

**Wasco County, Oregon  
Report on Audit of Financial Statements  
And Supplementary Information  
For the Year Ended June 30, 2011**

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For the Year Ended June 30, 2011**

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**Wasco County, Oregon  
Elected Officials and Agent of Record  
For the Year Ended June 30, 2011**

WASCO COUNTY BOARD OF COMMISSIONERS:

Commissioner

Scott Hege  
The Dalles, Oregon 97058

Commissioner

Rod Runyon  
The Dalles, Oregon 97058

Commissioner

Sherry Holliday  
Maupin, OR 97037

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

Surveyor

Dan Boldt  
The Dalles, Oregon 97058

District Attorney

Eric Nisley  
The Dalles, Oregon 97058

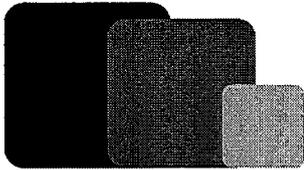
OTHER:

Insurance Agent of Record

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

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FINANCIAL SECTION



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Carol D. Friend · Nathan R. Reagan · Ben G. Neumayer · Gary F. Bradford · Carolyn J. Rohde · John W. Byers, Retired

## INDEPENDENT AUDITOR'S REPORT

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

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, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Wasco County, Oregon's management. 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2011, the respective changes in financial position thereof and the budgetary comparisons for the General fund and the Public Works fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with **Government Auditing Standards**, we have also issued our report dated January 25, 2012, on our consideration of Wasco County's internal control over financial reporting and 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** and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 9-14, and the Schedule of Funding Progress

on page 45, 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 or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wasco County, Oregon's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and other schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditure 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 not a required part of the general purpose financial statements. The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and the other schedules 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements 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.



CERTIFIED PUBLIC ACCOUNTANTS

January 25, 2012

**Wasco County, Oregon**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2011**

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 Assets and the Statement of Activities.

**Government-Wide Financial Statements**

*Statement of Net Assets:* The focus of the Statement of Net Assets is to present the unrestricted assets of governmental activities. Over time, increases or decrease in net assets 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 Statement of Net Assets at June 30, 2010 and June 30, 2011 follows:

**TABLE 1**  
NET ASSETS AT YEAR END

	Primary Governmental Activities	
	<u>June 30, 2010</u>	<u>June 30, 2011</u>
<b>ASSETS</b>		
Cash and Investments	14,077,162	14,745,353
Other Assets	1,856,748	2,335,021
Capital Assets	<u>10,629,199</u>	<u>12,296,915</u>
<b>TOTAL ASSETS</b>	<u><b>26,563,109</b></u>	<u><b>29,377,289</b></u>
<b>LIABILITIES</b>		
Other Liabilities	1,107,699	901,152
Long Term Debt Outstanding	<u>2,325,713</u>	<u>1,993,483</u>
<b>TOTAL LIABILITIES</b>	<u><b>3,433,412</b></u>	<u><b>2,894,635</b></u>
<b>NET ASSETS</b>		
Invested in Capital Assets/Net of Related Debt	8,984,683	11,069,273
Restricted	3,471,528	6,670,014
Unrestricted Net Assets	<u>10,673,486</u>	<u>8,743,367</u>
<b>TOTAL NET ASSETS</b>	<u><b>23,129,698</b></u>	<u><b>26,482,654</b></u>

Governmental Activities

As noted earlier, net assets may serve over time as a useful indicator of the County's financial position. The County's assets exceeded liabilities by \$26,482,654 at the close of the most recent fiscal year. The largest portion of the County's net assets 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. Capital assets net of related debt changed little.

	<u>2009/10</u>	<u>2010/11</u>
Program revenues		
Charges for Services	3,238,255	3,690,136
Operating Grants and Contributions	7,395,992	8,130,697
Capital Grants and Contributions	220,150	1,008,929
General revenues		
Taxes for General Purpose	7,350,352	7,654,726
Other Taxes	582,285	577,423
Interest	93,066	56,971
Other	207,377	342,630
Sale of Capital Assets	21,402	(30,221)
Transfers	1,423	3,176
Total Program and General Revenues	<u>19,110,302</u>	<u>21,434,467</u>
Expenses		
General Government	4,037,003	3,846,950
Public Safety	6,524,428	5,280,012
Highways and Streets	3,385,572	3,358,775
Health and Welfare	3,194,570	3,516,849
Culture and Recreation	222,673	232,238
Capital Projects	594,544	1,763,200
Interest	99,208	83,486
Total Expenses	<u>18,057,997</u>	<u>18,081,511</u>
Change in net assets	1,052,305	3,352,958
Net assets, beginning	<u>26,482,654</u>	<u>23,129,696</u>
Net assets, ending	<u>27,534,959</u>	<u>26,482,654</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 not reactive to funding cuts. See next paragraph "Budgetary Highlights" for explanation of changes in programs.

#### BUDGETARY HIGHLIGHTS

A large portion of the increase in capital projects were primarily grant funded. If grant funding is removed departmental spending has been down this year in response to the continued economic downturn, expected shortfalls in state funding, and generally conservative spending efforts from departments. While this does not solve the expected revenue shortfalls that are to come it does put Wasco County in a better financial position to be able to respond to these coming challenges. This is reflected in larger than expected ending fund balances.

This last year saw large investments in capital facility improvements. Major projects included a remodel of county owned Annex B and the subsequent move of the Parole and Probation department out of a leased building and into this newly remodeled Space. Additionally, vacant space in county owned Annex C was remodeled and the 911 Center and Emergency Operations Center were moved out of leased

space (911) and into this remodeled facility. This project was an investment in our future and allowed for additional 911 terminals and software to be installed for future growth and got the County out from under a 90 day termination clause in a leased building. Grant funding from several sources was the primary funding mechanism for this project. The shell of a new IT server room adjacent to the Courthouse was completed. This investment when completed this year will move the core IT infrastructure for Wasco County out of a basement room and out from under the main water and heating systems of the building. This room has been flooded twice in the last five years due to broken pipes. One of these incidents caused significant damage to electronic equipment. Wasco County applied for and received the 3<sup>rd</sup> largest grant award in the State from the Oregon Department of Energy. This \$490,000 grant made energy efficiency upgrades to the Annex C building including a new roof, roof insulation, and a 25kw solar array.

Due to the temporary closure of The Dalles Dam there was increased garbage shipments to Wasco County resulted in unexpected revenue from the Wasco County Landfill.

In anticipation of difficult times ahead Wasco County was able to start an operating reserve in this budget and fund it with \$200,000. It is a goal to be able to capitalize this account going forward with declining Timber Revenues and continued state budgetary shortfalls.

Wasco County was able to adequately absorb the large PERS increase for the 2009-2011 biennium due to proactive budget cuts and through setting aside \$120,000 to offset the expected \$250,000 increase over the biennium.

There is still discussion as to how most appropriately the newly created Health District should be represented. We are pursuing making public health a completely separate and distinct entity outside of the Wasco County budget.

A few of the capital projects funded in this budget are the purchase of 3 vehicles per the Vehicle Plan, ADA entrance to Annex A, re-silver courthouse roof, repair courthouse steps and retro fit 6 HVAC units in the courthouse. These are in addition to the capital remodel projects that were previously mentioned. Due to the State of Oregon cuts the Commission on Children and Families program continues the discussion of restructure at the state level.

Property taxes remain the single largest source of revenue to the General Fund and are projected to remain steady.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

As of June 30, 2011 the County had invested \$12,296,918 in capital assets that are reflected in the following table, which represents a net increase) of \$1,667,713.

	Beginning Balance	Additions	Deletions	Corrections	Ending Balance
Land	1,490,808	-	(63,984)	-	1,426,824
<i>Depreciable Assets</i>					
Buildings	5,669,839	1,609,807	-	-	7,279,646
Furniture and Equipment	8,405,497	775,332	(19,700)	-	9,161,129
Infrastructure	4,064,481	148,970	-	-	4,213,451
<i>Total</i>	19,630,625	2,534,109	(83,684)	-	22,081,050
					-
Accumulated Depreciation	(9,001,421)	(802,408)	19,700	-	(9,784,129)
Net Fixed Assets	<u>10,629,205</u>	<u>1,731,700</u>	<u>(63,984)</u>	<u>-</u>	<u>12,296,918</u>

### Debt Outstanding

As of year-end, the County had \$1,361,283 in debt outstanding compared to \$1,796,411 last year. The decrease results from payments made in 2010/2011.

<u>Governmental Activities</u>	Beginning Balance	Additions	Reductions	Ending Balance	Due in One Year
Veterans Facility Bonds	1,215,000	-	385,000	830,000	405,000
Discount/Premium on Refunded Bonds	(9,535)	-	(2,791)	(6,744)	(2,791)
Crates Point Bonded Loan	151,895	-	18,256	133,639	18,431
Refunded Series 2005 (Crates Point)	439,051	-	34,663	404,388	36,448
<b>Totals</b>	<u>1,796,411</u>	<u>-</u>	<u>435,128</u>	<u>1,361,283</u>	<u>457,088</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.

Property taxes represent approximately 46% of total General Fund program resources. Beginning fund balance is 22% while operating and capital grants contributions, fees, fines and charges for services represent the balance of 32%. The County does monitor all of its resources and determines the need for program adjustments or fee increases accordingly.

The General fund including its twelve (12) departments is mostly dependent upon property taxes. Growth in program requirements has exceeded the corresponding growth in taxes.

To plan for future needs, the county continues to implement strategic plans for vehicle purchases and usage, building purchase and usage, technology purchase and usage.

We anticipate significant rental revenue shortages with the planned exit of two community partners from our buildings.

NORCOR experienced a loss of rental beds to federal agencies resulting in increased costs for member counties. Proactive measures are being taken to replace this revenue by exploring alternative uses for bed space at this facility.

Wasco County has yet to experience the full impact of the economic downturn that was expected in the 2009-2010 budget year. This is partly due to conservative budgeting and cost control measure. Fortunately Wasco County will see the impact of these measures in the ending fund balance.

#### NEXT YEAR'S BUDGET

The County's 2011/2012 budget reflects a General Fund reduction of \$651,208 from the previous year.

Continued discussion at the State level about healthcare transformation through the creation of Coordinated Care Organizations has the potential to change the funding formula and programs of public health as we know it today. Likewise, State changes to the Commission on Children and Families and Early Learning Council has potential impacts on funding streams and programs of the local Commission on Children and Families. We expect that these decisions will be made in the next legislative session.

We would expect to see increased revenues on rental beds for NORCOR thereby reducing county expenditures on NORCOR operations. This revenue increase is due successful negotiations to bring alternative populations to the facility. Most recently Oregon Youth Authority will be housing up to 12 kids and requesting another block of 12 in the next budget year.

#### 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 Assets**  
**June 30, 2011**

(all amounts are in dollars)

	<u>Primary Government Governmental Activities</u>	<u>Aggregate Discretely Presented Component Units</u>
<b><u>ASSETS:</u></b>		
Cash & Investments	14,745,353	774,275
Receivables (Net of Allowances):		
Property Taxes	638,131	126,154
Other	1,148,186	-
Inventory	548,704	-
Capital Assets		
Land (non-depreciable)	1,426,824	-
Depreciable Assets Net of Depreciation	10,870,092	-
	<u>29,377,289</u>	<u>900,429</u>
<b><u>TOTAL ASSETS</u></b>		
<b><u>LIABILITIES:</u></b>		
Accounts Payable	547,066	-
Accrued Liabilities	339,353	-
Accrued Interest	14,733	-
Noncurrent Liabilities		
Due in one year		
Bond Payable	438,657	-
Loan Payable	18,431	-
Due in more than one year		
Bond Payable	788,986	-
Loan Payable	115,208	-
Compensated Absences	242,721	-
OPEB Obligation	389,480	-
	<u>2,894,635</u>	<u>-</u>
<b><u>TOTAL LIABILITIES</u></b>		
<b><u>NET ASSETS</u></b>		
Invested in capital assets, net of related debt	11,069,273	-
Restricted for:		
General Government	27,206	-
Public Safety	489,679	-
Highways and Streets	5,120,409	-
Health and Welfare	568,797	-
Culture and Recreation	376,628	-
Debt Service	87,296	-
Unrestricted Net Assets	8,743,367	900,429
	<u>26,482,654</u>	<u>900,429</u>
<b><u>TOTAL NET ASSETS</u></b>		

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

**Wasco County, Oregon**  
**Statement of Activities**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES			Net (Expenses) Revenues and changes in Net Assets	
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	PRIMARY GOVERNMENT	COMPONENT UNITS
					Total Governmental Activities	
General Government	3,846,950	1,336,773	547,370	822,085	(1,140,721)	-
Public Safety	5,280,012	741,110	2,086,437	186,844	(2,265,621)	-
Highways and Streets	3,358,775	834,709	3,082,295	-	558,228	-
Health and Welfare	3,516,849	662,598	2,256,957	-	(597,295)	-
Culture and Recreation	232,238	114,946	157,639	-	40,346	(1,348,446)
Capital Projects	1,763,200	-	-	-	(1,763,200)	-
Interest	83,486	-	-	-	(83,486)	-
<b>Total Governmental Activities</b>	<b>18,081,511</b>	<b>3,690,136</b>	<b>8,130,697</b>	<b>1,008,929</b>	<b>(5,251,748)</b>	<b>(1,348,446)</b>

**General Revenues:**

Property Taxes	7,654,726	1,523,065
Other Taxes	577,423	-
Interest and investment earnings	56,971	3,186
Miscellaneous	342,630	3,794
Gain (Loss) on Sale of Fixed Assets	(30,221)	-
Transfers	3,176	-
<b>Total General Revenues and Transfers</b>	<b>8,604,705</b>	<b>1,530,045</b>
Change in net assets	3,352,958	181,600
Net assets, beginning	23,129,696	718,829
Net assets, ending	26,482,654	900,429

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

**Wasco County, Oregon**  
**Balance Sheet - Governmental Funds**  
**June 30, 2011**  
(all amounts are in dollars)

	101 General Fund	202 Public Works Fund	321 Road Reserve Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>					
Deposits and Investments	5,073,802	4,401,547	2,539,988	2,730,016	14,745,353
Receivables:					
Accounts Receivable	524,397	394,937	-	228,852	1,148,186
Taxes Receivable	599,887	-	-	38,243	638,131
Inventories	-	548,704	-	-	548,704
<b>TOTAL ASSETS</b>	<b><u>6,198,086</u></b>	<b><u>5,345,188</u></b>	<b><u>2,539,988</u></b>	<b><u>2,997,111</u></b>	<b><u>17,080,374</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Due to other Governments	-	-	-	-	-
Accounts Payable	170,561	215,601	-	160,904	547,066
Accrued Liabilities	220,568	55,949	-	62,837	339,353
Compensated Absences	152,304	66,999	-	23,418	242,721
Deferred Revenue	538,634	27,727	-	34,310	600,671
<b>Total Liabilities</b>	<b><u>1,082,066</u></b>	<b><u>366,276</u></b>	<b><u>-</u></b>	<b><u>281,468</u></b>	<b><u>1,729,812</u></b>
<b>Fund Balances:</b>					
Non-Spendable	-	548,704	-	-	548,704
Restricted	-	4,363,209	-	1,758,101	6,121,311
Committed	-	-	2,539,988	934,123	3,474,110
Assigned	754,367	66,999	-	23,418	844,784
Unassigned	4,361,653	-	-	-	4,361,653
<b>Total Fund Balances</b>	<b><u>5,116,020</u></b>	<b><u>4,978,912</u></b>	<b><u>2,539,988</u></b>	<b><u>2,715,642</u></b>	<b><u>15,350,562</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>6,198,086</u></b>	<b><u>5,345,188</u></b>	<b><u>2,539,988</u></b>	<b><u>2,997,111</u></b>	<b><u>17,080,374</u></b>

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

**Wasco County, Oregon**  
**Reconciliation of Balance Sheet to Statement of Net Assets**  
**June 30, 2011**  
(all amounts are in dollars)

Fund Balances - Governmental Funds	15,350,562
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Amounts reported for governmental activities in the statement of net assets 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	1,426,824	
Depreciable Assets net of Accumulated Depreciation	<u>10,870,092</u>	12,296,916

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 Assets.

Interest Payable	(14,733)	
Bonds Payable	(1,227,643)	
Loans Payable	(133,639)	
Other Post Employment Benefits	<u>(389,480)</u>	(1,765,495)

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

600,671

Net Assets of Governmental Activities

26,482,654

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

**Wasco County, Oregon**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Governmental Funds**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

	101 General Fund	202 Public Works Fund	321 Road Reserve Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Taxes	7,142,859	-	-	461,572	7,604,431
Licenses, Fees & Permits	1,282,747	-	-	692,185	1,974,932
Intergovernmental Revenues	1,457,687	1,684,217	-	1,869,465	5,011,369
Federal Revenues	1,400,401	1,391,078	-	1,634,597	4,426,077
Charges for Services	1,035,959	224,150	-	4,200	1,264,309
Internal Service Charges	99,129	28,875	-	-	128,004
Fines and Restitution	51,610	-	-	28,510	80,119
Investment Earnings	16,181	17,984	8,744	14,062	56,971
Rents	149,979	-	-	46,901	196,880
Contributions and Donations	286,198	-	-	39,298	325,496
Miscellaneous	292,450	31,177	-	28,430	352,057
Pass Through Payments	2,180	-	-	-	2,180
<b>TOTAL REVENUES</b>	<b>13,217,380</b>	<b>3,377,481</b>	<b>8,744</b>	<b>4,819,219</b>	<b>21,422,824</b>
<b>EXPENDITURES:</b>					
Current					
<i>Personal Services</i>	6,352,800	1,520,581	-	1,806,160	9,679,540
<i>Materials &amp; Services</i>	4,489,054	1,158,598	-	1,902,801	7,550,453
Capital Outlay	1,155,128	134,032	-	1,095,730	2,384,890
Debt Service	-	-	-	521,131	521,131
<b>TOTAL EXPENDITURES</b>	<b>11,996,982</b>	<b>2,813,211</b>	<b>-</b>	<b>5,325,820</b>	<b>20,136,013</b>
Excess of Revenues Over (Under) Expenditures	1,220,398	564,270	8,744	(506,602)	1,286,811
<b>OTHER FINANCING SOURCES (USES):</b>					
Gain/Loss on Sale of Fixed Assets	18,378	9,102	-	6,283	33,763
Transfers from Other Funds	633,943	-	213,000	295,660	1,142,603
Transfers to Other Funds	(567,976)	(276,000)	-	(295,451)	(1,139,427)
<b>TOTAL OTHER FINANCING SOURCES(USES)</b>	<b>84,346</b>	<b>(266,898)</b>	<b>213,000</b>	<b>6,492</b>	<b>36,939</b>
Net Changes in Fund Balance	1,304,744	297,372	221,744	(500,109)	1,323,750
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>3,811,276</b>	<b>4,681,540</b>	<b>2,318,243</b>	<b>3,215,752</b>	<b>14,026,812</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>5,116,020</b>	<b>4,978,912</b>	<b>2,539,988</b>	<b>2,715,643</b>	<b>15,350,562</b>

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

**Wasco County, Oregon**  
**Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**June 30, 2011**  
(all amounts are in dollars)

Net Change in Fund Balances - Governmental Funds 1,323,750

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	2,534,109	
Disposal of capital assets	(63,984)	
Less current year depreciation	<u>(802,408)</u>	1,667,717

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Principal Payments	437,919	
Change in Deferred charges related to bond issues	<u>(2,791)</u>	435,128

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. (114,843)

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 deferred revenues	38,689
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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. 2,516

Change in Net Assets of Governmental Activities	<u><u>3,352,958</u></u>
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The notes to the financial statement are an integral part of this statement

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## 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 Assets**  
**June 30, 2011**  
(all amounts are in dollars)

	<u>Trust Funds</u>	<u>Agency Funds</u>	<u>Total Fiduciary Funds</u>
<b><u>ASSETS:</u></b>			
Cash with Treasurer	120,053	460,012	580,065
Taxes Receivable	-	1,864,787	1,864,787
	<u>120,053</u>	<u>2,324,799</u>	<u>2,444,852</u>
<b><u>TOTAL ASSETS</u></b>			
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>LIABILITIES:</u></b>			
Due to Other Governments	-	2,324,799	2,324,799
<b><u>TOTAL LIABILITIES</u></b>	<u>-</u>	<u>2,324,799</u>	<u>2,324,799</u>
 <b><u>NET ASSETS</u></b>	 <u>120,053</u>	 <u>-</u>	 <u>120,053</u>

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

**Wasco County, Oregon**  
**Statement of Changes in Fiduciary Net Assets - Trust Only**  
**MINT Trust Fund**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

<u>REVENUES:</u>	
Investment Earnings	442
Miscellaneous	12,646
<u>TOTAL REVENUES</u>	<u>13,088</u>
<u>EXPENDITURES:</u>	
Materials & Services	14,910
<u>TOTAL EXPENDITURES</u>	<u>14,910</u>
Change in Net Assets	(1,822)
<u>Net Assets held for MINT-Beginning</u>	<u>121,875</u>
<u>Net Assets held for MINT-Ending</u>	<u><u>120,053</u></u>

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

## **MAJOR GOVERNMENTAL FUNDS**

### **GENERAL AND SPECIAL REVENUE FUNDS**

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

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

**PUBLIC WORKS FUND:** The Public Works Fund accounts for revenues and expenditures used in constructing and maintaining County roads. Most of the fund's revenues are from Forest Reserve Rentals 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, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
<b>REVENUES:</b>				
Taxes	6,836,373	6,836,373	7,142,859	306,486
Licenses, Fees & Permits	903,316	964,316	1,192,803	228,487
Intergovernmental Revenues	1,009,064	1,029,064	1,045,111	16,047
Federal Revenues	1,088,616	1,430,472	1,400,401	(30,071)
Charges for Services	161,441	325,591	259,868	(65,723)
Internal Service Charges	26,001	26,001	25,000	(1,001)
Fines and Restitution	85,000	85,000	51,522	(33,478)
Investment Earnings	30,500	30,500	13,920	(16,580)
Rents	180,660	180,660	149,979	(30,681)
Contributions and Donations	1,000	1,000	2,213	1,213
Miscellaneous	106,973	150,973	272,154	121,181
Pass Through Payments	-	-	2,180	2,180
<b>TOTAL REVENUES</b>	<b>10,428,944</b>	<b>11,059,950</b>	<b>11,558,010</b>	<b>498,060</b>
<b>EXPENDITURES:</b>				
<b>Current by Department</b>				
Court	297,246	307,246	289,978	17,268
Assessor	607,141	607,141	581,026	26,115
Clerk	312,118	312,118	289,628	22,490
Sheriff	1,783,022	2,005,274	1,861,034	144,240
EAS	1,413,020	1,413,020	1,284,670	128,350
Administration	3,389,630	3,328,630	2,926,181	402,449
District Attorney	482,970	482,970	455,943	27,027
Planning	475,193	486,193	443,314	42,879
Public Works	111,612	111,612	105,832	5,780
Public Health	-	525,552	524,831	721
Youth Services	530,176	530,176	485,028	45,148
<b>Total Current by Department</b>	<b>9,402,128</b>	<b>10,109,932</b>	<b>9,247,466</b>	<b>862,466</b>
<b>Capital Outlay by Department</b>				
Clerk	1	1	-	1
Sheriff	411,000	355,604	303,285	52,319
EAS	380,473	680,593	628,223	52,370
Administration	154,500	154,500	79,500	75,000
<b>Total Capital Outlay by Department</b>	<b>945,974</b>	<b>1,190,698</b>	<b>1,011,008</b>	<b>179,690</b>
<b>Contingency</b>	<b>400,000</b>	<b>319,880</b>	<b>-</b>	<b>319,880</b>
<b>TOTAL EXPENDITURES</b>	<b>10,748,102</b>	<b>11,620,510</b>	<b>10,258,474</b>	<b>1,362,036</b>

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

**Wasco County, Oregon**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**General Fund**  
**For the year ended June 30, 2011**  
(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	(319,158)	(560,560)	1,299,536	1,860,096
<b><u>OTHER FINANCING SOURCES AND (USES):</u></b>				
Sale of Fixed Assets	5,550	5,550	18,378	12,828
Transfers from Other Funds	484,215	445,215	391,627	(53,588)
Transfers to Other Funds	(784,512)	(504,110)	(504,110)	-
<b><u>TOTAL OTHER FINANCING SOURCES AND USES</u></b>	<u>(294,747)</u>	<u>(53,345)</u>	<u>(94,104)</u>	<u>(40,759)</u>
Net Changes in Fund Balance	(613,905)	(613,905)	1,205,431	1,819,336
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<u>2,613,905</u>	<u>2,613,905</u>	<u>3,409,267</u>	<u>795,362</u>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<u>2,000,000</u>	<u>2,000,000</u>	<u>4,614,698</u>	<u>2,614,698</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, 2011**  
(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>
Intergovernmental Revenues	1,785,697	1,785,697	1,684,217	(101,480)
Federal Revenues	1,390,818	1,390,818	1,391,078	260
Charges for Services	196,800	196,800	224,150	27,350
Internal Service Charges	30,000	30,000	28,875	(1,125)
Investment Earnings	31,500	31,500	17,984	(13,516)
Miscellaneous	25,975	25,975	31,177	5,202
<b>TOTAL REVENUES</b>	<b><u>3,460,790</u></b>	<b><u>3,460,790</u></b>	<b><u>3,377,481</u></b>	<b><u>(83,309)</u></b>
<u>EXPENDITURES:</u>				
<i>Current: Personal Services</i>	1,621,265	1,621,265	1,520,800	100,465
<i>Current: Materials &amp; Services</i>	1,871,358	1,871,358	1,219,632	651,726
Capital Outlay	250,000	250,000	134,032	115,968
Contingency	400,000	400,000	-	400,000
<b>TOTAL EXPENDITURES</b>	<b><u>4,142,623</u></b>	<b><u>4,142,623</u></b>	<b><u>2,874,464</u></b>	<b><u>1,268,159</u></b>
Excess of Revenues Over (Under) Expenditures	(681,833)	(681,833)	503,017	1,184,850
<u>OTHER FINANCING SOURCES(USES)</u>				
Sale of Assets	7,750	7,750	9,102	1,352
Operating Transfers Out	(276,000)	(276,000)	(276,000)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b><u>(268,250)</u></b>	<b><u>(268,250)</u></b>	<b><u>(266,898)</u></b>	<b><u>1,352</u></b>
Net Changes in Fund Balance	(950,083)	(950,083)	236,119	1,186,202
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b><u>3,864,110</u></b>	<b><u>3,864,110</u></b>	<b><u>4,200,055</u></b>	<b><u>335,945</u></b>
<b>FUND BALANCE - END OF YEAR</b>	<b><u>2,914,027</u></b>	<b><u>2,914,027</u></b>	<b><u>4,436,173</u></b>	<b><u>1,522,146</u></b>

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, 2011**

**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 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 until 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 assets 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.

The County applies all applicable GASB pronouncements, as well as Financial Accounting Standards Board (FASB) guidance, issued on or before November 30, 1989, unless that guidance conflicts with or contradicts GASB pronouncements, and does not apply FASB guidance issued subsequent to November 30, 1989 unless specifically adopted by the GASB.

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

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

**PUBLIC WORKS FUND:** The Public Works Fund accounts for revenues and expenditures used in constructing and maintaining County roads.

**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 for Capital Outlay.

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 ASSETS:

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, 2011. 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 Assets:* Net assets comprise the various net earnings from operating income, nonoperating revenues and expense, capital contributions, and special items. Net assets are classified in the following three components:

*Invested in capital assets, net of related debt* - This component of net assets consists of 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. 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* - This component of net assets 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 net assets – This component of net assets consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

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- This component 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- This component consists of amounts that can be spent only for the specific purpose stipulated by external resource providers, constitutional provisions, or enabling legislation.

Committed- This component 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- This component 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 GASB Statement 54 implementation:

	<u>General Fund</u>	<u>Public Works Fund</u>	<u>Road Reserve Fund</u>	<u>Nonmajor Funds</u>	<u>Total all Funds</u>
<b>Fund Balances</b>					
<b>Total Nonspendable in form:</b>	-	548,704	-	-	548,704
<b>Restricted for:</b>					
Health Grants Fund	-	-	-	519,654	519,654
Public Works Fund	-	4,363,209	-	-	4,363,209
County Fair Fund	-	-	-	96,374	96,374
County School Fund	-	-	-	179	179
Land Corner Preservation Fund	-	-	-	208,495	208,495
Forest Health Program Fund	-	-	-	156,861	156,861
Law Library Fund	-	-	-	102,471	102,471
Parks Fund	-	-	-	123,393	123,393
Community Corrections Fund	-	-	-	309,933	309,933
Court Facilities Security Fund	-	-	-	77,275	77,275
CCFC Fund	-	-	-	49,144	49,144
Clerk Records Fund	-	-	-	27,027	27,027
Debt Service Funds	-	-	-	87,296	87,296
<b>Total Restricted</b>	-	4,363,209	-	1,758,101	6,121,311
<b>Committed to:</b>					
Household Hazardous Waste Fund	-	-	-	244,840	244,840
Road Reserve Fund	-	-	2,539,988	-	2,539,988
Capital Acquisitions Fund	-	-	-	408,916	408,916
Equipment Reserve Fund	-	-	-	191,206	191,206
911 Capital Reserve Fund	-	-	-	17,613	17,613
Facility Reserve Fund	-	-	-	71,547	71,547
<b>Total Committed</b>	-	-	2,539,988	934,123	3,474,110
<b>Assigned for:</b>					
Economic Development Payments Fund	18,400	-	-	-	18,400
District Attorneys Fund	55,321	-	-	-	55,321
Museum Fund	198,281	-	-	-	198,281
Animal Control Fund	56,286	-	-	-	56,286
GIS Fund	12,861	-	-	-	12,861
Weed & Pest Fund	135,905	-	-	-	135,905
911 Communications Fund	92,843	-	-	-	92,843
Kramer Field Fund	32,166	-	-	-	32,166
Compensated Absences	152,304	66,999	-	23,418	242,721
<b>Total Assigned</b>	754,367	66,999	-	23,418	844,784
<b>Total Unassigned:</b>	4,361,653	-	-	-	4,361,653
<b>Total Fund Balances</b>	<u>5,116,020</u>	<u>4,978,912</u>	<u>2,539,988</u>	<u>2,715,642</u>	<u>15,350,562</u>

5. *Capital Assets:* Capital assets, which include property and equipment, infrastructure and land, are reported in the government-wide financial statements. Capital assets 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. 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 assets.

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 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 Revenue*: The County reports deferred revenue on its combined balance sheets. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheets and revenue is recognized.

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 Court 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, 2011.

**Deficit fund balance**

The County has no instances whereby any of its funds had a deficit in fund balance as of June 30, 2011.

**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 \$4,360, deposits with financial institutions totaling \$4,113,356 and investment in the LGIP of \$11,981,976, for a total of \$16,099,693.

	<u>Fair Value</u>
Primary Government	14,745,353
Component Units	774,275
Fiduciary Funds	<u>580,065</u>
Total Deposits and Investments	<u>16,099,693</u>

**DEPOSITS:**

*Custodial Credit Risk.* 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, 2011 bank balance of \$4,418,258 was collateralized by the FDIC.

**INVESTMENTS:**

The County's cash management policies are governed by state statutes. Statutes authorize the County to invest in bankers acceptance, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities and the Oregon State Treasurer's Local Government Investment Pool. The Oregon Short-Term Fund is the LGIP for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council. The County's investment in the LGIP is not rated and is treated as a cash equivalent on the

Statement of Net Assets. The fair value of the position in the LGIP is the same as the value of the pool shares.

**B. CAPITAL ASSETS:**

The following schedule shows the changes in Capital Assets for the year ended June 30, 2011:

	Beginning Balance	Additions	Deletions	Corrections	Ending Balance
Land	1,490,808	-	(63,984)	-	1,426,824
<i>Depreciable Assets</i>					
Buildings	5,669,839	1,609,807	-	-	7,279,646
Furniture and Equipment	8,405,497	775,332	(19,700)	-	9,161,129
Infrastructure	4,064,481	148,970	-	-	4,213,451
<i>Total</i>	19,630,625	2,534,109	(83,684)	-	22,081,050
Accumulated Depreciation	(9,001,421)	(802,408)	19,700	-	(9,784,129)
Net Fixed Assets	10,629,205	1,731,700	(63,984)	-	12,296,918

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

General Government	100,617
Public Safety	166,345
Highways and Streets	462,186
Health and Welfare	56,876
Culture and Recreation	16,384
	<u>802,408</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.

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 percent 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, 2011 are:

	Veterans Facility Bonds		Crates Point Bonded Loan		Crates Point Refunded Series 2005	
	Principal	Interest	Principal	Interest	Principal	Interest
2011-12	405,000	35,902	18,431	7,350	36,448	20,826
2012-13	425,000	18,488	18,621	6,337	38,325	18,949
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
2016-21	-	-	24,485	1,346	202,385	26,711
Totals	\$ 830,000	\$ 54,390	\$ 133,639	\$ 27,027	\$ 404,388	\$ 111,079

4. *Changes in Long-Term Debt:*

	Beginning Balance	Additions	Deletions	Ending Balance	Due in One Year
<b>Compensated Absences</b>	254,665	-	11,945	242,720	-
<b>OPEB Obligation</b>	274,637			274,637	
<b>Veterans Facility Bonds</b>					
Principal	1,215,000	-	385,000	830,000	405,000
Discount/Premium on Refunded Bonds	(9,535)	-	(2,791)	(6,744)	(2,791)
<b>Crates Point Bonded Loan</b>					
Principal	151,895	-	18,256	133,639	18,431
<b>Refunded Series 2005 (Crates Point)</b>					
Principal	439,051	-	34,663	404,388	36,448
<b>Total Long Term Obligations</b>	<b>2,325,713</b>	<b>-</b>	<b>447,073</b>	<b>1,878,640</b>	<b>457,088</b>

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, 2011 were as follows:

OPERF	8.65%
OPSRP General	7.34%
OPSRP Police/Fire	10.05%

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, 2011 are \$118,151.

*3. Annual Pension Cost:* For 2011, 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, 2009, 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, 2009 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
6/30/2009	1,118,603	100%	-
6/30/2010	952,814	100%	-
6/30/2011	929,730	100%	-

**E. 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 2011 the County paid healthcare insurance premiums of \$1,739,490.

**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 6/30/11</u>
<b>Determination of Annual Required Contribution</b>	
1) Normal Cost at year end	\$ 99,053
2) Amortization of UAAL	101,943
3) Annual Required Contribution (ARC) (1) + (2)	<u>\$ 200,996</u>
<b>Determination of Net OPEB Obligation</b>	
4) Annual Required Contribution	\$ 200,996
5) Interest on prior year Net OPEB Obligation	12,359
6) Adjustment to ARC	19,386
7) Annual OPEB Cost (4) + (5) - (6)	<u>\$ 193,969</u>
8) Explicit Benefit Payments	-
9) Implicit Benefit Payments	<u>79,126</u>
10) Increase in Net OPEB Obligation (7) - (8) - (9)	\$ 114,843
11) Net OPEB Obligation - beginning of year	<u>274,637</u>
12) Net OPEB Obligation - end of year	<u><u>389,480</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>
6/30/2009	193,407	26%	142,335
6/30/2010	184,141	28%	274,637
6/30/2011	193,969	41%	389,480

**Funded Status and Funding Progress:** As of August 1, 2010, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$1,251,853 and the actuarial value of assets was zero, resulting in an unfunded accrued liability of \$1,251,853.

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	8/1/2010
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level % of Payroll
Remaining Amortization Period	15 Years
Actuarial Assumptions:	
Projected Salary Increases	3.75% plus merit component
Initial Healthcare Inflation Rates	8.5%
Ultimate Healthcare Inflation Rates	5%

E. INTERFUND TRANSFERS:

The following table reflects the interfund transfers completed during the year ended June 30, 2011:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	391,627	504,110
Public Works Fund	-	276,000
Land Corner Preservation Fund	-	41,000
Forest Health Fund	-	11,675
Spec. ED Payments Fund	-	58,866
Law Library Fund	-	3,000
District Attorney Fund	-	5,000
Museum Fund	12,500	-
Animal Control Fund	29,811	-
GIS Fund	15,000	-
911 Communication Fund	185,005	-
Parks Fund	51,094	-
Community Corrections Fund	-	184,465
Court Facilities Fund	-	30,000
CCF Fund	-	25,311
Road Reserve Fund	213,000	-
Capital Acquisitions Fund	135,700	-
Facility Capital Reserve	50,000	-
Discovery Center DSF	58,866	-
Liquor Control Enforcement (agency)	-	3,176
Total	<u>1,142,603</u>	<u>1,142,603</u>

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

F. 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 Fund	Public Works Fund	Road Reserve Fund	Other Nonmajor Funds
Net change in fund balances - GAAP basis	1,304,744	297,372	221,744	(500,109)
<i>Expenditures required by GAAP not recorded under budgetary basis:</i>				
Change in Inventory	-	(61,034)	-	-
Change in compensated absences	(3,742)	(219)	-	(7,984)
<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	(636)	-	-	636
210 - District Attorney Fund	7,295	-	-	(7,295)
211 - Museum Fund	(16,452)	-	-	16,452
213 - Animal Control Fund	(1,999)	-	-	1,999
218 - GIS Fund	20,783	-	-	(20,783)
219 - Weed & Pest Control Fund	(34,932)	-	-	34,932
220 - 911 Communications Fund	(69,507)	-	-	69,507
233 - Kramer Field Fund	(121)	-	-	121
Net change in fund balances - budgetary basis	<u>1,205,431</u>	<u>236,119</u>	<u>221,744</u>	<u>(412,523)</u>

**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, 2011 totaling \$2,183,743. 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, 2011**  
(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>
8/1/2006	-	1,189,023	1,189,023	0%	6,312,444	19%
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%

**OTHER SUPPLEMENTARY INFORMATION**

**Wasco County, Oregon**  
**Combining Balance Sheet**  
**Non-Major Funds**  
**June 30, 2011**  
(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>
<b>ASSETS:</b>				
Deposits and Investments	1,956,718	689,935	83,363	2,730,016
Receivables:				
Accounts Receivable	228,852	-	-	228,852
Taxes Receivable	-	-	38,243	38,243
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>TOTAL ASSETS</u></b>	<b><u>2,185,570</u></b>	<b><u>689,935</u></b>	<b><u>121,606</u></b>	<b><u>2,997,111</u></b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b><u>Liabilities:</u></b>				
Accounts Payable	160,252	653	-	160,904
Compensated Absences	23,418	-	-	23,418
Accrued Payroll & Related Liabilities	62,837	-	-	62,837
Deferred Revenue -Taxes	-	-	34,310	34,310
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>Total Liabilities</u></b>	<b><u>246,506</u></b>	<b><u>653</u></b>	<b><u>34,310</u></b>	<b><u>281,469</u></b>
 <b><u>Fund Balances:</u></b>				
Restricted	1,670,805	-	87,296	1,758,101
Committed	244,840	689,282	-	934,123
Assigned	23,418	-	-	23,418
Unassigned	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>Total Fund Balances</u></b>	<b><u>1,939,063</u></b>	<b><u>689,282</u></b>	<b><u>87,296</u></b>	<b><u>2,715,642</u></b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>2,185,570</u></b>	<b><u>689,935</u></b>	<b><u>121,606</u></b>	<b><u>2,997,111</u></b>

**Wasco County, Oregon**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Non-Major Funds**  
**For the year ended June 30, 2011**  
(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	-	-	461,572	461,572
Licenses, Fees & Permits	692,185	-	-	692,185
Intergovernmental Revenues	1,844,465	-	25,000	1,869,465
Federal Revenues	1,353,562	281,035	-	1,634,597
Charges for Services	4,200	-	-	4,200
Internal Service Charges	-	-	-	-
Fines and Restitution	28,510	-	-	28,510
Investment Earnings	9,659	3,559	844	14,062
Rents	-	46,901	-	46,901
Contributions and Donations	39,298	-	-	39,298
Miscellaneous	28,430	-	-	28,430
<b>TOTAL REVENUES</b>	<b><u>4,000,308</u></b>	<b><u>331,495</u></b>	<b><u>487,416</u></b>	<b><u>4,819,219</u></b>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	1,806,160	-	-	1,806,160
<i>Current: Materials &amp; Services</i>	1,902,801	-	-	1,902,801
Capital Outlay	176,625	919,105	-	1,095,730
Debt Service	-	-	521,131	521,131
<b>TOTAL EXPENDITURES</b>	<b><u>3,885,585</u></b>	<b><u>919,105</u></b>	<b><u>521,131</u></b>	<b><u>5,325,821</u></b>
Excess of Revenues Over (Under) Expenditures	114,723	(587,610)	(33,715)	(506,603)
<b>OTHER FINANCING SOURCES(USES)</b>				
Sale of Assets	6,230	-	53	6,283
Operating Transfers In	51,094	185,700	58,866	295,660
Operating Transfers Out	(295,451)	-	-	(295,451)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b><u>(238,127)</u></b>	<b><u>185,700</u></b>	<b><u>58,919</u></b>	<b><u>6,492</u></b>
Net Changes in Fund Balance	(123,404)	(401,910)	25,204	(500,110)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b><u>2,062,467</u></b>	<b><u>1,091,193</u></b>	<b><u>62,092</u></b>	<b><u>3,215,752</u></b>
<b>FUND BALANCE - END OF YEAR</b>	<b><u>1,939,063</u></b>	<b><u>689,282</u></b>	<b><u>87,296</u></b>	<b><u>2,715,642</u></b>

**SPECIAL REVENUE FUNDS**  
**NONMAJOR GOVERNMENTAL FUNDS**

**201 HEALTH DEPARTMENT GRANTS FUND:** The Wasco-Sherman Public Health Department receives revenues from state and federal grant programs, nursing contracts with schools, 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.

**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.

**\*\*212 NORTH CENTRAL PUBLIC HEALTH DISTRICT:** The district was formed by intergovernmental agreement with Wasco, Sherman and Gilliam counties during 2009. Revenues and expenditures were budgeted for the current year, but the district did not operate or receive or expend any funds.

**\*\*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 accounts for revenues and expenditures related to mapping projects within the county. Revenues are from various municipal and business partners within the county. Expenditures are for personal services and materials and services.

**\*\*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.

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

Wasco County, Oregon  
Combining Balance Sheet  
Special Revenue Funds  
June 30, 2011  
(all amounts are in dollars)

	201 <u>Health Dept</u> <u>Grants Fund</u>	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>
<b>ASSETS:</b>						
Deposits and Investments	410,476	87,992	179	209,029	156,861	261,445
Receivables						
Accounts Receivable	<u>173,097</u>	<u>13,250</u>	<u>-</u>	<u>120</u>	<u>-</u>	<u>26,010</u>
<b><u>TOTAL ASSETS</u></b>	<b><u>583,572</u></b>	<b><u>101,242</u></b>	<b><u>179</u></b>	<b><u>209,149</u></b>	<b><u>156,861</u></b>	<b><u>287,455</u></b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Accounts Payable	21,736	4,316	-	-	-	33,380
Accrued Liabilites	38,255	552	-	654	-	6,021
Compensated Absences	<u>1,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,607</u>
<b><u>TOTAL LIABILITIES</u></b>	<b><u>61,955</u></b>	<b><u>4,868</u></b>	<b><u>-</u></b>	<b><u>654</u></b>	<b><u>-</u></b>	<b><u>41,008</u></b>
<b>FUND BALANCES:</b>						
Restricted	519,654	96,374	179	208,495	156,861	-
Committed	-	-	-	-	-	244,840
Assigned	<u>1,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,607</u>
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>TOTAL FUND BALANCES</u></b>	<b><u>521,618</u></b>	<b><u>96,374</u></b>	<b><u>179</u></b>	<b><u>208,495</u></b>	<b><u>156,861</u></b>	<b><u>246,447</u></b>
<b><u>TOTAL LIABILITIES AND</u></b>						
<b><u>FUND BALANCES</u></b>	<b><u>583,572</u></b>	<b><u>101,242</u></b>	<b><u>179</u></b>	<b><u>209,149</u></b>	<b><u>156,861</u></b>	<b><u>287,455</u></b>

<u>209</u> <u>Law Lib</u> <u>Fund</u>	<u>223</u> <u>Parks</u> <u>Fund</u>	<u>227</u> <u>Comm. Corr</u> <u>Fund</u>	<u>229</u> <u>Court</u> <u>Fac. Sec</u> <u>Fund</u>	<u>232</u> <u>CCFC</u> <u>Fund</u>	<u>237</u> <u>Clerk</u> <u>Records</u> <u>Fund</u>	<u>Total</u> <u>Non-Major</u> <u>Special Revenue</u> <u>Funds</u>
100,881	116,975	378,409	74,429	133,050	26,993	1,956,718
<u>2,380</u>	<u>8,779</u>	<u>705</u>	<u>2,846</u>	<u>1,630</u>	<u>34</u>	<u>228,852</u>
<u>103,261</u>	<u>125,754</u>	<u>379,115</u>	<u>77,275</u>	<u>134,680</u>	<u>27,027</u>	<u>2,185,570</u>
790	1,993	18,891	-	79,146	-	160,252
-	368	10,597	-	6,391	-	62,837
-	-	19,847	-	-	-	23,418
<u>790</u>	<u>2,361</u>	<u>49,335</u>	<u>-</u>	<u>85,537</u>	<u>-</u>	<u>246,506</u>
102,471	123,393	309,933	77,275	49,144	27,027	1,670,805
-	-	-	-	-	-	244,840
-	-	19,847	-	-	-	23,418
-	-	-	-	-	-	-
<u>102,471</u>	<u>123,393</u>	<u>329,780</u>	<u>77,275</u>	<u>49,144</u>	<u>27,027</u>	<u>1,939,063</u>
<u>103,261</u>	<u>125,754</u>	<u>379,115</u>	<u>77,275</u>	<u>134,680</u>	<u>27,027</u>	<u>2,185,570</u>

**Wasco County, Oregon**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Special Revenue Funds**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

	201 <u>Health Dept</u> <u>Grants Fund</u>	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>
<b>REVENUES:</b>						
Licenses, Fees & Permits	161,490	63,400	-	30,099	-	282,153
Intergovernmental Revenues	535,587	36,031	54,545	-	-	-
Federal Revenues	721,707	-	463,557	-	-	-
Charges for Services	-	-	-	-	-	4,200
Internal Service Charges	-	-	-	-	-	-
Fines and Restitution	-	-	-	-	-	-
Investment Earnings	2,322	306	928	844	667	1,274
Contributions and Donations	-	27,819	-	-	-	-
Miscellaneous	3,233	18,989	17	-	-	5,993
<b>TOTAL REVENUES</b>	<b>1,424,338</b>	<b>146,543</b>	<b>519,046</b>	<b>30,943</b>	<b>667</b>	<b>293,620</b>
<b>EXPENDITURES:</b>						
<i>Current: Personal Services</i>	997,092	21,682	-	9,054	-	161,934
<i>Current: Materials &amp; Services</i>	298,795	113,290	518,867	1,500	-	293,929
Capital Outlay	65,734	-	-	-	-	11,905
<b>TOTAL EXPENDITURES</b>	<b>1,361,621</b>	<b>134,972</b>	<b>518,867</b>	<b>10,554</b>	<b>-</b>	<b>467,767</b>
Excess of Revenues Over (Under) Expenditures	62,718	11,571	179	20,389	667	(174,147)
<b>OTHER FINANCING SOURCES(USES)</b>						
Sale of Assets	-	-	-	-	-	6,230
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	(41,000)	(11,675)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(41,000)</b>	<b>(11,675)</b>	<b>6,230</b>
Net Changes in Fund Balance	62,718	11,571	179	(20,611)	(11,008)	(167,917)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>458,900</b>	<b>84,803</b>	<b>-</b>	<b>229,107</b>	<b>167,869</b>	<b>414,364</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>521,618</b>	<b>96,374</b>	<b>179</b>	<b>208,495</b>	<b>156,861</b>	<b>246,447</b>

<u>209</u> <u>Law Lib</u> <u>Fund</u>	<u>223</u> <u>Parks</u> <u>Fund</u>	<u>227</u> <u>Comm. Corr</u> <u>Fund</u>	<u>229</u> <u>Court</u> <u>Fac. Sec</u> <u>Fund</u>	<u>232</u> <u>CCFC</u> <u>Fund</u>	<u>237</u> <u>Clerk</u> <u>Records</u> <u>Fund</u>	<u>Total</u> <u>Non-Major</u> <u>Special Revenue</u> <u>Funds</u>
29,359	38,005	78,750	-	-	8,930	692,185
-	33,677	783,195	-	401,431	-	1,844,465
-	-	-	-	168,298	-	1,353,562
-	-	-	-	-	-	4,200
-	-	-	-	-	-	-
-	-	-	28,510	-	-	28,510
363	262	1,952	321	311	109	9,659
-	-	-	-	11,479	-	39,298
-	5	194	-	-	-	28,430
<u>29,722</u>	<u>71,949</u>	<u>864,092</u>	<u>28,831</u>	<u>581,519</u>	<u>9,039</u>	<u>4,000,308</u>
-	15,234	441,580	-	159,585	-	1,806,160
14,200	27,439	151,208	9,865	463,113	10,595	1,902,801
-	-	98,986	-	-	-	176,625
<u>14,200</u>	<u>42,673</u>	<u>691,774</u>	<u>9,865</u>	<u>622,697</u>	<u>10,595</u>	<u>3,885,585</u>
15,522	29,276	172,318	18,966	(41,178)	(1,556)	114,723
-	-	-	-	-	-	6,230
-	51,094	-	-	-	-	51,094
<u>(3,000)</u>	<u>-</u>	<u>(184,465)</u>	<u>(30,000)</u>	<u>(25,311)</u>	<u>-</u>	<u>(295,451)</u>
<u>(3,000)</u>	<u>51,094</u>	<u>(184,465)</u>	<u>(30,000)</u>	<u>(25,311)</u>	<u>-</u>	<u>(238,127)</u>
12,522	80,370	(12,147)	(11,034)	(66,489)	(1,556)	(123,404)
<u>89,949</u>	<u>43,024</u>	<u>341,927</u>	<u>88,309</u>	<u>115,633</u>	<u>28,583</u>	<u>2,062,467</u>
<u>102,471</u>	<u>123,393</u>	<u>329,780</u>	<u>77,275</u>	<u>49,144</u>	<u>27,027</u>	<u>1,939,063</u>

**Wasco County, Oregon**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**201 Health Department Grants Fund**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Licenses, Fees & Permits	147,700	147,700	161,490	13,790
Intergovernmental Revenues	318,203	318,203	535,587	217,384
Federal Revenues	729,694	776,949	721,707	(55,242)
Investment Earnings	-	-	2,322	2,322
Miscellaneous	151,000	151,000	3,233	(147,767)
<b>TOTAL REVENUES</b>	<u>1,346,597</u>	<u>1,393,852</u>	<u>1,424,338</u>	<u>30,486</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	1,141,760	1,131,760	1,006,061	125,699
<i>Current: Materials &amp; Services</i>	332,585	332,585	298,795	33,790
Capital Outlay	51,000	108,255	65,734	42,521
Contingency	21,252	21,252	-	21,252
<b>TOTAL EXPENDITURES</b>	<u>1,546,597</u>	<u>1,593,852</u>	<u>1,370,590</u>	<u>223,262</u>
Net Changes in Fund Balance	(200,000)	(200,000)	53,748	253,748
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>300,000</u>	<u>300,000</u>	<u>469,833</u>	<u>169,833</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>100,000</u>	<u>100,000</u>	<u>523,582</u>	<u>423,582</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Licenses, Fees & Permits	50,050	50,050	63,400	13,350
Intergovernmental Revenues	36,049	36,049	36,031	(18)
Investment Earnings	200	200	306	106
Contributions and Donations	37,801	37,801	27,819	(9,982)
Miscellaneous	2	2	18,989	18,987
<b>TOTAL REVENUES</b>	<u>124,102</u>	<u>124,102</u>	<u>146,543</u>	<u>22,441</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	27,561	27,561	21,682	5,879
<i>Current: Materials &amp; Services</i>	122,250	122,250	113,290	8,960
Capital Outlay	20,000	20,000	-	20,000
Contingency	15,291	15,291	-	15,291
<b>TOTAL EXPENDITURES</b>	<u>185,102</u>	<u>185,102</u>	<u>134,972</u>	<u>50,130</u>
Net Changes in Fund Balance	(61,000)	(61,000)	11,571	72,571
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>68,000</u>	<u>68,000</u>	<u>84,803</u>	<u>16,803</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>7,000</u>	<u>7,000</u>	<u>96,374</u>	<u>89,374</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Intergovernmental Revenues	53,000	53,000	54,545	1,545
Federal Revenues	460,000	460,000	463,557	3,557
Investment Earnings	250	250	928	678
Miscellaneous	500,000	500,000	17	(499,983)
<b><u>TOTAL REVENUES</u></b>	<b><u>1,013,250</u></b>	<b><u>1,013,250</u></b>	<b><u>519,046</u></b>	<b><u>(494,204)</u></b>
<b>EXPENDITURES:</b>				
<i>Current: Materials &amp; Services</i>	1,013,250	1,013,250	518,867	494,383
Contingency	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>1,013,250</u></b>	<b><u>1,013,250</u></b>	<b><u>518,867</u></b>	<b><u>494,383</u></b>
Net Changes in Fund Balance	-	-	179	179
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>179</u></b>	<b><u>179</u></b>

**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, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Licenses, Fees & Permits	35,000	35,000	30,099	(4,901)
Investment Earnings	2,000	2,000	844	(1,156)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>37,000</u>	<u>37,000</u>	<u>30,943</u>	<u>(6,057)</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	10,017	10,017	9,054	963
<i>Current: Materials &amp; Services</i>	7,000	7,000	1,500	5,500
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>17,017</u>	<u>17,017</u>	<u>10,554</u>	<u>6,463</u>
Excess of Revenues Over (Under) Expenditures	19,983	19,983	20,389	406
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers Out	(41,000)	(41,000)	(41,000)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(41,000)</u>	<u>(41,000)</u>	<u>(41,000)</u>	<u>-</u>
Net Changes in Fund Balance	(21,017)	(21,017)	(20,611)	406
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>232,000</u>	<u>232,000</u>	<u>229,107</u>	<u>(2,893)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>210,983</u>	<u>210,983</u>	<u>208,495</u>	<u>(2,488)</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Investment Earnings	1,200	1,200	667	(533)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>1,200</u>	<u>1,200</u>	<u>667</u>	<u>(533)</u>
<b>EXPENDITURES:</b>				
<i>Current: Materials &amp; Services</i>	101,184	101,184	-	101,184
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>101,184</u>	<u>101,184</u>	<u>-</u>	<u>101,184</u>
Excess of Revenues Over (Under) Expenditures	(99,984)	(99,984)	667	100,651
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers Out	(68,000)	(68,000)	(11,675)	56,325
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(68,000)</u>	<u>(68,000)</u>	<u>(11,675)</u>	<u>56,325</u>
Net Changes in Fund Balance	(167,984)	(167,984)	(11,008)	156,976
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>167,984</u>	<u>167,984</u>	<u>167,869</u>	<u>(115)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>156,861</u>	<u>156,861</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, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Licenses, Fees & Permits	320,000	320,000	282,153	(37,847)
Charges for Services	4,200	4,200	4,200	-
Investment Earnings	-	-	1,274	1,274
Miscellaneous	7,000	7,000	5,993	(1,007)
<b>TOTAL REVENUES</b>	<b><u>331,200</u></b>	<b><u>331,200</u></b>	<b><u>293,620</u></b>	<b><u>(37,580)</u></b>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	201,912	201,912	160,706	41,206
<i>Current: Materials &amp; Services</i>	443,600	443,600	293,929	149,671
Capital Outlay	75,000	75,000	11,905	63,095
Contingency	386,178	386,178	-	386,178
<b>TOTAL EXPENDITURES</b>	<b><u>1,106,690</u></b>	<b><u>1,106,690</u></b>	<b><u>466,540</u></b>	<b><u>640,150</u></b>
Excess of Revenues Over (Under) Expenditures	(775,490)	(775,490)	(172,919)	602,571
<b>OTHER FINANCING SOURCES(USES)</b>				
Sale of Assets	17,500	17,500	6,230	(11,270)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b><u>17,500</u></b>	<b><u>17,500</u></b>	<b><u>6,230</u></b>	<b><u>(11,270)</u></b>
Net Changes in Fund Balance	(757,990)	(757,990)	(166,689)	591,301
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b><u>757,990</u></b>	<b><u>757,990</u></b>	<b><u>414,743</u></b>	<b><u>(343,247)</u></b>
<b>FUND BALANCE - END OF YEAR</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>248,054</u></b>	<b><u>248,054</u></b>

**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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
Investment Earnings	100	100	212	112
Contributions and Donations	250,000	250,000	253,370	3,370
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<b>250,100</b>	<b>250,100</b>	<b>253,582</b>	<b>3,482</b>
<b>EXPENDITURES:</b>				
<i>Current: Materials &amp; Services</i>	196,580	196,580	194,080	2,500
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>196,580</b>	<b>196,580</b>	<b>194,080</b>	<b>2,500</b>
Excess of Revenues Over (Under) Expenditures	53,520	53,520	59,502	5,982
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers Out	(58,866)	(58,866)	(58,866)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>(58,866)</b>	<b>(58,866)</b>	<b>(58,866)</b>	<b>-</b>
Net Changes in Fund Balance	(5,346)	(5,346)	636	5,982
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>5,346</b>	<b>5,346</b>	<b>17,763</b>	<b>12,417</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>-</b>	<b>-</b>	<b>18,400</b>	<b>18,400</b>

**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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Licenses, Fees & Permits	22,000	22,000	29,359	7,359
Investment Earnings	1,000	1,000	363	(637)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>23,000</u>	<u>23,000</u>	<u>29,722</u>	<u>6,722</u>
<b>EXPENDITURES:</b>				
<i>Current: Materials &amp; Services</i>	30,000	30,000	14,200	15,800
Contingency	75,500	75,500	-	75,500
<b>TOTAL EXPENDITURES</b>	<u>105,500</u>	<u>105,500</u>	<u>14,200</u>	<u>91,300</u>
Excess of Revenues Over (Under) Expenditures	(82,500)	(82,500)	15,522	98,022
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers Out	(3,000)	(3,000)	(3,000)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(3,000)</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Net Changes in Fund Balance	(85,500)	(85,500)	12,522	98,022
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>85,500</u>	<u>85,500</u>	<u>89,949</u>	<u>4,449</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>102,471</u>	<u>102,471</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Investment Earnings	400	400	240	(160)
Contributions and Donations	11,000	11,000	13,276	2,276
Miscellaneous	199,000	199,000	8,083	(190,917)
<b>TOTAL REVENUES</b>	<u>210,400</u>	<u>210,400</u>	<u>21,600</u>	<u>(188,800)</u>
<b>EXPENDITURES:</b>				
<i>Current: Materials &amp; Services</i>	256,000	256,000	23,895	232,105
Capital Outlay	9,400	9,400	-	9,400
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>265,400</u>	<u>265,400</u>	<u>23,895</u>	<u>241,505</u>
Excess of Revenues Over (Under) Expenditures	(55,000)	(55,000)	(2,295)	52,705
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers Out	(5,000)	(5,000)	(5,000)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Net Changes in Fund Balance	(60,000)	(60,000)	(7,295)	52,705
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>60,000</u>	<u>60,000</u>	<u>62,616</u>	<u>2,616</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>55,321</u>	<u>55,321</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, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental Revenues	12,500	12,500	31,315	18,815
Investment Earnings	1,000	1,000	696	(304)
Contributions and Donations	12,000	12,000	17,339	5,339
Miscellaneous	-	-	105	105
<b>TOTAL REVENUES</b>	<u>25,500</u>	<u>25,500</u>	<u>49,455</u>	<u>23,955</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	25,773	30,773	27,090	3,683
<i>Current: Materials &amp; Services</i>	35,700	30,700	18,412	12,288
Capital Outlay	143,380	143,380	-	143,380
Contingency	10,600	10,600	-	10,600
<b>TOTAL EXPENDITURES</b>	<u>215,453</u>	<u>215,453</u>	<u>45,503</u>	<u>169,950</u>
Excess of Revenues Over (Under) Expenditures	(189,953)	(189,953)	3,952	193,905
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers In	12,500	12,500	12,500	-
Operating Transfers Out	-	-	-	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>12,500</u>	<u>12,500</u>	<u>12,500</u>	<u>-</u>
Net Changes in Fund Balance	(177,453)	(177,453)	16,452	193,905
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>193,627</u>	<u>193,627</u>	<u>181,829</u>	<u>(11,798)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>16,174</u>	<u>16,174</u>	<u>198,281</u>	<u>182,107</u>

**Wasco County, Oregon**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**212 Public Health District Fund**  
**For the year ended June 30, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Licenses, Fees & Permits	61,000	-	-	-
Intergovernmental Revenues	20,000	-	-	-
Charges for Services	164,150	245,150	-	(245,150)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>245,150</u>	<u>245,150</u>	<u>-</u>	<u>(245,150)</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	499,875	499,875	-	499,875
<i>Current: Materials &amp; Services</i>	25,677	25,677	-	25,677
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>525,552</u>	<u>525,552</u>	<u>-</u>	<u>525,552</u>
Excess of Revenues Over (Under) Expenditures	(280,402)	(280,402)	-	280,402
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers In	280,402	280,402	-	(280,402)
Operating Transfers Out	-	-	-	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>280,402</u>	<u>280,402</u>	<u>-</u>	<u>(280,402)</u>
Net Changes in Fund Balance	-	-	-	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<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**  
**213 Animal Control Fund**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Licenses, Fees & Permits	13,000	13,000	14,547	1,547
Charges for Services	102,576	102,576	111,124	8,548
Fines and Restitution	1,000	1,000	87	(913)
Investment Earnings	700	700	152	(548)
Miscellaneous	500	500	-	(500)
<b>TOTAL REVENUES</b>	<u>117,776</u>	<u>117,776</u>	<u>125,911</u>	<u>8,135</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	76,421	76,421	50,098	26,323
<i>Current: Materials &amp; Services</i>	108,000	108,000	103,624	4,376
Contingency	6,000	6,000	-	6,000
<b>TOTAL EXPENDITURES</b>	<u>190,421</u>	<u>190,421</u>	<u>153,722</u>	<u>36,699</u>
Excess of Revenues Over (Under) Expenditures	(72,645)	(72,645)	(27,812)	44,833
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers In	29,811	29,811	29,811	-
Operating Transfers Out	-	-	-	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>29,811</u>	<u>29,811</u>	<u>29,811</u>	<u>-</u>
Net Changes in Fund Balance	(42,834)	(42,834)	1,999	44,833
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>48,000</u>	<u>48,000</u>	<u>60,219</u>	<u>12,219</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>5,166</u>	<u>5,166</u>	<u>62,218</u>	<u>57,052</u>

**Wasco County, Oregon**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**218 GIS Fund**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Licenses, Fees & Permits	72,000	72,000	75,397	3,397
Charges for Services	24,000	24,000	24,000	-
Investment Earnings	400	400	153	(247)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<b>96,400</b>	<b>96,400</b>	<b>99,549</b>	<b>3,149</b>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	134,067	134,067	133,435	632
<i>Current: Materials &amp; Services</i>	5,285	5,285	1,897	3,388
Capital Outlay	1,948	-	-	-
Contingency	-	1,948	-	1,948
<b>TOTAL EXPENDITURES</b>	<b>141,300</b>	<b>141,300</b>	<b>135,332</b>	<b>5,968</b>
Excess of Revenues Over (Under) Expenditures	(44,900)	(44,900)	(35,783)	9,117
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers In	15,000	15,000	15,000	-
Operating Transfers Out	-	-	-	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>-</b>
Net Changes in Fund Balance	(29,900)	(29,900)	(20,783)	9,117
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>29,900</b>	<b>29,900</b>	<b>38,585</b>	<b>8,685</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>-</b>	<b>-</b>	<b>17,803</b>	<b>17,803</b>

**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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Licenses, Fees & Permits	250	250	-	(250)
Intergovernmental Revenues	10,000	10,000	7,000	(3,000)
Charges for Services	314,500	314,500	308,404	(6,096)
Internal Service Charges	75,000	75,000	74,129	(871)
Investment Earnings	1,000	1,000	488	(512)
Miscellaneous	8,000	8,000	11,835	3,835
<b>TOTAL REVENUES</b>	<b>408,750</b>	<b>408,750</b>	<b>401,856</b>	<b>(6,894)</b>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	182,996	182,996	175,810	7,186
<i>Current: Materials &amp; Services</i>	192,051	192,051	184,247	7,804
Capital Outlay	37,000	37,000	6,867	30,133
Contingency	11,501	11,501	-	11,501
<b>TOTAL EXPENDITURES</b>	<b>423,548</b>	<b>423,548</b>	<b>366,924</b>	<b>56,624</b>
Net Changes in Fund Balance	(14,798)	(14,798)	34,932	49,730
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>73,000</b>	<b>73,000</b>	<b>105,854</b>	<b>32,854</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>58,202</b>	<b>58,202</b>	<b>140,786</b>	<b>82,584</b>

**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, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental Revenues	312,274	312,274	374,262	61,988
Charges for Services	330,899	330,899	332,562	1,663
Investment Earnings	2,000	2,000	199	(1,801)
Miscellaneous	210	210	273	63
<b>TOTAL REVENUES</b>	<u>645,383</u>	<u>645,383</u>	<u>707,296</u>	<u>61,913</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	721,984	721,984	719,536	2,448
<i>Current: Materials &amp; Services</i>	107,175	107,175	103,258	3,917
Contingency	91,229	91,229	-	91,229
<b>TOTAL EXPENDITURES</b>	<u>920,388</u>	<u>920,388</u>	<u>822,794</u>	<u>97,594</u>
Excess of Revenues Over (Under) Expenditures	(275,005)	(275,005)	(115,498)	159,507
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers In	185,005	185,005	185,005	-
Operating Transfers Out	-	-	-	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>185,005</u>	<u>185,005</u>	<u>185,005</u>	<u>-</u>
Net Changes in Fund Balance	(90,000)	(90,000)	69,507	159,507
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>90,000</u>	<u>90,000</u>	<u>59,144</u>	<u>(30,856)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>128,651</u>	<u>128,651</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Licenses, Fees & Permits	21,500	21,500	38,005	16,505
Intergovernmental Revenues	185,282	185,282	33,677	(151,605)
Investment Earnings	200	200	262	62
Miscellaneous	-	-	5	5
<b>TOTAL REVENUES</b>	<u>206,982</u>	<u>206,982</u>	<u>71,949</u>	<u>(135,033)</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	15,517	15,517	15,234	283
<i>Current: Materials &amp; Services</i>	40,351	40,351	27,439	12,912
Capital Outlay	204,377	204,377	-	204,377
Contingency	12,831	12,831	-	12,831
<b>TOTAL EXPENDITURES</b>	<u>273,076</u>	<u>273,076</u>	<u>42,673</u>	<u>230,403</u>
Excess of Revenues Over (Under) Expenditures	(66,094)	(66,094)	29,276	95,370
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers In	51,094	51,094	51,094	-
Operating Transfers Out	-	-	-	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>51,094</u>	<u>51,094</u>	<u>51,094</u>	<u>-</u>
Net Changes in Fund Balance	(15,000)	(15,000)	80,370	95,370
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>15,000</u>	<u>15,000</u>	<u>43,024</u>	<u>28,024</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>123,393</u>	<u>123,393</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, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Licenses, Fees & Permits	70,500	70,500	78,750	8,250
Intergovernmental Revenues	795,725	830,690	783,195	(47,495)
Investment Earnings	1,600	1,600	1,952	352
Miscellaneous	250	250	194	(56)
<b>TOTAL REVENUES</b>	<b>868,075</b>	<b>903,040</b>	<b>864,092</b>	<b>(38,948)</b>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	494,140	494,140	441,815	52,325
<i>Current: Materials &amp; Services</i>	282,150	218,215	151,208	67,007
Capital Outlay	1,000	99,900	98,986	914
Contingency	131,320	131,320	-	131,320
<b>TOTAL EXPENDITURES</b>	<b>908,610</b>	<b>943,575</b>	<b>692,009</b>	<b>251,566</b>
Excess of Revenues Over (Under) Expenditures	(40,535)	(40,535)	172,083	212,618
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers Out	(184,465)	(184,465)	(184,465)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>(184,465)</b>	<b>(184,465)</b>	<b>(184,465)</b>	<b>-</b>
Net Changes in Fund Balance	(225,000)	(225,000)	(12,382)	212,618
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>225,000</b>	<b>225,000</b>	<b>362,009</b>	<b>137,009</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>-</b>	<b>-</b>	<b>349,627</b>	<b>349,627</b>

**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, 2011**  
(all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Fines and Restitution	25,000	25,000	28,510	3,510
Investment Earnings	500	500	321	(179)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>25,500</u>	<u>25,500</u>	<u>28,831</u>	<u>3,331</u>
<b>EXPENDITURES:</b>				
<i>Current: Materials &amp; Services</i>	40,000	40,000	9,865	30,135
Capital Outlay	20,500	20,500	-	20,500
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>60,500</u>	<u>60,500</u>	<u>9,865</u>	<u>50,635</u>
Excess of Revenues Over (Under) Expenditures	(35,000)	(35,000)	18,966	53,966
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers Out	(30,000)	(30,000)	(30,000)	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net Changes in Fund Balance	(65,000)	(65,000)	(11,034)	53,966
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>65,000</u>	<u>65,000</u>	<u>88,309</u>	<u>23,309</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>77,275</u>	<u>77,275</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Licenses, Fees & Permits	500	500	-	(500)
Intergovernmental Revenues	327,722	342,222	401,431	59,209
Federal Revenues	168,324	168,324	168,298	(26)
Investment Earnings	750	750	311	(439)
Contributions and Donations	10,000	10,000	11,479	1,479
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>507,296</u>	<u>521,796</u>	<u>581,519</u>	<u>59,723</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	160,119	160,119	159,591	528
<i>Current: Materials &amp; Services</i>	402,150	416,650	463,113	(46,463)
Contingency	85,000	85,000	-	85,000
<b>TOTAL EXPENDITURES</b>	<u>647,269</u>	<u>661,769</u>	<u>622,703</u>	<u>39,066</u>
Excess of Revenues Over (Under) Expenditures	(139,973)	(139,973)	(41,185)	98,788
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers Out	(25,750)	(25,750)	(25,311)	439
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(25,750)</u>	<u>(25,750)</u>	<u>(25,311)</u>	<u>439</u>
Net Changes in Fund Balance	(165,723)	(165,723)	(66,495)	99,228
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>184,427</u>	<u>184,427</u>	<u>115,639</u>	<u>(68,788)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>18,704</u>	<u>18,704</u>	<u>49,144</u>	<u>30,440</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b><u>REVENUES:</u></b>				
Investment Earnings	300	300	121	(179)
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<u>300</u>	<u>300</u>	<u>121</u>	<u>(179)</u>
<b><u>EXPENDITURES:</u></b>				
<i>Current: Materials &amp; Services</i>	32,400	32,400	-	32,400
Contingency	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<u>32,400</u>	<u>32,400</u>	<u>-</u>	<u>32,400</u>
Net Changes in Fund Balance	(32,100)	(32,100)	121	32,221
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<u>32,100</u>	<u>32,100</u>	<u>32,046</u>	<u>(54)</u>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<u>-</u>	<u>-</u>	<u>32,166</u>	<u>32,166</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Licenses, Fees & Permits	8,000	8,000	8,930	930
Investment Earnings	200	200	109	(91)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>8,200</u>	<u>8,200</u>	<u>9,039</u>	<u>839</u>
<b>EXPENDITURES:</b>				
<i>Current: Materials &amp; Services</i>	18,500	18,500	10,595	7,905
Capital Outlay	14,200	14,200	-	14,200
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>32,700</u>	<u>32,700</u>	<u>10,595</u>	<u>22,105</u>
Net Changes in Fund Balance	(24,500)	(24,500)	(1,556)	22,944
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>24,500</u>	<u>24,500</u>	<u>28,583</u>	<u>4,083</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>27,027</u>	<u>27,027</u>

## **CAPITAL PROJECTS FUNDS**

### **MAJOR GOVERNMENTAL FUNDS**

**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 for Capital Outlay.

**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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Investment Earnings	19,200	19,200	8,744	(10,456)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>19,200</u>	<u>19,200</u>	<u>8,744</u>	<u>(10,456)</u>
<b>EXPENDITURES:</b>				
<i>Current: Personal Services</i>	-	-	-	-
<i>Current: Materials &amp; Services</i>	2,259,402	2,259,402	-	2,259,402
Capital Outlay	300,000	300,000	-	300,000
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>2,559,402</u>	<u>2,559,402</u>	<u>-</u>	<u>2,559,402</u>
Excess of Revenues Over (Under) Expenditures	(2,540,202)	(2,540,202)	8,744	2,548,946
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers In	213,000	213,000	213,000	-
Operating Transfers Out	-	-	-	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>213,000</u>	<u>213,000</u>	<u>213,000</u>	<u>-</u>
Net Changes in Fund Balance	(2,327,202)	(2,327,202)	221,744	2,548,946
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>2,327,202</u>	<u>2,327,202</u>	<u>2,318,243</u>	<u>(8,959)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>2,539,988</u>	<u>2,539,988</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.

**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.

**Wasco County, Oregon**  
**Combining Balance Sheet**  
**Capital Project Funds**  
**June 30, 2011**  
(all amounts are in dollars)

	322 Capital Acquisitions Fund	324 Equipment Reserve Fund	325 911 Capital Reserve Fund	326 Facility Reserve Fund	Total Capital Project Funds
<b>ASSETS:</b>					
Deposits and Investments	<u>409,569</u>	<u>191,206</u>	<u>17,613</u>	<u>71,547</u>	<u>689,935</u>
<b><u>TOTAL ASSETS</u></b>	<b><u>409,569</u></b>	<b><u>191,206</u></b>	<b><u>17,613</u></b>	<b><u>71,547</u></b>	<b><u>689,935</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	<u>653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>653</u>
<b><u>Total Liabilities</u></b>	<b><u>653</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>653</u></b>
<b>Fund Balances:</b>					
Committed	408,916	191,206	17,613	71,547	689,282
Unassigned	-	-	-	-	-
<b><u>Total Fund Balances</u></b>	<b><u>408,916</u></b>	<b><u>191,206</u></b>	<b><u>17,613</u></b>	<b><u>71,547</u></b>	<b><u>689,282</u></b>
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>409,569</u></b>	<b><u>191,206</u></b>	<b><u>17,613</u></b>	<b><u>71,547</u></b>	<b><u>689,935</u></b>

**Wasco County, Oregon**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Capital Project Funds**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

	322 Capital Acquisitions Fund	324 Equipment Reserve Fund	325 911 Capital Reserve Fund	326 Facility Reserve Fund	Total Capital Project Funds
<b>REVENUES:</b>					
Federal Revenues	-	-	281,035	-	281,035
Investment Earnings	1,944	870	536	209	3,559
Rents	46,901	-	-	-	46,901
<b>TOTAL REVENUES</b>	<b>48,845</b>	<b>870</b>	<b>281,571</b>	<b>209</b>	<b>331,495</b>
<b>EXPENDITURES:</b>					
Capital Outlay	275,870	58,616	555,957	28,662	919,105
<b>TOTAL EXPENDITURES</b>	<b>275,870</b>	<b>58,616</b>	<b>555,957</b>	<b>28,662</b>	<b>919,105</b>
Excess of Revenues Over (Under) Expenditures	(227,025)	(57,746)	(274,386)	(28,453)	(587,610)
<b>OTHER FINANCING SOURCES(USES)</b>					
Operating Transfers In	135,700	-	-	50,000	185,700
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>135,700</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>185,700</b>
Net Changes in Fund Balance	(91,325)	(57,746)	(274,386)	21,547	(401,910)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>500,241</b>	<b>248,952</b>	<b>291,999</b>	<b>50,001</b>	<b>1,091,193</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>408,916</b>	<b>191,206</b>	<b>17,613</b>	<b>71,547</b>	<b>689,282</b>

**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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b><u>REVENUES:</u></b>				
Investment Earnings	2,000	2,000	1,944	(56)
Rents	58,638	58,638	46,901	(11,737)
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>60,638</u></b>	<b><u>60,638</u></b>	<b><u>48,845</u></b>	<b><u>(11,793)</u></b>
<b><u>EXPENDITURES:</u></b>				
Capital Outlay	530,060	530,060	275,870	254,190
Contingency	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>530,060</u></b>	<b><u>530,060</u></b>	<b><u>275,870</u></b>	<b><u>254,190</u></b>
Excess of Revenues Over (Under) Expenditures	(469,422)	(469,422)	(227,025)	242,397
<b><u>OTHER FINANCING SOURCES(USES)</u></b>				
Operating Transfers In	135,700	135,700	135,700	-
Operating Transfers Out	-	-	-	-
<b><u>NET OTHER FINANCING SOURCES (USES)</u></b>	<b><u>135,700</u></b>	<b><u>135,700</u></b>	<b><u>135,700</u></b>	<b><u>-</u></b>
Net Changes in Fund Balance	(333,722)	(333,722)	(91,325)	242,397
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<b><u>333,722</u></b>	<b><u>333,722</u></b>	<b><u>500,241</u></b>	<b><u>166,519</u></b>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>408,916</u></b>	<b><u>408,916</u></b>

**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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b><u>REVENUES:</u></b>				
Investment Earnings	1,500	1,500	870	(630)
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<u>1,500</u>	<u>1,500</u>	<u>870</u>	<u>(630)</u>
<b><u>EXPENDITURES:</u></b>				
Capital Outlay	249,500	249,500	58,616	190,884
Contingency	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<u>249,500</u>	<u>249,500</u>	<u>58,616</u>	<u>190,884</u>
Net Changes in Fund Balance	(248,000)	(248,000)	(57,746)	190,254
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<u>248,000</u>	<u>248,000</u>	<u>248,952</u>	<u>952</u>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<u>-</u>	<u>-</u>	<u>191,206</u>	<u>191,206</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Federal Revenues	300,000	300,000	281,035	(18,965)
Investment Earnings	2,000	2,000	536	(1,464)
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>302,000</u></b>	<b><u>302,000</u></b>	<b><u>281,571</u></b>	<b><u>(20,429)</u></b>
<b>EXPENDITURES:</b>				
Capital Outlay	594,000	594,000	555,957	38,043
Contingency	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>594,000</u></b>	<b><u>594,000</u></b>	<b><u>555,957</u></b>	<b><u>38,043</u></b>
Net Changes in Fund Balance	(292,000)	(292,000)	(274,386)	17,614
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<b><u>292,000</u></b>	<b><u>292,000</u></b>	<b><u>291,999</u></b>	<b><u>(1)</u></b>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>17,613</u></b>	<b><u>17,613</u></b>

**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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable <u>(Unfavorable)</u>
<b><u>REVENUES:</u></b>				
Investment Earnings	-	-	209	209
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>209</u></b>	<b><u>209</u></b>
<b><u>EXPENDITURES:</u></b>				
Capital Outlay	100,600	100,600	28,662	71,938
Contingency	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>100,600</u></b>	<b><u>100,600</u></b>	<b><u>28,662</u></b>	<b><u>71,938</u></b>
Excess of Revenues Over (Under) Expenditures	(100,600)	(100,600)	(28,453)	72,147
<b><u>OTHER FINANCING SOURCES(USES)</u></b>				
Operating Transfers In	50,000	50,000	50,000	-
Operating Transfers Out	-	-	-	-
<b><u>NET OTHER FINANCING SOURCES (USES)</u></b>	<b><u>50,000</u></b>	<b><u>50,000</u></b>	<b><u>50,000</u></b>	<b><u>-</u></b>
Net Changes in Fund Balance	(50,600)	(50,600)	21,547	72,147
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<b><u>50,600</u></b>	<b><u>50,600</u></b>	<b><u>50,001</u></b>	<b><u>(599)</u></b>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>71,547</u></b>	<b><u>71,547</u></b>

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## **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, 2011**  
 (all amounts are in dollars)

	404 VA Bond <u>Fund</u>	417 Discovery Center <u>Fund</u>	Total Debt Service <u>Funds</u>
<b><u>ASSETS:</u></b>			
Deposits and Investments	83,362	1	83,363
Taxes Receivable	38,243	-	38,243
Other Receivable	-	-	-
	<u>121,605</u>	<u>1</u>	<u>121,606</u>
<b><u>TOTAL ASSETS</u></b>			
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>LIABILITIES:</u></b>			
Deferred Revenue	34,310	-	34,310
<b><u>TOTAL LIABILITIES</u></b>	<u>34,310</u>	<u>-</u>	<u>34,310</u>
<b><u>FUND BALANCES:</u></b>			
Restricted	87,295	1	87,296
<b><u>TOTAL FUND BALANCES</u></b>	<u>87,295</u>	<u>1</u>	<u>87,296</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	 <u>121,605</u>	 <u>1</u>	 <u>121,606</u>

**Wasco County, Oregon**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Non-Major Debt Service Funds**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

	404 VA Bond Fund	417 Discovery Center Fund	Total Debt Service Funds
<b><u>REVENUES:</u></b>			
Taxes	461,572	-	461,572
Intergovernmental Revenues	-	25,000	25,000
Investment Earnings	844	-	844
<b><u>TOTAL REVENUES</u></b>	<b><u>462,416</u></b>	<b><u>25,000</u></b>	<b><u>487,416</u></b>
<b><u>EXPENDITURES:</u></b>			
Debt Service	437,265	83,866	521,131
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>437,265</u></b>	<b><u>83,866</u></b>	<b><u>521,131</u></b>
Excess of Revenues Over (Under) Expenditures	<u>25,151</u>	<u>(58,866)</u>	<u>(33,715)</u>
<b><u>OTHER FINANCING SOURCES(USES)</u></b>			
Sale of Assets	53	-	53
Operating Transfers In	-	58,866	58,866
<b><u>NET OTHER FINANCING SOURCES (USES)</u></b>	<b><u>53</u></b>	<b><u>58,866</u></b>	<b><u>58,919</u></b>
Net Changes in Fund Balance	25,204	-	25,204
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>	<b><u>62,091</u></b>	<b><u>1</u></b>	<b><u>62,092</u></b>
<b><u>FUND BALANCE - END OF YEAR</u></b>	<b><u>87,295</u></b>	<b><u>1</u></b>	<b><u>87,296</u></b>

**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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Taxes	432,000	432,000	461,572	29,572
Investment Earnings	2,000	2,000	844	(1,156)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>434,000</u>	<u>434,000</u>	<u>462,416</u>	<u>28,416</u>
<b>EXPENDITURES:</b>				
Debt Service				
Principal	385,000	385,000	385,000	
Interest	52,266	52,266	52,265	1
<b>TOTAL EXPENDITURES</b>	<u>437,266</u>	<u>437,266</u>	<u>437,265</u>	<u>1</u>
Excess of Revenues Over (Under) Expenditures	(3,266)	(3,266)	25,151	28,417
<b>OTHER FINANCING SOURCES(USES)</b>				
Sale of Assets	-	-	53	53
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>53</u>	<u>53</u>
Net Changes in Fund Balance	(3,266)	(3,266)	25,204	28,470
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>87,000</u>	<u>87,000</u>	<u>62,091</u>	<u>(24,909)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>83,734</u>	<u>83,734</u>	<u>87,295</u>	<u>3,561</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, 2011**  
 (all amounts are in dollars)

	<u>BUDGETED AMOUNTS</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Intergovernmental Revenues	25,000	25,000	25,000	-
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<b>EXPENDITURES:</b>				
<b>Debt Service</b>				
Principal	52,919	52,919	52,919	-
Interest	30,947	30,947	30,947	-
<b>TOTAL EXPENDITURES</b>	<u>83,866</u>	<u>83,866</u>	<u>83,866</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(58,866)	(58,866)	(58,866)	-
<b>OTHER FINANCING SOURCES(USES)</b>				
Operating Transfers In	58,866	58,866	58,866	-
Operating Transfers Out	-	-	-	-
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>58,866</u>	<u>58,866</u>	<u>58,866</u>	<u>-</u>
Net Changes in Fund Balance	-	-	-	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>

**AGENCY FUNDS**

**Wasco County, Oregon**  
**Combining Schedule of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the year ended June 30, 2011**  
 (all amounts are in dollars)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>ASSETS:</u></b>				
Cash with Treasurer	249,383	22,833,993	22,623,364	460,012
Taxes Receivable	<u>1,651,656</u>	<u>22,949,468</u>	<u>22,736,337</u>	<u>1,864,787</u>
<b><u>TOTAL ASSETS</u></b>	<b><u>1,901,039</u></b>	<b><u>45,783,461</u></b>	<b><u>45,359,701</u></b>	<b><u>2,324,799</u></b>
<b><u>LIABILITIES:</u></b>				
Deferred Revenue	1,651,656	22,833,993	22,623,364	1,862,285
Due to Other Governments	<u>249,383</u>	<u>22,949,468</u>	<u>22,736,337</u>	<u>462,514</u>
<b><u>TOTAL LIABILITIES</u></b>	<b><u>1,901,039</u></b>	<b><u>45,783,461</u></b>	<b><u>45,359,701</u></b>	<b><u>2,324,799</u></b>

**OTHER SCHEDULES**

**Wasco County, Oregon**  
**Schedule of Accountability of Elected Officials**  
**For the year ended June 30, 2011**  
 (all amounts are in dollars)

	<u>County Treasurer</u>	<u>County Clerk</u>	<u>County Sheriff</u>	<u>Assessor/Tax Collector</u>
Beginning Balance	15,057,720	200	200	150
Receipts	44,290,580	289,628	2,164,319	581,026
Disbursements	<u>43,249,157</u>	<u>(289,628)</u>	<u>(2,164,319)</u>	<u>(581,026)</u>
Ending Balance	<u><u>16,099,143</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, 2011**

(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>
2010-11	-	32,326,871	(785,984)	(30,077,810)	1,463,077
2009-10	1,282,832	-	48,221	(667,114)	663,939
2008-09	642,470	-	49,212	(299,983)	391,699
2007-08	311,809	-	68,999	(300,362)	80,446
2006-07	70,640	-	19,534	(74,867)	15,307
2005-06	13,773	-	2,555	(9,169)	7,159
2004-05	1,681	-	-	-	1,681
2003-04	263	-	-	-	263
2002-03	266	-	-	-	266
2001-02	268	-	-	-	268
2000-01	257	-	-	-	257
1999-00	238	-	-	-	238
1998-99	236	-	-	-	236
1997-98	228	-	-	-	228
1996-97	1,355	-	522	(877)	1,000
1995-96	1,000	-	-	-	1,000
1994-95	1,000	-	-	-	1,000
1985-86	953	-	-	-	953
1984-85	55	-	-	-	55
<b><u>TOTALS</u></b>	<b><u>2,329,324</u></b>	<b><u>32,326,871</u></b>	<b><u>(596,941)</u></b>	<b><u>(31,430,182)</u></b>	<b><u>2,629,072</u></b>

Note: Years that are not listed above have been paid in full

**Wasco County, Oregon**  
**Schedule of Insurance**  
**For the year ended June 30, 2011**  
(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	10PWASC	46,885,424	Property/Mobile Equip	74,298	7/1/2011
CCIS	10BWASC	Per Prop Sched	Boiler/Machinery	-	7/1/2011
CCIS	10LWASC	10,000,000	General & Auto Liability	74,089	7/1/2011
CCIS	10APD		Auto Physical Damage	-	7/1/2011
National Union Fire Ins.	10EC		Excess Crime	-	7/1/2011
RSUI Indemnity	10EQWASC	10,000,000	Excess Earthquake	5,000	7/1/2011
RSUI Indemnity	10F		Excess Flood	-	7/1/2011
Colony Insurance		1,000,000	Pollution	1,967	6/7/2012
<u>Public Official Bonds</u>					
Ohio Casualty		20,000	Sheriff	100	12/31/2012
Ohio Casualty		5,000	Assessor	100	7/1/2011
Ohio Casualty		10,000	Fair Board	145	1/1/2012
Ohio Casualty		25,000	All Employees Bond	1,063	7/1/2011
Old Republic		30,000	Clerk	100	9/1/2011
Old Republic		100,000	Treasurer	375	1/1/2012
Old Republic		30,000	Finance/Budget Officer	100	12/1/2012

**Wasco County, Oregon**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

FEDERAL GRANTOR/PASS- THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT RECEIVED	PROGRAM OR AWARD AMOUNT EXPENDED
<b><u>U.S. DEPARTMENT OF AGRICULTURE:</u></b>			
<i>Direct from U.S. Forest Service:</i>			
National Scenic Area Grant	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	168,369	168,369
<i>Passed through Oregon Department of Admin. Services:</i>			
Schools and Roads - Grants to States	10.665	1,853,478	1,853,478
<b><u>TOTAL U.S. DEPARTMENT OF AGRICULTURE</u></b>		<u>2,111,847</u>	<u>2,111,847</u>
<b><u>U.S. DEPARTMENT OF DEFENSE:</u></b>			
<i>Passed through Oregon Department of Administrative Services:</i>			
Flood Control Leases	12.112	374	374
<b><u>TOTAL U.S. DEPARTMENT OF DEFENSE</u></b>		<u>374</u>	<u>374</u>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u></b>			
<i>Passed through Oregon Housing and Community Services:</i>			
Community Development Block Grant	14.228	175,616	175,616
<b><u>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>		<u>175,616</u>	<u>175,616</u>
<b><u>U.S. DEPARTMENT OF THE INTERIOR:</u></b>			
<i>Passed through Oregon Department of Administrative Services:</i>			
Mineral Leases	15.214	783	783
Taylor Grazing	15.227	2,998	2,998
<b><u>TOTAL U.S. DEPARTMENT OF THE INTERIOR</u></b>		<u>3,781</u>	<u>3,781</u>
<b><u>U.S. DEPARTMENT OF JUSTICE:</u></b>			
<i>Direct from Office of Justice Programs:</i>			
State Criminal Alien Assistance Program	16.606	4,450	4,450
<i>Passed through Oregon State Police:</i>			
Juvenile Accountability Block Grant	16.523	10,000	10,000
<i>Passed through Oregon Commission on Children and Families:</i>			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	44,210	44,210
<i>Passed through Oregon Department of Justice:</i>			
Crime Victim Assistance	16.575	18,370	18,370
<i>Passed through Oregon Emergency Management:</i>			
Congressionally Recommended Awards	16.753	281,035	281,035
<b><u>TOTAL U.S. DEPARTMENT OF JUSTICE</u></b>		<u>358,065</u>	<u>358,065</u>

**Wasco County, Oregon**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2011**  
(all amounts are in dollars)

FEDERAL GRANTOR/PASS- THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT RECEIVED	PROGRAM OR AWARD AMOUNT EXPENDED
<b><u>U.S. DEPARTMENT OF TRANSPORTATION:</u></b>			
<i>Passed through Oregon Department of Transportation:</i>			
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	33,236	33,236
<b><u>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</u></b>		<u>33,236</u>	<u>33,236</u>
<b><u>U.S. DEPARTMENT OF ENERGY:</u></b>			
<i>Passed through Oregon Department of Energy:</i>			
ARRA Energy Efficiency and Conservation Block Grant Program	81.128	486,636	486,636
<b><u>TOTAL U.S. DEPARTMENT OF ENERGY</u></b>		<u>486,636</u>	<u>486,636</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN RESOURCES:</u></b>			
<i>Passed through Oregon Department of Human Resources - Health Division:</i>			
Public Health Emergency Preparedness	93.069	215,247	215,247
Family Planning Services	93.217	47,602	47,602
Drug-Free Communities Support Program Grants	93.276	117,000	117,000
Medical Assistance Program	93.778	195,441	195,441
HIV Care Formula Grants	93.917	14,379	14,379
HIV Prevention Activities - Health Department Based	93.940	9,598	9,598
Preventative Health and Health Services Block Grant	93.991	3,700	3,700
Maternal and Child Health Services Block Grant to the States	93.994	65,997	65,997
<i>Passed through Oregon Department of Administrative Services:</i>			
Child Support Enforcement	93.563	57,461	57,461
<i>Passed through Oregon Health Authority:</i>			
Project Grants and Cooperative Agreements for Tuberculosis Control Program	93.116	1,374	1,374
<i>Passed through Oregon Commission on Children and Families:</i>			
Promoting Safe and Stable Families	93.556	12,374	12,374
Social Services Block Grant	93.667	38,924	38,924
<b><u>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN RESOURCES</u></b>		<u>779,097</u>	<u>779,097</u>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u></b>			
<i>Passed through Oregon State Marine Board:</i>			
Boating Safety Financial Assistance	97.012	69,314	69,314
<i>Passed through Oregon State Police:</i>			
Chemical Stockpile Emergency Preparedness	97.040	7,854	7,854
Emergency Management Performance Grants	97.042	36,445	36,445
State Homeland Security Program	97.073	177,882	177,882
<i>Passed through Oregon Emergency Management:</i>			
Citizen Corps	97.053	2,655	2,655
Buffer Zone Protection Program	97.078	183,274	183,274
<b><u>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>		<u>477,424</u>	<u>477,424</u>
<b><u>TOTAL FEDERAL AWARDS</u></b>		<u>4,426,076</u>	<u>4,426,076</u>

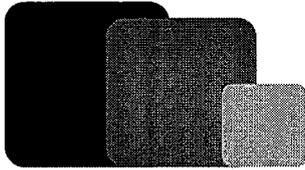
Note: Modified accrual basis was used for the Schedule of Federal Awards Document

**Wasco County, Oregon**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2011**

1. BASIS OF PRESENTATION:

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.

**OTHER REQUIRED REPORTS**



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Carol D. Friend · Nathan R. Reagan · Ben G. Neumayer · Gary F. Bradford · Carolyn J. Rohde · John W. Byers, Retired.

**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 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, 2011, which collectively comprise Wasco County, Oregon's basic financial statements and have issued our report thereon dated January 25, 2012. 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.

Internal Control Over Financial Reporting

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 Wasco County, Oregon's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Wasco County, Oregon's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in 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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of significant deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. (FSF 11-1)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompany schedule of findings and questioned costs to be significant deficiencies. (FSF 11-2)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wasco County, Oregon'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**.

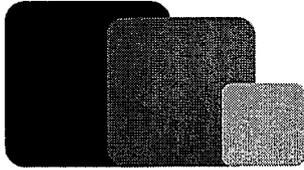
We noted certain matters that we reported to management of Wasco County, Oregon in a separate letter dated January 25, 2012.

Wasco County, Oregon'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, Oregon's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Wasco County Commissioners, management and federal awarding agencies and pass-through entities. This report is not intended to be used and should not be used by anyone other than those specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

January 25, 2012



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**Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect On Each Major Program and On Internal Control over Compliance in Accordance with OMB Circular A-133**

County Commissioners  
Wasco County  
The Dalles, Oregon

Compliance

We have audited Wasco County, Oregon's compliance with the types of compliance requirements described in the **U.S. Office of Management and Budget (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, 2011. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Wasco County, Oregon's management. Our responsibility is to express an opinion on Wasco County, Oregon's compliance based on our audit.

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 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. Our audit does not provide a legal determination on Wasco County, Oregon's compliance with those requirements.

In our opinion, Wasco County, Oregon complied, in all material respects, with the 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, 2011.

Internal Control Over Compliance

The management of Wasco County, Oregon is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered North Wasco County, Oregon's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Wasco County, Oregon's board of commissioners, management and federal awarding agencies and pass-through entities. This report is not intended to be used and should not be used by anyone other than those specified above.

  
CERTIFIED PUBLIC ACCOUNTANTS

January 25, 2012

**Wasco County, Oregon**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2011**

**Section 1**

Financial Statements:

Summary of Auditor's Results

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

Federal Awards:

- |    |   |                                 |
|----|---|---------------------------------|
| 1. | Internal controls over major programs:  |                                 |
|    | a. Material weaknesses identified?  | No                              |
|    | b. Significant deficiencies identified not considered to be material weaknesses?                                      | None Reported                   |
| 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 & Roads Grants to States |
|    | 81.128  | EECBG                           |
| 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

11-1 Period end review process

*Criteria:* The County's finance director is responsible for providing the Commissioners and others, a complete and accurate trial balance at the end of each accounting period and year end.

*Condition:* The trial balance provided for the auditor included \$193,801 in duplicate accounts receivable entries and an incorrect accounting for foreclosure and senior deferral proceeds of \$78,440.

The errors in the foreclosure and senior deferral accounting resulted in the taxing districts receiving incorrect information regarding their individual receipts and disbursements, and ending cash with county balances.

*Cause:* The County does not have a policy requiring review of journal entries prepared by elected officials. The County also does not have a policy requiring reconciliation of receivable or payable balances to the corresponding sub-ledgers at period end.

*Effect:* The financial information prepared and provided by the finance director may contain errors that are undetected and uncorrected in the normal course of the County's operations.

*Recommendation:* We recommend the County develop and implement a policy requiring all accounting department personnel to perform regular account reconciliations of receivable and payable accounts to corresponding sub-ledgers and provide these reconciliations to the finance director. We also recommend the County develop a policy requiring review and approval by the finance director of all journal entries, from any source.

*Response:* We will add to the month end closing process a reconciliation between the accounts payable and accounts receivable trial balance and the corresponding sub-ledgers. These reconciliations will be reviewed by the finance manager monthly. It will be the practice that only standardized, recurring journal entries may be posted without review. This practice will be incorporated into our financial policies.

#### 11-2 Financial Statement Preparation

*Criteria:* The financial statements are the responsibility of the county's management, including the prevention or detection of material misstatements in the presentation and disclosure of the financial statements. Non-attest services performed by the auditor in the preparation of the financial statements cannot be considered compensating controls.

*Condition:* The County engages their auditors to provide non-attest services for the preparation of its financial statements. Although common for municipalities the size of the county, this condition represents a control deficiency over the financial reporting process that is required to be reported under professional standards. Management makes all financial reporting decisions, and accepts responsibility for the content of the financial statements.

*Cause:* The County's accounting personnel do not regularly prepare financial statements and related notes in accordance with GAAP, and therefore have contracted with their auditors to provide that service.

*Effect:* Material misstatement in the preparation and disclosure of the financial statements in accordance with GAAP may not be prevented or detected. Misstatements in financial statements include not only misstated dollar amounts, but also the omission of disclosures required under GAAP.

*Recommendations:* It may not be practical to acquire or allocate the internal resources prepare the financial statements. However, management (including the county court) should mitigate this deficiency by keeping informed about the county's internal controls, performing supervisory reviews, studying the financial statements and related footnote disclosures, and understanding its responsibility for the financial statements as a whole.

This deficiency is related specifically to the preparation of GAAP basis financial statements and does not adversely affect the county's ability to initiate, authorize, record, process, or report financial data reliably in accordance with their budget basis of accounting.

*Responsible Official's Response:* We understand the importance of risk management and the need to address risks in an informed, cost-beneficial way. As a result of our cost-benefit analysis we have determined the value of incurring the additional expense of hiring a staff person or another firm to prepare our financial statements does not justify the cost.

### **Section 3**

Federal Award Findings and Questioned Costs

None

### **Section 4**

Summary Schedule of Prior Audit Findings

10-1 Financial Statement Preparation

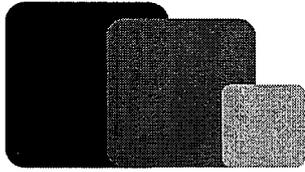
*Criteria:* The financial statements are the responsibility of the county's management, including the prevention or detection of material misstatements in the presentation and disclosure of the financial statements. Non-attest services performed by the auditor in the preparation of the financial statements cannot be considered compensating controls.

*Condition:* The county engages their auditors to provide non-attest services for the preparation of its financial statements. Although common for municipalities the size of the county, this condition represents a control deficiency over the financial reporting process that is required to be reported under professional standards. Management makes all financial reporting decisions, and accepts responsibility for the content of the financial statements.

*Cause:* The county's accounting personnel do not regularly prepare financial statements and related notes in accordance with GAAP, and therefore have contracted with their auditors to provide that service.

*Effect:* Material misstatement in the preparation and disclosure of the financial statements in accordance with GAAP may not be prevented or detected. Misstatements in financial statements include not only misstated dollar amounts, but also the omission of disclosures required under GAAP.

*Resolution:* This finding has not been resolved.



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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, 2011, and have issued our report thereon dated January 25, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### **Compliance**

As part of obtaining reasonable assurance about whether the Wasco County, Oregon's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

**Deposit of public funds with financial institutions (ORS Chapter 295).**

**Indebtedness limitations, restrictions and repayment.**

**Budgets legally required (ORS Chapter 294).**

**Insurance and fidelity bonds in force or required by law.**

**Programs funded from outside sources.**

**Highway revenues used for public highways, roads, and streets**

**Authorized investment of surplus funds (ORS Chapter 294).**

**Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

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

Corporations except as follows:

- 1) Budgeted "Transfers In" did not match budgeted "Transfers Out".

**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 January 25, 2012, 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.

  
CERTIFIED PUBLIC ACCOUNTANTS

January 25, 2012