

HOOD RIVER COUNTY

HOOD RIVER, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019



**12700 SW 72nd Ave.
Tigard, OR 97223**

HOOD RIVER COUNTY

Financial Statements

June 30, 2019

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HOOD RIVER COUNTY, OREGON
June 30, 2019

BOARD OF COMMISSIONERS

NAME	TERM EXPIRES
Mike Oates, Chair	December 31, 2020
Les Perkins	December 31, 2020
Karen Joplin	December 31, 2022
Rich McBride	December 31, 2020
Robert Benton	December 31, 2022

OTHER ELECTED OFFICIALS

Matthew English, Sheriff	December 31, 2020
John Harvey, Justice of the Peace	December 31, 2022
John Sewell, District Attorney	December 31, 2020

All commissioners receive mail at the address listed below.

ADMINISTRATION

Jeff Hecksel, County Administrator
601 State Street
Hood River, Oregon 97031

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HOOD RIVER COUNTY, OREGON
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2019

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STATE REQUIREMENTS
Independent Auditors' Report Required by Oregon State Regulations..... A-1

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December 19, 2019

To the Board of County Commissioners
Hood River County, Oregon
Hood River, Oregon

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units of the 911 Communications District and Windmaster Urban Renewal Agency, each major fund, and the aggregate remaining fund information of Hood River County, Oregon, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Hood River County, Oregon, as of June 30, 2019, and the respective changes in financial position and budgetary comparisons for the General, Public Works, and Timber Projects funds, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

The County adopted the provisions of GASB Statement No. 88 – Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements for the year ended June 30, 2019. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary and other information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements..

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

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

Reports on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 19, 2019 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

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HOOD RIVER COUNTY, OREGON Management's Discussion and Analysis

As management of Hood River County, Oregon, we offer readers of the Hood River County financial statements this narrative overview and analysis of the financial activities of Hood River County for the fiscal year ended June 30, 2019.

FINANCIAL HIGHLIGHTS

- The assets of Hood River County exceeded its liabilities at the close of the most recent fiscal year by \$112,742,620 on its government-wide Statement of Net Position. Of this amount, \$11,768,348 (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position differs from total fund balances by \$79,991,847, primarily due to the capital assets of the General and Public Works funds, and the effects of net pension and OPEB liabilities and their related deferred inflows and outflows.
- As of the close of the fiscal year, the Hood River County governmental funds reported combined ending fund balances of \$32,750,773, an increase of \$2,567,570 from the prior year.
- At the close of the current fiscal year, unassigned fund balance for the General Fund was \$897,040 or 7.5% of total General Fund expenditures for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Hood River County's basic financial statements. Hood River County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Hood River County and demonstrate compliance with state requirements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Hood River County's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all Hood River County assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position might serve as a useful indicator of whether the financial position of Hood River County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only affect resulting cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements show functions of Hood River County that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The County has no functions that are intended to recover all or a significant portion of their costs through user fees and charges, called business-type activities. The governmental activities of Hood River County include general government, public safety, roads, health and human services, economic development, and culture and recreation.

The government-wide financial statements include not only Hood River County itself (known as the *primary government*), but also two legally separate *component units* for which Hood River County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The first is a 911 communication district and the second is an urban renewal district. Complete financial statements for the 911 Communications District and

the Windmaster Urban Renewal District can be obtained at Hood River County, Department of Budget & Finance, 601 State Street, Hood River, OR 97031.

The government-wide financial statements can be found on pages 12 and 13 of this report.

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. Hood River County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Hood River County can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Hood River County maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheets and in the governmental fund statement of revenue, expenditures, and changes in fund balances for the General Fund, Public Works Fund and Timber Projects Fund, all of which are considered to be major funds. Data from the other twenty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Hood River County adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison statements have been provided for the funds to demonstrate compliance with this budget, as required by Oregon law.

The governmental fund financial statements can be found on pages 14 and 15 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County has several agency funds that account for monies held by the County for other governmental agencies. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Hood River County's own programs.

The agency fund financial statements can be found on pages 20 and 89 through 91 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 to 48 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Hood River County's infrastructure assets and the modified approach to maintaining those assets. Also included is the Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions, along with the Schedule of Changes in OPEB Liability. Required supplementary information can be found on pages 49 to 52 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are reported immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 53 to 64 of this report.

Government-wide Financial Analysis

As noted earlier, net position might serve over time as a useful indicator of a government's financial position. In the case of Hood River County, assets exceeded liabilities by \$112,742,620 at the close of the fiscal year ended June 30, 2019.

By far the largest portion of Hood River County's net position (78.2%) reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. Hood River County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Hood River County investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, primarily property taxes, since the capital assets themselves cannot be used to liquidate these liabilities.

Hood River County's Net Position

	2018-2019	2017-2018	Difference	%
Assets				
Current and Other Assets	\$ 40,171,430	\$ 39,096,254	\$ 1,075,176	2.75%
Capital Assets	88,211,677	84,673,776	3,537,901	4.18%
Total Assets	128,383,107	123,770,030	4,613,077	3.73%
Deferred Outflows				
Related to Pensions	3,386,005	2,639,445	\$ 746,560	28.28%
Related to OPEB	71,983	79,203	\$ (7,220)	-9.12%
Total Deferred Outflows	3,457,988	2,718,648	739,340	27.20%
Liabilities				
Current Liabilities	4,417,723	5,437,651	(1,019,928)	-18.76%
Non-current Liabilities	13,689,155	12,662,966	1,026,189	8.10%
Total Liabilities	18,106,878	18,100,617	6,261	0.03%
Deferred Inflows				
Related to Pensions	891,531	444,028	447,503	100.78%
Related to OPEB	100,066	36,542	63,524	173.84%
Total Deferred Inflows	991,597	480,570	511,027	106.34%
Net Position				
Net investment in capital assets	88,198,661	84,654,410	3,544,251	4.19%
Restricted for:				
Debt Service	24,752	34,872	(10,120)	-29.02%
Capital Projects	1,301,362	2,208,964	(907,602)	-41.09%
Services	11,449,497	10,956,375	493,122	4.50%
Unrestricted	11,768,348	10,052,870	1,715,478	17.06%
Total Net Position	\$ 112,742,620	\$ 107,907,491	\$ 4,835,129	-4.48%

11.3% of Hood River County's net position represents resources that are subject to external restrictions on how they may be used. The unrestricted net position of \$11,768,348 may be used to meet the County's ongoing obligations to citizens and creditors.

At June 30, 2019, Hood River County reported positive balances in all categories of net position, both for the County as a whole, as well as for its separate governmental activities. The same situation held true at the end of the prior fiscal year.

Governmental activities. Hood River County's net position increased by \$4,835,129. Key elements of this increase are as follows:

Hood River County's Changes in Net Position

	2018-2019	2017-2018	Difference	%
Revenues				
Program Revenues:				
Charges for Services	\$ 6,369,819	\$ 6,665,589	\$ (295,770)	-4.44%
Operating Grants and Contributions	4,323,293	4,654,505	(331,212)	-7.12%
Capital Grants and Contributions	2,453,136	975,000	1,478,136	151.60%
General Revenues:				
Property Taxes	3,442,437	3,274,344	168,093	5.13%
Other Taxes	1,034,277	527,039	507,238	96.24%
Grants and Contributions Not				
Restricted to Specific Programs	1,529,537	539,150	990,387	183.69%
Timber Sales	5,543,978	3,771,427	1,772,551	47.00%
Investment in joint venture	(256,813)	-	(256,813)	NA
Total Revenues	24,439,664	20,407,054	4,032,610	19.76%
Expenses				
General Government	4,256,704	4,372,694	(115,990)	-2.65%
Public Safety	6,991,322	6,930,190	61,132	0.88%
Public Works	2,684,263	3,151,859	(467,596)	-14.84%
Health and Sanitation	2,344,887	2,215,782	129,105	5.83%
Forestry	1,384,708	1,501,409	(116,701)	-7.77%
Community Services	1,819,278	1,891,186	(71,908)	-3.80%
Education	123,373	136,819	(13,446)	-9.83%
Total Expenses	19,604,535	20,199,939	(595,404)	-2.95%
Change in Net Position	4,835,129	207,115	4,628,014	2234.51%
Beginning Net Position	107,907,491	107,700,376	207,115	0.19%
Ending Net Position	\$ 112,742,620	\$ 107,907,491	\$ 4,835,129	4.48%

Individual increases or decreases in overall activities were necessitated by County management's evaluation of needs and resources, as well as changes in the operating environment. Timber sales have increased as the County works to rebuild timber reserves for the future, while remaining compliant with the County's self-adopted Forest Management plan. Other revenue changes result from economic conditions that are not under our control. Grant revenues are affected by federal and state funding availability and the County's need for funding of programs.

Financial Analysis of the County's Funds

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

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

At June 30, 2019, Hood River County's governmental funds reported combined ending fund balances of \$32,750,773, an increase of \$2,567,570 from the prior year. Approximately 60% of this total amount (\$19,538,899) constitutes committed, assigned and unassigned fund balance, which is available for spending at the County's discretion. The restricted portion of \$12,775,611 (39%) can only be spent on goods and services for which the resources are restricted. The remainder of fund balance is nonspendable to indicate that it is not available because it is held in Public Works inventory or prepaid items (\$436,263).

The General Fund is the primary operating fund of Hood River County. At June 30, 2019, unassigned fund balance of the General Fund was \$897,040. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The total unassigned General Fund balance represents 7.5% of total General Fund expenditures for the year ended June 30, 2019.

The unassigned fund balance of the Hood River County General Fund increased by \$568,565 during the year ended June 30, 2019. The Fund's revenue was higher than expected with a favorable variance of \$615,807. Additionally, uncertainties surrounding many financial resources and management's efforts to control and reduce costs resulted in actual expenditures at a lower level than budgeted (\$893,410). Each budget category's results reflected under budget spending, except for debt services. Contingency was required this year in the amount of \$69,276 to cover unexpected insurance costs and a reduction in immunization fee revenue. Large savings occurred in the materials and services (\$330,281) and personal services (\$423,121) categories due to several departments in the General Fund experiencing reductions in those two areas for a variety of reasons. Between fiscal years 2018 and 2019, actual revenues increased by \$166,556; actual expenditures increased by \$184,481, mostly due to personal services costs increasing with a cost of living increase for staff of 2.1%. Other sources and uses of funds increased between the 2018 and 2019 fiscal years (\$1,005,017) due in majority to fluctuation in transfer amounts between the years.

The Public Works fund is the operating fund that covers County road repair and maintenance. At June 30, 2019, restricted fund balance of the Public Works fund was \$8,929,173, plus a nonspendable amount of \$342,336 for inventory and prepaid items. The fund balance increased \$306,240 (3.4%) over the prior year due in part to a decrease in expenditures totaling \$406,243 (14.4%) compared to prior year levels. Intergovernmental revenues decreased by \$979,516 (70.9%). The County's share in federal secure rural schools funding (road maintenance funds) has been and continues to be very uncertain. In this 2019 fiscal year, the federal funding received was \$357,041, down from \$399,813 in fiscal year 2018. The County has been taking an increasing conservative approach to current road expenditures in order to fund future years. The ongoing uncertainty regarding the continuation of federal funding has put the future of road maintenance for the County into a questionable position, one that the County government continues to attempt to resolve.

The Timber Projects Fund is the operating fund that reports timber activities which include revenues received plus the costs involved in managing the County's major revenue source. At June 30, 2019, the committed fund balance of the Timber Projects fund was \$14,846,034 with no amount being restricted. The fund balance increased \$2,399,850, or 19.3%, over the prior year due to increased timber sales. Timber sales revenue increased \$1,793,518 compared to the prior fiscal year, and 49.5% of the revenue received was transferred to support operations and projects in the General Fund. Sale activity has been consistent since 2012, ranging from \$3.4 to \$3.9 million per year; except for fiscal year 2017, which was \$6.1 million, and this fiscal year, which was \$5.5 million. Consistent sales volume has helped hold the balance in the fund at a fairly stable level. A rolling 10-year average is used to calculate the annual amount of funds available for General Fund transfer. Several years of decreased sale volumes prior to fiscal year 2012 will impact transfer dollars for a few more years.

General Fund Budgetary Highlights

Differences between the original budget and the final amended appropriations budget totaled \$40,945 and are briefly summarized as follows:

- Personal services decreased \$60,000 due to a \$25,000 decrease in state funding for the Health department; and, a \$20,000 reclassification to materials and services to pay for a financial consultant; and, a \$15,000 reclassification to the Parks department for building repairs.
- Materials and services increased \$75,331 partly due to pass-through funding for \$5,600 from Making Energy Work in Rural Oregon; and, \$3,000 more funding from the Oregon State Marine Board; and, a \$4,255 donation to the Parks department from the Friends of Oak Grove Park; and a reclassification of \$20,000 from personal services to pay for a financial consultant; and, an \$11,000 donation to the Sheriff's Office; and, \$31,276 from contingency for Veterans Services so as to receive Oregon Department of Veterans Affairs matching funds.
- Capital outlay increased \$29,000 due to a \$14,000 Oregon Parks and Recreation Department grant carry-over from previous year; and, a \$15,000 reclassification from personal services to the Park department for building repairs at Tucker Park.
- Special payments increased \$22,000 due to a \$22,000 Oregon Parks and Recreation grant where Hood River County served as fiscal agent for a multi-jurisdictional project.
- Contingency decreased \$69,276 due to \$31,276 to fund Veterans Services so as to receive Oregon Department of Veterans Affairs matching funds; and, \$38,000 to cover program supplies for immunizations in Health Department due to a decrease in immunization revenue.
- Transfers out increased \$38,000 due to same amount transferred to cover program supplies for immunizations in Health Department due to decrease in immunization revenue.

During the year, revenue projections were adjusted to accommodate resources that were not anticipated at the time of the original budget.

Capital Assets and Debt Administration

Capital assets. Hood River County investment in capital assets for its governmental activities as of June 30, 2019, amounts to \$88,211,677 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, furniture and fixtures, vehicles, roads and bridges. The total increase in capital assets for the current fiscal year was \$3,537,901 or 4.2%, primarily due to investments in infrastructure, building improvements, machinery, and vehicles during the year. The balance of activities within capital assets resulted from the surplus of vehicles and machinery that had reached the end of their useful lives for the County.

Hood River County's Capital Assets (net of depreciation)

	2018-2019	2017-2018
Land	\$ 20,971,111	\$ 20,971,111
Buildings and Improvements	7,149,923	6,301,627
Furniture and Fixtures	11,167	4,275
Vehicles	650,714	777,780
Machinery and Equipment	2,105,853	1,869,716
Infrastructure	57,076,531	54,518,383
Construction in Progress	246,378	230,884
Total	\$ 88,211,677	\$ 84,673,776

Hood River County has committed resources to the maintenance and preservation of the infrastructure system (e.g., roads, bridges) as authorized by the governing body. The approved condition level commitment is based on historical records generated by the Public Works department whose records were used in the recommendation to the Board of Commissioners to adopt the modified approach to infrastructure assets.

The modified approach to infrastructure reporting permits Hood River County to expense the costs associated with the maintenance of those assets in the current reporting period versus depreciating the assets over a predetermined number of years. Hood River County maintains an inventory of these assets and performs annual condition assessments on rotating segments to ensure that the predetermined condition level is being maintained in accordance with the approved plan. Each budget year Hood River County, through the Public Works department, will include the costs to maintain the infrastructure system at the condition level adopted in the annual budget and will review the annual results for assurance that those requirements have been met.

In the year ended June 30, 2019, the results of the condition assessment was compared to the prior year condition assessment. All infrastructure assets are at or above the 70% level established by the County Board of Commissioners; the current year's level is 78% compared to the prior year's level of 79%. The expenditure estimate for infrastructure condition maintenance in the current year public works budget was \$289,305 with actual cost being \$197,553. This is a \$419,234 or 67.9% decrease from the prior year expense and resulted from changes with road paving locations and acquisition of materials.

Additional information on Hood River County's capital assets and the modified approach can be found in note 5 on page 32, and in the Required Supplementary Information on pages 49 and 50.

Long-term debt. At June 30, 2019, Hood River County had total bonded debt outstanding of \$4,135,000. This entire amount is backed by the full faith and credit of the County.

The Public Employees Retirement System (PERS) is the state of Oregon's public pension system. In the system, the actuarial liability is the present value of the plan's current and expected benefits payments (plus administrative expenses). If a pension fund's actuarial liability exceeds its assets, then the fund has a shortfall that is known as an unfunded actuarial liability or "UAL". In May 2004, a UAL for Hood River County was calculated as \$5,355,000. PERS required member governments to pay (or "amortize") this UAL over a period of approximately twenty-six years at an interest rate of 8% per annum. During that fiscal year, the County took the action of issuing pension obligation bonds to reduce the long-term interest costs on the PERS provided financing of the UAL. The reduction in financing rate is expected to mitigate the effects of future increases to the County's UAL. As long as PERS' investment returns exceed the costs of servicing the bonds, the benefits of the program will exceed the costs. The County's UAL was substantially reduced, but not eliminated, by this borrowing. There are factors influencing the operation of PERS that could change at any time, thereby helping or reducing the benefit of participating in the bond program. At the end of the current fiscal year, Hood River County has pension obligation debt outstanding of \$4,135,000.

Hood River County's Outstanding Debt

	2018-2019	2017-2018
Pension Obligation Bonds	\$ 4,135,000	\$ 4,610,000
Note Payable	13,016	192,993
Total	<u>\$ 4,148,016</u>	<u>\$ 4,802,993</u>

Additional information on Hood River County's long-term debt can be found in note 9 on pages 34 through 36 of this report. Additional component unit debt is also described in that note.

Economic Factors and Next Year's Budgets and Rates

At June 30, 2019, the unemployment rate for Hood River County was 3.3%, which is a .2% increase from the rate a year ago of 3.1%. This rate is lower than both the State of Oregon and national average unemployment rate of 4.0% and 3.7% respectively. Efforts to stimulate the local economy and bring family wage jobs to the county continue to be a high priority for the Board of Commissioners. Economic development work within the county has brought attention to the area and will, hopefully, garner new family wage jobs in the county bringing with them a fair standard of living to the residents in the County and surrounding area. Economic development efforts continue on with the goal of bringing additional successes to the county in the near future.

At June 30, 2019, the County moved into 2019/2020 with a three-year public safety bargaining agreement that will carry through to June 30, 2022, plus two other nonpublic safety union contracts that had been renewed for the period of July 1, 2017 through June 30, 2020.

Health insurance costs continue to be a key concern for the County and its employees. The County has been able to continue to provide quality health insurance by being part of a larger consortium of municipal governments (Oregon Educators Benefit Board) and by having staff increase their portion of insurance costs. Contributions from employees toward their health coverage premium is 15% for all covered staff. These ongoing efforts to keep premium costs under control through management of particular plan benefits have contributed to the cost containment for the new 2019/2020 year as well. Plan revisions and alternative sources are researched, considered and initiated to the extent that the majority of affected staff agreed to the changes.

The state public employees retirement system (PERS) covers a large majority of the public employees in Oregon and has experienced the same economic downturn issues within their program as the national economy has faced. Every two years, each employer's status in the PERS system is evaluated by an actuary; contribution rates for the next two budget years are then assigned. These rates are designed to cover the liabilities associated with the future retirement costs faced by the employers as the structure of their workforce changes. Shortfalls in the projections are unfunded liabilities and cause the assigned rates to increase accordingly. Rates for the 2017-2019 biennium climbed to an average of 7.62%. Rates for the 2019-2021 biennium have already been posted and average 11.65%. Additional increases are expected in the foreseeable future as PERS continues to face an unfunded liability, currently estimated at \$25 billion.

The State of Oregon has experienced a variety of revenue fluctuations during the last few years and has faced the same costs associated with PERS unfunded liability. Demand for services continues to grow faster than revenues. As the State attempts to balance its budget, funds provided to local governments have been somewhat unpredictable in the areas of health and human services (which includes mental health, juvenile programs, services to children and public health) and public safety (such as community corrections). The changes in program structures and fiscal projections by the State have created uncertainty for many of the County's program services. The State's governor has proposed a revenue package that balanced the state's 2018-2020 biennial budget, giving local governments their base for the next two-year period. However, the likelihood of changes to the projections by the state is always a pending factor affecting local governments and the same revenue questions remain for future legislative sessions.

All of these factors were considered in preparing Hood River County's budget for the 2020 fiscal year.

Requests for Information

The financial report is designed to provide a general overview of Hood River County's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Director of Budget & Finance
Hood River County
601 State Street
Hood River, Oregon 97031-1871

BASIC FINANCIAL STATEMENTS

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**HOOD RIVER COUNTY, OREGON
STATEMENT OF NET POSITION
JUNE 30, 2019**

	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	911 COMMUNICATIONS COMPONENT	WINDMASTER URBAN RENEWAL COMPONENT
ASSETS			
CASH AND INVESTMENTS	\$ 32,071,877	\$ 2,755,890	\$ 116,605
TAXES RECEIVABLE	204,521	79,574	10,756
ACCOUNTS RECEIVABLE	1,288,185	78,976	-
CONTRACTS RECEIVABLE	3,023,019	-	-
INVENTORIES	340,836	-	-
PREPAID EXPENSES	95,427	-	-
LT NOTE RECEIVABLE	-	-	-
INVESTMENT IN JOINT VENTURE	3,147,565	-	-
CAPITAL ASSETS:			
LAND, INFRASTRUCTURE, AND CIP	78,294,020	29,500	-
DEPRECIABLE BUILDINGS, IMPROVEMENTS PROPERTY AND EQUIPMENT, net	9,917,657	779,062	-
TOTAL ASSETS	128,383,107	3,723,002	127,361
DEFERRED OUTFLOWS			
PENSION RELATED DEFERRAL	3,386,005	-	-
OPEB RELATED DEFERRAL	71,983	-	-
LIABILITIES			
ACCOUNTS PAYABLE	478,586	20,960	-
SALARIES AND FRINGE PAYABLE	481,014	59,304	-
BOND INTEREST PAYABLE	21,008	-	-
UNEARNED REVENUE	3,034,036	-	-
DEPOSITS	101,659	-	-
ACCRUED COMPENSATED ABSENCES	560,787	59,115	-
LONG-TERM DEBT DUE WITHIN ONE YEAR	301,420	-	-
LONG -TERM DEBT DUE IN MORE THAN ONE YEAR	3,846,596	-	-
TOTAL OPEB LIABILITY	702,596	-	-
PROPORTIONATE SHARE OF PENSION LIABILITY	8,579,176	-	-
TOTAL LIABILITIES	18,106,878	139,379	-
DEFERRED INFLOWS			
PENSION RELATED DEFERRAL	891,531	-	-
OPEB RELATED DEFERRAL	100,066	-	-
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	88,198,661	808,562	-
RESTRICTED FOR DEBT SERVICE	24,752	-	-
RESTRICTED FOR CAPITAL PROJECTS	1,301,362	-	-
RESTRICTED FOR SERVICES	11,449,497	-	-
UNRESTRICTED	11,768,348	2,775,061	127,361
TOTAL NET POSITION	\$ 112,742,620	\$ 3,583,623	\$ 127,361

NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**HOOD RIVER COUNTY, OREGON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	PRIMARY GOVERNMENT		
					TOTAL GOVERNMENTAL ACTIVITIES	911 COMMUNICATIONS COMPONENT	WINDMASTER URBAN RENEWAL COMPONENT
PRIMARY GOVERNMENT:							
GOVERNMENTAL ACTIVITIES:							
GENERAL GOVERNMENT	\$ 3,998,121	\$ 743,544	\$ 689,262	\$ -	\$ (2,565,315)		
SHERIFF	4,507,237	113,007	333,389	-	(4,060,841)		
PUBLIC SAFETY	1,204,133	482,701	669,525	-	(51,907)		
DISTRICT ATTORNEY	558,613	3,346	134,488	-	(420,779)		
PUBLIC WORKS	2,684,263	2,609,058	357,041	2,453,136	2,734,972		
HEALTH & SANITATION	2,344,887	679,737	873,075	-	(792,075)		
FORESTRY	1,384,708	56,224	167,693	-	(1,160,791)		
PARKS	366,017	345,622	154,671	-	134,276		
PLANNING	396,879	146,809	40,000	-	(210,070)		
VETERANS	122,192	-	80,833	-	(41,359)		
COUNTY FAIR	397,817	354,669	53,166	-	10,018		
ANIMAL, WEED & PEST CONTROL	65,825	29,485	-	-	(36,340)		
BUILDING INSPECTION	532,723	805,617	-	-	272,894		
EMERGENCY MANAGEMENT	122,791	-	33,665	-	(89,126)		
ECONOMIC DEVELOPMENT	69,272	-	165,187	-	95,915		
PREVENTION PROGRAM	467,100	-	413,079	-	(54,021)		
EDUCATION	123,373	-	158,219	-	34,846		
INTEREST EXPENSE	258,583				(258,583)		
TOTAL PRIMARY GOVERNMENT ACTIVITIES	\$ 19,604,535	\$ 6,369,819	\$ 4,323,293	\$ 2,453,136	(6,458,287)		
COMPONENT UNITS:							
911 COMMUNICATIONS	\$ 1,537,414	\$ 324,950	\$ -	\$ -		(1,212,464)	
WINDMASTER URBAN RENEWAL	7,099	-	-	-			(7,099)
		GENERAL REVENUES:					
		TAXES:					
					3,442,437	1,338,039	199,536
					1,034,277	-	-
					763,622	68,426	2,075
					(256,813)	-	-
					765,915	4,301	-
					5,543,978	-	-
					<u>11,293,416</u>	<u>1,410,766</u>	<u>201,611</u>
					4,835,129	198,302	194,512
					107,907,491	3,250,231	(182,151)
					-	135,090	115,000
					<u>\$ 112,742,620</u>	<u>\$ 3,583,623</u>	<u>\$ 127,361</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**HOOD RIVER COUNTY, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	GENERAL	PUBLIC WORKS	TIMBER PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
CURRENT ASSETS:					
CASH AND INVESTMENTS	\$ 2,891,916	\$ 8,359,100	\$ 13,899,990	\$ 6,920,871	\$ 32,071,877
TAXES RECEIVABLE	204,521	-	-	-	204,521
ACCOUNTS RECEIVABLE	336,240	310,218	461,589	180,138	1,288,185
CONTRACTS RECEIVABLE	-	-	2,820,400	202,619	3,023,019
INVENTORIES	-	340,836	-	-	340,836
DUE FROM OTHER FUNDS	25,208	-	-	-	25,208
INTERFUND RECEIVABLE	-	325,470	523,800	-	849,270
PREPAID ITEMS	90,477	1,500	-	3,450	95,427
TOTAL ASSETS	\$ 3,548,362	\$ 9,337,124	\$ 17,705,779	\$ 7,307,078	\$ 37,898,343
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE	\$ 167,874	\$ 11,008	\$ 37,245	\$ 262,459	\$ 478,586
ACCRUED SALARIES & FRINGE PAYABLE	345,586	50,257	-	85,171	481,014
DUE TO OTHER FUNDS	-	-	-	25,208	25,208
UNEARNED REVENUE	7,736	-	2,822,500	203,800	3,034,036
INTERFUND PAYABLE	849,270	-	-	-	849,270
DEPOSITS	96,809	4,350	-	500	101,659
TOTAL LIABILITIES	1,467,275	65,615	2,859,745	577,138	4,969,773
DEFERRED INFLOWS OF RESOURCES					
UNAVAILABLE REVENUE - PROPERTY TAX	177,797	-	-	-	177,797
TOTAL DEFERRED INFLOWS OF RESOURCES	177,797	-	-	-	177,797
FUND BALANCES:					
NONSPENDABLE	90,477	342,336	-	3,450	436,263
RESTRICTED	-	8,929,173	-	3,846,438	12,775,611
COMMITTED	-	-	14,846,034	2,880,052	17,726,086
ASSIGNED	915,773	-	-	-	915,773
UNASSIGNED	897,040	-	-	-	897,040
TOTAL FUND BALANCES	1,903,290	9,271,509	14,846,034	6,729,940	32,750,773
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 3,548,362	\$ 9,337,124	\$ 17,705,779	\$ 7,307,078	

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE: CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND THEREFORE ARE NOT REPORTED IN THE FUNDS.	88,211,677
INVESTMENT IN JOINT VENTURE - NOT AVAILABLE TO THE COUNTY	3,147,565
NET PENSION LIABILITY IS NOT RECORDED IN THE GOVERNMENTAL FUND DEFERRED INFLOWS AND OUTFLOWS RELATED TO THE NET PENSION AS ARE NOT RECORDED IN THE GOVERNMENTAL FUNDS	(8,579,176) (891,531) 3,386,005
TOTAL OPEB LIABILITY IS NOT RECORDED IN THE GOVERNMENTAL FUNDS DEFERRED INFLOWS AND OUTFLOWS RELATED TO THE OPEB LIABILITY ARE NOT RECORDED IN THE GOVERNMENTAL FUNDS	(702,596) (100,066) 71,983
OTHER LONG TERM ASSETS ARE NOT AVAILABLE TO PAY FOR CURRENT PERIOD EXPENDITURES AND THEREFORE ARE NOT RECOGNIZED IN THE FUNDS: PROPERTY TAXES EARNED BUT UNAVAILABLE	177,797
ACCRUED COMPENSATED ABSENCES ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED IN THE FUNDS.	(560,787)
ACCRUED INTEREST IS NOT REPORTED IN THE GOVERNMENTAL FUNDS	(21,008)
LONG-TERM DEBT PAYABLE AND OTHER POST EMPLOYMENT BENEFITS, ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED IN THE FUNDS.	(4,148,016)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 112,742,620

NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

HOOD RIVER COUNTY, OREGON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	GENERAL	PUBLIC WORKS	TIMBER PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
PROPERTY TAXES	\$ 3,419,196	\$ -	\$ -	\$ -	\$ 3,419,196
OTHER TAXES	856,730	-	-	177,547	1,034,277
INTERGOVERNMENTAL	1,514,518	401,263	-	2,414,779	4,330,560
TIMBER SALES	-	-	5,543,978	-	5,543,978
FINES AND FEES	1,994,094	2,594,884	4,739	1,685,172	6,278,889
INVESTMENT EARNINGS	71,305	238,537	-	453,780	763,622
DONATIONS & CONTRIBUTIONS	15,334	-	-	26,530	41,864
PERS IN LIEU	-	-	-	410,989	410,989
OTHER REVENUE	291,877	29,370	246,863	155,097	723,207
TOTAL REVENUES	8,163,054	3,264,054	5,795,580	5,323,894	22,546,582
EXPENDITURES					
CURRENT OPERATING:					
GENERAL GOVERNMENT	3,463,685	-	-	96,948	3,560,633
SHERIFF	4,077,019	-	-	109,312	4,186,331
PUBLIC SAFETY	1,139,568	-	-	-	1,139,568
DISTRICT ATTORNEY	408,307	-	-	121,096	529,403
PUBLIC WORKS	20,443	2,381,397	-	-	2,401,840
HEALTH & SANITATION	794,049	-	-	1,466,923	2,260,972
FORESTRY	664,655	-	679,624	-	1,344,279
PARKS	359,072	-	-	-	359,072
PLANNING	376,271	-	-	-	376,271
VETERANS	119,450	-	-	-	119,450
COUNTY FAIR	-	-	-	397,817	397,817
BUILDING INSPECTION	-	-	-	511,205	511,205
EMERGENCY MANAGEMENT	118,221	-	-	-	118,221
PREVENTION PROGRAM	-	-	-	448,833	448,833
EDUCATION	-	-	-	123,373	123,373
CAPITAL OUTLAY	349,015	43,309	4,170	1,403,490	1,799,984
DEBT SERVICE:					
PRINCIPAL	-	-	-	255,000	255,000
INTEREST	-	-	-	266,109	266,109
TOTAL EXPENDITURES	11,889,755	2,424,706	683,794	5,265,931	20,264,186
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,726,701)	839,348	5,111,786	57,963	2,282,396
OTHER FINANCING SOURCES (USES)					
TRANSFERS IN	4,529,836	182,000	608,800	596,975	5,917,611
TRANSFERS OUT	(168,270)	(764,620)	(3,517,000)	(1,467,721)	(5,917,611)
PROCEEDS FROM THE SALE OF ASSETS	14,398	49,512	186,264	35,000	285,174
TOTAL OTHER FINANCING SOURCES (USES)	4,375,964	(533,108)	(2,721,936)	(835,746)	285,174
NET CHANGE IN FUND BALANCES	649,263	306,240	2,389,850	(777,783)	2,567,570
FUND BALANCES - BEGINNING	1,254,027	8,965,269	12,456,184	7,507,723	30,183,203
FUND BALANCES - ENDING	\$ 1,903,290	\$ 9,271,509	\$ 14,846,034	\$ 6,729,940	\$ 32,750,773

NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**HOOD RIVER COUNTY, OREGON
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENT FUNDS \$ 2,567,570

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES
IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

GOVERNMENT FUNDS REPORT CAPITAL OUTLAYS AS
EXPENDITURES WHILE GOVERNMENTAL ACTIVITIES REPORT
DEPRECIATION EXPENSE TO ALLOCATE THOSE EXPENDITURES
OVER THE LIFE OF THE ASSETS. THIS IS THE AMOUNT BY WHICH
CAPITAL OUTLAYS EXCEEDED DEPRECIATION IN THE CURRENT
PERIOD.

EXPENDITURES FOR CAPITAL ASSETS	\$	1,796,071	
CAPITAL CONTRIBUTION		2,453,136	
CAPITAL ASSETS RETIRED OR SOLD		(667)	
LESS CURRENT YEAR DEPRECIATION		<u>(710,639)</u>	3,537,901

REVENUES IN THE STATEMENT OF ACTIVITIES THAT DO NOT
PROVIDE CURRENT FINANCIAL RESOURCES ARE NOT
REPORTED AS REVENUES IN THE FUNDS.

CHANGE IN UNAVAILABLE PROPERTY TAXES	23,241
CHANGE IN NOTE RECEIVABLE	(200,000)

SOME EXPENSES REPORTED IN THE STATEMENT OF ACTIVITIES
DO NOT REQUIRE THE USE OF CURRENT FINANCIAL RESOURCES
AND THEREFORE ARE NOT REPORTED AS EXPENDITURES IN
GOVERNMENTAL FUNDS.

CHANGE IN COMPENSATED ABSENCES	(28,443)
--------------------------------	----------

PERS PENSION EXPENDITURES NOT RECOGNIZED IN
GOVERNMENTAL FUNDS

(1,044,392)

OPEB LIABILITY EXPENDITURES NOT RECOGNIZED IN
GOVERNMENTAL FUNDS

(26,461)

THE ISSUANCE OF LONG-TERM DEBT PROVIDES CURRENT FINANCIAL
RESOURCES TO GOVERNMENTAL FUNDS, WHILE THE REPAYMENT OF
THE PRINCIPAL OF LONG-TERM DEBT CONSUMES THE CURRENT
FINANCIAL RESOURCES OF GOVERNMENTAL FUNDS:

PAYMENT OF PRINCIPAL ON LONG-TERM DEBT	261,350
CHANGE IN INTEREST ACCRUAL	1,176

CHANGE IN INVESTMENT IN JOINT VENTURE

(256,813)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 4,835,129

NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**HOOD RIVER COUNTY, OREGON
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
PROPERTY TAXES	\$ 3,254,100	\$ 3,254,100	\$ 3,419,196	\$ 165,096
OTHER TAXES	479,000	479,000	856,730	377,730
INTERGOVERNMENTAL	1,635,650	1,655,250	1,514,518	(140,732)
FINES AND FEES	2,030,600	2,030,600	1,994,094	(36,506)
INVESTMENT EARNINGS	30,000	30,000	49,863	19,863
DONATIONS & CONTRIBUTIONS	5,300	20,555	15,334	(5,221)
OTHER REVENUE	56,300	56,500	291,877	235,377
TOTAL REVENUES	<u>7,490,950</u>	<u>7,526,005</u>	<u>8,141,612</u>	<u>615,607</u>
EXPENDITURES				
PERSONAL SERVICES	7,896,120	7,836,120	7,412,999	(423,121)
MATERIALS & SERVICES	2,420,510	2,495,841	2,165,560	(330,281)
CAPITAL OUTLAY	333,400	362,400	349,015	(13,385)
SPECIAL PAYMENTS	1,792,080	1,814,080	1,802,011	(12,069)
DEBT SERVICE	144,000	144,000	160,170	16,170
CONTINGENCY	200,000	130,724	-	(130,724)
TOTAL EXPENDITURES	<u>12,786,110</u>	<u>12,783,165</u>	<u>11,889,755</u>	<u>(893,410)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,295,160)	(5,257,160)	(3,748,143)	(1,509,017)
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	4,449,730	4,449,730	4,445,986	(3,744)
TRANSFERS OUT	(44,270)	(82,270)	(68,270)	(14,000)
FINANCING - INTERFUND LOAN	-	-	-	-
SALE OF ASSETS	4,000	4,000	14,398	10,398
TOTAL OTHER FINANCING SOURCES (USES)	<u>4,409,460</u>	<u>4,371,460</u>	<u>4,392,114</u>	<u>(7,346)</u>
NET CHANGE IN FUND BALANCE	(885,700)	(885,700)	643,971	1,529,671
FUND BALANCE - BEGINNING	885,700	885,700	1,192,816	307,116
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	1,836,787	<u>\$ 1,836,787</u>
RECONCILIATION TO GAAP ENDING FUND BALANCE				
RESERVES ENDING FUND BALANCE			915,773	
INTERFUND LOAN			(523,800)	
INTERFUND LOAN			(325,470)	
GENERAL FUND ENDING FUND BALANCE			<u>\$ 1,903,290</u>	

NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**HOOD RIVER COUNTY, OREGON
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC WORKS FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL	\$ 515,840	\$ 725,145	\$ 401,263	\$ (323,882)
FINES AND FEES	2,563,600	2,563,600	2,594,884	31,284
INVESTMENT EARNINGS	120,000	120,000	238,537	118,537
OTHER REVENUE	32,000	32,000	29,370	(2,630)
 TOTAL REVENUES	3,231,440	3,440,745	3,264,054	(176,691)
 EXPENDITURES				
PERSONAL SERVICES	1,660,500	1,673,001	1,422,067	(250,934)
MATERIALS & SERVICES	1,531,800	1,728,605	946,723	(781,882)
CAPITAL OUTLAY	52,000	52,000	43,309	(8,691)
CONTINGENCY	500,000	500,000	-	(500,000)
 TOTAL EXPENDITURES	3,744,300	3,953,606	2,412,099	(1,541,507)
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(512,860)	(512,861)	851,955	1,364,816
 OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	182,000	182,000	182,000	-
TRANSFERS OUT	(764,620)	(764,620)	(764,620)	-
PROCEEDS FROM THE SALE OF ASSETS	80,000	80,000	49,512	(30,488)
 TOTAL OTHER FINANCING SOURCES (USES)	(502,620)	(502,620)	(533,108)	(30,488)
 NET CHANGE IN FUND BALANCE	(1,015,480)	(1,015,481)	318,847	1,334,328
 FUND BALANCE - BEGINNING	8,000,000	8,000,000	8,286,357	286,357
 FUND BALANCE - ENDING	\$ 6,984,520	\$ 6,984,519	8,605,203	\$ 1,620,684
RECONCILIATION TO GAAP ENDING FUND BALANCE				
			INVENTORY	340,836
			INTERFUND LOAN	325,470
			PUBLIC WORKS FUND ENDING FUND BALANCE	\$ 9,271,509

NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**HOOD RIVER COUNTY, OREGON
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TIMBER PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
TIMBER SALES	\$ 2,502,000	\$ 2,502,000	\$ 5,543,978	\$ 3,041,978
FINES AND FEES	3,000	3,000	4,739	1,739
OTHER REVENUE	88,100	88,100	246,863	158,763
TOTAL REVENUES	<u>2,593,100</u>	<u>2,593,100</u>	<u>5,795,580</u>	<u>3,202,480</u>
EXPENDITURES				
MATERIALS & SERVICES	2,007,180	2,007,180	679,624	(1,327,556)
CAPITAL OUTLAY	1,669,070	1,669,070	4,170	(1,664,900)
TOTAL EXPENDITURES	<u>3,676,250</u>	<u>3,676,250</u>	<u>683,794</u>	<u>(2,992,456)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,083,150)	(1,083,150)	5,111,786	6,194,936
OTHER FINANCING (USES)				
TRANSFERS IN	608,800	608,800	608,800	-
TRANSFERS OUT	(3,517,000)	(3,517,000)	(3,517,000)	-
SALE OF CAPITAL ASSET	75,000	75,000	186,264	111,264
TOTAL OTHER FINANCING (USES)	<u>(2,833,200)</u>	<u>(2,833,200)</u>	<u>(2,721,936)</u>	<u>111,264</u>
NET CHANGE IN FUND BALANCE	(3,916,350)	(3,916,350)	2,389,850	6,306,200
FUND BALANCE - BEGINNING	<u>11,355,550</u>	<u>11,355,550</u>	<u>11,932,384</u>	<u>576,834</u>
FUND BALANCE - ENDING	<u>\$ 7,439,200</u>	<u>\$ 7,439,200</u>	<u>\$ 14,322,234</u>	<u>\$ 6,883,034</u>
RECONCILIATION TO GAAP ENDING FUND BALANCE				
INTERFUND LOAN			523,800	
PUBLIC WORKS FUND ENDING FUND BALANCE			<u>\$ 14,846,034</u>	

NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**HOOD RIVER COUNTY, OREGON
STATEMENT OF FIDUCIARY ASSETS & LIABILITIES
ALL AGENCY FUNDS
JUNE 30, 2019**

ASSETS

CASH AND INVESTMENTS	\$ 5,169,590
RECEIVABLES:	
PROPERTY TAXES	1,785,982
ACCOUNTS	3,948
TOTAL RECEIVABLES	<u>1,789,930</u>
TOTAL ASSETS	<u>\$ 6,959,520</u>

LIABILITIES

HELD ON BEHALF OF OTHER LOCAL GOVERNMENTS	<u>\$ 6,959,520</u>
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NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

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HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Hood River County is a municipal corporation governed by an elected board of commissioners consisting of a chairperson and four commissioners. The accompanying financial statements present the government and its component units, an entity for which the County is considered to be financially accountable. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize it is legally separate from the government. The component units have June 30 fiscal year-ends.

Discretely presented component units.

Hood River County 911 Communications District (911 Communications) was organized in 1995 as a special district providing emergency response dispatch service to all of Hood River County. The County Commissioners appoint the District's Board and the Commissioners have authority to impose its will on the District. Management believes that the nature and significance of the relationship is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Hood River County Windmaster Urban Renewal District (WMURD) was organized in 2008 by the Hood River County Board of County Commissioners as a financing element of the Windmaster Sewer project. The County Commissioners appoint the District's Board and the Commissioners have authority to impose its will on the District. Management believes that the nature and significance of the relationship is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Complete financial statements for the 911 Communications, and WMURD can be obtained at the Hood River County, Department of Budget & Finance, 601 State Street, Hood River, OR 97031.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities* are supported by taxes and intergovernmental revenues. The *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Measurement Focus, Basis of Accounting and Basis of Presentation, continued

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 includes 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 programs revenues are reported instead as *general revenues*.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund. Its primary sources of revenue are from property taxes, fines and fees and intergovernmental sources.

The *Public Works Fund* is the County's road fund. It accounts for all revenues and expenses related to the operation and maintenance of the infrastructure systems of the County. Its primary sources of revenue are from fines and fees.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Measurement Focus, Basis of Accounting and Basis of Presentation, continued

The *Timber Projects Fund* accounts for the County's timber sales activity. The timber sales and specific administrative expenses related to the forestland owned and operated by the County are reported in this fund. Its primary sources of revenue are from timber sales.

Additionally, the County reports the following fund types:

Special revenues funds are primarily operating funds that account for revenue derived from specific 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 fund authorized to make expenditures.

Capital projects funds account for expenditures on major construction projects or equipment acquisitions. The principal sources of revenues are transfers from operating funds for capital asset purchase or construction, and general obligation bonds.

Debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Fiduciary funds (specifically agency funds) account for assets held for other governments.

The effect of interfund activity has been eliminated from the government-wide financial statements.

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

Assets, deferred outflows, liabilities, deferred inflows and net position

Cash and investments

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Fair Value Inputs and Methodologies and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Assets, deferred outflows, liabilities, deferred inflows and net position, continued

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Receivables and payables

Activities between funds that would reflect lending/borrowing arrangements outstanding at the end of the fiscal year would be referred to as "due to/due from other funds". Any other outstanding balances between funds are reported as "interfund balances."

Property tax receivables are deemed to be substantially collectable or recoverable through foreclosure. Accordingly, no allowance for doubtful accounts is deemed necessary. For all other receivables management believes that no allowance for uncollectable is required.

Property taxes are levied and become a lien as of July 1. Property taxes are assessed in October and tax payments are due November 15. Under the partial payment schedule, the first one-third of taxes are due November 15, the second one-third on February 15 and the remaining one-third on May 15. A three percent discount is allowed if full payment is made by November 15 and a two percent discount is allowed if two-thirds payment is made by November 15. Taxes become delinquent if not paid by the due date and interest accrues after each trimester at a rate of 1.33% per month. Property foreclosure proceedings are initiated four years after the tax due date.

Supply Inventories

Inventories are valued at lower of cost or market using the first-in/first-out (FIFO) method. Inventories of materials and supplies in governmental funds are recorded as expenditures when purchased.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. In the governmental funds, the consumption method is used.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Assets, deferred outflows, liabilities, deferred inflows and net position, continued

Capital Assets

The County has reported all capital assets, which include property, equipment and infrastructure assets (e.g., roads, bridges), governmental activities in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for land, buildings and improvements are capitalized as assets are purchased or constructed. Capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	75
Building Improvements	50
Machinery & Equipment	10
Computer Equipment	7
Furniture & Fixtures	7
Standard Vehicles	7
Sheriff Vehicles	5

The County has elected to use the “modified approach” as defined by GASB No. 34 for infrastructure reporting for the systems of roads and bridges. As a result, no accumulated depreciation or depreciation expense has been reported for these systems. A more detailed discussion of the “modified approach” is presented in the Required Supplementary Information section of this report on pages 49 and 50. All other capital assets were reported using the basic approach whereby accumulated depreciation and depreciation expense has been recorded. Accumulated depreciation is defined as the total depreciation from the date of construction or acquisition to the current date on a straight-line basis using the life expectancies noted above.

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when employees separate from service with the County. All vacation pay and compensatory time is accrued in the government-wide financial statements as incurred. An expense for these amounts is reported in government funds only if they have matured, for example, as a result of employee resignations and retirements

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Assets, deferred outflows, liabilities, deferred inflows and net position, continued

Long-term obligations

In the government-wide financial statements long-term debt is reported as a liability in the County's statement of net position. Bond issuance costs are expensed in the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund balance

In March 2009, the GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund-type Definitions. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaids.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. The Director of Budget and Finance has the authority to classify portions of ending fund balances as Assigned, as granted by resolution from the Board of Commissioners.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. In governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The following order of spending regarding fund balance categories is used: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Assets, deferred outflows, liabilities, deferred inflows and net position, continued

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 that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The statement of net position reports deferred outflows related to the pension related deferral and OPEB related deferral. These amounts are equal to differences between expected and actual experience, changes in proportionate share and contributions subsequent to the measurement date.

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 that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The statement of net position reports deferred inflows called pension related deferral and OPEB related deferrals. These amounts are equal to the difference between actuarially projected investment earnings and actual investment earnings.

Retirement Plans

Substantially all of the County's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

NOTE 2 - BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 - Local Budget Law) for all governmental funds. All annual appropriations lapse at fiscal year- end.

Requests for appropriations are submitted by all agencies of the County to the director of budget and finance by February each year. The proposed budget is presented to the budget committee in April for public hearing. The budget committee consists of the five commissioners and five lay citizens of the County appointed by the commission. The budget committee reviews the proposed budget and approves a budget document for publication in a local newspaper of record. The Board of Commissioners holds a public hearing and adopts a final budget and levies taxes for that year no later than June 30.

The budget is prepared by category (i.e., personal service, materials and services, capital outlay,

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 2 - BUDGETARY INFORMATION, continued

debt service and other requirements) within funds. The budget is appropriated by resolution at the department level. County departments may make transfers of appropriations within categories within a category. Adjustments to the budgetary appropriations require approval of the Board of Commissioners in a public hearing. Expenditure appropriations may not be over expended except in the case of grant funding or debt service on new bonded debt issued during the fiscal year. Department directors are permitted to transfer amounts between individual line items within a category group, but may not make adjustments to the categories themselves, which is the legal level of control, without the Board of Commissioner's approval.

Expenditures of the various funds were within authorized appropriation, except for the General Fund – Debt Service by \$16,170, Sheriff's County Program Fund – Special Payments by \$1,000, Health Programs Fund – Special Payments by \$34,446, Hood River Prevention Program Fund – Materials and Services by \$274, and Transient Room Tax Fund – Transfers Out by \$16,169.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits. Deposits with financial institutions are comprised of general and payroll demand-deposit accounts. The bank balances in these accounts at June 30, 2019 is \$281,495. Of these deposits, \$281,495 is covered for non-interest bearing accounts by federal depository insurance and the remaining is collateralized in accordance with Oregon Law.

Investments. Oregon Revised Statutes and the County's investment policy authorize the County to invest primarily in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, high-grade corporate indebtedness, and the State of Oregon Local Government Investment Pool.

As of June 30, 2019, the County had the following cash and investments:

	Fair Value
Investments	
State of Oregon Local Government Investment Pool	\$ 29,105,792
Corporate bonds	10,765,047
Total investments	39,870,839
Cash on hand in banks	243,123
Total cash and investments	\$ 40,113,962

Cash and investments are shown on the basic financial statements as:

Governmental	\$ 32,071,877
911 Communications	2,755,890
Windmaster Urban Renewal	116,605
Fiduciary	5,169,590
Total cash and investments	\$ 40,113,962

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 3 – DEPOSITS AND INVESTMENTS, continued

Interest rate risk. In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting the individual maturities in its investment portfolio to eighteen months or less. Average maturity of the County's investment portfolio at June 30, 2019 was eight months.

Credit risk. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations under ORS 294.035. At June 30, 2019, ratings of the County's holdings in federal government agencies were AAA and AA (S&P) and AA3 and AAA (Moody's). Commercial investments ranged from AA1 to AAA (S&P) and AA+ to AAA (Moody's).

Concentration of credit risk. The County's investment policy does not allow for an investment in any one issuer that is in excess of 50% of the County's total investments under ORS 294.035.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of bank failure, the County's deposits may not be returned to it. Oregon Revised Statutes require deposits to be deposited at an approved depository so determined by the Oregon State Treasurer. As of June 30, 2019, all deposits were covered by the FDIC and deposited at an approved depository.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counter party, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 3 – DEPOSITS AND INVESTMENTS, continued

As of June 30, 2019 the County had the following investments:

Investment	S&P Rating	Maturities	Fair Value Activity Level	Fair Value
State Treasurer's Investment Pool	No Rating	N/A	Quoted market price, Level 1	\$ 28,970,546
State Treasurer's Investment Pool	No Rating	N/A	Quoted market price, Level 1	135,246
Corporate Bond - Royal Bank of Canada	AA-	7/29/2019	Quoted market price, Level 1	999,280
Corporate Bond – Microsoft	AAA	8/8/2019	Quoted market price, Level 1	1,747,918
Corporate Bond - RFCSP Strip Principal	No Rating	10/15/2019	Quoted market price, Level 1	993,319
Corporate Bond – JP Morgan Chase	A-	10/22/2019	Quoted market price, Level 1	999,670
Corporate Bond - Westpac Banking Corp	AA-	5/26/2020	Quoted market price, Level 1	1,000,230
Corporate Bond - Citibank	A+	6/12/2020	Quoted market price, Level 1	998,110
Corporate Bond - Wells Fargo	A-	7/22/2020	Quoted market price, Level 1	1,003,290
Corporate Bond - US Bancorp	A+	8/4/2020	Quoted market price, Level 1	1,027,900
Corporate Bond – Toronto Dominion Bank	AA-	9/11/2020	Quoted market price, Level 1	997,070
Corporate Bond - US Bancorp	AA-	10/23/2020	Quoted market price, Level 1	998,260
Total Investments				<u>\$ 39,870,839</u>

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 4 - RECEIVABLES

Receivables at year-end for the County's individual major funds and non-major funds in the aggregate, are as follows:

	General Fund	Public Works	Timber Projects	Other Gov Funds	Total
Taxes	\$ 204,521	\$ -	\$ -	\$ -	\$ 204,521
Accounts	336,240	310,218	461,589	180,138	1,288,185
Contracts	-	-	2,820,400	202,619	3,023,019
Total	\$ 540,761	\$ 310,218	\$ 3,281,989	\$ 382,757	\$ 4,515,725

Hood River County owns 34,358 acres of timberland and derives revenue from those lands via timber sales. As of June 30, 2019, there were four contracts open covering sales over the next one to three years accounting for the \$2,820,401 of contracts receivable and related deferred revenue. Each sale is individually guaranteed by a performance bond that will pay the contractual revenue to the County should the contractor not be able to perform in accordance to the contract provisions. The County has had to exercise its rights in this type of situation only twice in the last fifteen years and has done so successfully without loss of revenue.

The County also operates a Farm Loan Program providing funds as needed to local agricultural entities for farm improvement projects. The County's position is secured by liens on the individual properties, assuring payment in the event of default. In the history of this program the County has not experienced a default on any contract. At June 30, 2019, the balance in contracts receivable and deferred revenue for this purpose was \$202,619 consisting of twelve contracts.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of unavailable or unearned revenue reported in the governmental funds were as follows:

Delinquent property taxes receivable (General Fund)	\$ 177,797
Total unavailable revenue	\$ 177,797
Unearned Revenue:	
Unearned revenue - other (General Fund)	\$ 7,736
Unearned revenue - timber contracts receivable	2,822,500
Unearned revenue - other governmental funds	203,800
Total unearned revenue	\$ 3,034,036

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 5 - CAPITAL ASSETS

Activity and balances of the County's capital assets for the year ended June 30, 2019 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets not being depreciated				
Land	\$ 20,971,111	\$ -	\$ -	\$ 20,971,111
Infrastructure	54,518,383	2,558,148	-	57,076,531
Construction in progress	230,884	15,494	-	246,378
Total capital assets, not being depreciated	<u>75,720,378</u>	<u>2,573,642</u>	<u>-</u>	<u>78,294,020</u>
Capital assets being depreciated				
Buildings and improvements	9,667,498	870,510	-	10,538,008
Furniture and fixtures	41,368	9,985	-	51,353
Vehicles	3,283,571	108,470	(73,667)	3,318,374
Machinery and equipment	7,697,028	686,600	(163,700)	8,219,928
Total capital assets being depreciated	<u>20,689,465</u>	<u>1,675,565</u>	<u>(237,367)</u>	<u>22,127,663</u>
Less accumulated depreciation for				
Buildings and improvements	(3,365,871)	(22,214)	-	(3,388,085)
Furniture and fixtures	(37,093)	(3,093)	-	(40,186)
Vehicles	(2,505,791)	(235,536)	73,667	(2,667,660)
Machinery and equipment	(5,827,312)	(449,796)	163,033	(6,114,075)
Total accumulated depreciation	<u>(11,736,067)</u>	<u>(710,639)</u>	<u>236,700</u>	<u>(12,210,006)</u>
Total capital assets being depreciated, net	<u>8,953,398</u>	<u>964,926</u>	<u>(667)</u>	<u>9,917,657</u>
Capital assets, net	<u>\$ 84,673,776</u>	<u>\$ 3,538,568</u>	<u>\$ (667)</u>	<u>\$ 88,211,677</u>

Depreciation was charged to functions/programs of the primary government as follows:

General government	\$ 277,359
Sheriff	163,898
Public safety	3,949
Public works	196,161
Community service	<u>69,272</u>
Total depreciation expense - governmental activities	<u>\$ 710,639</u>

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 5 - CAPITAL ASSETS, continued

Hood River County has committed resources to the maintenance and preservation of the infrastructure system (e.g., roads, bridges) as authorized by the governing body. The approved condition level commitment is based on historical records generated by the public works department whose records were used in the recommendation to the Board of Commissioners in adopting the modified approach to infrastructure assets.

The modified approach to infrastructure reporting permits Hood River County to expense the costs associated with the maintenance of those assets in the current reporting period versus depreciating the assets over a predetermined number of years. Hood River County maintains an inventory of these assets and performs annual condition assessments on rotating segments to ensure that the predetermined condition level is being maintained in accordance with the approved plan. Each budget year Hood River County, through the public works department, will include the costs to maintain the infrastructure system at the condition level adopted in the annual budget and will review the annual results for assurance that those requirements have been met.

NOTE 6 – NOTE RECEIVABLE

In August 2017, the County loaned \$200,000 to the Windmaster Sewer Urban Renewal Agency. The agreement bears 3% interest with a payback date of December 31, 2019 and was paid by the Agency's incremental tax revenue.

Changes in the receivable are as follows:

	Interest Rate	Original Issue	Outstanding 7/1/2018	Issued	Values and Redeemed	Outstanding 6/30/2019	Due Within One Year
Note Receivable							
Windmaster URA	3%	\$ 200,000	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ -
Total			\$ 200,000	\$ -	\$ 200,000	\$ -	\$ -

NOTE 7 – INTERFUND TRANSFERS

The composition of interfund transfers during the June 30, 2019 fiscal year is as follows:

Transfers In		Transfers Out	
General fund	\$ 4,529,836	General fund	\$ 168,270
Public works fund	182,000	Public works fund	764,620
Timber projects fund	608,800	Timber projects fund	3,517,000
Nonmajor funds	596,975	Nonmajor funds	1,467,721
Total transfers	\$ 5,917,611	Total transfers	\$ 5,917,611

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various program funds in accordance with budgetary authorization.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 8 - LEASES

Operating Leases

The County leases office facilities on a month-to-month basis, and other equipment under non-cancelable operating leases. Total costs for such leases were \$56,981 for the year ended June 30, 2019. The future minimum lease payments are as follows:

Year Ending June 30	Amount
2019	\$ 51,119
2020	42,658
2021	37,526
2022	35,575
2023	34,608
Beyond	<u>71,107</u>
Total	<u>\$ 272,593</u>

NOTE 9 - LONG-TERM OBLIGATIONS

Changes in long-term liabilities.

Long-term liability activity for the year ended June 30, 2019, were as follows:

	Balance 7/1/2018	Additions	Reductions	Balance 6/30/2019	Due within one year
Governmental Activities					
Bond					
Pension obligation bonds	\$ 4,390,000	\$ -	\$ 255,000	\$ 4,135,000	\$ 295,000
Direct Borrowing					
Note payable	<u>19,366</u>	<u>-</u>	<u>6,350</u>	<u>13,016</u>	<u>6,420</u>
Total	<u>\$ 4,409,366</u>	<u>\$ -</u>	<u>\$ 261,350</u>	<u>\$ 4,148,016</u>	<u>\$ 301,420</u>

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 9 - LONG-TERM OBLIGATIONS, continued

Pension Obligation Bonds

In May 2004 Hood River County participated as one of ten local governments in issuing limited tax pension bonds, the proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each participating local government with the Oregon Public Employees Retirement System (PERS). Except for the payment of its pension bond payments and additional charges when due, each participating local government has no obligation or liability to any other participating local government's pension bonds or liabilities to PERS. The County records the amount deposited with PERS as a prepayment on its actuarial obligation, and accounts for the payment of principal, interest and the amortization of the prepayment as pension expense over the life of the bonds. The County anticipates that the total costs of financing the County's actuarial obligation in this way will result in a significant savings to the County when compared to paying for such costs in additional contribution rates to PERS.

The Series 2004 Trustee may waive any pension bond default and its consequences, except a failure to pay principal, interest or premium when due. If an event of default occurs and is continuing, the Trustee may exercise any remedy available at law or in equity; however, the pension bond payments will not be subject to acceleration, and each series 2004 issuer is responsible solely for its pension bond payments and any fees and other charges of the Series 2004 Trustee reasonably allocated to it. The County's obligations under the 2004 pension bond issuance shall terminate if and when there shall occur either prepayment in full of the Series 2004 Pension Bonds, or legal defeasance of the Series 2004 obligations. The Series 2004 Pension Bonds are limited tax bonds and pension bond payments are not subject to acceleration.

The County issued \$5,355,000 Pension Bonds, Series 2004 (Federally Taxable), on May 27, 2004 which are payable annually through June 2028. Interest on the deferred interest bonds is accreted semiannually at yields ranging from 2.13% to 6.095%. The bonds are federally taxable and are not subject to optional prepayment prior to their stated maturities.

Annual debt service requirements to maturity:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 295,000	\$ 250,864
2021	340,000	233,120
2022	385,000	212,669
2023	435,000	189,511
2024	490,000	163,346
2025-28	<u>2,190,000</u>	<u>316,331</u>
Total	<u>\$ 4,135,000</u>	<u>\$ 1,365,841</u>

Direct Borrowings

Notes Payable

On June 30, 2009 the County received a loan from the Oregon Economic & Community Development Department on behalf of the Windmaster Sewer District in the amount of \$500,000. The loan will be used to address the health hazard declaration from Oregon's DEQ regarding the construction of a sewer line. The loan is payable over 25 years at an interest rate of 4.62% and total payments per year including interest of \$25,235. The debt was paid off in the current year.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 9 - LONG-TERM OBLIGATIONS, continued

On February 7, 2011, the General Fund received a loan from the Public Works in the amount of \$60,000 for the completion of an energy efficiency project. Interest charged will be at the rate of 2.0% over the course of ten years.

Annual debt service requirements to maturity:

Year ending June 30	Principal	Interest
2020	\$ 6,420	\$ 259
2021	6,596	131
Total	<u>\$ 13,016</u>	<u>\$ 390</u>

NOTE 10 – JOINTLY GOVERNED ORGANIZATION

In 1996 the County, in conjunction with three other county governments created the Northern Oregon Corrections (NORCOR) regional jail. NORCOR provides jail services to the four member counties. Its board is comprised of one member from each participating county governing body. Each member government is responsible for their respective share of NORCOR's operation. Any operating deficit would cause an additional assessment on the member counties. The County contributed \$1,568,397 equivalent to 40% of all counties' contributions, to the operation of the NORCOR facility for the fiscal year ended June 30, 2019. Financial information for this entity may be obtained from the Administrator, Northern Oregon Corrections, 201 Webber Road, The Dalles, Oregon 97058.

The County's ownership position in the joint venture is 40% based on a census of beds used by each participating county. The County's interest is included in the investment earnings in the general revenues section of the statement of activities.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN

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

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf>

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN (CONTINUED)

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN (CONTINUED)

A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
- iv. **Benefit Changes After Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation, which became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2019 were \$561,619, excluding amounts to fund employer specific liabilities. In addition approximately \$442,611 in employee contributions were paid or picked up by the County in fiscal 2019. At June 30, 2019, the County reported a net pension liability of \$8,579,176 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2016. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2018 and 2017, the County's proportion was .057 percent and .054 percent, respectively. Pension expense for the year ended June 30, 2019 was \$1,044,392.

The rates in effect for the year ended June 30, 2019 were:

- (1) Tier 1/Tier 2 – 11.08%
- (2) OPSRP general services – 3.51%
- (3) OPSRP police and fire – 8.28%

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN (CONTINUED)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 291,838	\$ -
Changes in assumptions	1,994,642	-
Net difference between projected and actual earnings on pension plan investments	-	380,964
Net changes in proportionate share	537,906	-
Differences between County contributions and proportionate share of contributions	-	510,567
Subtotal - Amortized Deferrals (below)	2,824,386	891,531
County contributions subsequent to measuring date	561,619	-
Deferred outflow (inflow) of resources	<u>\$ 3,386,005</u>	<u>\$ 891,531</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2020.

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

<u>Year ending June 30,</u>	<u>Amount</u>
2020	\$ 1,080,697
2021	775,939
2022	(86,252)
2023	109,949
2024	52,522
Thereafter	-
Total	<u>\$ 1,932,855</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2019. Oregon PERS produces an independently audited CAFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2017 through June 30, 2019, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN (CONTINUED)

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2016 rolled forward to June 30, 2018
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/1.15%) in accordance with Moro decision, blend based on service.
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	13.5%	21.5%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

(Source: June 30, 2018 PERS CAFR; p. 98)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015, revised as of June 7, 2017, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		2.50%

(Source: June 30, 2018

PERS CAFR; p. 72)

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement date of June 30, 2018 and 2017, was 7.20 percent and 7.50 percent, respectively, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
County’s proportionate share of the net pension liability	\$ 14,337,424	\$ 8,579,176	\$ 3,826,214

Changes Subsequent to the Measurement Date

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

There are no changes subsequent to the June 30, 2018 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan

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

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN (CONTINUED)

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

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

Pension Benefits:

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

Death Benefits:

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

Contributions:

Employees of the County pay six (6) percent of their covered payroll. The County did not make any optional contributions to member IAP accounts for the year ended June 30, 2019.

RHIA

Plan Description:

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, PO Box 23700, Tigard, OR 97281-3700.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 11 – EMPLOYEE RETIREMENT SYSTEM AND PENSION PLAN (CONTINUED)

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars 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 dollars 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 OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating governments are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the County currently contributes 0.53% of annual covered OPERF payroll and 0.45% of OPSRP payroll under a contractual requirement in effect until June 30, 2019. The OPERS Board of Trustees sets the employer contribution rates 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.

At June 30, 2019, the County's net OPEB liability/(asset) and deferred inflows and outflows were not considered significant by management and were not accrued on the government wide statements.

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

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

NOTE 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description: The County operates a single-employer retiree benefit plan that provides postemployment health, dental and vision insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. All classes of employee are eligible to continue coverage upon retirement. Qualified spouses, domestic partners, and children may qualify for coverage. Coverage for retirees and eligible dependents continues until Medicare eligibility for each individual (or until dependent children become ineligible).

Benefits and eligibility for members are established through the collective bargaining agreements. The post-retirement healthcare plan is established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the County's implicit employer contribution. The County did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS, continued

Funding Policy: The benefits from this program are paid by the County on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is not obligation on the part of the County to fund these benefits in advance.

Actuarial Methods and Assumptions: The County engaged an actuary to perform an evaluation as of June 30, 2019 using entry age normal, level percent of salary Actuarial Cost Method. The Single Employer Pension Plan liability was determined using the following actuarial assumptions, applied to all periods including the measurement:

Discount Rate per year	3.87%
General Inflation Rate per year	2.50%
Salary Scale per year	3.50%

Health Care Cost Trends:

Year	Trend	Year	Trend
2018	6.75 %	2036-38	6.00 %
2019	7.00	2039-45	5.75
2020	5.50	2046-50	5.50
2021-25	5.00	2051-61	5.25
2026-29	4.75	2065-65	5.00
2030-33	5.00	2066+	4.75
2034	5.25		
2035	5.75		

Mortality rates were based on rates adopted by the Oregon Public Employees Retirement System (PERS) for its December 31, 2017 actuarial valuation of retirement benefits.

Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were not used.

Retirement rates were based on Oregon PERS assumptions. Annual rates are based on age, Tier / OPSRP, and duration of service.

The projection of benefits for financial reporting purpose does not explicitly incorporate the potential effects of legal or contractual funding limitations.

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS, continued

Changes in Medical Benefit OPEB Liability:

	2018	2019
Beginning of the year	\$ 792,993	\$ 746,879
Changes for the Year:		
Service Cost	42,077	39,403
Interest	22,819	26,744
Economic/Demographic gains or losses	-	(77,707)
Changes of Assumptions or Other Input	(41,689)	46,480
Benefit Payments	<u>(69,321)</u>	<u>(79,203)</u>
Net Changes for the Year	<u>(46,114)</u>	<u>(44,283)</u>
Total OPEB Liability at end of year	<u>\$ 746,879</u>	<u>\$ 702,596</u>

Sensitivity of the Total Other Post-Employment Benefit Liability to Changes in Discount and Trend Rates: The following presents the net total post-employment benefit liability (NOL), calculated using the discount rate of 3.87 percent, as well as what the liability would be if it was calculated using a discount rate 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 763,091	\$ 702,596	\$ 646,640

The following presents the total other post-employment benefit liability, calculated using trend rate of 6.5 percent graded down to 5.0 percent, as well as what the liability would be if it was calculated using a trend rate 1-percentage-point lower (5.5 percent graded down to 4.0 percent) or 1-percentage-point higher (7.5 percent graded down to 6.0 percent) than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 626,841	\$ 702,596	\$ 791,377

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experien	\$ (68,671)	\$ -
Changes in assumptions	(31,395)	41,075
Benefit Payments	-	30,908
Deferred outflow (inflow) of resources	<u>\$ (100,066)</u>	<u>\$ 71,983</u>

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS, continued

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

Year ending June 30,	Amount
2020	\$ (8,778)
2021	(8,778)
2022	(8,778)
2023	(8,778)
2024	(8,778)
Thereafter	(15,101)
Total	\$ (58,991)

NOTE 13 – FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2019 are as follows:

Fund balances	General Fund	Public Works	Timber Projects	Nonmajor Funds	Total
Nonspendable					
Inventory/Prepays	\$ 90,477	\$ 342,336	\$ -	\$ 3,450	\$ 436,263
Total	90,477	342,336	-	3,450	436,263
Restricted					
Public works	-	8,929,173	-	590,413	9,519,586
Sheriff programs	-	-	-	509,285	509,285
DA county programs	-	-	-	51,503	51,503
Community grants	-	-	-	12,989	12,989
Clerk duties	-	-	-	42,926	42,926
Health programs	-	-	-	59,217	59,217
Building inspection	-	-	-	648,559	648,559
HRPP	-	-	-	199,727	199,727
Transient Room	-	-	-	19,042	19,042
Court assessment	-	-	-	246,198	246,198
Video lottery	-	-	-	14,502	14,502
County fair	-	-	-	125,963	125,963
Capital projects	-	-	-	1,301,362	1,301,362
Debt service	-	-	-	24,752	24,752
Total	-	8,929,173	-	3,846,438	12,775,611
Committed					
Timber projects	-	-	14,846,034	-	14,846,034
Timber interest	-	-	-	2,008,823	2,008,823
Farm loans	-	-	-	200,539	200,539
Animal shelter	-	-	-	213,573	213,573
Capital improvements	-	-	-	447,358	447,358
Employees	-	-	-	9,759	9,759
Total	-	-	14,846,034	2,880,052	17,726,086
Assigned					
Reserves	915,773	-	-	-	915,773
Total	915,773	-	-	-	915,773
Unassigned					
	897,040	-	-	-	897,040
Total fund balances	\$ 1,903,290	\$ 9,271,509	\$ 14,846,034	\$ 6,729,940	\$ 32,750,773

HOOD RIVER COUNTY, OREGON
Notes to the Basic Financial Statements
June 30, 2019

NOTE 14 – ACCRUED COMPENSATED ABSENCES

The County's compensated absences balances at June 30, 2019 and 2018 are \$560,787 and \$532,344 respectively. Changes are as follows:

Compensated Absences	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due within one year</u>
Governmental	\$ 560,787	\$ -	\$ (28,443)	\$ 532,344	\$ 532,344
	<u>\$ 560,787</u>			<u>\$ 532,344</u>	<u>\$ 532,344</u>

NOTE 15 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance with nominal deductible levels.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liability for claims and judgments is reported in the appropriate fund.

Amount of losses over the past 3 years have not exceeded insurance coverage less deductibles.

NOTE 16 – CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

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

REQUIRED SUPPLEMENTARY INFORMATION

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**HOOD RIVER COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION**

**INFRASTRUCTURE ASSETS
MODIFIED APPROACH**

ROAD SYSTEM ESTIMATED HISTORICAL COST

The estimated historical cost for Hood River County’s roads is determined by multiplying the total lane mileage of each county road by the cost of construction per lane mile and multiplying the amount by the determined price index for the year the road was constructed. If the road was constructed during or before 1980, the price index for the year 1980 was used. For roads constructed after 1980, a price index for the year the road was actually constructed was used. The US Bureau of Labor Statistics CPI Calculator was used to determine the price index for each year. Using these methods and adding actual costs for roads constructed after July 1, 2003, the total estimated historical cost of the County’s road system is **\$46,743,827**.

ROAD SYSTEM CONDITION ASSESSMENT

The Pavement Condition Index (PCI) is a measure of the relative pavement condition on a scale between 0 and 100 with an index of 0 indicating the pavement surface is unusable and does not have a discernible lifespan, and an index of 100 indicating the pavement surface is new or in otherwise perfect condition. The PCI value is determined based on an initial index of 100 and then deducting value for each type of distress that is present in the pavement (i.e. cracking, rutting, potholes, etc.). Hood River County policy is to maintain a minimum PCI value of 70 for all county roads, therein indicating the county road system as a whole is in good condition with a low amount of distress.

The measured network PCI for the last five years are as follows:

<u>Year</u>	<u>PCI</u>
2015	76
2016	74
2017	74
2018	79
2019	78

ROAD SYSTEM MAINTENANCE AND PRESERVATION

Review of the Integrated Road Information System (IRIS) cost accounting software utilized by Hood River County Public Works during the previous five (5) fiscal years indicates the following amounts were expended for the purpose of pavement maintenance and/or rehabilitation:

<u>Year</u>	<u>Budgeted</u>	<u>Expended</u>
14-15	\$400,000	\$726,242
15-16	\$814,190	\$576,163
16-17	\$400,000	\$769,443
17-18	\$400,000	\$616,787
18-19	\$289,305	\$197,553

The estimated budget for maintenance and rehabilitation (M&R) over the next five (5) years is as follows:

<u>Year</u>	<u>M&R Budget</u>	<u>Projected PCI</u>
-------------	-----------------------	----------------------

19-20	\$600,000	79
20-21	\$700,000	78
21-22	\$700,000	77
22-23	\$700,000	76
23-24	\$700,000	76

Analysis indicates that a pavement maintenance and rehabilitation program budget of \$600,000 for FY19-20 and increasing it to \$700,000 over the following four (4) years (FY20-21 thru FY23-24) should provide the resources needed to maintain the county road pavement system at a condition higher than the minimum PCI value of 70. However; as the county performs a majority of the pavement maintenance work on its road system by using its own personnel and equipment, a specific budget line item is not used and instead funding is allocated through a variety of budget line items.

BRIDGE SYSTEM ESTIMATED HISTORICAL COST

The estimated historical cost for Hood River County’s bridges is determined by using actual construction costs for newer bridges (circa. 1979 and newer) when construction cost information is available. For bridges constructed prior to 1979 or when construction cost information is not available, the historical costs are estimated based on bridge replacement cost values available through the U.S. Department of Transportation Federal Highways Administration and the National Bridge Inventory System. Using these methods, the total estimated historical cost of the County’s bridge system is **\$5,043,181**. This is the estimated amount spent to construct the bridges at the time they were built; it does not reflect the amount it would cost to build the same bridges today.

BRIDGE SYSTEM CONDITION ASSESSMENT

The Bridge Sufficiency Rating (BSR) is a measure of the relative sufficiency of a bridge on a scale between 0 and 100 with a rating of 0 indicating a bridge that is unusable and does not have a discernible lifespan, and a rating of 100 indicating a bridge that functions as intended and has no deficiencies in any of its structural elements. The BSR is calculated from a formula developed by The American Association of State Highway and Transportation Officials (AASHTO), a national organization of structural engineers that considers the overall condition and adequacy of a bridge based on the condition of its structural elements, as well as how the geometry of a bridge accommodates its traffic needs. Hood River County policy is to maintain a minimum BSR of 70 for all county bridges, therein indicating that while they may have some deficiencies in some of their elements they are still considered to be in good condition and safe for use. Generally, bridges with deficiencies would be eligible for federal bridge rehabilitation funding.

The County’s bridges are inspected every two years either by Oregon Department of Transportation personnel or the department’s contracted bridge inspectors who then rate the relative condition of each element of the bridge. For each bridge, the BSR is calculated, based on the methodology described above, which also considers the bridge’s structural adequacy, safety, functional obsolescence, and serviceability. Currently, the County’s average bridge sufficiency rating is 85.

BRIDGE SYSTEM MAINTENANCE AND PRESERVATION

The majority of Hood River County’s bridges are constructed of concrete. Historically, maintenance of the county’s bridges has largely consisted of removing debris after high water conditions and placing materials to control channel alignments. The costs to maintain the concrete structures themselves have been minimal and most of the costs associated with a concrete bridge are incurred at the time the bridge is replaced.

The County maintains a total of 68,530 square feet of bridge area and the total replacement cost for the County’s bridge system for 2019 is estimated at \$43,407,852. Due to the substantial investment to replace a bridge in its entirety and the infrequency of which it occurs, Hood River County has not established a Bridge Replacement Fund and instead utilizes a Special Projects Fund designated for capital improvements when allocating funds for specific bridge repairs or substantial maintenance needs. Full bridge replacement projects typically rely on federal funding support through bridge replacement programs.

HOOD RIVER COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY
AND RELATED RATIOS STIPEND BENEFITS
For the Year Ended June 30, 2019

	<u>2018</u>	<u>2019</u>
Total OPEB Liability Beginning of the year	\$ 792,993	\$ 746,879
Changes for the year:		
Service Cost	42,077	39,403
Interest	22,819	26,744
Changes of Benefit Terms	-	
Economic/Demographic gains or losses	-	(77,707)
Changes of Assumptions or Other Input	(41,689)	46,480
Benefit Payments	<u>(69,321)</u>	<u>(79,203)</u>
Net Changes for the Year	<u>(46,114)</u>	<u>(44,283)</u>
Total OPEB Liability at End of Year	<u>\$ 746,879</u>	<u>\$ 702,596</u>
Covered Payroll	7,483,311	7,376,811
Total OPEB Plan as a Percentage of Covered Payroll	9.98%	9.52%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The County implemented GASB 75 in the fiscal year ending June 30, 2018.

HOOD RIVER COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
For the fiscal year ended June 30, 2019

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Entity's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.057 %	\$ 8,579,176	\$ 7,483,311	115% %	82.1 %
2018	0.054	7,235,727	7,834,241	92.4	83.1
2017	0.052	7,791,691	7,298,830	106.8	80.5
2016	0.046	2,636,953	6,937,000	38.0	91.9
2015	0.041	(919,360)	6,820,000	(13.5)	103.6
2014	0.041	2,069,791	6,560,000	31.6	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2019	\$ 561,619	\$ 561,619	\$ -	\$ 7,376,811	7.6 %
2018	478,702	478,702	-	7,483,311	6.4
2017	315,961	315,961	-	7,834,241	4.0
2016	321,473	321,473	-	7,298,830	4.4
2015	348,672	348,672	-	6,937,000	5.0
2014	337,753	337,753	-	6,820,000	5.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

SUPPLEMENTARY INFORMATION

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**HOOD RIVER COUNTY, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019**

	NONMAJOR SPECIAL REVENUE FUNDS	COMBINED NONMAJOR CAPITAL PROJECTS FUNDS	NONMAJOR DEBT SERVICE FUND	TOTAL COMBINED NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
CASH AND INVESTMENTS	\$ 5,532,293	\$ 1,363,826	\$ 24,752	\$ 6,920,871
RECEIVABLES:				
ACCOUNTS	180,138	-	-	180,138
CONTRACTS	202,619	-	-	202,619
PREPAID EXPENSE	3,450	-	-	3,450
TOTAL ASSETS	\$ 5,918,500	\$ 1,363,826	\$ 24,752	\$ 7,307,078
LIABILITIES				
ACCOUNTS PAYABLE	\$ 199,995	\$ 62,464	\$ -	\$ 262,459
ACCRUED COMPENSATION	85,171	-	-	85,171
DEPOSITS	500	-	-	500
DUE TO OTHER FUNDS	25,208	-	-	25,208
UNEARNED REVENUE	203,800	-	-	203,800
TOTAL LIABILITIES	514,674	62,464	-	577,138
FUND BALANCES				
NONSPENDABLE	3,450	-	-	3,450
RESTRICTED	2,520,324	1,301,362	24,752	3,846,438
COMMITTED	2,880,052	-	-	2,880,052
TOTAL FUND BALANCES	5,403,826	1,301,362	24,752	6,729,940
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 5,918,500	\$ 1,363,826	\$ 24,752	\$ 7,307,078

**HOOD RIVER COUNTY, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019**

	COMM GRANT PROJECTS	FARM LOANS	SHERIFF CO PROG	ANIMAL FACILITY	PW PROJECTS
ASSETS					
CASH AND INVESTMENTS	\$ 12,989	\$ 200,539	\$ 499,178	\$ 214,073	\$ 590,273
RECEIVABLES:					
ACCOUNTS	-	-	14,781	-	140
CONTRACTS	-	202,619	-	-	-
PREPAID EXPENSE	-	-	3,450	-	-
TOTAL ASSETS	\$ 12,989	\$ 403,158	\$ 517,409	\$ 214,073	\$ 590,413
LIABILITIES					
ACCOUNTS PAYABLE	\$ -	\$ -	\$ 1,752	\$ -	\$ -
ACCRUED COMPENSATION	-	-	2,922	-	-
DEPOSITS	-	-	-	500	-
DUE TO OTHER FUNDS	-	-	-	-	-
UNEARNED REVENUE	-	202,619	-	-	-
TOTAL LIABILITIES	-	202,619	4,674	500	-
FUND BALANCES					
NONSPENDABLE	-	-	3,450	-	-
RESTRICTED	12,989	-	509,285	-	590,413
COMMITTED	-	200,539	-	213,573	-
TOTAL FUND BALANCES	12,989	200,539	512,735	213,573	590,413
TOTAL LIABILITIES AND FUND BALANCES	\$ 12,989	\$ 403,158	\$ 517,409	\$ 214,073	\$ 590,413

CONTINUED ON PAGE 55

**HOOD RIVER COUNTY, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019**

	TIMBER INTEREST	DA CO PROG	CLERK'S FUND	FEDERAL FOREST FEES	HEALTH PROGRAMS	BLDG INSPEC	HRPP	TRANSIENT ROOM TAX
ASSETS								
CASH AND INVESTMENTS	\$ 2,008,823	\$ 48,095	\$ 42,356	\$ 119,014	\$ 84,048	\$ 669,628	\$ 187,498	\$ -
RECEIVABLES:								
ACCOUNTS	-	9,980	570	-	47,782	1,519	48,990	44,250
CONTRACTS	-	-	-	-	-	-	-	-
PREPAID EXPENSE	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 2,008,823	\$ 58,075	\$ 42,926	\$ 119,014	\$ 131,830	\$ 671,147	\$ 236,488	\$ 44,250
LIABILITIES								
ACCOUNTS PAYABLE	\$ -	\$ 1,791	\$ -	\$ 119,014	\$ 24,951	\$ 3,014	\$ 26,529	\$ -
ACCRUED COMPENSATION	-	4,781	-	-	47,662	19,574	10,232	-
DEPOSITS	-	-	-	-	-	-	-	-
DUE TO OTHER FUNDS	-	-	-	-	-	-	-	25,208
UNEARNED REVENUE	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	6,572	-	119,014	72,613	22,588	36,761	25,208
FUND BALANCES								
NONSPENDABLE	-	-	-	-	-	-	-	-
RESTRICTED	-	51,503	42,926	-	59,217	648,559	199,727	19,042
COMMITTED	2,008,823	-	-	-	-	-	-	-
TOTAL FUND BALANCES	2,008,823	51,503	42,926	-	59,217	648,559	199,727	19,042
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,008,823	\$ 58,075	\$ 42,926	\$ 119,014	\$ 131,830	\$ 671,147	\$ 236,488	\$ 44,250

CONTINUED ON PAGE 56

**HOOD RIVER COUNTY, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019**

	CONST EXCISE TAX	COURT ASSMT	VIDEO LOTTERY	COUNTY FAIR	EMPLOYEE FUND	TOTAL NON-MAJOR SPECIAL REVENUE FUNDS
ASSETS						
CASH AND INVESTMENTS	\$ 447,358	\$ 256,886	\$ 14,502	\$ 127,144	\$ 9,889	\$ 5,532,293
RECEIVABLES:						
ACCOUNTS	-	12,126	-	-	-	180,138
CONTRACTS	-	-	-	-	-	202,619
PREPAID EXPENSE	-	-	-	-	-	3,450
TOTAL ASSETS	\$ 447,358	\$ 269,012	\$ 14,502	\$ 127,144	\$ 9,889	\$ 5,918,500
LIABILITIES						
ACCOUNTS PAYABLE	\$ -	\$ 22,814	\$ -	\$ -	\$ 130	\$ 199,995
ACCRUED COMPENSATION	-	-	-	-	-	85,171
DEPOSITS	-	-	-	-	-	500
DUE TO OTHER FUNDS	-	-	-	-	-	25,208
UNEARNED REVENUE	-	-	-	1,181	-	203,800
TOTAL LIABILITIES	-	22,814	-	1,181	130	514,674
FUND BALANCES						
NONSPENDABLE	-	-	-	-	-	3,450
RESTRICTED	-	246,198	14,502	125,963	-	2,520,324
COMMITTED	447,358	-	-	-	9,759	2,880,052
TOTAL FUND BALANCES	447,358	246,198	14,502	125,963	9,759	5,403,826
TOTAL LIABILITIES AND FUND BALANCES	\$ 447,358	\$ 269,012	\$ 14,502	\$ 127,144	\$ 9,889	\$ 5,918,500

HOOD RIVER COUNTY, OREGON
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019

	EQUIPMENT REPLCMT	PW EQUIP REPLCMT	CAPITAL PROJECTS	TOTAL NON-MAJOR CAPITAL PROJECTS FUNDS
ASSETS				
CASH AND INVESTMENTS	\$ 100,813	\$ 1,129,118	\$ 133,895	\$ 1,363,826
TOTAL ASSETS	<u>\$ 100,813</u>	<u>\$ 1,129,118</u>	<u>\$ 133,895</u>	<u>\$ 1,363,826</u>
LIABILITIES				
ACCOUNTS PAYABLE	\$ -	\$ 50,786	\$ 11,678	\$ 62,464
TOTAL LIABILITIES	<u>-</u>	<u>50,786</u>	<u>11,678</u>	<u>62,464</u>
FUND BALANCES				
RESTRICTED	100,813	1,078,332	122,217	1,301,362
TOTAL FUND BALANCES	<u>100,813</u>	<u>1,078,332</u>	<u>122,217</u>	<u>1,301,362</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 100,813</u>	<u>\$ 1,129,118</u>	<u>\$ 133,895</u>	<u>\$ 1,363,826</u>

**HOOD RIVER COUNTY, OREGON
DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2019**

ASSETS	
CASH AND INVESTMENTS	\$ 24,752
TOTAL ASSETS	<u>\$ 24,752</u>
FUND BALANCES	
RESTRICTED	\$ 24,752
TOTAL FUND BALANCES	<u>24,752</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 24,752</u>

**HOOD RIVER COUNTY, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019**

	COMBINED NONMAJOR SPECIAL REVENUE FUNDS	COMBINED NONMAJOR CAPITAL PROJECTS FUNDS	NONMAJOR DEBT SERVICE FUND	TOTAL COMBINED NONMAJOR GOVERNMENTAL FUNDS
REVENUES				
OTHER TAXES	\$ 177,547	\$ -	\$ -	\$ 177,547
INTERGOVERNMENTAL	2,414,779	-	-	2,414,779
FINES AND FEES	1,685,172	-	-	1,685,172
INVESTMENT EARNINGS	453,780	-	-	453,780
DONATIONS & CONTRIBUTIONS	26,530	-	-	26,530
OTHER REVENUE	155,097	-	-	155,097
PERS IN LIEU	-	-	410,989	410,989
TOTAL REVENUES	4,912,905	-	410,989	5,323,894
EXPENDITURES				
CURRENT OPERATING:				
PERSONAL SERVICES	1,964,812	-	-	1,964,812
MATERIALS & SERVICES	1,102,681	-	-	1,102,681
CAPITAL OUTLAY	98,887	1,304,602	-	1,403,489
OTHER	273,840	-	521,109	794,949
TOTAL EXPENDITURES	3,440,220	1,304,602	521,109	5,265,931
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,472,685	(1,304,602)	(110,120)	57,963
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	99,975	397,000	100,000	596,975
TRANSFERS OUT	(1,467,721)	-	-	(1,467,721)
PROCEEDS FROM THE SALE OF ASSETS	35,000	-	-	35,000
TOTAL OTHER FINANCING SOURCES (USES)	(1,332,746)	397,000	100,000	(835,746)
NET CHANGE IN FUND BALANCE	139,939	(907,602)	(10,120)	(777,783)
FUND BALANCE - BEGINNING	5,263,887	2,208,964	34,872	7,507,723
FUND BALANCE - ENDING	\$ 5,403,826	\$ 1,301,362	\$ 24,752	\$ 6,729,940

**HOOD RIVER COUNTY, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018**

	COMM GRANT PROJECTS	FARM LOANS	SHERIFF CO PROG	ANIMAL FACILITY	PW PROJECTS	TIMBER INTEREST	DA ANC PROG
REVENUES							
OTHER TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTERGOVERNMENTAL	-	-	50,598	-	91,669	-	130,117
FINES AND FEES	-	-	29,485	-	53,200	-	661
INVESTMENT EARNINGS	-	4,291	12,874	5,523	16,490	385,626	-
DONATIONS & CONTRIBUTIONS	-	-	100	-	-	-	-
OTHER REVENUE	-	96,410	-	-	-	-	-
PERS IN LIEU	-	-	-	-	-	-	-
TOTAL REVENUES	-	100,701	93,057	5,523	161,359	385,626	130,778
EXPENDITURES							
CURRENT OPERATING:							
PERSONAL SERVICES	-	-	105,835	-	-	-	97,208
MATERIALS & SERVICES	297	-	68,304	21,652	-	-	23,888
CAPITAL OUTLAY	-	-	50,498	-	-	-	-
SPECIAL PAYMENTS	-	381	1,000	-	-	-	-
TOTAL EXPENDITURES	297	381	225,637	21,652	-	-	121,096
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(297)	100,320	(132,580)	(16,129)	161,359	385,626	9,682
OTHER FINANCING SOURCES (USES)							
TRANSFERS IN	-	-	49,205	-	-	-	24,270
TRANSFERS OUT	-	-	-	-	(192,500)	(721,000)	-
PROCEEDS FROM THE SALE OF ASSETS	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	49,205	-	(192,500)	(721,000)	24,270
NET CHANGE IN FUND BALANCE	(297)	100,320	(83,375)	(16,129)	(31,141)	(335,374)	33,952
FUND BALANCE - BEGINNING	13,286	100,219	596,110	229,702	621,554	2,344,197	17,551
FUND BALANCE - ENDING	\$ 12,989	\$ 200,539	\$ 512,735	\$ 213,573	\$ 590,413	\$ 2,008,823	\$ 51,503

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**HOOD RIVER COUNTY, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018**

	CLERK'S FUND	FEDERAL FOREST	HEALTH PROGRAMS	BLDG INSPEC	HR PREV PROGRAM	TRANSIENT ROOM TAX	COURT ASSMT
REVENUES							
OTHER TAXES	\$ -	\$ 4,359	\$ -	\$ -	\$ -	\$ 173,188	\$ -
INTERGOVERNMENTAL	-	158,219	1,172,289	-	446,867	-	146,667
FINES AND FEES	6,831	-	169,626	805,617	-	-	-
INVESTMENT EARNINGS	1,092	-	-	14,288	3,705	1,246	6,606
DONATIONS & CONTRIBUTIONS	-	-	5,330	-	-	-	-
OTHER REVENUE	-	-	42,999	-	12,251	-	-
	-	-	-	-	-	-	-
TOTAL REVENUES	7,923	162,578	1,390,244	819,905	462,823	174,434	153,273
EXPENDITURES							
CURRENT OPERATING:							
PERSONAL SERVICES	-	-	952,315	429,535	271,483	-	-
MATERIALS & SERVICES	850	-	480,160	81,671	70,284	-	73,526
CAPITAL OUTLAY	9,985	-	-	-	-	-	-
SPECIAL PAYMENTS	-	123,373	34,446	-	107,065	-	-
TOTAL EXPENDITURES	10,835	123,373	1,466,921	511,206	448,832	-	73,526
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,912)	39,205	(76,677)	308,699	13,991	174,434	79,747
OTHER FINANCING SOURCES (USES)							
TRANSFERS IN	2,500	-	24,000	-	-	-	-
TRANSFERS OUT	-	(39,205)	-	(129,660)	-	(160,169)	(60,000)
PROCEEDS FROM THE SALE OF ASSETS	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	2,500	(39,205)	24,000	(129,660)	-	(160,169)	(60,000)
NET CHANGE IN FUND BALANCE	(412)	-	(52,677)	179,039	13,991	14,265	19,747
FUND BALANCE - BEGINNING	43,338	-	111,894	469,520	185,736	4,777	226,451
FUND BALANCE - ENDING	\$ 42,926	\$ -	\$ 59,217	\$ 648,559	\$ 199,727	\$ 19,042	\$ 246,198

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**HOOD RIVER COUNTY, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017**

	CONST EXCISE TAX	VIDEO LOTTERY	COUNTY FAIR	EMPLOYEE FUND	TOTAL NON-MAJOR SPECIAL REVENUE FUNDS
REVENUES					
OTHER TAXES	\$ -	\$ -	\$ -	\$ -	\$ 177,547
INTERGOVERNMENTAL	-	165,187	53,166	-	2,414,779
FINES AND FEES	266,973	-	352,779	-	1,685,172
INVESTMENT EARNINGS	-	-	1,794	245	453,780
DONATIONS & CONTRIBUTIONS	-	-	21,100	-	26,530
OTHER REVENUE	-	-	3,437	-	155,097
TOTAL REVENUES	<u>266,973</u>	<u>165,187</u>	<u>432,276</u>	<u>245</u>	<u>4,912,905</u>
EXPENDITURES					
CURRENT OPERATING:					
PERSONAL SERVICES	-	-	108,436	-	1,964,812
MATERIALS & SERVICES	-	-	281,807	242	1,102,681
CAPITAL OUTLAY	-	-	38,404	-	98,887
SPECIAL PAYMENTS	-	-	7,575	-	273,840
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>436,222</u>	<u>242</u>	<u>3,440,220</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	266,973	165,187	(3,946)	3	1,472,685
 OTHER FINANCING SOURCES (USES)					
TRANSFERS IN	-	-	-	-	99,975
TRANSFERS OUT	-	(165,187)	-	-	(1,467,721)
PROCEEDS FROM THE SALE OF ASSETS	-	-	35,000	-	35,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(165,187)</u>	<u>35,000</u>	<u>-</u>	<u>(1,332,746)</u>
NET CHANGE IN FUND BALANCE	266,973	-	31,054	3	139,939
FUND BALANCE - BEGINNING	180,385	14,502	94,909	9,756	5,263,887
FUND BALANCE - ENDING	<u>\$ 447,358</u>	<u>\$ 14,502</u>	<u>\$ 125,963</u>	<u>\$ 9,759</u>	<u>\$ 5,403,826</u>

**HOOD RIVER COUNTY, OREGON
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>EQUIPMENT REPLCMT</u>	<u>PW EQUIP REPLCMT</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL NON-MAJOR CAPITAL PROJECTS FUNDS</u>
EXPENDITURES				
CURRENT OPERATING:				
CAPITAL OUTLAY	\$ 15,494	\$ 714,729	\$ 574,379	\$ 1,304,602
TOTAL EXPENDITURES	<u>15,494</u>	<u>714,729</u>	<u>574,379</u>	<u>1,304,602</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(15,494)	(714,729)	(574,379)	(1,304,602)
OTHER FINANCING SOURCES				
TRANSFERS IN	10,000	387,000	-	397,000
TOTAL OTHER FINANCING SOURCES	<u>10,000</u>	<u>387,000</u>	<u>-</u>	<u>397,000</u>
NET CHANGE IN FUND BALANCE	(5,494)	(327,729)	(574,379)	(907,602)
FUND BALANCE - BEGINNING	106,307	1,406,061	696,596	2,208,964
FUND BALANCE - ENDING	<u>\$ 100,813</u>	<u>\$ 1,078,332</u>	<u>\$ 122,217</u>	<u>\$ 1,301,362</u>

**HOOD RIVER COUNTY, OREGON
NONMAJOR DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES	
PERS IN LIEU	\$ 410,989
TOTAL REVENUES	<u>410,989</u>
EXPENDITURES	
CURRENT OPERATING:	
DEBT SERVICE	521,109
TOTAL EXPENDITURES	<u>521,109</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(110,120)
OTHER FINANCING SOURCES (USES)	
TRANSFERS IN	100,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>100,000</u>
NET CHANGE IN FUND BALANCE	(10,120)
FUND BALANCE - BEGINNING	34,872
FUND BALANCE - ENDING	<u><u>\$ 24,752</u></u>

**HOOD RIVER COUNTY, OREGON
COMMUNITY GRANT PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
EXPENDITURES				
MATERIALS & SERVICES	\$14,200	\$14,200	\$297	(\$13,903)
TOTAL EXPENDITURES	<u>14,200</u>	<u>14,200</u>	<u>297</u>	<u>(13,903)</u>
NET CHANGE IN FUND BALANCE	(14,200)	(14,200)	(297)	13,903
FUND BALANCE - BEGINNING	<u>14,200</u>	<u>14,200</u>	<u>13,286</u>	<u>(914)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,989</u>	<u>\$ 12,989</u>

**HOOD RIVER COUNTY, OREGON
FARM LOAN PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
INVESTMENT EARNINGS	\$ 7,650	\$ 7,650	\$ 4,291	\$ (3,359)
OTHER REVENUE	31,600	31,600	96,410	64,810
TOTAL REVENUES	<u>39,250</u>	<u>39,250</u>	<u>100,701</u>	<u>61,451</u>
EXPENDITURES				
SPECIAL PAYMENTS	134,950	134,950	381	(134,569)
TOTAL EXPENDITURES	<u>134,950</u>	<u>134,950</u>	<u>381</u>	<u>(134,569)</u>
NET CHANGE IN FUND BALANCE	(95,700)	(95,700)	100,320	196,020
FUND BALANCE - BEGINNING	<u>95,700</u>	<u>95,700</u>	<u>100,219</u>	<u>4,519</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,539</u>	<u>\$ 200,539</u>

**HOOD RIVER COUNTY, OREGON
SHERIFF'S COUNTY PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
INTERGOVERNMENTAL	\$ 65,660	\$ 65,660	\$ 50,598	\$ (15,062)
FINES AND FEES	25,340	25,340	29,485	4,145
INVESTMENT EARNINGS	4,500	4,500	12,874	8,374
DONATIONS/CONTRIBUTIONS	-	-	100	100
TOTAL REVENUES	<u>95,500</u>	<u>95,500</u>	<u>93,057</u>	<u>(2,443)</u>
EXPENDITURES				
PERSONAL SERVICES	148,150	148,150	105,835	(42,315)
MATERIALS & SERVICES	268,590	268,590	68,304	(200,286)
CAPITAL OUTLAY	9,000	89,000	50,498	(38,502)
SPECIAL PAYMENTS	-	-	1,000	1,000
CONTINGENCY	135,470	99,350	-	(99,350)
TOTAL EXPENDITURES	<u>561,210</u>	<u>605,090</u>	<u>225,637</u>	<u>(379,453)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(465,710)	(509,590)	(132,580)	377,010
OTHER FINANCING SOURCES				
TRANSFERS IN	10,000	53,880	49,205	(4,675)
TOTAL OTHER FINANCING SOURCES	<u>10,000</u>	<u>53,880</u>	<u>49,205</u>	<u>(4,675)</u>
NET CHANGE IN FUND BALANCE	(455,710)	(455,710)	(83,375)	372,335
FUND BALANCE - BEGINNING	<u>455,710</u>	<u>455,710</u>	<u>596,110</u>	<u>140,400</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 512,735</u>	<u>\$ 512,735</u>

**HOOD RIVER COUNTY, OREGON
ANIMAL FACILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INVESTMENT EARNINGS	\$ 2,500	\$ 2,500	\$ 5,523	\$ 3,023
TOTAL REVENUES	<u>2,500</u>	<u>2,500</u>	<u>5,523</u>	<u>3,023</u>
EXPENDITURES				
MATERIALS & SERVICES	40,300	40,300	21,652	(18,648)
CONTINGENCY	50,000	50,000	-	(50,000)
TOTAL EXPENDITURES	<u>90,300</u>	<u>90,300</u>	<u>21,652</u>	<u>(68,648)</u>
NET CHANGE IN FUND BALANCE	(87,800)	(87,800)	(16,129)	71,671
FUND BALANCE - BEGINNING	<u>225,000</u>	<u>225,000</u>	<u>229,702</u>	<u>4,702</u>
FUND BALANCE - ENDING	<u><u>\$ 137,200</u></u>	<u><u>\$ 137,200</u></u>	<u><u>\$ 213,573</u></u>	<u><u>\$ 76,373</u></u>

**HOOD RIVER COUNTY, OREGON
PUBLIC WORKS PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL	\$ 50,000	\$ 50,000	\$ 91,669	\$ 41,669
FINES AND FEES	57,300	57,300	53,200	(4,100)
INVESTMENT EARNINGS	5,500	5,500	16,490	10,990
TOTAL REVENUES	<u>112,800</u>	<u>112,800</u>	<u>161,359</u>	<u>48,559</u>
EXPENDITURES				
MATERIALS AND SERVICES	15,000	15,000	-	(15,000)
CAPITAL OUTLAY	10,000	10,000	-	(10,000)
TOTAL EXPENDITURES	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	87,800	87,800	161,359	73,559
OTHER FINANCING USES				
TRANSFERS OUT	<u>(192,500)</u>	<u>(192,500)</u>	<u>(192,500)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(104,700)	(104,700)	(31,141)	73,559
FUND BALANCE - BEGINNING	<u>598,400</u>	<u>598,400</u>	<u>621,554</u>	<u>23,154</u>
FUND BALANCE - ENDING	<u>\$ 493,700</u>	<u>\$ 493,700</u>	<u>\$ 590,413</u>	<u>\$ 96,713</u>

**HOOD RIVER COUNTY, OREGON
TIMBER INTEREST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INVESTMENT EARNINGS	\$ 200,000	\$ 200,000	\$ 385,626	\$ 185,626
TOTAL REVENUES	<u>200,000</u>	<u>200,000</u>	<u>385,626</u>	<u>185,626</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	200,000	200,000	385,626	185,626
OTHER FINANCING SOURCES				
TRANSFERS OUT	<u>(721,000)</u>	<u>(721,000)</u>	<u>(721,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES	<u>(721,000)</u>	<u>(721,000)</u>	<u>(721,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(521,000)	(521,000)	(335,374)	185,626
FUND BALANCE - BEGINNING	<u>2,420,000</u>	<u>2,420,000</u>	<u>2,344,197</u>	<u>(75,803)</u>
FUND BALANCE - ENDING	<u><u>\$ 1,899,000</u></u>	<u><u>\$ 1,899,000</u></u>	<u><u>\$ 2,008,823</u></u>	<u><u>\$ 109,823</u></u>

**HOOD RIVER COUNTY, OREGON
DISTRICT ATTORNEY ANCILLIARY PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
INTERGOVERNMENTAL	\$ 96,740	\$ 96,740	\$ 130,117	\$ 33,377
FINES AND FEES	-	-	661	661
DONATIONS/CONTRIBUTIONS	2,000	2,000	-	(2,000)
TOTAL REVENUES	<u>98,740</u>	<u>98,740</u>	<u>130,778</u>	<u>32,038</u>
EXPENDITURES				
PERSONAL SERVICES	99,220	99,220	97,208	(2,012)
MATERIALS AND SERVICES	33,730	33,730	23,888	(9,842)
TOTAL EXPENDITURES	<u>132,950</u>	<u>132,950</u>	<u>121,096</u>	<u>(11,854)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(34,210)	(34,210)	9,682	43,892
OTHER FINANCING SOURCES				
TRANSFERS IN	<u>24,270</u>	<u>24,270</u>	<u>24,270</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(9,940)	(9,940)	33,952	43,892
FUND BALANCE - BEGINNING	<u>9,940</u>	<u>9,940</u>	<u>17,551</u>	<u>7,611</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,503</u>	<u>\$ 51,503</u>

**HOOD RIVER COUNTY, OREGON
CLERKS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
FINES AND FEES	\$ 5,500	\$ 5,500	\$ 6,831	\$ 1,331
INVESTMENT EARNINGS	400	400	1,092	692
TOTAL REVENUES	<u>5,900</u>	<u>5,900</u>	<u>7,923</u>	<u>2,023</u>
EXPENDITURES				
MATERIALS AND SERVICES	31,000	31,000	850	(30,150)
CAPITAL OUTLAY	19,850	19,850	9,985	(9,865)
TOTAL EXPENDITURES	<u>50,850</u>	<u>50,850</u>	<u>10,835</u>	<u>(40,015)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(44,950)	(44,950)	(2,912)	42,038
OTHER FINANCING SOURCES				
TRANSFERS IN	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(42,450)	(42,450)	(412)	42,038
FUND BALANCE - BEGINNING	<u>42,450</u>	<u>42,450</u>	<u>43,338</u>	<u>888</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,926</u>	<u>\$ 42,926</u>

**HOOD RIVER COUNTY, OREGON
FEDERAL FOREST TITLE III FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL	\$ -	\$ 177,180	\$ 158,219	\$ (18,961)
OTHER TAXES	6,000	6,000	4,359	(1,641)
TOTAL REVENUES	<u>6,000</u>	<u>183,180</u>	<u>162,578</u>	<u>(20,602)</u>
EXPENDITURES				
SPECIAL PAYMENTS	6,000	139,300	123,373	(15,927)
TOTAL EXPENDITURES	<u>6,000</u>	<u>139,300</u>	<u>123,373</u>	<u>(15,927)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	43,880	39,205	(4,675)
OTHER FINANCING USES				
TRANSFERS OUT	-	(43,880)	(39,205)	4,675
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HOOD RIVER COUNTY, OREGON
HEALTH PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL	\$ 1,010,190	\$ 1,159,658	\$ 1,172,289	\$ 12,631
FINES AND FEES	273,450	273,450	169,626	(103,824)
DONATIONS/CONTRIBUTIONS	5,540	5,540	5,330	(210)
OTHER REVENUE	28,400	32,775	42,999	-
TOTAL REVENUES	<u>1,317,580</u>	<u>1,471,423</u>	<u>1,390,244</u>	<u>(91,403)</u>
EXPENDITURES				
PERSONAL SERVICES	991,630	1,023,315	952,315	(71,000)
MATERIALS & SERVICES	431,820	597,855	480,160	(117,695)
SPECIAL PAYMENTS	-	-	34,446	34,446
TOTAL EXPENDITURES	<u>1,423,450</u>	<u>1,621,170</u>	<u>1,466,921</u>	<u>(154,249)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(105,870)	(149,747)	(76,677)	62,846
OTHER FINANCING SOURCES				
TRANSFERS IN	-	38,000	24,000	14,000
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>38,000</u>	<u>24,000</u>	<u>14,000</u>
NET CHANGE IN FUND BALANCE	(105,870)	(111,747)	(52,677)	62,846
FUND BALANCE - BEGINNING	<u>105,870</u>	<u>111,747</u>	<u>111,894</u>	<u>147</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,217</u>	<u>\$ 59,217</u>

**HOOD RIVER COUNTY, OREGON
BUILDING INSPECTION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
FINES AND FEES	\$ 529,160	\$ 544,160	\$ 805,617	\$ 261,457
INVESTMENT EARNINGS	-	-	14,288	14,288
TOTAL REVENUES	<u>529,160</u>	<u>544,160</u>	<u>819,905</u>	<u>275,745</u>
EXPENDITURES				
PERSONAL SERVICES	533,400	518,400	429,535	(88,865)
MATERIALS & SERVICES	74,100	104,100	81,671	(22,429)
CAPITAL OUTLAY	-	-	-	
TOTAL EXPENDITURES	<u>607,500</u>	<u>622,500</u>	<u>511,206</u>	<u>(111,294)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(78,340)	(78,340)	308,699	(387,039)
OTHER FINANCING SOURCES (USES)				
TRANSFERS OUT	(129,660)	(129,660)	(129,660)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(129,660)</u>	<u>(129,660)</u>	<u>(129,660)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(208,000)	(208,000)	179,039	387,039
FUND BALANCE - BEGINNING	<u>208,000</u>	<u>208,000</u>	<u>469,520</u>	<u>261,520</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 648,559</u>	<u>\$ 648,559</u>

**HOOD RIVER COUNTY, OREGON
HOOD RIVER PREVENTION PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
INTERGOVERNMENTAL	\$ 475,300	\$ 486,300	\$ 446,867	\$ (39,433)
INVESTMENT EARNINGS	2,000	2,000	3,705	1,705
OTHER REVENUE	3,000	3,000	12,251	9,251
TOTAL REVENUES	<u>480,300</u>	<u>491,300</u>	<u>462,823</u>	<u>(28,477)</u>
EXPENDITURES				
PERSONAL SERVICES	285,440	285,440	271,483	(13,957)
MATERIALS & SERVICES	59,010	70,010	70,284	274
SPECIAL PAYMENTS	231,880	231,880	107,065	(124,815)
CONTINGENCY	78,610	78,610	-	(78,610)
TOTAL EXPENDITURES	<u>654,940</u>	<u>665,940</u>	<u>448,832</u>	<u>(217,108)</u>
NET CHANGE IN FUND BALANCE	(174,640)	(174,640)	13,991	188,631
FUND BALANCE - BEGINNING	<u>174,640</u>	<u>174,640</u>	<u>185,736</u>	<u>11,096</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 199,727</u>	<u>\$ 199,727</u>

**HOOD RIVER COUNTY, OREGON
TRANSIENT ROOM TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
OTHER TAXES	\$ 160,000	\$ 160,000	\$ 173,188	\$ 13,188
INVESTMENT EARNINGS	500	500	1,246	746
TOTAL REVENUES	<u>160,500</u>	<u>160,500</u>	<u>174,434</u>	<u>13,934</u>
EXPENDITURES				
SPECIAL PAYMENTS	16,500	16,500	-	(16,500)
TOTAL EXPENDITURES	<u>16,500</u>	<u>16,500</u>	<u>-</u>	<u>(16,500)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	144,000	144,000	174,434	30,434
OTHER FINANCING (USES)				
TRANSFERS OUT	<u>(144,000)</u>	<u>(144,000)</u>	<u>(160,169)</u>	<u>16,169</u>
TOTAL OTHER FINANCING (USES)	<u>(144,000)</u>	<u>(144,000)</u>	<u>(160,169)</u>	<u>16,169</u>
NET CHANGE IN FUND BALANCE	-	-	14,265	14,265
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>4,777</u>	<u>4,777</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,042</u>	<u>\$ 19,042</u>

**HOOD RIVER COUNTY, OREGON
COURT ASSESSMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
INTERGOVERNMENTAL	\$ 143,860	\$ 143,860	\$ 146,667	\$ 2,807
INVESTMENT EARNINGS	2,900	2,900	6,606	3,706
TOTAL REVENUES	<u>146,760</u>	<u>146,760</u>	<u>153,273</u>	<u>6,513</u>
EXPENDITURES				
MATERIALS & SERVICES	184,960	184,960	73,526	(111,434)
CAPITAL OUTLAY	50,000	50,000	-	(50,000)
CONTINGENCY	74,400	74,400	-	(74,400)
TOTAL EXPENDITURES	<u>309,360</u>	<u>309,360</u>	<u>73,526</u>	<u>(235,834)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(162,600)	(162,600)	79,747	242,347
OTHER FINANCING (USES)				
TRANSFERS OUT	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
TOTAL OTHER FINANCING (USES)	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(222,600)	(222,600)	19,747	242,347
FUND BALANCE - BEGINNING	<u>222,600</u>	<u>222,600</u>	<u>226,451</u>	<u>3,851</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,198</u>	<u>\$ 246,198</u>

**HOOD RIVER COUNTY, OREGON
CONSTRUCTION EXCISE TAX
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
FINES AND FEES	\$ 98,000	\$ 98,000	\$ 266,973	\$ 168,973
TOTAL REVENUES	<u>98,000</u>	<u>98,000</u>	<u>266,973</u>	<u>168,973</u>
EXPENDITURES				
MATERIALS & SERVICES	201,000	201,000	-	(201,000)
TOTAL EXPENDITURES	<u>201,000</u>	<u>201,000</u>	<u>-</u>	<u>(201,000)</u>
NET CHANGE IN FUND BALANCE	(103,000)	(103,000)	266,973	369,973
FUND BALANCE - BEGINNING	<u>103,000</u>	<u>103,000</u>	<u>180,385</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 447,358</u>	<u>\$ 369,973</u>

**HOOD RIVER COUNTY, OREGON
VIDEO LOTTERY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL	\$ 170,000	\$ 170,000	\$ 165,187	\$ (4,813)
TOTAL REVENUES	<u>170,000</u>	<u>170,000</u>	<u>165,187</u>	<u>(4,813)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	170,000	170,000	165,187	(4,813)
OTHER FINANCING (USES)				
TRANSFERS OUT	<u>(185,100)</u>	<u>(185,100)</u>	<u>(165,187)</u>	<u>(19,913)</u>
TOTAL OTHER FINANCING (USES)	<u>(185,100)</u>	<u>(185,100)</u>	<u>(165,187)</u>	<u>(19,913)</u>
NET CHANGE IN FUND BALANCE	(15,100)	(15,100)	-	15,100
FUND BALANCE - BEGINNING	<u>15,100</u>	<u>15,100</u>	<u>14,502</u>	<u>(598)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,502</u>	<u>\$ 14,502</u>

**HOOD RIVER COUNTY, OREGON
COUNTY FAIR FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL	\$ 53,200	\$ 53,200	\$ 53,166	\$ (34)
FINES AND FEES	365,800	365,800	352,779	(13,021)
INVESTMENT EARNINGS	800	800	1,794	994
DONATIONS/CONTRIBUTIONS	35,000	35,000	21,100	
OTHER REVENUE	4,500	4,500	3,437	(1,063)
TOTAL REVENUES	<u>459,300</u>	<u>459,300</u>	<u>432,276</u>	<u>(13,124)</u>
EXPENDITURES				
PERSONAL SERVICES	178,200	178,200	108,436	(69,764)
MATERIALS & SERVICES	288,000	288,000	281,807	(6,193)
CAPITAL OUTLAY	37,040	39,040	38,404	(636)
SPECIAL PAYMENTS	2,200	8,200	7,575	(625)
TOTAL EXPENDITURES	<u>505,440</u>	<u>513,440</u>	<u>436,222</u>	<u>(77,218)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(46,140)	(54,140)	(3,946)	64,094
OTHER FINANCING (USES)				
SALE OF CAPITAL ASSETS	-	8,000	35,000	(27,000)
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>8,000</u>	<u>35,000</u>	<u>(27,000)</u>
NET CHANGE IN FUND BALANCE	(46,140)	(46,140)	31,054	77,194
FUND BALANCE - BEGINNING	46,140	46,140	94,909	48,769
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,963</u>	<u>\$ 125,963</u>

**HOOD RIVER COUNTY, OREGON
EMPLOYEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INVESTMENT EARNINGS	\$ 50	\$ 50	\$ 245	\$ 195
TOTAL REVENUES	<u>50</u>	<u>50</u>	<u>245</u>	<u>195</u>
EXPENDITURES				
MATERIALS & SERVICES	2,750	2,750	242	(2,508)
TOTAL EXPENDITURES	<u>2,750</u>	<u>2,750</u>	<u>242</u>	<u>(2,508)</u>
NET CHANGE IN FUND BALANCE	(2,700)	(2,700)	3	2,703
FUND BALANCE - BEGINNING	<u>2,700</u>	<u>2,700</u>	<u>9,756</u>	<u>7,056</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,759</u>	<u>\$ 9,759</u>

HOOD RIVER COUNTY, OREGON
COUNTY BANKRUPTCY COSTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
PRIOR YEAR TAXES	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
TOTAL REVENUES	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
EXPENDITURES				
MATERIALS & SERVICES	5,000	5,000	-	(5,000)
TOTAL EXPENDITURES	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HOOD RIVER COUNTY, OREGON
EQUIPMENT REPLACEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
EXPENDITURES				
CAPITAL OUTLAY	\$ 100,840	\$ 100,840	\$ 15,494	\$ (85,346)
TOTAL EXPENDITURES	<u>100,840</u>	<u>100,840</u>	<u>15,494</u>	<u>(85,346)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(100,840)	(100,840)	(15,494)	85,346
OTHER FINANCING SOURCES				
TRANSFERS IN	10,000	10,000	10,000	-
TOTAL OTHER FINANCING SOURCES	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(90,840)	(90,840)	(5,494)	85,346
FUND BALANCE - BEGINNING	<u>90,840</u>	<u>90,840</u>	<u>106,307</u>	<u>15,467</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,813</u>	<u>\$ 100,813</u>

**HOOD RIVER COUNTY, OREGON
PUBLIC WORKS EQUIPMENT REPLACEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL	\$ 598,400	\$ 598,400	\$ -	\$ (598,400)
TOTAL REVENUES	<u>598,400</u>	<u>598,400</u>	<u>-</u>	<u>(598,400)</u>
EXPENDITURES				
CAPITAL OUTLAY	1,575,800	1,575,800	714,729	(861,071)
CONTINGENCY	100,000	100,000	-	
TOTAL EXPENDITURES	<u>1,675,800</u>	<u>1,675,800</u>	<u>714,729</u>	<u>(861,071)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,077,400)	(1,077,400)	(714,729)	362,671
OTHER FINANCING SOURCES				
TRANSFERS IN	<u>387,000</u>	<u>387,000</u>	<u>387,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES	<u>387,000</u>	<u>387,000</u>	<u>387,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(690,400)	(690,400)	(327,729)	362,671
FUND BALANCE - BEGINNING	<u>1,430,400</u>	<u>1,430,400</u>	<u>1,406,061</u>	<u>(24,339)</u>
FUND BALANCE - ENDING	<u>\$ 740,000</u>	<u>\$ 740,000</u>	<u>\$ 1,078,332</u>	<u>\$ 338,332</u>

**HOOD RIVER COUNTY, OREGON
CAPITAL PROJECTS MASTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
EXPENDITURES				
CAPITAL OUTLAY	\$ 210,000	\$ 697,080	\$ 574,379	\$ (122,701)
TOTAL EXPENDITURES	<u>210,000</u>	<u>697,080</u>	<u>574,379</u>	<u>(122,701)</u>
NET CHANGE IN FUND BALANCE	(210,000)	(697,080)	(574,379)	122,701
FUND BALANCE - BEGINNING	<u>210,000</u>	<u>697,080</u>	<u>696,596</u>	<u>(484)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,217</u>	<u>\$ 122,217</u>

**HOOD RIVER COUNTY, OREGON
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET OVER (UNDER)
REVENUES				
PERS IN LIEU	\$410,590	\$410,590	\$410,989	\$399
TOTAL REVENUES	<u>410,590</u>	<u>410,590</u>	<u>410,989</u>	<u>399</u>
EXPENDITURES				
CURRENT OPERATING:				
PRINCIPAL	255,000	255,000	255,000	-
INTEREST	266,210	266,210	266,109	(101)
TOTAL EXPENDITURES	<u>521,210</u>	<u>521,210</u>	<u>521,109</u>	<u>(101)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(110,620)	(110,620)	(110,120)	500
OTHER FINANCING SOURCES				
TRANSFERS IN	100,000	100,000	100,000	-
TOTAL OTHER FINANCING SOURCES	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(10,620)	(10,620)	(10,120)	500
FUND BALANCE - BEGINNING	<u>33,600</u>	<u>33,600</u>	<u>34,872</u>	<u>1,272</u>
FUND BALANCE - ENDING	<u>\$ 22,980</u>	<u>\$ 22,980</u>	<u>\$ 24,752</u>	<u>\$ 1,772</u>

**HOOD RIVER COUNTY, OREGON
RESERVES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET & ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
INVESTMENT EARNINGS	\$ 8,000	\$ 8,000	\$ 21,442	\$ 13,442
TOTAL REVENUES	<u>8,000</u>	<u>8,000</u>	<u>21,442</u>	<u>13,442</u>
EXPENDITURES				
CONTINGENCY	200,000	200,000	-	(200,000)
TOTAL EXPENDITURES	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(192,000)	(192,000)	21,442	213,442
OTHER FINANCING SOURCES				
TRANSFERS IN	83,850	83,850	83,850	-
TRANSFERS OUT	(100,000)	(100,000)	(100,000)	-
TOTAL OTHER FINANCING SOURCES	<u>(16,150)</u>	<u>(16,150)</u>	<u>(16,150)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(208,150)	(208,150)	5,292	213,442
FUND BALANCE - BEGINNING	<u>906,300</u>	<u>906,300</u>	<u>910,481</u>	<u>4,181</u>
FUND BALANCE - ENDING	<u>\$ 698,150</u>	<u>\$ 698,150</u>	<u>\$ 915,773</u>	<u>\$ 217,623</u>

HOOD RIVER COUNTY, OREGON
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	CASH	PROPERTY TAXES RECEIVABLE	ACCOUNTS RECEIVABLE	TOTAL ASSETS AND AMOUNTS HELD IN TRUST
CITIES				
CITY OF HOOD RIVER	\$ 27,007	\$ 284,911	\$ -	\$ 311,918
CITY OF CASCADE LOCKS	1,423	15,121	-	16,544
TOTAL CITIES	<u>28,430</u>	<u>300,032</u>	<u>-</u>	<u>328,462</u>
PORT DISTRICTS				
PORT OF HOOD RIVER	403	4,390	-	4,793
PORT OF CASCADE LOCKS	22	235	-	257
TOTAL PORT DISTRICTS	<u>425</u>	<u>4,625</u>	<u>-</u>	<u>5,050</u>
SCHOOL DISTRICTS				
MT. HOOD COMMUNITY COLLEGE	421	4,320	-	4,741
HOOD RIVER COUNTY SCHOOL DISTRICT	173,289	1,076,102	-	1,249,391
REGION 9 EDUCATIONAL SCHOOL DISTRICT	6,106	65,204	-	71,310
COLUMBIA GORGE COMMUNITY COLLEGE	7,526	82,086	-	89,612
TOTAL SCHOOL DISTRICTS	<u>187,342</u>	<u>1,227,712</u>	<u>-</u>	<u>1,415,054</u>
FIRE DISTRICTS				
STATE FIRE PATROL	1,304	14,878	-	16,182
DEE RURAL FIRE DISTRICT	-	4	-	4
ODELL RURAL FIRE DISTRICT	2,625	28,318	-	30,943
PARKDALE RURAL FIRE DISTRICT	2,554	27,810	-	30,364
PINE GROVE RIURAL FIRE DISTRICT	-	234	-	234
WESTSIDE RURAL FIRE DISTRICT	608,927	40,387	-	649,314
TOTAL FIRE DISTRICTS	<u>615,410</u>	<u>111,631</u>	<u>-</u>	<u>727,041</u>
IRRIGATION DISTRICTS				
EAST FORK IRRIGATION DISTRICT	649,287	-	-	649,287
TOTAL IRRIGATION DISTRICTS	<u>649,287</u>	<u>-</u>	<u>-</u>	<u>649,287</u>
SANITARY DISTRICTS				
ODELL SANITARY DISTRICT	378,832	15,312	-	394,144
PARKDALE SANITARY DISTRICT	85,770	-	-	85,770
TOTALSANITARY DISTRICTS	<u>464,602</u>	<u>15,312</u>	<u>-</u>	<u>479,914</u>
LIBRARY DISTRICT				
HOOD RIVER COUNTY LIBRARY	746,787	53,189	-	799,976
PARKS AND RECERATION DISTRICT				
PARKS & RECREATION DISTRICT	865,077	54,186	-	919,263
PARKS & RECREATION SDC COLLECTIONS	555,172	-	-	555,172
TOTAL PARKS & RECREATION DISTRICT	<u>1,420,249</u>	<u>54,186</u>	<u>-</u>	<u>1,474,435</u>
TRANSPORTATION DISTRICT				
HOOD RIVER TRANSPORATION DISTRICT	737,304	10,206	-	747,510
REGIONAL JAIL				
NORTHERN OREGON CORRECTIONS	77	8,744	-	8,821
PROPERTY TAX MISCELLANEOUS				
UNSEGREGATED TAXES	-	-	-	-
PROPERTY TAX RESERVE FUND	135,247	-	-	135,247
ADVANCE PREPAYMENT ON TAXES	40,438	-	-	40,438
COUNTY ASSESSMENT & TAX FUNDING ASSISTANCE	86,312	-	852	87,164
MOBILE HOME OMBUDSMAN	33	345	-	378
TOTAL PROPERTY TAX MISCELLANEOUS	<u>262,030</u>	<u>345</u>	<u>852</u>	<u>263,227</u>
MISCELLANEOUS AGENCY FUNDS				
MISCELLANEOUS REVOLVING	-	-	2,903	2,903
STATE MARRIAGE LICENSES	750	-	-	750
DEQ SURCHARGES	2,300	-	100	2,400
BUILDING INSPECTION SURCHARGES	24,898	-	83	24,981
EVIDENCE	3,672	-	-	3,672
RESTITUTION	1,711	-	-	1,711
COURT ORDERED LAB FEES	-	-	-	-
STATE LOW INCOME HOUSING CET	24,302	-	-	24,302
UNCLAIMED PROPERTY	-	-	-	-
DELINQUENT SEWER CHARGES	14	-	10	24
TOTAL MISCELLANEOUS AGENCY FUNDS	<u>57,647</u>	<u>-</u>	<u>3,096</u>	<u>60,743</u>
TOTAL FUNDS HELD IN TRUST	<u>\$ 5,169,590</u>	<u>\$ 1,785,982</u>	<u>\$ 3,948</u>	<u>\$ 6,959,520</u>

HOOD RIVER COUNTY, OREGON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BALANCE</u> <u>JUNE 30, 2018</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2019</u>
CITIES				
Cash and investments	\$ 8,489,407	\$ 5,175,436	\$ 13,636,413	\$ 28,430
Receivables:				
Property taxes	<u>252,569</u>	<u>300,032</u>	<u>252,569</u>	<u>300,032</u>
Total Assets	<u>\$ 8,741,976</u>	<u>\$ 5,475,468</u>	<u>\$ 13,888,982</u>	<u>\$ 328,462</u>
Due to Districts	<u>\$ 8,741,976</u>	<u>\$ 5,475,468</u>	<u>\$ 13,888,982</u>	<u>\$ 328,462</u>
Total Liabilities	<u>\$ 8,741,976</u>	<u>\$ 5,475,468</u>	<u>\$ 13,888,982</u>	<u>\$ 328,462</u>
PORT DISTRICTS				
Cash and investments	\$ 314	\$ 77,046	\$ 76,935	\$ 425
Receivables:				
Property taxes	<u>3,947</u>	<u>4,625</u>	<u>3,947</u>	<u>4,625</u>
Total Assets	<u>\$ 4,261</u>	<u>\$ 81,671</u>	<u>\$ 80,882</u>	<u>\$ 5,050</u>
Due to Districts	<u>\$ 4,261</u>	<u>\$ 81,671</u>	<u>\$ 80,882</u>	<u>\$ 5,050</u>
Total Liabilities	<u>\$ 4,261</u>	<u>\$ 81,671</u>	<u>\$ 80,882</u>	<u>\$ 5,050</u>
SCHOOL DISTRICTS				
Cash and investments	\$ 172,935	\$ 20,725,402	\$ 20,710,995	\$ 187,342
Receivables:				
Property taxes	<u>1,046,091</u>	<u>1,227,712</u>	<u>1,046,091</u>	<u>1,227,712</u>
Total Assets	<u>\$ 1,219,026</u>	<u>\$ 21,953,114</u>	<u>\$ 21,757,086</u>	<u>\$ 1,415,054</u>
Due to Districts	<u>\$ 1,219,026</u>	<u>\$ 21,953,114</u>	<u>\$ 21,757,086</u>	<u>\$ 1,415,054</u>
Total Liabilities	<u>\$ 1,219,026</u>	<u>\$ 21,953,114</u>	<u>\$ 21,757,086</u>	<u>\$ 1,415,054</u>
FIRE DISTRICTS				
Cash and investments	\$ 632,724	\$ 1,893,797	\$ 1,911,111	\$ 615,410
Receivables:				
Property taxes	<u>95,069</u>	<u>111,631</u>	<u>95,069</u>	<u>111,631</u>
Total Assets	<u>\$ 727,793</u>	<u>\$ 2,005,428</u>	<u>\$ 2,006,180</u>	<u>\$ 727,041</u>
Due to Districts	<u>\$ 727,793</u>	<u>\$ 2,005,428</u>	<u>\$ 2,006,180</u>	<u>\$ 727,041</u>
Total Liabilities	<u>\$ 727,793</u>	<u>\$ 2,005,428</u>	<u>\$ 2,006,180</u>	<u>\$ 727,041</u>
IRRIGATION DISTRICTS				
Cash and investments	\$ 547,078	\$ 612,209	\$ 510,000	\$ 649,287
Receivables:				
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 547,078</u>	<u>\$ 612,209</u>	<u>\$ 510,000</u>	<u>\$ 649,287</u>
Due to Districts	<u>\$ 547,078</u>	<u>\$ 612,209</u>	<u>\$ 510,000</u>	<u>\$ 649,287</u>
Total Liabilities	<u>\$ 547,078</u>	<u>\$ 612,209</u>	<u>\$ 510,000</u>	<u>\$ 649,287</u>
SANITARY DISTRICTS				
Cash and investments	\$ 437,355	\$ 286,895	\$ 259,648	\$ 464,602
Receivables:				
Property taxes	<u>13,823</u>	<u>15,312</u>	<u>13,823</u>	<u>15,312</u>
Total Assets	<u>\$ 451,178</u>	<u>\$ 302,207</u>	<u>\$ 273,471</u>	<u>\$ 479,914</u>
Due to Districts	<u>\$ 451,178</u>	<u>\$ 302,207</u>	<u>\$ 273,471</u>	<u>\$ 479,914</u>
Total Liabilities	<u>\$ 451,178</u>	<u>\$ 302,207</u>	<u>\$ 273,471</u>	<u>\$ 479,914</u>
LIBRARY DISTRICT				
Cash and investments	\$ 710,176	\$ 936,611	\$ 900,000	\$ 746,787
Receivables:				
Property taxes	<u>44,202</u>	<u>53,189</u>	<u>44,202</u>	<u>53,189</u>
Total Assets	<u>\$ 754,378</u>	<u>\$ 989,800</u>	<u>\$ 944,202</u>	<u>\$ 799,976</u>
Due to District	<u>\$ 754,378</u>	<u>\$ 989,800</u>	<u>\$ 944,202</u>	<u>\$ 799,976</u>
Total Liabilities	<u>\$ 754,378</u>	<u>\$ 989,800</u>	<u>\$ 944,202</u>	<u>\$ 799,976</u>

HOOD RIVER COUNTY, OREGON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BALANCE JUNE 30, 2018</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE JUNE 30, 2019</u>
PARKS AND RECREATION				
Cash and investments	\$ 978,439	\$ 957,425	\$ 515,615	\$ 1,420,249
Receivables:				
Property taxes	50,794	54,186	50,794	54,186
Total Assets	<u>\$ 1,029,233</u>	<u>\$ 1,011,611</u>	<u>\$ 566,409</u>	<u>\$ 1,474,435</u>
Due to District	<u>\$ 1,029,233</u>	<u>\$ 1,011,611</u>	<u>\$ 566,409</u>	<u>\$ 1,474,435</u>
Total Liabilities	<u>\$ 1,029,233</u>	<u>\$ 1,011,611</u>	<u>\$ 566,409</u>	<u>\$ 1,474,435</u>
TRANSPORTATION DISTRICT				
Cash and investments	\$ 859,228	\$ 208,076	\$ 330,000	\$ 737,304
Receivables:				
Property taxes	8,702	10,206	8,702	10,206
Total Assets	<u>\$ 867,930</u>	<u>\$ 218,282</u>	<u>\$ 338,702</u>	<u>\$ 747,510</u>
Due to District	<u>\$ 867,930</u>	<u>\$ 218,282</u>	<u>\$ 338,702</u>	<u>\$ 747,510</u>
Total Liabilities	<u>\$ 867,930</u>	<u>\$ 218,282</u>	<u>\$ 338,702</u>	<u>\$ 747,510</u>
REGIONAL JAIL				
Cash and investments	\$ 457	\$ 3,430	\$ 3,810	\$ 77
Receivables:				
Property taxes	12,345	8,744	12,345	8,744
Total Assets	<u>\$ 12,802</u>	<u>\$ 12,174</u>	<u>\$ 16,155</u>	<u>\$ 8,821</u>
Due to District	<u>\$ 12,802</u>	<u>\$ 12,174</u>	<u>\$ 16,155</u>	<u>\$ 8,821</u>
Total Liabilities	<u>\$ 12,802</u>	<u>\$ 12,174</u>	<u>\$ 16,155</u>	<u>\$ 8,821</u>
PROPERTY TAX MISCELLANEOUS				
Cash and investments	\$ 228,684	\$ 35,200,631	\$ 35,167,285	\$ 262,030
Receivables:				
Property taxes	283	345	283	345
Accounts	1,745	852	1,745	852
Total Assets	<u>\$ 230,712</u>	<u>\$ 35,201,828</u>	<u>\$ 35,169,313</u>	<u>\$ 263,227</u>
Due to Districts	<u>\$ 230,712</u>	<u>\$ 35,201,828</u>	<u>\$ 35,169,313</u>	<u>\$ 263,227</u>
Total Liabilities	<u>\$ 230,712</u>	<u>\$ 35,201,828</u>	<u>\$ 35,169,313</u>	<u>\$ 263,227</u>
MISCELLANEOUS AGENCY FUNDS				
Cash and investments	\$ 48,755	\$ 215,949	\$ 207,057	\$ 57,647
Receivables:				
Accounts	138	3,096	138	3,096
Total Assets	<u>\$ 48,893</u>	<u>\$ 219,045</u>	<u>\$ 207,195</u>	<u>\$ 60,743</u>
Due to Others	<u>\$ 48,893</u>	<u>\$ 219,045</u>	<u>\$ 207,195</u>	<u>\$ 60,743</u>
Total Liabilities	<u>\$ 48,893</u>	<u>\$ 219,045</u>	<u>\$ 207,195</u>	<u>\$ 60,743</u>
TOTAL ALL AGENCY FUNDS				
Cash and investments	\$ 13,105,552	\$ 66,292,907	\$ 74,228,869	\$ 5,169,590
Receivables:				
Property taxes	1,527,825	1,785,982	1,527,825	1,785,982
Accounts	1,883	3,948	1,883	3,948
Total Assets	<u>\$ 14,635,260</u>	<u>\$ 68,082,837</u>	<u>\$ 75,758,577</u>	<u>\$ 6,959,520</u>
Due to Others	<u>\$ 14,635,260</u>	<u>\$ 68,082,837</u>	<u>\$ 75,758,577</u>	<u>\$ 6,959,520</u>
Total Liabilities	<u>\$ 14,635,260</u>	<u>\$ 68,082,837</u>	<u>\$ 75,758,577</u>	<u>\$ 6,959,520</u>

**HOOD RIVER COUNTY, OREGON
SCHEDULE OF PROPERTY TAX TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 2019**

LEVY YEAR ENDED JUNE 30,	BALANCES BEGINNING OF YEAR	2018 TAX LEVY	DISCOUNTS & ADJUSTMENTS	TAXES COLLECTED	BALANCES END OF YEAR
2019	\$ -	\$ 3,525,497	\$ (95,106)	\$ 3,341,807	\$ 88,584
2018	65,814		(670)	29,314	35,830
2017	37,347		(299)	8,910	28,138
2016	25,768		(155)	9,728	15,885
2015	14,589		(396)	4,751	9,442
2014 AND PRIOR	30,990		(3,504)	844	26,642
	<u>\$ 174,508</u>	<u>\$ 3,525,497</u>	<u>\$ (100,130)</u>	3,395,354	<u>\$ 204,521</u>
OTHER TAXES, INTEREST ON TAXES, AND RELATED RECEIPTS COLLECTED				<u>23,842</u>	
TOTAL TAX RECEIPTS				<u><u>\$ 3,419,196</u></u>	

HR County and HRC Library Bond

**HOOD RIVER COUNTY, OREGON
SCHEDULE OF ACCOUNTABILITY OF ELECTED OFFICIALS
YEAR ENDED JUNE 30, 2019**

	SHERIFF	JUSTICE OF THE PEACE
CASH & INVESTMENTS, BEGINNING BALANCE	<u>\$ 16,607</u>	<u>\$ 77,808</u>
RECEIPTS	<u>-</u>	<u>1,020,068</u>
TURNOVERS AND DISBURSEMENTS		
TURNOVERS AND DISBURSEMENTS		
Hood River County Finance Department	-	450,279
Court Assessments Fund	-	15,144
State of Oregon	-	510,410
DISBURSEMENTS		
Payments related to Sheriff activities	-	24,252
Bank charges and fees	-	104
TOTAL TURNOVERS & DISBURSEMENTS	<u>-</u>	<u>1,000,189</u>
CASH & INVESTMENTS, ENDING BALANCE	<u><u>\$ 16,607</u></u>	<u><u>\$ 88,725</u></u>

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INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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December 19, 2019

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Hood River County, Oregon, as of and for the year ended June 30, 2019, and have issued our report thereon dated December 19, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the Hood River 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 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

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

1. We noted budget overexpenditures as noted on page 28.

OAR 162-10-0230 Internal Control

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

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

A handwritten signature in cursive script that reads "Tara M. Kamp, CPA".

Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.