

**Wasco County, Oregon  
Report on Audit of Financial Statements  
And Supplementary Information  
For the Year Ended June 30, 2015**

**Wasco County, Oregon**  
**Table of Contents**  
**For the Year Ended June 30, 2015**

	<u>PAGE</u>
<b><u>INTRODUCTORY SECTION</u></b>	
Table of Contents	2
Elected Officials and Agent of Record	5
<b><u>FINANCIAL SECTION</u></b>	6
Independent Auditor's Report	7
Management's Discussion and Analysis	10
<b>Basic Financial Statements:</b>	15
<b><u>Government-Wide Financial Statements:</u></b>	
Statement of Net Position	16
Statement of Activities	17
<b><u>Fund Financial Statements:</u></b>	
Balance Sheet – Governmental Funds	18
Reconciliation of Balance Sheet to Statement of Net Position	19
Statement of Revenues, Expenditures, and Change in Fund Balances – Governmental Funds	20
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities	21
<b>Fiduciary Funds:</b>	22
Statement of Fiduciary Net Position	23
Statement of Changes in Fiduciary Net Position – Trust Only	24
<b>Major Funds:</b>	25
Statement of Revenues, Expenses, and Changes in Fund Balances – Budget and Actual - Budgetary Basis – General Fund	26
Statement of Revenues, Expenses, and Changes in Fund Balances – Budget and Actual - Budgetary Basis – Public Works Fund	28
<b>Notes to Basic Financial Statements</b>	29
<b><u>OTHER MATTERS</u></b>	
<b>Required Supplementary Information:</b>	49
Schedule of Funding Progress:	
Other Postemployment Benefits – Healthcare Benefits	50
Schedule of the Proportionate Share of the Net Pension Liability	51
Schedule of Contributions – Pensions	52
<b>Other Information:</b>	53
<b><u>Combining Fund Statements:</u></b>	
Combining Balance Sheet – Nonmajor Governmental Funds	54
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	55

**Wasco County, Oregon**  
**Table of Contents**  
**For the Year Ended June 30, 2015**

	<u>PAGE</u>
<u>Special Revenue Funds – Nonmajor:</u>	56
Combining Balance Sheet	59
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	61
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Budgetary Basis:	
County Fair Fund	63
County School Fund	64
Land Corner Preservation Fund	65
Forest Health Fund	66
Household Hazardous Waste Fund	67
Special Economic Development Payments Fund	68
Law Library Fund	69
District Attorney Fund	70
Museum Fund	71
Weed and Pest Control Fund	72
911 Communications Fund	73
Parks Fund	74
Community Corrections Fund	75
Court Facilities Fund	76
Commission on Children & Families Fund	77
Kramer Field Fund	78
Clerk Records Fund	79
Road Reserve Fund	80
911 Equipment Reserve Fund	81
Facility Capital Reserve Fund	82
General Operating Reserve Fund	83
<u>Nonmajor Capital Projects Funds:</u>	84
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Budgetary Basis:	
Capital Acquisitions Fund	85
<u>Agency Funds:</u>	86
Schedule of Changes in Assets and Liabilities – Agency Funds	87
<u>Other Schedules:</u>	88
Schedule of Accountability of Elected Officials	89
Schedule of Insurance in Force	90
Schedule of Expenditures of Federal Awards	91
Notes to the Schedule of Expenditures of Federal Awards	92
Schedule of Findings and Questioned Costs	93

**Wasco County, Oregon  
Table of Contents  
For the Year Ended June 30, 2015**

	<u>PAGE</u>
<b>Other Required Reports:</b>	97
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	98
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	100
Independent Auditor's Report Required by Oregon Minimum Standards	102

**Wasco County, Oregon  
Elected Officials and Agent of Record  
For the Year Ended June 30, 2015**

**WASCO COUNTY BOARD OF COMMISSIONERS:**

Commissioner

Scott Hege  
The Dalles, Oregon 97058

Commissioner

Rod Runyon  
The Dalles, Oregon 97058

Commissioner

Steve Kramer  
Dufur, OR 97021

**OTHER ELECTED OFFICIALS:**

Treasurer

Chad Krause  
The Dalles, Oregon 97058

Clerk

Linda Brown  
The Dalles, Oregon 97058

Sheriff

Ricky Eiesland  
The Dalles, Oregon 97058

Assessor

Jill Amery  
The Dalles, Oregon 97058

District Attorney

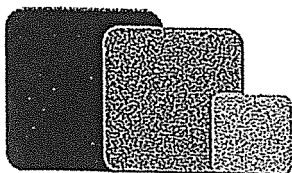
Eric Nisley  
The Dalles, Oregon 97058

**OTHER:**

Insurance Agent of Record

Mike Courtney-Courtney  
Insurance Agency  
414 East Second  
The Dalles, Oregon 97058

FINANCIAL SECTION



**FRIEND & REAGAN, P.C.**  
Certified Public Accountants

305 E. Fifth Street  
The Dalles, OR 97058  
phone [541] 296.2000  
fax [541] 296.5636  
[www.friendreagan.com](http://www.friendreagan.com)

## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Wasco County, Oregon  
The Dalles, Oregon 97058

### **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, Oregon as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's 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.

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***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, Oregon, as of June 30, 2015; and the respective changes in financial position, and the respective budgetary comparison for the General Fund and Public Works Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of a Matter***

The County adopted the provisions of GASB Statement No. 68 Accounting and Financial Reporting for Pensions, for the year ended June 30, 2015. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10-14 and the required supplementary information on pages 50-52 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.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wasco County, Oregon's basic financial statements. The combining and individual nonmajor fund financial statements, and other financial schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards and the other financial schedules as listed in the table of contents 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 combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards and the other schedules as listed in the table of contents are fairly stated in all material respects in relation to the basic financial statements as a whole.

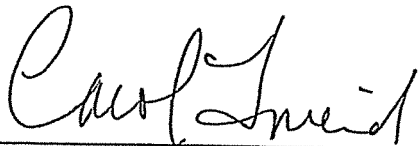


The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Reports on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2015, on our consideration of Wasco County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wasco County's internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated July 15, 2016, 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.



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For Friend & Reagan, PC  
The Dalles, Oregon 97058  
July 15, 2016

**Wasco County, Oregon**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2015**

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 "Other 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 2015 and fiscal year 2014. A condensed version of the Primary Government Statement of Net Position at June 30, 2014 and 2015 follows:

**TABLE 1**  
**NET POSITION AT YEAR END**

	Primary Governmental Activities	
	June 30, 2015	Restated June 30, 2014
<b>ASSETS</b>		
Cash and Investments	20,854,438	19,185,240
Other Assets	1,810,827	1,732,188
Capital Assets	11,710,058	11,939,647
Net Pension Asset	2,190,700	-
<b>TOTAL ASSETS</b>	<b>36,566,023</b>	<b>32,857,075</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Related to Pensions	604,704	692,025
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>604,704</b>	<b>692,025</b>
<b>LIABILITIES</b>		
Other Liabilities	900,465	853,932
Long Term Liabilities	944,996	811,818
<b>TOTAL LIABILITIES</b>	<b>1,845,461</b>	<b>1,665,750</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Related to Pensions	4,391,638	4,932,011
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>4,391,638</b>	<b>4,932,011</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	11,710,059	11,939,647
Restricted	1,130,768	1,181,277
Unrestricted	18,092,801	13,830,415
<b>TOTAL NET POSITION</b>	<b>30,933,628</b>	<b>26,951,339</b>

### 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 \$30,933,628 at the close of fiscal year 2015.

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 almost 38% of the total Net Assets of the County.

The change in net position is primarily due to the inclusion of Net Pension Asset for \$2.2 million that was not included in the fiscal 2014 reporting. In addition, the cash and investments increased by \$1.7 million. This was due to a \$1.1 million increase in deposits and investment for the General Fund and

another \$200 thousand increase in the Public Works Fund deposits and investments. The minor funds accounted for the remainder of the increase.

TABLE 2  
STATEMENT OF ACTIVITIES

	FY 2015	Restated FY 2014
Program revenues		
Charges for Services	3,079,378	3,036,149
Operating Grants and Contributions	5,638,118	7,464,770
Capital Grants and Contributions	171,924	185,529
General revenues		
Taxes for General Purpose	8,116,640	7,806,316
Other Taxes	536,896	654,785
Interest	92,280	94,963
Other	387,546	280,104
Sale of Capital Assets	96,055	23,332
Transfers	-	-
Total Program and General Revenues	<u>18,118,837</u>	<u>19,545,948</u>
Expenses		
General Government	4,409,402	4,633,446
Public Safety	6,137,677	6,970,147
Highways and Streets	2,282,543	3,376,876
Health and Welfare	462,053	2,010,325
Culture and Recreation	239,232	296,428
Capital Projects	605,641	319,988
Interest	-	19,449
Total Expenses	<u>14,136,548</u>	<u>17,626,659</u>
Change in net position	3,982,289	1,919,289
Net position, beginning	26,951,339	29,272,036
Restatement for GASB 68 (see notes)	-	(4,239,986)
Net position, ending	<u>30,933,628</u>	<u>26,951,339</u>

#### Governmental Activities

Due to a new standard issued by the Government Accounting Standards Board (GASB)—Statement # 68 – there is a restatement of the beginning fund balance by a decrease of over \$4 million. The specifics are addressed in the notes. Simply stated, Statement # 68 changes how pension reporting is required to be reported. Without this new standard, the ending Net Position would have increased instead of decreased.

Additionally, the health district was separated from the County, resulting in a decrease of \$1.6 million in expenditures for Health and Welfare.

#### BUDGETARY HIGHLIGHTS

The General Fund revenue exceeded the budgeted amount by \$693,976. This was primarily due to Taxes coming in with \$328,107 more than budgeted and Licenses, Fees & Permits generating \$359,936 more than budgeted. The General Fund Departments controlled costs and managed to

come in under budget by 7.6% (\$796,614).

Combining the revenue exceeding budget with the expenses under the budget amount, the County had revenues exceeding expenditures by \$1,474,886 instead of the budgeted amount of \$(439,893).

The Public Works fund was originally budgeted for expenditures to exceed revenues resulting in the planned use of fund balance. However, due to additional unbudgeted federal revenues (\$556,543) combined with coming in under budget on expenditures (\$541,037), the Public Works fund balance was increased by \$167,661 instead of decreased by \$810,734.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

As of June 30, 2015 the County had invested over \$24.1 million in capital assets, after depreciation the net value of the assets is \$11.7 million.

	Beginning Balance	Additions	Deletions	Corrections	Ending Balance
Land	1,417,351	56,003	(9,241)	-	1,464,113
<i>Depreciable Assets</i>					
Buildings	7,511,086	-	-	-	7,511,086
Furniture and Equipment	9,620,492	276,764	(180,561)	-	9,716,695
Infrastructure	5,156,544	276,597	-	-	5,433,141
	22,288,122	553,361	(180,561)	-	22,660,922
<i>Accumulated Depreciation</i>					
Buildings	3,720,842	114,865	-	-	3,835,707
Furniture and Equipment	6,643,462	511,109	(180,561)	-	6,974,010
Infrastructure	1,401,523	203,736	-	-	1,605,259
	11,765,827	829,710	(180,561)	-	12,414,976
<b>Depreciable Assets - Net</b>	<b>10,522,296</b>	<b>(276,349)</b>	<b>-</b>	<b>-</b>	<b>10,245,946</b>
<b>Net Fixed Assets</b>	<b>11,939,647</b>	<b>(220,346)</b>	<b>(9,241)</b>	<b>-</b>	<b>11,710,059</b>

While the net value of the fixed assets decreased, this is due to the additions being less than the depreciation for the fiscal year.

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due in One Year
Governmental Activities					
Compensated Absences	172,752	45,769	-	218,521	-
OPEB Obligation	639,066	87,409	-	726,475	-
<b>Total Long Term Liabilities</b>	<b>811,818</b>	<b>133,178</b>	<b>-</b>	<b>944,996</b>	<b>-</b>

#### 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 47% of total General Fund revenues. Operating and capital grants contributions, fees, fines and charges for services account for 49% of General Fund revenues. The County does monitor all of its resources and determines the need for program adjustments or fee increases accordingly.

#### 2015 – 2016 YEAR BUDGET

In the General Fund, department expenses increased 3.5% over the fiscal year 2014-2015 budget. Due to the lateness of the report, the 2015 – 2016 Year Budget is already complete.

#### 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.

## BASIC FINANCIAL STATEMENTS

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**Wasco County, Oregon**  
**Statement of Net Position**  
**June 30, 2015**  
(all amounts are in dollars)

	Primary Government Governmental Activities	Aggregate Discretely Presented Component Units
<b><u>ASSETS:</u></b>		
Cash & Investments	20,854,438	1,716,024
Receivables (Net of Allowances):		
Property Taxes	708,877	148,169
Other	566,748	-
Inventory	535,202	-
Capital Assets		
Land (non-depreciable)	1,464,113	-
Depreciable Assets (Net of Depreciation)	10,245,946	-
Net Pension Asset	2,190,700	-
<b><u>TOTAL ASSETS</u></b>	<b><u>36,566,024</u></b>	<b><u>1,864,194</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES:</u></b>		
Related to Pensions	604,704	-
<b><u>TOTAL DEFERRED OUTFLOWS OF RESOURCES</u></b>	<b><u>604,704</u></b>	<b><u>-</u></b>
<b><u>LIABILITIES:</u></b>		
Accounts Payable	607,999	269,158
Accrued Liabilities	292,466	-
Noncurrent Liabilities		
Compensated Absences	218,521	-
OPEB Obligation	726,475	-
<b><u>TOTAL LIABILITIES</u></b>	<b><u>1,845,460</u></b>	<b><u>269,158</u></b>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>		
Related to Pensions	4,391,638	-
<b><u>TOTAL DEFERRED INFLOWS OF RESOURCES</u></b>	<b><u>4,391,638</u></b>	<b><u>-</u></b>
<b><u>NET POSITION</u></b>		
Net Investment in Capital Assets	11,710,059	-
Restricted for:		
General Government	97,230	-
Public Safety	396,009	-
Highways and Streets	106,497	-
Health and Welfare	103,267	-
Culture and Recreation	427,765	-
Unrestricted	18,092,801	1,595,034
<b><u>TOTAL NET POSITION</u></b>	<b><u>30,933,628</u></b>	<b><u>1,595,034</u></b>

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



Wasco County, Oregon  
Statement of Activities  
For the year ended June 30, 2015  
(all amounts are in dollars)

					Net (Expenses) Revenues and changes in Net Position	
					PRIMARY GOVERNMENT	COMPONENT UNITS
PROGRAM REVENUES					Total Governmental Activities	
<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Fees, Fines and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>		
General Government	4,409,403	1,451,293	505,055	171,924	(2,281,131)	-
Public Safety	6,137,677	692,335	1,815,961	-	(3,629,382)	-
Highways and Streets	2,282,543	440,835	2,730,001	-	888,293	-
Health and Welfare	462,053	317,965	448,735	-	304,647	-
Culture and Recreation	239,232	176,951	138,366	-	76,085	-
Capital Projects	605,641	-	-	-	(605,641)	-
Interest	-	-	-	-	-	-
<u>Total Primary Government</u>	<u>14,136,548</u>	<u>3,079,378</u>	<u>5,638,118</u>	<u>171,924</u>	<u>(5,247,128)</u>	<u>-</u>
Component Units	1,541,241	-	-	-	-	(1,541,241)
General Revenues:						
Property Taxes					8,116,640	1,722,476
Other Taxes					536,896	-
Interest and Investment Earnings					92,280	7,464
Miscellaneous					387,546	-
Gain (Loss) on Sale of Fixed Assets					96,055	-
Total General Revenues and Transfers					<u>9,229,418</u>	<u>1,729,940</u>
Change in net position					3,982,289	188,698
Net position, beginning					31,191,325	1,406,337
Restatement for GASB 68 (see notes)					<u>(4,239,986)</u>	<u>-</u>
Net position, ending					<u>30,933,628</u>	<u>1,595,034</u>

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

**Wasco County, Oregon**  
**Balance Sheet - Governmental Funds**  
**June 30, 2015**  
(all amounts are in dollars)

	101 General Fund	202 Public Works Fund	Non-Major Governmental Funds	Total Governmental Funds
<b><u>ASSETS:</u></b>				
Deposits and Investments	10,399,830	7,482,316	2,972,291	20,854,438
Receivables:				
Accounts Receivable	321,015	188,254	57,480	566,748
Taxes Receivable	708,877	-	-	708,877
Inventories	-	535,202	-	535,202
<b><u>TOTAL ASSETS</u></b>	<b><u>11,429,722</u></b>	<b><u>8,205,772</u></b>	<b><u>3,029,771</u></b>	<b><u>22,665,265</u></b>
<b><u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u></b>				
<b><u>Liabilities:</u></b>				
Accounts Payable	210,728	88,439	308,832	607,999
Accrued Liabilities	194,850	69,180	28,435	292,466
Compensated Absences	149,822	44,533	24,166	218,521
<b><u>Total Liabilities</u></b>	<b><u>555,400</u></b>	<b><u>202,152</u></b>	<b><u>361,433</u></b>	<b><u>1,118,985</u></b>
<b><u>Deferred Inflows of Resources</u></b>				
Unavailable Revenue	628,259	15,143	-	643,402
<b><u>Total Deferred Inflows of Resources</u></b>	<b><u>628,259</u></b>	<b><u>15,143</u></b>	<b><u>-</u></b>	<b><u>643,402</u></b>
<b><u>Fund Balances:</u></b>				
Non-Spendable	-	535,202	-	535,202
Restricted	-	4,613,332	1,130,768	5,744,100
Committed	1,355,448	2,795,410	1,513,404	5,664,262
Assigned	2,198,359	44,533	24,166	2,267,058
Unassigned	6,692,255	-	-	6,692,255
<b><u>Total Fund Balances</u></b>	<b><u>10,246,062</u></b>	<b><u>7,988,477</u></b>	<b><u>2,668,338</u></b>	<b><u>20,902,877</u></b>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u></b>	<b><u>11,429,722</u></b>	<b><u>8,205,772</u></b>	<b><u>3,029,771</u></b>	<b><u>22,665,265</u></b>

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

**Wasco County, Oregon**  
**Reconciliation of Balance Sheet to Statement of Net Position**  
**June 30, 2015**  
(all amounts are in dollars)

Fund Balances - Governmental Funds		20,902,877
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 governmental funds.		
Governmental capital assets:		
Land	1,464,113	
Depreciable assets net of accumulated depreciation	<u>10,245,946</u>	11,710,059
Certain non-current assets and deferred outflows of resources recorded in the Statement of Net Position are not recognized in the government funds until actually expended.		
Net pension assets	2,190,700	
Deferred outflow related to pensions	<u>604,704</u>	2,795,404
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.		
Other post employment benefits		(726,475)
Deferred inflows of resources represent amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.		
Related to pensions	(4,391,638)	
Related to deferred revenue	<u>643,402</u>	<u>(3,748,236)</u>
Net Position of Governmental Activities		<u><u>30,933,628</u></u>

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

**Wasco County, Oregon**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Governmental Funds**

For the year ended June 30, 2015

(all amounts are in dollars)

	101 General Fund	202 Public Works Fund	Non-Major Governmental Funds	Total Governmental Funds
<b><u>REVENUES:</u></b>				
Taxes	8,165,784	-	-	8,165,784
Licenses, Fees & Permits	1,289,204	2,000	603,610	1,894,814
Intergovernmental Revenues	1,470,173	2,037,917	1,339,512	4,847,602
Federal Revenues	298,171	692,084	236,678	1,226,933
Charges for Services	707,951	182,010	13,000	902,961
Internal Service Charges	1,480	2,915	-	4,395
Fines and Restitution	26,802	-	33,670	60,472
Investment Earnings	46,220	33,372	12,688	92,280
Rents	201,737	-	-	201,737
Contributions and Donations	263,205	-	24,198	287,403
Miscellaneous	364,041	18,951	1,769	384,761
Pass Through Payments	3,750	-	-	3,750
<b><u>TOTAL REVENUES</u></b>	<b><u>12,838,516</u></b>	<b><u>2,969,250</u></b>	<b><u>2,265,125</u></b>	<b><u>18,072,892</u></b>
<b><u>EXPENDITURES:</u></b>				
Current				
General Government	5,011,280	-	449	5,011,729
Public Safety	6,270,538	-	837,691	7,108,229
Highways and Streets	222,364	2,401,291	47,063	2,670,718
Health and Welfare	114,684	-	668,546	783,230
Culture and Recreation	55,967	-	181,028	236,996
Capital Outlay	294,306	300,742	10,593	605,641
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>11,969,138</u></b>	<b><u>2,702,033</u></b>	<b><u>1,745,371</u></b>	<b><u>16,416,541</u></b>
Excess of Revenues Over (Under) Expenditures	<u>869,378</u>	<u>267,217</u>	<u>519,755</u>	<u>1,656,351</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Gain/Loss on Sale of Fixed Assets	12,432	36,661	200	49,293
Transfers from Other Funds	1,130,695	-	133,000	1,263,695
Transfers to Other Funds	(790,171)	-	(473,525)	(1,263,695)
<b><u>TOTAL OTHER FINANCING SOURCES(USES)</u></b>	<b><u>352,957</u></b>	<b><u>36,661</u></b>	<b><u>(340,325)</u></b>	<b><u>49,293</u></b>
Net Changes in Fund Balance	1,222,335	303,878	179,430	1,705,644
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<b><u>9,023,727</u></b>	<b><u>7,684,599</u></b>	<b><u>2,488,908</u></b>	<b><u>19,197,233</u></b>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<b><u>10,246,062</u></b>	<b><u>7,988,477</u></b>	<b><u>2,668,338</u></b>	<b><u>20,902,877</u></b>

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

**Wasco County, Oregon**  
**Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the year ended June 30, 2015**  
(all amounts are in dollars)

Net Change in Fund Balances - Governmental Funds	1,705,644
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	609,364	
Disposal of capital assets	(9,241)	
Less current year depreciation	(829,710)	(229,587)

Expenditures reported for other post employment benefits in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(87,409)
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Revenues in the funds that do not provide current financial resources are not reported as revenues in the Statement of Activities as follows:

Change in unavailable revenues	(50,109)
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Changes in pension assets and liabilities are not reported in governmental funds as they do not require the current use of financial resources. However, the Statement of Activities reports such changes as increases or decreases in the related expense accounts

	2,643,752
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Change in Net Position of Governmental Activities	3,982,288
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The notes to the financial statement are an integral part of this statement

## FIDUCIARY FUNDS

These funds account for resources received and held by the County in a fiduciary capacity. The modified accrual basis of accounting is used to record transactions in the agency funds.

TRUST FUND: The County collects revenues and pays expenditures for the Mid-Columbia Interagency Task Force, a collaborative agreement between local law enforcement agencies.

AGENCY FUNDS: The funds received and disbursed through Wasco County's Agency Funds are, for the most part, taxes collected for other taxing districts within the county. The County Treasurer collects these funds for the various governmental units and either invests the monies for these governments or disburses the money to them.

Wasco County, Oregon  
Statement of Fiduciary Net Position  
June 30, 2015  
(all amounts are in dollars)

	Trust Fund	Agency Funds
<u>ASSETS:</u>		
Cash with Treasurer	97,604	1,014,617
Taxes Receivable	-	2,115,647
	<u>97,604</u>	<u>3,130,264</u>
<u>TOTAL ASSETS</u>		
	<u>97,604</u>	<u>3,130,264</u>
 <u>LIABILITIES:</u>		
Accounts Payable	198	-
Due to Other Governments	-	3,130,264
	<u>198</u>	<u>3,130,264</u>
<u>TOTAL LIABILITIES</u>		
	<u>198</u>	<u>3,130,264</u>
 <u>NET POSITION</u>		
	<u>97,406</u>	<u>-</u>

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

**Wasco County, Oregon**  
**Statement of Changes in Fiduciary Net Position - Trust Only**  
**MINT Trust Fund**  
**For the year ended June 30, 2015**  
(all amounts are in dollars)

<u><b>ADDITIONS:</b></u>	
Investment Earnings	492
Miscellaneous	13,015
<u><b>TOTAL ADDITIONS</b></u>	<u>13,506</u>
<u><b>DEDUCTIONS</b></u>	
Materials & Services	22,098
<u><b>TOTAL DEDUCTIONS</b></u>	<u>22,098</u>
Change in Net Position	(8,591)
<u><b>Net Position held for MINT-Beginning</b></u>	<u>105,997</u>
<u><b>Net Position held for MINT-Ending</b></u>	<u><u>97,406</u></u>

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



## MAJOR GOVERNMENTAL FUNDS

### GENERAL AND SPECIAL REVENUE FUNDS

Major governmental funds are defined as those funds whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental funds for the same items. The general fund is always classified as a major fund.

GENERAL FUND: Most of the activities relating to the operations of Wasco County are accounted for through the General Fund. Primary sources of revenues are taxes, fees and licenses, fines and forfeits, intergovernmental revenues, supplies and services sold, interest on investments, rents and other miscellaneous revenues. Expenditures are for personal services, materials and services, capital outlay and transfers to other funds.

PUBLIC WORKS FUND: The Public Works Fund accounts for revenues and expenditures used in constructing and maintaining County roads. Most of the fund's revenues are from intergovernmental revenues, Federal Forest Receipts and Motor Vehicle funds. Expenditures are for personal services, materials and services and capital outlay.

Wasco County, Oregon  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
General Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	BUDGETED AMOUNTS			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
<b>REVENUES:</b>				
Taxes	7,837,677	7,837,677	8,165,784	328,107
Licenses, Fees & Permits	905,850	905,850	1,265,786	359,936
Intergovernmental Revenues	1,131,468	1,131,468	982,992	(148,476)
Federal Revenues	286,350	286,350	298,171	11,821
Charges for Services	86,965	86,965	78,904	(8,061)
Internal Service Charges	-	-	1,480	1,480
Fines and Restitution	40,100	40,100	26,802	(13,298)
Investment Earnings	30,200	30,200	29,949	(251)
Rents	178,326	178,326	201,737	23,411
Contributions and Donations	2,000	2,000	-	(2,000)
Miscellaneous	184,680	184,680	325,737	141,057
Pass Through Payments	3,500	3,500	3,750	250
<b>TOTAL REVENUES</b>	<b>10,687,116</b>	<b>10,687,116</b>	<b>11,381,092</b>	<b>693,976</b>
<b>EXPENDITURES:</b>				
<i>Current by Department</i>				
Assessor	679,918	679,918	638,754	41,164
Clerk	318,258	318,258	292,178	26,080
Sheriff	2,089,912	2,089,912	1,991,165	98,747
EAS	2,028,506	2,032,876	1,864,075	168,801
Administration	3,673,949	3,775,232	3,442,325	332,907
District Attorney	525,139	525,139	510,070	15,069
Planning	485,620	485,620	396,304	89,316
Public Works	74,694	74,694	66,857	7,837
Youth Services	504,796	504,796	488,103	16,693
<b>Total Current by Department</b>	<b>10,380,792</b>	<b>10,486,445</b>	<b>9,689,831</b>	<b>796,614</b>
<i>Capital Outlay by Department</i>				
Sheriff	101,962	101,962	83,675	18,287
EAS	83,000	83,000	53,780	29,220
Administration	78,000	78,000	78,921	(921)
<b>Total Capital Outlay by Department</b>	<b>262,962</b>	<b>262,962</b>	<b>216,375</b>	<b>46,587</b>
<b>Contingency</b>	<b>441,972</b>	<b>377,602</b>	<b>-</b>	<b>377,602</b>
<b>TOTAL EXPENDITURES</b>	<b>11,085,726</b>	<b>11,127,009</b>	<b>9,906,206</b>	<b>1,220,803</b>

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

Wasco County, Oregon  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
General Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			VARIANCE FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
Excess of Revenues Over (Under) Expenditures	(398,610)	(439,893)	1,474,886	1,914,779
<u>OTHER FINANCING SOURCES AND (USES):</u>				
Sale of Fixed Assets	6,000	6,000	12,432	6,432
Transfers from Other Funds	728,131	769,414	632,989	(136,425)
Transfers to Other Funds	(630,707)	(630,707)	(630,707)	-
<u>TOTAL OTHER FINANCING SOURCES AND USES</u>	<u>103,424</u>	<u>144,707</u>	<u>14,714</u>	<u>(129,993)</u>
Net Changes in Fund Balance	(295,186)	(295,186)	1,489,600	1,784,786
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>3,295,186</u>	<u>3,295,186</u>	<u>5,459,174</u>	<u>2,163,988</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>6,948,774</u>	<u>3,948,774</u>

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

Wasco County, Oregon  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
202 Public Works Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	-	-	2,000	2,000
Intergovernmental Revenues	2,156,652	2,156,652	2,037,917	(118,735)
Federal Revenues	135,541	135,541	692,084	556,543
Charges for Services	216,500	216,500	182,010	(34,490)
Internal Service Charges	3,180	3,180	2,915	(265)
Investment Earnings	21,200	21,200	20,512	(688)
Miscellaneous	12,625	12,625	18,951	6,326
<u>TOTAL REVENUES</u>	<u>2,545,698</u>	<u>2,545,698</u>	<u>2,956,390</u>	<u>410,692</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	1,678,257	1,678,257	1,436,107	242,150
<i>Current: Materials &amp; Services</i>	1,273,175	1,273,175	1,088,546	184,629
Capital Outlay	130,000	304,200	300,742	3,458
Contingency	285,000	110,800	-	110,800
<u>TOTAL EXPENDITURES</u>	<u>3,366,432</u>	<u>3,366,432</u>	<u>2,825,395</u>	<u>541,037</u>
Excess of Revenues Over (Under) Expenditures	(820,734)	(820,734)	130,995	951,729
<u>OTHER FINANCING SOURCES(USES)</u>				
Sale of Assets	10,000	10,000	36,661	26,661
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>10,000</u>	<u>10,000</u>	<u>36,661</u>	<u>26,661</u>
Net Changes in Fund Balance	(810,734)	(810,734)	167,656	978,390
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>4,276,000</u>	<u>4,276,000</u>	<u>4,534,741</u>	<u>258,741</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>3,465,266</u>	<u>3,465,266</u>	<u>4,702,398</u>	<u>1,237,132</u>

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

**Wasco County, Oregon**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The accounting policies of Wasco County, Oregon conform to 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 Commissioners consisting of a three County Commissioners, one whom serves as County Chair. Other elected officials include the County Clerk, County Treasurer, County Sheriff, County Assessor, County District Attorney and County Surveyor.

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 government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segments. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segments and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

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

The government-wide 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 when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, excise taxes, business income taxes, intergovernmental revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal 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 expenditures.

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

**FIDUCIARY FUNDS:** Trust and Agency Funds are used to account for assets held by the County in a trustee capacity. Agency Funds are custodial in nature and do not involve measurement of result of operations.

**D. ASSETS, LIABILITIES AND NET POSITION:**

1. *Deposits and investments:* The County maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is shown on the Combined Balance Sheet as "Cash with Treasurer". Deposits and Investments are shown at cost which

approximates market value at June 30, 2015. Earnings on the pooled monies are apportioned and credited to the funds monthly, based on the average daily balances of each participating fund.

2. *Inventory*: 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 cost or estimated cost and is offset by a reservation of fund balance.

3. *Net Position*: Classified and displayed in the following three components:

Net investment in capital assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

Restricted - Consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - Consists of all other net position that is not included in "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

4. *Fund Balance*: In the fund financial statements, Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the five fund balance components listed below:

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

Restricted- Consists of amounts that can be spent only for the 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 those amounts.

Assigned- Consists of amounts that are 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- This 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 they are needed.

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

	<u>General Fund</u>	<u>Public Works Fund</u>	<u>Nonmajor Funds</u>	<u>Total all Funds</u>
<b>Fund Balances</b>				
<b>Total Nonspendable in form</b>	-	535,202	-	535,202
<b>Restricted for:</b>				
Public Works Fund	-	4,613,332	-	4,613,332
County Fair Fund	-	-	128,245	128,245
County School Fund	-	-	62,167	62,167
Land Corner Preservation Fund	-	-	106,497	106,497
Forest Health Program Fund	-	-	176,079	176,079
Law Library Fund	-	-	125,428	125,428
Parks Fund	-	-	123,441	123,441
Community Corrections Fund	-	-	208,671	208,671
Court Facilities Security Fund	-	-	61,910	61,910
CCFC Fund	-	-	103,267	103,267
Clerk Records Fund	-	-	35,063	35,063
<b>Total Restricted</b>	-	4,613,332	1,130,768	5,744,100
<b>Committed to:</b>				
Household Hazardous Waste	-	-	145,909	145,909
Road Reserve Fund	-	2,795,410	-	2,795,410
Capital Acquisitions Fund	-	-	1,367,495	1,367,495
Equipment Reserve Fund	238,301	-	-	238,301
Facility Reserve Fund	1,117,148	-	-	1,117,148
<b>Total Committed</b>	1,355,448	2,795,410	1,513,404	5,664,262
<b>Assigned for:</b>				
Economic Development Payments Fund	96,804	-	-	96,804
District Attorneys Fund	29,347	-	-	29,347
Museum Fund	202,032	-	-	202,032
Weed & Pest Fund	201,118	-	-	201,118
911 Communications Fund	20,116	-	-	20,116
Kramer Field Fund	32,822	-	-	32,822
General Operating Reserve	1,466,298	-	-	1,466,298
Compensated Absences	149,822	44,533	24,166	218,521
<b>Total Assigned</b>	2,198,359	44,533	24,166	2,267,058
<b>Total Unassigned</b>	6,692,255	-	-	6,692,255
<b>Total Fund Balances</b>	<u>10,246,062</u>	<u>7,988,477</u>	<u>2,668,338</u>	<u>20,902,877</u>

5. *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 estimated fair market 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 assets 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

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

Vacation time for employees who are not members of bargaining units is awarded based on the number of years of service, ranging from 10 to 20 working days per year. Vacation is awarded on January 1, of any given year. Vacation pay is expected to be liquidated with expendable available financial resources and is reported as an expenditure and fund liability of the appropriate Governmental Fund.

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

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.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources. Principal and interest payments are reported as debt service expenditures when paid.

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 1 pursuant to Oregon Revised Statute 310.030. Taxes are payable in full on November 15 or are payable in installments the last of which is due on May 15 of the year following the year in which imposed. Taxes become delinquent on personal property when any installment is not paid by its due date. Taxes become delinquent on real property if not paid by May 15. On January 1 and July 1 tax liens attach to personal 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 outflows 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/expenditures) until then.

In addition to liabilities, the Statement of Net Position will sometimes 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:* For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. 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 nonroutine 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 revenue and expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the 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 they are determined to be necessary. Actual results could differ from the estimates.

13. *Adoption of new GASB pronouncements:* In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement provides guidance for accounting for net pension liabilities, including definition of balances to be included in deferred inflows and deferred outflows of resources. The specific accounts impacting the County are detailed below.

Net pension liability - Previous standards defined pension liabilities in terms of the Annually Required Contribution. Statement No. 68 defines the net pension liability as the portion of the

actuarial present value of projected benefit payments that is attributed to past periods of employee service, net of the pension plan's fiduciary net position.

Deferred inflows of resources and deferred outflows of resources – Statement No. 68 includes recognition of deferred inflows and outflows of resources associated with the difference between projected and actual earnings on pension plan investments. These differences are to be recognized in pension expense using a systematic and rational method over a closed five-year period.

Statement No. 68 is effective for financial statement periods beginning after June 15, 2014, with the effects of the accounting change to be applied retroactively by restating the financial statements. The County adopted this new pronouncement in the current year and, accordingly, has restated amount of effected balances within the financial statements as of June 30, 2014:

	<u>As</u> <u>previously</u> <u>reported</u>	<u>GASB 68</u> <u>accounting</u> <u>change effect</u> <u>on Net</u> <u>Assets</u>	<u>Amounts as</u> <u>restated</u>
<u>Statement of Net Position</u>			
Deferred Outflows:			
Payments made after the initial measurement date	-	692,025	692,025
Net Pension Liability/(Asset)	-	(4,932,011)	(4,932,011)
Net Position	<u>31,191,325</u>	<u>(4,239,986)</u>	<u>26,951,339</u>
Total Net Position	<u>31,191,325</u>	<u>(4,239,986)</u>	<u>26,951,339</u>

## NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

### A. BUDGETS AND BUDGETARY ACCOUNTING:

The budget is prepared on the modified accrual method of accounting for each fiscal year July 1 to June 30. The budget process includes a series of notices and publications culminating with the budget hearing. After the public hearing has been held, the County Commission enacts the resolutions to adopt the budget, make appropriations and declare the ad valorem tax levy for all funds.

The Appropriations Resolution contains amounts for department expenditures, capital outlay, inter-fund transfers, debt service and contingency. This is the level of control for authorized expenditures. The level of expenditures is monitored throughout the year. Transfers are made from operating contingency or between the major object classifications of the appropriation for each fund as required to prevent over-expenditures. Final budget amounts shown in the budget to actual schedules include appropriation transfers and supplemental budget increases pursuant to ORS 294.480. All appropriations transfers and supplemental budget increases are approved by the Board of Commissioners. Appropriations for all funds lapse at the end of each fiscal year.

### **Excess of expenditures over appropriations**

Expenditures exceeded appropriations by \$1,613 in Fund 220, Materials & Services, and \$618

in Fund 232, Personal Services for the year ended June 30, 2015.

**Deficit fund balance**

The County has no funds with deficit fund balances for the year ended June 30, 2015.

**NOTE 3 -DETAILED NOTES ON ALL FUNDS:**

**A. CASH AND INVESTMENTS:**

Cash and Investments (recorded at cost) for the county, its discretely presented component units and fiduciary funds, consisted of petty cash of \$3,108, deposits with financial institutions totaling \$4,149,823 and investment in the LGIP of \$19,529,752, for a total of \$23,682,683.

	<u>Fair Value</u>
Primary Government	20,854,438
Component Units	1,716,024
Fiduciary Funds	1,112,221
Total Deposits and Investment	<u>23,682,683</u>

**DEPOSITS:**

*Custodial Credit Risk* is the risk that in the event of a bank failure, the government's deposits may not be returned to it. In order to minimize this risk, state statutes require banks holding public funds become members of the Public Funds Collateralization Program (PFCP), a multiple financial institution collateral pool created by the Office of the State Treasurer. To qualify, participating banks must pledge collateral against any public fund deposits in excess of deposit insurance. The amount of collateral is set by the PFCP between 10% and 110% of each bank's public fund deposits based on their net worth and level of capitalization. Although the PFCP creates a shared liability structure for participating bank depositories, it does not guarantee that all funds are 100% protected. All of the County's June 30, 2015 bank balance of \$4,659,350 was collateralized by the FDIC or the PFCP.

**INVESTMENTS:**

The County participates in an external investment pool (State of Oregon Treasury Local Government Investment Pool). The Pool is not registered with the U.S. Securities and Exchange Commission as an investment company and is not rated by any national rating service. The State's investment policies are governed by the ORS and the Oregon Investment Council (OIC). The State Treasurer is the investment officer for the OIC and is responsible for all funds in the State Treasury. These funds are invested exercising reasonable care, skill and caution. Investments in the Pool are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which establishes diversification percentages and specifies the types and maturities of investments. That portion of the external investment pool which belongs to local government participants is reported in an Investment Trust Fund in the State's Comprehensive Annual Financial Report. A copy of the State's Comprehensive Annual Financial Report may be obtained at the Oregon State Treasury, 340 Winter St. NE., Salem, Oregon 97310-0840.

The County's position in the Pool at June 30, 2015 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 or collateral securities that are in possession of another party. At June 30, 2015, the

County did not have any investments exposed to custodial credit risk.

*Concentration of Credit Risk – Investments* is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. There are no investments in any one issuer that represent five percent or more of the County's total investments.

*Interest Rate Risk* The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

#### B. CAPITAL ASSETS:

The following schedule shows the changes in Capital Assets for the year ended June 30, 2015:

	Beginning Balance	Additions	Deletions	Corrections	Ending Balance
Land	1,417,351	56,003	(9,241)	-	1,464,113
<i>Depreciable Assets</i>					
Buildings	7,511,086	-	-	-	7,511,086
Furniture and Equipment	9,620,492	276,764	(180,561)	-	9,716,695
Infrastructure	5,156,544	276,597	-	-	5,433,141
	22,288,122	553,361	(180,561)	-	22,660,922
<i>Accumulated Depreciation</i>					
Buildings	3,720,842	114,865	-	-	3,835,707
Furniture and Equipment	6,643,462	511,109	(180,561)	-	6,974,010
Infrastructure	1,401,523	203,736	-	-	1,605,259
	11,765,827	829,710	(180,561)	-	12,414,976
<b>Depreciable Assets - Net</b>	<b>10,522,296</b>	<b>(276,349)</b>	<b>-</b>	<b>-</b>	<b>10,245,946</b>
<b>Net Fixed Assets</b>	<b>11,939,647</b>	<b>(220,346)</b>	<b>(9,241)</b>	<b>-</b>	<b>11,710,059</b>

Depreciation expense for the year was charged to the following programs:

General Government	119,672
Public Safety	226,283
Highways and Streets	427,848
Health and Welfare	34,435
Culture and Recreation	21,472
	<u>829,710</u>

#### C. LONG-TERM DEBT:

*Changes in Long-Term Liabilities:*

Long-term liability activity for the year ended June 30, 2015 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due in One Year
Governmental Activities					
Compensated Absences	172,752	45,769	-	218,521	-
OPEB Obligation	639,066	87,409	-	726,475	-
<b>Total Long Term Liabilities</b>	<b>811,818</b>	<b>133,178</b>	<b>-</b>	<b>944,996</b>	<b>-</b>

#### **D. EMPLOYEE PENSION PLANS:**

##### **General Information about the Pension Plan**

##### **Plan description**

Employees of the County are provided with pensions through the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan, the Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at [www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx).

##### **Benefits provided**

##### **1. Tier One/Tier Two Retirement Benefit ORS Chapter 238**

##### **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, 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 benefit 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 One 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 Two 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.

##### **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 one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
  - the member died within 120 days after termination of PERS-covered employment,
  - the member died as a result of injury sustained while employed in a PERS covered job,
- or

- the member was on an official leave of absence from a PERS-covered job at the time of death.

#### **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.

#### **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 of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

## **2. OPSRP Pension Program (OPSRP DB)**

#### **Pension Benefits**

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. 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 OPSRP 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.

#### **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.

#### **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.

#### **Benefit Changes After Retirement**

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

### **3. OPSRP Individual Account Program (OPSRP IAP)**

#### **Pension Benefits**

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 Individual Account Program (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.

#### **Recordkeeping**

OPERS contracts with VOYA Financial to maintain IAP participant records.

#### **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. This 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, 2011 actuarial valuation as subsequently modified by 2013 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2013. Employer contributions for the year ended June 30, 2015 were \$604,704, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2015 were 12.64 percent for Tier One/Tier Two General Service Member, 12.64 percent for Tier One/Tier Two Police and Fire, 9.80 percent for OPSRP Pension Program General Service Members, 12.53 percent for OPSRP Pension Program Police and Fire Members, and 6 percent for OPSRP Individual Account Program.

#### **Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2015, the County reported an asset of \$2,190,700 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2012 rolled forward to June 30, 2014. The County's proportion of the net



pension asset 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 entities, actuarially determined. At June 30, 2014, the County's proportion was .09664647 percent, which was unchanged from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the County recognized pension expense (income) of (2,643,752). At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	-
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	4,227,163
Changes in proportion and differences between County contributions and proportionate share of contributions	-	164,475
County contributions subsequent to the measurement date	604,704	-
Total	<u>604,704</u>	<u>4,391,638</u>

The \$604,704 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2016	(1,092,547)
2017	(1,092,547)
2018	(1,092,547)
2019	(1,092,547)
2020	(21,451)
Thereafter	-
Total	<u>(4,391,638)</u>

#### **Actuarial assumptions**

The employer contribution rates effective July 1, 2013, through June 30, 2015, were set using the projected unit credit 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 (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) 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 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution

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 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. The total pension liability in the December 31, 2012 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2012 rolled forward to June 30, 2014
Experience Study Report	2012, published September 18, 2013
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
Actuarial Assumptions:	
Inflation Rate	2.75 percent
Investment Rate of Return	7.75 percent
Projected Salary Increases	3.75 percent overall payroll growth
Mortality	<p>Health retirees and beneficiaries: PF-2000 Sex-distinct, generational per Scale AA, with collar adjustments and set-backs as described in the valuation.</p> <p>Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage of the RP-2000 statistic combined disabled mortality sex-distinct table.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits 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 methods and assumptions shown above are based on the 2012 Experience Study which reviewed experience for the four-year period ending on December 31, 2012.

#### **Long-term expected rate of return**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2013 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.

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	7.20%	4.50%
Short-Term Bonds	8.00%	3.70%
Intermediate -Term Bonds	3.00%	4.10%
High Yield Bonds	1.80%	6.66%
Large Cap US Equities	11.65%	7.20%
Mid Cap US Equities	3.88%	7.30%
Small Cap US Equities	2.27%	7.45%
Developed Foreign Equities	14.21%	6.90%
Emerging Foreign Equities	5.49%	7.40%
Private Equities	20.00%	8.26%
Opportunity Funds/Absolute Return	5.00%	6.01%
Real Estate (Property)	13.75%	6.51%
Real Estate (REITS)	2.50%	6.76%
Commodities	1.25%	6.07%
Total	100.00%	

Assumed Inflation - Mean

2.75%

#### Discount rate

The discount rate used to measure the total pension liability was 7.75 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from 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 7.75 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 (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
County's proportionate share of the net pension liability (asset)	\$ 4,639,111	\$ (2,190,700)	\$ (7,967,117)

#### **Pension plan fiduciary net position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

#### **Changes in Plan Provisions Subsequent to Measurement Date**

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. OPERS will make restoration payments to those benefit recipients.

OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire.

This is a change in benefit terms subsequent to the measurement date of June 30, 2014, and has not been included in the net pension liability (asset) proportionate shares provided by OPERS.

#### **E OPERATING LEASES:**

The County leases equipment, primarily copiers, under non-cancelable lease agreements. Operating lease expenditures were \$31,250 for the year ended June 30, 2015. Future payments associated with operating leases are due as follows:

FYE	
<u>30-Jun</u>	<u>Amount</u>
2016	16,895
2017	4,172
2018	960
2019	-
2020	-

#### **F. OTHER POST-EMPLOYMENT BENEFITS:**

**Plan Description:** The County participates in a defined benefit postemployment healthcare plan, administered by City County Insurance Services (CIS), which offers medical, dental and vision benefits to eligible retired employees and their beneficiaries. The plan is an agent multiple-employer postemployment healthcare plan. As the administrator of the plan, CIS has the authority to determine post-retirement benefit increases and decreases. CIS does not issue a separate, publicly available financial report for this plan.

The plan allows County employees retiring under PERS or PRSRP to continue their healthcare

on a self-pay basis until eligible for Medicare, usually at age 65. This plan creates an "implicit rate subsidy" because the healthcare insurance premiums paid by the County for its employees are based on a blended premium of both employees and retirees combined, which is a higher premium than would have been paid for employees alone.

**Funding Policy:** The County's policy is to pay the implicit rate subsidy on a pay-as-you-go basis. For the fiscal year 2015 the County paid healthcare insurance premiums of \$1,450,652.

**Annual OPEB Cost and Net OPEB Obligation:** The County's annual OPEB expense is calculated based on the County's annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over thirty years. The following table shows the components of the County's annual OPEB expense for the year, the amount actually contributed to the plan and changes in the County's net OPEB obligation.

		<u>FYE 6/30/15</u>
<b>Determination of Annual Required Contribution</b>		
1) Normal Cost at year end	\$	81,054
2) Amortization of UAAL		<u>118,910</u>
3) Annual Required Contribution (ARC) (1) + (2)	\$	199,964
<b>Determination of Net OPEB Obligation</b>		
4) Annual Required Contribution	\$	199,964
5) Interest on prior year Net OPEB Obligation		22,367
6) Adjustment to ARC		<u>76,842</u>
7) Annual OPEB Cost (4) + (5) - (6)	\$	145,489
8) Explicit Benefit Payments		-
9) Implicit Benefit Payments		<u>58,080</u>
10) Increase in Net OPEB Obligation (7) - (8) - (9)	\$	87,409
11) Net OPEB Obligation - beginning of year		<u>639,066</u>
12) Net OPEB Obligation - end of year		<u>726,475</u>

The following table shows the annual OPEB cost and net OPEB obligation for the prior three years:

<u>Three Year Trend Information for Wasco County</u>			
<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>% of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2013	171,311	51%	551,556
6/30/2014	142,451	38%	639,066
6/30/2015	145,489	40%	726,475

**Funded Status and Funding Progress:** As of August 1, 2012, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$911,773 and the actuarial value of assets was zero, resulting in an unfunded accrued liability of \$911,773.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**Actuarial Methods and Assumptions:** Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial Valuation Date	8/1/2012
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level % of Payroll
Open Amortization Period	10 Years
Actuarial Assumptions:	
Projected Salary Increases	2.75% plus merit component
Initial Healthcare Inflation Rates	7.25%
Ultimate Healthcare Inflation Rates	5.0%

**G. INTERFUND TRANSFERS:**

The following table reflects the interfund transfers completed during the year ended June 30, 2015:

	<u>Transfers In</u>	<u>Transfers Out</u>
101- General Fund	632,989	630,707
208 - Economic Dev. Payments Fund	-	154,464
210 - District Attorney Fund	-	5,000
211 - Museum Fund	15,000	-
220 - 911 Communications Fund	216,707	-
326 - Facility Capital Reserve	133,000	-
327 - General Operating Reserve	133,000	-
Total General Fund GASB 54	<u>1,130,695</u>	<u>790,171</u>
Non-Major Funds		
205 - Land Corner Preservation Fund	-	2,704
206 - Forest Health Fund	-	18,140
209 - Law Library Fund	-	8,000
227 - CCF	-	444,681
322 - Capital Acquisitions Fund	133,000	-
Total Non-Major Funds	<u>133,000</u>	<u>473,525</u>
Total All Transfers	<u>1,263,695</u>	<u>1,263,695</u>

All transfers are budgeted to provide for operations of individual funds.

**H. BUDGET/G.A.A.P. RECONCILIATION:**

The following schedule reconciles the amounts on the Statement of Revenues, Expenditures and Changes in Fund Balance to the amounts on the individual fund statements prepared on the budgetary basis.

	General Fund	Public Works Fund	Other Nonmajor Funds
Net change in fund balances - GAAP basis	1,222,335	303,878	179,430
<i>Expenditures required by GAAP not recorded under budgetary basis:</i>			
Change in Inventory	-	(130,907)	-
Change in compensated absences	35,663	7,545	2,562
<i>Net change in fund balance for budgeted funds that do not meet the GASB 54 definition of Special Revenue funds and so are included in the General Fund or the Public Works Fund:</i>			
208 - Economic Dev. Payments Fund	416,728	-	(416,728)
210 - District Attorney Fund	8,146	-	(8,146)
211 - Museum Fund	(6,897)	-	6,897
219 - Weed & Pest Control Fund	(10,887)	-	10,887
220 - 911 Communications Fund	56,160	-	(56,160)
233 - Kramer Field Fund	(151)	-	151
321 - Road Reserve Fund	-	(12,860)	12,860
324 - Equipment Reserve	(1,096)	-	1,096
326 - Facility Capital Reserve	(91,037)	-	91,037
327 - General Operating Reserve	(139,363)	-	139,363
Net change in fund balances - budgetary basis	<u>1,489,600</u>	<u>167,656</u>	<u>(36,751)</u>

**I. LIABILITY FOR DEFERRED COMPENSATION:**

The County offers a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, available to all full time regular employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan are held in trust by the plan administrator for the sole benefit of the participants. The assets of the plan totaled \$3,343,333 and \$3,191,928 at June 30, 2015 and 2014, respectively.

**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 insurance coverage.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Any liability for claims or judgments 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 the unemployment benefits.

**B. JOINTLY GOVERNED ORGANIZATION:**

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, 2015 totaled \$2,279,140. Financial information for this entity may be obtained from the Administrator, Northern Oregon Corrections, 201 Webber Road, The Dalles, Oregon 97058.

**C. SUBSEQUENT EVENTS:**

Subsequent events have been evaluated through the date of this financial statement with management. The issuance date of this financial statement is the same as the report date.



**REQUIRED SUPPLEMENTARY INFORMATION**

**Wasco County, Oregon**  
**Schedule of Funding Progress Required by GASB 45**  
**For the year ended June 30, 2015**  
(all amounts are in dollars)

<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	<u>Actuarial</u> <u>Value of</u> <u>Assets</u>	<u>AAL</u> <u>Unit Credit</u>	<u>UAAL</u>	<u>Funded</u> <u>Ratio</u>	<u>Covered</u> <u>Payroll</u>	<u>UAAL as a</u> <u>% of</u> <u>Covered</u> <u>Payroll</u>
8/1/2008	-	1,225,563	1,225,563	0%	6,331,674	19%
8/1/2010	-	1,251,853	1,251,853	0%	6,964,303	18%
8/1/2012	-	911,773	911,773	0%	6,671,504	14%
8/1/2014	-	540,131	540,131	0%	6,480,919	8%

**Wasco County, Oregon**  
**Schedule of the Proportionate Share of the Net Pension Liability**  
**For the Last Two Fiscal Years**  
**June 30, 2015**

<u>Year Ended June 30,</u>	<u>(a) County's proportion of the net pension liability (asset)</u>	<u>(b) County's proportionate share of the net pension liability (asset)</u>	<u>(c) County's covered payroll</u>	<u>(b/c) County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2015	0.09664647%	\$ (2,190,700)	\$ 5,852,439	-37.43%	103.60%
2014	0.09664647%	4,932,011	6,480,919	76.10%	91.97%

The amounts presented for each fiscal year were actuarial 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 Contributions**  
**For the Last Two Fiscal Years**  
**June 30, 2015**

<u>Year Ended June 30,</u>	<u>(a) Statutorily required contribution</u>	<u>(b) Contributions in relation to the statutorily required contribution</u>	<u>(a-b) Contribution deficiency (excess)</u>	<u>(c) County's covered payroll</u>	<u>(b/c) Contributions as a percent of covered payroll</u>
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 actuarial 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.

## OTHER INFORMATION

**Combining Balance Sheet**  
**Non-Major Funds**  
**June 30, 2015**  
(all amounts are in dollars)

	Special Revenue Funds	Capital Project Funds	Total Non-Major Funds
<b><u>ASSETS:</u></b>			
Deposits and Investments	1,604,796	1,367,495	2,972,291
Receivables:			
Accounts Receivable	57,480	-	57,480
<b><u>TOTAL ASSETS</u></b>	<b><u>1,662,276</u></b>	<b><u>1,367,495</u></b>	<b><u>3,029,771</u></b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	308,832	-	308,832
Compensated Absences	24,166	-	24,166
Accrued Payroll & Related Liabilities	28,435	-	28,435
<b><u>Total Liabilities</u></b>	<b><u>361,433</u></b>	<b><u>-</u></b>	<b><u>361,433</u></b>
<b><u>Fund Balances:</u></b>			
Restricted	1,130,768	-	1,130,768
Committed	145,909	1,367,495	1,513,404
Assigned	24,166	-	24,166
<b><u>Total Fund Balances</u></b>	<b><u>1,300,843</u></b>	<b><u>1,367,495</u></b>	<b><u>2,668,338</u></b>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>	<b><u>1,662,276</u></b>	<b><u>1,367,495</u></b>	<b><u>3,029,771</u></b>

Wasco County, Oregon  
Combining Schedule of Revenues, Expenditures  
and Changes in Fund Balance  
Non-Major Funds  
For the year ended June 30, 2015  
(all amounts are in dollars)

	Special Revenue <u>Funds</u>	Capital Project <u>Funds</u>	Total Non-Major <u>Funds</u>
Licenses, Fees & Permits	603,610	-	603,610
Intergovernmental Revenues	1,328,603	10,910	1,339,512
Federal Revenues	236,678	-	236,678
Charges for Services	13,000	-	13,000
Fines and Restitution	33,670	-	33,670
Investment Earnings	6,768	5,920	12,688
Contributions and Donations	24,198	-	24,198
Miscellaneous	1,769	-	1,769
<u>TOTAL REVENUES</u>	<u>2,248,296</u>	<u>16,829</u>	<u>2,265,125</u>
<u>EXPENDITURES:</u>			
Current: Personal Services	643,142	-	643,142
Current: Materials & Services	1,091,635	-	1,091,635
Capital Outlay	-	10,593	10,593
<u>TOTAL EXPENDITURES</u>	<u>1,734,778</u>	<u>10,593</u>	<u>1,745,371</u>
Excess of Revenues Over (Under) Expenditures	513,518	6,236	519,755
<u>OTHER FINANCING SOURCES(USES)</u>			
Sale of Assets	200	-	200
Operating Transfers In	-	133,000	133,000
Operating Transfers Out	(473,525)	-	(473,525)
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(473,325)</u>	<u>133,000</u>	<u>(340,325)</u>
Net Changes in Fund Balance	40,194	139,236	179,430
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>1,260,650</u>	<u>1,228,258</u>	<u>2,488,908</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>1,300,843</u>	<u>1,367,495</u>	<u>2,668,338</u>

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## 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 or other Major Fund GAAP basis financial statements. They are budgeted as Special Revenue Funds under Oregon Budget Law.

203 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 fair grounds.

204 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.

205 LAND CORNER PRESERVATION FUND: This fund was created by statute to account for revenues and expenditures relating to the surveying of all section corners in Wasco County. Revenues are mainly derived from fees charged for recording and interest on investments. Expenditures are for personal services and materials and services.

206 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. Expenditures were for materials and services.

207 HOUSEHOLD HAZARDOUS WASTE FUND: Income is from DEQ grants and surcharges on local garbage services. Monies were 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.

**\*\*208 SPECIAL ECONOMIC DEVELOPMENT PAYMENTS FUND:** This fund was established to account for Enterprise Zone Tax Abatement Agreement Project fees. The agreement states that "Project Fees will be deposited with the County, and budgeted, expended and distributed by the Sponsor for projects and programs for local services or infrastructure". This fund is included in the General Fund in the GAAP basis financial statements.

209 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.

**\*\*210 DISTRICT ATTORNEY FUND:** Established to account for forfeiture proceeds, Victim and Drug Court donation balances in the General Fund are also transferred and accounted for in this fund. Revenues are mainly from Victim and Drug Court donations and forfeiture proceeds. Expenditures are for materials and services and capital expenses. This fund is included in the General Fund in the GAAP basis financial statements.

**\*\*211 MUSEUM FUND:** Revenues are mainly from donations and supplements from the City of The Dalles and Wasco County. Expenditures are for personal services, materials and services and capital expenses. This fund is included in the General Fund in the GAAP basis financial statements.

**\*\*219 WEED AND PEST CONTROL FUND:** Revenues and expenditures for the County's weed abatement and pest control are recorded in this fund. Major sources of revenue include federal and state grants and contracts. Expenditures are for personal services, materials and services and capital outlay. This fund is included in the General Fund in the GAAP basis financial statements.

**\*\*220 911 COMMUNICATIONS FUND:** This fund was created to account for activities of the County acting as the administrative and fiscal agent for the 911 user group. Revenues are primarily from 911 contracts and phone taxes. Expenditures are for personal services and materials and services. This fund is included in the General Fund in the GAAP basis financial statements.

**223 PARKS FUND:** The Parks fund receives RV and campsite monies to pay for a Park Manager, and maintenance and utilities for Hunt Park.

**227 COMMUNITY CORRECTIONS FUND:** This fund is used to account for revenues from state grants and fees from participants in the community correction program. Expenditures are for personal services, materials and services and capital outlay.

**229 COURT FACILITIES SECURITY FUND:** This fund is used to account for revenues from assessments on court fines. Expenditures are for materials and services.

**232 COMMISSION ON CHILDREN AND FAMILIES:** This fund accounts for state and federal grant monies. The grants are used to redirect state and federal child and family services to the local level. Expenditures were for personal services and materials and services.

**\*\*233 KRAMER FIELD FUND:** Amounts remaining after the construction of Kramer Field on Webber Street are recorded in this fund. Revenues were 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.

**237 CLERK RECORDS FUND:** During 1999, Oregon law required a separate fund be maintained to accumulate 5% of the Assessment and Taxations recording fee. These funds are to be used to acquire storage and retrieval systems, and pay expenditures related to collecting the fee and maintaining and storing records.

**\*\*321 ROAD RESERVE FUND:** This fund was created to accumulate monies for future road equipment purchases and construction projects. Revenues were from interest on investments. Budgeted expenditures are for materials and services and capital outlay. This fund is included with the Public Works Fund in the GAAP basis financial statements.

**\*\*324 911 EQUIPMENT RESERVE FUND:** This fund was created to accumulate monies for the purchase of 911 equipment. Revenues were from interest on investments and transfers. This fund is included in the General Fund in the GAAP basis financial statements.

**\*\*326 FACILITY CAPITAL RESERVE FUND:** This fund was created to accumulate monies for potential capital expenditures required by county facilities. Revenues were from interest on investments and transfers. This fund is included in the General Fund in the GAAP basis financial statements.

\*\*327 GENERAL OPERATING RESERVE FUND: This fund was created to accumulate monies to support operating expense as determined by the Commissioners. Revenues were from interest on investments and transfers. 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, 2015  
(all amounts are in dollars)

	203 County Fair Fund	204 County School Fund	205 Land Corner Pres Fund	206 Forest Health Fund	207 HHW Fund
<b>ASSETS:</b>					
Deposits and Investments	131,878	317,592	105,882	176,079	125,002
Receivables					
Accounts Receivable	5,254	-	-	-	27,907
<b><u>TOTAL ASSETS</u></b>	<b><u>137,132</u></b>	<b><u>317,592</u></b>	<b><u>105,882</u></b>	<b><u>176,079</u></b>	<b><u>152,909</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
<b><u>Liabilities:</u></b>					
Accounts Payable	7,435	255,425	-	-	7,000
Accrued Liabilities	1,452	-	(615)	-	-
Compensated Absences	-	-	-	-	-
<b><u>Total Liabilities</u></b>	<b><u>8,887</u></b>	<b><u>255,425</u></b>	<b><u>(615)</u></b>	<b><u>-</u></b>	<b><u>7,000</u></b>
<b><u>Fund Balances:</u></b>					
Restricted	128,245	62,167	106,497	176,079	-
Committed	-	-	-	-	145,909
Assigned	-	-	-	-	-
<b><u>Total Fund Balances</u></b>	<b><u>128,245</u></b>	<b><u>62,167</u></b>	<b><u>106,497</u></b>	<b><u>176,079</u></b>	<b><u>145,909</u></b>
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>137,132</u></b>	<b><u>317,592</u></b>	<b><u>105,882</u></b>	<b><u>176,079</u></b>	<b><u>152,909</u></b>

<u>209</u> <u>Law Lib</u> <u>Fund</u>	<u>223</u> <u>Parks</u> <u>Fund</u>	<u>227</u> <u>Comm. Corr</u> <u>Fund</u>	<u>229</u> <u>Court</u> <u>Fac. Sec</u> <u>Fund</u>	<u>232</u> <u>CCFC</u> <u>Fund</u>	<u>237</u> <u>Clerk</u> <u>Records</u> <u>Fund</u>	<u>Total</u> <u>Non-Major</u> <u>Special Revenue</u> <u>Funds</u>
126,358	108,068	305,053	61,359	112,465	35,063	1,604,796
-	17,109	437	552	6,221	-	57,480
<u>126,358</u>	<u>125,176</u>	<u>305,490</u>	<u>61,910</u>	<u>118,686</u>	<u>35,063</u>	<u>1,662,276</u>
930	767	25,757	-	11,518	-	308,832
-	968	22,730	-	3,901	-	28,435
-	-	24,166	-	-	-	24,166
<u>930</u>	<u>1,735</u>	<u>72,653</u>	<u>-</u>	<u>15,419</u>	<u>-</u>	<u>361,433</u>
125,428	123,441	208,671	61,910	103,267	35,063	1,130,768
-	-	-	-	-	-	145,909
-	-	24,166	-	-	-	24,166
<u>125,428</u>	<u>123,441</u>	<u>232,837</u>	<u>61,910</u>	<u>103,267</u>	<u>35,063</u>	<u>1,300,843</u>
<u>126,358</u>	<u>125,176</u>	<u>305,490</u>	<u>61,910</u>	<u>118,686</u>	<u>35,063</u>	<u>1,662,276</u>

Wasco County, Oregon  
Combining Schedule of Revenues, Expenditures  
and Changes in Fund Balance  
Special Revenue Funds  
For the year ended June 30, 2015  
(all amounts are in dollars)

	203 County Fair Fund	204 County School Fund	205 Land Corner Pres Fund	206 Forest Health Fund	207 HHW Fund
<b>REVENUES:</b>					
Licenses, Fees & Permits	90,385	-	28,712	-	304,965
Intergovernmental Revenues	50,964	61,579	-	-	-
Federal Revenues	-	230,457	-	-	-
Charges for Services	-	-	-	-	-
Fines and Restitution	-	-	-	-	-
Investment Earnings	508	413	551	873	151
Contributions and Donations	23,861	-	-	-	-
Miscellaneous	808	-	-	-	-
<b>TOTAL REVENUES</b>	<b>166,525</b>	<b>292,449</b>	<b>29,263</b>	<b>873</b>	<b>305,116</b>
<b>EXPENDITURES:</b>					
<i>Current: Personal Services</i>	24,237	-	47,063	-	-
<i>Current: Materials &amp; Services</i>	118,947	255,425	-	-	159,407
<b>TOTAL EXPENDITURES</b>	<b>143,184</b>	<b>255,425</b>	<b>47,063</b>	<b>-</b>	<b>159,407</b>
Excess of Revenues Over (Under) Expenditures	23,341	37,025	(17,800)	873	145,709
<b>OTHER FINANCING SOURCES(USES)</b>					
Sale of Assets	-	-	-	-	200
Operating Transfers Out	-	-	(2,704)	(18,140)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>(2,704)</b>	<b>(18,140)</b>	<b>200</b>
Net Changes in Fund Balance	23,341	37,025	(20,504)	(17,267)	145,909
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>104,904</b>	<b>25,142</b>	<b>127,001</b>	<b>193,346</b>	<b>-</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>128,245</b>	<b>62,167</b>	<b>106,497</b>	<b>176,079</b>	<b>145,909</b>

<u>209</u> <u>Law Lib</u> <u>Fund</u>	<u>223</u> <u>Parks</u> <u>Fund</u>	<u>227</u> <u>Comm. Corr</u> <u>Fund</u>	<u>229</u> <u>Court</u> <u>Fac. Sec</u> <u>Fund</u>	<u>232</u> <u>CCFC</u> <u>Fund</u>	<u>237</u> <u>Clerk</u> <u>Records</u> <u>Fund</u>	<u>Total</u> <u>Non-Major</u> <u>Special Revenue</u> <u>Funds</u>
22,026	48,149	100,917	-	-	8,457	603,610
-	55,012	949,328	-	211,720	-	1,328,603
-	-	-	-	6,221	-	236,678
-	-	-	-	13,000	-	13,000
-	-	-	33,670	-	-	33,670
579	355	2,400	296	505	138	6,768
-	-	-	-	337	-	24,198
-	-	961	-	-	-	1,769
<u>22,604</u>	<u>103,516</u>	<u>1,053,606</u>	<u>33,966</u>	<u>231,783</u>	<u>8,595</u>	<u>2,248,296</u>
-	16,158	485,208	-	70,477	-	643,142
<u>13,051</u>	<u>21,686</u>	<u>313,754</u>	<u>25,679</u>	<u>183,237</u>	<u>449</u>	<u>1,091,635</u>
<u>13,051</u>	<u>37,844</u>	<u>798,962</u>	<u>25,679</u>	<u>253,714</u>	<u>449</u>	<u>1,734,778</u>
9,554	65,672	254,644	8,287	(21,931)	8,146	513,518
-	-	-	-	-	-	200
<u>(8,000)</u>	<u>-</u>	<u>(444,681)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(473,525)</u>
<u>(8,000)</u>	<u>-</u>	<u>(444,681)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(473,325)</u>
1,554	65,672	(190,037)	8,287	(21,931)	8,146	40,194
<u>123,874</u>	<u>57,769</u>	<u>422,874</u>	<u>53,623</u>	<u>125,199</u>	<u>26,917</u>	<u>1,260,650</u>
<u>125,428</u>	<u>123,441</u>	<u>232,837</u>	<u>61,910</u>	<u>103,267</u>	<u>35,063</u>	<u>1,300,843</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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	85,000	85,000	90,385	5,385
Intergovernmental Revenues	50,000	50,000	50,964	964
Investment Earnings	500	500	508	8
Contributions and Donations	2,500	2,500	23,861	21,361
Miscellaneous	-	-	808	808
<u>TOTAL REVENUES</u>	<u>138,000</u>	<u>138,000</u>	<u>166,525</u>	<u>28,525</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	24,690	24,690	24,237	453
<i>Current: Materials &amp; Services</i>	132,560	132,560	118,947	13,613
Capital Outlay	5,000	5,000	-	5,000
Contingency	45,750	45,750	-	45,750
<u>TOTAL EXPENDITURES</u>	<u>208,000</u>	<u>208,000</u>	<u>143,184</u>	<u>64,816</u>
Net Changes in Fund Balance	(70,000)	(70,000)	23,341	93,341
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>70,000</u>	<u>70,000</u>	<u>104,904</u>	<u>34,904</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>128,245</u>	<u>128,245</u>



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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Intergovernmental Revenues	63,500	63,500	61,579	(1,921)
Federal Revenues	225,190	225,190	230,457	5,267
Investment Earnings	-	-	413	413
<u>TOTAL REVENUES</u>	<u>288,690</u>	<u>288,690</u>	<u>292,449</u>	<u>3,759</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials &amp; Services</i>	<u>314,190</u>	<u>314,190</u>	<u>255,425</u>	<u>58,765</u>
<u>TOTAL EXPENDITURES</u>	<u>314,190</u>	<u>314,190</u>	<u>255,425</u>	<u>58,765</u>
Net Changes in Fund Balance	(25,500)	(25,500)	37,025	62,525
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>25,500</u>	<u>25,500</u>	<u>25,142</u>	<u>(358)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>62,167</u>	<u>62,167</u>

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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	28,000	28,000	28,712	712
Investment Earnings	800	800	551	(249)
<u>TOTAL REVENUES</u>	<u>28,800</u>	<u>28,800</u>	<u>29,263</u>	<u>463</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	48,530	48,530	47,063	1,467
<i>Current: Materials &amp; Services</i>	8,000	8,000	-	8,000
Contingency	10,000	10,000	-	10,000
<u>TOTAL EXPENDITURES</u>	<u>66,530</u>	<u>66,530</u>	<u>47,063</u>	<u>19,467</u>
Excess of Revenues Over (Under) Expenditures	(37,730)	(37,730)	(17,800)	19,930
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(2,950)	(2,950)	(2,704)	246
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(2,950)</u>	<u>(2,950)</u>	<u>(2,704)</u>	<u>246</u>
Net Changes in Fund Balance	(40,680)	(40,680)	(20,504)	20,176
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>130,200</u>	<u>130,200</u>	<u>127,001</u>	<u>(3,199)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>89,520</u>	<u>89,520</u>	<u>106,497</u>	<u>16,977</u>

Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
206 Forest Health Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Investment Earnings	1,000	1,000	873	(127)
<u>TOTAL REVENUES</u>	<u>1,000</u>	<u>1,000</u>	<u>873</u>	<u>(127)</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials &amp; Services</i>	163,000	163,000	-	163,000
<u>TOTAL EXPENDITURES</u>	<u>163,000</u>	<u>163,000</u>	<u>-</u>	<u>163,000</u>
Excess of Revenues Over (Under) Expenditures	(162,000)	(162,000)	873	162,873
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(30,000)	(30,000)	(18,140)	11,860
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(18,140)</u>	<u>11,860</u>
Net Changes in Fund Balance	(192,000)	(192,000)	(17,267)	174,733
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>192,000</u>	<u>192,000</u>	<u>193,346</u>	<u>1,346</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>176,079</u>	<u>176,079</u>

Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
207 Household Hazardous Waste  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	315,750	315,750	304,965	(10,785)
Charges for Services	7,200	7,200	-	(7,200)
Investment Earnings	500	500	151	(349)
Miscellaneous	7,000	7,000	-	(7,000)
<u>TOTAL REVENUES</u>	<u>330,450</u>	<u>330,450</u>	<u>305,116</u>	<u>(25,334)</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	110,000	110,000	-	110,000
<i>Current: Materials &amp; Services</i>	187,000	187,000	159,407	27,593
Contingency	155,450	155,450	-	155,450
<u>TOTAL EXPENDITURES</u>	<u>452,450</u>	<u>452,450</u>	<u>159,407</u>	<u>293,043</u>
Excess of Revenues Over (Under) Expenditures	(122,000)	(122,000)	145,709	267,709
<u>OTHER FINANCING SOURCES(USES)</u>				
Sale of Assets	7,000	7,000	200	(6,800)
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>7,000</u>	<u>7,000</u>	<u>200</u>	<u>(6,800)</u>
Net Changes in Fund Balance	(115,000)	(115,000)	145,909	260,909
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>115,000</u>	<u>115,000</u>	<u>-</u>	<u>(115,000)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>145,909</u>	<u>145,909</u>

Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
208 Special Economic Development Payments Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Intergovernmental Revenues	185,000	205,000	170,175	(34,825)
Investment Earnings	-	-	1,618	1,618
Contributions and Donations	250,000	250,000	250,000	-
<u>TOTAL REVENUES</u>	<u>435,000</u>	<u>455,000</u>	<u>421,793</u>	<u>(33,207)</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials &amp; Services</i>	197,500	689,749	684,057	5,692
<u>TOTAL EXPENDITURES</u>	<u>197,500</u>	<u>689,749</u>	<u>684,057</u>	<u>5,692</u>
Excess of Revenues Over (Under) Expenditures	237,500	(234,749)	(262,264)	(27,515)
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(237,500)	(278,783)	(154,464)	124,319
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(237,500)</u>	<u>(278,783)</u>	<u>(154,464)</u>	<u>124,319</u>
Net Changes in Fund Balance	-	(513,532)	(416,728)	96,804
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>513,532</u>	<u>513,532</u>	<u>-</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>96,804</u>	<u>96,804</u>

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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	20,000	20,000	22,026	2,026
Investment Earnings	600	600	579	(22)
<u>TOTAL REVENUES</u>	<u>20,600</u>	<u>20,600</u>	<u>22,604</u>	<u>2,004</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials &amp; Services</i>	40,000	40,000	13,051	26,949
Contingency	98,600	98,600	-	98,600
<u>TOTAL EXPENDITURES</u>	<u>138,600</u>	<u>138,600</u>	<u>13,051</u>	<u>125,549</u>
Excess of Revenues Over (Under) Expenditures	(118,000)	(118,000)	9,554	127,554
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(8,000)	(8,000)	(8,000)	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(8,000)</u>	<u>(8,000)</u>	<u>(8,000)</u>	<u>-</u>
Net Changes in Fund Balance	(126,000)	(126,000)	1,554	127,554
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>126,000</u>	<u>126,000</u>	<u>123,874</u>	<u>(2,126)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>125,428</u>	<u>125,428</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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Investment Earnings	-	-	162	162
Contributions and Donations	3,200	3,200	4,676	1,476
<u>TOTAL REVENUES</u>	<u>3,200</u>	<u>3,200</u>	<u>4,838</u>	<u>1,638</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials &amp; Services</i>	21,000	21,000	7,984	13,016
Contingency	22,200	22,200	-	22,200
<u>TOTAL EXPENDITURES</u>	<u>43,200</u>	<u>43,200</u>	<u>7,984</u>	<u>35,216</u>
Excess of Revenues Over (Under) Expenditures	(40,000)	(40,000)	(3,146)	36,854
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(5,000)	(5,000)	(5,000)	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Net Changes in Fund Balance	(45,000)	(45,000)	(8,146)	36,854
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>45,000</u>	<u>45,000</u>	<u>37,493</u>	<u>(7,507)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>29,347</u>	<u>29,347</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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	-	-	23,418	23,418
Intergovernmental Revenues	15,000	15,000	15,000	-
Investment Earnings	900	900	917	17
Contributions and Donations	28,000	28,000	8,529	(19,471)
<u>TOTAL REVENUES</u>	<u>43,900</u>	<u>43,900</u>	<u>47,864</u>	<u>3,964</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	37,910	37,910	36,444	1,466
<i>Current: Materials &amp; Services</i>	44,720	44,720	19,524	25,196
Capital Outlay	138,780	138,780	-	138,780
Contingency	8,000	8,000	-	8,000
<u>TOTAL EXPENDITURES</u>	<u>229,410</u>	<u>229,410</u>	<u>55,967</u>	<u>173,443</u>
Excess of Revenues Over (Under) Expenditures	(185,510)	(185,510)	(8,103)	177,407
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	15,000	15,000	15,000	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Net Changes in Fund Balance	(170,510)	(170,510)	6,897	177,407
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>170,510</u>	<u>170,510</u>	<u>195,135</u>	<u>24,625</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>202,032</u>	<u>202,032</u>



Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
219 Weed & Pest Control Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Intergovernmental Revenues	3,800	3,800	-	(3,800)
Charges for Services	246,650	246,650	225,197	(21,453)
Investment Earnings	650	650	835	185
Miscellaneous	6,000	6,000	7,219	1,219
<u>TOTAL REVENUES</u>	<u>257,100</u>	<u>257,100</u>	<u>233,251</u>	<u>(23,849)</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	93,636	93,636	84,333	9,303
<i>Current: Materials &amp; Services</i>	160,300	160,300	138,030	22,270
Contingency	63,156	63,156	-	63,156
<u>TOTAL EXPENDITURES</u>	<u>317,092</u>	<u>317,092</u>	<u>222,364</u>	<u>94,728</u>
Net Changes in Fund Balance	(59,992)	(59,992)	10,887	70,879
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>59,992</u>	<u>59,992</u>	<u>190,231</u>	<u>130,239</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>201,118</u>	<u>201,118</u>

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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Intergovernmental Revenues	312,555	312,555	302,006	(10,549)
Charges for Services	387,255	387,255	403,849	16,594
Investment Earnings	500	500	226	(274)
Miscellaneous	100	100	20	(80)
<u>TOTAL REVENUES</u>	<u>700,410</u>	<u>700,410</u>	<u>706,101</u>	<u>5,691</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	772,778	802,778	802,516	262
<i>Current: Materials &amp; Services</i>	187,339	174,839	176,452	(1,613)
Contingency	45,000	27,500	-	27,500
<u>TOTAL EXPENDITURES</u>	<u>1,005,117</u>	<u>1,005,117</u>	<u>978,968</u>	<u>26,149</u>
Excess of Revenues Over (Under) Expenditures	(304,707)	(304,707)	(272,867)	31,840
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	216,707	216,707	216,707	-
Operating Transfers Out	(32,000)	(32,000)	-	32,000
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>184,707</u>	<u>184,707</u>	<u>216,707</u>	<u>32,000</u>
Net Changes in Fund Balance	(120,000)	(120,000)	(56,160)	63,840
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>120,000</u>	<u>120,000</u>	<u>119,399</u>	<u>(601)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>63,239</u>	<u>63,239</u>

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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	31,000	36,000	48,149	12,149
Intergovernmental Revenues	48,000	48,000	55,012	7,012
Investment Earnings	100	100	355	255
<u>TOTAL REVENUES</u>	<u>79,100</u>	<u>84,100</u>	<u>103,516</u>	<u>19,416</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	16,482	16,482	16,158	324
<i>Current: Materials &amp; Services</i>	52,500	52,500	21,686	30,814
Capital Outlay	-	5,000	-	5,000
Contingency	5,118	5,118	-	5,118
<u>TOTAL EXPENDITURES</u>	<u>74,100</u>	<u>79,100</u>	<u>37,844</u>	<u>41,256</u>
Net Changes in Fund Balance	5,000	5,000	65,672	60,672
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>7,000</u>	<u>7,000</u>	<u>57,769</u>	<u>50,769</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>12,000</u>	<u>12,000</u>	<u>123,441</u>	<u>111,441</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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	77,200	77,200	100,917	23,717
Intergovernmental Revenues	945,108	945,108	949,328	4,220
Investment Earnings	1,500	1,500	2,400	900
Miscellaneous	600	600	961	361
<u>TOTAL REVENUES</u>	<u>1,024,408</u>	<u>1,024,408</u>	<u>1,053,606</u>	<u>29,198</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	531,707	531,707	482,646	49,061
<i>Current: Materials &amp; Services</i>	335,568	403,568	313,754	89,814
Contingency	157,452	89,452	-	89,452
<u>TOTAL EXPENDITURES</u>	<u>1,024,727</u>	<u>1,024,727</u>	<u>796,400</u>	<u>228,327</u>
Excess of Revenues Over (Under) Expenditures	(319)	(319)	257,206	257,525
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(444,681)	(444,681)	(444,681)	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(444,681)</u>	<u>(444,681)</u>	<u>(444,681)</u>	<u>-</u>
Net Changes in Fund Balance	(445,000)	(445,000)	(187,475)	257,525
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>445,000</u>	<u>445,000</u>	<u>444,478</u>	<u>(522)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>257,003</u>	<u>257,003</u>

Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
229 Court Facilities Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Fines and Restitution	29,510	29,510	33,670	4,160
Investment Earnings	200	200	296	96
<u>TOTAL REVENUES</u>	<u>29,710</u>	<u>29,710</u>	<u>33,966</u>	<u>4,256</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials &amp; Services</i>	27,000	27,000	25,679	1,321
Contingency	42,710	42,710	-	42,710
<u>TOTAL EXPENDITURES</u>	<u>69,710</u>	<u>69,710</u>	<u>25,679</u>	<u>44,031</u>
Net Changes in Fund Balance	(40,000)	(40,000)	8,287	48,287
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>40,000</u>	<u>40,000</u>	<u>53,623</u>	<u>13,623</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>61,910</u>	<u>61,910</u>

Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
232 Commission on Children and Families Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Intergovernmental Revenues	155,000	240,773	211,720	(29,053)
Federal Revenues	-	6,221	6,221	-
Charges for Services	13,000	13,000	13,000	-
Investment Earnings	500	500	505	5
Contributions and Donations	10,500	10,500	337	(10,163)
<u>TOTAL REVENUES</u>	<u>179,000</u>	<u>270,994</u>	<u>231,783</u>	<u>(39,211)</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	69,859	69,859	70,477	(618)
<i>Current: Materials &amp; Services</i>	110,445	202,439	183,237	19,202
Contingency	10,000	10,000	-	10,000
<u>TOTAL EXPENDITURES</u>	<u>190,304</u>	<u>282,298</u>	<u>253,714</u>	<u>28,584</u>
Net Changes in Fund Balance	(11,304)	(11,304)	(21,931)	(10,627)
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>131,000</u>	<u>131,000</u>	<u>125,199</u>	<u>(5,801)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>119,696</u>	<u>119,696</u>	<u>103,267</u>	<u>(16,429)</u>

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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES:</u>				
Investment Earnings	150	150	151	1
<u>TOTAL REVENUES</u>	<u>150</u>	<u>150</u>	<u>151</u>	<u>1</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials &amp; Services</i>	32,800	32,800	-	32,800
<u>TOTAL EXPENDITURES</u>	<u>32,800</u>	<u>32,800</u>	<u>-</u>	<u>32,800</u>
Net Changes in Fund Balance	(32,650)	(32,650)	151	32,801
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>32,650</u>	<u>32,650</u>	<u>32,671</u>	<u>21</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>32,822</u>	<u>32,822</u>

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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Licenses, Fees & Permits	8,000	8,000	8,457	457
Investment Earnings	100	100	138	38
<u>TOTAL REVENUES</u>	<u>8,100</u>	<u>8,100</u>	<u>8,595</u>	<u>495</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials &amp; Services</i>	15,600	15,600	449	15,151
Capital Outlay	17,500	17,500	-	17,500
<u>TOTAL EXPENDITURES</u>	<u>33,100</u>	<u>33,100</u>	<u>449</u>	<u>32,651</u>
Net Changes in Fund Balance	(25,000)	(25,000)	8,146	33,146
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>25,000</u>	<u>25,000</u>	<u>26,917</u>	<u>1,917</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>35,063</u>	<u>35,063</u>



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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES:</u>				
Investment Earnings	13,000	13,000	12,860	(140)
<u>TOTAL REVENUES</u>	<u>13,000</u>	<u>13,000</u>	<u>12,860</u>	<u>(140)</u>
<u>EXPENDITURES:</u>				
Capital Outlay	2,792,700	2,792,700	-	2,792,700
<u>TOTAL EXPENDITURES</u>	<u>2,792,700</u>	<u>2,792,700</u>	<u>-</u>	<u>2,792,700</u>
Net Changes in Fund Balance	(2,779,700)	(2,779,700)	12,860	2,792,560
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>2,779,700</u>	<u>2,779,700</u>	<u>2,782,550</u>	<u>2,850</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>2,795,410</u>	<u>2,795,410</u>

Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
324 Equipment Reserve Fund  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Investment Earnings	1,200	1,200	1,096	(104)
<u>TOTAL REVENUES</u>	<u>1,200</u>	<u>1,200</u>	<u>1,096</u>	<u>(104)</u>
<u>EXPENDITURES:</u>				
Capital Outlay	270,000	270,000	-	270,000
<u>TOTAL EXPENDITURES</u>	<u>270,000</u>	<u>270,000</u>	<u>-</u>	<u>270,000</u>
Excess of Revenues Over (Under) Expenditures	(268,800)	(268,800)	1,096	269,896
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	32,000	32,000	-	(32,000)
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>32,000</u>	<u>32,000</u>	<u>-</u>	<u>(32,000)</u>
Net Changes in Fund Balance	(236,800)	(236,800)	1,096	237,896
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>236,800</u>	<u>236,800</u>	<u>237,204</u>	<u>404</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>238,301</u>	<u>238,301</u>

Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
326 Facility Capital Reserve  
For the year ended June 30, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES:</u>				
Investment Earnings	1,800	1,800	4,902	3,102
Miscellaneous	-	-	31,065	31,065
<u>TOTAL REVENUES</u>	<u>1,800</u>	<u>1,800</u>	<u>35,967</u>	<u>34,167</u>
<u>EXPENDITURES:</u>				
Capital Outlay	1,158,800	1,158,800	77,930	1,080,870
<u>TOTAL EXPENDITURES</u>	<u>1,158,800</u>	<u>1,158,800</u>	<u>77,930</u>	<u>1,080,870</u>
Excess of Revenues Over (Under) Expenditures	(1,157,000)	(1,157,000)	(41,963)	1,115,037
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	133,000	133,000	133,000	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>133,000</u>	<u>133,000</u>	<u>133,000</u>	<u>-</u>
Net Changes in Fund Balance	(1,024,000)	(1,024,000)	91,037	1,115,037
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>1,024,000</u>	<u>1,024,000</u>	<u>1,026,111</u>	<u>2,111</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>1,117,148</u>	<u>1,117,148</u>

Wasco County, Oregon  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Budgetary Basis  
327 General Operating Reserve  
For the year ended June 30, 2015  
(all amounts are in dollars)

	BUDGETED AMOUNTS			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES:</u>				
Investment Earnings	4,000	4,000	6,363	2,363
<u>TOTAL REVENUES</u>	<u>4,000</u>	<u>4,000</u>	<u>6,363</u>	<u>2,363</u>
 <u>EXPENDITURES:</u>				
Capital Outlay	1,460,800	1,460,800	-	1,460,800
<u>TOTAL EXPENDITURES</u>	<u>1,460,800</u>	<u>1,460,800</u>	<u>-</u>	<u>1,460,800</u>
 Excess of Revenues Over (Under) Expenditures	(1,456,800)	(1,456,800)	6,363	1,463,163
 <u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	133,000	133,000	133,000	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>133,000</u>	<u>133,000</u>	<u>133,000</u>	<u>-</u>
 Net Changes in Fund Balance	(1,323,800)	(1,323,800)	139,363	1,463,163
 <u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>1,323,800</u>	<u>1,323,800</u>	<u>1,326,935</u>	<u>3,135</u>
 <u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>1,466,298</u>	<u>1,466,298</u>

## CAPITAL PROJECTS FUNDS

### NONMAJOR GOVERNMENTAL FUNDS

322 CAPITAL ACQUISITIONS FUND: This fund was established to accumulate monies for future capital improvements and tax dollar appeal settlements. Revenues are from interest on investments and rents.

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, 2015  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES:</u>				
Intergovernmental Revenues	-	-	10,910	10,910
Investment Earnings	2,600	2,600	5,920	3,320
<u>TOTAL REVENUES</u>	<u>2,600</u>	<u>- 2,600</u>	<u>16,830</u>	<u>14,229</u>
<u>EXPENDITURES:</u>				
Capital Outlay	1,365,996	1,365,996	10,593	1,355,403
<u>TOTAL EXPENDITURES</u>	<u>1,365,996</u>	<u>1,365,996</u>	<u>10,593</u>	<u>1,355,403</u>
Excess of Revenues Over (Under) Expenditures	(1,363,396)	(1,363,396)	6,237	1,369,632
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	133,000	133,000	133,000	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>133,000</u>	<u>133,000</u>	<u>133,000</u>	<u>-</u>
Net Changes in Fund Balance	(1,230,396)	(1,230,396)	139,236	1,369,632
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>1,230,396</u>	<u>1,230,396</u>	<u>1,228,258</u>	<u>(2,138)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>1,367,495</u>	<u>1,367,495</u>

**AGENCY FUNDS**

Wasco County, Oregon  
Schedule of Changes in Assets and Liabilities  
Agency Funds  
For the year ended June 30, 2015  
(all amounts are in dollars)

	Beginning Balance	Additions	Deductions	Ending Balance
<b><u>ASSETS:</u></b>				
Cash with Treasurer	842,564	25,141,220	24,969,167	1,014,617
Taxes Receivable	<u>2,212,477</u>	<u>25,156,168</u>	<u>25,252,997</u>	<u>2,115,647</u>
<b><u>TOTAL ASSETS</u></b>	<b><u>3,055,041</u></b>	<b><u>50,297,388</u></b>	<b><u>50,222,164</u></b>	<b><u>3,130,264</u></b>
<b><u>LIABILITIES:</u></b>				
Due to Other Governments	<u>3,055,041</u>	<u>25,141,220</u>	<u>24,969,167</u>	<u>3,130,264</u>
<b><u>TOTAL LIABILITIES</u></b>	<b><u>3,055,041</u></b>	<b><u>25,141,220</u></b>	<b><u>24,969,167</u></b>	<b><u>3,130,264</u></b>



## OTHER SCHEDULES

**Wasco County, Oregon**  
**Schedule of Accountability of Elected Officials**  
**For the year ended June 30, 2015**  
(all amounts are in dollars)

	<u>County Treasurer</u>	<u>County Clerk</u>	<u>County Sheriff</u>	<u>Assessor/Tax Collector</u>
Beginning Balance	21,385,483	200	200	150
Receipts	42,009,335	292,178	2,074,840	638,754
Disbursements	<u>(39,712,687)</u>	<u>(292,178)</u>	<u>(2,074,840)</u>	<u>(638,754)</u>
Ending Balance	<u><u>23,682,131</u></u>	<u><u>200</u></u>	<u><u>200</u></u>	<u><u>150</u></u>

**Wasco County, Oregon**  
**Schedule of Insurance**  
**For the year ended June 30, 2015**  
(all amounts are in dollars)

<u>Company</u>	<u>Policy Number</u>	<u>Amount</u>	<u>Coverage</u>	<u>Annual Premium</u>	<u>Expiration</u>
CCIS	14PWASC	47,464,048	Property/Mobile Equip	88,123	7/1/2015
CCIS	14BWASC	Per Property	Boiler/Machinery	-	7/1/2015
CCIS	14LWASC	10,000,000	General & Auto Liability	83,251	7/1/2015
Crum & Forster	STP-107726	1,000,000	Pollution Liability	5,416	6/7/2017
<u>Public Official Bonds</u>					
Ohio Casualty	3153510	20,000	Sheriff	100	12/31/2015
Ohio Casualty	601076797	5,000	Assessor	100	12/31/2015
Ohio Casualty	2930631	10,000	Fair Board	145	1/1/2016
Ohio Casualty	3384236	25,000	All Employees Bond	1,137	7/1/2015
Old Republic	W150081208	30,000	Clerk	100	1/3/2016
Old Republic	YPO0268634	100,000	Treasurer	375	12/21/2015
Old Republic	YPO0268342	30,000	Finance/Budget Officer	100	12/1/2015

Wasco County, Oregon  
Schedule of Expenditure of Federal Awards  
For the year ended June 30, 2015  
(all amounts are in dollars)

FEDERAL GRANTOR/PASS- THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA* NUMBER	PROGRAM OR AWARD AMOUNT RECEIVED	PROGRAM OR AWARD AMOUNT EXPENDED
<b><u>U.S. DEPARTMENT OF AGRICULTURE:</u></b>			
<i>Direct from U.S. Forest Service:</i>			
Water and Waste Disposal Systems for Rural Communities	10.760	45,000	45,000
<i>Passed through Oregon Department of Admin. Services:</i>			
Schools and Roads - Grants to States	10.665	921,829	921,829
<b><u>TOTAL U.S. DEPARTMENT OF AGRICULTURE</u></b>		966,829	966,829
<b><u>U.S. DEPARTMENT OF DEFENSE:</u></b>			
<i>Passed through Oregon Department of Administrative Services:</i>			
Flood Control Leases	12.112	374	374
<b><u>TOTAL U.S. DEPARTMENT OF DEFENSE</u></b>		374	374
<b><u>U.S. DEPARTMENT OF THE INTERIOR:</u></b>			
<i>Passed through Oregon Department of Administrative Services:</i>			
Non-Sale Disposals of Mineral Materials	15.214	338	338
Distribution of Receipts to States and Local Governments-Taylor Grazing	15.227	3,277	3,277
<b><u>TOTAL U.S. DEPARTMENT OF THE INTERIOR</u></b>		3,615	3,615
<b><u>U.S. DEPARTMENT OF JUSTICE:</u></b>			
<i>Direct from Office of Justice Programs:</i>			
Bulletproof Vest Partnership Program	16.607	4,160	4,160
<i>Passed through Oregon State Police:</i>			
Juvenile Accountability Block Grant	16.523	1,099	1,099
<i>Passed through Oregon Commission on Children and Families:</i>			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	32,079	32,079
<i>Passed through Oregon Department of Justice:</i>			
Crime Victim Assistance	16.575	25,227	25,227
<b><u>TOTAL U.S. DEPARTMENT OF JUSTICE</u></b>		62,564	62,564
<b><u>U.S. DEPARTMENT OF TRANSPORTATION:</u></b>			
<i>Direct from Western Federal Lands:</i>			
<i>Passed through Oregon Department of Transportation:</i>			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	60,527	60,527
<b><u>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</u></b>		60,527	60,527
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN RESOURCES:</u></b>			
<i>Passed through Oregon Department of Human Resources - Health Division:</i>			
Foster Care Title IV-E - RECOVERY ACT	93.658	2,507	2,507
<i>Passed through Oregon Department of Administrative Services:</i>			
Child Support Enforcement	93.563	63,070	63,070
<i>Passed through Oregon Commission on Children and Families:</i>			
Promoting Safe and Stable Families	93.556	6,221	6,221
<b><u>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN RESOURCES</u></b>		71,798	71,798
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u></b>			
<i>Passed through Oregon State Police:</i>			
Emergency Management Performance Grants	97.042	37,410	37,410
State Homeland Security Program	97.073	23,815	23,815
<b><u>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>		61,225	61,225
<b><u>TOTAL FEDERAL AWARDS</u></b>		1,226,933	1,226,933

\*Catalog of Federal Domestic Assistance

(See Notes to the Schedule of Expenditures of Federal Awards)

**Wasco County, Oregon**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

**NOTE 1 – Summary of Certain Significant Accounting Policies**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Wasco County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**NOTE 2 – Subrecipients**

No amounts were provided to subrecipients.

**Wasco County, Oregon**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2015**

**Section 1**

Financial Statements:

Summary of Auditor's Results

- |  |             |
|--|-------------|
| 1. Type of auditor's report issued:  | Unqualified |
| 2. Internal controls over financial reporting:                                   |             |
| a. Material weaknesses identified?   | Yes         |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes         |
| 3. Noncompliance material to financial statements noted?                         | No          |

Federal Awards:

- |  |                                     |
|--|-------------------------------------|
| 1. Internal controls over major programs:  |                                     |
| a. Material weaknesses identified?   | No                                  |
| b. Significant deficiencies identified not considered to be material weaknesses?   | No                                  |
| 2. Type of auditor's report issued on compliance for major programs:   | Unqualified                         |
| 3. Any audit findings disclosed which are required to be reported in accordance with OMB Circular A-133, Section 510(a)? | No                                  |
| 4. Identification of major programs:   |                                     |
| 10.665   | School and Roads - Grants to States |
| 5. The dollar threshold used to distinguish between Type A and Type B programs?  | \$300,000                           |
| 6. Auditee qualified as a low risk auditee?  | Yes                                 |

**Section 2**

Financial Statement Findings

**2015-1 Material Weakness in Internal Control – Review Process**

**Criteria:** The trial balance provided for preparation of the financial statements should be complete and accurate.

**Condition:** The trial balance provided for financial preparation was materially misstated. Accounts receivable of \$279,293 was recorded in the wrong fiscal year.

**Effect:** The original trial balance for 2015 was understated by \$279,293.

**Cause:** The County does not have a process in place to review balance sheet accounts for accuracy and completeness at year end.

**Recommendation:** Establish and implement review procedures for balance sheet accounts at year end.

**Responsible Official's Response:** This has been resolved going forward. Reconciliations had not been completed in a timely manner to identify revenue received after June 30<sup>th</sup> that should have been recognized as revenue for the fiscal year ended June 30<sup>th</sup>. The County did not have a full time Finance Director during this time period and was required to use consultants as an interim measure during recruitment efforts. Additionally the County added a Finance Manager. Prior to this, there was not adequate nor experienced staff to review all the information provided to the auditors.

**2015-2 Material Weakness in Internal Control – Audit Documentation**

**Criteria:** Financial information and other documentation necessary for completion of the annual audit of the financial statements should be available and provided to the auditors in a timely manner .

**Condition:** Financial information and other documentation necessary for completion of the annual audit of the 2015 financial statements was not provided until June of 2016, resulting in late submission of the audit report.

**Effect:** Late submission could result in the holdback of federal and state funds.

**Cause:** Significant changes in personnel in the Finance Department resulted in the delay.

**Recommendation:** The County needs to hire a Finance Director and other additional new staff to provide more help in the processing of information and response to inquiries.

**Responsible Official's Response:** Due to the Elected Treasurer not performing his statutory requirements and the Finance Director position being vacant, the County was unable to provide the proper information in a timely manner. Going forward, the County has filled the Finance Director position and added a backup Finance Manager with the intent of being able to provide a continuity of service in the event of a disruption in staffing. Additionally, the day to day processing of the Treasurer's Office duties have been assumed by the Finance Department in the absence of the Treasurer. This will allow timely responses to auditors in the future. The Treasurer has not been in the office and has not contacted the County since last April despite weekly emails requesting verification of the statutory Treasury work performed by the Finance Department.

**2015-3 Material Weakness in Internal Control – Bank Reconciliations – Repeat Finding**

**Criteria:** Financial duties and responsibilities should be segregated to prevent one individual from having too much control, or compensating controls must be established to provide oversight.

**Condition:** Bank reconciliations were not performed in a timely manner. The Treasurer is responsible for reconciling the bank accounts and also for posting of revenue and making deposits.

**Effect:** Accurate financial information was not available for County Commissioners. Lack of segregation of duties provides opportunity for misappropriation of assets.

**Cause:** Compensating controls established to provide oversight were not followed. Treasurer failed to perform reconciliations in a timely manner. .

**Recommendation:** The County develop policies and procedures that identify unique individuals to take part in the reconciliation process establishing segregation of duties and timely control of the reconciliation process. (The County has established and implemented policies and procedures to correct this finding. However, they were not implemented until the end of the fiscal year.)

**Responsible Official's Response:** The Elected Treasurer is not completing his statutorily required duties. The processing of these reconciliations has been moved to Finance. Reports are created for the Treasurer to review and approve to comply with statutory requirements. This process has different people performing the reconciliation and the deposit and posting of revenue. Reconciliation that had been completed incorrectly or not completed at all by the Treasurer had to be rebuilt from the beginning in order to reconcile for the fiscal year 2015 audit.

**2015-4 Material Weakness in Internal Control – Reconciliation of Tax Deposits – Repeat Finding**

**Criteria:** Internal controls should exist requiring reconciliation of tax receipts from the assessor's

software to deposits of those receipts, and to the general ledger on a timely basis.

**Condition:** Bank deposits of tax receipts were not reconciled to the tax assessment software record of collections before deposits are made. They were also not posted to the general ledger in a timely fashion or reconciled to the general ledger.

**Effect:** Because the deposits are not reconciled to the tax receipts, the opportunity exists for misappropriation of assets, as well as incorrect balances of cash and tax revenue.

**Cause:** The Tax Assessors office implemented new software in November 2013. Systems to reconcile daily cash deposits to the new software were not developed. Monthly reconciliations of cash to deposits were established in the spring of 2014, but were not used by the Treasurer's office.

**Recommendation:** The County establish and implement procedures to reconcile cash deposits to tax receipts per tax assessment software. (The County has established and implemented policies and procedures to correct this finding. However, they were not implemented until the end of the fiscal year.)

**Responsible Official's Response:** The Elected Treasurer was not completing his statutorily required duties. The Finance Department now performs the day to day duties the Treasurer was not completing. Once these duties were removed from the Treasury, procedures and controls were immediately implemented. The controls are now in place to reconcile the amounts deposited to the assessment software and the general ledger. Reports are sent to the Treasurer for approval to comply with statutory requirements.

#### **2015-5 *Material Weakness in Internal Control – Period Closings – Repeat Finding***

**Criteria:** Financial information should be accurate and timely.

**Condition:** Period or month end closings are not performed in a timely manner, because all information has not been entered into the accounting system.

**Effect:** County Commissioners are not provided with timely, accurate information for decision making.

**Cause:** Wasco County did not have a policy in place requiring month end close within a reasonable time period.

**Recommendation:** Establish and implement a policy requiring all financial activity be entered into the accounting system and the month closed within a reasonable period of time. (The County has established and implemented a policy that outlines the daily, weekly, monthly financial processes that must be performed and in what time frame. However, this was not implemented until the end of the fiscal year.)

**Responsible Official's Response:** With the Elected Treasurer not performing his duties, it made a timely and accurate closing impossible until such time as the consultant could audit and account for Treasury responsibilities. The procedures followed now ensure completing relevant entries in the correct accounting period. This provides accurate and timely information to the Commissioners.

#### **2015-6 *Material Weakness in Internal Control – Disbursements from Treasury***

**Criteria:** All required and approved disbursements from the Treasury function should be made in a timely manner.

**Condition:** Two material disbursements totaling \$524,583 were not made as scheduled, and would not have been made at all had the receiving agencies not requested the funds after year end.

**Effect:** The County retained funds that it was not entitled to retain.

**Cause:** The Treasurer was not performing the duties of the office as required, and there were no oversight procedures in place.

**Recommendation:** Establish and implement changes within the duties of the finance and treasury department to adequately address all required tasks.

**Responsible Official's Response:** Due to the Elected Treasurer not performing his statutory duties and the lack of a full time Finance Director, these payments were missed. All budgeted disbursements are now scheduled so the disbursement is made in a timely manner. Additionally, the



lack of reconciliations performed by the Treasurer aggravated this issue. The completion of reconciliations would have assisted in highlighting these missed disbursements. The reconciliation process and the scheduling of budgeted disbursements will ensure disbursements are made on a timely basis.

### **Section 3**

#### **Federal Award Findings and Questioned Costs**

None

### **Section 4**

#### **Summary Schedule of Prior Audit Findings**

**2014-1** *Significant Deficiency in Internal Control – Recording of Inventory in Public Works*

**Status** Corrected

**2014-2** *Significant Deficiency in Internal Control – Petty Cash Fair Activity*

**Status** Corrected

**2014-3** *Material Weakness in Internal Control – Bank Reconciliations*

**Status** The County has implemented new policies and procedures regarding bank reconciliations, however, they were not implemented until the end of the fiscal year. This is a repeat finding for 2015

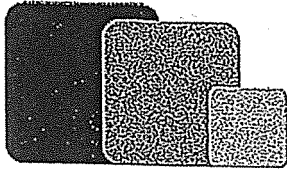
**2014-4** *Material Weakness in Internal Control – Reconciliation of Tax Deposits*

**Status** The County has implemented new policies and procedures regarding reconciliation of tax deposits, however, they were not implemented until the end of the fiscal year. This is a repeat finding for 2015

**2014-5** *Material Weakness in Internal Control – Period Closings*

**Status** The County has implemented new policies and procedures regarding period closings, however, they were not implemented until the end of the fiscal year. This is a repeat finding for 2015

## **OTHER REQUIRED REPORTS**



**FRIEND & REAGAN, P.C.**  
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**Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed in  
Accordance with Government Auditing Standards**

County Commissioners  
Wasco County  
The Dalles, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in **Government Auditing Standards**, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wasco County, Oregon as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Wasco County, Oregon's basic financial statements and have issued our report thereon dated July 15, 2016.

**Internal Control over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. **2015-1 through 2015-6.**

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. We did not identify any deficiency, or a combination of deficiencies that we consider to be significant deficiencies.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wasco County's financial statements are free of material misstatement, we performed tests of its 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 that are required to be reported under **Government Auditing Standards**.

### Wasco County's Response to Findings

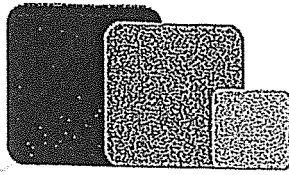
Wasco County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Wasco County's response and, accordingly, we express no opinion on it.

### 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with **Government Auditing Standards** in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



For Friend & Reagan, PC  
The Dalles, Oregon 97058  
July 15, 2016



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**Independent Auditor's Report on Compliance for Each Major Program and on  
Internal Control Over Compliance Required by OMB Circular A-133**

County Commissioners  
Wasco County  
The Dalles, Oregon

Report on Compliance for Each Major Federal Program

We have audited Wasco County, Oregon's compliance with the types of compliance requirements described in the **OMB Circular A-133 Compliance Supplement** that could have a direct and material effect on each of Wasco County, Oregon's major federal programs for the year ended June 30, 2015. Wasco County, Oregon's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Wasco County, Oregon's 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 the 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 OMB Circular A-133, **Audits of States, Local Governments, and Non-Profit Organizations**. Those standards and OMB Circular A-133 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 Wasco County, Oregon's 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 Wasco County, Oregon's compliance.

Opinion on Each Major Federal Program

In our opinion, Wasco County, Oregon 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, 2015.


## Report on Internal Control over Compliance

Management of Wasco County, Oregon 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 Wasco County, Oregon's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Wasco County, Oregon's internal control over compliance.

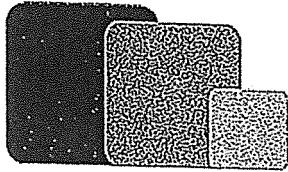
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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 more than 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 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



For Friend & Reagan, PC  
The Dalles, Oregon 97058  
July 15, 2016



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**Independent Auditor's Report  
Required by Oregon State Regulations**

We have audited the basic financial statements of Wasco County, Oregon of and for the year ended June 30, 2015, and have issued our report thereon dated July 15, 2016. 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 *Governmental Auditing Standards* issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Wasco County, Oregon's financial statements are free of material misstatements, 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, Oregon 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 except as follows:

- 1) Excess of actual revenues over actual expenditures in the second preceding year did not equal

the beginning balance in the first preceding year for Fund 225. The variance was \$132,160.

2) The resolution appropriating the 2015-16 budget did not agree with the adopted budget in three funds, and in Fund 326 transfers out was not separately appropriated.

3) The supplemental budget was approved at a regular meeting rather than the required public hearing. New appropriation categories were created, requiring a public hearing.

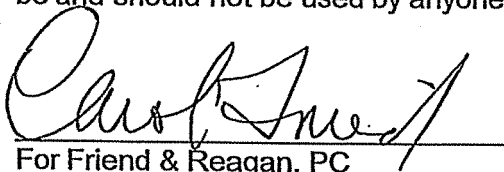
4) Expenditures exceeded appropriations in two funds as indicated in Note 2 to the financial statements.

#### **OAR 162-10-0230 internal Control**

In planning and performing our audit, we considered Wasco County, Oregon's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements in accordance with *Government Auditing Standards*, dated July 15, 2016, is presented in this report as listed in the Table of Contents.

This report is intended solely for the information and use of the Board of Commissioners and Management of Wasco County, Oregon and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



For Friend & Reagan, PC  
The Dalles, Oregon 97058  
July 15, 2016