



Yamhill County Government Services Building

Yamhill County, Oregon

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025



ANNUAL COMPREHENSIVE FINANCIAL REPORT
YAMHILL COUNTY, OREGON

Year Ended June 30, 2025

Prepared by:
Michael Barnhart, Yamhill County Finance Manager

YAMHILL COUNTY

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INTRODUCTORY SECTION



1843

**YAMHILL
COUNTY**

YAMHILL COUNTY
OFFICERS AND MEMBERS OF THE GOVERNING BODY
Year Ended June 30, 2025

COUNTY ADMINISTRATOR

Ken Huffer

BOARD OF COMMISSIONERS

TERM EXPIRATION

Mary Starrett

January 2027

David "Bubba" King

January 2029

Kit Johnston

January 2027

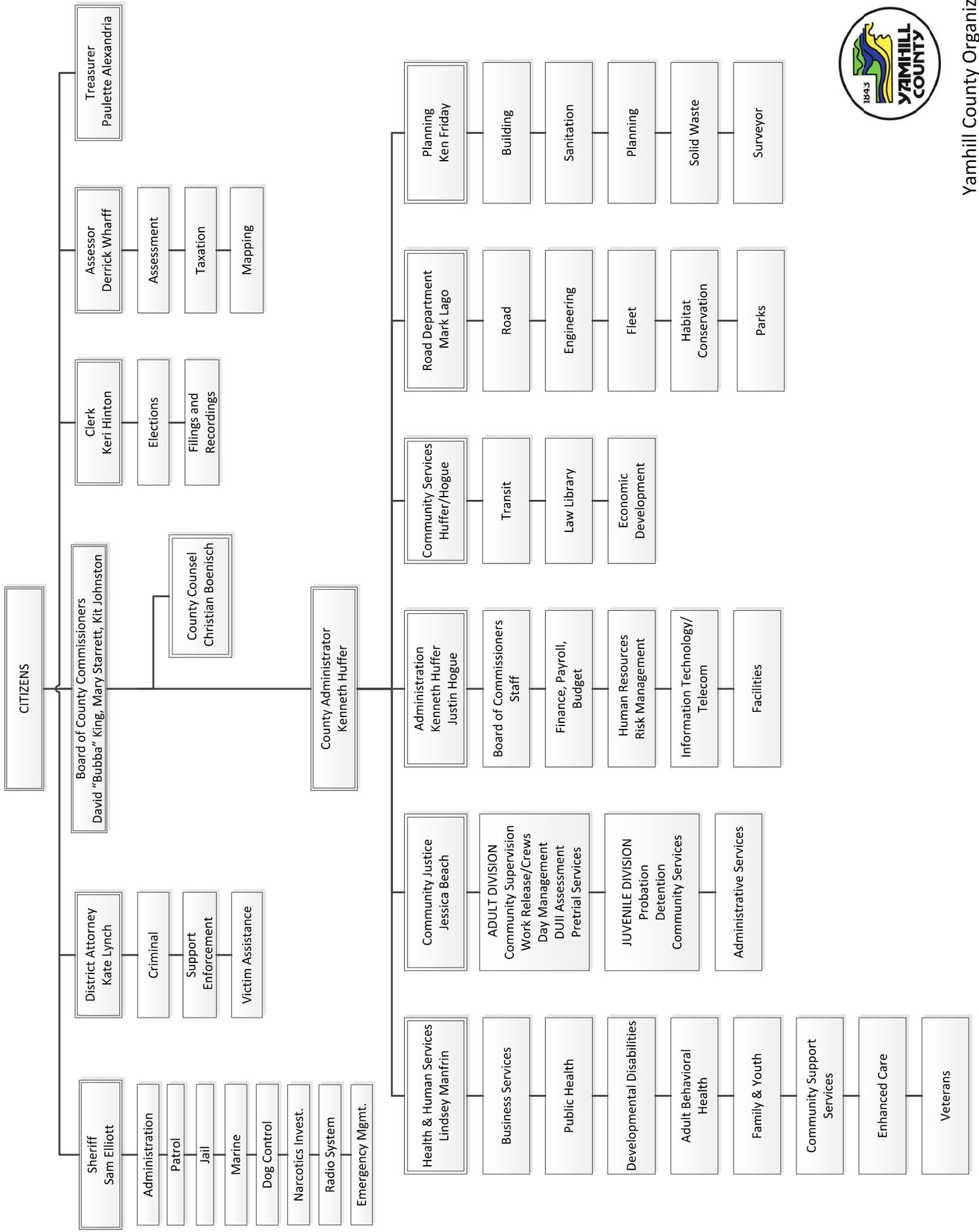
*All board members receive their mail at the county address.

OTHER ELECTED OFFICIALS

Derrick Wharff, Assessor
Keri Hinton, Clerk
Sam Elliot, Sheriff
Paulette Alexandria, Treasurer
Kate Lynch, District Attorney

COUNTY ADDRESS

535 NE 5th Street
McMinnville, OR 97128



Yamhill County

Location: 536 NE 5th St, McMinnville • Mailing: 535 NE Fifth St, McMinnville, OR 97128
(503) 474-4119 • Fax (503) 434-7379

OFFICE OF CENTRAL ACCOUNTING

December 15, 2025

To the Yamhill County Board of Commissioners
and the Citizens of Yamhill County, Oregon

We are pleased to submit this Annual Comprehensive Financial Report (ACFR) of Yamhill County, Oregon for the fiscal year ended June 30, 2025, in accordance with state requirements. Oregon law requires local governments to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) for the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants within six months of the close of each fiscal year.

This report consists of management's representations concerning the finances of Yamhill County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to provide sufficient, reliable information for the preparation of the County's financial statements in conformity with GAAP. The County has designed its internal controls to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement, recognizing the need to balance the cost of internal controls with their benefits. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by SingerLewak, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the County's financial statements for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented at the beginning of this report.

The independent audit of the County's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the County's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Federal Grant Compliance Report.

In accordance with GAAP, County management has provided a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. MD&A can be found immediately following the independent auditor's report.

PROFILE OF THE GOVERNMENT

Yamhill was the second of the 4 original districts created by the Provisional Legislature in 1843. Its boundaries were drawn to include the area from the Willamette River west to the Pacific Ocean and from the Yamhill River south to the California border. The district consisted of 12,000 square miles; however, 12 counties were eventually created from Yamhill County leaving 709 square miles within its present borders.

The county was named for the original inhabitants of the area, the Yamhill Indians, a tribe of the Kalapooian family, who lived around the Yamhill River. The earliest non-native settlers entered the area in 1814; most were employees of the fur companies operating in Oregon. Many immigrants who came over the Oregon Trail during 1843-1844 settled in the Yamhill region, which became the agricultural center of the Willamette Valley. The tribe was forced to move to the Grand Ronde Reservation in 1855.

Lafayette, at one time the principal trading center of the western Willamette Valley, became the county seat in 1847. In 1889 the county seat moved to McMinnville where a new courthouse was built. The fourth and present courthouse was built in 1964.

There are 10 incorporated cities in Yamhill County, and the County's population is currently estimated at 109,682. The County is empowered to levy a property tax on both real and personal properties located within its boundaries.

Yamhill County ranks high among Oregon counties in annual market value of its agricultural production. Today, the county's primary industry is agriculture, specifically wheat, barley, horticulture, and dairy farming. Yamhill County is also the center of Oregon's wine industry, which drives an important tourism business. About 1/3 of the county is covered with commercial timber and an economic mainstay of the western part of the county is logging and timber products. Non-seasonal light industries have also located in Yamhill County. Much of the county's workforce commutes to the Portland metropolitan area.

Yamhill County voters elect three commissioners, a district attorney, an assessor, a clerk, a sheriff, and a treasurer. The commissioners are elected to four-year staggered terms from the County at large, and a chair and vice-chair are selected annually. Policy making, legislative authority, and quasi-judicial powers are vested in the Board of Commissioners, which is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the County Administrator and County Counsel. The County Administrator is responsible for carrying out the policies of the Board of Commissioners and overseeing the day-to-day operations of the County.

The County provides a full array of services including:

- Property assessment, taxation, and collection
- Elections, public records management, and document recording
- Criminal prosecution and support enforcement
- Land use planning and development
- Bus transit
- Emergency management
- Law enforcement and jail operations
- Dog licensing
- Juvenile detention and supervision
- Adult parole and probation
- Road, bridge, and bike/footpath maintenance and construction
- Law library
- Public and behavioral health, and veterans and disability services
- Parks and native habitat maintenance
- County fair and events center

Extension services and sewer district services are provided through legally separate entities which function, in essence, as part of Yamhill County and therefore are included as part of the County's financial statements. Additional information on these legally separate entities can be found in Note 1 of the Notes to Financial Statements.

The annual budget serves as the foundation for the County's financial planning and control. The County adheres to Oregon Local Budget Law in the preparation, adoption and execution of the budget. To oversee the process, the Board of Commissioners appoints the County Administrator as the County's Budget Officer. County departments submit requests to the Budget Officer in January/February of each year, who meets with individual departments in February/March to review their budgets. Departments present their budgets to the formal Budget Committee meetings in April/May. After approval by the Budget Committee, the Board of Commissioners holds a public hearing on the approved budget and adopts a final budget no later than June 30th of the preceding fiscal year. The appropriated budget is prepared either by fund and category or by fund and department, depending on the fund. After adoption, department directors may make transfers of appropriations between line items within a fund and category. However, transfers of appropriations between categories require the approval of the Board of Commissioners. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the financial environment within the local economy which the County operates.

Employment

Per the State of Oregon Employment Department's Year in Review 2024 for Yamhill County:

Yamhill County Labor Force

Similar to the U.S. and Oregon, Yamhill County found itself in a tight labor market in 2024. Prior to the pandemic Yamhill County had a very tight labor market and had its all-time low unemployment rate of 3.1%. In 2024, Yamhill County's unemployment rate did tick up higher than those historic lows. The county started 2024 with an unemployment rate of 3.8% in January 2024. In December 2024 Yamhill County's unemployment rate was at 4.0%.

Yamhill County's annual average unemployment rate in 2024 was 3.9%. Yamhill County has only had an annual unemployment rate below 4% for six years since 1990. The other years were 2017, 2018, and 2019; just prior to the pandemic recession, and in 2022, 2023 and 2024.

Yamhill County's civilian labor force showed a slight increase in 2024, it was up roughly 360 people or +0.6%.

Total Nonfarm Employment

On an average annual basis Yamhill County's payroll employment grew 600 or 1.7% in 2024. In 2023, Yamhill County's employment grew 740 or 2.1%.

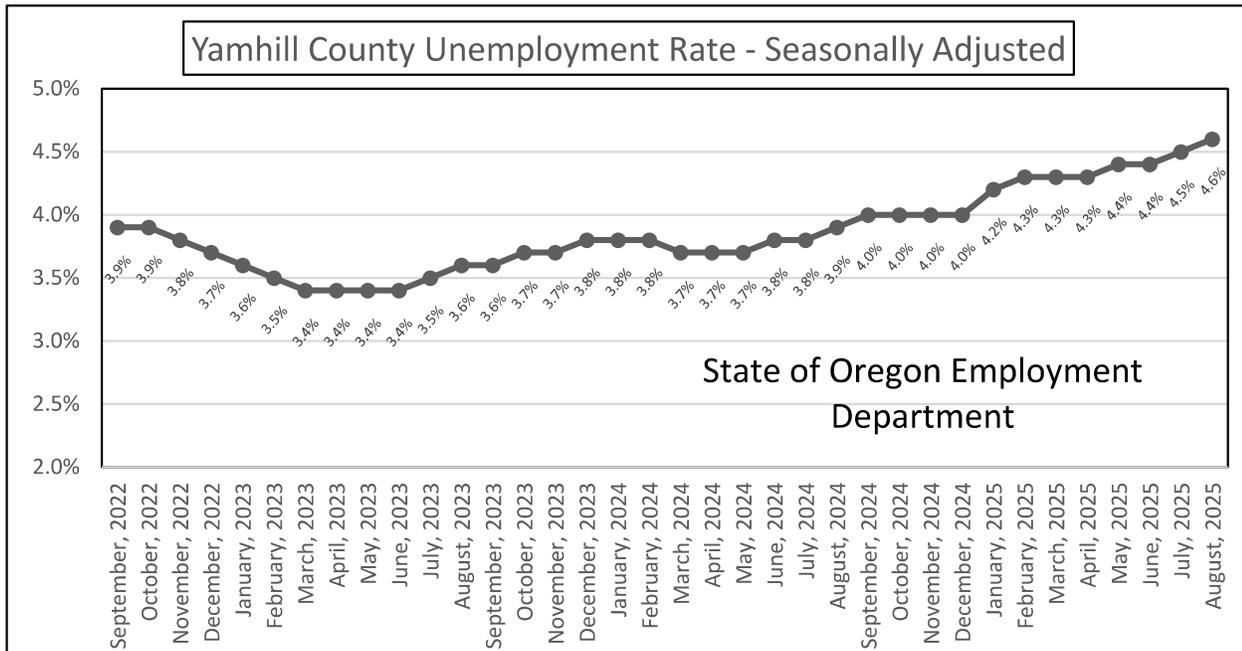
Yamhill County's private sector grew 1.8% in 2024, adding 560 jobs.

Health care and social assistance was the sector that showed the most job gains in Yamhill County in 2024, adding 670 jobs, up 11.2% annually.

Yamhill County's leisure and hospitality sector continued to grow in 2023, adding 60 jobs or +1.6%. Leisure and hospitality's annual average employment in 2024 brought the sector's employment level up to match what it was in 2019, prior to the pandemic.

Yamhill County's public sector recorded employment gains in 2024, adding 40 or +0.9%. The gains were spread out among federal, state and local government.

The following shows the fluctuations in Yamhill County unemployment rates over the last 36 months:



Per the State of Oregon Employment Department's September 2025 press release:

Yamhill County had an average of 458 federal government jobs covered by unemployment benefits during the first half of 2025. That accounted for about 1.1% of all jobs in Yamhill County.

The U.S. Bureau of Labor Statistics suspended the monthly employment and unemployment reports as of October 1, 2025, due to the federal government shutdown. As a result, the most recent comparable numbers we have are from August 2025:

- Yamhill County's August 2025 unemployment is 4.6 percent, which is 0.4% lower than the State of Oregon rate of 5.0%, and 0.3% higher than the United States rate of 4.3.

Gross Domestic Product – Yamhill County's real GDP across all industries has shown slow but consistent growth since 2018, except for 2020 which turned negative. 2021 showed a healthy rebound, with 2022 and 2023 slowing slow, below average growth. Per the Bureau of Economic Analysis, Yamhill County's real Gross Domestic Product (GDP) in thousands of chained 2017 dollars is as follows:

	2019	2020	2021	2022	2023
All Industries	\$3,738,770	\$3,654,845	\$3,878,773	\$3,897,874	\$3,921,543
Private industries	\$3,309,544	\$3,235,057	\$3,440,317	\$3,446,725	\$3,464,114
Government and government enterprises	\$429,150	\$419,710	\$438,456	\$451,437	\$457,883

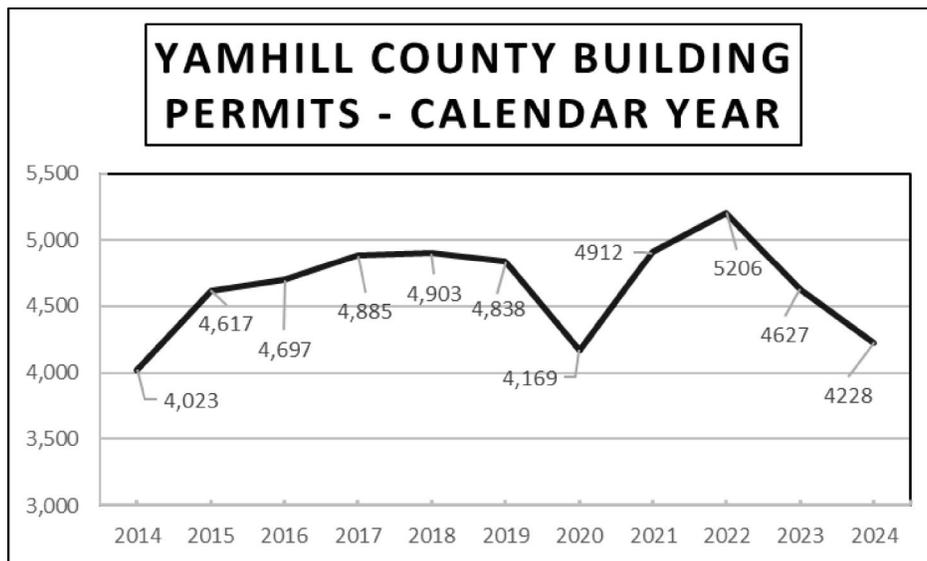
Real GDP growth as a percent change from the preceding year is as follows:

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
All Industries	1.9%	-2.2%	6.1%	0.5%	0.6%
Private industries	1.4%	-2.3%	6.3%	0.2%	0.5%
Government and government enterprises	5.9%	-2.2%	4.5%	2.9%	1.4%

Changes in Tax Revenues – Tax to be collected has maintained consistent growth over the last 10 years in line with the fluctuation in the economy. The percent collected remains in the 99th percentile by year two of the levy.

Tax Year	Tax to be Collected	Growth in Tax to be Collected	Percent Collected
2014-15	112,670,880	5.19%	99.71%
2015-16	120,622,255	7.06%	99.31%
2016-17	127,144,486	5.41%	99.39%
2017-18	131,889,054	3.73%	99.48%
2018-19	134,788,596	2.20%	99.66%
2019-20	139,893,191	3.79%	99.81%
2020-21	145,272,034	3.84%	99.62%
2021-22	154,710,103	6.50%	99.59%
2022-23	161,645,023	4.48%	99.37%
2023-24	171,385,646	6.03%	98.98%
2024-25	181,711,477	6.02%	97.75%

Building Permits – Yamhill County building permit data has been consistently growing over the first half of the last ten years due to the growth in the regional economy. Building permits then dropped in 2020 due to a COVID-19 related slow-down in the economy but picked up significantly in 2021 and 2022 as expected. In 2023 and 2024, building activity has declined to the lowest since 2015. The main cause was inflationary pressures in that drove up costs, coupled with the rise in interest rates.



LONG-TERM FINANCIAL PLANNING

The County sets aside resources in reserves for certain projects and growth plans that are long-term in nature. In the FY26 budget, the County reported the following reservations of Fund Balance:

General Fund:	
Discretionary	\$ 1,248,396
Assessor	75,125
Parks	2,000
Patrol	10,000
Capital Improvement	1,100,534
Solid Waste	11,719
Habitat Conservation	10,000
Self-Insurance	3,056,542
Motor Vehicle Replacement	805,567
	\$ 6,319,883

RELEVANT FINANCIAL POLICIES

The County has established a minimum General Fund reserve policy of 20% of anticipated operating revenues. For the last three years, the County's General Fund fund balance as a percent of General Fund total revenues has been:

FY2025	35.61%
FY2024	36.67%
FY2023	42.85%

MAJOR INITIATIVES

America Rescue Plan Act

Signed into law on March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) provides \$350 billion in aid for state and local governments, along with additional funding for other areas like education, rental assistance and transit. Yamhill County's allocation of ARPA aid was \$20.8 million. The allocation was based on population and CDBG grant recipient status.

Eligible uses of these funds include revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency; COVID-19 expenditures or negative economic impacts of COVID-19, including assistance to small businesses, households, and hard-hit industries, and economic recovery; premium pay for essential workers; and investments in water, sewer, and broadband infrastructure. Funding must be obligated by the end of calendar year 2024.

Money's expended as of June 30, 2025, are as follows:

Public health	\$	859,010
Economic impacts		4,554,742
Revenue loss		4,939,474
Water and sewer infrastructure		6,813,417
Childcare		1,818,991
Local Charities		120,280
Broadband infrastructure		1,097,712
	\$	<u>20,203,626</u>

Capital Facilities

In December of 2024, Yamhill County purchased two downtown buildings from the Oregon Mutual Insurance Company (OMI) for \$19.2 million. A 20-year bank loan for \$15 million was obtained to make the transaction. The remainder of the money came from existing reserves. \$1.2 million of the purchase price will be offset by lease payments from OMI for the space it continues to occupy in the newer building.

The purchase was affected to consolidate operations from eight stand-alone buildings into one government service building. Efficiencies to be gained include:

- Reduction in maintenance costs. Many of the current facilities are registered as historical buildings, which require significant maintenance.
- Having County staff in one building will reduce travel time between meetings and increase cohesion and informal information sharing.
- Citizens now come to one building for “one-stop shopping”, versus having to travel to multiple buildings to transact business.

As November 2025, the following departments and operations have moved into the new building:

- Assessment and taxation
- Information services
- Planning and development
- Human resources
- Central finance
- County Treasurer
- Economic Development
- Health and human services – finance division

Other departments and divisions will soon join including:

- County clerk's office
- Health and human services – all other divisions
- County Administration
- County Counsel
- County Commissioners
- Facilities

System Plan Updates

The County has adopted an updated Parks System Plan and will be reviewing its Transportation System Plan in the coming year. The Parks System Plan will help prioritize needs and development within the County Parks system in the coming years. The Transportation System Plan includes projects and needs for the full spectrum of transportation in the County, including walking, biking, and mass transit.

AWARDS AND ACKNOWLEDGMENTS

For the fiscal years ending June 30, 2024, Yamhill County, Oregon submitted its Annual Comprehensive Financial Report (ACFR) to the Government Finance Officers Association of the United States and Canada (GFOA) and was awarded a Certificate of Achievement for Excellence in Financial Reporting. This was the sixth consecutive year the County has received this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

We believe our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to express our appreciation to all members of the finance division and other County personnel who assisted and contributed to the preparation of this report. Credit must also be given to the County's Board of Commissioners, the County Administrator, and the Deputy County Administrator for their support in this undertaking, and for maintaining the highest standards of accountability in the management of the County's finances.

Respectfully submitted,



Michael Barnhart, Finance Manager



Kevin Perkins, Deputy County Administrator



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Yamhill County
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO



1843

**YAMHILL
COUNTY**

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

County Commissioners
Yamhill County
McMinnville, Oregon

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Yamhill County (the "County") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Yamhill County as of June 30, 2025, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 3 to the financial statements, the County adopted the provisions of GASB Statement No. 101, *Compensated Absences*, effective July 1, 2024, which includes a change in accounting principle. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages a – k, and the schedules on pages 69 – 73 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The budgetary comparison schedules on pages 63 - 65 for the General, Road, and Health and Human Services funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the budgetary comparison schedules for the General, Road, and Health and Human Services funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining financial statements and individual fund schedules on pages 74 - 113 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 financial statements and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages a – k, and the schedules on pages 68 – 72 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The budgetary comparison schedules on pages 62 - 64 for the General, Road, and Health and Human Services funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the budgetary comparison schedules for the General, Road, and Health and Human Services funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining financial statements and individual fund schedules on pages 73 - 112 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 financial statements and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the County's 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 the County's internal control over financial reporting and compliance.

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 15, 2025, on our consideration of the County'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.

Singer Lewak LLP

December 15, 2025

By:



Bradley G. Bingenheimer, Partner

MANAGEMENT'S DISCUSSION AND ANALYSIS



Management's Discussion and Analysis

As management of Yamhill County, we offer readers of Yamhill County's financial statements this narrative overview and analysis of the financial activities of Yamhill County for the fiscal year ended June 30, 2025.

Financial Highlights

- The County's total assets and deferred outflows of resources on June 30, 2025, increased \$43.8 million from \$247.3 million to \$291.1 million. The primary changes were the result of a \$19.3 million purchase of a government services building, a \$13.0 million back-payment received in the Health and Human Services department for Certified Community Behavioral Health Clinic services provided in FY24, increases in receivable activity of \$3.9 million, a new sublease with Oregon Mutual Insurance for \$1.3 million, a \$1.0 million increase in the net other postemployment benefit asset, a \$3.0 million increase in deferred outflows from pension related items, and \$2.3 million in all other categories.
- The County's total liabilities and deferred inflows of resources increased \$22.3 million from \$95.1 million to \$117.4 million. The primary changes were the result of an increase of \$15.0 million due to the issuance of a bank note to finance the purchase of a government services building, an increase of \$7.8 million in the net pension liability, an increase of \$2.6 million due to a change in accounting principle, less a decrease of \$5.5 million in unearned revenue due mainly to the spend down of the American Rescue Plan grant, plus \$2.4 million in all other categories.
- The total net position of the County (assets and deferred outflows of resources less liabilities and deferred inflows of resources) on June 30, 2025, increased \$21.5 million from \$152.2 million to \$173.7 million. The County's unrestricted portion of net position is a deficit of \$23.6 million, while restricted net position is \$58.5 million, the net of which may be used to meet the County's ongoing obligations to citizens and creditors.
- On June 30, 2025, the County's governmental funds reported combined ending fund balances of \$75.4 million, an increase of \$24.2 million. Approximately \$17.8 million is available for spending by the Board.
- On June 30, 2025, the General Fund's fund balance was \$18.0 million, an increase of \$1.1 million from the previous year. Spendable fund balance for the General Fund is \$17.8 million or 35.3 percent of General Fund total revenues.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Yamhill County's basic financial statements. Yamhill County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to these basic financial statements.

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

The *Statement of Net Position* presents information on all of Yamhill County's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Yamhill County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Yamhill County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The governmental activities of Yamhill County include general government; public safety; highways and streets; health and welfare; parks, culture and recreation; and education. The business-type activity of Yamhill County is the Cove Orchard Sewer Service District.

The government-wide financial statements include not only Yamhill County itself (known as the primary government), but also Yamhill County Extension Service District for which Yamhill County is financially accountable. Financial information for this component unit is discretely presented in the County's financial statements as a nonmajor special revenue fund. The government-wide financial statements also include the Cove Orchard Sewer Service District. Although legally separate, they function for all practical purposes as a department of Yamhill County and are reported as a component unit discretely presented in the County's financial statements as a major enterprise fund.

The government-wide financial statements can be found on pages 1 and 2 of this report.

Fund financial statements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Yamhill County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Yamhill County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. These reconciliations can be found on pages 5 and 8 of this report.

Yamhill County maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Road, Health and Human Services, and Capital Improvement funds, which are major funds. The governmental fund financial statements can be found on pages 3 – 4, and 6 – 7 of this report. Summary data for the general fund and subfunds of the general fund can be found on pages 73 and 74. Summary data by fund-type for the nonmajor governmental funds is provided in the form of combining statements on pages 77 and 78. Individual fund data for each of the non-major governmental funds can be found on pages 79 – 82, and 97 and 98 of this report.

Proprietary funds. Yamhill County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Yamhill County uses an enterprise fund to account for Cove Orchard Sewer Service District. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Yamhill County's various functions. Yamhill County uses internal service funds to account for its telecommunications, self-insurance, and motor vehicle replacement programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as reported for the business-type activities in the government-wide financial statements, only in more detail. The proprietary fund financial statement provide separate information for the Cove Orchard Sewer Service District. The proprietary fund financial statements can be found on pages 9 - 11 of this report. Individual data for the internal service funds can be found on pages 103 - 105 of this report.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Yamhill County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 12 and 13 of this report. The combining statement of net position and combining statement of changes in net position can be found on pages 109 and 110.

Budgetary comparisons. Yamhill County adopts an annual appropriated budget for all its funds except for fiduciary funds. To demonstrate compliance, budgetary comparison statements have been provided for the General Fund and major special revenue funds with legally adopted budgets as part of the required supplementary information on pages 62 - 64. All other budgetary comparison schedules can be found on pages 75 and 76, 83 – 96, 99 – 101, 102, and 106- 108 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found pages 14 - 61 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information in the form of schedules relating to pensions and other postemployment benefits that can be found on pages 68 – 72 of this report.

Government-wide Financial Analysis (Statement of Net Position)

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Yamhill County, assets and deferred outflows exceeded liabilities and deferred inflows by \$173.7 million at the close of the fiscal year.

By far the largest portion of Yamhill County's net position (79.9 percent) reflects its investment in capital assets (e.g., land, buildings, intangible right-to-use leases, subscription-based information technology arrangements, infrastructure, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. Yamhill County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although Yamhill County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Yamhill County, Oregon
Management's Discussion and Analysis (Continued)
June 30, 2025

An additional 33.7 percent of the Yamhill County's net position represents resources that are subject to external restrictions on how those resources may be used. The remaining balance of unrestricted net position is a deficit of \$23.6 million. This deficit does not mean that the County does not have resources available to pay its bills next year. Rather, it is the result of having long-term commitments that are greater than currently available resources. For example, the County does not include in its annual budgets the full amounts needed to finance future liabilities arising from pension and other postemployment benefits. The County will include these amounts in future years' budgets as they come due. Although the net position of our business-type activities has remained unchanged at \$.3 million, these resources cannot be used to make up for the deficit net position in governmental activities. The County generally can only use these resources to finance the continuing operations of the Cove Orchard sewer operations.

Yamhill County's Net Position						
(In thousands)						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current and other assets	\$ 94,862	\$ 74,693	\$ 94	\$ 101	\$ 94,956	\$ 74,794
Capital assets	164,966	144,480	219	155	165,185	144,635
Total assets	<u>259,828</u>	<u>219,173</u>	<u>313</u>	<u>256</u>	<u>260,141</u>	<u>219,429</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>30,912</u>	<u>27,918</u>	<u>-</u>	<u>-</u>	<u>30,912</u>	<u>27,918</u>
LIABILITIES						
Current liabilities	7,797	17,769	43	1	7,840	17,770
Noncurrent liabilities	103,393	73,529	-	-	103,393	73,529
Total liabilities	<u>111,190</u>	<u>91,298</u>	<u>43</u>	<u>1</u>	<u>111,233</u>	<u>91,299</u>
DEFERRED INFLOWS OF RESOURCES	<u>6,142</u>	<u>3,760</u>	<u>-</u>	<u>-</u>	<u>6,142</u>	<u>3,760</u>
NET POSITION						
Net investment in capital assets	138,617	133,046	219	155	138,836	133,201
Restricted	58,489	34,675	-	-	58,489	34,675
Unrestricted	<u>(23,698)</u>	<u>(15,688)</u>	<u>51</u>	<u>100</u>	<u>(23,647)</u>	<u>(15,588)</u>
Total net position	<u>\$173,408</u>	<u>\$152,033</u>	<u>\$ 270</u>	<u>\$ 255</u>	<u>\$173,678</u>	<u>\$152,288</u>

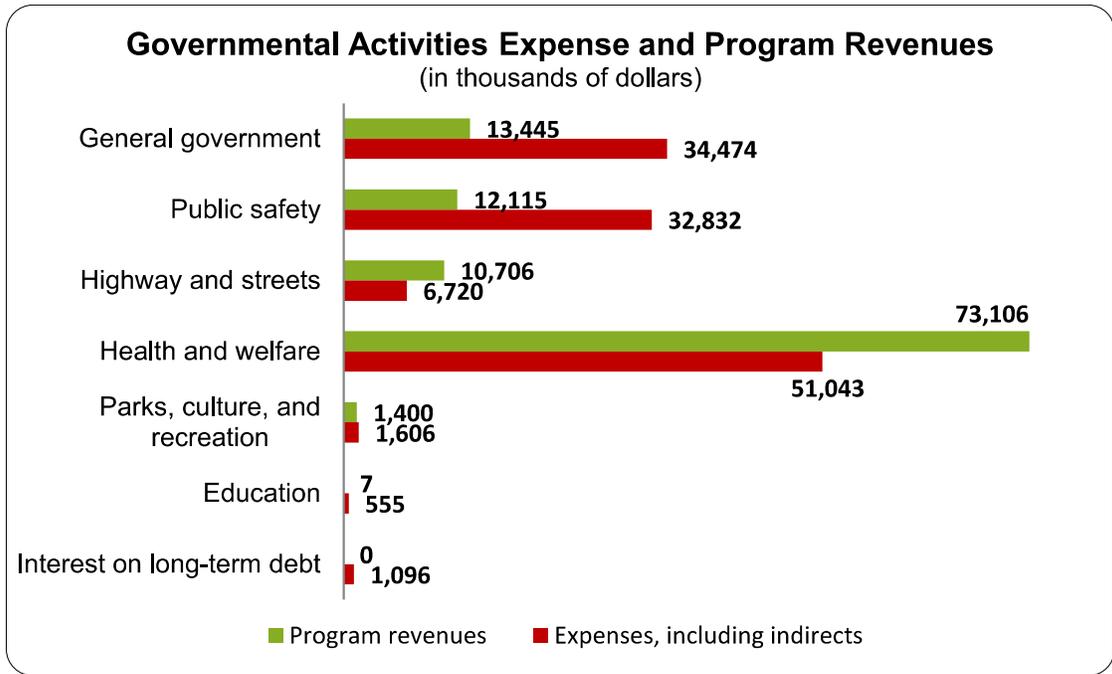
At the end of the current and prior fiscal years, the County can report positive balances in all categories of net position for both the government as a whole and for its separate governmental and business-type activities except for unrestricted net position. The deficit is due mainly to the net pension liability.

Yamhill County, Oregon
Management's Discussion and Analysis (Continued)
June 30, 2025

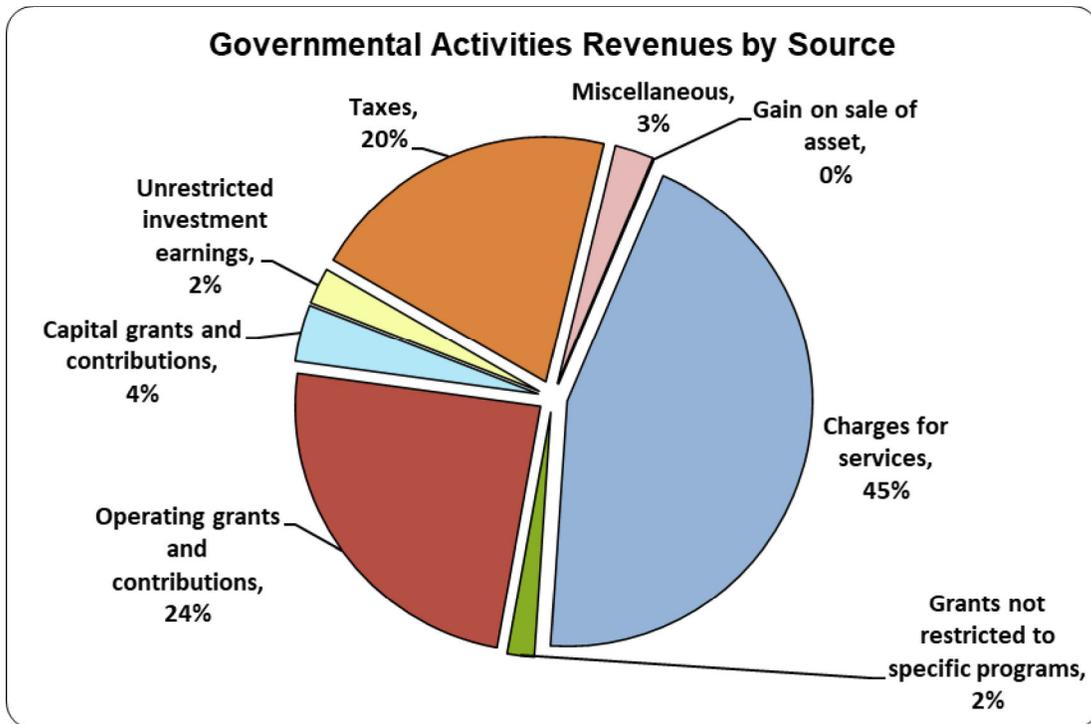
Yamhill County's Changes in Net Position						
(In thousands)						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 68,041	\$ 43,994	\$ 59	\$ 57	\$ 68,100	\$ 44,051
Operating grants and contributions	36,998	35,933	-	-	36,998	35,933
Capital grants and contributions	5,740	894	-	-	5,740	894
General revenues:						
Taxes	31,190	29,757	-	-	31,190	29,757
Unrestricted investment earnings	3,657	3,599	4	7	3,661	3,606
Grants not restricted to specific programs	2,714	4,132	-	-	2,714	4,132
Miscellaneous	3,896	2,498	-	-	3,896	2,498
Gain on sale of asset	55	37	-	-	55	37
Total revenues	152,291	120,844	63	64	152,354	120,908
Expenses:						
General government	34,474	32,420	-	-	34,474	32,420
Public safety	32,832	31,952	-	-	32,832	31,952
Highways and streets	6,720	6,951	-	-	6,720	6,951
Health and welfare	51,043	48,644	-	-	51,043	48,644
Parks, cultural, and recreation	1,606	1,468	-	-	1,606	1,468
Education	555	545	-	-	555	545
Interest on long-term debt	1,096	678	-	-	1,096	678
Sewer	-	-	48	61	48	61
Total expenses	128,326	122,658	48	61	128,374	122,719
Change in net position before transfers	23,965	(1,814)	15	3	23,980	(1,811)
Transfers in (out)	-	-	-	-	-	-
Change in net position	23,965	(1,814)	15	3	23,980	(1,811)
Net position beginning of year	152,033	153,847	255	252	152,288	154,099
Change in accounting principle	(2,590)	-	-	-	(2,590)	-
Net position beginning of year, as restated	149,443	153,847	255	252	149,698	154,099
Net position end of year	\$ 173,408	\$152,033	\$ 270	\$ 255	\$173,678	\$152,288

Fiscal year 2025 beginning balance was restated due to a change in accounting principle related to compensated absences as described in Note 21 to the financial statements.

Governmental activities. Net position in governmental activities did not decrease significantly.

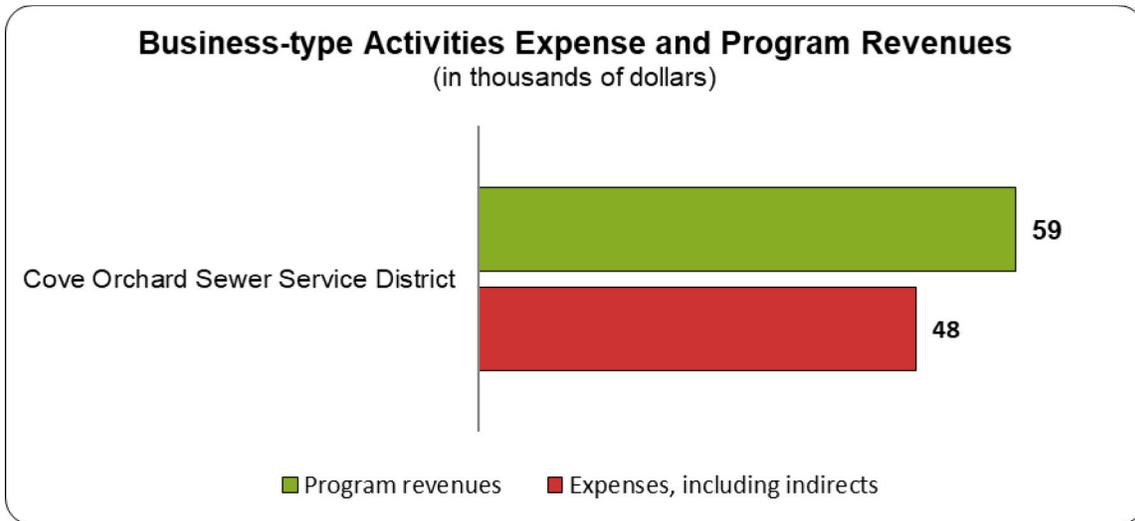


As illustrated above, all governmental activities except Highway and streets and Health and welfare relied on general revenues to support the function.

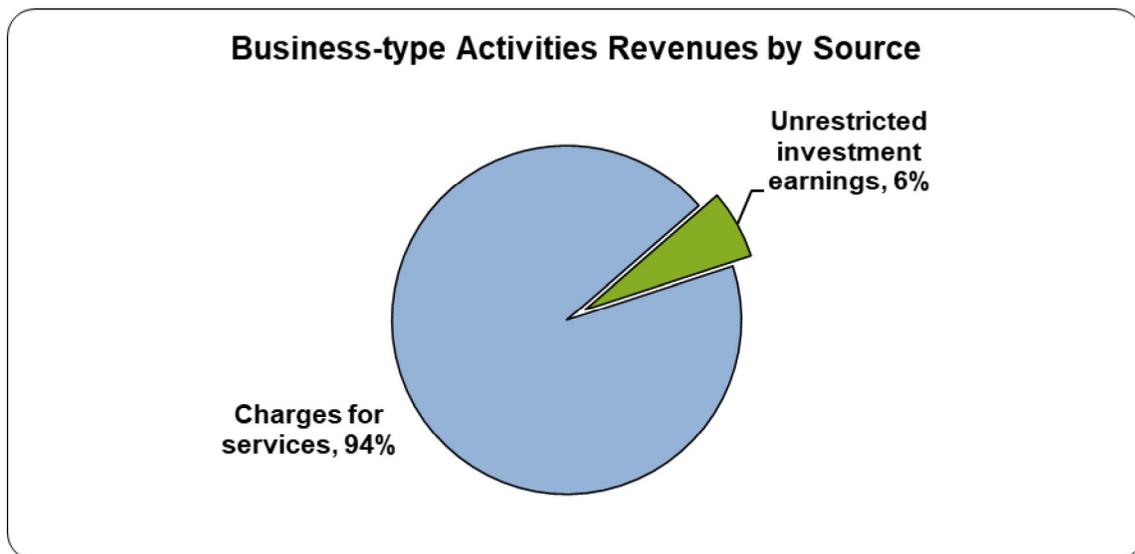


45 percent of revenues for governmental activities come from charges for services and 24 percent come from operating grants and contributions which includes, among other items, health and welfare grants and contributions, state gas tax, and road grant revenues. Taxes make up only 20 percent of overall revenues from governmental activities.

Business-type activities. Business-type activities increased the County's net position by \$10,659.



During fiscal year 2023 the Cove Orchard Sewer Service District generated sufficient program revenues to cover operating expenses due to rate increase that took effect in fiscal year 2019 that will be used to build the fund balance and save for future system improvements.



Approximately 94 percent of all revenues of business-type activities comes from charges for services.

Financial Analysis of the Government's Funds

Yamhill County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, Yamhill County's governmental funds reported combined ending fund balances of \$75.4 million, an increase of \$24.2 million over the prior year. Approximately \$17.8 million constitutes spendable, non-restricted fund balance which is available for appropriation in the subsequent year by the Board of County Commissioners. The remaining fund balance is either externally restricted by creditors, grantors, contributors, or laws/regulations, or is internally restricted by law through constitutional provisions or enabling legislation (\$56.2 million), or is not available for new spending because it represents amounts that have already been spent (\$.3 million in inventory, \$.8 million in prepaid items, \$.1 million in General Fund advances to other funds, and \$.2 million in lease receivables less deferred lease resources).

The **General Fund** is the chief operating fund of Yamhill County. At the end of the current fiscal year, the fund balance of the General Fund was \$18.0 million, of which \$17.8 million is spendable, non-restricted. As a measure of the General Fund's ability to liquidate fund liabilities, it may be useful to compare both spendable non-restricted and total fund balance to total fund revenues. At the end of the current fiscal year, spendable, non-restricted fund balance represented 35.3 percent of total General Fund revenues and total fund balance represented 35.6 percent of those same revenues.

The fund balance of the General Fund increased \$1.1 million from the prior year. The increase was due mainly to property tax collections coming in higher than expected.

The **Road Fund** maintains the county road system. As of June 30, 2025, the ending fund balance in the Road Fund was \$2.0 million, a decrease of \$1.9 million from the prior year. The decrease was due to increases in capital outlay for bridge and road infrastructure projects, coupled with reductions in project reimbursements from the State.

The **Health and Human Services Fund** provides health service to the residents of the County and has a fund balance of \$44.4 million as of June 30, 2025, an increase of \$23.4 million from the prior year. The increase is due mainly to a \$23.1 million increase in OHP insurance reimbursement revenue, including a \$13.0 million back-payment received in the Health and Human Services department for Certified Community Behavioral Health Clinic services provided in FY24.

The **Capital Improvement Fund** is used to account for revenues and expenditures associated with major capital items and the repair and remodeling of facilities and has a fund balance of \$3.0 million. The increase in fund balance of \$.8 million represents unspent note proceeds on the purchase of a governmental services building.

The remaining funds, reported as non-major, consist of various programs which have dedicated intergovernmental revenues. The aggregated fund balances of these programs are \$7.9 million, an increase of \$.8 million from the previous year.

Proprietary funds. The information presented in the proprietary funds statement is similar to that in the government-wide financial statements, but provides greater detail.

The Cove Orchard Sewer Service District is the County's only enterprise fund and reported an ending fund net position of \$.3 million, which remains unchanged from the prior year.

Yamhill County, Oregon
Management's Discussion and Analysis (Continued)
 June 30, 2025

On June 30, 2025, the County's proprietary funds reported unrestricted net positions as follows. Unrestricted net positions are presented both as an amount and as a percentage of total net position for each fund:

	Unrestricted Net		
	Position	Total Net Position	Percent
Cove Orchard Sewer	\$ 50,645	\$ 269,585	18.8%
Telecommunications	216,033	236,436	91.4%
Self-insurance	4,732,349	4,732,349	100.0%
Motor Vehicle Replacement	2,391,067	5,760,403	41.5%
	<u>\$ 7,390,094</u>	<u>\$ 10,998,773</u>	

General Fund Budgetary Highlights

There were no supplemental budgets to the fiscal year 2025 budget. Overall expenditures were \$52,126,196 (including transfers out) or 13.4 percent less than budgeted. This can be contributed to budgeting for grants applied for but not received and conservative budgeting by many of the County's department heads and managers.

Capital Assets and Debt Administration

Capital assets. Yamhill County's investment in capital assets for its governmental and business-type activities as of June 30, 2025, amounted to \$165.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, intangible right-to-use leases, subscription-based information technology arrangements, improvements, machinery and equipment, park facilities, roads, bridges and culverts.

Yamhill County's Capital Assets						
(Net of Depreciation)						
(In thousands)						
	Governmental Activities		Business-type		Total	
	2025	2024	2025	2024	2025	2024
Capital assets not being depreciated	\$ 55,130	\$ 52,354	\$ 219	\$ 155	\$ 55,349	\$ 52,509
Building	34,385	17,160	-	-	34,385	17,160
Machinery and equipment	9,512	10,181	-	-	9,512	10,181
Intangible right to use lease - buildings	8,155	8,182	-	-	8,155	8,182
Subscription-based information technology arrangements	2,847	3,309	-	-	2,847	3,309
Infrastructure	54,937	53,294	-	-	54,937	53,294
Total net position	<u>\$164,966</u>	<u>\$144,480</u>	<u>\$ 219</u>	<u>\$ 155</u>	<u>\$165,185</u>	<u>\$144,635</u>

Additional information on Yamhill County's capital assets can be found in note 7 on pages 32 and 33 of this report.

Long-term debt. Yamhill County's total long-term obligations as of June 30, 2025, amounted to \$103.4 million. Of this amount, \$61.4 million represents the net pension liability and \$1.4 million represents other postemployment benefits liability. Other long-term liabilities include a bank loan of \$15.0 million for the purchase of a governmental services building, \$7.1 million owed to the Oregon Department of Transportation for the Newberg-Dundee Bypass project, \$1.4 million in estimated post-closure care costs of the County's closed landfills, \$9.6 million in lease payables, \$1.8 million on subscription-based information technology arrangements, and \$5.7 million in accumulated compensated absences.

Additional information on Yamhill County's long-term debt can be found in note 8 on pages 33 - 38 of this report.

Economic Factors and Next Year's Budgets and Rates

Unemployment rates have been slowly increasing for Yamhill County compared to last year. The August 2025 unemployment rate was at 4.6 percent which is 1.0 percent higher than the September 2024 rate of 3.6 percent. The August 2025 rate is below the state's unemployment rate of 5.0 percent above the national rate of 4.3 percent.

Following are the major factors and assumptions used in developing the fiscal year 2026 budget:

The Adopted Budget is \$182.6 million, including expenditures, transfers, and contingencies for all funds, exclusive of component units. Revenues are budgeted based on actual experience, and realistic revenue forecasts based on external sources when appropriate (e.g., Oregon Department of Revenue). Total requirements increased by \$7.8 million, or 4.5 percent compared to the fiscal year 2025 budget. This amount matches available resources and therefore meets the Oregon State Budget Law requirement for a balanced budget.

Revenue consists of property and other taxes, grants and contributions, charges for services, investment earnings, and fund balances carried forward from the prior year. Total budgeted revenues are \$201.5 million, a \$11.1 million (5.2 percent) increase over the fiscal year 2025 budget. The main reason for the decrease was a \$15 million supplemental budget action in fiscal year 2025 to approve debt funding for a large capital purchase.

Property tax collections are based on the County's permanent tax rate under voter approved Measure 50 and is set at \$2.5775 per \$1,000 of Assessed Value (AV). The County is expecting to see property tax revenues grow by approximately 5.2 percent over the fiscal year 2025 budget due to a stable housing market.

Grants and contributions come primarily in the form of federal and state specific use grants. As a result, most of these revenues are restricted to meet program requirements as directed by the agreements that govern them. These revenues are budgeted based on projections of available grant dollars at the federal, state, and local level.

Charges for services are for specific activities rendered to residents, including solid waste fees, document record fees, dog control licensing, and County Fair charges. Fees are set either by statute or by the Board of Commissioners to recover the costs of the operation.

Investment earnings in bond markets and the Local Government Investment Pool were significantly increasing when the fiscal year 2026 budget was being built. As a result, the County is budgeting a \$.4 million increase (25.3 percent) in these revenues in comparison to the fiscal year 2025 budget.

Expenditures consists of personnel services, materials and services, capital, and debt service.

Personnel services, which consist of employee wages and benefits, total \$101.8 million, or 50.6 percent of the County's total expenditure budget. FTE increased 2.8 (.4 percent) over the prior year. Total personnel services are budgeted to grow 11.1 percent when compared to fiscal year 2025 budget. The County's services, like most governmental agencies, are labor intensive. Most contracts required COLAs of 2.5% to 3.0% over prior years. Benefit costs include social security, Medicare, medical insurance, retirement, and other employer paid benefits. Significant increases were budgeted for medical insurance costs and PERS retirement. Medical insurance increased 22.0% (\$13.7 million in 2025 to \$16.7 million in 2026), and PERS retirement increased 18.1% (\$13.0 million to \$15.4 million). The County continues to reserve funds in anticipation of future PERS increases and will begin to use a portion of those reserves as needed.

Materials and services total \$63.5 million and represent 31.5 percent of the overall expenditure budget. The budget increased \$1.4 million (2.2 percent) compared to the fiscal 2025 budget.

Capital expenditures are cyclical and can vary greatly from year to year. Capital expenditures are budgeted at \$15.8 million for various purchases and improvements that make up 7.9 percent of the County's overall expenditure budget. This is a \$19.2 million decrease in fiscal year 2026 which is due to the \$19.2 million purchase of the Oregon Mutual Insurance building in fiscal year 2025.

Request for Information

This financial report is designed to provide a general overview of Yamhill County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to either:

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BASIC FINANCIAL STATEMENTS



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**YAMHILL
COUNTY**

YAMHILL COUNTY
STATEMENT OF NET POSITION
June 30, 2025

	Governmental	Business-type	
	Activities	Activities	Totals
Assets			
Cash and cash equivalents	\$ 44,380,657	\$ 31,977	\$ 44,412,634
Investments	35,511,881	25,587	35,537,468
Receivables, net	10,273,910	36,458	10,310,368
Inventory	246,896	-	246,896
Prepaid items	832,281	-	832,281
Lease receivables	2,348,564	-	2,348,564
Net other postemployment benefit asset	1,267,316	-	1,267,316
Capital assets:			
Land and construction in progress	55,130,563	218,940	55,349,503
Other capital assets, net	109,835,747	-	109,835,747
Total assets	259,827,815	312,962	260,140,777
Deferred outflows of resources			
Pension related items	30,676,913	-	30,676,913
Other postemployment benefit related items	235,572	-	235,572
Total deferred outflows of resources	30,912,485	-	30,912,485
Liabilities			
Accounts payable and accrued liabilities	5,888,706	43,377	5,932,083
Accrued interest payable	279,017	-	279,017
Deposits	6,061	-	6,061
Unearned revenue	1,623,595	-	1,623,595
Long-term liabilities:			
Due within one year	6,237,982	-	6,237,982
Due in more than one year	97,154,621	-	97,154,621
Total liabilities	111,189,982	43,377	111,233,359
Deferred inflows of resources			
Pension related items	3,019,980	-	3,019,980
Other postemployment benefit related items	959,857	-	959,857
Deferred lease resources	2,162,044	-	2,162,044
Total deferred inflows of resources	6,141,881	-	6,141,881
Net position			
Net investment in capital assets	138,617,342	218,940	138,836,282
Restricted for:			
Highways and streets	2,013,653	-	2,013,653
Schools and education	77,413	-	77,413
Health services	47,870,507	-	47,870,507
Grants	49,201	-	49,201
Public safety	1,410,780	-	1,410,780
Capital projects	3,735,243	-	3,735,243
Economic development	1,683,895	-	1,683,895
Net other postemployment benefit	1,267,316	-	1,267,316
Other purposes	381,301	-	381,301
Unrestricted	(23,698,214)	50,645	(23,647,569)
Total net position	\$ 173,408,437	\$ 269,585	\$ 173,678,022

See notes to financial statements

YAMHILL COUNTY
STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Totals
	Expenses	Charges for	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
		Services					
Governmental activities:							
General government	\$ 34,474,271	\$ 3,680,037	\$ 4,876,731	\$ 4,888,622	\$ (21,028,881)		\$ (21,028,881)
Public safety	32,831,716	4,992,502	7,022,166	100,000	(20,717,048)		(20,717,048)
Highways and streets	6,720,366	124,057	10,581,835	-	3,985,526		3,985,526
Health and welfare	51,042,473	58,342,260	14,261,653	502,910	22,064,350		22,064,350
Parks, culture and recreation	1,606,428	901,761	249,117	249,017	(206,533)		(206,533)
Education	554,916	-	6,645	-	(548,271)		(548,271)
Interest	1,096,336	-	-	-	(1,096,336)		(1,096,336)
Total governmental activities	<u>128,326,506</u>	<u>68,040,617</u>	<u>36,998,147</u>	<u>5,740,549</u>	<u>(17,547,193)</u>		<u>(17,547,193)</u>
Business-type activities:							
Wastewater	48,162	58,821	-	-		\$ 10,659	10,659
Totals	<u>\$ 128,374,668</u>	<u>\$ 68,099,438</u>	<u>\$ 36,998,147</u>	<u>\$ 5,740,549</u>	<u>(17,547,193)</u>	<u>10,659</u>	<u>(17,536,534)</u>
General revenues:							
Property taxes levied for:							
General purposes					30,612,741	-	30,612,741
Specific purposes					526,548	-	526,548
Miscellaneous taxes					51,230	-	51,230
Grants and contributions not restricted to specific programs					2,713,901	-	2,713,901
Unrestricted investment earnings					3,657,574	3,487	3,661,061
Miscellaneous					3,895,818	-	3,895,818
Gain on sale of asset					54,733	-	54,733
Total general revenues and transfers					<u>41,512,545</u>	<u>3,487</u>	<u>41,516,032</u>
Change in net position					<u>23,965,352</u>	<u>14,146</u>	<u>23,979,498</u>
Net position - beginning, as previously presented					152,032,591	255,439	152,288,030
Change in accounting principle					<u>(2,589,506)</u>	<u>-</u>	<u>(2,589,506)</u>
Net position - beginning, as restated					<u>149,443,085</u>	<u>255,439</u>	<u>149,698,524</u>
Net position - ending					<u>\$ 173,408,437</u>	<u>\$ 269,585</u>	<u>\$ 173,678,022</u>

See notes to financial statements

	General	Road
Assets		
Cash and cash equivalents	\$ 10,389,420	\$ 280,755
Investments	8,313,260	224,649
Receivables	3,558,636	875,549
Inventory	-	246,896
Prepaid items	62,881	655,260
Lease receivables	-	330,548
Advances to other funds	105,180	-
Total assets	<u>\$ 22,429,377</u>	<u>\$ 2,613,657</u>
Liabilities, deferred inflows and fund balances		
Liabilities		
Accounts payable and accrued liabilities	\$ 3,296,667	\$ 269,116
Unearned revenue	-	-
Deposits	3,061	1,500
Advances from other funds	-	-
Total liabilities	<u>3,299,728</u>	<u>270,616</u>
Deferred inflows of resources		
Unavailable revenue	1,133,774	-
Deferred lease resources	-	293,359
Total deferred inflows of resources	<u>1,133,774</u>	<u>293,359</u>
Fund balances		
Nonspendable	168,061	939,345
Restricted	-	1,110,337
Assigned	350,326	-
Unassigned	17,477,488	-
Total fund balances	<u>17,995,875</u>	<u>2,049,682</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 22,429,377</u>	<u>\$ 2,613,657</u>

See notes to financial statements

YAMHILL COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

Health and Human Services	Capital Improvement	Total Nonmajor Funds	Total Governmental Funds
\$ 22,896,086	\$ 2,552,645	\$ 4,292,894	\$ 40,411,800
18,320,665	2,042,539	3,435,020	32,336,133
5,287,802	5,577	484,405	10,211,969
-	-	-	246,896
70,321	246	17,435	806,143
428,880	1,493,093	96,043	2,348,564
-	-	130,494	235,674
<u>\$ 47,003,754</u>	<u>\$ 6,094,100</u>	<u>\$ 8,456,291</u>	<u>\$ 86,597,179</u>
\$ 1,706,880	\$ 188,171	\$ 333,503	\$ 5,794,337
441,827	1,087,911	93,857	1,623,595
-	-	1,500	6,061
-	490,025	1,665	491,690
<u>2,148,707</u>	<u>1,766,107</u>	<u>430,525</u>	<u>7,915,683</u>
-	-	19,490	1,153,264
<u>408,860</u>	<u>1,370,781</u>	<u>89,044</u>	<u>2,162,044</u>
<u>408,860</u>	<u>1,370,781</u>	<u>108,534</u>	<u>3,315,308</u>
90,341	122,558	24,434	1,344,739
44,355,846	2,834,654	7,892,798	56,193,635
-	-	-	350,326
-	-	-	17,477,488
<u>44,446,187</u>	<u>2,957,212</u>	<u>7,917,232</u>	<u>75,366,188</u>
<u>\$ 47,003,754</u>	<u>\$ 6,094,100</u>	<u>\$ 8,456,291</u>	<u>\$ 86,597,179</u>

See notes to financial statements

YAMHILL COUNTY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2025

Fund balances - total governmental funds		\$	75,366,188
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>			
The net other postemployment benefit asset is reported in the statement of net position but is not reported in the funds			1,267,316
Capital and lease assets used in governmental activities are not financial resources and therefore are not reported in the funds.			164,966,310
Deferred outflows related to the pension and other postemployment benefit plans are not current financial resources and therefore are not reported in the funds			30,912,485
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable in the funds			1,153,264
The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position	\$		10,729,188
Plus: compensated absences of the internal service fund included below			54,882
Less: capital assets of the internal service funds included above		<u>(3,389,739)</u>	7,394,331
The net pension liability is reported in the statement of net position, but is not reported in the funds.			(61,424,736)
The other postemployment benefit liability is reported in the statement of net position but is not reported in the funds			(1,379,666)
Some liabilities, including compensated absences, capital leases payable and notes payable, are not due and payable in the current period and therefore are not reported in the funds			(40,867,218)
Deferred inflows related to the pension and other postemployment benefit plans are reported in the statement of net position, but are not reported in the funds			<u>(3,979,837)</u>
Net position of governmental activities			<u>\$ 173,408,437</u>

	<u>General</u>	<u>Road</u>
Revenues		
Property taxes	\$ 30,643,443	\$ -
Miscellaneous taxes	33,546	-
Licenses, permits and fees	1,480,222	101,190
Fines and forfeitures	806,972	-
Charges for services	6,153,788	22,867
System development charges	-	-
Intergovernmental	9,201,911	10,436,493
Interest	1,079,301	41,063
Miscellaneous	1,142,231	110,866
Total revenues	<u>50,541,414</u>	<u>10,712,479</u>
Expenditures		
Current		
General government	17,495,703	-
Public safety	26,526,164	-
Highways and streets	-	6,485,517
Health and welfare	-	-
Parks, culture and recreation	411,722	-
Education	-	-
Debt service	-	655,260
Capital outlay	3,803,072	4,869,704
Total expenditures	<u>48,236,661</u>	<u>12,010,481</u>
Excess (deficiency) of revenues over expenditures	<u>2,304,753</u>	<u>(1,298,002)</u>
Other financing sources (uses)		
Issuance of long-term obligations	1,828,854	-
Transfers in	3,246,620	444,036
Transfers out	(6,295,763)	(1,006,513)
Total other financing sources (uses)	<u>(1,220,289)</u>	<u>(562,477)</u>
Net change in fund balances	1,084,464	(1,860,479)
Fund balances at beginning of year	<u>16,911,411</u>	<u>3,910,161</u>
Fund balances at end of year	<u>\$ 17,995,875</u>	<u>\$ 2,049,682</u>

See notes to financial statements

YAMHILL COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2025

Health and Human Services	Capital Improvement	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ -	\$ 526,548	\$ 31,169,991
-	-	17,684	51,230
456,912	-	73,978	2,112,302
25,563	-	102,670	935,205
57,712,170	-	1,100,962	64,989,787
-	-	87,514	87,514
14,845,822	4,535,305	6,162,926	45,182,457
1,336,215	380,782	446,943	3,284,304
1,296,501	331,071	780,788	3,661,457
<u>75,673,183</u>	<u>5,247,158</u>	<u>9,300,013</u>	<u>151,474,247</u>
-	2,343,132	1,053,713	20,892,548
-	693,212	3,667,478	30,886,854
-	-	-	6,485,517
48,086,262	-	343,501	48,429,763
-	-	1,125,317	1,537,039
-	-	554,916	554,916
-	372,576	-	1,027,836
1,802,644	19,344,049	1,151,095	30,970,564
<u>49,888,906</u>	<u>22,752,969</u>	<u>7,896,020</u>	<u>140,785,037</u>
<u>25,784,277</u>	<u>(17,505,811)</u>	<u>1,403,993</u>	<u>10,689,210</u>
-	15,000,000	-	16,828,854
1,963,329	3,592,011	844,566	10,090,562
(4,318,009)	(304,754)	(1,457,074)	(13,382,113)
<u>(2,354,680)</u>	<u>18,287,257</u>	<u>(612,508)</u>	<u>13,537,303</u>
23,429,597	781,446	791,485	24,226,513
<u>21,016,590</u>	<u>2,175,766</u>	<u>7,125,747</u>	<u>51,139,675</u>
<u>\$ 44,446,187</u>	<u>\$ 2,957,212</u>	<u>\$ 7,917,232</u>	<u>\$ 75,366,188</u>

See notes to financial statements

YAMHILL COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

Net change in fund balances - total governmental funds		\$ 24,226,513
<i>Amounts reported for governmental activities in the Statement of Activities are different because of the following</i>		
Governmental funds report the acquisition of capital assets, including lease assets, as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. The difference between those two amounts is:		
Acquisition of capital assets	\$ 28,375,345	
Depreciation and amortization	<u>(7,887,073)</u>	20,488,272
The net effect of transactions involving capital and lease assets (i.e., sales, trade-ins, terminations, and donations) is to decrease net position.		(501,435)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds as follows:		
Property taxes		(30,702)
The amount contributed to defined benefit other postemployment benefit plans is reported as an expenditure in the funds while governmental activities reports other postemployment benefit expense as the change in other postemployment benefit asset, other post employment benefit liability, and other postemployment benefit related deferred outflow of resources and deferred inflows of resources.		
Change in deferred outflows of resources	(48,969)	
Change in other postemployment benefit asset	821,589	
Change in other postemployment benefit liability	(12,534)	
Change in deferred inflows of resources	<u>(377,137)</u>	382,949
The issuance of long-term obligations provides current financial resources to governmental funds, while repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Change in accrued interest payable	(11,005)	
Notes issued	(15,000,000)	
Lease issued	(1,828,854)	
Lease terminations	513,429	
Principal payments	<u>1,838,195</u>	(14,488,235)
The amount contributed to defined benefit pension plans is reported as an expenditure in the funds while governmental activities reports pension expense as the change in net pension asset or liability, pension related deferred outflow of resources and deferred inflows of resources.		
Change in deferred outflows of resources	3,043,654	
Change in net pension liability	(7,801,252)	
Change in deferred inflows of resources	<u>(459,561)</u>	(5,217,159)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences		(419,006)
Net income of internal service funds		<u>(475,845)</u>
Change in net position of governmental activities		<u>\$ 23,965,352</u>

See notes to financial statements

YAMHILL COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2025

	Business-type Activities	Governmental Activities
	Cove Orchard Sewer	Internal Service Funds
Assets		
Current assets		
Cash and cash equivalents	\$ 31,977	\$ 3,968,857
Investments	25,587	3,175,748
Receivables	36,458	61,941
Prepaid items	-	26,138
Advances to other funds	-	256,016
Total current assets	94,022	7,488,700
Capital assets		
Land and construction in progress	218,940	226,254
Other capital assets, net	-	3,163,485
Total capital assets	218,940	3,389,739
Total assets	312,962	10,878,439
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	43,377	94,369
Long-term obligations due within one year	-	54,882
Total current liabilities	43,377	149,251
Total liabilities	43,377	149,251
Net position		
Net investment in capital assets	218,940	3,389,739
Unrestricted	50,645	7,339,449
Total net position	\$ 269,585	\$ 10,729,188

See notes to financial statements

YAMHILL COUNTY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2025

	Business-type Activities	Governmental Activities
	Cove Orchard Sewer	Internal Service Funds
Operating revenues		
Charges for services	\$ 58,821	\$ 3,323
Other	-	248,511
	<u>58,821</u>	<u>251,834</u>
Operating expenses		
Personnel services	-	750,590
Materials and services	48,162	2,891,233
Depreciation	-	971,178
	<u>48,162</u>	<u>4,613,001</u>
Total operating revenues	<u>58,821</u>	<u>251,834</u>
Total operating expenses	<u>48,162</u>	<u>4,613,001</u>
Operating income (loss)	<u>10,659</u>	<u>(4,361,167)</u>
Nonoperating revenues (expenses)		
Grants	-	98,841
Interest income	3,487	373,270
Gain on sale of capital assets	-	40,583
	<u>3,487</u>	<u>512,694</u>
Total nonoperating revenue (expenses)	<u>3,487</u>	<u>512,694</u>
Income (loss) before transfers	14,146	(3,848,473)
Capital contributions	-	81,077
Transfers in	-	3,902,419
Transfers out	-	(610,868)
	<u>14,146</u>	<u>(475,845)</u>
Change in net position	<u>14,146</u>	<u>(475,845)</u>
Net position - beginning, as previously reported	255,439	11,230,017
Change in accounting principle	-	(24,984)
	<u>255,439</u>	<u>11,205,033</u>
Net position - beginning, as adjusted	<u>255,439</u>	<u>11,205,033</u>
Net position - ending	<u>\$ 269,585</u>	<u>\$ 10,729,188</u>

See notes to financial statements

YAMHILL COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2025

	Business-type Activities	Governmental Activities
	Cove Orchard Sewer	Internal Service Funds
Cash flows from operating activities		
Receipts from customers	\$ 59,068	\$ -
Receipts from interfund services provided	-	3,902,419
Other receipts	-	213,312
Payments for interfund services provided	-	(610,868)
Payments to suppliers	(5,569)	(3,022,554)
Payments to employees	-	(741,555)
Net cash provided by (used in) operating activities	<u>53,499</u>	<u>(259,246)</u>
Cash flows from noncapital financing activities		
Repayments of advances to other funds	-	120,511
Grants	-	98,841
Net cash provided by noncapital financing activities	<u>-</u>	<u>219,352</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(63,359)	(1,417,020)
Sale of capital assets	-	68,660
Net cash (used in) capital and related financing activities	<u>(63,359)</u>	<u>(1,348,360)</u>
Cash flows from investing activities		
Interest on investments	3,487	373,270
Sale (purchase) of investments	25,381	3,328,648
Net cash provided by (used in) investing activities	<u>28,868</u>	<u>3,701,918</u>
Net (decrease) in cash and cash equivalents	19,008	2,313,664
Cash and cash equivalents - beginning of year	12,969	1,655,193
Cash and cash equivalents - end of year	<u>\$ 31,977</u>	<u>\$ 3,968,857</u>
Reconciliation of operating (loss) to net cash provided by (used in) operating activities		
Operating (loss)	\$ 10,659	\$ (4,361,167)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Transfers in for interfund charges	-	3,902,419
Transfers out for interfund charges	-	(610,868)
Depreciation	-	971,178
(Increase) decrease in assets and deferred outflows		
Receivables, net	247	(38,522)
Prepaid items	-	(21,638)
Increase (decrease) in liabilities and deferred inflows		
Accounts payable and accrued liabilities	42,593	(109,683)
Compensated absences payable	-	9,035
Net cash provided by (used in) operating activities	<u>\$ 53,499</u>	<u>\$ (259,246)</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS		
Donated assets		\$ 127,902
Non-cash transfers of assets	-	(3,505)
Total noncash transactions	<u>\$ -</u>	<u>\$ 124,397</u>

See notes to financial statements

YAMHILL COUNTY
STATEMENT OF NET POSITION
FIDUCIARY FUND
June 30, 2025

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 2,075,883
Investments, at fair value	1,667,037
Receivables	6,762,079
Total assets	10,504,999
Liabilities	
Accounts payable	2,202,009
Intergovernmental payables	7,164,491
Total liabilities	9,366,500
Net position	
Held for individuals, organizations, and other governments	1,138,499
Total net position	\$ 1,138,499

See notes to financial statements

YAMHILL COUNTY
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND
Year Ended June 30, 2025

	Custodial Funds
Additions	
Collections for other governments:	
Property taxes	\$ 177,139,674
Foreclosures sales	15,450
Construction excise tax	391,016
Heavy equipment rental tax	72,182
Fees	1,133,979
Other	423,059
Investment earnings	176,659
 Total additions	 179,352,019
Deductions	
Payments to other governments	
Property taxes	177,418,534
Foreclosures sales	15,450
Construction excise tax	391,016
Heavy equipmenet rental tax	72,182
Fees	1,136,391
Other	354,028
 Total deductions	 179,387,601
 Change in net position	 (35,582)
 Net position - beginning of year	 1,174,081
 Net position - end of year	 \$ 1,138,499

See notes to financial statements

NOTE 1 – THE REPORTING ENTITY

Yamhill County (the “County”) was created in 1843 and operates under the provisions of Oregon Revised Statutes (ORS) Title 20, Chapters 201 and 215 inclusive as an unchartered county. The County is governed by a full-time Board of Commissioners (the “Board”) who are elected at-large by the citizens. The Board votes on all ordinances and determines matters of policy. Other elected officers include the Assessor, Clerk, Sheriff, Treasurer, and District Attorney. The County provides a full range of services to the community including public safety; highways and streets; health and welfare; and parks, culture, and recreation.

The accompanying basic financial statements present all activities, funds, and component units for which the County is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit’s governing board, and (a) the ability to impose its will on the organization, or (b) the organization provides a financial benefit to, or imposes a specific financial burden on, the primary government. Component units may be either blended into the County’s operations or reported discretely in a separate column based on the closeness of their relationship to the County. Based upon the evaluation of this criteria, the County is a primary government with the following component units:

Blended Component Units

The Yamhill County Extension Service District (the “Extension”) is a governmental organization established under ORS 451 to extend Oregon State University’s agricultural and educational programs and information services to Yamhill County. The Extension’s Board of Directors is the Yamhill County Board of Commissioners. The County has operational accountability for the Extension and manages their activities through the department of County Administration much the same way it manages other County departments and programs. The Extension is reported as a Nonmajor Special Revenue Fund of Yamhill County. Separate financial statements for the Yamhill County Extension Service District can be obtained from the County finance department.

The Cove Orchard Sewer Service District (“Cove Orchard”) is a governmental organization established pursuant to ORS 198.835 and ORS 451 to provide sewer services to residents of the Cove Orchard area. Cove Orchard’s Board of Directors is the Yamhill County Board of Commissioners. The County has operational accountability for Cove Orchard and manages their activities through the County’s Public Works Department much the same way it manages other County departments and programs. Cove Orchard is reported as an Enterprise Fund of Yamhill County. The Cove Orchard Sewer Service District does not issue separate financial statements.

The Yamhill County Hospital Authority (the “Authority”) is a governmental organization created pursuant to ORS 441.525 to 441.595 to increase hospital bed capacity within Yamhill County. The Authority’s Board of Directors is the Yamhill County Board of County Commissioners plus two residents of the County. The County has operational accountability for the Authority and manages their activities through the Department of County Administration much the same way it manages other County departments and programs. The Authority only issues conduit debt for health facilities and has no assets or liabilities (see Note 9).

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

Measurement focus, basis of accounting and financial statement presentation

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the functions of the County, the elimination of which would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting and financial statement presentation (continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Significant revenues, which are susceptible to accrual under the modified accrual basis of accounting, include property taxes and federal and state grants. Other revenue items are considered to be measurable and available when received by the County. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, long-term leases, and claims and judgments, are recorded only when payment is due.

The bases of accounting described above are in accordance with accounting principles generally accepted in the United States of America.

The County reports the following major governmental funds:

General - accounts for all financial resources of the general government, except those required to be accounted for in another fund. With the implementation of GASB 54, the O&C Reserve Fund and Landfill Reserve Fund have been combined with the General Fund for financial reporting purposes.

Road - accounts for the receipt and expenditure of state gasoline taxes for road repair and construction.

Health and Human Services - accounts for revenues and expenditures associated with the use of money for a continuum of care to persons experiencing mental or emotional disorders or who have a developmental disability. Money is provided to the fund from state grants, federal funds, county general funds, local contracts and user fees.

Capital Improvement - accounts for revenues and expenditures associated with purchases and replacement of major capital items and the repair and remodeling of facilities.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting and financial statement presentation (continued)

The County reports the following major proprietary fund:

Cove Orchard Sewer – accounts for the operating of the sewer system.

Additionally, the County reports the following fund types:

Special Revenue - accounts for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating funds authorized to make expenditures.

Capital Projects - accounts for expenditures on major construction projects or equipment acquisition. The principal sources of revenues are proceeds from issuance of certificates of participation, the sale of County owned property, issuance of general obligation bonds, issuance of full faith and credit bonds, and internal transfers from departments for major capital improvements.

Internal Service – accounts for activities and services performed primarily for other organizational units within the County, or to other governments, on a cost-reimbursement basis. The County’s internal service funds provide telecommunications, risk management, and motor vehicle replacement services.

Fiduciary - accounts for receipts and disbursements of property taxes collected on behalf of other taxing jurisdictions, money confiscated during narcotics-related arrests, and collections on behalf of the Oregon Department of Revenue for county assessment function assistance, land mapping, and housing and community assistance.

Budget policies and budgetary control

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds of the County except the custodial funds. The County uses the modified accrual basis of accounting for all budgets, except for unrealized changes in the fair value of investments which are not recognized on a budget basis. All annual appropriations lapse at fiscal year-end.

The County begins its budgeting process by appointing budget committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the budget committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The County Commissioners adopt the budget, make appropriations, and declare the tax levy no later than June 30. Expenditure appropriations may not be legally over-expended, except in the case of grant receipts and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risk management

The County is exposed to various risks of loss related to errors and omissions; automobile; damage to and destruction of assets; bodily injury; and worker's compensation for which the County carries commercial insurance. There has been no significant reduction in insurance coverage from the prior year and settled claims have not reached the level of commercial coverage in any of the past three fiscal years.

Cash and cash equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts, and any highly-liquid debt instruments purchased with a maturity of three months or less.

Receivables

Property taxes

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collections to entities levying taxes. Real and personal property taxes are levied upon all taxable property and become a lien against the property as of July 1 of each year. Property taxes are payable in three installments following the lien date on November 15, February 15 and May 15 each year.

Uncollected property taxes are reported in the governmental funds balance sheet as receivables; the portion which is available to finance expenditures of the current period is recorded as revenue and the remaining balance is recorded as deferred inflows of resources. Property taxes which are collected within 60 days of the end of the current period are considered available and recognized as revenue.

Property taxes receivable in the custodial funds are recognized as an addition to net position.

Leases

Lease receivables are recognized at the net present value of the leased assets at a borrowing rate either explicitly described in the agreement or implicitly determined by the County, reduced by principal payments.

Grants and entitlements

Federal and state grants and state shared revenues are recorded as revenue in all fund types as earned.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are valued at cost (first-in, first-out method). Inventories consist of expendable supplies held for consumption.

Prepays

Payments to vendors that reflect costs applicable to future accounting periods are reported when consumed. As a result, governmental fund types report prepaid items.

Capital assets

Capital assets, which include property, equipment, infrastructure assets (e.g., roads, bridges, culverts, right-of-way, chip seals, and other similar items), and their improvements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of at least one year. On May 5, 2025, the County updated their capitalization threshold for assets with an initial, individual cost of more than \$10,000 and an estimated useful life of at least two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Leased assets and subscription-based information technology arrangements (SBITA) are recorded at the present value of the projected cash outflows. Donated capital assets, donated works of art and similar items, and assets received in a service concession agreement, if any, are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Buildings improvements	5 - 40 years
Land improvements	5 - 25 years
Machinery and equipment	3 - 40 years
Vehicles	3 - 10 years
Bridges	50 years
Culverts	25 years
Paved roads	20 years

Upon disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation and resulting gains or losses are reflected in the statement of activities.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term obligations

In the government-wide financial statements long-term obligations, including leases liabilities and subscription-based information technology arrangement liabilities, are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. In the governmental fund financial statements, the present value of the lease payments, the face amount of the debt issues, and premiums received on debt issuances are reported as other financing sources.

Leases and Subscription-Based Information Technology Arrangements (SBITA)

Lease contracts that provide the County with control of a non-financial asset, such as land, buildings, or equipment for a period of time in excess of 12 months are reported as a right of use - lease asset with a related lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible right of use - lease asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Right of use - lease assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment.

SBITA contracts that provide the County with control of a software or similar asset for a period of time in excess of 12 months are reported as a right to use asset with a related SBITA liability. The SBITA liability is recorded at the present value of future payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible right to use asset is recorded for the same amount as the related SBITA liability plus any prepayments and initial direct costs to place the asset in service. SBITA assets are amortized over the shorter of the useful life of the asset or the contract term. The SBITA liability is reduced for payments made, less the interest portion of the contract payment.

Solid waste landfill post-closure care liabilities

The County operates two closed landfills:

1. The Whiteson Landfill was closed in 1982. It is currently operating under Solid Waste Disposal Permit (No. 212) issued by the Oregon Department of Environmental Quality (ODEQ). The current permit was issued on June 28, 2013, and expired on June 1, 2023. As of the expiration date, the permit has been administratively extended until a renewal permit is issued.
2. The Newberg Landfill was closed in 1985. It is currently operating under Solid Waste Disposal Permit (No. 97) issued by the ODEQ. The current permit was issued on February 20, 2015, and expired on December 1, 2024. As of the expiration date, the permit has been administratively extended until a renewal permit is issued.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Solid waste landfill post-closure care liabilities (continued)

State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at closed landfill sites for thirty years after closure. Although both landfills have been closed for more than 30 years, the County continues to perform maintenance and monitoring activities

Financial Assurance: The County demonstrates financial assurance in connection with the post closure care activities for the Whiteson and Newberg landfills (combined), by using the local government financial assurance test described in Title 40 of the Code of Federal Regulations, paragraph 258.74. As of June 30, 2024 (the most recent analysis), the County is in compliance with the local government financial assurance test as required by Oregon Administrative Rule 340-94-0140. As of June 30, 2025, restricted net position is held for the landfill and post-closure care liability.

Net position

Government-wide and proprietary fund financial statements

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

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization 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.

Restricted net position – Consists of net position 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.

Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the government-wide and proprietary fund financial statements, when both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, and then unrestricted resources as they are needed.

Fund balance

Governmental fund financial statements

Governmental type fund balances are to be properly reported within one of the fund balance categories listed below:

Non-spendable — Amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balance (continued)

Restricted — Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed — Amounts that can be used only for specific purposes determined by a formal action of the Board of Commissioners. The Board of Commissioners is the highest level of decision-making authority for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Commissioners.

Assigned — Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board of Commissioners has granted authority to the finance manager to assign fund balance amounts.

Unassigned — The residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Additionally, other funds may report negative unassigned fund balance in certain circumstances.

In the governmental fund financial statements, when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Commissioners has provided otherwise in its commitment or assignment actions.

Compensated absences

It is the County's policy to permit employees to accumulate earned but unused sick, vacation leave and compensatory time. Employees covered under collective bargaining can earn "flexible earned time" in lieu of vacation and sick leave. "Flexible earned time" earned vests over 14 years. In accordance with GASB 101, *Compensated Absences*, a liability is recognized for sick, vacation, and compensatory time when the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employee Retirement System (OPERS) and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other postemployment benefits

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, and other postemployment benefits expense, information about the fiduciary net position of the Oregon Public Employee Retirement System Retirement Health Insurance Account (RHIA) and additions to/deductions from the RHIA’s fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

An actuarial valuation was completed for purposes of measuring the other postemployment benefits liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, and other postemployment benefits expense for the Implicit Subsidy for the Employees of Yamhill County.

Deferred outflows / inflows of resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. These include refunded debt charges, pension related items and other postemployment benefit related items.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods. Deferred lease resources, pension related items and other postemployment benefit related items, which are amortized over specified periods, are reported as deferred inflows of resources.

The balance sheet of governmental funds reports as deferred inflows, unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE

As discussed in Note 21, the County has adopted the provisions of GASB Statement 101, *Compensated Absences*, which required a restatement of the beginning net position as follows:

	Reporting Units Affected by Adjustment to Beginning Balances		
	Internal Service Funds	Government-Wide	
	Telecommunications	Self-Insurance	Governmental Activities
Net position			
June 30, 2024, as previously reported	\$ 543,152	\$ 5,174,825	\$ 152,032,591
Change in accounting principle	(19,612)	(5,372)	(2,589,506)
June 30, 2024, as restated	<u>\$ 523,540</u>	<u>\$ 5,169,453</u>	<u>\$ 149,443,085</u>

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS

The County’s cash and cash equivalents at June 30, 2025, are as follow:

Cash and cash equivalents	
Deposits with financial institutions	\$ 3,034,862
State of Oregon Local Government Investment Pool	43,010,421
Cash on hand	8,325
Cash with fiscal agent	<u>434,909</u>
Total cash and cash equivalents	<u>\$ 46,488,517</u>

Reconciliation to basic financial statements: The cash and cash equivalents as of June 30, 2025, are reported in the basic financial statements as follows:

Government-wide financial statements	
Governmental activities	\$ 44,380,657
Business-type activities	31,977
Fiduciary funds financial statements	
Custodial fund	<u>2,075,883</u>
Total cash and cash equivalents	<u>\$ 46,488,517</u>

The County’s investments at June 30, 2025, are as follows:

Investments	
Corporate bonds	\$ 2,951,238
Municipal bonds	4,528,665
Government agency securities	2,002,710
U.S. obligations	8,218,709
U.S. Treasury notes & bonds	<u>19,503,183</u>
Total investments	<u>\$ 37,204,505</u>

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Reconciliation to basic financial statements: The investments as of June 30, 2025, are reported in the basic financial statements as follows:

Government-wide financial statements	
Governmental activities	\$ 35,511,881
Business-type activities	25,587
Fiduciary funds financial statements	
Custodial fund	1,667,037
Total investments	\$ 37,204,505

The County maintains a pool of cash, cash equivalents and investments that are available for use by all funds. Each fund’s portion of this pool is displayed on the financial statements as cash and cash equivalents and investments. Interest earned on pooled cash, cash equivalents and investments is allocated to participating funds based upon their combined cash and investment balances.

Deposits with financial institutions

Custodial Credit Risk – Deposits with Financial Institutions: This is the risk that in the event of a bank failure, the County’s deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the County’s deposits with financial institutions up to \$250,000 each for the aggregate of all noninterest-bearing accounts and the aggregate of all interest-bearing accounts at each financial institution.

Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized under the Public Funds Collateralization Program (PFCP) of the Oregon State Treasurer. The PFCP is a shared liability structure for participating financial institutions and is considered additional depository insurance as defined in GASB 40. Participating financial institutions are required to pledge securities, held by the Federal Home Loan Bank of Seattle in the name of the financial institution, with a value equal to at least 10%, with limited exceptions that may require up to 110%, of the amount of deposits of Oregon municipal corporations in excess of FDIC depository insurance. In the event of a failure of a participating financial institution the collective amount of all pledged securities under the PFCP are available to return the County’s deposits. As of June 30, 2025, none of the County’s bank balances were exposed to custodial credit risk.

State of Oregon Local Government Investment Pool

Balances in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value. 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.

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

State of Oregon Local Government Investment Pool (continued)

The Oregon State Treasury administers the LGIP. The LGIP is an unrated, open-ended, no-load, diversified portfolio offered to any agency, political subdivision or public corporation of the state who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State’s short-term funds. To provide regulatory oversight, the Oregon Legislature established the Oregon Short-Term Fund Board and LGIP investments are approved by the Oregon Investment Council. The fair value of the County’s position in the LGIP is the same as the value of the pool shares.

Investments

As of June 30, 2025, the County had the following investments:

<u>Investment Type</u>	<u>Rating (Moody's/ Standard & Poor's)</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (in months)</u>
Corporate Bonds			
	AAA/AAA	\$ 494,863	19.26
	AAA/AA+	1,003,403	34.35
	AA2/AA	487,350	20.48
	AA2/AA-	<u>965,622</u>	22.35
		<u>2,951,238</u>	
Municipal			
	AAA/AAA	1,410,150	34.49
	AA1/AA+	298,821	10.03
	AA1/Unrated	242,585	11.51
	AA2/AAA	494,850	21.04
	AA2/Unrated	339,990	12.00
	A1/AA	497,490	11.51
	AA3/Unrated	757,528	45.07
	Unrated/AAA	114,030	5.06
	Unrated/AA	99,801	2.07
	Unrated/AA-	<u>273,420</u>	11.51
		<u>4,528,665</u>	

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investments (continued)

Government Agency Securities			
	AAA/AA+	<u>2,002,710</u>	53.16
		<u>2,002,710</u>	
 U.S. Obligations			
	AAA/AA+	6,204,740	34.93
	Unrated/Unrated	<u>2,013,969</u>	20.25
		<u>8,218,709</u>	
 U.S. Treasury Notes & Bonds			
	AAA/Unrated	<u>19,503,183</u>	38.37
		<u>19,503,183</u>	
 Total Investments		<u><u>\$ 37,204,505</u></u>	

Credit Risk: Oregon statutes authorize the County to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool. During the year, the County has not invested in securities whose ratings at times of purchase were below the minimum rating required by Oregon statutes.

Custodial Credit Risk – Investments: This is the risk that, in the event of the failure of a counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. The County does not have a policy which limits the amount of investments that can be held by counterparties.

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investments (continued)

Concentration of Credit Risk: The County has a formal policy that places a limit on the amount that may be invested in any one insurer as follows:

<u>Investment</u>	<u>Max Investment</u>
U.S. Treasury Obligations	100%
U.S. Agency Securities	100%
Per Agency (Senior Obligators Only)	50%
Oregon Short-Term Fund	Maximum allowed per ORS 294.810
Corporate Debt (Total)	35%
Corporate Commercial Paper	25%
Per Issuer	5%
Corporate Bonds	35%
Per Issuer	5%
Repurchase Agreements	5%
Banker's Acceptance	25%
Bank Time Deposits/Savings	50%
Accounts/Certificates of Deposit	
Per Institution	25%
Municipal Debt (Total)	35%
State of Oregon	25%
States of Idaho, California & Washington	25%

Interest Rate Risk: The following strategies are employed to control and mitigate the adverse changes in the market value of the portfolio due to changes in interest rates:

- Where feasible and prudent, investment maturities should be matched with expected cash outflows to mitigate market risk.
- To the extent feasible, investment maturities not matched with cash outflows, including liquidity investments under eighteen months, should be staggered to mitigate reinvestment risk.
- No commitments to buy or sell securities may be made more than 14 days prior to the anticipated settlement date or receive a fee other than interest for future deliveries.
- The maximum percent of callable securities in the portfolio shall be 85%.
- The maximum stated final maturities of individual securities in the portfolio shall be five years, except when otherwise stated in the County's formal investment policy.
- The maximum portfolio average weighted maturity exclusive of Reserve or Capital Improvements Project monies measured with stated final maturity shall not exceed 4 years.
- Callable bonds will be calculated using their final maturity dates rather than their callable dates. LGIP and other money market investments shall be excluded from the average weighted maturity calculation.

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investments (continued)

Portfolio Credit Rating: The minimum weighted average credit rating of the portfolio's rated investments shall be Aa/AA/AA by Moody's Investor's Service/Standard and Poor's/Fitch Rating Service respectively.

Fair Value Measurements. The County categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County's investment in U.S. Agencies, corporate, and municipal bonds are measured using Level 2 inputs obtained from independent vendor services provided to our third-party safekeeper. These inputs include a variety of pricing techniques, including but not limited to fundamental analytical data related to the securities, values of baskets of securities, market interest rates, matrix calculated prices, and purchase price.

NOTE 5 – RECEIVABLES

The County's receivables at June 30, 2025, are as follows:

	General	Road	Health and Human Services	Capital Improvement	Non-major Governmental Funds	Total Governmental Funds
Property taxes	\$ 1,414,246	\$ -	\$ -	\$ -	\$ 24,287	\$ 1,438,533
Grants	1,235,553	859,103	4,074,761	-	410,807	6,580,224
Accounts	617,815	16,446	1,213,041	5,577	49,311	1,902,190
Interest	291,022	-	-	-	-	291,022
	<u>\$ 3,558,636</u>	<u>\$ 875,549</u>	<u>\$ 5,287,802</u>	<u>\$ 5,577</u>	<u>\$ 484,405</u>	<u>\$ 10,211,969</u>

	Internal Service Funds	Total Governmental Activities	Proprietary Fund Cove Orchard Sewer	Fiduciary Fund Custodial	Totals
Property taxes	\$ -	\$ 1,438,533	\$ -	\$ 6,670,939	\$ 8,109,472
Grants	-	6,580,224	-	-	6,580,224
Accounts	61,941	1,964,131	36,458	91,140	2,091,729
Interest	-	291,022	-	-	291,022
	<u>\$ 61,941</u>	<u>\$10,273,910</u>	<u>\$ 36,458</u>	<u>\$ 6,762,079</u>	<u>\$ 17,072,447</u>

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 – LEASE RECEIVABLES AND DEFERRED LEASE RESOURCES

Lease receivables and deferred lease resources as of June 30, 2025, are as follows:

	Original Amount	Receivable June 30, 2025	Deferred Inflow June 30, 2025
Governmental activities:			
<i>Land leases:</i>			
<u>Cell phone towers</u>			
2070 NE Lafayette Ave, McMinnville, Oregon (County fair and events center) Original term set as January 6, 2000 to January 5, 2025. Term amended June 1, 2024 to January 5, 2045. New base monthly rent is \$300 increasing 3% every five year anniversary beginning January 5, 2025. Payments amortized at 3% Current payment is \$300 per month.	\$ 158,576	\$ 71,921	\$ 67,624
2050 Lafayette Ave, McMinnville, Oregon (Public works yard). March 23, 2017 to March 22, 2042, including five five-year extensions. Base monthly rent is \$1,400 increasing 2% each anniversary. Payments amortized at 2%. Current payment is \$1,545 per month.	415,274	330,548	293,359
<u>Office space for outpatient adult behavioral health services</u>			
NE 6th and Davis, McMinnville, Oregon December 1, 2021 to November 30, 2024, including two one-year extensions. Base monthly rent is \$1,932 increasing 2% each anniversary Payments amortized at 2%. Current payment is \$1,971 per month.	141,920	59,440	58,812
<u>Facility lease for respite home and adventure school for children</u>			
Approximately 3.7 acres adjacent to Baker Creek Road north of the City of McMinnville, Oregon (Rainbow Lodge). April 23, 2008 to April 22, 2033 Base annual rent is \$35,000 up front for first 10 years, and \$3,000 annually for years 11 to 25, increasing annually by the Portland CPI-U Payments are amortized at 2%. Current payment is \$3,312 per annum.	80,000	24,122	21,420

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 – LEASE RECEIVABLES AND DEFERRED LEASE RESOURCES (Continued)

Facility lease to Oregon Eye Specialists

2318 Portland Rd, Newberg, Oregon

Assumed July 1 2021. Ends December 2027

Base monthly rent at assumption is \$5,671 increasing
3% each anniversary. Payments amortized at 3%.

Current payment is \$5,841 per annum. 402,338 150,690 134,113

Facility lease to Yakima Valley Farmworkers Clinic

310 NE Kirby, McMinnville, Oregon

February 15, 2025 to February 14, 2035, including one
five-year extension. Base monthly rent is \$1,954
increasing 5% per year beginning July 1, 2026.

Payments amortized at 5%.

Current payment is \$1,954 per month. 224,348 218,750 215,935

Facility lease to Oregon Mutual Insurance

400 NE Baker St, McMinnville, Oregon

December 26, 2024 to December 31, 2029, excluding
a five year option. Base monthly rent at assumption is
\$30,873 for the life of the lease. Payments amortized

at 4.909%. Current payment is \$30,873 per month. 1,644,937 1,493,093 1,370,781

\$ 3,067,393 \$ 2,348,564 \$ 2,162,044

As of June 30, 2025, the future maturities of lease receivables are as follows:

Fiscal Years	Governmental Activities	
	Principal	Interest
2026	\$ 431,594	\$ 90,766
2027	455,206	71,700
2028	382,320	52,794
2029	391,743	34,600
2030	225,696	17,385
2031-2035	248,766	47,035
2036-2040	134,911	16,811
2041-2045	78,328	2,966
	<u>\$ 2,348,564</u>	<u>\$ 334,057</u>

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the governmental activities

For the year ended June 30, 2025, capital asset activity for the governmental activities was as follows:

	Balance July 1, 2024	Increases	Decreases and Reclassifications	Balance June 30, 2025
Capital assets, not being depreciated:				
Land	\$ 4,808,865	\$ 2,222,457	\$ -	\$ 7,031,322
Right of way	27,644,097	400	-	27,644,497
Gravel roads	19,148,800	-	-	19,148,800
Construction in progress	<u>752,410</u>	<u>1,283,580</u>	<u>(730,046)</u>	<u>1,305,944</u>
Total capital assets, not being depreciated	<u>52,354,172</u>	<u>3,506,437</u>	<u>(730,046)</u>	<u>55,130,563</u>
Capital assets, being depreciated:				
Buildings	32,535,654	17,769,961	619,340	50,924,955
Machinery and equipment	29,993,705	1,786,797	(352,046)	31,428,456
Right-to-use leased buildings	11,574,039	1,828,854	(622,471)	12,780,422
SBITA	4,232,545	-	-	4,232,545
Infrastructure	<u>112,791,113</u>	<u>4,981,393</u>	<u>(212,945)</u>	<u>117,559,561</u>
Total capital assets being depreciated	<u>191,127,056</u>	<u>26,367,005</u>	<u>(568,122)</u>	<u>216,925,939</u>
Less accumulated depreciation for:				
Buildings	15,375,822	1,164,551	-	16,540,373
Machinery and equipment	19,812,677	2,538,537	(434,673)	21,916,541
Right-to-use leased buildings	3,391,481	1,355,435	(121,036)	4,625,880
SBITA	923,464	461,732	-	1,385,196
Infrastructure	<u>59,497,153</u>	<u>3,337,994</u>	<u>(212,945)</u>	<u>62,622,202</u>
Total accumulated depreciation	<u>99,000,597</u>	<u>8,858,249</u>	<u>(768,654)</u>	<u>107,090,192</u>
Total capital assets, being depreciated, net	<u>92,126,459</u>	<u>17,508,756</u>	<u>200,532</u>	<u>109,835,747</u>
Total capital assets, net	<u>\$ 144,480,631</u>	<u>\$ 21,015,193</u>	<u>\$ (529,514)</u>	<u>\$ 164,966,310</u>

For the year ended June 30, 2025, depreciation and amortization expense was charged to governmental activities functions/programs as follows:

General government	\$ 3,863,731
Public safety	5,926
Highways and streets	3,426,910
Health and welfare	1,517,996
Parks, culture and recreation	<u>43,686</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 8,858,249</u>

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 – CAPITAL ASSETS (Continued)

Capital asset activity for the business-type activities

For the year ended June 30, 2025, capital asset activity for the business-type activities was as follows:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets, not being depreciated:				
Land	\$ 78,356	\$ -	\$ -	\$ 78,356
Construction in progress	<u>77,225</u>	<u>63,359</u>	<u>-</u>	<u>140,584</u>
Total capital assets, not being depreciated	<u>155,581</u>	<u>63,359</u>	<u>-</u>	<u>218,940</u>
Capital assets, being depreciated:				
Infrastructure and equipment	978,346	-	-	978,346
Less accumulated depreciation for:				
Infrastructure and equipment	<u>978,346</u>	<u>-</u>	<u>-</u>	<u>978,346</u>
Total capital assets, being depreciated, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets, net	<u>\$ 155,581</u>	<u>\$ 63,359</u>	<u>\$ -</u>	<u>\$ 218,940</u>

NOTE 8 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2025, are comprised of the following:

	Outstanding July 1, 2024 (restated)	Additions	Reductions	Outstanding June 30, 2025	Balances Due Within One Year
<i>Governmental activities</i>					
Long-term debt obligations					
Notes from direct borrowings and direct placements					
Oregon Department of Transportation	\$ 7,531,694	\$ -	\$ 436,841	\$ 7,094,853	\$ 449,509
Full Faith and Credit Obligations, Series 2024	<u>-</u>	<u>15,000,000</u>	<u>-</u>	<u>15,000,000</u>	<u>495,000</u>
Total notes from direct borrowings and direct placements	<u>7,531,694</u>	<u>15,000,000</u>	<u>436,841</u>	<u>22,094,853</u>	<u>944,509</u>
Other long-term obligations					
Compensated absences	5,298,189	428,041	-	5,726,230	3,948,061
Landfill liability	1,418,150	-	-	1,418,150	124,272
Lease liability	9,451,166	1,828,854	1,674,929	9,605,091	974,090
SBITA liability	1,983,731	-	239,854	1,743,877	247,050
Other postemployment benefit liability	1,367,132	12,534	-	1,379,666	-
Net pension liability	<u>53,623,484</u>	<u>7,801,252</u>	<u>-</u>	<u>61,424,736</u>	<u>-</u>
Total other long-term obligations	<u>73,141,852</u>	<u>10,070,681</u>	<u>1,914,783</u>	<u>81,297,750</u>	<u>5,293,473</u>
Total long-term obligations	<u>\$ 80,673,546</u>	<u>\$ 25,070,681</u>	<u>\$ 2,351,624</u>	<u>\$ 103,392,603</u>	<u>\$ 6,237,982</u>

NOTE 8 – LONG-TERM OBLIGATIONS (Continued)

Governmental activities long-term debt obligations

Oregon Department of Transportation – On July 1, 2013, the Oregon Department of Transportation (ODOT) approved borrowing by the County in the amount of \$10,366,640 to finance its portion of the project costs for the Newberg-Dundee Bypass. Additionally, in the 2020 fiscal year, the County borrowed an additional \$2,758,084. In the event of a default, the remaining loan balance is immediately due and payable. ODOT may withhold other State of Oregon funds, including but not limited to, the County’s apportionment of State Highway Fund revenues, and apply these funds to the outstanding loan balance. In January 2023, the County refinanced the loan and received an additional \$113,960 in proceeds. Annual payments of \$655,260 include interest at 2.90%. At June 30, 2025, the balance of the loan is \$7,094,853.

2024 Full Faith and Credit Obligations, series 2024 – The County issued notes for \$15,000,000 to finance the purchase and improvement of the Oregon Mutual Insurance building. Interest on the bonds is 4.909%.

Future maturities of governmental activities obligations:

As of June 30, 2025, the future maturities of long-term obligations for governmental activities are as follows:

Fiscal Years Ending	Oregon Department of Transportation		Full Faith and Credit Obligations		Total
	Principal	Interest	Principal	Interest	
2026	\$ 449,509	\$ 205,751	\$ 495,000	\$ 736,350	\$ 1,886,610
2027	462,545	192,715	520,000	712,050	1,887,310
2028	475,959	179,301	545,000	686,524	1,886,784
2029	489,762	165,498	575,000	659,770	1,890,030
2030	503,965	151,295	600,000	631,543	1,886,803
2031-2035	2,747,710	528,589	3,475,000	2,685,714	9,437,013
2036-2040	1,965,403	121,862	4,415,000	1,744,904	8,247,169
2041-2044	-	-	4,375,000	550,053	4,925,053
	<u>\$7,094,853</u>	<u>\$1,545,011</u>	<u>\$15,000,000</u>	<u>\$8,406,908</u>	<u>\$ 32,046,772</u>

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 8 – LONG-TERM OBLIGATIONS (Continued)

Lease liabilities

<u>Governmental activities:</u>	Original Amount	Outstanding July 1, 2024	Additions	Reductions	Payments	Outstanding June 30, 2025
<i>Facility leases:</i>						
<u>Housing for individuals and families with mental health and/or substance use disorders</u>						
433 NE 17th Street McMinnville, Oregon (Baker Field), April 22, 2016 to June 30, 2025, including one five-year extension. Base monthly rent was reset to \$5,968 on July 1, 2020 and \$6,280 on July 1, 2021, increasing 2% each anniversary. Payments amortized at 2.5%. Current payment is \$6,601 per month.	\$ 658,119	\$ 153,516	\$ -	\$ -	\$ (78,209)	\$ 75,307
1944 NE Baker Street, McMinnville, Oregon (Aspen Ridge). March 26, 2018 to June 30, 2027, including one five-year extension. Base monthly rent was reset to \$13,898 on July 1, 2022, increasing 10% each anniversary. Payments amortized at 10%. Current payment is \$15,288 per month.	1,327,493	571,413	-	-	(151,482)	419,931
675 Sheridan SE Road, Sheridan, Oregon (Eagle Point). March 14, 2022 to March 13, 2031, including one five-year extension option. Base monthly rent was reset to \$62,500 on June 1, 2024, increasing 8% each anniversary beginning April 1, 2025. Payments amortized at 8%. Current payment is \$62,500 per month	5,778,274	5,135,470	-	-	(622,558)	4,512,912
<u>Office space for Developmental Disability and Veterans Services</u>						
330-340 Kirby Street, McMinnville, Oregon. Original agreement October 18, 2017 to September 30, 2032, including two five-year extensions. Amended agreement runs January 1, 2023 to December 31, 2037, including two five-year extensions. Base monthly rent was \$8,800, increasing to \$9,500 through September 30, 2022 and \$10,000 beginning on October 1, 2022. Based monthly amended January 1, 2023 to be \$16,045, increasing to \$20,478 beginning January 1, 2028, increasing 5% annually. Payments amortized at 5%. Current payment is \$16,847 per month.	3,179,436	2,702,433	-	-	(73,711)	2,628,722
<u>Office space for Family and Youth programs</u>						
345 Evans Street, McMinnville, Oregon September 21, 2018 to September 20, 2028, including one five-year extension. Base monthly rent was \$2,454 increasing \$123 each anniversary through year five. New agreement dated October 1, 2023. Monthly base rent reset to \$3,093, increasing to \$3,538 each October 1st. Payments amortized at 5%. Current payment is \$2,945 per month.	450,294	328,520	-	-	(22,058)	306,462

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 8 – LONG-TERM OBLIGATIONS (Continued)

Lease payables (continued)

<u>Governmental activities:</u>	<u>Original Amount</u>	<u>Outstanding July 1, 2024</u>	<u>Additions</u>	<u>Amendment Adjustment</u>	<u>Payments</u>	<u>Outstanding June 30, 2025</u>
<i>Facility leases:</i>						
<u>Office space for the Planning and Development Department</u>						
400 NE Baker Street, McMinnville, Oregon						
November 1, 2024 to October 31, 2030, including one						
five-year extension. Base monthly rent is \$9,983 on						
November 1, 2023 to October 1, 2030. Payments						
amortized at 5%. Current payment is \$9,983 per month.						
	622,471	559,814	-	(513,429)	(46,385)	-
<u>Office and shop space for Yamhill County Transit</u>						
11260 SW Durham Road, McMinnville, Oregon.						
December 18, 2023 to October 31, 2035, including five						
one-year extensions. Monthly Base rent is \$13,056,						
increasing 3% each January 1st. Payments amortized at 3%.						
Current payment is \$13,448 per month.						
	<u>1,828,854</u>	<u>-</u>	<u>1,828,854</u>	<u>-</u>	<u>(167,097)</u>	<u>1,661,757</u>
	<u>\$ 13,844,941</u>	<u>\$ 9,451,166</u>	<u>\$ 1,828,854</u>	<u>\$ (513,429)</u>	<u>\$(1,161,500)</u>	<u>9,605,091</u>
Current portion						<u>(974,090)</u>
Long-term portion						<u>\$ 8,631,001</u>

Future maturities - leases payable

As of June 30, 2025, the future maturities of leases payable are as follows:

<u>Fiscal Years</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 974,090	\$ 571,110
2027	1,077,212	497,300
2028	997,410	422,074
2029	1,167,836	347,848
2030	1,358,703	260,411
2031-2035	3,098,543	503,299
2036-2039	<u>931,297</u>	<u>58,185</u>
	<u>\$ 9,605,091</u>	<u>\$ 2,660,227</u>

NOTE 8 – LONG-TERM OBLIGATIONS (Continued)

SBITAs

The County is obligated under contracts covering certain SBITAs as the lessee for information technology (IT) software. These contracts have initial terms of ten years and do not contain any material residual guarantees. As the interest rate implicit in the County’s leases is not readily determinable, the County has determined to utilize the 3% increase for years 5-10 of the agreement to calculate the discount rate for the SBITA payments.

As of June 30, 2025, minimum payments for noncancelable contracts in future fiscal years are as follows:

Fiscal Years	Governmental Activities	
	Principal	Interest
2026	\$ 247,050	\$ 52,316
2027	263,442	44,905
2028	280,595	37,002
2029	298,541	28,584
2030	317,311	19,627
2031	336,938	10,108
	\$ 1,743,877	\$ 192,542

Compensated absences

County employees accumulate earned but unused leave with pay which combines into a Flexible Earned Time (FET) bank. Upon termination of employment the FET bank pays out a percentage based on each employee’s years of service using their current pay rate. Additionally, in accordance with GASB Statement 101, *Compensated Absences*, a liability for leave that is more likely than not to be taken is accrued in the government-wide financial statements.

Landfill liability

A post closure care liability of \$1,418,150 has been recorded as of June 30, 2025, for 10 years of maintenance and monitoring cost estimates. Cost estimates are based on what it would cost to perform the 10 years of post-closure care in 2025. Actual costs may be different due to inflation, deflation, changes in technology, or changes in regulations.

NOTE 8 – LONG-TERM OBLIGATIONS (Continued)

Pension and other postemployment benefit liability

See Note 12. *Defined benefit pension plan* in the Notes to Financial Statements section of this report for additional information.

See Notes 14 and 15. *Other postemployment benefits* in the Notes to Financial Statements section of this report for additional information.

The General Fund, Road Fund, Health and Human Services Fund, Capital Improvement Fund, other governmental funds, and internal service funds are typically used to liquidate these liabilities.

NOTE 9 – CONDUIT DEBT

The County has issued four limited obligation ("conduit") revenue bonds for the express purpose of providing capital financing for specific third-party borrowers. Although the conduit debt obligations bear the name of the County, the County has no obligation for such debt; accordingly, the debt is not reported as a liability in the County's financial statements.

On August 4, 2016 the Yamhill County Hospital Authority (the "Authority") issued variable rate demand series 2016 bonds in the amount of \$42,140,000. Series 2016A (tax-exempt) has a maturity date of November 15, 2026. Series 2016B (federally taxable) matured November 15, 2020. The proceeds were assigned to Friendsview Manor d/b/a Friendsview Retirement Community, an Oregon non-profit organization and were used to fully defease previously issued bonds, finance improvements, remodel and expand the continuing care retirement facility, and to pay the costs associated with issuance of the bonds. The bonds do not constitute a debt or liability of the Authority or Yamhill County. The outstanding amount at June 30, 2025 for series 2016A is \$37,505,000. The Authority has no taxing power.

On June 30, 2021, the Yamhill County Hospital Authority (the "Authority") issued series 2021 bonds in the amount of \$124,220,000. Series 2021A (tax-exempt) has a maturity date of November 15, 2056. Series 2021B-1, 2021B-2, and 2021B-3 (tax exempt mandatory paydown securities) mature November 15, 2028, 2027 and 2026, respectively. The proceeds were assigned to Friendsview Manor d/b/a Friendsview Retirement Community, an Oregon nonprofit organization and were used to refund the Series 2020 bonds and for construction and equipping of the second phase of a master plan to expand the University Village and Springbrook Meadows neighborhoods and to develop a healthcare expansion. The bonds do not constitute a debt or liability of the Authority or Yamhill County. The outstanding amount at June 30, 2025 is \$80,970,000 for series 2021A. Series 2021B-1 was settled during the year ended June 30, 2025. The Authority has no taxing power.

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9 – CONDUIT DEBT (Continued)

On December 1, 2021, the County authorized tax-exempt series 2021 bonds in the amount of \$39,230,000. The bonds were assigned to George Fox University and were issued to refund their Series 2012A and 2018 bonds, refund a commercial bank term loan, finance the costs of the acquisition and construction of and renovations, improvements, and equipping of facilities located on the University’s campus in Newberg, Oregon, and paying the costs of issuing the bonds. The outstanding amount at June 30, 2025 is \$37,070,000. George Fox University has no taxing power.

In September 2020, the County authorized tax-exempt series 2020 bonds in the amount of \$55,575,000. The bonds were assigned to Linfield University and were issued to finance and reimburse the costs of acquisition and construction of facilities, refund the outstanding State of Oregon – Oregon Facilities Authority Revenue Bonds 2010A, advance refund the outstanding State of Oregon – Oregon Facilities Authority Revenue Bonds 2015A and pay costs relating to the issuance of the bonds. The outstanding amount at June 30, 2025 is \$37,745,000 and \$6,165,000 for series 2020A and 2020B, respectively. Linfield University has no taxing power.

NOTE 10 – INTERFUND BALANCES AND TRANSFERS

Interfund transfers used to reallocate financial resources to funds where they will be expended were as follows:

	Transfers in						Total
	General	Road	Health and Human Services	Capital Improvement	Nonmajor governmental	Internal service	
Transfers out:							
General	\$ -	\$ 311,253	\$ 1,959,729	\$ 1,709,548	\$ 393,026	\$ 1,922,207	\$ 6,295,763
Road	361,612	-	-	13,774	-	631,127	1,006,513
Health and human services	1,891,027	60,551	-	1,338,103	-	1,028,328	4,318,009
Capital improvement	235,901	5,623	-	-	-	63,230	304,754
Nonmajor governmental	633,185	40,754	3,600	526,711	74,500	178,324	1,457,074
Internal service	124,895	25,855	-	3,875	377,040	79,203	610,868
	<u>\$ 3,246,620</u>	<u>\$ 444,036</u>	<u>\$ 1,963,329</u>	<u>\$ 3,592,011</u>	<u>\$ 844,566</u>	<u>\$ 3,902,419</u>	<u>\$ 13,992,981</u>

The General Fund receives transfers in from other funds to pay for general government services like county administration, county-wide information technology software, County Counsel, Human Resources, Finance, and County Commissioners. The purpose of the General Fund transfers to the Capital Improvements Fund, Health and Human Services Fund and other funds are for county-sponsored programs. The purpose of the Road transfers to the Internal Service Funds for mainly to pay for general government services. The Capital Improvement transfers in are mostly for rent and space charges to other funds that pay for maintenance and improvements of facilities.

NOTE 10 – INTERFUND BALANCES AND TRANSFERS (Continued)

Transfers in for Internal Services are for fleet, information technology, and risk charges to support the funds for their respective activities.

As of June 30, 2025, advances and due to/from other funds are as follows:

<u>Advances to other funds</u>	Advances from other funds		<u>Totals</u>
	Capital Improvement	Nonmajor governmental	
General	\$ 103,515	\$ 1,665	\$105,180
Nonmajor governmental	130,494	-	130,494
Internal service funds	256,016	-	256,016
	\$ 490,025	\$ 1,665	\$491,690

The Solid Waste Fund and the Internal Service Funds (Motor Vehicle Replacement) made equal advances to the Capital Improvement Fund to finance the Jail Security Camera Project. The outstanding amount of the advances at June 30, 2025, is \$130,494 in each fund.

The General (Landfill License Reserve) and the Internal Service (Motor Vehicle Replacement) funds made equal advances to the Capital Improvement Fund to pay off the Oregon Economic and Community Development Department loan. The outstanding amount of the advances at June 30, 2025, is \$103,515 in each fund.

The Internal Service Funds (Self-Insurance) made advances to the Capital Improvement Fund to acquire real property. The outstanding amount of the advance at June 30, 2025, is \$22,007.

NOTE 11 – UNAVAILABLE REVENUE

As of June 30, 2025, resources owned by the County, which are measurable but unavailable in the governmental funds, consist of the following:

	General	Nonmajor Funds	Totals
	Property taxes	\$ 1,133,774	\$ 19,490

NOTE 12 – DEFINED BENEFIT PENSION PLAN

Plan Description

Employees of the County are provided with pensions through the Oregon Public Employees Retirement Systems (OPERS).

The OPERS consists of a single cost-sharing multiple employer defined benefit pension plan. The Oregon Legislature has delegated the authority to the Public Employees Retirement Board to administer and manage the system.

OPERS produces an independently audited Annual Comprehensive Financial Report which includes detailed information about the pension plan's fiduciary net position. The report can be found at: <https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

Description of benefit terms

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A.

PERS Pension (Chapter 238) (Tier 1/Tier 2 retirement benefit)

The Tier 1/Tier 2 Retirement Benefit Plan is closed to new members hired on or after August 29, 2003.

Pension benefits: The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (1.67% for general service employees and 2% for police and fire employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

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

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

PERS Pension (Chapter 238) (Tier 1/Tier 2 retirement benefit) (continued)

Death benefits: Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by an OPERS employer at the time of death,
- the member died within 120 days after termination of OPERS-covered employment,
- the member died as a result of injury sustained while employed in an OPERS-covered job, or
- the member was on an official leave of absence from an OPERS-covered job at the time of death.

Disability benefits: A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 for general service members and age 55 for police and fire members when determining the monthly benefit.

Benefit changes after retirement: Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes.

Oregon Public Service Retirement Plan (Chapter 238A) (OPSRP)

The OPSRP pension program provides benefits to members hired on or after August 29, 2003.

Pension benefits: This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- General service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
- Police and fire: 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 60, or age 53 with 25 years of retirement credit.

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

Oregon Public Service Retirement Plan (Chapter 238A) (OPSRP) (continued)

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

Death benefits: Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member.

Disability benefits: A member who has accrued 10 or more years of retirement credits before the member becomes disabled, or a member who becomes disabled due to job-related injury, shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit changes after retirement: Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes.

Contributions and funding policy

OPERS funding policy provides for periodic member and employer contributions at actuarial determined rates, subject to limits set in statute. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation.

Tier 1/Tier 2 employer contribution rates are 21.30%. The OPSRP employer contribution rates are 15.42% for general service employees and 20.21% for police and fire employees. Employer contributions for the year ended June 30, 2025 were \$8,168,765.

Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

Net pension liability

At June 30, 2025, the County reported a liability of \$61,424,736 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The County's proportion of the net pension liability was actuarially determined based on a projection of the County's long-term contributions effort to the pension plan relative to the long-term projected contributions effort of all participating employers. The projected long-term contribution effort is equal to the sum of the present value of future normal costs (PVFNC) and the unfunded actuarial liability (UAL).

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Normal Cost Rate: The PVFNC represents the portion of the projected long-term contribution effort related to future service. An employer's PVFNC depends on both the normal cost rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For OPERS funding, employers have up to three different payrolls, each with a different normal cost rate: (1) Tier 1/Tier 2 payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll.

UAL Rate: A UAL exists when plan assets are less than the actuarial liability as measured by the plan's actuarial funding valuations. UAL can arise in a biennium when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises over a fixed period of time if future experience follows assumption. The UAL Rate is the upcoming year's component of the cumulative amortization schedules, stated as a percent of payroll. The UAL represents the portion of the projected long-term contribution effort related to past service. In determining the employer's projected long-term contribution effort to the plan, the UAL component was adjusted for supplemental lump-sum payments made during the measurement period, if applicable.

After the employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's supplemental lump-sum payments, known as side accounts, transition surpluses and pre-SLGRP (State and Local Government Rate Pool) surpluses as of the valuation date. Side accounts decrease the employer's projected long-term contribution effort because side accounts are effectively prepaid contributions. The employer's projected long-term contribution effort does not include payments toward the current value of transition liabilities and pre-SLGRP liabilities.

At June 30, 2024, the County's proportion was 0.27634888%, which was a decrease of 0.00993793% from its proportion measured as of June 30, 2023.

Pension expense

For the year ended June 30, 2025, the County recognized pension expense of \$5,217,159.

Deferred inflows of resources and deferred outflows of resources

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share.

Differences between expected and actual experience, changes in assumptions and changes in employer proportionate are amortized over the average remaining service lives of all plan participants, including retirees, determined at the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period "layers" attributable to each measurement period.

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

The net difference between projected and actual investment earnings attributable to each measurement period is amortized over a closed five-year period.

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 3,638,847	\$ 146,601
Changes in assumptions	6,175,663	7,912
Net difference between projected and actual earnings on pension plan investments	3,902,188	-
Changes in proportionate share	7,753,586	1,314,612
Differences between employer contributions and employer's proportionate share of system contributions	1,037,864	1,550,855
Contributions subsequent to the measurement date	<u>8,168,765</u>	<u>-</u>
	<u>\$ 30,676,913</u>	<u>\$ 3,019,980</u>

Deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement in the amount of \$8,168,765 will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ends June 30,	
2026	\$ 2,898,315
2027	9,085,951
2028	4,964,728
2029	2,194,822
2030	<u>344,352</u>
	<u>\$ 19,488,168</u>

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial methods and assumptions used in the total pension liability

The total pension liability measured as of June 30, 2024 was based on an actuarial valuation as of December 31, 2022 using the following methods and assumptions:

Experience study report	2022, published July 24, 2023
Actuarial cost method	Entry age normal
Inflation rate	2.4%
Long-term expected rate of return	6.9%
Discount rate	6.9%
Projected salary increases	3.4%
Cost of living adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Health Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2022 Experience Study which reviewed experience for the four-year period ending on December 31, 2022.

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial methods and assumptions used in the total pension liability (continued)

Discount rate

The discount rate used to measure the total pension liability was 6.9%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Assumed asset allocation

<u>Asset Class</u>	<u>Target Allocation</u>
Cash	0.00%
Debt securities	25.00%
Public equity	27.50%
Private equity	20.00%
Real estate	12.50%
Real assets	7.50%
Diversifying strategies	<u>7.50%</u>
Total	<u><u>100.00%</u></u>

Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both the actuary’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on forward-looking capital market economic model.

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial methods and assumptions used in the total pension liability (continued)

Asset Class	<u>Long-Term Expected Rate of Return</u> ¹			
	Target Allocation	Annual Arithmetic Return ²	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	27.50 %	8.57 %	7.07 %	17.99 %
Private Equity	25.50	12.89	8.83	30.00
Core Fixed Income	25.00	4.59	4.50	4.22
Real Estate	12.25	6.90	5.83	15.13
Master Limited Partnerships	0.75	9.41	6.02	27.04
Infrastructure	1.50	7.88	6.51	17.11
Hedge Fund of Funds - Multistrategy	1.25	6.81	6.27	9.04
Hedge Fund Equity - Hedge	0.63	7.39	6.48	12.04
Hedge Fund - Macro	5.62	5.44	4.83	7.49
Assumed Inflation - Mean			2.35	1.41

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on January 25, 2023.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

Depletion date projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s fiduciary net position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 68 does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

Depletion date projection (continued)

The following circumstances justify an alternative evaluation of sufficiency for OPERS:

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan’s funded position.

Based on these circumstances, it is OPERS independent actuary’s opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Changes in actuarial methods and assumptions

There have been no changes in actuarial methods or assumptions since the December 31, 2022 valuation.

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.9%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
Proportionate share of net pension liability	\$96,895,027	\$61,424,736	\$31,716,635

NOTE 13 – DEFINED CONTRIBUTION PLAN

Plan description

Individual account program (IAP) - Participants in OPERS defined benefit pension plan also participate in the defined contribution plan.

Pension benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death benefits

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

Contributions

Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit Pension Plan. If the member earns more than \$2,500 per month (increased to \$3,688 and \$3,777 per month on January 1, 2024 and 2025, respectively) 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

The County makes the employee contributions of 6% of covered payroll to the plan. Contributions for the year ended June 30, 2025, were \$2,787,535.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS – OPERS RHIA

Plan description

The County contributes to the Oregon PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. The RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. Contributions are mandatory for each employer that is a member of PERS.

The Oregon Legislature has delegated the authority to the Public Employees Retirement Board to administer and manage the system.

OPERS produces an independently audited Annual Comprehensive Financial Report which includes detailed information about the pension plan's fiduciary net position. The report can be found at: <https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

Description of benefit terms

All benefits of the System are established by the legislature pursuant to Oregon Revised Statutes Chapters 238 and 238A.

Description of benefit terms (continued)

The RHIA is closed to new members hired on or after August 29, 2003.

Other Postemployment Healthcare benefits

Eligible retired members receive a monthly healthcare benefit for life up to \$60 toward the monthly cost health insurance.

To be eligible, the member must:

- 1) Have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS
- 2) Receive both Medicare Parts A and B coverage
- 3) Enroll in a PERS-sponsored health plan

Surviving spouse or dependent benefits

A surviving spouse or dependent of a deceased retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she is receiving a retirement benefit or allowance from PERS or was insured at the time the member died and the member retired before May 1, 1991.

Contributions

OPERS funding policy provides for periodic member and employer contributions at the rates established by the Public Employees Retirement Board, subject to limits set in statute. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation.

For the year ended June 30, 2025, the County made contributions in the amount of \$86 to the RHIA.

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS – OPERS RHIA (Continued)

Net OPEB asset, pension expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits

Net OPEB asset

At June 30, 2025, the County reported an asset of \$1,267,316 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022. The County's proportion of the net OPEB asset was based on the ratio of its valuation payroll to the plan's total valuation payroll during the measurement period.

At June 30, 2024, the County's proportion was 0.31376312%, which was an increase of 0.19203506% from its proportion measured as of June 30, 2023.

OPEB expense

For the year ended June 30, 2025, the County recognized a credit to OPEB expense of \$353,906.

Deferred inflows of resources and deferred outflows of resources

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2024, employers will report the following deferred inflows or resources and/or deferred outflows of resources:

- Difference between expected and actual experience
- Changes in assumptions
- Changes in employer proportion since the prior measurement date
- Net difference between projected and actual investment earnings
- Contributions subsequent to the measurement date

Differences between expected and actual experience, changes in assumptions and changes in employer proportionate are amortized over the average remaining service lives of all plan participants, including retirees, determined at the beginning of the respective measurement period. Employers are required to recognize OPEB expense based on the balance of the closed period "layers" attributable to each measurement period.

The net difference between projected and actual investment earnings attributable to each measurement period is amortized over a closed five-year period.

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS – OPERS RHIA (Continued)

Net OPEB asset, OPEB expense/(revenue) and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits (continued)

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ –	\$ 24,787
Changes of assumptions	–	16,030
Net difference between projected and actual earnings on pension plan investments	35,783	–
Changes in proportionate share	36,908	356,152
Contributions subsequent to the measurement date	86	–
	<u>\$ 72,777</u>	<u>\$ 396,969</u>

Deferred outflows of resources related to OPEB resulting from the County's contributions subsequent to the measurement date in the amount of \$86 will be recognized as an adjustment to the net OPEB (asset) / liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30,	
2026	\$ (358,703)
2027	10,936
2028	19,359
2029	4,130
	<u>\$ (324,278)</u>

Actuarial methods and assumptions used in developing total OPEB liability

Except as identified below, actuarial methods and assumptions used in developing the total OPEB liability are the same as those used to develop the total PERS pension liability as discussed in Note 12.

Retiree healthcare participation

Healthy retirees are assumed to participate 25% of the time while disabled retirees are assumed to participate 15% of the time.

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS – OPERS RHIA (Continued)

Actuarial methods and assumptions used in developing total OPEB liability (continued)

Healthcare cost trend rate

A healthcare cost trend rate is not utilized in the actuarial valuation as statute stipulates a \$60 monthly payment to retirees for health insurance.

Depletion date projection

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's fiduciary net position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 75 does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS (OPERS):

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 75 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is OPERS independent actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS – OPERS RHIA (Continued)

Sensitivity of the proportionate share of the net OPEB asset to changes in the discount rate

The following presents the proportionate share of the net OPEB asset calculated using the discount rate of 6.9%, as well as what the proportionate share of the net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
Proportionate share of net OPEB asset	(\$1,173,149)	(\$1,267,316)	(\$1,348,396)

NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT SUBSIDY

Plan description and benefits provided

The County provides other postemployment benefits (OPEB) for employees, retirees, spouses and dependents through a single employer defined benefit plan in the form of group health insurance benefits. As required by ORS 243.303(2), retirees who were hired after July 1, 2003 are allowed to continue, at the retirees’ expense, coverage under the group health insurance plan until age 65. The difference between the premium actually paid by the retirees under the group insurance plan and the premium that they would pay if they were not included in the plan is considered to be an implicit subsidy under the provisions of GASB 75. The plan does not issue a separate stand-alone financial report.

Plan membership

As of valuation date, July 1, 2024, there were 473 active employees, 4 eligible retirees, and 2 spouses of ineligible retirees for a total of 479 plan members.

Contributions

The County funds the plan only to the extent of current year insurance premium requirements on a pay-as-you-go basis; no assets are accumulated for this purpose. The average monthly premium requirements for the County are as follows:

For retirees	\$	763
For spouses of retirees		769

Total OPEB liability, OPEB expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits

As of June 30, 2025, the County reported a total OPEB liability of \$1,379,666. The total OPEB liability was measured as of June 30, 2024, and determined by an actuarial as of that date.

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT SUBSIDY (Continued)

Total OPEB liability, OPEB expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits (continued)

For the year ended June 30, 2025, changes in the total OPEB liability are comprised of the following:

	Total OPEB Liability
Balances at June 30, 2024	\$ 1,367,132
Changes for the year:	
Service cost	117,388
Interest	53,150
Effect of economic/demographic gains or losses	64,428
Changes in assumptions or other inputs	(165,234)
Benefit payments	(57,198)
Balances at June 30, 2025	\$ 1,379,666

For the year ended June 30, 2025, the County recognized a credit to OPEB expense of \$29,043. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 87,269	\$ 148,024
Changes of assumptions	15,024	414,864
Benefit payments	60,502	-
	\$ 162,795	\$ 562,888

NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT SUBSIDY (Continued)

Total OPEB liability, OPEB expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits (continued)

Deferred outflows of resources related to OPEB resulting from benefit payments in the amount of \$60,502 will be recognized as an adjustment to the Total OPEB liability in the year ended June 30, 2026.

As of June 30, 2025, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30,	
2026	\$ (119,625)
2027	(88,187)
2028	(81,582)
2029	(74,216)
2030	(68,518)
Thereafter	<u>(28,467)</u>
	<u>\$ (460,595)</u>

Actuarial valuation

The County contributions are based on the accruing benefit costs measured using the individual entry age normal actuarial cost method. The present value of benefits is allocated over the service for each active employee from their date of hire to their expected retirement age, as a level percent of the employee's pay. This level percent times pay is referred to as the service cost and is that portion of the present value of benefits attributable to an employee's service in a current year. The service cost equals \$0 for retired members. The total OPEB liability is the present value of benefits less the actuarial present value of future normal costs and represents the liabilities allocated to service up to the valuation date. For retirees, the total OPEB liability is equal to the present value of benefits.

NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT SUBSIDY (Continued)

Actuarial methods and assumptions used in developing total OPEB liability

Valuation Date	July 1, 2024
Actuarial Cost Method	Entry Age Normal, Level Percent of Pay
Inflation Rate	2.4%
Projected Salary Increases	3.4%
Mortality	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.
Withdrawal	Based on Oregon PERS assumptions. Annual rates are based on employment classification, gender and duration from hire date.
Retirement	Based on Oregon PERS assumptions. Annual rates are based on age, Tier/OPSRP, duration of service, and employment classification.
Election and Lapse Rates	30% of eligible employees. 60% of male members and 35% of female members will elect spouse coverage. 5% annual lapse rate

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Discount rate

The discount rate used to measure the total OPEB liability was 3.93%. The discount rate is based on the Bond Buyer 20-year General Obligation Bond Index. The discount rate at the prior measurement date was 3.65%.

NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT SUBSIDY (Continued)

Healthcare cost trend rate

The assumed healthcare cost trend for medical and vision costs is as follows:

<u>Years</u>	<u>Pre-65 Trend</u>
2024	6.90%
2025	6.00%
2026	5.50%
2027-2028	5.00%
2029-2030	4.75%
2031-2032	4.50%
2033-2065	4.25%
2066-2071	4.00%
2072+	3.75%

Sensitivity of the County's total OPEB liability to changes in the discount and healthcare cost trend rates

The following presents the County total OPEB liability calculated using the discount rate of 3.93%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
County's total OPEB liability	\$ 1,502,974	\$ 1,379,666	\$ 1,265,886
	1 Percentage Point Lower	Current Trend Rate	1 Percentage Point Higher
County's total OPEB liability	\$ 1,213,377	\$ 1,379,666	\$ 1,577,928

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT SUBSIDY (Continued)

OPEB Plans

Balances of the County’s two OPEB plans are aggregated and displayed in the financial statements as follows:

	Oregon Public Employees Retirement System Retirement Health Insurance Account (PERS RHIA)	Other Postemployment Benefit Plan for the Employees of Yamhill County (Implicit Subsidy)	Total
Net OPEB Asset	\$ 1,267,316	\$ -	\$ 1,267,316
Deferred outflows of resources	72,777	162,795	235,572
Total OPEB Liability	-	(1,379,666)	(1,379,666)
Deferred inflows of resources	(396,969)	(562,888)	(959,857)
OPEB expense (credit)	(353,906)	(29,043)	(382,949)

NOTE 16 – LITIGATION

The County, in the regular course of business, is named as a defendant in various lawsuits. The likely outcome of these lawsuits is not determinable at this time and the County does not believe that the ultimate resolution of these lawsuits will have a material adverse effect on the County’s General Fund.

NOTE 17 – NET POSITION RESTRICTED THROUGH ENABLING LEGISLATION

As of June 30, 2025, the government-wide statement of net position reports \$58,489,309 of restricted net position, of which \$183,883 is restricted by enabling legislation.

YAMHILL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 18 – GOVERNMENTAL FUND BALANCES

Fund balances for governmental funds have been reported in the categories of nonspendable, restricted, committed, assigned and unassigned. As of June 30, 2025, the specific purposes for these amounts are as follows:

	General	Road	Health and Human Services	Capital Improvement	Other Governmental Funds	Total
Fund balances:						
Nonspendable						
Inventory	\$ -	\$ 246,896	\$ -	\$ -	\$ -	\$ 246,896
Prepaid items	62,881	655,260	70,321	246	17,435	806,143
Advances to other funds	105,180	-	-	-	-	105,180
Lease receivable less deferred lease resource	-	37,189	20,020	122,312	6,999	186,520
Restricted for:						
Highways and streets	-	1,110,337	-	-	1,160	1,111,497
Schools and education	-	-	-	-	57,923	57,923
Health services	-	-	44,355,846	-	3,444,340	47,800,186
Grants	-	-	-	-	49,201	49,201
Public safety	-	-	-	-	1,408,078	1,408,078
County fair	-	-	-	-	121,592	121,592
Capital projects	-	-	-	2,834,654	778,031	3,612,685
Economic development	-	-	-	-	1,683,895	1,683,895
Other purposes	-	-	-	-	348,578	348,578
Assigned for:						
Landfill costs	350,326	-	-	-	-	350,326
Unassigned	<u>17,477,488</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,477,488</u>
	<u>\$ 17,995,875</u>	<u>\$ 2,049,682</u>	<u>\$ 44,446,187</u>	<u>\$ 2,957,212</u>	<u>\$ 7,917,232</u>	<u>\$ 75,366,188</u>

NOTE 19 – RELATED PARTY TRANSACTIONS

Yamhill County (a member) received \$59,543 from the Yamhill Communications Agency during the year ended June 30, 2025, for services including accounting, administrative support, information services, phone and postage. Yamhill County also received \$325,000 for the maintenance and upkeep of the Agency’s radio system. Yamhill County paid the Agency \$605,696 for dues during the year ended June 30, 2025 and \$83,499 for its share of a multi-jurisdictional project to replace the Agency’s Record Management System (RMS).

NOTE 20 – TAX ABATEMENTS

Yamhill County has entered into property tax abatement agreements whereby the assessed value of property has been reduced. The County’s property tax revenue for the year ended June 30, 2025 has been abated under the following programs:

<u>Program and statutory authority</u>	<u>Amount of Abatement</u>
Housing for low-income rental – ORS 307.517	\$ 47,545
Historic property – ORS 358.475-.545	1,417
Strategic investment program – ORS 285C.600)	307,012

NOTE 21 – NEWLY ISSUED ACCOUNTING STANDARDS

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement establishes a unified model for recognizing and measuring liabilities related to compensated absences, enhancing comparability and relevance across governmental entities. The measurement of the liability is based on the employee’s pay rate as of the financial statement date. Salary-related payments directly and incrementally associated with leave payments are included in the liability measurement. Certain types of leave—such as parental leave, military leave, and jury duty—are excluded from recognition until the leave commences. The new standard resulted in the inclusion of sick leave, and the change in accounting principle is accounted for in the County’s financial statements (see Note 3).

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The district has evaluated known concentrations and constraints that may expose the entity to substantial financial impacts. These disclosures are intended to enhance transparency and provide users of the financial statements with information about vulnerabilities that are not otherwise routinely disclosed. As of June 30, 2025, management has determined that impact of this standard had no significant impact on the County’s financial statements.

REQUIRED SUPPLEMENTARY INFORMATION



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**YAMHILL
COUNTY**

YAMHILL COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget		
	Original and Final	Actual	Variance
Revenues			
Property taxes	\$ 28,651,842	\$ 30,643,443	\$ 1,991,601
Miscellaneous taxes	23,000	33,546	10,546
Licenses, permits and fees	1,311,600	1,480,222	168,622
Fines and forfeitures	552,372	806,972	254,600
Charges for services	11,042,978	9,777,718	(1,265,260)
Intergovernmental	8,388,674	8,808,391	419,717
Interest	290,000	832,856	542,856
Miscellaneous	431,289	1,140,878	709,589
Total revenues	50,691,755	53,524,026	2,832,271
Expenditures			
Discretionary	200,000	-	200,000
Administrative services	1,995,584	1,857,585	137,999
Assessor	2,836,642	2,659,396	177,246
Board of Commissioners	737,827	648,475	89,352
Clerk	1,139,950	1,047,907	92,043
Information systems	3,334,022	2,743,808	590,214
District attorney	4,454,513	3,394,947	1,059,566
Planning	3,184,369	2,996,197	188,172
Surveyor	242,543	153,504	89,039
Support enforcement	772,867	596,358	176,509
Treasurer	43,260	37,174	6,086
County counsel	816,716	637,637	179,079
Transit	6,781,817	5,454,561	1,327,256
Non-departmental	1,201,961	1,198,729	3,232
Emergency management	490,185	397,695	92,490
Jail	8,347,846	8,261,761	86,085
Marine	111,115	78,488	32,627
Sheriff	12,210,992	10,257,387	1,953,605
911/dispatch services	606,196	606,051	145
Mediation services	250,794	68,822	181,972
Narcotics investigation	375,838	262,190	113,648
Juvenile department	1,721,193	1,566,787	154,406
Juvenile detention	2,823,519	2,700,751	122,768
Parks	676,519	468,549	207,970
Courthouse security	815,403	792,972	22,431
Radio system	996,698	248,103	748,595
Total expenditures	57,168,369	49,135,834	8,032,535
Excess (deficiency) of revenues over expenditures	<u>(6,476,614)</u>	<u>4,388,192</u>	<u>10,864,806</u>
Other financing sources (uses)			
Transfers in	89,000	89,000	-
Transfers out	(2,990,362)	(2,990,362)	-
Total other financing sources (uses)	<u>(2,901,362)</u>	<u>(2,901,362)</u>	<u>-</u>
Net change in fund balance	(9,377,976)	1,486,830	10,864,806
Fund balance at beginning of year	<u>13,078,032</u>	<u>15,650,789</u>	<u>2,572,757</u>
Fund balance at end of year	<u>\$ 3,700,056</u>	17,137,619	<u>\$ 13,437,563</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		34,028	
Advances to other funds		1,665	
O&C Reserve		368,722	
Landfill License Agreement		453,841	
Fund balance at end of year		<u>\$ 17,995,875</u>	

YAMHILL COUNTY
ROAD FUND - SPECIAL REVENUE FUND (MAJOR FUND)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget		
	Original and		
	Final	Actual	Variance
Revenues			
Licenses, permits and fees	\$ 48,000	\$ 101,190	\$ 53,190
Charges for services	726,030	727,822	1,792
Intergovernmental	10,426,776	10,436,493	9,717
Interest	142,409	16,986	(125,423)
Miscellaneous	37,200	110,866	73,666
	<u>11,380,415</u>	<u>11,393,357</u>	<u>12,942</u>
Total revenues			
Expenditures			
Road department	13,970,511	12,622,653	1,347,858
Debt service	655,260	655,260	-
Contingency	293,750	-	293,750
	<u>14,919,521</u>	<u>13,277,913</u>	<u>1,641,608</u>
Total expenditures			
Net change in fund balance	(3,539,106)	(1,884,556)	1,654,550
Fund balance at beginning of year	<u>3,539,106</u>	<u>3,933,229</u>	<u>394,123</u>
Fund balance at end of year	<u>\$ -</u>	2,048,673	<u>\$ 2,048,673</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>1,009</u>	
Fund balance at end of year		<u>\$ 2,049,682</u>	

YAMHILL COUNTY
HEALTH AND HUMAN SERVICES - SPECIAL REVENUE FUND (MAJOR FUND)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget Original and Final	Actual	Variance
Revenues			
Licenses, permits and fees	\$ 425,600	\$ 456,912	\$ 31,312
Fines and forfeitures	20,000	25,563	5,563
Charges for services	35,264,931	58,026,308	22,761,377
Intergovernmental	16,014,837	14,342,912	(1,671,925)
Interest	297,389	1,064,484	767,095
Miscellaneous	<u>1,219,256</u>	<u>1,296,501</u>	<u>77,245</u>
 Total revenues	 <u>53,242,013</u>	 <u>75,212,680</u>	 <u>21,970,667</u>
Expenditures			
Health and human services	<u>65,767,651</u>	<u>54,206,915</u>	<u>11,560,736</u>
 Total expenditures	 <u>65,767,651</u>	 <u>54,206,915</u>	 <u>11,560,736</u>
 Excess (deficiency) of revenues over expenditures	 <u>(12,525,638)</u>	 <u>21,005,765</u>	 <u>33,531,403</u>
Other financing sources (uses)			
Transfers in	<u>1,649,191</u>	<u>1,649,191</u>	<u>-</u>
 Total other financing sources (uses)	 <u>1,649,191</u>	 <u>1,649,191</u>	 <u>-</u>
 Net change in fund balance	 (10,876,447)	 22,654,956	 33,531,403
 Fund balance at beginning of year	 <u>21,700,000</u>	 <u>22,150,026</u>	 <u>450,026</u>
 Fund balance at end of year	 <u>\$ 10,823,553</u>	 44,804,982	 <u>\$ 33,981,429</u>
Reconciliation to generally accepted accounting principles			
Unearned revenue		(440,990)	
Fair value adjustment - investments		<u>82,195</u>	
 Fund balance at end of year		 <u>\$ 44,446,187</u>	

NOTE 1 – BUDGETARY INFORMATION

On or before June 30 of each year, the County enacts a resolution approving the budget, appropriating the expenditures, and levying the property taxes. Prior to enacting this resolution, the proposed budget is presented to a budget committee consisting of members of the Board of Commissioners and a like number of interested citizens. The budget committee presents the budget to the Board of Commissioners for budget hearings prior to enactment of the resolution. The County budgets all funds, except the Fiduciary Funds, as required by Oregon Local Budget Law. The basis of budgeting for all major funds is the modified accrual basis.

The resolution authorizing appropriations for each fund sets the legal level of control by which the expenditures cannot legally exceed appropriations. Total expenditures by department as established by the resolution are the legal level of control for the General Fund. Expenditure categories of division operations, operating transfers, and contingency are the legal level of control for all other funds. The detail budget document, however, is required to contain more specific information for the above mentioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget, with some exceptions. A supplemental budget requires hearings before the public, publications in newspapers, and adoption by the Board of Commissioners. Management may modify original and supplemental budgets by the use of appropriations transfers between the legal levels of control within a fund. Such transfers require approval by the Board of Commissioners. The County had appropriation transfers, approved through supplemental or budget transfer resolutions, during the year ended June 30, 2025.

YAMHILL COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025

NOTE 2 – RECONCILIATION OF GENERALLY ACCEPTED ACCOUNTING PRINCIPLES TO BUDGETARY BASIS

For the year ended June 30, 2025, the amounts reported for the General, Road, and Health and Human Services Funds in the governmental fund financial statements are different than the amounts reported in the budget to actual comparison schedules as follows:

	General	Road	Health and Human
Revenues			
Total fund revenues - budgetary basis	\$ 53,524,026	\$ 11,393,357	\$ 75,212,680
Revenues of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	160,112	-	-
Landfill License Agreement	31,161	-	-
Fair value adjustment - investments	177,858	24,077	271,731
Certain items recognized as revenues on the governmental fund statements were previously recognized as revenue on the budgetary basis	159,036	-	502,910
Certain items are classified as revenues on the budgetary basis and are shown as other financing sources on the governmental fund financial statements	<u>(3,510,779)</u>	<u>(704,955)</u>	<u>(314,138)</u>
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 50,541,414</u>	<u>\$ 10,712,479</u>	<u>\$ 75,673,183</u>
Expenditures			
Total fund expenditures - budgetary basis	\$ 49,135,834	\$ 13,277,913	\$ 54,206,915
Expenditures of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	545,920	-	-
Landfill License Agreement	375,000	-	-
Expenditures for capital outlays related to lease agreements are included on the fund statements but are not reported on the budgetary basis	1,828,854	-	-
Certain items are classified as expenditures on the budgetary basis and are shown as other financing sources on the governmental fund financial statements	<u>(3,648,947)</u>	<u>(1,267,432)</u>	<u>(4,318,009)</u>
Total expenditures reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 48,236,661</u>	<u>\$ 12,010,481</u>	<u>\$ 49,888,906</u>

YAMHILL COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025

NOTE 2 – RECONCILIATION OF GENERALLY ACCEPTED ACCOUNTING PRINCIPLES TO BUDGETARY BASIS (Continued)

	<u>General</u>	<u>Road</u>	<u>Health and Human Services</u>
Other financing sources (uses)			
Total fund other financing sources (uses) - budgetary basis	\$ (2,901,362)	\$ -	\$ 1,649,191
Other financing sources (uses) of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	(8,477)	-	-
Landfill License Agreement	(1,136)	-	-
Certain items are other financing sources and uses on the governmental fund financial statements but are not recorded on a budgetary basis	1,828,854	-	-
Certain items are classified as revenues/expenditures on the budgetary basis and are shown as other financing sources (uses) on the governmental fund financial statements	<u>(138,168)</u>	<u>(562,477)</u>	<u>(4,003,871)</u>
Total other financing sources (uses) reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ (1,220,289)</u>	<u>\$ (562,477)</u>	<u>\$ (2,354,680)</u>
Beginning fund balance			
Beginning fund balance - budgetary basis	\$ 15,650,789	\$ 3,933,229	\$ 22,150,026
Beginning fund balance of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	763,007	-	-
Landfill License Agreement	798,816	-	-
Unearned revenue	(159,036)	-	(943,900)
Fair value adjustment - investments	<u>(142,165)</u>	<u>(23,068)</u>	<u>(189,536)</u>
Total beginning fund balance reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 16,911,411</u>	<u>\$ 3,910,161</u>	<u>\$ 21,016,590</u>
Ending fund balance			
Ending fund balance - budgetary basis	\$ 17,137,619	\$ 2,048,673	\$ 44,804,982
Ending fund balance of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	368,722	-	-
Landfill License Agreement	453,841	-	-
Unearned revenue	-	-	(440,990)
Advances to other funds	1,665	-	-
Fair value adjustment - investments	<u>34,028</u>	<u>1,009</u>	<u>82,195</u>
Total beginning fund balance reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 17,995,875</u>	<u>\$ 2,049,682</u>	<u>\$ 44,446,187</u>

YAMHILL COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Ten Plan Years Ended June 30

Year Ended June 30,	County's proportion of the net pension liability (asset)	County's proportionate share of the net pension liability (asset)	County's covered payroll	County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.27634888%	\$ 61,424,736	\$ 45,056,879	136%	79%
2023	0.28628681%	53,623,484	44,261,642	121%	82%
2022	0.24085573%	36,879,845	39,890,022	92%	85%
2021	0.20783312%	24,870,308	38,974,448	64%	88%
2020	0.18662334%	40,727,632	33,562,653	121%	76%
2019	0.19059361%	32,968,130	31,027,521	106%	80%
2018	0.18106996%	27,429,714	28,700,590	96%	82%
2017	0.18767561%	25,298,743	26,656,712	95%	83%
2016	0.18959464%	28,462,558	25,747,864	111%	81%
2015	0.20395487%	11,709,990	24,083,363	49%	92%

Notes to schedule

Assumptions: The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability and June 30, 2018 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. For June 30, 2021, the long-term expected rate of return was lowered to 6.90 percent, and the inflation rate was lowered from 2.5 to 2.4 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

YAMHILL COUNTY
SCHEDULE OF PENSION CONTRIBUTIONS
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Fiscal Years Ended

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percent of covered payroll
2025	\$ 8,168,765	\$ 8,168,765	-	\$ 47,945,577	17.03758%
2024	8,106,684	8,106,684	-	45,056,879	17.99211%
2023	6,785,929	6,785,929	-	44,261,642	15.33140%
2022	6,329,912	6,329,912	-	39,890,022	15.86841%
2021	5,264,269	5,264,269	-	38,974,448	13.50698%
2020	4,553,846	4,553,846	-	33,562,653	13.56819%
2019	3,430,447	3,430,447	-	31,027,521	11.05614%
2018	3,211,767	3,211,767	-	28,700,590	11.19060%
2017	2,474,675	2,474,675	-	26,656,712	9.28350%
2016	2,579,469	2,579,469	-	25,747,864	10.01819%

Notes to schedule

Actuarial Valuation:

	December 31,				
	2021	2019	2017	2015	2013
Effective:	July 2023-June 2025	July 2021-June 2023	July 2019-June 2021	July 2017-June 2019	July 2015-June 2017
Actuarial cost method:	Entry Age Normal				
Amortization method:	Level percentage of payroll				
Asset valuation method:	Fair value				
Remaining amortization periods:	20 years				
Actuarial assumptions:					
Inflation rate	2.40 percent	2.40 percent	2.50 percent	2.50 percent	2.75 percent
Projected salary increases	3.40 percent	3.40 percent	3.50 percent	3.50 percent	3.75 percent
Investment rate of return	6.90 percent	6.90 percent	7.20 percent	7.50 percent	7.75 percent

YAMHILL COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OTHER
POSTEMPLOYMENT BENEFIT LIABILITY (ASSET)
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Plan Years Ended June 30, *

Year ended June 30,	County's proportion of the collective net OPEB liability (asset)	County's proportionate share of the collective net OPEB liability (asset)	County's covered payroll	County's proportionate share of the collective net OPEB liability (asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2024	0.31376312%	\$ (1,267,316) \$	45,056,879	-2.81%	221%
2023	0.12172806%	(445,727)	44,261,642	-1.01%	202%
2022	0.21314122%	(757,366)	39,890,022	-1.90%	195%
2021	0.20954585%	(719,582)	38,974,448	-1.85%	184%
2020	0.16799964%	(342,316)	33,562,653	-1.02%	150%
2019	0.28078791%	(542,584)	31,027,521	-1.75%	144%
2018	0.26834741%	(299,549)	28,700,590	-1.04%	124%
2017	0.25595970%	(106,822)	26,656,712	-0.40%	109%
2016	0.26503113%	71,972	25,747,864	0.28%	94%

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

YAMHILL COUNTY
SCHEDULE OF OTHER POSTEMPLOYMENT BENEFIT CONTRIBUTIONS
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Fiscal Years Ended June 30, *

Fiscal Year	Contractually required contributions	Contractually required contributions recognized by the OPEB plan	Difference	Covered payroll	Contractually required contributions as a percentage of covered payroll
2025	\$ 86	\$ 86	-	\$ 47,945,577	0.0001794%
2024	112	112	-	45,056,879	0.0002486%
2023	2,399	2,399	-	44,261,642	0.0054200%
2022	5,253	5,253	-	39,890,022	0.0131687%
2021	5,607	5,607	-	38,974,448	0.0143863%
2020	11,997	11,997	-	33,562,653	0.0357451%
2019	139,164	139,164	-	31,027,521	0.4485179%
2018	129,935	129,935	-	28,700,590	0.4527259%
2017	127,648	127,648	-	26,656,712	0.4788588%

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

Notes to schedule

Changes in Actuarial Assumptions Used to Determine Contributions:

	December 31, 2021 July 2023 - June 2025	December 31, 2019 July 2021 - June 2023	December 31, 2017 July 2019 - June 2021	December 31, 2015 July 2017 - June 2019	December 31, 2013 July 2015 - June 2017
Actuarial valuation	Entry Age Normal				
Effective:	Level percentage of payroll				
Actuarial cost method:	closed	closed	closed	closed	closed
Amortization method:	10 years				
Amortization period:	Market value				
Asset valuation method:	10 years	10 years	10 years	20 years	20 years
Remaining amortization periods:	Actuarial assumptions:				
Inflation rate	2.40 percent	2.40 percent	2.50 percent	2.50 percent	2.75 percent
Health cost trend rates	None	None	None	None	None
Projected salary increase	3.40 percent	3.40 percent	3.50 percent	3.50 percent	3.75 percent
Investment rate of return	6.90 percent	6.90 percent	7.20 percent	7.50 percent	7.75 percent

YAMHILL COUNTY
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OTHER
POSTEMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS
Last 10 Plan Years*

	2024	2023	2022	2021	2020	2019	2018	2017
Service cost	\$ 117,388	\$ 115,173	\$ 169,181	\$ 164,293	\$ 148,629	\$ 132,843	\$ 122,927	\$ 131,784
Interest on total OPEB liability	53,150	48,174	37,815	35,840	57,405	57,321	61,135	49,390
Effect of economic/demographic gains or losses	64,428	-	(226,121)	-	94,658	-	(75,784)	-
Effect of assumptions changes or inputs	(165,234)	(12,486)	(253,528)	6,897	(241,183)	51,365	(243,556)	(109,833)
Benefit payments	(57,198)	(58,304)	(68,178)	(97,542)	(89,419)	(107,034)	(95,455)	(80,403)
Net change in total OPEB liability	12,534	92,557	(340,831)	109,488	(29,910)	134,495	(230,733)	(9,062)
Total OPEB liability - beginning of year	1,367,132	1,274,575	1,615,406	1,505,918	1,535,828	1,401,333	1,632,066	1,641,128
Total OPEB liability - end of year	\$ 1,379,666	\$ 1,367,132	\$ 1,274,575	\$ 1,615,406	\$ 1,505,918	\$ 1,535,828	\$ 1,401,333	\$ 1,632,066
Covered employee payroll	\$ 45,056,879	\$ 44,261,642	\$ 39,890,022	\$ 38,974,448	\$ 33,562,653	\$ 31,027,521	\$ 28,700,590	\$ 26,656,712
Total OPEB liability as a percentage of covered employee payroll	3.1%	3.0%	2.9%	4.0%	3.9%	4.6%	4.5%	5.7%

Notes to schedule

*Information will be accumulated until 10 years are presented.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Implicit rate subsidy

Contributions are not based on a measure of pay, therefore the covered employee payroll is used in the percentages above.

Changes in assumptions

	2024	2023	2022	2021	2020	2019	2018	2017
Discount rate used	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	2.79%	4.18%



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**YAMHILL
COUNTY**

**COMBINING FINANCIAL STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**



GENERAL FUNDS

Combining statements for all funds and sub funds of the general fund are reported in this section. The combined totals are reported in the basic financial statements.

Schedules of Revenues, Expenditures, and Changes in Fund Balance (Budgetary Basis) – Budget and Actual are also presented in this section for the O&C Reserve Fund and the Landfill License Agreement sub funds of the general fund. Budget and actual comparisons for the General Fund, exclusive of sub funds, is reported as Required Supplementary Information.

General Fund – This fund accounts for all financial resources of the general government, except those required to be accounted for in another fund. With the implementation of GASB 54, the following two funds have been combined with the General Fund for financial reporting purposes.

O&C Reserve Fund – This fund accounts for unrestricted shared timber harvest revenue from federal Oregon & California (O&C) railroad lands. Current use of these funds includes board approved community grants.

Landfill License Agreement Fund – This fund accounts for transfers from the Solid Waste Fund. Current use of these funds includes board approved community grants.

YAMHILL COUNTY
COMBINING BALANCE SHEET
GENERAL FUNDS
June 30, 2025

	<u>General</u>	<u>O&C Reserve</u>	<u>Landfill License Agreement</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$ 9,943,016	\$ 251,795	\$ 194,609	\$ 10,389,420
Investments	7,956,065	201,478	155,717	8,313,260
Receivables	3,558,636	-	-	3,558,636
Prepaid items	58,785	4,096	-	62,881
Advances to other funds	1,665	-	103,515	105,180
Total assets	<u>\$ 21,518,167</u>	<u>\$ 457,369</u>	<u>\$ 453,841</u>	<u>\$ 22,429,377</u>
Liabilities, deferred inflows and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 3,208,020	\$ 88,647	\$ -	\$ 3,296,667
Deposits	3,061	-	-	3,061
Total liabilities	<u>3,211,081</u>	<u>88,647</u>	<u>-</u>	<u>3,299,728</u>
Deferred inflows of resources				
Unavailable revenue	<u>1,133,774</u>	<u>-</u>	<u>-</u>	<u>1,133,774</u>
Total deferred inflows of resources	<u>1,133,774</u>	<u>-</u>	<u>-</u>	<u>1,133,774</u>
Fund balances				
Nonspendable	60,450	4,096	103,515	168,061
Assigned	-	-	350,326	350,326
Unassigned	<u>17,112,862</u>	<u>364,626</u>	<u>-</u>	<u>17,477,488</u>
Total fund balances	<u>17,173,312</u>	<u>368,722</u>	<u>453,841</u>	<u>17,995,875</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 21,518,167</u>	<u>\$ 457,369</u>	<u>\$ 453,841</u>	<u>\$ 22,429,377</u>

YAMHILL COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUNDS
Year Ended June 30, 2025

	General	O&C Reserve	Landfill License Agreement	Total
Revenues				
Property taxes	\$ 30,643,443	\$ -	\$ -	\$ 30,643,443
Miscellaneous taxes	33,546	-	-	33,546
Licenses, permits and fees	1,480,222	-	-	1,480,222
Fines and forfeitures	806,972	-	-	806,972
Charges for services	6,153,788	-	-	6,153,788
Intergovernmental	9,080,578	121,333	-	9,201,911
Interest	1,010,714	38,779	29,808	1,079,301
Miscellaneous	1,140,878	-	1,353	1,142,231
	<u>50,350,141</u>	<u>160,112</u>	<u>31,161</u>	<u>50,541,414</u>
Expenditures				
Current				
General government	17,388,430	107,273	-	17,495,703
Public safety	26,526,164	-	-	26,526,164
Parks, culture and recreation	411,722	-	-	411,722
Capital outlay	2,989,425	438,647	375,000	3,803,072
	<u>47,315,741</u>	<u>545,920</u>	<u>375,000</u>	<u>48,236,661</u>
Excess (deficiency) of revenues over expenditures	<u>3,034,400</u>	<u>(385,808)</u>	<u>(343,839)</u>	<u>2,304,753</u>
Other financing sources (uses)				
Issuance of long-term obligations	1,828,854	-	-	1,828,854
Transfers in	3,246,620	-	-	3,246,620
Transfers out	(6,286,150)	(8,477)	(1,136)	(6,295,763)
	<u>(1,210,676)</u>	<u>(8,477)</u>	<u>(1,136)</u>	<u>(1,220,289)</u>
Net change in fund balances	1,823,724	(394,285)	(344,975)	1,084,464
Fund balances at beginning of year	15,349,588	763,007	798,816	16,911,411
Fund balance at end of year	<u>\$ 17,173,312</u>	<u>\$ 368,722</u>	<u>\$ 453,841</u>	<u>\$ 17,995,875</u>

YAMHILL COUNTY
O&C RESERVE - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ 100,000	\$ 121,333	\$ 21,333
Interest	<u>12,935</u>	<u>31,051</u>	<u>18,116</u>
Total revenues	<u>112,935</u>	<u>152,384</u>	<u>39,449</u>
Expenditures			
O&C reserve	<u>722,691</u>	<u>549,897</u>	<u>172,794</u>
Total expenditures	<u>722,691</u>	<u>549,897</u>	<u>172,794</u>
Excess (deficiency) of revenues over expenditures	<u>(609,756)</u>	<u>(397,513)</u>	<u>212,243</u>
Other financing sources (uses)			
Transfers out	<u>(4,500)</u>	<u>(4,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,500)</u>	<u>(4,500)</u>	<u>-</u>
Net change in fund balance	(614,256)	(402,013)	212,243
Fund balance at beginning of year	<u>614,256</u>	<u>769,831</u>	<u>155,575</u>
Fund balance at end of year	<u>\$ -</u>	367,818	<u>\$ 367,818</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>904</u>	
Fund balance at end of year		<u>\$ 368,722</u>	

YAMHILL COUNTY
LANDFILL LICENSE AGREEMENT - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest	\$ 14,204	\$ 23,441	\$ 9,237
Miscellaneous	<u>52,438</u>	<u>52,438</u>	<u>-</u>
Total revenues	<u>66,642</u>	<u>75,879</u>	<u>9,237</u>
Expenditures			
Landfill license	<u>670,847</u>	<u>376,136</u>	<u>294,711</u>
Total expenditures	<u>670,847</u>	<u>376,136</u>	<u>294,711</u>
Net change in fund balance	(604,205)	(300,257)	303,948
Fund balance at beginning of year	<u>604,205</u>	<u>649,882</u>	<u>45,677</u>
Fund balance at end of year	<u>\$ -</u>	349,625	<u>\$ 349,625</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		701	
Advances to other funds		<u>103,515</u>	
Fund balance at end of year		<u>\$ 453,841</u>	

YAMHILL COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

	Special Revenue	Capital Projects	Total
Assets			
Cash and cash equivalents	\$ 3,848,707	\$ 444,187	\$ 4,292,894
Investments	3,079,597	355,423	3,435,020
Receivables	475,688	8,717	484,405
Prepaid items	17,435	-	17,435
Lease receivables	96,043	-	96,043
Advances to other funds	130,494	-	130,494
Total assets	\$ 7,647,964	\$ 808,327	\$ 8,456,291
Liabilities, deferred inflows and fund balances			
Liabilities			
Accounts payable and accrued liabilities	\$ 303,207	\$ 30,296	\$ 333,503
Unearned revenue	93,857	-	93,857
Deposits	1,500	-	1,500
Advances from other funds	1,665	-	1,665
Total liabilities	400,229	30,296	430,525
Deferred inflows of resources			
Unavailable revenue	19,490	-	19,490
Deferred lease resources	89,044	-	89,044
Total deferred inflows of resources	108,534	-	108,534
Fund balances			
Nonspendable	24,434	-	24,434
Restricted	7,114,767	778,031	7,892,798
Total fund balances	7,139,201	778,031	7,917,232
Total liabilities, deferred inflows of resources and fund balances	\$ 7,647,964	\$ 808,327	\$ 8,456,291

YAMHILL COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	Special Revenue	Capital Projects	Total
Revenues			
Property taxes	\$ 526,548	\$ -	\$ 526,548
Miscellaneous taxes	17,684	-	17,684
Licenses, permits and fees	73,978	-	73,978
Fines and forfeitures	102,670	-	102,670
Charges for services	1,100,962	-	1,100,962
System development charges	-	87,514	87,514
Intergovernmental	6,064,100	98,826	6,162,926
Interest	408,329	38,614	446,943
Miscellaneous	780,788	-	780,788
Total revenues	9,075,059	224,954	9,300,013
Expenditures			
Current			
General government	1,053,713	-	1,053,713
Public safety	3,667,478	-	3,667,478
Health and welfare	343,501	-	343,501
Parks, culture and recreation	1,056,173	69,144	1,125,317
Education	554,916	-	554,916
Capital outlay	1,117,763	33,332	1,151,095
Total expenditures	7,793,544	102,476	7,896,020
Excess (deficiency) of revenues over expenditures	1,281,515	122,478	1,403,993
Other financing sources (uses)			
Transfers in	844,566	-	844,566
Transfers out	(1,453,709)	(3,365)	(1,457,074)
Total other financing sources (uses)	(609,143)	(3,365)	(612,508)
Net change in fund balances	672,372	119,113	791,485
Fund balances at beginning of year	6,466,829	658,918	7,125,747
Fund balances at end of year	\$ 7,139,201	\$ 778,031	\$ 7,917,232



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**YAMHILL
COUNTY**

SPECIAL REVENUE FUNDS

Combining statements for all individual nonmajor special revenue funds are reported in this section. The combined totals are reported in the combining nonmajor governmental fund statements. Fund statements for major special revenue funds are reported in the basic financial statements.

Schedules of Revenues, Expenditures, and Changes in Fund Balance (Budgetary Basis) – Budget and Actual are also presented in this section for each individual nonmajor special revenue fund. Budget and actual comparisons for major special revenue funds are reported as Required Supplementary Information.

Nonmajor Special Revenue Funds

Community Corrections Fund – This fund accounts for revenues and expenditures associated with supervising convicted persons placed on probation or released from prison on parole residing in Yamhill County. The fund also manages the work release program and provides case management.

Solid Waste Fund – This fund accounts for the licensing and disposal fees generated from privately-owned solid waste disposal sites and facilities in Yamhill County. The fund allocates a portion of the fees collected for the payment of future costs related to post-closure care of closed County-owned solid waste sites.

County Clerk's Records Fund – The fund is established under ORS 205.320. Funds are to be expended for acquiring storage and retrieval systems and maintaining and storing clerk's records.

Dog Control Fund – The fund operates with money from dog licensing and donations. The Dog Fund is responsible for dog licensing and enforcement of the Yamhill County Dog Control Ordinances.

Law Library Fund – This fund receives revenues collected by the courts as part of civil litigation filing fees to support the Law Library. The library provides legal reference materials and assistance to patrons (attorneys, litigants, and the public).

County School Fund – State law requires that funding from 25% of the National Forest timber receipts received by the County be deposited into this fund and redistributed to County school districts to be used for educational programs.

County Fair Fund – This fund accounts for two major areas of responsibilities; the fairgrounds and the events center. The facility not only accommodates the annual fair, but also events throughout the year such as trade shows and exhibits, 4-H and FFA events, and equine competitions.

Economic Development Fund – This fund receives video lottery dollars to make economic development grants that support innovation and sustainable growth through strategic investments and partnerships in economic development initiatives and projects that create or retain jobs, generate increased economic activity, and improve the economic and social livability and vitality of local communities.

SPECIAL REVENUE FUNDS (Continued)

Corner Restoration Fund – This fund receives revenues from deed filing fees dedicated to corner preservation activities. This program researches the records, locates government corners in the field, and reestablishes and makes subsequent appropriate records for the public on section, donation-land claim, and meander corners originally set by old federal and County surveys.

Title III Fund - This fund accounts for Title III revenue received from P.L 106-393 (2000) and P.L. 110-343 (2008), also referred to as the Federal Secure Rural Schools (SRS) legislation. The Board of County Commissioners review requests and award funds each fiscal year according to those uses.

Extension Fund – This fund represents the Yamhill County Extension Service District; a separate unit of government formed to provide support services for the extension agents serving Yamhill County. It has a separate tax levy of \$0.0449 per \$1,000 of assessed value in Fiscal Year 2024. The Extension Fund is considered a blended component unit of Yamhill County.

Habitat Conservation Fund – The fund pays for survey and related management costs to implement the Habitat Conservation Plan and receive an incidental take permit under the Endangered Species Act Section 10(a)(1)(B) to protect habitat of the endangered Fender's blue butterfly and Kincaid's lupine. An incidental take permit would allow the County to continue to perform its otherwise lawful road maintenance activities, which have the potential to affect the covered species. Cost of this fund are paid for by an allocation of state gas tax and highway user fees.

American Rescue Plan – This fund accounts for funds received by the County from the American Rescue Plan Act of 2021 to be spent in accordance with federal guidelines.

Opioid Settlement – This fund is the result of opioid settlements reached with opioid manufacturers, distributors, and retailers. These funds must be used for opioid prevention, treatment, and recovery strategies that are listed in the settlement.



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**YAMHILL
COUNTY**

	Community Corrections	Solid Waste	County Clerk's Records	Dog Control	Law Library	County School
Assets						
Cash and cash equivalents	\$ 850,290	\$ 833,108	\$ 37,420	\$ 4,302	\$ 39,826	\$ 291
Investments	680,373	666,625	29,941	3,442	31,866	232
Receivables	706	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Lease receivables	24,122	-	-	-	-	-
Advances to other funds	-	130,494	-	-	-	-
Total assets	\$ 1,555,491	\$ 1,630,227	\$ 67,361	\$ 7,744	\$ 71,692	\$ 523
Liabilities, deferred inflows and fund balances						
Liabilities						
Accounts payable and accrued liabilities	\$ 123,312	\$ 13,118	\$ 28	\$ 7,723	\$ 5,377	\$ -
Unearned revenue	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	123,312	13,118	28	7,723	5,377	-
Deferred inflows of resources						
Unavailable revenue	-	-	-	-	-	-
Deferred lease resources	21,420	-	-	-	-	-
Total deferred inflows of resources	21,420	-	-	-	-	-
Fund balances						
Nonspendable	2,702	-	-	-	-	-
Restricted	1,408,057	1,617,109	67,333	21	66,315	523
Total fund balances	1,410,759	1,617,109	67,333	21	66,315	523
Total liabilities, deferred inflows of resources and fund balances	\$ 1,555,491	\$ 1,630,227	\$ 67,361	\$ 7,744	\$ 71,692	\$ 523

YAMHILL COUNTY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2025

County Fair	Economic Development	Corner Restoration	Title III	Extension	Habitat Conservation	American Rescue Plan	Opioid Settlement	Total
\$ 131,864	\$ 868,313	\$ 59,896	\$ 27,331	\$ 29,456	\$ -	\$ 102,281	\$ 864,329	\$ 3,848,707
105,511	694,793	47,926	21,870	23,569	-	81,842	691,607	3,079,597
34,306	141,218	-	-	24,287	3,876	-	271,295	475,688
17,435	-	-	-	-	-	-	-	17,435
71,921	-	-	-	-	-	-	-	96,043
-	-	-	-	-	-	-	-	130,494
\$ 361,037	\$ 1,704,324	\$ 107,822	\$ 49,201	\$ 77,312	\$ 3,876	\$ 184,123	\$ 1,827,231	\$ 7,647,964
\$ 101,385	\$ 20,429	\$ 1,993	\$ -	\$ 422	\$ 1,051	\$ 28,369	\$ -	\$ 303,207
48,704	-	-	-	-	-	45,153	-	93,857
-	-	1,500	-	-	-	-	-	1,500
-	-	-	-	-	1,665	-	-	1,665
150,089	20,429	3,493	-	422	2,716	73,522	-	400,229
-	-	-	-	19,490	-	-	-	19,490
67,624	-	-	-	-	-	-	-	89,044
67,624	-	-	-	19,490	-	-	-	108,534
21,732	-	-	-	-	-	-	-	24,434
121,592	1,683,895	104,329	49,201	57,400	1,160	110,601	1,827,231	7,114,767
143,324	1,683,895	104,329	49,201	57,400	1,160	110,601	1,827,231	7,139,201
\$ 361,037	\$ 1,704,324	\$ 107,822	\$ 49,201	\$ 77,312	\$ 3,876	\$ 184,123	\$ 1,827,231	\$ 7,647,964

	Community Corrections	Solid Waste	County Clerk's Records	Dog Control	Law Library	County School
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous taxes	-	-	-	-	-	17,684
Licenses, permits and fees	-	-	-	73,978	-	-
Fines and forfeitures	-	-	-	6,641	96,029	-
Charges for services	13,807	147,615	8,812	1,160	-	-
Intergovernmental	4,007,398	-	-	100,000	-	6,645
Interest	95,824	97,224	3,610	614	4,435	638
Miscellaneous	30,892	34,451	-	746	115	-
Total revenues	4,147,921	279,290	12,422	183,139	100,579	24,967
Expenditures						
Current						
General government	-	-	10,336	-	64,338	-
Public safety	3,542,418	-	-	125,060	-	-
Health and welfare	-	343,501	-	-	-	-
Parks, culture and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	25,000
Capital outlay	-	350,000	-	-	-	-
Total expenditures	3,542,418	693,501	10,336	125,060	64,338	25,000
Excess (deficiency) of revenues over expenditures	605,503	(414,211)	2,086	58,079	36,241	(33)
Other financing sources (uses)						
Transfers in	392,026	-	-	-	-	-
Transfers out	(797,280)	(222,109)	(443)	(106,067)	(9,216)	-
Total other financing sources (uses)	(405,254)	(222,109)	(443)	(106,067)	(9,216)	-
Net change in fund balances	200,249	(636,320)	1,643	(47,988)	27,025	(33)
Fund balances at beginning of year	1,210,510	2,253,429	65,690	48,009	39,290	556
Fund balances at end of year	\$ 1,410,759	\$ 1,617,109	\$ 67,333	\$ 21	\$ 66,315	\$ 523

YAMHILL COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2025

County Fair	Economic Development	Corner Restoration	Title III	Extension	Habitat Conservation	American Rescue Plan (formerly major fund)	Opioid Settlement	Total
\$ -	\$ -	\$ -	\$ -	\$ 526,548	\$ -	\$ -	\$ -	\$ 526,548
-	-	-	-	-	-	-	-	17,684
-	-	-	-	-	-	-	-	73,978
-	-	-	-	-	-	-	-	102,670
878,729	-	50,839	-	-	-	-	-	1,100,962
322,152	532,520	-	-	-	46,516	1,048,869	-	6,064,100
12,747	79,732	7,327	3,173	7,940	743	64,073	30,249	408,329
74,612	467	257	-	-	108	-	639,140	780,788
<u>1,288,240</u>	<u>612,719</u>	<u>58,423</u>	<u>3,173</u>	<u>534,488</u>	<u>47,367</u>	<u>1,112,942</u>	<u>669,389</u>	<u>9,075,059</u>
-	353,178	87,972	95	-	-	535,691	2,103	1,053,713
-	-	-	-	-	-	-	-	3,667,478
-	-	-	-	-	-	-	-	343,501
1,018,021	-	-	-	-	38,152	-	-	1,056,173
-	-	-	-	529,916	-	-	-	554,916
222,943	-	-	30,000	-	-	514,820	-	1,117,763
<u>1,240,964</u>	<u>353,178</u>	<u>87,972</u>	<u>30,095</u>	<u>529,916</u>	<u>38,152</u>	<u>1,050,511</u>	<u>2,103</u>	<u>7,793,544</u>
<u>47,276</u>	<u>259,541</u>	<u>(29,549)</u>	<u>(26,922)</u>	<u>4,572</u>	<u>9,215</u>	<u>62,431</u>	<u>667,286</u>	<u>1,281,515</u>
71,000	-	-	-	-	4,500	-	377,040	844,566
(67,431)	(124,962)	(11,298)	-	-	(27,494)	(87,409)	-	(1,453,709)
<u>3,569</u>	<u>(124,962)</u>	<u>(11,298)</u>	<u>-</u>	<u>-</u>	<u>(22,994)</u>	<u>(87,409)</u>	<u>377,040</u>	<u>(609,143)</u>
50,845	134,579	(40,847)	(26,922)	4,572	(13,779)	(24,978)	1,044,326	672,372
<u>92,479</u>	<u>1,549,316</u>	<u>145,176</u>	<u>76,123</u>	<u>52,828</u>	<u>14,939</u>	<u>135,579</u>	<u>782,905</u>	<u>6,466,829</u>
\$ 143,324	\$ 1,683,895	\$ 104,329	\$ 49,201	\$ 57,400	\$ 1,160	\$ 110,601	\$ 1,827,231	\$ 7,139,201

YAMHILL COUNTY
COMMUNITY CORRECTIONS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 160,538	\$ 162,995	\$ 2,457
Intergovernmental	3,686,186	4,007,398	321,212
Interest	53,341	80,422	27,081
Miscellaneous	23,029	30,892	7,863
Total revenues	3,923,094	4,281,707	358,613
Expenditures			
Community corrections	4,878,532	4,339,698	538,834
Total expenditures	4,878,532	4,339,698	538,834
Excess (deficiency) of revenues over expenditures	(955,438)	(57,991)	897,447
Other financing sources (uses)			
Transfers in	242,838	242,838	-
Total other financing sources (uses)	242,838	242,838	-
Net change in fund balance	(712,600)	184,847	897,447
Fund balance at beginning of year	850,000	1,222,862	372,862
Fund balance at end of year	\$ 137,400	1,407,709	\$ 1,270,309
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		3,050	
Fund balance at end of year		\$ 1,410,759	

YAMHILL COUNTY
SOLID WASTE - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 128,000	\$ 172,017	\$ 44,017
Interest	64,684	75,221	10,537
Miscellaneous	30,688	34,451	3,763
Total revenues	223,372	281,689	58,317
Expenditures			
Solid waste	1,596,690	826,610	770,080
Contingency	308,905	-	308,905
Total expenditures	1,905,595	826,610	1,078,985
Excess (deficiency) of revenues over expenditures	(1,682,223)	(544,921)	1,137,302
Other financing sources (uses)			
Transfers out	(89,000)	(89,000)	-
Total other financing sources (uses)	(89,000)	(89,000)	-
Net change in fund balance	(1,771,223)	(633,921)	1,137,302
Fund balance at beginning of year	2,125,223	2,117,545	(7,678)
Fund balance at end of year	\$ 354,000	1,483,624	\$ 1,129,624
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		2,991	
Due from other funds		130,494	
Fund balance at end of year		\$ 1,617,109	

YAMHILL COUNTY
COUNTY CLERK'S RECORDS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 14,500	\$ 8,812	\$ (5,688)
Interest	<u>1,639</u>	<u>2,897</u>	<u>1,258</u>
Total revenues	<u>16,139</u>	<u>11,709</u>	<u>(4,430)</u>
Expenditures			
Clerk records	<u>45,041</u>	<u>10,779</u>	<u>34,262</u>
Total expenditures	<u>45,041</u>	<u>10,779</u>	<u>34,262</u>
Net change in fund balance	(28,902)	930	29,832
Fund balance at beginning of year	<u>54,500</u>	<u>66,267</u>	<u>11,767</u>
Fund balance at end of year	<u><u>\$ 25,598</u></u>	67,197	<u><u>\$ 41,599</u></u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>136</u>	
Fund balance at end of year		<u><u>\$ 67,333</u></u>	

YAMHILL COUNTY
DOG CONTROL - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Licenses, permits and fees	\$ 60,700	\$ 73,978	\$ 13,278
Fines and forfeitures	7,000	6,641	(359)
Charges for services	2,500	1,160	(1,340)
Interest	4,000	133	(3,867)
Miscellaneous	<u>1,100</u>	<u>746</u>	<u>(354)</u>
Total revenues	<u>75,300</u>	<u>82,658</u>	<u>7,358</u>
Expenditures			
Dog control	<u>239,014</u>	<u>231,127</u>	<u>7,887</u>
Total expenditures	<u>239,014</u>	<u>231,127</u>	<u>7,887</u>
Excess (deficiency) of revenues over expenditures	<u>(163,714)</u>	<u>(148,469)</u>	<u>15,245</u>
Other financing sources (uses)			
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total other financing sources (uses)	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance	(63,714)	(48,469)	15,245
Fund balance at beginning of year	<u>63,714</u>	<u>48,475</u>	<u>(15,239)</u>
Fund balance at end of year	<u>\$ -</u>	6	<u>\$ 6</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>15</u>	
Fund balance at end of year		<u>\$ 21</u>	

YAMHILL COUNTY
LAW LIBRARY - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Fines and forfeitures	\$ 96,029	\$ 96,029	\$ -
Interest	2,064	3,906	1,842
Miscellaneous	-	115	115
	98,093	100,050	1,957
Expenditures			
Law library	136,317	73,554	62,763
	136,317	73,554	62,763
Net change in fund balance	(38,224)	26,496	64,720
Fund balance at beginning of year	38,224	39,674	1,450
Fund balance at end of year	\$ -	66,170	\$ 66,170
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		145	
Fund balance at end of year		\$ 66,315	

YAMHILL COUNTY
COUNTY SCHOOL - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Miscellaneous taxes	\$ 13,000	\$ 17,684	\$ 4,684
Intergovernmental	85,000	6,645	(78,355)
Interest	328	632	304
 Total revenues	 98,328	 24,961	 (73,367)
Expenditures			
County school	98,328	25,000	73,328
 Total expenditures	 98,328	 25,000	 73,328
 Net change in fund balance	 -	 (39)	 (39)
Fund balance at beginning of year	-	561	561
 Fund balance at end of year	 \$ -	 522	 \$ 522
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		1	
 Fund balance at end of year		 \$ 523	

YAMHILL COUNTY
COUNTY FAIR - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 739,583	\$ 949,729	\$ 210,146
Intergovernmental	338,940	160,649	(178,291)
Interest	12,335	9,984	(2,351)
Miscellaneous	88,860	74,612	(14,248)
Total revenues	1,179,718	1,194,974	15,256
Expenditures			
County fair	1,343,042	1,308,395	34,647
Total expenditures	1,343,042	1,308,395	34,647
Net change in fund balance	(163,324)	(113,421)	49,903
Fund balance at beginning of year	163,324	256,269	92,945
Fund balance at end of year	\$ -	142,848	\$ 142,848
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		476	
Fund balance at end of year		\$ 143,324	

YAMHILL COUNTY
ECONOMIC DEVELOPMENT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ 300,000	\$ 532,520	\$ 232,520
Interest	22,113	62,874	40,761
Miscellaneous	-	467	467
	<u>322,113</u>	<u>595,861</u>	<u>273,748</u>
Expenditures			
Economic development	<u>921,215</u>	<u>478,140</u>	<u>443,075</u>
	<u>921,215</u>	<u>478,140</u>	<u>443,075</u>
Net change in fund balance	(599,102)	117,721	716,823
Fund balance at beginning of year	<u>1,392,224</u>	<u>1,563,056</u>	<u>170,832</u>
Fund balance at end of year	<u>\$ 793,122</u>	1,680,777	<u>\$ 887,655</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>3,118</u>	
Fund balance at end of year		<u>\$ 1,683,895</u>	

YAMHILL COUNTY
CORNER RESTORATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 50,000	\$ 50,839	\$ 839
Interest	8,418	5,773	(2,645)
Miscellaneous	-	257	257
	<u>58,418</u>	<u>56,869</u>	<u>(1,549)</u>
Expenditures			
Corner restoration	<u>214,316</u>	<u>99,270</u>	<u>115,046</u>
	<u>214,316</u>	<u>99,270</u>	<u>115,046</u>
Net change in fund balance	(155,898)	(42,401)	113,497
Fund balance at beginning of year	<u>160,010</u>	<u>146,514</u>	<u>(13,496)</u>
Fund balance at end of year	<u>\$ 4,112</u>	104,113	<u>\$ 100,001</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>216</u>	
Fund balance at end of year		<u>\$ 104,329</u>	

YAMHILL COUNTY
TITLE III - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ 20,000	\$ -	\$ (20,000)
Interest	<u>1,752</u>	<u>2,405</u>	<u>653</u>
Total revenues	<u>21,752</u>	<u>2,405</u>	<u>(19,347)</u>
Expenditures			
Title III	<u>96,641</u>	<u>30,095</u>	<u>66,546</u>
Total expenditures	<u>96,641</u>	<u>30,095</u>	<u>66,546</u>
Net change in fund balance	(74,889)	(27,690)	47,199
Fund balance at beginning of year	<u>74,889</u>	<u>76,793</u>	<u>1,904</u>
Fund balance at end of year	<u>\$ -</u>	49,103	<u>\$ 49,103</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>98</u>	
Fund balance at end of year		<u>\$ 49,201</u>	

YAMHILL COUNTY
EXTENSION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 520,192	\$ 526,548	\$ 6,356
Interest	<u>4,073</u>	<u>7,398</u>	<u>3,325</u>
 Total revenues	 <u>524,265</u>	 <u>533,946</u>	 <u>9,681</u>
Expenditures			
Contract services	<u>529,738</u>	<u>529,916</u>	<u>(178)</u>
 Total expenditures	 <u>529,738</u>	 <u>529,916</u>	 <u>(178)</u>
 Net change in fund balance	 (5,473)	 4,030	 9,503
 Fund balance at beginning of year	 <u>43,124</u>	 <u>53,263</u>	 <u>10,139</u>
 Fund balance at end of year	 <u>\$ 37,651</u>	 57,293	 <u>\$ 19,642</u>
 Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>107</u>	
 Fund balance at end of year		 <u>\$ 57,400</u>	

YAMHILL COUNTY
HABITAT CONSERVATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 46,516	\$ 46,516	\$ -
Interest	462	628	166
Miscellaneous	-	108	108
	46,978	47,252	274
Expenditures			
Habitat conservation	68,848	65,646	3,202
	68,848	65,646	3,202
Excess (deficiency) of revenues over expenditures	(21,870)	(18,394)	3,476
Other financing sources (uses)			
Transfers in	4,500	4,500	-
	4,500	4,500	-
Net change in fund balance	(17,370)	(13,894)	3,476
Fund balance at beginning of year	27,370	15,057	(12,313)
Fund balance at end of year	\$ 10,000	1,163	\$ (8,837)
Reconciliation to generally accepted accounting principles			
Advances from other funds		(1,665)	
Fair value adjustment - investments		1,662	
Fund balance at end of year		\$ 1,160	

YAMHILL COUNTY
AMERICAN RESCUE PLAN - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Interest	\$ 187,437	\$ 51,398	\$ (136,039)
Miscellaneous	-	102,453	102,453
	<u>187,437</u>	<u>153,851</u>	<u>(33,586)</u>
Total revenues			
	<u>187,437</u>	<u>153,851</u>	<u>(33,586)</u>
Expenditures			
American rescue plan	<u>1,440,043</u>	<u>1,251,071</u>	<u>188,972</u>
Total expenditures	<u>1,440,043</u>	<u>1,251,071</u>	<u>188,972</u>
Excess (deficiency) of revenues over expenditures	<u>(1,252,606)</u>	<u>(1,097,220)</u>	<u>155,386</u>
Other financing sources (uses)			
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balance	(1,352,606)	(1,197,220)	155,386
Fund balance at beginning of year	<u>1,352,606</u>	<u>1,352,607</u>	<u>1</u>
Fund balance at end of year	<u>\$ -</u>	155,387	<u>\$ 155,387</u>
Reconciliation to generally accepted accounting principles			
Unearned revenue		(45,153)	
Fair value adjustment - investments		<u>367</u>	
Fund balance at end of year		<u>\$ 110,601</u>	

YAMHILL COUNTY
OPIOID SETTLEMENT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest	\$ -	\$ 20,258	\$ 20,258
Miscellaneous	<u>262,766</u>	<u>639,140</u>	<u>376,374</u>
Total revenues	<u>262,766</u>	<u>659,398</u>	<u>396,632</u>
Expenditures			
Opioid settlement	<u>1,326,254</u>	<u>2,103</u>	<u>1,324,151</u>
Total expenditures	<u>1,326,254</u>	<u>2,103</u>	<u>1,324,151</u>
Excess (deficiency) of revenues over expenditures	<u>(1,063,488)</u>	<u>657,295</u>	<u>1,720,783</u>
Other financing sources (uses)			
Transfers in	<u>377,040</u>	<u>377,040</u>	<u>-</u>
Total other financing sources (uses)	<u>377,040</u>	<u>377,040</u>	<u>-</u>
Net change in fund balance	(686,448)	1,034,335	1,720,783
Fund balance at beginning of year	<u>686,448</u>	<u>789,793</u>	<u>103,345</u>
Fund balance at end of year	<u>\$ -</u>	1,824,128	<u>\$ 1,824,128</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>3,103</u>	
Fund balance at end of year		<u>\$ 1,827,231</u>	



CAPITAL PROJECTS FUNDS

Combining statements for all individual nonmajor capital projects funds are reported in this section. The combined totals are reported in the combining nonmajor governmental fund statements. Fund Statements for major capital projects funds are reported in the basic financial statements.

Schedules of Revenues, Expenditures, and Changes in Fund Balance (Budgetary Basis) – Budget and Actual are also presented in this section for each individual capital project fund.

Nonmajor Capital Projects Funds

Bicycle and Footpath Fund – This fund is used to construct and maintain bike and pedestrian paths throughout the County. Primary funding for this program comes from an allocation of 1% of state gas tax and highway use fees dedicated to this purpose per ORS 366.514.

Systems Development Fund – This fund is finance through a system development charge levied on all new construction in the rural areas of the County. Revenues are used for improvements to County parks and the fairgrounds/events center.

Major Capital Projects Fund

Capital Improvement Fund – This fund accounts for revenue and expenditures associated with purchases and replacement of major capital items and the repair and remodeling of facilities.

YAMHILL COUNTY
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
June 30, 2025

	Bicycle and Footpath	Systems Development	Total
Assets			
Cash and cash equivalents	\$ 367,934	\$ 76,253	\$ 444,187
Investments	294,408	61,015	355,423
Receivables	8,717	-	8,717
Total assets	<u>\$ 671,059</u>	<u>\$ 137,268</u>	<u>\$ 808,327</u>
Liabilities, deferred inflows and fund balances			
Liabilities			
Accounts payable and accrued liabilities	\$ -	\$ 30,296	\$ 30,296
Total liabilities	-	30,296	30,296
Fund balances			
Restricted	671,059	106,972	778,031
Total fund balances	671,059	106,972	778,031
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 671,059</u>	<u>\$ 137,268</u>	<u>\$ 808,327</u>

YAMHILL COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
Year Ended June 30, 2025

	Bicycle and Footpath	Systems Development	Total
Revenues			
System development charges	\$ -	\$ 87,514	\$ 87,514
Intergovernmental	98,826	-	98,826
Interest	31,590	7,024	38,614
	<u>130,416</u>	<u>94,538</u>	<u>224,954</u>
Total revenues			
Expenditures			
Current			
Parks, culture and recreation	-	69,144	69,144
Capital outlay	-	33,332	33,332
	<u>-</u>	<u>102,476</u>	<u>102,476</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>130,416</u>	<u>(7,938)</u>	<u>122,478</u>
Other financing sources (uses)			
Transfers out	<u>(2,683)</u>	<u>(682)</u>	<u>(3,365)</u>
Total other financing sources (uses)	<u>(2,683)</u>	<u>(682)</u>	<u>(3,365)</u>
Net change in fund balances	127,733	(8,620)	119,113
Fund balances at beginning of year	<u>543,326</u>	<u>115,592</u>	<u>658,918</u>
Fund balances at end of year	<u>\$ 671,059</u>	<u>\$ 106,972</u>	<u>\$ 778,031</u>

YAMHILL COUNTY
BICYCLE AND FOOTPATH - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ 96,493	\$ 98,826	\$ 2,333
Interest	8,320	25,565	17,245
	<u>104,813</u>	<u>124,391</u>	<u>19,578</u>
Expenditures			
Bicycle footpath	2,683	2,683	-
Contingency	638,529	-	638,529
	<u>641,212</u>	<u>2,683</u>	<u>638,529</u>
Net change in fund balance	(536,399)	121,708	658,107
Fund balance at beginning of year	<u>536,399</u>	<u>548,030</u>	<u>11,631</u>
Fund balance at end of year	<u>\$ -</u>	669,738	<u>\$ 669,738</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		<u>1,321</u>	
Fund balance at end of year		<u>\$ 671,059</u>	

YAMHILL COUNTY
SYSTEMS DEVELOPMENT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
System development charges	\$ 122,356	\$ 87,514	\$ (34,842)
Interest	2,759	5,629	2,870
Total revenues	125,115	93,143	(31,972)
Expenditures			
System development	211,465	103,158	108,307
Total expenditures	211,465	103,158	108,307
Net change in fund balance	(86,350)	(10,015)	76,335
Fund balance at beginning of year	101,527	116,714	15,187
Fund balance at end of year	\$ 15,177	106,699	\$ 91,522
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		273	
Fund balance at end of year		\$ 106,972	

YAMHILL COUNTY
CAPITAL IMPROVEMENT - CAPITAL PROJECTS FUND (MAJOR FUND)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Charges for services	\$ 2,453,982	\$ 2,499,421	\$ 45,439
Intergovernmental	150,000	3,411	(146,589)
Interest	232,644	305,553	72,909
Miscellaneous	<u>23,338</u>	<u>331,071</u>	<u>307,733</u>
Total revenues	<u>2,859,964</u>	<u>3,139,456</u>	<u>279,492</u>
Expenditures			
Facilities maintenance	1,705,329	1,703,525	1,804
IT PC reserve	620,970	441,140	179,830
Capital improvement	17,455,089	17,446,243	8,846
Jail capital	260,116	74,401	185,715
Jail maintenance	730,438	705,498	24,940
Capital projects	2,470,000	2,320,083	149,917
Debt service:			
Capital improvement	512,803	512,801	2
Jail	<u>55,776</u>	<u>55,773</u>	<u>3</u>
Total expenditures	<u>23,810,521</u>	<u>23,259,464</u>	<u>551,057</u>
Excess (deficiency) of revenues over expenditures	<u>(20,950,557)</u>	<u>(20,120,008)</u>	<u>830,549</u>
Other financing sources (uses)			
Issuance of long-term obligations	15,000,000	15,000,000	-
Transfers in	<u>1,098,333</u>	<u>1,098,333</u>	<u>-</u>
Total other financing sources (uses)	<u>16,098,333</u>	<u>16,098,333</u>	<u>-</u>
Net change in fund balance	(4,852,224)	(4,021,675)	830,549
Fund balance at beginning of year	<u>7,459,378</u>	<u>7,459,748</u>	<u>370</u>
Fund balance at end of year	<u>\$ 2,607,154</u>	3,438,073	<u>\$ 830,919</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		9,164	
Due to other funds		<u>(490,025)</u>	
Fund balance at end of year		<u>\$ 2,957,212</u>	

ENTERPRISE FUND

Fund statements for major enterprise funds are reported in the basic financial statements.

Schedules of Revenues, Expenditures, and Changes in Fund Balance (Budgetary Basis) – Budget and Actual are presented in this section for each individual enterprise fund.

Cove Orchard Sewer Fund – This fund represents the Cove Orchard Sewer Service District; a separate unit of government formed to construct and operate a sewage facility in the Cove Orchard community in Yamhill County. The primary revenue source for this fund is derived from user fees. The Cove Orchard Sewer Fund is considered a blended component unit of Yamhill County.



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**YAMHILL
COUNTY**

YAMHILL COUNTY
COVE ORCHARD SEWER - ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 58,000	\$ 59,483	\$ 1,483
Intergovernmental	75,000	-	(75,000)
Interest	-	2,810	2,810
	<u>133,000</u>	<u>62,293</u>	<u>(70,707)</u>
Expenditures			
Materials and services	58,167	48,162	10,005
Capital outlay	215,855	63,359	152,496
Contingency	5,000	-	5,000
	<u>279,022</u>	<u>111,521</u>	<u>167,501</u>
Net change in fund balance	(146,022)	(49,228)	96,794
Fund balance at beginning of year	<u>146,022</u>	<u>63,812</u>	<u>(82,210)</u>
Fund balance at end of year	<u>\$ -</u>	14,584	<u>\$ 14,584</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		114	
Capital assets, net		218,940	
Unavailable revenue		<u>35,947</u>	
Net position at end of year		<u>\$ 269,585</u>	

INTERNAL SERVICE FUNDS

Combining statements for all internal service funds are reported in this section. The combined totals are reported alongside the individual enterprise funds in the basic financial statements.

Schedules of Revenues, Expenditures, and Changes in Fund Balance (Budgetary Basis) – Budget and Actual are also presented in this section for each individual internal service fund.

Telecommunications Fund – This fund operates phone services and coordinates telecommunications service carriers and vendors for the County, City of McMinnville, and the Yamhill County Extension Service District. Revenues are generated from user fees and charges.

Self-Insurance Fund – This fund accounts for the County's insurance program. Yamhill County is self-insured for dental only. Reserves are maintained to meet deductibles on the County's insurance policies for general and auto liability, auto physical damage, property, equipment breakdown, crime, workers' compensation, and related excess liability coverages. Reserves are also maintained for the medical and retirement programs. Revenues are generated from internal service charges.

Motor Vehicle Replacement Fund – This fund accounts for purchases of replacement vehicles for the County motor pool. Revenues are derived from mileage service charges levied on County departments using motor pool vehicles.

YAMHILL COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2025

	<u>Telecommunications</u>	<u>Self-Insurance</u>	<u>Motor Vehicle Replacement</u>	<u>Totals</u>
Assets				
Current assets				
Cash and cash equivalents	\$ 144,568	\$ 2,617,949	\$ 1,206,340	\$ 3,968,857
Investments	115,681	2,094,795	965,272	3,175,748
Receivables	14,988	36,128	10,825	61,941
Prepaid items	-	26,138	-	26,138
Advances to other funds	-	22,006	234,010	256,016
	<u>275,237</u>	<u>4,797,016</u>	<u>2,416,447</u>	<u>7,488,700</u>
Capital assets				
Land and construction in progress	-	-	226,254	226,254
Other capital assets, net	20,403	-	3,143,082	3,163,485
	<u>20,403</u>	<u>-</u>	<u>3,369,336</u>	<u>3,389,739</u>
	<u>295,640</u>	<u>4,797,016</u>	<u>5,785,783</u>	<u>10,878,439</u>
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	22,033	46,956	25,380	94,369
Long-term obligations due within one year	37,171	17,711	-	54,882
	<u>59,204</u>	<u>64,667</u>	<u>25,380</u>	<u>149,251</u>
	<u>59,204</u>	<u>64,667</u>	<u>25,380</u>	<u>149,251</u>
Net position				
Net investment in capital assets	20,403	-	3,369,336	3,389,739
Unrestricted	216,033	4,732,349	2,391,067	7,339,449
	<u>\$ 236,436</u>	<u>\$ 4,732,349</u>	<u>\$ 5,760,403</u>	<u>\$ 10,729,188</u>

YAMHILL COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year Ended June 30, 2025

	Telecommunications	Self-Insurance	Motor Vehicle Replacement	Totals
Operating revenues				
Charges for services	\$ -	\$ 3,323	\$ -	\$ 3,323
Other	1,029	218,807	28,675	248,511
Total operating revenues	<u>1,029</u>	<u>222,130</u>	<u>28,675</u>	<u>251,834</u>
Operating expenses				
Personnel services	352,977	397,613	-	750,590
Materials and services	249,948	2,567,810	73,475	2,891,233
Depreciation	26,810	-	944,368	971,178
Total operating expenses	<u>629,735</u>	<u>2,965,423</u>	<u>1,017,843</u>	<u>4,613,001</u>
Operating income (loss)	<u>(628,706)</u>	<u>(2,743,293)</u>	<u>(989,168)</u>	<u>(4,361,167)</u>
Nonoperating revenues (expenses)				
Grants	98,841	-	-	98,841
Interest income (expense)	18,215	236,221	118,834	373,270
Gain (loss) on sale of capital assets	-	-	40,583	40,583
Total nonoperating revenue (expenses)	<u>117,056</u>	<u>236,221</u>	<u>159,417</u>	<u>512,694</u>
Income (loss) before transfers	(511,650)	(2,507,072)	(829,751)	(3,848,473)
Capital contributions	-	-	81,077	81,077
Transfers in	327,394	2,554,553	1,020,472	3,902,419
Transfers out	<u>(102,848)</u>	<u>(484,585)</u>	<u>(23,435)</u>	<u>(610,868)</u>
Change in net position	<u>(287,104)</u>	<u>(437,104)</u>	<u>248,363</u>	<u>(475,845)</u>
Net position - beginning, as previously reported	543,152	5,174,825	5,512,040	11,230,017
Change in accounting principle	<u>(19,612)</u>	<u>(5,372)</u>	<u>-</u>	<u>(24,984)</u>
Net position - beginning, as adjusted	<u>523,540</u>	<u>5,169,453</u>	<u>5,512,040</u>	<u>11,205,033</u>
Net position - ending	<u>\$ 236,436</u>	<u>\$ 4,732,349</u>	<u>\$ 5,760,403</u>	<u>\$ 10,729,188</u>

YAMHILL COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended June 30, 2025

	Telecommunications	Self-Insurance	Motor Vehicle Replacement	Totals
Cash flows from operating activities				
Receipts from interfund services provided	\$ 327,394	\$ 2,554,553	\$ 1,020,472	\$ 3,902,419
Other receipts	(4,789)	200,251	17,850	213,312
Payments for interfund services provided	(102,848)	(484,585)	(23,435)	(610,868)
Payments to suppliers	(249,674)	(2,722,265)	(50,615)	(3,022,554)
Payments to employees	(348,511)	(393,044)	-	(741,555)
Net cash provided by (used in) operating activities	<u>(378,428)</u>	<u>(845,090)</u>	<u>964,272</u>	<u>(259,246)</u>
Cash flows from noncapital financing activities				
Repayments of advances to other funds	-	45,025	75,486	120,511
Grants	98,841	-	-	98,841
Net cash provided by noncapital financing activities	<u>98,841</u>	<u>45,025</u>	<u>75,486</u>	<u>219,352</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	-	-	(1,417,020)	(1,417,020)
Sale of capital assets	-	-	68,660	68,660
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(1,348,360)</u>	<u>(1,348,360)</u>
Cash flows from investing activities				
Interest on investments	18,215	236,221	118,834	373,270
Sale (purchase) of investments	300,131	2,111,422	917,095	3,328,648
Net cash provided by (used in) investing activities	<u>318,346</u>	<u>2,347,643</u>	<u>1,035,929</u>	<u>3,701,918</u>
Net increase (decrease) in cash and cash equivalents	38,759	1,547,578	727,327	2,313,664
Cash and cash equivalents - beginning of year	105,809	1,070,371	479,013	1,655,193
Cash and cash equivalents - end of year	<u>\$ 144,568</u>	<u>\$ 2,617,949</u>	<u>\$ 1,206,340</u>	<u>\$ 3,968,857</u>
Reconciliation of operating (loss) to net cash provided by (used in) operating activities				
Operating (loss)	\$ (628,706)	\$ (2,743,293)	\$ (989,168)	\$ (4,361,167)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Transfers in for interfund charges	327,394	2,554,553	1,020,472	3,902,419
Transfers out for interfund charges	(102,848)	(484,585)	(23,435)	(610,868)
Depreciation	26,810	-	944,368	971,178
(Increase) decrease in assets and deferred outflows of resources				
Receivables, net	(5,818)	(21,879)	(10,825)	(38,522)
Prepaid items	-	(21,638)	-	(21,638)
Increase (decrease) in liabilities and deferred inflows of resources				
Accounts payable and accrued liabilities	274	(132,817)	22,860	(109,683)
Compensated absences payable	4,466	4,569	-	9,035
Net cash provided by (used in) operating activities	<u>\$ (378,428)</u>	<u>\$ (845,090)</u>	<u>\$ 964,272</u>	<u>\$ (259,246)</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS				
Donated assets	\$ -	\$ -	\$ 127,902	\$ 127,902
Non-cash transfers of assets	-	-	(3,505)	(3,505)
Total noncash transactions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,397</u>	<u>\$ 124,397</u>

YAMHILL COUNTY
TELECOMMUNICATIONS - INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 319,728	\$ 327,394	\$ 7,666
Intergovernmental	110,643	98,841	(11,802)
Interest	16,769	13,107	(3,662)
Miscellaneous	-	1,029	1,029
	447,140	440,371	(6,769)
Expenditures			
Telecommunications	734,738	701,307	33,431
	734,738	701,307	33,431
Net change in fund balance	(287,598)	(260,936)	26,662
Fund balance at beginning of year	458,925	513,625	54,700
Fund balance at end of year	<u>\$ 171,327</u>	252,689	<u>\$ 81,362</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		515	
Capital assets, net		20,403	
Compensated absences		(37,171)	
Net position at end of year		<u>\$ 236,436</u>	

YAMHILL COUNTY
SELF-INSURANCE - INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 2,809,819	\$ 2,561,627	\$ (248,192)
Interest	110,053	180,399	70,346
Miscellaneous	113,588	263,832	150,244
 Total revenues	 3,033,460	 3,005,858	 (27,602)
Expenditures			
Insurance reserve	4,480,970	3,072,150	1,408,820
Contingency	500,000	-	500,000
 Total expenditures	 4,980,970	 3,072,150	 1,908,820
 Excess (deficiency) of revenues over expenditures	 (1,947,510)	 (66,292)	 1,881,218
Other financing sources (uses)			
Transfers out	(377,040)	(377,040)	-
 Total other financing sources (uses)	 (377,040)	 (377,040)	 -
 Net change in fund balance	 (2,324,550)	 (443,332)	 1,881,218
 Fund balance at beginning of year	 4,870,059	 5,161,989	 291,930
 Fund balance at end of year	 \$ 2,545,509	 4,718,657	 \$ 2,173,148
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		9,397	
Advances to other funds		22,006	
Compensated absences		(17,711)	
 Net position at end of year		 \$ 4,732,349	

YAMHILL COUNTY
MOTOR VEHICLE REPLACEMENT - INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET TO ACTUAL
Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Charges for services	\$ 1,059,095	\$ 1,065,505	\$ 6,410
Interest	43,155	93,728	50,573
Miscellaneous	<u>130,326</u>	<u>172,821</u>	<u>42,495</u>
Total revenues	<u>1,232,576</u>	<u>1,332,054</u>	<u>99,478</u>
Expenditures			
Motor vehicle	4,746,855	1,558,963	3,187,892
Contingency	<u>145,000</u>	-	<u>145,000</u>
Total expenditures	<u>4,891,855</u>	<u>1,558,963</u>	<u>3,332,892</u>
Net change in fund balance	(3,659,279)	(226,909)	3,432,370
Fund balance at beginning of year	<u>4,276,569</u>	<u>2,379,635</u>	<u>(1,896,934)</u>
Fund balance at end of year	<u>\$ 617,290</u>	2,152,726	<u>\$ 1,535,436</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment - investments		4,331	
Advances to other funds		234,010	
Capital assets, net		<u>3,369,336</u>	
Net position at end of year		<u>\$ 5,760,403</u>	

CUSTODIAL FUNDS

Combining statements for the custodial funds are reported in this section. The combined totals are reported in the fiduciary fund financial statements in the basic financial statements.

Unsegregated Tax Fund – This fund accounts for property taxes received and held by the County in a purely custodial capacity for other taxing jurisdictions within the County.

Holding Fund - This fund is for the deposit of money confiscated during narcotics-related arrests. Funds are held pending trial outcome. The fund also contains bail amounts for prisoners from other counties; these funds are owed to those counties.

Assessment and Mapping Fund – The fund holds money collected for the Oregon Department of Revenue. It funds the Oregon Land Information System Fund (OLIS), the County Assessment and Taxation Fund, and the County Assessment grants.

YAMHILL COUNTY
COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS
June 30, 2025

	Unsegregated Tax	Holding	Assessment and Mapping	Total
Assets				
Cash and cash equivalents	\$ 1,614,138	\$ 285,093	\$ 176,652	\$ 2,075,883
Investments, at fair value	1,296,232	228,944	141,861	1,667,037
Receivables	6,757,323	-	4,756	6,762,079
Total assets	9,667,693	514,037	323,269	10,504,999
Liabilities				
Accounts payable	1,884,345	-	317,664	2,202,009
Intergovernmental payables	7,164,491	-	-	7,164,491
Total liabilities	9,048,836	-	317,664	9,366,500
Net position				
Held for individuals, organizations, and other governments	618,857	514,037	5,605	1,138,499
Total net position	\$ 618,857	\$ 514,037	\$ 5,605	\$ 1,138,499

YAMHILL COUNTY
COMBINING STATEMENT OF CHANGES IN NET POSITION
CUSTODIAL FUNDS
Year Ended June 30, 2025

	<u>Unsegregated Tax</u>	<u>Holding Fund</u>	<u>Assessment and Mapping</u>	<u>Total</u>
Additions				
Collections for other governments:				
Property taxes	\$ 177,139,674	\$ -	\$ -	\$ 177,139,674
Foreclosures sales	15,450	-	-	15,450
Construction excise tax	391,016	-	-	391,016
Heavy equipment rental tax	72,182	-	-	72,182
Fees	-	-	1,133,979	1,133,979
Other	-	423,059	-	423,059
Investment earnings	151,013	17,624	8,022	176,659
	<u>177,769,335</u>	<u>440,683</u>	<u>1,142,001</u>	<u>179,352,019</u>
Total additions				
	177,769,335	440,683	1,142,001	179,352,019
Deductions				
Payments to other governments				
Property taxes	177,418,534	-	-	177,418,534
Foreclosures sales	15,450	-	-	15,450
Construction excise tax	391,016	-	-	391,016
Heavy equipmenet rental tax	72,182	-	-	72,182
Fees	-	-	1,136,391	1,136,391
Other	-	354,028	-	354,028
	<u>177,897,182</u>	<u>354,028</u>	<u>1,136,391</u>	<u>179,387,601</u>
Total deductions				
	177,897,182	354,028	1,136,391	179,387,601
Change in net position	(127,847)	86,655	5,610	(35,582)
Net position - beginning of year	746,704	427,382	(5)	1,174,081
	<u>746,704</u>	<u>427,382</u>	<u>(5)</u>	<u>1,174,081</u>
Net position - end of year	<u>\$ 618,857</u>	<u>\$ 514,037</u>	<u>\$ 5,605</u>	<u>\$ 1,138,499</u>

Official	Total Cash, Cash Equivalents and Investments June 30, 2024	Cash Receipts	Cash Disbursements and Refunds	Turned Over to Treasurer	Total Cash, Cash Equivalents and Investments June 30, 2025
Assessor	\$ 1,100	\$ 839,071	\$ -	\$ (839,071)	\$ 1,100
Clerk	800	1,991,374	-	(1,991,374)	800
Commissioners	20	395,038	-	(395,038)	20
District Attorney	400	2,401,893	-	(2,401,893)	400
Sheriff	329,542	8,860,965	-	(8,754,848)	435,659
Treasurer	69,341,676	408,347,538	(408,675,832)	14,382,224	83,395,606
	<u>\$ 69,673,538</u>	<u>\$ 422,835,879</u>	<u>\$ (408,675,832)</u>	<u>\$ -</u>	<u>\$ 83,833,585</u>

YAMHILL COUNTY
SCHEDULE OF ACCOUNTABILITY FOR INDEPENDENTLY ELECTED OFFICIALS
Year Ended June 30, 2025

Classification of Cash, Cash Equivalents and Investments

Cash on Hand	Checking	Cash with Fiscal Agent	Local Govt Pool and Other Investments	Investments	Total
\$ 1,100	\$ -	\$ -	\$ -	\$ -	\$ 1,100
800	-	-	-	-	800
20	-	-	-	-	20
400	-	-	-	-	400
750	-	434,909	-	-	435,659
<u>5,255</u>	<u>3,034,862</u>	<u>-</u>	<u>43,010,421</u>	<u>37,045,068</u>	<u>83,095,606</u>
<u>\$ 8,325</u>	<u>3,034,862</u>	<u>\$ 434,909</u>	<u>\$ 43,010,421</u>	<u>37,045,068</u>	<u>83,533,585</u>
				Fair Market Value Adjustment as of June 30, 2025	<u>159,437</u>
				<u>\$ 37,204,505</u>	<u>\$ 83,693,022</u>



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**YAMHILL
COUNTY**

STATISTICAL SECTION



STATISTICAL SECTION

This section of the County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
<i>Financial Trends</i> - These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	114 – 123
<i>Revenue Capacity</i> - These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	124 – 133
<i>Debt Capacity</i> - These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and its ability to issue additional debt in the future.	134 – 139
<i>Demographic and Economic Information</i> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	140 – 142
<i>Operating Information</i> - These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	143 – 148

Yamhill County, Oregon
Net Position by Component

Last Ten Fiscal Years - Unaudited
(Accrual Basis of Accounting)

	Fiscal Year			
	2016	2017	2018	2019
Governmental activities:				
Net investment in capital assets	\$ 133,190,944	\$ 130,112,927	\$ 130,884,138	\$ 132,333,964
Restricted	23,465,644	24,906,888	22,226,076	19,840,271
Unrestricted ^a	(1,006,720)	(1,763,573)	265,478	881,766
Total governmental activities net position	<u>\$ 155,649,868</u>	<u>\$ 153,256,242</u>	<u>\$ 153,375,692</u>	<u>\$ 153,056,001</u>
Business-type activities:				
Net investment in capital assets	\$ 92,084	\$ 89,916	\$ 87,749	\$ 85,581
Unrestricted	90,242	90,051	89,025	95,820
Total business-type activities net position	<u>\$ 182,326</u>	<u>\$ 179,967</u>	<u>\$ 176,774</u>	<u>\$ 181,401</u>
Primary government:				
Net investment in capital assets	\$ 133,283,028	\$ 130,202,843	\$ 130,971,887	\$ 132,419,545
Restricted	23,465,644	24,906,888	22,226,076	19,840,271
Unrestricted ^a	(916,478)	(1,673,522)	354,503	977,586
Total primary government net position	<u>\$ 155,832,194</u>	<u>\$ 153,436,209</u>	<u>\$ 153,552,466</u>	<u>\$ 153,237,402</u>

Notes

a. The negative unrestricted net position in fiscal years 2016, 2017, and 2020 - 2025 resulted from the application of GASB No. 68 and the increase in the County's share of Net Pension Liability during the measurement periods.

Source

Yamhill County Finance

Exhibit 1

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 132,254,968	\$ 131,934,368	\$ 130,736,849	\$ 132,347,931	\$ 133,045,734	\$ 138,617,342	
19,020,359	35,007,349	30,275,295	32,717,072	34,675,291	58,489,309	
(3,661,703)	(7,579,276)	(6,744,517)	(11,218,614)	(15,688,434)	(23,698,214)	
<u>\$ 147,613,624</u>	<u>\$ 159,362,441</u>	<u>\$ 154,267,627</u>	<u>\$ 153,846,389</u>	<u>\$ 152,032,591</u>	<u>\$ 173,408,437</u>	
\$ 83,414	\$ 81,246	\$ 79,078	\$ 78,356	\$ 155,581	\$ 218,940	
105,495	115,937	186,109	173,634	99,858	50,645	
<u>\$ 188,909</u>	<u>\$ 197,183</u>	<u>\$ 265,187</u>	<u>\$ 251,990</u>	<u>\$ 255,439</u>	<u>\$ 269,585</u>	
\$ 132,338,382	\$ 132,015,614	\$ 130,815,927	\$ 132,426,287	\$ 133,201,315	\$ 138,836,282	
19,020,359	35,007,349	30,275,295	32,717,072	34,675,291	58,489,309	
(3,556,208)	(7,463,339)	(6,558,408)	(11,044,980)	(15,588,576)	(23,647,569)	
<u>\$ 147,802,533</u>	<u>\$ 159,559,624</u>	<u>\$ 154,532,814</u>	<u>\$ 154,098,379</u>	<u>\$ 152,288,030</u>	<u>\$ 173,678,022</u>	

Yamhill County, Oregon

Changes in Net Position

Last Ten Fiscal Years - Unaudited
(Accrual Basis of Accounting)

	2016	2017	2018	2019
Expenses				
Governmental activities:				
General government	\$ 19,291,682	\$ 15,293,385	\$ 15,951,224	\$ 16,919,051
Public safety	23,506,669	24,354,959	23,820,539	25,440,534
Highways and streets	14,788,267	11,650,759	10,728,851	10,448,233
Health and welfare	28,873,641	29,397,302	30,802,700	37,131,121
Parks, culture, and recreation	759,111	770,681	915,430	875,696
Education	408,986	385,654	437,529	449,122
Interest	93,320	181,151	246,467	159,088
Total governmental activities expenses	87,721,676	82,033,891	82,902,740	91,422,845
Business-type activities:				
Wastewater	54,793	51,879	52,040	56,236
Total primary government expenses	87,776,469	82,085,770	82,954,780	91,479,081
Program revenues				
Governmental activities:				
Charges for services:				
General government	9,088,885	3,239,539	3,905,229	3,609,126
Health and welfare	24,133,635	23,911,565	25,016,934	26,523,214
Other activities	2,172,510	7,029,905	4,836,904	5,160,345
Operating grants and contributions	21,194,864	21,014,520	23,120,836	26,740,856
Capital grants and contributions	-	-	-	1,421,406
Total governmental activities program revenues	56,589,894	55,195,529	56,879,903	63,454,947
Business-type activities:				
Charges for services:				
Wastewater	48,080	48,781	48,387	58,800
Operating grants and contributions	-	-	-	-
Total business-type activities program revenues	48,080	48,781	48,387	58,800
Total primary government program revenues	56,637,974	55,244,310	56,928,290	63,513,747
Net expense (revenue)				
Governmental activities	(31,131,782)	(26,838,362)	(26,022,837)	(27,967,898)
Business-type activities	(6,713)	(3,098)	(3,653)	2,564
Total primary government net expense	(31,138,495)	(26,841,460)	(26,026,490)	(27,965,334)
General revenues and other changes in net position				
Governmental activities:				
Taxes	20,292,378	21,286,970	22,182,544	23,177,560
Franchise and miscellaneous taxes	28,578	1,211,975	1,904,548	1,507,758
Grants and contributions not restricted for specific programs	-	518,192	738,576	671,127
Investment earnings	370,080	624,722	373,302	1,451,650
Miscellaneous	1,363,293	802,772	814,983	840,033
(Loss) gain on sale of capital assets	242,737	-	-	-
Transfers	33	105	106	79
Total governmental activities	22,297,099	24,444,736	26,014,059	27,648,207
Business-type activities:				
Investment earnings	708	844	313	1,889
Miscellaneous	-	-	253	253
Transfers	(33)	(105)	(106)	(79)
Total business-type activities	675	739	460	2,063
Total primary government	\$ 22,297,774	\$ 24,445,475	\$ 26,014,519	\$ 27,650,270

Exhibit 2

		Fiscal Year									
		2020	2021	2022	2023	2024	2025				
\$	18,511,726	\$	23,336,683	\$	34,805,969	\$	30,917,120	\$32,420,146	\$34,474,271		
	27,222,885		28,581,477		27,214,604		29,379,827	31,944,331	32,831,716		
	13,680,803		9,912,241		5,952,349		6,997,833	6,950,681	6,720,366		
	38,019,493		39,197,344		36,151,662		44,807,985	48,643,815	51,042,473		
	992,028		669,155		1,068,845		1,446,294	1,467,966	1,606,428		
	470,580		494,504		526,075		432,321	544,757	554,916		
	231,853		284,494		291,076		608,143	686,678	1,096,336		
	<u>99,129,368</u>		<u>102,475,898</u>		<u>106,010,580</u>		<u>114,589,523</u>	<u>122,658,374</u>	<u>128,326,506</u>		
	54,340		52,414		59,510		74,832	61,380	48,162		
	<u>99,183,708</u>		<u>102,528,312</u>		<u>106,070,090</u>		<u>114,664,355</u>	<u>122,719,754</u>	<u>128,374,668</u>		
	3,921,546		3,859,697		4,142,415		3,509,871	3,976,380	3,680,037		
	26,207,462		28,045,696		27,582,735		30,885,245	35,040,347	58,342,260		
	4,952,643		3,359,871		3,966,269		4,486,306	4,977,676	6,018,320		
	28,460,039		38,547,465		36,658,014		40,008,070	35,933,233	36,998,147		
	-		343,854		855,811		851,280	894,183	5,740,549		
	<u>63,541,690</u>		<u>74,156,583</u>		<u>73,205,244</u>		<u>79,740,772</u>	<u>80,821,819</u>	<u>110,779,313</u>		
	58,771		59,797		54,188		58,701	57,154	58,821		
	-		-		75,000		-	-	-		
	<u>58,771</u>		<u>59,797</u>		<u>129,188</u>		<u>58,701</u>	<u>57,154</u>	<u>58,821</u>		
	<u>63,600,461</u>		<u>74,216,380</u>		<u>73,334,432</u>		<u>79,799,473</u>	<u>80,878,973</u>	<u>110,838,134</u>		
	(35,587,678)		(28,319,315)		(32,805,336)		(34,848,751)	(41,836,555)	(17,547,193)		
	4,431		7,383		69,678		(16,131)	(4,226)	10,659		
	<u>(35,583,247)</u>		<u>(28,311,932)</u>		<u>(32,735,658)</u>		<u>(34,864,882)</u>	<u>(41,840,781)</u>	<u>(17,536,534)</u>		
	24,560,271		25,771,477		26,940,942		28,364,696	29,715,495	31,139,289		
	1,601,993		33,183		34,625		38,315	41,342	51,230		
	591,689		12,302,084		11,174,210		3,940,543	4,131,891	2,713,901		
	2,114,154		580,645		(958,441)		1,108,968	3,599,272	3,657,574		
	1,277,177		1,380,726		936,836		1,353,858	2,498,276	3,895,818		
	-		-		42,866		55,398	36,481	54,733		
	17		17		13		-	-	-		
	<u>30,145,301</u>		<u>40,068,132</u>		<u>38,171,051</u>		<u>34,861,778</u>	<u>40,022,757</u>	<u>41,512,545</u>		
	2,842		657		(2,039)		2,556	7,675	3,487		
	252		251		378		378	-	-		
	(17)		(17)		(13)		-	-	-		
	<u>3,077</u>		<u>891</u>		<u>(1,674)</u>		<u>2,934</u>	<u>7,675</u>	<u>3,487</u>		
\$	<u>30,148,378</u>	\$	<u>40,069,023</u>	\$	<u>38,169,377</u>	\$	<u>34,864,712</u>	\$	<u>40,030,432</u>	\$	<u>41,516,032</u>

Changes in Net Position, continued

Last Ten Fiscal Years - Unaudited
(Accrual Basis of Accounting)

	2016	2017	2018	2019
Change in net position				
Governmental activities	\$ (8,834,683)	\$ (2,393,626)	\$ (8,778)	\$ (319,691)
Business-type activities	(6,038)	(2,359)	(3,193)	4,627
Total primary government	<u>(8,840,721)</u>	<u>(2,395,985)</u>	<u>(11,971)</u>	<u>(315,064)</u>
Net position, beginning of year, as previously reported				
Governmental activities	164,484,551	155,649,868	153,256,242	153,375,692
Business-type activities	188,364	182,326	179,967	176,774
Total primary government	<u>164,672,915</u>	<u>155,832,194</u>	<u>153,436,209</u>	<u>153,552,466</u>
Prior period adjustments and reclassifications				
Governmental activities ^{a, b}	-	-	128,228	-
Business activities	-	-	-	-
Total primary government	<u>-</u>	<u>-</u>	<u>128,228</u>	<u>-</u>
Net position, beginning of year, restated				
Governmental activities	164,484,551	155,649,868	153,384,470	153,375,692
Business-type activities	188,364	182,326	179,967	176,774
Total primary government	<u>164,672,915</u>	<u>155,832,194</u>	<u>153,564,437</u>	<u>153,552,466</u>
Net position, end of year				
Governmental activities	155,649,868	153,256,242	153,375,692	153,056,001
Business-type activities	182,326	179,967	176,774	181,401
Total primary government	<u>\$ 155,832,194</u>	<u>\$ 153,436,209</u>	<u>\$ 153,552,466</u>	<u>\$ 153,237,402</u>

Notes

- a. In 2022, net position was restated to recognize unearned revenues for amounts received under American Rescue Plan Act.
- b. In 2025, net position was restated due to the implementation of GASB 101

Source

Yamhill County Finance

Exhibit 2, continued

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ (5,442,377)	\$ 11,748,817	\$ 5,365,715	\$ 13,027	\$ (1,813,798)	\$ 23,965,352
7,508	8,274	68,004	(13,197)	3,449	14,146
<u>(5,434,869)</u>	<u>11,757,091</u>	<u>5,433,719</u>	<u>(170)</u>	<u>(1,810,349)</u>	<u>23,979,498</u>
153,056,001	147,613,624	159,362,441	154,267,627	154,267,627	152,032,591
181,401	188,909	197,183	265,187	265,187	255,439
<u>153,237,402</u>	<u>147,802,533</u>	<u>159,559,624</u>	<u>154,532,814</u>	<u>154,532,814</u>	<u>152,288,030</u>
-	-	(10,460,529)	-	(434,265)	(2,589,506)
-	-	-	-	-	-
-	-	<u>(10,460,529)</u>	-	<u>(434,265)</u>	<u>(2,589,506)</u>
153,056,001	147,613,624	148,901,912	154,267,627	153,833,362	149,443,085
181,401	188,909	197,183	265,187	265,187	255,439
<u>153,237,402</u>	<u>147,802,533</u>	<u>149,099,095</u>	<u>154,532,814</u>	<u>154,098,549</u>	<u>149,698,524</u>
147,613,624	159,362,441	154,267,627	154,280,654	152,019,564	173,408,437
188,909	197,183	265,187	251,990	268,636	269,585
<u>\$ 147,802,533</u>	<u>\$ 159,559,624</u>	<u>\$ 154,532,814</u>	<u>\$ 154,532,644</u>	<u>\$ 152,288,200</u>	<u>\$ 173,678,022</u>

Yamhill County, Oregon

Fund Balances of Governmental Funds

Last Ten Fiscal Years - Unaudited

(Modified Accrual Basis of Accounting)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General fund:				
Nonspendable	\$ 18,300	\$ 156,470	\$ 618,037	\$ 607,285
Assigned	1,131,977	1,158,819	691,434	644,991
Unassigned	<u>12,229,879</u>	<u>14,588,920</u>	<u>15,883,996</u>	<u>16,260,612</u>
Total general fund	<u>13,380,156</u>	<u>15,904,209</u>	<u>17,193,467</u>	<u>17,512,888</u>
All other governmental funds:				
Nonspendable	252,427	302,495	527,766	393,869
Restricted	23,182,852	24,366,914	21,747,182	19,428,932
Assigned	1,915,218	2,196,724	2,314,909	2,499,225
Unassigned	<u>9,245</u>	<u>26,534</u>	<u>-</u>	<u>(402)</u>
Total all other governmental funds	<u>25,359,742</u>	<u>26,892,667</u>	<u>24,589,857</u>	<u>22,321,624</u>
Total government funds	<u>\$ 38,739,898</u>	<u>\$ 42,796,876</u>	<u>\$ 41,783,324</u>	<u>\$ 39,834,512</u>

Source

Yamhill County Finance

Exhibit 3

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 589,135	\$ 413,298	\$ 452,715	\$ 247,054	\$ 196,397	\$ 168,061
723,149	526,926	566,593	573,196	644,216	350,326
<u>17,777,448</u>	<u>18,482,299</u>	<u>18,943,592</u>	<u>14,857,730</u>	<u>16,070,798</u>	<u>17,477,488</u>
<u>19,089,732</u>	<u>19,422,523</u>	<u>19,962,900</u>	<u>15,677,980</u>	<u>16,911,411</u>	<u>17,995,875</u>
203,359	214,947	645,414	1,369,077	1,113,814	1,176,678
18,801,888	24,317,279	29,613,660	32,717,072	33,114,450	56,193,635
2,448,904	3,641,665	-	-	-	-
(678)	-	-	-	-	-
<u>21,453,473</u>	<u>28,173,891</u>	<u>30,259,074</u>	<u>34,086,149</u>	<u>34,228,264</u>	<u>57,370,313</u>
<u>\$ 40,543,205</u>	<u>\$ 47,596,414</u>	<u>\$ 50,221,974</u>	<u>\$ 49,764,129</u>	<u>\$ 51,139,675</u>	<u>\$ 75,366,188</u>

Yamhill County, Oregon

Change in Fund Balances of Governmental Funds

Last Ten Fiscal Years - Unaudited

(Modified Accrual Basis of Accounting)

	2016	2017	2018
Revenues			
Property taxes	\$ 20,306,358	\$ 21,451,653	\$ 22,570,162
Miscellaneous taxes	28,578	29,109	31,718
Licenses, permits, and fees	1,815,928	1,720,704	1,956,627
Fines and forfeitures	461,605	338,360	418,773
Charges for services	32,764,970	31,851,453	31,003,376
Intergovernmental	21,422,697	22,800,039	25,851,263
Interest	324,384	563,313	368,146
Other	1,095,231	1,049,063	726,546
Total revenues	<u>78,219,751</u>	<u>79,803,694</u>	<u>82,926,611</u>
Expenditures			
Current:			
General government	14,023,475	11,025,789	11,938,818
Public safety	19,536,836	23,092,346	22,580,253
Highways and streets	4,400,202	4,053,383	4,455,407
Health and welfare	25,598,485	28,389,577	31,652,970
Parks, culture, and recreation	689,594	718,557	871,815
Education	61,494	16,139	57,743
Capital outlay	4,328,443	4,232,234	8,604,761
Debt service:			
Principal	54,551	959,568	-
Interest	95,570	210,401	175,525
Total expenditures	<u>68,788,650</u>	<u>72,697,994</u>	<u>80,337,292</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,431,101</u>	<u>7,105,700</u>	<u>2,589,319</u>
Other financing sources (uses)			
Issuance of long-term obligations	-	-	-
Transfers in	7,888,221	8,829,886	8,066,594
Transfers out	(10,159,201)	(11,878,608)	(11,669,465)
Total other financing sources (uses)	<u>(2,270,980)</u>	<u>(3,048,722)</u>	<u>(3,602,871)</u>
Net change in fund balances	<u>7,160,121</u>	<u>4,056,978</u>	<u>(1,013,552)</u>
Fund balances			
Fund balances, beginning of year, as previously reported	31,579,777	38,739,898	42,796,876
Prior period adjustments and reclassifications ^b	-	-	-
Fund balances, beginning of year, restated	<u>31,579,777</u>	<u>38,739,898</u>	<u>42,796,876</u>
Fund balances, end of year	<u>\$ 38,739,898</u>	<u>\$ 42,796,876</u>	<u>\$ 41,783,324</u>
Debt service as a percentage of noncapital expenditures^a	0.24%	1.70%	0.25%

Notes

a. Debt service represents principal and interest incurred during the year. Noncapital expenditures do not include capital outlay for land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure incurred during the year.

b. In 2022, fund balance was restated for recognize unearned revenues for amounts received under American Rescue Plan Act.

Source

Yamhill County Finance

Exhibit 4

		Fiscal Year						
		2019	2020	2021	2022	2023	2024	2025
\$	23,387,856	\$ 24,759,598	\$ 25,735,186	\$ 26,846,794	\$ 28,434,484	\$ 29,423,211	\$ 31,169,991	
	33,168	32,420	33,183	34,625	38,315	41,342	51,230	
	1,753,548	1,787,936	1,859,218	1,973,130	2,071,844	2,237,947	2,112,302	
	374,772	363,809	466,673	514,906	596,742	579,072	935,205	
	32,654,957	32,443,489	32,930,600	33,201,400	36,159,524	41,175,434	64,989,787	
	30,447,366	30,766,483	50,995,398	48,432,540	44,060,133	40,758,103	45,182,457	
	1,263,563	1,779,344	531,073	(851,149)	1,021,443	3,194,217	3,284,304	
	891,216	1,120,579	1,055,822	930,297	1,323,834	2,210,388	3,748,971	
	<u>90,806,446</u>	<u>93,053,658</u>	<u>113,607,153</u>	<u>111,082,543</u>	<u>113,706,319</u>	<u>119,619,714</u>	<u>151,474,247</u>	
	13,138,622	14,200,781	17,780,403	26,340,259	19,500,746	21,508,031	20,892,548	
	24,528,121	25,401,079	26,574,040	27,920,205	29,297,582	30,505,232	30,886,854	
	36,252,963	36,200,589	5,809,342	6,065,379	6,991,641	6,766,399	6,485,517	
	828,478	949,953	37,054,536	36,802,103	44,422,864	46,551,804	48,429,763	
	4,835,986	5,351,148	636,845	1,075,474	1,421,012	1,451,946	1,537,039	
	449,122	470,580	494,504	526,075	432,321	544,757	554,916	
	8,028,062	6,395,287	5,797,036	5,987,245	10,174,691	7,645,712	30,970,564	
	569,283	496,172	507,386	455,308	466,810	453,948	485,644	
	101,200	174,775	157,687	206,531	194,595	217,000	542,192	
	<u>88,731,837</u>	<u>89,640,364</u>	<u>94,811,779</u>	<u>105,378,579</u>	<u>112,902,262</u>	<u>115,644,829</u>	<u>140,785,037</u>	
	2,074,609	3,413,294	18,795,374	5,703,964	804,057	3,974,885	10,689,210	
	-	-	-	-	2,503,208	801,547	16,828,854	
	8,502,813	10,174,827	11,739,824	9,683,591	13,745,423	9,768,673	10,203,713	
	(12,526,234)	(12,879,428)	(13,021,460)	(12,761,995)	(17,076,268)	(13,169,559)	(13,495,264)	
	<u>(4,023,421)</u>	<u>(2,704,601)</u>	<u>(1,281,636)</u>	<u>(3,078,404)</u>	<u>(827,637)</u>	<u>(2,599,339)</u>	<u>13,537,303</u>	
	<u>(1,948,812)</u>	<u>708,693</u>	<u>17,513,738</u>	<u>2,625,560</u>	<u>(23,580)</u>	<u>1,375,546</u>	<u>24,226,513</u>	
	41,783,324	39,834,512	40,543,205	58,056,943	50,221,974	50,198,394	51,139,675	
	-	-	-	(10,460,529)	-	(434,265)	-	
	<u>41,783,324</u>	<u>39,834,512</u>	<u>40,543,205</u>	<u>47,596,414</u>	<u>50,221,974</u>	<u>49,764,129</u>	<u>51,139,675</u>	
\$	<u>39,834,512</u>	<u>40,543,205</u>	<u>58,056,943</u>	<u>50,221,974</u>	<u>50,198,394</u>	<u>51,139,675</u>	<u>75,366,188</u>	
	0.83%	0.81%	0.75%	0.65%	0.64%	0.62%	0.93%	

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years - Unaudited

	Fiscal Year			
	2016	2017	2018	2019
Property Class				
Residential	\$ 3,508,394,515	\$ 3,656,255,945	\$ 3,828,660,168	\$ 4,006,426,928
Commercial/Industrial	1,418,198,016	1,464,933,640	1,253,382,539	1,314,591,701
Tract	1,009,162,666	1,049,707,256	1,091,905,153	1,127,832,975
Farm and Range	814,080,314	834,874,209	876,842,770	908,340,109
Forest	400,153,481	440,323,920	478,481,600	496,021,507
Multiple Housing	200,495,907	223,542,062	228,103,780	239,106,313
Small Tract Forestland	31,191,282	33,309,300	19,251,799	23,128,481
Miscellaneous	24,679	25,418	7,112,980	27,393,450
Personal	207,787,478	226,584,238	225,632,582	231,808,247
Machinery & Equipment	8,500,207	10,652,983	257,222,640	251,467,023
Manufactured Structures	90,618,702	92,532,899	105,781,665	117,504,431
Other ^d	-	-	-	4,702,701
Utilities	261,547,500	266,464,900	272,279,615	275,172,334
	<u>7,950,154,747</u>	<u>8,299,206,770</u>	<u>8,644,657,291</u>	<u>9,023,496,200</u>
Other				
Less Urban Renewal Excess	<u>(15,735,480)</u>	<u>(21,381,335)</u>	<u>(24,707,960)</u>	<u>(34,249,998)</u>
Total Taxable Assessed Value ^{a,b}	<u>\$ 7,934,419,267</u>	<u>\$ 8,277,825,435</u>	<u>\$ 8,619,949,331</u>	<u>\$ 8,989,246,202</u>
Total Direct Tax Rate ^c	2.5775	2.5775	2.5775	2.5775
Estimated Actual Value of Property	<u>\$ 11,930,391,883</u>	<u>\$ 13,292,164,397</u>	<u>\$ 15,457,854,576</u>	<u>\$ 15,971,061,624</u>
Actual Value of Property per Capita	\$ 118,342	\$ 131,023	\$ 148,257	\$ 151,281
Total Assessed Value to Estimated Actual Value of Taxable Property	66.51%	62.28%	55.76%	56.28%

Notes

- a. Assessments are limited to an increase of 3% not to exceed real market value. However, property is subject to reassessment if improved, partitioned, subdivided, rezoned, previously omitted, or disqualified from exemption.
- b. Taxable assessed values are reported net of tax exempt property.
- c. Total Direct Tax Rate is per \$1,000 of value.
- d. Other includes the taxable portion of property that is only partially exempt

Source

Yamhill County Department of Assessment and Taxation

Exhibit 5

		Fiscal Year					
		2020	2021	2022	2023	2024	2025
\$	4,198,676,369	\$ 4,413,017,764	4,603,881,331	4,847,717,602	5,088,569,684	5,332,783,828	
	1,365,602,665	1,442,683,984	1,443,871,629	1,487,964,192	1,586,142,017	1,651,919,678	
	1,217,970,902	1,278,288,104	1,323,082,795	1,373,918,637	1,419,500,920	1,467,891,605	
	969,278,501	1,010,813,853	1,077,994,243	1,133,324,825	1,204,692,219	1,268,847,351	
	523,412,454	544,584,863	570,250,590	594,627,327	625,306,441	649,779,362	
	264,600,588	250,178,330	266,289,384	251,118,479	271,143,617	294,955,492	
	24,409,433	25,107,962	25,936,694	26,264,599	26,325,944	27,328,620	
	32,403,421	16,579,916	101,935,727	109,502,310	118,532,702	125,227,484	
	254,305,907	261,834,496	269,235,044	281,291,982	298,657,935	321,620,830	
	268,758,380	255,329,669	261,964,340	308,287,712	340,841,600	309,496,837	
	122,202,016	130,604,254	136,092,448	141,366,268	145,753,063	152,301,398	
	6,017,123	6,532,046	7,554,800	8,121,727	4,018,501	2,174,820	
	292,447,400	343,348,400	369,345,907	392,844,000	428,802,585	460,108,914	
	9,540,085,159	9,978,903,641	10,457,434,932	10,956,349,660	11,558,287,228	12,064,436,219	
	(49,374,647)	(60,397,809)	(73,502,576)	(90,120,885)	(138,088,673)	(146,019,100)	
\$	9,490,710,512	\$ 9,918,505,832	\$ 10,383,932,356	\$ 10,866,228,775	\$ 11,420,198,555	\$ 11,918,417,119	
	2.5775	2.5775	2.5775	2.5775	2.5775	2.5775	
\$	17,224,413,368	\$ 18,086,536,326	\$ 20,045,715,356	\$ 24,372,204,322	\$ 26,237,373,879	\$ 27,154,679,871	
\$	160,973	\$ 166,535	\$ 184,575	\$ 223,613	\$ 239,080	\$ 247,576	
	55.10%	54.84%	51.80%	44.58%	43.53%	43.89%	

Yamhill County, Oregon

Direct and Overlapping^a Property Tax Rates

Last Ten Fiscal Years - Unaudited

Rate per \$1,000 of assessed value

Taxing Entity	Fiscal Year ^b			
	2016	2017	2018	2019
<u>County Direct Rate</u>				
Yamhill County ^c	2.5775	2.5775	2.5775	2.5775
<u>Yamhill County Extension Service District</u>				
	0.0449	0.0449	0.0449	0.0449
<u>Community Colleges</u>				
Chemeketa Community College	0.9190	0.9018	0.8977	0.8966
Portland Community College	0.5855	0.6785	0.6050	0.6874
<u>Education Service Districts</u>				
Northwest Regional ESD	0.1538	0.1538	0.1538	0.1538
Willamette ESD	0.2967	0.2967	0.2967	0.2967
<u>Schools</u>				
Amity	6.4141	6.4385	6.4398	6.4143
Dayton	8.2512	7.9321	8.0424	7.9190
Gaston	5.0494	7.1796	7.0836	7.1059
Hillsboro	7.2247	7.1962	7.1512	7.1388
McMinnville	6.8715	6.8877	6.7538	6.7411
Nestucca Valley	5.5621	5.5780	5.5636	6.4814
Newberg	7.9184	7.8755	7.8036	6.0496
Sheridan	7.7780	7.7211	7.7220	7.5598
Sherwood	8.5285	8.6778	9.1430	8.9522
Willamina	5.6182	5.5929	5.5811	5.5636
Yamhill-Carlton	5.7189	7.1368	7.0622	6.9814
<u>Cities</u>				
Amity	3.6105	3.6105	3.6105	3.6105
Carlton	5.3558	5.3279	5.4041	5.3756
Dayton	3.5557	3.5557	3.5557	3.5557
Dundee	2.8495	2.8947	2.8547	2.8413
Gaston	6.6146	6.6146	6.6146	6.6146
Lafayette	3.4857	3.4857	3.4857	3.4857
McMinnville	6.1837	6.1020	6.3566	6.4713
Newberg	4.6332	4.3827	4.3827	2.5000
Sheridan	2.1307	2.1307	2.1307	2.1307
Willamina	4.2039	4.2039	4.2039	4.2039
Yamhill	3.7389	3.7389	3.7389	3.7389
<u>Rural Fire Protection Districts</u>				
Amity	1.7829	2.2123	2.2066	2.2014
Carlton ^d	1.4482	-	-	-
New Carlton ^d	-	1.4365	1.4284	1.4328
Dayton	1.2302	1.2302	1.2302	1.2302
Dundee	1.0404	1.0200	0.9905	0.8552
Gaston	1.7621	1.7621	1.7621	1.7621
McMinnville ^f	0.9576	0.9576	0.9576	0.9576
Newberg ^e	0.4329	0.4329	0.4329	-
Sheridan	1.4688	1.4688	1.4688	1.4688
Tualatin Valley ^e	-	-	-	2.0839
West Valley	1.5596	1.4639	1.2936	1.2092
Yamhill	0.9081	0.9081	0.9081	0.9081

Exhibit 6

Fiscal Year ^b					
2020	2021	2022	2023	2024	2025
2.5775	2.5775	2.5775	2.5775	2.5775	2.5775
0.0449	0.0449	0.0449	0.0449	0.0449	0.0449
0.8886	0.8861	0.8938	0.8885	0.8707	0.8670
0.6850	0.6798	0.6631	0.6695	0.6388	0.6555
0.1538	0.1538	0.1538	0.1538	0.1538	0.1538
0.2967	0.2967	0.2967	0.2967	0.2967	0.2967
6.2828	6.2928	6.3027	7.9673	7.7861	7.8525
7.8298	7.7000	7.5889	7.4350	7.2482	7.1516
7.0156	7.0229	6.9933	6.9238	6.9237	6.8997
7.1798	7.2504	7.1070	6.9669	6.9456	6.9039
6.7478	6.7363	6.7116	6.6575	6.5863	6.6149
6.4889	6.4137	6.3536	6.3261	6.3852	6.3683
5.4696	5.1332	6.1953	6.1453	6.0731	6.0681
7.5519	7.3790	7.4441	4.7882	4.7882	4.7882
8.7944	8.6436	8.5312	8.2500	9.8160	9.6830
5.5612	5.5280	5.5543	5.5161	5.5358	5.4817
6.8645	6.8838	5.9481	5.8880	5.8659	5.8404
3.6105	3.6105	3.6105	3.6105	3.6105	3.6105
5.3350	5.3007	5.3193	5.3143	5.3066	5.2833
3.5557	3.5557	3.5557	3.5557	3.5557	3.5557
2.8193	2.7933	2.7732	2.7574	2.7328	2.7181
6.6146	6.6146	6.6146	6.6146	6.6146	6.6146
4.3303	4.2439	4.2003	4.2980	4.2425	4.1795
6.3090	6.2880	5.9437	5.9102	4.4092	4.8629
2.5750	2.6523	2.7319	2.8139	2.8983	2.9852
2.1307	2.1307	2.1307	2.1307	2.1307	2.1307
4.2039	4.2039	4.2039	4.2039	4.2039	4.2039
3.7389	3.7389	3.7389	3.7389	3.7389	3.7389
2.1795	1.9952	1.9539	1.9525	1.9362	1.9427
-	-	-	-	-	-
1.4131	1.4024	1.2974	1.3554	1.3304	1.2646
1.2302	1.2302	1.2302	1.2302	1.2302	1.2302
0.9188	0.9116	0.8835	0.8770	0.8480	0.8169
1.7621	1.7621	1.7621	1.7621	1.7621	2.1021
0.9576	0.9576	0.9576	0.9576	2.0000	2.0000
-	-	-	-	-	-
1.4688	1.4688	1.4688	1.9988	1.9988	1.9988
2.0725	2.1167	2.1163	2.1127	2.1089	2.1066
0.8936	1.9536	1.9536	1.9536	1.9536	2.6136
1.4581	1.4581	1.4581	1.4581	1.4581	1.4581

Yamhill County, Oregon

Direct and Overlapping^a Property Tax Rates, continued

Last Ten Fiscal Years - Unaudited

Rate per \$1,000 of assessed value

Taxing Entity	Fiscal Year ^b			
	2016	2017	2018	2019
Miscellaneous Districts				
Chemeketa Library	0.0818	0.0818	0.0818	0.0818
Chehalem Parks and Recreation	1.3266	1.3278	1.3208	1.3118
Otter Creek Hylands Road	0.4193	0.4193	0.4193	0.4193
Yamhill Soil & Water Conservation	0.0354	0.0354	0.0354	0.0354

Notes

- a. Overlapping rates are those of other local governments that apply to property owners within Yamhill County who are located within the other local government's boundaries.
- b. Rates may vary based on map code combination of taxing districts and application of Oregon Ballot Measure 5 limits.
- c. Yamhill County rate is shown net of timber offset.
- d. The New Carlton Rural Fire District was created from a merger of the City of Carlton's Fire Department and Carlton's Rural Fire Department in 2017.
- e. In 2019 the Newberg Rural Fire Protection District merged with Tualatin Valley Fire & Rescue.
- f. In 2024 the City of McMinnville Fire Protection District merged with the McMinnville Rural Fire Protection District.

Source

Yamhill County Department of Assessment and Taxation

Exhibit 6, continued

Fiscal Year ^b					
2020	2021	2022	2023	2024	2025
0.0818	0.0818	0.0818	0.0818	0.0818	0.0818
1.2952	1.2766	1.3100	1.2414	1.2262	1.2151
0.4193	0.4193	0.4193	0.4193	0.4193	0.4193
0.0354	0.0354	0.0354	0.0354	0.0354	0.0354

Yamhill County, Oregon

Principal Property Tax Payers

Current Year and Nine Years Ago

Taxpayer	2025		
	Taxable Assessed		Percent of Total
	Value	Rank	Taxable Assessed Value
Portland General Electric Co	\$ 233,982,016	1	1.96%
Cascade Steel Rolling Mills, Inc.	107,519,663	2	0.90%
MPT of McMinnville-Capella LLC	68,561,374	3	0.58%
Northwest Natural Gas Co.	67,150,000	4	0.56%
Friendsview Manor, Inc.	60,563,985	5	0.51%
Stoller Vineyards, Inc.	43,164,155	6	0.36%
Northwest Fiber LLC DBA Ziplly (1)	35,097,599	7	0.29%
Adec Inc	34,669,763	8	0.29%
Flovglove Properties	33,555,244	9	0.28%
The Allison Inn & Spa LLC	33,074,775	10	0.28%
Affordable Mid Coast Housing			
SP Fiber Technologies Northwest LLC			
Riverbend Landfill Co			
Comcast Corporation			
	<u>\$ 717,338,574</u>		<u>6.02%</u>

(1) Assessed as Frontier Communications in 2016

Source

Yamhill County Department of Assessment and Taxation

Exhibit 7

2016			
Taxable Assessed			Percent of Total
Value	Rank	Taxable Assessed	Value
\$ 119,991,000	1		1.51%
57,227,461	2		0.72%
52,546,586	3		0.66%
37,249,700	6		0.47%
25,881,000	10		0.33%
26,810,170	9		
43,898,574	4		0.55%
39,909,918	5		0.50%
36,421,845	7		0.46%
35,910,800	8		0.45%
<u>\$ 475,847,054</u>		<u></u>	<u>6.00%</u>

Property Tax Levies and Collections

Last Ten Fiscal Years - Unaudited

Fiscal Year Ended June 30,	Tax Levied for the Fiscal Year			Collections within the Fiscal Year of the Levy ^d	
	(Original Levy) ^b	Adjustments ^c	Total Adjusted Levy	Amount	Percentage of Original Levy
2016 ^a	\$ 20,612,851	\$ (826,952)	\$ 19,785,899	\$ 19,181,755	\$ 1
2017 ^a	21,535,817	(759,230)	20,776,587	20,205,482	93.82%
2018 ^a	22,304,815	(782,014)	21,522,801	21,008,676	94.19%

Total outstanding delinquent taxes prior to 2019

2019	23,504,146	(744,277)	22,759,869	22,189,942	94.41%
2020	24,912,089	(793,234)	24,118,855	23,579,220	94.65%
2021	26,048,178	(846,525)	25,201,653	24,739,574	94.98%
2022	27,312,900	(863,189)	26,449,711	25,858,868	94.68%
2023	28,643,073	(829,096)	27,813,977	27,176,850	94.88%
2024	29,949,058	(873,178)	29,075,880	28,319,554	94.56%
2025	31,356,494	(873,493)	30,483,001	29,779,215	94.97%

Notes

- a. The Yamhill County Department of Assessment and Taxation does not report property tax adjustments and collections by year for levies more than seven years old. As a result, complete statistical information for 2016, 2017, and 2018 have not been updated for years eight, nine, and ten subsequent to the levy.
- b. The information in this schedule relates to the County's own property tax levies, and does not include those it collects on behalf of other governments.
- c. Adjustments include discounts allowed and corrections.
- d. Collections do not include interest on delinquent taxes.

Source

Yamhill County Department of Assessment and Taxation

Exhibit 8

<u>Total Collections to Date ^d</u>			
Collections in Subsequent Years	Total Tax Collections	Percentage of Adjusted Levy	Outstanding Delinquent Taxes
\$ 604,144	\$ 19,785,899	100.00%	
571,105	20,776,587	100.00%	
514,125	21,522,801	100.00%	
			\$ 76,249
552,208	22,742,150	99.92%	17,719
512,682	24,091,902	99.89%	26,953
426,342	25,165,916	99.86%	35,737
501,402	26,360,270	99.66%	89,441
467,048	27,643,898	99.39%	170,079
462,044	28,781,598	98.99%	294,282
-	29,779,215	97.69%	<u>703,786</u>
			<u>\$ 1,414,246</u>

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years - Unaudited

	Fiscal Year			
	2016	2017	2018	2019
Governmental Activities ^{a,b}				
Notes Payable	\$ 7,341,582	\$ 7,608,556	\$ 7,608,556	\$ 7,039,273
SBITA Payable ^e	-	-	-	-
Lease Payables ^d	-	-	-	3,504,326
Total Governmental Activities Debt	<u>7,341,582</u>	<u>7,608,556</u>	<u>7,608,556</u>	<u>10,543,599</u>
Total Primary Government Debt	<u>\$ 7,341,582</u>	<u>\$ 7,608,556</u>	<u>\$ 7,608,556</u>	<u>\$ 10,543,599</u>

Ratios of Outstanding Debt

Total Primary Government Debt as a % of Personal Income ^c	0.17%	0.17%	0.16%	0.21%
Total Primary Government Debt Per Capita ^c	\$ 72	\$ 73	\$ 72	\$ 99

Notes

- a. Details regarding the County's outstanding debt can be found in the notes to the financial statements.
- b. All debt is shown net of unamortized premiums and discounts.
- c. Percentage of Personal Income and Total Debt Per Capita were calculated using personal income and population data located in Exhibit 12 - Demographic and Economic Statistics. Such statistics are subject to periodic revision.
- d. Lease payables beginning in 7/1/2019 are reported under GASB 87. Lease payables in earlier years are reported under FASB 13.
- e. The county is partner to a software based information technology arrangement (SBITA) with Oracle Corporation for finance, human resources, and budgeting software.

Source

Yamhill County Finance

Exhibit 9

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 9,301,185	\$ 8,793,799	\$ 8,338,491	\$ 7,985,641	\$ 7,531,694	\$ 22,094,853	
-	-	-	2,216,598	1,983,731	1,743,877	
<u>3,217,586</u>	<u>2,941,031</u>	<u>8,567,476</u>	<u>9,628,488</u>	<u>9,451,166</u>	<u>9,605,091</u>	
<u>12,518,771</u>	<u>11,734,830</u>	<u>16,905,967</u>	<u>19,830,727</u>	<u>18,966,591</u>	<u>33,443,821</u>	
<u>\$ 12,518,771</u>	<u>\$ 11,734,830</u>	<u>\$ 16,905,967</u>	<u>\$ 19,830,727</u>	<u>\$ 18,966,591</u>	<u>\$ 33,443,821</u>	

	0.23%	0.19%	0.27%	0.29%	0.28%	0.49%
\$ 116	\$ 108	\$ 156	\$ 182	\$ 173	\$ 305	

Ratios of General Bonded/Gross Direct, Net Direct, and Overlapping Debt Outstanding

Last Ten Fiscal Years - Unaudited

General Bonded/Gross Direct Debt

	Fiscal Year			
	2016	2017	2018	2019
Notes Payable	\$ 7,341,582	\$ 7,608,556	\$ 7,608,556	\$ 7,039,273
SBITA Payable ^c	-	-	-	-
Leases Payable	-	-	-	3,504,326
Total General Bonded/Gross Direct^d Debt	\$ 7,341,582	\$ 7,608,556	\$ 7,608,556	\$ 10,543,599

Net Direct and Overlapping Debt

Net Direct Debt ^b	\$ -	\$ -	\$ -	\$ 3,504,326
Net Overlapping Debt	266,813,165	356,718,357	355,256,435	338,361,713
Net Direct and Overlapping Debt^u	\$ 266,813,165	\$ 356,718,357	\$ 355,256,435	\$ 341,866,039

Ratios of Outstanding Debt

Debt as a % of Assessed Value of Taxable Property^e:

General Bonded/Gross Direct Debt as a % of Assessed Value of Taxable Property	0.09%	0.09%	0.09%	0.12%
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Debt as a % of Real Market Value (RMV) of Taxable Property^f:

General Bonded/Gross Direct Debt as a % of RMV	0.06%	0.06%	0.05%	0.07%
Net Direct Debt as a % of RMV	0.00%	0.00%	0.00%	0.02%
Net Overlapping Debt as a % of RMV	2.24%	2.68%	2.30%	2.12%
Net Direct and Net Overlapping Debt as a % of RMV	2.24%	2.68%	2.30%	2.14%

Debt per Capita^g:

General Bonded/Gross Direct Debt per Capita	\$ 72	\$ 73	\$ 72	\$ 99
Net Direct Debt per Capita	-	-	-	33
Net Overlapping Debt per Capita	2,630	3,421	3,365	3,162
Net Direct and Net Overlapping Debt per Capita	2,630	3,421	3,365	3,195

Notes

- General Bonded/Gross Direct Debt includes all voter approved General Obligation bonds, Limited Tax bonds, and any other bonded obligations, Certificates of Participation, notes payable, or leases backed by the full faith and credit of the County. Lease payables beginning 7/1/2019 are reported under GASB 87. Leases payable in earlier years are reported under FASB 13. Details regarding the County's outstanding debt can be found in the notes to the financial statements.
- Net Direct Debt is Gross Direct Debt less ODOT notes payable which are self-supporting obligations whose debt is paid by road taxes and other non-property tax source revenue.
- The county is partner to a software based information technology arrangement (SBITA) with Oracle Corporation for finance, human resources, and budgeting software.
- Net Direct and Overlapping Debt is Net Direct Debt plus Net Overlapping Debt.
- Debt as a % of Assessed Value of Taxable Property was calculated using property values located in Exhibit 5 - Assessed Value and Estimated Actual Value of Taxable Property.
- Debt as a % of Real Market Value of Taxable Property was calculated using property values located in Exhibit 5 - Assessed Value and Estimated Actual Value of Taxable Property.
- Debt per Capita was calculated using population numbers from Exhibit 12 - Demographic and Economic Statistics.

Source

Yamhill County Finance

Exhibit 10

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 9,301,185	\$ 8,793,799	\$ 8,338,491	\$ 7,985,641	\$ 7,531,693	\$ 22,094,853	
-	-	-	2,216,599	1,983,731	1,743,877	
<u>3,217,586</u>	<u>2,941,031</u>	<u>8,567,476</u>	<u>9,628,488</u>	<u>9,451,166</u>	<u>9,605,091</u>	
<u>\$ 12,518,771</u>	<u>\$ 11,734,830</u>	<u>\$ 16,905,967</u>	<u>\$ 19,830,728</u>	<u>\$ 18,966,590</u>	<u>\$ 33,443,821</u>	
\$ 3,217,586	\$ 2,941,031	\$ 8,567,476	\$ 11,845,087	\$ 11,434,897	\$ 26,348,968	
<u>328,809,830</u>	<u>449,644,204</u>	<u>439,008,105</u>	<u>455,367,611</u>	<u>436,757,522</u>	<u>407,926,840</u>	
<u>\$ 332,027,416</u>	<u>\$ 452,585,235</u>	<u>\$ 447,575,581</u>	<u>\$ 467,212,698</u>	<u>\$ 448,192,419</u>	<u>\$ 434,275,808</u>	
0.13%	0.12%	0.16%	0.18%	0.17%	0.28%	
0.07%	0.06%	0.08%	0.08%	0.07%	0.12%	
0.02%	0.02%	0.04%	0.05%	0.04%	0.10%	
1.91%	2.49%	2.19%	1.87%	1.66%	1.50%	
1.93%	2.50%	2.23%	1.92%	1.71%	1.60%	
\$ 116	\$ 108	\$ 156	\$ 182	\$ 173	\$ 305	
30	27	79	109	104	240	
3,043	4,140	4,055	4,178	3,980	3,719	
3,073	4,167	4,134	4,287	4,084	3,959	

Legal Debt Margin - Limited Tax Bonded Indebtedness

Last Ten Fiscal Years - Unaudited

Limited Tax Bonds ^a

	Fiscal Year			
	2016	2017	2018	2019
Real market value of property	\$ 11,930,391,883	\$ 13,292,164,397	\$ 15,457,854,576	\$ 15,971,061,624
Debt limit (1% of real market value) ^c	\$ 119,303,919	\$ 132,921,644	\$ 154,578,546	\$ 159,710,616
Debt applicable to limit	-	-	-	-
Legal debt margin ^d	\$ 119,303,919	\$ 132,921,644	\$ 154,578,546	\$ 159,710,616
Total debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Notes

- a. Limited Tax Bonds are governed by ORS 287A.105
- c. Calculated using the real market value of all taxable property within the County's boundaries.
- d. The legal debt margin is the difference between the debt limit and the County's net outstanding limited tax or limited tax pension debt, and represents the County's legal limited tax borrowing authority.

Source

Yamhill County Finance

Exhibit 11

Fiscal Year					
2020	2021	2022	2023	2024	2025
<u>\$ 17,224,413,368</u>	<u>\$ 18,086,536,326</u>	<u>\$ 20,045,715,356</u>	<u>\$ 24,372,204,322</u>	<u>\$ 26,237,373,879</u>	<u>\$ 27,154,679,871</u>
<u>\$ 172,244,134</u>	<u>\$ 180,865,363</u>	<u>\$ 200,457,154</u>	<u>\$ 243,722,043</u>	<u>\$ 262,373,739</u>	<u>\$ 271,546,799</u>
-	-	-	-	-	-
<u>\$ 172,244,134</u>	<u>\$ 180,865,363</u>	<u>\$ 200,457,154</u>	<u>\$ 243,722,043</u>	<u>\$ 262,373,739</u>	<u>\$ 271,546,799</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Demographic and Economic Statistics

Last 10 Fiscal Years - Unaudited

Fiscal Year	Population ^c	Personal Income (in thousands) ^{a, d}	Per Capita Income ^{b, d}	Unemployment Rate ^e
2016	101,449	\$ 4,220,781	\$ 40,473	4.7%
2017	104,264	4,489,231	42,560	3.8%
2018	105,572	4,782,268	44,871	3.7%
2019	107,002	5,031,872	46,966	3.5%
2020	108,060	5,488,115	50,482	6.9%
2021	108,605	6,084,753	56,090	4.8%
2022	108,261	6,360,683	58,698	3.7%
2023	108,993	6,733,127	61,974	3.5%
2024	109,743	6,801,213	61,974	3.9%
2025	109,682	6,797,432	61,974	4.2%

Notes

- a. The 2024 and 2025 personal income was not available and has been estimated by multiplying population by per capita income.
- b. The 2024 and 2025 per capita income was not available and has been estimated to be the same as 2023.

Source

- c. Population Research Center, Portland State University. Estimates are for July 1 of the fiscal year.
- d. Bureau of Economic Analysis, U.S. Department of Commerce.
Prior year statistics are subject to periodic revision.
- e. Oregon Employment Department. Rates presented are annualized for the calendar year.
Prior year statistics are subject to periodic revision.



Yamhill County, Oregon
Principal Employers
 Current Year and Nine Years Ago

2025			
Employer	Employees	Rank	Percentage of County Employment
A-dec ^a	1,240	1	3.38%
McMinnville School District #40 ^b	841	2	2.29%
Yamhill County ^b	690	3	1.88%
Newberg Public Schools ^a	584	4	1.59%
George Fox University ^a	569	5	1.55%
Linfield University (previously Linfield College) ^b	553	6	1.51%
Willamette Valley Medical Center, LLC ^b	526	7	1.43%
Providence Newberg Hospital ^a	500	8	1.36%
Cascade Steel Rolling Mills, Inc. ^b	380	9	1.03%
City of McMinnville ^b	284	10	0.77%
Express Professional Services ^b			
	6,167		16.79%

Source

City of McMinnville, City of Newberg, and the Oregon Employment Department

Notes

- a) 2025 and 2016 data not provided, used 2024 and 2013 data.
- b) 2025 and 2016 data not provided, used 2024 and 2015 data.

Exhibit 13

2016

Employees	Rank	Percentage of County Employment
919	1	2.82%
712	2	2.18%
447	7	1.37%
585	3	1.79%
400	9	1.23%
431	8	1.32%
489	5	1.50%
550	4	1.69%
462	6	1.42%
300	10	0.92%
5,295		16.23%

Authorized Number of Employees ^a by Function/Program

Last Ten Fiscal Years - Unaudited

Function/Program	Fiscal Year			
	2016	2017	2018	2019
General government:				
Administrative services	10.23	10.23	10.93	11.23
Commissioners	4.60	4.60	4.60	5.00
Information technology	8.70	9.20	9.60	9.60
Transportation	0.80	-	-	1.00
Assessor	19.00	19.00	19.00	19.00
Clerk	5.00	6.00	6.00	6.00
Planning	11.30	13.70	14.40	17.05
Surveyor	0.55	0.55	0.55	0.55
Treasurer	0.40	0.40	0.40	0.40
County counsel	3.00	3.00	3.00	4.00
Economic Development ^d	-	-	-	-
Facilities maintenance	6.60	8.10	8.10	8.10
Capital improvement	0.20	0.20	0.20	0.20
Telecommunications	2.40	2.40	1.90	1.90
Insurance reserve	0.20	0.20	0.20	1.40
Public safety:				
District attorney	21.80	21.80	22.00	23.00
Support enforcement	5.20	5.20	5.00	5.00
Emergency management	2.00	2.00	2.10	2.00
Marine	0.43	-	0.50	0.50
Sheriff - Patrol	44.10	44.10	44.60	47.20
Narcotics investigation	0.30	-	-	-
Radio system	-	-	0.14	0.20
Jail	35.80	34.80	32.30	35.00
Campus courthouse security	1.20	1.20	1.20	2.00
Juvenile probation	14.10	15.10	14.60	14.55
Juvenile detention	13.98	13.98	14.98	16.13
Dog control ^e	3.40	2.40	1.30	0.60
Law library	0.30	0.30	0.30	0.30
Community corrections ^c	33.90	32.30	32.80	34.00
Corner restoration	0.55	0.55	0.55	0.55
Jail facilities maintenance ^c	-	3.00	3.00	3.00
Highways and streets:				
Public works	29.50	30.00	32.50	30.50
Health and welfare				
Health and human services	230.80	254.99	277.10	295.68
Solid waste	2.70	2.65	1.55	1.55
Parks, culture, and recreation:				
Parks	1.40	1.40	1.40	1.40
Fair events center	1.85	1.85	2.60	2.60
Habitat conservation	0.20	0.20	0.20	0.20
	<u>516.49</u>	<u>545.40</u>	<u>569.60</u>	<u>601.39</u>
Percent of County employees to County population ^b	0.509%	0.523%	0.540%	0.562%

Notes

- a. Number of employees is provided per Full Time Equivalent (FTE) as of the final adopted budget.
- b. Number of employees as a percentage of county population was calculated using population data from Exhibit 12 - Demographic and Economic Statistics.
- c. Jail facilities maintenance separated from Community Corrections in 2017.
- d. Economic Development is a new position created in 2023.
- e. Dog control operations were outsourced in 2021.

Source

Yamhill County Finance

Exhibit 14

Fiscal Year					
2020	2021	2022	2023	2024	2025
12.23	12.93	13.30	13.10	13.55	13.05
5.00	5.00	5.00	5.20	5.20	5.70
9.10	9.35	9.10	9.80	9.80	9.80
1.00	2.00	2.00	4.00	4.00	4.00
19.00	19.00	19.00	19.00	19.00	19.00
6.00	6.00	6.00	6.00	7.00	6.00
17.05	17.05	17.05	16.45	16.86	17.45
0.55	1.20	1.20	1.20	1.40	1.20
0.40	0.40	0.40	0.40	0.40	1.00
4.00	4.00	4.00	4.00	4.00	4.00
-	-	-	-	1.00	1.00
8.10	8.40	8.40	10.40	10.40	9.10
0.20	0.20	0.20	0.20	0.20	0.60
2.40	1.90	1.90	2.20	2.20	2.20
1.40	1.70	1.70	1.70	1.70	1.70
24.00	24.00	23.90	26.00	26.10	30.00
5.00	6.00	6.10	6.00	7.00	6.00
2.00	2.00	2.00	2.00	2.00	2.00
0.50	0.50	0.50	0.50	-	5.00
50.20	50.50	48.50	50.00	49.30	50.70
-	-	-	-	-	-
0.20	0.20	0.20	0.20	0.20	-
35.00	34.00	35.50	35.00	34.50	33.50
2.00	3.00	4.00	4.00	4.00	4.00
14.15	13.95	12.95	12.25	12.45	12.20
16.53	16.53	16.53	16.53	16.53	17.00
0.60	-	-	-	-	-
0.40	0.40	0.40	0.40	0.40	0.40
33.00	35.00	32.20	30.60	28.50	26.00
0.55	0.80	0.80	0.80	0.80	0.80
3.00	3.70	3.70	3.70	3.70	3.60
31.10	34.60	36.90	37.55	38.55	37.35
298.61	302.84	323.36	351.48	367.33	361.87
1.55	1.55	1.55	1.55	1.49	1.55
1.40	1.40	2.20	2.85	2.95	2.95
2.60	2.35	2.35	5.25	4.90	6.00
0.20	0.20	0.20	0.20	0.20	0.20
<u>609.02</u>	<u>622.65</u>	<u>643.09</u>	<u>680.51</u>	<u>697.61</u>	<u>696.92</u>
0.564%	0.573%	0.594%	0.624%	0.636%	0.635%

Operating Indicators by Function/Program ^a

Last Ten Fiscal Years - Unaudited

Function/Program	Fiscal Year			
	2016	2017	2018	2019
<u>General government:</u>				
Clerk:				
General election information:				
Voter registration	(b)	63,059	(b)	68,692
Votes cast (general election only)	(b)	49,497	(b)	46,592
Percentage voted (general election only)	(b)	78.49%	(b)	67.83%
Documents recorded	20,701	21,113	19,590	17,477
Marriage licenses issued	734	706	694	712
Passports issued	1,730	2,080	2,164	1,877
Planning:				
Permits issued ^c	4,697	4,885	4,903	4,838
<u>Public safety</u>				
Sheriff's office:				
Criminal offenses reported ^f	1,744	1,573	1,714	1,877
Arrests made ^f	574	524	727	782
District attorney:				
Criminal cases filed ^d	1,776	2,125	2,213	2,150
Support enforcement collections ^g	\$ 5,806,480	\$ 5,655,554	\$ 5,789,557	\$ 5,830,870
Victim services volunteer hours	2,344	3,029	2,300	2,336
Community justice: ^e				
Juvenile referrals ^d	369	450	510	411
No subsequent referrals within 1 year ^d	76.4%	69.0%	72.0%	74.7%
Number of admits to detention	503	379	337	293
Average length of detention stay (in days)	7.99	9.15	9.70	10.13
Community service hours completed	2,995	2,448	2,303	2,346
<u>Public health and welfare ⁱ</u>				
Substance Abuse Clients by Level of Care:				
Early intervention (ASAM .5)	Not Available	-	-	33
Outpatient services (ASAM 1)	Not Available	908	948	930
Intensive outpatient/Partial hospitalization (ASAM 2)	Not Available	287	351	369
Residential/Inpatient (ASAM 3)	Not Available	4	22	14
No Level of Care	Not Available	6,365	4,820	4,938
Behavioral Health Clients by Level of Care:				
A	Not Available	240	279	297
B	Not Available	874	1,025	1,000
C	Not Available	1,549	1,988	2,285
D	Not Available	587	797	844
E	Not Available	10	15	13
F	Not Available	-	4	35
No Level of Care	Not Available	5,190	2,783	2,436
<u>Parks, culture, and recreation:</u>				
Fair events center:				
County fair attendance ^h	44,406	44,100	46,500	41,413

Notes

- a. Complete operating statistics are not available for all years.
- b. General elections are held in November in even calendar years.
- c. Permits issued are by calendar year. Total includes all residential, commercial, and sanitation permits.
- d. Statistics are reported by calendar year.
- e. Changes in Community Justice statistics are a combination of changes in evidence-based programming, procedures in law enforcement, juvenile justice philosophies, and youth interests.
- f. Offenses and Arrests are reported by calendar year. The State changed their reporting system in 2020 which will increase counts going forward.
- g. Collections are per federal fiscal year October 1 through September 30
- h. There was no County Fair in FY21.
- i. Prior year statistics are subject to periodic revision.

Source

Yamhill County Department Contacts and the State of Oregon Report on Criminal Offenses and Arrests

Exhibit 15

Fiscal Year						
2020	2021	2022	2023	2024	2025	
(b)	73,763	(b)	75,392	(b)	77,640	
(b)	59,503	(b)	49,849	(b)	59,492	
(b)	80.67%	(b)	66.12%	(b)	76.63%	
21,167	26,988	25,336	15,005	13,441	12,386	
578	636	650	598	607	662	
2,161	331	1,285	2,306	1,955	5,362	
4,169	4,912	5,206	4,399	4,228	Not Available	
2,681	3,229	2,899	2,873	2,903	Not Available	
1,417	1,896	1,804	1,668	1,803	Not Available	
2,129	2,095	2,063	2,317	2,289	Not Available	
\$ 6,492,323	\$ 6,421,079	\$ 7,476,124	\$ 5,544,058	\$ 5,385,062	\$ 5,357,536	
2,008	1,812	2,517	2,152	1,327	361	
225	200	214	281	281	Not Available	
80.4%	74.0%	77.0%	76.0%	Not Available	Not Available	
273	187	180	231	338	302	
13.98	12.90	11.82	13.10	9.53	11.52	
1,328	649	600	481	542	588	
29	29	67	79	73	88	
522	523	789	809	795	746	
267	224	263	270	223	272	
10	14	23	20	11	16	
3,114	3,325	3,721	3,871	4,007	3,918	
186	131	158	113	94	150	
621	570	822	781	778	755	
1,712	1,807	2,393	2,398	2,427	2,349	
550	475	624	581	605	599	
8	8	9	8	4	4	
36	43	38	44	40	46	
1,026	1,224	915	1,466	1,701	1,618	
38,880	-	39,468	36,472	36,473	34,936	

Capital Asset Statistics by Function/Program ^a

Last Ten Fiscal Years - Unaudited

Function/Program	Fiscal Year			
	2016	2017	2018	2019
<u>General government</u>				
Facilities:				
Number of structures ^b	89	89	93	94
Square footage maintained ^b	456,508	463,782	471,177	471,677
<u>Public safety</u>				
Sheriff's office:				
County jail beds (capacity)	259	259	259	255
Youth services:				
Youth detention beds (capacity)	24	24	24	24
<u>Parks, culture, and recreation:</u>				
Parks				
Acreage	214	214	214	214
Parks	17	17	17	17
Boat ramps	3	3	3	3
Playgrounds	1	1	1	1
<u>Highways and streets:</u>				
Public works				
Miles of Roads	Not Available	Not Available	Not Available	664
Number of Bridges	Not Available	Not Available	Not Available	133
Number of vehicles maintained - County-wide	202	205	211	215

Notes

a. Complete capital statistics are not available for all years.

b. Counts are for the 2025- 2026 coverage year

Source

Yamhill County Department Contacts

Exhibit 16

Fiscal Year					
2020	2021	2022	2023	2024	2025
108	89	90	90	87	91
475,497	465,176	470,662	470,662	475,752	562,623
255	255	255	255	255	261
24	24	24	24	24	24
214	214	214	214	272	272
17	17	17	17	18	18
3	3	3	3	3	3
1	1	1	1	1	2
664	664	664	664	664	667
133	133	133	134	134	134
216	217	215	214	229	243



1843

**YAMHILL
COUNTY**

COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S REPORT REQUIRED BY
OREGON STATE REGULATIONS**

Board of County Commissioners
Yamhill County
McMinnville, Oregon

We have audited the basic financial statements of Yamhill County (the "County") as of and for the year ended June 30, 2025, and have issued our report thereon dated December 15, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the 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 162-10-100 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing nothing came to our attention that caused us to believe the 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 162-10-240 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

Board of Commissioners
Yamhill County
Independent Auditor's Report Required by Oregon State Regulations
December 15, 2025

Budgets legally required

During the year ended June 30, 2025, expenditures in excess of appropriations occurred as follows:

<u>Fund / Appropriation Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Extension Service District- Contract Services	\$ 529,738	\$ 529,916	\$ (178)

Internal Control OAR 162-10-230

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

Restriction on Use

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

Singer Lewak LLP

December 15, 2025

By:



Brad Bingenheimer, Partner

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

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Yamhill County
McMinnville, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Yamhill County (the "County"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 15, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting ("internal control") as a basis for designing 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Board of Commissioners
Yamhill County
Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards*
December 15, 2025

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Singer Lewak LLP". The signature is written in a cursive, flowing style.

December 15, 2025