



Yamhill County, Oregon

# Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2019





COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YAMHILL COUNTY, OREGON

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Prepared by:

Michael Barnhart, Yamhill County Finance Manager  
Jen Elkins, Yamhill County Assistant Finance Manager



1843

**YAMHILL  
COUNTY**

**YAMHILL COUNTY**

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## **INTRODUCTORY SECTION**



**YAMHILL COUNTY  
OFFICERS AND MEMBERS OF THE GOVERNING BODY**

**For the Year Ended June 30, 2019**

**COUNTY ADMINISTRATOR**

Laura Tschabold (retired December 31, 2018)  
Ken Huffer (started January 1, 2019)

**BOARD OF COMMISSIONERS**

**TERM EXPIRATION**

Mary Starrett	January 2023
Stan Primozych	January 2019
Richard Olson	January 2021
Casey Kulla	January 2023

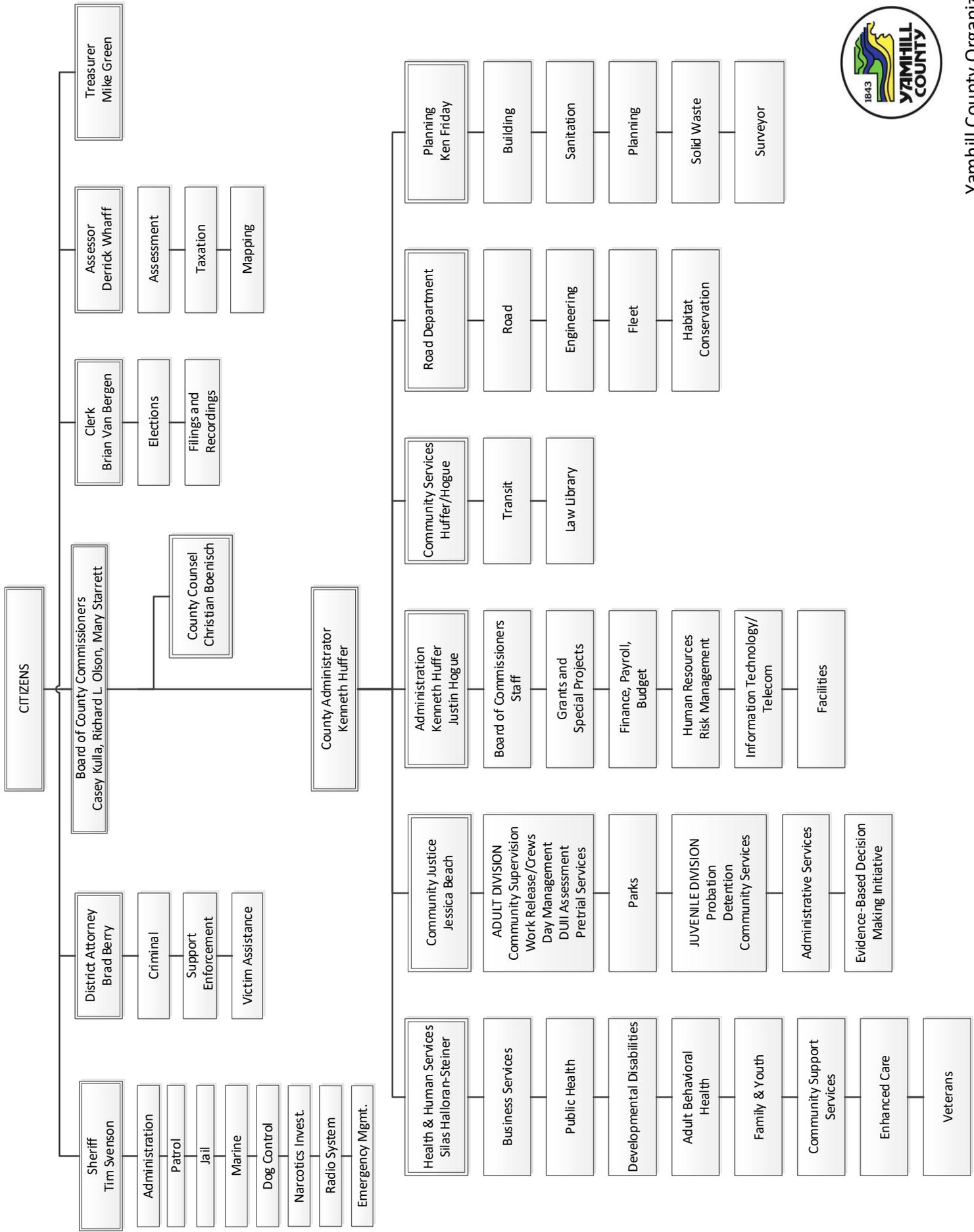
\*All board members receive their mail at the county address.

**OTHER ELECTED OFFICIALS**

Derrick Wharff, Assessor  
Brian Van Bergen, Clerk  
Tim Svenson, Sheriff  
Mike Green, Treasurer  
Brad Berry, District Attorney

**COUNTY ADDRESS**

535 E 5<sup>th</sup> 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 10, 2019

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

We are pleased to submit this Comprehensive Annual Financial Report (CAFR) of Yamhill County, Oregon for the fiscal year ended June 30, 2019 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 Boldt Carlisle +Smith, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the County's financial statements for the fiscal year ended June 30, 2019, 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, 2019 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 the Compliance Section of this 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 moved 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 107,002. 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 government consists of three commissioners, district attorney, assessor, clerk, sheriff, and 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 1A of the Notes to Basic 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 of each year, who meets with individual departments in February to review their budgets. Departments present their preliminary budgets to the Board of Commissioners in preparation for formal Budget Committee meetings in late April/early May. After approval by the Budget Committee, the Board of Commissioners holds a public hearing on the approved budget and adopts a final budget by 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** – Yamhill County's employment continues to be strong, although the growth rate is showing some decline in certain sectors compared to the prior year. Per the State of Oregon Employment Department's April 2019 Year in Review for Yamhill County:

- On an average annual basis, Yamhill County's payroll employment grew 640 or 1.9 percent in 2018. In 2017, Yamhill County's employment grew 730 or 2.2 percent.
- Yamhill County's private sector grew 3.6 percent in 2018, adding 1,050 jobs.
- Yamhill County's construction sector reported the steepest losses during the Great Recession that began in December 2007 but has shown double-digit percentage growth in employment in recent years. Construction's employment growth slowed in 2018. Following the addition of 200 jobs in 2017 to grow 12 percent, job growth slowed to add only 30 jobs in 2018, growing 2 percent. Despite the healthy growth in recent years, Yamhill County's construction employment level in 2018 was 230 jobs, or 11 percent below its employment level in 2007, prior to the recession.
- Yamhill County's manufacturing has been a bright spot in the economy, recording positive growth in both 2017 and 2018. In 2017, manufacturing employment added 250 jobs, growing 4 percent. In 2018, the sector added 360 jobs. The county's manufacturing employment in 2018 was 230 jobs or 3.4 percent above its 2007 employment level, prior to the Great Recession.
- Within trade, transportation, and utilities, wholesale trade employment declined 1.5 percent, shedding 10 jobs in 2018. Retail trade employment grew 1.1 percent, adding 40 jobs in 2018. Transportation, warehousing, and utilities shed 40 jobs in 2018, declining 7.3 percent.
- Leisure and hospitality had another strong year of growth in 2018. After adding 100 jobs in 2017, the sector gained 230 jobs in 2018, growing 6.4 percent.

- Public-sector employment shed 410 jobs in 2018, dropping 8.5 percent. However, much of the drop in government jobs was caused by the reclassification of approximately 320 home care workers from state government to private-sector health care and social assistance, accounting for the majority of Yamhill County's public sector decline.

**Gross Domestic Product** – Yamhill County's real GDP across all industries had excellent growth in 2013 and 2014 but slowed in 2015. Per the Bureau of Economic Analysis, Yamhill County's real Gross Domestic Product (GDP) in thousands of dollars is as follows:

	2012	2013	2014	2015
All Industries	\$2,547,284	\$2,695,222	\$2,861,343	\$2,945,410
Private goods-producing industries	841,142	919,550	916,555	943,141
Private services-providing industries	1,351,973	1,428,218	1,589,729	1,645,820
Government and government enterprises	354,170	347,540	355,628	357,179

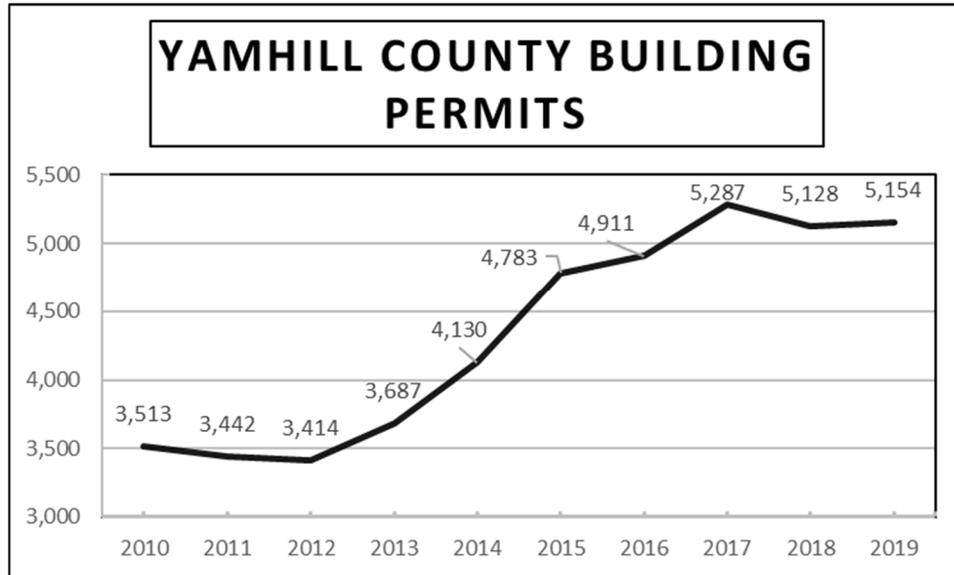
Real GDP growth as a percent change from the preceding year is as follows:

	2013	2014	2015
All Industries	5.8%	6.2%	2.9%
Private goods-producing industries	9.3%	-0.3%	2.9%
Private services-providing industries	5.6%	11.3%	3.5%
Government and government enterprises	-1.9%	2.3%	0.4%

**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 four of the levy.

Tax Year	Tax to be Collected	Growth in Tax to be Collected	Percent Collected
2008-09	\$ 92,978,127		99.67%
2009-10	98,675,668	6.13%	99.74%
2010-11	102,663,519	4.04%	99.34%
2011-12	101,931,739	-0.71%	99.76%
2012-13	104,155,538	2.18%	99.61%
2013-14	107,116,395	2.84%	99.69%
2014-15	112,670,880	5.19%	99.66%
2015-16	120,622,255	7.06%	99.20%
2016-17	127,144,486	5.41%	98.72%
2017-18	131,889,054	3.73%	98.35%
2018-19	134,788,596	2.20%	94.67%

**Building Permits** – Yamhill County building permit data has been consistently growing over the last ten years due to the growth in the regional economy but has leveled out the last two years.



#### 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 FY19 budget, the County reported the following reservations of Fund Balance:

General Fund	
Discretionary	\$ 1,664,910
Assessor	435,000
District Attorney	18,796
Transportation	16,488
Parks	2,000
Radio Systems	316,763
Capital Improvement	20,000
Community Corrections	185,000
Dog Control	253,251
County Fair	1,000
Self-insurance	3,033,027
Motor Vehicle Replacement	<u>427,906</u>
	<u>\$ 6,374,141</u>

## RELEVANT FINANCIAL POLICIES

The County is currently in the process of adopting formal fund balance financial policies to use in budgeting and for long-term financial management decisions. For the last three years, the County's General Fund unrestricted budgetary fund balance as a percent of General Fund revenues has been:

FY2019	45.31%
FY2018	44.50%
FY2017	40.25%

## MAJOR INITIATIVES

### Public Works Shop and Office Building

For decades the Public Works mechanic's shop was housed in a building located at 2060 NE Lafayette Avenue in McMinnville. In 2017 that building was so far beyond repair it was demolished and new construction was started on a 22,350 square foot pre-engineered, wood-framed building to meet those same needs, with added space to house Public Work administration. The new Public Works Shop and Office Building was completed and placed in service in 2019.

### The Yamhelas Westsider Trail

The Yamhelas Westsider Trail (YWT) is a rails-to-trails project to convert a 12.48-mile railroad corridor that runs parallel to Highway OR 47, near the City of Yamhill. The purpose of the project is to provide recreational opportunities for walkers, hikers, runners, bicyclists, and horseback riders, as well as benefits from agri-tourism to the cities of Yamhill, Carlton, and Gaston. In 2013 the County received a federal grant to purchase a portion of the corridor from Southern Pacific Railroad. The County also received a grant in 2017 from Connect Oregon VI for the planning, design, and engineering of three bicycle and pedestrian bridges located between the cities of Yamhill and Carlton along the YWT. In 2019 the County began construction on the first bridge when it contracted for the Stag Hollow Creek bridge project.

## AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) offers a Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR). This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

Yamhill County participated in the GFOA program in 1992 and 1993 and was awarded a Certificate of Achievement in those years. We have not submitted a CAFR to the GFOA since then.

New management has requested Yamhill County Finance resume preparation of a CAFR and once again begin submitting them to the GFOA for certification. We believe that this year's CAFR meets the Certificate of Achievement Program's requirements and will be submitted accordingly.

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 Business Services Director 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



Justin Hogue, Business Services Director

## **FINANCIAL SECTION**



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**YAMHILL  
COUNTY**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
YAMHILL COUNTY  
McMinnville, Oregon

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of YAMHILL COUNTY, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

## INDEPENDENT AUDITOR'S REPORT (Continued)

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of YAMHILL COUNTY, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General, Road, and Health and Human Services Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 - 14 and the required supplementary information on pages 74 - 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

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

## INDEPENDENT AUDITOR'S REPORT (Continued)

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

### Reports on Other Legal and Regulatory Requirements

#### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2019 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 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 10, 2019, 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.

Boldt Carlisle + Smith  
Certified Public Accountants  
Salem, Oregon  
December 10, 2019

By:



Bradley G. Bingenheimer, Member



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**YAMHILL  
COUNTY**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



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**YAMHILL  
COUNTY**



## 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, 2019.

### **Financial Highlights**

- The County's total assets and deferred outflows of resources at June 30, 2019, increased \$1.8 million from \$197.9 million to \$199.7 million. The primary change was the result of a \$1.7 million increase in deferred outflows of the pension plan due to the changes in the plan discount rate from 7.5% to 7.2%.
- The County's total liabilities and deferred inflows of resources increased \$2.1 million from \$44.4 million to \$46.5 million. The primary change was due to a \$2.1 million increase in the net pension liability.
- The total net position of the County (assets and deferred outflows of resources less liabilities and deferred inflows of resources) at June 30, 2019, decreased \$.3 million from \$153.5 million to \$153.2 million. The County's unrestricted portion of net position is \$1.0 million, while restricted net position is \$19.8 million, both of which may be used to meet the County's ongoing obligations to citizens and creditors.
- At June 30, 2019, the County's governmental funds reported combined ending fund balances of \$39.8 million, a decrease of \$1.9 million. Approximately \$19.4 million is available for spending by the Board.
- At June 30, 2019, the General Fund's fund balance was \$17.5 million, an increase of \$.3 million from the previous year. Spendable fund balance for the General Fund is \$16.9 million or 43.7 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 15 and 16 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 17 and 19 of this report.

Yamhill County maintains 20 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 the Capital Improvement funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. The governmental fund financial statements can be found on pages 17 and 18 of this report. Individual fund data for each of the non-major governmental funds can be found on pages 85 – 88 and 101 – 102 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 statements provide separate information for the Cove Orchard Sewer Service District. The proprietary fund financial statements can be found on pages 24 – 27 of this report. Individual data for the internal service funds can be found on pages 107 – 110 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 page 28 of this report. The statement of changes in assets and liabilities in agency funds can be found on page 114 of this report.

**Budgetary comparisons.** Yamhill County adopts an annual appropriated budget for all its funds except for agency funds. To demonstrate compliance, budgetary comparison statements have been provided for the General Fund and major special revenue funds as part of the basic financial statements on pages 20 - 23. All other budgetary comparison schedules can be found on pages 81 – 82, 89 – 100, 103 – 106, and 111 – 113 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 29 – 73 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 74 – 78 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and other postemployment benefits. Combining and individual fund statements and schedules can be found on pages 79 - 115 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 exceeded liabilities and deferred inflow and outflows by \$153.2 million at the close of the fiscal year.

By far the largest portion of Yamhill County's net position (86.4 percent) reflects its investment in capital assets (e.g., land, buildings, 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.

An additional 12.9 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, \$1.0 million, may be used to meet the government's ongoing obligations to citizens and creditors.

Yamhill County, Oregon  
**Management's Discussion and Analysis (Continued)**  
June 30, 2019

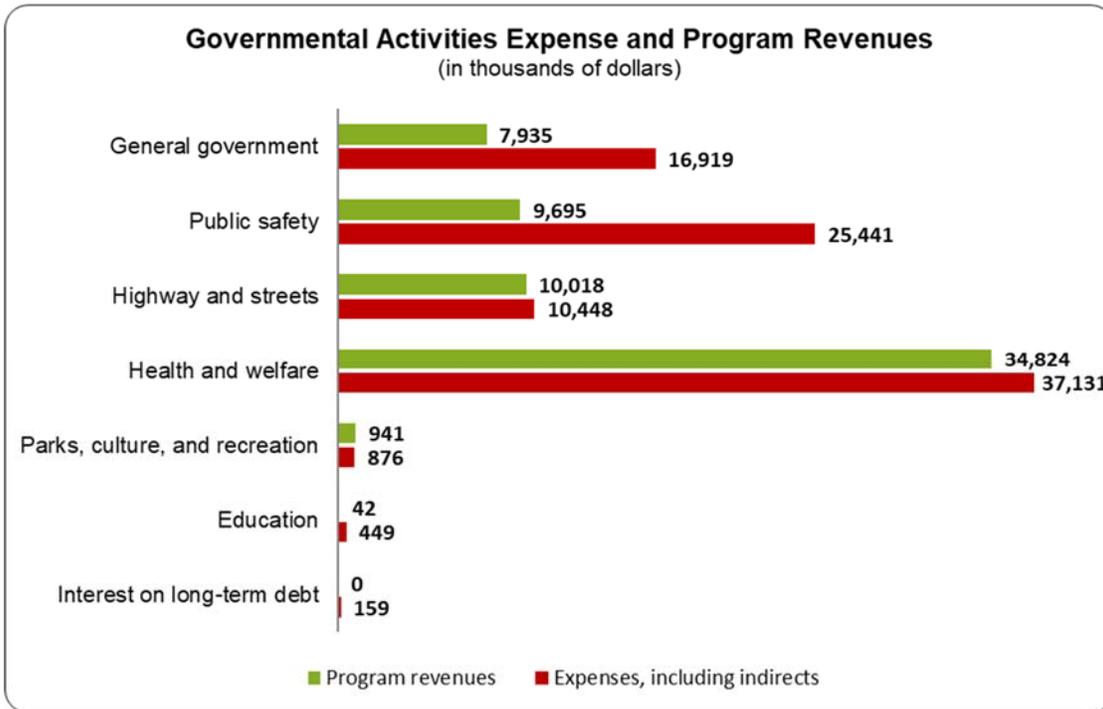
<b>Yamhill County's Net Position</b>						
(In thousands)						
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>ASSETS</b>						
Current and other assets	\$ 55,043	\$ 56,457	\$ 96	\$ 90	\$ 55,139	\$ 56,547
Capital assets	132,334	130,884	86	88	132,420	130,972
Total assets	<u>187,377</u>	<u>187,341</u>	<u>182</u>	<u>178</u>	<u>187,559</u>	<u>187,519</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>12,185</u>	<u>10,419</u>	<u>-</u>	<u>-</u>	<u>12,185</u>	<u>10,419</u>
<b>LIABILITIES</b>						
Current liabilities	4,405	5,375	-	-	4,405	5,375
Noncurrent liabilities	39,064	37,573	-	1	39,064	37,574
Total liabilities	<u>43,469</u>	<u>42,948</u>	<u>-</u>	<u>1</u>	<u>43,469</u>	<u>42,949</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>3,037</u>	<u>1,436</u>	<u>-</u>	<u>-</u>	<u>3,037</u>	<u>1,436</u>
<b>NET POSITION</b>						
Net investment in capital assets	132,334	130,884	86	88	132,420	130,972
Restricted	19,840	22,227	-	-	19,840	22,227
Unrestricted	882	265	96	89	978	354
Total net position	<u>\$153,056</u>	<u>\$153,376</u>	<u>\$ 182</u>	<u>\$ 177</u>	<u>\$153,238</u>	<u>\$153,553</u>

At the end of the current and prior fiscal years, the County is able to 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.

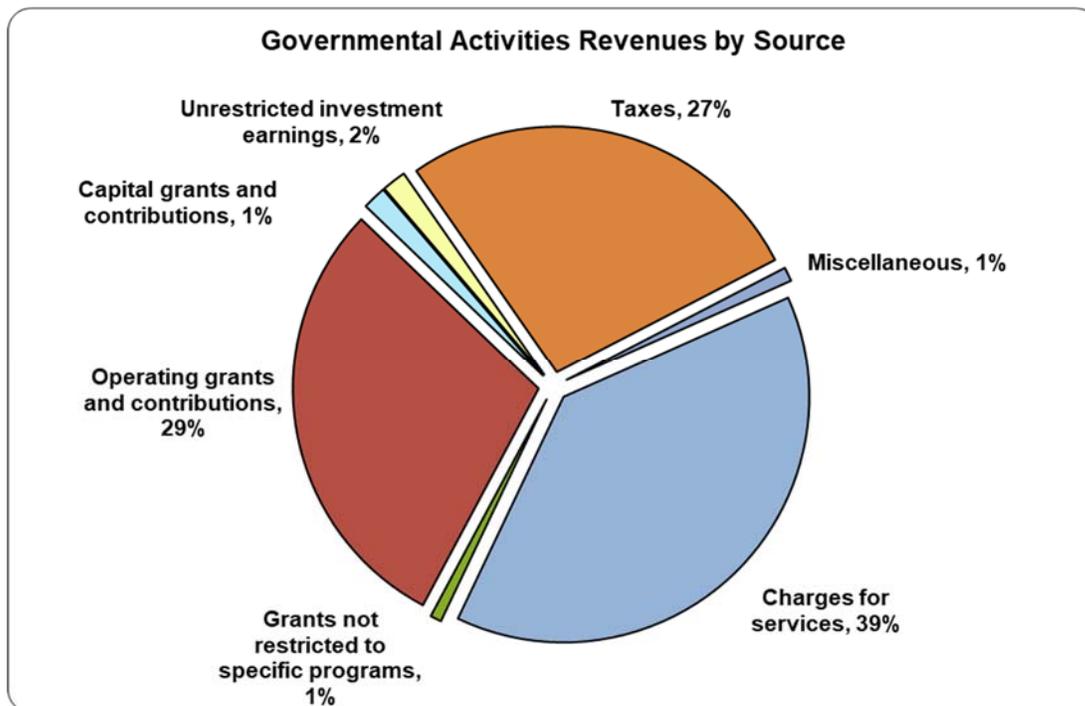
Yamhill County, Oregon  
**Management's Discussion and Analysis (Continued)**  
June 30, 2019

<b>Yamhill County's Changes in Net Position</b>						
(In thousands)						
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 35,293	\$ 33,760	\$ 59	\$ 48	\$ 35,352	\$ 33,808
Operating grants and contributions	26,741	23,121	-	-	26,741	23,121
Capital grants and contributions	1,421	-	-	-	1,421	-
General revenues:						
Taxes	24,685	24,088	-	-	24,685	24,088
Unrestricted investment earnings	1,452	373	2	1	1,454	374
Grants not restricted to specific programs	671	738	-	-	671	738
Miscellaneous	840	815	-	-	840	815
Total revenues	<u>91,103</u>	<u>82,895</u>	<u>61</u>	<u>49</u>	<u>91,164</u>	<u>82,944</u>
<b>Expenses:</b>						
General government	16,919	15,951	-	-	16,919	15,951
Public safety	25,441	23,821	-	-	25,441	23,821
Highways and streets	10,448	10,729	-	-	10,448	10,729
Health and welfare	37,131	30,803	-	-	37,131	30,803
Parks, cultural, and recreation	876	915	-	-	876	915
Education	449	438	-	-	449	438
Interest on long-term debt	159	246	-	-	159	246
Sewer	-	-	56	52	56	52
Total expenses	<u>91,423</u>	<u>82,903</u>	<u>56</u>	<u>52</u>	<u>91,479</u>	<u>82,955</u>
Change in net position before transfers	(320)	(8)	5	(3)	(315)	(11)
Transfers in (out)	-	-	-	-	-	-
Change in net position	<u>(320)</u>	<u>(8)</u>	<u>5</u>	<u>(3)</u>	<u>(315)</u>	<u>(11)</u>
Net position – beginning of year, as previously reported	153,376	153,256	177	180	153,553	153,436
Prior period adjustment	-	128	-	-	-	128
Net position beginning of year, as restated	<u>153,376</u>	<u>153,384</u>	<u>177</u>	<u>180</u>	<u>153,553</u>	<u>153,564</u>
Net position end of year	<u>\$153,056</u>	<u>\$153,376</u>	<u>\$ 182</u>	<u>\$ 177</u>	<u>\$153,238</u>	<u>\$153,553</u>

**Governmental activities.** Net position in governmental activities decreased \$.3 million. This decrease is due primarily to a general increase in program expenses that outpaced the growth in program revenues.

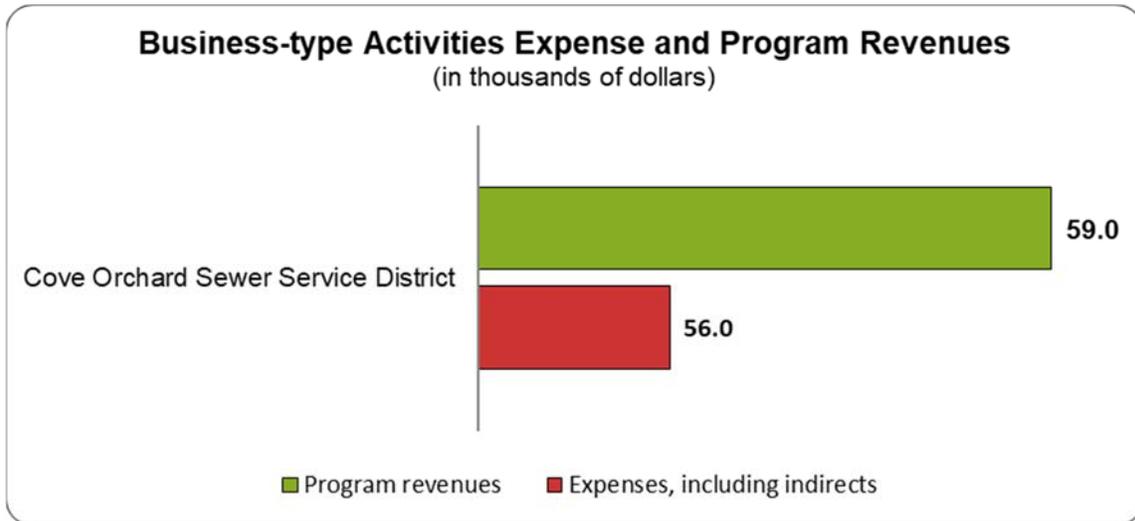


As illustrated above, all governmental activities with the exception of Parks, culture, and recreation relied on general revenues to support the function.

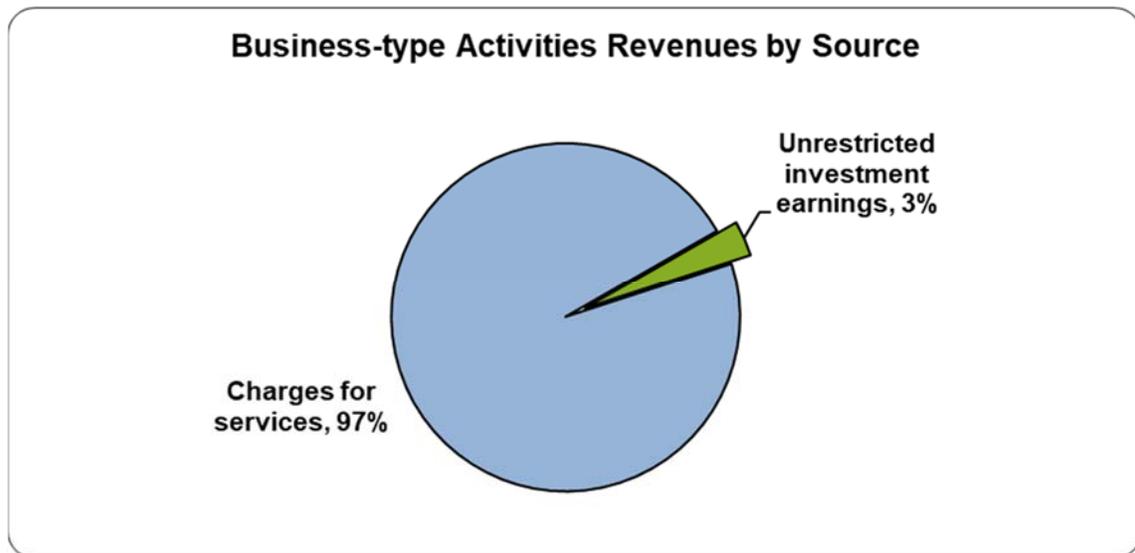


39 percent of revenues for governmental activities come from charges for services and 29 percent come from operating grants and contributions which includes, among other items, health and welfare grants and contributions, state gas tax, and road grant revenues. Taxes make up only 27 percent of overall revenues from governmental activities.

**Business-type activities.** Business-type activities increased the County's net position by \$4,627.



During fiscal year 2019 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 97 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 \$39.8 million, a decrease of \$1.9 million over the prior year. Approximately \$19.4 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 (\$19.4 million), or is not available for new spending because it represents amounts that have already been spent (\$.2 million in inventory, \$.2 million in prepaid items, and \$.6 million in advances to other funds).

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 \$17.5 million, of which \$16.9 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 fund balance to total fund revenues. At the end of the current fiscal year, spendable, non-restricted fund balance represented 43.7 percent of total General Fund revenues and total fund balance represented 45.3 percent of those same revenues.

The fund balance of the General Fund increased \$.3 million from the prior year. The increase was the result of an increase in property taxes of \$.8 million over the prior year.

The **Road Fund** maintains the county road system. As of June 30, 2019, the ending fund balance in the Road Fund was \$3.8 million which increased \$.3 million from the previous year. The increase was due predominantly to an increase in state highway funds from the Oregon Department of Transportation (ODOT).

The **Health and Human Services Fund** provides health service to the residents of the County and has a fund balance of \$8.7 million as of June 30, 2019, a decrease of \$2.9 million from the prior year due to increased payments to OHP subcontracted service providers in the current year.

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 \$2.5 million, an increase of \$.2 million during the year. The increase was due predominantly to an increase in inter-department charges for facilities and jail maintenance services.

The remaining funds, reported as non-major, consist of various programs which have dedicated intergovernmental revenues. The aggregated fund balances of these programs are \$7.3 million which is an increase of \$.1 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 \$.2 million of which \$.1 million is unrestricted.

Yamhill County, Oregon  
**Management's Discussion and Analysis (Continued)**  
 June 30, 2019

At June 30, 2019, 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	\$ 95,820	\$ 181,401	52.8%
Telecommunications	805,315	1,089,936	73.9%
Self-insurance	6,867,409	6,867,409	100.0%
Motor Vehicle Replacement	1,924,910	3,994,329	48.2%
	<u>\$ 9,693,454</u>	<u>\$ 12,133,075</u>	

### General Fund Budgetary Highlights

There were no major changes to the fiscal year 2019 budget. Overall expenditures were \$40,222,992 or 15.9 percent less than budgeted. This can be contributed to budgeting for grants applied for but not received, \$1.0 million budgeted for contingencies that remained unused at year end, 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, 2019, amounted to \$132.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, 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	
	2019	2018	2019	2018	2019	2018
Capital assets not being depreciated	\$ 51,660	\$ 53,338	\$ 78	\$ 78	\$ 51,738	\$ 53,416
Building	17,592	13,882	-	-	17,592	13,882
Machinery and equipment	7,960	6,128	-	-	7,960	6,128
Infrastructure	55,122	57,536	8	10	55,130	57,546
Total net position	<u>\$132,334</u>	<u>\$130,884</u>	<u>\$ 86</u>	<u>\$ 88</u>	<u>\$132,420</u>	<u>\$130,972</u>

Additional information on Yamhill County's capital assets can be found in note 4 on pages 44 and 45 of this report.

**Long-term debt.** Yamhill County's total long-term obligations as of June 30, 2019, amounts to \$39.0 million. Of this amount, \$27.4 million represents the net pension liability and \$1.4 million represents other the postemployment benefit liability. Other long-term liabilities include \$7.0 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, and \$1.8 million in accumulated compensated absences.

Additional information on Yamhill County's long-term debt can be found in note 5 on pages 45 and 46 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

Unemployment rates continue to remain stable. In September 2019, the unemployment rate for Yamhill County was 3.8 percent, which is up from 3.6 percent the year before and down from 4.0 percent two years ago. The September 2019 rate is below the state's unemployment rate of 4.1 percent and above the national rate of 3.5 percent.

Following are the major factors and assumptions used in developing the fiscal year 2020 budget:

The Adopted Budget is \$138.4 million, including expenditures, transfers and reserves for all funds. 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 \$.3 million, or .3 percent compared to the fiscal year 2019 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 \$151.6 million, a \$1.5 million (1.0 percent) decrease over the fiscal year 2019 budget.

*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 3.1 percent over the fiscal year 2019 budget due to a strong 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 continue to perform well, although there has been a general decline in return over the last several months in comparison to the general highs enjoyed the last few years. Regardless, the County is budgeting for a \$.5 million increase in these revenues in fiscal year 2020 budget in comparison to fiscal year 2019 budget where investment earnings were under budgeted.

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

Personnel services, which consist of employee wages and benefits, total \$63.3 million, or 41.7 percent of the County's total expenditure budget. This represents growth of 6.8 percent when compared to the fiscal year 2019 budget. The County's services, like most governmental agencies, are labor intensive. A new contract with Teamsters Local 223 (Sheriff's Office employees) increasing base salaries across the board by 6%, and county-wide COLAs between 2 percent and 2.5 percent, have been factored in. Benefit costs include social security, Medicare, medical insurance, retirement, and other employer paid benefits. Medical insurance costs are projected to increase approximately 4% percent during the year. Pension expenses increased based on a new actuarial valuation at the Public Employee Retirement System (PERS). New PERS rates increased to 25.22 percent from 22.48 for PERS Tier 1 and Tier 2, 16.98 percent from 14.74 percent for OPSRP, and 21.61 percent from 19.51 for police and fire. 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 \$50.4 million and represent 33.3 percent of the overall expenditure budget. The amount is a modest increase of \$.1 million, or .2 percent compared to the fiscal 2019 budget.

Capital expenditures are cyclical and can vary greatly from year to year. Capital expenditures are budgeted at \$11.9 million for various purchases and improvements that make up 7.9 percent of the County's overall expenditure budget. This is a \$3.3 million decrease, or 21.9 percent reduction over the prior year's budget. The decrease is mainly attributed to the completion of the Public Works Administration and Shop building in 2019. The major types of capital items include infrastructure improvements to roads and bridges, building renovation and improvements, heavy equipment for the Public Works department, buses for the transit department, and vehicles and data processing equipment for a variety of departments.

### **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:

Michael Barnhart, Finance Manager  
Yamhill County Administration  
536 NE 5<sup>th</sup> Street  
McMinnville, OR 97128

Email: [barnhartm@co.yamhill.or.us](mailto:barnhartm@co.yamhill.or.us)  
Website: [www.co.yamhill.or.us](http://www.co.yamhill.or.us)

Jen Elkins, Assistant Finance Manager  
Yamhill County Administration  
536 NE 5<sup>th</sup> Street  
McMinnville, OR 97128

Email: [elkinsj@co.yamhill.or.us](mailto:elkinsj@co.yamhill.or.us)  
Website: [www.co.yamhill.or.us](http://www.co.yamhill.or.us)



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**YAMHILL  
COUNTY**

## **BASIC FINANCIAL STATEMENTS**



**YAMHILL COUNTY**

**STATEMENT OF NET POSITION  
June 30, 2019**

	Governmental Activities	Business-type Activities	Totals
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 22,864,400	\$ 31,778	\$ 22,896,178
Investments	25,795,022	35,851	25,830,873
Receivables	5,254,027	28,537	5,282,564
Inventory	174,318	-	174,318
Prepaid items	655,930	-	655,930
Net other postemployment benefit asset	299,549	-	299,549
Capital assets:			
Capital assets, not being depreciated	51,660,036	78,356	51,738,392
Other capital assets, net	<u>80,673,928</u>	<u>7,225</u>	<u>80,681,153</u>
<b>TOTAL ASSETS</b>	<u>187,377,210</u>	<u>181,747</u>	<u>187,558,957</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension related items	11,939,119	-	11,939,119
Other postemployment benefit related items	<u>246,198</u>	<u>-</u>	<u>246,198</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>12,185,317</u>	<u>-</u>	<u>12,185,317</u>
<b><u>LIABILITIES</u></b>			
Accounts payable and accrued liabilities	4,178,029	300	4,178,329
Accrued interest payable	159,088	-	159,088
Deposits payable	67,944	-	67,944
Long-term obligations:			
Due within one year	2,403,964	46	2,404,010
Due in more than one year	<u>36,660,075</u>	<u>-</u>	<u>36,660,075</u>
<b>TOTAL LIABILITIES</b>	<u>43,469,100</u>	<u>346</u>	<u>43,469,446</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension related items	2,558,375	-	2,558,375
Other postemployment benefit related items	445,644	-	445,644
Unavailable revenue	<u>33,407</u>	<u>-</u>	<u>33,407</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>3,037,426</u>	<u>-</u>	<u>3,037,426</u>
<b><u>NET POSITION</u></b>			
Investment in capital assets	132,333,964	85,581	132,419,545
Restricted for:			
Highways and streets	3,832,890	-	3,832,890
Schools and education	101,625	-	101,625
Health services	11,967,757	-	11,967,757
Grants	78,880	-	78,880
Public safety	2,361,538	-	2,361,538
Capital projects	300,098	-	300,098
Other purposes	1,197,483	-	1,197,483
Unrestricted	<u>881,766</u>	<u>95,820</u>	<u>977,586</u>
<b>TOTAL NET POSITION</b>	<u>\$ 153,056,001</u>	<u>\$ 181,401</u>	<u>\$ 153,237,402</u>

*See accompanying notes*

**YAMHILL COUNTY**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2019**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Governmental activities</b>							
General government	\$ 16,919,051	\$ 3,609,126	\$ 3,821,685	\$ 504,050	\$ (8,984,190)		\$ (8,984,190)
Public safety	25,440,534	4,207,696	5,487,387	-	(15,745,451)		(15,745,451)
Highways and streets	10,448,233	187,419	8,912,953	917,356	(430,505)		(430,505)
Health and welfare	37,131,121	26,523,214	8,301,339	-	(2,306,568)		(2,306,568)
Parks, culture, and recreation	875,696	723,109	217,492	-	64,905		64,905
Education	449,122	42,121	-	-	(407,001)		(407,001)
Interest on long-term obligations	159,088	-	-	-	(159,088)		(159,088)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>91,422,845</u>	<u>35,292,685</u>	<u>26,740,856</u>	<u>1,421,406</u>	<u>(27,967,898)</u>		<u>(27,967,898)</u>
<b>Business-type activities</b>							
Sewer	56,236	58,800	-	-		\$ 2,564	2,564
<b>Totals</b>	<u>\$ 91,479,081</u>	<u>\$ 35,351,485</u>	<u>\$ 26,740,856</u>	<u>\$ 1,421,406</u>	<u>(27,967,898)</u>	<u>2,564</u>	<u>(27,965,334)</u>
<b>General revenues</b>							
Taxes					23,177,560	-	23,177,560
Miscellaneous taxes					1,507,758	-	1,507,758
Grants and contributions not restricted for specific programs					671,127	-	671,127
Investment earnings					1,451,650	1,889	1,453,539
Miscellaneous					840,033	253	840,286
<b>Transfers</b>					79	(79)	-
<b>TOTAL GENERAL REVENUES AND TRANSFERS</b>					<u>27,648,207</u>	<u>2,063</u>	<u>27,650,270</u>
<b>CHANGES IN NET POSITION</b>					(319,691)	4,627	(315,064)
<b>NET POSITION - BEGINNING</b>					<u>153,375,692</u>	<u>176,774</u>	<u>153,552,466</u>
<b>NET POSITION - ENDING</b>					<u>\$ 153,056,001</u>	<u>\$ 181,401</u>	<u>\$ 153,237,402</u>

*See accompanying notes*

**YAMHILL COUNTY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2019**

	General	Road	Health and Human Services	Capital Improvement	Total Nonmajor Funds	Total Governmental Funds
<b><u>ASSETS</u></b>						
Cash and cash equivalents	\$ 8,062,154	\$ 1,499,801	\$ 3,864,447	\$ 1,909,517	\$ 3,558,123	\$ 18,894,042
Investments	9,095,510	1,692,036	4,359,767	2,154,268	4,014,188	21,315,769
Receivables	2,508,056	734,793	1,786,077	56,795	86,594	5,172,315
Inventory	-	174,318	-	-	-	174,318
Prepaid items	203,831	-	-	-	29,114	232,945
Advances to other funds	403,454	-	-	-	190,437	593,891
<b>TOTAL ASSETS</b>	<b><u>\$ 20,273,005</u></b>	<b><u>\$ 4,100,948</u></b>	<b><u>\$ 10,010,291</u></b>	<b><u>\$ 4,120,580</u></b>	<b><u>\$ 7,878,456</u></b>	<b><u>\$ 46,383,280</u></b>
<b><u>LIABILITIES</u></b>						
Accounts payable and accrued liabilities	\$ 1,748,142	\$ 290,225	\$ 1,318,925	\$ 334,958	\$ 440,395	\$ 4,132,645
Deposits	1,070	1,550	-	-	65,324	67,944
Advances from other funds	-	-	-	1,286,397	-	1,286,397
<b>TOTAL LIABILITIES</b>	<b><u>1,749,212</u></b>	<b><u>291,775</u></b>	<b><u>1,318,925</u></b>	<b><u>1,621,355</u></b>	<b><u>505,719</u></b>	<b><u>5,486,986</u></b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>						
Unavailable revenue	1,010,905	-	-	-	50,877	1,061,782
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>1,010,905</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>50,877</u></b>	<b><u>1,061,782</u></b>
<b><u>FUND BALANCES</u></b>						
Nonspendable	607,285	174,318	-	-	219,551	1,001,154
Restricted	-	3,634,855	8,691,366	-	7,102,711	19,428,932
Assigned	644,991	-	-	2,499,225	-	3,144,216
Unassigned	16,260,612	-	-	-	(402)	16,260,210
<b>TOTAL FUND BALANCES</b>	<b><u>17,512,888</u></b>	<b><u>3,809,173</u></b>	<b><u>8,691,366</u></b>	<b><u>2,499,225</u></b>	<b><u>7,321,860</u></b>	<b><u>39,834,512</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$ 20,273,005</u></b>	<b><u>\$ 4,100,948</u></b>	<b><u>\$ 10,010,291</u></b>	<b><u>\$ 4,120,580</u></b>	<b><u>\$ 7,878,456</u></b>	
<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						\$ 299,549
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.						132,333,964
Deferred outflows related to the pension and other postemployment benefit plans are not current financial resources and therefore are not reported in the funds						12,185,317
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable in the funds						1,028,375
The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position					\$ 11,951,674	
Plus: compensated absences of the internal service fund included below					3,796	
Less: capital assets of the internal service funds included above					<u>(2,354,040)</u>	9,601,430
The net pension liability is reported in the statement of net position, but is not reported in the funds.						(27,429,714)
The other postemployment benefit liability is reported in the statement of net position but is not reported in the funds						(1,401,333)
Some liabilities, including compensated absences, capital leases payable and bonds payable, are not due and payable in the current period and therefore are not reported in the funds						(10,392,080)
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>(3,004,019)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>						<b><u>\$ 153,056,001</u></b>

*See accompanying notes*

**YAMHILL COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2019**

	General	Road	Health and Human Services	Capital Improvement	Total Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$ 22,991,462	\$ -	\$ -	\$ -	\$ 396,394	\$ 23,387,856
Miscellaneous taxes	22,123	-	-	-	11,045	33,168
Licenses, permits and fees	1,180,461	67,965	317,225	-	187,897	1,753,548
Intergovernmental	8,023,746	9,749,731	8,203,079	60,441	4,410,369	30,447,366
Charges for services	5,274,156	62,036	25,867,464	-	1,451,301	32,654,957
Fines and forfeitures	264,939	-	22,366	-	87,467	374,772
Interest	602,365	72,722	279,579	102,340	206,557	1,263,563
Other	295,064	82,830	406,346	4,324	102,652	891,216
<b>TOTAL REVENUES</b>	<u>38,654,316</u>	<u>10,035,284</u>	<u>35,096,059</u>	<u>167,105</u>	<u>6,853,682</u>	<u>90,806,446</u>
<b>EXPENDITURES</b>						
Current						
General government	11,240,022	-	-	1,546,295	352,305	13,138,622
Public safety	20,214,623	-	-	519,972	3,793,526	24,528,121
Highways and streets	-	4,835,949	-	-	37	4,835,986
Health and welfare	113,717	-	35,748,906	-	390,340	36,252,963
Parks, culture, and recreation	200,531	-	-	-	627,947	828,478
Education	-	-	-	-	449,122	449,122
Capital outlay	1,994,920	3,834,823	1,035,155	1,116,344	46,820	8,028,062
Debt service	-	655,260	-	15,223	-	670,483
<b>TOTAL EXPENDITURES</b>	<u>33,763,813</u>	<u>9,326,032</u>	<u>36,784,061</u>	<u>3,197,834</u>	<u>5,660,097</u>	<u>88,731,837</u>
Excess (deficiency) of revenues over expenditures	<u>4,890,503</u>	<u>709,252</u>	<u>(1,688,002)</u>	<u>(3,030,729)</u>	<u>1,193,585</u>	<u>2,074,609</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	2,027,390	585,587	2,115,011	3,329,630	445,195	8,502,813
Transfers out	<u>(6,598,472)</u>	<u>(997,879)</u>	<u>(3,333,104)</u>	<u>(114,585)</u>	<u>(1,482,194)</u>	<u>(12,526,234)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(4,571,082)</u>	<u>(412,292)</u>	<u>(1,218,093)</u>	<u>3,215,045</u>	<u>(1,036,999)</u>	<u>(4,023,421)</u>
Net change in fund balances	319,421	296,960	(2,906,095)	184,316	156,586	(1,948,812)
Fund balances at beginning of year	<u>17,193,467</u>	<u>3,512,213</u>	<u>11,597,461</u>	<u>2,314,909</u>	<u>7,165,274</u>	<u>41,783,324</u>
Fund balances at end of year	<u>\$ 17,512,888</u>	<u>\$ 3,809,173</u>	<u>\$ 8,691,366</u>	<u>\$ 2,499,225</u>	<u>\$ 7,321,860</u>	<u>\$ 39,834,512</u>

*See accompanying notes*

**YAMHILL COUNTY**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2019**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (1,948,812)

*Amounts reported for governmental activities in the Statement of Activities are different because of the following:*

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. The difference between these two amounts is:

Capitalized expenditures	\$ 7,634,876	
Depreciation	<u>(6,346,243)</u>	1,288,633

The net effect of transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position (20,328)

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	(210,296)
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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 net other postemployment benefit asset or liability, total other postemployment benefit asset or liability, and other postemployment benefit related deferred outflow of resources and deferred inflows of resources.

Change in deferred outflows of resources	20,807	
Change in net other postemployment benefit asset or liability	192,727	
Change in total other postemployment benefit asset or liability	230,733	
Change in deferred inflows of resources	<u>(298,621)</u>	145,646

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	(73,111)
Principal payments	569,283

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	1,745,179	
Change in net pension liability	(2,130,971)	
Change in deferred inflows of resources	<u>(1,301,121)</u>	(1,686,913)

Some expenses reported in the government wide statements do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds

Compensated absences	(162,281)
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Net income of internal service funds	<u>1,778,488</u>
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CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (319,691)

*See accompanying notes*

**YAMHILL COUNTY**

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	Budget		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 21,486,144	\$ 21,486,144	\$ 22,991,462	\$ 1,505,318
Miscellaneous taxes	20,000	20,000	22,123	2,123
Licenses and permits	1,138,350	1,138,350	1,180,461	42,111
Intergovernmental	8,549,711	8,549,711	7,903,877	(645,834)
Charges for services	8,551,519	8,551,519	7,124,805	(1,426,714)
Fines and forfeitures	187,528	187,528	264,939	77,411
Interest earnings	346,195	346,195	531,213	185,018
Other	250,582	250,582	295,064	44,482
<b>TOTAL REVENUES</b>	<b>40,530,029</b>	<b>40,530,029</b>	<b>40,313,944</b>	<b>(216,085)</b>
<b>EXPENDITURES</b>				
Discretionary	900,000	782,595	-	782,595
Administrative Services	1,389,035	1,429,035	1,414,674	14,361
Assessor	2,163,080	2,163,080	1,893,999	269,081
Board of Commissioners	593,899	593,899	539,949	53,950
Clerk	899,994	899,994	853,468	46,526
Information Systems	1,928,725	1,928,725	1,583,371	345,354
District Attorney	2,755,086	2,755,086	2,449,564	305,522
Planning	2,311,525	2,311,525	1,954,486	357,039
Surveyor	64,406	64,406	64,220	186
Support Enforcement	485,022	485,022	448,955	36,067
Treasurer	38,074	38,074	37,327	747
County Counsel	583,618	583,618	548,865	34,753
Transportation	5,314,187	5,314,187	4,297,055	1,017,132
Non-departmental	1,017,106	1,039,461	1,031,555	7,906
Emergency Management	288,592	288,592	267,072	21,520
Jail	6,459,663	6,459,663	6,374,664	84,999
Marine	109,927	109,927	65,176	44,751
Sheriff	9,362,890	9,362,890	7,504,000	1,858,890
911/Dispatch Services	696,281	696,281	693,529	2,752
Mediation Services	110,172	110,172	93,726	16,446
Narcotics Investigation	132,816	132,816	69,788	63,028
Juvenile Department	1,580,002	1,580,002	1,472,785	107,217
Juvenile Detention	1,834,501	1,889,551	1,776,552	112,999
Parks	1,016,502	1,016,502	271,190	745,312
Courthouse Security	406,094	406,094	392,144	13,950
Radio System	421,923	421,923	170,735	251,188
Contingency	1,000,000	1,000,000	-	1,000,000
<b>TOTAL EXPENDITURES</b>	<b>43,863,120</b>	<b>43,863,120</b>	<b>36,268,849</b>	<b>7,594,271</b>
Excess (deficiency) of revenues over expenditures	(3,333,091)	(3,333,091)	4,045,095	7,378,186

*Continued on next page*

**GENERAL FUND (Continued)**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

	Budget		Actual	Variance
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 178,666	\$ 178,666	\$ 185,416	\$ 6,750
Transfers out	<u>(3,947,393)</u>	<u>(3,947,393)</u>	<u>(3,954,143)</u>	<u>(6,750)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(3,768,727)</u>	<u>(3,768,727)</u>	<u>(3,768,727)</u>	<u>-</u>
Net change in fund balance	(7,101,818)	(7,101,818)	276,368	7,378,186
Fund balance at beginning of year	<u>11,537,056</u>	<u>11,537,056</u>	<u>15,550,338</u>	<u>4,013,282</u>
Fund balance at end of year	<u>\$ 4,435,238</u>	<u>\$ 4,435,238</u>	<u>\$ 15,826,706</u>	<u>\$ 11,391,468</u>

**YAMHILL COUNTY**

**ROAD FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Licenses and permits	\$ 52,753	\$ 67,965	\$ 15,212
Intergovernmental	8,711,890	9,749,731	1,037,841
Charges for services	683,338	647,623	(35,715)
Interest earnings	70,215	62,116	(8,099)
Other	<u>52,886</u>	<u>82,830</u>	<u>29,944</u>
<b>TOTAL REVENUES</b>	<u>9,571,082</u>	<u>10,610,265</u>	<u>1,039,183</u>
<b>EXPENDITURES</b>			
Road	12,149,169	9,668,651	2,480,518
Debt service	655,300	655,260	40
Contingency	<u>156,150</u>	<u>-</u>	<u>156,150</u>
<b>TOTAL EXPENDITURES</b>	<u>12,960,619</u>	<u>10,323,911</u>	<u>2,636,708</u>
Net change in fund balance	(3,389,537)	286,354	3,675,891
Fund balance at beginning of year	<u>3,499,537</u>	<u>3,549,797</u>	<u>50,260</u>
Fund balance at end of year	<u>\$ 110,000</u>	<u>\$ 3,836,151</u>	<u>\$ 3,726,151</u>

*See accompanying notes*

**YAMHILL COUNTY**

**HEALTH AND HUMAN SERVICES FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Licenses and permits	\$ 374,298	\$ 317,225	\$ (57,073)
Intergovernmental	9,367,308	8,203,079	(1,164,229)
Charges for services	26,521,037	26,104,841	(416,196)
Interest earnings	231,231	226,747	(4,484)
Other	<u>465,430</u>	<u>428,712</u>	<u>(36,718)</u>
 TOTAL REVENUES	 <u>36,959,304</u>	 <u>35,280,604</u>	 <u>(1,678,700)</u>
 <b>EXPENDITURES</b>			
Health and human services	44,209,886	40,117,165	4,092,721
Contingency	<u>4,593,659</u>	<u>-</u>	<u>4,593,659</u>
 TOTAL EXPENDITURES	 <u>48,803,545</u>	 <u>40,117,165</u>	 <u>8,686,380</u>
 Excess (deficiency) of revenues over expenditures	 <u>(11,844,241)</u>	 <u>(4,836,561)</u>	 <u>7,007,680</u>
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>1,877,634</u>	<u>1,877,634</u>	<u>-</u>
 TOTAL OTHER FINANCING SOURCES (USES)	 <u>1,877,634</u>	 <u>1,877,634</u>	 <u>-</u>
 Net change in fund balance	 (9,966,607)	 (2,958,927)	 7,007,680
Fund balance at beginning of year	<u>14,731,899</u>	<u>11,719,804</u>	<u>(3,012,095)</u>
 Fund balance at end of year	 <u>\$ 4,765,292</u>	 <u>\$ 8,760,877</u>	 <u>\$ 3,995,585</u>

*See accompanying notes*

**YAMHILL COUNTY**

**STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 June 30, 2019**

	Business-type Activities	Governmental Activities
	Cove Orchard Sewer	Internal Service Funds
<b><u>ASSETS</u></b>		
Current assets		
Cash and cash equivalents	\$ 31,778	\$ 3,970,358
Investments	35,851	4,479,253
Receivables	28,537	81,712
Prepaid items	-	422,985
Advances to other funds	-	692,506
	<hr/>	<hr/>
Total current assets	96,166	9,646,814
	<hr/>	<hr/>
Capital assets		
Capital assets, not being depreciated	78,356	-
Other capital assets, net	7,225	2,354,040
	<hr/>	<hr/>
Total capital assets	85,581	2,354,040
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>181,747</b>	<b>12,000,854</b>
	<hr/>	<hr/>
<b><u>LIABILITIES</u></b>		
Accounts payable and accrued liabilities	300	45,384
Compensated absences payable	46	3,796
	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	<b>346</b>	<b>49,180</b>
	<hr/>	<hr/>
<b><u>NET POSITION</u></b>		
Investment in capital assets	85,581	2,354,040
Unrestricted	95,820	9,597,634
	<hr/>	<hr/>
<b>TOTAL NET POSITION</b>	<b>\$ 181,401</b>	<b>\$ 11,951,674</b>
	<hr/>	<hr/>

*See accompanying notes*

**YAMHILL COUNTY**

**STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2019**

	Business-type Activities <u>Cove Orchard Sewer</u>	Governmental Activities <u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 58,800	\$ 93,436
Other	<u>253</u>	<u>225,402</u>
<b>TOTAL OPERATING REVENUES</b>	<u>59,053</u>	<u>318,838</u>
<b>OPERATING EXPENSES</b>		
Personnel services	4,729	292,595
Materials and services	49,339	1,819,194
Depreciation	<u>2,168</u>	<u>666,095</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>56,236</u>	<u>2,777,884</u>
Operating income (loss)	<u>2,817</u>	<u>(2,459,046)</u>
<b>NONOPERATING REVENUES</b>		
Investment earnings	1,889	203,310
(Loss) on sale of capital asset	<u>-</u>	<u>(417)</u>
<b>TOTAL NONOPERATING REVENUES</b>	<u>1,889</u>	<u>202,893</u>
Income (loss) before transfers	4,706	(2,256,153)
Transfers in	-	4,175,172
Transfers out	<u>(79)</u>	<u>(140,531)</u>
Change in net position	4,627	1,778,488
Net position - beginning	<u>176,774</u>	<u>10,173,186</u>
Net position - ending	<u>\$ 181,401</u>	<u>\$ 11,951,674</u>

*See accompanying notes*

**YAMHILL COUNTY**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2019**

	Business-type Activities <u>Cove Orchard Sewer</u>	Governmental Activities <u>Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 53,150	\$ -
Receipts from interfund services provided	-	3,737,134
Other receipts	253	273,939
Payments for interfund services provided	(79)	(140,531)
Payments to suppliers of goods or services	(50,004)	(2,221,905)
Payments to employees for services	<u>(4,804)</u>	<u>(294,715)</u>
Net cash provided by (used in) operating activities	<u>(1,484)</u>	<u>1,353,922</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Repayments of advances from other funds	-	52,437
Transfers in	<u>-</u>	<u>526,264</u>
Net cash provided by (used in) operating activities	<u>-</u>	<u>578,701</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of capital assets	-	(836,892)
Repayment of advances to other funds	<u>-</u>	<u>42,002</u>
Net cash (used in) capital and related financing activities	<u>-</u>	<u>(794,890)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	1,889	193,425
Purchase of investments	<u>(4,577)</u>	<u>(1,203,015)</u>
Net cash (used in) investing activities	<u>(2,688)</u>	<u>(1,009,590)</u>
Net increase (decrease) in cash and cash equivalents	(4,172)	128,143
Cash and cash equivalents - beginning of year	<u>35,950</u>	<u>3,842,215</u>
Cash and cash equivalents - end of year	<u>\$ 31,778</u>	<u>\$ 3,970,358</u>

*Continued on next page*

**STATEMENT OF CASH FLOWS (Continued)**  
**PROPRIETARY FUNDS**

	Business-type Activities <u>Cove Orchard Sewer</u>	Governmental Activities <u>Internal Service Funds</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>		
Operating income (loss)	\$ 2,817	\$ (2,459,046)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Transfers in for interfund charges	-	3,643,698
Transfers out for interfund charges	(79)	(140,531)
Depreciation	2,168	666,095
(Increase) decrease in assets:		
Receivables	(5,650)	48,537
Prepaid items	-	(422,705)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(665)	19,994
Compensated absences payable	(75)	(2,120)
	<u>          </u>	<u>          </u>
Net cash provided by (used in) operating activities	<u>\$ (1,484)</u>	<u>\$ 1,353,922</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS</b>		
Transfers out	<u>          -</u>	<u>          11,141</u>

*See accompanying notes*

YAMHILL COUNTY

STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
June 30, 2019

	<u>Agency Funds</u>
<b><u>ASSETS</u></b>	
Cash and cash equivalents	\$ 790,056
Investments	875,570
Property taxes receivable	<u>6,190,442</u>
 TOTAL ASSETS	 <u>\$ 7,856,068</u>
 <b><u>LIABILITIES</u></b>	
Intergovernmental payables	\$ 7,799,176
Amounts held in trust	<u>56,892</u>
 TOTAL LIABILITIES	 <u>\$ 7,856,068</u>

*See accompanying notes*

**YAMHILL COUNTY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**1. Summary of significant accounting policies**

A. 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; public works; health and human services; and parks, culture, and recreation.

The accompanying basic financial statements present all activities, funds, and component units for which the County is considered to be financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of this criteria, the County is a primary government with the following component units:

Special revenue fund:

Yamhill County Extension Service District (Extension)

Enterprise fund:

Cove Orchard Sewer Service District (Cove Orchard Sewer)

Blended component units, although legally separate entities, are, in substance, part of the County's operations and therefore, are combined with data of the primary government. Separately issued financial statements for Yamhill County Extension Service District may be obtained from the County. Cove Orchard Sewer Service District does not issue separate financial statements.

The County formed the Yamhill County Hospital Authority (Authority). The Authority only issues conduit debt for health facilities and the County has no assets or liabilities recorded for the Authority. See Note 6.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of significant accounting policies (continued)

#### B. 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.

#### C. 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of significant accounting policies (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 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of significant accounting policies (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, and issuance of full faith and credit bonds.

*Internal Service* – accounts for the cost of providing services to other funds which are charged a fee on a cost reimbursement basis for those services.

*Fiduciary* - accounts for resources received and held in a fiduciary capacity. Disbursements are made in accordance with the trust agreement or applicable legislative enactment for each particular fund.

#### D. Budget policies and budgetary control

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds of the County except agency funds. The County uses the modified accrual basis of accounting for all budgets. 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.

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The County established the levels of budgetary control at the program or department level for all funds.

Budget amounts may be revised since the original budget amounts were adopted. The County Commissioners authorize all appropriation transfers and supplemental budget appropriations.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of significant accounting policies (continued)

#### E. 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.

#### F. 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.

#### G. Property taxes

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 agency funds are offset by amounts held in trust and, accordingly, have not been recorded as revenue.

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.

#### H. Grants and entitlements

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

#### I. Inventories

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

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of significant accounting policies (continued)

#### J. Capital assets

Capital assets, which include property, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, sewers, street lighting, and 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The 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	30 - 50 years
Land improvements	25 years
Machinery and equipment	7 -10 years
Vehicles	5 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.

#### K. Long-term obligations

In the government-wide financial statements long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of significant accounting policies (continued)

#### L. Solid waste landfill post-closure care liabilities

The County owns two landfills and is responsible for their maintenance costs per DEQ. The two landfills are the Whiteson landfill which closed in 1983 and the Newberg landfill which closed in 1985. The County has received landfill closure permits from the Oregon Department of Environmental Quality. The Whiteson landfill closure permit was issued June 28, 2013 and will expire June 1, 2023. The Newberg landfill closure permit was issued February 20, 2015 and will expire December 1, 2024. State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the site.

The County has recorded a liability for the estimated cost of landfill post-closure care. This estimated liability is based on the projected ten year annual post-closure maintenance care expenses as estimated by Parametrix. The County has a \$10 million insurance policy which provides coverage for bodily injury, property damage, and remediation costs for pre-existing and new pollution incidents reported during the current policy period of March 29, 2016 to 2021. The County accounts for the costs of maintaining the closed landfills in the Solid Waste Fund (a nonmajor governmental special revenue fund).

The estimated future costs to maintain and monitor the landfills may change due to one or more of the following factors: inflation, deflation, changes in technology or changes to applicable laws or regulations.

#### M. Equity classifications

##### 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 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of significant accounting policies (continued)

#### Governmental fund type fund balance reporting

Governmental type fund balances are to be properly reported within one of the fund balance categories list 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.

***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.

#### N. Compensated absences

It is the County's policy to permit employees to accumulate earned but unused vacation leave and compensatory time. There is no liability for unpaid accumulated sick leave, as sick leave does not vest and is recorded as an expenditure when paid. Employees covered under collective bargaining can earn "flexible time off" in lieu of vacation and sick leave. "Flexible time off" earned vests over 14 years. All vacation leave and compensatory time is accrued when earned in the government-wide and proprietary funds. A liability for these amounts is reported in the governmental fund types only if they have vested.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of significant accounting policies (continued)

#### O. 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.

#### P. 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 dated July 1, 2018 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 Employee Benefit Plan for the Employees of Yamhill County.

#### Q. Deferred outflows / inflows of resources

In addition to assets, the statements of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. 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. This separate financial statement element represents amounts that apply to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 2. Cash, cash equivalents and investments

The County's cash, cash equivalents and investments at June 30, 2019 are as follow:

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.

Cash and cash equivalents	
Deposits with financial institutions	\$ 1,459,334
State of Oregon Local Government Investment Pool	22,147,656
Cash on hand	10,655
Cash with fiscal agent	<u>68,589</u>
Total cash and cash equivalents	<u>\$ 23,686,234</u>
Investments	
US government agency securities	\$ 8,921,046
Corporate bonds	13,994,993
Municipal bonds	3,646,042
Certificates of deposit	<u>144,362</u>
Total investments	<u>\$ 26,706,443</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 2. Cash, cash equivalents and investments (continued)

#### A. Deposits with financial institutions

*Custodial Credit Risk – Deposits:* 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 District’s deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2019, none of the County’s bank balances were exposed to custodial credit risk.

#### B. 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. 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 2. Cash, cash equivalents and investments (continued)

#### C. Investments

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

<u>Investment Type</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (in months)</u>
Certificates of Deposit	Unrated	\$ 144,362	24.03
		<u>144,362</u>	
US Agencies	AAA/AA+	8,671,894	26.98
	Unrated/ AA+	149,106	19.46
	Unrated	<u>100,046</u>	79.68
		<u>8,921,046</u>	
Corporate Bonds	AAA/AAA	244,552	10.63
	AAA/AA+	697,966	26.06
	Aa1/AA+	506,001	50.37
	Aa1/AA-	1,129,731	31.95
	Aa1/Unrated	147,741	50.07
	Aa2/AA	1,045,769	41.15
	Aa2/AA-	833,276	26.73
	Aa2/A+	1,594,412	26.08
	Aa2/Unrated	199,817	21.73
	Aa3/AA-	2,482,787	26.86
	Aa3/A+	318,099	17.32
	Aa3/Unrated	106,045	62.13
	A1/AA-	1,025,317	48.38
	A2/AA-	261,290	71.56
	A1/A+	289,374	15.94
	A1/A	571,798	45.04
	A1/Unrated	460,410	51.26
	A2/A	99,735	6.84
	A2/A-	1,273,279	25.46
	A3/A-	152,991	47.07
	Unrated/AA	200,114	24.52
	Unrated/AA-	<u>354,489</u>	18.71
		<u>13,994,993</u>	

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**2. Cash, cash equivalents and investments (continued)**

<u>Investment Type</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (in months)</u>
Municipal			
	Aa1/AA+	\$ 395,217	28.02
	Aa1/Unrated	405,067	22.88
	Aa2/AAA	454,319	27.75
	Aa2/AA	448,653	28.57
	Aa2/Unrated	251,380	12.03
	A1/AA	303,801	31.10
	A2/AA	136,800	41.09
	Unrated/AA	797,992	41.41
	Unrated/AA-	220,229	14.10
	Unrated/BBB-	232,584	55.87
		<u>3,646,042</u>	
Total Investments		<u>\$ 26,706,443</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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 2. Cash, cash equivalents and 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:

Investment	Max Investment
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	30%
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 will be 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 2. Cash, cash equivalents and investments (continued)

- 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.

*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.

*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.

*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.

### 3. Receivables

A. The County's receivables at June 30, 2019 are as follows:

	General	Road	Health and Human Services	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Property taxes	\$ 1,289,768	\$ -	\$ -	\$ -	\$ 22,265	\$ 1,312,033
Grants	997,079	725,195	292,408	56,795	7,414	2,078,891
Accounts	221,209	9,598	1,493,669	-	56,915	1,781,391
	<u>\$ 2,508,056</u>	<u>\$ 734,793</u>	<u>\$ 1,786,077</u>	<u>\$ 56,795</u>	<u>\$ 86,594</u>	<u>\$ 5,172,315</u>
			Proprietary Fund	Fiduciary Fund		
		Total				
	Internal Service Funds	Governmental Activities	Cove Orchard Sewer	Agency	Totals	
Property taxes	\$ -	\$ 1,312,033	\$ -	\$ 6,190,442	\$ 7,502,475	
Grants	-	2,078,891	-	-	2,078,891	
Accounts	81,712	1,863,103	28,537	-	1,891,640	
	<u>\$ 81,712</u>	<u>\$ 5,254,027</u>	<u>\$ 28,537</u>	<u>\$ 6,190,442</u>	<u>\$ 11,473,006</u>	

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 4. Capital assets

A. Capital asset activity for the governmental activities for the year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
Capital assets, not being depreciated:				
Land	\$ 4,578,092	\$ -	\$ -	\$ 4,578,092
Right of way	27,640,247	-	-	27,640,247
Gravel roads	19,148,800	-	-	19,148,800
Construction in progress	<u>1,970,615</u>	<u>208,061</u>	<u>1,885,779</u>	<u>292,897</u>
Total capital assets, not being depreciated	<u>53,337,754</u>	<u>208,061</u>	<u>1,885,779</u>	<u>51,660,036</u>
Capital assets, being depreciated:				
Buildings	23,145,507	4,385,610	-	27,531,117
Machinery and equipment	21,034,384	3,335,893	230,155	24,140,122
Infrastructure	<u>370,778,205</u>	<u>2,439,125</u>	<u>-</u>	<u>373,217,330</u>
Total capital assets being depreciated	<u>414,958,096</u>	<u>10,160,628</u>	<u>230,155</u>	<u>424,888,569</u>
Less accumulated depreciation for:				
Buildings	9,263,954	675,309	-	9,939,263
Machinery and equipment	14,905,502	1,484,071	209,409	16,180,164
Infrastructure	<u>313,242,256</u>	<u>4,852,958</u>	<u>-</u>	<u>318,095,214</u>
Total accumulated depreciation	<u>337,411,712</u>	<u>7,012,338</u>	<u>209,409</u>	<u>344,214,641</u>
Total capital assets, being depreciated, net	<u>77,546,384</u>	<u>3,148,290</u>	<u>20,746</u>	<u>80,673,928</u>
Total capital assets, net	<u>\$ 130,884,138</u>	<u>\$ 3,356,351</u>	<u>\$ 1,906,525</u>	<u>\$ 132,333,964</u>

B. Depreciation expense was charged to governmental activities functions/programs as follows:

General government	\$ 1,824,675
Public safety	65,767
Highways and streets	26,226
Health and welfare	4,906,031
Parks, culture and recreation	<u>189,639</u>
Total depreciation expense- governmental activities	<u>\$ 7,012,338</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 4. Capital assets (continued)

C. Capital asset activity for the business-type activities for the year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
Capital assets, not being depreciated:				
Land	\$ 78,356	\$ -	\$ -	\$ 78,356
Capital assets, being depreciated:				
Buildings and equipment	978,346	-	-	978,346
Less accumulated depreciation for:				
Buildings and equipment	968,953	2,168	-	971,121
 Total capital assets, being depreciated, net	 9,393	 (2,168)	 -	 7,225
 Total capital assets, net	 \$ 87,749	 \$ (2,168)	 \$ -	 \$ 85,581

D. Depreciation expense charged to the sewer business-type activity amounted to \$2,168 for the year ended June 30, 2019.

### 5. Long-term obligations

A. Changes in governmental activities long-term obligations for the year ended June 30, 2019 were as follows:

	Outstanding July 1, 2018	Additions	Reductions	Outstanding June 30, 2019	Balances Due Within One Year
<i>Governmental activities</i>					
Long-term debt obligations					
Notes from direct borrowings and direct placements					
Oregon Department of Transportation	\$ 7,608,556	\$ -	\$ 569,283	\$ 7,039,273	\$ 496,172
Other long-term obligations					
Compensated absences	1,615,408	1,775,569	1,615,408	1,775,569	1,775,569
Landfill liability	1,418,150	-	-	1,418,150	132,223
Other postemployment benefit liability	1,632,066	-	230,733	1,401,333	-
Net pension liability	25,298,743	2,130,971	-	27,429,714	-
 Total long-term obligations	 \$ 37,572,923	 \$ 3,906,540	 \$ 2,415,424	 \$ 39,064,039	 \$ 2,403,964
<i>Business-type activities</i>					
Other long-term obligations					
Compensated absences	\$ 121	\$ -	\$ 75	\$ 46	\$ 46

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 5. Long-term obligations (continued)

#### B. 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. 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. Annual payments of \$655,260 include interest at 2.26 percent. At June 30, 2019, the balance of the loan is \$7,039,273.

#### C. Future maturities

The future maturities of the long-term debt obligation outstanding as of June 30, 2019 are as follows:

Fiscal Year Ending	Oregon Department of Transportation		Total
	Principal	Interest	
2020	\$ 496,172	\$ 159,088	\$ 655,260
2021	507,386	147,874	655,260
2022	518,853	136,407	655,260
2023	530,579	124,681	655,260
2024	542,570	112,690	655,260
2025-29	2,902,417	373,882	3,276,299
2030-32	<u>1,541,296</u>	<u>62,118</u>	<u>1,603,414</u>
	<u>\$ 7,039,273</u>	<u>\$ 1,116,740</u>	<u>\$ 8,156,013</u>

#### D. Landfill liability

The landfill post-closure care liability represents projected ten year post-closure maintenance care expenses of the Whitson and Newberg landfills per the August 2018 analysis by Parametrix. Future maturities have not been established, but Parametrix and the County estimate \$132,223 to be retired in the 2019-20 fiscal year. However, future costs paid are subject to change due to inflation, deflation, changes in technology or changes to applicable laws or regulations.

### 6. Conduit debt

The County has issued three 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 6. Conduit debt (continued)

On August 4, 2016 the Yamhill County Hospital Authority (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) has a maturity date of November 15, 2020. The proceeds were assigned to Friendsview Manor dba 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 amounts at June 30, 2019 for series 2016A and series 2016B are \$40,530,000 and \$575,000 respectively. The Authority has no taxing power.

In July 2012, the County issued tax-exempt series 2012A bonds in the amount of \$19,510,000. The bonds were assigned to George Fox University to fully defease previously issued bonds which were issued to finance the acquisition of real estate and construction of capital improvements. The outstanding amounts for the series 2012A issue at June 30, 2019 was \$19,510,000. George Fox University has no taxing power.

In April 2018, the County authorized tax-exempt series 2018 bonds in the amount of \$15,000,000. The bonds were assigned to George Fox University and were issued to finance construction of capital improvements. The outstanding amounts for the series 2018 issue at June 30, 2019 was \$15,000,000. George Fox University has no taxing power.

### 7. Interfund balances and transfers

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

Fund	Transfers	
	In	Out
General	\$ 2,027,390	\$ 6,598,472
Road	585,587	997,879
Health and Human Services	2,115,011	3,333,104
Capital Improvement	3,329,630	114,585
Nonmajor funds	445,195	1,482,194
Governmental activities - non-cash	-	11,141
Cove Orchard Sewer	-	79
Internal Service funds	4,164,031	140,531
Internal Service funds - non-cash	11,141	-
	<u>\$ 12,677,985</u>	<u>\$ 12,677,985</u>

Transfers between funds were made to facilitate operations of County services, provide for transfers to the Internal Service funds and provide sufficient operating resources to the Health and Human Services Fund and nonmajor funds.

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**7. Interfund balances and transfers (continued)**

B. Advances and due to/from other funds are as follows:

<u>Advances to other funds</u>	<u>Capital Improvement</u>
General	\$ 403,454
Nonmajor governmental	190,437
Internal service funds	<u>692,506</u>
	<u>\$ 1,286,397</u>

The Solid Waste Fund made advances to the Capital Improvement Fund to redeem the series 2003 full faith and credit bond. The outstanding amount of the advance at June 30, 2019 is \$190,437.

The Landfill License Reserve (General) and the Motor Vehicle Replacement (Internal Service) 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, 2019 is \$403,454 in each fund.

The Self-Insurance Fund (Internal Service) made advances to the Capital Improvement Fund to acquire real property. The outstanding amount of the advance at June 30, 2019 is \$289,052.

**8. Unavailable revenue**

Resources owned by the County, which are measurable but unavailable in the governmental funds, consist of the following:

	<u>General</u>	<u>Nonmajor Funds</u>	<u>Totals</u>
Property taxes	\$ 1,010,905	\$ 17,470	\$ 1,028,375
Unearned revenues	<u>-</u>	<u>33,407</u>	<u>33,407</u>
Total	<u>\$ 1,010,905</u>	<u>\$ 50,877</u>	<u>\$ 1,061,782</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined benefit pension plan

#### A. Plan description

Employees of the County are provided with pensions through the Oregon Public Employee 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 Comprehensive Annual Financial Report which includes detailed information about the pension plan's fiduciary net position. The report can be found at: [www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf](http://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf).

#### B. Description of benefit terms

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

#### Tier One/Tier Two retirement benefit (Chapter 238)

Tier One/Tier Two 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 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater 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. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60.

#### *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 a 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 a OPERS-covered job, or
- the member was on an official leave of absence from a OPERS-covered job at the time of death

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined benefit pension plan (continued)

#### *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 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)

#### *Pension benefits*

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

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 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

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 percent 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 percent of the member's salary determined as of the last full month of employment before the disability occurred.

#### *Benefit changes after retirement*

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined benefit pension plan (continued)

#### C. Contributions

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due.

Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation.

Tier One/Tier Two employer contribution rates are 16.48 percent and the OPSRP employer contribution rates are 8.74 percent for general service employees and 13.51 for police and fire employees. Employer contributions for the year ended June 30, 2019 were \$3,430,447.

#### D. Actuarial valuations – Tier One/Tier Two

The December 31, 2015 actuarial valuation used the following actuarial methods and valuation procedures in determining the Tier One/Tier Two contribution rates.

##### *Actuarial cost method*

The employer contribution rates effective July 1, 2017, through June 30, 2019, were set using the entry age normal actuarial cost method. Under this actuarial cost method, each active member's entry age present value of projected benefits is allocated over the member's service from the member's date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

##### *Unfunded actuarial accrued liability amortization*

The Tier One/Tier Two UAL amortization period is reset to 20 years as of December 31, 2013. Gains and losses between subsequent odd-year valuations will be amortized as a level percentage of combined valuation payroll (Tier One/ Tier Two plus OPSRP payroll) over a closed 20 year period from the valuation in which they are first recognized.

##### *Retiree healthcare unfunded actuarial accrued liability amortization*

The UAL for Retiree Health Care as of December 31, 2007 is amortized as a level percentage of combined valuation payroll (Tier One/ Tier Two plus OPSRP payroll) over a closed 10 year period. Gains and losses between subsequent odd-year valuations are amortized as a level percentage of combined valuation payroll over a closed 10 year period from the valuation in which they are first recognized.

##### *Asset valuation method*

The actuarial value of assets equals the market value of assets, excluding the Contingency and Capital Preservation Reserves, and the Rate Guarantee Reserve when it is in positive surplus status. Market values are reported to the actuary by PERS. Real estate and private equity investments are reported on a three-month lag basis.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined benefit pension plan (continued)

#### *Contribution rate stabilization method*

Contribution rates are confined to a collared range based on the prior contribution rates. The new contribution rates will generally not increase or decrease from the prior contribution rate by more than the greater of 3 percentage points or 20 percent of the prior contribution rate. If the funded percentage excluding side accounts drops below 60 percent or increases above 140 percent the size of the collar doubles. If the funded percentage excluding side accounts is between 60 percent and 70 percent or between 130 percent and 140 percent, the size of the rate collar is increased on a graded scale.

#### *Allocation of liability for service segments*

For active Tier One/Tier Two members who have worked for multiple PERS employers over their career, the calculated actuarial accrued liability is allocated among the employers based on a weighted average of the Money Match methodology, which uses account balance, and the Full Formula methodology, which uses service. The allocation is 25 percent based on account balance with each employer and 75 percent based on service with each employer. The entire normal cost is allocated to the current employer.

#### *Allocation of benefits-in-force reserve*

The reserve is allocated to each rate pool in proportion to the retiree liability attributable to the rate pool.

#### *Economic assumptions*

Investment return	7.50% compounded annually
Interest crediting	7.50% compounded annually on regular and variable account balances
Inflation	2.50% compounded annually
Payroll growth	3.50% compounded annually
Healthcare cost trends	Ranges from 6.3% in 2016 to 4.4% in 2094

#### *Demographic assumptions*

##### Mortality tables

Healthy retirees	RP 2000, Generational (Scale BB) Combined Active/Healthy Annuitant, Sex Distinct
Disabled retirees	RP 2000, Generational (Scale BB), Combined Disabled, No Collar, Sex Distinct. Male 70% and Female 95% of disabled table but not less than the corresponding healthy annuity rates
Non-annuitants	Ranges from 55% to 75% of healthy retired mortality tables depending upon sex and employment type

#### *Retirement assumptions*

Probability tables based on age of member, years of service and employment type with all police and fire retired by age 65 and all others retired by age 70. Dormant members are assumed to retire at Normal Retirement Age or at the first unreduced retirement age. Members retiring may elect to receive a full or partial lump sum at retirement with a partial lump sum estimated to be elected 4.5 percent of the time and a total lump sum elected 2.5 percent for 2016 and declining by 0.5 percent per year until reaching zero.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined benefit pension plan (continued)

#### *Salary increase assumptions*

Salary increase assumptions, in addition to general payroll growth, include merit increase, unused sick leave and vacation pay adjustments.

#### E. Actuarial valuations – OPSRP

The December 31, 2015 actuarial valuation for OPSRP generally used the same actuarial methods and valuation procedures as Tier One/Tier Two contribution rates except as follows:

#### *OPSRP unfunded actuarial accrued liability amortization*

The UAL as of December 31, 2007 is amortized as a level percentage of combined valuation payroll (Tier One/ Tier Two plus OPSRP payroll) over a closed period 16 year period. Gains and losses between subsequent odd-year valuations are amortized as a level percentage of combined valuation payroll over 16 years from the valuation in which they are first recognized.

#### *Economic assumptions*

An additional amount for administrative expenses is added to the normal cost.

#### *Retirement assumptions*

Probability tables are different but still based on age of member, years of service and employment type with all police and fire retired by age 65 and all others retired by age 70. Dormant members are assumed to retire at Normal Retirement Age or at the first unreduced retirement age. Members retiring may elect to receive a full or partial lump sum at retirement with a partial lump sum estimated to be elected 4.5 percent of the time and a total lump sum elected 2.5 percent for 2016 and declining by 0.5 percent per year until reaching zero.

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

#### *Net pension liability*

At June 30, 2019, the County reported a liability of \$27,429,714 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined benefit pension plan (continued)

Employers' long-term contribution efforts are based on projected rates that have two major components:

Normal Cost Rate: The economic value, stated as a percent of payroll, for the portion of each active member's total projected retirement benefit that is allocated to the upcoming year of service. The rate is in effect for as long as each member continues in OPERS-covered employment. The current value of all projected future Normal Cost Rate contributions is the Present Value of Future Normal Costs (PVFNC). 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 One/Tier Two payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll.

The employer's Normal Cost Rates for each payroll are combined with system-wide present value factors for each payroll to develop an estimated PVFNC. The present value factors are actuarially determined at a system level for simplicity and to allow for the PVFNC calculations to be audited in a timely, cost-effective manner.

UAL Rate: If system assets are less than the actuarial liability, an Unfunded Actuarial Liability (UAL) exists. UAL can arise 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 present value of all projected UAL Rate contributions is equal to the Unfunded Actuarial Liability (UAL). The UAL represents the portion of the projected long-term contribution effort related to past service.

The UAL has Tier One/Tier Two and OPSRP pieces. The Tier One/Tier Two piece is based on the employer's Tier One/Tier Two pooling arrangement. If an employer participates in one of the two large Tier One/Tier Two rate pools [State & Local Government Rate Pool (SLGRP) or School Districts Rate Pool], then the employer's Tier One/Tier Two UAL is their pro-rata share of their pool's UAL. The pro-rata calculation is based on the employer's payroll in proportion to the pool's total payroll. The OPSRP piece of the UAL follows a parallel pro-rata approach, as OPSRP experience is mandatorily pooled at a state-wide level. Employers that do not participate in a Tier One/Tier Two pooling arrangement, who are referred to as "Independent Employers", have their Tier One/Tier Two UAL tracked separately in the actuarial valuation.

The projected long-term contribution effort is the sum of the PVFNC and the UAL. The PVFNC part of the contribution effort pays for the value of future service while the UAL part of the contribution effort pays for the value of past service not already funded by accumulated contributions and investment earnings. Each of the two contribution effort components are calculated at the employer-specific level. The sum of these components across all employers is the total projected long-term contribution effort.

At June 30, 2018, the County's proportion was 0.18106996 percent, which was a decrease of 0.00660565 percent from its proportion measured as of June 30, 2017.

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**9. Defined benefit pension plan (continued)**

*Pension expense*

For the year ended June 30, 2019, the County recognized pension expense of \$5,117,360.

*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, 2018, 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
- Differences between projected and actual earnings

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.

At June 30, 2019, 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	\$ 933,077	\$ --
Change of assumptions	6,377,356	--
Net difference between projected and actual earnings on pension plan investments	--	1,218,034
Changes in proportionate share	17,908	1,059,169
Difference between contributions and proportionate share of system contributions	1,180,331	281,172
Contributions subsequent to the measurement date	<u>3,430,447</u>	<u>--</u>
Total	<u>\$ 11,939,119</u>	<u>\$ 2,558,375</u>

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**9. Defined benefit pension plan (continued)**

Deferred outflows of resources related to pensions resulting from the County’s contributions subsequent to the measurement in the amount of \$3,430,447 will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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,	
2020	\$ 3,253,493
2021	2,380,928
2022	(209,673)
2023	364,185
2024	<u>161,364</u>
Total	<u>\$ 5,950,297</u>

**G. Actuarial methods and assumptions used in developing total pension liability**

The total pension liability measured as of June 30, 2018 was based on an actuarial valuation as of December 31, 2016 using the following methods and assumptions:

Experience study report	2016, published July 26, 2017
Inflation rate	2.5 percent
Long-term expected rate of return	7.2 percent
Discount rate	7.2 percent
Projected salary increases	3.5 percent
	Cost of living adjustments (COLA) blend of 2.00 percent COLA and graded COLA (1.25 percent/.015) in accordance with <i>Moro</i> decision; blend based on service
Mortality	<b><i>Healthy retirees and beneficiaries:</i></b> RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. <b><i>Active members:</i></b> RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. <b><i>Disabled retirees:</i></b> RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined benefit pension plan (continued)

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 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

#### *Discount rate*

The discount rate used to measure the total pension liability was 7.2 percent. 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.

#### *Long-term expected rate of return*

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both the actuaries 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.

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**9. Defined benefit pension plan (continued)**

<b><u>Long-Term Expected Rate of Return</u></b>				
<b>Asset Class</b>	<b>Target Allocation*</b>	<b>Annual Arithmetic Return</b>	<b>Compound Annual (Geometric) Return</b>	<b>Standard Deviation</b>
Core Fixed Income	8.00 %	3.59 %	3.49 %	4.55 %
Short-Term Bonds	8.00	3.42	3.38	2.70
Bank/Leveraged Loans	3.00	5.34	5.09	7.50
High Yield Bonds	1.00	6.90	6.45	10.00
Large/Mid Cap US Equities	15.75	7.45	6.30	16.25
Small Cap US Equities	1.31	8.49	6.69	20.55
Micro Cap US Equities	1.31	9.01	6.80	22.90
Developed Foreign Equities	13.13	8.21	6.71	18.70
Emerging Market Equities	4.13	10.53	7.45	27.35
Non-US Small Cap Equities	1.88	8.67	7.01	19.75
Private Equity	17.50	11.45	7.82	30.00
Real Estate (Property)	10.00	6.15	5.51	12.00
Real Estate (REITS)	2.50	8.26	6.37	21.00
Hedge Fund of Funds - Diversified	2.50	4.36	4.09	7.80
Hedge Fund - Event-driven	0.63	6.21	5.86	8.90
Timber	1.88	6.37	5.62	13.00
Farmland	1.88	6.90	6.15	13.00
Infrastructure	3.75	7.54	6.60	14.65
Commodities	1.88	5.43	3.84	18.95
Assumed Inflation - Mean			2.50 %	1.85 %
* Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, revised as of June 7, 2017.				

*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 (paragraph 67) 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined benefit pension plan (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 percent 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.

#### H. 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 7.2 percent, 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 (6.2 percent) or 1-percentage-point higher (8.2 percent) than the current rate:

	<u>1 Percentage Point Lower</u>	<u>Current Discount Rate</u>	<u>1 Percentage Point Higher</u>
Proportionate share of net pension liability	\$ 45,840,234	\$ 27,429,714	\$ 12,233,336

### 10. Defined contribution plan

#### A. Plan description

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

#### B. 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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 10. Defined contribution plan

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.

#### C. 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.

#### D. Contributions

The County makes the employee contributions of 6 percent of covered payroll to the plan. Contributions for the year ended June 30, 2019 were \$1,849,799.

#### E. Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 11. Other postemployment benefits

#### Oregon Public Employees Retirement Systems Retirement Health Insurance Account

##### A. 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 Comprehensive Annual Financial Report which includes detailed information about the plan's fiduciary net position. The report can be found at: [www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf](http://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf)

##### B. Description of benefit terms

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

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.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 11. Other postemployment benefits (continued)

#### C. Contributions

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due.

Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation. The County contributed 0.07 percent of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits and 0.43 percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability. For the year ended June 30, 2019, the County made contributions in the amount of \$139,164 to the RHIA.

#### D. Actuarial valuations

Except as outlined below, the December 31, 2015 actuarial valuation used the same actuarial methods and valuation procedures to determine contribution rates as the PERS Tier One and Tier Two defined benefit pension plan as discussed in note 9 .

##### *Economic assumptions*

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

##### *Retiree healthcare participation assumptions*

Eligible retiring members are assumed to elect RHIA coverage 38 percent of the time for health retirees and 20 percent of the time for disabled retirees.

#### E. Net OPEB liability/(asset), pension expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits

##### *Net OPEB liability (asset)*

At June 30, 2019, the County reported an (asset) of \$(299,549) for its proportionate share of the net OPEB liability/(asset). The net OPEB liability/(asset) was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability/(asset) was based on its actual, legally required contributions made during the fiscal year with the total actual contributions of all employers during the fiscal year.

At June 30, 2018, the County's proportion was 0.26834741 percent, which was an increase of 0.01238771 percent from its proportion measured as of June 30, 2017.

##### *OPEB expense*

For the year ended June 30, 2019, the County recognized OPEB (revenue) of \$(28,489).

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**11. Other postemployment benefits (continued)**

*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, 2018, 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
- Differences between projected and actual earnings

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.

At June 30, 2019, 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	\$ --	\$ 16,976
Changes of assumptions	--	950
Net difference between projected and actual earnings on pension plan investments	--	64,582
Changes in proportionate share	--	3,066
Contributions subsequent to the measurement date	<u>139,164</u>	<u>--</u>
 Total	 <u>\$ 139,164</u>	 <u>\$ 85,574</u>

Deferred outflows of resources related to OPEB resulting from the County's contributions subsequent to the measurement date in the amount of \$139,164 will be recognized as an adjust to the net OPEB (asset) / liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ends June 30,	
2020	\$ (28,688)
2021	(28,487)
2022	(21,979)
2023	(6,420)
2024	<u>--</u>
 Total	 <u>\$ (85,574)</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 11. Other postemployment benefits (continued)

#### F. 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 9 .

#### *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 (paragraph 82) 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 percent 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.

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**11. Other postemployment benefits (continued)**

G. Sensitivity of the proportionate share of the net OPEB liability/(asset) to changes in the discount rate

The following presents the proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.2 percent, 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 (6.2 percent) or 1-percentage-point higher (8.2 percent) than the current rate:

	1 Percentage Point <u>Lower</u>	Current Discount <u>Rate</u>	1 Percentage Point <u>Higher</u>
Proportionate share of net OPEB liability/(asset)	\$ (174,412)	\$ (299,549)	\$ (406,065)

Employee Benefit Plan for the Employees of Yamhill County

A. 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.

B. Plan membership

As of June 30, 2018, there were 412 active employees, 10 eligible retirees, and 1 spouse of ineligible retirees for a total of 423 plan members.

C. Contributions

The County funds the plan only to the extent of current year insurance premium requirements on a pay-as-you-go basis. The average monthly premium requirements for the County are as follows:

For retirees	\$ 651
For spouses of retirees	642

D. Total OPEB liability, changes in total OPEB liability, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB

At June 30, 2019, the County reported a total OPEB liability of \$1,401,333. The total OPEB liability was measured as of June 30, 2018 and determined by an actuarial valuation as of that date.

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**11. Other postemployment benefits (continued)**

Changes in the total OPEB liability is as follows:

	<u>Total OPEB Liability</u>
Balances at June 30, 2018	\$ 1,632,066
Changes for the year:	
Service cost	122,927
Interest	61,135
Effect of economic/demographic gains or losses	(75,784)
Changes in assumptions or other inputs	(243,556)
Benefit payments	<u>(95,455)</u>
Balances at June 30, 2019	<u>\$ 1,401,333</u>

For the year ended June 30, 2019, the County recognized OPEB expense of \$129,041. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ --	\$ 66,068
Changes of assumptions	--	294,002
County's contributions subsequent to the measurement Date	<u>107,034</u>	<u>--</u>
	<u>\$ 107,034</u>	<u>\$ 360,070</u>

Deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date in the amount of \$107,034 will be recognized as an adjustment to the Total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ends June 30,	
2020	\$ (55,022)
2021	(55,022)
2022	(55,022)
2023	(55,022)
2024	(55,022)
Thereafter	<u>(84,960)</u>
Total	<u>\$ (360,070)</u>

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**11. Other postemployment benefits (continued)**

E. 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.

F. Actuarial methods and assumptions used in developing total OPEB liability

Valuation Date	July 1, 2018
Actuarial Cost Method	Entry Age Normal, Level Percent of Pay
Actuarial Assumptions:	
Inflation Rate	2.5 percent
Projected Salary Increases	3.5 percent
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy Annuitant, sex distinct mortality tables blended 50/50 blue collar and white collar, set back one year for males. Mortality is projected on a generational basis using the Unisex Social Security Data Scale.
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.

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 3.87 percent. The discount rate is based on the Bond Buyer 20-year General Obligation Bond Index. The discount rate at the prior measurement date was 3.58 percent.

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**11. Other postemployment benefits (continued)**

Healthcare cost trend rate

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

<u>Year</u>	<u>Pre-65 Trend</u>
2018	6.75%
2019	7.00%
2020	5.50%
2021-2025	5.00%
2026-2029	4.75%
2030-2033	5.00%
2034	5.25%
2035	5.75%
2036-2038	6.00%
2039-2045	5.75%
2046-2050	5.50%
2051-2061	5.25%
2062-2065	5.00%
2066+	4.75%

Dental costs are assumed to increase 4.5 percent in all future years.

Sensitivity of the County 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 3.87 percent, 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 (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

	<u>1 Percentage Point Lower</u>	<u>Current Discount Rate</u>	<u>1 Percentage Point Higher</u>
County's total OPEB liability	\$ 1,531,121	\$ 1,401,333	\$ 1,283,526
	<u>1 Percentage Point Lower</u>	<u>Current Trend Rate</u>	<u>1 Percentage Point Higher</u>
County's total OPEB liability	\$ 1,239,186	\$ 1,401,333	\$ 1,597,193

## **NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

### **11. Other postemployment benefits (continued)**

#### G. Changes since prior valuation

The following items changed since the County's prior valuation:

- The expected claims and premiums were updated to reflect changes in available benefits and premium levels.
- The Health Care Cost Trend was updated to reflect changes in current premium levels, as well as future expected economic and regulatory conditions.
- The mortality, withdrawal and retirement rates were updated to reflect assumptions used in the Oregon PERS December 31, 2017 actuarial valuation.

### **12. 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.

### **13. Net position restricted through enabling legislation**

The government-wide statement of net position reports \$19,840,271 of restricted net position, of which \$589,780 is restricted by enabling legislation.

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**14. Governmental fund balances**

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

	General	Road	Health and Human Services	Capital Improvement	Other Governmental Funds	Total
<b>Fund balances:</b>						
<b>Nonspendable</b>						
Inventory	\$ -	\$ 174,318	\$ -	\$ -	\$ -	\$ 174,318
Prepaid items	203,831	-	-	-	29,114	232,945
Advances to other funds	403,454	-	-	-	190,437	593,891
<b>Restricted for:</b>						
Highways and streets	-	3,634,855	-	-	23,717	3,658,572
Schools and education	-	-	-	-	84,155	84,155
Health services	-	-	8,691,366	-	3,065,210	11,756,576
Grants	-	-	-	-	78,880	78,880
Public safety	-	-	-	-	2,359,338	2,359,338
County fair	-	-	-	-	202,848	202,848
Capital projects	-	-	-	-	300,098	300,098
Other purposes	-	-	-	-	988,465	988,465
<b>Assigned for:</b>						
Capital projects	-	-	-	2,499,225	-	2,499,225
Landfill costs	644,991	-	-	-	-	644,991
<b>Unassigned</b>	<u>16,260,612</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(402)</u>	<u>16,260,210</u>
	<u>\$ 17,512,888</u>	<u>\$ 3,809,173</u>	<u>\$ 8,691,366</u>	<u>\$ 2,499,225</u>	<u>\$ 7,321,860</u>	<u>\$ 39,834,512</u>

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**15. Budgetary perspective differences**

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 statements as follows:

	General	Road	Health and Human Services
	<u>General</u>	<u>Road</u>	<u>Services</u>
<b>Revenues</b>			
Total fund revenues - budgetary basis	\$ 40,313,944	\$ 10,610,265	\$ 35,280,604
Revenues of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	134,301	-	-
Landfill License Agreement	21,788	-	-
Fair value adjustment - investments	33,007	10,606	52,832
Certain items are classified as revenues on the budgetary basis and are shown as other financing sources on the governmental fund financial statements	<u>(1,848,724)</u>	<u>(585,587)</u>	<u>(237,377)</u>
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 38,654,316</u>	<u>\$ 10,035,284</u>	<u>\$ 35,096,059</u>
<b>Expenditures</b>			
Total fund expenditures - budgetary basis	\$ 36,268,849	\$ 10,323,911	\$ 40,117,165
Expenditures of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	20,852	-	-
Landfill License Agreement	113,717	-	-
Certain items are classified as expenditures on the budgetary basis and are shown as other financing sources on the governmental fund financial statements	<u>(2,639,605)</u>	<u>(997,879)</u>	<u>(3,333,104)</u>
Total expenditures reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 33,763,813</u>	<u>\$ 9,326,032</u>	<u>\$ 36,784,061</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 15. Budgetary perspective differences (continued)

	General	Road	Health and Human Services
<b>Other financing sources (uses)</b>			
Total fund other financing sources (uses) - budgetary basis	\$ (3,768,727)	\$ -	\$ 1,877,634
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	(2,997)	-	-
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>(790,881)</u>	<u>(412,292)</u>	<u>(3,095,727)</u>
Total other financing sources (uses) reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ (4,571,082)</u>	<u>\$ (412,292)</u>	<u>\$ (1,218,093)</u>
<b>Beginning fund balance</b>			
Beginning fund balance - budgetary basis	\$ 15,550,338	\$ 3,549,797	\$ 11,719,804
Beginning fund balance of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	665,858	-	-
Landfill License Agreement	1,143,371	-	-
Fair value adjustment - investments	<u>(166,100)</u>	<u>(37,584)</u>	<u>(122,343)</u>
Total beginning fund balance reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 17,193,467</u>	<u>\$ 3,512,213</u>	<u>\$ 11,597,461</u>
<b>Ending fund balance</b>			
Ending fund balance - budgetary basis	\$ 15,826,706	\$ 3,836,151	\$ 8,760,877
Ending fund balance of separately budgeted funds which are included in the fund on the governmental fund financial statements:			
O&C Reserve	770,830	-	-
Landfill License Agreement	1,048,445	-	-
Fair value adjustment - investments	<u>(133,093)</u>	<u>(26,978)</u>	<u>(69,511)</u>
Total beginning fund balance reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 17,512,888</u>	<u>\$ 3,809,173</u>	<u>\$ 8,691,366</u>

### 16. Related party transactions

Yamhill County (a member) received from the Yamhill Communications Agency \$61,424 during the year ended June 30, 2019 for services including accounting, administrative support, information services, phone and postage. Yamhill County also received \$270,300 for the maintenance and upkeep of the Agency's radio system. Yamhill County paid the Agency \$693,075 for dues during the year ended June 30, 2019

**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**

**17. Tax abatement**

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, 2019 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	\$ 31,951
Historic property – ORS 358.475-.545	2,056

**18. Negative fund balance**

As of June 30, 2019, the County School Fund reported a negative fund balance of \$402.



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**YAMHILL  
COUNTY**

**REQUIRED SUPPLEMENTARY INFORMATION**



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**YAMHILL  
COUNTY**

**YAMHILL COUNTY**

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM**

**Last 10 Plan Years Ended June 30, \***

<u>Year ended June 30,</u>	<u>County's proportion of the net pension liability (asset)</u>	<u>County's proportionate share of the net pension liability (asset)</u>	<u>County's covered payroll</u>	<u>County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2018	0.18106996%	\$ 27,429,714	\$ 28,700,590	95.57%	82.068%
2017	0.18767561%	25,298,743	26,656,712	94.91%	83.119%
2016	0.18959464%	28,462,558	25,747,864	110.54%	80.527%
2015	0.20395487%	11,709,990	24,083,363	48.62%	91.875%
2014	0.20067701%	(4,548,775)	22,515,420	-20.20%	103.590%

\* Information will be accumulated until 10 years are presented.

**YAMHILL COUNTY**

**SCHEDULE OF CONTRIBUTIONS  
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM  
Last 10 Fiscal Years Ended June 30,**

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Contractually required contributions recognized by the pension plan</u>	<u>Covered payroll</u>	<u>Contractually required contributions as a percentage of covered payroll</u>
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%
2015	1,526,840	1,526,840	24,083,363	6.33981%
2014	1,516,018	1,516,018	22,515,420	6.73324%
2013	1,521,246	1,521,246	21,801,224	6.97780%
2012	1,532,937	1,532,937	21,467,871	7.14061%
2011	993,769	993,769	21,694,412	4.58076%
2010	1,020,859	1,020,859	21,630,832	4.71946%

**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, \***

<u>Year ended June 30,</u>	<u>County's proportion of the collective net OPEB liability (asset)</u>	<u>County's proportionate share of the collective net OPEB liability (asset)</u>	<u>County's covered payroll</u>	<u>County's proportionate share of the collective net OPEB liability (asset) as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total OPEB liability (asset)</u>
2018	0.26834741%	(299,549)	28,700,590	-1.04%	123.99%
2017	0.25595970%	(106,822)	26,656,712	-0.40%	108.88%
2016	0.26503113%	71,972	25,747,864	0.28%	94.15%

\* Information will be accumulated annually until 10 years is presented

**YAMHILL COUNTY**

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 139,164	\$ 129,935	\$ 127,648
Contractually required contributions recognized by the OPEB plan	139,164	129,935	127,648
Covered payroll	31,027,521	28,700,590	26,656,712
Contractually required contributions as a percentage of covered payroll	0.44852%	0.45273%	0.47886%

\* Information will be accumulated until 10 years are presented.

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

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Service cost	\$ 122,927	\$ 131,784
Interest on total OPEB liability	61,135	49,390
Effect of economic/demographic gains or losses	(75,784)	-
Effect of assumptions changes or inputs	(243,556)	(109,833)
Benefit payments	<u>(95,455)</u>	<u>(80,403)</u>
Net change in total OPEB liability	(230,733)	(9,062)
Total OPEB liability - beginning of year	<u>1,632,066</u>	<u>1,641,128</u>
Total OPEB liability - end of year	<u>\$ 1,401,333</u>	<u>\$ 1,632,066</u>
Covered payroll	\$ 28,700,590	\$ 26,656,712
Total OPEB liability as a percentage of covered payroll	4.9%	6.1%

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.



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**YAMHILL  
COUNTY**

**COMBINING FINANCIAL STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**



## GENERAL FUNDS

*Combining statements for all funds and subfunds 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 subfunds of the general fund. Budget and actual comparisons for all funds of the General Fund are reported in the basic financial statements.*

**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, 2019**

	General	O&C Reserve	Landfill License Agreement	Totals
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 7,399,228	\$ 359,853	\$ 303,073	\$ 8,062,154
Investments	8,347,615	405,977	341,918	9,095,510
Receivables	2,508,056	-	-	2,508,056
Prepaid items	198,831	5,000	-	203,831
Advances to other funds	-	-	403,454	403,454
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 18,453,730</u>	<u>\$ 770,830</u>	<u>\$ 1,048,445</u>	<u>\$ 20,273,005</u>
<b><u>LIABILITIES</u></b>				
Account payable and accrued liabilities	\$ 1,748,142	\$ -	\$ -	\$ 1,748,142
Deposits	1,070	-	-	1,070
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>1,749,212</u>	<u>-</u>	<u>-</u>	<u>1,749,212</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>				
Unavailable revenue	1,010,905	-	-	1,010,905
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,010,905</u>	<u>-</u>	<u>-</u>	<u>1,010,905</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	198,831	5,000	403,454	607,285
Assigned	-	-	644,991	644,991
Unassigned	15,494,782	765,830	-	16,260,612
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	<u>15,693,613</u>	<u>770,830</u>	<u>1,048,445</u>	<u>17,512,888</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 18,453,730</u>	<u>\$ 770,830</u>	<u>\$ 1,048,445</u>	<u>\$ 20,273,005</u>

**YAMHILL COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GENERAL FUNDS  
For the Year Ended June 30, 2019**

	General	O&C Reserve	Landfill License Agreement	Totals
<b>REVENUES</b>				
Property taxes	\$ 22,991,462	\$ -	\$ -	\$ 22,991,462
Miscellaneous taxes	22,123	-	-	22,123
Licenses, permits and fees	1,180,461	-	-	1,180,461
Intergovernmental	7,905,802	117,944	-	8,023,746
Charges for services	5,274,156	-	-	5,274,156
Fines and forfeitures	264,939	-	-	264,939
Interest	564,220	16,357	21,788	602,365
Other	295,064	-	-	295,064
<b>TOTAL REVENUES</b>	<u>38,498,227</u>	<u>134,301</u>	<u>21,788</u>	<u>38,654,316</u>
<b>EXPENDITURES</b>				
Current				
General government	11,219,170	20,852	-	11,240,022
Public safety	20,214,623	-	-	20,214,623
Health and welfare	-	-	113,717	113,717
Parks, culture, and recreation	200,531	-	-	200,531
Capital outlay	1,994,920	-	-	1,994,920
<b>TOTAL EXPENDITURES</b>	<u>33,629,244</u>	<u>20,852</u>	<u>113,717</u>	<u>33,763,813</u>
Excess (deficiency) of revenues over expenditures	<u>4,868,983</u>	<u>113,449</u>	<u>(91,929)</u>	<u>4,890,503</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,027,390	-	-	2,027,390
Transfers out	<u>(6,586,998)</u>	<u>(8,477)</u>	<u>(2,997)</u>	<u>(6,598,472)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(4,559,608)</u>	<u>(8,477)</u>	<u>(2,997)</u>	<u>(4,571,082)</u>
Net change in fund balances	309,375	104,972	(94,926)	319,421
Fund balances at beginning of year	<u>15,384,238</u>	<u>665,858</u>	<u>1,143,371</u>	<u>17,193,467</u>
Fund balances at end of year	<u>\$ 15,693,613</u>	<u>\$ 770,830</u>	<u>\$ 1,048,445</u>	<u>\$ 17,512,888</u>

**YAMHILL COUNTY**

**O&C RESERVE - GENERAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 10,000	\$ 117,944	\$ 107,944
Interest earnings	<u>11,000</u>	<u>15,678</u>	<u>4,678</u>
<b>TOTAL REVENUES</b>	<u>21,000</u>	<u>133,622</u>	<u>112,622</u>
<b>EXPENDITURES</b>			
O&C reserve	<u>599,191</u>	<u>24,829</u>	<u>574,362</u>
<b>TOTAL EXPENDITURES</b>	<u>599,191</u>	<u>24,829</u>	<u>574,362</u>
Excess (deficiency) of revenues over expenditures	<u>(578,191)</u>	<u>108,793</u>	<u>686,984</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(4,500)</u>	<u>(4,500)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(4,500)</u>	<u>(4,500)</u>	<u>-</u>
Net change in fund balance	(582,691)	104,293	686,984
Fund balance at beginning of year	<u>582,691</u>	<u>673,010</u>	<u>90,319</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 777,303</u>	<u>\$ 777,303</u>

**YAMHILL COUNTY**

**LANDFILL LICENSE AGREEMENT - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Interest earnings	\$ 8,671	\$ 15,858	\$ 7,187
Miscellaneous	<u>52,444</u>	<u>52,437</u>	<u>(7)</u>
<b>TOTAL REVENUES</b>	<u>61,115</u>	<u>68,295</u>	<u>7,180</u>
<b>EXPENDITURES</b>			
Landfill license agreement	<u>217,197</u>	<u>116,714</u>	<u>100,483</u>
<b>TOTAL EXPENDITURES</b>	<u>217,197</u>	<u>116,714</u>	<u>100,483</u>
Net change in fund balance	(156,082)	(48,419)	107,663
Fund balance at beginning of year	<u>559,694</u>	<u>698,861</u>	<u>139,167</u>
Fund balance at end of year	<u><u>\$ 403,612</u></u>	<u><u>\$ 650,442</u></u>	<u><u>\$ 246,830</u></u>

**YAMHILL COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2019**

	Special Revenue	Capital Projects	Totals
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 3,417,669	\$ 140,454	\$ 3,558,123
Investments	3,855,730	158,458	4,014,188
Receivables	79,269	7,325	86,594
Prepaid items	29,114	-	29,114
Advances to other funds	190,437	-	190,437
<b>TOTAL ASSETS</b>	<b>\$ 7,572,219</b>	<b>\$ 306,237</b>	<b>\$ 7,878,456</b>
<b><u>LIABILITIES</u></b>			
Accounts payable and accrued liabilities	\$ 434,256	\$ 6,139	\$ 440,395
Deposits	65,324	-	65,324
<b>TOTAL LIABILITIES</b>	<b>499,580</b>	<b>6,139</b>	<b>505,719</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Unavailable revenue	50,877	-	50,877
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>50,877</b>	<b>-</b>	<b>50,877</b>
<b><u>FUND BALANCES</u></b>			
Nonspendable	219,551	-	219,551
Restricted	6,802,613	300,098	7,102,711
Unassigned	(402)	-	(402)
<b>TOTAL FUND BALANCES</b>	<b>7,021,762</b>	<b>300,098</b>	<b>7,321,860</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 7,572,219</b>	<b>\$ 306,237</b>	<b>\$ 7,878,456</b>

**YAMHILL COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2019**

	Special Revenue	Capital Projects	Totals
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES</b>			
Property taxes	\$ 396,394	\$ -	\$ 396,394
Miscellaneous taxes	11,045	-	11,045
Licenses, permits and fees	187,897	-	187,897
Intergovernmental	4,329,791	80,578	4,410,369
Charges for services	1,360,440	90,861	1,451,301
Fines and forfeitures	87,467	-	87,467
Interest	197,805	8,752	206,557
Other	<u>102,652</u>	<u>-</u>	<u>102,652</u>
<b>TOTAL REVENUES</b>	<u>6,673,491</u>	<u>180,191</u>	<u>6,853,682</u>
<b>EXPENDITURES</b>			
Current			
General government	352,305	-	352,305
Public safety	3,793,526	-	3,793,526
Highways and streets	-	37	37
Health and welfare	390,340	-	390,340
Parks, culture, and recreation	554,203	73,744	627,947
Education	449,122	-	449,122
Capital outlay	<u>46,820</u>	<u>-</u>	<u>46,820</u>
<b>TOTAL EXPENDITURES</b>	<u>5,586,316</u>	<u>73,781</u>	<u>5,660,097</u>
Excess (deficiency) of revenues over expenditures	<u>1,087,175</u>	<u>106,410</u>	<u>1,193,585</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	445,195	-	445,195
Transfers out	<u>(1,378,835)</u>	<u>(103,359)</u>	<u>(1,482,194)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(933,640)</u>	<u>(103,359)</u>	<u>(1,036,999)</u>
Net change in fund balances	153,535	3,051	156,586
Fund balances at beginning of year	<u>6,868,227</u>	<u>297,047</u>	<u>7,165,274</u>
Fund balances at end of year	<u>\$ 7,021,762</u>	<u>\$ 300,098</u>	<u>\$ 7,321,860</u>

## NONMAJOR 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 in the basic financial statements.*

***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.

***Corner Restoration Fund*** – This fund receives revenues from a 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.

## **NONMAJOR SPECIAL REVENUE FUNDS (Continued)**

***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 FY19. 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.

**YAMHILL COUNTY**

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
June 30, 2019**

	Community Corrections	Solid Waste	County Clerk's Records	Dog Control	Law Library
<b><u>ASSETS</u></b>					
Cash and cash equivalents	\$ 1,036,317	\$ 1,467,738	\$ 35,088	\$ 164,231	\$ 20,088
Investments	1,169,147	1,655,865	39,586	185,282	22,663
Receivables	28,331	25,774	-	-	389
Prepaid items	2,200	20,744	-	-	-
Advances to other funds	-	190,437	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 2,235,995</u></b>	<b><u>\$ 3,360,558</u></b>	<b><u>\$ 74,674</u></b>	<b><u>\$ 349,513</u></b>	<b><u>\$ 43,140</u></b>
<b><u>LIABILITIES</u></b>					
Accounts payable and accrued liabilities	\$ 201,967	\$ 84,167	\$ 63	\$ 22,003	\$ 4,598
Deposits	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b><u>201,967</u></b>	<b><u>84,167</u></b>	<b><u>63</u></b>	<b><u>22,003</u></b>	<b><u>4,598</u></b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>					
Unavailable revenue	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>FUND BALANCES</u></b>					
Nonspendable	2,200	211,181	-	-	-
Restricted	2,031,828	3,065,210	74,611	327,510	38,542
Unassigned	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b><u>2,034,028</u></b>	<b><u>3,276,391</u></b>	<b><u>74,611</u></b>	<b><u>327,510</u></b>	<b><u>38,542</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$ 2,235,995</u></b>	<b><u>\$ 3,360,558</u></b>	<b><u>\$ 74,674</u></b>	<b><u>\$ 349,513</u></b>	<b><u>\$ 43,140</u></b>

County School	County Fair	Economic Development	Corner Restoration	Title III	Extension	Habitat Conservation	Totals
\$ 25,021	\$ 115,871	\$ 324,939	\$ 142,698	\$ 37,064	\$ 37,304	\$ 11,310	\$ 3,417,669
28,227	130,722	366,588	160,989	41,816	42,086	12,759	3,855,730
-	2,510	-	-	-	22,265	-	79,269
-	6,170	-	-	-	-	-	29,114
-	-	-	-	-	-	-	190,437
<u>\$ 53,248</u>	<u>\$ 255,273</u>	<u>\$ 691,527</u>	<u>\$ 303,687</u>	<u>\$ 78,880</u>	<u>\$ 101,655</u>	<u>\$ 24,069</u>	<u>\$ 7,572,219</u>
\$ 53,650	\$ 12,848	\$ 52,270	\$ 2,308	\$ -	\$ 30	\$ 352	\$ 434,256
-	-	-	65,324	-	-	-	65,324
<u>53,650</u>	<u>12,848</u>	<u>52,270</u>	<u>67,632</u>	<u>-</u>	<u>30</u>	<u>352</u>	<u>499,580</u>
-	33,407	-	-	-	17,470	-	50,877
-	33,407	-	-	-	17,470	-	50,877
-	6,170	-	-	-	-	-	219,551
-	202,848	639,257	236,055	78,880	84,155	23,717	6,802,613
(402)	-	-	-	-	-	-	(402)
<u>(402)</u>	<u>209,018</u>	<u>639,257</u>	<u>236,055</u>	<u>78,880</u>	<u>84,155</u>	<u>23,717</u>	<u>7,021,762</u>
<u>\$ 53,248</u>	<u>\$ 255,273</u>	<u>\$ 691,527</u>	<u>\$ 303,687</u>	<u>\$ 78,880</u>	<u>\$ 101,655</u>	<u>\$ 24,069</u>	<u>\$ 7,572,219</u>

**YAMHILL COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2019**

	Community Corrections	Solid Waste	County Clerk's Records	Dog Control	Law Library
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous taxes	-	-	-	-	-
Licenses, permits and fees	-	-	-	187,897	-
Intergovernmental	3,843,118	-	-	-	-
Charges for services	412,981	316,159	12,297	6,840	-
Fines and forfeitures	-	-	-	10,012	77,455
Interest	65,055	84,642	2,162	8,277	1,875
Other	<u>31,302</u>	<u>2,700</u>	<u>-</u>	<u>1,830</u>	<u>11</u>
<b>TOTAL REVENUES</b>	<u>4,352,456</u>	<u>403,501</u>	<u>14,459</u>	<u>214,856</u>	<u>79,341</u>
<b>EXPENDITURES</b>					
Current					
General government	-	-	21,815	-	71,832
Public safety	3,612,146	-	-	181,380	-
Health and welfare	-	390,340	-	-	-
Parks, culture, and recreation	-	-	-	-	-
Education	-	-	-	-	-
Capital outlay	<u>23,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>3,635,199</u>	<u>390,340</u>	<u>21,815</u>	<u>181,380</u>	<u>71,832</u>
Excess (deficiency) of revenues over expenditures	<u>717,257</u>	<u>13,161</u>	<u>(7,356)</u>	<u>33,476</u>	<u>7,509</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	369,695	-	-	-	-
Transfers out	<u>(902,067)</u>	<u>(209,212)</u>	<u>(229)</u>	<u>(11,624)</u>	<u>(8,672)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(532,372)</u>	<u>(209,212)</u>	<u>(229)</u>	<u>(11,624)</u>	<u>(8,672)</u>
Net change in fund balances	184,885	(196,051)	(7,585)	21,852	(1,163)
Fund balances at beginning of year	<u>1,849,143</u>	<u>3,472,442</u>	<u>82,196</u>	<u>305,658</u>	<u>39,705</u>
Fund balances at end of year	<u>\$ 2,034,028</u>	<u>\$ 3,276,391</u>	<u>\$ 74,611</u>	<u>\$ 327,510</u>	<u>\$ 38,542</u>

County School	County Fair	Economic Development	Corner Restoration	Title III	Extension	Habitat Conservation	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 396,394	\$ -	\$ 396,394
11,045	-	-	-	-	-	-	11,045
-	-	-	-	-	-	-	187,897
42,121	53,167	344,914	-	-	-	46,471	4,329,791
-	541,772	-	70,391	-	-	-	1,360,440
-	-	-	-	-	-	-	87,467
28	4,466	16,541	7,802	2,042	3,833	1,082	197,805
-	66,809	-	-	-	-	-	102,652
<u>53,194</u>	<u>666,214</u>	<u>361,455</u>	<u>78,193</u>	<u>2,042</u>	<u>400,227</u>	<u>47,553</u>	<u>6,673,491</u>
-	-	198,385	60,273	-	-	-	352,305
-	-	-	-	-	-	-	3,793,526
-	-	-	-	-	-	-	390,340
-	530,418	-	-	-	-	23,785	554,203
53,650	-	-	-	-	395,472	-	449,122
-	23,767	-	-	-	-	-	46,820
<u>53,650</u>	<u>554,185</u>	<u>198,385</u>	<u>60,273</u>	<u>-</u>	<u>395,472</u>	<u>23,785</u>	<u>5,586,316</u>
<u>(456)</u>	<u>112,029</u>	<u>163,070</u>	<u>17,920</u>	<u>2,042</u>	<u>4,755</u>	<u>23,768</u>	<u>1,087,175</u>
-	71,000	-	-	-	-	4,500	445,195
-	(117,301)	(100,559)	(8,317)	(2)	(226)	(20,626)	(1,378,835)
-	(46,301)	(100,559)	(8,317)	(2)	(226)	(16,126)	(933,640)
(456)	65,728	62,511	9,603	2,040	4,529	7,642	153,535
54	143,290	576,746	226,452	76,840	79,626	16,075	6,868,227
<u>\$ (402)</u>	<u>\$ 209,018</u>	<u>\$ 639,257</u>	<u>\$ 236,055</u>	<u>\$ 78,880</u>	<u>\$ 84,155</u>	<u>\$ 23,717</u>	<u>\$ 7,021,762</u>

**YAMHILL COUNTY**

**COMMUNITY CORRECTIONS - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 3,885,424	\$ 3,843,118	\$ (42,306)
Charges for services	523,645	566,017	42,372
Interest earnings	30,658	61,979	31,321
Other	<u>25,000</u>	<u>31,302</u>	<u>6,302</u>
<b>TOTAL REVENUES</b>	<u>4,464,727</u>	<u>4,502,416</u>	<u>37,689</u>
<b>EXPENDITURES</b>			
Community corrections	<u>5,224,260</u>	<u>4,527,366</u>	<u>696,894</u>
<b>TOTAL EXPENDITURES</b>	<u>5,224,260</u>	<u>4,527,366</u>	<u>696,894</u>
Excess (deficiency) of revenues over expenditures	<u>(759,533)</u>	<u>(24,950)</u>	<u>734,583</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	216,659	216,659	-
Transfers out	<u>-</u>	<u>(9,900)</u>	<u>(9,900)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>216,659</u>	<u>206,759</u>	<u>(9,900)</u>
Net change in fund balance	(542,874)	181,809	724,683
Fund balance at beginning of year	<u>1,465,000</u>	<u>1,870,860</u>	<u>405,860</u>
Fund balance at end of year	<u><u>\$ 922,126</u></u>	<u><u>\$ 2,052,669</u></u>	<u><u>\$ 1,130,543</u></u>

**YAMHILL COUNTY**

**SOLID WASTE - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 349,200	\$ 316,159	\$ (33,041)
Interest earnings	60,068	77,247	17,179
Other	<u>2,700</u>	<u>2,700</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>411,968</u>	<u>396,106</u>	<u>(15,862)</u>
<b>EXPENDITURES</b>			
Solid waste	1,397,206	510,552	886,654
Contingency	<u>2,098,928</u>	<u>-</u>	<u>2,098,928</u>
<b>TOTAL EXPENDITURES</b>	<u>3,496,134</u>	<u>510,552</u>	<u>2,985,582</u>
Excess (deficiency) of revenues over expenditures	<u>(3,084,166)</u>	<u>(114,446)</u>	<u>2,969,720</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Repayments of interfund loans	86,142	86,142	-
Transfers out	<u>(89,000)</u>	<u>(89,000)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,858)</u>	<u>(2,858)</u>	<u>-</u>
Net change in fund balance	(3,087,024)	(117,304)	2,969,720
Fund balance at beginning of year	<u>3,087,024</u>	<u>3,229,659</u>	<u>142,635</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 3,112,355</u>	<u>\$ 3,112,355</u>

**YAMHILL COUNTY**

**COUNTY CLERK'S RECORDS - SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 14,400	\$ 12,297	\$ (2,103)
Interest earnings	<u>540</u>	<u>1,910</u>	<u>1,370</u>
<b>TOTAL REVENUES</b>	<u>14,940</u>	<u>14,207</u>	<u>(733)</u>
<b>EXPENDITURES</b>			
Clerk records	<u>51,576</u>	<u>22,044</u>	<u>29,532</u>
<b>TOTAL EXPENDITURES</b>	<u>51,576</u>	<u>22,044</u>	<u>29,532</u>
Net change in fund balance	(36,636)	(7,837)	28,799
Fund balance at beginning of year	<u>49,281</u>	<u>83,079</u>	<u>33,798</u>
Fund balance at end of year	<u><u>\$ 12,645</u></u>	<u><u>\$ 75,242</u></u>	<u><u>\$ 62,597</u></u>

**YAMHILL COUNTY**

**DOG CONTROL - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Licenses and permits	\$ 188,800	\$ 187,897	\$ (903)
Charges for services	5,200	6,840	1,640
Fines and penalties	12,000	10,012	(1,988)
Interest earnings	300	7,595	7,295
Miscellaneous	<u>4,100</u>	<u>1,830</u>	<u>(2,270)</u>
<b>TOTAL REVENUES</b>	<u>210,400</u>	<u>214,174</u>	<u>3,774</u>
<b>EXPENDITURES</b>			
Dog control	<u>275,181</u>	<u>193,004</u>	<u>82,177</u>
<b>TOTAL EXPENDITURES</b>	<u>275,181</u>	<u>193,004</u>	<u>82,177</u>
Net change in fund balance	(64,781)	21,170	85,951
Fund balance at beginning of year	<u>318,032</u>	<u>309,294</u>	<u>(8,738)</u>
Fund balance at end of year	<u>\$ 253,251</u>	<u>\$ 330,464</u>	<u>\$ 77,213</u>

**YAMHILL COUNTY**

**LAW LIBRARY - SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fines and penalties	\$ 77,455	\$ 77,455	\$ -
Interest earnings	687	1,777	1,090
Miscellaneous	<u>-</u>	<u>11</u>	<u>11</u>
<b>TOTAL REVENUES</b>	<u>78,142</u>	<u>79,243</u>	<u>1,101</u>
<b>EXPENDITURES</b>			
Law library	<u>96,238</u>	<u>80,504</u>	<u>15,734</u>
<b>TOTAL EXPENDITURES</b>	<u>96,238</u>	<u>80,504</u>	<u>15,734</u>
Net change in fund balance	(18,096)	(1,261)	16,835
Fund balance at beginning of year	<u>18,096</u>	<u>40,164</u>	<u>22,068</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 38,903</u></u>	<u><u>\$ 38,903</u></u>

**YAMHILL COUNTY**

**COUNTY SCHOOL - SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Miscellaneous taxes	\$ 10,000	\$ 11,045	\$ 1,045
Intergovernmental	85,000	42,121	(42,879)
Interest earnings	<u>200</u>	<u>478</u>	<u>278</u>
<b>TOTAL REVENUES</b>	<u>95,200</u>	<u>53,644</u>	<u>(41,556)</u>
<b>EXPENDITURES</b>			
County school	<u>95,200</u>	<u>53,650</u>	<u>41,550</u>
<b>TOTAL EXPENDITURES</b>	<u>95,200</u>	<u>53,650</u>	<u>41,550</u>
Net change in fund balance	-	(6)	(6)
Fund balance at beginning of year	<u>-</u>	<u>54</u>	<u>54</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 48</u></u>	<u><u>\$ 48</u></u>

**YAMHILL COUNTY**

**COUNTY FAIR - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 53,000	\$ 53,167	\$ 167
Charges for services	459,700	611,772	152,072
Interest earnings	951	4,551	3,600
Other	<u>68,495</u>	<u>66,809</u>	<u>(1,686)</u>
<b>TOTAL REVENUES</b>	<u>582,146</u>	<u>736,299</u>	<u>154,153</u>
<b>EXPENDITURES</b>			
County fair	659,146	671,486	(12,340)
Contingency	<u>4,000</u>	<u>-</u>	<u>4,000</u>
<b>TOTAL EXPENDITURES</b>	<u>663,146</u>	<u>671,486</u>	<u>(8,340)</u>
Excess (deficiency) of revenues over expenditures	<u>(81,000)</u>	<u>64,813</u>	<u>145,813</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>1,000</u>	<u>1,000</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net change in fund balance	(80,000)	65,813	145,813
Fund balance at beginning of year	<u>81,000</u>	<u>145,289</u>	<u>64,289</u>
Fund balance at end of year	<u><u>\$ 1,000</u></u>	<u><u>\$ 211,102</u></u>	<u><u>\$ 210,102</u></u>

**YAMHILL COUNTY**

**ECONOMIC DEVELOPMENT - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 300,000	\$ 344,914	\$ 44,914
Interest earnings	<u>11,334</u>	<u>15,979</u>	<u>4,645</u>
<b>TOTAL REVENUES</b>	<u>311,334</u>	<u>360,893</u>	<u>49,559</u>
<b>EXPENDITURES</b>			
Economic development	<u>862,651</u>	<u>298,944</u>	<u>563,707</u>
<b>TOTAL EXPENDITURES</b>	<u>862,651</u>	<u>298,944</u>	<u>563,707</u>
Net change in fund balance	(551,317)	61,949	613,266
Fund balance at beginning of year	<u>551,317</u>	<u>583,153</u>	<u>31,836</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 645,102</u>	<u>\$ 645,102</u>

**YAMHILL COUNTY**

**CORNER RESTORATION - SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 80,000	\$ 70,391	\$ (9,609)
Interest earnings	<u>4,532</u>	<u>7,218</u>	<u>2,686</u>
<b>TOTAL REVENUES</b>	<u>84,532</u>	<u>77,609</u>	<u>(6,923)</u>
<b>EXPENDITURES</b>			
Corner restoration	<u>113,972</u>	<u>68,590</u>	<u>45,382</u>
<b>TOTAL EXPENDITURES</b>	<u>113,972</u>	<u>68,590</u>	<u>45,382</u>
Net change in fund balance	(29,440)	9,019	38,459
Fund balance at beginning of year	<u>225,386</u>	<u>229,603</u>	<u>4,217</u>
Fund balance at end of year	<u><u>\$ 195,946</u></u>	<u><u>\$ 238,622</u></u>	<u><u>\$ 42,676</u></u>

**YAMHILL COUNTY**

**TITLE III - SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 20,000	\$ -	\$ (20,000)
Interest earnings	<u>1,300</u>	<u>1,884</u>	<u>584</u>
<b>TOTAL REVENUES</b>	<u>21,300</u>	<u>1,884</u>	<u>(19,416)</u>
<b>EXPENDITURES</b>			
Title III	<u>99,200</u>	<u>2</u>	<u>99,198</u>
<b>TOTAL EXPENDITURES</b>	<u>99,200</u>	<u>2</u>	<u>99,198</u>
Net change in fund balance	(77,900)	1,882	79,782
Fund balance at beginning of year	<u>77,900</u>	<u>77,665</u>	<u>(235)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 79,547</u>	<u>\$ 79,547</u>

**YAMHILL COUNTY**

**EXTENSION - SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 389,715	\$ 396,394	\$ 6,679
Interest earnings	<u>2,064</u>	<u>3,770</u>	<u>1,706</u>
<b>TOTAL REVENUES</b>	<u>391,779</u>	<u>400,164</u>	<u>8,385</u>
<b>EXPENDITURES</b>			
Materials and services	<u>397,521</u>	<u>395,698</u>	<u>1,823</u>
<b>TOTAL EXPENDITURES</b>	<u>397,521</u>	<u>395,698</u>	<u>1,823</u>
Net change in fund balance	(5,742)	4,466	10,208
Fund balance at beginning of year	<u>71,203</u>	<u>80,360</u>	<u>9,157</u>
Fund balance at end of year	<u><u>\$ 65,461</u></u>	<u><u>\$ 84,826</u></u>	<u><u>\$ 19,365</u></u>

**YAMHILL COUNTY**

**HABITAT CONSERVATION - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 46,471	\$ 46,471	\$ -
Other	409	1,102	693
	<u>46,880</u>	<u>47,573</u>	<u>693</u>
<b>TOTAL REVENUES</b>			
	<u>46,880</u>	<u>47,573</u>	<u>693</u>
<b>EXPENDITURES</b>			
Habitat conservation	52,425	44,411	8,014
Contingency	9,848	-	9,848
	<u>62,273</u>	<u>44,411</u>	<u>17,862</u>
<b>TOTAL EXPENDITURES</b>			
	<u>62,273</u>	<u>44,411</u>	<u>17,862</u>
Excess (deficiency) of revenues over expenditures	<u>(15,393)</u>	<u>3,162</u>	<u>18,555</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	4,500	4,500	-
	<u>4,500</u>	<u>4,500</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			
	<u>4,500</u>	<u>4,500</u>	<u>-</u>
Net change in fund balance	(10,893)	7,662	18,555
Fund balance at beginning of year	<u>10,893</u>	<u>16,258</u>	<u>5,365</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 23,920</u>	<u>\$ 23,920</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.



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**YAMHILL COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**June 30, 2019**

	Bicycle and Footpath	Systems Development	Totals
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 62,085	\$ 78,369	\$ 140,454
Investments	70,043	88,415	158,458
Receivables	7,325	-	7,325
<b>TOTAL ASSETS</b>	<b>\$ 139,453</b>	<b>\$ 166,784</b>	<b>\$ 306,237</b>
<b><u>LIABILITIES</u></b>			
Accounts payable and accrued liabilities	\$ -	\$ 6,139	\$ 6,139
<b>TOTAL LIABILITIES</b>	-	6,139	6,139
<b><u>FUND BALANCES</u></b>			
Restricted for capital projects	139,453	160,645	300,098
<b>TOTAL FUND BALANCES</b>	139,453	160,645	300,098
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 139,453</b>	<b>\$ 166,784</b>	<b>\$ 306,237</b>

**YAMHILL COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
For the Year Ended June 30, 2019**

	Bicycle and Footpath	Systems Development	Totals
<b>REVENUES</b>			
Intergovernmental	\$ 80,578	\$ -	\$ 80,578
Charges for services	-	90,861	90,861
Interest earnings	4,799	3,953	8,752
<b>TOTAL REVENUES</b>	<u>85,377</u>	<u>94,814</u>	<u>180,191</u>
<b>EXPENDITURES</b>			
Current			
Highways and streets	37	-	37
Parks, culture, and recreation	-	73,744	73,744
<b>TOTAL EXPENDITURES</b>	<u>37</u>	<u>73,744</u>	<u>73,781</u>
Excess (deficiency) of revenues over expenditures	<u>85,340</u>	<u>21,070</u>	<u>106,410</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(102,674)</u>	<u>(685)</u>	<u>(103,359)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(102,674)</u>	<u>(685)</u>	<u>(103,359)</u>
Net change in fund balances	(17,334)	20,385	3,051
Fund balances at beginning of year	<u>156,787</u>	<u>140,260</u>	<u>297,047</u>
Fund balances at end of year	<u>\$ 139,453</u>	<u>\$ 160,645</u>	<u>\$ 300,098</u>

**YAMHILL COUNTY**

**BICYCLE AND FOOTPATH - CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 78,940	\$ 80,578	\$ 1,638
Interest earnings	<u>2,700</u>	<u>4,303</u>	<u>1,603</u>
<b>TOTAL REVENUES</b>	<u>81,640</u>	<u>84,881</u>	<u>3,241</u>
<b>EXPENDITURES</b>			
Bicycle and footpath	102,824	102,711	113
Contingency	<u>129,853</u>	<u>-</u>	<u>129,853</u>
<b>TOTAL EXPENDITURES</b>	<u>232,677</u>	<u>102,711</u>	<u>129,966</u>
Net change in fund balance	(151,037)	(17,830)	133,207
Fund balance at beginning of year	<u>151,037</u>	<u>158,400</u>	<u>7,363</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 140,570</u></u>	<u><u>\$ 140,570</u></u>

**YAMHILL COUNTY**

**SYSTEMS DEVELOPMENT - CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 196,467	\$ 90,861	\$ (105,606)
Interest earnings	<u>1,664</u>	<u>3,790</u>	<u>2,126</u>
<b>TOTAL REVENUES</b>	<u>198,131</u>	<u>94,651</u>	<u>(103,480)</u>
<b>EXPENDITURES</b>			
Systems development	<u>306,070</u>	<u>74,429</u>	<u>231,641</u>
<b>TOTAL EXPENDITURES</b>	<u>306,070</u>	<u>74,429</u>	<u>231,641</u>
Net change in fund balance	(107,939)	20,222	128,161
Fund balance at beginning of year	<u>109,774</u>	<u>141,833</u>	<u>32,059</u>
Fund balance at end of year	<u>\$ 1,835</u>	<u>\$ 162,055</u>	<u>\$ 160,220</u>

**YAMHILL COUNTY**

**CAPITAL IMPROVEMENT - CAPITAL PROJECTS FUND (MAJOR FUND)  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	Original and Final		
	Budget	Actual	Variance
<b>REVENUES</b>			
Intergovernmental	\$ 1,390,250	\$ 60,441	\$ (1,329,809)
Charges for services	2,175,605	2,145,267	(30,338)
Interest earnings	52,752	94,015	41,263
Other	<u>3,000</u>	<u>4,324</u>	<u>1,324</u>
<b>TOTAL REVENUES</b>	<u>3,621,607</u>	<u>2,304,047</u>	<u>(1,317,560)</u>
<b>EXPENDITURES</b>			
Clerk voting equipment	45,000	11,729	33,271
Facilities maintenance	1,444,661	1,307,013	137,648
Information systems	545,686	229,971	315,715
Capital improvement	1,033,463	629,751	403,712
Jail	580,009	34	579,975
Maintenance reserve	55,627	22,991	32,636
Software reserve	1,919,059	245,254	1,673,805
Capital projects	1,516,250	287,715	1,228,535
Jail maintenance	591,167	543,072	48,095
Debt service	<u>240,362</u>	<u>240,333</u>	<u>29</u>
<b>TOTAL EXPENDITURES</b>	<u>7,971,284</u>	<u>3,517,863</u>	<u>4,453,421</u>
Excess (deficiency) of revenues over expenditures	<u>(4,349,677)</u>	<u>(1,213,816)</u>	<u>3,135,861</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,184,363	1,184,363	-
Transfers out	<u>(19,666)</u>	<u>(19,666)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,164,697</u>	<u>1,164,697</u>	<u>-</u>
Net change in fund balance	(3,184,980)	(49,119)	3,135,861
Fund balance at beginning of year	<u>3,305,245</u>	<u>3,869,088</u>	<u>563,843</u>
Fund balance at end of year	<u>\$ 120,265</u>	<u>\$ 3,819,969</u>	<u>\$ 3,699,704</u>



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**YAMHILL  
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## **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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**COVE ORCHARD SEWER - ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 57,948	\$ 53,150	\$ (4,798)
Interest earnings	1,000	1,739	739
Other	<u>253</u>	<u>253</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>59,201</u>	<u>55,142</u>	<u>(4,059)</u>
<b>EXPENDITURES</b>			
Personnel services	5,288	4,883	405
Materials and services	65,692	49,339	16,353
Capital outlay	10,000	-	10,000
Contingency	<u>12,000</u>	<u>-</u>	<u>12,000</u>
<b>TOTAL EXPENDITURES</b>	<u>92,980</u>	<u>54,222</u>	<u>38,758</u>
Net change in fund balance	(33,779)	920	34,699
Fund balance at beginning of year	<u>47,000</u>	<u>66,981</u>	<u>19,981</u>
Fund balance at end of year	<u>\$ 13,221</u>	67,901	<u>\$ 54,680</u>
<b>Reconciliation to generally accepted accounting principles</b>			
Fair value adjustment - investments		(572)	
Receivables		28,537	
Capital assets, net		85,581	
Compensated absences		<u>(46)</u>	
Net position at end of year		<u>\$ 181,401</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 a mileage service charges levied on County departments using motor pool vehicles.

**YAMHILL COUNTY**

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
June 30, 2019**

	Telecommunications	Self-Insurance	Motor Vehicle Replacement	Totals
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 360,088	\$ 2,896,765	\$ 713,505	\$ 3,970,358
Investments	406,241	3,268,055	804,957	4,479,253
Receivables	49,525	28,210	3,977	81,712
Prepaid items	8,790	414,195	-	422,985
Advances to other funds	-	289,052	403,454	692,506
	<hr/>	<hr/>	<hr/>	<hr/>
Total current assets	824,644	6,896,277	1,925,893	9,646,814
Other capital assets, net	284,621	-	2,069,419	2,354,040
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	1,109,265	6,896,277	3,995,312	12,000,854
	<hr/>	<hr/>	<hr/>	<hr/>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities	16,476	27,925	983	45,384
Compensated absences payable	2,853	943	-	3,796
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	19,329	28,868	983	49,180
	<hr/>	<hr/>	<hr/>	<hr/>
<b><u>NET POSITION</u></b>				
Investment in capital assets	284,621	-	2,069,419	2,354,040
Unrestricted	805,315	6,867,409	1,924,910	9,597,634
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL NET POSITION	\$ 1,089,936	\$ 6,867,409	\$ 3,994,329	\$ 11,951,674
	<hr/>	<hr/>	<hr/>	<hr/>

**YAMHILL COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
For the Year Ended June 30, 2019**

	<u>Telecommunications</u>	<u>Self-Insurance</u>	<u>Motor Vehicle Replacement</u>	<u>Totals</u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ 73,527	\$ 19,909	\$ 93,436
Other	<u>146,863</u>	<u>22,380</u>	<u>56,159</u>	<u>225,402</u>
<b>TOTAL OPERATING REVENUES</b>	<u>146,863</u>	<u>95,907</u>	<u>76,068</u>	<u>318,838</u>
<b>OPERATING EXPENSES</b>				
Personnel services	119,521	173,074	-	292,595
Materials and services	236,718	1,538,986	43,490	1,819,194
Depreciation	<u>52,545</u>	<u>-</u>	<u>613,550</u>	<u>666,095</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>408,784</u>	<u>1,712,060</u>	<u>657,040</u>	<u>2,777,884</u>
Operating income (loss)	<u>(261,921)</u>	<u>(1,616,153)</u>	<u>(580,972)</u>	<u>(2,459,046)</u>
<b>NONOPERATING REVENUES</b>				
Investment earnings	14,616	146,538	42,156	203,310
(Loss) on sale of capital asset	<u>-</u>	<u>-</u>	<u>(417)</u>	<u>(417)</u>
<b>TOTAL NONOPERATING REVENUES</b>	<u>14,616</u>	<u>146,538</u>	<u>41,739</u>	<u>202,893</u>
Income (loss) before transfers	(247,305)	(1,469,615)	(539,233)	(2,256,153)
Transfers in	471,470	2,826,648	877,054	4,175,172
Transfers out	<u>(27,309)</u>	<u>(96,006)</u>	<u>(17,216)</u>	<u>(140,531)</u>
Change in net position	196,856	1,261,027	320,605	1,778,488
Net position-beginning	<u>893,080</u>	<u>5,606,382</u>	<u>3,673,724</u>	<u>10,173,186</u>
Net position-ending	<u>\$ 1,089,936</u>	<u>\$ 6,867,409</u>	<u>\$ 3,994,329</u>	<u>\$ 11,951,674</u>

**YAMHILL COUNTY**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
For the Year Ended June 30, 2019**

	<u>Telecommunications</u>	<u>Self-Insurance</u>	<u>Motor Vehicle Replacement</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from interfund services provided	\$ 471,470	\$ 2,379,842	\$ 885,822	\$ 3,737,134
Other receipts	106,228	48,814	118,897	273,939
Payments for interfund services provided	(27,309)	(96,006)	(17,216)	(140,531)
Payments to suppliers of goods or services	(243,928)	(1,933,376)	(44,601)	(2,221,905)
Payments to employees for services	<u>(119,299)</u>	<u>(175,416)</u>	<u>-</u>	<u>(294,715)</u>
Net cash provided by operating activities	<u>187,162</u>	<u>223,858</u>	<u>942,902</u>	<u>1,353,922</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Repayments of advances from other funds	-	-	52,437	52,437
Transfers in	<u>-</u>	<u>526,264</u>	<u>-</u>	<u>526,264</u>
Net cash provided by noncapital financing activities	<u>-</u>	<u>526,264</u>	<u>52,437</u>	<u>578,701</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	-	-	(836,892)	(836,892)
Repayments of advances to other funds	<u>-</u>	<u>42,002</u>	<u>-</u>	<u>42,002</u>
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>42,002</u>	<u>(836,892)</u>	<u>(794,890)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	14,616	140,607	38,202	193,425
Purchase of investments	<u>(143,604)</u>	<u>(869,380)</u>	<u>(190,031)</u>	<u>(1,203,015)</u>
Net cash (used in) investing activities	<u>(128,988)</u>	<u>(728,773)</u>	<u>(151,829)</u>	<u>(1,009,590)</u>
Net increase (decrease) in cash and cash equivalents	58,174	63,351	6,618	128,143
Cash and cash equivalents-beginning of year	<u>301,914</u>	<u>2,833,414</u>	<u>706,887</u>	<u>3,842,215</u>
Cash and cash equivalents-end of year	<u>\$ 360,088</u>	<u>\$ 2,896,765</u>	<u>\$ 713,505</u>	<u>\$ 3,970,358</u>

*Continued on next page*

**COMBINING STATEMENT OF CASH FLOWS (Continued)**  
**INTERNAL SERVICE FUNDS**

	Telecommunications	Self-Insurance	Motor Vehicle Replacement	Totals
<b>Reconciliation of operating (loss) to net cash provided by operating activities</b>				
Operating (loss)	\$ (261,921)	\$ (1,616,153)	\$ (580,972)	\$ (2,459,046)
Adjustments to reconcile operating (loss) to net cash provided by operating activities				
Transfers in for interfund charges	471,470	2,306,315	865,913	3,643,698
Transfers out for interfund charges	(27,309)	(96,006)	(17,216)	(140,531)
Depreciation	52,545	-	613,550	666,095
(Increase) decrease in assets:				
Receivables	(40,635)	26,434	62,738	48,537
Prepaid items	(8,790)	(413,915)	-	(422,705)
Increase (decrease) in liabilities:				
Accounts payable and accrued liabilities	1,580	19,525	(1,111)	19,994
Compensated absences payable	222	(2,342)	-	(2,120)
Net cash provided by operating activities	<u>\$ 187,162</u>	<u>\$ 223,858</u>	<u>\$ 942,902</u>	<u>\$ 1,353,922</u>

**SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS**

Transfers in	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,141</u>	<u>\$ 11,141</u>
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**YAMHILL COUNTY**

**TELECOMMUNICATIONS - INTERNAL SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 406,937	\$ 471,470	\$ 64,533
Interest earnings	7,445	15,029	7,584
Other	<u>151,221</u>	<u>146,863</u>	<u>(4,358)</u>
<b>TOTAL REVENUES</b>	<u>565,603</u>	<u>633,362</u>	<u>67,759</u>
<b>EXPENDITURES</b>			
Telecommunications	<u>617,497</u>	<u>383,326</u>	<u>234,171</u>
<b>TOTAL EXPENDITURES</b>	<u>617,497</u>	<u>383,326</u>	<u>234,171</u>
Net change in fund balance	(51,894)	250,036	301,930
Fund balance at beginning of year	<u>427,184</u>	<u>564,609</u>	<u>137,425</u>
Fund balance at end of year	<u>\$ 375,290</u>	814,645	<u>\$ 439,355</u>
<b>Reconciliation to generally accepted accounting principles</b>			
Fair value adjustment - investments		(6,477)	
Capital assets, net		284,621	
Compensated absences payable		<u>(2,853)</u>	
Net position at end of year		<u>\$ 1,089,936</u>	

**YAMHILL COUNTY**

**SELF-INSURANCE - INTERNAL SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 2,547,168	\$ 2,379,842	\$ (167,326)
Interest earnings	72,773	137,327	64,554
Other	<u>-</u>	<u>22,380</u>	<u>22,380</u>
<b>TOTAL REVENUES</b>	<u>2,619,941</u>	<u>2,539,549</u>	<u>(80,392)</u>
<b>EXPENDITURES</b>			
Insurance reserve	4,208,343	1,810,408	2,397,935
Contingency	<u>1,100,000</u>	<u>-</u>	<u>1,100,000</u>
<b>TOTAL EXPENDITURES</b>	<u>5,308,343</u>	<u>1,810,408</u>	<u>3,497,935</u>
Excess (deficiency) of revenues over expenditures	<u>(2,688,402)</u>	<u>729,141</u>	<u>3,417,543</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Repayments of interfund loans	42,002	42,002	-
Transfers in	<u>526,265</u>	<u>526,265</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>568,267</u>	<u>568,267</u>	<u>-</u>
Net change in fund balance	(2,120,135)	1,297,408	3,417,543
Fund balance at beginning of year	<u>5,153,162</u>	<u>5,333,997</u>	<u>180,835</u>
Fund balance at end of year	<u>\$ 3,033,027</u>	6,631,405	<u>\$ 3,598,378</u>
<b>Reconciliation to generally accepted accounting principles</b>			
Fair value adjustment - investments		(52,105)	
Advances to other funds		289,052	
Compensated absences payable		<u>(943)</u>	
Net position at end of year		<u>\$ 6,867,409</u>	

**YAMHILL COUNTY**

**MOTOR VEHICLE REPLACEMENT - INTERNAL SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 1,019,744	\$ 938,259	\$ (81,485)
Interest earnings	21,000	36,838	15,838
Other	<u>51,000</u>	<u>56,159</u>	<u>5,159</u>
<b>TOTAL REVENUES</b>	<u>1,091,744</u>	<u>1,031,256</u>	<u>(60,488)</u>
<b>EXPENDITURES</b>			
Motor vehicle	1,904,281	897,598	1,006,683
Contingency	<u>145,000</u>	<u>-</u>	<u>145,000</u>
<b>TOTAL EXPENDITURES</b>	<u>2,049,281</u>	<u>897,598</u>	<u>1,151,683</u>
Net change in fund balance	(957,537)	133,658	1,091,195
Fund balance at beginning of year	<u>1,385,443</u>	<u>1,400,632</u>	<u>15,189</u>
Fund balance at end of year	<u>\$ 427,906</u>	1,534,290	<u>\$ 1,106,384</u>
<b>Reconciliation to generally accepted accounting principles</b>			
Fair value adjustment - investments		(12,834)	
Advances to other funds		403,454	
Capital assets, net		<u>2,069,419</u>	
Fund balance at end of year		<u>\$ 3,994,329</u>	

## **AGENCY FUNDS**

*The Statement of Net Position – Fiduciary Funds is reported in the basic financial statements.*

*The Schedule of Changes in Assets and Liabilities for the Unsegregated Tax Fund, Holding Trust Fund, and Assessment and Mapping Fund are presented in this section.*

***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 Trust Fund*** - This fund is for the deposit of money confiscated during narcotics-related arrests. Funds are held in trust 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**

**AGENCY FUNDS  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Year Ended June 30, 2019**

Agency Fund	Balance July 01, 2018	Additions	Deductions	Balance June 30, 2019
<b><u>Unsegregated Tax and Interest</u></b>				
Assets				
Cash and investments	\$ 1,893,804	\$ 138,541,284	\$ 139,199,907	\$ 1,235,181
Property taxes receivable	<u>8,830,440</u>	<u>117,929,036</u>	<u>120,569,034</u>	<u>6,190,442</u>
Total assets	<u>\$ 10,724,244</u>	<u>\$ 256,470,320</u>	<u>\$ 259,768,941</u>	<u>\$ 7,425,623</u>
Liabilities				
Intergovernmental payables	<u>\$ 10,724,244</u>	<u>\$ 247,639,880</u>	<u>\$ 250,938,501</u>	<u>\$ 7,425,623</u>
<b><u>Holding Trust</u></b>				
Assets				
Cash and investments	<u>\$ 55,545</u>	<u>\$ 1,438</u>	<u>\$ 91</u>	<u>\$ 56,892</u>
Liabilities				
Amounts held in trust	<u>\$ 55,545</u>	<u>\$ 1,518</u>	<u>\$ 171</u>	<u>\$ 56,892</u>
<b><u>Assessment and Mapping</u></b>				
Assets				
Cash and investments	<u>\$ 288,584</u>	<u>\$ 1,405,320</u>	<u>\$ 1,320,351</u>	<u>\$ 373,553</u>
Liabilities				
Intergovernmental payables	<u>\$ 288,584</u>	<u>\$ 2,725,624</u>	<u>\$ 2,640,655</u>	<u>\$ 373,553</u>
<b><u>Total-All Agency Funds</u></b>				
Assets				
Cash and investments	\$ 2,237,933	\$ 139,948,042	\$ 140,520,349	\$ 1,665,626
Property taxes receivable	<u>8,830,440</u>	<u>117,929,036</u>	<u>120,569,034</u>	<u>6,190,442</u>
Total assets	<u>\$ 11,068,373</u>	<u>\$ 257,877,078</u>	<u>\$ 261,089,383</u>	<u>\$ 7,856,068</u>
Liabilities				
Intergovernmental payables	\$ 11,012,828	\$ 250,365,504	\$ 253,579,156	\$ 7,799,176
Amounts held in trust	<u>55,545</u>	<u>1,518</u>	<u>171</u>	<u>56,892</u>
Total liabilities	<u>\$ 11,068,373</u>	<u>\$ 250,367,022</u>	<u>\$ 253,579,327</u>	<u>\$ 7,856,068</u>

**YAMHILL COUNTY**

**SCHEDULE OF ACCOUNTABILITY FOR INDEPENDENTLY ELECTED OFFICIALS  
For the Year Ended June 30, 2019**

Official	Total Cash and Cash Equivalents June 30, 2018	Cash			Total Cash and Cash Equivalents June 30, 2019	Classification of Cash and Cash Equivalents				
		Cash Receipts	Disbursements and Refunds	Turned to Treasurer		Cash on Hand	Checking	Cash with Fiscal Agent	Local Govt Pool and Other Investments	Total
Assessor	\$ 100	\$ 445,722	\$ -	\$ (445,722)	\$ 100	\$ 100	\$ -	\$ -	\$ -	\$ 100
Clerk	1,300	705,479	-	(705,479)	1,300	1,300	-	-	-	1,300
Commissioners	55	152,830	-	(152,865)	20	20	-	-	-	20
District Attorney	1,400	904,734	-	(904,734)	1,400	1,400	-	-	-	1,400
Sheriff	600	4,303,627	-	(4,303,477)	750	750	-	-	-	750
Treasurer	53,462,574	97,446,334	(107,032,078)	6,512,277	50,389,107	7,085	1,459,334	68,589	48,854,099	50,389,107
	<u>\$ 53,466,029</u>	<u>\$ 103,958,726</u>	<u>\$ (107,032,078)</u>	<u>\$ -</u>	<u>\$ 50,392,677</u>	<u>\$ 10,655</u>	<u>\$ 1,459,334</u>	<u>\$ 68,589</u>	<u>\$ 48,854,099</u>	<u>\$ 50,392,677</u>



1843

**YAMHILL  
COUNTY**

## **STATISTICAL SECTION**



1843

**YAMHILL  
COUNTY**

## STATISTICAL SECTION

*This section of the County's comprehensive annual 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.*

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b><i>Financial Trends</i></b> - These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	116 - 125
<b><i>Revenue Capacity</i></b> - These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	126 - 135
<b><i>Debt Capacity</i></b> - 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.	136 - 141
<b><i>Demographic and Economic Information</i></b> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	142 - 144
<b><i>Operating Information</i></b> - 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.	145 - 152

Yamhill County, Oregon  
**Net Position by Component**<sup>a</sup>  
 Last Ten Fiscal Years - Unaudited  
*(Accrual Basis of Accounting)*

	Fiscal Year			
	2010	2011	2012	2013
<b>Governmental activities:</b>				
Net investment in capital assets <sup>b</sup>	\$ 173,787,236	\$ 164,767,868	\$ 156,849,881	\$ 149,198,055
Restricted	959,070	11,743,422	13,534,593	12,205,274
Unrestricted <sup>b, c</sup>	17,274,364	8,955,619	10,212,901	11,767,035
Total governmental activities net position	<u>\$ 192,020,670</u>	<u>\$ 185,466,909</u>	<u>\$ 180,597,375</u>	<u>\$ 173,170,364</u>
<b>Business-type activities:</b>				
Net investment in capital assets	\$ 83,580	\$ 82,186	\$ 81,067	\$ 80,222
Unrestricted	81,349	74,844	97,109	106,270
Total business-type activities net position	<u>\$ 164,929</u>	<u>\$ 157,030</u>	<u>\$ 178,176</u>	<u>\$ 186,492</u>
<b>Primary government:</b>				
Net investment in capital assets	\$ 173,870,816	\$ 164,850,054	\$ 156,930,948	\$ 149,278,277
Restricted	959,070	11,743,422	13,534,593	12,205,274
Unrestricted <sup>b</sup>	17,355,713	9,030,463	10,310,010	11,873,305
Total primary government net position	<u>\$ 192,185,599</u>	<u>\$ 185,623,939</u>	<u>\$ 180,775,551</u>	<u>\$ 173,356,856</u>

**Notes**

- a. In 2013, GASB No. 63 changed the term "Net Assets" to be "Net Position". The term has been changed retroactively.
- b. In 2015, net position was restated for two items:
  - 1) correct errors in capital assets
  - 2) to record unrestricted deferred outflows of resources and net pension liability in accordance with GASB #68
- c. The negative unrestricted net position in fiscal year 2016 resulted from the application of GASB No. 68 and the increase in the County's share of Net Pension Liability during the measurement period ended June 30, 2015.

**Source**

Yamhill County Finance

**Exhibit 1**

Fiscal Year					
2014	2015 <sup>b</sup>	2016 <sup>c</sup>	2017	2018	2019
\$ 145,097,373	\$ 133,716,296	\$ 133,190,944	\$ 130,112,927	\$ 130,884,138	\$ 132,333,964
15,138,068	18,606,335	23,465,644	24,906,888	22,226,076	19,840,271
12,872,381	12,161,920	(1,006,720)	(1,763,573)	265,478	881,766
<u>\$ 173,107,822</u>	<u>\$ 164,484,551</u>	<u>\$ 155,649,868</u>	<u>\$ 153,256,242</u>	<u>\$ 153,375,692</u>	<u>\$ 153,056,001</u>
\$ 79,103	\$ 78,356	\$ 92,084	\$ 89,916	\$ 87,749	\$ 85,581
113,013	110,008	90,242	90,051	89,025	95,820
<u>\$ 192,116</u>	<u>\$ 188,364</u>	<u>\$ 182,326</u>	<u>\$ 179,967</u>	<u>\$ 176,774</u>	<u>\$ 181,401</u>
\$ 145,176,476	\$ 133,794,652	\$ 133,283,028	\$ 130,202,843	\$ 130,971,887	\$ 132,419,545
15,138,068	18,606,335	23,465,644	24,906,888	22,226,076	19,840,271
12,985,394	12,271,928	(916,478)	(1,673,522)	354,503	977,586
<u>\$ 173,299,938</u>	<u>\$ 164,672,915</u>	<u>\$ 155,832,194</u>	<u>\$ 153,436,209</u>	<u>\$ 153,552,466</u>	<u>\$ 153,237,402</u>

Yamhill County, Oregon  
**Changes in Net Position <sup>a</sup>**  
 Last Ten Fiscal Years - Unaudited  
 (Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
<b>Expenses</b>				
Governmental activities:				
General government	\$ 15,797,259	\$ 15,162,409	\$ 16,290,893	\$ 14,961,317
Public safety	15,329,899	15,886,387	15,733,196	15,950,089
Highways and streets	14,784,195	14,220,028	12,972,328	13,005,391
Health and welfare	14,060,035	13,800,389	14,959,780	16,058,668
Parks, culture, and recreation	624,969	631,636	616,570	655,749
Education	391,922	395,437	345,407	347,532
Interest on long-term debt obligations	73,844	72,939	67,802	47,432
Total governmental activities expenses	<u>61,062,123</u>	<u>60,169,225</u>	<u>60,985,976</u>	<u>61,026,178</u>
Business-type activities:				
Sewer	77,340	52,785	48,024	41,313
Total primary government expenses	<u>61,139,463</u>	<u>60,222,010</u>	<u>61,034,000</u>	<u>61,067,491</u>
<b>Program revenues</b>				
Governmental activities:				
Charges for services:				
General government	4,516,395	3,795,260	4,292,456	4,246,561
Health and welfare	8,516,611	9,418,124	10,225,604	10,457,078
Other activities	1,765,992	1,844,910	1,785,520	1,766,607
Operating grants and contributions	19,841,123	19,753,078	20,660,895	18,398,049
Capital grants and contributions	-	-	-	-
Total governmental activities program revenues	<u>34,640,121</u>	<u>34,811,372</u>	<u>36,964,475</u>	<u>34,868,295</u>
Business-type activities:				
Charges for services:				
Sewer	47,784	44,814	47,923	49,036
Total primary government program revenues	<u>34,687,905</u>	<u>34,856,186</u>	<u>37,012,398</u>	<u>34,917,331</u>
<b>Net expense (revenue)</b>				
Governmental activities	(26,422,002)	(25,357,853)	(24,021,501)	(26,157,883)
Business-type activities	(29,556)	(7,971)	(101)	7,723
Total primary government net expense	<u>(26,451,558)</u>	<u>(25,365,824)</u>	<u>(24,021,602)</u>	<u>(26,150,160)</u>
<b>General revenues and other changes in net position</b>				
Governmental activities:				
Taxes	16,749,501	17,802,274	17,847,984	18,251,517
Franchise and miscellaneous taxes	-	-	14,780	24,281
Grants and contributions not restricted for specific programs	-	-	-	-
Investment earnings	234,161	110,366	108,672	132,913
Miscellaneous	1,199,211	975,200	913,137	1,049,477
(Loss) of sale of capital assets	319,219	(84,045)	267,349	(433,290)
Transfers	29,160	301	41	54
Total governmental activities	<u>18,531,252</u>	<u>18,804,096</u>	<u>19,151,963</u>	<u>19,024,952</u>
Business-type activities:				
Investment earnings	1,080	372	333	393
Miscellaneous	76	-	255	254
Transfers	(29,160)	(301)	(41)	(54)
Total business-type activities	<u>(28,004)</u>	<u>71</u>	<u>547</u>	<u>593</u>
Total primary government	<u>\$ 18,503,248</u>	<u>\$ 18,804,167</u>	<u>\$ 19,152,510</u>	<u>\$ 19,025,545</u>

Exhibit 2

		Fiscal Year									
		2014	2015	2016	2017	2018	2019				
\$	13,023,341	\$	12,826,612	\$	19,291,682	\$	15,293,385	\$	15,951,224	\$	16,919,051
	19,241,367		19,850,299		23,506,669		24,354,959		23,820,539		25,440,534
	11,773,977		13,016,733		14,788,267		11,650,759		10,728,851		10,448,233
	17,592,139		18,354,390		28,873,641		29,397,302		30,802,700		37,131,121
	644,333		673,637		759,111		770,681		915,430		875,696
	414,268		417,228		408,986		385,654		437,529		449,122
	32,174		46,667		93,320		181,151		246,467		159,088
	62,721,599		65,185,566		87,721,676		82,033,891		82,902,740		91,422,845
	43,565		52,664		54,793		51,879		52,040		56,236
	62,765,164		65,238,230		87,776,469		82,085,770		82,954,780		91,479,081
	4,469,247		5,201,297		9,088,885		3,239,539		3,905,229		3,609,126
	12,960,631		20,259,671		24,133,635		23,911,565		25,016,934		26,523,214
	2,872,027		5,762,512		2,172,510		7,029,905		4,836,904		5,160,345
	22,617,194		18,783,079		21,194,864		21,014,520		23,120,836		26,740,856
	-		-		-		-		-		1,421,406
	42,919,099		50,006,559		56,589,894		55,195,529		56,879,903		63,454,947
	48,634		48,154		48,080		48,781		48,387		58,800
	42,967,733		50,054,713		56,637,974		55,244,310		56,928,290		63,513,747
	(19,802,500)		(15,179,007)		(31,131,782)		(26,838,362)		(26,022,837)		(27,967,898)
	5,069		(4,510)		(6,713)		(3,098)		(3,653)		2,564
	(19,797,431)		(15,183,517)		(31,138,495)		(26,841,460)		(26,026,490)		(27,965,334)
	18,822,848		19,598,627		20,292,378		21,286,970		22,182,544		23,177,560
	28,289		25,788		28,578		1,211,975		1,904,548		1,507,758
	-		-		-		518,192		738,576		671,127
	167,070		249,836		370,080		624,722		373,302		1,451,650
	927,227		1,229,524		1,363,293		802,772		814,983		840,033
	(205,697)		(189,477)		242,737		-		-		-
	221		199		33		105		106		79
	19,739,958		20,914,497		22,297,099		24,444,736		26,014,059		27,648,207
	546		729		708		844		313		1,889
	230		228		-		-		253		253
	(221)		(199)		(33)		(105)		(106)		(79)
	555		758		675		739		460		2,063
\$	19,740,513	\$	20,915,255	\$	22,297,774	\$	24,445,475	\$	26,014,519	\$	27,650,270

Continued on next page

**Changes in Net Position<sup>a</sup>, continued**

Last Ten Fiscal Years - Unaudited

*(Accrual Basis of Accounting)*

	Fiscal Year			
	2008	2009	2010	2011
<b>Change in net position</b>				
Governmental activities <sup>k</sup>	\$ (7,890,750)	\$ (6,553,757)	\$ (4,869,538)	\$ (7,132,931)
Business-type activities <sup>k</sup>	<u>(57,560)</u>	<u>(7,900)</u>	<u>446</u>	<u>8,316</u>
Total primary government	<u>(7,948,310)</u>	<u>(6,561,657)</u>	<u>(4,869,092)</u>	<u>(7,124,615)</u>
<b>Net position, beginning of year, as previously reported</b>				
Governmental activities	203,509,365	192,020,670	185,466,909	180,597,375
Business-type activities	<u>222,489</u>	<u>164,929</u>	<u>157,030</u>	<u>178,176</u>
Total primary government	<u>203,731,854</u>	<u>192,185,599</u>	<u>185,623,939</u>	<u>180,775,551</u>
<b>Prior period adjustments and reclassifications</b>				
Governmental activities <sup>b, c</sup>	(3,597,945)	(4)	4	(294,080)
Business activities	<u>-</u>	<u>1</u>	<u>20,700</u>	<u>-</u>
Total primary government	<u>(3,597,945)</u>	<u>(3)</u>	<u>20,704</u>	<u>(294,080)</u>
<b>Net position, beginning of year, restated</b>				
Governmental activities	199,911,420	192,020,666	185,466,913	180,303,295
Business-type activities	<u>222,489</u>	<u>164,930</u>	<u>177,730</u>	<u>178,176</u>
Total primary government	<u>200,133,909</u>	<u>192,185,596</u>	<u>185,644,643</u>	<u>180,481,471</u>
<b>Net position, end of year</b>				
Governmental activities	192,020,670	185,466,909	180,597,375	173,170,364
Business-type activities	<u>164,929</u>	<u>157,030</u>	<u>178,176</u>	<u>186,492</u>
Total primary government	<u>\$ 192,185,599</u>	<u>\$ 185,623,939</u>	<u>\$ 180,775,551</u>	<u>\$ 173,356,856</u>

**Notes**

- In 2013, GASB No. 63 changed the term "Net Assets" to be "Net Position". The term has been changed retroactively.
- In 2010, net position was restated to correct an error in accounting for the landfill postclosure care liability.
- In 2015, net position was restated for two items:
  - correct errors in capital assets for \$5,633,937
  - to record deferred outflows of resources and net pension liability in accordance with GASB #68 for a net of \$8,724,824.

**Source**

Yamhill County Finance

Exhibit 2, continued

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ (62,542)	\$ 5,735,490	\$ (8,834,683)	\$ (2,393,626)	\$ (8,778)	\$ (319,691)
<u>5,624</u>	<u>(3,752)</u>	<u>(6,038)</u>	<u>(2,359)</u>	<u>(3,193)</u>	<u>4,627</u>
<u>(56,918)</u>	<u>5,731,738</u>	<u>(8,840,721)</u>	<u>(2,395,985)</u>	<u>(11,971)</u>	<u>(315,064)</u>
173,170,364	173,107,822	164,484,551	155,649,868	153,256,242	153,375,692
<u>186,492</u>	<u>192,116</u>	<u>188,364</u>	<u>182,326</u>	<u>179,967</u>	<u>176,774</u>
<u>173,356,856</u>	<u>173,299,938</u>	<u>164,672,915</u>	<u>155,832,194</u>	<u>153,436,209</u>	<u>153,552,466</u>
-	(14,358,761)	-	-	128,228	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(14,358,761)</u>	<u>-</u>	<u>-</u>	<u>128,228</u>	<u>-</u>
173,170,364	158,749,061	164,484,551	155,649,868	153,384,470	153,375,692
<u>186,492</u>	<u>192,116</u>	<u>188,364</u>	<u>182,326</u>	<u>179,967</u>	<u>176,774</u>
<u>173,356,856</u>	<u>158,941,177</u>	<u>164,672,915</u>	<u>155,832,194</u>	<u>153,564,437</u>	<u>153,552,466</u>
173,107,822	164,484,551	155,649,868	153,256,242	153,375,692	153,056,001
<u>192,116</u>	<u>188,364</u>	<u>182,326</u>	<u>179,967</u>	<u>176,774</u>	<u>181,401</u>
<u>\$ 173,299,938</u>	<u>\$ 164,672,915</u>	<u>\$ 155,832,194</u>	<u>\$ 153,436,209</u>	<u>\$ 153,552,466</u>	<u>\$ 153,237,402</u>

Yamhill County, Oregon  
**Fund Balances, Governmental Funds**  
 Last Ten Fiscal Years<sup>a</sup> - Unaudited  
 (Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
General fund:				
Reserved	\$ 954,848	\$ -	\$ -	\$ -
Unreserved	5,165,507	-	-	-
Nonspendable	-	2,145	33,019	2,523
Assigned	-	-	-	214,099
Unassigned	-	8,207,177	8,530,810	8,575,801
Total general fund	<u>6,120,355</u>	<u>8,209,322</u>	<u>8,563,829</u>	<u>8,792,423</u>
All other governmental funds:				
Reserved	780,042	-	-	-
Unreserved, reported in:				
Special revenue funds	10,424,365	-	-	-
Capital project funds	2,260,578	-	-	-
Nonspendable	-	222,169	225,288	236,438
Restricted	-	11,743,422	13,333,405	12,318,533
Assigned	-	12	238,400	1,470,055
Unassigned	-	(439,402)	(53,098)	(43,586)
Total all other governmental funds	<u>13,464,985</u>	<u>11,526,201</u>	<u>13,743,995</u>	<u>13,981,440</u>
Total government funds	<u>\$ 19,585,340</u>	<u>\$ 19,735,523</u>	<u>\$ 22,307,824</u>	<u>\$ 22,773,863</u>

**Notes**

a. In accordance with GASB 54, beginning in 2011 new classifications of fund balance for governmental funds are reported that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

**Source**

Yamhill County Finance

**Exhibit 3**

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,944	250	18,300	156,470	618,037	607,285
594,262	985,984	1,131,977	1,158,819	691,434	644,991
<u>9,116,111</u>	<u>10,258,219</u>	<u>12,229,879</u>	<u>14,588,920</u>	<u>15,883,996</u>	<u>16,260,612</u>
<u>9,714,317</u>	<u>11,244,453</u>	<u>13,380,156</u>	<u>15,904,209</u>	<u>17,193,467</u>	<u>17,512,888</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
194,597	216,584	252,427	302,495	527,766	393,869
14,262,385	18,341,768	23,182,852	24,366,914	21,747,182	19,428,932
1,206,646	1,784,338	1,915,218	2,196,724	2,314,909	2,499,225
(11,309)	(7,366)	9,245	26,534	-	(402)
<u>15,652,319</u>	<u>20,335,324</u>	<u>25,359,742</u>	<u>26,892,667</u>	<u>24,589,857</u>	<u>22,321,624</u>
<u>\$ 25,366,636</u>	<u>\$ 31,579,777</u>	<u>\$ 38,739,898</u>	<u>\$ 42,796,876</u>	<u>\$ 41,783,324</u>	<u>\$ 39,834,512</u>

Yamhill County, Oregon  
**Change in Fund Balances, Governmental Funds**  
 Last Ten Fiscal Years - Unaudited  
 (Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
<b>Revenues</b>				
Property taxes	\$ 16,341,244	\$ 17,729,680	\$ 17,628,873	\$ 18,115,122
Miscellaneous taxes	-	-	14,780	24,281
Licenses, permits, and fees	1,203,374	1,157,415	1,283,584	1,335,899
Intergovernmental	19,987,499	19,985,932	20,637,659	18,513,938
Charges for services	12,890,718	13,406,432	14,311,217	14,719,441
Fines and forfeitures	430,922	461,571	479,741	514,636
Interest	215,606	90,290	92,338	112,831
Other	1,659,708	823,452	984,645	967,722
Total revenues	<u>52,729,071</u>	<u>53,654,772</u>	<u>55,432,837</u>	<u>54,303,870</u>
<b>Expenditures</b>				
Current:				
General government	12,367,028	11,604,264	12,636,696	11,652,094
Public safety	12,787,498	15,690,184	15,579,136	15,800,372
Parks, culture, and recreation	3,638,776	597,536	581,489	617,796
Highways and streets	4,103,121	3,950,153	3,998,838	4,001,059
Health and welfare	14,275,905	13,730,758	14,906,829	15,884,734
Education	136,917	129,122	67,089	50,171
Capital outlay	4,808,350	3,074,569	2,930,563	3,312,555
Debt service:				
Principal	92,846	98,081	98,324	103,573
Interest	72,254	93,920	90,602	87,052
Total expenditures	<u>52,282,695</u>	<u>48,968,587</u>	<u>50,889,566</u>	<u>51,509,406</u>
Excess (deficiency) of revenues over (under) expenditures	<u>446,376</u>	<u>4,686,185</u>	<u>4,543,271</u>	<u>2,794,464</u>
<b>Other financing sources (uses)</b>				
Proceeds from capital leases	212,105	-	-	-
Transfers in	7,229,267	6,587,186	6,973,544	7,810,940
Transfers out	(7,816,270)	(9,201,171)	(8,944,517)	(9,845,285)
Total other financing sources (uses)	<u>(374,898)</u>	<u>(2,613,985)</u>	<u>(1,970,973)</u>	<u>(2,034,345)</u>
<b>Net change in fund balances</b>	<u>71,478</u>	<u>2,072,200</u>	<u>2,572,298</u>	<u>760,119</u>
<b>Fund balances</b>				
Fund balances, beginning of year, as previously reported	19,513,862	19,585,340	19,735,523	22,307,824
Prior period adjustments and reclassifications <sup>D</sup>	-	(1,922,017)	3	(294,080)
Fund balances, beginning of year, restated	<u>19,513,862</u>	<u>17,663,323</u>	<u>19,735,526</u>	<u>22,013,744</u>
Fund balances, end of year	<u>\$ 19,585,340</u>	<u>\$ 19,735,523</u>	<u>\$ 22,307,824</u>	<u>\$ 22,773,863</u>
<b>Debt service as a percentage of noncapital expenditures<sup>a</sup></b>	0.34%	0.42%	0.39%	0.39%

**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 2011 the Motor Vehicle Replacement Fund was reclassified as an Internal Service Fund

**Source**

Yamhill County Finance

Exhibit 4

		Fiscal Year									
		2014	2015	2016	2017	2018	2019				
\$	18,546,935	\$	19,121,966	\$	20,306,358	\$	21,451,653	\$	22,570,162	\$	23,387,856
	28,289		25,788		28,578		29,109		31,718		33,168
	1,376,859		1,570,582		1,815,928		1,720,704		1,956,627		1,753,548
	22,145,613		19,346,078		21,422,697		22,800,039		25,851,263		30,447,366
	18,420,883		29,163,948		32,764,970		31,851,453		31,003,376		32,654,957
	467,517		372,538		461,605		338,360		418,773		374,772
	140,335		210,771		324,384		563,313		368,146		1,263,563
	749,506		731,585		1,095,231		1,049,063		726,546		891,216
	<u>61,875,937</u>		<u>70,543,256</u>		<u>78,219,751</u>		<u>79,803,694</u>		<u>82,926,611</u>		<u>90,806,446</u>
	9,562,012		10,117,847		14,023,475		11,025,789		11,938,818		13,138,622
	19,116,622		22,258,649		19,536,836		23,092,346		22,580,253		24,528,121
	619,707		669,835		689,594		718,557		871,815		4,835,986
	3,958,120		3,888,913		4,400,202		4,053,383		4,455,407		36,252,963
	17,551,466		19,999,602		25,598,485		28,389,577		31,652,970		828,478
	79,316		64,014		61,494		16,139		57,743		449,122
	4,592,271		4,674,180		4,328,443		4,232,234		8,604,761		8,028,062
	798,873		54,184		54,551		959,568		-		569,283
	73,344		48,917		95,570		210,401		175,525		101,200
	<u>56,351,731</u>		<u>61,776,141</u>		<u>68,788,650</u>		<u>72,697,994</u>		<u>80,337,292</u>		<u>88,731,837</u>
	5,524,206		8,767,115		9,431,101		7,105,700		2,589,319		2,074,609
	-		-		-		-		-		-
	7,046,156		6,898,138		7,888,221		8,829,886		8,066,594		8,502,813
	<u>(9,977,592)</u>		<u>(9,452,112)</u>		<u>(10,159,201)</u>		<u>(11,878,608)</u>		<u>(11,669,465)</u>		<u>(12,526,234)</u>
	<u>(2,931,436)</u>		<u>(2,553,974)</u>		<u>(2,270,980)</u>		<u>(3,048,722)</u>		<u>(3,602,871)</u>		<u>(4,023,421)</u>
	<u>2,592,770</u>		<u>6,213,141</u>		<u>7,160,121</u>		<u>4,056,978</u>		<u>(1,013,552)</u>		<u>(1,948,812)</u>
	22,773,863		25,366,636		31,579,777		38,739,898		42,796,876		41,783,324
	3		-		-		-		-		-
	<u>22,773,866</u>		<u>25,366,636</u>		<u>31,579,777</u>		<u>38,739,898</u>		<u>42,796,876</u>		<u>41,783,324</u>
\$	<u>25,366,636</u>	\$	<u>31,579,777</u>	\$	<u>38,739,898</u>	\$	<u>42,796,876</u>	\$	<u>41,783,324</u>	\$	<u>39,834,512</u>
	1.67%		0.18%		0.24%		1.70%		0.25%		0.76%

Yamhill County, Oregon  
**Assessed Value and Estimated Actual Value of Taxable Property**  
 Last Ten Fiscal Years - Unaudited

Property Class	Fiscal Year			
	2010	2011	2012	2013
Residential	\$ 2,871,499,495	\$ 2,983,039,233	\$ 3,059,211,368	\$ 3,126,698,121
Commercial <sup>e</sup>	595,629,344	646,390,991	662,995,532	-
Industrial <sup>e</sup>	526,557,847	509,006,393	486,297,897	-
Commercial/Industrial <sup>e</sup>	-	-	-	1,221,554,642
Tract	828,697,276	861,359,605	890,941,861	903,481,788
Farm and Range	657,194,554	690,962,238	692,302,476	711,744,898
Forest	305,616,093	331,153,647	333,142,567	344,185,632
Multiple Housing	157,988,275	166,637,601	170,306,130	174,877,469
Recreation	-	-	-	-
Small Tract Forestland	25,470,524	27,433,472	27,078,965	28,478,337
Miscellaneous	215,226	362,149	-	6,257
Personal	192,518,376	197,032,723	185,789,393	191,098,095
Machinery & Equipment <sup>d</sup>	-	-	-	20,493,321
Manufactured Structures	105,433,083	104,778,168	92,777,690	88,066,037
Other	-	-	-	-
Utilities	219,915,704	225,968,599	225,618,133	221,277,570
	<u>6,486,735,797</u>	<u>6,744,124,819</u>	<u>6,826,462,012</u>	<u>7,031,962,167</u>
<b>Other</b>				
Less Urban Renewal Excess	-	(2,341,585)	(2,583,923)	(3,075,193)
Total Taxable Assessed Value <sup>a,u</sup>	<u>\$ 6,486,735,797</u>	<u>\$ 6,741,783,234</u>	<u>\$ 6,823,878,089</u>	<u>\$ 7,028,886,974</u>
<b>Total Direct Tax Rate <sup>c</sup></b>	2.5775	2.5775	2.5775	2.5775
<b>Estimated Actual Value of Property</b>	<u>\$ 13,536,313,914</u>	<u>\$ 12,538,008,245</u>	<u>\$ 11,278,465,947</u>	<u>\$ 10,962,674,349</u>
<b>Actual Value of Property per Capita</b>	137,332	126,264	113,151	109,743
<b>Total Assessed Value to Estimated Actual Value of Taxable Property</b>	47.92%	53.77%	60.50%	64.12%

**Notes**

- 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.
- Taxable assessed values are reported net of tax exempt property.
- Total Direct Tax Rate is per \$1,000 of value.
- Assessment and Taxation reported machinery and equipment separately in 2013. In prior years it was combined under both Commercial and Industrial values.
- Commercial and Industrial property classes were merged in fiscal year 2013 for reporting purposes.

**Source**

Yamhill County Department of Assessment and Taxation

Exhibit 5

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 3,216,726,707	\$ 3,338,202,294	\$ 3,508,394,515	\$ 3,656,255,945	\$ 3,828,660,168	\$ 4,006,426,928	
-	-	-	-	-	-	
-	-	-	-	-	-	
1,235,445,467	1,296,019,044	1,418,198,016	1,464,933,640	1,253,382,539	1,314,591,701	
936,949,602	975,017,140	1,009,162,666	1,049,707,256	1,091,905,153	1,127,832,975	
743,432,740	787,523,358	814,080,314	834,874,209	876,842,770	908,340,109	
363,629,434	386,008,003	400,153,481	440,323,920	478,481,600	496,021,507	
182,698,726	196,764,181	200,495,907	223,542,062	228,103,780	239,106,313	
-	-	-	-	-	-	
29,944,820	30,724,487	31,191,282	33,309,300	19,251,799	23,128,481	
6,438	6,571	24,679	25,418	7,112,980	27,393,450	
189,512,343	201,723,539	207,787,478	226,584,238	225,632,582	231,808,247	
19,628,387	8,349,472	8,500,207	10,652,983	257,222,640	251,467,023	
88,888,699	84,320,234	90,618,702	92,532,899	105,781,665	117,504,431	
-	-	-	-	-	4,702,701	
238,271,350	231,525,437	261,547,500	266,464,900	272,279,615	275,172,334	
7,245,134,713	7,536,183,760	7,950,154,747	8,299,206,770	8,644,657,291	9,023,496,200	
(3,610,473)	(10,921,681)	(15,735,480)	(21,381,335)	(24,707,960)	(34,249,998)	
<u>\$ 7,241,524,240</u>	<u>\$ 7,525,262,079</u>	<u>\$ 7,934,419,267</u>	<u>\$ 8,277,825,435</u>	<u>\$ 8,619,949,331</u>	<u>\$ 8,989,246,202</u>	
2.5775	2.5775	2.5775	2.5775	2.5775	2.5775	
<u>\$ 10,586,808,534</u>	<u>\$ 11,074,356,256</u>	<u>\$ 11,930,391,883</u>	<u>\$ 13,292,164,397</u>	<u>\$ 15,457,854,576</u>	<u>\$ 15,971,061,624</u>	
106,000	109,850	117,600	127,486	146,420	149,259	
68.40%	67.95%	66.51%	62.28%	55.76%	56.28%	

Yamhill County, Oregon

**Direct and Overlapping<sup>a</sup> Property Tax Rates**

Last Ten Fiscal Years - Unaudited

Rate per \$1,000 of assessed value

Taxing Entity	Fiscal Year <sup>b</sup>			
	2010	2011	2012	2013
<u>County Direct Rate</u>				
Yamhill County <sup>c</sup>	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	0.8901	0.7932	0.8803	0.8979
Portland Community College	0.6325	0.6359	0.5981	0.6651
<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	6.9856	6.9852	7.0339	6.5809
Dayton	8.5220	8.4643	8.5900	8.6617
Gaston	5.0494	5.0494	5.0494	5.0494
Hillsboro	7.4600	7.5846	7.4663	7.4977
McMinnville	6.9447	6.9206	6.9778	6.9767
Nestucca Valley	5.6621	5.6278	5.6041	5.5464
Newberg	8.2403	8.3290	7.4553	7.4400
Sheridan	8.0331	8.2437	8.0475	7.9268
Sherwood	8.9223	8.8834	8.8916	8.8194
Willamina	5.0022	5.0022	5.0022	5.0022
Yamhill-Carlton	6.0319	5.9967	5.9996	5.8989
<u>Cities</u>				
Amity	3.6105	3.6105	3.6105	3.6105
Carlton	4.6110	4.6608	4.7107	4.7605
Dayton	3.3557	3.5570	3.5557	3.5557
Dundee	2.3115	2.3115	2.3115	2.3115
Gaston <sup>d</sup>	-	6.6146	6.6146	6.6146
Lafayette	3.4857	3.4857	3.4857	3.4857
McMinnville	5.8358	5.7424	5.7029	5.6520
Newberg	4.6942	4.6947	4.6699	4.6605
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	1.7689	1.8096	1.8481	1.8029
Carlton <sup>e</sup>	1.4775	1.4828	1.4975	1.4683
New Carlton <sup>e</sup>	-	-	-	-
Dayton	1.2302	1.2302	1.2302	1.2302
Dundee	0.5580	0.5580	0.5580	1.1574
Gaston	1.5121	1.7621	1.7621	1.7621
McMinnville	1.1376	1.1376	1.1376	1.1376
Newberg <sup>f</sup>	0.4329	0.4329	0.4329	0.4329
Sheridan	1.4688	1.4688	1.4688	1.4688
Tualatin Valley <sup>f</sup>	-	-	-	-
West Valley	1.6066	1.6318	1.6203	1.6080
Yamhill	0.9081	0.9081	0.9081	0.9081

Yamhill County, Oregon

**Continued on next page**

**Exhibit 6**

Fiscal Year <sup>b</sup>					
2014	2015	2016	2017	2018	2019
2.5775	2.5775	2.5775	2.5775	2.5775	2.5775
0.0449	0.0449	0.0449	0.0449	0.0449	0.0449
0.8573	0.8942	0.9190	0.9018	0.8977	0.8966
0.7342	0.7222	0.5855	0.6785	0.6050	0.6874
0.1538	0.1538	0.1538	0.1538	0.1538	0.1538
0.2967	0.2967	0.2967	0.2967	0.2967	0.2967
6.5322	6.6409	6.4141	6.4385	6.4398	6.4143
9.0512	8.4641	8.2512	7.9321	8.0424	7.9190
5.0494	5.0494	5.0494	7.1796	7.0836	7.1059
7.4006	7.4200	7.2247	7.1962	7.1512	7.1388
6.8741	6.9431	6.8715	6.8877	6.7538	6.7411
5.3308	5.4697	5.5621	5.5780	5.5636	6.4814
7.4237	7.5078	7.9184	7.8755	7.8036	6.0496
7.8651	7.8302	7.7780	7.7211	7.7220	7.5598
8.8206	8.8186	8.5285	8.6778	9.1430	8.9522
5.0022	5.6310	5.6182	5.5929	5.5811	5.5636
5.8803	5.8494	5.7189	7.1368	7.0622	6.9814
3.6105	3.6105	3.6105	3.6105	3.6105	3.6105
4.8104	4.8603	5.3558	5.3279	5.4041	5.3756
3.5557	3.5557	3.5557	3.5557	3.5557	3.5557
2.3115	2.4422	2.8495	2.8947	2.8547	2.8413
6.6145	6.6146	6.6146	6.6146	6.6146	6.6146
3.4857	3.4857	3.4857	3.4857	3.4857	3.4857
5.7179	5.7024	6.1837	6.1020	6.3566	6.4713
4.6575	4.6438	4.6332	4.3827	4.3827	2.5000
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
1.7630	1.7874	1.7829	2.2123	2.2066	2.2014
1.4601	1.4590	1.4482	-	-	-
-	-	-	1.4365	1.4284	1.4328
1.2302	1.2302	1.2302	1.2302	1.2302	1.2302
1.0830	1.0918	1.0404	1.0200	0.9905	0.8552
1.7621	1.7621	1.7621	1.7621	1.7621	1.7621
0.9576	0.9576	0.9576	0.9576	0.9576	0.9576
0.4329	0.4329	0.4329	0.4329	0.4329	-
1.4688	1.4688	1.4688	1.4688	1.4688	1.4688
-	-	-	-	-	2.0839
1.5699	1.6042	1.5596	1.4639	1.2936	1.2092
0.9081	0.9081	0.9081	0.9081	0.9081	0.9081

**Direct and Overlapping<sup>a</sup> Property Tax Rates, continued**

Last Ten Fiscal Years - Unaudited

Rate per \$1,000 of assessed value

Taxing Entity	Fiscal Year b			
	2010	2011	2012	2013
<b>Miscellaneous Districts</b>				
Chemeketa Library	0.0818	0.0818	0.0818	0.0818
Chehalem Parks and Recreation	0.9076	0.9076	0.9076	0.9076
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. Portions of the City of Gaston were annexed into Yamhill County in 2011.  
Prior to that, no portion of the City of Gaston was located in Yamhill County.
- e. 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.
- f. In 2019 the Newberg Rural Fire Protection District merged with Tualatin Valley Fire & Rescue.

**Source**

Yamhill County Department of Assessment and Taxation

Exhibit 6, continued

Fiscal Year <sup>b</sup>					
2014	2015	2016	2017	2018	2019
0.0818	0.0818	0.0818	0.0818	0.0818	0.0818
0.9076	0.9076	1.3266	1.3278	1.3208	1.3118
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	2019		
	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value
Portland General Electric	\$ 129,423,000	1	1.44%
SP Fiber Technologies Northwest LLC (1)	38,174,511	2	0.42%
Foxglove Properties	34,849,622	3	0.39%
Northwest Natural Gas Co.	31,457,000	4	0.35%
The Allison Inn & Spa LLC	27,699,723	5	0.31%
A-dec, Inc. (2)	26,137,440	6	0.29%
Riverbend Landfill Co.	20,141,619	7	0.22%
K&J Real Estate LLC	19,994,532	8	0.22%
A to Z Wineworks LLC	19,345,645	9	0.22%
Fred Meyer Stores, Inc.	17,710,787	10	0.20%
Cascade Steel Rolling Mills, Inc.			
Willamette Valley Medical Center, LLC			
Verizon Communications			
Willamina Lumber Co.			
Comcast Corporation			
Hillside Senior Living Community LLC			
	<u>\$ 364,933,879</u>		<u>4.06%</u>

(1) Assessed as Southeast Paper Manufacturing Co in 2010

(2) Assessed as Austin Joan D Trust 50% in 2010

**Source**

Yamhill County Department of Assessment and Taxation

**Exhibit 7**

<b>2010</b>			
Taxable Assessed			Percent of Total
Value	Rank		Taxable Assessed
			Value
\$ 76,795,000	2		1.18%
81,419,106	1		1.26%
39,830,400	6		0.61%
23,672,298	9		0.36%
69,576,709	3		1.07%
57,235,320	4		0.88%
47,806,300	5		0.74%
29,074,798	7		0.45%
24,934,900	8		0.38%
17,412,733	10		0.27%
<u>\$ 467,757,564</u>			<u>7.21%</u>

Yamhill County, Oregon  
**Property Tax Levies and Collections**  
 Last Ten Fiscal Years - Unaudited

Fiscal Year Ended June 30,	Tax Levied for the Fiscal Year (Original Levy) <sup>b</sup>	Adjustments <sup>c</sup>	Total Adjusted Levy	Collections within the Fiscal Year of the Levy <sup>d</sup>	
				Amount	Percentage of Original Levy
2010 <sup>a</sup>	16,807,628	(491,467)	16,316,161	15,480,104	92.10%
2011 <sup>a</sup>	17,551,102	(559,880)	16,991,222	16,215,314	92.39%
2012 <sup>a</sup>	17,836,275	(552,339)	17,283,936	16,521,353	92.63%
Total outstanding delinquent taxes prior to 2013					
2013	18,253,999	(628,857)	17,625,142	16,843,515	92.27%
2014	18,774,661	(571,806)	18,202,855	17,457,238	92.98%
2015	19,658,178	(606,828)	19,051,350	18,298,628	93.08%
2016	20,612,851	(792,461)	19,820,390	19,181,755	93.06%
2017	21,535,817	(722,523)	20,813,294	20,205,482	93.82%
2018	22,304,815	(731,082)	21,573,733	21,008,676	94.19%
2019	23,504,146	(678,720)	22,825,426	22,189,942	94.41%

**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 2010, 2011, and 2012 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**

Collections in Subsequent Years	Total Collections to Date <sup>d</sup>		Outstanding Delinquent Taxes
	Total Tax Collections	Percentage of Adjusted Levy	
764,338	16,244,442	99.56%	
705,708	16,921,022	99.59%	
688,236	17,209,589	99.57%	
			\$ 51,791
770,953	17,614,468	99.94%	10,674
728,949	18,186,187	99.91%	16,668
735,604	19,034,232	99.91%	17,118
573,214	19,754,969	99.67%	65,421
417,801	20,623,283	99.09%	190,011
262,456	21,271,132	98.60%	302,601
-	22,189,942	97.22%	635,484
			<u>\$ 1,289,768</u>

Yamhill County, Oregon  
**Ratios of Outstanding Debt by Type**  
 Last Ten Fiscal Years - Unaudited

<b>Governmental Activities</b> <sup>a,b</sup>	Fiscal Year			
	2010	2011	2012	2013
Limited Tax Bond	\$ 905,000	\$ 855,000	\$ 805,000	\$ 750,000
Notes Payable	1,262,154	1,214,073	1,165,749	1,117,176
Capital Lease Obligation	165,758	121,933	76,290	38,920
Total Governmental Activities Debt	<u>2,332,912</u>	<u>2,191,006</u>	<u>2,047,039</u>	<u>1,906,096</u>
<b>Total Primary Government Debt</b>	<b>\$ 2,332,912</b>	<b>\$ 2,191,006</b>	<b>\$ 2,047,039</b>	<b>\$ 1,906,096</b>

**Ratios of Outstanding Debt**

Total Primary Government Debt as a % of Personal Income <sup>c</sup>	0.07%	0.07%	0.06%	0.05%
Total Primary Government Debt Per Capita <sup>c</sup>	\$ 24	\$ 22	\$ 21	\$ 19

**Notes**

- Details regarding the County's outstanding debt can be found in the notes to the financial statements.
- All debt is shown net of unamortized premiums and discounts.
- 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.

**Source**

Yamhill County Finance

**Exhibit 9**

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1,068,303	3,617,810	7,341,582	7,608,556	7,608,556	7,039,273	
-	-	-	-	-	-	
<u>1,068,303</u>	<u>3,617,810</u>	<u>7,341,582</u>	<u>7,608,556</u>	<u>7,608,556</u>	<u>7,039,273</u>	
<u>\$ 1,068,303</u>	<u>\$ 3,617,810</u>	<u>\$ 7,341,582</u>	<u>\$ 7,608,556</u>	<u>\$ 7,608,556</u>	<u>\$ 7,039,273</u>	
0.03%	0.09%	0.17%	0.17%	0.17%	0.15%	
\$ 11	\$ 36	\$ 72	\$ 73	\$ 72	\$ 66	

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

Last Ten Fiscal Years - Unaudited

**General Bonded/Gross Direct Debt**

	Fiscal Year			
	2010	2011	2012	2013
Limited Tax Bond	\$ 905,000	\$ 855,000	\$ 805,000	\$ 750,000
Notes Payable	1,262,154	1,214,073	1,165,749	1,117,176
Capital Lease Obligation	165,758	121,933	76,290	38,920
<b>Total General Bonded/Gross Direct <sup>a</sup> Debt</b>	<b>\$ 2,332,912</b>	<b>\$ 2,191,006</b>	<b>\$ 2,047,039</b>	<b>\$ 1,906,096</b>

**Net Direct and Overlapping Debt**

Net Direct Debt <sup>b</sup>	\$ 2,332,912	\$ 2,191,006	\$ 2,047,039	\$ 1,906,096
Net Overlapping Debt <sup>c</sup>	265,711,079	265,711,079	265,711,079	266,813,165
<b>Net Direct and Overlapping Debt <sup>d</sup></b>	<b>\$ 268,043,991</b>	<b>\$ 267,902,085</b>	<b>\$ 267,758,118</b>	<b>\$ 268,719,261</b>

**Ratios of Outstanding Debt**

*Debt as a % of Assessed Value of Taxable Property <sup>e</sup>:*

General Bonded/Gross Direct Debt as a % of Assessed Value of Taxable Property	2010	2011	2012	2013
	0.04%	0.03%	0.03%	0.03%

*Debt as a % of Real Market Value (RMV) of Taxable Property <sup>f</sup>:*

General Bonded/Gross Direct Debt as a % of RMV	2010	2011	2012	2013
General Bonded/Gross Direct Debt as a % of RMV	0.02%	0.02%	0.02%	0.02%
Net Direct Debt as a % of RMV	0.02%	0.02%	0.02%	0.02%
Net Overlapping Debt as a % of RMV	1.96%	2.12%	2.36%	2.43%
Net Direct and Net Overlapping Debt as a % of RMV	1.98%	2.14%	2.37%	2.45%

*Debt per Capita <sup>g</sup>:*

General Bonded/Gross Direct Debt per Capita	2010	2011	2012	2013
General Bonded/Gross Direct Debt per Capita	\$ 24	\$ 22	\$ 21	\$ 19
Net Direct Debt per Capita	24	22	21	19
Net Overlapping Debt per Capita	2,696	2,676	2,666	2,671
Net Direct and Net Overlapping Debt per Capita	2,719	2,698	2,686	2,690

**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. 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.
- Net Overlapping Debt is obtained from the Municipal Debt Advisory Commission (MDAC), Oregon State Treasury. MDAC reports were not available for 2010, 2011, 2013, 2014, or 2015. Net Overlapping Debt for 2010 and 2011 was estimated to be the same as 2012; and 2013, 2014, and 2015 the same as 2016.
- 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 13 - Demographic and Economic Statistics.

**Source**

Yamhill County Finance

Exhibit 10

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,068,303	3,617,810	7,341,582	7,608,556	7,608,556	7,039,273
-	-	-	-	-	-
<u>\$ 1,068,303</u>	<u>\$ 3,617,810</u>	<u>\$ 7,341,582</u>	<u>\$ 7,608,556</u>	<u>\$ 7,608,556</u>	<u>\$ 7,039,273</u>
\$ 1,068,303	\$ 1,014,119	\$ 7,341,582	\$ -	\$ -	\$ -
<u>266,813,165</u>	<u>266,813,165</u>	<u>266,813,165</u>	<u>356,718,357</u>	<u>355,256,435</u>	<u>338,361,713</u>
<u>\$ 267,881,468</u>	<u>\$ 267,827,284</u>	<u>\$ 274,154,747</u>	<u>\$ 356,718,357</u>	<u>\$ 355,256,435</u>	<u>\$ 338,361,713</u>
0.01%	0.05%	0.09%	0.09%	0.09%	0.08%
0.01%	0.03%	0.06%	0.06%	0.05%	0.04%
0.01%	0.01%	0.06%	0.00%	0.00%	0.00%
2.52%	2.41%	2.24%	2.68%	2.30%	2.12%
2.53%	2.42%	2.30%	2.68%	2.30%	2.12%
\$ 11	\$ 36	\$ 72	\$ 73	\$ 72	\$ 66
11	10	72	-	-	-
2,671	2,647	2,630	3,421	3,365	3,162
2,682	2,657	2,702	3,421	3,365	3,162

Yamhill County, Oregon  
**Legal Debt Margin - Limited Tax Bonded Indebtedness**  
 Last Ten Fiscal Years - Unaudited

<b><u>Limited Tax Bonds</u></b> <sup>a</sup>	Fiscal Year			
	2010	2011	2012	2013
Real market value of property	<u>\$ 13,536,313,914</u>	<u>\$ 12,538,008,245</u>	<u>\$ 11,278,465,947</u>	<u>\$ 10,962,674,349</u>
Debt limit (1% of real market value) <sup>c</sup>	<u>\$ 135,363,139</u>	<u>\$ 125,380,082</u>	<u>\$ 112,784,659</u>	<u>\$ 109,626,743</u>
Debt applicable to limit: Limited Tax Full Faith and Credit Bonds, Series 2003 <sup>e</sup>	<u>905,000</u>	<u>855,000</u>	<u>805,000</u>	<u>750,000</u>
Legal debt margin <sup>d</sup>	<u>\$ 134,458,139</u>	<u>\$ 124,525,082</u>	<u>\$ 111,979,659</u>	<u>\$ 108,876,743</u>
Total debt applicable to the limit as a percentage of debt limit	0.67%	0.68%	0.71%	0.68%

**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.
- e. The Limited Tax Bonds were paid off in 2014.

**Source**

Yamhill County Finance

Exhibit 11

Fiscal Year					
2014	2015	2016	2017	2018	2019
<u>\$ 10,586,808,534</u>	<u>\$ 11,074,356,256</u>	<u>\$ 11,930,391,883</u>	<u>\$ 13,292,164,397</u>	<u>\$ 15,457,854,576</u>	<u>\$ 15,971,061,624</u>
<u>\$ 105,868,085</u>	<u>\$ 110,743,563</u>	<u>\$ 119,303,919</u>	<u>\$ 132,921,644</u>	<u>\$ 154,578,546</u>	<u>\$ 159,710,616</u>
-	-	-	-	-	-
<u>\$ 105,868,085</u>	<u>\$ 110,743,563</u>	<u>\$ 119,303,919</u>	<u>\$ 132,921,644</u>	<u>\$ 154,578,546</u>	<u>\$ 159,710,616</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



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**YAMHILL  
COUNTY**

<u>Fiscal Year</u>	<u>Population <sup>c</sup></u>	<u>Personal Income (in thousands) <sup>a, d</sup></u>	<u>Per Capita Income <sup>b, d</sup></u>	<u>Unemployment Rate <sup>e</sup></u>
2010	98,566	3,235,947	32,596	10.4%
2011	99,300	3,364,417	33,787	9.2%
2012	99,676	3,527,877	35,344	8.5%
2013	99,894	3,589,421	35,955	7.5%
2014	99,876	3,811,384	37,832	6.4%
2015	100,813	4,126,272	40,686	5.3%
2016	101,449	4,319,331	41,485	4.6%
2017	104,264	4,533,576	42,882	3.8%
2018	105,572	4,527,139	42,882	3.8%
2019	107,002	4,588,460	42,882	3.8%

**Notes**

- a. The 2018 and 2019 personal income was not available and has been estimated by multiplying population by per capita income.
- b. The 2018 and 2019 per capita income was not available and has been estimated to be the same as 2017.

**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.
- e. Bureau of Labor Statistics, U.S. Department of Labor. Rates presented are annualized for the calendar year.

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

Employer	2019		
	Employees <sup>a</sup>	Rank	Percentage of County Employment
A-dec	1,300	1	3.87%
McMinnville School District #40	750	2	2.23%
George Fox University	650	3	1.93%
Yamhill County	640	4	1.90%
Williamette Valley Medical Center, LLC	610	5	1.81%
Newberg Public Schools	580	6	1.73%
Providence Newberg Hospital	500	7	1.49%
Cascade Steel Rolling Mills, Inc.	410	8	1.22%
Linfield College	405	9	1.20%
Meggitt Polymer	384	10	1.14%
Evergreen Enterprises, Inc.			
	6,229		18.53%

**Source**

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

**Exhibit 13**

**2010**

<u>Employees <sup>a</sup></u>	<u>Rank</u>	<u>Percentage of County Employment</u>
952	1	3.23%
700	2	2.38%
412	7	1.40%
398	9	1.35%
612	3	2.08%
566	4	1.92%
545	5	1.85%
409	8	1.39%
525	6	1.78%
361	10	1.23%
<u>5,480</u>		<u>18.60%</u>

Yamhill County, Oregon

**Authorized Number of Employees<sup>a</sup> by Function/Program**

Last Ten Fiscal Years - Unaudited

<u>Function/Program</u>	<u>Fiscal Year</u>		
	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>General government:</b>			
Administrative services	8.13	8.87	9.73
Assessor	18.08	18.08	17.60
Commissioners	4.80	4.74	4.60
Clerk	5.00	5.00	6.00
Information technology	6.80	7.90	7.90
Treasurer	1.00	0.73	-
Veterans <sup>c</sup>	2.00	1.70	2.00
Planning	11.65	11.85	10.55
Surveyor	0.70	0.70	0.70
County counsel	3.00	3.00	3.00
Transportation	1.00	1.00	1.00
Geographical information systems	2.10	-	-
Facilities maintenance	6.40	6.50	6.00
Capital improvement	-	-	-
Telecommunications	2.10	2.10	2.10
Insurance reserve	-	-	0.10
<b>Public safety:</b>			
District attorney	21.80	21.80	21.80
Support enforcement	5.20	5.20	5.20
Emergency management	1.75	1.50	1.50
Jail	34.50	35.40	38.30
Marine	0.15	-	0.50
Sheriff	47.25	46.25	44.05
Narcotics investigation	-	-	-
Juvenile probation <sup>e</sup>	30.86	16.45	15.57
Juvenile detention <sup>e</sup>	-	14.41	14.81
Campus courthouse security	1.00	1.00	1.20
Radio system	-	-	-
Dog control	3.25	3.25	3.45
Law library	0.30	0.30	0.30
Community corrections <sup>d</sup>	34.00	35.00	31.00
Corner restoration	4.30	2.30	2.30
Jail facilities maintenance <sup>d</sup>	-	-	-
<b>Highways and streets:</b>			
Public works	32.09	31.00	34.70
<b>Health and welfare</b>			
Health and human services <sup>c, f</sup>	146.79	153.62	161.63
Children and families <sup>f</sup>	2.90	2.90	3.45
Solid waste	3.75	3.75	3.45
<b>Parks, culture, and recreation:</b>			
Parks	1.50	1.50	1.50
Fair events center	1.85	1.85	1.85
Habitat conservation	-	-	-
	<u>446.00</u>	<u>449.65</u>	<u>457.84</u>
Percent of County employees to County population <sup>b</sup>	0.452%	0.453%	0.459%

**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. Veterans Services merged Health and human services - Disability services in 2013.
- d. Jail facilities maintenance separated from Community corrections in 2017.
- e. Juvenile detention separated from Juvenile probation in 2011 and became it's own division.
- f. Children and families was merged into Health and human services - Family and youth in 2013.

**Source**

Yamhill County Finance

*Continued on next page*

Fiscal Year						
2013	2014	2015	2016	2017	2018	2019
9.63	10.13	10.33	10.23	10.23	10.93	11.23
17.60	19.00	19.00	19.00	19.00	19.00	19.00
4.60	4.60	4.60	4.60	4.60	4.60	5.00
5.00	5.00	6.00	5.00	6.00	6.00	6.00
7.90	8.50	8.70	8.70	9.20	9.60	9.60
0.13	0.40	0.40	0.40	0.40	0.40	0.40
-	-	-	-	-	-	-
10.70	10.70	10.90	11.30	13.70	14.40	17.05
0.60	0.55	0.55	0.55	0.55	0.55	0.55
3.00	3.00	3.00	3.00	3.00	3.00	4.00
1.00	1.00	1.00	0.80	-	-	1.00
-	-	-	-	-	-	-
6.50	6.50	6.60	6.60	8.10	8.10	8.10
0.10	0.10	0.20	0.20	0.20	0.20	0.20
2.10	2.10	2.40	2.40	2.40	1.90	1.90
0.20	0.20	0.20	0.20	0.20	0.20	1.40
21.80	21.80	21.80	21.80	21.80	22.00	23.00
5.20	5.20	5.20	5.20	5.20	5.00	5.00
1.90	2.00	2.00	2.00	2.00	2.10	2.00
36.30	36.30	35.30	35.80	34.80	32.30	35.00
-	0.43	0.43	0.43	-	0.50	0.50
43.00	44.10	44.10	44.10	44.10	44.60	47.20
-	-	-	0.30	-	-	-
16.09	18.13	15.24	14.10	15.10	14.60	14.55
14.41	14.43	14.09	13.98	13.98	14.98	16.13
1.20	1.20	1.20	1.20	1.20	1.20	2.00
-	-	-	-	-	0.14	0.20
3.50	3.40	3.40	3.40	2.40	1.30	0.60
0.30	0.30	0.30	0.30	0.30	0.30	0.30
24.10	26.50	32.50	33.90	32.30	32.80	34.00
1.40	0.55	0.55	0.55	0.55	0.55	0.55
-	-	-	-	3.00	3.00	3.00
29.10	28.50	29.00	29.50	30.00	32.50	30.50
162.90	176.99	208.53	230.80	254.99	277.10	295.68
-	-	-	-	-	-	-
3.10	3.10	3.10	2.70	2.65	1.55	1.55
1.40	1.40	1.40	1.40	1.40	1.40	1.40
1.85	1.85	1.85	1.85	1.85	2.60	2.60
0.20	0.20	0.20	0.20	0.20	0.20	0.20
<u>436.81</u>	<u>458.16</u>	<u>494.07</u>	<u>516.49</u>	<u>545.40</u>	<u>569.60</u>	<u>601.39</u>
0.437%	0.459%	0.490%	0.509%	0.523%	0.540%	0.562%

**Operating Indicators by Function/Program <sup>a</sup>**

Last Ten Fiscal Years - Unaudited

Function/Program	Fiscal Year			
	2010	2011	2012	2013
<u>General government:</u>				
Clerk:				
General election information:				
Voter registration	(b)	49,558	(b)	52,363
Votes cast (general election only)	(b)	36,991	(b)	43,295
Percentage voted (general election only)	(b)	74.64%	(b)	82.68%
Documents recorded	18,553	17,972	17,675	20,337
Marriage licenses issued	522	553	605	550
Passports issued	1,260	1,021	1,008	1,037
Planning:				
Permits issued <sup>c</sup>	3,513	3,442	3,414	3,687
<u>Public safety</u>				
Sheriff's office:				
Criminal offenses reported <sup>f</sup>	2,185	2,438	2,147	2,136
Arrests made <sup>f</sup>	617	858	720	721
District attorney:				
Criminal cases filed <sup>d</sup>	Not Available	Not Available	2,174	1,842
Support enforcement collections <sup>g</sup>	Not Available	Not Available	\$ 4,949,823	\$ 4,946,664
Victim services volunteer hours	Not Available	Not Available	Not Available	Not Available
Community justice: <sup>e</sup>				
Juvenile referrals <sup>d</sup>	1,040	801	845	906
No subsequent referrals within 1 year	71.0%	63.3%	70.3%	64.2%
Number of admits to detention	Not Available	595	653	553
Average length of detention stay (in days)	Not Available	7.84	8.29	8.08
Community service hours completed	Not Available	4,333	5,208	4,218
<u>Public health and welfare</u>				
Adult Behavioral Health:				
Number of clients	Not Available	Not Available	Not Available	Not Available
Service tickets	Not Available	Not Available	Not Available	Not Available
Billed clinical hours	Not Available	Not Available	Not Available	Not Available
Family & Youth:				
Number of clients	Not Available	Not Available	Not Available	Not Available
Service tickets	Not Available	Not Available	Not Available	Not Available
Billed clinical hours	Not Available	Not Available	Not Available	Not Available
Community Support Services:				
Number of clients	Not Available	Not Available	Not Available	Not Available
Service tickets	Not Available	Not Available	Not Available	Not Available
Billed clinical hours	Not Available	Not Available	Not Available	Not Available
Developmental Disabilities:				
Number of clients	Not Available	Not Available	Not Available	Not Available
Service tickets	Not Available	Not Available	Not Available	Not Available
Billed clinical hours	Not Available	Not Available	Not Available	Not Available
Public Health:				
Number of clients	Not Available	Not Available	Not Available	Not Available
Service tickets	Not Available	Not Available	Not Available	Not Available
Billed clinical hours	Not Available	Not Available	Not Available	Not Available
Substance Abuse Clients by Level of Care:				
Early intervention (ASAM .5)	Not Available	Not Available	Not Available	Not Available
Outpatient services (ASAM 1)	Not Available	Not Available	Not Available	Not Available
Intensive outpatient/Partial hospitalization (ASAM 2)	Not Available	Not Available	Not Available	Not Available
Residential/Inpatient (ASAM 3)	Not Available	Not Available	Not Available	Not Available
No Level of Care	Not Available	Not Available	Not Available	Not Available
Behavioral Health Clients by Level of Care:				
A	Not Available	Not Available	Not Available	Not Available
B	Not Available	Not Available	Not Available	Not Available
C	Not Available	Not Available	Not Available	Not Available
D	Not Available	Not Available	Not Available	Not Available
E	Not Available	Not Available	Not Available	Not Available
F	Not Available	Not Available	Not Available	Not Available
No Level of Care	Not Available	Not Available	Not Available	Not Available

*Continued on next page*

Exhibit 15

Fiscal Year					
2014	2015	2016	2017	2018	2019
(b)	52,777	(b)	63,059	(b)	68,692
(b)	37,878	(b)	49,497	(b)	46,592
(b)	71.77%	(b)	78.49%	(b)	67.83%
17,161	18,008	20,701	21,113	19,590	17,477
607	715	734	706	694	712
1,280	1,533	1,730	2,080	2,164	1,877
4,130	4,783	4,911	5,287	5,128	5,154
2,033	1,896	1,744	1,573	1,714	1,877
602	648	574	524	727	782
1,370	1,709	1,699	1,776	2,125	2,213
\$ 4,869,422	\$ 4,911,619	\$ 5,806,480	\$ 5,655,554	\$ 5,789,557	\$ 5,830,870
Not Available	Not Available	2,344	3,029	2,300	2,336
665	668	575	369	450	510
66.4%	70.2%	76.4%	69.0%	Not Available	Not Available
539	597	503	379	337	293
9.19	7.95	7.99	9.15	9.70	10.13
3,809	3,611	2,995	2,448	2,303	2,346
Not Available	Not Available	Not Available	3,230	3,457	3,629
Not Available	Not Available	Not Available	66,566	67,546	62,819
Not Available	Not Available	Not Available	29,207	34,514	35,213
Not Available	Not Available	Not Available	1,314	1,517	1,487
Not Available	Not Available	Not Available	19,865	23,412	23,691
Not Available	Not Available	Not Available	16,932	20,180	20,526
Not Available	Not Available	Not Available	563	525	566
Not Available	Not Available	Not Available	24,381	22,763	21,879
Not Available	Not Available	Not Available	14,237	13,892	14,444
Not Available	Not Available	Not Available	732	788	875
Not Available	Not Available	Not Available	8,369	8,333	10,586
Not Available	Not Available	Not Available	4,099	3,978	5,340
Not Available	Not Available	Not Available	2,066	1,786	1,475
Not Available	Not Available	Not Available	3,986	4,149	3,414
Not Available	Not Available	Not Available	2,117	2,406	2,062
Not Available	Not Available	Not Available	-	-	31
Not Available	Not Available	Not Available	933	864	843
Not Available	Not Available	Not Available	294	289	319
Not Available	Not Available	Not Available	4	16	11
Not Available	Not Available	Not Available	6,333	6,530	6,366
Not Available	Not Available	Not Available	242	277	293
Not Available	Not Available	Not Available	884	995	957
Not Available	Not Available	Not Available	1,570	1,720	1,995
Not Available	Not Available	Not Available	598	620	638
Not Available	Not Available	Not Available	10	12	11
Not Available	Not Available	Not Available	-	4	32
Not Available	Not Available	Not Available	5,104	5,011	4,481

Continued on next page

**Operating Indicators by Function/Program <sup>a</sup>, continued**

Last Ten Fiscal Years - Unaudited

	Fiscal Year			
	2010	2011	2012	2013
<u>Roads and bridges</u>				
Miles of road receiving surface maintenance	Not Available	Not Available	Not Available	Not Available
<u>Parks, culture, and recreation:</u>				
Fair events center:				
County fair attendance	26,400	31,400	32,000	34,200

**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. 2019 has been annualized.
- 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.
- g. Collections are per federal fiscal year October 1 through September 30

**Source**

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

**Exhibit 15, continued**

Fiscal Year					
2014	2015	2016	2017	2018	2019
Not Available					
38,600	38,100	44,406	44,100	46,500	41,413

Yamhill County, Oregon

**Capital Asset Statistics by Function/Program <sup>a</sup>**

Last Ten Fiscal Years - Unaudited

Function/Program	Fiscal Year			
	2010	2011	2012	2013
<u>General government</u>				
Facilities:				
Number of structures	84	80	81	80
Square footage maintained	483,765	448,815	449,767	437,753
<u>Public safety</u>				
Sheriff's office:				
County jail beds (capacity)	259	259	259	259
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	Not Available
Number of Bridges	Not Available	Not Available	Not Available	Not Available
Number of vehicles maintained - County-wide	196	193	189	187

**Notes**

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

**Source**

Yamhill County Department Contacts

**Exhibit 16**

Fiscal Year					
2014	2015	2016	2017	2018	2019
79 440,061	85 442,711	89 456,508	89 463,782	93 471,177	94 471,677
259	259	259	259	259	255
24	24	24	24	24	24
214 17 3 1	214 17 3 1	214 17 3 1	214 17 3 1	214 17 3 1	214 17 3 1
Not Available	716				
Not Available	133				
194	201	202	205	211	215

## **COMPLIANCE SECTION**



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

Board of County Commissioners  
**YAMHILL COUNTY**  
McMinnville, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of YAMHILL COUNTY as of and for the year ended June 30, 2019, and have issued our report thereon dated December 10, 2019.

### **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).**

**INDEPENDENT AUDITOR’S REPORT REQUIRED BY  
OREGON STATE REGULATIONS (Continued)**

**Compliance (continued)**

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 for the following:

- Expenditures in excess of appropriations (which is prohibited by ORS 294.456) were made in the following categories:

<u>Fund/Category</u>	<u>Appropriation</u>	<u>Actual</u>	<u>Variance</u>
County fair	\$ 659,146	\$ 671,486	\$ (12,340)

- Historical information for the years ended June 30, 2017 and 2018 presented in the 2019-20 detail budget document does not agree to amounts reported in the budgetary comparisons contained in the annual financial reports for those years as required by ORS 294.358.

**Internal Control OAR 162-10-230**

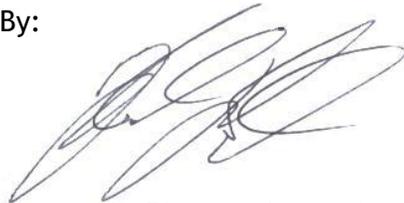
In planning and performing our audit of the financial statements, we considered the County’s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose 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.

Boldt Carlisle + Smith  
 Certified Public Accountants  
 Salem, Oregon  
 December 10, 2019

By:



Bradley G. Bingenheimer, Member



## 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*

To the Board of Commissioners  
YAMHILL COUNTY  
McMinnville, Oregon

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of YAMHILL COUNTY as of and for the year ended June 30, 2019, 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 10, 2019.

### *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) 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.

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

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

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* (Continued)

*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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

*Boldt Carlisle & Smith*

Boldt Carlisle + Smith  
Certified Public Accountants  
Salem, Oregon  
December 10, 2019



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Commissioners  
YAMHILL COUNTY  
McMinnville, Oregon

**Report on Compliance for Each Major Federal Program**

We have audited YAMHILL COUNTY's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2019. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, YAMHILL COUNTY has complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE  
(Continued)

Report on Internal Control over Compliance

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

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

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

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

*Boldt Carlisle & Smith*

Boldt Carlisle + Smith  
Certified Public Accountants  
Salem, Oregon  
December 10, 2019

**YAMHILL COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2019**

Section I – Summary of Auditor’s Results

**Financial Statements**

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
♦ Material weakness(es) identified?	No
♦ Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major federal programs:	
♦ Material weakness(es) identified?	No
♦ Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.509	Formula Grants for Other Than Urbanized Areas
20.526	Federal Transit Cluster

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

None reported

Section III - Federal Award Findings and Questioned Costs

None reported

**YAMHILL COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2019**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b><i>Department of Agriculture</i></b>			
<b>Food and Nutrition Service</b>			
<i>Passed through Oregon Department of Education</i>			
<b>Child Nutrition Cluster</b>			
School Breakfast Program	10.553		\$ 7,477
National School Lunch Program	10.555		<u>11,824</u>
Subtotal Child Nutrition Cluster			\$ <u>19,301</u>
Total Department of Agriculture			<u>19,301</u>
<b><i>Department of the Interior</i></b>			
<b>Fish and Wildlife Service</b>			
National Wildlife Refuge Fund	15.659		<u>3,826</u>
<b><i>Department of Justice</i></b>			
<b>Office for Victims of Crime</b>			
<i>Passed through Oregon State Department of Justice</i>			
Crime Victim Assistance	16.575	VOCA	99,447
<i>Passed through Oregon State Criminal Justice Division</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738		<u>4,248</u>
Total Department of Justice			<u>103,695</u>
<b><i>Department of Transportation</i></b>			
<b>Federal Transit Administration</b>			
<i>Passed through Oregon Department of Transportation</i>			
Highway Planning and Construction	20.205	93-1111585	-
Formula Grants for Rural Areas	20.509	29957	1,700,708
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	29310	307,370
Bus and Bus Facilities Formula Program	20.526	31460	504,050
<b>National Highway Traffic Safety Administration</b>			
<i>Passed through Oregon Department of Transportation</i>			
State and Community Highway Safety	20.600		56,294
<i>Passed through Oregon State Sheriff's Association</i>			
<b>Highway Safety Cluster</b>			
National Priority Safety Programs	20.616	M1HVE-18-46-08	3,020
		M1HVE-19-46-08	1,901
		SF=164AL-19-14-21	2,096
		M8DDLE-19-20-04	<u>871</u>
Subtotal Highway Safety Cluster			<u>7,888</u>
Total Department of Transportation			<u>2,576,310</u>
<b><i>General Services Administration</i></b>			
<i>Passed through the Oregon Department of Administrative Services</i>			
Donation of Federal Surplus Personal Property	39.003		<u>2,396</u>
Total General Services Administration			<u>2,396</u>

*Continued on next page*

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<i>Environmental Protection Agency</i>			
<b>Office of Water</b>			
<i>Passed through Oregon Health Authority</i>			
Capitalization Grants for Drinking Water State Revolving Funds	66.468		\$ 3,006
Total Environmental Protection Agency			<u>3,006</u>
<i>Department of Health and Human Services</i>			
<b>Office of Population Affairs</b>			
<i>Passed through Oregon Health Authority</i>			
Family Planning Services	93.217		36,717
<b>Administration for Children and Families</b>			
<i>Passed through Oregon State Department of Justice</i>			
Child Support Enforcement	93.563		306,943
<b>Centers for Disease Control and Prevention</b>			
<i>Passed through Oregon Health Authority</i>			
Public Health Emergency Preparedness	93.069		129,702
Injury Prevention and Control Research and State and Community Based Progra	93.136		14,248
<b>Health Resources and Services Administration</b>			
<i>Passed through Oregon Health Authority</i>			
Maternal, Infant and Early Childhood Home Visiting Grant	93.870		367,500
Maternal and Child Health Services Block Grant	93.994		70,908
<b>Immed Office of the Secretary of Health and Human Services</b>			
<i>Passed through Oregon Health Authority</i>			
National Bioterrorism Hospital Preparedness Program	93.889		868
<b>Substance Abuse and Mental Health Services Administration</b>			
<i>Passed through Oregon Health Authority</i>			
Opioid STR	93.788		552,856
Block Grants for Community Mental Health Services	93.958		100,891
Block Grants for Prevention and Treatment of Substance Abuse	93.959		217,611
Total Department of Health and Human Services			<u>1,798,244</u>
<i>Social Security Administration</i>			
Social Security - Work Incentives - Planning and Assistance Program	96.008		<u>5,200</u>
<i>Department of Homeland Security</i>			
<i>Passed through Oregon State Police Office of Emergency Management</i>			
Emergency Management Performance Grants	97.042		<u>109,844</u>
Total Department of Homeland Security			<u>109,844</u>
Total Expenditures of Federal Awards			<u>\$ 4,621,822</u>

*See accompanying notes*

## YAMHILL COUNTY

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2019

1. ***Basis of Presentation***

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Yamhill County under programs of the federal government for the year ended June 30, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Yamhill County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Yamhill County.

2. ***Summary of Significant Accounting Policies***

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The County does not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance. The County allocates indirect costs as allowed by each grant.

**YAMHILL COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**For the Year Ended June 30, 2019**

**Finding 2018-001**

Status: The County has taken corrective action to ensure the schedule of expenditures of federal awards properly captures all federal grant expenditures during the period by requiring a review of the preliminary SEFA by the County's grant writer.

**Finding 2018-002**

Status: The County has taken corrective action by modifying the Yamhill County Accounting Functions and Payroll Procedures Official Policy to include written procedures for determining the allowability of costs.