

**Wasco County, Oregon
Report on Audit of Financial Statements
And Supplementary Information
For the Year Ended June 30, 2013**

**Wasco County, Oregon
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For the Year Ended June 30, 2013**

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**Wasco County, Oregon
Elected Officials and Agent of Record
For the Year Ended June 30, 2013**

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

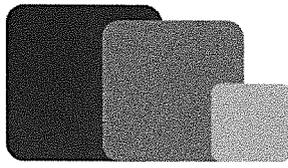
OTHER ELECTED OFFICIALS:

Treasurer	Chad Krause The Dalles, Oregon 97058
Clerk	Linda Brown The Dalles, Oregon 97058
Sheriff	Ricky Eiesland The Dalles, Oregon 97058
Assessor	Timothy Lynn 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
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FINANCIAL SECTION



FRIEND & REAGAN, P.C.
Certified Public Accountants

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The Dalles, OR 97058
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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, 2013, 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, 2013, and the respective changes in financial position, and the respective budgetary comparison for the General Fund, Public Health Fund, and Public Works Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10-17 and the schedule of funding progress on page 51 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 introductory section, 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.

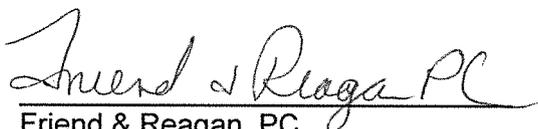
The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards and the other financial schedules as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records 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, 2013, 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 December 30, 2013, 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.



Friend & Reagan, PC
The Dalles, Oregon 97058
December 30, 2013

Wasco County, Oregon
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2013

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 unrestricted assets of governmental activities. Over time, increases or decrease 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 provide 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 will discuss and analyze significant differences. A condensed version of the Primary Government Statement of Net Position at June 30, 2012 and June 30, 2013 follows:

TABLE 1
NET POSITION AT YEAR END

	Primary Governmental Activities	
	<u>June 30, 2012</u>	<u>June 30, 2013</u>
ASSETS		
Cash and Investments	15,610,767	16,750,155
Other Assets	2,188,292	1,975,628
Capital Assets	<u>12,389,308</u>	<u>12,561,074</u>
TOTAL ASSETS	<u>30,188,367</u>	<u>31,286,857</u>
LIABILITIES		
Other Liabilities	988,063	850,230
Long Term Debt Outstanding	<u>1,618,989</u>	<u>1,164,592</u>
TOTAL LIABILITIES	<u>2,607,052</u>	<u>2,014,822</u>
NET POSITION		
Net investment in Capital Assets	11,600,323	12,231,459
Restricted	5,860,010	5,846,842
Unrestricted	<u>10,120,982</u>	<u>11,193,733</u>
TOTAL NET POSITION	<u>27,581,316</u>	<u>29,272,034</u>

Governmental Activities

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. The County's assets exceeded liabilities by \$29,272,034 at the close of the most recent fiscal year.

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.

TABLE 2
STATEMENT OF ACTIVITIES

	<u>2011/12</u>	<u>2012/13</u>
Program revenues		
Charges for Services	3,545,811	3,364,775
Operating Grants and Contributions	6,768,123	7,331,980
Capital Grants and Contributions	332,250	176,856
General revenues		
Taxes for General Purpose	7,932,317	8,035,968
Other Taxes	645,820	625,004
Interest	76,276	94,397
Other	197,218	313,477
Sale of Capital Assets	14,882	16,051
Transfers	-	-
Total Program and General Revenues	<u>19,512,697</u>	<u>19,958,507</u>
Expenses		
General Government	3,963,000	4,147,864
Public Safety	6,728,153	6,740,841
Highways and Streets	3,260,774	2,994,652
Health and Welfare	3,217,182	3,073,191
Culture and Recreation	225,439	252,271
Capital Projects	956,082	1,013,257
Interest	63,440	45,709
Total Expenses	<u>18,414,071</u>	<u>18,267,786</u>
Change in net assets	1,098,626	1,690,721
Net position, beginning	<u>26,482,690</u>	<u>27,581,314</u>
Net position, ending	<u>27,581,316</u>	<u>29,272,034</u>

Governmental Activities

With a few exceptions, governmental program expenses remain similar to the prior year. Public Works Federal Forest Receipts are in jeopardy and it is unknown how much, if any, allocation will be re-authorized. Given that, Wasco County's overall financial position and result of operations remains steady. Wasco County is working diligently to be proactive with available funding and not reactive to funding cuts. See next paragraph "Budgetary Highlights" for explanation of changes in programs.

BUDGETARY HIGHLIGHTS –

In the 11/12 year beginning fund balance was budgeted at 2.8 million but came in at 4.6 million. This made budgeting in the 12/13 years much easier than anticipated and allowed for continued funding of reserve accounts and minimal reductions in spending. Beginning fund balance in the 12/13 was budgeted for 3.2 million and came in at 5.5 million or 65% greater than expected. This was partially the result of \$275,000 in capital spending turn back, 3.4 million in expense turn back and \$235,000 in savings at NORCOR over budget. This is the second year that we have experienced greater than expected turn back which makes budgeting significantly easier for this fiscal year and the upcoming fiscal year. While this does not solve expected budget shortfalls it does put Wasco County in a better position to respond to budgetary needs. Public Works funding continues to be the top budgetary

concern we have for Wasco County. This year the Public Works Department continues to spend down beginning fund balances in order to balance current service level budgets. While this continues to be a planned expenditure it is not sustainable for the long term. These expenditures will give the County additional time to work on alternative funding solutions to the loss of Secure Rural Schools (SRS) payments. This year we saw an extension of the SRS payments again at a reduced rate. A Road Advisory Committee was appointed this year to study possible funding solutions for the Public Works Department.

This year saw a moderate investment in capital improvements of 1.0 million, many of which were grant funded. Major projects included installing an emergency generator at the Stacker Butte emergency communications site, the purchase of portable radios and two new 911 consoles were installed at the emergency 911 communications center for \$66,000. A fire suppression system was installed in the 911 IT room for \$14,400. The handicap ramp was extended at the Annex C facility to serve the 911 and emergency operations departments for \$13,100 including a grant for \$10,000. A badly needed new boiler was installed at the Wasco County Courthouse replacing a 1970's boiler for \$103,000. Fair and Parks purchased a new Kobota mower for \$13,400. The final payment was made for the new Assessment and Tax software system for \$67,000. Four vehicles were purchased per the Wasco County Vehicle Plan. Public Works capital spending included purchasing 4 used pieces of equipment for \$123,000 instead of purchasing a single new grader as originally planned. This allowed us to replace significantly more equipment than what would normally have been budgeted.

Wasco County was able to continue to fund capital reserve accounts this year primarily due to better than expected beginning fund balances. Road Reserve remains static at 2.75 million due to the use of beginning fund monies to balance the Road Fund and an extension of the SRS funding. The Capital Acquisitions Reserve sits at \$650,000 including this year's contribution of \$125,500. Facility Capital Reserve is at \$323,000 including a \$200,000 transfer from General Fund this year and the Operating Reserve sits at \$550,000 including a \$325,000 General Fund transfer. The 911 Equipment Reserve sits at \$238,000 including a \$33,000 transfer from the 911 Budget. It is a goal to be able to capitalize reserve accounts going forward to help offset declining Timber Revenues and continue capital improvement programs..

Landfill revenue continues to be a strong revenue stream at \$565,100.

Wasco County was able to adequately absorb the PERS increase of 4% for the 2011-2013 biennium. This increase was largely due to continued effects of the sustained slow economy. We have seen some relief as a result of changes in the PERS formula designed to ease the burden of steep increases driven by the slow economy.

Wasco County has spent the last year involved as part of a process to make the newly created Health District a completely separate and distinct entity outside of the Wasco County budget. We expect that this new entity will cost more to operate in the coming years. This transition has been a challenge at best and remains an ongoing concern for Wasco County, The Health District missed the go live date of July 1, 2013 and had to remain in the Wasco County Budget for at least another 6 months. When completed this new entity will have a structure similar to what we have in place for NORCOR, Center for Living, and MCCOG all of which are multiple county entities.

The Commission on Children and Families discussion on restructuring at the State level came to reality under the direction of the Early Learning Council. Hubs will be formed in the next year under the direction of the Early Learning Council. Commission Activities were funded for the 12/13 year thereafter we expect to lose all funding as it transitions to a new model for providing services.

We saw the creation of Coordinated Care Organizations during this year. Wasco County was part of the creation of the Columbia Gorge Coordinated Care Organization consisting of Wasco, Sherman, and Hood, River Counties. This new entity has had a minimal financial impact to Wasco County to date.

Property taxes remain the single largest source of revenue to the General Fund and are projected to remain steady. We will be watching closely as market and assessed values start to come in line with each other as is happening in other Counties. We did not experience a significant impact in this budget year but it may start to play a role in years to come.

CAPITAL ASSETS AND DEBT ADMINISTRATION

As of June 30, 2013 the County had invested over twelve million dollars in capital assets that are reflected in the following table, which represents a net increase from prior year.

	Beginning Fixed Assets	Additions	Deletions	Ending Fixed Assets
Land	1,426,794	-	(8,490)	1,418,304
Depreciable Assets				
Buildings	7,353,674	137,794	(88,196)	7,403,272
Furniture and Equipment	9,522,798	386,816	(68,635)	9,840,979
Infrastructure	4,601,376	555,168	-	5,156,544
Total Cost	<u>21,477,848</u>	<u>1,079,778</u>	<u>(156,831)</u>	<u>22,400,795</u>
Depreciation				
Accumulated Depreciation	<u>(10,515,334)</u>	<u>(895,491)</u>	<u>(152,802)</u>	<u>(11,258,025)</u>
Total Depreciation	<u>(10,515,334)</u>	<u>(895,491)</u>	<u>(152,802)</u>	<u>(11,258,025)</u>
Capital Assets Net of Depreciation	<u>12,389,308</u>	<u>184,287</u>	<u>(12,519)</u>	<u>12,561,074</u>

Debt Outstanding

As of year-end, the County had \$1,228,711 in debt outstanding. While bond and loan obligations are being reduced, the OPEB and Compensated Absences obligation is increasing.

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
Combesated Absences	246,906	4,047		250,953	
OPEB Obligation	467,890	83,666	-	551,556	-
Veterans Facility Bonds	425,000	-	425,000	-	-
Discount/Premium on Refunded Bonds	(3,954)	-	(3,954)	-	-
Crates Point Bonded Loan	115,208	-	18,621	96,587	23,820
Refunded Series 2005 (Crates Point)	367,940	-	38,325	329,615	40,299
Totals	<u>1,618,990</u>	<u>87,713</u>	<u>477,992</u>	<u>1,228,711</u>	<u>64,119</u>

For more detailed information on the County's debt and amortization terms refer to Note 3c to the financial statements.

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 51% of total General Fund program resources. Beginning fund balance is 37% while operating and capital grants contributions, fees, fines and charges for services represent the balance of 12%. The County does monitor all of its resources and determines the need for program adjustments or fee increases accordingly. With the exception of a couple of departments, Wasco County did not have significant fee increases for the 2012/13 year.

We have seen a significant rental revenue reduction with the exit of one community partner from our leased buildings (approx. \$98,000) and we are in negotiation with a second partner to move from a smaller County owned building to a larger county owned building. While this move would further reduce potential rental revenue it will provide additional space for the newly formed North Central Public Health District while still preserving some rental revenue and solidifying a long term lease.

NORCOR continues to see less rental beds to federal agencies resulting in increased costs for member counties. Proactive measures were taken to replace this revenue by installing alternative programs for rental bed space at this facility. This has resulted in increased revenue for NORCOR but not enough to offset the loss of previous year bed rentals. In the 12/13 year the discussion was started by one of the NORCOR member counties to change the funding formula for the NORCOR facility. Negotiations were concluded and as expected the new formula will shift additional costs to Wasco County in the coming years if we do not manage our jail population. As a result of these negotiations we have seen a cost decrease for this year but expect higher costs in future years without installing significant jail population oversight measures. This change will ensure that the County is able to financially afford jail services but at the same time Wasco County will experience a significant service level reduction as a result.

During the 12/13 year construction of the new Armory building at the College began. When completed this will free up high value County property to be leased, creating a significant new revenue source.

An increase in applications for Mass Gatherings in Wasco County has the potential to be an economic driver within the County. These gatherings bring significant revenue into the county as an economic driver but Wasco County does not see much direct revenue from these events. Additionally, mass gatherings are a drain on County staff resources in coordinating oversight of these events. In upcoming years Wasco County will be explore creating an ordinance to help manage these events and capture some revenue to offset staff time required to oversee the events.

CURRENT YEAR BUDGET

The County's 2013/2014 budget reflects a General Fund increase of \$627,972 from the previous year. This is primarily due to an increase in Beginning Fund Balance.

Wasco County has been able to manage the impact of the economic downturn that was expected in the 2012-2013 budget year. This is partly due to conservative budgeting, cost control measures but primarily due to better than expected beginning fund balances.

The largest union did not reopen negotiations which resulted in a 0% cost of living increase for general service employees and non-represented employees. Other unions received small increases of 1.5% helping the County's overall financial position.

Road funding remains as the top priority in this budget. Wasco County will continue to fund road shortages utilizing beginning fund balances while strategies to increase road revenue are explored by a county appointed advisory committee. This committee will play an integral part in addressing the approximate \$600,000 shortfall in funds for the Public Works Department. We still hold out hope that a legislative fix for the loss of timber dollars will materialize. We suspect however that any legislative fixes will result in significantly less revenue than have been previously received. Secure Rural Schools was extended in this budget for another year but at a reduced rate of \$677,678. Each extension that we receive reduces the amount of beginning fund balance that we have to use to balance the budget and increases the amount of time we have to find solutions to the funding problem. Capital and Operational Reserves were again funded in the 2012/13 budget year primarily due to better than expected beginning fund balances.

The implementation of the CCO model of healthcare transformation through the creation of Coordinated Care Organizations at the State level has had minor impacts on the programs of public health to date but we are early in the CCO model for care delivery. Likewise, State changes with the elimination of the Commission on Children and Families with the new Early Learning Council model have yet to play out. Wasco County is has agreed to participate in an application for a five county early learning hub (Four Rivers Early Learning Hub). An application was submitted in the first round for hub selection but our hub was not selected to move forward which will push us to the second round of applications. This new model will have an impact on County funding streams in the loss of Basic Capacity funding of approximately \$109,000. This will further result in the elimination of this fund in future budget years.

We have seen increased revenues for NORCOR through the installation of five new program beds (TOOLS) thereby further reducing county expenditures on NORCOR operations. This revenue increase is due to successful negotiations to bring alternative populations to the facility.

A change in the funding formula for NORCOR has resulted in a new funding formula that will shift additional costs to Wasco County over the next several years. As such, Wasco County has implemented a jail matrix system to ensure that our jail population does not exceed 50 inmates. This is a cost control measure to keep from having to pay additional monies to the other member counties when we go over the 50 prisoner mark. In addition to this we have made a slight formula change that changes how a bed is counted which will further allow us to maintain 50 beds without variability that the previous formula was not able to control. This new formula could save the cost of 2 to 5 beds monthly. We expect the work release program to continue to help in cost reduction efforts at the jail. This change will ensure that the County is able to financially afford jail services but at the same time Wasco County will experience a significant service level reduction as a result.

NORCOR is in negotiation to extend a rental lease for space in an adjacent NORCOR owned warehouse. If successful this will continue a revenue stream that helps offset operational costs that the Counties would otherwise have to absorb.

As a budget strategy, Wasco County will attempt to reduce or eliminate the use of beginning fund balance to offset the cost of operations.

PERS continues to be a significant variable in the County budget process. We expect to see PERS reform legislation during this session. Any such legislation is expected to have a positive impact on future budgets. This budget saw an approximate 4% increase in the PERS rate for Wasco County.

All of these potential changes would save Wasco County significant monies but they will all need to be approved by the Legislature Assembly and it is expected that they will all be challenged in Court.

FINANCIAL CONTACT

The County's financial statements are designed to present 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 Budget Officer at 511 Washington Street, Room 207, The Dalles, Oregon 97058.

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BASIC FINANCIAL STATEMENTS

Wasco County, Oregon
Statement of Net Position
6/30/2013

(all amounts are in dollars)

	<u>Primary Government Governmental Activities</u>	<u>Aggregate Discretely Presented Component Units</u>
<u>ASSETS:</u>		
Cash & Investments	16,750,155	1,088,196
Receivables (Net of Allowances):		
Property Taxes	720,377	143,675
Other	803,943	-
Inventory	451,307	-
Capital Assets		
Land (non-depreciable)	1,418,304	-
Depreciable Assets (Net of Depreciation)	<u>11,142,770</u>	<u>-</u>
<u>TOTAL ASSETS</u>	<u>31,286,857</u>	<u>1,231,871</u>
<u>LIABILITIES:</u>		
Accounts Payable	431,721	-
Accrued Liabilities	345,104	-
Accrued Interest	9,286	-
Noncurrent Liabilities		
Due in one year		
Bond Payable	40,299	-
Loan Payable	23,820	-
Due in more than one year		
Bond Payable	289,316	-
Loan Payable	72,767	-
Compensated Absences	250,953	-
OPEB Obligation	<u>551,556</u>	<u>-</u>
<u>TOTAL LIABILITIES</u>	<u>2,014,822</u>	<u>-</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	12,231,459	-
Restricted for:		
General Government	22,642	-
Public Safety	397,396	-
Highways and Streets	4,637,488	-
Health and Welfare	380,876	-
Culture and Recreation	290,792	-
Debt Service	117,648	-
Unrestricted	<u>11,193,733</u>	<u>1,231,871</u>
<u>TOTAL NET POSITION</u>	<u>29,272,034</u>	<u>1,231,871</u>

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, 2013
(all amounts are in dollars)

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES			Net (Expenses) Revenues and changes in Net Position	
		Fees, Fines and Charges	Operating Grants and Contributions	Capital Grants and Contributions	PRIMARY GOVERNMENT	COMPONENT UNITS
		for Services	Contributions	and	Total	
					Governmental Activities	
General Government	4,147,864	1,224,176	571,986	166,771	(2,184,930)	-
Public Safety	6,740,841	657,865	1,525,815	10,085	(4,547,077)	-
Highways and Streets	2,994,652	700,497	3,079,576	-	785,422	-
Health and Welfare	3,073,191	615,606	1,881,900	-	(575,686)	-
Culture and Recreation	252,271	166,630	272,703	-	187,062	(1,463,922)
Capital Projects	1,013,257	-	-	-	(1,013,257)	-
Interest	45,709	-	-	-	(45,709)	-
Total Governmental Activities	18,267,786	3,364,775	7,331,980	176,856	(7,394,176)	(1,463,922)

General Revenues:

Property Taxes	8,035,968	1,607,053
Other Taxes	625,004	-
Interest and Investment Earnings	94,397	7,292
Miscellaneous	313,477	12,403
Gain (Loss) on Sale of Fixed Assets	16,051	-
Total General Revenues and Transfers	9,084,897	1,626,747
Change in net position	1,690,721	162,826
Net position, beginning	27,581,314	1,069,045
Net position, ending	29,272,034	1,231,871

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

Wasco County, Oregon
 Balance Sheet - Governmental Funds
 June 30, 2013
 (all amounts are in dollars)

	101 General Fund	201 Public Health Fund
<u>ASSETS:</u>		
Deposits and Investments	7,623,360	220,158
Receivables:		
Accounts Receivable	435,165	170,714
Taxes Receivable	678,632	-
Inventories	-	-
	<hr/>	<hr/>
<u>TOTAL ASSETS</u>	<u>8,737,157</u>	<u>390,872</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>		
<u>Liabilities:</u>		
Accounts Payable	226,818	61,246
Accrued Liabilities	216,622	52,164
Compensated Absences	138,884	13,801
<u>Total Liabilities</u>	<u>582,325</u>	<u>127,211</u>
<u>Deferred Inflows of Resources</u>		
Unavailable Revenue	592,969	-
<u>Total Deferred Inflows of Resources</u>	<u>592,969</u>	<u>-</u>
<u>Fund Balances:</u>		
Non-Spendable	-	-
Restricted	-	249,859
Committed	559,107	-
Assigned	1,307,219	13,801
Unassigned	5,695,538	-
<u>Total Fund Balances</u>	<u>7,561,864</u>	<u>263,660</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>	<u>8,737,157</u>	<u>390,872</u>

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

202 Public Works <u>Fund</u>	Non-Major Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
6,881,332	2,025,305	16,750,155
161,231	36,833	803,943
-	41,746	720,377
451,307	-	451,307
<u>7,493,870</u>	<u>2,103,884</u>	<u>18,725,783</u>
32,790	110,866	431,721
50,739	25,578	345,104
69,707	28,561	250,953
<u>153,237</u>	<u>165,005</u>	<u>1,027,778</u>
16,108	36,463	645,540
<u>16,108</u>	<u>36,463</u>	<u>645,540</u>
451,307	-	451,307
4,035,910	1,109,765	5,395,535
2,767,601	724,671	4,051,380
69,707	26,021	1,416,748
-	41,957	5,737,495
<u>7,324,526</u>	<u>1,902,415</u>	<u>17,052,464</u>
<u>7,493,870</u>	<u>2,103,883</u>	<u>18,725,782</u>

Wasco County, Oregon
Reconciliation of Balance Sheet to Statement of Net Position
June 30, 2013
(all amounts are in dollars)

Fund Balances - Governmental Funds		17,052,464
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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	1,418,304	
Depreciable Assets net of Accumulated Depreciation	<u>11,142,770</u>	12,561,074

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.

Interest Payable	(9,286)	
Bonds Payable	(329,615)	
Loans Payable	(96,587)	
Other Post Employment Benefits	<u>(551,556)</u>	(987,044)

Unavailable Revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.

645,540

Net Position of Governmental Activities

29,272,034

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

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Wasco County, Oregon
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the year ended June 30, 2013
(all amounts are in dollars)

	101 General Fund	201 Public Health Fund
<u>REVENUES:</u>		
Taxes	7,528,579	-
Licenses, Fees & Permits	981,947	194,945
Intergovernmental Revenues	1,398,618	441,211
Federal Revenues	422,250	738,612
Charges for Services	828,689	170,106
Internal Service Charges	1,755	-
Fines and Restitution	46,044	-
Investment Earnings	42,318	1,586
Rents	199,944	-
Contributions and Donations	285,209	-
Miscellaneous	244,655	36,458
Pass Through Payments	8,400	-
<u>TOTAL REVENUES</u>	<u>11,988,410</u>	<u>1,582,918</u>
<u>EXPENDITURES:</u>		
Current		
<i>Personal Services</i>	6,298,437	1,592,650
<i>Materials & Services</i>	4,293,858	346,341
Capital Outlay	306,288	19,700
Debt Service	-	-
<u>TOTAL EXPENDITURES</u>	<u>10,898,583</u>	<u>1,958,691</u>
Excess of Revenues Over (Under) Expenditures	<u>1,089,828</u>	<u>(375,773)</u>
<u>OTHER FINANCING SOURCES (USES):</u>		
Gain/Loss on Sale of Fixed Assets	14,222	-
Transfers from Other Funds	1,278,115	314,014
Transfers to Other Funds	(1,544,862)	-
<u>TOTAL OTHER FINANCING SOURCES(USES)</u>	<u>(252,525)</u>	<u>314,014</u>
Net Changes in Fund Balance	837,303	(61,759)
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>6,724,561</u>	<u>325,420</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>7,561,864</u>	<u>263,660</u>

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

202 Public Works <u>Fund</u>	Non-Major Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
-	456,826	7,985,405
-	583,020	1,759,912
1,902,471	1,424,046	5,166,346
1,173,355	327,620	2,661,837
268,958	7,200	1,274,953
3,180	-	4,935
-	27,776	73,821
37,765	12,727	94,397
-	36,439	236,383
-	35,220	320,429
25,130	6,084	312,326
-	-	8,400
<u>3,410,858</u>	<u>2,916,957</u>	<u>19,899,143</u>
1,630,887	833,120	10,355,094
1,137,073	1,136,885	6,914,157
574,198	153,261	1,053,447
-	525,720	525,720
<u>3,342,158</u>	<u>2,648,985</u>	<u>18,848,416</u>
<u>68,700</u>	<u>267,973</u>	<u>1,050,727</u>
10,384	3,964	28,570
-	234,737	1,826,866
<u>-</u>	<u>(282,004)</u>	<u>(1,826,866)</u>
<u>10,384</u>	<u>(43,303)</u>	<u>28,570</u>
79,084	224,670	1,079,297
<u>7,245,442</u>	<u>1,677,747</u>	<u>15,973,169</u>
<u>7,324,526</u>	<u>1,902,417</u>	<u>17,052,465</u>

Wasco County, Oregon
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities

June 30, 2013

(all amounts are in dollars)

Net Change in Fund Balances - Governmental Funds 1,079,297

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	1,079,778	
Disposal of capital assets	(12,519)	
Less current year depreciation	<u>(895,491)</u>	171,768

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal Payments	481,946	
Change in premium/discount related to bond issues	<u>(3,955)</u>	477,991

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. (83,666)

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	43,313
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In the Statement of Activities interest is accrued on long-term debt. In the governmental funds it is recorded as an interest expense when due. 2,019

Change in Net Position of Governmental Activities	<u><u>1,690,721</u></u>
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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 moneys for these governments or disburses the money to them.

Wasco County, Oregon
Statement of Fiduciary Net Position
June 30, 2013
(all amounts are in dollars)

	<u>Trust Fund</u>	<u>Agency Funds</u>	<u>Total Fiduciary Funds</u>
<u>ASSETS:</u>			
Cash with Treasurer	139,245	618,319	757,564
Taxes Receivable	-	2,113,773	2,113,773
	<hr/>	<hr/>	<hr/>
<u>TOTAL ASSETS</u>	<u>139,245</u>	<u>2,732,092</u>	<u>2,871,338</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>LIABILITIES:</u>			
Due to Other Governments	-	2,732,092	2,732,092
	<hr/>	<hr/>	<hr/>
<u>TOTAL LIABILITIES</u>	<u>-</u>	<u>2,732,092</u>	<u>2,732,092</u>
 <u>NET POSITION</u>			
	<u>139,245</u>	<u>-</u>	<u>139,245</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, 2013
 (all amounts are in dollars)

<u>REVENUES:</u>	
Investment Earnings	764
Miscellaneous	7,867
<u>TOTAL REVENUES</u>	<u>8,631</u>
 <u>EXPENDITURES:</u>	
Materials & Services	9,452
<u>TOTAL EXPENDITURES</u>	<u>9,452</u>
 Change in Net Position	 (821)
 <u>Net Position held for MINT-Beginning</u>	 <u>20,013</u>
<u>Net Position held for MINT-Ending</u>	<u>19,192</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 HEALTH FUND: The North Central Public Health District receives revenues from state and federal grant programs, fees for immunizations, prenatal care, death certificates and various other sources. Expenditures from the Health Department Grants Fund are for personal services and materials and services.

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 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, 2013
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
REVENUES:				
Taxes	7,403,996	7,403,996	7,528,579	124,583
Licenses, Fees & Permits	1,051,497	1,051,497	981,947	(69,550)
Intergovernmental Revenues	843,087	853,587	942,079	88,492
Federal Revenues	293,396	334,583	422,250	87,667
Charges for Services	111,393	111,393	133,595	22,202
Internal Service Charges	1,600	1,600	-	(1,600)
Fines and Restitution	40,150	40,150	46,044	5,894
Investment Earnings	25,400	25,410	34,170	8,760
Rents	211,041	211,041	199,944	(11,097)
Contributions and Donations	1,800	1,800	11,885	10,085
Miscellaneous	116,475	116,575	227,272	110,697
Pass Through Payments	1,350	1,350	8,400	7,050
TOTAL REVENUES	10,101,185	10,152,982	10,536,167	383,185
EXPENDITURES:				
<i>Current by Department</i>				
Assessor	656,106	656,106	640,240	15,866
Clerk	329,651	329,651	298,361	31,290
Sheriff	1,959,612	1,945,402	1,910,883	34,519
EAS	2,218,706	2,060,376	1,866,886	193,490
Administration	3,130,207	3,026,207	2,883,004	143,203
District Attorney	494,482	494,482	487,237	7,245
Planning	521,116	521,116	444,274	76,842
Public Works	82,743	82,743	74,629	8,114
Youth Services	520,397	520,397	511,745	8,652
Total Current by Department	9,913,020	9,636,480	9,117,259	519,221
<i>Capital Outlay by Department</i>				
Sheriff	27,600	75,826	65,713	10,113
EAS	178,250	178,250	130,654	47,596
Administration	104,000	105,610	105,608	2
Total Capital Outlay by Department	309,850	359,686	301,975	57,711
Contingency	373,628	316,669	-	316,669
TOTAL EXPENDITURES	10,596,498	10,312,835	9,419,234	893,601

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, 2013
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE <u>(UNFAVORABLE)</u>
Excess of Revenues Over (Under) Expenditures	(495,313)	(159,853)	1,116,933	1,276,786
<u>OTHER FINANCING SOURCES</u> <u>AND (USES):</u>				
Sale of Fixed Assets	7,500	7,500	14,222	6,722
Transfers from Other Funds	530,315	530,315	439,919	(90,396)
Transfers to Other Funds	(1,240,920)	(1,265,920)	(1,265,920)	-
<u>TOTAL OTHER FINANCING SOURCES</u> <u>AND USES</u>	<u>(703,105)</u>	<u>(728,105)</u>	<u>(811,779)</u>	<u>(83,674)</u>
Net Changes in Fund Balance	(1,198,418)	(887,958)	305,154	1,193,112
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>3,200,000</u>	<u>3,200,000</u>	<u>5,568,320</u>	<u>2,368,320</u>
<u>Residual Equity Transfer In</u>	62,000	62,000	49,754	(12,246)
<u>FUND BALANCE - END OF YEAR</u>	<u>2,001,582</u>	<u>2,312,042</u>	<u>5,923,229</u>	<u>3,549,187</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
201 Public Health Fund
For the year ended June 30, 2013
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			Variance Favorable
<u>REVENUES:</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Unfavorable)</u>
Licenses, Fees & Permits	217,700	217,700	194,945	(22,755)
Intergovernmental Revenues	664,447	486,643	441,211	(45,432)
Federal Revenues	621,615	836,419	738,612	(97,807)
Charges for Services	170,466	170,466	170,106	(360)
Investment Earnings	2,000	2,000	1,586	(414)
Miscellaneous	1,000	1,000	36,458	35,458
<u>TOTAL REVENUES</u>	<u>1,677,228</u>	<u>1,714,228</u>	<u>1,582,918</u>	<u>(131,310)</u>
 <u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	1,715,772	1,715,772	1,589,162	126,610
<i>Current: Materials & Services</i>	406,430	439,459	346,341	93,118
Capital Outlay	74,150	78,121	19,700	58,421
Contingency	37,947	37,947	-	37,947
<u>TOTAL EXPENDITURES</u>	<u>2,234,299</u>	<u>2,271,299</u>	<u>1,955,203</u>	<u>316,096</u>
 Excess of Revenues Over (Under) Expenditures	(557,071)	(557,071)	(372,285)	184,786
 <u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	314,014	314,014	314,014	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>314,014</u>	<u>314,014</u>	<u>314,014</u>	<u>-</u>
 Net Changes in Fund Balance	(243,057)	(243,057)	(58,271)	184,786
 <u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>417,753</u>	<u>417,753</u>	<u>335,733</u>	<u>(82,020)</u>
 <u>FUND BALANCE - END OF YEAR</u>	<u>174,696</u>	<u>174,696</u>	<u>277,461</u>	<u>102,765</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, 2013
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Favorable (Unfavorable)
<u>REVENUES:</u>				
Intergovernmental Revenues	1,897,552	1,897,552	1,902,471	4,919
Federal Revenues	584,277	584,277	1,173,355	589,078
Charges for Services	243,965	243,965	268,958	24,993
Internal Service Charges	3,180	3,180	3,180	-
Investment Earnings	18,000	18,000	22,350	4,350
Miscellaneous	23,450	23,450	25,130	1,680
<u>TOTAL REVENUES</u>	<u>2,770,424</u>	<u>2,770,424</u>	<u>3,395,444</u>	<u>625,020</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	1,665,297	1,665,297	1,633,923	31,374
<i>Current: Materials & Services</i>	1,249,738	1,249,738	1,054,047	195,691
Capital Outlay	665,587	665,587	574,198	91,389
Contingency	300,000	300,000	-	300,000
<u>TOTAL EXPENDITURES</u>	<u>3,880,622</u>	<u>3,880,622</u>	<u>3,262,168</u>	<u>618,454</u>
Excess of Revenues Over (Under) Expenditures	(1,110,198)	(1,110,198)	133,276	1,243,474
<u>OTHER FINANCING SOURCES(USES)</u>				
Sale of Assets	10,000	10,000	10,384	384
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>10,000</u>	<u>10,000</u>	<u>10,384</u>	<u>384</u>
Net Changes in Fund Balance	(1,100,198)	(1,100,198)	143,660	1,243,858
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>3,812,820</u>	<u>3,812,820</u>	<u>4,031,665</u>	<u>218,845</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>2,712,622</u>	<u>2,712,622</u>	<u>4,175,324</u>	<u>1,462,702</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, 2013

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 HEALTH FUND: This fund receive revenues from state and federal sources to provide public health services to participating counties.

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.

DEBT SERVICE FUNDS: These funds account for the resources accumulated and payments made for principal and interest on long-term debt of governmental 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 type'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, 2013. 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 Health Fund</u>	<u>Public Works Fund</u>	<u>Nonmajor Funds</u>	<u>Total all Funds</u>
Fund Balances					
Total Nonspendable in form:	-	-	451,307	-	451,307
Restricted for:					
Public Works Fund	-	-	4,035,910	-	4,035,910
Health Department	-	249,859	-	-	249,859
County Fair Fund	-	-	-	117,486	117,486
County School Fund	-	-	-	144	144
Land Corner Preservation Fund	-	-	-	150,271	150,271
Forest Health Program Fund	-	-	-	173,306	173,306
Law Library Fund	-	-	-	122,452	122,452
Community Corrections Fund	-	-	-	223,322	223,322
Court Facilities Security Fund	-	-	-	51,622	51,622
CCFC Fund	-	-	-	131,016	131,016
Clerk Records Fund	-	-	-	22,498	22,498
Debt Service Funds	-	-	-	117,648	117,648
Total Restricted	-	249,859	4,035,910	1,109,765	5,395,535
Committed to:					
Household Hazardous Waste Fund	-	-	-	116,996	116,996
Road Reserve Fund	-	-	2,767,601	-	2,767,601
Capital Acquisitions Fund	-	-	-	607,676	607,676
Equipment Reserve Fund	227,987	-	-	-	227,987
911 Capital Reserve Fund	7,942	-	-	-	7,942
Facility Reserve Fund	323,177	-	-	-	323,177
Total Committed	559,107	-	2,767,601	724,671	4,051,380
Assigned for:					
Economic Development Payments Fund	23,692	-	-	-	23,692
District Attorneys Fund	44,350	-	-	-	44,350
Museum Fund	201,319	-	-	-	201,319
Weed & Pest Fund	182,224	-	-	-	182,224
911 Communications Fund	131,751	-	-	-	131,751
Kramer Field Fund	32,496	-	-	-	32,496
General Operating Reserve	552,503	-	-	-	552,503
Compensated Absences	138,884	13,801	69,707	26,021	248,413
Total Assigned	1,307,219	13,801	69,707	26,021	1,416,748
Total Unassigned:	5,695,538	-	-	41,957	5,737,495
Total Fund Balances	<u>7,561,864</u>	<u>263,660</u>	<u>7,324,526</u>	<u>1,902,415</u>	<u>17,052,464</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	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 the County's 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. The County does not currently report any deferred outflows on its statement of net position.

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. The County reports unavailable revenue, which arises under the modified accrual basis of accounting, in this category. Accordingly, unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period amounts become available.

10. *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).

11. *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.

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

The County has no instance where expenditures exceeded appropriations for the year ended June 30, 2013.

Deficit fund balance

None of the County's funds had a deficit fund balance as of June 30, 2013.

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 \$3,305, deposits with financial institutions totaling \$1,232,371 and investment in the LGIP of \$17,360,239, for a total of \$18,595,915

	<u>Fair Value</u>
Primary Government	16,750,155
Component Units	1,088,196
Fiduciary Funds	<u>757,564</u>
Total Deposits and Investments	<u>18,595,915</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, 2013 bank balance of \$1,142,557 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. 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, 2013 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, 2013, 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, 2013:

	Beginning Balance	Additions	Deletions	Corrections	Ending Balance
Land	1,426,794	-	(8,490)	-	1,418,304
<i>Depreciable Assets</i>					
Buildings	7,353,674	137,794	-	(88,196)	7,403,272
Furniture and Equipment	9,522,798	386,816	(156,831)	88,196	9,840,979
Infrastructure	4,601,376	555,168	-	-	5,156,544
	21,477,848	1,079,778	(156,831)	-	22,400,795
<i>Accumulated Depreciation</i>					
Buildings	3,481,057	123,560	-	(379)	3,604,238
Furniture and Equipment	6,030,704	577,259	(152,802)	379	6,455,540
Infrastructure	1,003,575	194,672	-	-	1,198,247
	10,515,336	895,491	(152,802)	-	11,258,025
Depreciable Assets - Net	10,962,512	184,287	(4,029)	-	11,142,770
Net Fixed Assets	12,389,306	184,287	(12,519)	-	12,561,074

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

General Government	128,147
Public Safety	205,875
Highways and Streets	478,415
Health and Welfare	63,192
Culture and Recreation	19,862
	<u>895,491</u>

C. LONG-TERM DEBT:

1. *Veterans Facility Bonds:* In 1994, the County issued general obligation Veterans Facility Bonds to finance the County's portion of the costs of construction of a long-term health care facility for veterans and to pay related costs. The bonds are payable from general property tax revenues, with coupon rates that increase yearly from 3.25 % beginning in December 1995 to 4.35 % in 2013.

The County is authorized pursuant to the Oregon Constitution and Oregon Revised Statutes Sections 288.605 through 288.695 to issue advance refunding bonds for the refunding of all or any portion of its outstanding bonds. Advance refunding all or a portion of the refundable bonds will provide significant debt service savings to the County as required by law. On December 7, 1999, the County issued General Obligation Refunding Bonds Series 1998 in the amount of \$3,150,000. The net proceeds of the refunding bonds were used to purchase refundable general obligations which have been placed irrevocably in escrow and used solely to pay principal, interest and redemption premiums, if any, on the refundable 1994 general obligation bonds as they are redeemed. The ultimate savings on the advance refunding is expected to be \$262,926. The interest rate on these bonds increases yearly from 3.25% in 1998 to 4.35% in 2013.

The payment requirements for these bonds were satisfied in the year ending June 30, 2013.

2. *Crates Point Bonded Loan*: In 1996, the County contracted with the State Of Oregon Economic Development Department, Oregon Bond Bank for a bonded loan of \$320,600 to finance the construction of the infrastructure at Crates Point. The loan is expected to be repaid with revenues derived from the operation of the Discovery Center and Museum. Payments began December 1, 1997 with an interest rate of 5.329%.

3. *Notes Payable*: In 1996, the County contracted with the State Of Oregon Economic Development Department, Oregon Bond Bank for a deferred loan of \$634,241 to finance the construction of the infrastructure at Crates Point. The loan is expected to be repaid with revenues derived from the operation of the Discovery Center and Museum. Payments began December 1, 2002 with an interest rate of 6.00% for a 20 year term. On January 14, 2005, the County refinanced the note over 15 years at an interest rate of 5.15% for an anticipated savings of \$80,922.

Future debt service requirements of the County as of June 30, 2013 are:

	Crates Point Bonded Loan		Crates Point Refunded Series 2005	
	Principal	Interest	Principal	Interest
2013-14	23,820	5,312	40,299	16,975
2014-15	24,030	4,002	42,374	14,900
2015-16	24,252	2,680	44,557	12,718
2016-17	24,485	1,346	46,851	10,423
2017-21	-	-	155,534	16,288
Totals	96,587	13,340	329,615	71,304

4. *Changes in Long-Term Debt:*

	Beginning Balance	Additions	Deletions	Ending Balance	Due in One Year
Compensated Absences	246,906	4,047	-	250,953	-
OPEB Obligation	467,890	83,666	-	551,556	-
Veterans Facility Bonds					
Principal	425,000	-	425,000	-	-
Discount/Premium on Refunded Bonds	(3,954)	-	(3,954)	-	-
Crates Point Bonded Loan					
Principal	115,208	-	18,621	96,587	23,820
Refunded Series 2005 (Crates Point)					
Principal	367,940	-	38,325	329,615	40,299
<u>Total Long Term Obligations</u>	<u>1,618,990</u>	<u>87,713</u>	<u>477,992</u>	<u>1,228,711</u>	<u>64,119</u>

D. EMPLOYEE PENSION PLANS:

1. *Plan Description:* Wasco County contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the County's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program, the defined benefit portion of the plan, applies to qualifying District employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS account, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, post-employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to PERS, PO Box 23700, Tigard, OR 97281-3700 or by calling 503-598-7377.

2. *Funding Policy:* Members of PERS are required to contribute 6.00% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The County is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan and a general service rate, and a police and fire rate for the Qualifying employees under the OPSRP plan. The rates for the year ended June 30, 2013 were as follows:

OPERF	12.81%
OPSRP General	9.50%
OPSRP Police/Fire	12.21%

The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

Actual contributions made by plan members for the IAP defined contribution portion of the OPSRP plan for the year ended June 30, 2013 are \$92,942.

3. *Annual Pension Cost:* For 2013, the County's annual pension cost for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 8.00 percent investment rate of return (net of investment and administrative expenses), (b) projected salary increases of 3.75% per year with additional increases for promotion and longevity that vary by age and service, (c) healthcare cost inflation of 7%, grading down to 4.5% in 2029 and (d) certain demographic assumptions. The underlying long-term assumed rate of inflation is 2.75% per year. The actuarial value of PERS assets at fair market value on the valuation date less a reserve equal to a prorate portion of the investment gains (losses) over the four-year period ending on the valuation date. The unfunded actuarial liability as of December 31, 2011 valuation, is being amortized on a level percentage of covered payroll on a closed fixed term method over a 20-year period.

Three Year Trend Information for Wasco County

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2011	929,730	100%	-
6/30/2012	919,794	100%	-
6/30/2013	941,647	100%	-

E OPERATING LEASES:

The County leases equipment, primarily copiers, under non-cancelable lease agreements. Operating lease expenditures were \$33,070 for the year ended June 30, 2013. Future payments associated with operating leases are due as follows:

FYE 30-Jun	Amount
2014	32,859
2015	32,089
2016	17,712
2017	4,172
2018	960

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 2013 the County paid healthcare insurance premiums of \$1,842,471.

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 6/30/13</u>
Determination of Annual Required Contribution	
1) Normal Cost at year end	\$ 88,273
2) Amortization of UAAL	<u>96,119</u>
3) Annual Required Contribution (ARC) (1) + (2)	\$ 184,392
Determination of Net OPEB Obligation	
4) Annual Required Contribution	\$ 184,392
5) Interest on prior year Net OPEB Obligation	18,716
6) Adjustment to ARC	<u>31,797</u>
7) Annual OPEB Cost (4) + (5) - (6)	\$ 171,311
8) Explicit Benefit Payments	-
9) Implicit Benefit Payments	<u>87,645</u>
10) Increase in Net OPEB Obligation (7) - (8) - (9)	\$ 83,666
11) Net OBEP Obligation - beginning of year	<u>467,890</u>
12) Net OBEP Obligation - end of year	<u><u>551,556</u></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>
6/30/2011	193,969	41%	389,480
6/30/2012	163,961	52%	467,890
6/30/2013	171,311	51%	551,556

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, 2013:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	439,919	1,265,920
Health Grants	314,014	-
Land Corner Preservation Fund	-	2,567
Forest Health Fund	-	36,065
Spec. ED Payments Fund	-	185,146
Law Library Fund	-	3,000
District Attorney Fund	-	5,000
Museum Fund	15,000	-
911 Communication Fund	209,400	32,768
Community Corrections Fund	-	209,465
Court Facilities Fund	-	30,000
CCF Fund	-	907
Capital Acquisitions Fund	152,506	-
911 Equipment Reserve	39,042	-
911 Capital Reserve	-	6,274
Facility Capital Reserve	200,000	-
General Reserve	325,000	-
Discovery Center DSF	82,231	-
Total Operating Transfers	<u>1,777,112</u>	<u>1,777,112</u>
Residual Equity Transfer		
General Fund	49,754	-
Animal Control Fund	-	49,754
Total All Transfers	<u>1,826,866</u>	<u>1,826,866</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 a budgetary basis.

	General <u>Fund</u>	Health <u>Dept Fund</u>	Public <u>Works Fund</u>	Other Nonmajor <u>Funds</u>
Net change in fund balances - GAAP basis	837,303	(61,759)	79,084	224,670
<i>Expenditures required by GAAP not recorded under budgetary basis:</i>				
Change in Inventory	-	-	83,026	-
Change in compensated absences	731	3,488	(3,036)	2,864
<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:</i>				
208 - Economic Development Payments Fund	(3,221)	-	-	3,221
210 - District Attorney Fund	7,994	-	-	(7,994)
211 - Museum Fund	(2,018)	-	-	2,018
219 - Weed & Pest Control Fund	23,855	-	-	(23,855)
220 - 911 Communications Fund	(1,367)	-	-	1,367
233 - Kramer Field Fund	(181)	-	-	181
321 - Road Reserve Fund	-	-	(15,414)	15,414
324 - Equipment Reserve	(35,899)	-	-	35,899
325 - 911 Capital Reserve	6,210	-	-	(6,210)
327 - General Operating Reserve	(201,183)	-	-	201,183
327 - General Operating Reserve	(327,075)	-	-	327,075
Net change in fund balances - budgetary basis	<u>305,150</u>	<u>(58,271)</u>	<u>143,660</u>	<u>775,831</u>

J. 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 \$2,900,819 and \$2,109,763 at June 30, 2013 and 2012, 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 reasonable 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, 2013 totaling \$2,167,379. 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.

Wasco County, Oregon
Schedule of Funding Progress Required by GASB 45
For the year ended June 30, 2013
(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%

OTHER INFORMATION

Wasco County, Oregon
Combining Balance Sheet
Non-Major Funds
June 30, 2013
(all amounts are in dollars)

	Special Revenue <u>Funds</u>	Capital Project <u>Funds</u>	Debt Service <u>Funds</u>	Total Non-Major <u>Funds</u>
ASSETS:				
Deposits and Investments	1,238,529	674,410	112,366	2,025,305
Receivables:				
Accounts Receivable	36,833	-	-	36,833
Taxes Receivable	-	-	41,746	41,746
	<u>1,275,363</u>	<u>674,410</u>	<u>154,112</u>	<u>2,103,884</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
<u>Liabilities:</u>				
Accounts Payable	44,132	66,734	-	110,866
Compensated Absences	28,561	-	-	28,561
Accrued Payroll & Related Liabilities	25,578	-	-	25,578
Total Liabilities	<u>98,271</u>	<u>66,734</u>	<u>-</u>	<u>165,005</u>
<u>Deferred Inflows of Resources</u>				
Unavailable Revenue -Taxes	-	-	36,464	36,464
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>36,464</u>	<u>36,464</u>
<u>Fund Balances:</u>				
Restricted	992,117	-	117,648	1,109,765
Committed	116,996	607,676	-	724,671
Assigned	26,021	-	-	26,021
Unassigned	41,957	-	-	41,957
Total Fund Balances	<u>1,177,091</u>	<u>607,676</u>	<u>117,648</u>	<u>1,902,415</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
	<u>1,275,363</u>	<u>674,410</u>	<u>154,112</u>	<u>2,103,884</u>

Wasco County, Oregon
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balance
Non-Major Funds
For the year ended June 30, 2013
(all amounts are in dollars)

	Special Revenue <u>Funds</u>	Capital Project <u>Funds</u>	Debt Service <u>Funds</u>	Total Non-Major <u>Funds</u>
Taxes	-	-	456,826	456,826
Licenses, Fees & Permits	583,020	-	-	583,020
Intergovernmental Revenues	1,424,046	-	-	1,424,046
Federal Revenues	327,620	-	-	327,620
Charges for Services	7,200	-	-	7,200
Fines and Restitution	27,776	-	-	27,776
Investment Earnings	7,853	3,204	1,670	12,727
Rents	-	36,439	-	36,439
Contributions and Donations	35,220	-	-	35,220
Miscellaneous	6,084	-	-	6,084
<u>TOTAL REVENUES</u>	<u>2,418,818</u>	<u>39,643</u>	<u>458,496</u>	<u>2,916,957</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	833,120	-	-	833,120
<i>Current: Materials & Services</i>	1,136,885	-	-	1,136,885
Capital Outlay	86,527	66,734	-	153,261
Debt Service	-	-	525,720	525,720
<u>TOTAL EXPENDITURES</u>	<u>2,056,532</u>	<u>66,734</u>	<u>525,720</u>	<u>2,648,986</u>
Excess of Revenues Over (Under) Expenditures	362,286	(27,091)	(67,224)	267,972
<u>OTHER FINANCING SOURCES(USES)</u>				
Sale of Assets	3,964	-	-	3,964
Operating Transfers In	-	152,506	82,231	234,737
Operating Transfers Out	(282,004)	-	-	(282,004)
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(278,040)</u>	<u>152,506</u>	<u>82,231</u>	<u>(43,303)</u>
Net Changes in Fund Balance	84,246	125,415	15,007	224,669
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>1,092,845</u>	<u>482,261</u>	<u>102,641</u>	<u>1,677,747</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>1,177,091</u>	<u>607,676</u>	<u>117,648</u>	<u>1,902,415</u>

SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS

** These funds do not meet the GASB 54 definition of Special Revenue Funds and are included in the General Fund 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".

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.

**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.

**213 ANIMAL CONTROL FUND: The Animal Control Fund is used to account for the revenues and expenditures incurred in controlling animals in Wasco County. Revenues are mainly from dog license sales, animal boarding and sales. Expenditures are for personal services, and

materials and services.

**218 GIS FUND: This fund was closed and the fund balance transferred to the General Fund.

**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.

**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.

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.

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.

**325 911 CAPITAL RESERVE FUND: This fund was created to accumulate monies for potential 911 capital expenditures. Revenues were from interest on investments and transfers.

**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.

**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.

Wasco County, Oregon
Combining Balance Sheet
Special Revenue Funds
June 30, 2013
(all amounts are in dollars)

	203 <u>County Fair</u> <u>Fund</u>	204 <u>County</u> <u>School</u> <u>Fund</u>	205 <u>Land</u> <u>Corner</u> <u>Pres Fund</u>	206 <u>Forest</u> <u>Health</u> <u>Fund</u>	207 <u>HHW</u> <u>Fund</u>
ASSETS:					
Deposits and Investments	119,859	144	154,920	173,306	114,733
Receivables					
Accounts Receivable	173	-	-	-	22,605
<u>TOTAL ASSETS</u>	<u>120,032</u>	<u>144</u>	<u>154,920</u>	<u>173,306</u>	<u>137,338</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts Payable	1,982	-	535	-	15,039
Accrued Liabilities	564	-	1,574	-	3,343
Compensated Absences	-	-	2,540	-	980
<u>Total Liabilities</u>	<u>2,545</u>	<u>-</u>	<u>4,649</u>	<u>-</u>	<u>19,362</u>
Fund Balances:					
Restricted	117,486	144	150,271	173,306	-
Committed	-	-	-	-	116,996
Assigned	-	-	-	-	980
Unassigned	-	-	-	-	-
<u>Total Fund Balances</u>	<u>117,486</u>	<u>144</u>	<u>150,271</u>	<u>173,306</u>	<u>117,976</u>
<u>TOTAL LIABILITIES AND</u>					
<u>FUND BALANCES</u>	<u>120,032</u>	<u>144</u>	<u>154,920</u>	<u>173,306</u>	<u>137,338</u>

<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>
123,573	33,662	303,113	50,793	141,929	22,498	1,238,529
-	11,794	1,432	830	-	-	36,833
<u>123,573</u>	<u>45,456</u>	<u>304,545</u>	<u>51,622</u>	<u>141,929</u>	<u>22,498</u>	<u>1,275,363</u>
1,121	3,123	13,790	-	8,543	-	44,132
-	376	17,351	-	2,370	-	25,578
-	-	25,041	-	-	-	28,561
<u>1,121</u>	<u>3,498</u>	<u>56,182</u>	<u>-</u>	<u>10,913</u>	<u>-</u>	<u>98,271</u>
122,452	-	223,322	51,622	131,016	22,498	992,117
-	-	-	-	-	-	116,996
-	-	25,041	-	-	-	26,021
-	41,957	-	-	-	-	41,957
<u>122,452</u>	<u>41,957</u>	<u>248,363</u>	<u>51,622</u>	<u>131,016</u>	<u>22,498</u>	<u>1,177,091</u>
<u>123,573</u>	<u>45,456</u>	<u>304,545</u>	<u>51,622</u>	<u>141,929</u>	<u>22,498</u>	<u>1,275,363</u>

Wasco County, Oregon
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balance
Special Revenue Funds
For the year ended June 30, 2013
(all amounts are in dollars)

	203 <u>County Fair</u> <u>Fund</u>	204 <u>County</u> <u>School</u> <u>Fund</u>	205 <u>Land</u> <u>Corner</u> <u>Pres Fund</u>	206 <u>Forest</u> <u>Health</u> <u>Fund</u>	207 <u>HHW</u> <u>Fund</u>
REVENUES:					
Licenses, Fees & Permits	115,892	-	31,728	-	280,308
Intergovernmental Revenues	48,110	57,974	-	-	-
Federal Revenues	-	226,145	-	74,424	-
Charges for Services	-	-	-	-	7,200
Fines and Restitution	-	-	-	-	-
Investment Earnings	557	270	950	873	705
Contributions and Donations	7,855	-	-	-	-
Miscellaneous	300	-	-	-	6,847
TOTAL REVENUES	172,714	284,388	32,678	75,297	295,059
EXPENDITURES:					
<i>Current: Personal Services</i>	24,312	-	54,224	-	130,723
<i>Current: Materials & Services</i>	114,922	284,346	1,350	-	172,814
Capital Outlay	-	-	6,000	-	-
TOTAL EXPENDITURES	139,234	284,346	61,574	-	303,537
Excess of Revenues Over (Under) Expenditures	33,480	42	(28,895)	75,297	(8,477)
OTHER FINANCING SOURCES(USES)					
Sale of Assets	-	-	-	-	3,964
Operating Transfers Out	-	-	(2,567)	(36,065)	-
NET OTHER FINANCING SOURCES (USES)	-	-	(2,567)	(36,065)	3,964
Net Changes in Fund Balance	33,480	42	(31,462)	39,232	(4,513)
FUND BALANCE - BEGINNING OF YEAR	84,007	102	181,733	134,074	122,489
FUND BALANCE - END OF YEAR	117,486	144	150,271	173,306	117,976

<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>
20,979	35,739	88,946	-	-	9,429	583,020
-	197,618	733,733	-	386,611	-	1,424,046
-	-	-	-	27,051	-	327,620
-	-	-	-	-	-	7,200
-	-	-	27,776	-	-	27,776
662	155	2,352	316	907	107	7,853
-	-	-	-	27,365	-	35,220
-	-	1,437	-	(2,500)	-	6,084
<u>21,641</u>	<u>233,512</u>	<u>826,467</u>	<u>28,092</u>	<u>439,434</u>	<u>9,536</u>	<u>2,418,818</u>
-	16,208	499,093	-	108,560	-	833,120
11,575	28,741	204,895	6,884	309,390	1,969	1,136,885
-	80,527	-	-	-	-	86,527
<u>11,575</u>	<u>125,475</u>	<u>703,988</u>	<u>6,884</u>	<u>417,950</u>	<u>1,969</u>	<u>2,056,532</u>
10,067	108,037	122,479	21,208	21,484	7,566	362,286
-	-	-	-	-	-	3,964
<u>(3,000)</u>	<u>-</u>	<u>(209,465)</u>	<u>(30,000)</u>	<u>(907)</u>	<u>-</u>	<u>(282,004)</u>
<u>(3,000)</u>	<u>-</u>	<u>(209,465)</u>	<u>(30,000)</u>	<u>(907)</u>	<u>-</u>	<u>(278,040)</u>
7,067	108,037	(86,986)	(8,792)	20,577	7,566	84,246
<u>115,385</u>	<u>(66,079)</u>	<u>335,349</u>	<u>60,414</u>	<u>110,440</u>	<u>14,932</u>	<u>1,092,845</u>
<u>122,452</u>	<u>41,957</u>	<u>248,363</u>	<u>51,622</u>	<u>131,016</u>	<u>22,498</u>	<u>1,177,091</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Favorable <u>(Unfavorable)</u>
<u>REVENUES:</u>				
Licenses, Fees & Permits	76,700	76,700	115,892	39,192
Intergovernmental Revenues	50,000	50,000	48,110	(1,890)
Investment Earnings	300	300	557	257
Contributions and Donations	9,000	9,000	7,855	(1,146)
Miscellaneous	-	-	300	300
<u>TOTAL REVENUES</u>	<u>136,000</u>	<u>136,000</u>	<u>172,714</u>	<u>36,714</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	24,487	24,487	24,312	175
<i>Current: Materials & Services</i>	134,770	134,770	114,922	19,848
Contingency	15,243	15,243	-	15,243
<u>TOTAL EXPENDITURES</u>	<u>174,500</u>	<u>174,500</u>	<u>139,234</u>	<u>35,266</u>
Net Changes in Fund Balance	(38,500)	(38,500)	33,480	71,980
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>45,000</u>	<u>45,000</u>	<u>84,007</u>	<u>39,007</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>6,500</u>	<u>6,500</u>	<u>117,486</u>	<u>110,986</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
REVENUES:				
Intergovernmental Revenues	59,500	59,500	57,974	(1,526)
Federal Revenues	250,190	250,190	226,145	(24,045)
Investment Earnings	200	200	270	70
<u>TOTAL REVENUES</u>	<u>309,890</u>	<u>309,890</u>	<u>284,388</u>	<u>(25,502)</u>
EXPENDITURES:				
<i>Current: Materials & Services</i>	309,890	309,890	284,346	25,544
<u>TOTAL EXPENDITURES</u>	<u>309,890</u>	<u>309,890</u>	<u>284,346</u>	<u>25,544</u>
Net Changes in Fund Balance	-	-	42	42
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>-</u>	<u>-</u>	<u>102</u>	<u>102</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>144</u>	<u>144</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Licenses, Fees & Permits	28,500	28,500	31,728	3,228
Investment Earnings	800	800	950	150
<u>TOTAL REVENUES</u>	<u>29,300</u>	<u>29,300</u>	<u>32,678</u>	<u>3,378</u>
EXPENDITURES:				
<i>Current: Personal Services</i>	59,929	59,929	54,186	5,743
<i>Current: Materials & Services</i>	8,000	8,000	1,350	6,650
Capital Outlay	6,000	6,000	6,000	-
<u>TOTAL EXPENDITURES</u>	<u>73,929</u>	<u>73,929</u>	<u>61,536</u>	<u>12,393</u>
Excess of Revenues Over (Under) Expenditures	(44,629)	(44,629)	(28,857)	15,772
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(3,850)	(3,850)	(2,567)	1,283
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(3,850)</u>	<u>(3,850)</u>	<u>(2,567)</u>	<u>1,283</u>
Net Changes in Fund Balance	(48,479)	(48,479)	(31,424)	17,055
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>180,600</u>	<u>180,600</u>	<u>184,235</u>	<u>3,635</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>132,121</u>	<u>132,121</u>	<u>152,811</u>	<u>20,690</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>REVENUES:</u>				
Federal Revenues		-	74,424	74,424
Investment Earnings	500	500	873	373
<u>TOTAL REVENUES</u>	<u>500</u>	<u>500</u>	<u>75,297</u>	<u>74,797</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials & Services</i>	48,500	48,500	-	48,500
<u>TOTAL EXPENDITURES</u>	<u>48,500</u>	<u>48,500</u>	<u>-</u>	<u>48,500</u>
Excess of Revenues Over (Under) Expenditures	(48,000)	(48,000)	75,297	123,297
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(60,000)	(60,000)	(36,065)	23,935
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>(36,065)</u>	<u>23,935</u>
Net Changes in Fund Balance	(108,000)	(108,000)	39,232	147,232
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>108,000</u>	<u>108,000</u>	<u>134,074</u>	<u>26,074</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>173,306</u>	<u>173,306</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, 2013
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Licenses, Fees & Permits	310,000	310,000	280,308	(29,692)
Charges for Services	7,200	7,200	7,200	-
Investment Earnings	-	-	705	705
Miscellaneous	7,000	7,000	6,847	(153)
<u>TOTAL REVENUES</u>	<u>324,200</u>	<u>324,200</u>	<u>295,059</u>	<u>(29,141)</u>
EXPENDITURES:				
<i>Current: Personal Services</i>	168,608	168,608	138,254	30,354
<i>Current: Materials & Services</i>	194,740	194,740	172,814	21,926
Contingency	61,586	61,586	-	61,586
<u>TOTAL EXPENDITURES</u>	<u>424,934</u>	<u>424,934</u>	<u>311,068</u>	<u>113,866</u>
Excess of Revenues Over (Under) Expenditures	(100,734)	(100,734)	(16,008)	84,726
<u>OTHER FINANCING SOURCES(USES)</u>				
Sale of Assets	7,000	7,000	3,964	(3,036)
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>7,000</u>	<u>7,000</u>	<u>3,964</u>	<u>(3,036)</u>
Net Changes in Fund Balance	(93,734)	(93,734)	(12,044)	81,690
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>93,734</u>	<u>93,734</u>	<u>131,000</u>	<u>37,266</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>118,956</u>	<u>118,956</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Intergovernmental Revenues	185,000	185,000	127,915	(57,085)
Investment Earnings	200	200	452	252
Contributions and Donations	250,000	250,000	250,000	-
TOTAL REVENUES	<u>435,200</u>	<u>435,200</u>	<u>378,367</u>	<u>(56,833)</u>
EXPENDITURES:				
<i>Current: Materials & Services</i>	<u>207,969</u>	<u>207,969</u>	<u>190,000</u>	<u>17,969</u>
TOTAL EXPENDITURES	<u>207,969</u>	<u>207,969</u>	<u>190,000</u>	<u>17,969</u>
Excess of Revenues Over (Under) Expenditures	227,231	227,231	188,367	(38,864)
OTHER FINANCING SOURCES(USES)				
Operating Transfers Out	<u>(242,231)</u>	<u>(242,231)</u>	<u>(185,146)</u>	<u>57,085</u>
NET OTHER FINANCING SOURCES (USES)	<u>(242,231)</u>	<u>(242,231)</u>	<u>(185,146)</u>	<u>57,085</u>
Net Changes in Fund Balance	(15,000)	(15,000)	3,221	18,221
FUND BALANCE - BEGINNING OF YEAR	<u>15,000</u>	<u>15,000</u>	<u>20,471</u>	<u>5,471</u>
FUND BALANCE - END OF YEAR	<u>-</u>	<u>-</u>	<u>23,692</u>	<u>23,692</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>REVENUES:</u>				
Licenses, Fees & Permits	22,000	22,000	20,979	(1,021)
Investment Earnings	500	500	662	162
<u>TOTAL REVENUES</u>	<u>22,500</u>	<u>22,500</u>	<u>21,641</u>	<u>(859)</u>
<u>EXPENDITURES:</u>				
<i>Current: Materials & Services</i>	30,000	30,000	11,575	18,425
Contingency	94,500	94,500	-	94,500
<u>TOTAL EXPENDITURES</u>	<u>124,500</u>	<u>124,500</u>	<u>11,575</u>	<u>112,925</u>
Excess of Revenues Over (Under) Expenditures	(102,000)	(102,000)	10,067	112,067
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(3,000)	(3,000)	(3,000)	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Net Changes in Fund Balance	(105,000)	(105,000)	7,067	112,067
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>105,000</u>	<u>105,000</u>	<u>115,385</u>	<u>10,385</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>122,452</u>	<u>122,452</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
REVENUES:				
Investment Earnings	400	400	273	(127)
Contributions and Donations	12,000	12,000	4,205	(7,795)
Miscellaneous	150,000	150,000	-	(150,000)
<u>TOTAL REVENUES</u>	<u>162,400</u>	<u>162,400</u>	<u>4,477</u>	<u>(157,923)</u>
EXPENDITURES:				
<i>Current: Materials & Services</i>	193,400	193,400	7,471	185,929
Capital Outlay	-	-	-	-
Contingency	-	-	-	-
<u>TOTAL EXPENDITURES</u>	<u>193,400</u>	<u>193,400</u>	<u>7,471</u>	<u>185,929</u>
Excess of Revenues Over (Under) Expenditures	(31,000)	(31,000)	(2,994)	28,006
OTHER FINANCING SOURCES(USES)				
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	(36,000)	(36,000)	(7,994)	28,006
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>36,000</u>	<u>36,000</u>	<u>52,344</u>	<u>16,344</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>44,350</u>	<u>44,350</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>REVENUES:</u>				
Intergovernmental Revenues	15,000	15,000	15,000	-
Investment Earnings	800	800	1,125	325
Contributions and Donations	15,000	15,000	19,119	4,119
<u>TOTAL REVENUES</u>	<u>30,800</u>	<u>30,800</u>	<u>35,245</u>	<u>4,445</u>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	30,909	30,909	30,343	566
<i>Current: Materials & Services</i>	33,800	33,800	17,883	15,917
Capital Outlay	138,380	138,380	-	138,380
Contingency	33,897	33,897	-	33,897
<u>TOTAL EXPENDITURES</u>	<u>236,986</u>	<u>236,986</u>	<u>48,226</u>	<u>188,760</u>
Excess of Revenues Over (Under) Expenditures	(206,186)	(206,186)	(12,982)	193,204
<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	(191,186)	(191,186)	2,018	193,204
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>197,254</u>	<u>197,254</u>	<u>199,300</u>	<u>2,046</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>6,068</u>	<u>6,068</u>	<u>201,319</u>	<u>195,251</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
213 Animal Control Fund
For the year ended June 30, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			Variance Favorable
<u>TOTAL REVENUES</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL EXPENDITURES</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	-	-	-	-
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>62,000</u>	<u>62,000</u>	<u>49,754</u>	<u>(12,246)</u>
Residual Equity Transfer Out	<u>(62,000)</u>	<u>(62,000)</u>	<u>(49,754)</u>	<u>12,246</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
REVENUES:				
Intergovernmental Revenues	10,000	10,000	3,750	(6,250)
Charges for Services	283,750	337,650	318,405	(19,245)
Internal Service Charges	-	-	1,755	1,755
Investment Earnings	450	450	985	535
Miscellaneous	12,500	12,500	16,949	4,449
TOTAL REVENUES	306,700	360,600	341,844	(18,756)
EXPENDITURES:				
<i>Current: Personal Services</i>	180,165	180,165	179,247	918
<i>Current: Materials & Services</i>	172,500	199,500	186,452	13,048
Contingency	26,448	53,348	-	53,348
TOTAL EXPENDITURES	379,113	433,013	365,699	67,314
Net Changes in Fund Balance	(72,413)	(72,413)	(23,855)	48,558
FUND BALANCE - BEGINNING OF YEAR	131,191	131,191	210,663	79,472
FUND BALANCE - END OF YEAR	58,778	58,778	186,808	128,030

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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Intergovernmental Revenues	302,817	302,817	309,874	7,057
Charges for Services	374,267	374,267	376,688	2,421
Investment Earnings	500	500	641	141
Miscellaneous	100	100	435	335
<u>TOTAL REVENUES</u>	<u>677,684</u>	<u>677,684</u>	<u>687,638</u>	<u>9,954</u>
EXPENDITURES:				
<i>Current: Personal Services</i>	783,641	783,641	752,350	31,291
<i>Current: Materials & Services</i>	124,675	124,675	110,554	14,121
Contingency	46,000	46,000	-	46,000
<u>TOTAL EXPENDITURES</u>	<u>954,316</u>	<u>954,316</u>	<u>862,904</u>	<u>91,412</u>
Excess of Revenues Over (Under) Expenditures	(276,632)	(276,632)	(175,265)	101,367
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	209,400	209,400	209,400	-
Operating Transfers Out	(32,768)	(32,768)	(32,768)	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>176,632</u>	<u>176,632</u>	<u>176,632</u>	<u>-</u>
Net Changes in Fund Balance	(100,000)	(100,000)	1,367	101,367
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>100,000</u>	<u>100,000</u>	<u>175,882</u>	<u>75,882</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>177,248</u>	<u>177,248</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Licenses, Fees & Permits	19,000	19,000	35,739	16,739
Intergovernmental Revenues	136,000	136,000	197,618	61,618
Investment Earnings	600	600	155	(445)
Contributions and Donations	10,000	10,000	-	(10,000)
<u>TOTAL REVENUES</u>	<u>165,600</u>	<u>165,600</u>	<u>233,512</u>	<u>67,912</u>
EXPENDITURES:				
<i>Current: Personal Services</i>	16,324	16,324	16,208	116
<i>Current: Materials & Services</i>	52,631	52,631	28,741	23,890
Capital Outlay	110,000	110,000	80,527	29,473
Contingency	42,145	42,145	-	42,145
<u>TOTAL EXPENDITURES</u>	<u>221,100</u>	<u>221,100</u>	<u>125,475</u>	<u>95,625</u>
Net Changes in Fund Balance	(55,500)	(55,500)	108,037	163,537
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>67,000</u>	<u>67,000</u>	<u>(66,079)</u>	<u>(133,079)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>11,500</u>	<u>11,500</u>	<u>41,957</u>	<u>30,457</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Licenses, Fees & Permits	77,200	77,200	88,946	11,746
Intergovernmental Revenues	732,338	732,338	733,733	1,395
Investment Earnings	1,500	1,500	2,352	852
Miscellaneous	120	120	1,437	1,317
<u>TOTAL REVENUES</u>	<u>811,158</u>	<u>811,158</u>	<u>826,467</u>	<u>15,309</u>
EXPENDITURES:				
<i>Current: Personal Services</i>	508,840	508,840	488,736	20,104
<i>Current: Materials & Services</i>	218,700	218,700	204,895	13,805
Contingency	99,153	99,153	-	99,153
<u>TOTAL EXPENDITURES</u>	<u>826,693</u>	<u>826,693</u>	<u>693,631</u>	<u>133,062</u>
Excess of Revenues Over (Under) Expenditures	(15,535)	(15,535)	132,836	148,371
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(209,465)	(209,465)	(209,465)	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(209,465)</u>	<u>(209,465)</u>	<u>(209,465)</u>	<u>-</u>
Net Changes in Fund Balance	(225,000)	(225,000)	(76,629)	148,371
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>225,000</u>	<u>225,000</u>	<u>350,033</u>	<u>125,033</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>273,404</u>	<u>273,404</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Fines and Restitution	27,500	27,500	27,776	276
Investment Earnings	500	500	316	(184)
<u>TOTAL REVENUES</u>	<u>28,000</u>	<u>28,000</u>	<u>28,092</u>	<u>92</u>
EXPENDITURES:				
<i>Current: Materials & Services</i>	45,500	45,500	6,884	38,616
Contingency	59,500	59,500	-	59,500
<u>TOTAL EXPENDITURES</u>	<u>105,000</u>	<u>105,000</u>	<u>6,884</u>	<u>98,116</u>
Excess of Revenues Over (Under) Expenditures	(77,000)	(77,000)	21,208	98,208
OTHER FINANCING SOURCES(USES)				
Operating Transfers Out	(30,000)	(30,000)	(30,000)	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net Changes in Fund Balance	(107,000)	(107,000)	(8,792)	98,208
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>107,000</u>	<u>107,000</u>	<u>60,414</u>	<u>(46,586)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>51,622</u>	<u>51,622</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
REVENUES:				
Intergovernmental Revenues	392,400	429,900	386,611	(43,289)
Federal Revenues	49,500	49,500	27,051	(22,449)
Investment Earnings	500	500	907	407
Contributions and Donations	6,000	22,000	27,365	5,365
Miscellaneous		-	(2,500)	(2,500)
TOTAL REVENUES	<u>448,400</u>	<u>501,900</u>	<u>439,434</u>	<u>(62,466)</u>
EXPENDITURES:				
<i>Current: Personal Services</i>	186,110	161,111	108,560	52,551
<i>Current: Materials & Services</i>	316,300	394,799	309,390	85,409
Contingency	59,990	59,990	-	59,990
TOTAL EXPENDITURES	<u>562,400</u>	<u>615,900</u>	<u>417,950</u>	<u>197,950</u>
Excess of Revenues Over (Under) Expenditures	(114,000)	(114,000)	21,484	135,484
OTHER FINANCING SOURCES(USES)				
Operating Transfers Out	(9,000)	(9,000)	(907)	8,093
NET OTHER FINANCING SOURCES (USES)	<u>(9,000)</u>	<u>(9,000)</u>	<u>(907)</u>	<u>8,093</u>
Net Changes in Fund Balance	(123,000)	(123,000)	20,577	143,577
FUND BALANCE - BEGINNING OF YEAR	<u>123,000</u>	<u>123,000</u>	<u>110,440</u>	<u>(12,560)</u>
FUND BALANCE - END OF YEAR	<u>-</u>	<u>-</u>	<u>131,016</u>	<u>131,016</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Investment Earnings	100	100	181	81
TOTAL REVENUES	<u>100</u>	<u>100</u>	<u>181</u>	<u>81</u>
EXPENDITURES:				
<i>Current: Materials & Services</i>	32,400	32,400	-	32,400
TOTAL EXPENDITURES	<u>32,400</u>	<u>32,400</u>	<u>-</u>	<u>32,400</u>
Excess of Revenues Over (Under) Expenditures	(32,300)	(32,300)	181	32,481
Net Changes in Fund Balance	(32,300)	(32,300)	181	32,481
FUND BALANCE - BEGINNING OF YEAR	<u>32,300</u>	<u>32,300</u>	<u>32,315</u>	<u>15</u>
FUND BALANCE - END OF YEAR	<u>-</u>	<u>-</u>	<u>32,496</u>	<u>32,496</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Licenses, Fees & Permits	7,600	7,600	9,429	1,829
Investment Earnings	50	50	107	57
<u>TOTAL REVENUES</u>	<u>7,650</u>	<u>7,650</u>	<u>9,536</u>	<u>1,886</u>
EXPENDITURES:				
<i>Current: Materials & Services</i>	22,650	22,650	1,969	20,681
Capital Outlay	5,000	5,000	-	5,000
<u>TOTAL EXPENDITURES</u>	<u>27,650</u>	<u>27,650</u>	<u>1,969</u>	<u>25,681</u>
Net Changes in Fund Balance	(20,000)	(20,000)	7,566	27,566
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>20,000</u>	<u>20,000</u>	<u>14,932</u>	<u>(5,068)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>22,498</u>	<u>22,498</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Investment Earnings	8,000	8,000	15,414	7,414
<u>TOTAL REVENUES</u>	<u>8,000</u>	<u>8,000</u>	<u>15,414</u>	<u>7,414</u>
EXPENDITURES:				
<i>Current: Materials & Services</i>	2,755,490	2,755,490	-	2,755,490
<u>TOTAL EXPENDITURES</u>	<u>2,755,490</u>	<u>2,755,490</u>	<u>-</u>	<u>2,755,490</u>
Net Changes in Fund Balance	(2,747,490)	(2,747,490)	15,414	2,762,904
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>2,747,490</u>	<u>2,747,490</u>	<u>2,752,187</u>	<u>4,697</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>2,767,601</u>	<u>2,767,601</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Investment Earnings	1,000	1,000	1,170	170
TOTAL REVENUES	<u>1,000</u>	<u>1,000</u>	<u>1,170</u>	<u>170</u>
EXPENDITURES:				
Capital Outlay	231,842	231,842	4,313	227,529
TOTAL EXPENDITURES	<u>231,842</u>	<u>231,842</u>	<u>4,313</u>	<u>227,529</u>
Excess of Revenues Over (Under) Expenditures	(230,842)	(230,842)	(3,143)	227,699
OTHER FINANCING SOURCES(USES)				
Operating Transfers In	39,042	39,042	39,042	-
NET OTHER FINANCING SOURCES (USES)	<u>39,042</u>	<u>39,042</u>	<u>39,042</u>	<u>-</u>
Net Changes in Fund Balance	(191,800)	(191,800)	35,899	227,699
FUND BALANCE - BEGINNING OF YEAR	<u>191,800</u>	<u>191,800</u>	<u>192,089</u>	<u>289</u>
FUND BALANCE - END OF YEAR	<u>-</u>	<u>-</u>	<u>227,987</u>	<u>227,987</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
325 911 Capital Reserve Fund
For the year ended June 30, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>REVENUES:</u>				
Investment Earnings	-	-	64	64
<u>TOTAL REVENUES</u>	-	-	64	64
<u>TOTAL EXPENDITURES</u>	-	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	64	64
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers Out	(6,274)	(6,274)	(6,274)	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	(6,274)	(6,274)	(6,274)	-
Net Changes in Fund Balance	-	(6,274)	(6,210)	64
<u>FUND BALANCE - BEGINNING OF YEAR</u>	6,274	6,274	14,153	7,879
<u>FUND BALANCE - END OF YEAR</u>	-	-	7,942	7,942

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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>REVENUES:</u>				
Investment Earnings	750	750	1,183	433
<u>TOTAL REVENUES</u>	<u>750</u>	<u>750</u>	<u>1,183</u>	<u>433</u>
<u>EXPENDITURES:</u>				
Capital Outlay	322,750	322,750	-	322,750
<u>TOTAL EXPENDITURES</u>	<u>322,750</u>	<u>322,750</u>	<u>-</u>	<u>322,750</u>
Excess of Revenues Over (Under) Expenditures	(322,000)	(322,000)	1,183	323,183
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	200,000	200,000	200,000	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net Changes in Fund Balance	(122,000)	(122,000)	201,183	323,183
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>122,000</u>	<u>122,000</u>	<u>121,995</u>	<u>(5)</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>323,177</u>	<u>323,177</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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>REVENUES:</u>				
Investment Earnings	750	750	2,075	1,325
<u>TOTAL REVENUES</u>	<u>750</u>	<u>750</u>	<u>2,075</u>	<u>1,325</u>
<u>EXPENDITURES:</u>				
Capital Outlay	551,000	551,000	-	551,000
<u>TOTAL EXPENDITURES</u>	<u>551,000</u>	<u>551,000</u>	<u>-</u>	<u>551,000</u>
Excess of Revenues Over (Under) Expenditures	(550,250)	(550,250)	2,075	552,325
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	325,000	325,000	325,000	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>	<u>-</u>
Net Changes in Fund Balance	(225,250)	(225,250)	327,075	552,325
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>225,250</u>	<u>225,250</u>	<u>225,428</u>	<u>178</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>552,503</u>	<u>552,503</u>

CAPITAL PROJECTS FUNDS

NONMAJOR GOVERNMENTAL FUNDS

322 CAPITAL ACQUISITIONS FUND: This fund was established to accumulate monies for future capital improvements and tax dollars appeals 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, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>REVENUES:</u>				
Investment Earnings	1,000	1,000	3,204	2,204
Rents	48,269	48,269	36,439	(11,830)
<u>TOTAL REVENUES</u>	<u>49,269</u>	<u>49,269</u>	<u>39,643</u>	<u>(9,626)</u>
<u>EXPENDITURES:</u>				
Capital Outlay	649,775	649,775	66,734	583,041
<u>TOTAL EXPENDITURES</u>	<u>649,775</u>	<u>649,775</u>	<u>66,734</u>	<u>583,041</u>
Excess of Revenues Over (Under) Expenditures	(600,506)	(600,506)	(27,091)	573,415
<u>OTHER FINANCING SOURCES(USES)</u>				
Operating Transfers In	152,506	152,506	152,506	-
<u>NET OTHER FINANCING SOURCES (USES)</u>	<u>152,506</u>	<u>152,506</u>	<u>152,506</u>	<u>-</u>
Net Changes in Fund Balance	(448,000)	(448,000)	125,415	573,415
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>448,000</u>	<u>448,000</u>	<u>482,261</u>	<u>34,261</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>607,676</u>	<u>607,676</u>

DEBT SERVICE FUNDS

NONMAJOR GOVERNMENTAL FUNDS

404 VA BOND DEBT SERVICE FUND: This fund is used to account for the collection of taxes to repay the principal and interest of the bonds sold in 1994-95 and refinanced in 1998, to help finance the building of a Veteran's Home in Columbia View Heights.

417 CRATES POINT DEBT SERVICE FUND: In 1996, the County contracted with the State Of Oregon Economic Development Department, Oregon Bond Bank for a bonded loan of \$320,600 to finance the construction of the infrastructure at Crates Point. This loan was refinanced during the current fiscal year. The loan is repaid with revenues derived from the operation of the Discovery Center and Museum. These are recorded as donations in the debt service fund. Payment of principal and interest is recorded in this fund.

Wasco County, Oregon
Combining Balance Sheet
Non-Major Debt Service Funds
June 30, 2013
 (all amounts are in dollars)

	404 VA Bond <u>Fund</u>	417 Discovery Center <u>Fund</u>	Total Debt Service <u>Funds</u>
<u>ASSETS:</u>			
Deposits and Investments	112,366	-	112,366
Taxes Receivable	41,746	-	41,746
<u>TOTAL ASSETS</u>	154,112	-	154,112
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>			
<u>Liabilities:</u>			
<u>Deferred Inflows of Resources</u>			
Unavailable Revenue	36,464	-	36,464
<u>Total Deferred Inflows of Resources</u>	36,464	-	36,464
<u>Fund Balances:</u>			
Restricted	117,648	-	117,648
<u>Total Fund Balances</u>	117,648	-	117,648
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>	154,112	-	154,112

Wasco County, Oregon
Combining Balance Sheet
Non-Major Debt Service Funds
June 30, 2013
 (all amounts are in dollars)

	404 VA Bond <u>Fund</u>	417 Discovery Center <u>Fund</u>	Total Debt Service <u>Funds</u>
<u>ASSETS:</u>			
Deposits and Investments	112,366	-	112,366
Taxes Receivable	41,746	-	41,746
<u>TOTAL ASSETS</u>	154,112	-	154,112
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>			
<u>Liabilities:</u>			
<u>Deferred Inflows of Resources</u>			
Unavailable Revenue	36,464	-	36,464
<u>Total Deferred Inflows of Resources</u>	36,464	-	36,464
<u>Fund Balances:</u>			
Restricted	117,648	-	117,648
<u>Total Fund Balances</u>	117,648	-	117,648
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>	154,112	-	154,112

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
404 VA Bond Debt Service Fund
For the year ended June 30, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Favorable (Unfavorable)
<u>REVENUES:</u>				
Taxes	356,453	356,453	456,826	100,373
Investment Earnings	910	910	1,670	760
<u>TOTAL REVENUES</u>	<u>357,363</u>	<u>357,363</u>	<u>458,496</u>	<u>101,133</u>
<u>EXPENDITURES:</u>				
Debt Service				
Principal	425,000	425,000	425,000	-
Interest	18,488	18,488	18,488	-
<u>TOTAL EXPENDITURES</u>	<u>443,488</u>	<u>443,488</u>	<u>443,488</u>	<u>-</u>
Net Changes in Fund Balance	(86,125)	(86,125)	15,008	101,133
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>86,125</u>	<u>86,125</u>	<u>102,640</u>	<u>16,515</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>-</u>	<u>-</u>	<u>117,648</u>	<u>117,648</u>

Wasco County, Oregon
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
417 Discovery Center Debt Service
For the year ended June 30, 2013
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
Intergovernmental Revenues	25,000	-	-	-
TOTAL REVENUES	25,000	-	-	-
EXPENDITURES:				
Debt Service				
Principal	56,946	56,946	56,946	-
Interest	25,286	25,286	25,286	-
TOTAL EXPENDITURES	82,232	82,232	82,232	-
Excess of Revenues Over (Under) Expenditures	(57,232)	(82,232)	(82,232)	-
OTHER FINANCING SOURCES(USES)				
Operating Transfers In	57,231	82,231	82,231	-
NET OTHER FINANCING SOURCES (USES)	57,231	82,231	82,231	-
Net Changes in Fund Balance	(1)	(1)	(1)	-
FUND BALANCE - BEGINNING OF YEAR	1	1	1	-
FUND BALANCE - END OF YEAR	-	-	-	-

AGENCY FUNDS

Wasco County, Oregon
Combining Schedule of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2013
 (all amounts are in dollars)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>ASSETS:</u>				
Cash with Treasurer	549,232	24,001,024	23,931,934	618,322
Taxes Receivable	<u>1,958,427</u>	<u>24,370,908</u>	<u>24,215,561</u>	<u>2,113,774</u>
<u>TOTAL ASSETS</u>	<u>2,507,659</u>	<u>48,371,932</u>	<u>48,147,496</u>	<u>2,732,096</u>
<u>LIABILITIES:</u>				
Amounts held in trust	1,958,427	24,370,908	24,215,561	2,113,774
Due to Other Governments	<u>549,232</u>	<u>24,001,024</u>	<u>23,931,934</u>	<u>618,322</u>
<u>TOTAL LIABILITIES</u>	<u>2,507,659</u>	<u>48,371,932</u>	<u>48,147,496</u>	<u>2,732,096</u>

OTHER SCHEDULES

Wasco County, Oregon
Schedule of Accountability of Elected Officials
For the year ended June 30, 2013
 (all amounts are in dollars)

	<u>County Treasurer</u>	<u>County Clerk</u>	<u>County Sheriff</u>	<u>Assessor/Tax Collector</u>
Beginning Balance	17,235,546	200	200	150
Receipts	43,928,737	298,360	1,976,595	640,239
Disbursements	<u>(42,568,918)</u>	<u>(298,360)</u>	<u>(1,976,595)</u>	<u>(640,239)</u>
Ending Balance	<u><u>18,595,365</u></u>	<u><u>200</u></u>	<u><u>200</u></u>	<u><u>150</u></u>

Wasco County, Oregon
Schedule of Property Tax Transactions
For the year ended June 30, 2013

(all amounts are in dollars)

	TAXES RECEIVABLE <u>July 1</u>	CURRENT YEAR <u>LEVY</u>	NET <u>ADJUSTMENTS</u>	DEDUCT TAX <u>COLLECTIONS</u>	TAXES RECEIVABLE <u>June 30</u>
2012-13		34,092,708	(859,405)	(31,693,863)	1,539,440
2011-12	1,387,482	-	45,601	(701,222)	731,861
2010-11	792,320	-	56,935	(345,554)	503,700
2009-10	414,647	-	84,651	(362,244)	137,053
2008-09	128,386	-	28,104	(112,032)	44,459
2007-08	19,473	-	1,842	(14,679)	6,636
2006-07	4,928	-	50	(656)	4,322
2005-06	4,963	-	688	(2,462)	3,190
2004-05	1,681	-	(233)	(42)	1,407
2003-04	263	-	-	-	263
2002-03	266	-	-	-	266
2001-02	268	-	-	-	268
2000-01	257	-	-	-	257
1999-00	234	-	-	-	234
1998-99	236	-	-	-	236
1997-98	228	-	-	-	228
1996-97	1,000	-	-	-	1,000
1995-96	1,000	-	-	-	1,000
1994-95	1,000	-	-	-	1,000
1985-86	953	-	-	-	953
1984-85	55	-	-	-	55
<u>TOTALS</u>	<u>2,759,640</u>	<u>34,092,708</u>	<u>(641,766)</u>	<u>(33,232,754)</u>	<u>2,977,828</u>

Wasco County, Oregon
Schedule of Insurance
For the year ended June 30, 2013
(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	12PWASC	46,480,086	Property/Mobile Equip	80,541	7/1/2013
CCIS	12BWASC	46,480,086	Boiler/Machinery	-	7/1/2013
CCIS	12LWASC	10,000,000	General & Auto Liability	69,930	7/1/2013
RSUI Indemnity	12EQWASC	10,000,000	Excess Earthquake	5,000	7/1/2013
<u>Public Official Bonds</u>					
Ohio Casualty	3153510	20,000	Sheriff	100	12/31/2013
Ohio Casualty	LSF204939	5,000	Assessor	100	7/1/2013
Ohio Casualty	2930631	10,000	Fair Board	145	1/1/2014
Ohio Casualty	3384236	25,000	All Employees Bond	1,137	7/1/2013
Old Republic	W150081208	30,000	Clerk	100	1/3/2014
Old Republic	YPO0268634	100,000	Treasurer	375	12/21/2013
Old Republic	YPO0268342	30,000	Finance/Budget Officer	100	12/1/2013

Wasco County, Oregon
Schedule of Expenditure of Federal Awards
For the year ended June 30, 2013
(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
<u>U.S. DEPARTMENT OF AGRICULTURE:</u>			
<i>Direct from U.S. Forest Service:</i>			
Water and Waste Disposal Systems for Rural Communities	10.760	90,000	90,000
<i>Passed through Oregon Department of Human Services:</i>			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	169,201	169,201
Women, Infants, and Children Grants to State	10.578	10,000	10,000
<i>Passed through Oregon Department of Admin. Services:</i>			
Schools and Roads - Grants to States	10.665	978,255	939,896
<u>TOTAL U.S. DEPARTMENT OF AGRICULTURE</u>		<u>1,247,456</u>	<u>1,209,097</u>
<u>U.S. DEPARTMENT OF DEFENSE:</u>			
<i>Passed through Oregon Department of Administrative Services:</i>			
Flood Control Leases	12.112	374	374
<u>TOTAL U.S. DEPARTMENT OF DEFENSE</u>		<u>374</u>	<u>374</u>
<u>U.S. DEPARTMENT OF THE INTERIOR:</u>			
<i>Passed through Oregon Department of Administrative Services:</i>			
Non-Sale Disposals of Mineral Materials	15.214	163	163
Distribution of Receipts to States and Local Governments-Taylor Grazing	15.227	3,650	3,650
<u>TOTAL U.S. DEPARTMENT OF THE INTERIOR</u>		<u>3,813</u>	<u>3,813</u>
<u>U.S. DEPARTMENT OF JUSTICE:</u>			
<i>Direct from Office of Justice Programs:</i>			
State Criminal Alien Assistance Program	16.606	4,903	4,903
<i>Passed through Oregon State Police:</i>			
Juvenile Accountability Block Grant	16.523	8,526	8,526
<i>Passed through Oregon Commission on Children and Families:</i>			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	30,280	30,280
<i>Passed through Oregon Department of Justice:</i>			
Crime Victim Assistance	16.575	24,631	24,631
<u>TOTAL U.S. DEPARTMENT OF JUSTICE</u>		<u>68,340</u>	<u>68,340</u>

*Catalog of Federal Domestic Assistance

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

Wasco County, Oregon
Schedule of Expenditure of Federal Awards
For the year ended June 30, 2013
(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
<u>U.S. DEPARTMENT OF TRANSPORTATION:</u>			
<i>Direct from Western Federal Lands:</i>			
Highway Planning and Construction	20.205	495,131	495,131
<i>Passed through Oregon Department of Transportation:</i>			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	87,496	87,496
<u>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</u>		<u>582,627</u>	<u>582,627</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN RESOURCES:</u>			
<i>Passed through Oregon Department of Human Resources - Health Division:</i>			
Public Health Emergency Preparedness	93.069	178,245	169,648
Environmental Public Health and Emergency Response	93.070	15,000	15,000
Family Planning Services	93.217	41,368	41,368
Immunization Cooperative Agreements	93.268	600	600
National Public Health Improvement Initiative	93.507	35,508	35,508
ARRA -Medical Assistance Program	93.712	17,500	17,500
Medical Assistance Program	93.778	208,467	208,467
Maternal and Child Health Services Block Grant to the States	93.994	62,723	62,723
<i>Passed through Oregon Department of Administrative Services:</i>			
Child Support Enforcement	93.563	63,009	63,009
<i>Passed through Oregon Commission on Children and Families:</i>			
Promoting Safe and Stable Families	93.556	6,221	6,221
Social Services Block Grant	93.667	20,830	20,830
<i>Passed through Oregon Health Authority:</i>			
Vaccines for Children Program - Noncash Assistance	93.268	42,934	42,934
<u>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN RESOURCES</u>		<u>692,405</u>	<u>683,808</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>			
<i>Passed through Oregon State Police:</i>			
Emergency Management Performance Grants	97.042	41,169	41,169
State Homeland Security Program	97.073	68,586	68,586
<u>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</u>		<u>109,755</u>	<u>109,755</u>
<u>TOTAL FEDERAL AWARDS</u>		<u>2,704,770</u>	<u>2,657,814</u>

*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, 2013

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.

NOTE 3 – Noncash Awards

Included in the Schedule of Expenditures of Federal Awards is the noncash Federal assistance program 93.268 Vaccines for Children.

Wasco County, Oregon
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

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? | No |
| 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 |
| | 20.205 | Highway Planning and Construction |
| 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

2013-1 Material Weakness in Internal Control – Recording of Inventory in Public Works

Criteria: All purchases of inventory type items in the Public Works department should be included in the inventory system at cost.

Condition: During our review of inventory, we noted that several items counted during our sampling process were not included in the inventory count.

Effect: Inventory was understated by \$47,127.

Cause: There does not appear to be a review process in place to ensure all purchases are correctly posted.

Recommendation: Establish a process for monthly review of all purchases for compliance with inventory policy.

Responsible Official's Response: The goal is to add integrity to the inventory control system. We are doing that by adding duties to an independent person (employee) that will review the IRIS inventory amounts using the Eden Purchase Orders (inventory in) and the daily material slips (inventory out). In addition, actual inventory counts will be done multiple times annually by an employee that does not have a current role in recording inventory. This will allow a third person to reconcile recorded inventory to actual counts.

Section 3

Federal Award Findings and Questioned Costs

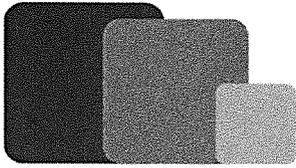
None

Section 4

Summary Schedule of Prior Audit Findings

None

OTHER REQUIRED REPORTS



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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, 2013, 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 December 30, 2013.

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 *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. 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 deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness. **2013-1**

Compliance and Other Matters

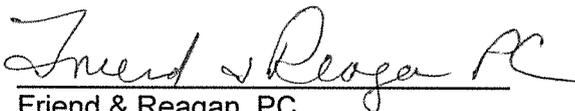
As part of obtaining reasonable assurance about whether Wasco County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect 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

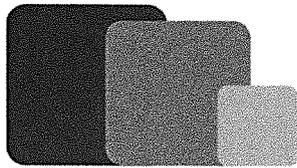
Wasco County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Wasco County's response and, accordingly, we express no opinion on it.

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.



Friend & Reagan, PC
The Dalles, Oregon 97058
December 30, 2013



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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, 2013. 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, 2013.

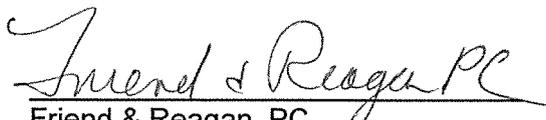
Report on Internal Control over Compliance

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.

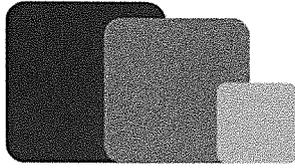
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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.



Friend & Reagan, PC
The Dalles, Oregon 97058
December 30, 2013



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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, 2013, and have issued our report thereon dated December 30, 2013. 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).**

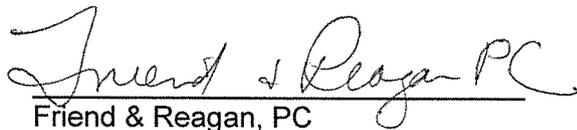
In connection with our testing nothing came to our attention that caused us to believe Wasco County, Oregon was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative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

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 December 30, 2013, 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.



Friend & Reagan, PC
The Dalles, Oregon 97058
December 30, 2013