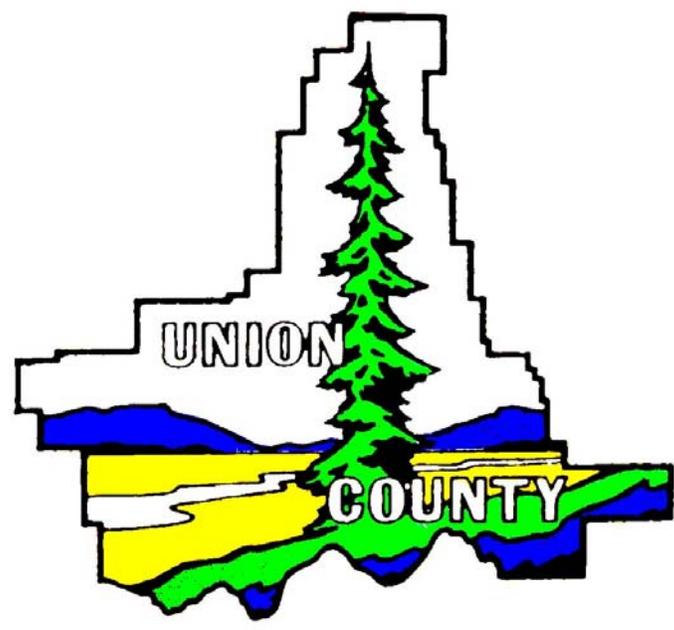


UNION COUNTY, OREGON

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2018



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UNION COUNTY, OREGON
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INTRODUCTORY SECTION

UNION COUNTY, OREGON
County Officials

Commissioners

Donna Beverage	12-31-2020	La Grande, Oregon
Steve McClure	12-31-2018	La Grande, Oregon
Jack Howard	12-31-2018	La Grande, Oregon

District Attorney

Kelsie McDaniel	12-31-2018	La Grande, Oregon
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County Clerk

Robin Church	12-31-2020	La Grande, Oregon
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County Treasurer

Donna Marshall	12-31-2020	La Grande, Oregon
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County Assessor and Tax Collector

Cody Vavra	12-31-2020	La Grande, Oregon
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County Sheriff

Boyd Rasmussen	12-31-2020	La Grande, Oregon
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* Elected Officials may be contacted by writing to: 1106 K Avenue, La Grande, Oregon 97850

FINANCIAL SECTION

LEWIS, POE, MOELLER, GUNDERSON & ROBERTS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1121 ADAMS AVENUE • P.O. BOX 1024

LA GRANDE, OREGON 97850-1024

Independent Auditors' Report

Board of Commissioners
Union County Courthouse
1106 K Avenue
La Grande, OR 97850

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Union County, Oregon, as of and for the year ended June 30, 2018, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditors' judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Union County, Oregon, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in the fiscal year ending June 30, 2018, the County adopted new accounting guidance, GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. 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 budgetary comparison information 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 management discussion and analysis 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 management discussion and analysis information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information is the responsibility of management and was derived from, and, relate directly to, the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Union County, Oregon's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and other financial schedules, which are the responsibility of management are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2018 on our consideration of Union County, Oregon's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Union County, Oregon's internal control over financial reporting and on compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 12, 2018 on our consideration of Union County, Oregon's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

LEWIS, POE, MOELLER, GUNDERSON & ROBERTS, LLC
Certified Public Accountants

By Chelsea A. Herron
Chelsea A. Herron, CPA
Owner/Member

La Grande, Oregon
December 12, 2018

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**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

UNION COUNTY, OREGON Management's Discussion and Analysis

This discussion and analysis presents the highlights of financial activities and financial position for Union County. The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget, and specific issues related to funds and the economic factors affecting the County.

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

FINANCIAL HIGHLIGHTS

- The assets of Union County exceeded its liabilities at the close of the most recent fiscal year by \$63,157,045 on its government-wide Statement of Net Position. Of this, \$53,561,930 was invested in capital assets, net of related debt; \$7,719,769 was restricted for specific purposes and \$1,875,346 was unrestricted and may be used to meet the County's ongoing obligations to creditors and citizens of the County.
- The County's net position increased by \$8,588,684 or 15.7% which was due mainly to increases in cash, improvements, and infrastructure.
- The County's Governmental Funds experienced an increase of \$2,279,081 in fund balances, with the General Fund experiencing an increase in its fund balance of \$183,063. The increase in general fund balance was due primarily to a greater than anticipated PILT payment.
- At the close of the June 30, 2018, fiscal year, unassigned fund balance for the General Fund was \$1,087,171 or 11.60% of total General Fund Expenditures for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The County's annual financial report consists of several sections. Taken together they provide a comprehensive financial report of the County. The components of the report include the following:

Management's Discussion and Analysis. This section of the report provides financial highlights, overview and economic factors affecting the County.

Basic Financial Statements. Includes a Statement of Net Position, a Statement of Activities, fund financial statements and the notes to basic financial statements.

Government-wide Statements: The Statements of Net Position and Activities focus on entity-wide presentations using the accrual basis of accounting. The statements present the activities of Union County and its component units, legally separate organizations for which the County is financially accountable. The County Commissioners also serve as the governing board for the component units. Those units include the Union County Solid Waste District and the Union County 4-H & Extension Service District. These statements include the financial activities of the overall government, except for fiduciary activities. The statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes,

UNION COUNTY, OREGON
Management's Discussion and Analysis

intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities.

Fund Financial Statements: The statements focus separately on major governmental and proprietary funds and types of fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

The notes to the basic financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the County's financial condition.

Required Supplementary Information. This section includes Statements of Revenues and Expenditures – Budget and Actual for the General Fund, Public Works Fund, Community Corrections Fund, Human Services Program Fund and Justice Court Fund.

The notes to the Required Supplementary Information provide information to assist the reader in understanding the County's budgetary comparison.

Other Supplementary Information. This section includes additional information on non-major funds including combining statements, balance sheets, statements of revenues, expenditures and changes in fund balances and statements of revenues and expenditures – budget and actual.

Other Financial Schedules. This section includes information on Agency Funds and a Schedule of Property Tax Transaction.

Independent Auditors Report. This communication is required by Oregon State Regulations.

Audit Deliverables Required by the Single Audit Amendment Act of 1996. Supplemental communication on County compliance and internal controls as required by Oregon statutes. This section also includes additional reports by the County's independent auditor and the schedule of expenditures of federal award as required by Government Auditing Standards and the Single Audit Act.

UNION COUNTY, OREGON
Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County's net position as of June 30, 2018, was \$63,157,045. By far the largest portion of net position is comprised of the County's investment in capital assets (land, buildings, equipment and public infrastructure), less any related debt outstanding that was used to acquire those assets. The County uses capital assets to provide services to citizens; therefore, these assets are not available for future spending. The resources to repay the related debt is not provided by capital assets, but will be provided from other sources.

Table 1 - Union County Net Assets at Year End

	Governmental		Business-type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
ASSETS						
Current and other	14,109,329	11,180,908	(1,298,851)	(721,818)	12,810,478	10,459,090
Capital Assets	41,892,462	35,279,962	17,925,734	17,728,963	59,818,196	53,008,925
Total Assets	<u>56,001,791</u>	<u>46,460,870</u>	<u>16,626,883</u>	<u>17,007,145</u>	<u>72,628,674</u>	<u>63,468,015</u>
DEFERRED OUTFLOWS	4,377	-	5,375	-	9,752	-
LIABILITIES						
Current	2,403,104	2,311,066	800,940	1,085,321	3,204,044	3,396,387
Non-Current	2,936,094	2,365,459	1,684,550	2,099,496	4,620,644	4,464,955
Total Liabilities	<u>5,339,198</u>	<u>4,676,525</u>	<u>2,485,490</u>	<u>3,184,817</u>	<u>7,824,688</u>	<u>7,861,342</u>
DEFERRED INFLOWS	1,617,158	1,011,571	39,535	37,112	1,656,693	1,048,683
NET POSITION						
Invested in capital assets	37,760,909	31,632,923	15,801,021	15,214,866	53,561,930	46,847,789
Restricted	7,719,769	5,630,568			7,719,769	5,630,568
Unrestricted	3,569,134	3,509,283	(1,693,788)	(1,419,279)	1,875,346	2,090,004
Total Net Assets	<u>49,049,812</u>	<u>40,772,774</u>	<u>14,107,233</u>	<u>13,795,587</u>	<u>63,157,045</u>	<u>54,568,361</u>

Total net position increased by \$8,588,684. The most significant increase was completed infrastructure improvement projects.

UNION COUNTY, OREGON
Management's Discussion and Analysis

Table 2 – Statement of Activities

Fiscal Year ending June 30, 2018 compared to Fiscal Year ending June 30, 2017

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenue						
Fees, Fines and Charges for Service	2,733,667	2,421,866	1,627,312	1,517,427	4,360,979	3,939,293
Operating Grants & Contributions	11,070,916	10,204,535	-	-	11,070,916	10,204,535
Capital Grants & Contributions	166,204	196,174	263,654	650,039	429,858	846,213
General Revenue						
Taxes	7,562,806	7,361,698	-	-	7,562,806	7,361,698
Interest & Miscellaneous	658,185	474,457	236,293	45,187	894,478	519,644
Special Items	6,665,695	11,469	-	-	6,665,695	11,469
Transfers	(210,000)	(135,000)	210,000	135,000	-	-
Total	28,647,473	20,535,199	2,337,259	2,347,653	30,984,732	22,882,852
Expenses						
General Government	3,905,877	3,854,416	-	-	3,905,877	3,854,416
Public Safety	7,225,352	7,002,947	-	-	7,225,352	7,002,947
Public Works	3,234,085	3,054,973	-	-	3,234,085	3,054,973
Health	2,704,187	3,174,955	-	-	2,704,187	3,174,955
Public Services	1,088,043	1,065,717	-	-	1,088,043	1,065,717
Culture and Recreation	766,341	786,788	-	-	766,341	786,788
Community Development	852,901	798,286	-	-	852,901	798,286
Education	319,843	149,104	-	-	319,843	149,104
Interest on long-term debt	87,132	72,506	-	-	87,132	72,506
Airport	-	-	1,369,553	1,504,590	1,369,553	1,504,590
Solid Waste Management	-	-	130,857	124,098	130,857	124,098
Golf Course	-	-	517,101	510,407	517,101	510,407
Total	20,183,761	19,959,692	2,017,511	2,139,095	22,201,272	22,098,787
Change in Net Position	8,463,712	575,507	319,748	208,558	8,783,460	784,065
Beginning Net Position	40,772,774	40,167,536	13,795,587	13,587,029	54,568,361	53,754,565
Prior period adjustment	(186,674)	29,731	(8,102)	-	(194,776)	29,731
Ending Net Position	49,049,812	40,772,774	14,107,233	13,795,587	63,157,045	54,568,361

GOVERNMENTAL ACTIVITIES

Governmental revenues showed an increase of \$8,112,274 during fiscal year 2017-18. This is due primarily to the FHWA Palmer Junction Road Improvements transferred to Union County.

As seen in the previous Statement of Activities chart, governmental expenses increased by \$224,069, about 1.1 percent.

UNION COUNTY, OREGON
Management's Discussion and Analysis

FUND BALANCE HIGHLIGHTS

At year end June 30, 2018, the General Fund balance increased by \$183,063 and the Public Works fund balance increased by \$1,484,812. The Public Works Fund increase is due primarily to receipt of unanticipated Secure Rural Schools (SRS) funding.

BUDGETARY HIGHLIGHTS

The Union County Board of Commissioners approved the following additions to the original budget via the resolution process:

- Increase to Drug Court Fund in the amount of \$75,000 to accept a grant from the Oregon Criminal Justice Commission for the Adult Treatment Court program.
- Increase to Community Corrections Fund in the amount of \$31,431 and the General Fund – DA Department in the amount of \$64,239 to accept funds from the Oregon Criminal Justice Commission for the Justice Reinvestment Grant Program.
- Increase to the Watershed Fund in the amount of \$24,000 to accept grant funds from the Oregon Watershed Enhancement Board for the Grande Ronde Model Watershed Program.

CAPITAL ASSETS AND DEBT ADMINISTRATION

As of June 30, 2018, the County had invested \$59,818,196 in capital assets (net of depreciation), as reflected in the following table. This represents a net increase of \$6,809,271, with the most significant increase coming from the completion of the Palmer Junction Road Improvement Project.

Table 3 – Capital Assets at Year End

	<u>2018</u>	<u>2017</u>
Land	\$ 6,722,855	\$ 6,722,855
Improvements	21,606,212	18,032,580
Buildings	12,150,197	12,150,530
Equipment & Vehicles	6,132,451	6,615,333
Infrastructure	36,830,281	29,793,319
Construction in Progress	2,322,023	4,674,866
Accumulated Depreciation	<u>(25,945,823)</u>	<u>(24,980,558)</u>
TOTAL	<u>\$59,818,196</u>	<u>\$53,008,925</u>

A summary of Union County's long-term debt outstanding is as follows. Details can be found in the Notes to Basic Financial Statements Section beginning with Note 7.

Compensated Absences	\$ 1,160,063
Current Portion of Long Term Debt	489,505
Current Portion of Leases Payable	153,067
Long Term Obligation	3,424,462
Long Term Capital Leases Payable	627,497

UNION COUNTY, OREGON
Management's Discussion and Analysis

The long term obligation includes several loans from the Oregon Economic & Community Development Department and Series 2013A & B obligations for infrastructure improvement projects. They are set up on payment schedules detailed in the Notes to the Basic Financial Statements. All loan payments are current. The landfill post closure costs are also included at \$714,191. These costs were estimated over the length of time the county is required to monitor the landfill. Annual expenses are included in the Solid Waste District budget and this long term obligation is reduced each year.

ECONOMIC FACTORS & NEXT YEAR'S BUDGET

Union County continues to operate in a challenging, but improving, economic climate. The unemployment rate in Union County improved during the fiscal year, averaging 5.2%, down from 5.4% the past fiscal year. The state average for the fiscal year was 4.1%. Efforts to stimulate the local economy and increase family wage jobs in the County remain a high priority for the Board of Commissioners. The County is also concerned about the State of Oregon's ability to provide a stable funding level for state mandated services provided by the County. Another high priority for the Board of Commissioners is long term renewal of the payment in lieu of tax (PILT) authorization.

Health insurance costs are a key concern for the County and its employees. Continued increases cause budget issues for both the County and employees. The County provides health insurance for regular full-time employees, and the County and employees share the cost for additional family members.

Union County was able to maintain programs for the upcoming fiscal year due to a healthy Beginning Fund Balance and stable revenues; however, state and federal funding reductions in future years may result in program reductions.

FINANCIAL CONTACT

The County's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions about the report or need additional financial information, please contact the County's Administrative Officer at 1106 K Avenue, La Grande, Oregon 97850. You can also obtain at the same address the separately issued financial statements for the component units listed in Note 1 of the County's financial statements.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE FINANCIAL
STATEMENTS**

UNION COUNTY, OREGON
Statement of Net Position
June 30, 2018

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 8,858,614	\$ 747,997	\$ 9,606,611
Prepaid expenses	2,603	-	2,603
Taxes receivable	538,837	-	538,837
Accounts receivable, net	1,668,055	382,868	2,050,923
Internal balances	2,586,478	(2,586,478)	-
Inventory	454,742	156,762	611,504
Capital assets:			
Land	5,583,300	1,139,555	6,722,855
Construction in progress	948,537	1,373,486	2,322,023
Improvements	1,452,429	20,153,783	21,606,212
Buildings	8,815,605	3,334,592	12,150,197
Equipment and vehicles	5,347,427	785,024	6,132,451
Infrastructure	36,830,281	-	36,830,281
Less: accumulated depreciation	(17,085,117)	(8,860,706)	(25,945,823)
Total capital assets	<u>41,892,462</u>	<u>17,925,734</u>	<u>59,818,196</u>
Total assets	<u>56,001,791</u>	<u>16,626,883</u>	<u>72,628,674</u>
Deferred outflows of resources			
Deferred charge - debt refunding	-	5,185	5,185
OPEB deferred outflows of resources	4,377	190	4,567
Total deferred outflows of resources	<u>4,377</u>	<u>5,375</u>	<u>9,752</u>
Liabilities			
Accounts payable	664,157	329,988	994,145
Unearned revenue	314,987	3,169	318,156
Accrued interest payable	22,168	18,664	40,832
Long-term obligations:			
Due within one year	1,401,792	449,119	1,850,911
Due in more than one year	2,729,761	1,675,594	4,405,355
OPEB liability	206,333	8,956	215,289
Total liabilities	<u>5,339,198</u>	<u>2,485,490</u>	<u>7,824,688</u>
Deferred inflows of resources			
Deferred revenue - debt refunding	602	5,159	5,761
Unavailable payment in lieu of taxes	1,603,772	-	1,603,772
Unearned golf course annual pass revenue	-	33,822	33,822
OPEB deferred inflows of resources	12,784	554	13,338
Total deferred inflows of resources	<u>1,617,158</u>	<u>39,535</u>	<u>1,656,693</u>
Net Position			
Net investment in capital assets	37,760,909	15,801,021	53,561,930
Restricted for:			
Street projects and bike paths	4,065,614	-	4,065,614
Health and human services	1,218,602	-	1,218,602
County schools	69,707	-	69,707
Public safety	2,151,871	-	2,151,871
Economic development	160,190	-	160,190
Capital acquisition	53,785	-	53,785
Unrestricted	3,569,134	(1,693,788)	1,875,346
Total net position	<u>\$ 49,049,812</u>	<u>\$ 14,107,233</u>	<u>\$ 63,157,045</u>

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY, OREGON
Statement of Activities
For the Fiscal Year Ended June 30, 2018

Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Fees, Fines & Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 3,905,877	\$ 491,274	\$ 459,967	\$ -	\$ (2,954,636)	\$ -	\$ (2,954,636)
Public safety	7,225,352	1,479,638	2,378,810	-	(3,366,904)	-	(3,366,904)
Public works	3,234,085	416,472	3,401,041	144,543	727,971	-	727,971
Health	2,704,187	-	2,856,476	-	152,289	-	152,289
Public services	1,088,043	45,756	722,421	-	(319,866)	-	(319,866)
Culture and recreation	766,341	98,050	222,848	21,661	(423,782)	-	(423,782)
Community development	852,901	202,477	844,669	-	194,245	-	194,245
Education	319,843	-	184,684	-	(135,159)	-	(135,159)
Interest on long-term debt	87,132	-	-	-	(87,132)	-	(87,132)
Total governmental activities	<u>20,183,761</u>	<u>2,733,667</u>	<u>11,070,916</u>	<u>166,204</u>	<u>(6,212,974)</u>	<u>-</u>	<u>(6,212,974)</u>
Business-type activities:							
Airport	1,379,875	1,144,374	-	263,654	-	\$ 28,153	28,153
Golf course	506,779	285,949	-	-	-	(220,830)	(220,830)
Solid waste management	130,857	196,989	-	-	-	66,132	66,132
Total business-type activities	<u>2,017,511</u>	<u>1,627,312</u>	<u>-</u>	<u>263,654</u>	<u>-</u>	<u>(126,545)</u>	<u>(126,545)</u>
Total primary government	<u>\$22,201,272</u>	<u>\$ 4,360,979</u>	<u>\$11,070,916</u>	<u>\$ 429,858</u>	<u>(6,212,974)</u>	<u>(126,545)</u>	<u>(6,339,519)</u>
General Revenues							
Property taxes					5,967,853	-	5,967,853
Payments in lieu of tax					1,391,122	-	1,391,122
Other taxes					203,831	-	203,831
Interest and miscellaneous income					658,185	236,293	894,478
Special items							
Donations of capital assets					6,824,764	-	6,824,764
Loss on disposal of asset					(159,069)	-	(159,069)
Transfers							
					(210,000)	210,000	-
Total general revenues, special items and transfers					<u>14,676,686</u>	<u>446,293</u>	<u>15,122,979</u>
Change in net position					8,463,712	319,748	8,783,460
Net position - beginning					40,772,774	13,795,587	54,568,361
Prior period adjustment					(186,674)	(8,102)	(194,776)
Net position - ending					<u>\$ 49,049,812</u>	<u>\$ 14,107,233</u>	<u>\$ 63,157,045</u>

(The accompanying notes are an integral part of these financial statements)

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FUND FINANCIAL STATEMENTS

UNION COUNTY, OREGON
Balance Sheet
Governmental Funds
June 30, 2018

	<u>General Fund</u>	<u>Public Works Fund</u>	<u>Community Corrections</u>	<u>Human Services Program</u>
Assets and Deferred Outflows of Resources				
Assets:				
Cash and investments	\$ 1,228,919	\$ 2,454,172	\$ 1,856,033	\$ 241,686
Prepaid expenses	907	-	-	-
Taxes receivable	511,092	-	-	-
Accounts receivable, net	256,276	253,445	6,577	169,736
Interfund receivable	1,304,034	1,350,368	-	-
Inventory	-	454,742	-	-
Total assets	<u>3,301,228</u>	<u>4,512,727</u>	<u>1,862,610</u>	<u>411,422</u>
Deferred outflows of resources:	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 3,301,228</u>	<u>\$ 4,512,727</u>	<u>\$ 1,862,610</u>	<u>\$ 411,422</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	\$ 147,664	\$ 121,165	\$ 15,852	\$ 198,373
Unearned revenue	-	-	-	-
Interfund payable	-	-	-	-
Total liabilities	<u>147,664</u>	<u>121,165</u>	<u>15,852</u>	<u>198,373</u>
Deferred inflows of resources:				
Unavailable property tax revenue	461,714	-	-	-
Unavailable payment in lieu of taxes	1,603,772	-	-	-
Total deferred inflows of resources	<u>2,065,486</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	907	454,742	-	-
Restricted	-	3,936,820	1,846,758	213,049
Committed	-	-	-	-
Unassigned	1,087,171	-	-	-
Total fund balances	<u>1,088,078</u>	<u>4,391,562</u>	<u>1,846,758</u>	<u>213,049</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,301,228</u>	<u>\$ 4,512,727</u>	<u>\$ 1,862,610</u>	<u>\$ 411,422</u>

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY, OREGON
Balance Sheet
Governmental Funds
June 30, 2018

<u>Justice Court</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 250,481	\$ 2,827,323	\$ 8,858,614
-	1,696	2,603
-	27,745	538,837
549,669	432,352	1,668,055
-	-	2,654,402
-	-	454,742
<u>800,150</u>	<u>3,289,116</u>	<u>14,177,253</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 800,150</u>	<u>\$ 3,289,116</u>	<u>\$ 14,177,253</u>
\$ 18,282	\$ 162,821	\$ 664,157
549,669	314,987	864,656
-	67,924	67,924
<u>567,951</u>	<u>545,732</u>	<u>1,596,737</u>
-	25,221	486,935
-	-	1,603,772
<u>-</u>	<u>25,221</u>	<u>2,090,707</u>
-	1,696	457,345
-	1,723,142	7,719,769
232,199	1,000,625	1,232,824
-	(7,300)	1,079,871
<u>232,199</u>	<u>2,718,163</u>	<u>10,489,809</u>
<u>\$ 800,150</u>	<u>\$ 3,289,116</u>	<u>\$ 14,177,253</u>

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UNION COUNTY, OREGON
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2018

Total fund balances - governmental funds \$ 10,489,809

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 as assets in the funds.

Land	5,583,300	
Construction in progress	948,537	
Improvements	1,452,429	
Buildings	8,815,605	
Equipment and vehicles	5,347,427	
Infrastructure	36,830,281	
Less: accumulated depreciation	<u>(17,085,117)</u>	41,892,462

Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unearned revenue in the fund statements. 486,935

Some of the County's ticket revenue in the Justice Court will be collected after year-end, but is not available soon enough to pay for the current period's expenditures, and therefore are reported as unearned revenue in the fund statements. Other funds have minor unearned revenues. 549,669

Other Post Employment Benefit (OPEB) liability used in governmental activities are not financial resources and therefore are not reported in the funds. (206,333)

Deferred outflows and inflows or resources related to OPEB are applicable to future periods and, therefore, are not reported in the funds:

Deferred outflows of resources OPEB expense and deferred outflow of 2018 employer contributions related to OPEB	4,377	
Deferred inflows of resources related to OPEB	<u>(12,784)</u>	(8,407)

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when paid. In the Statement of Net Position accrued interest is a liability. (22,168)

Long-term obligations, including capital debt obligations payable, are not due and payable in the current period and therefore are not reported in the funds.

Due within one year	1,401,792	
Due in more than one year	<u>2,729,761</u>	(4,131,553)

Debt refunding costs on long-term debt are not accrued in governmental funds, but rather are recognized as an expenditure when paid. In the Statement of Net Position debt refunding costs are a Deferred Inflow and amortized. (602)

Total net position - governmental activities \$ 49,049,812

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY, OREGON
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2018

	<u>General Fund</u>	<u>Public Works Fund</u>	<u>Community Corrections</u>	<u>Human Services Program</u>
Revenues				
Taxes:				
Property taxes	\$ 5,485,246	\$ -	\$ -	\$ -
Payments in lieu of tax	1,264,331	-	-	-
Other taxes	7,734	-	-	-
Intergovernmental	1,137,222	3,770,806	352,682	2,801,450
Charges for services	786,996	-	867,313	-
Licenses and fees	327,691	46,707	-	-
Miscellaneous:				
Fines and forfeitures	37,369	-	59,308	-
Rental income	139,519	-	-	-
Interest on investments	28,802	34,301	21,574	-
Other income	303,954	6,908	6,757	44,036
Total revenues	<u>9,518,864</u>	<u>3,858,722</u>	<u>1,307,634</u>	<u>2,845,486</u>
Expenditures				
Current:				
General government	3,615,229	-	-	-
Public safety	5,311,695	-	952,023	-
Public works	-	2,596,184	-	-
Health	-	-	-	2,703,704
Public services	-	-	-	-
Culture and recreation	-	-	-	-
Community development	297,702	-	-	-
Education	-	-	-	-
Debt Service:				
Principal	58,868	32,922	-	-
Interest	-	-	-	-
Capital outlay	93,307	350,906	27,220	-
Total expenditures	<u>9,376,801</u>	<u>2,980,012</u>	<u>979,243</u>	<u>2,703,704</u>
Excess of revenues over (under) expenditures	<u>142,063</u>	<u>878,710</u>	<u>328,391</u>	<u>141,782</u>
Other Financing Sources (Uses)				
Transfers in	132,000	40,000	-	-
Transfers out	(91,000)	(35,000)	-	-
Proceeds from long-term debt	-	601,102	-	-
Total other financing sources (uses)	<u>41,000</u>	<u>606,102</u>	<u>-</u>	<u>-</u>
Net change in fund balance	183,063	1,484,812	328,391	141,782
Beginning fund balance	<u>905,015</u>	<u>2,906,750</u>	<u>1,518,367</u>	<u>71,267</u>
Ending fund balance	<u>\$ 1,088,078</u>	<u>\$ 4,391,562</u>	<u>\$ 1,846,758</u>	<u>\$ 213,049</u>

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY, OREGON
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2018

<u>Justice Court</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ 489,089	\$ 5,974,335
-	126,791	1,391,122
-	196,097	203,831
-	2,307,377	10,369,537
-	27,563	1,681,872
-	346,459	720,857
440,548	9,214	546,439
-	79,382	218,901
3,438	39,644	127,759
706	509,185	871,546
<u>444,692</u>	<u>4,130,801</u>	<u>22,106,199</u>
-	61,824	3,677,053
328,801	504,952	7,097,471
-	102,058	2,698,242
-	-	2,703,704
-	1,085,147	1,085,147
-	680,998	680,998
-	555,173	852,875
-	319,843	319,843
-	38,899	130,689
-	23,681	23,681
-	477,084	948,517
<u>328,801</u>	<u>3,849,659</u>	<u>20,218,220</u>
<u>115,891</u>	<u>281,142</u>	<u>1,887,979</u>
-	109,540	281,540
(85,000)	(280,540)	(491,540)
-	-	601,102
<u>(85,000)</u>	<u>(171,000)</u>	<u>391,102</u>
30,891	110,142	2,279,081
<u>201,308</u>	<u>2,608,021</u>	<u>8,210,728</u>
<u>\$ 232,199</u>	<u>\$ 2,718,163</u>	<u>\$ 10,489,809</u>

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UNION COUNTY, OREGON
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2018

Total net change in fund balances - governmental funds	\$ 2,279,081
 Amounts reported for governmental <i>activities</i> in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay and other capitalized expenditures (\$886,363) and the gain on disposal of assets (\$0) exceeds depreciation expense (\$971,394) and loss on retired assets (\$159,069) in the current year.	(244,100)
Because some property taxes will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues and are unearned in the governmental funds. Unearned tax revenues increased (decreased) by this amount in the current year.	(6,482)
Because some ticket revenue from the Justice Court will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues in the governmental funds. Unearned ticket revenues increased (decreased) by this amount in the current year.	90,261
In the Statement of Activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for compensated absences are measured by the amount of financial resources used. Accrued compensated absences (increased) decreased by this amount in the current year.	(65,394)
Assets transferred from other governmental entities are not recognized in the governmental funds, but the basis is recognized as a gain in the Statement of Activities.	6,824,764
Governmental funds report Other Post Employment Benefit (OPEB) contributions as expenditures. However, in the Statement of Activities, the cost of OPEB benefits earned net of employee contributions is reported as OPEB expense.	(28,066)
Loan proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities.	(601,102)
Repayment of principal on long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	213,818
Debt refunding costs are amortized over the life of the corresponding debt for the purposes of the Statement of Activities.	602
In the governmental funds interest is recognized as an expenditure when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which accrued interest (increased) decreased.	330
Change in net position - governmental activities	<u>\$ 8,463,712</u>

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY, OREGON
Statement of Net Position
Proprietary Funds
June 30, 2018

	<u>Airport Fund</u>	<u>Buffalo Peak Golf Course Fund</u>	<u>Union County Solid Waste Fund</u>	<u>Total</u>
Assets				
Current assets:				
Cash and investments	\$ 196,868	\$ -	\$ 551,129	\$ 747,997
Accounts receivable	283,587	48,220	51,061	382,868
Inventory	141,157	15,605	-	156,762
Total current assets	<u>621,612</u>	<u>63,825</u>	<u>602,190</u>	<u>1,287,627</u>
Noncurrent assets:				
Capital assets:				
Land	-	1,088,950	50,605	1,139,555
Construction in progress	1,373,486	-	-	1,373,486
Buildings	2,866,709	47,076	420,807	3,334,592
Equipment and vehicles	168,661	527,401	88,962	785,024
Improvements	19,282,013	713,301	158,469	20,153,783
Less: accumulated depreciation	<u>(7,763,268)</u>	<u>(806,231)</u>	<u>(291,207)</u>	<u>(8,860,706)</u>
Total noncurrent assets	<u>15,927,601</u>	<u>1,570,497</u>	<u>427,636</u>	<u>17,925,734</u>
Total assets	<u>16,549,213</u>	<u>1,634,322</u>	<u>1,029,826</u>	<u>19,213,361</u>
Deferred Outflows of Resources				
Deferred charge - debt refunding	5,185	-	-	5,185
OPEB deferred outflows of resources	66	124	-	190
Total deferred outflows of resources	<u>5,251</u>	<u>124</u>	<u>-</u>	<u>5,375</u>
Liabilities				
Current liabilities:				
Accounts payable	316,001	13,987	-	329,988
Unearned revenue	-	3,169	-	3,169
Interfund payable	1,236,110	1,350,368	-	2,586,478
Accrued interest payable	665	17,999	-	18,664
Closure & post-closure care costs - current	-	-	30,000	30,000
Loans payable - current	295,000	95,623	-	390,623
Compensated absences	10,322	18,174	-	28,496
Total current liabilities	<u>1,858,098</u>	<u>1,499,320</u>	<u>30,000</u>	<u>3,387,418</u>
Noncurrent liabilities:				
OPEB liability	3,089	5,867	-	8,956
Closure and post-closure care costs	-	-	684,191	684,191
Loans payable	-	991,403	-	991,403
Total noncurrent liabilities	<u>3,089</u>	<u>997,270</u>	<u>684,191</u>	<u>1,684,550</u>
Total liabilities	<u>1,861,187</u>	<u>2,496,590</u>	<u>714,191</u>	<u>5,071,968</u>
Deferred Inflows of Resources				
Deferred revenue - debt refunding	-	5,159	-	5,159
Unearned golf course annual pass revenue	-	33,822	-	33,822
OPEB deferred inflows of resources	191	363	-	554
Total deferred inflows of resources	<u>191</u>	<u>39,344</u>	<u>-</u>	<u>39,535</u>
Net Position				
Net investment in capital assets	15,619,190	459,430	(286,555)	15,792,065
Unrestricted	<u>(926,104)</u>	<u>(1,360,918)</u>	<u>602,190</u>	<u>(1,684,832)</u>
Total net position	<u>\$ 14,693,086</u>	<u>\$ (901,488)</u>	<u>\$ 315,635</u>	<u>\$ 14,107,233</u>

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY, OREGON
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2018

	<u>Airport Fund</u>	<u>Buffalo Peak Golf Course Fund</u>	<u>Union County Solid Waste Fund</u>	<u>Total</u>
Operating Revenues				
Franchise fees	\$ -	\$ -	\$ 196,989	\$ 196,989
Charges for services	718,521	285,949	-	1,004,470
Licenses and fees	19,916	-	-	19,916
Rental income	405,937	-	-	405,937
Miscellaneous	213,504	-	19,444	232,948
Total operating revenues	<u>1,357,878</u>	<u>285,949</u>	<u>216,433</u>	<u>1,860,260</u>
Operating Expenses				
Personnel services	160,583	275,091	-	435,674
Materials and services	632,302	150,487	121,652	904,441
Depreciation	568,870	47,146	9,205	625,221
Total operating expenses	<u>1,361,755</u>	<u>472,724</u>	<u>130,857</u>	<u>1,965,336</u>
Operating income (loss)	<u>(3,877)</u>	<u>(186,775)</u>	<u>85,576</u>	<u>(105,076)</u>
Nonoperating Revenues (Expenses)				
Interest on investments	3,218	-	127	3,345
Interest expense	(18,120)	(34,055)	-	(52,175)
Grant revenue	263,654	-	-	263,654
Total nonoperating revenues (expenses)	<u>248,752</u>	<u>(34,055)</u>	<u>127</u>	<u>214,824</u>
Income (loss) before transfers	244,875	(220,830)	85,703	109,748
Transfers in	90,000	240,000	-	330,000
Transfers out	(120,000)	-	-	(120,000)
Change in net position	214,875	19,170	85,703	319,748
Net position - beginning	14,481,005	(915,350)	229,932	13,795,587
Prior period adjustment	(2,794)	(5,308)	-	(8,102)
Net position - ending	<u>\$ 14,693,086</u>	<u>\$ (901,488)</u>	<u>\$ 315,635</u>	<u>\$ 14,107,233</u>

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY, OREGON
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2018

	Airport	Buffalo Peak Golf Course	Union County Solid Waste District	Total
Cash Flows from Operating Activities:				
Cash received from customers	\$ 791,324	\$ 282,865	\$ -	\$ 1,074,189
Cash received from rentals	405,937	-	-	405,937
Cash received from franchise fees	-	-	189,814	189,814
Other operating receipts	213,504	-	19,444	232,948
Cash payments for personnel services	(149,841)	(267,524)	-	(417,365)
Cash payments for fuel purchases	(552,059)	-	-	(552,059)
Cash payments for materials and services	-	(144,713)	(121,652)	(266,365)
Cash payments for closure costs	-	-	(33,280)	(33,280)
Cash payments for insurance	(17,271)	-	-	(17,271)
Cash payments for miscellaneous	(25,292)	-	-	(25,292)
Cash payments for contractual services	(22,680)	-	-	(22,680)
Cash payments for supplies	(19,137)	-	-	(19,137)
Cash payments for repairs	(27,559)	-	-	(27,559)
Net cash provided (used) by operating activities	<u>596,926</u>	<u>(129,372)</u>	<u>54,326</u>	<u>521,880</u>
Cash Flows from Noncapital Financing Activities:				
Interfund loans	300,970	18,723	-	319,693
Interfund transfers	(30,000)	240,000	-	210,000
Nonoperating grants	562,510	-	-	562,510
Net cash provided (used) by noncapital financing activities	<u>833,480</u>	<u>258,723</u>	<u>-</u>	<u>1,092,203</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of capital assets	(1,124,737)	-	-	(1,124,737)
Loss on disposal of capital assets	100	-	-	100
Principal payments on indebtedness	(280,000)	(93,195)	-	(373,195)
Interest paid on indebtedness	(13,837)	(36,156)	-	(49,993)
Net cash provided (used) by capital and related financing activities	<u>(1,418,474)</u>	<u>(129,351)</u>	<u>-</u>	<u>(1,547,825)</u>
Cash Flows from Investing Activities:				
Interest income	3,218	-	127	3,345
Net increase (decrease) in cash and investments	15,150	-	54,453	69,603
Beginning cash and investments	<u>181,718</u>	<u>-</u>	<u>496,676</u>	<u>678,394</u>
Ending cash and investments	<u>\$ 196,868</u>	<u>\$ -</u>	<u>\$ 551,129</u>	<u>\$ 747,997</u>

(Continued)

	<u>Airport</u>	<u>Buffalo Peak Golf Course</u>	<u>Union County Solid Waste District</u>	<u>Total</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (3,877)	\$ (186,775)	\$ 85,576	\$ (105,076)
<i>Adjustments to reconcile operating income to net cash provided (used) by operating activities:</i>				
Depreciation	568,870	47,146	9,205	625,221
(Increase) decrease in:				
Accounts receivable	52,887	(5,987)	(7,175)	39,725
Inventory	(10,042)	(1,596)	-	(11,638)
Increase (decrease) in:				
Accounts payable	(21,654)	7,370	-	(14,284)
Unearned revenue	-	2,903	-	2,903
Compensated absences	10,322	6,769	-	17,091
Closure and post-closure care costs	-	-	(33,280)	(33,280)
OPEB liability	229	435	-	664
Deferred inflows	191	363	-	554
Net cash provided (used) by operating activities	<u>\$ 596,926</u>	<u>\$ (129,372)</u>	<u>\$ 54,326</u>	<u>\$ 521,880</u>

UNION COUNTY, OREGON
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2018

	<u>Agency Funds</u>
Assets	
Cash	\$ 74,904
Accounts receivable	19,550
Property taxes receivable	<u>1,944,530</u>
Total assets	<u>\$ 2,038,984</u>
Liabilities	
Due to other governments	\$ 1,944,530
Due to others	<u>94,454</u>
Total liabilities	<u>\$ 2,038,984</u>

(The accompanying notes are an integral part of these financial statements)

**NOTES TO BASIC FINANCIAL
STATEMENTS**

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies:

Reporting Entity

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

The basic financial statements include blended component units. The blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Including these component units in the County's financial statements does not give the County any rights to component unit assets or obligation for component unit debt.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board. The financial statements of the individual component units may be obtained at the Union County commissioners' office.

The County has implemented Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Blended Component Units

Union County Solid Waste District:

Union County Solid Waste District was organized June 4, 1975, under Oregon Revised Statutes Chapter 451 by the Union County Court and is governed by three district officials who are Union County Commissioners. The district accounts for the Foxhill land fill site that was officially closed on November 1, 2006. At that time, State and federal laws and regulations required the Union County Solid Waste District to place a final cover on the landfill site and to perform certain maintenance and monitoring functions for thirty years after closure. This component is blended into the County's financial statements because the County can impose its will on the District.

Union County Extension Service District:

This District was organized December 20, 1989 under Oregon Revised Statutes Chapter 451 by the Union County Court and is governed by three district officials who are Union County Commissioners. Extension educational programs help people solve problems and develop skills related to youth, family, farm, community, forest, and gardening. The programs offered are based on local needs as defined by citizens' advisory groups. This component unit is blended because the County can impose its will on the District.

Basis of Presentation, Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-accounting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The County reports the following major governmental funds:

General Fund - This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Public Works Fund - This fund accounts for resources accumulated and payments made for road maintenance and construction within the county.

Community Corrections Fund - This fund accounts for resources accumulated and payments made for supervision of felony parole and probation offenders and selected assaultive and DUII misdemeanor offenders.

Human Services Program Fund - This fund's purpose is to provide quality public health, alcohol and drug, and veteran services to citizens of Union County.

Justice Court Fund - This fund provides a means for County processing of citations and infractions issued in Union County.

The County reports the following major enterprise funds:

Airport Fund - This fund records the activity of the County Airport.

Buffalo Peak Golf Course Fund - This fund records the activity of the County golf course.

Union County Solid Waste District - This fund records the activity of the solid waste district.

In addition, the County reports the following fund types:

Agency Funds - These funds account for monies held on behalf of other local governments within the boundaries of Union County that use the County as a depository, and property taxes collected on behalf of other governments.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Measurement Focus and Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net resources available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Financial Position

Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the County for the purpose of increasing earnings through investment activities. The pooled cash and investments are reported at fair value at June 30, 2018, based on market prices. The individual funds' portions of the pooled cash and investments fair value are presented as cash and cash equivalents. Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the ending balance of each participating fund.

Cash and Cash Equivalents

The County considers cash and cash equivalents in proprietary funds to include cash on hand and demand deposits. In addition, because the Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Receivables

The County shows their receivables net of an allowance for uncollectible accounts.

Grants and other receivables from other government agencies are generally expected to be collectible and, therefore an allowance for uncollectibles is not considered necessary with the exception of the Justice Court. Justice Court has an allowance for bad debt accounts and shows their receivables net of this allowance.

Notes receivable in governmental funds consist of rehabilitation and redevelopment loans that are generally not expected or scheduled to be collected in the subsequent year.

Significant accounts receivables not expected to be collected within one year are as follows:

Justice Court	\$	352,232
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UNION COUNTY, OREGON
Notes to Basic Financial Statements

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. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows for Other Post Employment Benefits and a deferred charge on debt refunding.

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 County has multiple types of items, which arises under the accrual and modified accrual basis of accounting that qualify for reporting in this category. Accordingly, deferred revenue on debt refunding and deferred inflows related to Other Post Employment Benefits, are reported in the statement of net position. The governmental funds also report unavailable property tax revenue. The business-type activities also report unearned golf course annual pass revenue as a deferred inflow on the statement of net position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Property Tax Calendar

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including schools, cities, and special districts within the County. Property taxes attach as an enforceable lien on property on July 1, when they are levied, and until they are paid. Taxes are due in one-third increments, on November 15, February 15, and May 15. Unpaid taxes are considered delinquent after November 15.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. Delinquent taxes are considered fully collectible, and therefore, no allowance of uncollectible taxes is provided.

Property tax revenues are accounted for on the accrual basis of accounting in the government-wide statements and are recognized when earned.

Inventories and Prepaid Items

Public works inventory are valued at estimated average cost value using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Airport fuel inventory and golf products recorded in the proprietary funds are stated at their cost value. All other supplies are charged to disbursements at the time the items are purchased.

Certain payments to vendors reflected costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

The County's property, plant, equipment, and infrastructure with useful lives of more than one year are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Major capital asset additions are financed primarily from loan and bond proceeds. The normal cost of maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used for assets that have initial useful lives extending beyond a single reporting period.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	20-75
Buildings	50-100
Building Improvements	20-50
Vehicles	2-15
Office Equipment	3-15

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Capitalized Interest

Interest costs are capitalized when incurred by proprietary funds on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. \$54,011 of interest cost was incurred, all of which was charged to expense during the fiscal year ended June 30, 2018.

Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation, comp-time and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Net Position/Fund Balance Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the County's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Fund Financial Statements

In the governmental funds the difference among assets, deferred outflows, liabilities, and deferred inflows of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. The constraints are defined as follows:

Nonspendable - Resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Restricted - Constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributions, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - Reported when the Board of Commissioners pass a court order that places specific constraints on how the resources may be used. The Board of Commissioners can modify or rescind the court order at any time through passage of an additional court order.

Assigned - Resources that are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the Board of Commissioners approve which resources should be "reserved" during the adoption of the annual budget. The County's Administrative Officer used that information to determine whether those resources should be classified as assigned or unassigned for presentation in the County's annual financial report.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Unassigned - The residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance.

The County has no formal minimum fund balance policies or any formal stabilization arrangements in place.

Fund balances by classification for the year ended June 30, 2018 were as follows:

	General Fund	Public Works Fund	Community Correction	Human Services	Justice Court	Other Governmental Funds	Total Governmental Funds
Fund balances:							
Nonspendable:							
Inventories	\$ -	\$ 454,742	\$ -	\$ -	\$ -	\$ -	\$ 454,742
Prepaid Amt.	907	-	-	-	-	1,696	2,603
Restricted:							
Community Svcs.	-	-	-	213,049	-	1,005,553	1,218,602
County Schools	-	-	-	-	-	69,707	69,707
Public Safety	-	-	1,846,758	-	-	305,113	2,151,871
Economic Develop.	-	-	-	-	-	160,190	160,190
Equipment	-	-	-	-	-	53,785	53,785
Public Works	-	3,936,820	-	-	-	128,794	4,065,614
Committed:							
Community Svcs.	-	-	-	-	-	483,968	483,968
Economic Develop.	-	-	-	-	-	340,240	340,240
Capital Acquisition	-	-	-	-	-	174,754	174,754
Public Safety	-	-	-	-	232,199	1,663	233,862
Unassigned	<u>1,087,171</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,300)</u>	<u>1,079,871</u>
Total fund bal.	<u>\$ 1,088,078</u>	<u>\$ 4,391,562</u>	<u>\$ 1,846,758</u>	<u>\$ 213,049</u>	<u>\$ 232,199</u>	<u>\$ 2,718,163</u>	<u>\$ 10,489,809</u>

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Depreciation Expense, Accumulated Depreciation, Property Taxes Receivable, Liability for Closure and Post-Closure Care Costs, and Deferred Revenue accounts have been subject to estimation.

Note 2 - Compliance and Accountability:

Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, Certain Financial Statement Note Disclosures, violations of finance-related legal and contractual provisions, if any, are reported below, along with the actions taken to address such violations.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Violation: The County did not comply with ORS 294.456(6). Expenditures exceeded budgeted appropriations for the year ended June 30, 2018 as follows:

Fund	Over Expenditure
101 General Fund - Capital outlay	\$ 23,307

Action Taken: Budget to actual reports will be monitored monthly.

Deficit Fund Balance or Fund Net Position of Individual Funds

Following are funds having deficit fund balances at year end, along with remarks which address such deficits:

Fund	Deficit Amount	Remarks
Sheriff Reserve Program	\$ 7,300	Due to revenues being lower than anticipated
Buffalo Peak Golf Course	901,488	Due to current and prior operating losses

Note 3 - Deposits and Investments:

Deposits and Investments are comprised of the following at June 30, 2018:

	Carrying Value	Fair Value
Deposits with financial institutions	\$ 3,849,601	\$ 3,849,601
Investments with State of Oregon Local Government Investment Pool (LGIP)	5,831,914	5,831,914
	\$ 9,681,515	\$ 9,681,515

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

Government-Wide Statement of Net Position - Cash and Investments	\$ 9,606,611
Statement of Fiduciary Net Position - Cash	74,904
	\$ 9,681,515

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

Investments, including amounts held in pooled cash and investments are stated at fair value, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Fair value is determined at the quoted market price, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Pool (LGIP) are stated at fair value.

Deposits

Deposits with financial institutions are comprised of bank demand deposits. The total bank balance per the bank statements was \$4,810,459 at June 30, 2018. The difference is due to transactions in process. Deposits are secured by federal deposit insurance to legal limits. The remaining amount is secured by collateral in accordance with Oregon Revised Statutes.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Custodial Credit Risk - Deposits

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

All accounts are insured by FDIC up to \$250,000.

Investments

The purpose of the County's investment policy is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities. The County has delegated investment responsibilities to the County Treasurer, who is primarily responsible for implementing the investment policy.

Credit Risk - Investments

State statutes 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, certain commercial papers and the State Treasurer's investment pool, among others. The County has no formal investment policy that further restricts its investment choices.

Custodial Credit Risk - Investments

This is the risk that, in the event of the failure of counterparty, the County will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The County does not have a policy that limits the amount of investments that can be held by counterparties.

The Local Government Investment Pool (LGIP) is administered by the Oregon State Treasury with the advice of other state agencies and is not registered with the U.S. Securities and Exchange Commission. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of, or has control of any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short Term Fund Board, which has established diversification percentages and specifies the types and maturities of the investments. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. These investments within the LGIP must be invested and managed as a prudent investor would, exercising reasonable care, skill and caution. The LGIP's credit quality is unrated.

Professional standards indicate that the investments in external investment pools are not subject to custodial risk because they are not evidenced by the securities that exist in physical or book entry form. Nevertheless, management does not believe that there is any substantial custodial risk related to investments in the LGIP. The fair value of County's position in the LGIP is the same as the value of the pool shares.

Concentration Risk

The County does not have a formal policy that places a limit on the amount that may be invested in any one investment. The County has concentrations in the following investments: Local Government Pool. These investments are 100% of the County's total investments.

<u>Investment Type</u>	<u>Maturities</u>	<u>Concentration % of Portfolio</u>	<u>Actual Amount</u>
Local Government Investment Pool	Avg 6-18 months	100%	<u>\$ 5,831,914</u>

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Interest Rate Risk

The County does not have a formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Note 4 - Property Taxes Receivable:

Property taxes receivable included in revenues are \$538,837, which are all past due and accruing interest.

Note 5 - Capital Assets:

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Balance at July 1, 2017	Increases	Decreases	Balance at June 30, 2018
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 5,583,300	\$ -	\$ -	\$ 5,583,300
Construction in progress	577,060	415,254	(43,777)	948,537
Total capital assets not being depreciated	<u>6,160,360</u>	<u>415,254</u>	<u>(43,777)</u>	<u>6,531,837</u>
Capital assets being depreciated:				
Buildings	8,806,269	17,400	(8,064)	8,815,605
Improvements	1,425,209	27,220	-	1,452,429
Equipment & vehicles	5,811,614	306,744	(770,931)	5,347,427
Infrastructure	29,793,319	7,036,962	-	36,830,281
Total capital assets being depreciated	<u>45,836,411</u>	<u>7,388,326</u>	<u>(778,995)</u>	<u>52,445,742</u>
Less: accumulated depreciation:				
Buildings	(2,799,223)	(169,429)	8,064	(2,960,588)
Improvements	(456,893)	(70,631)	-	(527,524)
Equipment & vehicles	(3,023,573)	(224,492)	595,022	(2,653,043)
Infrastructure	(10,437,120)	(506,842)	-	(10,943,962)
Total accumulated depreciation	<u>(16,716,809)</u>	<u>(971,394)</u>	<u>603,086</u>	<u>(17,085,117)</u>
Net capital assets being depreciated	<u>29,119,602</u>	<u>6,416,932</u>	<u>(175,909)</u>	<u>35,360,625</u>
Governmental Activities - net capital assets	<u>\$ 35,279,962</u>	<u>\$ 6,832,186</u>	<u>\$ (219,686)</u>	<u>\$ 41,892,462</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,139,555	\$ -	\$ -	\$ 1,139,555
Construction in progress	4,097,806	781,745	(3,506,065)	1,373,486
Total capital assets not being depreciated	<u>5,237,361</u>	<u>781,745</u>	<u>(3,506,065)</u>	<u>2,513,041</u>
Capital assets being depreciated:				
Buildings	3,344,261	-	(9,669)	3,334,592
Equipment & vehicles	803,719	-	(18,695)	785,024
Improvements	16,607,371	3,546,412	-	20,153,783
Total capital assets being depreciated	<u>20,755,351</u>	<u>3,546,412</u>	<u>(28,364)</u>	<u>24,273,399</u>
Less: accumulated depreciation:				
Buildings	(773,961)	(62,522)	9,669	(826,814)
Equipment & vehicles	(648,356)	(29,660)	18,595	(659,421)
Improvements	(6,841,432)	(533,039)	-	(7,374,471)
Total accumulated depreciation	<u>(8,263,749)</u>	<u>(625,221)</u>	<u>28,264</u>	<u>(8,860,706)</u>
Net capital assets being depreciated	<u>12,491,602</u>	<u>2,921,191</u>	<u>(100)</u>	<u>15,412,693</u>
Business-Type Activities - net capital assets	<u>\$ 17,728,963</u>	<u>\$ 3,702,936</u>	<u>\$ (3,506,165)</u>	<u>\$ 17,925,734</u>

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Depreciation expense was charged to functions as follows:

Governmental Activities:		Business-Type Activities:	
General government	\$ 157,004	Airport	\$ 568,870
Public safety	118,503	Golf course	47,146
Public works	611,916	Solid waste management	<u>9,205</u>
Public services	687		
Culture & recreation	<u>83,284</u>	Total	<u>\$ 625,221</u>
Total	<u>\$ 971,394</u>		

Note 6 - Capital Lease Payable:

The County has adopted the policy of acquiring certain capital assets through the use of lease purchase agreements. The lease purchases are backed by the full faith and credit of the County. The payments for the leases are made from the individual funds. The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of year end.

<u>Year Ending</u> <u>June 30,</u>	<u>Governmental</u> <u>Funds</u>
2019	\$ 153,067
2020	143,877
2021	167,255
2022	<u>398,825</u>
Total lease payments	863,024
Less: Amount representing interest	<u>(82,460)</u>
Present value of min. lease payments	<u>\$ 780,564</u>

The following is an analysis of the leased property under capital leases by major classes, these assets and related depreciation are included in Note 5:

	<u>Governmental</u> <u>Funds</u>
Equipment & Vehicles:	
Sheriff	\$ 304,920
Road	825,434
Assessor/Tax Collector	<u>4,761</u>
Total	<u>\$ 1,135,115</u>

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Note 7 - Long-Term Obligations:

Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2018 are as follows:

	Payable at July 1, 2017	Additions	Deletions	Payable at June 30, 2018	Due within one year
Governmental Activities:					
Community Bank - 4-H	\$ 175,141	\$ -	\$ (10,146)	\$ 164,995	\$ 12,281
Series 2013A Industrial Park	16,610	-	(8,223)	8,387	8,387
Baum Industrial Park - Bus. OR	365,255	-	(14,034)	351,221	14,561
Baum Industrial Park - UCEDC	300,000	-	-	300,000	-
Series 2013A Courthouse	680,000	-	(30,000)	650,000	30,000
Fair Board Tractor Loan	17,987	-	(5,996)	11,991	5,995
OTIB Palmer Junction Loan	159,184	601,102	(27,458)	732,828	45,934
Capital leases (Note 6)	866,689	38,986	(125,111)	780,564	153,067
Compensated absences	1,066,173	708,526	(643,132)	1,131,567	1,131,567
	<u>\$ 3,647,039</u>	<u>\$ 1,348,614</u>	<u>\$ (864,100)</u>	<u>\$ 4,131,553</u>	<u>\$ 1,401,792</u>
Business-Type Activities:					
	Payable at July 1, 2017	Additions	Deletions	Payable at June 30, 2018	Due within one year
Oregon Economic Devel. Dept.	\$ 1,106,831	\$ -	\$ (86,418)	\$ 1,020,413	\$ 89,011
Series 2013A Golf Course	73,390	-	(6,777)	66,613	6,612
Series 2013B Airport Bldg	575,000	-	(280,000)	295,000	295,000
Liability for closure & post- closure care costs (Note 15)	747,471	-	(33,280)	714,191	30,000
Compensated absences	11,405	26,507	(9,416)	28,496	28,496
	<u>\$ 2,514,097</u>	<u>\$ 26,507</u>	<u>\$ (415,891)</u>	<u>\$ 2,124,713</u>	<u>\$ 449,119</u>

The compensated absences liability attributable to governmental activities is liquidated by the fund that incurs the liability.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Debt Service Requirements

Debt service requirements on long-term debt at year end are as follows:

Community Bank

On October 9, 2009 the 4-H District entered into an agreement with Community Bank in the amount of \$249,500 to finance the purchase of their building. The debt will be repaid over 20 years, with 60 monthly payments of \$1,587 including interest at 4.5% and 180 monthly payments of \$1,455 including interest at 3.25%. The interest on this note is subject to change from time to time based on changes in an independent index which is the Federal Home Loan Bank 5-year Intermediate/Long Term Advances Fixed Rate taken from the Daily Advance Rates as published, on the Monday immediately prior to the date the note rate is changed, by the Federal Home Loan Bank. The debt is secured by property located at 10507 N. McAlister Road, La Grande, Oregon. Future payments are as follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ 12,281	\$ 5,180	\$ 17,461
2020	12,686	4,775	17,461
2021-2025	69,992	17,316	87,308
2026-2030	70,036	5,106	75,142
	<u>\$ 164,995</u>	<u>\$ 32,377</u>	<u>\$ 197,372</u>

Series 2013A Industrial Park

On December 23, 2013, the County entered into a \$40,325 obligation with US Bank Corporate Trust Services. The monies were used to refinance the Oregon Economic Development Department Industrial Park Loan. The obligation payments are due bi-annually on December 1 and June 1 of each fiscal year. The annual requirements to amortize note payments outstanding as of year end follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	<u>\$ 8,387</u>	<u>\$ 168</u>	<u>\$ 8,555</u>

Baum Industrial Park - Business Oregon

On December 28, 2012 the County entered into a \$445,000 loan from special public works fund by contract with Oregon Infrastructure Finance Authority of the Business Development Department. The monies were used to fund a portion of the Hendra Property Purchase (60 acres). The loan is due in annual installments due December 1 of \$27,767.32. Interest accrues at the rate of 3.76%. There was an advance payment made on January 28, 2013 of \$27,767.32 to assist with lowering accrued interest in the first year. The annual requirements to amortize note payments outstanding as of year end follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ 14,561	\$ 13,206	\$ 27,767
2020-2023	63,930	47,139	111,069
2024-2028	94,400	44,436	138,836
2029-2033	113,533	25,304	138,837
2034-2036	64,797	4,415	69,212
	<u>\$ 351,221</u>	<u>\$ 134,500</u>	<u>\$ 485,721</u>

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Baum Industrial Park - UCEDC

On November 27, 2012 the County entered into a \$300,000 loan from Union County Economic Development Corporation (UCEDC). The monies were used to fund a portion of the Hendra Property Purchase (60 acres). The loan is due in annual installments due January 1 of \$4,315, interest only until the special public works loan above is paid in full. At that time the County shall pay UCEDC the full amount of unpaid principal and accrued interest or commence annual payments to UCEDC on January 1 of each year in an amount sufficient to pay the interest accrued to the date of payment and so much of the principal as will fully amortize the loan by the maturity date but not less than \$25,000. Interest accrues at an initial rate of .60%, being adjusted annually on July 1 based on the previous January average Oregon Short Term Fund interest rate, but not to exceed the rate of 3.76%. The annual requirements to amortize note payments outstanding as of year end follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ -	\$ 4,315	\$ 4,315
2020-2023	-	17,260	17,260
2024-2028	-	21,575	21,575
2029-2033	-	21,575	21,575
2034-2038	300,000	21,575	321,575
	<u>\$ 300,000</u>	<u>\$ 86,300</u>	<u>\$ 386,300</u>

Series 2013A Courthouse

On December 23, 2013, the County entered into an agreement with the US Bank Corporate Trust Services in the amount of \$755,000 to finance the construction of the Courthouse building. The debt will be repaid over 20 years, with bi-annual payment due on December 1 and June 1 of each fiscal year. The interest on this note varies from 4-4.5% over the life of the loan. Future payments are as follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ 30,000	\$ 27,675	\$ 57,675
2020	30,000	26,475	56,475
2021-2024	135,000	93,000	228,000
2025-2029	200,000	80,775	280,775
2030-2033	255,000	29,813	284,813
	<u>\$ 650,000</u>	<u>\$ 257,738</u>	<u>\$ 907,738</u>

Fair Board Tractor Loan

On July 28th, 2014, Union County Fair Association entered into agreement with John Deere Financial Services in the amount of \$29,977 to finance the purchase of a tractor. The debt will be repaid over 5 years, with 5 annual payments of \$5,995.40. There is no interest on this note. The note is secured by John Deere Financial Services. Future payments are as follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ 5,995	\$ -	\$ 5,995
2020	5,996	-	5,996
	<u>\$ 11,991</u>	<u>\$ -</u>	<u>\$ 11,991</u>

UNION COUNTY, OREGON
Notes to Basic Financial Statements

General Obligation Bond

In August of 2007, the County Commissioners renegotiated a loan contract with Oregon Economic Development Department. This loan was for the acquisition of Buffalo Peak Golf Course. The interest will start accruing at 2% from December 1, 2008 to December 1, 2013, then increasing to 3% from December 1, 2013 to December 1, 2018, then increasing to 4% from December 1, 2018 to December 1, 2023, and finally increasing to 5% until paid off in 2027. Payment amounts will be \$111,618 annually from 2009-2013, \$119,625 from 2014-2018, \$125,267 from 2019-2023 and \$128,233 from 2024 until paid off in 2027. The annual requirements to amortize note payments outstanding as of year end follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ 89,011	\$ 30,612	\$ 119,623
2020	88,011	37,256	125,267
2021	91,531	33,736	125,267
2022	95,193	30,074	125,267
2023	99,000	26,267	125,267
2024	102,960	22,307	125,267
2025	105,497	22,735	128,232
2026	110,772	17,460	128,232
2027	116,311	11,922	128,233
2028	122,127	5,021	127,148
	<u>\$ 1,020,413</u>	<u>\$ 237,390</u>	<u>\$ 1,257,803</u>

Series 2013A Golf Course

On December 23, 2013, the County Commissioners entered into a Series 2013A Full Faith and Credit and Refunding Obligations with US Bank Corporate Trust Services. The loan was used to refinance the prior Buffalo Peak Operations loan. The loan will continue to be used for operations and improvements at Buffalo Peak Golf Course. The obligation payments are due bi-annually on December 1 and June 1 of each fiscal year. The annual requirements to amortize note payments outstanding as of year end follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ 6,612	\$ 2,682	\$ 9,294
2020	5,000	2,450	7,450
2021	5,000	2,250	7,250
2022	5,000	2,050	7,050
2023	5,000	1,850	6,850
2024	10,000	1,550	11,550
2025	10,000	1,125	11,125
2026	10,000	675	10,675
2027	10,001	224	10,225
	<u>\$ 66,613</u>	<u>\$ 14,856</u>	<u>\$ 81,469</u>

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Series 2013B Airport Building Loan

On December 23, 2013, the County entered into a \$1,400,000 loan refinance agreement with the US Bank Corporate Trust Services. The loan proceeds will continue to be used to payoff the financed construction of the Airport Fire Cache and Dispatch Building. The obligation payments are due bi-annually on December 1 and June 1 of each fiscal year. The annual requirements to amortize note payments outstanding as of year end follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ 295,000	\$ 4,130	\$ 299,130

OITB Palmer Junction Loan

On May 23, 2017, the County entered into a \$159,184 obligation with Oregon Transportation Infrastructure Bank through the Oregon Department of Transportation. The monies will be used on the costs of the OTIB Palmer Junction project. An additional \$601,102 was drawn May 30, 2018. Additional monies are expected to be drawn down and requested by the County under this loan agreement in future years. After an initial interest only payment made on January 1, 2018, the current obligation payments are due bi-annually on December 1 and June 1 of each fiscal year. Future payments on the current obligation are as follows:

Year ended June 30,	Principal	Interest	Total Requirements
2019	\$ 45,936	\$ 15,046	\$ 60,982
2020	45,574	15,408	60,982
2021	46,619	14,363	60,982
2022	47,689	13,293	60,982
2023	48,783	12,199	60,982
2024-2028	261,219	43,691	304,910
2029-2033	237,008	12,608	249,616
	<u>\$ 732,828</u>	<u>\$ 126,608</u>	<u>\$ 859,436</u>

Interest expense on long-term debt has been charged on the Statement of Activities as follows:

Government Type Activities:		Business Type Activities:	
Interest on long-term debt	\$ 87,132	Airport	\$ 18,143
		Golf Course	35,868

Note 8 - Internal Balances:

Interfund balances at June 30, 2018 consisted of the following receivables and payables:

	Receivables	Payables
Governmental Funds:		
General Fund	\$ 1,304,034	\$ -
Public Works	1,350,368	
Nonmajor Funds	-	67,924
Proprietary Funds:		
Airport Fund	-	1,236,110
Buffalo Peak Golf Course Fund	-	1,350,368
	<u>\$ 2,654,402</u>	<u>\$ 2,654,402</u>

Interfund receivables are to supplement funds operating a deficit. The \$1,350,368 due from Buffalo Peak Golf Course Fund is not expected to be repaid within one year from the date of the financial statements.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Note 9 - Grants:

In the normal course of operations, the County received grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority to ensure compliance with conditions of the grant. Any liability for reimbursement which may arise as the result of a grantor audit is not believed to be material.

Note 10 - Operating Leases:

The County has entered into a number of operating leases, which contain cancellation provisions and are subject to annual appropriations. For fiscal year ended June 30, 2018, rentals approximated \$218,037 for such leases. These leases primarily support governmental activities. The following is a schedule by year for the five years which totals all future minimum lease payments under operating leases:

Fiscal Year Ended June 30,	Governmental Funds
2019	\$ 397,992
2020	7,785
2021	1,952
2022	1,952
2023	813
Total payments	\$ 410,494

Note 11 - Contributions to Pension Plan:

The County provides pension benefits for all of its full-time employees through a defined contribution plan administered by the Principal Financial Group. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan assets are not insured. Employees are eligible to participate six months from the date of employment. Contributions by the County for employees were 16.4% of a small group of Sheriff and Corrections salaries, 15.1% of remaining Sheriff and Corrections salaries, 12.55% of Parole and Probation salaries, 10% of the County Road Department salaries, 10.8% of non-certified salaries, and 10.25% of AFSCME and non-union salaries. County employees contribute 6% of their salaries to the plan. The County's contributions for each employee are fully vested after five years of continuous service. County contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the County's current period contribution requirement. County Commissioners have full power and authority to adopt rules and regulations for the administration of the plan. Administration reviews and approves withdrawals, terminations and benefit payments.

The County's total payroll for the fiscal year ended June 30, 2018 was \$7,106,858, and the amount of these wages qualifying for pension plan contributions amounted to \$6,477,260. The total pension plan contributions for the fiscal year ended June 30, 2018 amounted to \$1,146,257. Of this amount, \$407,668 was paid by the employees and \$738,589 was paid by the County. The total fair market value of all contributions to the plan at year end was \$17,630,631. The fund invests the contributions in various mutual funds.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Note 12 - Internal Transfers:

Internal transfers for the fiscal year ended June 30, 2018 consist of the following:

	Transfers In	Transfers Out
Governmental Funds:		
General Fund	\$ 132,000	\$ 91,000
Public Works Fund	40,000	35,000
Justice Court	-	85,000
Nonmajor funds	109,540	280,540
Proprietary Funds:		
Airport Fund	90,000	120,000
Buffalo Peak Golf Course Fund	240,000	-
	\$ 611,540	\$ 611,540

Transfers are primarily used to move funds from:

- * The Special Revenue Funds to the General Fund for an allocated amount of salaries and benefits.
- * The Proprietary Funds to other Proprietary Funds for capital projects.
- * The General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 13 - 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; employee injury or illness for which the County carries commercial insurance, subject to customary deductibles and total coverage limits recommended by the County's insurance agent of record. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

Note 14 - Litigation:

The County is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the County. It is expected that insurance will cover any liabilities the County might incur.

Note 15 - Closure and Post-Closure Care Cost - Long-Term Liability:

State and federal laws and regulations require the Union County Solid Waste District to place a final cover on its Foxhill landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The landfill was officially closed on November 1, 2006. As of June 30, 2018, all closure cost had been paid. The \$714,191 reported as landfill closure and post-closure care liability at year end represents the estimated cost of monitoring the site for the next 18 ½ years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Management expects future revenues plus present cash will cover all post-closure costs.

The District is required by state and federal laws and regulations to make annual contributions to a trust, or obtain insurance, surety bond, letter of credit, or qualify as a self-insurer or any combination of these methods to finance closure and post-closure care. The District is in compliance with these requirements and at June 30, 2018, total cash of \$551,129 is available for these purposes. In the future, these costs may need to be covered by future tax revenue or franchise fees.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Note 16 - Other Post-Employment Benefits:

Defined Contribution OPEB Plan

The other postemployment benefits (OPEB) for the County is an implicit rate subsidy for retiree health insurance premiums.

Financial Statement Presentation

The County's OPEB plan is presented on the Statement of Net Position. The amounts on the financial statements relate to the plan as follows:

	Implicit Rate Subsidy Plan
Deferred Outflows of Resources	
Contributions After the Measurement Date	\$ 4,567
Total OPEB Asset (Liability)	(215,289)
Deferred Inflows of Resources	
Change in Assumptions	13,338
OPEB Expense	28,486
(Included in program expenses on Statement of Activities)	

Implicit Rate Subsidy

Plan Description

Association Oregon Counties Insurance Trust (AOCIT) is a Agent Multiple-Employer Plan administered by Cities and Counties Insurance Services. AOCIT provides health insurance benefits to employees and eligible retirees and their spouses. The Union County Board of Commissioners retain the right to modify the benefit provisions and the retirees have a choice of health insurance benefits under the plan. The AOCIT does not issue financial statements for Union County's plan as they are a government agency and exempt from filing.

Funding Policy

Funding Policy: The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners. The required contribution is based on the pay-as-you-go system requiring retired members to pay the full cost of the premium. The County has no contributions. Current rates to the retirees are as follows:

\$250 Deductible:	\$500 Deductible:
Retiree Only \$783.82	Retiree & Other \$1,645.18

The AOCIT plan is "community rated" and therefore there is no additional costs for the County current employees to have retirees continue on the plan and pay their premiums.

Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the valuation date of July 1, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	0
Active employees	101
	101

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The County's total OPEB liability of \$215,289 was measured as of June 30, 2018, and was determined by an actuarial valuation as of July 1, 2016.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

For the fiscal year ended June 30, 2018, the County recognized OPEB expense from this plan of \$28,486. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 13,338
Contributions subsequent to the measurement date	4,567	-
Total	\$ 4,567	\$ 13,338

Deferred outflows of resources related to OPEB of \$4,567 resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30,	
2019	\$ (1,551)
2020	(1,551)
2021	(1,551)
2022	(1,551)
2023	(1,551)
Thereafter	(5,583)
Total	\$ (13,338)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2016 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age normal
Inflation	2.50 percent
Salary increases	3.50 percent
Discount rate	3.58 percent (change from 2.85 percent in previous measurement period)
Projected salary increases	3.50 overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service.
Healthcare cost trend	Medical and vision: 7.50 percent per year, decreasing to 5.0 percent. Dental: 4.50 percent per year
Health Mortality	RP-2000 healthy white collar male and female mortality tables, set back one year for males. Mortality is projected on a generational basis using Scale BB for males and females.

The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2017	\$ 199,343
Changes for the year:	
Service cost	25,549
Interest on Total OPEB Liability	6,394
Effect of assumptions changes or inputs	(14,889)
Benefit Payments	(1,108)
Balance as of June 30, 2018	<u>\$ 215,289</u>

Changes in assumptions is the result of the change in the discount rate from 2.85 to 3.58.

Sensitivity of the Total OPEB Liability

The following presents the County's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
County's proportionate share of the net OPEB liability (asset)	\$ 236,051	\$ 215,289	\$ 195,950

Healthcare Cost Trend:

	1% Decrease (6.5% decreasing to 4%)	Current Healthcare Trend Rate (7.5% decreasing to 5.0%)	1% Increase (8.5% decreasing to 6.0%)
County's proportionate share of the net OPEB liability (asset)	\$ 185,761	\$ 215,289	\$ 250,873

Note 17 - Prior Period Adjustment:

As described in Note 1, the County has implemented Governmental Accounting Standards Board Statements No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). Accordingly, the beginning net position was restated to book the net OPEB liability/asset and corresponding deferred outflows of resources as of July 1, 2017. The net effect of these restatements are as follows:

	Governmental Activities	Business-Type Activities
<u>Government-Wide Statements:</u>		
Net position at July 1, 2017 - originally reported	\$ 40,772,774	\$ 13,795,587
Net OPEB liability/asset adjustment	(186,674)	(8,102)
Net position at July 1, 2017 - restated	<u>\$ 40,586,100</u>	<u>\$ 13,787,485</u>

UNION COUNTY, OREGON
Notes to Basic Financial Statements

Note 18 - Subsequent Events:

On August 15, 2018, the County passed a resolution authorizing a loan from the Special Public Works Fund by entering into a financing contract with the Oregon Infrastructure Finance Authority. The contract will provide interim project funding for the Airport Rappel Base Project. The amount authorized to be borrowed is up to \$4,000,000 at an interest rate of 1.85%.

Note 19 - Donated Asset:

The County participated in a joint project with Western Federal Lands for the Palmer Junction Road project. The funding for the project was Federal Lands Access Program (FLAP) funding expended solely by Western Federal Lands. At the completion of the project, Western Federal Lands donated the Palmer Junction Road to the County in the amount of \$6,824,764 as shown as a special item on the Statement of Activities.

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**REQUIRED SUPPLEMENTARY
INFORMATION**

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General Fund - 101
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 5,449,755	\$ 5,449,755	\$ 5,485,246	\$ 35,491
Payments in lieu of tax	1,143,000	1,143,000	1,264,331	121,331
Other taxes	9,000	9,000	7,734	(1,266)
Intergovernmental	1,472,253	1,506,492	1,137,222	(369,270)
Charges for services	949,027	949,027	786,996	(162,031)
Licenses and fees	302,500	302,500	327,691	25,191
Fines and forfeitures	15,500	15,500	37,369	21,869
Rental income	147,677	147,677	139,519	(8,158)
Interest on investments	15,000	15,000	28,802	13,802
Miscellaneous	125,500	125,500	303,954	178,454
Total revenues	<u>9,629,212</u>	<u>9,663,451</u>	<u>9,518,864</u>	<u>(144,587)</u>
Expenditures				
Assessor	975,749	975,749	916,238	59,511
County Clerk	406,818	406,818	362,577	44,241
Board of Commissioners/Administration	997,770	997,770	965,530	32,240
Facilities/District Court	462,026	462,026	425,234	36,792
District Attorney/Support Enforcement	629,840	694,079	584,409	109,670
Juvenile Department	632,141	632,141	575,541	56,600
Planning/Emergency Services	611,047	611,047	461,184	149,863
Special Accounts	1,036,700	1,036,700	945,650	91,050
Sheriff	2,392,657	2,392,657	2,202,210	190,447
Corrections	1,847,131	1,847,131	1,786,053	61,078
Debt service	59,000	59,000	58,868	132
Capital outlay	70,000	70,000	93,307	(23,307)
Contingency	300,000	270,000	-	270,000
Total expenditures	<u>10,420,879</u>	<u>10,455,118</u>	<u>9,376,801</u>	<u>1,078,317</u>
Excess of revenues over (under) expenditures	<u>(791,667)</u>	<u>(791,667)</u>	<u>142,063</u>	<u>933,730</u>
Other Financing Sources (Uses)				
Transfers in	135,000	135,000	132,000	(3,000)
Transfers out	(91,000)	(91,000)	(91,000)	-
Total other financing sources (uses)	<u>44,000</u>	<u>44,000</u>	<u>41,000</u>	<u>(3,000)</u>
Net change in fund balance	(747,667)	(747,667)	183,063	930,730
Beginning fund balance	747,667	747,667	905,015	157,348
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,088,078</u>	<u>\$ 1,088,078</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Public Works Fund - 201
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 3,641,284	\$ 3,641,284	\$ 3,770,806	\$ 129,522
Licenses and fees	18,000	18,000	46,707	28,707
Interest on investments	7,500	7,500	34,301	26,801
Miscellaneous	5,000	5,000	6,908	1,908
Total revenues	<u>3,671,784</u>	<u>3,671,784</u>	<u>3,858,722</u>	<u>186,938</u>
Expenditures				
Personnel services	1,568,396	1,568,396	1,484,281	84,115
Materials and services	2,466,494	2,466,494	1,111,903	1,354,591
Debt service	30,000	33,000	32,922	78
Capital outlay	1,277,966	1,277,966	350,906	927,060
Contingency	250,000	247,000	-	247,000
Total expenditures	<u>5,592,856</u>	<u>5,592,856</u>	<u>2,980,012</u>	<u>2,612,844</u>
Excess of revenues over (under) expenditures	<u>(1,921,072)</u>	<u>(1,921,072)</u>	<u>878,710</u>	<u>2,799,782</u>
Other Financing Sources (Uses)				
Transfers in	40,000	40,000	40,000	-
Transfers out	(35,000)	(35,000)	(35,000)	-
Proceeds from long-term debt	-	-	601,102	601,102
Total other financing sources (uses)	<u>5,000</u>	<u>5,000</u>	<u>606,102</u>	<u>601,102</u>
Net change in fund balance	<u>(1,916,072)</u>	<u>(1,916,072)</u>	<u>1,484,812</u>	<u>3,400,884</u>
Beginning fund balance	<u>1,916,072</u>	<u>1,916,072</u>	<u>2,906,750</u>	<u>990,678</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,391,562</u>	<u>\$ 4,391,562</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Community Corrections Fund - 240
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 374,956	\$ 406,387	\$ 352,682	\$ (53,705)
Charges for services	748,280	748,280	867,313	119,033
Fines and forfeitures	48,000	48,000	59,308	11,308
Interest on investments	5,000	5,000	21,574	16,574
Miscellaneous	2,500	2,500	6,757	4,257
Total revenues	<u>1,178,736</u>	<u>1,210,167</u>	<u>1,307,634</u>	<u>97,467</u>
Expenditures				
Personnel services	661,301	661,301	639,016	22,285
Materials and services	550,017	581,448	313,007	268,441
Capital outlay	42,000	42,000	27,220	14,780
Contingency	1,190,993	1,190,993	-	1,190,993
Total expenditures	<u>2,444,311</u>	<u>2,475,742</u>	<u>979,243</u>	<u>1,496,499</u>
Net change in fund balance	(1,265,575)	(1,265,575)	328,391	1,593,966
Beginning fund balance	<u>1,265,575</u>	<u>1,265,575</u>	<u>1,518,367</u>	<u>252,792</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,846,758</u>	<u>\$ 1,846,758</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Human Services Program Fund - 268
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 4,712,970	\$ 4,712,970	\$ 2,801,450	\$ (1,911,520)
Miscellaneous	30,000	30,000	44,036	14,036
Total revenues	<u>4,742,970</u>	<u>4,742,970</u>	<u>2,845,486</u>	<u>(1,897,484)</u>
Expenditures				
Personnel services	203,070	203,070	172,304	30,766
Materials and services	4,561,900	4,561,900	2,531,400	2,030,500
Total expenditures	<u>4,764,970</u>	<u>4,764,970</u>	<u>2,703,704</u>	<u>2,061,266</u>
Net change in fund balance	(22,000)	(22,000)	141,782	163,782
Beginning fund balance	<u>22,000</u>	<u>22,000</u>	<u>71,267</u>	<u>49,267</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213,049</u>	<u>\$ 213,049</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Justice Court Fund - 300
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeitures	\$ 305,000	\$ 305,000	\$ 440,548	\$ 135,548
Interest on investments	1,000	1,000	3,438	2,438
Miscellaneous	1,750	1,750	706	(1,044)
Total revenues	<u>307,750</u>	<u>307,750</u>	<u>444,692</u>	<u>136,942</u>
Expenditures				
Personnel services	106,530	107,030	106,920	110
Materials and services	180,420	230,420	221,881	8,539
Contingency	85,800	35,300	-	35,300
Total expenditures	<u>372,750</u>	<u>372,750</u>	<u>328,801</u>	<u>43,949</u>
Excess of revenues over (under) expenditures	(65,000)	(65,000)	115,891	180,891
Other Financing Sources (Uses)				
Transfers out	(85,000)	(85,000)	(85,000)	-
Net change in fund balance	(150,000)	(150,000)	30,891	180,891
Beginning fund balance	150,000	150,000	201,308	51,308
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,199</u>	<u>\$ 232,199</u>

UNION COUNTY, OREGON
Notes to Required Supplementary Information

Budgets and Budgetary Accounting

The County budgets all funds which are subject to budget requirements of state law. The County Commissioners legally adopt the budget by resolution before July 1. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of control (departments in the General Fund and objects in all other funds, personal services, materials and services, capital outlay, contingency, other requirements, transfers, and debt service) is established by resolution for all funds.

The detail budget document, however, is required to contain more specific, detailed information for the aforementioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. A supplemental budget that differs by 10 percent or more of any one of the individual funds contained in the original budget for that fiscal year requires hearings before the public, publications in newspapers, and approval by the County Commissioners. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the County Commissioners. Appropriations that have not been expended at year-end lapse and subsequent actual expenditures are then charged against ensuing year's appropriations.

Appropriations

The County has complied with legal requirements relating to the preparation, adoption and execution of the annual budget for the year ended June 30, 2018, except the County did not comply with ORS 294.456(6). Expenditures exceeded budgeted appropriations for the year ended June 30, 2018, as stated in the Notes to Basic Financial Statements, Note 2: Compliance and Accountability.

SUPPLEMENTARY INFORMATION

UNION COUNTY, OREGON
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	202	205	210	215	217	220
	Weed Fund	Bicycle Fund/ Project Fund	Parks Department	Animal Control	County School	Commission on Children & Families
Assets and Deferred Outflows of Resources						
Assets:						
Cash and investments	\$ 82,364	\$ 126,830	\$ 212,463	\$ 1,212	\$ 205	\$ 95,437
Prepaid expenses	-	-	-	-	-	-
Accounts receivable	-	1,964	13,493	-	-	28,436
Taxes receivable	-	-	-	-	-	-
Total assets	<u>82,364</u>	<u>128,794</u>	<u>225,956</u>	<u>1,212</u>	<u>205</u>	<u>123,873</u>
Deferred outflows of resources:	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 82,364</u>	<u>\$ 128,794</u>	<u>\$ 225,956</u>	<u>\$ 1,212</u>	<u>\$ 205</u>	<u>\$ 123,873</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities:						
Accounts payable	\$ 18,876	\$ -	\$ 4,223	\$ 1,016	\$ -	\$ 247
Unearned revenue	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-
Total liabilities	<u>18,876</u>	<u>-</u>	<u>4,223</u>	<u>1,016</u>	<u>-</u>	<u>247</u>
Deferred inflows of resources:	-	-	-	-	-	-
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	63,488	128,794	221,733	-	205	123,626
Committed	-	-	-	196	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>63,488</u>	<u>128,794</u>	<u>221,733</u>	<u>196</u>	<u>205</u>	<u>123,626</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 82,364</u>	<u>\$ 128,794</u>	<u>\$ 225,956</u>	<u>\$ 1,212</u>	<u>\$ 205</u>	<u>\$ 123,873</u>

UNION COUNTY, OREGON
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2018

230 Court Security	233 Wind Project	235 STF	245 Crime Victim Program	247 MERA	249 Sheriff Reserve Program	252 Title III	253 Forest Service Title III
\$ 56,154	\$ 344	\$ 33,820	\$ 17,861	\$ 105,204	\$ -	\$ 318,065	\$ 60,115
-	-	-	-	-	-	-	-
2,663	-	-	32,941	80,358	-	-	-
-	-	-	-	-	-	-	-
<u>58,817</u>	<u>344</u>	<u>33,820</u>	<u>50,802</u>	<u>185,562</u>	<u>-</u>	<u>318,065</u>	<u>60,115</u>
-	-	-	-	-	-	-	-
<u>\$ 58,817</u>	<u>\$ 344</u>	<u>\$ 33,820</u>	<u>\$ 50,802</u>	<u>\$ 185,562</u>	<u>\$ -</u>	<u>\$ 318,065</u>	<u>\$ 60,115</u>
\$ -	\$ -	\$ 29,811	\$ 248	\$ 22,093	\$ 359	\$ -	\$ -
-	-	-	-	-	-	308,678	-
-	-	-	-	-	6,941	-	-
-	-	<u>29,811</u>	<u>248</u>	<u>22,093</u>	<u>7,300</u>	<u>308,678</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
58,817	-	4,009	50,554	163,469	-	9,387	60,115
-	344	-	-	-	-	-	-
-	-	-	-	-	(7,300)	-	-
<u>58,817</u>	<u>344</u>	<u>4,009</u>	<u>50,554</u>	<u>163,469</u>	<u>(7,300)</u>	<u>9,387</u>	<u>60,115</u>
<u>\$ 58,817</u>	<u>\$ 344</u>	<u>\$ 33,820</u>	<u>\$ 50,802</u>	<u>\$ 185,562</u>	<u>\$ -</u>	<u>\$ 318,065</u>	<u>\$ 60,115</u>

UNION COUNTY, OREGON
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2018

	255	260	263	265	266	269
	Economic Development	Community Development Loan	Watershed	Agriculture Services	Non-Med Transportation	Mediation Assessment
Assets and Deferred Outflows of Resources						
Assets:						
Cash and investments	\$ 470,272	\$ 10,190	\$ -	\$ 97,754	\$ 6,008	\$ 57,944
Prepaid expenses	-	-	-	-	-	-
Accounts receivable	19,944	-	64,188	11,375	34,121	-
Taxes receivable	-	-	-	-	-	-
Total assets	<u>490,216</u>	<u>10,190</u>	<u>64,188</u>	<u>109,129</u>	<u>40,129</u>	<u>57,944</u>
Deferred outflows of resources:	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 490,216</u>	<u>\$ 10,190</u>	<u>\$ 64,188</u>	<u>\$ 109,129</u>	<u>\$ 40,129</u>	<u>\$ 57,944</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 320	\$ -	\$ 3,205	\$ 1,818	\$ 1,361	\$ -
Unearned revenue	-	-	-	-	-	-
Interfund payable	-	-	60,983	-	-	-
Total liabilities	<u>320</u>	<u>-</u>	<u>64,188</u>	<u>1,818</u>	<u>1,361</u>	<u>-</u>
Deferred inflows of resources:	-	-	-	-	-	-
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	150,000	10,190	-	-	38,768	57,944
Committed	339,896	-	-	107,311	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>489,896</u>	<u>10,190</u>	<u>-</u>	<u>107,311</u>	<u>38,768</u>	<u>57,944</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 490,216</u>	<u>\$ 10,190</u>	<u>\$ 64,188</u>	<u>\$ 109,129</u>	<u>\$ 40,129</u>	<u>\$ 57,944</u>

UNION COUNTY, OREGON
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2018

270	272	280	283	285	287	290	293
Ambulance	Library Project	911 Communication	RAC Maintenance	Law Library	Drug Court	Building & Property Reserve	Senior Center Maintenance
\$ 1,663	\$ 4,416	\$ 99,503	\$ 24,727	\$ 91,687	\$ 1,120	\$ 75,118	\$ 37,796
-	-	-	-	-	-	-	-
-	-	92,154	-	-	35,858	-	-
-	-	-	-	-	-	-	-
<u>1,663</u>	<u>4,416</u>	<u>191,657</u>	<u>24,727</u>	<u>91,687</u>	<u>36,978</u>	<u>75,118</u>	<u>37,796</u>
-	-	-	-	-	-	-	-
<u>\$ 1,663</u>	<u>\$ 4,416</u>	<u>\$ 191,657</u>	<u>\$ 24,727</u>	<u>\$ 91,687</u>	<u>\$ 36,978</u>	<u>\$ 75,118</u>	<u>\$ 37,796</u>
\$ -	\$ -	\$ -	\$ -	\$ 24,685	\$ 25,731	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	24,685	25,731	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	4,416	191,657	-	67,002	11,247	-	-
1,663	-	-	24,727	-	-	75,118	37,796
-	-	-	-	-	-	-	-
<u>1,663</u>	<u>4,416</u>	<u>191,657</u>	<u>24,727</u>	<u>67,002</u>	<u>11,247</u>	<u>75,118</u>	<u>37,796</u>
<u>\$ 1,663</u>	<u>\$ 4,416</u>	<u>\$ 191,657</u>	<u>\$ 24,727</u>	<u>\$ 91,687</u>	<u>\$ 36,978</u>	<u>\$ 75,118</u>	<u>\$ 37,796</u>

UNION COUNTY, OREGON
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2018

	295 Union County Fair Board	301 Clerk Equipment Reserve	302 A & T Users Capital	303 Vehicle Reserve	306 GIS	307 Transit HUB Maintenance
Assets and Deferred Outflows of Resources						
Assets:						
Cash and investments	\$ 64,159	\$ 52,748	\$ 35,388	\$ 63,895	\$ 34,193	\$ 37,155
Prepaid expenses	-	-	-	-	-	-
Accounts receivable	-	1,037	157	-	1,361	-
Taxes receivable	-	-	-	-	-	-
Total assets	<u>64,159</u>	<u>53,785</u>	<u>35,545</u>	<u>63,895</u>	<u>35,554</u>	<u>37,155</u>
Deferred outflows of resources:	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 64,159</u>	<u>\$ 53,785</u>	<u>\$ 35,545</u>	<u>\$ 63,895</u>	<u>\$ 35,554</u>	<u>\$ 37,155</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 16,553	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	6,309	-	-	-	-	-
Interfund payable	-	-	-	-	-	-
Total liabilities	<u>22,862</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:	-	-	-	-	-	-
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	53,785	-	-	-	-
Committed	41,297	-	35,545	63,895	35,554	37,155
Unassigned	-	-	-	-	-	-
Total fund balances	<u>41,297</u>	<u>53,785</u>	<u>35,545</u>	<u>63,895</u>	<u>35,554</u>	<u>37,155</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 64,159</u>	<u>\$ 53,785</u>	<u>\$ 35,545</u>	<u>\$ 63,895</u>	<u>\$ 35,554</u>	<u>\$ 37,155</u>

UNION COUNTY, OREGON
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2018

308 Communications System	312 Dispute Resolution	313 Surveyor	315 Map	902 Union County 4-H Extension	Total Nonmajor Governmental Funds
\$ 192,355	\$ 4,513	\$ 17,533	\$ 9,449	\$ 227,663	\$ 2,827,323
-	-	-	-	1,696	1,696
-	350	2,428	-	9,524	432,352
-	-	-	-	27,745	27,745
<u>192,355</u>	<u>4,863</u>	<u>19,961</u>	<u>9,449</u>	<u>266,628</u>	<u>3,289,116</u>
-	-	-	-	-	-
<u>\$ 192,355</u>	<u>\$ 4,863</u>	<u>\$ 19,961</u>	<u>\$ 9,449</u>	<u>\$ 266,628</u>	<u>\$ 3,289,116</u>
\$ 1,676	\$ 778	\$ 4,925	\$ -	\$ 4,896	\$ 162,821
-	-	-	-	25,221	340,208
-	-	-	-	-	67,924
<u>1,676</u>	<u>778</u>	<u>4,925</u>	<u>-</u>	<u>30,117</u>	<u>570,953</u>
-	-	-	-	-	-
-	-	-	-	1,696	1,696
-	4,085	15,036	-	234,815	1,723,142
190,679	-	-	9,449	-	1,000,625
-	-	-	-	-	(7,300)
<u>190,679</u>	<u>4,085</u>	<u>15,036</u>	<u>9,449</u>	<u>236,511</u>	<u>2,718,163</u>
<u>\$ 192,355</u>	<u>\$ 4,863</u>	<u>\$ 19,961</u>	<u>\$ 9,449</u>	<u>\$ 266,628</u>	<u>\$ 3,289,116</u>

UNION COUNTY, OREGON
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2018

	202	205	210	215	217	220
	Weed Fund	Bicycle Fund/ Project Fund	Parks Department	Animal Control	County School	Commission on Children & Families
Revenues						
Taxes:						
Property taxes	\$ 191,276	\$ -	\$ -	\$ -	\$ -	\$ -
Payments in lieu of tax	-	-	-	-	126,791	-
Other taxes	-	-	-	-	7,426	-
Intergovernmental	7,691	144,543	63,369	-	184,684	112,243
Charges for services	-	-	-	10,730	-	-
Licenses and fees	-	-	-	-	-	-
Miscellaneous:						
Fines and forfeitures	-	-	-	9,214	-	-
Rental income	-	-	-	-	-	-
Interest on investments	1,313	1,795	2,644	-	1,010	1,387
Other income	4,586	-	-	34,500	-	6,423
Total revenues	<u>204,866</u>	<u>146,338</u>	<u>66,013</u>	<u>54,444</u>	<u>319,911</u>	<u>120,053</u>
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public works	-	102,058	-	-	-	-
Public safety	-	19,799	-	-	-	-
Public services	177,676	-	-	113,922	-	123,840
Culture and recreation	-	-	36,366	-	-	-
Community development	-	-	-	-	-	-
Education	-	-	-	-	319,843	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	13,615	-	-	-	-	-
Total expenditures	<u>191,291</u>	<u>121,857</u>	<u>36,366</u>	<u>113,922</u>	<u>319,843</u>	<u>123,840</u>
Excess of revenues over (under) expenditures	<u>13,575</u>	<u>24,481</u>	<u>29,647</u>	<u>(59,478)</u>	<u>68</u>	<u>(3,787)</u>
Other Financing Sources (Uses)						
Transfers in	-	-	-	62,000	-	-
Transfers out	(10,155)	-	(10,000)	-	-	-
Total other financing sources (uses)	<u>(10,155)</u>	<u>-</u>	<u>(10,000)</u>	<u>62,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3,420	24,481	19,647	2,522	68	(3,787)
Beginning fund balance	<u>60,068</u>	<u>104,313</u>	<u>202,086</u>	<u>(2,326)</u>	<u>137</u>	<u>127,413</u>
Ending fund balance	<u>\$ 63,488</u>	<u>\$ 128,794</u>	<u>\$ 221,733</u>	<u>\$ 196</u>	<u>\$ 205</u>	<u>\$ 123,626</u>

UNION COUNTY, OREGON
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
For the Fiscal Year Ended June 30, 2018

230 Court Security	233 Wind Project	235 STF	245 Crime Victim Program	247 MERA	249 Sheriff Reserve Program	252 Title III	253 Forest Service Title III
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
41,824	-	309,279	165,127	122,673	-	-	-
-	167,107	-	-	-	4,628	-	-
-	-	-	-	-	-	-	-
691	939	307	-	-	-	3,297	744
-	-	-	382	10,386	-	-	-
<u>42,515</u>	<u>168,046</u>	<u>309,586</u>	<u>165,509</u>	<u>133,059</u>	<u>4,628</u>	<u>3,297</u>	<u>744</u>
-	-	-	-	-	-	-	-
18,572	-	-	-	-	-	-	-
-	-	-	169,753	-	10,290	-	553
-	48,523	376,159	-	149,057	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	22,218	-	-	-
<u>18,572</u>	<u>48,523</u>	<u>376,159</u>	<u>169,753</u>	<u>171,275</u>	<u>10,290</u>	<u>-</u>	<u>553</u>
<u>23,943</u>	<u>119,523</u>	<u>(66,573)</u>	<u>(4,244)</u>	<u>(38,216)</u>	<u>(5,662)</u>	<u>3,297</u>	<u>191</u>
-	-	-	-	-	-	-	-
-	(120,385)	-	-	-	-	-	-
-	(120,385)	-	-	-	-	-	-
23,943	(862)	(66,573)	(4,244)	(38,216)	(5,662)	3,297	191
<u>34,874</u>	<u>1,206</u>	<u>70,582</u>	<u>54,798</u>	<u>201,685</u>	<u>(1,638)</u>	<u>6,090</u>	<u>59,924</u>
<u>\$ 58,817</u>	<u>\$ 344</u>	<u>\$ 4,009</u>	<u>\$ 50,554</u>	<u>\$ 163,469</u>	<u>\$ (7,300)</u>	<u>\$ 9,387</u>	<u>\$ 60,115</u>

UNION COUNTY, OREGON
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
For the Fiscal Year Ended June 30, 2018

	255	260	263	265	266	269
	Economic Development	Community Development Loan	Watershed	Agriculture Services	Non-Med Transportation	Mediation Assessment
Revenues						
Taxes:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payments in lieu of tax	-	-	-	-	-	-
Other taxes	188,671	-	-	-	-	-
Intergovernmental	499,941	-	-	46,625	55,026	-
Charges for services	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	27,115
Miscellaneous:						
Fines and forfeitures	-	-	-	-	-	-
Rental income	-	-	-	-	-	-
Interest on investments	6,443	126	-	1,329	124	815
Other income	2,070	-	337,620	-	13,409	-
Total revenues	<u>697,125</u>	<u>126</u>	<u>337,620</u>	<u>47,954</u>	<u>68,559</u>	<u>27,930</u>
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public services	-	-	337,623	50,554	35,675	20,875
Culture and recreation	-	-	-	-	-	-
Community development	120,091	-	-	-	-	-
Education	-	-	-	-	-	-
Debt service:						
Principal	22,757	-	-	-	-	-
Interest	16,365	-	-	-	-	-
Capital outlay	360,898	-	-	-	-	-
Total expenditures	<u>520,111</u>	<u>-</u>	<u>337,623</u>	<u>50,554</u>	<u>35,675</u>	<u>20,875</u>
Excess of revenues over (under) expenditures	<u>177,014</u>	<u>126</u>	<u>(3)</u>	<u>(2,600)</u>	<u>32,884</u>	<u>7,055</u>
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	(140,000)	-	-	-	-	-
Total other financing sources (uses)	<u>(140,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	37,014	126	(3)	(2,600)	32,884	7,055
Beginning fund balance	<u>452,882</u>	<u>10,064</u>	<u>3</u>	<u>109,911</u>	<u>5,884</u>	<u>50,889</u>
Ending fund balance	<u>\$ 489,896</u>	<u>\$ 10,190</u>	<u>\$ -</u>	<u>\$ 107,311</u>	<u>\$ 38,768</u>	<u>\$ 57,944</u>

UNION COUNTY, OREGON
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
For the Fiscal Year Ended June 30, 2018

270	272	280	283	285	287	290	293
Ambulance	Library Project	911 Communication	RAC Maintenance	Law Library	Drug Court	Building & Property Reserve	Senior Center Maintenance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	362,901	-	-	112,284	-	-
-	-	-	6,000	-	-	-	-
-	-	-	-	18,668	10,432	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
21	55	3,060	280	1,197	-	1,048	429
-	-	-	-	-	120	-	7,200
<u>21</u>	<u>55</u>	<u>365,961</u>	<u>6,280</u>	<u>19,865</u>	<u>122,836</u>	<u>1,048</u>	<u>7,629</u>
-	-	-	-	-	-	-	-
-	-	320,000	-	-	112,654	-	-
-	-	-	-	36,758	-	-	-
-	-	-	10,400	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	17,400	-
-	-	<u>320,000</u>	<u>10,400</u>	<u>36,758</u>	<u>112,654</u>	<u>17,400</u>	<u>-</u>
<u>21</u>	<u>55</u>	<u>45,961</u>	<u>(4,120)</u>	<u>(16,893)</u>	<u>10,182</u>	<u>(16,352)</u>	<u>7,629</u>
-	-	-	-	-	-	8,385	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	8,385	-
21	55	45,961	(4,120)	(16,893)	10,182	(7,967)	7,629
<u>1,642</u>	<u>4,361</u>	<u>145,696</u>	<u>28,847</u>	<u>83,895</u>	<u>1,065</u>	<u>83,085</u>	<u>30,167</u>
<u>\$ 1,663</u>	<u>\$ 4,416</u>	<u>\$ 191,657</u>	<u>\$ 24,727</u>	<u>\$ 67,002</u>	<u>\$ 11,247</u>	<u>\$ 75,118</u>	<u>\$ 37,796</u>

UNION COUNTY, OREGON
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
For the Fiscal Year Ended June 30, 2018

	295 Union County Fair Board	301 Clerk Equipment Reserve	302 A & T Users Capital	303 Vehicle Reserve	306 GIS	307 Transit HUB Maintenance
Revenues						
Taxes:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payments in lieu of tax	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-
Intergovernmental	53,167	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Licenses and fees	-	12,924	2,014	-	14,979	-
Miscellaneous:						
Fines and forfeitures	-	-	-	-	-	-
Rental income	23,612	-	-	-	-	-
Interest on investments	1	597	427	932	389	431
Other income	67,651	-	-	307	-	6,000
Total revenues	<u>144,431</u>	<u>13,521</u>	<u>2,441</u>	<u>1,239</u>	<u>15,368</u>	<u>6,431</u>
Expenditures						
Current:						
General government	-	5,125	-	-	-	-
Public works	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public services	-	-	-	-	9,060	1,122
Culture and recreation	119,554	-	-	-	-	-
Community development	-	-	-	-	-	-
Education	-	-	-	-	-	-
Debt service:						
Principal	5,996	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	18,577	-	-	44,376	-	-
Total expenditures	<u>144,127</u>	<u>5,125</u>	<u>-</u>	<u>44,376</u>	<u>9,060</u>	<u>1,122</u>
Excess of revenues over (under) expenditures	<u>304</u>	<u>8,396</u>	<u>2,441</u>	<u>(43,137)</u>	<u>6,308</u>	<u>5,309</u>
Other Financing Sources (Uses)						
Transfers in	-	-	-	15,155	1,500	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,155</u>	<u>1,500</u>	<u>-</u>
Net change in fund balance	304	8,396	2,441	(27,982)	7,808	5,309
Beginning fund balance	<u>40,993</u>	<u>45,389</u>	<u>33,104</u>	<u>91,877</u>	<u>27,746</u>	<u>31,846</u>
Ending fund balance	<u>\$ 41,297</u>	<u>\$ 53,785</u>	<u>\$ 35,545</u>	<u>\$ 63,895</u>	<u>\$ 35,554</u>	<u>\$ 37,155</u>

UNION COUNTY, OREGON
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
For the Fiscal Year Ended June 30, 2018

308	312	313	315	902 Union County 4-H Extension	Total Nonmajor Governmental Funds
Communications System	Dispute Resolution	Surveyor	Map		
\$ -	\$ -	\$ -	\$ -	\$ 297,813	\$ 489,089
-	-	-	-	-	126,791
-	-	-	-	-	196,097
-	26,000	-	-	-	2,307,377
-	6,205	-	-	-	27,563
60,393	-	32,827	-	-	346,459
-	-	-	-	-	9,214
-	-	-	-	55,770	79,382
2,304	79	173	117	5,140	39,644
-	-	-	-	18,531	509,185
<u>62,697</u>	<u>32,284</u>	<u>33,000</u>	<u>117</u>	<u>377,254</u>	<u>4,130,801</u>
-	-	56,699	-	-	61,824
-	-	-	-	-	102,058
33,927	-	-	-	-	504,952
-	34,204	-	-	-	1,085,147
-	-	-	-	339,263	680,998
-	-	-	-	-	555,173
-	-	-	-	-	319,843
-	-	-	-	10,146	38,899
-	-	-	-	7,316	23,681
-	-	-	-	-	477,084
<u>33,927</u>	<u>34,204</u>	<u>56,699</u>	<u>-</u>	<u>356,725</u>	<u>3,849,659</u>
<u>28,770</u>	<u>(1,920)</u>	<u>(23,699)</u>	<u>117</u>	<u>20,529</u>	<u>281,142</u>
-	-	22,500	-	-	109,540
-	-	-	-	-	(280,540)
-	-	22,500	-	-	(171,000)
28,770	(1,920)	(1,199)	117	20,529	110,142
<u>161,909</u>	<u>6,005</u>	<u>16,235</u>	<u>9,332</u>	<u>215,982</u>	<u>2,608,021</u>
<u>\$ 190,679</u>	<u>\$ 4,085</u>	<u>\$ 15,036</u>	<u>\$ 9,449</u>	<u>\$ 236,511</u>	<u>\$ 2,718,163</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Weed Control Fund - 202
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 190,000	\$ 190,000	\$ 191,276	\$ 1,276
Intergovernmental	50,762	50,762	7,691	(43,071)
Interest on investments	-	-	1,313	1,313
Miscellaneous	-	-	4,586	4,586
Total revenues	<u>240,762</u>	<u>240,762</u>	<u>204,866</u>	<u>(35,896)</u>
Expenditures				
Personnel services	100,150	100,150	90,985	9,165
Materials and services	113,230	113,230	86,691	26,539
Capital outlay	9,500	18,700	13,615	5,085
Contingency	37,727	28,527	-	28,527
Total expenditures	<u>260,607</u>	<u>260,607</u>	<u>191,291</u>	<u>69,316</u>
Excess of revenues over (under) expenditures	(19,845)	(19,845)	13,575	33,420
Other Financing Sources (Uses)				
Transfers out	<u>(10,155)</u>	<u>(10,155)</u>	<u>(10,155)</u>	<u>-</u>
Net change in fund balance	(30,000)	(30,000)	3,420	33,420
Beginning fund balance	<u>30,000</u>	<u>30,000</u>	<u>60,068</u>	<u>30,068</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,488</u>	<u>\$ 63,488</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Bicycle Fund/Project Fund - 205
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 167,500	\$ 167,500	\$ 144,543	\$ (22,957)
Interest on investments	500	500	1,795	1,295
Total revenues	<u>168,000</u>	<u>168,000</u>	<u>146,338</u>	<u>(21,662)</u>
Expenditures				
Materials and services	160,000	160,000	121,857	38,143
Capital outlay	50,000	50,000	-	50,000
Contingency	58,000	58,000	-	58,000
Total expenditures	<u>268,000</u>	<u>268,000</u>	<u>121,857</u>	<u>146,143</u>
Net change in fund balance	(100,000)	(100,000)	24,481	124,481
Beginning fund balance	<u>100,000</u>	<u>100,000</u>	<u>104,313</u>	<u>4,313</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,794</u>	<u>\$ 128,794</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Parks Fund - 210
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 98,538	\$ 98,538	\$ 63,369	\$ (35,169)
Interest on investments	1,000	1,000	2,644	1,644
Total revenues	<u>99,538</u>	<u>99,538</u>	<u>66,013</u>	<u>(33,525)</u>
Expenditures				
Personnel services	25,790	25,790	22,013	3,777
Materials and services	70,000	70,000	14,353	55,647
Capital outlay	55,000	55,000	-	55,000
Contingency	147,115	147,115	-	147,115
Total expenditures	<u>297,905</u>	<u>297,905</u>	<u>36,366</u>	<u>261,539</u>
Excess of revenues over (under) expenditures	(198,367)	(198,367)	29,647	228,014
Other Financing Sources (Uses)				
Transfers out	(10,000)	(10,000)	(10,000)	-
Net change in fund balance	(208,367)	(208,367)	19,647	228,014
Beginning fund balance	<u>208,367</u>	<u>208,367</u>	<u>202,086</u>	<u>(6,281)</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,733</u>	<u>\$ 221,733</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Animal Control Fund - 215
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 15,790	\$ 15,790	\$ 10,730	\$ (5,060)
Licenses and fees	15,000	15,000	-	(15,000)
Fines and forfeitures	3,000	3,000	9,214	6,214
Miscellaneous	34,500	34,500	34,500	-
Total revenues	<u>68,290</u>	<u>68,290</u>	<u>54,444</u>	<u>(13,846)</u>
Expenditures				
Personnel services	69,237	69,237	52,779	16,458
Materials and services	72,805	72,805	61,143	11,662
Total expenditures	<u>142,042</u>	<u>142,042</u>	<u>113,922</u>	<u>28,120</u>
Excess of revenues over (under) expenditures	(73,752)	(73,752)	(59,478)	14,274
Other Financing Sources (Uses)				
Transfers in	<u>62,000</u>	<u>62,000</u>	<u>62,000</u>	<u>-</u>
Net change in fund balance	(11,752)	(11,752)	2,522	14,274
Beginning fund balance	<u>11,752</u>	<u>11,752</u>	<u>(2,326)</u>	<u>(14,078)</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196</u>	<u>\$ 196</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
County School Fund - 217
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Payments in lieu of tax	\$ 120,000	\$ 120,000	\$ 126,791	\$ 6,791
Other taxes	12,000	12,000	7,426	(4,574)
Intergovernmental	200,000	200,000	184,684	(15,316)
Interest on investments	500	500	1,010	510
Total revenues	<u>332,500</u>	<u>332,500</u>	<u>319,911</u>	<u>(12,589)</u>
Expenditures				
Distributions to school districts	<u>332,500</u>	<u>332,500</u>	<u>319,843</u>	<u>12,657</u>
Net change in fund balance	-	-	68	68
Beginning fund balance	<u>-</u>	<u>-</u>	<u>137</u>	<u>137</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 205</u>	<u>\$ 205</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Commission on Children & Families Fund - 220
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 125,000	\$ 125,000	\$ 112,243	\$ (12,757)
Interest on investments	-	-	1,387	1,387
Miscellaneous	18,000	18,000	6,423	(11,577)
Total revenues	<u>143,000</u>	<u>143,000</u>	<u>120,053</u>	<u>(22,947)</u>
Expenditures				
Personnel services	89,157	89,157	83,651	5,506
Materials and services	78,693	78,693	40,189	38,504
Total expenditures	<u>167,850</u>	<u>167,850</u>	<u>123,840</u>	<u>44,010</u>
Net change in fund balance	(24,850)	(24,850)	(3,787)	21,063
Beginning fund balance	<u>24,850</u>	<u>24,850</u>	<u>127,413</u>	<u>102,563</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 123,626</u>	<u>\$ 123,626</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Court Security Fund - 230
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 45,000	\$ 45,000	\$ 41,824	\$ (3,176)
Interest on investments	140	140	691	551
Total revenues	<u>45,140</u>	<u>45,140</u>	<u>42,515</u>	<u>(2,625)</u>
Expenditures				
Materials and services	38,000	58,000	18,572	39,428
Contingency	35,520	15,520	-	15,520
Total expenditures	<u>73,520</u>	<u>73,520</u>	<u>18,572</u>	<u>54,948</u>
Net change in fund balance	(28,380)	(28,380)	23,943	52,323
Beginning fund balance	<u>28,380</u>	<u>28,380</u>	<u>34,874</u>	<u>6,494</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,817</u>	<u>\$ 58,817</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Wind Project Fund - 233
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and fees	\$ 180,000	\$ 180,000	\$ 167,107	\$ (12,893)
Interest on investments	-	-	939	939
Total revenues	<u>180,000</u>	<u>180,000</u>	<u>168,046</u>	<u>(11,954)</u>
Expenditures				
Materials and services	<u>55,000</u>	<u>55,000</u>	<u>48,523</u>	<u>6,477</u>
Excess of revenues over (under) expenditures	125,000	125,000	119,523	(5,477)
Other Financing Sources (Uses)				
Transfers out	<u>(125,000)</u>	<u>(125,000)</u>	<u>(120,385)</u>	<u>4,615</u>
Net change in fund balance	-	-	(862)	(862)
Beginning fund balance	<u>-</u>	<u>-</u>	<u>1,206</u>	<u>1,206</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 344</u></u>	<u><u>\$ 344</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
STF Fund - 235
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 355,500	\$ 380,500	\$ 309,279	\$ (71,221)
Interest on investments	-	-	307	307
Total revenues	<u>355,500</u>	<u>380,500</u>	<u>309,586</u>	<u>(70,914)</u>
Expenditures				
Materials and services	<u>355,500</u>	<u>380,500</u>	<u>376,159</u>	<u>4,341</u>
Net change in fund balance	-	-	(66,573)	(66,573)
Beginning fund balance	<u>-</u>	<u>-</u>	<u>70,582</u>	<u>70,582</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,009</u>	<u>\$ 4,009</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Crime Victim Program Fund - 245
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 194,295	\$ 194,295	\$ 165,127	\$ (29,168)
Miscellaneous	-	-	382	382
Total revenues	<u>194,295</u>	<u>194,295</u>	<u>165,509</u>	<u>(28,786)</u>
Expenditures				
Personnel services	139,827	142,527	142,456	71
Materials and services	54,468	51,768	27,297	24,471
Total expenditures	<u>194,295</u>	<u>194,295</u>	<u>169,753</u>	<u>24,542</u>
Net change in fund balance	-	-	(4,244)	(4,244)
Beginning fund balance	-	-	54,798	54,798
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 50,554</u></u>	<u><u>\$ 50,554</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
MERA Fund - 247
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 270,848	\$ 270,848	\$ 122,673	\$ (148,175)
Interest on investments	300	300	-	(300)
Miscellaneous	5,500	5,500	10,386	4,886
Total revenues	<u>276,648</u>	<u>276,648</u>	<u>133,059</u>	<u>(143,589)</u>
Expenditures				
Personnel services	70,854	70,854	70,248	606
Materials and services	137,440	137,440	78,809	58,631
Capital outlay	195,360	195,360	22,218	173,142
Total expenditures	<u>403,654</u>	<u>403,654</u>	<u>171,275</u>	<u>232,379</u>
Net change in fund balance	(127,006)	(127,006)	(38,216)	88,790
Beginning fund balance	<u>127,006</u>	<u>127,006</u>	<u>201,685</u>	<u>74,679</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 163,469</u>	<u>\$ 163,469</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Sheriff Reserve Program Fund - 249
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 25,000	\$ 25,000	\$ 4,628	\$ (20,372)
Expenditures				
Personnel services	<u>25,000</u>	<u>25,000</u>	<u>10,290</u>	<u>14,710</u>
Net change in fund balance	-	-	(5,662)	(5,662)
Beginning fund balance	<u>-</u>	<u>-</u>	<u>(1,638)</u>	<u>(1,638)</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,300)</u>	<u>\$ (7,300)</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Title III Fund - 252
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ 1,000	\$ 1,000	\$ 3,297	\$ 2,297
Expenditures				
Materials and services	201,000	201,000	-	201,000
Net change in fund balance	(200,000)	(200,000)	3,297	203,297
Beginning fund balance	200,000	200,000	6,090	(193,910)
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,387</u>	<u>\$ 9,387</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Forest Service - Title III Fund - 253
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ 250	\$ 250	\$ 744	\$ 494
Expenditures				
Materials and services	60,250	60,250	553	59,697
Net change in fund balance	(60,000)	(60,000)	191	60,191
Beginning fund balance	60,000	60,000	59,924	(76)
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,115</u>	<u>\$ 60,115</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Economic Development Fund - 255
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other taxes	\$ 175,000	\$ 175,000	\$ 188,671	\$ 13,671
Intergovernmental	1,191,000	1,191,000	499,941	(691,059)
Interest on investments	2,000	2,000	6,443	4,443
Miscellaneous	-	-	2,070	2,070
Total revenues	<u>1,368,000</u>	<u>1,368,000</u>	<u>697,125</u>	<u>(670,875)</u>
Expenditures				
Materials and services	394,600	394,600	120,091	274,509
Debt service	41,400	41,400	39,122	2,278
Capital outlay	1,066,000	1,066,000	360,898	705,102
Contingency	236,000	236,000	-	236,000
Total expenditures	<u>1,738,000</u>	<u>1,738,000</u>	<u>520,111</u>	<u>1,217,889</u>
Excess of revenues over (under) expenditures	<u>(370,000)</u>	<u>(370,000)</u>	<u>177,014</u>	<u>547,014</u>
Other Financing Sources (Uses)				
Sale of land	100,000	100,000	-	(100,000)
Transfers out	(140,000)	(140,000)	(140,000)	-
Total other financing sources (uses)	<u>(40,000)</u>	<u>(40,000)</u>	<u>(140,000)</u>	<u>(100,000)</u>
Net change in fund balance	(410,000)	(410,000)	37,014	447,014
Beginning fund balance	<u>410,000</u>	<u>410,000</u>	<u>452,882</u>	<u>42,882</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 489,896</u>	<u>\$ 489,896</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Community Development Loan Fund - 260
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ 45	\$ 45	\$ 126	\$ 81
Expenditures				
Materials and services	10,075	10,075	-	10,075
Net change in fund balance	(10,030)	(10,030)	126	10,156
Beginning fund balance	10,030	10,030	10,064	34
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,190</u>	<u>\$ 10,190</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Watershed Fund - 263
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Miscellaneous	\$ 376,689	\$ 400,689	\$ 337,620	\$ (63,069)
Expenditures				
Personnel services	<u>376,689</u>	<u>400,689</u>	<u>337,623</u>	<u>63,066</u>
Net change in fund balance	-	-	(3)	(3)
Beginning fund balance	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Agriculture Services Fund - 265
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 51,750	\$ 51,750	\$ 46,625	\$ (5,125)
Interest on investments	-	-	1,329	1,329
Total revenues	<u>51,750</u>	<u>51,750</u>	<u>47,954</u>	<u>(3,796)</u>
Expenditures				
Personnel services	59,303	59,303	47,493	11,810
Materials and services	8,800	8,800	3,061	5,739
Contingency	83,647	83,647	-	83,647
Total expenditures	<u>151,750</u>	<u>151,750</u>	<u>50,554</u>	<u>101,196</u>
Net change in fund balance	(100,000)	(100,000)	(2,600)	97,400
Beginning fund balance	<u>100,000</u>	<u>100,000</u>	<u>109,911</u>	<u>9,911</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107,311</u>	<u>\$ 107,311</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Non-Medical Transportation Fund - 266
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 55,026	\$ (44,974)
Interest on investments	-	-	124	124
Miscellaneous	30,000	30,000	13,409	(16,591)
Total revenues	<u>130,000</u>	<u>130,000</u>	<u>68,559</u>	<u>(61,441)</u>
Expenditures				
Materials and services	<u>130,000</u>	<u>130,000</u>	<u>35,675</u>	<u>94,325</u>
Net change in fund balance	-	-	32,884	32,884
Beginning fund balance	<u>-</u>	<u>-</u>	<u>5,884</u>	<u>5,884</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 38,768</u></u>	<u><u>\$ 38,768</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Mediation Assessment Fund - 269
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and fees	\$ 30,760	\$ 30,760	\$ 27,115	\$ (3,645)
Interest on investments	100	100	815	715
Total revenues	<u>30,860</u>	<u>30,860</u>	<u>27,930</u>	<u>(2,930)</u>
Expenditures				
Materials and services	38,050	38,050	20,875	17,175
Contingency	55,264	55,264	-	55,264
Total expenditures	<u>93,314</u>	<u>93,314</u>	<u>20,875</u>	<u>72,439</u>
Net change in fund balance	(62,454)	(62,454)	7,055	69,509
Beginning fund balance	<u>62,454</u>	<u>62,454</u>	<u>50,889</u>	<u>(11,565)</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,944</u>	<u>\$ 57,944</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Ambulance Fund - 270
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ -	\$ -	\$ 21	\$ 21
Expenditures				
Materials and services	1,636	1,636	-	1,636
Net change in fund balance	(1,636)	(1,636)	21	1,657
Beginning fund balance	1,636	1,636	1,642	6
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,663</u>	<u>\$ 1,663</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Library Project Fund - 272
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ 15	\$ 15	\$ 55	\$ 40
Expenditures				
Materials and services	4,361	4,361	-	4,361
Net change in fund balance	(4,346)	(4,346)	55	4,401
Beginning fund balance	4,346	4,346	4,361	15
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,416</u>	<u>\$ 4,416</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
911 Communication Fund - 280
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 325,000	\$ 325,000	\$ 362,901	\$ 37,901
Interest on investments	750	750	3,060	2,310
Total revenues	<u>325,750</u>	<u>325,750</u>	<u>365,961</u>	<u>40,211</u>
Expenditures				
Materials and services	320,000	320,000	320,000	-
Contingency	140,750	140,750	-	140,750
Total expenditures	<u>460,750</u>	<u>460,750</u>	<u>320,000</u>	<u>140,750</u>
Net change in fund balance	(135,000)	(135,000)	45,961	180,961
Beginning fund balance	<u>135,000</u>	<u>135,000</u>	<u>145,696</u>	<u>10,696</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 191,657</u></u>	<u><u>\$ 191,657</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
RAC Maintenance Fund - 283
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 6,000	\$ 6,000	\$ 6,000	\$ -
Interest on investments	125	125	280	155
Total revenues	<u>6,125</u>	<u>6,125</u>	<u>6,280</u>	<u>155</u>
Expenditures				
Materials and services	<u>34,875</u>	<u>34,875</u>	<u>10,400</u>	<u>24,475</u>
Net change in fund balance	(28,750)	(28,750)	(4,120)	24,630
Beginning fund balance	<u>28,750</u>	<u>28,750</u>	<u>28,847</u>	<u>97</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 24,727</u></u>	<u><u>\$ 24,727</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Law Library Fund - 285
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and fees	\$ 19,691	\$ 19,691	\$ 18,668	\$ (1,023)
Interest on investments	450	450	1,197	747
Total revenues	<u>20,141</u>	<u>20,141</u>	<u>19,865</u>	<u>(276)</u>
Expenditures				
Materials and services	60,000	60,000	36,758	23,242
Contingency	40,141	40,141	-	40,141
Total expenditures	<u>100,141</u>	<u>100,141</u>	<u>36,758</u>	<u>63,383</u>
Net change in fund balance	(80,000)	(80,000)	(16,893)	63,107
Beginning fund balance	<u>80,000</u>	<u>80,000</u>	<u>83,895</u>	<u>3,895</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 67,002</u></u>	<u><u>\$ 67,002</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Drug Court Fund - 287
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 114,975	\$ 189,975	\$ 112,284	\$ (77,691)
Licenses and fees	4,300	4,300	10,432	6,132
Miscellaneous	-	-	120	120
Total revenues	<u>119,275</u>	<u>194,275</u>	<u>122,836</u>	<u>(71,439)</u>
Expenditures				
Materials and services	<u>119,275</u>	<u>194,275</u>	<u>112,654</u>	<u>81,621</u>
Net change in fund balance	-	-	10,182	10,182
Beginning fund balance	<u>-</u>	<u>-</u>	<u>1,065</u>	<u>1,065</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 11,247</u></u>	<u><u>\$ 11,247</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Building & Property Reserve Fund - 290
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ 250	\$ 250	\$ 1,048	\$ 798
Expenditures				
Capital outlay	30,000	30,000	17,400	12,600
Contingency	50,250	50,250	-	50,250
Total expenditures	<u>80,250</u>	<u>80,250</u>	<u>17,400</u>	<u>62,850</u>
Excess of revenues over (under) expenditures	(80,000)	(80,000)	(16,352)	63,648
Other Financing Sources (Uses)				
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>8,385</u>	<u>(1,615)</u>
Net change in fund balance	(70,000)	(70,000)	(7,967)	62,033
Beginning fund balance	<u>70,000</u>	<u>70,000</u>	<u>83,085</u>	<u>13,085</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,118</u>	<u>\$ 75,118</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Senior Center Maintenance Fund - 293
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ 100	\$ 100	\$ 429	\$ 329
Miscellaneous	7,200	7,200	7,200	-
Total revenues	<u>7,300</u>	<u>7,300</u>	<u>7,629</u>	<u>329</u>
Expenditures				
Materials and services	<u>30,300</u>	<u>30,300</u>	<u>-</u>	<u>30,300</u>
Net change in fund balance	(23,000)	(23,000)	7,629	30,629
Beginning fund balance	<u>23,000</u>	<u>23,000</u>	<u>30,167</u>	<u>7,167</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 37,796</u></u>	<u><u>\$ 37,796</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Union County Fair Board Fund - 295
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 57,000	\$ 57,000	\$ 53,167	\$ (3,833)
Rental income	17,500	17,500	23,612	6,112
Interest on investments	-	-	1	1
Miscellaneous	70,000	70,000	67,651	(2,349)
Total revenues	<u>144,500</u>	<u>144,500</u>	<u>144,431</u>	<u>(69)</u>
Expenditures				
Personnel services	40,000	40,000	36,660	3,340
Materials and services	104,500	104,500	82,894	21,606
Debt service	-	6,000	5,996	4
Capital outlay	25,000	19,000	18,577	423
Total expenditures	<u>169,500</u>	<u>169,500</u>	<u>144,127</u>	<u>25,373</u>
Net change in fund balance	(25,000)	(25,000)	304	25,304
Beginning fund balance	<u>25,000</u>	<u>25,000</u>	<u>40,993</u>	<u>15,993</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 41,297</u></u>	<u><u>\$ 41,297</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Clerk Equipment Reserve Fund - 301
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and fees	\$ 8,020	\$ 8,020	\$ 12,924	\$ 4,904
Interest on investments	-	-	597	597
Total revenues	<u>8,020</u>	<u>8,020</u>	<u>13,521</u>	<u>5,501</u>
Expenditures				
Materials and services	4,500	5,500	5,125	375
Capital outlay	7,500	7,500	-	7,500
Contingency	36,020	35,020	-	35,020
Total expenditures	<u>48,020</u>	<u>48,020</u>	<u>5,125</u>	<u>42,895</u>
Net change in fund balance	(40,000)	(40,000)	8,396	48,396
Beginning fund balance	<u>40,000</u>	<u>40,000</u>	<u>45,389</u>	<u>5,389</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,785</u>	<u>\$ 53,785</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
A & T Users Capital Fund - 302
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and fees	\$ 1,800	\$ 1,800	\$ 2,014	\$ 214
Interest on investments	150	150	427	277
Total revenues	<u>1,950</u>	<u>1,950</u>	<u>2,441</u>	<u>491</u>
Expenditures				
Materials and services	<u>34,450</u>	<u>34,450</u>	<u>-</u>	<u>34,450</u>
Net change in fund balance	(32,500)	(32,500)	2,441	34,941
Beginning fund balance	<u>32,500</u>	<u>32,500</u>	<u>33,104</u>	<u>604</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,545</u>	<u>\$ 35,545</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Vehicle Reserve Fund - 303
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest on investments	\$ 350	\$ 350	\$ 932	\$ 582
Miscellaneous	750	750	307	(443)
Total revenues	<u>1,100</u>	<u>1,100</u>	<u>1,239</u>	<u>139</u>
Expenditures				
Capital outlay	<u>107,705</u>	<u>107,705</u>	<u>44,376</u>	<u>63,329</u>
Excess of revenues over (under) expenditures	(106,605)	(106,605)	(43,137)	63,468
Other Financing Sources (Uses)				
Transfers in	<u>15,155</u>	<u>15,155</u>	<u>15,155</u>	<u>-</u>
Net change in fund balance	(91,450)	(91,450)	(27,982)	63,468
Beginning fund balance	<u>91,450</u>	<u>91,450</u>	<u>91,877</u>	<u>427</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 63,895</u></u>	<u><u>\$ 63,895</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
GIS Fund - 306
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and fees	\$ 15,000	\$ 15,000	\$ 14,979	\$ (21)
Interest on investments	100	100	389	289
Total revenues	<u>15,100</u>	<u>15,100</u>	<u>15,368</u>	<u>268</u>
Expenditures				
Materials and services	17,700	17,700	9,060	8,640
Contingency	23,900	23,900	-	23,900
Total expenditures	<u>41,600</u>	<u>41,600</u>	<u>9,060</u>	<u>32,540</u>
Excess of revenues over (under) expenditures	(26,500)	(26,500)	6,308	32,808
Other Financing Sources (Uses)				
Transfers in	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Net change in fund balance	(25,000)	(25,000)	7,808	32,808
Beginning fund balance	<u>25,000</u>	<u>25,000</u>	<u>27,746</u>	<u>2,746</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,554</u>	<u>\$ 35,554</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Transit Hub Maintenance Fund - 307
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ 125	\$ 125	\$ 431	\$ 306
Miscellaneous	6,000	6,000	6,000	-
Total revenues	<u>6,125</u>	<u>6,125</u>	<u>6,431</u>	<u>306</u>
Expenditures				
Materials and services	10,000	10,000	1,122	8,878
Contingency	28,125	28,125	-	28,125
Total expenditures	<u>38,125</u>	<u>38,125</u>	<u>1,122</u>	<u>37,003</u>
Net change in fund balance	(32,000)	(32,000)	5,309	37,309
Beginning fund balance	<u>32,000</u>	<u>32,000</u>	<u>31,846</u>	<u>(154)</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 37,155</u></u>	<u><u>\$ 37,155</u></u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Communications System Fund - 308
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and fees	\$ 60,000	\$ 60,000	\$ 60,393	\$ 393
Interest on investments	600	600	2,304	1,704
Total revenues	<u>60,600</u>	<u>60,600</u>	<u>62,697</u>	<u>2,097</u>
Expenditures				
Materials and services	47,000	47,000	33,927	13,073
Capital outlay	30,000	30,000	-	30,000
Contingency	143,600	143,600	-	143,600
Total expenditures	<u>220,600</u>	<u>220,600</u>	<u>33,927</u>	<u>186,673</u>
Net change in fund balance	(160,000)	(160,000)	28,770	188,770
Beginning fund balance	<u>160,000</u>	<u>160,000</u>	<u>161,909</u>	<u>1,909</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,679</u>	<u>\$ 190,679</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Dispute Resolution Fund - 312
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 25,000	\$ 30,000	\$ 26,000	\$ (4,000)
Charges for services	2,950	2,950	6,205	3,255
Licenses and fees	200	200	-	(200)
Interest on investments	-	-	79	79
Total revenues	<u>28,150</u>	<u>33,150</u>	<u>32,284</u>	<u>(866)</u>
Expenditures				
Personnel services	22,500	22,600	22,555	45
Materials and services	7,650	12,550	11,649	901
Total expenditures	<u>30,150</u>	<u>35,150</u>	<u>34,204</u>	<u>946</u>
Net change in fund balance	(2,000)	(2,000)	(1,920)	80
Beginning fund balance	<u>2,000</u>	<u>2,000</u>	<u>6,005</u>	<u>4,005</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,085</u>	<u>\$ 4,085</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Surveyor Fund - 313
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and fees	\$ 28,500	\$ 28,500	\$ 32,827	\$ 4,327
Interest on investments	120	120	173	53
Total revenues	<u>28,620</u>	<u>28,620</u>	<u>33,000</u>	<u>4,380</u>
Expenditures				
Materials and services	60,750	60,750	56,699	4,051
Contingency	1,870	1,870	-	1,870
Total expenditures	<u>62,620</u>	<u>62,620</u>	<u>56,699</u>	<u>5,921</u>
Excess of revenues over (under) expenditures	(34,000)	(34,000)	(23,699)	10,301
Other Financing Sources (Uses)				
Transfers in	<u>22,500</u>	<u>22,500</u>	<u>22,500</u>	<u>-</u>
Net change in fund balance	(11,500)	(11,500)	(1,199)	10,301
Beginning fund balance	<u>11,500</u>	<u>11,500</u>	<u>16,235</u>	<u>4,735</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,036</u>	<u>\$ 15,036</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Map Fund - 315
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest on investments	\$ 40	\$ 40	\$ 117	\$ 77
Expenditures				
Materials and services	9,340	9,340	-	9,340
Net change in fund balance	(9,300)	(9,300)	117	9,417
Beginning fund balance	9,300	9,300	9,332	32
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,449</u>	<u>\$ 9,449</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Union County 4-H Extension
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 301,236	\$ 301,236	\$ 297,813	\$ (3,423)
Rental income	54,743	54,743	55,770	1,027
Interest on investments	1,300	1,300	5,140	3,840
Miscellaneous	22,995	22,995	18,531	(4,464)
Total revenues	<u>380,274</u>	<u>380,274</u>	<u>377,254</u>	<u>(3,020)</u>
Expenditures				
Personnel services	291,083	291,083	222,982	68,101
Materials and services	175,259	175,259	116,281	58,978
Debt service	17,462	17,462	17,462	-
Capital outlay	110,824	110,824	-	110,824
Contingency	6,006	6,006	-	6,006
Total expenditures	<u>600,634</u>	<u>600,634</u>	<u>356,725</u>	<u>243,909</u>
Net change in fund balance	(220,360)	(220,360)	20,529	240,889
Beginning fund balance	<u>220,360</u>	<u>220,360</u>	<u>215,982</u>	<u>(4,378)</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 236,511</u>	<u>\$ 236,511</u>

UNION COUNTY, OREGON
Combining Statement of Net Position
Airport Proprietary Funds
June 30, 2018

	501 Airport Operations	320 Airport Capital Improvement	Total Airport Fund
Assets			
Current assets:			
Cash and investments	\$ 196,868	\$ -	\$ 196,868
Accounts receivable	29,074	254,513	283,587
Inventory	141,157	-	141,157
Total current assets	<u>367,099</u>	<u>254,513</u>	<u>621,612</u>
Noncurrent assets:			
Capital assets:			
Construction in progress	1,373,486	-	1,373,486
Buildings	2,866,709	-	2,866,709
Equipment and vehicles	168,661	-	168,661
Improvements	19,282,013	-	19,282,013
Less: accumulated depreciation	(7,763,268)	-	(7,763,268)
Total noncurrent assets	<u>15,927,601</u>	<u>-</u>	<u>15,927,601</u>
Total assets	<u>16,294,700</u>	<u>254,513</u>	<u>16,549,213</u>
Deferred Outflows of Resources			
Deferred charge - debt refunding	5,185	-	5,185
OPEB deferred outflows of resources	66	-	66
Total deferred outflows of resources	<u>5,251</u>	<u>-</u>	<u>5,251</u>
Liabilities			
Current liabilities:			
Accounts payable	9,128	306,873	316,001
Interfund payable	-	1,236,110	1,236,110
Accrued interest payable	665	-	665
Compensated absences	10,322	-	10,322
Loans payable - current	295,000	-	295,000
Total current liabilities	<u>315,115</u>	<u>1,542,983</u>	<u>1,858,098</u>
Noncurrent liabilities:			
OPEB liability	3,089	-	3,089
Total liabilities	<u>318,204</u>	<u>1,542,983</u>	<u>1,861,187</u>
Deferred Inflows of Resources			
OPEB deferred inflows of resources	191	-	191
Net Position			
Net investment in capital assets	15,632,601	-	15,632,601
Unrestricted	348,955	(1,288,470)	(939,515)
Total net position	<u>\$ 15,981,556</u>	<u>\$ (1,288,470)</u>	<u>\$ 14,693,086</u>

UNION COUNTY, OREGON
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Airport Proprietary Funds
For the Fiscal Year Ended June 30, 2018

	501 Airport Operations	320 Airport Capital Improvement	Total Airport Fund
Operating Revenues			
Charges for services	\$ 718,521	\$ -	\$ 718,521
Licenses and fees	19,916	-	19,916
Rental income	148,625	257,312	405,937
Miscellaneous	1,860	211,644	213,504
Total operating revenues	<u>888,922</u>	<u>468,956</u>	<u>1,357,878</u>
Operating Expenses			
Personnel services	160,583	-	160,583
Materials and services	628,440	3,862	632,302
Depreciation	568,870	-	568,870
Total operating expenses	<u>1,357,893</u>	<u>3,862</u>	<u>1,361,755</u>
Operating income (loss)	<u>(468,971)</u>	<u>465,094</u>	<u>(3,877)</u>
Nonoperating Revenues (Expenses)			
Interest on investments	3,218	-	3,218
Interest expense	(18,120)	-	(18,120)
Grant revenue	-	263,654	263,654
Total nonoperating revenues (expenses)	<u>(14,902)</u>	<u>263,654</u>	<u>248,752</u>
Income (loss) before transfers	<u>(483,873)</u>	<u>728,748</u>	<u>244,875</u>
Transfers out	<u>(120,000)</u>	<u>-</u>	<u>(120,000)</u>
Change in net position	<u>(603,873)</u>	<u>818,748</u>	<u>214,875</u>
Net position - beginning	15,472,294	(991,289)	14,481,005
Prior period adjustment	(2,794)	-	(2,794)
Equity transfer	1,115,929	(1,115,929)	-
Net position - ending	<u>\$ 15,981,556</u>	<u>\$ (1,288,470)</u>	<u>\$ 14,693,086</u>

UNION COUNTY, OREGON
Combining Statement of Cash Flows
Airport Proprietary Funds
For the Fiscal Year Ended June 30, 2018

	501 Airport Operations	320 Airport Capital Improvement	Total Airport Fund
Cash Flows from Operating Activities:			
Cash received from customers	\$ 791,324	\$ -	\$ 791,324
Cash received from rentals	148,625	257,312	405,937
Other operating receipts	1,860	211,644	213,504
Cash payments for personnel services	(149,841)	-	(149,841)
Cash payments for fuel purchases	(552,059)	-	(552,059)
Cash payments for insurance	(17,271)	-	(17,271)
Cash payments for miscellaneous	(25,292)	-	(25,292)
Cash payments for contractual services	(18,818)	(3,862)	(22,680)
Cash payments for supplies	(19,137)	-	(19,137)
Cash payments for repairs	(27,559)	-	(27,559)
Net cash provided (used) by operating activities	<u>131,832</u>	<u>465,094</u>	<u>596,926</u>
Cash Flows from Noncapital Financing Activities:			
Interfund loans	-	300,970	300,970
Interfund transfers	(120,000)	90,000	(30,000)
Nonoperating grants	-	562,510	562,510
Net cash provided (used) by noncapital financing activities	<u>(120,000)</u>	<u>953,480</u>	<u>833,480</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition of capital assets	-	(1,124,737)	(1,124,737)
Loss on disposal of capital assets	100	-	100
Principal payments on indebtedness	-	(280,000)	(280,000)
Interest paid on indebtedness	-	(13,837)	(13,837)
Net cash provided (used) by capital and related financing activities	<u>100</u>	<u>(1,418,574)</u>	<u>(1,418,474)</u>
Cash Flows from Investing Activities:			
Interest income	<u>3,218</u>	<u>-</u>	<u>3,218</u>
Net increase (decrease) in cash and investments	15,150	-	15,150
Beginning cash and investments	<u>181,718</u>	<u>-</u>	<u>181,718</u>
Ending cash and investments	<u>\$ 196,868</u>	<u>\$ -</u>	<u>\$ 196,868</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (468,971)	\$ 465,094	\$ (3,877)
<i>Adjustments to reconcile operating income to net cash provided (used) by operating activities:</i>			
Depreciation	568,870	-	568,870
(Increase) decrease in accounts receivable	52,887	-	52,887
(Increase) decrease in inventory	(10,042)	-	(10,042)
Increase (decrease) in compensated absences	10,322	-	10,322
Increase (decrease) in OPEB liability	229	-	229
Increase (decrease) in deferred inflows	191	-	191
Increase (decrease) in accounts payable	(21,654)	-	(21,654)
Net cash provided (used) by operating activities	<u>\$ 131,832</u>	<u>\$ 465,094</u>	<u>\$ 596,926</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Airport Operations Fund - 501
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 1,406,500	\$ 1,406,500	\$ 718,521	\$ (687,979)
Licenses and fees	-	-	19,916	19,916
Rental income	74,379	74,379	148,625	74,246
Interest on investments	-	-	3,218	3,218
Miscellaneous	3,000	3,000	1,860	(1,140)
Total revenues	<u>1,483,879</u>	<u>1,483,879</u>	<u>892,140</u>	<u>(591,739)</u>
Expenditures				
Personnel services	203,893	203,893	160,163	43,730
Materials and services	1,349,986	1,349,986	628,340	721,646
Capital outlay	10,000	10,000	-	10,000
Total expenditures	<u>1,563,879</u>	<u>1,563,879</u>	<u>788,503</u>	<u>775,376</u>
Excess of revenues over (under) expenditures	(80,000)	(80,000)	103,637	183,637
Other Financing Sources (Uses)				
Transfers out	(120,000)	(120,000)	(120,000)	-
Net change in fund balance	(200,000)	(200,000)	(16,363)	183,637
Beginning fund balance	200,000	200,000	364,012	164,012
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	347,649	<u>\$ 347,649</u>
Adjustments to GAAP				
Capital assets, net			15,927,601	
Deferred charge - debt refunding			5,185	
Accrued interest payable			(665)	
Loans payable			(295,000)	
OPEB deferred outflow			66	
OPEB liability			(3,089)	
OPEB deferred inflow			(191)	
			<u>\$ 15,981,556</u>	
Detail of Fund Balance				
Cash and investments			\$ 196,868	
Accounts receivable			29,074	
Inventory			141,157	
Accounts payable			(9,128)	
Compensated absences			(10,322)	
			<u>\$ 347,649</u>	

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Airport Capital Improvement Fund - 320
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Grant revenue	\$ 1,465,000	\$ 1,465,000	\$ 263,654	\$ (1,201,346)
Rental income	661,500	661,500	257,312	(404,188)
Miscellaneous	250,000	250,000	211,644	(38,356)
Total revenues	<u>2,376,500</u>	<u>2,376,500</u>	<u>732,610</u>	<u>(1,643,890)</u>
Expenditures				
Materials and services	76,500	76,500	3,862	72,638
Debt service	630,000	630,000	293,837	336,163
Capital outlay	5,760,000	5,760,000	822,092	4,937,908
Total expenditures	<u>6,466,500</u>	<u>6,466,500</u>	<u>1,119,791</u>	<u>5,346,709</u>
Excess of revenues over (under) expenditures	(4,090,000)	(4,090,000)	(387,181)	3,702,819
Other Financing Sources (Uses)				
Proceeds from long-term debt	4,000,000	4,000,000	-	(4,000,000)
Transfers in	90,000	90,000	90,000	-
Total other financing sources (uses)	<u>4,090,000</u>	<u>4,090,000</u>	<u>90,000</u>	<u>(4,000,000)</u>
Net change in fund balance	-	-	(297,181)	(297,181)
Beginning fund balance	-	-	(991,289)	(991,289)
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,288,470)</u>	<u>\$ (1,288,470)</u>

Detail of Fund Balance

Accounts receivable	\$ 254,513
Accounts payable	(306,873)
Interfund payable	(1,236,110)
	<u>\$ (1,288,470)</u>

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Buffalo Peak Golf Course - 310
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Charges for services	\$ 344,340	\$ 344,340	\$ 285,949	\$ (58,391)
Expenditures				
Personnel services	282,200	282,200	274,293	7,907
Materials and services	172,340	172,340	150,487	21,853
Debt service	129,800	129,800	129,351	449
Total expenditures	584,340	584,340	554,131	30,209
Excess of revenues over (under) expenditures	(240,000)	(240,000)	(268,182)	(28,182)
Other Financing Sources (Uses)				
Transfers in	240,000	240,000	240,000	-
Net change in fund balance	-	-	(28,182)	(28,182)
Beginning fund balance	-	-	(1,327,513)	(1,327,513)
Ending fund balance	\$ -	\$ -	(1,355,695)	\$ (1,355,695)
<u>Adjustments to GAAP</u>				
Capital assets, net			1,570,497	
Accrued interest payable			(17,999)	
Loans payable			(1,087,026)	
Deferred revenue - debt refunding			(5,159)	
OPEB deferred outflow			124	
OPEB liability			(5,867)	
OPEB deferred inflow			(363)	
			\$ (901,488)	
<u>Detail of Fund Balance</u>				
Inventory			\$ 15,605	
Accounts receivable			48,220	
Interfund payable			(1,350,368)	
Accounts payable			(13,987)	
Unearned revenue			(3,169)	
Unearned golf course pass revenue			(33,822)	
Compensated absences			(18,174)	
			\$ (1,355,695)	

UNION COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Union County Solid Waste District
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Franchise fees	\$ 170,000	\$ 170,000	\$ 196,989	\$ 26,989
Grant revenue	10,000	10,000	-	(10,000)
Interest on investments	185	185	127	(58)
Miscellaneous	1,200	1,200	19,444	18,244
Total revenues	<u>181,385</u>	<u>181,385</u>	<u>216,560</u>	<u>35,175</u>
Expenditures				
Materials and services	246,500	246,500	154,932	91,568
Capital outlay	10,000	10,000	-	10,000
Contingency	409,575	409,575	-	409,575
Total expenditures	<u>666,075</u>	<u>666,075</u>	<u>154,932</u>	<u>511,143</u>
Net change in fund balance	(484,690)	(484,690)	61,628	546,318
Beginning fund balance	<u>484,690</u>	<u>484,690</u>	<u>540,562</u>	<u>55,872</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	602,190	<u>\$ 602,190</u>
<u>Adjustments to GAAP</u>				
Capital assets, net			427,636	
Closure and post-closure care costs			(714,191)	
			<u>\$ 315,635</u>	
<u>Detail of Fund Balance</u>				
Cash and cash equivalents			\$ 551,129	
Accounts receivable			51,061	
			<u>\$ 602,190</u>	

UNION COUNTY, OREGON
Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>Property Tax & Other Agency Funds</u>				
Assets				
Cash and investments	\$ 209,272	\$ 22,476,478	\$ 22,610,846	\$ 74,904
Accounts receivable	12,150	7,400	-	19,550
Taxes receivable	1,965,340	-	20,810	1,944,530
Total assets	<u>\$ 1,893,373</u>	<u>\$ 22,483,878</u>	<u>\$ 22,631,656</u>	<u>\$ 2,038,984</u>
Liabilities				
Distributions pending to other entities	<u>\$ 1,893,373</u>	<u>\$ 22,483,878</u>	<u>\$ 22,631,656</u>	<u>\$ 2,038,984</u>

UNION COUNTY, OREGON
Schedule of Property Tax Transactions
For the Fiscal Year Ended June 30, 2018

<u>Tax Year</u>	<u>Uncollected Taxes July 1, 2017</u>	<u>Current Tax Levy</u>	<u>Less: Collections 2017-2018</u>	<u>Adjustments & Discounts</u>	<u>Uncollected Taxes June 30, 2018</u>
2017-18	\$ -	\$ 27,744,423	\$ 26,228,577	\$ (757,198)	\$ 758,648
2016-17	925,060	-	384,000	(7,433)	533,627
2015-16	617,443	-	140,288	(4,232)	472,923
2014-15	421,332	-	133,682	(2,093)	285,557
2013-14	194,514	-	87,945	(1,951)	104,618
2012-13	106,401	-	19,776	(1,863)	84,762
2011-12	80,581	-	3,076	(939)	76,566
Prior	171,203	-	4,538	1	166,666
	<u>\$ 2,516,534</u>	<u>\$ 27,744,423</u>	<u>\$ 27,001,882</u>	<u>\$ (775,708)</u>	<u>\$ 2,483,367</u>

Tax Turnovers:

July 2017	\$ 108,722
August 2017	169,781
September 2017	172,574
October 2017	200,916
November 2017	24,286,233
December 2017	228,782
January 2018	259,735
February 2018	794,659
March 2018	141,435
April 2018	119,210
May 2018	495,267
June 2018	258,234
Less:	
Adjustments	(9)
Interest	(233,657)
	<u>\$ 27,001,882</u>

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**INDEPENDENT AUDITORS'
REPORT REQUIRED BY OREGON
STATE REGULATIONS**

LEWIS, POE, MOELLER, GUNDERSON & ROBERTS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1121 ADAMS AVENUE • P.O. BOX 1024

LA GRANDE, OREGON 97850-1024

**Independent Auditors' Report
Required by Oregon State Regulations**

We have audited the basic financial statements of Union County, Oregon, as of and for the year ended June 30, 2018, and have issued our report hereon dated December 12, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Union County'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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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 Independently Elected Officials:

The independently elected officials of the County who collect or receive cash, and the corresponding schedule of accountability are as follows:

<u>Elected Position</u>	<u>Beginning Cash Balance</u>	<u>Receipts/ Collections</u>	<u>Disbursements</u>	<u>Turnovers to Treasurer</u>	<u>Ending Balance</u>
Treasurer	\$ 6,515,508	\$ 25,585,233	\$ 50,031,235	\$ 27,593,285	\$ 9,662,791
Sheriff	145,111	583,376	709,841	-	18,646
County Clerk	466	362,408	5,059	(357,737)	78
Assessor	-	27,235,548	-	(27,235,548)	-
Total	<u>\$ 6,661,085</u>	<u>\$ 53,766,565</u>	<u>\$ 50,746,135</u>	<u>\$ -</u>	<u>\$ 9,681,515</u>

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

1. The County did not comply with ORS 294.456(6). Expenditures exceeded budgeted appropriations for the year ended June 30, 2018, as follows:

Fund	Over Expenditure
101 General Fund - Capital outlay	\$ 23,307

OAR 162-10-0230 Internal Control

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

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

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

Purpose of this Report

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

LEWIS, POE, MOELLER, GUNDERSON & ROBERTS, LLC
 Certified Public Accountants

By Chelsea A. Herron
 Chelsea A. Herron, CPA
 Owner/Member

La Grande, Oregon
 December 12, 2018

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**AUDIT DELIVERABLES REQUIRED
BY THE SINGLE AUDIT ACT OF
1996**

UNION COUNTY, OREGON
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-through Grantor ID</u>	<u>Expenditures</u>	<u>Subrecipient Expenditures</u>
U.S. Department of Agriculture:				
<u>Pass-Through Oregon Health Authority:</u>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		\$ 40,936	
<u>Pass-Through Oregon Department Administrative Services:</u>				
Forest Service Schools and Roads Cluster: Schools and Roads - Grants to States	10.665		<u>738,735</u>	
Total U.S. Department of Agriculture			<u>779,671</u>	
U.S. Department of Interior:				
<u>Direct Programs:</u>				
Payments in Lieu of Taxes	15.226		1,010,367	
National Wildlife Refuge Fund	15.659		296	
Endangered Species Conservation-Wolf Livestock Loss Compensation and Prevention	15.666		8,825	
<u>Pass-Through Oregon Department of Administrative Services:</u>				
Distribution of Receipts to State and Local Governments	15.227		<u>295</u>	
Total U.S. Department of Interior			<u>1,019,783</u>	
U.S. Department of Justice:				
<u>Direct Programs:</u>				
Rural Domestic Violence	16.589		246,546	
<u>Pass-Through Oregon Department of Justice:</u>				
Crime Victim Assistance	16.575	09-VOCA-3466	<u>45,939</u>	
Total U.S. Department of Justice			<u>292,485</u>	
U.S. Department of Transportation:				
<u>Direct Programs:</u>				
Airport Improvement Program:	20.106		244,648	
<u>Pass-Through Oregon Parks and Recreation Department:</u>				
Highway Planning and Construction Cluster - Recreational Trails Program	20.219		21,673	
<u>Pass-Through Oregon Department of Transportation:</u>				
Highway Planning and Construction Cluster - Highway Planning and Construction: Drive Less Connect paid to subrecipient Community Connection of Northeast Oregon	20.205		<u>18,223</u>	\$ 18,223
Total Highway Planning and Construction Cluster			<u>39,896</u>	
Transit Services Program Cluster - Enhanced Mobility for Seniors and Individuals paid to subrecipient: Community Connection of Northeast Oregon	20.513	30578	240,135	240,135
Highway Safety Cluster - State and Community Hwy Safety	20.600		<u>39,258</u>	
Total Pass-Through Oregon Department of Transportation:			<u>297,616</u>	<u>258,358</u>
Total U.S. Department of Transportation			<u>563,937</u>	<u>258,358</u>
U.S. Environmental Protection Agency				
<u>Pass-Through Oregon Health Authority:</u>				
State Public Water System Supervision	66.432		<u>4,880</u>	
U.S. Department of Health and Human Services:				
<u>Direct Programs:</u>				
Drug Free Communities Support Program	93.276		<u>110,618</u>	
<u>Pass-Through Oregon Department of Education:</u>				
Social Services Block Grant	93.667		<u>8,458</u>	

UNION COUNTY, OREGON
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-through Grantor ID</u>	<u>Expenditures</u>	<u>Subrecipient Expenditures</u>
<u>Pass-Through Oregon Health Authority:</u>				
Public Health Emergency Preparedness Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.069		27,247	
Family Planning Services	93.116		240	
National State Based Tobacco Control Programs	93.217		3,784	
Temporary Assistance for Needy Families	93.305		91	
Block Grants for Community Health	93.558		1,262	
SAPT Block Grant	93.958	112001	40,291	
	93.959	135001	31,858	
Maternal and Child Health Services Block Grant to the States	93.994		(1,143)	
Total Pass-Through Oregon Health Authority:			<u>100,039</u>	
<u>Pass-Through Oregon Department of Justice:</u>				
Child Support Enforcement	93.563		76,828	
Total U.S. Department of Health and Human Services			<u>295,943</u>	
U.S. Department of Homeland Security:				
<u>Pass-Through Oregon State Military:</u>				
Emergency Management Performance Grant	97.042		68,904	
Total expenditures of federal awards			<u>\$ 3,025,603</u>	<u>\$ 258,358</u>

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UNION COUNTY, OREGON
Notes to Schedule of Expenditures of Federal Awards

Note A - Purpose of the Schedule:

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") is a supplementary schedule to Union County's financial statements and is presented for purposes of additional analysis. Because the Schedule presents only a selected portion of the activities of the County, it is not intended to and does not present either the financial position, results of operations, or changes in fund balances/equity of Union County.

Note B - Significant Accounting Policies:

Reporting Entity

The reporting entity is fully described in Note 1 to the County's basic financial statements. The Schedule includes all federal programs administered by the County for the year ended June 30, 2018.

Basis of Presentation

The accompanying Schedule includes the federal award activity of the County under programs of the federal government for the year ended June 30, 2018. The information in the Schedule is presented in accordance with the requirements of Title 2. U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

Federal Financial Assistance

Pursuant to the Single Audit Act and the Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, nonmonetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the County and the federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs

The Single Audit Act and the Uniform Guidance establish criteria to be used in defining major programs. Major programs for Union County are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in the Uniform Guidance. Programs with similar requirements may be grouped into a cluster for testing purposes.

Basis of Accounting

The receipt and expenditure of federal awards are accounted for under the same basis of accounting as the fund in which they are recorded. Federal awards recorded in proprietary funds are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Federal awards recorded in governmental funds are reported using the modified accrual basis of accounting. Revenues are recognized when measurable and available. Expenditures are recorded when the related liability is incurred.

Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Insurance Coverage

For fiscal year ended June 30, 2018, the County had insurance coverage in effect comparable to other entities of similar size and circumstance.

Indirect Cost Rate

The County has not elected to use the 10% de minimis indirect cost rate.

LEWIS, POE, MOELLER, GUNDERSON & ROBERTS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1121 ADAMS AVENUE • P.O. BOX 1024

LA GRANDE, OREGON 97850-1024

**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

County Commissioners
Union County
1106 K Avenue
La Grande, Oregon 97850

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Union County, Oregon, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Union County, Oregon's basic financial statements, and have issued our report thereon dated December 12, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify two deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018-001 and 2018-002, that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Union County, Oregon's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, additional matters were communicated to the County in a written communication.

Union County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

LEWIS, POE, MOELLER, GUNDERSON & ROBERTS, LLC

Certified Public Accountants

By Chelsea A. Herron
Chelsea A. Herron, CPA
Owner/Member

La Grande, Oregon
December 12, 2018

LEWIS, POE, MOELLER, GUNDERSON & ROBERTS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1121 ADAMS AVENUE • P.O. BOX 1024

LA GRANDE, OREGON 97850-1024

**Independent Auditors' Report on Compliance for Each Major Program
And on Internal Control over Compliance Required by the Uniform Guidance**

County Commissioners
Union County
1106 K Avenue
La Grande, Oregon 97850

Report on Compliance for Each Major Federal Program

We have audited Union County, Oregon's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Union County, Oregon's major federal programs for the year ended June 30, 2018. Union County, Oregon's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Union County, Oregon's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Union County, Oregon's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Union County, Oregon, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of Union County, Oregon, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Union County, Oregon's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Union County, Oregon's internal control over compliance.

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

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

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

LEWIS, POE, MOELLER, GUNDERSON & ROBERTS, LLC
Certified Public Accountants

By Chelsea A. Herron
Chelsea A. Herron, CPA
Owner/Member

La Grande, Oregon
December 12, 2018

UNION COUNTY, OREGON
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

A. Summary of Audit Results

	Results
Financial Statements Audit	
1. Type of auditor's report issued	Unmodified
2. Internal control over financial reporting:	
Were significant deficiencies disclosed?	Yes
Of the significant deficiencies disclosed were any material weaknesses?	No
3. Did the audit disclose any noncompliance material to the financial statements?	No
Federal Awards	
1. Type of auditor's report issued:	
<u>Major programs:</u>	
U.S. Department of Agriculture - Schools and Roads - Grants to States CFDA Number 10.665	Unmodified
2. Internal control over major programs:	
Were significant deficiencies disclosed?	No
Of the significant deficiencies disclosed were any material weaknesses?	N/A
3. Were any of the following disclosed in accordance with 2 CFR Section 200.516(a)?	
Significant deficiencies in internal control over major programs?	No
Material Noncompliance with the provisions of laws, regulations, contracts, or grant agreements related to major programs?	No
Known questioned costs which are greater than \$25,000 for a type of compliance requirement for a major program?	No
Known questioned costs which are greater than \$25,000 for a federal program which is not audited as a major program?	No
4. The threshold for distinguishing Types A and B programs:	\$ 750,000
5. Auditee qualified as a low-risk auditee	Yes

B. Findings and Questioned Costs - Financial Statement Audit

2018-01 Significant Deficiency: The County's Treasurer and Administrative Officer have the ability to prepare all the individual fund financial statements including the Budgetary Comparison Schedules. However, the County does rely on us as the auditor to assist them in drafting the Government-Wide Financial Statements, including reconciliations from the Fund Financial Statements. In addition, we verify the financial statements, including note disclosures, contain all of the elements required to comply with generally accepted accounting principles. We do believe the County has staff with the ability to understand, review, and take responsibility for the financial statements required to comply with independence standards outlined under both *Government Auditing Standards* and *AICPA 101-3*. However, our assistance in drafting the financial statements described above does produce a significant deficiency in the County's internal control system.

Questioned Costs

None Noted

UNION COUNTY, OREGON
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

Criteria: Auditing standards require us to assess the internal control system of the entity. In addition, the standards clearly state that the auditor cannot be relied upon as part of the entity's control system. Statement on Auditing Standards, *Communicating Internal Control Related Matters Identified in an Audit* defines the reporting requirements for internal control related matters. One aspect of this standard requires us to extend this assessment to controls over financial statement presentation. Proper controls over financial statement presentation require adequate knowledge and involvement to detect errors and omissions in the financial statements.

Condition: Although we believe the County has staff with the ability to understand, review, and take responsibility for the financial statements required to comply with independence standards outlined under both Government Auditing Standards and AICPA 101-3; our assistance in drafting the financial statements described above produces a material weakness in the County's internal control system.

Cause: This condition is caused by the County Treasurer and Administrative Officer's limited experience with generally accepted accounting principles and Union County's reliance upon the auditors to perform these functions.

Effect: Since the financial statements and related note disclosures are prepared by independent auditors annually there is no effect caused by this condition.

Context: Although the condition results in a finding, the reader should be aware that it is not unusual for an entity to rely on its auditors to assist them in drafting the financial statements and related note disclosures.

Recommendation: We do not recommend any change in the preparation of the financial statements, but the County Commissioners should be aware of this control deficiency and stress the importance of thorough review of the financial statements prior to approval of the audit.

Views of Responsible Officials and Planned Corrective Actions: As recommended above, Union County has not made any change in the preparation of the financial statements. The County does not feel it is cost effective to hire additional staff or an independent contractor to prepare the financial statements.

2018-02 Significant Deficiency: The County recorded a material cash receipt in the incorrect fund, creating a negative receivable in that fund at the end of the year. The receipt was for a different fund which should have reduced the receivable in that respective fund.

None Noted

Criteria: Auditing standards require us to assess the internal control system of the entity. In addition, the standards clearly state that the auditor cannot be relied upon as part of the entity's control system. Statement on Auditing Standards, *Communicating Internal Control Related Matters Identified in an Audit* defines the reporting requirements for internal control related matters. One aspect of this standard requires us to extend this assessment to controls over accounts receivable. Proper controls over receivables require ensuring cash receipts are properly applied. This requires adequate knowledge and involvement by the entity to detect errors and omissions in the application of cash receipts. Auditors cannot be a relied on to catch errors in unreconciled balance sheet accounts.

UNION COUNTY, OREGON
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

Condition: A material cash receipt was recorded in the wrong fund, inappropriately reducing the accounts receivable for the incorrect fund. While we believe this error would have been detected during reconciliation of fund financial statements, the material amount of the receipt produces a significant deficiency in the County's internal control system.

Cause: This condition is caused by the lack of a timely review by another responsible official over the posting of cash receipts to the fund financial statements.

Effect: Since the receipt was misreported to the incorrect fund understating the receivable to that fund and overstating the receivable to the correct fund, the net effect on the overall net position of the County was 0.

Context: The County recorded a material cash receipt to the incorrect fund, creating a negative accounts receivable balance for that fund. We believe the County would have detected this error during reconciliation of the fund financial statements, and although auditor's discovered this error, the auditors cannot be relied upon as part of the County's internal control system. This is not a repeat finding.

Recommendation: We recommend the County implement a timely review of cash receipt posting to the general ledger by another responsible official.

Views of Responsible Officials and Planned Corrective Actions: Union County agrees with the finding and is in the process of assessing and modifying internal controls to avoid incorrect postings to the general ledger.

C. Federal Awards Findings and Questioned Costs

None noted as a result of our audit procedures.

UNION COUNTY, OREGON
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2018

None noted as a result of our audit procedures.