Net change in fund balances	(318,221)	(313,221)	86,162	399,383
Fund balances - beginning	518,221	518,221	615,265	97,044
Fund balances - ending	\$ 200,000	\$ 205,000	\$ 701,427	\$ 496,427

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
209 Law Library Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses, fees, and permits	\$ 30,000	\$ 30,000	\$ 18,707	\$ (11,293)
Investment earnings	1,570	1,570	1,070	(500)
Total revenues	31,570	31,570	19,777	(11,793)
Expenditures				
Current:				
District attorney	49,829	49,829	28,941	20,888
Contingencies	110,300	110,300	-	110,300
Total expenditures	160,129	160,129	28,941	131,188
Excess (deficiency) of revenues over (under) expenditures	(128,559)	(128,559)	(9,164)	119,395
Other Financing Sources (Uses)				
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(128,559)	(128,559)	(9,164)	119,395
Fund balances, budgetary basis - beginning	142,625	142,625	142,079	(546)
Fund balances, budgetary basis - ending	\$ 14,066	\$ 14,066	\$ 132,915	\$ 118,849

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
223 Parks Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, fees and permits	\$ 27,500	\$ 27,500	\$ 7,769	\$ (19,731)
Intergovernmental	67,000	67,000	68,685	1,685
Miscellaneous	-	-	-	-
Investment income	4,800	4,800	2,233	(2,567)
Total revenues	<u>99,300</u>	<u>99,300</u>	<u>78,687</u>	<u>(20,613)</u>
Expenditures				
Current:				
Administration	149,758	149,758	81,476	68,282
Contingencies	116,965	116,965	-	116,965
Total expenditures	<u>266,723</u>	<u>266,723</u>	<u>81,476</u>	<u>185,247</u>
Net change in fund balances	(167,423)	(167,423)	(2,789)	164,634
Fund balances, budgetary basis - beginning	240,320	240,320	286,100	45,780
Fund balances, budgetary basis - ending	<u>\$ 72,897</u>	<u>\$ 72,897</u>	<u>\$ 283,311</u>	<u>\$ 210,414</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
227 Community Corrections Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 110,000	\$ 110,000	\$ 121,016	\$ 11,016
Intergovernmental	1,770,438	\$ 1,770,438	1,824,973	54,535
Reimbursements	-	-	11,496	11,496
Investment income	20,000	20,000	7,273	(12,727)
Total revenues	1,900,438	1,900,438	1,964,758	64,320
Expenditures				
Current:				
Sheriff	1,925,571	1,925,571	1,784,439	141,132
Contingencies	550,340	550,340	-	550,340
Total expenditures	2,475,911	2,475,911	1,784,439	691,472
Excess (deficiency) of revenues over (under) expenditures	(575,473)	(575,473)	180,319	755,792
Other Financing Sources (Uses)				
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(575,473)	(575,473)	180,319	755,792
Fund balances, budgetary basis - beginning	695,799	695,799	755,712	59,913
Fund balances, budgetary basis - ending	\$ 120,326	\$ 120,326	\$ 936,031	\$ 815,705

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
229 Court Facilities Security Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Fines and restitution	\$ 30,000	\$ 30,000	\$ 32,382	\$ 2,382
Investment income	2,000	2,000	1,592	(408)
Total revenues	32,000	32,000	33,974	1,974
Expenditures				
Current:				
Administration	51,000	51,000	-	51,000
Contingencies	151,000	151,000	-	151,000
Total expenditures	202,000	202,000	-	202,000
Net change in fund balances	(170,000)	(170,000)	33,974	203,974
Fund balances, budgetary basis - beginning	170,000	170,000	200,893	30,893
Fund balances, budgetary basis - ending	\$ -	\$ -	\$ 234,867	\$ 234,867

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
237 Clerk Records Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fees	\$ 8,750	\$ 8,750	\$ 10,074	\$ 1,324
Investment income	600	600	331	(269)
Total revenues	<u>9,350</u>	<u>9,350</u>	<u>10,405</u>	<u>1,055</u>
Expenditures				
Current:				
County clerk	12,800	12,800	9,305	3,495
Contingencies	35,550	35,550	-	35,550
Total expenditures	<u>48,350</u>	<u>48,350</u>	<u>9,305</u>	<u>39,045</u>
Net change in fund balances	(39,000)	(39,000)	1,100	40,100
Fund balances, budgetary basis - beginning	39,000	39,000	40,713	1,713
Fund balances, budgetary basis - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,813</u>	<u>\$ 41,813</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
208 Special Economic Development Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and donations	\$ 3,357,363	\$ 3,357,363	\$ 2,283,744	\$ (1,073,619)
Intergovernmental	-	-	-	-
Investment income	6,000	6,000	11,934	5,934
Total revenues	<u>3,363,363</u>	<u>3,363,363</u>	<u>2,295,678</u>	<u>(1,067,685)</u>
Expenditures				
Current:				
Administration	3,617,754	3,617,754	2,013,960	1,603,794
Excess (deficiency) of revenues over (under) expenditures	<u>(254,391)</u>	<u>(254,391)</u>	<u>281,718</u>	<u>536,109</u>
Other Financing Sources (Uses)				
Transfers to other funds	(405,000)	(405,000)	(405,000)	-
Total other financing sources (uses)	<u>(405,000)</u>	<u>(405,000)</u>	<u>(405,000)</u>	-
Net change in fund balances	(659,391)	(659,391)	(123,282)	536,109
Fund balances, budgetary basis - beginning	659,391	659,391	1,761,672	1,102,281
Fund balances, budgetary basis - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,638,390</u>	<u>\$ 1,638,390</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
210 District Attorney Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Donations and contributions	\$ 3,000	\$ 3,000	\$ 517	\$ (2,483)
Investment earnings	100	100	64	(36)
Total revenues	<u>3,100</u>	<u>3,100</u>	<u>581</u>	<u>(2,519)</u>
Expenditures				
Current:				
District attorney	12,100	12,100	7,786	4,314
Contingencies	-	-	-	-
Total expenditures	<u>12,100</u>	<u>12,100</u>	<u>7,786</u>	<u>4,314</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,000)</u>	<u>(9,000)</u>	<u>(7,205)</u>	<u>1,795</u>
Other Financing Sources (Uses)				
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(9,000)	(9,000)	(7,205)	1,795
Fund balances, budgetary basis - beginning	9,000	9,000	10,836	1,836
Fund balances, budgetary basis - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,631</u>	<u>\$ 3,631</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
211 Museum Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses, fees, and permits	\$ 23,200	\$ 23,200	\$ 8,836	\$ (14,364)
Intergovernmental	22,500	22,500	35,000	12,500
Donations	6,500	6,500	17,430	10,930
Miscellaneous	-	-	5	5
Investment earnings	4,992	4,992	1,826	(3,166)
Total revenues	57,192	57,192	63,097	5,905
Expenditures				
Current:				
Administration	109,024	100,024	98,343	1,681
Contingencies	178,209	187,209	-	187,209
Total expenditures	287,233	287,233	98,343	188,890
Excess (deficiency) of revenues over (under) expenditures	(230,041)	(230,041)	(35,246)	194,795
Other Financing Sources (Uses)				
Transfers from other funds	22,500	22,500	22,500	-
Net change in fund balances	(207,541)	(207,541)	(12,746)	194,795
Fund balances, budgetary basis - beginning	250,420	250,420	239,781	(10,639)
Fund balances, budgetary basis - ending	\$ 42,879	\$ 42,879	\$ 227,035	\$ 184,156

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
220 911 Communications Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 604,081	\$ 604,081	\$ 516,610	\$ (87,471)
Intergovernmental	474,871	474,871	474,073	(798)
Miscellaneous	100	100	-	(100)
Investment income	3,000	3,000	2,068	(932)
Total revenues	1,082,052	1,082,052	992,751	(89,301)
Expenditures				
Current:				
Sheriff	1,274,215	1,274,215	1,052,723	221,492
Contingencies	144,170	144,170	-	144,170
Total expenditures	1,418,385	1,418,385	1,052,723	365,662
Excess (deficiency) of revenues over (under) expenditures	(336,333)	(336,333)	(59,972)	276,361
Other Financing Sources (Uses)				
Transfers from other funds	193,145	193,145	193,145	-
Transfers to other funds	(73,333)	(73,333)	(73,333)	-
Total other financing sources (uses)	119,812	119,812	119,812	-
Net change in fund balances	(216,521)	(216,521)	59,840	276,361
Fund balances, budgetary basis - beginning	216,521	216,521	256,185	39,664
Fund balances, budgetary basis - ending	\$ -	\$ -	\$ 316,025	\$ 316,025

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
233 Kramer Field Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 450	\$ 450	\$ 263	\$ (187)
Expenditures				
Current:				
Administration	35,750	35,750	-	35,750
Net change in fund balances	(35,300)	(35,300)	263	35,563
Fund balances, budgetary basis - beginning	35,300	35,300	35,433	133
Fund balances, budgetary basis - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,696</u>	<u>\$ 35,696</u>

RESERVE FUNDS

The County has four reserve funds that are used for budgetary purposes only. These funds are combined with the General Fund or the Public Works Fund in the GAAP-basis financial statements.

ROAD RESERVE FUND: This fund is used to accumulate money for future road equipment purchases and construction projects. Resources are from interest on investments and transfers in. Expenditures are for materials and services and capital outlay. This fund is included with the Public Works Fund in the GAAP-basis financial statements.

911 EQUIPMENT RESERVE FUND: This fund accumulates money for the purchase of 911 equipment. Revenues are from interest on investments and transfers in. This fund is included in the General Fund in the GAAP-basis financial statements.

FACILITY CAPITAL RESERVE FUND: This fund accumulates money for capital expenditures required by County facilities. Resources are from interest on investments and transfers in. This fund is included in the General Fund in the GAAP-basis financial statements.

GENERAL OPERATING RESERVE FUND: This fund accumulates money to support operations as determined by the County Commissioners. Resources are from interest on investments and transfers in. This fund is included in the General Fund in GAAP-basis financial statements.

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
321 Road Reserve Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 58,060	\$ 58,060	\$ 36,938	\$ (21,122)
Expenditures				
Current:				
Public works	5,336,217	5,336,217	801,000	4,535,217
Excess (deficiency) of revenues over (under) expenditures	(5,278,157)	(5,278,157)	(764,062)	4,514,095
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(5,278,157)	(5,278,157)	(764,062)	4,514,095
Fund balances, budgetary basis - beginning	5,278,157	5,278,157	5,300,773	22,616
Fund balances, budgetary basis - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,536,711</u>	<u>\$ 4,536,711</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
324 911 Equipment Reserve Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 1,184	\$ 1,184	\$ 601	\$ (583)
Expenditures				
Current:				
Sheriff	60,000	60,000	-	60,000
Contingencies	35,172	35,172	-	35,172
Total expenditures	95,172	95,172	-	95,172
Excess (deficiency) of revenues over (under) expenditures	(93,988)	(93,988)	601	94,589
Other Financing Sources (Uses)				
Transfers from other funds	30,000	30,000	30,000	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	30,000	30,000	30,000	-
Net change in fund balances	(63,988)	(63,988)	30,601	94,589
Fund balances, budgetary basis - beginning	63,988	63,988	64,079	91
Fund balances, budgetary basis - ending	\$ -	\$ -	\$ 94,680	\$ 94,680

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
326 Facility Capital Reserve Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 115,409	\$ 115,409	\$ 104,863	\$ (10,546)
Miscellaneous	-	-	537,561	537,561
Total revenues	115,409	115,409	642,424	527,015
Expenditures				
Current:				
Administration	3,027,294	3,027,294	-	3,027,294
Excess (deficiency) of revenues over (under) expenditures	(2,911,885)	(2,911,885)	642,424	3,554,309
Other Financing Sources (Uses)				
Interfund Loans			-	
Transfers to other funds	-	-	-	-
Transfers from other funds	602,000	602,000	-	(602,000)
Total other financing sources (uses)	602,000	602,000	-	(602,000)
Net change in fund balances	(2,309,885)	(2,309,885)	642,424	2,952,309
Fund balances, budgetary basis - beginning	2,309,885	2,309,885	2,791,832	481,947
Fund balances, budgetary basis - ending	\$ -	\$ -	\$ 3,434,256	\$ 3,434,256

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
327 General Operating Reserve Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Investment Income	\$ 57,637	\$ 57,637	\$ 37,814	\$ (19,823)
Intergovernmental	-	-	2,710,134	2,710,134
Miscellaneous	-	-	-	-
Total revenues	57,637	57,637	2,747,948	2,690,311
Expenditures				
Current:				
Administration	7,661,853	7,661,853	4,706,472	2,955,381
Contingencies	-	-	-	-
Total expenditures	7,661,853	7,661,853	4,706,472	2,955,381
Excess (deficiency) of revenues over (under) expenditures	(7,604,216)	(7,604,216)	(1,958,524)	5,645,692
Other Financing Sources (Uses)				
Transfers from other funds	2,443,333	2,443,333	2,443,333	-
Total other financing sources (uses)	2,443,333	2,443,333	2,443,333	-
Net change in fund balances	(5,160,883)	(5,160,883)	484,809	5,645,692
Fund balances, budgetary basis - beginning	5,160,883	5,160,883	5,258,751	97,868
Fund balances, budgetary basis - ending	\$ -	\$ -	\$ 5,743,560	\$ 5,743,560

Wasco County, Oregon
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2021
(all amounts are in dollars)

	<u>Capital Acquisitions Fund</u>	<u>Total Capital Project Funds</u>
Assets		
Cash and investments	3,870,672	3,870,672
Receivables	-	-
Total assets	<u>3,870,672</u>	<u>3,870,672</u>
Liabilities		
Accounts payable	14,680	14,680
Accrued liabilities	-	-
Unearned revenue	-	-
Advances from other funds	-	-
Total liabilities	<u>14,680</u>	<u>14,680</u>
Fund Balances		
Restricted	-	-
Assigned	3,855,992	3,855,992
Total fund balances	<u>3,855,992</u>	<u>3,855,992</u>
Total liabilities and fund balances	<u>3,870,672</u>	<u>3,870,672</u>

Wasco County, Oregon
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Non-Major Capital Project Funds
For the year ended June 30, 2021
(all amounts are in dollars)

	Capital Acquisitions Funds	Total Capital Project Funds
Revenues		
Investment Earnings	\$ 28,912	\$ 28,912
Grants and donations	-	-
Contributions	-	-
Total Revenues	<u>28,912</u>	<u>28,912</u>
Expenditures		
Current:		
Administration	<u>114,400</u>	<u>114,400</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(85,488)</u>	<u>(85,488)</u>
Other Financing Sources:		
Loan proceeds	-	-
Transfers from other funds	-	-
Total other financing sources (Uses)	<u>-</u>	<u>-</u>
Total :	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(85,488)</u>	<u>(85,488)</u>
Fund balances - beginning	<u>3,941,480</u>	<u>3,941,480</u>
Fund balances - ending	<u>\$ 3,855,992</u>	<u>\$ 3,855,992</u>

CAPITAL PROJECT FUNDS
NONMAJOR GOVERNMENTAL FUNDS

CAPITAL ACQUISITIONS FUND: This fund accumulates money for future capital improvements. Resources are from interest on investments and transfers in.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG): This fund accounts for a federal grant to be used for construction of a building on behalf of the Mid-Columbia Center for Living. The project was closed out in FY20 and the FY21 budget only existed to close out if necessary. No transactions were necessary in FY21.

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
322 Capital Acquisitions Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 43,213	\$ 43,213	\$ 28,912	\$ (14,301)
Expenditures				
Current:				
Administration	3,971,646	3,971,646	114,400	3,857,246
Excess (deficiency) of revenues over (under) expenditures	(3,928,433)	(3,928,433)	(85,488)	3,842,945
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(3,928,433)	(3,928,433)	(85,488)	3,842,945
Fund balances, budgetary basis - beginning	3,928,433	3,928,433	3,941,480	13,047
Fund balances, budgetary basis - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,855,992</u>	<u>\$ 3,855,992</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
330 CDBG Grant Fund
For the year ended June 30, 2021
(all amounts are in dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-
Contributions	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
Administration	-	-	-	-
Contingencies	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other Financing Sources (Uses)				
Transfers from other funds	(602,000)	(602,000)	-	-
Loan proceeds	-	-	-	-
Total other financing sources (uses)	(602,000)	(602,000)	-	-
Net change in fund balances	(602,000)	(602,000)	-	-
Fund balances, budgetary basis - beginning	602,000	602,000	-	(602,000)
Fund balances, budgetary basis - ending	\$ -	\$ -	\$ -	\$ (602,000)

Schedule of Changes In Assets and Liabilities

Agency Funds

For the year ended June 30, 2021

(all amounts in dollars)

	Private Purpose Trust Funds	Custodial Funds
Assets		
Cash with treasurer	72,035	2,657,132
Taxes receivable		1,325,912
Total assets	<u>72,035</u>	<u>3,983,044</u>
Liabilities		
Accounts payable	59	
Due to other governments		2,414,677
Total liabilities	<u>59</u>	<u>2,414,677</u>
Net Position		
Restricted for:		
Individuals, organizations and other governments	<u>71,976</u>	<u>1,568,367</u>

**Schedule of Accountability of Elected Officials
For year ended June 30, 2020**

	<u>County Treasurer</u>	<u>County Clerk</u>	<u>County Sheriff</u>	<u>Assessor/Tax Collector</u>
Beginning Balance	40,337,103	200	200	150
Receipts	33,704,036	363,806	5,126,437	691,680
Disbursements	<u>(27,997,440)</u>	<u>(363,806)</u>	<u>(5,126,437)</u>	<u>(691,680)</u>
Ending Balance	<u><u>46,043,699</u></u>	<u><u>200</u></u>	<u><u>200</u></u>	<u><u>150</u></u>

Wasco County, Oregon
Schedule of Expenditure of Federal Awards
For the year ended June 30, 2021
(all amounts are in dollars)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASSED THROUGH ENTITY'S IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT RECEIVED	PROGRAM OR AWARD AMOUNT EXPENDED	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF AGRICULTURE:</u>					
<i>Passed through Oregon Department of Land Conservation & Development:</i>					
National Scenic Area Grant	10.670	000078	45,000	45,000	
<u>TOTAL U.S. DEPARTMENT OF AGRICULTURE</u>			<u>45,000</u>	<u>45,000</u>	
<u>U.S. DEPARTMENT OF DEFENSE:</u>					
<i>Passed through Oregon Department of Administrative Services:</i>					
Flood Control Leases	12.112	ORS 293.570	352	352	
<u>TOTAL U.S. DEPARTMENT OF DEFENSE</u>			<u>352</u>	<u>352</u>	
<u>U.S. DEPARTMENT OF THE TREASURY:</u>					
<i>Passed through Oregon Department of Administrative Services:</i>					
Coronavirus Aid, Relief and Economic Security Act Grant	21.019		2,408,874	2,357,631	1,122,278
American Rescue Plan	21.027		2,772,134	-	
<u>TOTAL U.S. DEPARTMENT OF THE INTERIOR</u>			<u>5,181,008</u>	<u>2,357,631</u>	<u>1,122,278</u>
<u>U.S. DEPARTMENT OF JUSTICE:</u>					
<i>Direct from Office of Justice Programs:</i>					
Bulletproof Vest Partnership Program	16.607		725	725	
<i>Passed through Oregon Department of Justice:</i>					
Crime Victim Assistance	16.575	DAVAP-00058	39,867	39,867	
<u>TOTAL U.S. DEPARTMENT OF JUSTICE</u>			<u>40,592</u>	<u>40,592</u>	
<u>U.S. DEPARTMENT OF TRANSPORTATION:</u>					
<i>Passed through Oregon Department of Transportation:</i>					
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	320241	87,279	87,279	87,279
<u>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</u>			<u>87,279</u>	<u>87,279</u>	
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>					
<i>Passed through Oregon State Police:</i>					
Emergency Management Performance Grants	97.042	18-533	49,807	49,807	
<u>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</u>			<u>49,807</u>	<u>49,807</u>	
<u>TOTAL FEDERAL AWARDS</u>			<u>5,404,038</u>	<u>2,580,661</u>	<u>1,122,278</u>

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS:

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has elected to use the ten percent de minimus indirect cost rate as allowed under Uniform Guidance when allowed.



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January 25, 2022

To the Board of Commissioners
Wasco County

Independent Auditors' 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*

We have audited, in accordance with the 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 the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Wasco County as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated January 25, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of 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 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 financial statements are free from material misstatement, we performed tests of 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 internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Ken Allen". The signature is fluid and cursive, with a large initial "K" and "A".

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.



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January 25, 2022

To the Board of Commissioners
Wasco County

Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance by the Uniform Guidance

Report on Compliance for Each Major Federal Program

We have audited Wasco County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2021. The major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of compliance.

Opinion on Each Major Federal Program

In our opinion, Wasco County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(s) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Any GAGAS audit findings disclosed that are required to be reported in accordance with section 515 (d)(2) of the Uniform Guidance? yes no

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(s) identified that are not considered to be material weaknesses? yes none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) of the Uniform Guidance? yes no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER **NAME OF FEDERAL PROGRAM CLUSTER**

21.019 Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? No



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Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of Wasco County as of and for the year ended June 30, 2021, and have issued our report thereon dated January 25, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the Wasco County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295)
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe Wasco County was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures 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 internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

This report is intended solely for the information and use of the Council, Audit Committee, management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

A handwritten signature in black ink, appearing to read "Ken Allen". The signature is fluid and cursive, with the first name "Ken" and the last name "Allen" clearly distinguishable.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.