

UMATILLA COUNTY, OREGON

**Financial Statements and
Independent Auditors' Report**

June 30, 2014

UMATILLA COUNTY, OREGON

List of Officials
June 30, 2014

COMMISSIONERS

George Murdock

Larry Givens

Bill Elfering, Board Chair

TITLE

Commissioner - Position #1

Commissioner - Position #2

Commissioner - Position #3

FINANCE DIRECTOR

Robert Pahl

BUDGET OFFICER

Bob Heffner

ADDRESS

Umatilla County Courthouse
216 SE Fourth Street
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Telephone: 541-276-7111

UMATILLA COUNTY, OREGON

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Independent Auditors' Report

Board of Commissioners
Umatilla County
Pendleton, Oregon

Report on the Financial Statements

We have audited the accompanying modified cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Umatilla County, Oregon, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Umatilla County, Oregon, as of June 30, 2014, and the respective changes in modified cash-basis financial position, and the respective budgetary comparison for the General Fund and Public Works Fund, for the year then ended in accordance with the basis of accounting as described in Note 1.

Other Matters

Report on Supplementary and Other Information

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

The combining and individual nonmajor fund financial statements and schedules, other schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in according with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, other schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Management's discussion and analysis on pages 47-57 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 such information.

Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2014, on our consideration of Umatilla County, Oregon's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Umatilla County, Oregon's internal control over financial reporting and compliance.

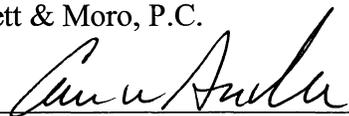
Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 16, 2014, on our consideration of the Umatilla County, Oregon's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to that matter.

Barnett & Moro, P.C.

By: 
Cameron W. Anderson, Shareholder
December 16, 2014

BASIC FINANCIAL STATEMENTS

UMATILLA COUNTY, OREGON

Statement of Net Position - Modified Cash Basis
June 30, 2014

	<u>Governmental Activities</u>
<u>ASSETS:</u>	
Cash and investments	\$ 20,558,557
Receivables:	
Property taxes	950,123
Assessments	20,091
Capital assets:	
Land and construction in progress	2,219,829
Other capital assets (net of accumulated depreciation)	76,936,349
Total assets	<u>100,684,949</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>	
Prepaid pension asset	<u>12,925,000</u>
Total deferred outflows of resources	<u>12,925,000</u>
<u>LIABILITIES:</u>	
Noncurrent liabilities:	
Due within one year	1,656,416
Due in more than one year	16,426,723
Total liabilities	<u>18,083,139</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>	
Deferred property taxes	950,123
Deferred assessments	20,091
Total deferred inflows of resources	<u>970,214</u>
<u>NET POSITION:</u>	
Invested in capital assets (net of related debt)	73,998,039
Restricted for:	
Debt service	1,135,522
Public safety	964,740
Highways and streets	4,476,721
Culture and recreation	34,595
Education	93,256
Health	502,633
Other purposes	963,082
Unrestricted	<u>12,388,008</u>
Total net position	<u>\$ 94,556,596</u>

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

UMATILLA COUNTY, OREGON

Statement of Activities - Modified Cash Basis

Year Ended June 30, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
General government	\$ 10,278,861	\$ 2,353,385	\$ 4,112,770	\$ 802,877	\$ (3,009,829)
Public safety	16,047,335	1,384,691	4,567,984	-	(10,094,660)
Highways and streets	9,280,436	16,635	5,772,584	-	(3,491,217)
Cultural and recreation	1,353,269	1,054,609	127,112	-	(171,548)
Education	616,035	56,430	286,302	-	(273,303)
Health	3,847,377	864,528	2,815,138	-	(167,711)
Interest on long-term debt	823,740	-	-	-	(823,740)
Total governmental activities	<u>\$ 42,247,053</u>	<u>\$ 5,730,278</u>	<u>\$ 17,681,890</u>	<u>\$ 802,877</u>	<u>(18,032,008)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	15,241,950
Property taxes, levied for debt service	1,001,765
Fines & forfeitures	193,166
Interest and investment earnings	118,369
Refunds, reimbursements, & miscellaneous	1,115,366
Gain on sale of assets	360,291

Total general revenues	<u>18,030,907</u>
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Change in net position	<u>(1,101)</u>
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Net position--beginning	<u>94,557,697</u>
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Net position--ending	<u>\$ 94,556,596</u>
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The notes to the financial statements
are an integral part of this statement.

UMATILLA COUNTY, OREGON

Balance Sheet - Modified Cash Basis
Governmental Funds
June 30, 2014

	<u>General</u>	<u>Public Works</u>	<u>Other Governmental</u>	<u>Total</u>
<u>ASSETS:</u>				
Cash and investments	\$ 5,437,244	\$ 4,155,862	\$ 10,492,714	\$ 20,085,820
Receivables:				
Property taxes	878,681	-	71,442	950,123
Assessments	-	-	20,091	20,091
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 6,315,925</u>	<u>\$ 4,155,862</u>	<u>\$ 10,584,247</u>	<u>\$ 21,056,034</u>
<u>LIABILITIES</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred property taxes	878,681	-	71,442	950,123
Deferred assessments	-	-	20,091	20,091
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>878,681</u>	<u>-</u>	<u>91,533</u>	<u>970,214</u>
<u>FUND BALANCES:</u>				
Restricted	-	4,155,862	4,014,687	8,170,549
Committed	-	-	5,071,854	5,071,854
Assigned	-	-	1,460,601	1,460,601
Unassigned	5,437,244	-	(54,428)	5,382,816
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>5,437,244</u>	<u>4,155,862</u>	<u>10,492,714</u>	<u>20,085,820</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,315,925</u>	<u>\$ 4,155,862</u>	<u>\$ 10,584,247</u>	<u>\$ 21,056,034</u>

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

UMATILLA COUNTY, OREGON

**Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position - Modified Cash Basis
June 30, 2014**

Fund balances - governmental funds		\$ 20,085,820
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>		
Land	\$ 1,313,882	
Construction in progress	905,947	
Equipment, net of \$9,439,463 accumulated depreciation	3,328,958	
Buildings and improvements, net of \$10,848,335 accumulated depreciation	16,087,034	
Infrastructure, net of \$70,639,072 accumulated depreciation	<u>57,520,357</u>	
		79,156,178
Prepaid pension assets are not reported in the governmental funds.		12,925,000
Internal service funds are used by management to charge the costs of industrial insurance, printing and warehouse services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		472,737
Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds as liabilities. All liabilities, both current and long-term, are reported in the statement of net position.		
Bonds payable	(15,820,000)	
Notes payable	(2,025,222)	
Capital leases payable	<u>(237,917)</u>	
		<u>(18,083,139)</u>
Net position of governmental activities		<u><u>\$ 94,556,596</u></u>

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

UMATILLA COUNTY, OREGON

Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis

Governmental Funds

Year Ended June 30, 2014

	<u>General</u>	<u>Public Works</u>	<u>Other Governmental</u>	<u>Total</u>
<u>REVENUES:</u>				
Taxes	\$ 13,909,247	\$ -	\$ 2,334,468	\$ 16,243,715
Intergovernmental	3,617,460	5,723,281	9,144,026	18,484,767
Charges for services	1,993,727	16,635	3,719,916	5,730,278
Fines & forfeitures	21,146	-	172,020	193,166
Interest	41,838	23,849	50,121	115,808
Miscellaneous & reimbursements	518,380	62,172	534,814	1,115,366
Total revenues	<u>20,101,798</u>	<u>5,825,937</u>	<u>15,955,365</u>	<u>41,883,100</u>
<u>EXPENDITURES:</u>				
Current:				
General government	6,322,465	-	2,852,288	9,174,753
Public safety	10,646,986	-	5,167,402	15,814,388
Highways and streets	-	5,496,551	2,267	5,498,818
Cultural and recreation	-	-	1,349,932	1,349,932
Education	317,729	-	298,306	616,035
Health	1,492,533	-	2,327,207	3,819,740
Capital outlay	18,577	765,062	1,350,557	2,134,196
Debt service:				
Principal	-	18,729	1,557,211	1,575,940
Interest	-	8,213	815,527	823,740
Total expenditures	<u>18,798,290</u>	<u>6,288,555</u>	<u>15,720,697</u>	<u>40,807,542</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>1,303,508</u>	<u>(462,618)</u>	<u>234,668</u>	<u>1,075,558</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	522,112	139,725	2,519,544	3,181,381
Operating transfers out	<u>(1,946,884)</u>	-	<u>(1,324,568)</u>	<u>(3,271,452)</u>
Total other financing sources (uses)	<u>(1,424,772)</u>	<u>139,725</u>	<u>1,194,976</u>	<u>(90,071)</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(121,264)</u>	<u>(322,893)</u>	<u>1,429,644</u>	<u>985,487</u>
<u>FUND BALANCES, BEGINNING OF YEAR</u>	<u>5,558,508</u>	<u>4,478,755</u>	<u>9,063,070</u>	<u>19,100,333</u>
<u>FUND BALANCES, END OF YEAR</u>	<u>\$ 5,437,244</u>	<u>\$ 4,155,862</u>	<u>\$ 10,492,714</u>	<u>\$ 20,085,820</u>

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

UMATILLA COUNTY, OREGON

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of the Governmental Funds to the
Statement of Activities - Modified Cash Basis
Year Ended June 30, 2014**

Net change in fund balances - governmental funds		\$	985,487
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 depreciated over their estimated useful lives.			
Expenditures for capital assets	\$	2,204,276	
Adjustment to gain on disposal of assets		360,291	
Less current year depreciation		<u>(4,837,669)</u>	(2,273,102)
Internal service funds are used by the County to charge the costs of vehicle maintenance and other costs to individual funds. The net revenue of the internal service funds is reported with governmental activities.			
			20,574
Governmental funds reported the prepayment of the PERS unfunded actuarial liability as an Other Financing Use in prior years. However, in the Statement of Activities the expense is the amortization of the prepaid asset.			
			(310,000)
The repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			
Principal payments:			
Bonded debt		1,305,000	
Notes payable		252,211	
Capital leases		<u>18,729</u>	<u>1,575,940</u>
Change in net position of governmental activities		\$	<u><u>(1,101)</u></u>

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

UMATILLA COUNTY, OREGON

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget-</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<u>REVENUES:</u>				
Property taxes	\$13,258,387	\$13,258,387	\$13,909,247	\$ 650,860
Intergovernmental	3,805,807	3,843,747	3,617,460	(226,287)
Charges for services	1,696,601	1,677,474	1,993,727	316,253
Fine & forfeitures	14,500	14,500	21,146	6,646
Investment revenue	35,000	35,000	41,838	6,838
Miscellaneous & reimbursements	321,989	408,721	518,380	109,659
Total revenues	<u>19,132,284</u>	<u>19,237,829</u>	<u>20,101,798</u>	<u>863,969</u>
<u>EXPENDITURES:</u>				
General government	6,965,013	7,073,736	6,341,042	732,694
Public safety	11,054,140	11,565,739	10,646,986	918,753
Education	328,932	328,932	317,729	11,203
Health	2,090,919	2,023,907	1,492,533	531,374
Operating contingency	400,000	199,074	-	199,074
Total expenditures	<u>20,839,004</u>	<u>21,191,388</u>	<u>18,798,290</u>	<u>2,393,098</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>	<u>(1,706,720)</u>	<u>(1,953,559)</u>	<u>1,303,508</u>	<u>3,257,067</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	365,913	525,161	522,112	(3,049)
Operating transfers out	<u>(1,554,104)</u>	<u>(1,951,217)</u>	<u>(1,946,884)</u>	<u>4,333</u>
Total other financing sources (uses)	<u>(1,188,191)</u>	<u>(1,426,056)</u>	<u>(1,424,772)</u>	<u>1,284</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(2,894,911)</u>	<u>(3,379,615)</u>	<u>(121,264)</u>	<u>3,258,351</u>
<u>FUND BALANCES, BEGINNING</u>	<u>4,494,911</u>	<u>5,558,508</u>	<u>5,558,508</u>	<u>-</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 1,600,000</u>	<u>\$ 2,178,893</u>	<u>\$ 5,437,244</u>	<u>\$ 3,258,351</u>

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

UMATILLA COUNTY, OREGON

Public Works Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>REVENUES:</u>				
Intergovernmental:				
Federal revenues	\$ 38,000	\$ 38,000	\$ 53,740	\$ 15,740
State revenues	664,000	691,000	586,741	(104,259)
Local revenues	73,800	73,800	49,365	(24,435)
Federal forest service rentals	75,000	75,000	59,845	(15,155)
State gas tax & vehicle licensing	4,900,000	4,900,000	4,973,590	73,590
Charges for services:				
Sale and rental of supplies	10,000	10,000	16,635	6,635
Interest	20,000	20,000	23,849	3,849
Reimbursements and other revenues	10,000	10,000	62,172	52,172
Total revenues	<u>5,790,800</u>	<u>5,817,800</u>	<u>5,825,937</u>	<u>8,137</u>
<u>EXPENDITURES:</u>				
Weed control:				
Personal services	160,024	166,024	164,139	1,885
Materials & services	64,500	93,916	81,407	12,509
Total weed control	<u>224,524</u>	<u>259,940</u>	<u>245,546</u>	<u>14,394</u>
Non-departmental:				
Personal services	3,273,835	3,273,835	2,981,507	292,328
Materials & services	2,464,932	2,664,932	2,269,499	395,433
Capital outlay	677,000	802,000	792,003	9,997
Contingency	1,559,233	1,234,233	-	1,234,233
Total non-departmental	<u>7,975,000</u>	<u>7,975,000</u>	<u>6,043,009</u>	<u>1,931,991</u>
Total expenditures	<u>8,199,524</u>	<u>8,234,940</u>	<u>6,288,555</u>	<u>1,946,385</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>	<u>(2,408,724)</u>	<u>(2,417,140)</u>	<u>(462,618)</u>	<u>1,954,522</u>
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	158,724	167,140	139,725	(27,415)
Total other financing sources	<u>158,724</u>	<u>167,140</u>	<u>139,725</u>	<u>(27,415)</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(2,250,000)</u>	<u>(2,250,000)</u>	<u>(322,893)</u>	<u>1,927,107</u>
<u>FUND BALANCES, BEGINNING</u>	<u>3,650,000</u>	<u>3,650,000</u>	<u>4,478,755</u>	<u>828,755</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 1,400,000</u>	<u>\$ 1,400,000</u>	<u>\$ 4,155,862</u>	<u>\$ 2,755,862</u>

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

UMATILLA COUNTY, OREGON

Statement of Net Position - Modified Cash Basis
Proprietary Funds
June 30, 2014

	Governmental Activities Internal Service Fund - Fleet Management
<u>ASSETS:</u>	
Cash and investments	\$ 472,737
Total assets	<u>472,737</u>
<u>LIABILITIES:</u>	<u>-</u>
<u>NET POSITION:</u>	
Unrestricted	<u><u>\$ 472,737</u></u>

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

UMATILLA COUNTY, OREGON

Statement of Revenues, Expenses, and Changes in Net Position -
Modified Cash Basis
Proprietary Funds
Year Ended June 30, 2014

	Governmental Activities Internal Service Fund - Fleet Management
<u>OPERATING REVENUES:</u>	
Charges for services	\$ -
<u>OPERATING EXPENSES:</u>	
Materials & services	1,978
Capital outlay	70,080
Total operating expenses	<u>72,058</u>
Operating income (loss)	<u>(72,058)</u>
<u>NONOPERATING REVENUES:</u>	
Interest revenues	2,561
Operating transfers in	90,071
Total nonoperating revenues	<u>92,632</u>
<u>CHANGE IN NET POSITION</u>	20,574
<u>TOTAL NET POSITION, BEGINNING</u>	<u>452,163</u>
<u>TOTAL NET POSITION, ENDING</u>	<u>\$ 472,737</u>

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

UMATILLA COUNTY, OREGON

Statement of Cash Flows -
Modified Cash Basis
Proprietary Funds
Year Ended June 30, 2014

	Governmental Activities Internal Service Fund - Fleet Management
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Payments to suppliers	<u>\$ (72,058)</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>	
Transfers from other funds	<u>90,071</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>	
Interest revenues	<u>2,561</u>
<u>NET INCREASE IN CASH AND INVESTMENTS</u>	20,574
<u>CASH AND INVESTMENTS, BEGINNING OF YEAR</u>	<u>452,163</u>
<u>CASH AND INVESTMENTS, ENDING OF YEAR</u>	<u><u>\$ 472,737</u></u>

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

UMATILLA COUNTY, OREGON

Agency Funds
Statement of Fiduciary Net Position - Modified Cash Basis
June 30, 2014

	<u>Agency Funds</u>
<u>ASSETS:</u>	
Cash and investments	\$ 352,888
Taxes receivable	4,191,174
Total assets	<u>4,544,062</u>
<u>LIABILITIES:</u>	
Taxes due to other agencies	4,191,174
Payable to other entities - sheriff accounts	50,079
Payable to other entities - finance department accounts	302,809
Total liabilities	<u>4,544,062</u>
<u>NET POSITION:</u>	<u>\$ -</u>

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

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Umatilla County, Oregon (the County) have been prepared in accordance with the modified cash basis of reporting as applicable to municipal governments. This modified basis of accounting differs from accounting principles generally accepted in the United States of America. To the extent they are applicable to the modified basis of reporting, the County applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The more significant of the County's accounting policies are described below.

Reporting Entity:

Umatilla County, Oregon, was organized under statutory provisions of Oregon law on September 27, 1862. The County elected to be governed under Home Rule in 1992. The government of Umatilla County is vested in three county commissioners. Each commissioner is elected at large for a term of four years. The three commissioners exercise governance responsibilities over all activities related to county operations within the jurisdiction set by the State of Oregon. The commissioners, on behalf of the County, receive funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the commissioners are not included in any other governmental "reporting entity" as defined in Section 2100, codification of governmental accounting and financial reporting standards, since they are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. No other entities met requirements for inclusion as a component unit in the financial statements.

Description of Government-Wide Financial Statements:

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County had no business-type activities for the year ended June 30, 2014.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Description of Government-Wide Financial Statements (continued):

The government-wide financial statements are presented on the modified cash basis of accounting, as are the proprietary and fiduciary fund financial statements. The modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenses, assets, and liabilities resulting from cash transactions, adjusted for modifications that have substantial support in generally accepted accounting principles. Only cash (and cash equivalents) and items that involve the receipt of disbursement of cash (or cash equivalents) during the period are recognized, except for the following modifications: 1) fixed assets with an original cost over \$5,000 and an estimated useful life longer than one year are capitalized and depreciated; 2) long-term debts have been recorded in the statement of net position. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between County proprietary funds and various other function of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded in the financial statements. For example, accounts receivables, accounts payables, and accrued expenses are not reported. Additionally, equity investments in joint ventures are also not reported.

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 segment. 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 segment 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.

Description of Fund Financial Statements:

The fund financial statements provide information about the government's funds. Separate statements for each fund category, governmental, proprietary, and fiduciary funds are presented. Fiduciary funds are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds. The fund financial statements are presented on the modified cash basis of accounting.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally results from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Description of Fund Financial Statements (continued):

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the financial statements.

The County may fund certain programs by a combination of specific cost-reimbursement grants, restricted federal funds that are payments in lieu of taxes, limited categorical block grants, and general revenues. When program expenses are incurred for which both restricted and unrestricted net position are available to finance the program, it is the County's policy to first apply restricted resources to such programs, followed by general resources.

The financial activities of the County are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The various funds are reported by generic classification within the financial statements. There are stated minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Non-major funds are combined in a column in the fund financial statements and detailed in the combining section. The County reports the following major governmental funds:

- The General Fund -- This is the County's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.
- The Public Works Fund -- Accounts for the expenditures for construction, reconstruction, improvement, repair, maintenance, operations and use of public highways, roads and streets within the County.

Additionally, the County reports the following fund types:

Special Revenue 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.

Debt Service Funds account for the accumulation of resources and payment of principal and interest on general obligations and other long-term debt.

Capital Project Funds account for expenditures on major construction projects or equipment acquisition.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Description of Fund Financial Statements (continued):

Internal Service Funds account for the printing, communication and information, and vehicle services provided by one department to other departments of the County on a cost-reimbursement basis.

Fiduciary Funds account for assets held by the County for other governmental units. These funds are custodial in nature (assets equal liabilities) and do not measure the results of operations.

Assets, liabilities, and net position/fund balance:

Cash and investments:

Cash includes demand deposits, short-term cash investments, and deposits in the Oregon Local Government Investment Pool (LGIP). The County Treasurer combines each fund's cash in a cash pool which is accounted for monthly.

Oregon Revised Statutes authorize counties to invest in obligations of the U.S. Treasury, agencies and instrumentalities of the United States, bankers acceptances guaranteed by a qualified financial institution, repurchase agreements, interest bearing bonds of any city, county, or port, among others.

The Oregon Short Term Fund (OSTF) is the LGIP for local governments and was established by the State Treasurer. OSTF investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The fair value of the District's position in the pool is the same as the value of its pool shares. Investments are stated at market value.

For purposes of the statement of cash flows, proprietary fund types consider all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents.

Inventories:

The Public Works Fund has significant inventories. These inventories are not recorded as assets. Inventory items are recorded as expenditures when purchased and remain constant from year to year.

Net position flow assumptions:

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

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Fund balance flow assumptions:

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies:

In the fund financial statements, the fund balance for governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash and include inventories and prepaid amounts.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the Board of Commissioners pass a resolution that places specific constraints on how the resources may be used. The Board of Commissioners can modify or rescind the resolution at any time through passage of an additional resolution.

Fund balance is reported as assigned when resources are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the Board of Commissioners approve which resources should be assigned to expenditure for particular purposes during the adoption of the annual budget. The County's Finance Director uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the County's financial statements.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned.

The following funds have a deficit balance as of June 30, 2014: Emergency 91 Telephone fund and Sheriff Marine Fund.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Fund balances by classification for the year ended June 30, 2014 were as follows:

	<u>General</u>	<u>Public Works</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
<u>Fund balances</u>				
Restricted:				
Debt service	\$ -	\$ -	\$ 1,135,522	\$ 1,135,522
Capital projects	-	-	120	120
Public safety	-	-	964,740	964,740
Highways and streets	-	4,155,862	320,859	4,476,721
Culture and recreation	-	-	34,595	34,595
Education	-	-	93,256	93,256
Health	-	-	502,633	502,633
General government	-	-	962,962	962,962
Total restricted	<u>-</u>	<u>4,155,862</u>	<u>4,014,687</u>	<u>8,170,549</u>
Committed:				
Debt service	-	-	1,316,786	1,316,786
Highways and streets	-	-	326,011	326,011
Culture and recreation	-	-	184,817	184,817
Health	-	-	367,558	367,558
General government	-	-	2,876,682	2,876,682
Total committed	<u>-</u>	<u>-</u>	<u>5,071,854</u>	<u>5,071,854</u>
Assigned:				
Capital projects	-	-	170,330	170,330
Culture and recreation	-	-	506,967	506,967
General government	-	-	783,304	783,304
Total assigned	<u>-</u>	<u>-</u>	<u>1,460,601</u>	<u>1,460,601</u>
Unassigned	<u>5,437,244</u>	<u>-</u>	<u>(54,428)</u>	<u>5,382,816</u>
Ending fund balance	<u><u>\$5,437,244</u></u>	<u><u>\$4,155,862</u></u>	<u><u>\$ 10,492,714</u></u>	<u><u>\$20,085,820</u></u>

The amount of restricted fund balances restricted by enabling legislation is \$4,476,721.

Receivables and payables:

Since the County is using the modified cash basis of accounting for governmental funds, the recorded property taxes receivable is recognized when levied and reported on the Statement of Net Position-Modified Cash as an asset, which is offset with a deferred inflow of resources.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Property taxes:

Umatilla County assesses, collects, and distributes property taxes for all local governments within the County. Property taxes are billed in October of each year. Unpaid personal and real property taxes become liens against the property on July 1. Property taxes are payable in three installments due November 15, February 15, and May 15. A 3% discount is allowed for full payment by November 15. Interest at 16% annually is charged for late payments.

Capital assets:

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements for budget comparison as capital outlay. Capital assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at estimated fair market value as of the date of the donation.

Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more, and an estimated useful life of greater than one year. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Other costs for repairs and maintenance are expensed as incurred.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads and bridges, are also capitalized in the government-wide financial statements. These fixed assets and the associated accumulated depreciation have been provided for in the government-wide financial statements.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

Street system	40 years
Buildings	50 years
Bridges	20 - 50 years
Furniture and equipment	3 - 20 years

Interest incurred during construction phases of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the year, the County incurred no interest expense for capital assets.

Long-term debt:

Long-term debt and other long-term obligations are reported as liabilities in the government-wide financial statements and the fund financial statements of the proprietary funds.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Compensated absences:

Accumulated vested vacation pay is not accrued for governmental funds, since the modified cash basis of accounting is being used. Sick pay, which does not vest, is recognized in all funds when leave is taken.

Income taxes:

The County is a municipal corporation exempt from federal and state income taxes.

Leases:

Leases which meet certain criteria established by the Financial Accounting Standards Board are classified as capital leases, and the assets and related liabilities are recorded at amounts equal to the lesser of the present value of minimum lease payments or the fair value of the leased property at the beginning of the respective lease term. Leases which do not meet the criteria of a capital lease are classified as operating leases.

Short term interfund receivables and payables:

During the course of operation, numerous transactions occur between individual funds for goods provided or services rendered. If any remain at the end of the year, these receivables and payables are classified as "Due from Other Funds" or "Due to Other Funds" on the Balance Sheet - Modified Cash Basis - Governmental Funds.

Interfund transactions:

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as revenue in the fund that is reimbursed.

Use of estimates:

In preparing the County's financial statements, 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 the reported amounts of revenues during the reporting period. Actual results could differ from those estimates.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

Budget procedures:

A budget is prepared for each fund in accordance with the modified cash basis of accounting and legal requirements set forth in the Oregon Local Budget Law. Budget amounts shown in the financial statements include the original and supplemental budget amounts and all appropriation transfers approved by the County Commissioners.

The budget for the General Fund includes capital outlay expenditures in each program for capital outlay applicable to that program. Capital outlay expenditures in other funds, which are not a part of an identifiable program, are reported separately.

The County uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. The appointed budget officer develops a proposed budget for submission to the budget committee appointed by the County Commissioners. The operating budget includes proposed expenditures and the means for financing them for the upcoming year, along with estimates for the current year and actual data for the two preceding years.
2. After the proposed budget is prepared, the budget officer publishes a "Notice of Budget Committee Meeting" in at least one newspaper of general circulation. At the budget committee meeting, the budget message is delivered explaining the proposed budget and any significant changes in the County's financial position. The budget committee meets thereafter as many times as necessary until the budget document is completed.
3. After approval by the budget committee and the required public hearing, and prior to July 1, the budget is adopted by the County Commissioners, and appropriations are enacted by resolution. Appropriations control expenditures in broad categories as required by Oregon Local Budget Law. More detailed classifications of budgeted expenditures are adopted for administrative control purposes. Budget appropriations lapse at year end.
4. Management is not allowed to modify the budget without action by the governing body. The governing body is authorized to modify the original budget appropriation ordinance in the following ways:
 - a. Transfer of budget appropriations within a fund are authorized by resolution of the governing body.
 - b. Budget revisions that increase total expenditures in any fund require a supplemental budget to be adopted. If a supplemental budget increases a fund's expenditures by less than 10%, the County can adopt the adoption resolution at a regularly scheduled meeting. If a supplemental budget increases a fund's expenditures by more than 10%, the County can adopt it by publishing a notice five to thirty days before a meeting is held to pass the adoption resolution.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued):

The county adopted numerous supplemental budgets during the fiscal year.

5. The following funds legally adopt annual budgets:

General fund, all special revenue funds, all capital project funds, all debt service funds, and all internal service funds.

6. The agency funds do not adopt annual budgets. These funds are not used to expend funds for County activities or functions.

7. Expenditures may not legally exceed budget appropriations at the departmental level of control in most funds. Appropriations are made at various legal levels of control for each fund.

8. For budget preparation, capital lease proceeds and related capital outlay expenditures are recorded when the capital lease payments are disbursed.

NOTE 3 – CASH AND INVESTMENTS:

The County maintains a cash management pool for its cash and cash equivalents in which each fund participates. Interest earnings are distributed monthly based on average daily balances.

Cash:

Demand deposits	\$ (334,846)
Money market accounts	<u>385,542</u>
Total cash	<u>50,696</u>

Investments:

	<u>Percentage of Total Investments</u>	<u>Weighted Avg. Maturity (Years)</u>
Oregon Local Government Investment Pool	<u>20,860,749</u> 100%	0.003
Total investments	<u>20,860,749</u> <u>100%</u>	
Total cash and investments	<u>\$20,911,445</u>	

Total investment portfolio weighted average maturities 0.003

Cash and investments are reflected in the basic financial statements as follows:

Cash and investments - governmental activities	\$20,558,557
Statement of fiduciary net position	<u>352,888</u>
	<u>\$20,911,445</u>

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 3 – CASH AND INVESTMENTS (continued):

Custodial Credit Risk - Deposits

Custodial credit risk on deposits is the risk that in the event of a bank failure, the County's deposits may not be returned to it. Oregon Revised Statutes Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program (PFCP). ORS 295 requires the qualified depository to pledge collateral against any public funds deposits in excess of deposit insurance amounts set by the FDIC. The County maintains its funds at financial institutions deemed to be qualified depositories by the Office of the State Treasurer; however, the County does not have a formal deposit policy that addresses custodial credit risk. During the fiscal year ended June 30, 2014 the County's bank balances exceeded the \$250,000 FDIC insurance limitation and were therefore exposed to custodial credit risk, to the extent they were not covered by the PFCP. The Local Government Investment Pool is not subject to custodial credit risk because it is not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk - Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County investment policy requires that a minimum of 80% of the County's investment portfolio have maturities of 18 months or less and that the remaining 20% of the County's investments must have maturities of 24 months or less. All of the County's investments on June 30, 2014 have maturities of 18 months or less.

Credit Risk - Investments

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Oregon Revised Statutes authorizes the County to invest primarily in general obligations of the US Government and its agencies, debt obligations of the state of Oregon, California, Idaho, and Washington and their political subdivisions, banker's acceptances, corporate indebtedness, commercial paper, repurchase agreements, time certificates of deposit, fixed or variable life insurance contracts, the State Treasurer's Local Government Investment Pool, among others. The County's investment policy has been approved by the County Commissioners and specifies the County's investment objectives, required diversification, certain limitations and reporting requirements. As of June 30, 2014, the County's investment in U.S. Government agencies is limited to 75% of the portfolio and 50% in any single government sponsored enterprise. The County's investment in the Oregon State Treasurer's investment pool is not rated and is treated as a cash equivalent on the Statement of Net Position.

The State of Oregon Local Government Investment Pool (LGIP *or* Pool) is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the Pool's investment policies. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-Term Funds Board, which established diversification percentages and specify the types and maturities of investments.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 3 – CASH AND INVESTMENTS (continued):

Concentration Risk - Investments

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy provides that the maximum that may be invested in any one issuer, as a percentage of the funds total investments, is 100% for U.S. Treasury, 75% for U.S. Government agencies with 50% of this amount in a single government sponsored enterprise, 100% in the State of Oregon Investment Pool or the maximum imposed by state statute, 25% in Certificates of Deposit with 30% of this amount in any single qualified financial institution, 20% for Commercial paper and Commercial notes with 5% of this amount in any one corporation, subsidiaries or affiliates, 25% for State and Local Government Securities, 25% for Repurchase Agreements with 10% of this amount in any single qualified financial institution. On June 30, 2014, the County did not hold investments with any one issuer that exceeded these limits.

Custodial Credit Risk - Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the government will not be able to recover the value of an investment or collateral securities in the possession of an outside party. The County's investment policy provides that brokers/dealers and financial institutions meet certain qualifications, which are reviewed annually.

NOTE 4 – SPECIAL ASSESSMENTS RECEIVABLE:

Special assessments receivable is the result of improvements made to the Nelson Lane Road Local Improvement District, Poverty Flats Road Local Improvement District, Culp Road Local Improvement District, and Col Jordan Local Improvement District.

Changes to special assessments receivable consisted of the following:

Balance, July 1, 2013	\$ 26,455
New assessments	-
Collections	(7,174)
Interest included	<u>810</u>
Balance June 30, 2014	<u><u>\$ 20,091</u></u>

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 5 - CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,313,882	\$ -	\$ -	\$ 1,313,882
Construction in progress	102,823	803,124	-	905,947
Total capital assets, not being depreciated	<u>1,416,705</u>	<u>803,124</u>	<u>-</u>	<u>2,219,829</u>
Capital assets, being depreciated:				
Buildings and improvements	26,604,047	331,322	-	26,935,369
Machinery and equipment	12,287,461	1,431,330	(950,370)	12,768,421
Infrastructure	128,159,429	-	-	128,159,429
Total capital assets being depreciated	<u>167,050,937</u>	<u>1,762,652</u>	<u>(950,370)</u>	<u>167,863,219</u>
Less accumulated depreciation for:				
Buildings and improvements	(10,053,332)	(795,003)	-	(10,848,335)
Machinery and equipment	(9,397,962)	(990,662)	949,161	(9,439,463)
Infrastructure	(67,587,068)	(3,052,004)	-	(70,639,072)
Total accumulated depreciation	<u>(87,038,362)</u>	<u>(4,837,669)</u>	<u>949,161</u>	<u>(90,926,870)</u>
Total capital assets being depreciated, net	<u>80,012,575</u>	<u>(3,075,017)</u>	<u>(1,209)</u>	<u>76,936,349</u>
Governmental activities capital assets, net	<u>\$ 81,429,280</u>	<u>\$(2,271,893)</u>	<u>\$ (1,209)</u>	<u>\$ 79,156,178</u>

Depreciation was charged to functions and programs as follows:

	Governmental Activities
General government	\$ 792,130
Public safety	232,947
Highways and streets	3,781,618
Cultural and recreation	3,337
Health	27,637
	<u>\$ 4,837,669</u>

UMATILLA COUNTY, OREGON

Notes To Basic Financial Statements

June 30, 2014

NOTE 6 - LONG TERM DEBT:

The table below presents current year changes in long-term debt, and the current portions for each issue:

<u>Governmental activities:</u>	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>	<u>Due in</u> <u>Current</u> <u>Year</u>
Bonded Debt:					
2005 PERS bond issue	\$13,235,000	\$ -	\$ (310,000)	\$ 12,925,000	\$ 370,000
2012 refunding issue	3,890,000	-	(995,000)	2,895,000	1,005,000
Total bonded debt	17,125,000	-	(1,305,000)	15,820,000	1,375,000
Notes payable:					
Reith wastewater	299,125	-	(17,348)	281,777	17,823
Boiler replacement	63,519	-	(13,927)	49,592	14,262
EOAF detox center	243,013	-	(11,936)	231,077	12,003
Construction	1,671,776	-	(209,000)	1,462,776	218,000
Total notes payable	2,277,433	-	(252,211)	2,025,222	262,088
Capital leases:					
Wheel loader	256,646	-	(18,729)	237,917	19,328
Total capital leases	256,646	-	(18,729)	237,917	19,328
Total governmental activities	\$19,659,079	\$ -	\$(1,575,940)	\$ 18,083,139	\$ 1,656,416

General obligations bonds:

General obligation bonds are direct obligations and pledge the full faith and credit of the County. The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

Series 2002 General Obligation Refunding Bonds:

These bonds were issued to advance refund a portion of outstanding bonds of the Series 1997 General Obligation Refunding Bonds. These bonds were refunded with the Series 2012 General Obligation Refunding Bonds. The new bond proceeds were placed in escrow for future payments of the Series 2002 bonds. The principal balance remaining on June 30, 2014 was \$2,990,000. As a result of the refunding, the bonds have been removed as a liability on the County's financial statements.

UMATILLA COUNTY, OREGON

Notes To Basic Financial Statements

June 30, 2014

NOTE 6 - LONG TERM DEBT (continued):

Series 2012 General Obligation Refunding Bonds:

These bonds were issued to advance refund the Series 2002 General Obligation Refunding Bonds. This refunding was performed to obtain a more favorable interest rate to the taxpayers of Umatilla County, Oregon. Due to the favorable rates of the 2012 GO Refunding Bonds, it is estimated that the present value savings of refunding the 2002 GO Bonds was \$333,360, discounted using a rate of 1.0125%. The refunding bonds carry a fixed interest rate of 2% and mature October 1, 2012 through October 1, 2016.

Series 2005 Limited Tax Pension Bonds:

On September 23, 2005, the County, through participation in the Local Government Pension Bond Pool, issued Limited Tax Pension Obligation Bonds, Series 2005. The County issued these bonds to satisfy its estimated PERS Unfunded Actuarial Liability. The limited tax pension bonds were issued with the principal amount of the issue being \$13,970,000. The bonds carry fixed interest rates ranging from 2.50% to 5.004% with the first payment due June 1, 2006. Principal amounts of the issue are redeemed annually beginning June 1, 2008, with the final coupon payment on June 1, 2028.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Annual Debt Service
2015	\$ 1,375,000	\$ 689,702	\$ 2,064,702
2016	1,405,000	652,023	2,057,023
2017	1,440,000	611,744	2,051,744
2018	600,000	577,470	1,177,470
2019	685,000	548,316	1,233,316
2020-2024	4,995,000	2,136,825	7,131,825
2025-2029	5,320,000	622,498	5,942,498
Totals	<u>\$ 15,820,000</u>	<u>\$ 5,838,578</u>	<u>\$ 21,658,578</u>

Notes payable:

Bank of America - Construction Loan

A note payable to Bank of America in semi-annual payments of interest only from June 15, 2005 through June 15, 2017. These interest only payments are due in semi-annual amounts of \$55,625. Beginning December 15, 2007, the County began to make semi-annual principal and interest payments on December 15 and June 15 of each year. The required payments are scheduled below and carry interest at 4.45%. Principal proceeds of \$2,500,000 were received during the fiscal year ending June 30, 2005, under this note and were used to finance the cost of the construction of the justice facility in Hermiston, Oregon.

UMATILLA COUNTY, OREGON

Notes To Basic Financial Statements

June 30, 2014

NOTE 6 - LONG TERM DEBT (continued):

Department of Environmental Quality-Reith Wastewater Project Loan:

The County entered into a contract with the State of Oregon Department of Environmental Quality for a loan in the Clean Water State Revolving Loan Fund during the fiscal year ended June 30, 2005. This revolving loan allows the County to draw funds from the Revolving Loan Fund up to an approved maximum amount for the construction of a new wastewater collection system for the community of Reith, Oregon. Payments will be due semi-annually including interest at 2.47 percent of the outstanding balance for twenty years from the date of the first disbursement. The County's drawn-upon loan balance was \$381,000. The loan is required to have a loan reserve equal to 100% times one-half of the average annual debt service based on the final repayment schedule. At this time, the reserve is estimated to be \$12,306, which is required to be held by the County in segregated loan reserve account.

Oregon Department of Energy-Justice Center Heating & DHW Boilers Loan:

The County entered into a contract with the State of Oregon Department of Energy for a loan in the amount of \$130,000 to replace the boilers in the Justice Center during the year ended June 30, 2008. Monthly payments of \$1,373 will be due including interest at 4.9 percent of the outstanding balance for ten years.

Oregon Public Works Fund-EOAF Detoxification Center Loan:

The County entered into a contract with the State of Oregon Economic Community Development Department for a loan in the Special Public Works Loan Fund during the fiscal year ended June 30, 2008. This loan was for the construction for the Eastern Oregon Alcoholism Foundation's Detoxification Center project. Annual payments of \$19,430 will be due including interest at 3.71 percent of the outstanding balance for twenty five years. The total funds drawn were \$313,908.

Future maturities of notes payable principal and interest consist of the following:

Year Ending June 30,	Principal	Interest	Annual Debt Service
2015	\$ 262,088	\$ 81,300	\$ 343,388
2016	273,326	69,650	342,976
2017	284,615	57,500	342,115
2018	284,067	44,975	329,042
2019	292,007	32,527	324,534
2020-2024	450,033	61,863	511,896
2025-2029	179,086	19,857	198,943
Totals	<u>\$ 2,025,222</u>	<u>\$ 367,672</u>	<u>\$ 2,392,894</u>

UMATILLA COUNTY, OREGON

Notes To Basic Financial Statements

June 30, 2014

NOTE 6 - LONG TERM DEBT (continued):

Capital lease obligations:

Lease purchase agreement payable in annual installments of \$26,942, including interest at 3.2%, collateralized by 2011 CAT Model 966H wheel loader. A balloon payment of \$205,000 is due during the 2016-17 fiscal year to pay off the obligation in full. Future minimum lease obligations as of June 30, 2014, are as follows:

<u>Year Ending June 30,</u>	<u>Lease Payments</u>
2015	\$ 26,941
2016	26,941
2017	205,000
Amount representing interest	<u>(20,965)</u>
Present value of minimum lease payments	<u><u>\$ 237,917</u></u>

NOTE 7 - COMMITMENTS AND CONTINGENCIES:

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any unforeseen disallowed claims, including amounts already collected, could become a liability of the General Fund or other applicable funds. Management believes that adjustments, if any, will not materially affect the County's financial position.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of County Counsel the resolution of these matters will not have a material adverse effect on the financial condition of the County.

NOTE 8 - INTERFUND TRANSACTIONS:

During the course of normal operations, the County has numerous transactions between funds including expenditures and transfers of resources primarily to provide services. The governmental and proprietary funds financial statements generally reflect such transactions as transfers. All transfers are routine in nature.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 8 - INTERFUND TRANSACTIONS (continued):

The following are the County's interfund transfers for the year ended June 30, 2014:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Purpose</u>	<u>Amount</u>
General	Emergency 911	To supplement operations	\$ 1,235,371
General	Public Works	To supplement operations	139,725
General	County Fair	To supplement operations	67,343
General	Debt Service	To fund debt service on notes payable	295,220
General	2050 Plan	To supplement operations	20,000
General	Assessor Technology	To supplement operations	14,000
General	Special Services	To supplement operations	76,433
General	Mediation Services	To supplement operations	78,801
General	Fleet management	Installment payments on internal vehicle financing	19,990
Corrections Assessment	General	To supplement county jail operations	93,669
Corrections Assessment	Human Services	To supplement operation of A&D	62,446
Corrections Assessment	Comm. Corrections	To supplement Comm. Corrections operations	31,223
Tax Foreclosed Property	General	For allocation of sale proceeds	30,802
Commission on Children	Community Services	To facilitate re-organization of funding	318,916
Commission on Children	Youth Services	To facilitate re-organization of funding	209,791
Community services	General	To supplement operations	5,700
Comm. Benefits	General	To supplement general fund operations	208,000
Comm. Benefits	EOTEC reserve	To supplement operations reserve	80,000
Comm. Benefits	Fleet management	For capital purchased of vehicles	70,081
Comm. Benefits	2050 Plan	To supplement economic development operations	30,000
FPEP Reserve	General	To supplement family planning operations	115,794
Juvenile Center Improvements	General	To transfer funds from discontinued fund	68,147
		Total	<u><u>\$ 3,271,452</u></u>

NOTE 9 - DEFERRED OUTFLOWS / INFLOWS OF RESOURCES:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The County has only one item that qualifies for reporting in this category. It is the prepaid pension asset related to the Limited Tax Pension bonds (See Note 6) reported in the government-wide statement of net position. This amount is deferred and amortized over the life of the bonds

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items which arises only under the modified cash basis of accounting that qualifies for reporting in this category. Accordingly, the items deferred property taxes and deferred assessments, are reported in the governmental funds balance sheet and the statement of financial position.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 10 - PENSION PLAN - OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM:

A. Plan Description:

The County is a participating employer in Oregon Public Employees Retirement System (OPERS), a public employee retirement system that acts as a common investment and administrative agent for public employers in the State of Oregon. OPERS are administered under Oregon Revised Statutes Chapter 238 and Internal Revenue Service 401(a) by the Public Employees Retirement Board (PERB). County employees are eligible to participate in OPERS after six months of employment and benefits vest after five continuous years of service or at age 50. OPERS, a component unit of the State of Oregon, issue a comprehensive annual financial report, which may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281, or calling (503) 598-7377.

B. Funding Policy:

County employees participate in one or more OPERS retirement plans that provide pension, death, disability, and post-employment healthcare benefits to members or their beneficiaries:

- PERS (Public Employee Retirement System) is a cost-sharing multiple-employer defined benefit pension plan provided to members who were hired prior to August 29, 2003. In 1995, the Legislature enacted a second level or "tier" of PERS benefits for persons who established PERS membership on or after January 1, 1996. These Tier Two members do not have the Tier One assumed earnings rate guarantee, and have a higher normal retirement age of 60, compared to 58 for Tier One. Employer contributions to PERS are required by state statute and are made at actuarially determined rates as adopted by the PERB. Up through December 31, 2003, covered employees were required by state statute to contribute 6% of their annual salary to the PERS plan. Currently, this contribution is made by the County for benefited employees. The County's required contribution rate for the year end June 30, 2014 was 7.03% for general service employees and 13.98% for police and fire employees of eligible compensation. The rates are scheduled to remain the same for the year ended June 30, 2015.
- OPSRP (Oregon Public Service Retirement Plan) is a hybrid retirement plan with two components: a defined benefit pension plan and a defined contribution pension plan.
 - The cost-sharing multiple-employer defined benefit pension plan is provided to members who were hired on or after August 29, 2003. Employer contributions are required by state statute and are made at actuarially determined rates as adopted by the PERB. The annual required contribution rates for the OPSRP defined benefit pension plan for the year ended June 30, 2014 were 5.15% for general service employees and 7.88% for police and fire employees of eligible compensation. The rates are scheduled to remain the same for the year ended June 30, 2015.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 10 - PENSION PLAN - OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM

(continued):

B. Funding Policy (continued):

- The cost-sharing multiple-employer defined benefit pension plan (called the Individual Account Program or IAP) is provided to all members or their beneficiaries who are PERS or OPSRP eligible. State statutes require covered employees to contribute 6% of their annual covered salary to the IAP plan effective January 1, 2004. Plan members of PERS retain their existing PERS accounts, but member contributions beginning in 2004 will be deposited in the member's IAP, not in the member's PERS account.

In late September of 2005, the County issued Limited Tax Pension Bonds to fund a portion of its unfunded actuarial liability (UAL) with PERS. The bonds were issued in the amount of \$13,970,000. Of this amount, \$306,147 was used to pay bond issuance costs and \$13,663,853 was used to satisfy the County's UAL as of December 31, 2003. On December 31, 2012, the side account balance with PERS associated with this prepayment of the County's UAL was \$8,282,925.

C. Annual Pension Cost:

The County's contributions for the current fiscal year and the prior three fiscal years were as follows:

<u>Fiscal Year Ending</u>	<u>Annual Costs (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2014	\$ 1,914,629	100%	\$ -
6/30/2013	\$ 1,964,571	100%	\$ -
6/30/2012	\$ 1,979,284	100%	\$ -
6/30/2011	\$ 1,458,828	100%	\$ -

NOTE 11 - DEFERRED COMPENSATION PLAN:

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

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 11 - DEFERRED COMPENSATION PLAN (continued):

The County funds all amounts of compensation deferred under the plan, at the direction of the covered employee, through investments in fixed and variable rate annuity contracts underwritten by insurance companies. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County subject only to the claims of general creditors. Participants' rights under the plan are equal to those of general creditors in an amount equal to the fair market value of the deferred amount of each participant.

The County has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The County believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 12 - POST EMPLOYMENT HEALTH CARE PLAN:

The County operates a single-employer retiree benefit plan which provides medical benefits insurance for retirees and their dependents under the age of 65. There are 262 active employees and 10 eligible retired members in the plan. Eligible retirees pay the same premium for the medical benefit insurance as active employees, which results in an implicit subsidy and an OPEB liability.

The contribution requirements of plan members are established by and may be amended by the County. The County currently finances the retiree benefit plan on a pay-as-you-go basis. The most recent active member monthly premiums for the County and plan members are \$744 for single coverage and \$2,151 for family coverage. The same monthly premiums apply to retirees. For the year ended June 30, 2014, the retired employees contributed \$112,635 to the plan.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 12 - POST EMPLOYMENT HEALTH CARE PLAN (continued):

The County's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the County, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period of 15 years. The following table shows the calculation of the ARC and the net OPEB Obligation assuming the County does not fund its OPEB liability.

	<u>Year Ended</u> <u>June 30, 2014</u>
Normal cost at year end	\$ 167,195
Amortization of UAAL	257,002
Annual required contribution (ARC)	<u>424,197</u>
Interest on prior year net OPEB obligation	71,059
Adjustment to ARC	<u>(244,121)</u>
Annual OPEB cost	251,135
Explicit benefit payments	-
Implicit benefit payments	<u>(74,716)</u>
Increase in net OPEB obligation	176,419
Net OPEB obligation - beginning of year	<u>2,030,259</u>
Net OPEB obligation - end of year	<u><u>\$ 2,206,678</u></u>

The following table shows historical annual OPEB cost and net OPEB obligation:

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage</u> <u>of OPEB Cost</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/2014	\$ 251,135	30%	\$ 2,206,678
6/30/2013	\$ 456,377	22%	\$ 2,030,259
6/30/2012	\$ 430,030	21%	\$ 1,675,293

As of August 1, 2012 the most recent actuarial valuation date, the plan was zero percent funded. The actuarial liability for benefits was \$2,071,040, and the actuarial value of assets was zero, resulting in an unfunded accrued liability of \$2,071,040.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 13 - RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA):

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

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

Participating counties are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.59% of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (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 amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The County's contributions to RHIA for the years ended June 30, 2014, 2013 and 2012 were \$41,501, 47,898, and \$50,717, which equaled the required contributions each year.

UMATILLA COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2014

NOTE 14 - 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. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage in the prior year.

NOTE 15 - JOINT VENTURE:

In March 2012, the County entered into an intergovernmental agreement with City of Hermiston, Oregon establishing the Eastern Oregon Trade and Event Center Authority to acquire, construct, own, manage and operate the Eastern Oregon Trade and Event Center. The County contributed \$26,934 during the year ended June 30, 2014. The facility is currently in the planning stages and is not yet operational.

The intergovernmental agreement with the City of Hermiston establishing the authority calls for the County and the City of Hermiston to each own half of the facility, regardless of the amounts contributed by each. Any funds necessary for operations will be contributed equally by Umatilla County and the City of Hermiston. Either party may contribute unilaterally at its sole discretion. Should the venture dissolve, the highest bidder between Umatilla County and the City of Hermiston will receive all assets and liabilities of the authority. The winning bidder will pay one-half of the purchase price to the other. The County's equity in the Eastern Oregon Trade and Event Center Authority on June 30, 2014 is \$2,306,638. Under the modified cash basis of accounting, the County does not report assets for equity interests in joint ventures.

Separate financial statements for the Authority are available from: Eastern Oregon Trade and Event Center Authority, 915 SE Columbia Drive, Hermiston, OR 97838.

NOTE 16 - SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date of this report, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

This discussion and analysis is intended to serve as an introduction to Umatilla County's basic financial statements. It offers the reader an overview of the County's financial activities for the fiscal year ended June 30, 2014. The basic financial statements have three components: government-wide financial statements, fund financial statements, and notes to the financial statements. To further assist readers, this report contains supplementary information in addition to the basic financial statements.

This narrative will focus on significant financial issues and will identify changes in financial position, material changes from the adopted budget, and individual fund issues or concerns.

Management's Discussion and Analysis is designed to focus on the current year's activities, resulting changes and current known facts. It should be read in conjunction with the financial statements that precede this discussion and analysis.

Financial Highlights

The assets of Umatilla County primary government exceeded its liabilities at June 30, 2014 by \$94.6 million (Net Position). Of this amount, \$12.4 million (Unrestricted Net Position) may be used to meet the County's ongoing obligations to creditors and citizens of the County in accordance with Umatilla County's fund designation and fiscal policies.

The County's total Net Position decreased by \$1,101 during the fiscal year ending June 30, 2014.

Overview of the Basic Financial Statements

Government-Wide Financial Statements—The government-wide statements are designed to provide readers with a broad overview of the County's finances in a presentation similar to a private sector business. The statements in this section are the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information on the County primary government assets and liabilities with the difference between the two reported as net position. It uses a modified cash basis of accounting to focus on resources available for future operations.

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

As viewed over time, increases or decreases may serve as an indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities focuses on gross and net costs of County activities and the extent to which the activities are self-supporting or require assistance from general revenues including property taxes. This statement also uses a modified cash basis for reporting, which incorporates net fixed assets, including depreciation, and long-term debt.

The Statement of Net Position and the Statement of Activities both distinguish functions of the County that are principally supported by taxes and governmental revenues (governmental activities). The governmental functions of the County include general government, public safety, highways and streets, culture and recreation, education, and health. The County has no business-type activities.

Fund Financial Statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the fund statements is major governmental funds. Of the 49 funds maintained by the County, 48 are characterized as governmental and the remaining fund is considered a proprietary fund. Unlike the government-wide statements, the governmental funds financial statements focus on current sources and uses of spendable resources, as well as spendable resources available at the end of the fiscal year. This information may be useful in evaluating a government's short-term financing decisions.

The governmental funds include the General Fund, forty one special revenue funds, three capital project funds, and three debt service funds.

Governmental Funds - Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Because the focus of the governmental funds is narrower than that of the government-wide statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide statements.

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

Both the governmental balance sheet-modified cash basis statements of assets, liabilities and equity and the governmental fund statements of revenues, expenditures and changes in fund balance-modified cash basis provide a reconciliation to assist in the comparison between governmental funds and governmental activities.

Of the 48 governmental funds maintained by the County, two are considered to be major funds: the General Fund and the Public Works Fund. The governmental fund statements focus separately on these major funds presenting each in its own column and combining the remaining funds into a column titled “other governmental funds”.

Proprietary Funds—The County maintains one type of proprietary fund, an internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County’s various functions. The County uses its internal service fund to account for internal financing activities of its vehicle fleet. As this service predominately benefits governmental services, it has been included within governmental activities in the government-wide financial statements.

Fiduciary Funds—Fiduciary funds are used to account for resources held in trust for the benefit of parties outside the government. Fiduciary funds are not presented in the government-wide financial statements because the resources are not available to support the county’s programs.

Notes to the Financial Statements—The notes provide additional information that is essential to a full understanding of the presentation provided in the government-wide and fund financial statements. The notes can be found immediately following the basic financial statements.

Other Supplemental Information—This section will provide the reader with additional information about the non-major governmental funds in the combining schedules of assets, liabilities and equity, and of revenues, expenditures and changes in fund balances. Also included is budgetary information for all funds.

Other supplemental information is available on County compliance and internal controls as required by Oregon statutes.

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

Government-Wide Financial Analysis

Exhibit 1

STATEMENT OF NET POSITION

(Dollars in Thousands)

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 20,559	\$ 19,552	\$ 21,235
Receivables	970	1,179	1,284
Land and CIP	2,220	1,417	1,218
Other capital assets (net)	76,936	80,013	83,955
Total assets	<u>100,685</u>	<u>102,161</u>	<u>107,692</u>
Prepaid-pension asset	12,925	13,235	13,485
Total deferred outflow of resources	<u>12,925</u>	<u>13,235</u>	<u>13,485</u>
Non current liabilities due in one year	1,657	1,576	1,540
Non current liabilities due > one year	16,426	18,083	19,659
Total liabilities	<u>18,083</u>	<u>19,659</u>	<u>21,199</u>
Deferred property taxes and assessments	970	1,179	1,284
Total deferred outflow of resources	<u>970</u>	<u>1,179</u>	<u>1,284</u>
Net position			
Invested in capital assets, net of related debt	73,998	75,005	77,459
Restricted for			
Debt service	1,135	1,191	1,156
Public safety	965	843	654
Highways and streets	4,477	4,750	3,447
Culture and recreation	35	32	5
Education	93	68	77
Health	503	445	374
Other purposes	963	1,514	1,929
Unrestricted	12,388	10,710	13,593
Total net position	<u>\$ 94,557</u>	<u>\$ 94,558</u>	<u>\$ 98,694</u>

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

Net position may serve over time as a useful indicator of a government's financial position. Umatilla County's assets exceeded liabilities by \$94.6 million as of June 30, 2014. This is a decrease of \$1,101 when compared to net position at the end of the previous year.

Exhibit 2

STATEMENT OF NET ACTIVITIES

(Dollars in Thousands)

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net change in net position			
Governmental Activities			
General government	\$ (3,010)	\$ (4,010)	\$ (2,940)
Public safety	(10,095)	(9,854)	(8,974)
Highways and streets	(3,491)	(2,890)	(3,012)
Culture and recreation	(171)	(3,099)	(30)
Education	(273)	(351)	(340)
Health	(168)	(828)	(386)
Interest on long-term debt	(824)	(868)	(946)
Total government activities	<u>(18,032)</u>	<u>(21,900)</u>	<u>(16,628)</u>
General receipts			
Property taxes	16,244	15,870	15,161
Fines and forfeitures	193	328	198
Earnings on investments	119	128	101
Refunds and miscellaneous	1,115	1,371	1,652
Sale of fixed assets	360	67	3,280
Total general receipts and transfers	<u>18,031</u>	<u>17,764</u>	<u>20,392</u>
Change in net position	(1)	(4,136)	3,764
Net position, beginning	94,558	98,694	94,930
Net position, ending	<u>\$ 94,557</u>	<u>\$ 94,558</u>	<u>\$ 98,694</u>

13.1% of the balance of net position or \$12.4 million, is considered unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

The largest portion of the County's net position (78%) reflects its investment in capital assets (land, buildings, equipment, improvements, construction in progress and infrastructure), less any related debt. The County uses these assets to provide services to the people of the County; consequently these assets are not available for future spending. Although the investment in its capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided by other sources, since the capital assets themselves cannot be used to liquidate this liability.

A small portion of the County's net position (1%) is subject to external restrictions and can only be used for debt service as provided by statute and regulation.

Governmental Funds Financial Analysis

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of Umatilla County's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, Umatilla County's governmental funds reported combined ending fund balances of \$20.1 million, an increase of \$985,000 when compared to the previous year. The majority of the combined fund balances is reserved and only available for spending within the designated funds and/or policies.

The General Fund and the Public Works Fund are considered major funds by the County. These major funds account for 48% of the combined governmental fund balances.

The major funds account for 62% of total governmental revenues and 61% of total governmental expenditure.

Public Safety and Health programs account for 48% of all governmental expenditures.

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

General Fund. The General Fund is the chief operating fund for Umatilla County. At the end of the year, the fund balance of the General Fund was \$5.4 million. As a measure of the General Fund's liquidity, it may be useful to compare the fund balance to total fund expenditures. The ending fund balance represents 29% of total general fund expenditures for the fiscal year ending 2014 compared to 30% the prior year. The net change in the fund balance for the General Fund was a \$121,000 decrease.

Property tax is a significant revenue source for the General Fund. The year's collections represent 69% of total General Fund revenues, compared to 71% the previous year.

Public Works Fund. The Public Works Fund's primary source of revenue is the gas tax distributed by the State of Oregon. Gas tax receipts were \$4.97 million, compared to \$4.7 million the prior year.

Expenditures exceeded revenues \$462,000 thousand in the current year. A reduction in state grants associated with project completion last year and a \$215,000 increase in equipment purchases marked the difference.

Fair Improvement Fund. The County sold its fairgrounds for net receipts of \$2.99 million in 2013. The funds were transferred to the Eastern Oregon Trade and Event Center Authority for development of a new site for the Umatilla County Fair. The County and the City of Hermiston have jointly created this intergovernmental entity or council of government for the development of a venue for the Umatilla County Fair and Farm-City Pro Rodeo.

General Fund Budgetary Highlights

The County made several revisions to the original General Fund appropriations adopted by the Board of Commissioners for the 2013-2014 fiscal year. The adjustments were needed to increase expenditures for the difference in adopted revenue and revised revenue budget. These revisions resulted in a 4% increase in General Fund appropriations.

General Fund revenues exceeded the adjusted budget by \$864,000 and expenditures were \$2.2 million under budget.

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

Capital Assets. Umatilla County's investment in capital assets for its governmental activities amounts to \$79.1 million (net of accumulated depreciation). The investment in fixed assets includes land, buildings, equipment, infrastructure (roadways and bridges) and construction in progress.

Additional information on Umatilla County's fixed assets can be found in the notes to the financial statements, immediately following the basic statements.

Exhibit 3

FIXED ASSETS AT YEAR END

(Dollars in Thousands)

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Non-depreciable assets:			
Land	\$ 1,314	\$ 1,314	\$ 1,206
Construction in progress	906	103	12
Sub-Total	<u>2,220</u>	<u>1,417</u>	<u>1,218</u>
Depreciable assets:			
Buildings	26,935	26,604	26,697
Equipment	12,769	12,287	12,167
Infrastructure	128,159	128,159	128,159
Sub-total	<u>167,863</u>	<u>167,050</u>	<u>167,023</u>
Accumulated Depreciation	(90,927)	(87,038)	(83,068)
Total general fixed assets	<u>\$ 79,156</u>	<u>\$ 81,429</u>	<u>\$ 85,173</u>

Construction in progress represents the building of a Head Start building in Milton-Freewater under a Community Development Block Grant sponsored by the County. The County must have possession of the completed property for five years before transferring title to Head Start.

Debt Administration. At the end of the current fiscal year, Umatilla County had total debt outstanding of \$18.1 million. Of this amount \$2.9 million is comprised of general obligation bonds issued to finance construction of a new county jail, \$12.9 million is comprised of the Limited Tax Pension Bonds issued in 2005, \$2 million is comprised of notes backed by the full faith and credit of the County, and \$238 thousand in a capital lease secured by equipment.

The general obligation bonds originally issued in the fiscal year 1997, were refunded in 2002 and most recently in January of 2012. The latest bond refunding principal saves the taxpayers \$333,359 over the remaining life of the issue which ends in October, 2016. The 2012 series bonds were rated "A+" by Standard & Poor's upon issuance with a stable outlook. The bonds are supported by unlimited ad valorem taxes.

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

Limited Tax Pension Bonds. The Pension Bonds were issued to address the County's estimated PERS unfunded actuarial liability in 2005. The 5% of real market value statutory limitation on pension bonds is well in excess of outstanding debt.

In addition to the bonded indebtedness, the County borrowed \$2.5 million in 2005 to finance the construction of a new justice center in Hermiston, Oregon.

Exhibit 3

OUTSTANDING DEBT AT YEAR END

(Dollars in Thousands)

	<u>2014</u>	<u>2013</u>	<u>2012</u>
General obligations	\$ 2,895	\$ 3,890	\$ 4,920
Limited tax bonds	12,925	13,235	13,485
Notes Payable	2,025	2,277	2,519
Capital leases	238	257	275
Total	<u>\$ 18,083</u>	<u>\$ 19,659</u>	<u>\$ 21,199</u>

The County sponsored a new wastewater collection system for the community of Reith. As part of that project the County entered into a contract for a loan from the Oregon Department of Environmental Quality in the year ended June 30, 2005. The project was completed in 2007-2008. The loan had a limit of \$381 thousand and payments commenced six months after project completion on a semi-annual basis. The Reith Sanitary District will pay the County back on the 20-year loan. Please see notes to basic financial statements for additional information.

Additionally, in 2008 the County constructed a new building with a construction loan of \$314 thousand and replaced two aging boilers at the Justice Center with debt financing of \$130 thousand. Energy savings provide the debt service for the boiler debt.

The County also carries \$257 thousand in the form of a capital lease collateralized by the underlying equipment.

Total County debt outstanding represents .3% of county real market value.

UMATILLA COUNTY

Management Discussion and Analysis

June 30, 2014

Economic Factors and Next Year's Budget

Oregon's seasonally adjusted unemployment rate has declined over the last year from 7.8% to 6.8%, slightly higher than the U.S. rate of 6.1%. Oregon has consistently trailed the U.S. rate over the last ten years leading to a shortfall of income taxes in the state and a continuing budget crisis. State programs operated by the County, particularly in areas of health and public safety, are always subject to reduction in the State's budget balancing exercise. The County continues to conservatively budget its resources.

The County's seasonally adjusted unemployment rate also decreased slightly over the past year from 8.2 % to 7.4%. The County enjoys certain economic advantages: location on both east-west and north-south major highway systems, available water and rail transportation, natural gas transmission lines, and an electrical transmission grid.

A beginning fund balance of \$5.61 million was projected for the General Fund in the 2015 budget. The actual beginning fund balance was \$5.43 million.

The certified property tax base continues to grow. The tax base for 2013-2014 grew at a 2.5% rate over the prior year and was projected to grow 2% in the 2014-2015 budget.

Next year's adopted operating budget is \$2.4 million higher than the 2014 operating budget. The General Fund requirements have been projected \$60,000 above that of the previous year.

Contact Information

The County's financial statements are designed to provide the user (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 Office at 216 S.E. 4th St., Pendleton, Oregon 97801.

UMATILLA COUNTY, OREGON

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances

Modified Cash Basis - Budget to Actual - Detail

Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Property taxes:				
Current year taxes	\$ 12,444,387	\$ 12,444,387	\$ 12,653,677	\$ 209,290
Prior year taxes	400,000	400,000	749,728	349,728
In-lieu of taxes	414,000	414,000	505,842	91,842
Intergovernmental:				
Federal revenues	298,950	153,451	129,536	(23,915)
State revenues	380,214	384,360	461,988	77,628
Local revenues	265,862	303,203	153,078	(150,125)
Salary supplements	115,000	115,000	157,101	42,101
Amusement tax	16,000	16,000	17,689	1,689
Liquor tax	300,000	300,000	375,308	75,308
Cigarette tax	75,000	75,000	73,141	(1,859)
Railcar taxes	20,000	20,000	20,415	415
CAFFA grant	480,912	480,912	412,288	(68,624)
Emergency services grants	71,469	71,469	40,245	(31,224)
Nurse family partnership grants	303,677	303,677	144,697	(158,980)
Family planning grants and other	295,642	292,052	300,089	8,037
Health department grants	93,475	97,715	102,499	4,784
Juvenile court/detention grants	123,500	264,802	263,280	(1,522)
Management services	966,106	966,106	966,106	-
Charges for services:				
Miscellaneous fees	82,500	101,682	213,819	112,137
Clerk and recorder fees	363,100	363,100	334,463	(28,637)
Marriage, court, and mediation fees	103,902	36,493	37,268	775
Jail fees	648,755	648,755	722,848	74,093
Civil fees	87,000	117,100	190,647	73,547
District attorney fees	21,000	21,000	38,423	17,423
Juvenile detention fees	17,000	17,000	23,472	6,472
Election fees	20,000	20,000	43,274	23,274
Planning fees	96,000	96,000	104,664	8,664
Surveyor fees and other	2,500	2,500	1,160	(1,340)
Tax collector fees and other	28,975	27,975	52,270	24,295
Health department fees	33,000	33,000	42,832	9,832
Watermaster fees and other	192,869	192,869	188,587	(4,282)
Fines and forfeitures	14,500	14,500	21,146	6,646
Investment revenue	35,000	35,000	41,838	6,838
Other revenues:				
Refunds and reimbursements	257,877	344,609	452,213	107,604
Rent received	21,980	21,980	17,015	(4,965)
Donations	3,682	3,682	5,198	1,516
Landfill	38,000	38,000	41,088	3,088
Miscellaneous	450	450	2,866	2,416
Total revenues	19,132,284	19,237,829	20,101,798	863,969

UMATILLA COUNTY, OREGON

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual - Detail
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>EXPENDITURES (by department):</u>				
<u>General government:</u>				
Assessor:				
Personal services	1,232,484	1,218,484	1,143,782	74,702
Materials & services	55,629	55,629	39,978	15,651
Total assessor	<u>1,288,113</u>	<u>1,274,113</u>	<u>1,183,760</u>	<u>90,353</u>
Board of commissioners:				
Personal services	768,392	768,392	662,099	106,293
Materials & services	243,602	235,370	139,900	95,470
Capital outlay	-	12,696	12,695	1
Total board of commissioners	<u>1,011,994</u>	<u>1,016,458</u>	<u>814,694</u>	<u>201,764</u>
Human resources:				
Personal services	168,930	168,930	155,119	13,811
Materials & services	36,846	45,396	17,049	28,347
Total human resources	<u>205,776</u>	<u>214,326</u>	<u>172,168</u>	<u>42,158</u>
Support enforcement:				
Personal services	151,066	151,066	144,055	7,011
Materials & services	16,910	16,910	11,040	5,870
Total support enforcement	<u>167,976</u>	<u>167,976</u>	<u>155,095</u>	<u>12,881</u>
Finance:				
Personal services	259,217	259,217	245,346	13,871
Materials & services	40,350	40,350	35,040	5,310
Total finance	<u>299,567</u>	<u>299,567</u>	<u>280,386</u>	<u>19,181</u>
County records:				
Personal services	191,930	200,000	193,088	6,912
Materials & services	23,981	30,281	24,593	5,688
Capital Outlay	5,935	5,935	-	5,935
Total county records	<u>221,846</u>	<u>236,216</u>	<u>217,681</u>	<u>18,535</u>
Elections:				
Personal services	215,422	215,422	207,072	8,350
Materials & services	94,421	94,421	87,159	7,262
Total elections	<u>309,843</u>	<u>309,843</u>	<u>294,231</u>	<u>15,612</u>
Planning:				
Personal services	451,086	446,228	415,082	31,146
Materials & services	74,750	76,050	75,877	173
Total planning	<u>525,836</u>	<u>522,278</u>	<u>490,959</u>	<u>31,319</u>

UMATILLA COUNTY, OREGON

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual - Detail
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Surveyor:				
Personal services	30,788	30,788	13,164	17,624
Materials & services	9,110	9,110	8,956	154
Total surveyor	<u>39,898</u>	<u>39,898</u>	<u>22,120</u>	<u>17,778</u>
Tax collector:				
Personal services	233,850	233,850	221,939	11,911
Materials & services	54,800	54,800	42,104	12,696
Total tax collector	<u>288,650</u>	<u>288,650</u>	<u>264,043</u>	<u>24,607</u>
Veterans service:				
Personal services	97,403	97,403	63,397	34,006
Materials & services	32,018	32,018	28,594	3,424
Total veterans service	<u>129,421</u>	<u>129,421</u>	<u>91,991</u>	<u>37,430</u>
Administration:				
Personal services	195,850	195,850	185,735	10,115
Materials & services	8,675	8,675	6,155	2,520
Total administration	<u>204,525</u>	<u>204,525</u>	<u>191,890</u>	<u>12,635</u>
Building maintenance:				
Personal services	326,403	341,949	302,483	39,466
Materials & services	236,050	254,867	232,530	22,337
Capital outlay	-	5,881	5,881	-
Total building maintenance	<u>562,453</u>	<u>602,697</u>	<u>540,894</u>	<u>61,803</u>
Computer information services:				
Personal services	401,067	401,067	365,641	35,426
Materials & services	161,400	268,042	259,090	8,952
Total computer information services	<u>562,467</u>	<u>669,109</u>	<u>624,731</u>	<u>44,378</u>
Communication:				
Personal services	57,773	57,773	55,063	2,710
Materials & services	103,788	103,788	84,867	18,921
Total communication	<u>161,561</u>	<u>161,561</u>	<u>139,930</u>	<u>21,631</u>
Printing:				
Personal services	75,374	75,374	72,007	3,367
Materials & services	106,100	106,100	74,763	31,337
Total printing	<u>181,474</u>	<u>181,474</u>	<u>146,770</u>	<u>34,704</u>
Code enforcement:				
Personal services	71,556	76,414	72,826	3,588
Materials & services	24,700	24,950	24,919	31
Total code enforcement	<u>96,256</u>	<u>101,364</u>	<u>97,745</u>	<u>3,619</u>

UMATILLA COUNTY, OREGON

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual - Detail
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Mediation services:				
Materials & services	85,429	8,150	8,150	-
Total mediation services	<u>85,429</u>	<u>8,150</u>	<u>8,150</u>	<u>-</u>
West County facility maintenance:				
Materials & services	97,183	108,183	96,593	11,590
Total West County facility maintenance	<u>97,183</u>	<u>108,183</u>	<u>96,593</u>	<u>11,590</u>
Geographical information director:				
Personal services	172,945	186,127	185,204	923
Materials & services	21,400	21,400	13,518	7,882
Total geographical information director	<u>194,345</u>	<u>207,527</u>	<u>198,722</u>	<u>8,805</u>
Nondepartmental:				
Personal services	1,650	1,650	1,632	18
Materials & services	328,750	328,750	306,857	21,893
Total nondepartmental	<u>330,400</u>	<u>330,400</u>	<u>308,489</u>	<u>21,911</u>
Total general government	<u>6,965,013</u>	<u>7,073,736</u>	<u>6,341,042</u>	<u>732,694</u>
<u>Public safety:</u>				
District attorney:				
Personal services	1,412,873	1,412,873	1,312,383	100,490
Materials & services	140,550	141,066	118,780	22,286
Total district attorney	<u>1,553,423</u>	<u>1,553,939</u>	<u>1,431,163</u>	<u>122,776</u>
Victim Witness:				
Personal services	133,925	133,925	98,757	35,168
Total victim witness	<u>133,925</u>	<u>133,925</u>	<u>98,757</u>	<u>35,168</u>
Emergency services:				
Personal services	79,740	79,740	67,861	11,879
Materials & services	35,997	35,997	23,646	12,351
Total emergency services	<u>115,737</u>	<u>115,737</u>	<u>91,507</u>	<u>24,230</u>
Jail:				
Personal services	3,176,623	3,176,623	2,975,882	200,741
Materials & services	1,847,095	2,186,776	2,082,205	104,571
Total jail	<u>5,023,718</u>	<u>5,363,399</u>	<u>5,058,087</u>	<u>305,312</u>
Juvenile:				
Personal services	885,920	885,920	806,744	79,176
Materials & services	453,975	595,277	417,391	177,886
Total juvenile	<u>1,339,895</u>	<u>1,481,197</u>	<u>1,224,135</u>	<u>257,062</u>

UMATILLA COUNTY, OREGON

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual - Detail
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Sheriff - civil:				
Personal services	457,586	457,586	427,326	30,260
Materials & services	46,893	69,768	61,208	8,560
Capital outlay	-	7,225	-	7,225
Total sheriff - civil	<u>504,479</u>	<u>534,579</u>	<u>488,534</u>	<u>46,045</u>
Sheriff - criminal:				
Personal services	1,638,123	1,577,423	1,490,605	86,818
Materials & services	346,400	407,100	392,749	14,351
Total sheriff - criminal	<u>1,984,523</u>	<u>1,984,523</u>	<u>1,883,354</u>	<u>101,169</u>
Watermaster:				
Personal services	357,828	357,828	335,868	21,960
Materials & services	40,612	40,612	35,581	5,031
Total watermaster	<u>398,440</u>	<u>398,440</u>	<u>371,449</u>	<u>26,991</u>
Total public safety	<u>11,054,140</u>	<u>11,565,739</u>	<u>10,646,986</u>	<u>918,753</u>
<u>Education:</u>				
Cooperative extension service:				
Personal services	217,225	217,225	206,023	11,202
Materials & services	111,707	111,707	111,706	1
Total education	<u>328,932</u>	<u>328,932</u>	<u>317,729</u>	<u>11,203</u>
<u>Health:</u>				
Nurse Family Partnership				
Personal services	165,137	165,137	148,597	16,540
Materials & services	138,540	138,540	48,788	89,752
Total communicable disease	<u>303,677</u>	<u>303,677</u>	<u>197,385</u>	<u>106,292</u>
Communicable disease:				
Personal services	221,836	206,970	131,574	75,396
Materials & services	70,280	84,337	64,182	20,155
Total communicable disease	<u>292,116</u>	<u>291,307</u>	<u>195,756</u>	<u>95,551</u>
Family planning:				
Personal services	356,030	354,030	291,559	62,471
Materials & services	158,471	156,881	130,970	25,911
Total family planning	<u>514,501</u>	<u>510,911</u>	<u>422,529</u>	<u>88,382</u>
Health department:				
Personal services	245,190	249,430	237,232	12,198
Materials & services	92,738	112,738	98,606	14,132
Total health department	<u>337,928</u>	<u>362,168</u>	<u>335,838</u>	<u>26,330</u>

UMATILLA COUNTY, OREGON

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual - Detail
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Health and human services:				
Materials & services	37,500	101,191	9,355	91,836
Total health and human services	37,500	101,191	9,355	91,836
Maternal and child health care:				
Personal services	353,527	281,082	182,484	98,598
Materials & services	251,670	173,571	149,186	24,385
Total maternal and child health care	605,197	454,653	331,670	122,983
Total health	2,090,919	2,023,907	1,492,533	531,374
Operating contingency	400,000	199,074	-	199,074
Total expenditures	20,839,004	21,191,388	18,798,290	2,393,098
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(1,706,720)</u>	<u>(1,953,559)</u>	<u>1,303,508</u>	<u>3,257,067</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	365,913	525,161	522,112	(3,049)
Operating transfers out	(1,554,104)	(1,951,217)	(1,946,884)	4,333
Total other financing sources (uses)	(1,188,191)	(1,426,056)	(1,424,772)	1,284
<u>NET CHANGE IN FUND BALANCES</u>	<u>(2,894,911)</u>	<u>(3,379,615)</u>	<u>(121,264)</u>	<u>3,258,351</u>
<u>FUND BALANCES, BEGINNING</u>	<u>4,494,911</u>	<u>5,558,508</u>	<u>5,558,508</u>	<u>-</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 1,600,000</u>	<u>\$ 2,178,893</u>	<u>\$ 5,437,244</u>	<u>\$ 3,258,351</u>

UMATILLA COUNTY, OREGON

Non-Major Governmental Funds

June 30, 2014

Special revenue funds:

- Bicycle path fund
- Parks fund
- Emergency 911 telephone system fund
- Corrections assessment fund
- Special transportation fund
- Law library fund
- Records archiving fund
- Tax foreclosed property fund
- Human services fund
- Public land corner preservation fund
- Fair improvement fund
- EOTEC reserve fund
- Community corrections fund
- Economic development fund
- County road improvement fund
- Sheriff - corp of engineers fund
- Sheriff - marine fund
- Children and youth services fund
- School based health center fund
- Nuisance abatement fund
- Extension special equipment fund
- County fair fund
- County school fund
- Community services development fund
- Youth services development fund
- Mediation services fund
- Unitary assessment fund
- Assessment and taxation fund
- CARES program fund
- Environment health fund
- Coalitions of Umatilla County fund
- Community benefit plans fund
- Special services fund
- 2050 plan fund
- FPEP reserve fund
- Veterans expanded services fund
- GIS equipment reserve fund
- Assessor technology reserve fund
- PERS reserve fund

Debt service funds:

- Debt service fund
- PERS bond fund
- Reith wastewater fund

Capital projects funds:

- Juvenile center improvements fund
- Facilities improvement fund
- Milton-Freewater Head Start building fund

UMATILLA COUNTY, OREGON

Nonmajor Governmental Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2014

	<u>Total Nonmajor Special Revenue Funds</u>	<u>Total Nonmajor Debt Service Funds</u>	<u>Total Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS:</u>				
Cash	\$ 7,869,956	\$ 2,452,308	\$ 170,450	\$ 10,492,714
Property taxes receivable	-	71,442	-	71,442
Assessments receivable	20,091	-	-	20,091
Total assets	<u>\$ 7,890,047</u>	<u>\$ 2,523,750</u>	<u>\$ 170,450</u>	<u>\$ 10,584,247</u>
<u>LIABILITIES:</u>	\$ -	\$ -	\$ -	\$ -
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred property taxes revenue	-	71,442	-	71,442
Deferred assessments	20,091	-	-	20,091
Total deferred inflows of resources	<u>20,091</u>	<u>71,442</u>	<u>-</u>	<u>91,533</u>
<u>FUND BALANCES:</u>				
Restricted	2,879,045	1,135,522	120	4,014,687
Committed	3,755,068	1,316,786	-	5,071,854
Assigned	1,290,271	-	170,330	1,460,601
Unassigned	(54,428)	-	-	(54,428)
Total fund balances	<u>7,869,956</u>	<u>2,452,308</u>	<u>170,450</u>	<u>10,492,714</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,890,047</u>	<u>\$ 2,523,750</u>	<u>\$ 170,450</u>	<u>\$ 10,584,247</u>

UMATILLA COUNTY, OREGON

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis
Year Ended June 30, 2014

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>REVENUES:</u>				
Taxes	\$ 1,332,703	\$ 1,001,765	\$ -	\$ 2,334,468
Intergovernmental	7,454,731	859,609	829,686	9,144,026
Charges for services	3,719,916	-	-	3,719,916
Fines & forfeitures	172,020	-	-	172,020
Interest	34,620	14,538	963	50,121
Miscellaneous & reimbursements	462,544	-	72,270	534,814
Total revenues	<u>13,176,534</u>	<u>1,875,912</u>	<u>902,919</u>	<u>15,955,365</u>
<u>EXPENDITURES:</u>				
General government	2,824,907	-	27,381	2,852,288
Public safety	5,167,402	-	-	5,167,402
Highways and streets	2,267	-	-	2,267
Culture and recreation	1,349,932	-	-	1,349,932
Education	298,306	-	-	298,306
Health	2,327,207	-	-	2,327,207
Capital outlay	532,619	-	817,938	1,350,557
Debt Service:				
Principal	-	1,557,211	-	1,557,211
Interest	-	815,527	-	815,527
Total expenditures	<u>12,502,640</u>	<u>2,372,738</u>	<u>845,319</u>	<u>15,720,697</u>
<u>EXCESS (DEFICIENCY) OF</u>				
<u>REVENUES OVER (UNDER)</u>				
<u>EXPENDITURES</u>	<u>673,894</u>	<u>(496,826)</u>	<u>57,600</u>	<u>234,668</u>
<u>OTHER FINANCING SOURCES</u>				
<u>(USES):</u>				
Operating transfers in	2,224,324	295,220	-	2,519,544
Operating transfers out	(1,256,422)	-	(68,146)	(1,324,568)
Total other financing sources (uses)	<u>967,902</u>	<u>295,220</u>	<u>(68,146)</u>	<u>1,194,976</u>
<u>NET CHANGE IN FUND</u>				
<u>BALANCES</u>	1,641,796	(201,606)	(10,546)	1,429,644
<u>FUND BALANCE, BEGINNING</u>				
<u>OF YEAR</u>	<u>6,228,160</u>	<u>2,653,914</u>	<u>180,996</u>	<u>9,063,070</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 7,869,956</u>	<u>\$ 2,452,308</u>	<u>\$ 170,450</u>	<u>\$ 10,492,714</u>

UMATILLA COUNTY, OREGON

Non-Major Special Revenue Governmental Funds

June 30, 2014

These funds account for revenue derived from specific taxes or other earmarked revenue sources which are legally restricted or committed to finance particular functions or activities. Funds included are:

- **Bicycle path fund** - accounts for one percent of State Motor Vehicle fees collected pursuant to ORS 366.514.
- **Parks fund** - accounts for county recreational vehicle registration fees from the State.
- **Tax anticipation notes** - budgeted each year in anticipation of a shortfall in resources before the property tax revenues come in as provided by ORS 278A.180.
- **Emergency 911 telephone system fund** - accounts for revenues from the State telephone excise tax and committed revenues from the General Fund and City of Pendleton under an intergovernmental agreement for dispatch of emergency communication services.
- **Corrections assessment fund** - accounts for assessments imposed by a circuit or municipal court or justice court.
- **Special transportation fund** - accounts for grant monies received from the State elderly and disabled special transportation fund.
- **Records archiving fund** - accounts for clerk's record fees pursuant to ORS 205.320 for acquiring storage and retrieval systems.
- **Law library fund** - accounts for law library fees received from the State.
- **Tax foreclosed property fund** - accounts for the receipt and sale of foreclosed properties for delinquent property taxes.
- **Human services fund** - accounts for revenues from the delivery of alcohol, drug, and gambling services.
- **Public land corner preservation fund** - accounts for the collection of recording fees on real property transactions and surveying activities.
- **Fairground improvement fund** - accounts for receipts to be applied to the County's obligation for construction of EOTEC.
- **EOTEC reserve fund** - accounts for the accumulated and expending funds deemed necessary for the operation of EOTEC.
- **Community corrections fund** - accounts for grant activities under intergovernmental agreements between the State of Oregon and the County.
- **Economic development fund** - accounts for the receipt of video lottery monies distributed by the State of Oregon.
- **County road improvement fund** - accounts for activities of local improvement districts created by the County under Oregon statutes.
- **Sheriff - Corp of Engineers fund** - accounts for proceeds under federal grant with the Corps of Engineers.
- **Sheriff - marine fund** - accounts for activities under state grant with Oregon State Marine Board.
- **Children and youth services fund** - accounts for grant activity under various state grants.
- **School based health center fund** - accounts for health care activity at specified school locations within the County.
- **Nuisance abatement fund** - accounts for nuisance abatement activities.

UMATILLA COUNTY, OREGON

Non-Major Special Revenue Governmental Funds (Continued)

June 30, 2014

These funds account for revenue derived from specific taxes or other earmarked revenue sources which are legally restricted or committed to finance particular functions or activities. Funds included are:

- **Extension special equipment fund** - accounts for the activities of a soil probe truck.
- **County fair fund** - accounts for fair and fairgrounds activities.
- **County school fund** - accounts for federal forest reserve revenues.
- **Community services development fund** - accounts for grant activity associated with services to the community.
- **Youth services development fund** - accounts for grant activity associated with services to the youth of Umatilla County.
- **Mediation services fund** - accounts for mediation services fees.
- **Unitary assessment fund** - accounts for grant activity that supports the Victim/Witness Program.
- **Assessment and taxation fund** - accounts for the collection of recording fees and interest, pursuant to state law.
- **CARES program fund** - accounts for activity under a Memorandum of Agreement between several school districts, the ESD, Head Start, and the County.
- **Environment health fund** - accounts for economic activities for environmental health program under an intergovernmental agreement with the Oregon Public Health Foodborne Illness Program.
- **Coalitions of Umatilla County fund** - accounts for grant activities associated with youth and children services.
- **Community benefit plans fund** - accounts for revenue streams under Strategic Investment Program plans.
- **Special services fund** - accounts for costs associated with physical security of the Courts.
- **2050 PLAN fund** - accounts for costs associated economic development, especially in critical groundwater areas.
- **FPEP reserve fund** - established for the purpose of accumulating monies toward the expansion of physical facilities at a future date for the delivery of services through the Family Planning Program.
- **Veterans expanded services fund** - accounts for expanded and enhanced services provided to veterans.
- **GIS equipment reserve fund** - accounts for costs associated with acquiring needed equipment or other specific purposes in support of the GIS program.
- **Assessor technology reserve fund** - accounts for costs associated with acquiring needed equipment or other specific purposes in support of the assessor's office.
- **PERS reserve fund** - accounts for potential costs associated with increases or court decisions related to PERS.

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2014

	<u>Bicycle Path</u>	<u>Parks</u>	<u>Emergency 911 Telephone</u>	<u>Corrections Assessment</u>	<u>Special Transport</u>	<u>Law Library</u>	<u>Records Archiving</u>
<u>ASSETS:</u>							
Cash	\$ 320,859	\$ 34,595	\$ (30,808)	\$ 23,907	\$ 116,207	\$ 73,291	\$ 50,930
Assessments receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 320,859</u>	<u>\$ 34,595</u>	<u>\$ (30,808)</u>	<u>\$ 23,907</u>	<u>\$ 116,207</u>	<u>\$ 73,291</u>	<u>\$ 50,930</u>
<u>LIABILITIES</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Deferred assessments	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>							
Restricted	320,859	34,595	-	23,907	116,207	73,291	50,930
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	(30,808)	-	-	-	-
Total fund balances	<u>320,859</u>	<u>34,595</u>	<u>(30,808)</u>	<u>23,907</u>	<u>116,207</u>	<u>73,291</u>	<u>50,930</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 320,859</u>	<u>\$ 34,595</u>	<u>\$ (30,808)</u>	<u>\$ 23,907</u>	<u>\$ 116,207</u>	<u>\$ 73,291</u>	<u>\$ 50,930</u>

Continued on next page.

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2014

Continued from previous page.

	<u>Tax Foreclosed Property</u>	<u>Human Services</u>	<u>Public Land Corner Preservation</u>	<u>Fair Improvement</u>	<u>EOTEC Reserve</u>	<u>Community Corrections</u>	<u>Economic Development</u>
<u>ASSETS:</u>							
Cash	\$ 35,988	\$ 40,966	\$ 122,403	\$ 506,967	\$ 177,266	\$ 910,965	\$ 321,846
Assessments receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 35,988</u>	<u>\$ 40,966</u>	<u>\$ 122,403</u>	<u>\$ 506,967</u>	<u>\$ 177,266</u>	<u>\$ 910,965</u>	<u>\$ 321,846</u>
<u>LIABILITIES</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Deferred assessments	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>							
Restricted	35,988	40,966	122,403	-	-	910,965	321,846
Committed	-	-	-	-	177,266	-	-
Assigned	-	-	-	506,967	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>35,988</u>	<u>40,966</u>	<u>122,403</u>	<u>506,967</u>	<u>177,266</u>	<u>910,965</u>	<u>321,846</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 35,988</u>	<u>\$ 40,966</u>	<u>\$ 122,403</u>	<u>\$ 506,967</u>	<u>\$ 177,266</u>	<u>\$ 910,965</u>	<u>\$ 321,846</u>

Continued on next page.

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2014

Continued from previous page.

	<u>County Road Improvement</u>	<u>Sheriff Corp of Engineers</u>	<u>Sheriff Marine</u>	<u>Children & Youth Services</u>	<u>School Based Health Center</u>	<u>Nuisance Abatement</u>	<u>Extension Special Equipment</u>
<u>ASSETS:</u>							
Cash	\$ 326,011	\$ 29,868	\$ (23,620)	\$ -	\$ 242,101	\$ 60,993	\$ 30,386
Assessments receivable	20,091	-	-	-	-	-	-
Total assets	<u>\$ 346,102</u>	<u>\$ 29,868</u>	<u>\$ (23,620)</u>	<u>\$ -</u>	<u>\$ 242,101</u>	<u>\$ 60,993</u>	<u>\$ 30,386</u>
<u>LIABILITIES</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Deferred assessments	20,091	-	-	-	-	-	-
Total deferred inflows of resources	<u>20,091</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>							
Restricted	-	29,868	-	-	-	-	-
Committed	326,011	-	-	-	242,101	60,993	30,386
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	(23,620)	-	-	-	-
Total fund balances	<u>326,011</u>	<u>29,868</u>	<u>(23,620)</u>	<u>-</u>	<u>242,101</u>	<u>60,993</u>	<u>30,386</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 346,102</u>	<u>\$ 29,868</u>	<u>\$ (23,620)</u>	<u>\$ -</u>	<u>\$ 242,101</u>	<u>\$ 60,993</u>	<u>\$ 30,386</u>

Continued on next page.

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2014

Continued from previous page.

	<u>County Fair</u>	<u>County School</u>	<u>Unitary Assessment</u>	<u>Comm. Serv. Develop.</u>	<u>Youth Serv. Develop.</u>	<u>Mediation Services</u>	<u>Assessment & Taxation</u>
<u>ASSETS:</u>							
Cash	\$ 7,551	\$ 19,965	\$ 26,487	\$ 427,927	\$ 333,245	\$ 106,331	\$ 142,002
Assessments receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 7,551</u>	<u>\$ 19,965</u>	<u>\$ 26,487</u>	<u>\$ 427,927</u>	<u>\$ 333,245</u>	<u>\$ 106,331</u>	<u>\$ 142,002</u>
<u>LIABILITIES</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Deferred assessments	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
<u>FUND BALANCES:</u>							
Restricted	-	19,965	26,487	-	-	106,331	142,002
Committed	7,551	-	-	427,927	333,245	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>7,551</u>	<u>19,965</u>	<u>26,487</u>	<u>427,927</u>	<u>333,245</u>	<u>106,331</u>	<u>142,002</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,551</u>	<u>\$ 19,965</u>	<u>\$ 26,487</u>	<u>\$ 427,927</u>	<u>\$ 333,245</u>	<u>\$ 106,331</u>	<u>\$ 142,002</u>

Continued on next page.

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2014

Continued from previous page.

	<u>CARES Program</u>	<u>Environment Health</u>	<u>Coalitions of Umatilla Cty.</u>	<u>Community Benefit Plans</u>	<u>Special Services</u>	<u>2050 Plan</u>	<u>FPEP Reserve</u>
<u>ASSETS:</u>							
Cash	\$ 125,457	\$ 435,180	\$ 13,927	\$ 1,656,662	\$ 1	\$ 50,394	\$ 10,463
Assessments receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 125,457</u>	<u>\$ 435,180</u>	<u>\$ 13,927</u>	<u>\$ 1,656,662</u>	<u>\$ 1</u>	<u>\$ 50,394</u>	<u>\$ 10,463</u>
<u>LIABILITIES</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Deferred assessments	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>							
Restricted	-	435,180	-	-	-	-	10,463
Committed	125,457	-	-	887,286	-	50,394	-
Assigned	-	-	13,927	769,376	1	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>125,457</u>	<u>435,180</u>	<u>13,927</u>	<u>1,656,662</u>	<u>1</u>	<u>50,394</u>	<u>10,463</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 125,457</u>	<u>\$ 435,180</u>	<u>\$ 13,927</u>	<u>\$ 1,656,662</u>	<u>\$ 1</u>	<u>\$ 50,394</u>	<u>\$ 10,463</u>

Continued on next page.

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2014

Continued from previous page.

	<u>Veterans Expanded Services</u>	<u>GIS Equipment Reserve</u>	<u>Assessor Technology Reserve</u>	<u>PERS Reserve</u>	<u>Totals</u>
<u>ASSETS:</u>					
Cash	\$ 56,792	\$ 70,748	\$ 11,027	\$ 1,004,676	\$ 7,869,956
Assessments receivable	-	-	-	-	20,091
Total assets	<u>\$ 56,792</u>	<u>\$ 70,748</u>	<u>\$ 11,027</u>	<u>\$ 1,004,676</u>	<u>\$ 7,890,047</u>
<u>LIABILITIES</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred assessments	-	-	-	-	20,091
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,091</u>
<u>FUND BALANCES:</u>					
Restricted	56,792	-	-	-	2,879,045
Committed	-	70,748	11,027	1,004,676	3,755,068
Assigned	-	-	-	-	1,290,271
Unassigned	-	-	-	-	(54,428)
Total fund balances	<u>56,792</u>	<u>70,748</u>	<u>11,027</u>	<u>1,004,676</u>	<u>7,869,956</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 56,792</u>	<u>\$ 70,748</u>	<u>\$ 11,027</u>	<u>\$ 1,004,676</u>	<u>\$ 7,890,047</u>

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis

Year Ended June 30, 2014

	<u>Bicycle Path</u>	<u>Parks</u>	<u>Emergency 911 Telephone</u>	<u>Corrections Assessment</u>	<u>Special Transport</u>	<u>Law Library</u>	<u>Records Archiving</u>
<u>REVENUES:</u>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	49,303	76,148	638,277	-	139,784	-	-
Charges for services	-	28,318	-	-	-	56,430	12,741
Fines & forfeitures	-	-	-	90,834	-	-	-
Interest	1,659	236	-	120	920	382	313
Miscellaneous & reimbursements	-	95	64,810	-	2,944	-	-
Total revenues	<u>50,962</u>	<u>104,797</u>	<u>703,087</u>	<u>90,954</u>	<u>143,648</u>	<u>56,812</u>	<u>13,054</u>
<u>EXPENDITURES:</u>							
General government	-	-	-	-	186,620	-	10,397
Public safety	-	-	1,628,543	1,083	-	-	-
Highways and streets	1,681	-	-	-	-	-	-
Culture and recreation	-	95,578	-	-	-	-	-
Education	-	-	-	-	-	48,551	-
Health	-	-	-	-	-	-	-
Capital outlay	-	6,900	395,251	-	-	-	10,365
Total expenditures	<u>1,681</u>	<u>102,478</u>	<u>2,023,794</u>	<u>1,083</u>	<u>186,620</u>	<u>48,551</u>	<u>20,762</u>
<u>EXCESS (DEFICIENCY) OF</u>							
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>49,281</u>	<u>2,319</u>	<u>(1,320,707)</u>	<u>89,871</u>	<u>(42,972)</u>	<u>8,261</u>	<u>(7,708)</u>
<u>OTHER FINANCING SOURCES (USES):</u>							
Operating transfers in	-	-	1,235,371	-	-	-	-
Operating transfers out	-	-	-	(187,338)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,235,371</u>	<u>(187,338)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES:</u>	49,281	2,319	(85,336)	(97,467)	(42,972)	8,261	(7,708)
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>271,578</u>	<u>32,276</u>	<u>54,528</u>	<u>121,374</u>	<u>159,179</u>	<u>65,030</u>	<u>58,638</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 320,859</u>	<u>\$ 34,595</u>	<u>\$ (30,808)</u>	<u>\$ 23,907</u>	<u>\$ 116,207</u>	<u>\$ 73,291</u>	<u>\$ 50,930</u>

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis

Year Ended June 30, 2014

Continued from previous page.

	<u>Tax Foreclosed Property</u>	<u>Human Services</u>	<u>Public Land Corner Preservation</u>	<u>Fairground Improvement</u>	<u>EOTEC Reserve</u>	<u>Community Corrections</u>	<u>Economic Development</u>
<u>REVENUES:</u>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	1,216,808	-	-	-	3,425,621	294,870
Charges for services	-	412,583	80,441	-	-	223,211	-
Fines & forfeitures	1,250	-	-	-	-	-	-
Interest	188	570	563	2,870	747	5,117	2,047
Miscellaneous & reimbursements	91,816	10,864	-	-	-	51,842	149
Total revenues	<u>93,254</u>	<u>1,640,825</u>	<u>81,004</u>	<u>2,870</u>	<u>747</u>	<u>3,705,791</u>	<u>297,066</u>
<u>EXPENDITURES:</u>							
General government	31,464	-	59,679	-	-	-	323,403
Public safety	-	-	-	-	-	3,382,256	-
Highways and streets	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	26,933	-	-
Education	-	-	-	-	-	-	-
Health	-	1,727,920	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	24,900
Total expenditures	<u>31,464</u>	<u>1,727,920</u>	<u>59,679</u>	<u>-</u>	<u>26,933</u>	<u>3,382,256</u>	<u>348,303</u>
<u>EXCESS (DEFICIENCY) OF</u>							
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>61,790</u>	<u>(87,095)</u>	<u>21,325</u>	<u>2,870</u>	<u>(26,186)</u>	<u>323,535</u>	<u>(51,237)</u>
<u>OTHER FINANCING SOURCES (USES):</u>							
Operating transfers in	-	62,446	-	-	80,000	31,223	-
Operating transfers out	(30,802)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(30,802)</u>	<u>62,446</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>31,223</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES:</u>	<u>30,988</u>	<u>(24,649)</u>	<u>21,325</u>	<u>2,870</u>	<u>53,814</u>	<u>354,758</u>	<u>(51,237)</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>5,000</u>	<u>65,615</u>	<u>101,078</u>	<u>504,097</u>	<u>123,452</u>	<u>556,207</u>	<u>373,083</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 35,988</u>	<u>\$ 40,966</u>	<u>\$ 122,403</u>	<u>\$ 506,967</u>	<u>\$ 177,266</u>	<u>\$ 910,965</u>	<u>\$ 321,846</u>

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis

Year Ended June 30, 2014

Continued from previous page.

	<u>County Road Improvement</u>	<u>Sheriff Corp of Engineers</u>	<u>Sheriff Marine</u>	<u>Children & Youth Services</u>	<u>School Based Health Center</u>	<u>Nuisance Abatement</u>	<u>Extension Special Equipment</u>
<u>REVENUES:</u>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	38,700	59,375	161,338	305,320	-	-
Charges for services	-	-	-	-	10,860	-	-
Fines & forfeitures	-	-	-	-	-	1,899	-
Interest	1,811	307	194	869	1,053	338	171
Miscellaneous & reimbursements	7,174	-	14,900	2,886	-	-	928
Total revenues	<u>8,985</u>	<u>39,007</u>	<u>74,469</u>	<u>165,093</u>	<u>317,233</u>	<u>2,237</u>	<u>1,099</u>
<u>EXPENDITURES:</u>							
General government	-	-	-	197,558	-	1,007	1,068
Public safety	-	80,173	75,347	-	-	-	-
Highways and streets	586	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Health	-	-	-	-	186,660	-	-
Capital outlay	-	-	62,300	-	-	-	-
Total expenditures	<u>586</u>	<u>80,173</u>	<u>137,647</u>	<u>197,558</u>	<u>186,660</u>	<u>1,007</u>	<u>1,068</u>
<u>EXCESS (DEFICIENCY) OF</u>							
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>8,399</u>	<u>(41,166)</u>	<u>(63,178)</u>	<u>(32,465)</u>	<u>130,573</u>	<u>1,230</u>	<u>31</u>
<u>OTHER FINANCING SOURCES (USES):</u>							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	(528,707)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(528,707)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES:</u>	8,399	(41,166)	(63,178)	(561,172)	130,573	1,230	31
<u>FUND BALANCE, BEGINNING OF YEAR</u>	317,612	71,034	39,558	561,172	111,528	59,763	30,355
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 326,011</u>	<u>\$ 29,868</u>	<u>\$ (23,620)</u>	<u>\$ -</u>	<u>\$ 242,101</u>	<u>\$ 60,993</u>	<u>\$ 30,386</u>

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis

Year Ended June 30, 2014

Continued from previous page.

	<u>County Fair</u>	<u>County School</u>	<u>Unitary Assessment</u>	<u>Community Services Development</u>	<u>Youth Services Development</u>	<u>Mediation Services</u>	<u>Assessment & Taxation</u>
<u>REVENUES:</u>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 328,027
Intergovernmental	50,964	266,302	72,235	117,678	165,029	-	-
Charges for services	1,026,291	-	-	-	-	71,951	259,690
Fines & forfeitures	-	-	-	-	-	-	-
Interest	89	408	102	1,648	1,328	298	558
Miscellaneous & reimbursements	39,345	-	-	-	-	-	95
Total revenues	<u>1,116,689</u>	<u>266,710</u>	<u>72,337</u>	<u>119,326</u>	<u>166,357</u>	<u>72,249</u>	<u>588,370</u>
<u>EXPENDITURES:</u>							
General government	-	-	-	4,615	10,000	44,719	576,363
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Culture and recreation	1,227,421	-	-	-	-	-	-
Education	-	249,755	-	-	-	-	-
Health	-	-	48,115	-	-	-	-
Capital outlay	-	-	-	-	32,903	-	-
Total expenditures	<u>1,227,421</u>	<u>249,755</u>	<u>48,115</u>	<u>4,615</u>	<u>42,903</u>	<u>44,719</u>	<u>576,363</u>
<u>EXCESS (DEFICIENCY) OF</u>							
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(110,732)</u>	<u>16,955</u>	<u>24,222</u>	<u>114,711</u>	<u>123,454</u>	<u>27,530</u>	<u>12,007</u>
<u>OTHER FINANCING SOURCES (USES):</u>							
Operating transfers in	67,343	-	-	318,916	209,791	78,801	-
Operating transfers out	-	-	-	(5,700)	-	-	-
Total other financing sources (uses)	<u>67,343</u>	<u>-</u>	<u>-</u>	<u>313,216</u>	<u>209,791</u>	<u>78,801</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES:</u>	<u>(43,389)</u>	<u>16,955</u>	<u>24,222</u>	<u>427,927</u>	<u>333,245</u>	<u>106,331</u>	<u>12,007</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>50,940</u>	<u>3,010</u>	<u>2,265</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,995</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 7,551</u>	<u>\$ 19,965</u>	<u>\$ 26,487</u>	<u>\$ 427,927</u>	<u>\$ 333,245</u>	<u>\$ 106,331</u>	<u>\$ 142,002</u>

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis

Year Ended June 30, 2014

Continued from previous page.

	<u>CARES Program</u>	<u>Environment Health</u>	<u>Coalitions of Umatilla County</u>	<u>Community Benefit Plans</u>	<u>Special Services</u>	<u>2050 Plan</u>	<u>FPEP Reserve</u>
<u>REVENUES:</u>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	280,275	-	-	-	-	-	-
Charges for services	-	237,987	-	1,285,430	4,526	-	-
Fines & forfeitures	-	-	-	-	78,037	-	-
Interest	252	2,334	75	5,397	-	330	719
Miscellaneous & reimbursements	-	-	18,689	138,943	-	17,064	-
Total revenues	<u>280,527</u>	<u>240,321</u>	<u>18,764</u>	<u>1,429,770</u>	<u>82,563</u>	<u>17,394</u>	<u>719</u>
<u>EXPENDITURES:</u>							
General government	-	-	4,837	1,083,136	158,996	77,064	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Health	182,590	181,922	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>182,590</u>	<u>181,922</u>	<u>4,837</u>	<u>1,083,136</u>	<u>158,996</u>	<u>77,064</u>	<u>-</u>
<u>EXCESS (DEFICIENCY) OF</u>							
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>97,937</u>	<u>58,399</u>	<u>13,927</u>	<u>346,634</u>	<u>(76,433)</u>	<u>(59,670)</u>	<u>719</u>
<u>OTHER FINANCING SOURCES (USES):</u>							
Operating transfers in	-	-	-	-	76,433	50,000	-
Operating transfers out	-	-	-	(388,081)	-	-	(115,794)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(388,081)</u>	<u>76,433</u>	<u>50,000</u>	<u>(115,794)</u>
<u>NET CHANGE IN FUND BALANCES:</u>	<u>97,937</u>	<u>58,399</u>	<u>13,927</u>	<u>(41,447)</u>	<u>-</u>	<u>(9,670)</u>	<u>(115,075)</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>27,520</u>	<u>376,781</u>	<u>-</u>	<u>1,698,109</u>	<u>1</u>	<u>60,064</u>	<u>125,538</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$125,457</u>	<u>\$ 435,180</u>	<u>\$ 13,927</u>	<u>\$ 1,656,662</u>	<u>\$ 1</u>	<u>\$ 50,394</u>	<u>\$ 10,463</u>

UMATILLA COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis

Year Ended June 30, 2014

Continued from previous page.

	<u>Veterans Expanded Services</u>	<u>GIS Equipment Reserve</u>	<u>Assessor Technology Reserve</u>	<u>PERS Reserve</u>	<u>Totals</u>
<u>REVENUES:</u>					
Taxes	\$ -	\$ -	\$ -	\$ 1,004,676	\$ 1,332,703
Intergovernmental	96,704	-	-	-	7,454,731
Charges for services	-	9,457	-	-	3,719,916
Fines & forfeitures	-	-	-	-	172,020
Interest	216	364	27	-	34,620
Miscellaneous & reimbursements	-	-	-	-	462,544
Total revenues	<u>96,920</u>	<u>9,821</u>	<u>27</u>	<u>1,004,676</u>	<u>13,176,534</u>
<u>EXPENDITURES:</u>					
General government	49,905	1,076	3,000	-	2,824,907
Public safety	-	-	-	-	5,167,402
Highways and streets	-	-	-	-	2,267
Culture and recreation	-	-	-	-	1,349,932
Education	-	-	-	-	298,306
Health	-	-	-	-	2,327,207
Capital outlay	-	-	-	-	532,619
Total expenditures	<u>49,905</u>	<u>1,076</u>	<u>3,000</u>	<u>-</u>	<u>12,502,640</u>
<u>EXCESS (DEFICIENCY) OF</u>					
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>47,015</u>	<u>8,745</u>	<u>(2,973)</u>	<u>1,004,676</u>	<u>673,894</u>
<u>OTHER FINANCING SOURCES (USES):</u>					
Operating transfers in	-	-	14,000	-	2,224,324
Operating transfers out	-	-	-	-	(1,256,422)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>-</u>	<u>967,902</u>
<u>NET CHANGE IN FUND BALANCES:</u>	<u>47,015</u>	<u>8,745</u>	<u>11,027</u>	<u>1,004,676</u>	<u>1,641,796</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>9,777</u>	<u>62,003</u>	<u>-</u>	<u>-</u>	<u>6,228,160</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 56,792</u>	<u>\$ 70,748</u>	<u>\$ 11,027</u>	<u>\$ 1,004,676</u>	<u>\$ 7,869,956</u>

UMATILLA COUNTY, OREGON

Bicycle Path Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
DMV license and gas tax	\$ 49,000	\$ 49,000	\$ 49,303	\$ 303
Interest	2,000	2,000	1,659	(341)
Total revenues	<u>51,000</u>	<u>51,000</u>	<u>50,962</u>	<u>(38)</u>
<u>EXPENDITURES:</u>				
Materials & services	<u>151,681</u>	<u>151,681</u>	<u>1,681</u>	<u>150,000</u>
Total expenditures	<u>151,681</u>	<u>151,681</u>	<u>1,681</u>	<u>150,000</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(100,681)	(100,681)	49,281	149,962
<u>FUND BALANCES, BEGINNING</u>	<u>275,000</u>	<u>275,000</u>	<u>271,578</u>	<u>(3,422)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 174,319</u>	<u>\$ 174,319</u>	<u>\$ 320,859</u>	<u>\$ 146,540</u>

UMATILLA COUNTY, OREGON

Parks Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Modified Cash Basis - Budget to Actual

Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
State vehicle fees	\$ 73,211	\$ 73,211	\$ 76,148	\$ 2,937
Charges for services:				
Park user fees	20,900	20,900	28,318	7,418
Interest	200	200	236	36
Reimbursements	100	100	95	(5)
Total revenues	<u>94,411</u>	<u>94,411</u>	<u>104,797</u>	<u>10,386</u>
<u>EXPENDITURES:</u>				
Personal services	69,775	69,775	62,739	7,036
Materials & services	45,299	45,299	32,839	12,460
Capital outlay	14,000	14,000	6,900	7,100
Operating contingency	3,337	3,337	-	3,337
Total expenditures	<u>132,411</u>	<u>132,411</u>	<u>102,478</u>	<u>29,933</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(38,000)	(38,000)	2,319	40,319
<u>FUND BALANCES, BEGINNING</u>				
	<u>38,000</u>	<u>38,000</u>	<u>32,276</u>	<u>(5,724)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,595</u>	<u>\$ 34,595</u>

UMATILLA COUNTY, OREGON

Tax Anticipation Notes
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget-</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<u>REVENUES:</u>				
Interest	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Total revenues	20,000	20,000	-	(20,000)
<u>EXPENDITURES:</u>				
Interest expense	15,000	15,000	-	15,000
Materials & services	5,000	5,000	-	5,000
Total expenditures	20,000	20,000	-	20,000
<u>EXCESS OF REVENUES</u>				
<u>OVER EXPENDITURES</u>				
	-	-	-	-
<u>OTHER FINANCING SOURCES (USES):</u>				
Tax anticipation note proceeds	2,000,000	2,000,000	-	2,000,000
Repayment of tax anticipation notes	(2,000,000)	(2,000,000)	-	(2,000,000)
<u>NET CHANGE IN FUND BALANCES</u>				
	-	-	-	-
<u>FUND BALANCES, BEGINNING</u>				
	-	-	-	-
<u>FUND BALANCES, ENDING</u>				
	\$ -	\$ -	\$ -	\$ -

UMATILLA COUNTY, OREGON

Emergency 911 Telephone System Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
911 apportionment	\$ 384,828	\$ 384,828	\$ 376,195	\$ (8,633)
State apportionments	9,000	9,000	-	(9,000)
Local apportionments	388,561	388,561	260,082	(128,479)
National Forest rental	4,000	4,000	2,000	(2,000)
Refunds and reimbursements	21,794	174,032	64,810	(109,222)
Total revenues	<u>808,183</u>	<u>960,421</u>	<u>703,087</u>	<u>(257,334)</u>
<u>EXPENDITURES:</u>				
Personal services	1,647,772	1,647,772	1,516,279	131,493
Materials & services	73,557	122,957	112,264	10,693
Capital outlay	-	398,734	395,251	3,483
Total expenditures	<u>1,721,329</u>	<u>2,169,463</u>	<u>2,023,794</u>	<u>145,669</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(913,146)	(1,209,042)	(1,320,707)	(111,665)
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	<u>901,738</u>	<u>1,197,634</u>	<u>1,235,371</u>	<u>37,737</u>
<u>NET CHANGE IN FUND BALANCES</u>	(11,408)	(11,408)	(85,336)	(73,928)
<u>FUND BALANCES, BEGINNING</u>	<u>11,408</u>	<u>11,408</u>	<u>54,528</u>	<u>43,120</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,808)</u>	<u>\$ (30,808)</u>

UMATILLA COUNTY, OREGON

Corrections Assessment Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Fines & impound fees	\$ 60,000	\$ 66,928	\$ 90,834	\$ 23,906
Interest	60	120	120	-
Total revenues	<u>60,060</u>	<u>67,048</u>	<u>90,954</u>	<u>23,906</u>
<u>EXPENDITURES:</u>				
Materials & services	<u>1,083</u>	<u>1,083</u>	<u>1,083</u>	<u>-</u>
Total expenditures	<u>1,083</u>	<u>1,083</u>	<u>1,083</u>	<u>-</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	58,977	65,965	89,871	23,906
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers out	<u>(74,238)</u>	<u>(187,339)</u>	<u>(187,338)</u>	<u>1</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	(15,261)	(121,374)	(97,467)	23,907
<u>FUND BALANCES, BEGINNING</u>				
	<u>15,261</u>	<u>121,374</u>	<u>121,374</u>	<u>-</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,907</u>	<u>\$ 23,907</u>

UMATILLA COUNTY, OREGON

Special Transportation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
State grant	\$ 127,500	\$ 280,402	\$ 139,784	\$ (140,618)
Interest	1,000	1,000	920	(80)
Reimbursements	-	-	2,944	2,944
Total revenues	<u>128,500</u>	<u>281,402</u>	<u>143,648</u>	<u>(137,754)</u>
<u>EXPENDITURES:</u>				
Materials & services	156,200	309,102	186,620	122,482
Operating contingency	135,300	135,300	-	135,300
Total expenditures	<u>291,500</u>	<u>444,402</u>	<u>186,620</u>	<u>257,782</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(163,000)	(163,000)	(42,972)	120,028
<u>FUND BALANCES, BEGINNING</u>				
	<u>163,000</u>	<u>163,000</u>	<u>159,179</u>	<u>(3,821)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,207</u>	<u>\$ 116,207</u>

UMATILLA COUNTY, OREGON

Law Library Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Fines & forfeitures:				
Court fees	\$ 53,304	\$ 53,304	\$ 56,430	\$ 3,126
Interest	200	200	382	182
Total revenues	<u>53,504</u>	<u>53,504</u>	<u>56,812</u>	<u>3,308</u>
<u>EXPENDITURES:</u>				
Materials & services	60,504	60,504	48,551	11,953
Contingency	53,000	53,000	-	53,000
Total expenditures	<u>113,504</u>	<u>113,504</u>	<u>48,551</u>	<u>64,953</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(60,000)	(60,000)	8,261	68,261
<u>FUND BALANCES, BEGINNING</u>	<u>60,000</u>	<u>60,000</u>	<u>65,030</u>	<u>5,030</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,291</u>	<u>\$ 73,291</u>

UMATILLA COUNTY, OREGON

Records Archiving
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Charges for services:				
Land transaction fees	\$ 10,000	\$ 10,000	\$ 12,741	\$ 2,741
Interest	-	-	313	313
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>13,054</u>	<u>3,054</u>
<u>EXPENDITURES:</u>				
Materials & services	60,345	60,345	5,389	54,956
Capital outlay	<u>19,655</u>	<u>19,655</u>	<u>15,373</u>	<u>4,282</u>
Total expenditures	<u>80,000</u>	<u>80,000</u>	<u>20,762</u>	<u>59,238</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(70,000)	(70,000)	(7,708)	62,292
<u>FUND BALANCES, BEGINNING</u>	<u>70,000</u>	<u>70,000</u>	<u>58,638</u>	<u>(11,362)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,930</u>	<u>\$ 50,930</u>

UMATILLA COUNTY, OREGON

Tax Foreclosed Property Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ 500	\$ 500	\$ 188	\$ (312)
Sale of public lands	15,000	77,135	91,816	14,681
Fines & Forfeitures	-	1,250	1,250	-
Total revenues	<u>15,500</u>	<u>78,885</u>	<u>93,254</u>	<u>14,369</u>
<u>EXPENDITURES:</u>				
Materials & services	<u>17,000</u>	<u>52,885</u>	<u>31,464</u>	<u>21,421</u>
Total expenditures	<u>17,000</u>	<u>52,885</u>	<u>31,464</u>	<u>21,421</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(1,500)	26,000	61,790	35,790
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers out	<u>(5,000)</u>	<u>(31,000)</u>	<u>(30,802)</u>	<u>198</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	(6,500)	(5,000)	30,988	35,988
<u>FUND BALANCES, BEGINNING</u>				
	<u>6,500</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,988</u>	<u>\$ 35,988</u>

UMATILLA COUNTY, OREGON

Human Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
State grants & contracts	\$ 1,201,076	\$ 1,395,010	\$ 1,216,808	\$ (178,202)
Charges for services:				
Customer services	596,893	596,893	412,583	\$ (184,310)
Interest	-	-	570	570
Insurance reimbursements and other	30,200	27,945	10,864	(17,081)
Total revenues	<u>1,828,169</u>	<u>2,019,848</u>	<u>1,640,825</u>	<u>(379,023)</u>
<u>EXPENDITURES:</u>				
Personal services	1,186,505	1,186,505	1,078,541	107,964
Materials & services	669,704	866,034	649,379	216,655
Contingency	-	35,391	-	35,391
Total expenditures	<u>1,856,209</u>	<u>2,087,930</u>	<u>1,727,920</u>	<u>360,010</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(28,040)	(68,082)	(87,095)	(19,013)
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	24,746	62,446	62,446	-
Operating transfers out	(5,000)	(5,000)	-	5,000
Total other financing sources (uses)	<u>19,746</u>	<u>57,446</u>	<u>62,446</u>	<u>5,000</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	(8,294)	(10,636)	(24,649)	(14,013)
<u>FUND BALANCES, BEGINNING</u>				
	<u>8,294</u>	<u>10,636</u>	<u>65,615</u>	<u>54,979</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,966</u>	<u>\$ 40,966</u>

UMATILLA COUNTY, OREGON

Public Land Corner Preservation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Charges for services:				
Public corner fees	\$ 90,000	\$ 90,000	\$ 80,441	\$ (9,559)
Interest	3,000	3,000	563	(2,437)
Total revenues	<u>93,000</u>	<u>93,000</u>	<u>81,004</u>	<u>(11,996)</u>
<u>EXPENDITURES:</u>				
Materials & services	193,000	193,000	59,679	133,321
Capital outlay	20,000	20,000	-	20,000
Total expenditures	<u>213,000</u>	<u>213,000</u>	<u>59,679</u>	<u>153,321</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	(120,000)	(120,000)	21,325	141,325
<u>FUND BALANCES, BEGINNING</u>				
	<u>120,000</u>	<u>120,000</u>	<u>101,078</u>	<u>(18,922)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,403</u>	<u>\$ 122,403</u>

UMATILLA COUNTY, OREGON

Fair Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Interest	\$ 5,000	\$ 5,000	\$ 2,870	\$ (2,130)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>2,870</u>	<u>(2,130)</u>
<u>EXPENDITURES:</u>				
Materials & services	<u>616,000</u>	<u>616,000</u>	<u>-</u>	<u>616,000</u>
Total expenditures	<u>616,000</u>	<u>616,000</u>	<u>-</u>	<u>616,000</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(611,000)	(611,000)	2,870	613,870
<u>FUND BALANCES, BEGINNING</u>				
	<u>611,000</u>	<u>611,000</u>	<u>504,097</u>	<u>(106,903)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 506,967</u>	<u>\$ 506,967</u>

UMATILLA COUNTY, OREGON

Eastern Oregon Trade and Event Center
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Interest	\$ -	\$ -	\$ 747	\$ 747
Total revenues	-	-	747	747
<u>EXPENDITURES:</u>				
Materials & services	222,412	222,412	26,933	195,479
Total expenditures	222,412	222,412	26,933	195,479
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(222,412)	(222,412)	(26,186)	196,226
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	80,000	80,000	80,000	
<u>NET CHANGE IN FUND BALANCES</u>				
	(142,412)	(142,412)	53,814	196,226
<u>FUND BALANCES, BEGINNING</u>				
	142,412	142,412	123,452	(18,960)
<u>FUND BALANCES, ENDING</u>				
	\$ -	\$ -	\$ 177,266	\$ 177,266

UMATILLA COUNTY, OREGON

Community Corrections Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>REVENUES:</u>				
Intergovernmental:				
State grants	\$ 392,000	\$ 754,983	\$ 562,013	\$ (192,970)
Corrections allocation grant	2,354,121	2,309,957	2,312,497	2,540
Federal grants	278,924	46,487	472,628	426,141
Local grants	30,000	168,879	70,000	(98,879)
Inmate welfare	6,500	6,369	7,523	1,154
Miscellaneous	1,000	1,000	960	(40)
Charges for services:				
Supervision fees	175,000	175,000	173,473	(1,527)
Client fees	44,500	44,500	39,270	(5,230)
Interest	4,540	4,540	5,117	577
Rent	10,000	10,000	10,468	468
Refunds and reimbursements	38,750	33,851	51,842	17,991
Total revenues	<u>3,335,335</u>	<u>3,555,566</u>	<u>3,705,791</u>	<u>150,225</u>
<u>EXPENDITURES:</u>				
Community corrections:				
Personal services	2,245,022	2,217,300	2,116,992	100,308
Materials & services	680,353	701,232	588,655	112,577
Total community corrections	<u>2,925,375</u>	<u>2,918,532</u>	<u>2,705,647</u>	<u>212,885</u>
Drug court:				
Personal services	191,475	186,975	167,034	19,941
Material & services	419,149	555,836	494,164	61,672
Total drug court	<u>610,624</u>	<u>742,811</u>	<u>661,198</u>	<u>81,613</u>
Transitional housing:				
Material & services	10,000	20,040	15,411	4,629
Total transitional housing	<u>10,000</u>	<u>20,040</u>	<u>15,411</u>	<u>4,629</u>
Operating contingency	406,909	454,501	-	454,501
Total expenditures	<u>3,952,908</u>	<u>4,135,884</u>	<u>3,382,256</u>	<u>753,628</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(617,573)</u>	<u>(580,318)</u>	<u>323,535</u>	<u>903,853</u>
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	12,373	31,223	31,223	-
<u>NET CHANGE IN FUND BALANCES</u>	<u>(605,200)</u>	<u>(549,095)</u>	<u>354,758</u>	<u>903,853</u>
<u>FUND BALANCES, BEGINNING</u>	<u>605,200</u>	<u>549,095</u>	<u>556,207</u>	<u>7,112</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 910,965</u>	<u>\$ 910,965</u>

UMATILLA COUNTY, OREGON

Economic Development Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
Video lottery	\$ 240,000	\$ 240,000	\$ 294,870	\$ 54,870
Interest	1,000	1,000	2,047	1,047
Reimbursements	-	-	149	149
Total revenues	<u>241,000</u>	<u>241,000</u>	<u>297,066</u>	<u>56,066</u>
<u>EXPENDITURES:</u>				
Personal services	143,886	143,886	123,847	20,039
Materials & services	320,114	320,114	199,556	120,558
Capital outlay	27,000	27,000	24,900	2,100
Operating contingency	<u>110,000</u>	<u>110,000</u>	-	<u>110,000</u>
Total expenditures	<u>601,000</u>	<u>601,000</u>	<u>348,303</u>	<u>252,697</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	(360,000)	(360,000)	(51,237)	308,763
<u>FUND BALANCES, BEGINNING</u>				
	<u>360,000</u>	<u>360,000</u>	<u>373,083</u>	<u>13,083</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 321,846</u>	<u>\$ 321,846</u>

UMATILLA COUNTY, OREGON

County Road Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ 1,500	\$ 1,500	\$ 1,811	\$ 311
Road improvement loan payments	10,000	10,000	7,174	(2,826)
Total revenues	<u>11,500</u>	<u>11,500</u>	<u>8,985</u>	<u>(2,515)</u>
<u>EXPENDITURES:</u>				
Materials & services	586	586	586	-
Capital outlay	150,000	150,000	-	150,000
Operating contingency	175,914	175,914	-	175,914
Total expenditures	<u>326,500</u>	<u>326,500</u>	<u>586</u>	<u>325,914</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(315,000)	(315,000)	8,399	323,399
<u>FUND BALANCES, BEGINNING</u>	<u>315,000</u>	<u>315,000</u>	<u>317,612</u>	<u>2,612</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 326,011</u>	<u>\$ 326,011</u>

UMATILLA COUNTY, OREGON

Sheriff - Corp of Engineers Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
Corps of Engineers grant	\$ 44,583	\$ 44,583	\$ 38,700	\$ (5,883)
Interest	-	1,234	307	(927)
Total revenues	<u>44,583</u>	<u>45,817</u>	<u>39,007</u>	<u>(6,810)</u>
<u>EXPENDITURES:</u>				
Personal services	74,783	99,045	74,708	24,337
Materials & services	9,740	9,740	5,006	4,734
Operating contingency	8,066	8,066	459	7,607
Total expenditures	<u>92,589</u>	<u>116,851</u>	<u>80,173</u>	<u>36,678</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	(48,006)	(71,034)	(41,166)	29,868
<u>FUND BALANCES, BEGINNING</u>				
	<u>48,006</u>	<u>71,034</u>	<u>71,034</u>	<u>-</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,868</u>	<u>\$ 29,868</u>

UMATILLA COUNTY, OREGON

Sheriff - Marine Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
State Marine Board	\$ 62,965	\$ 117,965	\$ 59,375	\$ (58,590)
Interest	1,500	1,500	194	(1,306)
Miscellaneous	-	9,000	14,900	5,900
Total revenues	<u>64,465</u>	<u>128,465</u>	<u>74,469</u>	<u>(53,996)</u>
<u>EXPENDITURES:</u>				
Personal services	63,176	63,176	61,601	1,575
Materials & services	20,072	23,572	13,746	9,826
Capital Outlay	-	64,000	62,300	1,700
Contingency	7,508	4,008	-	4,008
Total expenditures	<u>90,756</u>	<u>154,756</u>	<u>137,647</u>	<u>17,109</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(26,291)	(26,291)	(63,178)	(36,887)
<u>FUND BALANCES, BEGINNING</u>				
	<u>26,291</u>	<u>26,291</u>	<u>39,558</u>	<u>13,267</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (23,620)</u>	<u>\$ (23,620)</u>

UMATILLA COUNTY, OREGON

Children and Youth Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Final Budget- Favorable (Unfavorable)
<u>REVENUES:</u>				
Intergovernmental:				
State grants	\$ -	\$ -	\$ 161,338	\$ 161,338
Local grants	1,500	1,500	-	(1,500)
Interest	1,750	923	869	(54)
Refunds and reimbursements	-	1,443	2,886	1,443
Total revenues	<u>3,250</u>	<u>3,866</u>	<u>165,093</u>	<u>161,227</u>
<u>EXPENDITURES:</u>				
General government:				
Administration:				
Material & services	<u>251,750</u>	<u>21,165</u>	<u>21,165</u>	<u>-</u>
Great start:				
Material & services	<u>149,325</u>	<u>199,325</u>	<u>162,727</u>	<u>36,598</u>
CYF flex:				
Material & services	<u>-</u>	<u>567</u>	<u>565</u>	<u>2</u>
Juvenile services:				
Material & services	<u>200,000</u>	<u>12,836</u>	<u>12,836</u>	<u>-</u>
ESD/Care program				
Material & services	<u>2,000</u>	<u>2,000</u>	<u>265</u>	<u>1,735</u>
Total expenditures	<u>603,075</u>	<u>235,893</u>	<u>197,558</u>	<u>38,335</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>	(599,825)	(232,027)	(32,465)	199,562
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers out	<u>-</u>	<u>(528,708)</u>	<u>(528,707)</u>	<u>1</u>
Total other financing sources (uses)	<u>-</u>	<u>(528,708)</u>	<u>(528,707)</u>	<u>1</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(599,825)</u>	<u>(760,735)</u>	<u>(561,172)</u>	<u>199,563</u>
<u>FUND BALANCES, BEGINNING</u>	<u>599,825</u>	<u>760,735</u>	<u>561,172</u>	<u>(199,563)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UMATILLA COUNTY, OREGON

School Based Health Center Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
Grants	\$ 142,000	\$ 230,410	\$ 305,320	\$ 74,910
Charges for services:				
Fees	17,000	17,000	10,860	(6,140)
Interest	-	-	1,053	1,053
Total revenues	<u>159,000</u>	<u>247,410</u>	<u>317,233</u>	<u>69,823</u>
<u>EXPENDITURES:</u>				
Personal services	161,121	216,121	132,093	84,028
Materials & services	<u>27,079</u>	<u>60,489</u>	<u>54,567</u>	<u>5,922</u>
Total expenditures	<u>188,200</u>	<u>276,610</u>	<u>186,660</u>	<u>89,950</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(29,200)	(29,200)	130,573	159,773
<u>FUND BALANCES, BEGINNING</u>				
	<u>29,200</u>	<u>29,200</u>	<u>111,528</u>	<u>82,328</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242,101</u>	<u>\$ 242,101</u>

UMATILLA COUNTY, OREGON

Nuisance Abatement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Charges for services:				
Customer fees	\$ 500	\$ 500	\$ -	\$ (500)
Fines & forfeitures	-	-	1,899	1,899
Interest	300	300	338	38
Refund and reimbursements	500	500	-	(500)
Total revenues	<u>1,300</u>	<u>1,300</u>	<u>2,237</u>	<u>937</u>
<u>EXPENDITURES:</u>				
Materials & services	45,800	45,800	1,007	44,793
Capital outlay	500	500	-	500
Total expenditures	<u>46,300</u>	<u>46,300</u>	<u>1,007</u>	<u>45,293</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(45,000)	(45,000)	1,230	46,230
<u>FUND BALANCES, BEGINNING</u>	<u>60,000</u>	<u>60,000</u>	<u>59,763</u>	<u>(237)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 60,993</u>	<u>\$ 45,993</u>

UMATILLA COUNTY, OREGON

Extension Special Equipment Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Charges for services:				
Rent received/equipment	\$ 3,000	\$ 3,000	\$ 928	\$ (2,072)
Interest	-	-	171	171
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>1,099</u>	<u>(1,901)</u>
<u>EXPENDITURES:</u>				
Material & services	25,000	25,000	1,068	23,932
Operating contingency	3,000	3,000	-	3,000
Total expenditures	<u>28,000</u>	<u>28,000</u>	<u>1,068</u>	<u>26,932</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	<u>(25,000)</u>	<u>(25,000)</u>	<u>31</u>	<u>25,031</u>
<u>FUND BALANCES, BEGINNING</u>				
	<u>25,000</u>	<u>25,000</u>	<u>30,355</u>	<u>5,355</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,386</u>	<u>\$ 30,386</u>

UMATILLA COUNTY, OREGON

County Fair Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
State grants	\$ 48,000	\$ 48,000	\$ 50,964	\$ 2,964
Charges for services:				
Admissions	200,000	200,000	186,752	(13,248)
Local shared revenues	19,044	19,044	18,140	(904)
Refunds and reimbursements	1,250	1,250	2,866	1,616
Concessions and commercial space	59,200	59,200	59,226	26
Carnival	80,000	80,000	75,936	(4,064)
Rodeo revenues	39,682	39,682	35,045	(4,637)
Livestock sales	350,000	426,000	436,485	10,485
Rentals	70,511	70,511	70,068	(443)
Concert	7,000	7,000	18,820	11,820
Fair-sponsorships	72,000	77,000	73,500	(3,500)
Fair-parking	22,000	22,000	16,735	(5,265)
Fair-concessions & merchandise	16,500	16,500	22,654	6,154
Fair-other	10,300	10,300	3,004	(7,296)
Sign and bench sales	2,500	2,500	7,060	4,560
Interest	600	600	89	(511)
Donations	500	500	5,365	4,865
Miscellaneous	36,800	36,800	33,980	(2,820)
Total revenues	<u>1,035,887</u>	<u>1,116,887</u>	<u>1,116,689</u>	<u>(198)</u>
<u>EXPENDITURES:</u>				
Personal services	225,961	220,731	209,461	11,270
Materials & services	914,418	1,018,610	1,017,960	650
Operating contingency	12,604	-	-	-
Total expenditures	<u>1,152,983</u>	<u>1,239,341</u>	<u>1,227,421</u>	<u>11,920</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	<u>(117,096)</u>	<u>(122,454)</u>	<u>(110,732)</u>	<u>11,722</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	<u>71,832</u>	<u>71,832</u>	<u>67,343</u>	<u>(4,489)</u>
Total other financing sources (uses)	<u>71,832</u>	<u>71,832</u>	<u>67,343</u>	<u>(4,489)</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(45,264)</u>	<u>(50,622)</u>	<u>(43,389)</u>	<u>7,233</u>
<u>FUND BALANCES, BEGINNING</u>	<u>45,264</u>	<u>50,622</u>	<u>50,940</u>	<u>318</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,551</u>	<u>\$ 7,551</u>

UMATILLA COUNTY, OREGON

County School Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
State apportionment	\$ 248,000	\$ 248,000	\$ 246,354	\$ (1,646)
Federal revenues	25,600	25,600	19,948	(5,652)
Mineral leasing	4,000	4,000	-	(4,000)
Fines & impound fees	200	200	-	(200)
Interest	800	800	408	(392)
Total revenues	<u>278,600</u>	<u>278,600</u>	<u>266,710</u>	<u>(11,890)</u>
<u>EXPENDITURES:</u>				
Materials & services	<u>278,600</u>	<u>278,600</u>	<u>249,755</u>	<u>28,845</u>
Total expenditures	<u>278,600</u>	<u>278,600</u>	<u>249,755</u>	<u>28,845</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	-	-	16,955	16,955
<u>FUND BALANCES, BEGINNING</u>				
	<u>5,000</u>	<u>5,000</u>	<u>3,010</u>	<u>(1,990)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 19,965</u>	<u>\$ 14,965</u>

UMATILLA COUNTY, OREGON

Unitary Assessment Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
State apportionment	\$ 57,000	\$ 57,000	\$ 72,235	\$ 15,235
Interest	-	-	102	102
Total revenues	<u>57,000</u>	<u>57,000</u>	<u>72,337</u>	<u>15,337</u>
<u>EXPENDITURES:</u>				
Materials & services	<u>57,000</u>	<u>57,000</u>	<u>48,115</u>	<u>8,885</u>
Total expenditures	<u>57,000</u>	<u>57,000</u>	<u>48,115</u>	<u>8,885</u>
<u>EXCESS OF REVENUES</u>				
<u>OVER EXPENDITURES</u>	-	-	24,222	24,222
<u>FUND BALANCES, BEGINNING</u>	-	-	2,265	2,265
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,487</u>	<u>\$ 26,487</u>

UMATILLA COUNTY, OREGON

Community Services Development Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Charges for services				
Grant administration fee	\$ -	\$ 117,678	\$ 117,678	\$ -
Interest	-	1,000	1,648	648
Total revenues	-	118,678	119,326	648
<u>EXPENDITURES:</u>				
Materials & services	-	429,045	4,615	424,430
Total expenditures	-	429,045	4,615	424,430
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	-	(310,367)	114,711	425,078
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	-	318,917	318,916	(1)
Operating transfers out		(8,550)	(5,700)	2,850
Total other financing sources (uses)	-	310,367	313,216	2,849
<u>NET CHANGE IN FUND BALANCES</u>				
	-	-	427,927	427,927
<u>FUND BALANCES, BEGINNING</u>				
	-	-	-	-
<u>FUND BALANCES, ENDING</u>				
	\$ -	\$ -	\$ 427,927	\$ 427,927

UMATILLA COUNTY, OREGON

Youth Services Development Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Charges for services:				
Grant administration fee	\$ -	\$ -	\$ 165,029	\$ 165,029
Interest	-	-	1,328	1,328
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	-	166,357	166,357
	<hr/>	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES:</u>				
Materials & services	-	174,791	10,000	164,791
Capital outlay	-	35,000	32,903	2,097
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	-	209,791	42,903	166,888
	<hr/>	<hr/>	<hr/>	<hr/>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	-	(209,791)	123,454	333,245
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	-	209,791	209,791	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources	-	209,791	209,791	-
	<hr/>	<hr/>	<hr/>	<hr/>
<u>NET CHANGE IN FUND BALANCES</u>	-	-	333,245	333,245
	<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES, BEGINNING</u>	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES, ENDING</u>	\$ -	\$ -	\$ 333,245	\$ 333,245
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

UMATILLA COUNTY, OREGON

Mediation Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Charges for services:				
Marriage fees	\$ -	\$ -	\$ 3,220	\$ 3,220
Mediation services	-	69,299	68,731	(568)
Interest	-	-	298	298
Total revenues	-	69,299	72,249	2,950
<u>EXPENDITURES:</u>				
Materials & services	-	76,179	44,719	31,460
Operating contingency	-	71,921	-	71,921
Total expenditures	-	148,100	44,719	103,381
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	-	(78,801)	27,530	106,331
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	-	78,801	78,801	-
Total other financing sources (uses)	-	78,801	78,801	-
<u>NET CHANGE IN FUND BALANCES</u>	-	-	106,331	106,331
<u>FUND BALANCES, BEGINNING</u>	-	-	-	-
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,331</u>	<u>\$ 106,331</u>

UMATILLA COUNTY, OREGON

Assessment and Taxation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Taxes:				
Current year taxes	\$ 260,000	\$ 260,000	\$ 328,027	\$ 68,027
Charges for services:				
Clerk recording fees	263,000	263,000	259,785	(3,215)
Interest	1,000	1,000	558	(442)
Total revenues	<u>524,000</u>	<u>524,000</u>	<u>588,370</u>	<u>64,370</u>
<u>EXPENDITURES:</u>				
Operating transfers to State of Oregon	551,000	578,000	576,363	1,637
Operating contingency	123,000	96,000	-	96,000
Total expenditures	<u>674,000</u>	<u>674,000</u>	<u>576,363</u>	<u>97,637</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(150,000)	(150,000)	12,007	162,007
<u>FUND BALANCES, BEGINNING</u>	<u>150,000</u>	<u>150,000</u>	<u>129,995</u>	<u>(20,005)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,002</u>	<u>\$ 142,002</u>

UMATILLA COUNTY, OREGON

CARES Program Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
State grants	\$ 127,497	\$ 127,497	\$ 245,275	\$ 117,778
Local grants	35,000	35,000	35,000	-
Interest	250	250	252	2
Total revenues	<u>162,747</u>	<u>162,747</u>	<u>280,527</u>	<u>117,780</u>
<u>EXPENDITURES:</u>				
Personal services	171,941	169,341	168,230	1,111
Materials & services	<u>12,069</u>	<u>14,669</u>	<u>14,360</u>	<u>309</u>
Total expenditures	<u>184,010</u>	<u>184,010</u>	<u>182,590</u>	<u>1,420</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(21,263)	(21,263)	97,937	119,200
<u>FUND BALANCES, BEGINNING</u>				
	<u>21,263</u>	<u>21,263</u>	<u>27,520</u>	<u>6,257</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,457</u>	<u>\$ 125,457</u>

UMATILLA COUNTY, OREGON

Environment Health Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Charges for services:				
Fees	\$ 191,140	\$ 191,140	\$ 237,987	\$ 46,847
Interest	1,700	1,700	2,334	634
Total revenues	<u>192,840</u>	<u>192,840</u>	<u>240,321</u>	<u>47,481</u>
<u>EXPENDITURES:</u>				
Personal services	201,372	201,372	140,033	61,339
Materials & services	75,201	75,201	41,889	33,312
Operating contingency	274,458	274,458	-	274,458
Total expenditures	<u>551,031</u>	<u>551,031</u>	<u>181,922</u>	<u>369,109</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(358,191)	(358,191)	58,399	416,590
<u>FUND BALANCES, BEGINNING</u>	<u>358,191</u>	<u>358,191</u>	<u>376,781</u>	<u>18,590</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 435,180</u>	<u>\$ 435,180</u>

UMATILLA COUNTY, OREGON

Coalitions of Umatilla County Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Donations	\$ -	\$ -	\$ 16,131	\$ 16,131
Reimbursements	-	-	2,558	2,558
Interest	-	-	75	75
Total revenues	<u>-</u>	<u>-</u>	<u>18,764</u>	<u>18,764</u>
<u>EXPENDITURES:</u>				
Materials & services	<u>18,233</u>	<u>18,233</u>	<u>4,837</u>	<u>13,396</u>
Total expenditures	<u>18,233</u>	<u>18,233</u>	<u>4,837</u>	<u>13,396</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	(18,233)	(18,233)	13,927	32,160
<u>FUND BALANCES, BEGINNING</u>	<u>18,233</u>	<u>18,233</u>	<u>-</u>	<u>(18,233)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,927</u>	<u>\$ 13,927</u>

UMATILLA COUNTY, OREGON

Community Benefit Plans Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Wind/SIP agreements	\$ 1,393,000	\$ 1,393,000	\$ 1,285,430	\$ (107,570)
Interest	4,600	4,600	5,397	797
Donations	75,000	75,000	138,943	63,943
Total revenues	<u>1,472,600</u>	<u>1,472,600</u>	<u>1,429,770</u>	<u>(42,830)</u>
<u>EXPENDITURES:</u>				
Materials & services	1,906,600	1,906,600	1,083,136	823,464
Operating contingency	775,000	751,317	-	751,317
Total expenditures	<u>2,681,600</u>	<u>2,657,917</u>	<u>1,083,136</u>	<u>1,574,781</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(1,209,000)	(1,185,317)	346,634	1,531,951
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers out	(508,000)	(531,683)	(388,081)	143,602
<u>NET CHANGE IN FUND BALANCES</u>				
	(1,717,000)	(1,717,000)	(41,447)	1,675,553
<u>FUND BALANCES, BEGINNING</u>				
	<u>1,717,000</u>	<u>1,717,000</u>	<u>1,698,109</u>	<u>(18,891)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,656,662</u>	<u>\$ 1,656,662</u>

UMATILLA COUNTY, OREGON

Special Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
Local revenues	\$ 90,000	\$ 90,000	\$ -	\$ (90,000)
Charges for services:				
Fingerprinting fees	4,000	4,000	4,526	526
Fines and forfeitures	-	-	78,037	78,037
Total revenues	<u>94,000</u>	<u>94,000</u>	<u>82,563</u>	<u>(11,437)</u>
<u>EXPENDITURES:</u>				
Personal services	159,723	159,723	143,161	16,562
Materials & services	20,621	20,621	15,835	4,786
Total expenditures	<u>180,344</u>	<u>180,344</u>	<u>158,996</u>	<u>21,348</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(86,344)	(86,344)	(76,433)	9,911
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	86,344	86,344	76,433	(9,911)
<u>NET CHANGE IN FUND BALANCES</u>				
	-	-	-	-
<u>FUND BALANCES, BEGINNING</u>				
	-	-	1	1
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

UMATILLA COUNTY, OREGON

2050 Plan Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Modified Cash Basis - Budget to Actual

Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
Local	\$ -	\$ 5,733	\$ 17,064	\$ 11,331
Interest	200	200	330	130
Miscellaneous	-	11,332	-	(11,332)
Total revenues	<u>200</u>	<u>17,265</u>	<u>17,394</u>	<u>129</u>
<u>EXPENDITURES:</u>				
Materials & services	<u>60,000</u>	<u>77,065</u>	<u>77,064</u>	<u>1</u>
Total expenditures	<u>60,000</u>	<u>77,065</u>	<u>77,064</u>	<u>1</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(59,800)	(59,800)	(59,670)	130
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	(9,800)	(9,800)	(9,670)	130
<u>FUND BALANCES, BEGINNING</u>	<u>60,000</u>	<u>60,000</u>	<u>60,064</u>	<u>64</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 50,200</u>	<u>\$ 50,200</u>	<u>\$ 50,394</u>	<u>\$ 194</u>

UMATILLA COUNTY, OREGON

FPEP Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ -	\$ -	\$ 719	\$ 719
Total revenues	-	-	719	719
<u>EXPENDITURES</u>	81,771	81,771	-	81,771
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	(81,771)	(81,771)	719	82,490
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers out	(115,794)	(115,794)	(115,794)	-
<u>NET CHANGE IN FUND BALANCES</u>	(197,565)	(197,565)	(115,075)	82,490
<u>FUND BALANCES, BEGINNING</u>	197,565	197,565	125,538	(72,027)
<u>FUND BALANCES, ENDING</u>	\$ -	\$ -	\$ 10,463	\$ 10,463

UMATILLA COUNTY, OREGON

Veterans Expanded Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
Local revenues	\$ 33,376	\$ 96,916	\$ 96,704	\$ (212)
Interest	-	-	216	216
Total revenues	<u>33,376</u>	<u>96,916</u>	<u>96,920</u>	<u>4</u>
<u>EXPENDITURES:</u>				
Personal services	19,717	69,617	27,685	41,932
Materials & services	11,100	28,972	22,220	6,752
Contingency	4,232	-	-	-
Total expenditures	<u>35,049</u>	<u>98,589</u>	<u>49,905</u>	<u>48,684</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(1,673)	(1,673)	47,015	48,688
<u>FUND BALANCES, BEGINNING</u>				
	<u>1,673</u>	<u>1,673</u>	<u>9,777</u>	<u>8,104</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,792</u>	<u>\$ 56,792</u>

UMATILLA COUNTY, OREGON

GIS Equipment Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Charges for services	\$ 5,000	\$ 5,000	\$ 9,457	\$ 4,457
Interest	300	300	364	64
Total revenues	<u>5,300</u>	<u>5,300</u>	<u>9,821</u>	<u>4,521</u>
<u>EXPENDITURES:</u>				
Materials & services	2,200	2,200	1,076	1,124
Contingency	61,100	61,100	-	61,100
Total expenditures	<u>63,300</u>	<u>63,300</u>	<u>1,076</u>	<u>62,224</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(58,000)	(58,000)	8,745	66,745
<u>FUND BALANCES, BEGINNING</u>				
	<u>58,000</u>	<u>58,000</u>	<u>62,003</u>	<u>4,003</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,748</u>	<u>\$ 70,748</u>

UMATILLA COUNTY, OREGON

Assessor Technology Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ -	\$ -	\$ 27	\$ 27
Total revenues	-	-	27	27
<u>EXPENDITURES:</u>				
Materials & services	-	14,000	3,000	11,000
Total expenditures	-	14,000	3,000	11,000
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	-	(14,000)	(2,973)	11,027
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	-	14,000	14,000	-
Total other financing sources	-	14,000	14,000	-
<u>NET CHANGE IN FUND BALANCES</u>	-	-	11,027	11,027
<u>FUND BALANCES, BEGINNING</u>	-	-	-	-
<u>FUND BALANCES, ENDING</u>	\$ -	\$ -	\$ 11,027	\$ 11,027

UMATILLA COUNTY, OREGON

PERS Reserve Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Modified Cash Basis - Budget to Actual

Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Payments in-lieu of taxes	\$ -	\$ -	\$ 1,004,676	\$ 1,004,676
Total revenues	-	-	1,004,676	1,004,676
<u>EXPENDITURES</u>	-	-	-	-
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	-	-	1,004,676	1,004,676
<u>FUND BALANCES, BEGINNING</u>	-	-	-	-
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,004,676</u>	<u>\$ 1,004,676</u>

UMATILLA COUNTY, OREGON

Non-Major Governmental Funds

Debt Service Funds

June 30, 2014

DEBT SERVICE FUNDS:

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal or interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. After repayment of the principal and interest, any receipts remaining are returned to the originating jurisdiction or County General Fund. Funds included are:

- **Debt service fund** - accounts for payment of principal and interest on Series 2002 General Obligation Refunding Bonds for which proceeds are derived from property taxes and interest. Also includes four notes: (1) Bank of America note for which proceeds are derived from a transfer from the General Fund; (2) City of Pendleton note for which proceeds are derived from the General Fund; (3) EOAF note for which proceeds are derived from a payment each year from GEODC; and (4) Oregon Department of Energy loan for which proceeds are derived from the General Fund.

- **PERS bond fund** - accounts for the principal and interest payments on the 2005 Limited Tax Pension Bonds issued to retire the County's PERS unfunded actuarial accrued liability. Revenues are derived from charge backs to departments based on their departmental payroll costs.

- **Reith Wastewater fund** - accounts for the principal and interest payments on the Department of Environmental Quality loan for the Reith Wastewater project.

UMATILLA COUNTY, OREGON
Nonmajor Debt Service Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2014

	<u>Debt Service</u>	<u>PERS Bond Fund</u>	<u>Reith Wastewater</u>	<u>Totals</u>
<u>ASSETS:</u>				
Cash	\$ 1,122,331	\$ 1,316,786	\$ 13,191	\$ 2,452,308
Taxes receivable	<u>71,442</u>	<u>-</u>	<u>-</u>	<u>71,442</u>
Total assets	<u>\$ 1,193,773</u>	<u>\$ 1,316,786</u>	<u>\$ 13,191</u>	<u>\$ 2,523,750</u>
<u>LIABILITIES</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred property taxes	<u>71,442</u>	<u>-</u>	<u>-</u>	<u>71,442</u>
<u>FUND BALANCES:</u>				
Restricted	1,122,331	-	13,191	1,135,522
Committed	<u>-</u>	<u>1,316,786</u>	<u>-</u>	<u>1,316,786</u>
Total fund balance	<u>1,122,331</u>	<u>1,316,786</u>	<u>13,191</u>	<u>2,452,308</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,193,773</u>	<u>\$ 1,316,786</u>	<u>\$ 13,191</u>	<u>\$ 2,523,750</u>

UMATILLA COUNTY, OREGON

Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

- Modified Cash Basis

Year Ended June 30, 201

	<u>Debt Service</u>	<u>PERS Bond Fund</u>	<u>Reith Wastewater</u>	<u>Totals</u>
<u>REVENUES:</u>				
Taxes	\$ 1,001,765	\$ -	\$ -	\$ 1,001,765
Intergovernmental	22,936	811,251	25,422	859,609
Interest	5,361	9,103	74	14,538
Total revenues	<u>1,030,062</u>	<u>820,354</u>	<u>25,496</u>	<u>1,875,912</u>
<u>EXPENDITURES:</u>				
Principal	1,229,863	310,000	17,348	1,557,211
Interest	151,144	656,309	8,074	815,527
Total expenditures	<u>1,381,007</u>	<u>966,309</u>	<u>25,422</u>	<u>2,372,738</u>
<u>EXCESS (DEFICIENCY OF REVENUES, OVER (UNDER) EXPENDITURES</u>				
	<u>(350,945)</u>	<u>(145,955)</u>	<u>74</u>	<u>(496,826)</u>
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	295,220	-	-	295,220
Total other financing sources (uses)	<u>295,220</u>	<u>-</u>	<u>-</u>	<u>295,220</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(55,725)</u>	<u>(145,955)</u>	<u>74</u>	<u>(201,606)</u>
<u>FUND BALANCES, BEGINNING</u>	<u>1,178,056</u>	<u>1,462,741</u>	<u>13,117</u>	<u>2,653,914</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 1,122,331</u>	<u>\$ 1,316,786</u>	<u>\$ 13,191</u>	<u>\$ 2,452,308</u>

UMATILLA COUNTY, OREGON

Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes:				
Current year taxes	\$ 976,283	\$ 925,872	\$ 934,354	\$ 8,482
Prior year taxes	40,000	40,000	67,411	27,411
Intergovernmental:				
Local revenues	24,700	24,700	22,936	(1,764)
Interest	5,000	5,000	5,361	361
Total revenues	<u>1,045,983</u>	<u>995,572</u>	<u>1,030,062</u>	<u>34,490</u>
<u>EXPENDITURES:</u>				
Principal	1,219,916	1,219,916	1,229,863	(9,947) *
Interest	<u>163,110</u>	<u>163,110</u>	<u>151,144</u>	<u>11,966</u>
Total expenditures	<u>1,383,026</u>	<u>1,383,026</u>	<u>1,381,007</u>	<u>2,019</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(337,043)	(387,454)	(350,945)	36,509
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	<u>295,476</u>	<u>295,476</u>	<u>295,220</u>	<u>(256)</u>
<u>NET CHANGE IN FUND BALANCES</u>	(41,567)	(91,978)	(55,725)	36,253
<u>FUND BALANCES, BEGINNING</u>	<u>1,075,517</u>	<u>1,125,928</u>	<u>1,178,056</u>	<u>52,128</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 1,033,950</u>	<u>\$ 1,033,950</u>	<u>\$ 1,122,331</u>	<u>\$ 88,381</u>

* - Not a budget overexpenditure. Appropriations budgeted for total debt service payments

UMATILLA COUNTY, OREGON

PERS Bond Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances

Modified Cash Basis - Budget to Actual

Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
County apportionment	\$ 996,000	\$ 996,000	\$ 811,251	\$ (184,749)
Interest	12,000	12,000	9,103	(2,897)
Total revenues	<u>1,008,000</u>	<u>1,008,000</u>	<u>820,354</u>	<u>(187,646)</u>
<u>EXPENDITURES:</u>				
Debt service:				
Principal	310,000	310,000	310,000	-
Interest	657,000	657,000	656,309	691
Total expenditures	<u>967,000</u>	<u>967,000</u>	<u>966,309</u>	<u>691</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	41,000	41,000	(145,955)	(186,955)
<u>FUND BALANCES, BEGINNING</u>				
	<u>1,456,000</u>	<u>1,456,000</u>	<u>1,462,741</u>	<u>6,741</u>
<u>FUND BALANCES, ENDING</u>				
	<u><u>\$ 1,497,000</u></u>	<u><u>\$ 1,497,000</u></u>	<u><u>\$ 1,316,786</u></u>	<u><u>\$ (180,214)</u></u>

UMATILLA COUNTY, OREGON

Reith Wastewater Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget-</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
Loan receipts	\$ 27,836	\$ 27,836	\$ 25,422	\$ (2,414)
Interest	100	100	74	(26)
Total revenues	<u>27,936</u>	<u>27,936</u>	<u>25,496</u>	<u>(2,440)</u>
<u>EXPENDITURES:</u>				
Principal retirements	31,636	31,636	17,348	14,288
Interest	9,300	9,300	8,074	1,226
Total expenditures	<u>40,936</u>	<u>40,936</u>	<u>25,422</u>	<u>15,514</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	(13,000)	(13,000)	74	13,074
<u>FUND BALANCES, BEGINNING</u>				
	<u>13,000</u>	<u>13,000</u>	<u>13,117</u>	<u>117</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,191</u>	<u>\$ 13,191</u>

UMATILLA COUNTY, OREGON

Non-Major Capital Projects Governmental Funds

June 30, 2014

These funds account for the purchase and construction of the capital assets of the County. The majority of the funds used to purchase capital assets are transfers from other funds. Funds included are:

- **Juvenile center improvements fund** - accounts for acquisition, remodeling, or construction of juvenile facilities.
- **Facilities improvements fund** - accounts for acquisition, remodeling, or construction of county facilities other than fairgrounds and juvenile facilities.
- **Milton-Freewater Head Start building fund** - accounts for acquisition of a new building for Umatilla-Morrow County Head Start, Inc.

UMATILLA COUNTY, OREGON
Nonmajor Capital Projects Funds
Combining Balance Sheet- Modified Cash Basis

June 30, 2014

	<u>Juvenile Center Improvements</u>	<u>Facilities Improvements</u>	<u>Milton- Freewater Head Start Building</u>	<u>Totals</u>
<u>ASSETS:</u>				
Cash	\$ -	\$ 170,330	\$ 120	\$ 170,450
Total assets	<u>\$ -</u>	<u>\$ 170,330</u>	<u>\$ 120</u>	<u>\$ 170,450</u>
<u>LIABILITIES AND FUND BALANCES:</u>				
<u>LIABILITIES:</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>FUND BALANCES:</u>				
Restricted	-	-	120	120
Assigned	-	170,330	-	170,330
Total fund balances	<u>-</u>	<u>170,330</u>	<u>120</u>	<u>170,450</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 170,330</u>	<u>\$ 120</u>	<u>\$ 170,450</u>

UMATILLA COUNTY, OREGON

Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

- Modified Cash Basis

Year Ended June 30, 2014

	<u>Juvenile Center Improvements</u>	<u>Facilities Improvements</u>	<u>Milton- Freewater Head Start Building</u>	<u>Totals</u>
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ 26,809	\$ 802,877	\$ 829,686
Interest	-	963	-	963
Miscellaneous & reimbursements	72,048	222	-	72,270
Total revenues	<u>72,048</u>	<u>27,994</u>	<u>802,877</u>	<u>902,919</u>
<u>EXPENDITURES:</u>				
General government	3,902	23,479	-	27,381
Capital outlay	-	14,814	803,124	817,938
Total expenditures	<u>3,902</u>	<u>38,293</u>	<u>803,124</u>	<u>845,319</u>
<u>EXCESS (DEFICIENCY) OF REVENUES, OVER (UNDER) EXPENDITURES</u>	<u>68,146</u>	<u>(10,299)</u>	<u>(247)</u>	<u>57,600</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers out	(68,146)	-	-	(68,146)
Total other financing sources (uses)	<u>(68,146)</u>	<u>-</u>	<u>-</u>	<u>(68,146)</u>
<u>NET CHANGE IN FUND BALANCES</u>	-	(10,299)	(247)	(10,546)
<u>FUND BALANCES, BEGINNING</u>	-	180,629	367	180,996
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ 170,330</u>	<u>\$ 120</u>	<u>\$ 170,450</u>

UMATILLA COUNTY, OREGON

Juvenile Center Improvements Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Business energy tax credit	\$ 77,709	\$ 72,048	72,048	\$ -
Total revenues	<u>77,709</u>	<u>72,048</u>	<u>72,048</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Materials & services	-	3,902	3,902	-
Capital outlay	<u>77,709</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>77,709</u>	<u>3,902</u>	<u>3,902</u>	<u>-</u>
<u>EXCESS OF REVENUES</u>				
<u>OVER EXPENDITURES</u>				
	<u>-</u>	<u>68,146</u>	<u>68,146</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating transfers out	<u>-</u>	<u>(68,147)</u>	<u>(68,146)</u>	<u>1</u>
Total other financing sources (uses)	<u>-</u>	<u>(68,147)</u>	<u>(68,146)</u>	<u>1</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>1</u>
<u>FUND BALANCES, BEGINNING</u>				
	<u>-</u>	<u>1</u>	<u>-</u>	<u>(1)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UMATILLA COUNTY, OREGON

Facilities Improvements Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental:				
Federal	\$ -	\$ -	\$ 3,330	\$ 3,330
Local	-	24,759	23,479	(1,280)
Reimbursements	-	100	222	122
Interest	-	-	963	963
Total revenues	<u>-</u>	<u>24,859</u>	<u>27,994</u>	<u>3,135</u>
<u>EXPENDITURES:</u>				
Materials & services	141,766	157,611	23,479	134,132
Capital outlay	<u>30,659</u>	<u>39,673</u>	<u>14,814</u>	<u>24,859</u>
Total expenditures	<u>172,425</u>	<u>197,284</u>	<u>38,293</u>	<u>158,991</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	(172,425)	(172,425)	(10,299)	162,126
<u>FUND BALANCES, BEGINNING</u>				
	<u>172,425</u>	<u>172,425</u>	<u>180,629</u>	<u>8,204</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 170,330</u>	<u>\$ 170,330</u>

UMATILLA COUNTY, OREGON

Milton-Freewater Head Start Building
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental:				
Federal grants	\$ 900,000	\$ 900,000	\$ 802,877	\$ (97,123)
Local grants	300,000	300,000	-	(300,000)
Total revenues	<u>1,200,000</u>	<u>1,200,000</u>	<u>802,877</u>	<u>(397,123)</u>
<u>EXPENDITURES:</u>				
Materials & services	-	-	-	-
Capital outlay	<u>1,200,000</u>	<u>1,200,000</u>	<u>803,124</u>	<u>396,876</u>
Total expenditures	<u>1,200,000</u>	<u>1,200,000</u>	<u>803,124</u>	<u>396,876</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	-	-	(247)	(247)
<u>FUND BALANCES, BEGINNING</u>				
	-	-	367	367
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120</u>	<u>\$ 120</u>

UMATILLA COUNTY, OREGON

INTERNAL SERVICE FUNDS

June 30, 2014

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the various functions of the government. Fund included is:

- **Fleet management fund** - the County uses its internal service fund to account for internal financing of its vehicle fleet.

UMATILLA COUNTY, OREGON

Fleet Management Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Modified Cash Basis - Budget to Actual
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ 1,800	\$ 1,800	\$ 2,561	\$ 761
Total revenue	<u>1,800</u>	<u>1,800</u>	<u>2,561</u>	<u>761</u>
<u>EXPENDITURES:</u>				
Materials & services	10,000	10,000	1,978	8,022
Capital outlay	200,000	233,683	70,080	163,603
Operating contingency	<u>80,000</u>	<u>70,000</u>	-	<u>70,000</u>
Total expenditures	<u>290,000</u>	<u>313,683</u>	<u>72,058</u>	<u>241,625</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(288,200)	(311,883)	(69,497)	242,386
<u>OTHER FINANCING SOURCES:</u>				
Operating transfers in	<u>214,990</u>	<u>238,673</u>	<u>90,071</u>	<u>(148,602)</u>
<u>NET CHANGE IN FUND BALANCES</u>	(73,210)	(73,210)	20,574	93,784
<u>FUND BALANCES, BEGINNING</u>	<u>431,418</u>	<u>431,418</u>	<u>452,163</u>	<u>20,745</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 358,208</u>	<u>\$ 358,208</u>	<u>\$ 472,737</u>	<u>\$ 114,529</u>

UMATILLA COUNTY, OREGON

Other Schedules
June 30, 2014

Property taxes:

- Schedule of property tax transactions and outstanding balances
- Schedule of property taxes receivable -- by fund

Schedule of accountabilities:

- Other elected officials

UMATILLA COUNTY, OREGON

Schedule of Property Tax Transactions and Outstanding Balances
Year Ended June 30, 2014

<u>Fiscal Year</u>	<u>Property Taxes Receivable July 1, 2013</u>	<u>Current Levy as Extended by Assessor</u>	<u>Discounts Allowed</u>	<u>Corrections and Adjustments</u>	<u>Interest Collected</u>	<u>Cash Collections</u>	<u>Property Taxes Receivable June 30, 2014</u>
2013-14	\$ -	\$ 79,233,183	\$ (2,015,188)	\$ (246,280)	\$ 33,809	\$ (74,349,034)	\$ 2,656,490
2012-13	2,750,327	-	-	(37,530)	108,573	(1,507,753)	1,313,617
2011-12	1,645,208	-	-	(23,086)	148,902	(1,103,831)	667,193
2010-11	989,737	-	-	(8,854)	199,430	(842,694)	337,619
2009-10	528,680	-	-	(8,707)	169,149	(616,288)	72,834
2008-09	114,357	-	-	(6,448)	35,860	(102,242)	41,527
Prior years	124,247	-	-	(9,739)	46,281	(108,772)	52,017
	<u>\$ 6,152,556</u>	<u>\$ 79,233,183</u>	<u>\$ (2,015,188)</u>	<u>\$ (340,644)</u>	<u>\$ 742,004</u>	<u>\$ (78,630,614)</u>	<u>\$ 5,141,297</u>

Summary by Fund:

County Operations *	\$ 1,152,247	\$ 14,479,255	\$ (368,260)	\$ (62,848)	\$ 139,846	\$ (14,390,117)	\$ 950,123
Agency Funds	5,000,309	64,753,928	(1,646,928)	(277,796)	602,158	(64,240,497)	4,191,174
	<u>\$ 6,152,556</u>	<u>\$ 79,233,183</u>	<u>\$ (2,015,188)</u>	<u>\$ (340,644)</u>	<u>\$ 742,004</u>	<u>\$ (78,630,614)</u>	<u>\$ 5,141,297</u>

* Includes Debt Service

UMATILLA COUNTY, OREGON

Schedule of Property Taxes Receivable -- By Fund
June 30, 2014

General fund	\$ 878,681
Debt service fund	<u>71,442</u>
Sub-total	950,123
Agency funds	<u>4,191,174</u>
Total	<u><u>\$ 5,141,297</u></u>

UMATILLA COUNTY, OREGON

Schedule of Accountability -- Other Elected Officials
Cash Transactions
Year Ended June 30, 2014

Accountability for independently elected officials:

The Sheriff's department collects funds from inmates (Trust Fund) and outside source (Commissary Fund). Trust funds are used to pay for damages, with any balance remaining returned to the inmate upon release. The commissary funds are used by inmates and by the County to pay for commissary items. These funds are included as part of the fiduciary statement amounts.

	<u>Sheriff</u>
<u>CASH BALANCE, JUNE 30, 2013</u>	\$ 62,413
<u>CASH RECEIPTS</u>	650,882
<u>CASH DISBURSEMENTS</u>	<u>(663,216)</u>
<u>CASH BALANCE, JUNE 30, 2014</u>	<u>\$ 50,079</u>

AUDIT REPORTS, COMMENTS AND DISCLOSURES
REQUIRED BY GOVERNMENT AUDITING STANDARDS
AND STATE REGULATIONS

BARNETT & MORO, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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BETSY J. BENNETT, C.P.A.
PAUL A. BARNETT, C.P.A.

**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**

Board of Commissioners
Umatilla County
Pendleton, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, then financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Umatilla County, Oregon as of and for the year ended June 30, 2014, and the related statements, which collectively comprise Umatilla County, Oregon's basic financial statements, and have issued our report thereon dated December 16, 2014.

Internal Control Over Financial Reporting

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

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

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

Board of Commissioners
Umatilla County
Page two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Umatilla 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 or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Barnett & Moro, P.C.

By  _____
Cameron W. Anderson, Shareholder
Hermiston, Oregon
December 16, 2014

AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS

Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures as set forth in the preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth following.

BARNETT & MORO, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

Board of Commissioners
Umatilla County
Pendleton, Oregon

We have audited the basic financial statements of Umatilla County, Oregon as of and for the year ended June 30, 2014, and have issued our report thereon dated December 16, 2014. 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.

Compliance

As part of obtaining reasonable assurance about whether Umatilla County, Oregon's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-10-0320 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).

Board of Commissioners
Umatilla County
Page two

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

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered Umatilla 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 Umatilla County, Oregon's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Umatilla County, Oregon's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that we consider to be material weaknesses, as defined above.

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

Barnett & Moro, P.C.

By: 
Cameron W. Anderson, Shareholder
Hermiston, Oregon
December 16, 2014

SINGLE AUDIT SECTION

UMATILLA COUNTY, OREGON

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

<u>Federal Grantor/Program Name:</u>	<u>Federal CFDA Number</u>	<u>Major Programs (X)</u>	<u>Amount</u>
<u>U.S. DEPARTMENT OF AGRICULTURE:</u>			
Oregon Department of Administrative Services Forest fees, roads and schools	10.665		\$ 79,801
<u>U.S. DEPARTMENT OF DEFENSE:</u>			
Oregon Department of Administrative Services Flood control projects	12.106		\$ 1,722
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>			
Oregon Business Development Commission Community Development Block Grant	14.228	X	\$ 800,022
<u>U.S. DEPARTMENT OF THE INTERIOR:</u>			
Oregon Department of Administrative Services Bureau of Land Management, Mineral Land Leasing Distribution of receipts to state and local governments	15.214 15.227		\$ 882 651 1,533
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>			
Oregon Military Department Emergency management performance grants Boating safety financial assistance	97.042 97.012		\$ 46,607 18,242 64,849
<u>U.S. DEPARTMENT OF JUSTICE:</u>			
Oregon Criminal Justice Commission ARRA - Edward Byrne Memorial justice assistance grant program Edward Byrne Memorial justice assistance grant program	16.803 16.738		\$ 100,845 11,236
Oregon Department of Justice Second Chance Program Crime victim assistance	16.812 16.575		596 37,720 150,397
<u>U.S. DEPARTMENT OF TRANSPORTATION:</u>			
Oregon Department of Transportation State and Community Highway Safety	20.600		\$ 1,500
<u>U.S. DEPARTMENT OF FISH AND WILDLIFE:</u>			
Oregon Department of Fish and Wildlife ODA - Endangered Species - Wolf	15.666		\$ 18,000
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u>			
Oregon Health Authority Public Health Emergency Preparedness Project Grants and Cooperative Agreements for Tuberculosis Control Programs Family Planning Services Affordable Care Act (ACA) Abstinence Education Program Immunization grants Substance abuse and mental health services-Access to Recovery Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Prevention and Public Health Fund (Affordable Care Act) Immunization Temporary Assistance for Needy Families Medical Assistance Program Block Grants for Prevention and Treatment of Substance Abuse Maternal and Child Health Services Block Grant to the States	93.069 93.116 93.217 93.235 93.268 93.275 93.505 93.539 93.558 93.778 93.959 93.994	X	\$ 94,704 2,889 24,357 6,264 1,200 162,106 144,697 12,928 2,734 288,091 728,140 37,972 1,506,082

Continued on next page.

See notes to schedule of expenditures of federal awards.

UMATILLA COUNTY, OREGON

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

Continued from previous page

<u>Federal Grantor/Program Name:</u>	<u>Federal</u> <u>CFDA Number</u>	<u>Major</u> <u>Programs (X)</u>	<u>Amount</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued):</u>			
Oregon Department of Justice:			
Child support enforcement	93.563		119,436
			<u>\$ 1,625,518</u>
Total expenditures of federal awards			<u>\$ 2,743,342</u>

UMATILLA COUNTY, OREGON

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

NOTE A - BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Umatilla County, Oregon and is presented on the modified cash basis of accounting as described in note 1 to the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the on the Schedule are reported on the basis of accounting described in Note 1 to the financial statements. Such expenditures are recognized following the cost principles contained in *OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

All federal awards received through pass-through agencies with the State of Oregon. No direct awards received from the federal government.

NOTE C - NON-CASH ASSISTANCE:

The accompanying Schedule of Expenditures of Federal Awards does not include the following noncash awards:

Vaccines provided by the Department of Health and Human Resources under CFDA #93.268-Childhood Immunization Grants. According to the OMB Circular A-133 Compliance Supplement for CFDA 93.268, the value of state-provided vaccines are not to be reported as a Federal expenditure " .. .for purposes of determining audit coverage and reporting ... " since the county was merely a vaccinating provider. The estimated value of vaccines provided to the County during the year ended June 30, 2014 was \$48,501.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Commissioners
Umatilla County
Pendleton, Oregon

Report on Compliance for Each Major Federal Program

We have audited Umatilla County, Oregon's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Umatilla County, Oregon's major federal programs for the year ended June 30, 2014. Umatilla County, Oregon's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Umatilla County, Oregon's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Umatilla County, Oregon's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Umatilla County, Oregon, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Umatilla County, Oregon, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Umatilla County, Oregon's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 Umatilla 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 a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Barnett & Moro, P.C.

By: 
Cameron W. Anderson, Shareholder
Hermiston, Oregon
December 16, 2014

UMATILLA COUNTY, OREGON

Schedule of Findings and Questioned Costs

Year Ended June 30, 2014

Section I-Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified opinion

Internal control over financial reporting:

• Material weakness(es) identified? yes none reported

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

Noncompliance material to financial statements noted? yes none reported

Federal Awards

Internal control over major programs:

• Material weakness(es) identified? yes none reported

• Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes none reported

Type of auditor's report issued on compliance for major program: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes none reported

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster:
93.959	Block Grants for Prevention and Treatment of Substance Abuse
14.228	Community Development Block Grant

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? yes no

Section II-Financial Statement Findings

There are no financial statement findings for the year ended June 30, 2014.

Section III-Federal Award Findings and Questioned Costs

There are no federal award findings or questioned costs for the year ended June 30, 2014.

UMATILLA COUNTY, OREGON

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS

Year Ended June 30, 2014

QUESTIONED COSTS:

There were no questioned costs for the year ended June 30, 2013.

FINDINGS:

There were no findings for the year ended June 30, 2013.