



Comprehensive Annual Financial Report



Year ended
June 30, 2012

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WASHINGTON COUNTY, OREGON

155 North First Avenue
Hillsboro, Oregon 97124-3072

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2012

Prepared by:

Washington County Finance Division

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WASHINGTON COUNTY, OREGON

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**WASHINGTON COUNTY,
OREGON**

**INTRODUCTORY
SECTION**

SECTION I

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WASHINGTON COUNTY, OREGON

Principal Officials

Commissioners as of June 30, 2012

<u>Name</u>	<u>Term Expires</u>
Andy Duyck, Chair Commissioner-At-Large	December 31, 2014
Dick Schouten, Vice Chair District 1	December 31, 2012
Greg Malinowski District 2	December 31, 2014
Roy Rogers District 3	December 31, 2012
Bob Terry District 4	December 31, 2014

Administrative Staff

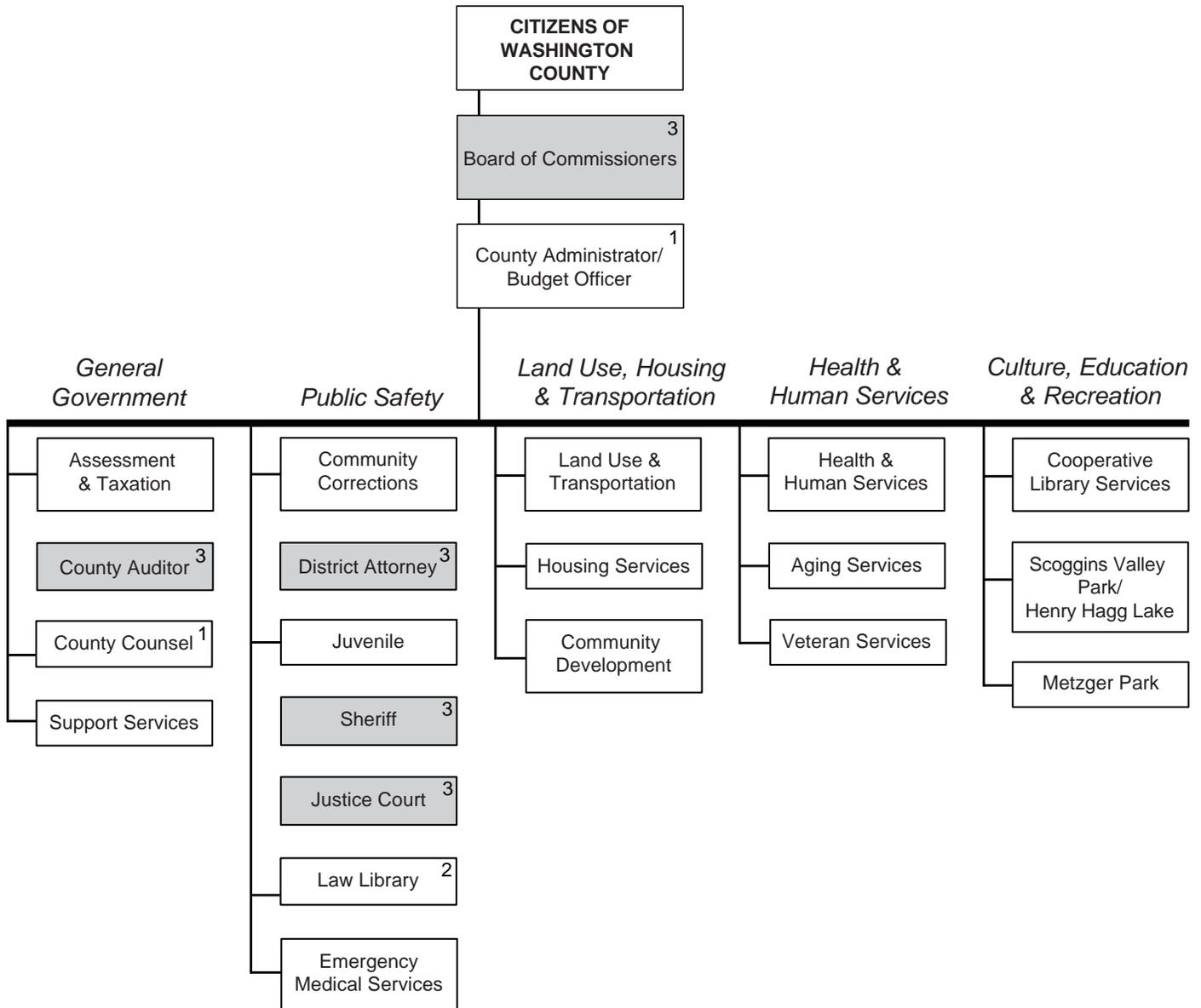
Robert Davis, County Administrator
Don Bohn, Assistant County Administrator
Rob Massar, Assistant County Administrator
Mary Gruss, Chief Finance Officer
Roger Dawes, Controller
Josh Salaets, Chief Accountant

Administrative Offices

Washington County, Oregon
155 North First Avenue
Hillsboro, Oregon 97124-3072

WASHINGTON COUNTY, OREGON

Organizational Chart



1. Appointed by County Commissioner

2. Appointed by Circuit Court

3. Gray boxes denote elected positions

*Unless otherwise indicated, department heads are appointed by, and responsible to, the County Administrator.



December 18, 2012

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

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, unless extended, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2012.

Management has full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Talbot, Korvola & Warwick, LLP have issued an unqualified (clean) opinion on Washington County's financial statements for the fiscal year ended June 30, 2012. The independent auditor's report is located at the front of the financial section of this report.

In addition, they have issued an annual single audit report in accordance with the Federal Single Audit Act. Information related to the single audit, including the Schedule of Expenditures of Federal Awards, findings and questioned costs, and auditors' reports on the internal controls and statutory and regulatory compliance is presented in a separate report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the County

Washington County was incorporated in 1849 and is located in the northwestern part of Oregon, south of the Columbia River and immediately to the west of Portland, the State's largest city. The County is the second largest county in the State, encompasses 727 square miles, and serves a population of approximately 536,000. There are 16 incorporated cities in the County. The three largest cities, Hillsboro, Beaverton & Tigard account for 43% of the overall population; the unincorporated area has 41% of the County's population. This unincorporated area would be the second largest city in the State after Portland if it were incorporated. Most local governments, including the County, have permanent authority to levy property taxes for operations at a maximum tax rate (permanent tax rate). All property tax levies exceeding the permanent tax rate require voter approval at a general election; levies funding operations are limited to five years, levies dedicated to capital expenditures are limited to ten years, and levies to pay general obligation bonds are limited by the debt service requirements of the bonds.

Washington County operates under a home rule charter initially adopted by voters in November 1962; voters approved a general revision and update of the charter in November 2008. The County is governed by a Board of five commissioners elected for four-year overlapping terms. Four are elected from districts, and the Board Chair is elected at-large. The County Administrator is hired by the Board of County Commissioners and exercises administrative direction, based on Board policy. The Sheriff, Auditor and District Attorney are elected officials.

Washington County provides a full range of County services including general government, public safety and justice, land use and transportation, housing, health and human services, and cultural and recreational services. This report includes all funds of the County as well as all of its component units, which are legally separate units for which the County has the authority to exercise influence over their operations and include Housing Authority of Washington County, Washington County Service District for Lighting No. 1, Washington County Enhanced Sheriff Patrol District, Washington County Urban Road Maintenance Service District, and North Bethany County Service District. Because the County cannot impose its will on Clean Water Services (the District) nor is there a fiscal benefit/burden relationship, it is reported as a discrete (separate) component unit of the County. Additional information on all six of these legally separate entities can be found in the notes to the financial statements.

The Board of County Commissioners is required to adopt a budget each year by July 1st. This annual budget serves as the foundation for Washington County's financial planning and control. The budget is prepared by fund (e.g., General Fund), organization unit (e.g., Public Safety), and program (e.g., County-wide Law Enforcement Services) and legally adopted at the organization unit level. Department management may transfer resources within an organization unit as they see fit. Transfers between organization units require approval from the governing body.

Local Economy

The County is part of the Portland-Vancouver Metropolitan Statistical Area (Portland PMSA), which includes Clackamas, Columbia, Multnomah, Washington and Yamhill Counties in Oregon and Clark and Skamania Counties in Washington. The economy of the Portland metropolitan area is broad and widely diversified. The Portland PMSA includes the State's largest employers, including Intel, Providence Health System, Safeway, Oregon Health & Sciences University, Fred Meyer, Kaiser Foundation Health Plan, Legacy Health System, and Nike.

Currently, manufacturing accounts for 18% of the total non-farm employment in the Portland PMSA, while trade, transportation and utilities accounts for 20%, government jobs 10%, professional and business services 15%, education and health services 12%, and leisure and hospitality 8%.

Major employers in the County are shown in the following table:

Company	Products/Services	Location	Number of Employees
Intel Corporation	Semiconductor integrated circuits	Hillsboro	16,250
Nike, Inc.	Athletic footwear and apparel	Beaverton	7,000
Providence St. Vincent Hospital	Health Care	various	5,541
Beaverton School District	Education	Beaverton	5,000
Hillsboro School District	Education	Hillsboro	2,408
Home Depot	Home improvement	Tigard	2,000
Fred Meyer	Retail	Portland	1,900
Kaiser Permanente	Health Care	various	1,850
Washington County	Government	Hillsboro	1,776
Tuality Healthcare	Health Care	Hillsboro	1,400
Xerox Office Business Group	Technology and services enterprise vendor	Wilsonville	1,400
Target Stores	Retail chain	Tualatin	1,378
Tektronix	Technology	Beaverton	1,227
IBM	Technology	Beaverton	1,200
Solar World	Solar	Hillsboro	1,200
TriQuint Semiconductor	Semiconductors	Hillsboro	1,040

Source: Westside Economic Alliance, 2011 Data

The Strategic Investments Program (“SIP”) was authorized by the Legislative Assembly in 1993 to provide tax incentives for capital-intensive investments by firms in Oregon’s key industries, particularly in the high technology and metals industries. SIP recipients receive a tax break on the assessed value of new construction over \$100 million for 15 years. The \$100 million cap on assessed value increases by 6% per year. SIP recipients pay an annual Community Service Fee which is equal to one-fourth of the value of the tax break and which is allocated to local governments. The allocations are determined during negotiations of the SIP agreement with the local governments. The Community Service Fee is not considered a property tax and thus is outside of the constitutional property tax rate limitations.

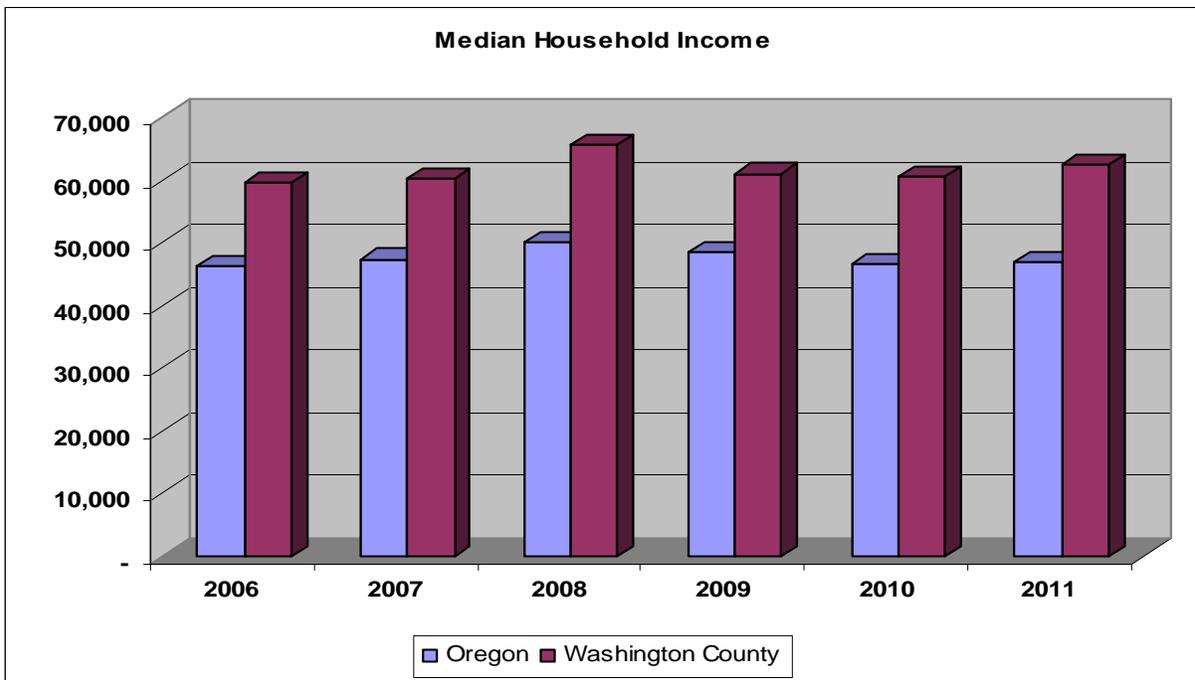
In 2005 Intel and the County entered into a strategic investment program covering the potential investment of \$25 million to commence when the 1999 SIP agreement reached the limits of its investment ceiling. The 2005 agreement went into effect July 1, 2010 and will end in 2025-26. The intent of the 2005 SIP is to extend the competitive tax structure in the County that is essential for Intel to provide high-value, family wage jobs in Oregon and continue to contribute to the State’s quality of life. Obligations from Intel are similar to the 1999 agreement providing for guaranteed annual payments, a community service fee, and fee in lieu of property taxes; with funds being split with other jurisdictions. The County anticipates receiving an estimated \$115 million over the life of this agreement.

The following shows the SIP payments received and how much is retained by the County (dollars in thousands):

Agreements	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
1994/96 Intel	\$ 1,416	1,635	1,412	1,316	1,103	-
1999 Intel	8,978	9,670	9,200	9,332	9,066	8,715
2005 Intel	-	-	-	-	2,115	2,316
2006 Genentech	-	-	-	-	500	500
Totals	10,394	11,305	10,612	10,648	12,784	11,531
Distributed to:						
Washington County	5,820	6,076	5,756	5,846	7,752	7,644
Other agencies	4,574	5,229	4,856	4,802	5,032	3,887
Totals	\$ 10,394	11,305	10,612	10,648	12,784	11,531

Source: Washington County Finance Division

Historic personal median household income levels for the County and the State are shown below:



Source: United States Census 2011 (table S1901)

Long term financial planning

The 2012-13 adopted budget includes General Fund reserves of \$28 million or 16 percent of the adopted General Fund revenues. In March 2007 the Board adopted a policy to maintain a reserve of 20% or more and not less than 15% of General Fund revenues. Executive management will work with departments periodically to meet the upper reserve amount at each fiscal year end. The Board will be updated on the General Fund forecast, and other funds as deemed appropriate, quarterly.

The County 2020 plan sets forth the strategic direction of the County through fiscal year 2019-20 by describing the County's mission, its guiding principles and a set of core strategies for each department and agency of the County. Over the next several years, a series of enabling plans will be developed to further detail the initiatives to be undertaken by County departments to achieve the County's mission.

The County has a Major Streets and Transportation Improvement Program (MSTIP) that is funded from the permanent tax rate. The 2012-13 budget includes \$32 million for this program from the County's property tax collections. This program currently consists of a number of projects to widen and improve existing roadways to accommodate increased traffic volume and provide additional traffic safety. The County has also developed an interim list of projects to continue the program while the next generation of projects is developed through a public process.

Relevant financial policies

Cash Management

Cash not required for current operations is invested according to the County investment policy as authorized by the Board of Commissioners. County funds are pooled for investment purposes; investment instruments may include U.S. Treasury securities, Government Sponsored Enterprises, and the State of Oregon Local Government Investment Pool.

Debt Management

The County has the following outstanding obligations – general obligation (GO) bonds, limited tax bonded indebtedness, notes, contracts, and revenue bonds. The County's current GO rating from Moody's and S&P (Standard & Poor's) are Aaa1 and AA+, respectively; and Aa2 by Moody's for limited tax bonded indebtedness (backed by the full faith and credit of the County). The revenue bond rating for the County's component unit – Clean Water Services – was Aa2 from Moody's and AA from S&P. The Finance Division manages the County's debt and is responsible for evaluating funding needs and determining the appropriate means to raise necessary funds.

Independent Audit

Pursuant to the Oregon Municipal Audit Law, ORS 297.405-297.555 all Oregon counties must obtain an audit annually. The required audit may be performed by the State Division of Audits or by independent public accountants certified by the State as capable of auditing municipal corporations. The accounting firm of Talbot, Korvola & Warwick, LLP conducted the audit for the fiscal year ended June 30, 2012.

Risk Management

The County is self-insured for liability, workers' compensation, and unemployment. Excess insurance is purchased whenever feasible and reserves are maintained for incurred but not reported claims. The Risk Division takes an active role in identifying, evaluating and reducing risks to the County.

Major initiatives

A transportation tax approved by voters in November 2008 is dedicated to road and transit projects that increase the transportation system capacity within the County. The tax is being phased in from July 1, 2009 through June 30, 2015.

In November 2012 voters approved a \$0.68 fixed rate levy for the Enhanced Sheriff's Patrol District; the levy will cover the period July 1, 2013 – June 30, 2018 and is expected to generate an estimated \$47 million over the five years.

Voters renewed the fixed rate County-wide public safety (\$0.42) and library (\$0.17) local option tax levies in November 2010. The public safety levy was expected to generate an estimated \$106 million over the five years. Funds are used for enhanced public safety activities and include continued funding for an estimated 122 positions including patrol, corrections, district attorney and the 911 center. The County-wide library levy was expected to generate an estimated \$42 million over the five years. The renewed levies began July 1, 2011 and expire June 30, 2016.

Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to Washington County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. This was the twenty-sixth consecutive year the County received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period one year only. We believe our current CAFR continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated service of the entire Finance Division and other County staff. We wish to express our appreciation to all members of the County staff who assisted and contributed to the preparation of this report. Credit also must be given to the Board of County Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of Washington County's finances.

Respectfully submitted,

Mary E. Gruss
Chief Finance Officer

Roger Dawes
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Washington County
Oregon

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

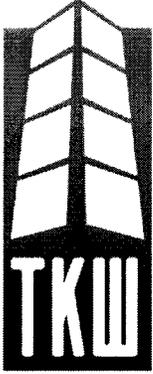
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**WASHINGTON COUNTY,
OREGON**

**FINANCIAL
SECTION**

SECTION II

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Talbot, Korvola
& Warwick, LLP

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& Tax Advisors

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INDEPENDENT AUDITOR'S REPORT

December 18, 2012

Board of Commissioners
Washington County, Oregon
Hillsboro, Oregon

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 Washington County, Oregon (the County), as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Clean Water Services (the District), a discretely presented component unit of the County. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the District is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2012 and the respective changes in financial position and the cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT (Continued)

Board of Commissioners
Washington County, Oregon
December 18, 2012

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2012, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying budgetary comparisons for the General Fund and major special revenue funds, listed in the Table of Contents as Required Supplementary Information, is not a required part of the basic financial statements and is presented for purposes of additional analysis as required by the Governmental Accounting Standards Board, who considers it to be an essential part of basic financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, and other schedules, collectively presented as Other Supplementary Information, as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The

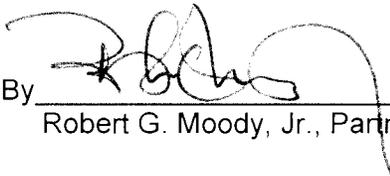
INDEPENDENT AUDITOR'S REPORT (Continued)

Board of Commissioners
Washington County, Oregon
December 18, 2012

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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 and Statistical Sections, as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements by us, and accordingly, we do not express an opinion or provide any assurance on it.

TALBOT, KORVOLA & WARWICK, LLP
Certified Public Accountants

By  _____
Robert G. Moody, Jr., Partner

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

As management of Washington County, we offer readers of Washington County's financial statements this narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 3 through 8 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

The County has five blended component units included in this presentation - Housing Authority of Washington County (the Authority), Washington County Service District for Lighting No. 1, Washington County Enhanced Sheriff Patrol District, the Washington County Urban Road Maintenance Service District, and the North Bethany County Service District. The County also has one discretely presented component unit - Clean Water Services, (the District) included in the government – wide financial statements presentation.

Financial Highlights

- The assets of Washington County exceeded its liabilities at June 30, 2012 by \$2,328,928. Net assets invested in capital assets (net of depreciation and related debt) were \$2,076,818 and account for 89% of total net assets. Of the remaining net assets, \$150,012 may be used to meet the County's ongoing obligations to citizens and creditors.
- As of June 30, 2012, Washington County's governmental funds reported combined unassigned ending fund balances of \$29,610.
- Unassigned fund balance for the General Fund was \$29,642 at June 30, 2012, amounting to 23% of total General Fund expenditures for 2012.
- Committed fund balance for the Major Streets Transportation Improvement Program III Fund (MSTIP III) was \$55,818 at June 30, 2012, amounting to 170% of total MSTIP III expenditures. Restricted fund balance for the Road Fund was \$14,637 at June 30, 2012, amounting to 46% of total Road Fund expenditures. Restricted fund balance for the Human Services Fund was \$4,376 or 22% of fund expenditures. The HOME fund had a restricted fund of \$40 or 3% of fund expenditures.
- Washington County has issued general obligation bonds for capital construction, capital acquisition, and refunding bonds to refund prior bond issuances with higher interest rates. The bonds are payable through fiscal year 2014. All the general obligation bonds and refunding bonds will be paid with property tax revenues.
- Washington County's governmental activities total general obligation debt at June 30, 2012 was \$12,140, with a remaining capacity for voter-approved debt at \$1,368,765. Total non-voter approved full faith and credit debt at June 30, 2012 was \$72,745, with remaining capacity for this type of debt at \$617,708.
- Component Unit - District has issued sewer revenue bonds for capital expansion of the sewer treatment plants and collection system. The bonds are payable through fiscal year 2036. All the sewer revenue bonds will be paid with the District's net revenue as defined in the bond indenture agreements.

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the changes 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 periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the 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 costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government; public safety and justice; land use and transportation; health and human services; culture, education and recreation; and other non-departmental activities. The business-type activities include housing, sanitation, surface water and street lighting.

The government-wide financial statements include not only Washington County itself (known as the *primary government*), but also legally separate utility, road maintenance, patrol and lighting service districts, and a housing authority for which the County is financially accountable.

The government-wide financial statements can be found on pages 24 and 25 of this report.

Discretely presented component unit. A *component unit* which does not function as an integral part of the primary government is presented discretely (separately) from the data of the primary government. The County is implementing GASB Statement No. 61 for the year ended June 30, 2012, and will present Clean Water Services (the District) discretely.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the 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

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing 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 County's long-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and governmental activities.

The County maintains fifty-five individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, HOME Fund, Human Services Fund, Major Streets Transportation Improvement Program III Fund, and Road Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements and individual schedules* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 26 and 28 of this report.

Proprietary funds. The 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. The County uses enterprise funds to account for Housing Authority's programs and the Service Lighting District. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for self-insurance funds, fleet operations and other functions. 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 the government-wide financial statements, only in more detail. The County's internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements and schedules elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 30 through 32 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 33 and 34 of this report.

WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 through 88 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Washington County's major governmental funds and schedules of funding progress related to other postemployment benefits. Required supplementary information can be found beginning on page 89 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on major governmental funds. Combining and individual fund statements and schedules can be found on pages 104 through 166 of this report.

Government-wide Financial Analysis.

As noted earlier, over time net assets may serve as a useful indicator of a government's financial position. In the case of Washington County, assets exceeded liabilities by \$2,328,928 at the close of the most recent fiscal year.

Statement of Net Assets							Discretely Presented Component Unit	
Washington County - Primary Government							District	
	Government activities		Business-type activities		County Total		2012	2011 as restated
	2012	2011	2012	2011 as restated	2012	2011 as restated		
Current assets	\$ 36,245	70,900	10,500	12,989	46,745	83,889	210,564	176,251
Noncurrent assets	264,504	222,710	529	467	265,033	223,177	18,229	18,785
Capital assets (net of depreciation)	<u>2,167,886</u>	<u>2,195,066</u>	<u>30,807</u>	<u>32,318</u>	<u>2,198,693</u>	<u>2,227,384</u>	<u>613,722</u>	<u>595,227</u>
Total assets	<u>2,468,635</u>	<u>2,488,676</u>	<u>41,836</u>	<u>45,774</u>	<u>2,510,471</u>	<u>2,534,450</u>	<u>842,515</u>	<u>790,263</u>
Current liabilities	63,518	62,969	4,900	6,225	68,418	69,194	45,914	48,124
Noncurrent liabilities	85,352	93,384	27,773	28,076	113,125	121,460	273,974	244,606
Total liabilities	<u>148,870</u>	<u>156,353</u>	<u>32,673</u>	<u>34,301</u>	<u>181,543</u>	<u>190,654</u>	<u>319,888</u>	<u>292,730</u>
Net assets:								
Invested in capital assets, net of related debt	2,074,612	2,093,492	2,206	3,330	2,076,818	2,096,822	388,941	381,067
Restricted	95,942	93,002	6,156	8,160	102,098	101,162	68,909	61,776
Unrestricted	149,211	145,829	801	(17)	150,012	145,812	64,777	54,690
Total net assets	<u>\$ 2,319,765</u>	<u>2,332,323</u>	<u>9,163</u>	<u>11,473</u>	<u>2,328,928</u>	<u>2,343,796</u>	<u>522,627</u>	<u>497,533</u>

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

By far the largest portion of the County's net assets (89%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. Washington County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$150,012) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County reported positive balances in all three categories of net assets, both for the County as a whole as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The County's net assets decreased by \$14,868 during the current fiscal year; the result of a \$2,310 decrease in business-type activity net assets and a \$12,558 decrease in governmental activity net assets.

Business Type – Authority's restricted net assets decreased by \$2,004, which is attributable to a change in reserve requirements on the Authority's outstanding debt service agreements and the cash restrictions imposed on the Authority by the Department of Housing and Urban Development (HUD) through various contracts and agreements.

Component Unit – District's restricted net assets increased by \$7,133, which is primarily the result of additional funds being restricted for debt service reserve requirements as well as for capital asset construction.

Governmental activities. Governmental activities decreased the County's net assets by \$12,558. Key elements of this decrease are as follows:

- Program expenses increased \$9,171 compared to prior year. Public Safety and Justice, Land Use and Transportation, and Health and Human Services all had increased expenses due in large part to personal services costs for the current year. There were also increased costs for major road construction and surface treatment projects in the Administration program and Operations & Maintenance program in Land Use and Transportation functional area.
- Program income increased overall by \$1,375 while general revenues decreased \$1,883 compared to prior year. Land Use and Transportation increased \$3,359 in Operating Grant and Contributions while Health and Human Services funds decreased \$2,103. The increases in General revenue were due mostly to property taxes increasing by over \$5,000.
- Fund balance within the County's General Fund decreased by \$2,889 during the current year, which can be attributed to an increase in total expenditures of \$7,431, a decrease in total other financing uses of \$3,860, and a corresponding increase in total revenues of \$2,185.

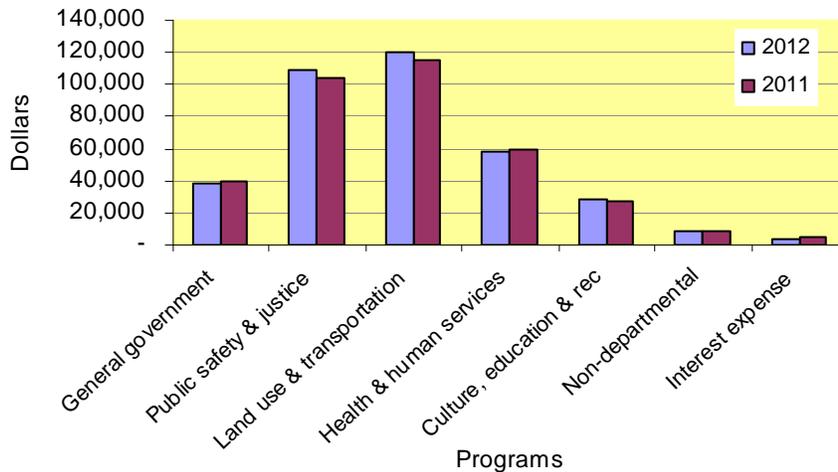
WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

Changes in Net Assets

	Washington County - Primary Government						Discretely Presented Component Unit	
	Government activities		Business-type activities		County Total		District	
	2012	2011	2012	2011 as restated	2012	2011 as restated	2012	2011 as restated
Revenues								
Program Revenues								
Charges for services	\$ 69,600	71,653	7,924	7,536	77,524	79,189	107,029	103,374
Operating grants and contributions	100,922	97,640	19,885	21,574	120,807	119,214	-	-
Capital grants and contributions	1,608	1,462	164	189	1,772	1,651	14,296	4,864
General Revenues								
Taxes	173,069	166,922	-	-	173,069	166,922	-	-
Interest income	2,575	1,984	52	71	2,627	2,055	1,562	1,497
Miscellaneous revenue	7,636	16,257	-	-	7,636	16,257	-	-
Gain (Loss) on disposal of capital assets	-	-	-	-	-	-	(116)	54
Loss on equity in joint venture	-	-	-	-	-	-	(73)	(76)
Total revenues	355,410	355,918	28,025	29,370	383,435	385,288	122,698	109,713
Program Expenses								
General government	38,677	39,318	-	-	38,677	39,318	-	-
Public safety and justice	109,222	104,664	-	-	109,222	104,664	-	-
Land use, housing and transportation	119,714	115,096	28,496	28,400	148,210	143,496	-	-
Health and human services	58,443	59,013	-	-	58,443	59,013	-	-
Culture, education and recreation	28,476	26,882	-	-	28,476	26,882	-	-
Sanitation and surface water	-	-	-	-	-	-	97,604	100,941
Street lighting	-	-	1,839	1,803	1,839	1,803	-	-
Non-departmental	9,234	9,225	-	-	9,234	9,225	-	-
Interest expense	4,202	4,599	-	-	4,202	4,599	-	-
Total expenses	367,968	358,797	30,335	30,203	398,303	389,000	97,604	100,941
Change in net assets	(12,558)	(2,879)	(2,310)	(833)	(14,868)	(3,712)	25,094	8,772
Net assets July 1, 2011	2,332,323	2,335,202	11,473	12,306	2,343,796	2,347,508	497,533	488,761
Net assets June 30, 2012	\$ 2,319,765	2,332,323	9,163	11,473	2,328,928	2,343,796	522,627	497,533

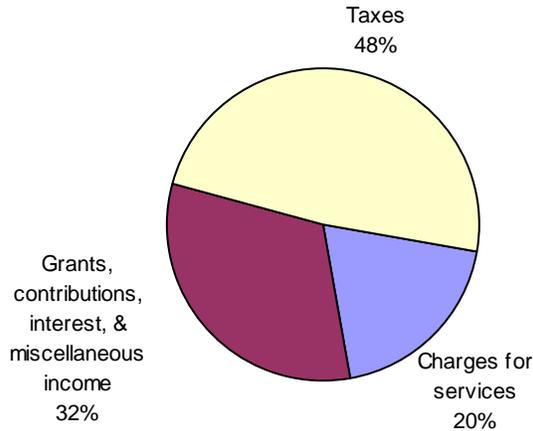
Expenses - Governmental Activities



WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

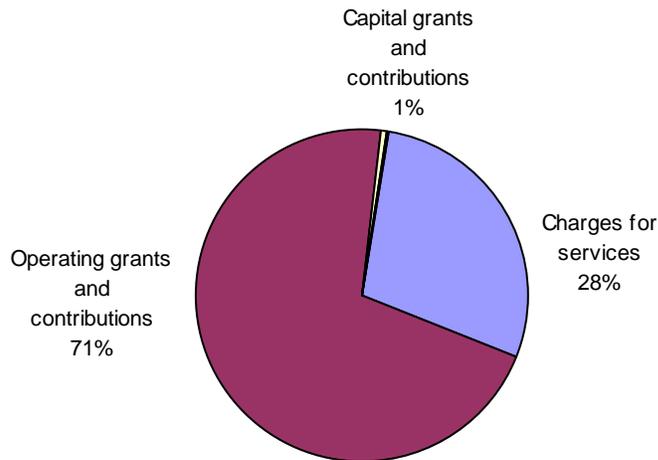
JUNE 30, 2012

Revenues by Source - Governmental Activities



Business-type activities – Business-type net assets decreased by \$2,310. The Authority's total net assets decreased by \$2,412, due to total operating expenses exceeding total operating revenues by \$1,101, nonoperating expenses exceeding nonoperating revenues \$1,457, and capital contributions of \$164. The Street Lighting District's net assets increased \$102, with operating revenues exceeding operating expenses by \$90 and nonoperating interest income of \$12.

Revenues by Source - Business-type Activities

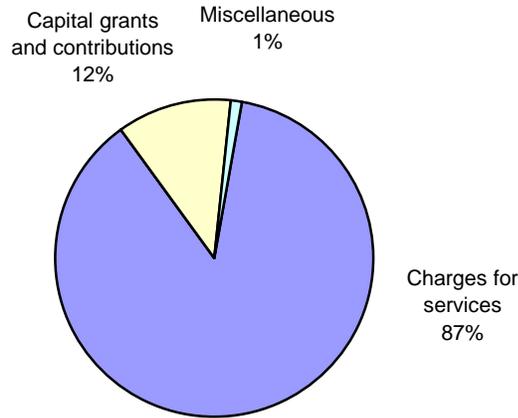


WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

Component unit – District - Total net assets increased by \$25,094 during fiscal year 2012, due to total revenues exceeding total expenses by \$10,798 and capital contributions from developers of \$14,296.

Revenues by Source - Component Unit - District



Financial Analysis of the County's Funds

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

Governmental funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, Washington County's governmental funds reported combined ending fund balances of \$189,137; an increase of \$6,965 in comparison with the prior year. Of this amount, \$29,610 constitutes *unassigned fund balance*, which is available for spending at the County's discretion.

The remainder of fund balance is classified as *nonspendable, restricted, committed, or assigned* to indicate that it is not available for new spending because it has already been dedicated to other needs throughout the County.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the General Fund had an unassigned fund balance of \$29,642. As a measure of the General Fund's liquidity it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 23% of total General Fund expenditures.

The fund balance of the County's General Fund decreased by \$2,889 during the current fiscal year; key factors in this increase are as follows:

- Increased total revenues by \$2,185
- Net transfers for other financing sources/uses decreased by \$3,860

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

- The remaining decrease is mainly attributable to increased total expenditures of \$7,431; \$2,707 of which is the result of increased costs in the public safety and justice functional area, \$1,893 in increased costs in the general government functional area, and \$2,831 in increased costs in other functional areas.

The Major Streets Transportation Improvement Program III fund has a total committed fund balance of \$55,818; all of which has been committed to road improvements within the County.

Proprietary funds. The County's proprietary funds provide the same type of information in the government-wide financial statements, but in more detail.

Business-type activities - Unrestricted net assets at the end of the year for the Service District for Lighting were \$1,208 and the Housing Authority deficit was \$407. The total changes in net assets for these two funds were \$102 and \$716 respectively.

General Fund Budgetary Highlights

During the year there was a \$217 increase in appropriations between the adopted and revised budget. Following are the main components of the increase:

- \$171 supplemental appropriations related to an unexpected medical emergency in the Public Safety and Justice functional area in the jail health care program.
- \$33 supplemental appropriations related to the Board approval of additional funding for the transfers out to other funds to cover reduced interest earnings.
- \$13 supplemental appropriations related to higher than unanticipated Materials and Supplies costs in Parks program in Culture, Education and Recreation functional area.

Total expenditures in the General Fund were \$29,510 or 20% under the final amended budget for the year. Key factors in this savings include:

- \$19,025 in operating contingency that was not utilized during the fiscal year.
- \$3,731 in savings recognized in the Health and Human Services functional area during the fiscal year; \$3,374 of which is due to expenditures being lower than anticipated in the Public Health program area.
- \$3,232 in total cost savings across all programs in the General Government functional area; \$1,052 of which is attributable to savings in the Assessment and Taxation program area.
- The remaining \$3,522 reduction is from savings recognized in other functional areas of the General Fund, including \$2,851 from Public Safety and Justice, \$661 from Land Use Housing, and Transportation, and \$13 from Culture, Education, and Recreation, and \$(3) for miscellaneous expenditures from the Nonoperating functional area.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2012, amounts to \$2,198,693 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, park facilities, roads, highways, and bridges. Of this total investment, approximately 1.4% was held by the County's business-type activities, with the balance being held by the County's governmental activities.

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

	Washington County - Primary Government						Discretely Presented Component Unit	
	Governmental activities		Business-type Activities		County Total		District	
	2012	2011	2012	2011	2012	2011	2012	2011
				as restated		as restated		as restated
Land and Artwork	\$ 944,880	940,514	8,014	8,014	952,894	948,528	13,653	10,542
Land improvements	1,257	1,418	-	-	1,257	1,418	72,150	-
Buildings and improvements	102,510	104,682	22,598	24,099	125,108	128,781	27,844	105,383
Sewer lines	-	-	-	-	-	-	135,221	124,286
Treatment plants	-	-	-	-	-	-	209,235	212,055
Machinery and equipment	15,903	13,300	31	60	15,934	13,360	35,375	41,156
Infrastructure	1,053,629	1,090,180	-	-	1,053,629	1,090,180	-	-
Construction in progress	49,708	44,972	162	146	49,870	45,118	120,243	101,866
	<u>\$ 2,167,886</u>	<u>2,195,066</u>	<u>30,805</u>	<u>32,319</u>	<u>2,198,692</u>	<u>2,227,385</u>	<u>613,722</u>	<u>595,288</u>

Additional information on the County's capital assets can be found in the Capital Assets note on pages 52 through 54 of this report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$113,185. Of this amount \$101,045 comprises debt backed by the full faith and credit of the County.

Component unit – District - At the end of the current fiscal year, the District had \$287,865 in revenue bonds secured solely by specified revenue sources by the District.

	Governmental activities		Business-type Activities		County Total		Component Unit District	
	2012	2011	2012	2011	2012	2011	2012	2011
				as restated		as restated		as restated
General obligation bonds	\$ 12,140	17,845	-	-	12,140	17,845	-	-
Full Faith & Credit bonds	72,745	76,300	28,300	28,670	101,045	104,970	-	-
Revenue bonds	-	-	-	-	-	-	287,865	263,845
	<u>\$ 84,885</u>	<u>94,145</u>	<u>28,300</u>	<u>28,670</u>	<u>113,185</u>	<u>122,815</u>	<u>287,865</u>	<u>263,845</u>

The County maintains an "Aa1" rating from Moody's Investor Services and "AA+" from Standard & Poor's (S&P) for general obligation debt and "Aa2" from Moody's for limited tax bonded indebtedness. The revenue bonds of the County's discretely presented component unit, Clean Water Services, maintain an "Aa2" rating from Moody's and "AA" rating from S&P.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10 percent of its total assessed valuation. The current debt limitation for the County is \$1,368,765, which is significantly in excess of the County outstanding general obligation debt.

Additional information on the County's long-term debt can be found on pages 55 through 67 of this report.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the County is currently 6.8%, which is a decrease from a rate of 7.6% a year ago. This compares favorably to the State's average unemployment rate of 8.5% and to the national average rate of 8.2%.

The County government is funded through a variety of revenue sources including property taxes, state and federal funding, user fees and other revenues. The recessionary economy of the past several years has affected those programs dependent on state funding due to the decreases in income tax revenues to the State of Oregon. State funded programs include public safety, mental health, aging and disability services and other public health programs.

WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

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Over the past several years, the County funded an enhanced level of public safety and library services through local option levies approved by the voters. In November 2010 voters approved the renewal of both levies for an additional five years with an expiration date of June 30, 2016. In November 2012 voters approved an Enhanced Sheriff's Patrol District levy with an expiration date of June 30, 2018. Property tax revenues are still increasing, but the rate of growth for the real estate transfer tax continues to lag behind during 2011-12 due to the general slow down in the real estate market. This revenue source has been and is anticipated to grow slowly during the upcoming year. The real estate transfer tax is a General Fund discretionary revenue source.

All of these factors were considered in preparing the County's budget for the 2012-13 fiscal year.

During the current fiscal year, the unassigned fund balance in the General Fund decreased to \$29,642. This decrease will need to be taken into account as the County works through fiscal year 2012-13 and begins the budget process for the 2013-14 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of Washington County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Washington County Finance Division, 155 N. First Avenue, Hillsboro, Oregon 97124-3072.

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BASIC FINANCIAL STATEMENTS

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WASHINGTON COUNTY, OREGON

Statement of Net Assets

June 30, 2012

(Dollars in thousands)

	Primary Government			Component Unit Clean Water Services of Washington County (District)
	Governmental Activities	Business- Type Activities (as restated)	Total	
Current assets:				
Cash and investments	\$ 11,046	2,631	13,677	42,813
Restricted cash	93	7,569	7,662	149,253
Property taxes receivable	8,233	—	8,233	—
Assessments receivable, short-term portion	26	95	121	—
Accounts receivable	11,551	238	11,789	14,866
Prepays	—	—	—	550
Accrued interest receivable	3,315	—	3,315	—
Housing Authority Loan receivable, short term portion-internal balance	96	(96)	—	—
Contract receivable, short-term portion	218	5	223	—
Connection charges receivable	—	—	—	736
Supply inventory	600	—	600	875
Prepaid pension obligation, short-term portion	678	—	678	584
Prepaid bond issuance costs, short-term portion	49	32	81	138
Other current assets	340	26	366	749
Total current assets	36,245	10,500	46,745	210,564
Noncurrent assets:				
Long-term investments	228,621	—	228,621	—
Long-term assessments receivable	141	438	579	375
Contracts receivable, net - long-term portion	25,218	—	25,218	—
Housing Authority loan receivable, net - internal balance long-term portion	428	(428)	—	—
Investments in Joint Venture	—	—	—	2,799
Other noncurrent assets	—	—	—	1,351
Prepaid bond issuance costs, long-term portion	389	519	908	1,744
Prepaid pension obligation, net	9,707	—	9,707	11,960
Non-capital assets	264,504	529	265,033	18,229
Capital assets:				
Land, CIP and other assets not being depreciated	994,588	8,175	1,002,763	133,896
Buildings and equipment, infrastructure and other assets net of depreciation	1,173,298	22,632	1,195,930	479,826
Capital assets, net	2,167,886	30,807	2,198,693	613,722
Total noncurrent assets	2,432,390	31,336	2,463,726	631,951
Total assets	2,468,635	41,836	2,510,471	842,515
Current liabilities:				
Overdraft	—	3,038	3,038	—
Accounts payable	12,575	311	12,886	13,996
Accrued payroll liabilities	5,357	—	5,357	4,229
Accrued self insurance	3,766	—	3,766	266
Accrued OHP payable	2,088	—	2,088	—
Amounts held in trust	635	—	635	—
Unearned revenue	13,574	9	13,583	—
Tenant and other deposits	6,372	579	6,951	—
Accrued interest payable	461	660	1,121	3,365
Pollution remediation obligation, current portion	39	—	39	—
Capital lease obligations, current portion	494	—	494	—
Other long-term obligations, current portion, net of discount	18,157	303	18,460	24,058
Total current liabilities	63,518	4,900	68,418	45,914
Noncurrent liabilities:				
Pollution remediation obligation	1,021	—	1,021	—
Capital lease obligations	2,092	—	2,092	—
Bond and bond anticipation notes payable, net of discount	6,452	—	6,452	273,438
Noncurrent portion of other long term obligations, net of discount	70,523	27,773	98,296	—
Net other postemployment benefits obligation	5,264	—	5,264	536
Total noncurrent portion of long-term obligations	85,352	27,773	113,125	273,974
Total liabilities	148,870	32,673	181,543	319,888
Net assets:				
Investment in capital assets, net of related debt	2,074,612	2,206	2,076,818	388,941
Restricted for:				
Public safety and justice	28,445	—	28,445	—
Land use, housing, and transportation	30,193	—	30,193	—
Health and human services	17,355	—	17,355	—
Culture, education, and recreation	1,957	—	1,957	—
Debt service	63	6,156	6,219	20,264
Capital projects	17,929	—	17,929	48,645
Total restricted	95,942	6,156	102,098	68,909
Unrestricted	149,211	801	150,012	64,777
Total net assets	\$ 2,319,765	9,163	2,328,928	522,627

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Activities

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Net Revenue (Expense) and Changes in Net Assets							Component Unit Clean Water Services of Washington County (District)
	Expenses	Program Income			Primary Government		Total	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- type Activities		
Functions/Programs:								
Primary Government:								
Governmental activities:								
General government	\$ 38,677	5,334	1,965	—	(31,378)	—	(31,378)	—
Public safety and justice	109,222	8,048	16,854	142	(84,178)	—	(84,178)	—
Land use, housing and transportation	119,714	13,636	45,885	249	(59,944)	—	(59,944)	—
Health and human services	58,443	23,308	28,799	—	(6,336)	—	(6,336)	—
Culture, education and recreation	28,476	1,497	442	—	(26,537)	—	(26,537)	—
Non-operating functional area	9,234	17,777	6,977	1,217	16,737	—	16,737	—
Interest expense	4,202	—	—	—	(4,202)	—	(4,202)	—
Total governmental activities	367,968	69,600	100,922	1,608	(195,838)	—	(195,838)	—
Business-type activities:								
Housing authority	28,496	5,995	19,885	164	—	(2,452)	(2,452)	—
Street lighting	1,839	1,929	—	—	—	90	90	—
Total business-type activities	30,335	7,924	19,885	164	—	(2,362)	(2,362)	—
Total primary government	398,303	77,524	120,807	1,772	(195,838)	(2,362)	(198,200)	—
Component Unit:								
Clean Water Services of Washington County	\$ 97,604	107,029	—	14,296	—	—	—	23,721
General revenues:								
Taxes:								
Property taxes, levied for general purposes					157,586	—	157,586	—
Property taxes, levied for debt service					6,389	—	6,389	—
Other taxes:								
Transient lodging					5,524	—	5,524	—
Real property transfer tax					2,768	—	2,768	—
County fuel tax					755	—	755	—
Other tax					47	—	47	—
Total taxes					173,069	—	173,069	—
Interest income					2,575	52	2,627	1,562
Miscellaneous revenues					7,636	—	7,636	—
Gain on disposal of capital assets					—	—	—	(116)
Loss on equity in joint venture					—	—	—	(73)
Total general revenues					183,280	52	183,332	1,373
Change in net assets					(12,558)	(2,310)	(14,868)	25,094
Net assets July 1, 2011					2,332,323	509,006	2,841,329	—
Restatement (See Note 4)					—	(497,533)	(497,533)	497,533
Net assets July 1, 2011, as restated					2,332,323	11,473	2,343,796	497,533
Net assets June 30, 2012					\$ 2,319,765	9,163	2,328,928	522,627

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Balance Sheet
 Governmental Funds
 June 30, 2012
 (Dollars in thousands)

Assets	General Fund	HOME Fund	Human Services Fund	Major Streets	Road Fund	Other Governmental Funds	Total
				Transportation Improvement Program III Fund			
Cash and investments	\$ 30,021	—	18,769	57,593	18,981	90,504	215,868
Property taxes receivable	5,373	—	—	—	—	2,860	8,233
Assessments receivable	—	—	—	—	95	72	167
Accounts receivable	4,240	397	464	403	2,381	3,624	11,509
Accrued interest receivable	1,137	1,954	—	—	—	224	3,315
Contracts receivable	—	20,643	—	—	—	4,793	25,436
Due from other funds	978	—	—	—	—	—	978
Inventory	134	—	—	—	134	1	269
Other assets	255	—	—	—	—	85	340
Total assets	42,138	22,994	19,233	57,996	21,591	102,163	266,115
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	1,666	26	2,601	2,165	562	5,138	12,158
Accrued payroll liabilities	4,019	3	76	—	306	920	5,324
Deposits payable	404	—	—	—	5,669	299	6,372
Amounts held in trust	603	—	—	—	11	21	635
Accrued OHP payable	—	—	—	—	—	2,088	2,088
Due to other funds	—	327	—	—	—	651	978
Deferred revenue	5,140	22,598	12,180	13	272	9,220	49,423
Total liabilities	11,832	22,954	14,857	2,178	6,820	18,337	76,978
Fund balances:							
Nonspendable	134	—	—	—	134	1	269
Restricted	—	40	4,376	—	14,637	76,889	95,942
Committed	—	—	—	55,818	—	6,819	62,637
Assigned	530	—	—	—	—	149	679
Unassigned	29,642	—	—	—	—	(32)	29,610
Total fund balances	30,306	40	4,376	55,818	14,771	83,826	189,137
Total liabilities and fund balances \$	42,138	22,994	19,233	57,996	21,591	102,163	266,115

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Assets - Governmental Activities

June 30, 2012

(Dollars in thousands)

Fund balances - total governmental funds	\$ 189,137
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and; therefore, are not reported in the governmental funds.	2,160,272
Prepaid pension obligations are not financial resources in governmental funds, but are reported in the Statement of Net Assets at their net unamortized value.	10,385
Bond issuance costs are recognized in the period paid in governmental funds, but are deferred and amortized in the Statement of Net Assets.	438
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds	524
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	35,849
Long-term liabilities, including bonds payable, are not due and payable in the current period, and; therefore, are not reported in the governmental funds.	(104,330)
Internal Service Funds are used by management to charge the costs of activities to individual funds. Net assets of the internal service funds that are reported with governmental activities	<u>27,490</u>
Net assets of governmental activities	<u>\$ 2,319,765</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	General Fund	HOME Fund	Human Services Fund	Major Streets Transportation Improvement Program III Fund	Road Fund	Other Governmental Funds	Total
Revenues:							
Taxes	\$ 110,398	—	—	—	755	59,551	170,704
Licenses and permits	6,022	—	—	—	254	2,891	9,167
Intergovernmental revenues	16,532	1,206	16,770	10,626	25,111	30,295	100,540
Charges for services	18,726	—	20	—	302	27,005	46,053
Fines and forfeitures	3,153	—	—	—	—	505	3,658
Special assessments	—	—	—	—	20	114	134
Miscellaneous revenues	3,945	284	177	504	489	25,067	30,466
Interfund revenues	18,596	—	150	—	6,851	2,327	27,924
Total revenues	177,372	1,490	17,117	11,130	33,782	147,755	388,646
Expenditures:							
Current:							
General government	36,912	—	—	—	—	—	36,912
Public safety and justice	59,039	—	—	—	—	75,350	134,389
Land use, housing and transportation	3,471	1,451	—	31,145	31,744	27,208	95,019
Health and human services	17,279	—	20,058	—	—	22,652	59,989
Culture, education and recreation	973	—	—	—	—	28,553	29,526
Nonoperating	5,726	—	—	—	—	10	5,736
Total current	123,400	1,451	20,058	31,145	31,744	153,773	361,571
Capital outlay	2,398	—	—	1,607	125	5,936	10,066
Debt service:							
Principal	822	—	—	—	—	9,359	10,181
Interest	82	—	—	—	—	4,185	4,267
Total debt service	904	—	—	—	—	13,544	14,448
Total expenditures	126,702	1,451	20,058	32,752	31,869	173,253	386,085
Revenues over (under) expenditures	50,670	39	(2,941)	(21,622)	1,913	(25,498)	2,561
Other financing sources(uses):							
Proceeds from debt	2,284	—	—	—	—	—	2,284
Transfers in from other funds	1,047	3	3,121	31,276	803	33,080	69,330
Transfers out to other funds	(56,890)	—	(30)	(1,503)	(2,970)	(5,817)	(67,210)
Total other financing sources (uses)	(53,559)	3	3,091	29,773	(2,167)	27,263	4,404
Net changes in fund balances (deficit)	(2,889)	42	150	8,151	(254)	1,765	6,965
Fund balances (deficit) July 1, 2011	33,195	(2)	4,226	47,667	15,025	82,061	182,172
Fund balances June 30, 2012	\$ 30,306	40	4,376	55,818	14,771	83,826	189,137

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balance to the
Government-wide Statement of Activities - Governmental Activities

For the fiscal year ended June 30, 2012

(Dollars in thousands)

Net change in fund balances - Governmental Funds \$ 6,965

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded net additions in the current period.

Expenditures for capital assets	\$ 45,113		
Current year depreciation expense	<u>(71,457)</u>		(26,344)

The issuance of long-term debt provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of long-term debt	(2,284)		
Repayment of long-term debt	10,181		
Amortization of premiums, discounts and related deferrals	<u>(9)</u>		7,888

Some revenues and expenses, as well as gains and losses, reported in the Statement of Activities do not provide nor require the use of current financial resources and, therefore are not reported as revenues or expenditures in the governmental funds			1,919
--	--	--	-------

Prepaid pension obligation -- current year amortization			(678)
---	--	--	-------

Change in net OPEB obligation			(370)
-------------------------------	--	--	-------

Change in net pollution remediation obligation			39
--	--	--	----

Internal Service funds are used by management to charge the costs of certain activities to individual funds. These funds are designed to recover all costs. The amount of revenues in excess of expenditures reported in the Statement of Activities			<u>(1,977)</u>
--	--	--	----------------

Change in net assets			\$ <u>(12,558)</u>
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See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Net Assets - Proprietary Funds

June 30, 2012

(Dollars in thousands)

	Enterprise Funds			Internal Service Funds
	Housing Authority of Washington County	Washington County Service District for Lighting No. 1	Total	
Assets				
Current assets:				
Cash and investments	\$ 1,380	1,251	2,631	23,892
Restricted cash	7,569	—	7,569	—
Assessments receivable	—	95	95	—
Accounts receivable - net of allowance for uncollectibles	238	—	238	42
Short-term portion of contracts receivable	5	—	5	—
Supply inventory	—	—	—	331
Current portion of bond issuance costs	32	—	32	—
Other current assets	26	—	26	—
Total current assets	9,250	1,346	10,596	24,265
Noncurrent assets:				
Long-term assessments and contracts receivable	438	—	438	—
Capital assets:				
Land, artwork, CIP, and other assets not being depreciated	8,175	—	8,175	—
Buildings and equipment and infrastructure, net of depreciation	22,632	—	22,632	7,614
Bond issuance costs	519	—	519	—
Total noncurrent assets	31,764	—	31,764	7,614
Total assets	41,014	1,346	42,360	31,879
Liabilities and Net Assets				
Current liabilities:				
Overdraft	3,038	—	3,038	—
Accounts payable	173	138	311	417
Accrued payroll liabilities	—	—	—	95
Accrued self-insurance	—	—	—	3,766
Deposits	579	—	579	—
Unearned revenue	9	—	9	—
Accrued interest payable	660	—	660	—
Current portion of long-term obligations, net of discount	399	—	399	37
Total current liabilities	4,858	138	4,996	4,315
Noncurrent liabilities:				
Capital lease obligations	—	—	—	7
Other long-term obligations	28,201	—	28,201	—
Net other postemployment benefits obligation	—	—	—	67
Total noncurrent liabilities	28,201	—	28,201	74
Total liabilities	33,059	138	33,197	4,389
Net assets:				
Investment in capital assets, net of related debt	2,206	—	2,206	7,570
Restricted for:				
Capital projects	—	—	—	—
Debt service	6,156	—	6,156	—
Unrestricted (deficit)	(407)	1,208	801	19,920
Total net assets	7,955	1,208	9,163	27,490
Total liabilities and net assets	\$ 41,014	1,346	42,360	31,879

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Enterprise Funds			Internal Service Funds
	Housing Authority of Washington County	Washington County Service District for Lighting No. 1	Total	
Operating revenues:				
Charges for services	\$ —	—	—	35,521
Intergovernmental revenue	19,885	—	19,885	—
Rental income	5,123	—	5,123	—
Street lighting assessments	—	1,929	1,929	—
Other	872	—	872	1,904
Total operating revenues	25,880	1,929	27,809	37,425
Operating expenses:				
Labor and fringe benefits	—	—	—	1,905
Housing assistance payments	18,696	—	18,696	—
Utilities	548	1,622	2,170	28
Professional services	—	—	—	344
Supplies	—	1	1	2,762
Administrative costs	3,189	216	3,405	2,295
Depreciation and amortization	1,696	—	1,696	1,916
Insurance claims and premiums	—	—	—	27,887
Repairs and maintenance	2,512	—	2,512	294
Other	340	—	340	—
Total operating expenses	26,981	1,839	28,820	37,431
Operating income(loss)	(1,101)	90	(1,011)	(6)
Nonoperating income(expense):				
Interest income	40	12	52	179
Loss on sale of capital assets	—	—	—	(66)
Interest expense	(1,488)	—	(1,488)	—
Contribution to Dept of Housing Services	(27)	—	(27)	—
Total nonoperating income(expense)	(1,475)	12	(1,463)	113
Contributions/transfers:				
Capital contributions	164	—	164	—
Transfer in from other funds	—	—	—	23
Transfer out to other funds	—	—	—	(2,107)
Total contributions/transfers	164	—	164	(2,084)
Change in net assets	(2,412)	102	(2,310)	(1,977)
Net assets July 1, 2011	10,367	1,106	11,473	29,467
Net assets June 30, 2012	\$ <u>7,955</u>	<u>1,208</u>	<u>9,163</u>	<u>27,490</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON
Statement of Cash Flows - Proprietary Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	Enterprise Funds			
	Housing Authority of Washington County	Washington County Service District for Lighting No. 1	Total	Internal Service Funds
Cash flows provided by (used in) operating activities:				
Cash received for services provided	\$ 25,748	1,909	27,657	35,412
Cash payments for labor and fringe benefits	(3,415)	—	(3,415)	(1,910)
Cash payments for goods and services	(21,897)	(1,835)	(23,732)	(33,832)
Other operating revenue	—	—	—	1,955
Other receipts	—	—	—	51
Other expense	—	—	—	(1)
Net cash provided by (used in) operating activities	<u>436</u>	<u>74</u>	<u>510</u>	<u>1,675</u>
Cash flows from noncapital financing activities:				
Payment to Department of Housing Services	(27)	—	(27)	—
PERS rate stabilization subsidy	—	—	—	(2,084)
Net cash used in noncapital financing activities	<u>(27)</u>	<u>—</u>	<u>(27)</u>	<u>(2,084)</u>
Cash flows provided by (used in) capital and related financing activities:				
Acquisition and construction of capital assets	(184)	—	(184)	(1,305)
Proceeds from sale of capital assets	—	—	—	159
Decrease in contracts receivable	5	—	5	—
Principal paid on notes payable	(537)	—	(537)	—
Interest paid on bonds and notes payable	(1,312)	—	(1,312)	—
Capital contributed by customers and cities	165	—	165	—
Net cash from capital and related financing activities	<u>(1,863)</u>	<u>—</u>	<u>(1,863)</u>	<u>(1,146)</u>
Cash flows provided by investing activities:				
Interest on investments	40	12	52	179
Net increase (decrease) in cash and investments	<u>(1,414)</u>	<u>86</u>	<u>(1,328)</u>	<u>(1,376)</u>
Cash and investments, July 1, 2011	<u>7,325</u>	<u>1,165</u>	<u>8,490</u>	<u>25,268</u>
Cash and investments, June 30, 2012 ⁽¹⁾	<u><u>5,911</u></u>	<u><u>1,251</u></u>	<u><u>7,162</u></u>	<u><u>23,892</u></u>
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	(1,101)	90	(1,011)	(6)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation and amortization	1,696	—	1,696	1,916
Other expense	—	—	—	3
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(115)	—	(115)	(11)
(Increase) decrease in assessments receivable	—	(20)	(20)	—
(Increase) decrease in supply inventory	—	—	—	38
(Increase) decrease in other assets	3	—	3	—
Increase (decrease) in accounts payable	(22)	4	(18)	(394)
Increase (decrease) in deposits	(7)	—	(7)	—
Increase (decrease) in deferred revenue	(18)	—	(18)	—
Increase (decrease) in accrued liabilities	—	—	—	129
Net cash provided by (used in) operating activities	<u><u>436</u></u>	<u><u>74</u></u>	<u><u>510</u></u>	<u><u>1,675</u></u>

⁽¹⁾ Cash and investments are reflected on the Statement of Net Assets as follows:

Current assets - Cash and investments	1,380	1,251	2,631	23,892
Current assets - Restricted cash	7,569	—	7,569	—
Current liabilities - Bank overdraft	(3,038)	—	(3,038)	—
	<u><u>\$ 5,911</u></u>	<u><u>1,251</u></u>	<u><u>7,162</u></u>	<u><u>23,892</u></u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Fiduciary Net Assets

June 30, 2012

(Dollars in thousands)

	Private- Purpose Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and investments	\$ 244	4,402
Accounts receivable	—	1,821
Property taxes receivable	—	31,163
Total assets	<u>244</u>	<u>37,386</u>
Liabilities:		
Accounts payable	—	405
Amounts held in trust	—	5,817
Undistributed taxes	—	31,164
Total liabilities	<u>—</u>	<u>37,386</u>
Net assets		
Amounts held in trust and other purposes	<u>\$ 244</u>	

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON
Statement of Changes in Fiduciary Net Assets
For the fiscal year ended June 30, 2012
(Dollars in thousands)

		Private- Purpose Trust Funds
Additions:		
Intergovernmental revenues	\$	1,308
Contributions		126
Interest earnings		3
Total additions		1,437
Deductions:		
Distributions		1,242
Change in net assets		195
Net assets, July 1, 2011		49
Net assets, June 30, 2012	\$	244

See accompanying notes to basic financial statements.

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WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2012

(Dollars in thousands)

1. Summary of significant accounting policies

Reporting entity

Washington County (County) is a municipal corporation established in 1849 and is governed by a five member Board. The accompanying financial statements present the activities of the County and its five blended component units, and one discretely presented component unit, which are separate legal entities that meet the component unit criteria and whose governing body is the same or substantially the same as the County Board of Commissioners.

Blended Component Units

Housing Authority of Washington County (Authority)

The Authority operates housing programs that provide low-income housing for residents of Washington County. The program is funded by grants from the U.S. Department of Housing and Urban Development (HUD) and rental receipts.

Enhanced Sheriff Patrol District (ESPD)

ESPD contracts with the Washington County Sheriff's Office to provide a municipal level of police service to certain unincorporated areas of the County and is funded by property taxes and voter-approved local option levies.

Service District for Lighting No. 1 (SDL)

SDL administers a program to provide street lighting to certain unincorporated areas of Washington County. Property owners are assessed at a rate estimated to cover utility costs plus administrative costs.

North Bethany County Service District (NBCSD)

NBCSD provides a portion of the needed transportation projects in the yet to be developed North Bethany community and is funded by property taxes.

Urban Road Maintenance Service District (URMD)

URMD provides an enhanced level of maintenance services to local, minor collector and public roads in the urban unincorporated areas of the County.

The accompanying basic financial statements present the blended component units as follows: the Authority and SDL are presented as business-type activities, the ESPD, URMD, and NBCSD are reported special revenue funds.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Discretely (separate) Presented Component Unit

Clean Water Services (District)

The District is a special service district that provides sanitary sewer and surface water management service for the urbanized portion of Washington County, small parts of the City of Portland and Multnomah and Clackamas counties.

The District is a discretely presented component unit and as such is reported in a separate column in the government-wide financial statements to emphasize the District's separate enterprise operations.

District - Reporting Entity

On March 2, 2010, the Clean Water Services Board of Directors instructed the District to form Clean Water Institute (CWI). The General Manager of the District currently serves as the Executive Director for CWI. One of the District's Board Members currently serves on CWI's Board.

CWI is a nonprofit 501(c)(3) formed to advance watershed restoration and resource recovery through innovative strategies and to promote scientific research, education, and environmental protection activities that benefit watersheds throughout the country and around the world. For the fiscal year ended June 30, 2012, the transactions between the District and CWI are deemed to be immaterial, and therefore, CWI is not reported as a component unit of the District.

Complete financial statements for all component units may be obtained from the Washington County Finance Division, 155 North First Avenue, Hillsboro, Oregon 97124-3072.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

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

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 individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

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

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

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

The County reports the following major governmental funds:

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

The *HOME Fund* accounts for the expenditure of HOME funds provided to the County's community development program by the U.S. Department of Housing and Urban Development (HUD).

The *Human Services Fund* accounts for the delivery of community mental health services and is primarily funded by state and federal grants.

The *Major Streets Transportation Improvement Program III (MSTIP III) Fund* accounts for resources collected to support a comprehensive capital improvement transportation construction program.

The *Road Fund* accounts for state gasoline tax used for the maintenance, repair and improvement of existing roads as required by ORS 366.

The County reports the following major proprietary funds:

The *Housing Authority of Washington County Fund* accounts for the operation of programs that provide low-income housing for residents of the County through grants from the U.S. Department of Housing and Urban Development (HUD), revenue bonds, and rental income.

The *Washington County Service District for Lighting fund* accounts for the operation of street lighting to certain unincorporated areas of the County through rates assessed on property owners.

Additionally, the County reports the following fund types:

Special Revenue Funds account for revenue derived from specific tax or other earmarked revenue sources, including federal and state grant awards, which are restricted or committed to finance particular functions or activities.

Debt Service Funds account for the payment of principal and interest on general obligation and refunding bonds. Revenue is derived primarily from property taxes, or specific revenue streams as identified.

Capital Projects Funds account for the acquisition or construction of major capital facilities or assets (other than those financed by Proprietary Funds).

Internal Service Funds account for fleet, insurance, central mail and printing services provided to other organizational units of the County on a cost

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

reimbursement basis. Charges to other County operating departments are made to support these activities. For budgetary purposes the County accounts for certain expenditures on the modified accrual basis of accounting. For financial reporting purposes, the accrual basis of accounting is used. The differences relate primarily to the methods of accounting for depreciation and capital outlay. Effects of these transactions are substantially eliminated in the government-wide statements because the net operating income is proportionately distributed back to each of the Funds' customers and reported as revenue to the County's other operating department in the Governmental Fund Statements.

The *Private Purpose Trust Funds* account for all trust agreement transactions, under which all principal and income benefit individuals, private organizations, or other governments.

The *Agency Fund* accounts for resources received and held by the County in a fiduciary capacity. Disbursements from these funds are made in accordance with the applicable legislative enactment for each particular fund. Accordingly, all assets reported in an agency fund are offset by a liability to the party on whose behalf they are held. As is common practice, the County collects all of the separately levied taxes and uses an agency fund to account for the portion of taxes collected on behalf of other governments until those amounts are remitted to the respective jurisdictions.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance. The County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenue* 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. Items not meeting the criteria of program revenues are reported as *general revenues*.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 of the SDL and Authority's enterprise funds and of the County's internal service funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

Assets, liabilities, and net assets or equity

Deposits and investments

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

State statutes authorize the County to invest in obligations of the U.S. Treasury, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial paper, and the State Treasurer's Local Government Investment Pool (LGIP).

Investments for the County, as well as for its component units, are reported at fair value. The State Treasurer's LGIP operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as deferred revenue in the governmental fund statements because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary, as uncollectible taxes become a lien on the property. Property taxes are levied and become a lien against the property on July 1. Collection dates are November 15, February 15 and May 15 following the lien date. Discounts are allowed if the amount is paid by November 15 or February 15. Taxes unpaid and outstanding May 16 are considered delinquent.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Assessments receivable represent uncollected amounts levied against benefited property for the cost of local improvements. Assessments receivable are offset by deferred revenue and have not been recognized as revenue. An allowance for uncollectible amounts is not deemed necessary as, uncollected assessments, are recoverable through liens.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of any allowance for uncollectibles.

Inventories

All inventories are valued at cost, using the first-in first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital Assets

In the government-wide financial statements, capital assets include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (easements and land rights) are reported in the applicable governmental activity, business-type activities, or discrete component unit columns in the government-wide financial statements.

As the County and Authority constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations the County values these capital assets at the estimated fair value as of the date of its donation.

Capital assets, other than infrastructure assets, are defined by the County and Authority as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year or more; software is capitalized at \$25,000 (amount not rounded). One full month of depreciation is taken in the month the assets are acquired; no depreciation is taken in the month the asset is retired. Gains or losses from sales or retirements are included in operations of the current period.

Capital asset items purchased, by the District, are valued at historical cost if actual historical cost is not available. Contributed capital assets are recorded at estimated fair market value at the time received. Major additions, improvements and replacements including related plans and studies are capitalized. Normal maintenance and repairs are charged to operations as incurred. Gains or losses realized from sales of capital assets are reported as incurred. Assets costing more than \$5,000 (amount not rounded) are capitalized and depreciated over their useful lives.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Intangible capital assets purchased by the District with an individual cost of \$5,000 (amount not rounded) and a useful life of more than one year are capitalized and amortized over their useful lives. Intangible assets with indefinite lives are not amortized. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increases the capacity of an asset are capitalized. Normal maintenance and repairs are charged to operation as incurred.

The District does not report exhaustible intangible capital assets in the current year. Amortization on exhaustible intangible capital assets would be reported on the straight-line basis over the estimated useful life of the asset. One-half year's amortization is taken in the year of acquisition and disposal of the asset. Gains or losses realized from sales of intangible capital assets are reported as incurred.

Capital asset depreciation for the County, Authority and District is computed on capital assets placed in service using the straight line method over the following estimated useful lives:

<u>Asset Type</u>	<u>Years</u>
County	
Land improvements	20
Buildings and improvements	15 - 50
Office equipment	3 - 10
Machinery and equipment	2 - 20
Automotive equipment	5
Road network, bridge network, culverts, and signals	5 - 50
Authority	
Buildings	30
Site improvements	15
Office equipment	7
Vehicles	5
Computer hardware	5
Computer software	3
District	
Sewer lines	50
Treatment plants	25
Land Improvements	25
Plans and studies	5 - 25
Buildings	20
Plant and office equipment	5 - 10
Automotive equipment	5

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Investment in Joint Ventures - District

Investments in joint ventures with other governments are reported at cost plus or minus the District's share of operating income or loss (equity method).

Leases

Leases that meet certain criteria are classified as capital leases and recorded at the lower of the present value of minimum least payments or the fair value of the leased property.

Compensated absences

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

The Authority's personnel are exclusively contracted Washington County employees. Accordingly, the liability of vested compensated absences and sick pay is recorded by the County.

The District allows employees to accumulate earned but unused vacation and sick leave benefits and compensatory time balances. Unused sick pay is not recognized as a liability because it does not vest. Accumulated compensation for overtime and vacation pay accrued at the end of each year is used within one year and is reported as a current expense and liability.

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

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

The District amortizes premiums and discounts on bonds payable by the effective interest method over the life of the respective debt instruments. Bonds payable are reported net of the applicable bond premium or discount.

Self-insurance - County

The County is exposed to various risks of loss up to various policy deductible amounts related to theft of, damage to, and destruction of assets and natural disasters for which the County carries commercial insurance. General liability claims are limited by State statute to \$1,000 per occurrence.

The County is fully self-insured for unemployment, workers' compensation benefits, and losses resulting from torts and errors and omissions. The County carries excess workers' compensation coverage for individual claims exceeding \$600.

Self-insurance - District

The District is insured under a guaranteed cost plan for workers' compensation and for costs in excess of insurance policy retention (deductible) limits on fire loss, property damage, and all risk coverage (theft, vandalism, etc.). The District currently provides for estimated losses from pending claims on all self-insured retention risks, and for incurred but not reported (IBNR) claims for general liability claims (sewer back-ups and other flooding issues) and employment liability claims. IBNR claims are claims that are incurred through the end of the fiscal year but not reported until after that date.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Fund balance

The County reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources reported in governmental funds. Those classifications are as follows:

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The Board may commit fund balance by resolution. The Board may also modify or rescind commitments by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any residual fund deficits as unassigned.

When both restricted and unrestricted fund balance is available for use, the purpose for which that is restricted, it is the County's policy to use restricted fund balance first, and then unrestricted fund balance as needed. When unrestricted fund balance is spent, the County will consider that committed amounts will be reduced first, followed by assigned amounts, and then unassigned amounts last.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Fund balances by classification for the year ended June 30, 2012 were as follows:

	General Fund	HOME Fund	Human Services Fund	Major Streets Transportation Improvement Program III Fund	Road Fund	Other Governmental Funds	Total
Fund balances (deficit):							
Nonspendable:							
Inventory	\$ 134	—	—	—	134	1	269
Total nonspendable fund balances	134	—	—	—	134	1	269
Restricted for:							
Public safety and justice	—	—	—	—	—	28,445	28,445
Land use, housing and transportation	—	40	—	—	14,637	15,516	30,193
Health and human services	—	—	4,376	—	—	12,979	17,355
Culture, education and recreation	—	—	—	—	—	1,957	1,957
Debt service	—	—	—	—	—	63	63
Capital projects	—	—	—	—	—	17,929	17,929
Total restricted fund balances	—	40	4,376	—	14,637	76,889	95,942
Committed to:							
Culture, education, and recreation	—	—	—	—	—	4,878	4,878
Capital projects	—	—	—	55,818	—	1,941	57,759
Total committed fund balances	—	—	—	55,818	—	6,819	62,637
Assigned to:							
Land use, housing and transportation	530	—	—	—	—	—	530
Capital projects	—	—	—	—	—	149	149
Total assigned fund balances	530	—	—	—	—	149	679
Unassigned	29,642	—	—	—	—	(32)	29,610
Total fund balances	30,306	40	4,376	55,818	14,771	83,826	189,137
Fund balances (deficit) summary:							
Nonspendable	134	—	—	—	134	1	269
Restricted	—	40	4,376	—	14,637	76,889	95,942
Committed	—	—	—	55,818	—	6,819	62,637
Assigned	530	—	—	—	—	149	679
Unassigned	29,642	—	—	—	—	(32)	29,610
Total fund balances	\$ 30,306	40	4,376	55,818	14,771	83,826	189,137

To preserve a sound financial system and to provide a stable financial base, the County Board of Commissioners has established a minimum General Fund balance at a goal of 20% of annual General Fund revenues with a minimum level not to drop below 15%.

2. Stewardship, compliance, and accountability

Budgetary information

Annual budgets are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 – Local Budget Law) and accounting principles generally accepted in the United States of America. All annual appropriations lapse at fiscal year-end.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

3. Detailed notes on all funds

Deposits and investments

The County maintains a cash and investment pool for all County funds, blended component units and its discretely presented component unit. Interest earnings are distributed monthly based on average daily balances.

County, Blended Component Units and Fiduciary Funds

Cash and investments are comprised of the following at June 30, 2012:

Petty cash	\$	37
Deposits		3,841
Investments		247,690
		<u>251,568</u>

Cash and investments are reported as follows:

Unrestricted:		
Cash and investments		242,298
Restricted for:		
Contractor working capital, construction and payment of bond debt service		7,662
Overdraft		(3,038)
Primary government cash and investments		<u>246,922</u>
Fiduciary Funds		4,646
	\$	<u>251,568</u>

District – Discretely Presented Component Unit

Cash and investments are comprised of the following at June 30, 2012:

Petty cash	\$	4
Deposits		96
Investments		191,966
		<u>192,066</u>

Cash and investments are reported as follows:

Unrestricted:		
Cash and investments	\$	<u>192,066</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Total County, blended component units, and discretely presented component unit cash and investments are reported as follows:

Governmental Funds	\$	215,868
Internal Service Funds		23,892
Enterprise Funds		10,200
Overdraft		(3,038)
District		192,066
Fiduciary Funds		4,646
	\$	<u>443,634</u>

Deposits custodial credit risk – County and Blended Component Units

This is the risk that in the event of a bank failure, the County and blended component units may not be returned to them. At June 30, 2012, the carrying amount of the County and blended component units' deposits was \$3,502 and the bank balance was \$6.072. \$2,979 of the bank balance was covered by the Federal Depository Insurance Corporation (FDIC). As required by Oregon Revised Statutes, deposits in excess of federal depository insurance were held at a qualified depository for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer. As a result the County and blended component units remaining deposits in excess of FDIC insurance are considered to be fully collateralized.

Deposits custodial credit risk – District

This is the risk that in the event of a bank failure, the District may not be returned to them. At June 30, 2012, the carrying amount of the District's deposits was \$435 and the bank balance was \$2,358. \$1,723 of the bank balance was covered by the Federal Depository Insurance Corporation (FDIC). As required by Oregon Revised Statutes, deposits in excess of federal depository insurance were held at a qualified depository for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer. As a result the District's remaining deposits in excess of FDIC insurance are considered to be fully collateralized.

Interest rate risk – County and Blended Component Units

The County has a formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Interest rate risk – District

The District relies upon their treasurer, Washington County, to monitor the interest rate risk inherent in its portfolio by comparing the maturity dates of its investments to the minimum maturity dates outlined in the investment policy.

Maturities of investments as of June 30, 2012 are as follows:

Maturity	Minimum Allowed	Actual
Less than 30 days	10%	11%
Less than 1 year	25%	48%
5 years or less	100%	100%
Weighted Average Maturity	2.0 years	1.6 years

Investment credit risk – County and Blended Component Units

This is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized rating organization and is minimized by purchasing only those securities, which are rated by three of the nationally recognized credit rating agencies, at the time of purchase. The County's investment policy specifies ratings – Standard & Poor's = minimum AA-, and Moody's Investors Services = minimum Aa3. The following information is including Fiduciary Funds investments of \$4,646. The actual rating at year-end for each investment type is as follows:

Rating by Standard & Poor's Investment Service	AAA	AA	Not Rated	Total Invested Value	Percent Allocation
Federal agency coupon securities	\$ 58,457	136,881	—	195,338	79%
Treasury Coupon Securities	19,748	—	—	19,748	8%
Corporate notes	—	5,700	—	5,700	2%
Municipal Bonds	—	588	—	588	1%
Certificates of Deposit - Bank	—	—	2,817	2,817	1%
State of Oregon Local Government Investment Pool (LGIP)	—	—	23,499	23,499	9%
Total Investments	\$ 78,205	143,169	26,316	247,690	100%

The State of Oregon Local Government Investment Pool (Pool) is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the Pool's investment policies. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and the

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-term Funds Board. The following table outlines the LGIP's investment maturity limitations and the actual maturities at June 30, 2012.

<u>LGIP Maturity</u>	<u>per Policy</u>	<u>Actual</u>
Up to 93 days	Minimum of 50%	63%
94 days to 1 year	Maximum of 25%	17%
1 to 3 years	Maximum of 25%	20%

Investment credit risk – District

This is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized rating organization and is minimized by purchasing only those securities, which are rated by three of the nationally recognized credit rating agencies, at the time of purchase. The County's investment policy specifies ratings – Standard & Poor's = minimum AA-, and Moody's Investors Services = minimum Aa3. The actual rating at year-end for each investment type is as follows:

<u>Rating by Standard & Poor's Investment Service</u>	<u>AAA</u>	<u>AA</u>	<u>Not Rated</u>	<u>Total Invested Value</u>	<u>Percent Allocation</u>
Federal agency coupon securities	\$ 45,305	106,088	—	151,393	79%
Treasury Coupon Securities	15,305	—	—	15,305	8%
Corporate notes	—	4,417	—	4,417	2%
Municipal Bonds	—	455	—	455	1%
Certificates of Deposit - Bank	—	—	2,183	2,183	1%
State of Oregon Local Government Investment Pool (LGIP)	—	—	18,213	18,213	9%
Total Investments	\$ 60,610	110,960	20,396	191,966	100%

The State of Oregon Local Government Investment Pool (Pool) is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the Pool's investment policies. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-term Funds Board. The following table outlines the LGIP's investment maturity limitations and the actual maturities at June 30, 2012.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

<u>LGIP Maturity</u>	<u>per Policy</u>	<u>Actual</u>
Up to 93 days	Minimum of 50%	63%
94 days to 1 year	Maximum of 25%	17%
1 to 3 years	Maximum of 25%	20%

Receivables – County and Blended Component Units

The County Board of Commissioners approved an intergovernmental agreement between the County and Washington County Consolidated Communications Agency (WCCCA) in September 2011 for \$2,284. The Zone Controller Tower purchase is financed as a capital lease which will provide for the lease-purchase, installation and maintenance for 911 center equipment. The County is responsible for lease-purchasing of the Zone Controller. The County will receive full reimbursement from WCCCA for all lease payments, including finance costs, change orders, cost overruns and increases due to non-performance.

Receivables – District

Receivables of the District represent user charges which are recognized as earned. An allowance for doubtful accounts is established for amounts deemed to be uncollectible, based on historical collection percentages. At June 30, 2012, the allowance was \$265.

Deferred revenue

Governmental funds report deferred revenue in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. The various components of the deferred and unearned revenue reported in the governmental funds as of June 30, 2012 were as follows:

	<u>Property Taxes</u>	<u>Assessments</u>	<u>Contracts Receivable</u>	<u>Accounts Receivable</u>	<u>Unearned Revenue</u>	<u>Total</u>
General Fund	\$ 4,870	-	-	258	12	5,140
HOME Fund	-	-	22,598	-	-	22,598
Human Services Fund	-	-	-	-	12,180	12,180
MSTIP III	-	-	-	13	-	13
Road Fund	-	95	-	19	158	272
Other Governmental Funds	2,595	67	5,047	287	1,224	9,220
Total deferred revenue \$	7,465	162	27,645	577	13,574	49,423

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Capital assets

Capital asset activity for governmental activities for the year ended June 30, 2012 was as follows:

	Balance				Balance
	July 1, 2011	Increases	Decreases	Transfers	June 30, 2012
Capital assets not being depreciated:					
Land	\$ 940,163	4,571	(205)	-	944,529
Artwork	351	-	-	-	351
Construction in progress	44,972	28,727	-	(23,991)	49,708
Total capital assets not being depreciated	<u>985,486</u>	<u>33,298</u>	<u>(205)</u>	<u>(23,991)</u>	<u>994,588</u>
Capital assets being depreciated:					
Land improvements	4,707	-	-	-	4,707
Buildings and improvements	153,197	1,547	(130)	-	154,614
Machinery and equipment	43,961	6,305	(3,584)	-	46,682
Road network	1,741,051	4,980	(899)	19,241	1,764,373
Bridge network	93,676	-	(166)	3,529	97,039
Culverts	13,555	-	(17)	698	14,236
Signals	58,152	786	(405)	523	59,056
Total capital assets being depreciated	<u>2,108,299</u>	<u>13,618</u>	<u>(5,201)</u>	<u>23,991</u>	<u>2,140,707</u>
Less accumulated depreciation for:					
Land improvements	(3,289)	(161)	-	-	(3,450)
Building and improvements	(48,515)	(3,693)	104	-	(52,104)
Machinery and equipment	(30,661)	(3,431)	3,312	-	(30,780)
Road network	(742,342)	(60,828)	714	-	(802,456)
Bridge network	(28,691)	(1,822)	138	-	(30,375)
Culverts	(5,013)	(274)	11	-	(5,276)
Signals	(40,208)	(3,165)	405	-	(42,968)
Total accumulated depreciation	<u>(898,719)</u>	<u>(73,374)</u>	<u>4,684</u>	<u>-</u>	<u>(967,409)</u>
Total capital assets being depreciated, net	<u>1,209,580</u>	<u>(59,756)</u>	<u>(517)</u>	<u>23,991</u>	<u>1,173,298</u>
Governmental activities capital assets, net	<u>2,195,066</u>	<u>(26,458)</u>	<u>(722)</u>	<u>-</u>	<u>2,167,886</u>

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	2,004
Public safety and justice	3,542
Land use, housing, and transportation	67,391
Health and human services	177
Culture, education, and recreation	260
Total depreciation expense	<u>\$ 73,374</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Capital asset activity for business-type activities for the year ended June 30, 2012 was as follows:

	Balance July 1, 2011	Increases	Decreases	Transfers	Balance June 30, 2012
Capital assets not being depreciated:					
Land	\$ 8,014	-	-	-	8,014
Construction in progress	146	164	-	(149)	161
Total capital assets not being depreciated	8,160	164	-	(149)	8,175
Capital assets being depreciated:					
Buildings and improvements	45,979	20	-	149	46,148
Automotive equipment	320	-	-	-	320
Office equipment	113	-	-	-	113
Total capital assets being depreciated	46,412	20	-	149	46,581
Less accumulated depreciation for:					
Buildings and improvements	(21,880)	(1,668)	-	-	(23,548)
Automotive equipment	(260)	(28)	-	-	(288)
Office equipment	(113)	-	-	-	(113)
Total accumulated depreciation	(22,253)	(1,696)	-	-	(23,949)
Total capital assets being depreciated, net	24,159	(1,676)	-	149	22,632
Business-type activities capital assets, net	32,319	(1,512)	-	-	30,807
Depreciation expense was charged to functions as follows:					
Business-type activities:					
Housing	1,696				
Total depreciation expense	\$ 1,696				

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Capital asset activity for the District for the year ended June 30, 2012 was as follows:

	Balance July 1, 2011	Increases	Decreases	Transfers	Balance June 30, 2012
Capital assets not being depreciated:					
Land	\$ 10,542	1,072	-	2,039	13,653
Construction in progress	101,866	54,148	(1,170)	(34,601)	120,243
Total capital assets not being depreciated	112,408	55,220	(1,170)	(32,562)	133,896
Capital assets being depreciated:					
Buildings and improvements	206,070	1,191	-	1,113	208,374
Treatment plants	500,675	-	-	15,093	515,768
Sewer lines	187,325	534	-	14,292	202,151
Plant equipment	67,903	-	(111)	1,362	69,154
Automotive equipment	10,110	-	(487)	372	9,995
Plans and studies	12,829	-	-	158	12,987
Office equipment	19,527	-	(806)	172	18,893
Total capital assets being depreciated	1,004,439	1,725	(1,404)	32,562	1,037,322
Less accumulated depreciation for:					
Buildings and improvements	(100,687)	(7,692)	-	-	(108,379)
Treatment plants	(288,620)	(17,913)	-	-	(306,533)
Sewer lines	(63,039)	(3,891)	-	-	(66,930)
Plant equipment	(35,026)	(4,951)	111	-	(39,866)
Automotive equipment	(8,232)	(641)	487	-	(8,386)
Plans and studies	(7,820)	(1,633)	-	-	(9,453)
Office equipment	(18,195)	(560)	806	-	(17,949)
Total accumulated depreciation	(521,619)	(37,281)	1,404	-	(557,496)
Total capital assets being depreciated, net	482,820	(35,556)	-	32,562	479,826
Component-type activities capital assets, net	595,228	19,664	(1,170)	-	613,722
Depreciation expense was charged to functions as follows:					
Component activities:					
Sanitation	30,857				
Surface Water Management	6,424				
Total depreciation expense	\$ 37,281				
Decrease in construction in progress is comprised of:					
Capital donations	922				
Items ineligible for capitalization	248				
Total depreciation expense	\$ 1,170				

Joint Ventures – District

The Barney Reservoir Joint Ownership Commission (the Commission) was formed to own, operate, and expand the JW Barney Reservoir. Ownership of the joint venture is comprised of the District (10%), Tualatin Valley Water District (35%), and the cities of Hillsboro (31%), Forest Grove (2.5%), and Beaverton (21.5%). The Commission is governed by one member from each entity. The District's year-end equity investment in the Commission was \$2,799.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Long-term obligations

In the following paragraph the long-term debt information is presented in respect to governmental activities. The information that follows presents current year changes in those obligations and the current portions due for each issue.

	Balance	Increase	Decreases	Balance	Due In	Long-term
	July 1, 2011			June 30, 2012	One Year	portion
Governmental activities:						
Compensated absences	\$ 7,745	8,460	7,745	8,460	8,460	-
Contracts Payable						
US Dept of Interior	402	-	22	380	22	358
subtotal Contracts Payable	402	-	22	380	22	358
Notes Payable						
State of Oregon, Dept. of Energy	350	-	96	254	80	174
State of Oregon, Econ. Dev. Dept.	1,247	-	97	1,150	102	1,048
Full Faith & Credit Obligations						
Series 2001 C	50	-	50	-	-	-
Series 2004	2,455	-	270	2,185	275	1,910
Series 2006 - Refunding	48,420	-	1,985	46,435	2,170	44,265
Series 2006 - New Money	25,375	-	1,250	24,125	1,300	22,825
subtotal Notes and FF&C	77,897	-	3,748	74,149	3,927	70,222
General Obligation Bonds						
Series 2007 - Refunding	17,845	-	5,705	12,140	5,705	6,435
Total notes and bonds	96,144	-	9,475	86,669	9,632	76,657
Total governmental activities	\$ 103,889	8,460	17,220	95,129	18,114	77,015
Unamortized bond premium				2,328	304	2,024
Deferred amounts on refunding				(2,325)	(261)	(2,064)
Total Government Activities				95,132	18,157	76,975
From the Statement of Net Assets:						
Other long-term obligations, current portion, net of discount				18,157		
Bond and bond anticipation notes payable, net of discount				6,452		
Noncurrent portion of other long term obligations, net of discount				70,523		
Total non current				76,975		
Total governmental activities				95,132		

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

In the following paragraph the long-term debt information is presented in respect to business-type activities. The information that follows presents current year changes in those obligations and the current portions due for each issue.

	<u>Balance</u>			<u>Balance</u>	<u>Due In</u>	<u>Long-term</u>
	<u>July 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2012</u>	<u>One Year</u>	<u>portion</u>
Business-type activities:						
Notes Payable						
Farmers Home Administration	\$ 337	-	3	334	3	331
State of Oregon	65	-	8	57	9	48
Office of Community Development	652	-	-	652	-	652
HOME Contracts	1,104	-	-	1,104	-	1,104
Washington County IGA	620	-	96	524	96	428
Berkadia Bank Mortgage	213	-	60	153	64	89
subtotal Notes Payable	<u>2,991</u>	<u>-</u>	<u>167</u>	<u>2,824</u>	<u>172</u>	<u>2,652</u>
Housing Authority FF&C Obligations						
Series 2009 - Refunding	<u>28,670</u>	<u>-</u>	<u>370</u>	<u>28,300</u>	<u>375</u>	<u>27,925</u>
Total notes and bonds	<u>31,661</u>	<u>-</u>	<u>537</u>	<u>31,124</u>	<u>547</u>	<u>30,577</u>
Total business-type activities	<u>\$ 31,661</u>	<u>-</u>	<u>537</u>	<u>31,124</u>	<u>547</u>	<u>30,577</u>
				Unamortized bond premium	-	-
				Unamortized bond discounts	(267)	(16)
				Deferred amounts on refunding	(2,257)	(132)
					<u>28,600</u>	<u>399</u>
					<u>28,201</u>	<u>28,201</u>
				Housing Authority Note Payable to County, current portion*	96	
				Other long-term obligations, current portion, net of discount	303	
					<u>399</u>	
				Housing Authority Note Payable to County, noncurrent portion*	428	
				Bond and bond anticipation notes payable, net of discount	25,549	
				Noncurrent portion of other long term obligations, net of discount	2,224	
				Total non current	<u>28,201</u>	
				Total business-type activities	<u>28,600</u>	

* The Note Payable to the County and Note Receivable from the Authority net each other out on the Statement of Net Assets; the Note Payable to the County is correctly included above in the summary of Business-type Activities.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

In the following paragraph the long-term debt information is presented in respect to District activities. The information that follows presents current year changes in those obligations and the current portions due for each issue.

	<u>July 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2012</u>	<u>One Year</u>	<u>portion</u>	
District activities:							
Compensated absences	\$ 1,895	2,075	1,895	2,075	2,075	-	
Sewer Revenue Bonds							
Series A 1997	19,280	-	9,360	9,920	9,920	-	
Series One 1997	13,320	-	6,470	6,850	6,850	-	
Series 2001	37,200	-	37,200	-	-	-	
2004 Refunding of 1996 Bonds	20,450	-	3,000	17,450	3,140	14,310	
Series A 2009	58,755	-	-	58,755	-	58,755	
Series A 2010	8,895	-	-	8,895	-	8,895	
Series B 2010	90,260	-	-	90,260	-	90,260	
Series A 2011	-	30,255	-	30,255	2,430	27,825	
Series B 2011	-	50,000	-	50,000	-	50,000	
Revenue Pension Bonds							
Series 2004	15,685	-	205	15,480	265	15,215	
Total notes and bonds	263,845	80,255	56,235	287,865	22,605	265,260	
Total district activities	\$ 265,740	82,330	58,130	289,940	24,680	265,260	
				Unamortized bond premium	11,099	1,745	9,354
				Unamortized bond discounts	(44)	(11)	(33)
				Deferred amounts on refunding	(1,424)	(281)	(1,143)
				299,571	26,133	273,438	
District compensated absences (recorded in business-type activities as an accrued payroll liability)				2,075			
Other long-term obligations, current portion, net of discount				24,058			
				26,133			
Bond and bond anticipation notes payable, net of discount				273,438			
Total non current				273,438			
Total district activities				299,571			

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Governmental Activities

Contracts Payable

US Department of Interior - In March 1980, a contract was issued in the amount of \$1,111 to repay a portion of the development costs incurred by the Federal Government, US Department of Interior, during the construction of Hagg Lake Park. The final maturity is in February 2029. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 22	13	3.500%
2014	22	12	3.500%
2015	22	12	3.500%
2016	22	11	3.500%
2017	22	10	3.500%
2018 - 2022	111	39	3.500%
2023 - 2027	111	20	3.500%
2028 - 2029	48	2	3.500%
	<u>\$ 380</u>	<u>119</u>	

Notes Payable

State of Oregon, Department of Energy - In November 1997, the County issued a note with Oregon Department of Energy for County-wide energy measures in the amount of \$293. The final maturity is in October 2012. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 8	-	4.200%

State of Oregon, Department of Energy - In September 2002, the County issued a note with Oregon Department of Energy for County-wide energy measures in the amount of \$114. The final maturity is in September 2017. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 9	3	5.750%
2014	9	2	5.750%
2015	10	2	5.750%
2016	10	1	5.750%
2017	11	-	5.750%
2018	3	-	5.750%
	<u>\$ 52</u>	<u>8</u>	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

State of Oregon, Department of Energy - In June 2004, the County issued a note with Oregon Department of Energy for County-wide energy measures in the amount of \$605. The final maturity is in June 2015. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 63	7	4.500%
2014	66	5	4.500%
2015	65	2	4.500%
	\$ <u>194</u>	<u>14</u>	

State of Oregon, Economic Development Department - In October 2000, the County issued a note with Oregon Economic Development Department was issued in the amount of \$2,000. This was to provide funding for the construction of the Harkins House juvenile shelter in October 2000. The final maturity is in December 2020. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 103	62	5.280%
2014	108	56	5.280%
2015	114	51	5.280%
2016	120	45	5.280%
2017	127	38	5.280%
2018-2021	578	81	5.280%
	\$ <u>1,150</u>	<u>333</u>	

Full Faith and Credit Obligations

Series 2004 - In May 2004, Full Faith & Credit obligations were issued for \$3,925. These obligations were issued to refinance the 1993 Certificates of Participation originally issued to provide funding for the completion of the Juvenile Justice/Law Library building, building of a new animal shelter, and completion of several information services projects. The final maturity is in July 2018. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 275	90	4.000%
2014	290	79	4.125%
2015	300	66	4.500%
2016	310	52	4.400%
2017	325	38	4.400%
2018 - 2019	685	32	4.500 - 4.600%
	\$ <u>2,185</u>	<u>357</u>	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Series 2006 Refunding - In February 2006, Full Faith & Credit obligations were issued for \$49,475. These obligations were issued to provide funding for the partial advance refunding of the May 2001 – Series 2001A Full Faith & Credit issue. The final maturity is in June 2026. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 2,170	2,175	5.500%
2014	2,340	2,093	5.500%
2015	2,550	1,987	5.000%
2016	2,785	1,880	5.500%
2017	3,010	1,767	5.000%
2018 - 2022	18,125	6,280	5.000 - 5.125%
2023 - 2026	15,455	1,805	5.000 - 5.125%
	<u>\$ 46,435</u>	<u>17,987</u>	

Series 2006 New Money - In March 2006, Full Faith & Credit obligations were issued for \$30,850. These obligations were issued to provide funding for the purchase of the District's share of the Public Services Building, upgrade data and phone systems in several County buildings, and improve and repair several County-owned parking lots. The maturity is in June 2026. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 1,300	1,075	5.000%
2014	1,360	1,010	5.000%
2015	1,430	942	5.000%
2016	1,505	870	5.000%
2017	1,530	795	4.000%
2018 - 2022	8,640	2,981	4.000 - 4.250%
2023 - 2026	8,360	939	4.250 - 5.000%
	<u>\$ 24,125</u>	<u>8,612</u>	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

General Obligation Bonds

Series 2007 Refunding - The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for capital construction, capital acquisition, and refunding bonds to refund prior bond issuances with higher interest rates. General obligation bonds are direct obligations and pledge the full faith and credit of the County. The bonds are payable through fiscal year 2014. All the general obligation bonds and refunding bonds will be paid with property tax revenues. The Series 2007 – Refunding Bonds were issued for of \$34,270. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 5,945	390	5.000%
2014	6,195	132	5.000%
	12,140	522	
Deferred amounts on refunding	(143)	-	
Unamortized bond premiums	205	-	
	<u>\$ 12,202</u>	<u>522</u>	

Business-type Activities

Housing Authority Notes Payable

Farmers Home Administration - In January 1988, the authority issued three Farmer's Home Administration notes to purchase Kaybern Terrace (12 units of affordable housing) in North Plains. These notes totaled \$361. The final maturity is in February 2038. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 3	32	9.000 - 9.500%
2014	3	31	9.000 - 9.500%
2015	4	31	9.000 - 9.500%
2016	4	30	9.000 - 9.500%
2017	5	30	9.000 - 9.500%
2018 - 2022	32	142	9.000 - 9.500%
2023 - 2027	51	123	9.000 - 9.500%
2028 - 2032	81	92	9.000 - 9.500%
2033 - 2036	99	40	9.000 - 9.500%
2037 - 2038	52	3	9.000 - 9.500%
	<u>\$ 334</u>	<u>554</u>	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

State of Oregon - In December 1988, the Authority issued State of Oregon Specialty Housing notes to purchase two facilities (five units) of Specialty Housing in Aloha and Beaverton. These notes totaled \$181. The final maturity is in January 2018. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2103	\$ 6	3	8.970%
2014	6	3	8.970%
2015	7	2	8.970%
2016	8	2	8.970%
2017	9	1	8.970%
2018	5	-	8.970%
	<u>\$ 41</u>	<u>11</u>	

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 3	-	0.000%
2014	3	-	0.000%
2015	3	-	0.000%
2016	3	-	0.000%
2017	3	-	0.000%
2018	1	-	0.000%
	<u>\$ 16</u>	<u>-</u>	

Office of Community Development - In June, 2010, the Office of Community Development (OCD) provided funding under the Neighborhood Stabilization Program to acquire properties for low income housing. The note was in the amount of \$652 and is due when the properties are sold. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
Due on sale	\$ 652	-	0.000%

HOME Contracts - In November 1995, the OCD Home Loan for the Authority was issued at the time of the purchase of Amberwood. This property was financed with this note as well as with two revenue bond issues. This note was in the amount of \$604. The final maturity date will be October 2016. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ -	18	3.000%
2014	-	18	3.000%
2015	-	18	3.000%
2016	-	18	3.000%
2017	604	5	3.000%
	<u>\$ 604</u>	<u>77</u>	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

HOME Contracts - In September 2003, the OCD Home Loan for the Authority was issued to finance improvements to the Bonita Villa affordable housing property. This note was in the amount of \$500. The final maturity is in June 2029. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ -	15	3.000%
2014	-	15	3.000%
2015	-	15	3.000%
2016	-	15	3.000%
2017	-	15	3.000%
2018 - 2022	-	75	3.000%
2023 - 2027	-	75	3.000%
2028 - 2029	500	30	3.000%
	<u>\$ 500</u>	<u>255</u>	

Washington County IGA - In June 2003, the Authority and County entered into an intergovernmental agreement for a \$1,300 note to finance improvements to the Bonita Villa affordable housing property. The variable interest rate is based on the annualized return of the County's pooled investments and the final maturity is in June 2018. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 96	4	Variable
2014	97	3	Variable
2015	98	2	Variable
2016	98	2	Variable
2017	99	1	Variable
2018	36	-	Variable
	<u>\$ 524</u>	<u>12</u>	

Berkadia Bank Mortgage - In October, 2010, the Authority purchased Aloha Park Apartments and assumed the existing mortgage from the previous owner. The remaining balance on the note was \$251. The final maturity is in October of 2014. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 64	9	4.590%
2014	69	4	4.590%
2015	20	-	4.590%
	<u>\$ 153</u>	<u>13</u>	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Housing Authority Full Faith & Credit Obligations

Series 2009 – Refunding - In November 2009, Full Faith & Credit obligations were issued for \$28,985. These obligations were issued on behalf of the Housing Authority of Washington County to provide for the current refunding of the Series 1999A, 2001A, 2001B, and 2002A Housing Authority Revenue Bond issues. Final maturity date is in July 2044.

The purpose of the current refunding was to reduce the annual debt service incurred by the Authority, through lower interest rates and a longer maturity. The aggregate difference between the debt service of the refunding debt and the refunded debt is \$10,938. The net present value benefit of the transaction is \$1,909, or 6.7% of the refunded principal. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 375	1,217	2.250%
2014	385	1,209	2.250%
2015	395	1,199	2.500%
2016	405	1,189	2.750%
2017	-	1,183	2.750%
2018 - 2022	2,605	5,701	3.250 - 5.000%
2023 - 2027	3,525	5,035	4.000 - 5.000%
2028 - 2032	3,790	4,314	4.000 - 4.500%
2033 - 2037	5,345	3,284	4.500%
2038 - 2042	6,700	1,931	4.500 - 4.625%
2043 - 2045	4,775	354	4.625 - 5.000%
	<u>\$ 28,300</u>	<u>26,616</u>	

District-type activities

Sewer Revenue Bonds

The District issues sewer revenue bonds for capital expansion of the sewer treatment plants and collection system. All the sewer revenue bonds are paid with the District's net revenue as defined in the bond indenture agreements.

Series A 1997 - Issued August 1997 for \$47,060. The final maturity is in October 2012. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 9,920	285	5.750%

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Series One 1997 - Issued August 1997 for \$45,435. The final maturity is in October 2012. Detail obligation and interest rates follows:

Fiscal Year	Principal	Interest	Interest Rate
2013	\$ 6,850	197	5.750%

2004 Refunding of 1996 Bonds - Issued July 2004 for \$26,455 to refund bonds which were issued in 1996. The final maturity is in October 2016. Detail obligation and interest rates follows:

Fiscal Year	Principal	Interest	Interest Rate
2013	\$ 3,140	813	5.000%
2014	3,310	652	5.000%
2015	3,480	482	5.000%
2016	3,660	299	5.250%
2017	3,860	101	5.250%
	\$ 17,450	2,347	

Series A 2009 - Issued March 2009 in the amount of \$58,755. The final maturity is in October 2028. Detail obligation and interest rates follows:

Fiscal Year	Principal	Interest	Interest Rate
2013	\$ -	2,843	3.000%
2014	2,535	2,805	3.000%
2015	2,625	2,715	4.000%
2016	2,735	2,608	4.000%
2017	2,845	2,496	4.000%
2018 - 2022	16,495	10,212	5.000 - 5.250%
2023 - 2027	21,350	5,347	5.000 - 5.250%
2028 - 2029	10,170	509	4.750 - 5.000%
	\$ 58,755	29,535	

Series A 2010 - Issued April 2010 in the amount of \$8,895. The final maturity is in October 2015. Detail obligation and interest rates follows:

Fiscal Year	Principal	Interest	Interest Rate
2013	\$ -	357	4.000%
2014	2,850	357	4.000%
2015	2,965	300	3.000%
2016	3,080	198	5.000%
	\$ 8,895	1,212	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Series B 2010 - Issued April 2010 in the amount of \$90,260. The final maturity is in October 2035. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ -	4,792	3.970%
2014	-	4,792	3.970%
2015	-	4,792	3.970%
2016	-	4,792	3.970%
2017	3,300	4,726	4.120%
2018 - 2022	17,905	21,386	4.428 - 4.828%
2023 - 2027	20,835	16,738	4.978 - 5.701%
2028 - 2032	24,815	10,452	5.701 - 5.801%
2033 - 2036	23,405	2,778	5.801%
	<u>\$ 90,260</u>	<u>75,250</u>	

Series A 2011 - Issued August 2011 in the amount of \$30,255. The final maturity is in October 2021. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 2,430	1,338	2.000%
2014	2,590	1,288	2.000%
2015	2,640	1,196	5.000%
2016	2,775	1,060	5.000%
2017	2,915	918	5.000%
2018 - 2022	16,905	2,196	5.000%
	<u>\$ 30,255</u>	<u>7,995</u>	

Series B 2011 - Issued August 2011 in the amount of \$50,000. The final maturity is in October 2032. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ -	2,059	2.500%
2014	1,655	2,038	2.500%
2015	1,700	1,992	3.000%
2016	1,755	1,940	3.000%
2017	1,815	1,877	4.000%
2018 - 2022	10,355	8,114	4.000 - 5.000%
2023 - 2027	13,020	5,450	4.000 - 5.000%
2028 - 2032	16,080	2,383	4.000%
2033	3,620	72	4.000%
	<u>\$ 50,000</u>	<u>25,926</u>	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Sewer Pension Revenue Bonds

Series 2004 - In May 2004, the District issued \$16 of pension revenue bonds to pay its unfunded pension liability with PERS. The pension revenue bonds are payable from gross sewer revenues. Final maturity is in June 2028. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 265	930	5.350%
2014	330	916	5.571%
2015	405	898	5.671%
2016	480	875	5.771%
2017	565	847	5.871%
2018 - 2022	4,405	3,611	5.941 - 6.015%
2023 - 2027	7,990	1,883	6.015 - 6.095%
2028	1,040	63	6.095%
	<u>\$ 15,480</u>	<u>10,023</u>	

Defeased Debt – District

In prior years, the District defeased certain bonds by placing the proceeds of refunding bonds in an irrevocable trust to provide for all future debt service on the defeased bonds. Accordingly, the trust account assets and the related liability for those defeased bonds are not included in the District's financial statements. As of June 30, 2012, prior years' refunded revenue bonds defeased totaled \$34,645.

Conduit debt obligations - Authority

The Authority has issued multi-family Housing Revenue Bonds to provide financial assistance to private sector entities for the construction, acquisition and rehabilitation of affordable housing. The bonds are fully secured by letters of credit and are payable solely from payments received from the developer on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. The bonds do not constitute a debt or pledge of the faith and credit of the Authority, the County, or the State and, accordingly, have not been reported in the accompanying basic financial statements.

As of June 30, 2012, there were two series of multi-family Housing Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$11,349.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Capital lease obligations - County

The following is a schedule, by fiscal year, of future minimum lease payments with the present value of the future minimum lease payments as of June 30, 2012:

<u>Fiscal Year</u>	<u>Capital Lease Future Minimum Payments</u>
2013	\$ 573
2014	437
2015	429
2016	429
2017	429
2018-2019	551
Future minimum lease payments	<u>2,848</u>
Less amounts representing interest	<u>(262)</u>
Present value of future minimum lease payments	<u><u>2,586</u></u>
Current portion	494
Long-term portion	<u>2,092</u>
	\$ <u><u>2,586</u></u>

Changes in the capital lease obligations for the year ended June 30, 2012, are as follows:

	<u>Outstanding July 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>Outstanding June 30, 2012</u>
Capital lease obligations \$	<u>964</u>	<u>2,362</u>	<u>(740)</u>	<u><u>2,586</u></u>

Multnomah County, Oregon - 1992 - In 1992 the County entered into a capital lease obligation with Multnomah County, Oregon for the purchase of juvenile detention facility space for the amount of \$1,180. This is a non-cancelable lease agreement. Final maturity is in October 2012. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ <u>97</u>	<u>6</u>	5.980%

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Multnomah County, Oregon - 1997 - In 1997 the County entered into a capital lease obligation with Multnomah County, Oregon for the purchase of juvenile detention facility space for the amount of \$1,862. This is a non-cancelable lease agreement. Final maturity is in October 2016. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 118	35	5.330%
2014	125	29	5.330%
2015	132	22	5.330%
2016	138	15	5.330%
2017	146	8	5.330%
	<u>\$ 659</u>	<u>109</u>	

IKON Office Solution 2002 - In 2008 the County entered into a capital lease obligation with IKON Office Solutions for the purchase of copier in the amount of \$159. This is a non-cancelable lease agreement. Final maturity is in October 2013. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 37	2	8.866%
2014	7	-	8.866%
	<u>\$ 44</u>	<u>2</u>	

Ricoh Corporation 2009 - In 2009 the County entered into a capital lease obligation with Ricoh Corporation for the purchase of a copier for use at the Fair Complex in the amount of \$7. This is a non-cancelable lease agreement. Final maturity is in October 2013. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 2	-	7.090%
2014	1	-	7.090%
	<u>\$ 3</u>	<u>-</u>	

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Motorola Solutions 2011 Lease - In 2011 the County entered into a capital lease obligation with Motorola Solutions for the purchase of a Zone Controller Tower at Washington County Consolidated Communication Agency in the amount of \$2,284. This is a non-cancelable lease agreement. Final maturity is in October 2018. Detail obligation and interest rates follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>
2013	\$ 240	35	1.989%
2014	245	31	1.989%
2015	250	26	1.989%
2016	254	21	1.989%
2017	260	16	1.989%
2018 - 2019	535	16	1.989%
	<u>\$ 1,784</u>	<u>145</u>	

Operating leases - County

The County leases various equipment, buildings and land for use in their operations under cancelable and non-cancelable operating leases. Total costs for such leases were approximately \$164 for the year ended June 30, 2012.

The future minimum lease payments for the non-cancelable leases are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2013	\$ <u>112</u>

Operating leases - District

The District leases various equipment, buildings and land for use in their operations under cancelable and non-cancelable operating leases. Total costs for such leases were approximately \$78 for the year ended June 30, 2012.

The future minimum lease payments for the non-cancelable leases are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2013	\$ 66
2014	69
2015	69
2016	69
	<u>\$ 273</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Due To/From Other funds

Interfund accounts at June 30, 2012, consist of:

<u>Fund</u>	<u>Due to other funds</u>	<u>Due from other funds</u>
Major governmental funds:		
General Fund	\$ -	978
HOME Fund	327	-
Other governmental funds	651	-
	<u>\$ 978</u>	<u>978</u>

Interfund receivables of the General Fund consist of \$327 in cash advanced to the HOME Fund and \$651 in cash advanced to the non-major funds to cover negative cash balances at year end.

The following interfund loan receivable is included in the Statement of Net Assets Internal Balances for Governmental Activities and in the Authority's *Notes and Contracts Payable*:

<u>Description</u>	<u>Interest Rate</u>	<u>Outstanding July 1, 2011</u>	<u>Decrease</u>	<u>Outstanding June 30, 2012</u>
Washington County IGA	variable	\$ 619	(95)	524

The County Board of Commissioners approved a second amendment to the original 2003 intergovernmental agreement between the County and the Authority continuing payments of \$100 per year until June 30, 2019 or the debt is paid in full, whichever comes first, with the balance, if any, due June 30, 2020. The variable interest rate is based on the annualized return on the County's pooled investments.

4. Other information

Pension Plan - County

Substantially all County employees, after six months of employment, are participants in the State of Oregon PERS. The County's policy is to fund pension costs as determined by actuarial valuations.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

The County contributes to the Oregon Public Employees Retirement System (PERS) and to the Oregon Public Service Retirement Plan (OPSRP). PERS is a cost sharing multi-employer defined benefit public employee retirement system. OPSRP is a hybrid retirement plan with two components: the Pension Program (defined benefit; established and maintained as a tax-qualified governmental defined benefit plan) and the Individual Account Program (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan). A defined benefit plan is benefit-based and uses predictable criteria such as a pension determined by salary multiplied by length of service multiplied by a factor. A defined contribution plan has no guarantee. OPSRP is administered by PERS. PERS acts as a common investment and administrative agent for political subdivisions in the State of Oregon.

The 2003 Oregon Legislature established OPSRP. Public employees hired on or after August 29, 2003 become part of OPSRP, unless membership was previously established in PERS. The 1995 Oregon Legislature established a different level of benefits for employees who began their six-month waiting period on or after January 1, 1996. This level is called Tier Two. Benefits generally vest after five years of continuous service. Retirement is allowed at age fifty-eight with unreduced benefits, but retirement is generally available after age fifty-five with reduced benefits. Retirement benefits based on salary and length of service are calculated using a formula and are payable in a lump sum or monthly using several payment options. PERS also provides death and disability benefits. These benefit provisions and other requirements are established by state statutes.

The State of Oregon PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, Oregon 97281-3700 or by calling 1-888-320-7377.

Funding Policy - County

The rate of employer contributions to PERS is determined periodically by PERS based on actuarial valuations performed at least every two years. Contributions to PERS have historically been made based on the annual required contribution and were charged to expenses/expenditures as funded.

In fiscal year 2002, the County contributed \$17,617 in excess of the annual required contribution. Pursuant to the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, these contributions in excess of the annual required contributions were recorded as prepaid pension assets which are reported on the Statement of Net Assets as prepaid pension obligation. These prepaid pension assets are being amortized over 26 years for the County and 30 years for the District on a straight-line basis.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

The County's annual required contribution rate for fiscal 2012 was 14.46% of covered employees' salaries for PERS and 10.65% for general OPSRP and 13.36% for OPSRP police. The employee contribution rate is 6% for the County.

Annual Pension Cost - County

For fiscal 2012, the County's actual annual pension cost of \$16,822 was equal to their annual required contributions plus current fiscal year amortization of prepaid pension assets. The actual pension cost without amortization of the prepaid pension obligation was \$10,385. The required contribution was determined as part of the actuarial valuation at December 31, 2009 using the entry age actuarial cost method. Significant actuarial assumptions used in the valuation included: (a) rate of return on the investment of present and future assets of 8%; (b) projected salary increases which include 3.75% per year in addition to salary increases due to promotions and longevity that may vary by age and service; (c) post-retirement benefit increases of 2% per year (the maximum allowable); (d) consumer price inflation of 2.75% per year; and, (e) thirty-year open amortization of the unfunded actuarial liability as a level percentage of projected annual payroll.

Beginning in 2000, the actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of investments over a five-year period. No obligation for retirees is attributed to the County as PERS pools the risk related to retired employees among all employers. PERS assumes the obligation for benefits from the individual entity, as a whole, when benefits become payable.

Three-year trend information for the years ended December 31 is presented as follows:

		Annual pension cost (APC)	Percentage of APC contributed	Prepaid pension obligation
2010	\$	12,325	100 %	\$ 11,741
2011		12,838	100	11,063
2012		16,822	100	10,385

Pension Plan - District

Substantially all District employees, after six months of employment, are participants in the State of Oregon PERS. The District's policy is to fund pension costs as determined by actuarial valuations.

The District contributes to the Oregon Public Employees Retirement System (PERS) and to the Oregon Public Service Retirement Plan (OPSRP). PERS is a cost sharing multiple-employer defined benefit public employee retirement system established under Oregon Revised Statutes 238.600. OPSRP is a hybrid retirement plan with two components: the Pension Program (defined benefit; established and maintained as a tax-qualified governmental defined benefit plan) and the Individual Account Program

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

(defined contribution; established and maintained as a tax-qualified governmental defined contribution plan). A defined benefit plan is benefit-based and uses predictable criteria such as a pension determined by salary multiplied by length of service multiplied by a factor. A defined contribution plan has no guarantee.

OPSRP is administered by PERS. PERS acts as a common investment and administrative agent for public employers in the State of Oregon. Benefits are established by state statute.

The 2003 Oregon Legislature established OPSRP. Public employees hired on or after August 29, 2003 become part of OPSRP, unless membership was previously established in PERS. The 1995 Oregon Legislature established a different level of benefits for employees who began their six-month waiting period on or after January 1, 1996. This level is called Tier Two.

The defined contribution portion of OPSRP is provided to all members who are PERS or OPSRP eligible. State statute requires that covered employees contribute 6.0% of their annual covered salary to the IAP plan effective January 1, 2004. Those employees who had established a PERS membership prior to the creation of OPSRP will retain their existing PERS accounts, but member contributions made after the beginning of 2004 will be deposited into the members IAP account.

Benefits generally vest after five years of continuous service. Retirement is allowed at age fifty-eight with unreduced benefits but retirement is generally available after age fifty-five with reduced benefits. Retirement benefits based on salary and length of service are calculated using a formula and are payable in a lump sum or monthly using several payment options. PERS also provides death and disability benefits. These benefit provisions and other requirements are established by state statute.

Both PERS and OPSRP are administered by the Oregon Public Employees Retirement Board (OPERB). The comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to the Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling 1-888-320-7377, or by accessing the PERS web site at <http://oregon.gov/PERS/>.

Funding Policy - District

The rate of employer contributions to PERS is determined periodically by PERS based on actuarial valuations performed at least every two years. Contributions to PERS have historically been made based on the annual required contribution and were charged to expenses/expenditures as funded.

In fiscal years 2000 and 2004, The District contributed \$2,232 and \$15,278 in excess of the annual required contribution, respectively. Pursuant to the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, these contributions in excess of the annual required contributions were recorded as prepaid pension assets which are reported on the Statement of Net Assets

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

as prepaid pension obligation. These prepaid pension assets are being amortized over 26 years for the County and 30 years for the District on a straight-line basis.

The District's annual contribution rate for fiscal 2011 was 7.65% for PERS and 6.74% for OPSRP. The employee contribution rate is 6% for the District.

Annual Pension Cost - District

For fiscal 2012, the District's actual annual pension cost of \$2,380, which was equal to their annual required contributions plus current fiscal year amortization of prepaid pension assets. The actual pension cost without amortization of the prepaid pension obligation was \$1,797. The required contribution was determined as part of the actuarial valuation at December 31, 2009 using the entry age actuarial cost method. Significant actuarial assumptions used in the valuation included: (a) rate of return on the investment of present and future assets of 8%; (b) projected salary increases which include 3.75% per year in addition to salary increases due to promotions and longevity that may vary by age and service; (c) post-retirement benefit increases of 2% per year (the maximum allowable); (d) consumer price inflation of 2.75% per year; and, (e) thirty-year open amortization of the unfunded actuarial liability as a level percentage of projected annual payroll.

Beginning in 2000, the actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of investments over a five-year period. No obligation for retirees is attributed to the County as PERS pools the risk related to retired employees among all employers. PERS assumes the obligation for benefits from the individual entity, as a whole, when benefits become payable.

Three-year trend information for the years ended December 31 is presented as follows:

	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Prepaid pension obligation</u>
2010	886	100	13,710
2011	902	100	13,127
2012	2,380	100	12,544

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Other Post Employment Benefits - County

Plan Description

The County is required by Oregon Revised Statutes 243.303 to provide retirees with group health and dental insurance from the date of retirement to age 65 at the same rate provided to current employees. Government Accounting Standards Board Statement No. 45 (GASB 45) is applicable to the County due to the resulting implicit rate subsidy. The County's post employment benefit plan is a single-employer plan and is substantially the same plan that is provided to current employees. This is not a stand-alone plan and there are no separately issued financial statements.

Funding Policy

The County collects insurance premiums from all retirees each month. The County then pays health and dental insurance premiums for all retirees at the blended rate for each family classification. The required contributions to the plan include the employer's pay-as-you-go amount, an amount paid by retirees and an additional amount calculated to prefund future benefits as determined by the actuary.

For fiscal year 2011-12, the County contributed \$609 and retirees made payments of \$1,237. The County has elected to not pre-fund the actuarially determined future cost amount of \$1,074.

Below are the required monthly contributions of the plan members for the year ending June 30, 2012. The rates are established through negotiation with the County's insurance carrier each year and approved by the Board of County Commissioners.

(Not in \$1,000's)	Health Insurance		Dental/Vision Insurance		
	Providence	Kaiser	ODS	ODS Vision	Willamette
Employee	\$ 481	457	51	9	36
Employee + 1	962	914	101	9	69
Full Family	1,443	1,371	160	9	135
Employee + Children	866	823	105	9	101

Annual OPEB Cost and Net OPEB Obligation

The County's annual other post employment benefit cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over an open 30 year period. The following schedule shows the components of the County's OPEB cost for the year, the amount actually contributed to the plan, and changes in the respective OPEB obligations to the plan:

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Annual required contribution (ARC)	\$ 1,074	1,748	1,747
Interest on net OPEB obligation	147	134	93
Adjustment to ARC	(243)	(140)	(140)
Annual OPEB cost	978	1,742	1,700
Contributions made	(609)	(673)	(544)
Increase in net OPEB obligation	369	1,069	1,156
Net OPEB obligation, beginning of year	4,895	3,826	2,670
Net OPEB obligation, end of year	\$ 5,264	4,895	3,826
Percent of Annual OPEB cost contributed	56.70%	38.50%	31.14%

Funding Status and Funding Progress

As of the most recent actuarial valuation date, the plan was funded on a pay-as-you-go basis and therefore had no assets. The County's actuarial accrued liability for benefits was \$10,638, also equaled the unfunded actuarial accrued liability (UAAL). The annual payroll of active employees covered by the plan (covered payroll) for 2011-12 was \$115,644 the ratio of the UAAL to the covered payroll was 9.4.

The actuarial valuation of this plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future such as future employment, mortality and healthcare cost trends. Amounts determined about the funding status of the plan and annual required contributions are subject to periodic revision as actual results for each period are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan and include the health benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions include techniques that are designed to reduce the effects of short-term volatility in actuarial results consistent with the long term perspective of the calculations.

In the June 30, 2012 valuation, the entry age normal actuarial cost method was used. Under this method, the actuarial present value of the projected benefits of each active employee included in the valuation is allocated on a level dollar basis over the service of the active employee. The investment return for the County was assumed to be 3.0% to reflect the rate of return on the county's investment portfolio. Health care cost trends (net of inflation) were assumed to be 7.6% for Providence and 7.0% for Kaiser initially, then declining to 5.0%. It is assumed that the future cost of the retiree health plan will retain its current relationship to the active plan, and that the active plan cost will maintain a reasonable relationship to direct compensation. The UAAL is being amortized over an open period of 30 years.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Other Post Employment Benefits - District

Plan Description

The District does not have a formal post-employment benefits plan for any employee groups; however the District offers health benefits to retirees under age 65 as well as their qualified dependents at the same rate provided to current employees, as required by Oregon Revised Statutes 243.303. Retirees electing to remain on the District sponsored health plans pay the entire premium for that coverage in order to maintain coverage. Even though the District does not pay any portion of the retiree premium there is an implicit rate subsidy with respect to retired employees because the medical premium rates charged are less than they would be if the retirees were in a separately rated health plan. Actual medical premium rates are determined by blending both active employee and retiree experience. This “plan” is a single-employer plan and is not a stand- alone plan, and therefore, does not issue its own financial statements.

Funding Policy

The District collects insurance premiums from all retirees each month. The District then pays the health insurance premiums for all retirees at the blended rate for each family classification. The required contributions to the plan include the entity’s pay-as-you-go amount, an amount paid by retirees and an additional amount calculated to pre-fund future benefits as determined by the actuary.

For fiscal year 2011-12, the District contributed \$108 consisting of retiree payments. The District has elected to not pre-fund the actuarially determined future cost amount of \$536. The required monthly contributions of the plan members were as follows for the year ended June 30, 2012.

(Not in \$1,000's)	Health Insurance	
	Providence	Kaiser
Employee	\$ 437	422
Employee + 1	888	903
Full Family	1,246	1,261

Annual OPEB Cost and Net OPEB Obligation

The District’s annual other post employment benefit cost is calculated based on the annual required contribution (ARC) of the District, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a 30 year period. The following schedule shows the components of the District’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the respective OPEB obligations to the plan:

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Annual required contribution (ARC)	\$ 151	192	186
Interest on net OPEB obligation	21	19	17
Adjustment to ARC	(42)	(39)	(35)
Annual OPEB cost	<u>130</u>	<u>172</u>	<u>168</u>
Contributions made	<u>(108)</u>	<u>(140)</u>	<u>(111)</u>
Increase in net OPEB obligation	22	32	57
Net OPEB obligation, beginning of year	<u>514</u>	<u>482</u>	<u>425</u>
Net OPEB obligation, end of year	<u>\$ 536</u>	<u>514</u>	<u>482</u>
	71.52%	72.92%	59.68%

Funding Status and Funding Progress

As of the most recent actuarial valuation date, the plan was funded on a pay-as-you-go basis and therefore had no assets. The District's actuarial accrued liability for benefits was \$1,548, also equaled the unfunded actuarial accrued liability (UAAL). The annual payroll of active employees covered by the plan (covered payroll) for 2011-12 was \$21,609 the ratio of the UAAL to the covered payroll was 7.2%.

The actuarial valuation of this plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future such as future employment, mortality and healthcare cost trends. Amounts determined about the funding status of the plan and annual required contributions are subject to periodic revision as actual results for each period are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan and include the health benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions include techniques that are designed to reduce the effects of short-term volatility in actuarial results consistent with the long term perspective of the calculations.

In the July 1, 2011 valuation, the projected unit credit actuarial cost method was used, with accrued benefits allocated in equal proportion over the participant's years of service from hire to expected retirement. The actuarial assumptions included (a) a 4 percent accrued liability discount rate, (b) a 3.5 percent inflation component, and (c) healthcare cost trend rate of 8.5 percent for 2012 grading down over nineteen years to 5 percent. The UAAL is being amortized over an open period of 30 years as a level percentage of payrolls for Non-Represented Retirees and over a closed period of eight years as a flat dollar amount for Represented Retirees.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Retirement Health Insurance Account (RHIA) - County

Plan Description

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

Funding Policy

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

Participating municipal corporations are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.59% of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The County's contributions to RHIA for the years ended June 30, 2010, 2011 and 2012 were \$309, \$320 and \$682, respectively, which equaled the required contributions each year.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Retirement Health Insurance Account (RHIA) - District

Plan Description

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

Funding Policy

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

Participating municipal corporations are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.59% of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended June 30, 2010, 2011 and 2012 were \$66, \$69, and \$144, respectively, which equaled the required contributions each year.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Insured Risks - County

The County periodically assesses the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed. The County is not involved in any risk pools with other governmental entities. For workers' compensation, liability/casualty and unemployment compensation claims, the County funds such liabilities on a pay-as-you-go basis from its own resources.

Liabilities for the County are recorded when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated, based on historical trend analyses of similar injuries and claims and include an amount for claims that have been incurred but not reported and are reevaluated periodically to consider current settlements, frequency of claims, past experience and economic factors. Changes in the balances of the County's accrued self-insurance liabilities during the current and prior fiscal years were as follows:

Fiscal Year	Beginning of fiscal year liability	Current year claims and changes in estimates	Claims payments	Balance at fiscal year-end
2009-10	\$ 3,387	2,352	(1,700)	4,039
2010-11	4,039	987	(1,393)	3,633
2011-12	3,633	1,229	(1,096)	3,766

The Authority, URMD, ESPD, NBCSD and SDL are component units with no employees and as such are not subject to workers' compensation or unemployment claims. Each of these component units participate fully in the County's liability/casualty coverage, with the exception of the Housing Authority, which is insured through the Housing Authority Risk Retention Pool (HARRP).

Insured Risks - District

The District periodically assesses the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed. The District currently utilizes two government entity self-insured risk pools through Special Districts Association of Oregon (SDAO) for its workers' compensation and liability insurance.

The District is insured under a retrospective plan for workers' compensation and for costs in excess of insurance policy retention (deductible) limits on fire loss, property damage, and all risk coverage (theft, vandalism, etc.). During the past three fiscal years, there were no settlements which exceeded insurance coverage.

Liabilities for the District are recorded when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated, based on historical trend analyses of similar injuries and claims and include an amount for claims that have been incurred but not reported and are reevaluated periodically to consider current

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

settlements, frequency of claims, past experience and economic factors. Changes in the balances of the District's accrued self-insurance liabilities during the current and prior fiscal years were as follows:

<u>Fiscal Year</u>		<u>Beginning of fiscal year liability</u>	<u>Current year claims and changes in estimates</u>	<u>Claims payments</u>	<u>Balance at fiscal year-end</u>
2009-10	\$	263	75	(54)	284
2010-11		284	51	(81)	254
2011-12		254	45	(33)	266

Solid Waste Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require the County to place a final cover on its landfill once it stops accepting municipal solid waste (MSW) and to perform certain maintenance and monitoring functions at the site for 30 years after closure.

The County operated the Shadybrook Landfill from 1955 to 1971. The County Sheriff's Office operated a pistol range on the edge of the landfill from 1971 to 1988. An erosion control fence was constructed along the perimeter of the site and grass seed was placed over the landfill in 2002. In April 2004, the County met with the Department of Environmental Quality (DEQ) to discuss environmental concerns and enter into the Voluntary Cleanup Program. The cleanup activities are currently expected to be completed near the end of 2013-14 and the County expects to get a certificate from DEQ at that time stating that only minimal monitoring of the site will be required for approximately two years after the cleanup process is complete.

Pollution Remediation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (GASB 49) addresses accounting and financial reporting standards for pollution (including contamination) and remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The scope of the statement excludes pollution prevention or control obligations with respect to current operations, and future pollution remediation activities that are required upon retirement of an asset, such as landfill closure and post-closure care and nuclear power plant decommissioning. The County and an engineering firm, with expertise in this area, arrived at the estimates in accordance with the standards. The estimates were calculated using the expected cash flow technique, which measures the liability as the sum of probability-weighted amounts in a range of possible estimated amounts. Such estimated obligations are subject to changes resulting from price increases or reductions, technology, or changes in applicable laws and regulations.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Two County properties were determined to have pollution remediation obligations where obligating events had occurred and amounts were estimable. The first property with estimable pollution remediation obligations is the Bridgeport Village Development. A former gravel quarry, the County has owned the site since 1939. Quarry operations were conducted from 1952 through the early 1970's. The quarry excavation was subsequently filled from 1992 through 2002, primarily with inert soil, concrete, and hardened asphalt. In addition organic land clearing debris, wood debris, and building demolition materials were periodically disposed in the pit.

Land use surrounding the site includes a mixture of residential, commercial and light industry. A developer entered into a purchase agreement with the County to redevelop the site as an upscale commercial and retail complex. Environmental investigations in 2003 revealed the presence of methane gas in the subsurface fill material throughout the site; the likely source of the methane was the decomposition of the organic materials used as fill. That same year the County entered into a voluntary cleanup program with Department of Environmental Quality (DEQ).

In February 2004 DEQ issued a Record of Decision requiring methane gas mitigation as part of the site development. An engineering firm was previously contracted by the County to perform the on-going monitoring and meet DEQ reporting requirements; however County employees took over these responsibilities in 2009-10. The pollution remediation obligation estimate at June 30, 2012 for the on-going monitoring and DEQ reporting costs is \$1,060.

The second property with estimable pollution remediation obligations is the PacTrust Business Center. This site is adjacent to the Bridgeport Village Development property and had the same pollution remediation issues. In June 2005 Pacific Realty Associates (Pac Trust) and the County entered into a voluntary cleanup program with DEQ. All the cleanup work has been completed and the DEQ has issued a conditional "No Further Action" Record of Decision for the site, requiring only minimal ongoing monitoring.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Transfers

The following schedule reconciles transfers in and out on the Statement of Revenues, Expenditures and Changes in Fund Balance – All Governmental Fund Types:

Transfers in:		
General fund	\$ 1,047	1%
HOME	3	0%
Human services fund	3,121	5%
Major streets improvement program III fund	31,276	45%
Road fund	803	1%
Non-major funds	<u>33,080</u>	<u>48%</u>
Total governmental funds	<u>69,330</u>	<u>100%</u>
Internal service funds	<u>23</u>	
	<u><u>69,353</u></u>	
Transfers out:		
General fund	56,890	85%
Human services fund	30	0%
Major streets improvement program III fund	1,503	2%
Road fund	2,970	4%
Non-major funds	<u>5,817</u>	<u>9%</u>
Total governmental funds	<u>67,210</u>	<u>100%</u>
Internal service funds	2,107	
Recorded as Other expenses in the Enterprise funds	<u>36</u>	
	<u><u>\$ 69,353</u></u>	

The following are the major reasons for the above transfers:

Major streets improvement programs, and Cooperative Library Services operated on fixed-rate serial levies until 1998-99. With the passage of Measures 47 and 50, those fixed-rate serial levies were combined with the County's permanent tax rate and now receive a majority of their funding directly from the County's General Fund. These transfers comprise approximately \$31,000 to major streets improvement programs and \$16,000 to Cooperative Library Services. These transfers are responsible for 68% of all transfers. Transfers between the other operating departments are a result of normal course of operations.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Related Party Transactions

On September 21, 2010, the District entered into an Operating Agreement with the Clean Water Institute (CWI). Under the Operating Agreement, the District may provide resources to conduct work for CWI. Upon mutual agreement, the District and CWI may enter into agreements which shall describe the particular scope of services to be performed by the District for CWI. The District may also provide staff and resources to provide administrative support to CWI and charge CWI for such support. The District has not billed CWI for any services under the Operating Agreement as of June 30, 2012.

On October 26, 2010, the District entered into a loan agreement with CWI. The agreement allows for loans and/or advances from the District to CWI of up to \$400,000 over the next four fiscal years. Interest on outstanding loan balances due from CWI to the District are calculated monthly and based on 1.1 times the average monthly Oregon Local Government Investment Pool (LGIP) rates. As of June 30, 2012 the District had loaned CWI \$250,000 and CWI was charged \$1,274 in interest.

On September 21, 2010, the District entered into an Assignment Agreement with CWI, which assigned certain intellectual property rights to CWI. The agreement requires CWI to share future revenues generated from the licensing of these intellectual property rights with the District. The District has not received any such revenues as of June 30, 2012.

Clean Water Institute billed the District approximate \$13,000 for professional services during fiscal year 2012.

Contingency - County

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, could become a liability of the General Fund or other applicable funds.

Various claims and lawsuits against the County are pending. These claims are either covered by insurance or are the type which is normal in view of the County's operations. County management believes the total amount of liability, if any, which may arise from such claims and lawsuits beyond that which is covered by insurance would not have a material effect on the County's financial condition or its ability to carry on its activities substantially as now conducted.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Contingency - District

The District is involved as a defendant in several claims and disputes which, for the most part, are normal to the District's activities. Management intends to vigorously contest these matters and does not believe their ultimate resolution will have a material effect upon the District's financial position or results of operations.

Commitments - County

The County has committed over \$52,464 to fund certain specific road construction projects over the next three to four years; \$1,004 for jail inmate health care services over the upcoming year; \$76,930 for County-wide library services over the next four years; \$1,064 for kitchen services at the jail for the next year; and dispatch services for the Sheriff's Office through the Washington County Consolidated Communications Agency are approximately \$1,511 for the upcoming year; and \$1,086 for entrance security services for the State Courts in the County buildings for the next two years.

The Community Corrections Center has contracted for pharmacy and psychiatric nurse practitioner services, batterer treatment for domestic violence offenders, and sex offender treatment services and mentoring to assist in the reintegration of substance abuse offenders in the combined amount of approximately \$1,686.

The County has contracted for fuel for all County vehicles and equipment for \$3,706 for the next two years and \$1,972 for janitorial services for all County facilities over the next year.

Juvenile detention services at the Donald E. Long facility have been contracted for with Multnomah County for approximately \$2,231 over the next two years.

Commitments – District

The District is committed for approximately \$36,500 for various construction projects at June 30, 2012.

Reclassifications

Based on analysis by County staff, the Major Streets Transportation Improvement Program III Fund has been reclassified from a major Special Revenue Fund to a major Capital Projects Fund and the Building Equipment Replacement Fund has been reclassified from a nonmajor Special Revenue Fund to a nonmajor Capital Projects Fund beginning fiscal year 2011-12. This reclassification did not result in any financial statement impacts.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2012

(Dollars in thousands)

Restatements

Based on the implementation of GASB Statement No. 61, certain June 30, 2011 amounts in the County's business-type activities have been restated to conform to the District being reported as a discretely presented component unit beginning fiscal year 2011-12. The following discloses the restatement of net assets as of the beginning of the fiscal year resulting from the District now being discretely presented under GASB Statement No. 61:

	Change in Net Assets			Component Unit Clean Water Services of Washington County (District)
	Primary Government		Total	
	Governmental Activities	Business- type Activities		
Net assets July 1, 2011	\$ 2,332,323	509,006	2,841,329	—
Restatement	—	(497,533)	(497,533)	497,533
Net assets July 1, 2011, as restated	\$ 2,332,323	11,473	2,343,796	497,533

Subsequent Events

On August 23, 2012 a federal court jury in Portland returned a \$2,575 verdict against Washington County. The settlement is for all outstanding claims, including attorney fees and costs in this action. The County will not appeal the verdict. Washington County Board of Commissioners approved the settlement payment on November 20, 2012. Funds for payment of this settlement will come from the County's insurance liability fund. The schedule of three payments will be spread over the next two fiscal years from operating funds. There is no accrual of interest provided payments are made in accordance to the set schedule.

REQUIRED SUPPLEMENTARY INFORMATION

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WASHINGTON COUNTY, OREGON

Budgetary Comparison

General Fund

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:				
Taxes	\$ 109,324	109,324	110,398	1,074
Licenses and permits	5,624	5,624	6,022	398
Intergovernmental revenues	20,689	20,689	16,473	(4,216)
Charges for services	7,511	7,511	6,885	(626)
Fines and forfeitures	3,027	3,027	3,153	126
Miscellaneous revenues	3,602	3,601	3,939	338
Interfund revenues	5,730	5,730	5,422	(308)
Total revenues	<u>155,507</u>	<u>155,506</u>	<u>152,292</u>	<u>(3,214)</u>
Expenditures:				
General government:				
Board of County Commissioners	437	437	420	17
County administrative office	1,789	1,789	1,667	122
Community network	603	603	603	—
County counsel	1,858	1,858	1,713	145
County auditor	228	228	179	49
Elections division	2,109	2,109	1,597	512
Assessment and taxation	8,628	8,628	7,576	1,052
County communications	689	689	631	58
Financial management	2,172	2,172	2,035	137
Human resources	1,867	1,867	1,822	45
Information services	9,946	9,946	9,275	671
Purchasing	410	410	407	3
Facilities management	8,142	8,142	7,721	421
Subtotal	<u>38,878</u>	<u>38,878</u>	<u>35,646</u>	<u>3,232</u>
Public safety and justice:				
Law enforcement services	17,054	17,054	16,505	549
Jail operations	20,750	20,750	19,989	761
Sheriff's office administration	3,589	3,589	3,436	153
Jail health care	4,565	4,736	4,083	653
District Attorney	8,960	8,960	8,577	383
Washington County justice court	700	700	674	26
Juvenile	5,621	5,621	5,322	299
Juvenile administration	1,285	1,285	1,258	27
Subtotal	<u>62,524</u>	<u>62,695</u>	<u>59,844</u>	<u>2,851</u>
Land use, housing and transportation				
Planning	3,581	3,581	2,928	653
Water Master	184	184	176	8
Subtotal	<u>3,765</u>	<u>3,765</u>	<u>3,104</u>	<u>661</u>
Health and human services:				
Public health	17,149	17,149	13,775	3,374
Health and human services administration	998	998	920	78
Animal services	2,180	2,180	1,953	227
Veterans' services	694	694	642	52
Subtotal	<u>21,021</u>	<u>21,021</u>	<u>17,290</u>	<u>3,731</u>
Subtotal of expenditures carried forward	<u>126,188</u>	<u>126,359</u>	<u>115,884</u>	<u>10,475</u>

WASHINGTON COUNTY, OREGON

Budgetary Comparison, Continued

General Fund

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Subtotal of expenditures brought forward	\$ 126,188	126,359	115,884	10,475
Expenditures, continued:				
Culture, education and recreation:				
Agriculture activities	301	301	301	—
Parks	708	721	708	13
Subtotal	<u>1,009</u>	<u>1,022</u>	<u>1,009</u>	<u>13</u>
Non-operating:				
Miscellaneous	1,429	1,429	1,432	(3)
Subtotal	<u>1,429</u>	<u>1,429</u>	<u>1,432</u>	<u>(3)</u>
Operating contingency	19,242	19,025	—	19,025
Total expenditures	<u>147,868</u>	<u>147,835</u>	<u>118,325</u>	<u>29,510</u>
Revenues over expenditures	<u>7,639</u>	<u>7,671</u>	<u>33,967</u>	<u>26,296</u>
Other financing sources(uses):				
Transfers in from other funds	18,924	18,924	18,648	(276)
Transfers out to other funds	(58,266)	(58,298)	(55,518)	2,780
Total other financing uses	<u>(39,342)</u>	<u>(39,374)</u>	<u>(36,870)</u>	<u>2,504</u>
Net change in fund balance	<u>(31,703)</u>	<u>(31,703)</u>	<u>(2,903)</u>	<u>28,800</u>
Fund balance July 1, 2011	<u>31,703</u>	<u>31,703</u>	<u>32,658</u>	<u>955</u>
Fund balance June 30, 2012	\$ <u>—</u>	<u>—</u>	<u>29,755</u>	<u>29,755</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison
 Major Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>HOME Fund</u>				<u>Human Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Intergovernmental revenues	\$ 2,432	2,432	1,206	(1,226)	26,035	28,330	16,770	(11,560)
Charges for services	—	—	—	—	37	37	20	(17)
Miscellaneous revenues	233	233	284	51	187	187	177	(10)
Interfund revenues	—	—	—	—	116	116	150	34
Total revenues	<u>2,665</u>	<u>2,665</u>	<u>1,490</u>	<u>(1,175)</u>	<u>26,375</u>	<u>28,670</u>	<u>17,117</u>	<u>(11,553)</u>
Expenditures:								
Current:								
Land use, housing and transportation	2,667	2,667	1,451	1,216	—	—	—	—
Health and human services	—	—	—	—	28,582	30,876	20,058	10,818
Operating contingency	—	—	—	—	2,996	2,996	—	2,996
Total current	<u>2,667</u>	<u>2,667</u>	<u>1,451</u>	<u>1,216</u>	<u>31,578</u>	<u>33,872</u>	<u>20,058</u>	<u>13,814</u>
Total expenditures	<u>2,667</u>	<u>2,667</u>	<u>1,451</u>	<u>1,216</u>	<u>31,578</u>	<u>33,872</u>	<u>20,058</u>	<u>13,814</u>
Revenues over (under) expenditures	<u>(2)</u>	<u>(2)</u>	<u>39</u>	<u>41</u>	<u>(5,203)</u>	<u>(5,202)</u>	<u>(2,941)</u>	<u>2,261</u>
Other financing sources (uses):								
Transfers in from other funds	2	4	3	(1)	2,059	2,059	3,122	1,063
Transfers out to other funds	—	—	—	—	—	—	(30)	(30)
Total other financing sources	<u>2</u>	<u>4</u>	<u>3</u>	<u>(1)</u>	<u>2,059</u>	<u>2,059</u>	<u>3,092</u>	<u>1,033</u>
Net change in fund balances	<u>—</u>	<u>2</u>	<u>42</u>	<u>40</u>	<u>(3,144)</u>	<u>(3,143)</u>	<u>151</u>	<u>3,294</u>
Fund balance (deficit) July 1, 2011	<u>—</u>	<u>(2)</u>	<u>(2)</u>	<u>—</u>	<u>3,144</u>	<u>3,143</u>	<u>3,490</u>	<u>347</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>40</u>	<u>40</u>	<u>—</u>	<u>—</u>	<u>3,641</u>	<u>3,641</u>

* All appropriations of this fund are made under a single organization unit. Accordingly, negative variances on individual line items do not represent overexpenditures.

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Major Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Road Fund			Variance positive (negative)
	Adopted budget	Revised budget	Actual	
Revenues:				
Taxes	\$ 844	844	755	(89)
Licenses and permits	138	138	254	116
Intergovernmental revenues	26,389	26,389	25,111	(1,278)
Charges for services	216	216	302	86
Special assessments	65	65	20	(45)
Miscellaneous revenues	411	411	489	78
Interfund revenues	7,214	7,214	6,851	(363)
Total revenues	<u>35,277</u>	<u>35,277</u>	<u>33,782</u>	<u>(1,495)</u>
Expenditures:				
Current:				
Land use, housing and transportation:				
Administration	6,384	6,384	5,719	665
Engineering services	3,307	3,307	2,491	816
Capital projects management	4,601	4,601	4,391	210
Operations and maintenance	20,400	20,400	19,143	1,257
Operating contingency	11,428	11,428	—	11,428
Total current	<u>46,120</u>	<u>46,120</u>	<u>31,744</u>	<u>14,376</u>
Capital outlay	183	183	125	58
Total expenditures	<u>46,303</u>	<u>46,303</u>	<u>31,869</u>	<u>14,434</u>
Revenues over (under) expenditures	<u>(11,026)</u>	<u>(11,026)</u>	<u>1,913</u>	<u>12,939</u>
Other financing sources (uses):				
Transfers in from other funds	803	803	803	—
Transfers out to other funds	(4,026)	(4,026)	(2,970)	1,056
Total other financing uses	<u>(3,223)</u>	<u>(3,223)</u>	<u>(2,167)</u>	<u>1,056</u>
Net change in fund balances	<u>(14,249)</u>	<u>(14,249)</u>	<u>(254)</u>	<u>13,995</u>
Fund balances July 1, 2011	<u>14,249</u>	<u>14,249</u>	<u>15,025</u>	<u>776</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>14,771</u>	<u>14,771</u>

WASHINGTON COUNTY, OREGON

Required Supplementary Information

Schedule of Funding Progress

Other Post Employment Benefits

(Dollars in thousands)

County

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percent of Covered Payroll</u>
6/30/10	\$ —	16,446	16,446	0%	\$ 106,605	15.4%
6/30/11	—	17,251	17,251	0%	110,241	15.6%
6/30/12	—	10,638	10,638	0%	115,644	9.2%

District

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percent of Covered Payroll</u>
7/1/07	\$ —	4,641	4,641	0%	\$ 18,702	24.8%
7/1/09	—	1,885	1,885	0%	20,314	9.3%
7/1/11	—	1,548	1,548	0%	21,609	7.2%

WASHINGTON COUNTY, OREGON

Notes to Required Supplementary Information

June 30, 2012

(Dollars in thousands)

1. Stewardship, compliance, and accountability

The appropriated budget is prepared by functional area, fund, organization unit and program. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the organization unit level. The Board approved several appropriation adjustments during the year, increasing the budget by \$8,142.

Appropriations and Budgetary Controls Description

In accordance with Oregon Revised Statutes, the County budgets all funds except fiduciary funds. All governmental and proprietary fund types are generally budgeted under the modified accrual basis of accounting, which for all governmental funds represents the GAAP basis as well. Expenditure budgets are appropriated by major function or organizational unit for each fund. These appropriations establish the legal level of control for each fund. Expenditure appropriations may not be legally overexpended except in the case of reimbursable grant expenditures and trust monies that could not be reasonably estimated at the time the budget was adopted.

After budget approval, the Board of Commissioners may approve supplemental appropriations and appropriation transfers between organizational units or major programs if an occurrence, condition, or need exists which was not known at the time the budget was adopted. The County had one supplemental budget and seven contingency transfers during the year ended June 30, 2012. Both the original adopted budget and the revised budget comparisons are presented in the accompanying budgetary schedules. Appropriations lapse at the end of the fiscal year.

OTHER SUPPLEMENTARY INFORMATION

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WASHINGTON COUNTY, OREGON
 Budgetary Comparison
 Major Capital Projects Fund
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Major Streets Transportation Improvement Program III Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:				
Intergovernmental revenues	\$ 4,151	4,151	10,626	6,475
Miscellaneous revenues	350	350	504	154
Total revenues	<u>4,501</u>	<u>4,501</u>	<u>11,130</u>	<u>6,629</u>
Expenditures:				
Current:				
Land use, housing and transportation:				
Administration	<u>71,755</u>	<u>71,755</u>	<u>31,145</u>	<u>40,610</u>
Total current	<u>71,755</u>	<u>71,755</u>	<u>31,145</u>	<u>40,610</u>
Capital outlay	<u>7,335</u>	<u>7,335</u>	<u>1,607</u>	<u>5,728</u>
Total expenditures	<u>79,090</u>	<u>79,090</u>	<u>32,752</u>	<u>46,338</u>
Revenues over (under) expenditures	<u>(74,589)</u>	<u>(74,589)</u>	<u>(21,622)</u>	<u>52,967</u>
Other financing sources (uses):				
Transfers in from other funds	31,042	31,042	31,276	234
Transfers out to other funds	<u>(9,563)</u>	<u>(9,563)</u>	<u>(1,503)</u>	<u>8,060</u>
Total other financing sources	<u>21,479</u>	<u>21,479</u>	<u>29,773</u>	<u>8,294</u>
Net change in fund balances	<u>(53,110)</u>	<u>(53,110)</u>	<u>8,151</u>	<u>61,261</u>
Fund balances July 1, 2011	<u>53,110</u>	<u>53,110</u>	<u>47,667</u>	<u>(5,443)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>55,818</u>	<u>55,818</u>

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NON-MAJOR FUND FINANCIAL STATEMENTS

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WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2012

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for revenue derived from specific tax or other earmarked revenue sources, including federal and state grant awards, which are restricted or committed to finance particular functions or activities. Funds included in this category are:

- Aging, Disability, & Veteran Services Fund – This fund accounts for various services provided for elderly and disabled persons in the County in conjunction with the State, as well as services to veterans.
- Animal Services Gifts and Donation Fund – This fund accounts for financial contributions from private donors for the animal services program.
- Building Services Fund – This fund provides inspection and plan review services related to conformance with the State building, mechanical, electrical, planning, and mobile home codes and ordinances.
- Child Abuse Multidisciplinary Intervention Fund – This fund provides education and support to victims of child abuse and their families and serves as a liaison for the victim in dealing with police officers, attorneys, and other professionals throughout the investigation and prosecution of the case.
- Children and Youth Services Commission Fund – This fund accounts for the development, administration, and evaluation of the annual comprehensive juvenile services of the County.
- Community Corrections Fund – This fund accounts for the custodial and supervisory services for offenders adjudicated through the criminal justice system of the County.
- Cooperative Library Services Fund – This fund accounts for the coordination and contracting to provide a full range of library services to all residents of the County.
- Court Security Fund – This fund accounts for the receipt and expenditure of County fine assessments earmarked for court security programs.
- Department of Housing Services Fund – This fund accounts for the activities of the County and Housing Authority of Washington County housing programs.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2012

- Development Services Fund – This fund accounts for activities pertaining to land development in the unincorporated areas of the County, and provides for development compliance/code enforcement activities as they relate to enforcement of the County's community development code and related ordinances.
- District Patrol Fund – This fund accounts for the contracted responsibility of providing enhanced patrol and related services to the Enhanced Sheriff Patrol District.
- Emergency Medical Services Fund – This fund accounts for the coordination of ambulance services in the County.
- Enhanced Sheriff Patrol District Fund (Component Unit) – The District provides an enhanced level of sheriff patrol in the urban unincorporated areas of the County funded by a permanent tax rate and voter approved five-year operating levies. A replacement five-year levy was approved by voters in May 2008 that became effective July 1, 2008. The District contracts with Washington County to provide the required police patrols.
- Human Services OHP Fund – This fund accounts for monies received from the Oregon Health Plan to provide mental health services to County residents enrolled in the plan. OHP Mental Health provides overall management of the program; including administration, reporting, quality assurance, and oversight of the contracted service providers and third-party claims administrators.
- ITS Systems Replacement Fund – This fund provides for the systematic replacement of key information technology assets.
- Jail Commissary Fund – This fund accounts for the goods, services and monies associated with the jail commissary.
- Juvenile Conciliation Services Fund – This fund accounts for custody service fees collected and dedicated to conciliation services by State law. The monies provide custody studies to circuit court, counseling services concerning marriage and divorce, and mediation services in dissolution proceedings involving child custody issues.
- Juvenile Grants Fund – This fund accounts for grant awards provided to enhance evaluative and diagnostic services to those youth that would be most susceptible to being committed to State training schools.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2012

- Juvenile High Risk Prevention Fund – This fund accounts for grant monies received from the State and contracted to prevention service providers in schools and private non-profit organizations. The funding is used for drug and alcohol evaluation and treatment services to high-risk youth identified by the Juvenile Crime Prevention Plan.
- Law Library Fund – This fund was established in accordance with state statutes to provide legal research and reference materials.
- Local Option Levy Fund – This fund accounts for funds from a local option property tax levy for public safety and justice programs approved by voters. Funds collected are dedicated to improving/restoring service levels in existing County public safety and justice programs.
- Lottery Fund – This fund accounts for the County's pro-rata share of video lottery revenues received from the State that are to be used to support projects, services, organizations and staff furthering economic development.
- Maintenance Improvement District Fund – This fund accounts for the construction of road maintenance improvement activities undertaken through the maintenance improvement district.
- Metzger Park LID Fund – This fund accounts for the maintenance and administration of programs at Metzger Park.
- North Bethany County Service District Fund (Component Unit) – The District provides a portion of resources for transportation projects in the recently established North Bethany subarea. Voters approved funding for the District in May of 2011, in the form of additional property taxes levied on properties within the North Bethany Subarea.
- Office of Community Development Grant Fund – This fund accounts for the management, on behalf of the County and eleven participating city consortium members of the Urban County Entitlement Grant.
- Senate Bill 1145 Fund – This fund is the repository for those funds dedicated exclusively to services for criminal offenders sentenced under the provisions of Senate Bill 1145 (1995 Legislature).

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2012

- Sheriff's Office Contract Services Fund – This fund accounts for the contracted responsibility of providing service to Tri-Met Transit Police Division, the Forest Grove School District high school and middle schools, and the County's Elder Abuse Programs. This fund also provides for uniformed law enforcement security and other support services to the Multnomah County Drug and Alcohol Rehabilitation Program housed in space leased from Washington County in the old jail facility.
- Sheriff's Office Forfeitures Fund – This fund accounts for resources from asset forfeitures that typically come from the sale of real and/or personal property seized from offenders involved in drug-related criminal activity. Specific and strict guidelines govern the use of all forfeiture proceeds. These laws change periodically so funds accumulated at different times are subject to varying legal requirements for their use and are accounted for in different programs within this fund.
- Sheriff's Office Grants and Donations Fund – This fund accounts for donations specifically identified for support of the Drug Abuse Resistance Education (DARE) programs and the Local Law Enforcement Block Grant (LLEBG) federal grant awards that require identification and control of related revenues and expenditures.
- Surveyor – Public Land Corner Fund – This fund accounts for activities related to the remonumentation of government survey corners funded through the public land corner preservation fee.
- Tourism Dedicated Lodging Tax Fund – This fund accounts for revenues generated by the three-ninths portion of the Washington County lodging tax that is tourism-dedicated.
- Urban Road Maintenance Service District Fund (Component Unit) – The District provides an enhanced level of maintenance services to local, minor collector, and public roads in the urban unincorporated areas of Washington County and is funded by an established permanent rate. The District contracts with private firms and with Washington County to provide the required road maintenance services.
- Washington County Fair Fund – This fund accounts for the operation and management of the fairground facilities which provide various services to the public, including the annual County fair.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2012

- West Slope Library Fund – This fund accounts for the provision of public library services for County residents in the unincorporated West Slope/Raleigh Hills area, including circulation of library materials, basic reference service, and children’s programs.

The following funds are presented individually for budgetary purposes. For reporting purposes these funds are combined with the General Fund in accordance with Generally Accepted Accounting Principles. See combining schedules on pages 104 and 116.

- Indirect Cost Reimbursement Fund – This fund accounts for the indirect costs that are allocated to and recovered from operating departments in connection with the County-wide cost allocation plan. Monies received in this fund are in turn expended as reimbursements to the fund or cost center that provided the service.
- Strategic Investment Program Fund – This fund accounts for payments and other contributions/payments from companies receiving property tax exemptions under the State's Strategic Investment Plan (SIP).
- 1999 Strategic Investment Program Fund – This fund accounts for receipt of all fees from the 1999 SIP agreement and the County's payment of a portion of the community service fee to the City of Hillsboro and other administration functions for the fund.
- Survey Fund – This fund encompasses the duties and responsibilities of the County Surveyor, which include documentation, checking and recording subdivisions and plats, performing court-ordered surveys, right-of-way acquisitions, road and easement vacations, road alignment surveying, construction taking, and public assistance.

The following fund is presented individually for budgetary purposes. For reporting purposes this fund is combined with the Human Services Fund in accordance with Generally Accepted Accounting Principles. See combining schedules on pages 105 and 117.

- Human Services HB-2145 Fund – This fund accounts for beer and wine tax revenues designated for alcoholism treatment and rehabilitation services.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2012

DEBT SERVICE FUNDS

The Debt Service Funds account for the payment of principal and interest on general obligation and Bancroft improvement bonds and notes and contracts payable. Revenue is derived primarily from property taxes and interest earned on special assessments. Funds included in this category are:

- Criminal Justice Bond Fund – This fund is used to pay principal and interest on the Series 2007 refunding of the Criminal Justice Facilities Bonds.
- Miscellaneous Debt Service Fund – This fund is an accounting unit for the payment of all other debt owed by the County.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for expenditures on major construction projects. Revenue is derived primarily from issuance of debt and interest income. Funds included in this category are:

- Building/Equipment Replacement Fund – This fund accounts for resources to be used to replace various building and equipment components of the County's buildings.
- Countywide Traffic Impact Fee Fund – This fund accounts for traffic impact fees used to finance extra capacity street facilities required by new development.
- Facilities General Capital Projects Fund – This fund accounts for miscellaneous capital improvement projects.
- Facilities Park (THPRD) SDC Fund – This fund is used to account for system development charges in the northeastern part of the County's urban unincorporated area. Charges are to be used for park capital improvements in the area.
- ITS Capital Projects Fund – This fund accounts for the purchase of IT-related capital assets (software and hardware).
- Major Streets Capital Projects Fund – This fund accounts for the activities necessary for installing, constructing, and extending extra capacity street facilities.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2012

- North Bethany SDC Fund – This fund accounts for the system development charges that will help fund needed infrastructure capacity improvements in the North Bethany subarea.
- OTIA Capital Projects Fund – This fund accounts for resources made available to the County under House Bill 2041 for the creation of the Oregon Transportation Investment Act III (OTIA3) State Bridge Delivery Program. OTIA3 was created to maximize ease of traffic movement, while providing expedient project delivery and economic stimulus through the use of Oregon firms and their employees. Funds received are expended to repair or replace selected County bridge facilities.
- Parks and Open Spaces Opportunity Projects Fund – This fund is used to account for resources set aside for greenspace acquisitions.
- Transportation Development Tax Fund – This fund is used to account for resources provided by the County's transportation tax on development that was approved by voters in November 2008.

INTERNAL SERVICE FUNDS

The Internal Service Funds account for activities and services performed for other organizational units within the County. Charges to other County agencies are made to support these activities. The County accounts for certain expenditures of the Internal Service Funds for budgetary purposes on the modified accrual basis of accounting. For financial reporting purposes, the accrual basis of accounting is used. The differences relate primarily to the methods of accounting for depreciation and capital outlay. Funds included in this category are:

- Fleet Management Fund – This fund accounts for maintenance and repair services provided to County users of the fleet. Costs are billed to the user's department based upon a specified hourly rate.
- Fleet Replacement Fund – This fund provides for the purchase and disposition of fleet vehicles and equipment. Replacement costs are billed to other departments at an amount estimated to cover depreciation on the fleet.
- Internal Support Services Fund – This fund accounts for all departmental costs for postage, office supplies, printing, training, and other support services costs. Actual costs are billed to user departments as services are used.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2012

- Liability/Casualty Insurance Fund – This fund is a self-insurance fund that provides the funds necessary to cover liability and casualty claims. Costs are billed to user departments at an amount estimated to cover actual and incurred but not reported claims.
- Life Insurance Fund – This fund accounts for collection and payment of life and long-term disability insurance premiums for the various departments of the County.
- Medical Insurance Fund – This fund accounts for all administrative and claims costs associated with the County's medical and dental plans. Costs are billed to the departments based on number of employees.
- PERS Rate Stabilization Fund – This fund is used to account for monies set aside to fund future rate increases. The funds may be used for employer PERS costs, costs of managing and maintaining the fund and costs related to PERS litigation.
- Unemployment Insurance Fund – This fund accounts for all unemployment claims of departments and centralizes accounting of charges. Costs are billed to the departments based on historical claims.
- Workers' Compensation Insurance Fund – This fund accounts for the paying of workers' compensation costs. Costs are billed to the user department based on actual expenses.

WASHINGTON COUNTY, OREGON

Combining Balance Sheet

General Fund

June 30, 2012

(Dollars in thousands)

Assets	General Fund	Strategic Investment Program Fund	Survey Fund	Total General Fund
Cash and investments	\$ 29,077	21	923	30,021
Property taxes receivable	5,373	—	—	5,373
Accounts receivable	4,240	—	—	4,240
Investment interest receivable	1,137	—	—	1,137
Due from other funds	978	—	—	978
Inventory	134	—	—	134
Other assets	255	—	—	255
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>41,194</u>	<u>21</u>	<u>923</u>	<u>42,138</u>
 Liabilities and Fund Balances				
Liabilities:				
Accounts payable	1,656	—	10	1,666
Accrued payroll liabilities	4,015	—	4	4,019
Deposits payable	25	—	379	404
Amounts held in trust	603	—	—	603
Deferred revenue	5,140	—	—	5,140
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>11,439</u>	<u>—</u>	<u>393</u>	<u>11,832</u>
 Fund balances:				
Nonspendable	134	—	—	134
Assigned	—	—	530	530
Unassigned	29,621	21	—	29,642
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>29,755</u>	<u>21</u>	<u>530</u>	<u>30,306</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 41,194</u>	<u>21</u>	<u>923</u>	<u>42,138</u>

WASHINGTON COUNTY, OREGON

Combining Balance Sheet

Human Services Fund

June 30, 2012

(Dollars in thousands)

Assets	Human Services Fund	Human Services HB-2145 Fund	Total Human Services Fund
Cash and investments	\$ 18,034	735	18,769
Accounts receivable	464	—	464
Total assets	<u>18,498</u>	<u>735</u>	<u>19,233</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	2,601	—	2,601
Accrued payroll liabilities	76	—	76
Deferred revenue	12,180	—	12,180
Total liabilities	<u>14,857</u>	<u>—</u>	<u>14,857</u>
Fund balances			
Restricted	<u>3,641</u>	<u>735</u>	<u>4,376</u>
Total fund balances	<u>3,641</u>	<u>735</u>	<u>4,376</u>
Total liabilities and fund balances	<u>\$ 18,498</u>	<u>735</u>	<u>19,233</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet
Non-major Governmental Funds - Summary
June 30, 2012
(Dollars in thousands)

Assets	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Non-major Funds
Cash and investments	\$ 68,165	43	22,296	90,504
Property taxes receivable	2,529	331	—	2,860
Assessments receivable	5	—	67	72
Accounts receivable	3,449	—	175	3,624
Investment interest receivable	224	—	—	224
Contracts receivable	4,793	—	—	4,793
Inventory	1	—	—	1
Other assets	85	—	—	85
	<u>79,251</u>	<u>374</u>	<u>22,538</u>	<u>102,163</u>
Total assets				
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	3,192	—	1,946	5,138
Accrued payroll liabilities	920	—	—	920
Deposits payable	299	—	—	299
Amounts held in trust	21	—	—	21
Accrued OHP Reserve	2,088	—	—	2,088
Due to other funds	640	11	—	651
Deferred revenue	8,347	300	573	9,220
	<u>15,507</u>	<u>311</u>	<u>2,519</u>	<u>18,337</u>
Total liabilities				
Fund balances (deficit):				
Nonspendable	1	—	—	1
Restricted	58,897	63	17,929	76,889
Committed	4,878	—	1,941	6,819
Assigned	—	—	149	149
Unassigned	(32)	—	—	(32)
	<u>63,744</u>	<u>63</u>	<u>20,019</u>	<u>83,826</u>
Total fund balances				
Total liabilities and fund balances	\$ <u>79,251</u>	<u>374</u>	<u>22,538</u>	<u>102,163</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet
Non-major Governmental Funds - Special Revenue Funds
June 30, 2012
(Dollars in thousands)

Assets	Aging, Disability & Veteran Services Fund	Animal Services Gifts and Donation Fund	Building Services Fund	Child Abuse Multidisciplinary Intervention Fund	Children and Youth Services Commission Fund	Community Corrections Fund
Cash and investments	\$ 422	497	6,435	297	688	1,503
Accounts receivable	380	—	7	112	374	162
Total assets	<u>802</u>	<u>497</u>	<u>6,442</u>	<u>409</u>	<u>1,062</u>	<u>1,665</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	106	—	21	397	431	172
Accrued payroll liabilities	17	—	52	1	6	118
Deposits payable	—	—	125	—	—	—
Amounts held in trust	—	—	—	—	—	19
Deferred revenue	20	116	7	—	395	—
Total liabilities	<u>143</u>	<u>116</u>	<u>205</u>	<u>398</u>	<u>832</u>	<u>309</u>
Fund balances:						
Restricted	659	381	6,237	11	230	1,356
Total fund balances	<u>659</u>	<u>381</u>	<u>6,237</u>	<u>11</u>	<u>230</u>	<u>1,356</u>
Total liabilities and fund balances	<u>\$ 802</u>	<u>497</u>	<u>6,442</u>	<u>409</u>	<u>1,062</u>	<u>1,665</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2012
(Dollars in thousands)

Assets	Cooperative Library Services Fund	Court Security Fund	Department of Housing Services Fund	Development Services Fund	District Patrol Fund	Emergency Medical Services Fund
Cash and investments	\$ 4,537	215	108	1,252	272	1,493
Property taxes receivable	395	—	—	—	—	—
Accounts receivable	5	8	136	93	—	2
Other assets	—	—	1	—	—	1
Total assets	<u>4,937</u>	<u>223</u>	<u>245</u>	<u>1,345</u>	<u>272</u>	<u>1,496</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	73	30	126	25	14	20
Accrued payroll liabilities	46	—	46	26	258	5
Deposits payable	—	—	—	172	—	—
Deferred revenue	358	—	—	65	—	—
Total liabilities	<u>477</u>	<u>30</u>	<u>172</u>	<u>288</u>	<u>272</u>	<u>25</u>
Fund balances:						
Restricted	—	193	73	1,057	—	1,471
Committed	4,460	—	—	—	—	—
Total fund balances	<u>4,460</u>	<u>193</u>	<u>73</u>	<u>1,057</u>	<u>—</u>	<u>1,471</u>
Total liabilities and fund balances	<u>\$ 4,937</u>	<u>223</u>	<u>245</u>	<u>1,345</u>	<u>272</u>	<u>1,496</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2012
(Dollars in thousands)

Assets	Enhanced Sheriff Patrol District Fund (Component Unit)	Human Services OHP Fund	Jail Commissary Fund	Juvenile Conciliation Services Fund	Juvenile Grants Fund
Cash and investments	\$ 14,382	12,876	359	83	—
Property taxes receivable	962	—	—	—	—
Accounts receivable	—	—	7	—	246
Other assets	—	1	—	—	—
	<u>15,344</u>	<u>12,877</u>	<u>366</u>	<u>83</u>	<u>246</u>
Total assets					
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	—	525	—	8	5
Accrued payroll liabilities	—	26	—	6	9
Amounts held in trust	—	—	1	—	—
Accrued OHP IBNR Reserve	—	2,088	—	—	—
Due to other funds	—	—	—	—	141
Deferred revenue	872	—	—	—	4
	<u>872</u>	<u>2,639</u>	<u>1</u>	<u>14</u>	<u>159</u>
Total liabilities					
Fund balances:					
Restricted	<u>14,472</u>	<u>10,238</u>	<u>365</u>	<u>69</u>	<u>87</u>
Total fund balances					
	<u>14,472</u>	<u>10,238</u>	<u>365</u>	<u>69</u>	<u>87</u>
Total liabilities and fund balances					
	<u>\$ 15,344</u>	<u>12,877</u>	<u>366</u>	<u>83</u>	<u>246</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2012
(Dollars in thousands)

Assets	Juvenile High Risk Prevention Fund	Law Library Fund	Local Option Levy Fund	Maintenance Improvement District Fund	Metzger Park LID Fund
Cash and investments	\$ —	1,218	9,619	255	57
Property taxes receivable	—	—	984	—	—
Assessments receivable	—	—	—	—	5
Accounts receivable	511	—	95	—	—
Inventory	1	—	—	—	—
Other assets	—	—	63	—	—
Total assets	512	1,218	10,761	255	62
Liabilities and Fund Balances (Deficits)					
Liabilities:					
Accounts payable	103	1	41	—	3
Accrued payroll liabilities	21	4	234	—	1
Deposits payable	—	—	—	—	1
Due to other funds	292	—	—	—	—
Deferred revenue	118	—	985	—	4
Total liabilities	534	5	1,260	—	9
Fund balances (deficits):					
Nonspendable	1	—	—	—	—
Restricted	—	1,213	9,501	255	53
Unassigned	(23)	—	—	—	—
Total fund balances (deficits)	(22)	1,213	9,501	255	53
Total liabilities and fund balances (deficits) \$	512	1,218	10,761	255	62

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2012
(Dollars in thousands)

Assets	North Bethany County Service District Fund (Component Unit)	Office of Community Development Block Grant Fund	Sheriff's Office Contract Services Fund	Sheriff's Office Forfeitures Fund	Sheriff's Office Grants & Donations Fund
Cash and investments	\$ 45	—	—	1,169	—
Accounts receivable	—	358	69	7	62
Investment interest receivable	—	224	—	—	—
Contracts receivable	—	4,793	—	—	—
Other assets	—	—	—	7	—
Total assets	45	5,375	69	1,183	62
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	—	223	2	5	12
Accrued payroll liabilities	—	9	3	—	2
Due to other funds	—	96	64	—	47
Deferred revenue	—	5,047	—	—	10
Total liabilities	—	5,375	69	5	71
Fund balances:					
Restricted	45	—	—	1,178	—
Unassigned	—	—	—	—	(9)
Total fund balances	45	—	—	1,178	(9)
Total liabilities and fund balances	\$ 45	5,375	69	1,183	62

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2012
(Dollars in thousands)

Assets	Surveyor - Public Land Corner Fund	Tourism Dedicated Lodging Tax Fund	Urban Road Maintenance Service District Fund (Component Unit)	Washington County Fair Fund	West Slope Library Fund	Total Special Revenue Funds
Cash and investments	\$ 1,497	1,496	6,335	620	435	68,165
Property taxes receivable	—	—	188	—	—	2,529
Assessments receivable	—	—	—	—	—	5
Accounts receivable	9	599	—	207	—	3,449
Investment interest receivable	—	—	—	—	—	224
Contracts receivable	—	—	—	—	—	4,793
Inventory	—	—	—	—	—	1
Other assets	—	—	—	12	—	85
Total assets	<u>1,506</u>	<u>2,095</u>	<u>6,523</u>	<u>839</u>	<u>435</u>	<u>79,251</u>
Liabilities and Fund Balances (Deficits)						
Liabilities:						
Accounts payable	—	811	—	30	8	3,192
Accrued payroll liabilities	10	—	—	11	9	920
Deposits payable	—	—	—	1	—	299
Amounts held in trust	—	—	—	1	—	21
Accrued OHP IBNR Reserve	—	—	—	—	—	2,088
Due to other funds	—	—	—	—	—	640
Deferred revenue	—	—	170	176	—	8,347
Total liabilities	<u>10</u>	<u>811</u>	<u>170</u>	<u>219</u>	<u>17</u>	<u>15,507</u>
Fund balances (deficits):						
Nonspendable	—	—	—	—	—	1
Restricted	1,496	1,284	6,353	620	—	58,897
Committed	—	—	—	—	418	4,878
Unassigned	—	—	—	—	—	(32)
Total fund balances	<u>1,496</u>	<u>1,284</u>	<u>6,353</u>	<u>620</u>	<u>418</u>	<u>63,744</u>
Total liabilities and fund balances	<u>\$ 1,506</u>	<u>2,095</u>	<u>6,523</u>	<u>839</u>	<u>435</u>	<u>79,251</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet
Non-major Governmental Funds - Debt Service Funds
June 30, 2012
(Dollars in thousands)

Assets	Criminal Justice Bond Fund	Miscellaneous Debt Service Fund	Total Debt Service Funds
Cash and investments	\$ 28	15	43
Property tax receivable	331	—	331
Total assets	<u>359</u>	<u>15</u>	<u>374</u>
Liabilities and Fund Balance			
Liabilities:			
Due to other funds	—	11	11
Deferred revenue	300	—	300
Total liabilities	<u>300</u>	<u>11</u>	<u>311</u>
Fund balance:			
Restricted	59	4	63
Total fund balances	<u>59</u>	<u>4</u>	<u>63</u>
Total liabilities and fund balances	<u>\$ 359</u>	<u>15</u>	<u>374</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet
Non-major Governmental Funds - Capital Projects Funds
June 30, 2012
(Dollars in thousands)

Assets	Building Equipment Replace- ment Fund	County- wide Traffic Impact Fee Fund	Facilities General Capital Projects Fund	Facilities Park (THPRD) SDC Fund	ITS Capital Projects Fund	Major Streets Capital Projects Fund
Cash and investments	\$ 1,635	9,229	439	174	301	5,111
Assessments receivable	—	67	—	—	—	—
Accounts receivable	—	—	75	—	—	100
Total assets	<u>1,635</u>	<u>9,296</u>	<u>514</u>	<u>174</u>	<u>301</u>	<u>5,211</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	73	894	135	—	279	424
Deferred revenue	—	67	—	—	—	—
Total liabilities	<u>73</u>	<u>961</u>	<u>135</u>	<u>—</u>	<u>279</u>	<u>424</u>
Fund balances:						
Restricted	—	8,335	—	174	—	4,787
Committed	1,562	—	379	—	—	—
Assigned	—	—	—	—	22	—
Total fund balances	<u>1,562</u>	<u>8,335</u>	<u>379</u>	<u>174</u>	<u>22</u>	<u>4,787</u>
Total liabilities and fund balances	<u>\$ 1,635</u>	<u>9,296</u>	<u>514</u>	<u>174</u>	<u>301</u>	<u>5,211</u>

WASHINGTON COUNTY, OREGON

Combining Balance Sheet

Non-major Governmental Funds - Capital Projects Funds

June 30, 2012

(Dollars in thousands)

Assets	OTIA Capital Projects Fund	Parks and Open Spaces Opportunity Projects Fund	Transportation Development Tax Fund	Total Capital Projects Funds
Cash and investments	\$ 687	165	4,555	22,296
Assessments receivable	—	—	—	67
Accounts receivable	—	—	—	175
Total assets	687	165	4,555	22,538
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	103	38	—	1,946
Deferred revenue	506	—	—	573
Total liabilities	609	38	—	2,519
Fund balances:				
Restricted	78	—	4,555	17,929
Committed	—	—	—	1,941
Assigned	—	127	—	149
Total fund balances	78	127	4,555	20,019
Total liabilities and fund balances	\$ 687	165	4,555	22,538

WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

General Fund

For the fiscal year ended June 30, 2012
(Dollars in thousands)

	General Fund	Indirect Cost Reimburse- ment Fund	Strategic Investment Program Fund	1999 Strategic Investment Program Fund	Survey Fund	Net Consolidation Adjustments	Total General Fund
Revenues:							
Taxes	\$ 110,398	—	—	—	—	—	110,398
Licenses and permits	6,022	—	—	—	—	—	6,022
Intergovernmental revenues	16,473	59	—	—	—	—	16,532
Charges for services	6,885	—	11,531	—	310	—	18,726
Fines and forfeitures	3,153	—	—	—	—	—	3,153
Miscellaneous revenues	3,939	—	—	—	6	—	3,945
Interfund revenues	5,422	13,182	—	—	82	(90)	18,596
Total revenues	152,292	13,241	11,531	—	398	(90)	177,372
Expenditures:							
Current:							
General government	36,912	—	—	—	—	—	36,912
Public safety and justice	59,039	—	—	—	—	—	59,039
Land use, housing and transportation	3,104	—	—	—	457	(90)	3,471
Health and human services	17,279	—	—	—	—	—	17,279
Culture, education and recreation	973	—	—	—	—	—	973
Nonoperating	—	1,828	3,898	—	—	—	5,726
Total current	117,307	1,828	3,898	—	457	(90)	123,400
Capital outlay	114	—	—	—	—	2,284	2,398
Debt service:							
Principal	822	—	—	—	—	—	822
Interest	82	—	—	—	—	—	82
Total debt service	904	—	—	—	—	—	904
Total expenditures	118,325	1,828	3,898	—	457	2,194	126,702
Revenues over (under) expenditures	33,967	11,413	7,633	—	(59)	(2,284)	50,670
Other financing sources (uses):							
Proceeds from debt	—	—	—	—	—	2,284	2,284
Transfers in	18,648	—	—	—	77	(17,678)	1,047
Transfers out	(55,518)	(11,413)	(7,614)	(8)	(15)	17,678	(56,890)
Total other financing sources (uses)	(36,870)	(11,413)	(7,614)	(8)	62	2,284	(53,559)
Net change in fund balances	(2,903)	—	19	(8)	3	—	(2,889)
Fund balances July 1, 2011	32,658	—	2	8	527	—	33,195
Fund balances June 30, 2012	\$ 29,755	—	21	—	530	—	30,306

WASHINGTON COUNTY, OREGONCombining Statement of Revenues, Expenditures
and Changes in Fund Balances

Human Services Fund

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	<u>Human Services Fund</u>	<u>Human Services HB-2145 Fund</u>	<u>Net Consolidation Adjustments</u>	<u>Total Human Services Fund</u>
Revenues:				
Intergovernmental revenues	\$ 16,770	—	—	16,770
Charges for services	20	—	—	20
Miscellaneous revenues	177	—	—	177
Interfund revenues	150	—	—	150
Total revenues	<u>17,117</u>	<u>—</u>	<u>—</u>	<u>17,117</u>
Expenditures:				
Current:				
Health and human services	<u>20,058</u>	<u>—</u>	<u>—</u>	<u>20,058</u>
Total current	<u>20,058</u>	<u>—</u>	<u>—</u>	<u>20,058</u>
Total expenditures	<u>20,058</u>	<u>—</u>	<u>—</u>	<u>20,058</u>
Revenues under expenditures	<u>(2,941)</u>	<u>—</u>	<u>—</u>	<u>(2,941)</u>
Other financing sources (uses):				
Transfers in	3,122	—	(1)	3,121
Transfers out	<u>(30)</u>	<u>(1)</u>	<u>1</u>	<u>(30)</u>
Total other financing sources (uses)	<u>3,092</u>	<u>(1)</u>	<u>—</u>	<u>3,091</u>
Net change in fund balances	151	(1)	—	150
Fund balances July 1, 2011	<u>3,490</u>	<u>736</u>	<u>—</u>	<u>4,226</u>
Fund balances June 30, 2012	<u>\$ 3,641</u>	<u>735</u>	<u>—</u>	<u>4,376</u>

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Non-major Governmental Funds - Summary

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Non-major Funds
Revenues:				
Taxes	\$ 53,232	6,319	—	59,551
Licenses and permits	2,891	—	—	2,891
Intergovernmental revenues	26,244	—	4,051	30,295
Charges for services	24,413	—	2,592	27,005
Fines and forfeitures	505	—	—	505
Special assessments	106	—	8	114
Miscellaneous revenues	24,880	3	184	25,067
Interfund revenues	1,622	—	705	2,327
Total revenues	133,893	6,322	7,540	147,755
Expenditures:				
Current:				
Public safety and justice	75,350	—	—	75,350
Land use, housing and transportation	19,217	—	7,991	27,208
Health and human services	22,652	—	—	22,652
Culture, education and recreation	28,553	—	—	28,553
Nonoperating	—	2	8	10
Total current	145,772	2	7,999	153,773
Capital outlay	1,307	—	4,629	5,936
Debt service:				
Principal	2	9,357	—	9,359
Interest	—	4,185	—	4,185
Total debt service	2	13,542	—	13,544
Total expenditures	147,081	13,544	12,628	173,253
Revenues under expenditures	(13,188)	(7,222)	(5,088)	(25,498)
Other financing sources (uses):				
Transfers in	21,398	7,218	4,464	33,080
Transfers out	(5,449)	—	(368)	(5,817)
Total other financing sources	15,949	7,218	4,096	27,263
Net change in fund balances	2,761	(4)	(992)	1,765
Fund balances July 1, 2011	60,983	67	21,011	82,061
Fund balances June 30, 2012	\$ 63,744	63	20,019	83,826

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (deficit)

Non-major Governmental Funds - Special Revenue Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Aging, Disability & Veterans Services Fund	Animal Services Gifts and Donation Fund	Building Services Fund	Child Abuse Multidisciplinary Intervention Fund	Children and Youth Services Commission Fund	Community Corrections Fund
Revenues:						
Licenses and permits	\$ —	—	2,402	—	—	—
Intergovernmental revenues	2,189	12	43	—	2,836	5,810
Charges for services	—	—	2,079	—	81	857
Fines and forfeitures	—	—	5	—	—	—
Miscellaneous revenues	5	31	116	549	37	61
Interfund revenues	1	—	82	—	—	1,311
Total revenues	2,195	43	4,727	549	2,954	8,039
Expenditures:						
Current:						
Public safety and justice	—	—	—	601	—	10,448
Land use, housing and transportation	—	—	4,386	—	—	—
Health and human services	2,511	75	—	—	3,174	—
Total expenditures	2,511	75	4,386	601	3,174	10,448
Revenues over (under) expenditures	(316)	(32)	341	(52)	(220)	(2,409)
Other financing sources (uses):						
Transfers in	261	—	71	1	92	2,621
Transfers out	—	—	(206)	—	—	—
Total other financing sources (uses)	261	—	(135)	1	92	2,621
Net change in fund balances	(55)	(32)	206	(51)	(128)	212
Fund balances July 1, 2011	714	413	6,031	62	358	1,144
Fund balances June 30, 2012	\$ 659	381	6,237	11	230	1,356

WASHINGTON COUNTY, OREGON

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

Non-major Governmental Funds - Special Revenue Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Cooperative Library Services Fund	Court Security Fund	Department of Housing Services Fund	Development Services Fund	District Patrol Fund	Emergency Medical Services Fund
Revenues:						
Taxes	\$ 7,885	—	—	—	—	—
Licenses and permits	—	—	—	—	—	457
Intergovernmental revenues	31	—	2,244	177	—	—
Charges for services	8	—	—	1,303	21	10
Fines and forfeitures	—	440	—	60	—	—
Miscellaneous revenues	77	—	3,560	75	18,513	21
Interfund revenues	—	—	—	114	—	2
Total revenues	8,001	440	5,804	1,729	18,534	490
Expenditures:						
Current:						
Public safety and justice	—	383	—	—	18,374	—
Land use, housing and transportation	—	—	6,330	2,187	—	—
Health and human services	—	—	—	—	—	529
Culture, education and recreation	23,446	—	—	—	—	—
Total current	23,446	383	6,330	2,187	18,374	529
Capital outlay	268	48	—	—	314	147
Total expenditures	23,714	431	6,330	2,187	18,688	676
Revenues over (under) expenditures	(15,713)	9	(526)	(458)	(154)	(186)
Other financing sources (uses):						
Transfers in	15,702	—	529	1,028	154	3
Transfers out	(674)	—	(19)	(105)	—	—
Total other financing sources	15,028	—	510	923	154	3
Net change in fund balances	(685)	9	(16)	465	—	(183)
Fund balances July 1, 2011	5,145	184	89	592	—	1,654
Fund balances June 30, 2012	\$ 4,460	193	73	1,057	—	1,471

WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances, Continued
Non-major Governmental Funds - Special Revenue Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	Enhanced Sheriff Patrol District Fund (Component Unit)	Human Services OHP Fund	ITS Systems Replacement Fund	Jail Commissary Fund	Juvenile Conciliation Services Fund	Juvenile Grants Fund
Revenues:						
Taxes	\$ 18,766	—	—	—	—	—
Licenses and permits	—	—	—	—	32	—
Intergovernmental revenues	—	—	—	—	—	705
Charges for services	—	17,500	—	—	527	—
Miscellaneous revenues	128	92	—	106	1	8
Total revenues	<u>18,894</u>	<u>17,592</u>	<u>—</u>	<u>106</u>	<u>560</u>	<u>713</u>
Expenditures:						
Current:						
Public safety and justice	18,499	—	—	104	541	744
Health and human services	—	16,363	—	—	—	—
Total expenditures	<u>18,499</u>	<u>16,363</u>	<u>—</u>	<u>104</u>	<u>541</u>	<u>744</u>
Revenues over (under) expenditures	<u>395</u>	<u>1,229</u>	<u>—</u>	<u>2</u>	<u>19</u>	<u>(31)</u>
Other financing sources (uses):						
Transfers in	—	44	—	—	4	8
Transfers out	—	(1,512)	(426)	—	—	—
Total other financing sources (uses)	<u>—</u>	<u>(1,468)</u>	<u>(426)</u>	<u>—</u>	<u>4</u>	<u>8</u>
Net change in fund balances	<u>395</u>	<u>(239)</u>	<u>(426)</u>	<u>2</u>	<u>23</u>	<u>(23)</u>
Fund balances July 1, 2011	<u>14,077</u>	<u>10,477</u>	<u>426</u>	<u>363</u>	<u>46</u>	<u>110</u>
Fund balances June 30, 2012	<u>\$ 14,472</u>	<u>10,238</u>	<u>—</u>	<u>365</u>	<u>69</u>	<u>87</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances, Continued
Non-major Governmental Funds - Special Revenue Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	Juvenile High Risk Prevention Fund	Law Library Fund	Local Option Levy Fund	Lottery Fund	Maintenance Improvement District Fund	Metzger Park LID Fund
Revenues:						
Taxes	\$ —	—	19,481	—	—	—
Intergovernmental revenues	1,747	—	341	2,394	—	—
Charges for services	—	409	108	—	—	—
Special assessments	—	—	—	—	18	88
Miscellaneous revenues	21	10	112	—	1	26
Interfund revenues	—	—	24	—	—	—
Total revenues	1,768	419	20,066	2,394	19	114
Expenditures:						
Current:						
Public safety and justice	1,986	405	18,245	—	—	—
Land use, housing and transportation	—	—	—	—	21	—
Culture, education and recreation	—	—	—	—	—	117
Total current	1,986	405	18,245	—	21	117
Capital outlay	—	—	26	—	—	—
Total expenditures	1,986	405	18,271	—	21	117
Revenues over (under) expenditures	(218)	14	1,795	2,394	(2)	(3)
Other financing sources (uses):						
Transfers in	8	3	148	—	—	1
Transfers out	—	(18)	—	(2,394)	(1)	—
Total other financing sources (uses)	8	(15)	148	(2,394)	(1)	1
Net change in fund balances	(210)	(1)	1,943	—	(3)	(2)
Fund balances July 1, 2011	188	1,214	7,558	—	258	55
Fund balances (deficit) June 30, 2012	\$ (22)	1,213	9,501	—	255	53

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (deficit), Continued
Non-major Governmental Funds - Special Revenue Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	North Bethany County Service District Fund (Component Unit)	Office of Community Development Block Grant Fund	Senate Bill 1145 Fund	Sheriff's Office Contract Services Fund	Sheriff's Office Forfeitures Fund	Sheriff's Office Grants & Donations Fund
Revenues:						
Taxes	\$ 48	—	—	—	—	—
Intergovernmental revenues	—	3,137	2,967	—	—	1,559
Charges for services	—	—	—	456	—	—
Miscellaneous revenues	—	140	—	88	415	—
Interfund revenues	—	—	36	23	—	—
Total revenues	48	3,277	3,003	567	415	1,559
Expenditures:						
Current:						
Public safety and justice	—	—	3,083	560	274	1,103
Land use, housing and transportation	3	3,257	—	—	—	—
Total current	3	3,257	3,083	560	274	1,103
Capital outlay	—	—	—	—	—	429
Total expenditures	3	3,257	3,083	560	274	1,532
Revenues over (under) expenditures	45	20	(80)	7	141	27
Other financing sources:						
Transfers in	—	16	—	6	—	2
Total other financing sources	—	16	—	6	—	2
Net change in fund balances (deficits)	45	36	(80)	13	141	29
Fund balances (deficits) July 1, 2011	—	(36)	80	(13)	1,037	(38)
Fund balances (deficit) June 30, 2012	\$ 45	—	—	—	1,178	(9)

WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances, Continued
Non-major Governmental Funds - Special Revenue Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	Surveyor - Public Land Corner Fund	Tourism Dedicated Lodging Tax Fund	Urban Road Maintenance Service District Fund (Component Unit)	Washington County Fair Fund	West Slope Library Fund	Total Special Revenue Funds
Revenues:						
Taxes	\$ —	2,517	3,693	842	—	53,232
Licenses and permits	—	—	—	—	—	2,891
Intergovernmental revenues	—	—	—	50	2	26,244
Charges for services	472	—	—	582	—	24,413
Fines and forfeitures	—	—	—	—	—	505
Special assessments	—	—	—	—	—	106
Miscellaneous revenues	36	12	160	434	45	24,880
Interfund revenues	14	—	15	—	—	1,622
Total revenues	<u>522</u>	<u>2,529</u>	<u>3,868</u>	<u>1,908</u>	<u>47</u>	<u>133,893</u>
Expenditures:						
Current:						
Public safety and justice	—	—	—	—	—	75,350
Land use, housing and transportation	846	—	2,187	—	—	19,217
Health and human services	—	—	—	—	—	22,652
Culture, education and recreation	—	2,529	—	1,789	672	28,553
Total current	<u>846</u>	<u>2,529</u>	<u>2,187</u>	<u>1,789</u>	<u>672</u>	<u>145,772</u>
Capital outlay	—	—	—	75	—	1,307
Debt service:						
Principal	—	—	—	2	—	2
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>2</u>	<u>—</u>	<u>2</u>
Total expenditures	<u>846</u>	<u>2,529</u>	<u>2,187</u>	<u>1,866</u>	<u>672</u>	<u>147,081</u>
Revenues over (under) expenditures	<u>(324)</u>	<u>—</u>	<u>1,681</u>	<u>42</u>	<u>(625)</u>	<u>(13,188)</u>
Other financing sources (uses):						
Transfers in	8	—	—	7	681	21,398
Transfers out	(29)	—	(14)	(51)	—	(5,449)
Total other financing sources (uses)	<u>(21)</u>	<u>—</u>	<u>(14)</u>	<u>(44)</u>	<u>681</u>	<u>15,949</u>
Net change in fund balances	<u>(345)</u>	<u>—</u>	<u>1,667</u>	<u>(2)</u>	<u>56</u>	<u>2,761</u>
Fund balances July 1, 2011	<u>1,841</u>	<u>1,284</u>	<u>4,686</u>	<u>622</u>	<u>362</u>	<u>60,983</u>
Fund balances June 30, 2012	<u>\$ 1,496</u>	<u>1,284</u>	<u>6,353</u>	<u>620</u>	<u>418</u>	<u>63,744</u>

WASHINGTON COUNTY, OREGONCombining Statement of Revenues, Expenditures
and Changes in Fund Balance (deficit)

Debt Service Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Criminal Justice Bond Fund	Miscellaneous Debt Service Fund	Total Debt Service Funds
Revenues:			
Taxes	\$ 6,319	—	6,319
Miscellaneous revenues	3	—	3
Total revenues	<u>6,322</u>	<u>—</u>	<u>6,322</u>
Expenditures:			
Current:			
Nonoperating	<u>—</u>	<u>2</u>	<u>2</u>
Total current	<u>—</u>	<u>2</u>	<u>2</u>
Debt service:			
Principal	5,705	3,652	9,357
Interest	637	3,548	4,185
Total debt service	<u>6,342</u>	<u>7,200</u>	<u>13,542</u>
Total expenditures	<u>6,342</u>	<u>7,202</u>	<u>13,544</u>
Revenues under expenditures	<u>(20)</u>	<u>(7,202)</u>	<u>(7,222)</u>
Other financing sources:			
Transfers in	<u>—</u>	<u>7,218</u>	<u>7,218</u>
Total other financing sources	<u>—</u>	<u>7,218</u>	<u>7,218</u>
Net change in fund balance (deficit)	(20)	16	(4)
Fund balance (deficit) July 1, 2011	<u>79</u>	<u>(12)</u>	<u>67</u>
Fund balances June 30, 2012	<u>\$ 59</u>	<u>4</u>	<u>63</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Capital Projects Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	Building Equipment Replace- ment Fund	County- wide Traffic Impact Fee Fund	Facilities General Capital Projects Fund	Facilities Park (THPRD) SDC Fund	ITS Capital Projects Fund	Major Streets Capital Projects Fund
Revenues:						
Intergovernmental revenues	\$ —	—	1,614	—	—	1,966
Charges for services	—	29	—	5	9	—
Special assessments	—	8	—	—	—	—
Miscellaneous revenues	12	85	8	2	2	36
Interfund revenues	—	—	198	—	507	—
Total revenues	12	122	1,820	7	518	2,002
Expenditures:						
Current:						
Land use, housing and transportation	—	4,714	—	—	—	2,824
Nonoperating	—	—	8	—	—	—
Total current	—	4,714	8	—	—	2,824
Capital outlay	447	622	1,562	—	1,527	89
Total expenditures	447	5,336	1,570	—	1,527	2,913
Revenues over (under) expenditures	(435)	(5,214)	250	7	(1,009)	(911)
Other financing sources (uses):						
Transfers in	324	970	124	—	765	2,281
Transfers out	—	(11)	—	—	—	(357)
Total other financing sources	324	959	124	—	765	1,924
Net change in fund balances	(111)	(4,255)	374	7	(244)	1,013
Fund balances July 1, 2011	1,673	12,590	5	167	266	3,774
Fund balances June 30, 2012	<u>\$ 1,562</u>	<u>8,335</u>	<u>379</u>	<u>174</u>	<u>22</u>	<u>4,787</u>

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Capital Projects Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	OTIA Capital Projects Fund	Parks and Open Spaces Opportunity Projects Fund	Transportation Development Tax Fund	Total Capital Projects Funds
Revenues:				
Intergovernmental revenues	\$ 471	—	—	4,051
Charges for services	—	—	2,549	2,592
Special assessments	—	—	—	8
Miscellaneous revenues	4	2	33	184
Interfund revenues	—	—	—	705
Total revenues	475	2	2,582	7,540
Expenditures:				
Current:				
Land use, housing and transportation	295	—	158	7,991
Nonoperating	—	—	—	8
Total current	295	—	158	7,999
Capital outlay	—	382	—	4,629
Total expenditures	295	382	158	12,628
Revenues over (under) expenditures	180	(380)	2,424	(5,088)
Other financing sources (uses):				
Transfers in	—	—	—	4,464
Transfers out	—	—	—	(368)
Total other financing sources	—	—	—	4,096
Net change in fund balances	180	(380)	2,424	(992)
Fund balances (deficit) July 1, 2011	(102)	507	2,131	21,011
Fund balances June 30, 2012	\$ 78	127	4,555	20,019

WASHINGTON COUNTY, OREGON
 Budgetary Comparison
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Aging, Disability & Veterans Services Fund				Animal Services Gifts and Donations Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 4,167	4,167	2,189	(1,978)	53	53	12	(41)
Miscellaneous revenues	10	10	5	(5)	25	25	31	6
Interfund revenues	—	—	1	1	—	—	—	—
Total revenues	<u>4,177</u>	<u>4,177</u>	<u>2,195</u>	<u>(1,982)</u>	<u>78</u>	<u>78</u>	<u>43</u>	<u>(35)</u>
Expenditures:								
Current:								
Health and human services	4,615	4,615	2,511	2,104	268	268	75	193
Operating contingency	428	428	—	428	228	228	—	228
Total current	<u>5,043</u>	<u>5,043</u>	<u>2,511</u>	<u>2,532</u>	<u>496</u>	<u>496</u>	<u>75</u>	<u>421</u>
Total expenditures	<u>5,043</u>	<u>5,043</u>	<u>2,511</u>	<u>2,532</u>	<u>496</u>	<u>496</u>	<u>75</u>	<u>421</u>
Revenues under expenditures	<u>(866)</u>	<u>(866)</u>	<u>(316)</u>	<u>550</u>	<u>(418)</u>	<u>(418)</u>	<u>(32)</u>	<u>386</u>
Other financing sources:								
Transfers in from other funds	261	261	261	—	—	—	—	—
Total other financing sources	<u>261</u>	<u>261</u>	<u>261</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	<u>(605)</u>	<u>(605)</u>	<u>(55)</u>	<u>550</u>	<u>(418)</u>	<u>(418)</u>	<u>(32)</u>	<u>386</u>
Fund balances July 1, 2011	<u>605</u>	<u>605</u>	<u>714</u>	<u>109</u>	<u>418</u>	<u>418</u>	<u>413</u>	<u>(5)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>659</u>	<u>659</u>	<u>—</u>	<u>—</u>	<u>381</u>	<u>381</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Building Services Fund				Child Abuse Multidisciplinary Intervention Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Licenses and permits	\$ 2,425	2,425	2,402	(23)	—	—	—	—
Intergovernmental revenues	44	44	43	(1)	—	—	—	—
Charges for services	1,791	1,791	2,079	288	—	—	—	—
Fines and forfeitures	3	3	5	2	—	—	—	—
Miscellaneous revenues	61	61	116	55	497	497	549	52
Interfund revenues	106	106	82	(24)	—	—	—	—
Total revenues	4,430	4,430	4,727	297	497	497	549	52
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	502	502	601	(99)
Land use, housing and transportation	5,237	5,237	4,386	851	—	—	—	—
Operating contingency	5,135	5,135	—	5,135	4	4	—	4
Total current	10,372	10,372	4,386	5,986	506	506	601	(95)
Total expenditures	10,372	10,372	4,386	5,986	506	506	601	(95)
Revenues over (under) expenditures	(5,942)	(5,942)	341	6,283	(9)	(9)	(52)	(43)
Other financing sources (uses):								
Transfers in from other funds	71	71	71	—	1	1	1	—
Transfers out to other funds	(206)	(206)	(206)	—	—	—	—	—
Total other financing sources (uses)	(135)	(135)	(135)	—	1	1	1	—
Net change in fund balances	(6,077)	(6,077)	206	6,283	(8)	(8)	(51)	(43)
Fund balances July 1, 2011	6,077	6,077	6,031	(46)	8	8	62	54
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>6,237</u>	<u>6,237</u>	<u>—</u>	<u>—</u>	<u>11</u>	<u>11</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Children and Youth Services Commission Fund</u>				<u>Community Corrections Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 3,487	3,487	2,836	(651)	5,607	5,724	5,810	86
Charges for services	150	150	81	(69)	861	861	857	(4)
Miscellaneous revenues	56	56	37	(19)	55	55	61	6
Interfund revenues	—	—	—	—	1,299	1,299	1,311	12
Total revenues	<u>3,693</u>	<u>3,693</u>	<u>2,954</u>	<u>(739)</u>	<u>7,822</u>	<u>7,939</u>	<u>8,039</u>	<u>100</u>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	11,296	11,413	10,448	965
Health and human services	3,932	3,932	3,174	758	—	—	—	—
Operating contingency	11	11	—	11	—	—	—	—
Total current	<u>3,943</u>	<u>3,943</u>	<u>3,174</u>	<u>769</u>	<u>11,296</u>	<u>11,413</u>	<u>10,448</u>	<u>965</u>
Total expenditures	<u>3,943</u>	<u>3,943</u>	<u>3,174</u>	<u>769</u>	<u>11,296</u>	<u>11,413</u>	<u>10,448</u>	<u>965</u>
Revenues under expenditures	(250)	(250)	(220)	30	(3,474)	(3,474)	(2,409)	1,065
Other financing sources:								
Transfers in from other funds	92	92	92	—	2,621	2,621	2,621	—
Total other financing sources	<u>92</u>	<u>92</u>	<u>92</u>	<u>—</u>	<u>2,621</u>	<u>2,621</u>	<u>2,621</u>	<u>—</u>
Net change in fund balances	<u>(158)</u>	<u>(158)</u>	<u>(128)</u>	<u>30</u>	<u>(853)</u>	<u>(853)</u>	<u>212</u>	<u>1,065</u>
Fund balances July 1, 2011	158	158	358	200	853	853	1,144	291
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>230</u>	<u>230</u>	<u>—</u>	<u>—</u>	<u>1,356</u>	<u>1,356</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Cooperative Library Services Fund</u>				<u>Court Security Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Taxes	\$ 7,851	7,851	7,885	34	—	—	—	—
Intergovernmental revenues	43	43	31	(12)	—	—	—	—
Charges for services	9	9	8	(1)	—	—	—	—
Fines and forfeitures	—	—	—	—	296	296	440	144
Miscellaneous revenues	67	67	77	10	6	6	—	(6)
Total revenues	<u>7,970</u>	<u>7,970</u>	<u>8,001</u>	<u>31</u>	<u>302</u>	<u>302</u>	<u>440</u>	<u>138</u>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	380	430	383	47
Culture, education and recreation	24,514	24,514	23,446	1,068	—	—	—	—
Operating contingency	3,142	3,142	—	3,142	104	54	—	54
Total current	<u>27,656</u>	<u>27,656</u>	<u>23,446</u>	<u>4,210</u>	<u>484</u>	<u>484</u>	<u>383</u>	<u>101</u>
Capital outlay	142	142	268	(126)	—	—	48	(48)
Total expenditures	<u>27,798</u>	<u>27,798</u>	<u>23,714</u>	<u>4,084</u>	<u>484</u>	<u>484</u>	<u>431</u>	<u>53</u>
Revenues under expenditures	<u>(19,828)</u>	<u>(19,828)</u>	<u>(15,713)</u>	<u>4,115</u>	<u>(182)</u>	<u>(182)</u>	<u>9</u>	<u>191</u>
Other financing sources (uses):								
Transfers in from other funds	15,702	15,702	15,702	—	—	—	—	—
Transfers out to other funds	(671)	(671)	(674)	(3)	—	—	—	—
Total other financing sources	<u>15,031</u>	<u>15,031</u>	<u>15,028</u>	<u>(3)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	<u>(4,797)</u>	<u>(4,797)</u>	<u>(685)</u>	<u>4,112</u>	<u>(182)</u>	<u>(182)</u>	<u>9</u>	<u>191</u>
Fund balances July 1, 2011	4,797	4,797	5,145	348	182	182	184	2
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>4,460</u>	<u>4,460</u>	<u>—</u>	<u>—</u>	<u>193</u>	<u>193</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Department of Housing Services Fund</u>				<u>Development Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 2,613	2,613	2,244	(369)	195	195	177	(18)
Charges for services	—	—	—	—	1,422	1,422	1,303	(119)
Fines and forfeitures	—	—	—	—	25	25	60	35
Miscellaneous revenues	3,909	3,909	3,560	(349)	6	6	75	69
Interfund revenues	—	—	—	—	242	242	114	(128)
Total revenues	<u>6,522</u>	<u>6,522</u>	<u>5,804</u>	<u>(718)</u>	<u>1,890</u>	<u>1,890</u>	<u>1,729</u>	<u>(161)</u>
Expenditures:								
Current:								
Land use, housing and transportation	6,957	6,957	6,330	627	2,596	2,596	2,187	409
Operating contingency	37	37	—	37	747	747	—	747
Total current	<u>6,994</u>	<u>6,994</u>	<u>6,330</u>	<u>664</u>	<u>3,343</u>	<u>3,343</u>	<u>2,187</u>	<u>1,156</u>
Total expenditures	<u>6,994</u>	<u>6,994</u>	<u>6,330</u>	<u>664</u>	<u>3,343</u>	<u>3,343</u>	<u>2,187</u>	<u>1,156</u>
Revenues over (under) expenditures	<u>(472)</u>	<u>(472)</u>	<u>(526)</u>	<u>(54)</u>	<u>(1,453)</u>	<u>(1,453)</u>	<u>(458)</u>	<u>995</u>
Other financing sources (uses):								
Transfers in from other funds	391	391	529	138	958	958	1,028	70
Transfers out to other funds	—	—	(19)	(19)	(105)	(105)	(105)	—
Total other financing sources	<u>391</u>	<u>391</u>	<u>510</u>	<u>119</u>	<u>853</u>	<u>853</u>	<u>923</u>	<u>70</u>
Net change in fund balances	<u>(81)</u>	<u>(81)</u>	<u>(16)</u>	<u>65</u>	<u>(600)</u>	<u>(600)</u>	<u>465</u>	<u>1,065</u>
Fund balances July 1, 2011	<u>81</u>	<u>81</u>	<u>89</u>	<u>8</u>	<u>600</u>	<u>600</u>	<u>592</u>	<u>(8)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>73</u>	<u>73</u>	<u>—</u>	<u>—</u>	<u>1,057</u>	<u>1,057</u>

* All appropriations of this fund are made under a single organization unit. Accordingly, negative variances on individual line items do not represent overexpenditures.

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>District Patrol Fund</u>				<u>Emergency Medical Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Licenses and permits	\$ —	—	—	—	460	460	457	(3)
Charges for services	21	21	21	—	5	5	10	5
Miscellaneous revenues	19,545	19,545	18,513	(1,032)	12	12	21	9
Interfund revenues	—	—	—	—	2	2	2	—
Total revenues	<u>19,566</u>	<u>19,566</u>	<u>18,534</u>	<u>(1,032)</u>	<u>479</u>	<u>479</u>	<u>490</u>	<u>11</u>
Expenditures:								
Current:								
Public safety and justice	19,198	19,198	18,374	824	—	—	—	—
Health and human services	—	—	—	—	762	762	529	233
Operating contingency	140	140	—	140	1,209	1,209	—	1,209
Total current	<u>19,338</u>	<u>19,338</u>	<u>18,374</u>	<u>964</u>	<u>1,971</u>	<u>1,971</u>	<u>529</u>	<u>1,442</u>
Capital outlay	<u>389</u>	<u>389</u>	<u>314</u>	<u>75</u>	<u>140</u>	<u>140</u>	<u>147</u>	<u>(7)</u>
Total expenditures	<u>19,727</u>	<u>19,727</u>	<u>18,688</u>	<u>1,039</u>	<u>2,111</u>	<u>2,111</u>	<u>676</u>	<u>1,435</u>
Revenues under expenditures	<u>(161)</u>	<u>(161)</u>	<u>(154)</u>	<u>7</u>	<u>(1,632)</u>	<u>(1,632)</u>	<u>(186)</u>	<u>1,446</u>
Other financing sources:								
Transfers in from other funds	<u>154</u>	<u>154</u>	<u>154</u>	<u>—</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>—</u>
Total other financing sources	<u>154</u>	<u>154</u>	<u>154</u>	<u>—</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>—</u>
Net change in fund balances	<u>(7)</u>	<u>(7)</u>	<u>—</u>	<u>7</u>	<u>(1,629)</u>	<u>(1,629)</u>	<u>(183)</u>	<u>1,446</u>
Fund balances July 1, 2011	<u>7</u>	<u>7</u>	<u>—</u>	<u>(7)</u>	<u>1,629</u>	<u>1,629</u>	<u>1,654</u>	<u>25</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,471</u>	<u>1,471</u>

* All appropriations of this fund are made under a single organization unit. Accordingly, negative variances on individual line items do not represent overexpenditures.

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Enhanced Sheriff Patrol District Fund (Component Unit)				Human Services HB-2145 Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 18,604	18,604	18,766	162	—	—	—	—
Miscellaneous revenues	60	60	128	68	—	—	—	—
Total revenues	<u>18,664</u>	<u>18,664</u>	<u>18,894</u>	<u>230</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Expenditures:								
Current:								
Public safety and justice	19,549	19,549	18,499	1,050	—	—	—	—
Operating contingency	12,662	12,662	—	12,662	49	49	—	49
Total current	<u>32,211</u>	<u>32,211</u>	<u>18,499</u>	<u>13,712</u>	<u>49</u>	<u>49</u>	<u>—</u>	<u>49</u>
Total expenditures	<u>32,211</u>	<u>32,211</u>	<u>18,499</u>	<u>13,712</u>	<u>49</u>	<u>49</u>	<u>—</u>	<u>49</u>
Revenues over (under) expenditures	<u>(13,547)</u>	<u>(13,547)</u>	<u>395</u>	<u>13,942</u>	<u>(49)</u>	<u>(49)</u>	<u>—</u>	<u>49</u>
Other financing uses:								
Transfers out to other funds	—	—	—	—	(400)	(400)	(1)	399
Total other financing uses	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(400)</u>	<u>(400)</u>	<u>(1)</u>	<u>399</u>
Net change in fund balances	<u>(13,547)</u>	<u>(13,547)</u>	<u>395</u>	<u>13,942</u>	<u>(449)</u>	<u>(449)</u>	<u>(1)</u>	<u>448</u>
Fund balances July 1, 2011	<u>13,547</u>	<u>13,547</u>	<u>14,077</u>	<u>530</u>	<u>449</u>	<u>449</u>	<u>736</u>	<u>287</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>14,472</u>	<u>14,472</u>	<u>—</u>	<u>—</u>	<u>735</u>	<u>735</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Human Services OHP Fund				Indirect Cost Reimbursement Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)*	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	59	59	59	—
Charges for services	19,034	19,034	17,500	(1,534)	—	—	—	—
Miscellaneous revenues	60	60	92	32	—	—	—	—
Interfund revenues	—	—	—	—	13,191	13,191	13,182	(9)
Total revenues	19,094	19,094	17,592	(1,502)	13,250	13,250	13,241	(9)
Expenditures:								
Current:								
Health and human services	19,075	19,075	16,363	2,712	—	—	—	—
Nonoperating	—	—	—	—	1,828	1,828	1,828	—
Operating contingency	5,764	5,764	—	5,764	—	—	—	—
Total current	24,839	24,839	16,363	8,476	1,828	1,828	1,828	—
Total expenditures	24,839	24,839	16,363	8,476	1,828	1,828	1,828	—
Revenues over (under) expenditures	(5,745)	(5,745)	1,229	6,974	11,422	11,422	11,413	(9)
Other financing sources (uses):								
Transfers in from other funds	14	14	44	30	—	—	—	—
Transfers out to other funds	(50)	(50)	(1,512)	(1,462)	(11,422)	(11,422)	(11,413)	9
Total other financing uses	(36)	(36)	(1,468)	(1,432)	(11,422)	(11,422)	(11,413)	9
Net change in fund balances	(5,781)	(5,781)	(239)	5,542	—	—	—	—
Fund balances July 1, 2011	5,781	5,781	10,477	4,696	—	—	—	—
Fund balances June 30, 2012	\$ —	—	10,238	10,238	—	—	—	—

* All appropriations of this fund are made under a single organization unit. Accordingly, negative variances on individual line items do not represent overexpenditures.

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>ITS Systems Replacement Fund</u>				<u>Jail Commissary Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Miscellaneous revenues	\$ —	—	—	—	102	102	106	4
Total revenues	—	—	—	—	102	102	106	4
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	134	134	104	30
Operating contingency	—	—	—	—	296	296	—	296
Total current	—	—	—	—	430	430	104	326
Total expenditures	—	—	—	—	430	430	104	326
Revenues over (under) expenditures	—	—	—	—	(328)	(328)	2	330
Other financing uses:								
Transfers out to other funds	(543)	(543)	(426)	117	—	—	—	—
Total other financing uses	(543)	(543)	(426)	117	—	—	—	—
Net change in fund balances	(543)	(543)	(426)	117	(328)	(328)	2	330
Fund balances July 1, 2011	543	543	426	(117)	328	328	363	35
Fund balances June 30, 2012	\$ —	—	—	—	—	—	365	365

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Juvenile Conciliation Services Fund				Juvenile Grants Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Licenses and permits	\$ 33	33	32	(1)	—	—	—	—
Intergovernmental revenues	—	—	—	—	968	968	705	(263)
Charges for services	510	510	527	17	—	—	—	—
Miscellaneous revenues	1	1	1	—	13	13	8	(5)
Total revenues	<u>544</u>	<u>544</u>	<u>560</u>	<u>16</u>	<u>981</u>	<u>981</u>	<u>713</u>	<u>(268)</u>
Expenditures:								
Current:								
Public safety and justice	601	601	541	60	1,123	1,123	744	379
Total current	<u>601</u>	<u>601</u>	<u>541</u>	<u>60</u>	<u>1,123</u>	<u>1,123</u>	<u>744</u>	<u>379</u>
Total expenditures	<u>601</u>	<u>601</u>	<u>541</u>	<u>60</u>	<u>1,123</u>	<u>1,123</u>	<u>744</u>	<u>379</u>
Revenues over (under) expenditures	<u>(57)</u>	<u>(57)</u>	<u>19</u>	<u>76</u>	<u>(142)</u>	<u>(142)</u>	<u>(31)</u>	<u>111</u>
Other financing sources:								
Transfers in from other funds	4	4	4	—	8	8	8	—
Total other financing sources	<u>4</u>	<u>4</u>	<u>4</u>	<u>—</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>—</u>
Net change in fund balances	<u>(53)</u>	<u>(53)</u>	<u>23</u>	<u>76</u>	<u>(134)</u>	<u>(134)</u>	<u>(23)</u>	<u>111</u>
Fund balances July 1, 2011	<u>53</u>	<u>53</u>	<u>46</u>	<u>(7)</u>	<u>134</u>	<u>134</u>	<u>110</u>	<u>(24)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>69</u>	<u>69</u>	<u>—</u>	<u>—</u>	<u>87</u>	<u>87</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Juvenile High Risk Prevention Fund</u>				<u>Law Library Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 1,835	1,899	1,747	(152)	—	—	—	—
Charges for services	—	—	—	—	502	502	409	(93)
Miscellaneous revenues	30	30	21	(9)	6	6	10	4
Total revenues	<u>1,865</u>	<u>1,929</u>	<u>1,768</u>	<u>(161)</u>	<u>508</u>	<u>508</u>	<u>419</u>	<u>(89)</u>
Expenditures:								
Current:								
Public safety and justice	2,124	2,188	1,986	202	526	526	405	121
Operating contingency	—	—	—	—	872	872	—	872
Total current	<u>2,124</u>	<u>2,188</u>	<u>1,986</u>	<u>202</u>	<u>1,398</u>	<u>1,398</u>	<u>405</u>	<u>993</u>
Total expenditures	<u>2,124</u>	<u>2,188</u>	<u>1,986</u>	<u>202</u>	<u>1,398</u>	<u>1,398</u>	<u>405</u>	<u>993</u>
Revenues under expenditures	<u>(259)</u>	<u>(259)</u>	<u>(218)</u>	<u>41</u>	<u>(890)</u>	<u>(890)</u>	<u>14</u>	<u>904</u>
Other financing sources (uses):								
Transfers in from other funds	8	8	8	—	3	3	3	—
Transfers out to other funds	—	—	—	—	(18)	(18)	(18)	—
Total other financing sources (uses)	<u>8</u>	<u>8</u>	<u>8</u>	<u>—</u>	<u>(15)</u>	<u>(15)</u>	<u>(15)</u>	<u>—</u>
Net change in fund balances	<u>(251)</u>	<u>(251)</u>	<u>(210)</u>	<u>41</u>	<u>(905)</u>	<u>(905)</u>	<u>(1)</u>	<u>904</u>
Fund balances July 1, 2011	<u>251</u>	<u>251</u>	<u>188</u>	<u>(63)</u>	<u>905</u>	<u>905</u>	<u>1,214</u>	<u>309</u>
Fund balance (deficit) June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>(22)</u>	<u>(22)</u>	<u>—</u>	<u>—</u>	<u>1,213</u>	<u>1,213</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Local Option Levy Fund				Lottery Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 19,397	19,397	19,481	84	—	—	—	—
Intergovernmental revenues	357	357	341	(16)	—	2,500	2,394	(106)
Charges for services	52	52	108	56	—	—	—	—
Miscellaneous revenues	63	63	112	49	—	—	—	—
Interfund revenues	25	25	24	(1)	—	—	—	—
Total revenues	19,894	19,894	20,066	172	—	2,500	2,394	(106)
Expenditures:								
Current:								
Public safety and justice								
County administration	834	837	774	63	—	—	—	—
Sheriff's office administration	890	890	856	34	—	—	—	—
Law enforcement services	8,562	8,562	8,312	250	—	—	—	—
Sheriff's Office - Jail	1,985	1,985	1,961	24	—	—	—	—
District Attorney	2,227	2,227	2,163	64	—	—	—	—
Community corrections	1,041	1,041	955	86	—	—	—	—
Juvenile services	3,406	3,406	3,224	182	—	—	—	—
Operating contingency	8,668	8,665	—	8,665	—	—	—	—
Total current	27,613	27,613	18,245	9,368	—	—	—	—
Capital outlay	74	74	26	48	—	—	—	—
Total expenditures	27,687	27,687	18,271	9,416	—	—	—	—
Revenues over (under) expenditures	(7,793)	(7,793)	1,795	9,588	—	2,500	2,394	(106)
Other financing sources (uses):								
Transfers in from other funds	156	156	148	(8)	—	—	—	—
Transfers out to other funds	—	—	—	—	—	(2,500)	(2,394)	106
Total other financing sources (uses)	156	156	148	(8)	—	(2,500)	(2,394)	106
Net change in fund balances	(7,637)	(7,637)	1,943	9,580	—	—	—	—
Fund balances July 1, 2011	7,637	7,637	7,558	(79)	—	—	—	—
Fund balances June 30, 2012	\$ —	—	9,501	9,501	—	—	—	—

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Maintenance Improvement District Fund				Metzger Park LID Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Special assessments	\$ 18	18	18	—	87	87	88	1
Miscellaneous revenues	2	2	1	(1)	27	27	26	(1)
Total revenues	20	20	19	(1)	114	114	114	—
Expenditures:								
Current:								
Land use, housing and transportation	203	203	21	182	—	—	—	—
Culture, education and recreation	—	—	—	—	151	151	117	34
Operating contingency	63	63	—	63	12	12	—	12
Total current	266	266	21	245	163	163	117	46
Total expenditures	266	266	21	245	163	163	117	46
Revenues over (under) expenditures	(246)	(246)	(2)	244	(49)	(49)	(3)	46
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	1	1	1	—
Transfers out to other funds	(1)	(1)	(1)	—	—	—	—	—
Total other financing sources (uses)	(1)	(1)	(1)	—	1	1	1	—
Net change in fund balances	(247)	(247)	(3)	244	(48)	(48)	(2)	46
Fund balances July 1, 2011	247	247	258	11	48	48	55	7
Fund balances June 30, 2012	\$ —	—	255	255	—	—	53	53

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	North Bethany County Service District Fund (Component Unit)				Office of Community Development Block Grant Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 32	32	48	16	—	—	—	—
Intergovernmental revenues	—	—	—	—	4,547	4,547	3,137	(1,410)
Miscellaneous revenues	—	—	—	—	68	68	140	72
Total revenues	<u>32</u>	<u>32</u>	<u>48</u>	<u>16</u>	<u>4,615</u>	<u>4,615</u>	<u>3,277</u>	<u>(1,338)</u>
Expenditures:								
Current:								
Land use, housing and transportation	1,833	1,833	3	1,830	4,616	4,615	3,257	1,358
Operating contingency	—	—	—	—	9	9	—	9
Total current	<u>1,833</u>	<u>1,833</u>	<u>3</u>	<u>1,830</u>	<u>4,625</u>	<u>4,624</u>	<u>3,257</u>	<u>1,367</u>
Capital outlay	500	500	—	500	—	—	—	—
Total expenditures	<u>2,333</u>	<u>2,333</u>	<u>3</u>	<u>2,330</u>	<u>4,625</u>	<u>4,624</u>	<u>3,257</u>	<u>1,367</u>
Revenues over (under) expenditures	<u>(2,301)</u>	<u>(2,301)</u>	<u>45</u>	<u>2,346</u>	<u>(10)</u>	<u>(9)</u>	<u>20</u>	<u>29</u>
Other financing sources:								
Transfers in from other funds	2,300	2,300	—	(2,300)	10	26	16	(10)
Total other financing sources	<u>2,300</u>	<u>2,300</u>	<u>—</u>	<u>(2,300)</u>	<u>10</u>	<u>26</u>	<u>16</u>	<u>(10)</u>
Net change in fund balances	(1)	(1)	45	46	—	17	36	19
Fund balance (deficit) July 1, 2011	1	1	—	(1)	—	(17)	(36)	(19)
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>45</u>	<u>45</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Senate Bill 1145 Fund</u>				<u>Sheriff's Office Contract Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 3,087	3,087	2,967	(120)	—	—	—	—
Charges for services	—	—	—	—	612	612	456	(156)
Miscellaneous revenues	—	—	—	—	109	109	88	(21)
Interfund revenues	36	36	36	—	40	40	23	(17)
Total revenues	<u>3,123</u>	<u>3,123</u>	<u>3,003</u>	<u>(120)</u>	<u>761</u>	<u>761</u>	<u>567</u>	<u>(194)</u>
Expenditures:								
Current:								
Public safety and justice	3,202	3,202	3,083	119	768	768	560	208
Total current	<u>3,202</u>	<u>3,202</u>	<u>3,083</u>	<u>119</u>	<u>768</u>	<u>768</u>	<u>560</u>	<u>208</u>
Total expenditures	<u>3,202</u>	<u>3,202</u>	<u>3,083</u>	<u>119</u>	<u>768</u>	<u>768</u>	<u>560</u>	<u>208</u>
Revenues over (under) expenditures	<u>(79)</u>	<u>(79)</u>	<u>(80)</u>	<u>(1)</u>	<u>(7)</u>	<u>(7)</u>	<u>7</u>	<u>14</u>
Other financing sources:								
Transfers in from other funds	—	—	—	—	6	6	6	—
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>—</u>
Net change in fund balances	<u>(79)</u>	<u>(79)</u>	<u>(80)</u>	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>13</u>	<u>14</u>
Fund balance (deficit) July 1, 2011	<u>79</u>	<u>79</u>	<u>80</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>(13)</u>	<u>(14)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Sheriff's Office Forfeitures Fund</u>				<u>Sheriff's Office Grants & Donations Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	1,641	1,784	1,559	(225)
Miscellaneous revenues	410	410	415	5	10	10	—	(10)
Total revenues	<u>410</u>	<u>410</u>	<u>415</u>	<u>5</u>	<u>1,651</u>	<u>1,794</u>	<u>1,559</u>	<u>(235)</u>
Expenditures:								
Current:								
Public safety and justice	890	890	274	616	1,653	1,653	1,103	550
Operating contingency	200	200	—	200	—	—	—	—
Total current	<u>1,090</u>	<u>1,090</u>	<u>274</u>	<u>816</u>	<u>1,653</u>	<u>1,653</u>	<u>1,103</u>	<u>550</u>
Capital outlay	—	—	—	—	—	143	429	(286)
Total expenditures	<u>1,090</u>	<u>1,090</u>	<u>274</u>	<u>816</u>	<u>1,653</u>	<u>1,796</u>	<u>1,532</u>	<u>264</u>
Revenues over (under) expenditures	<u>(680)</u>	<u>(680)</u>	<u>141</u>	<u>821</u>	<u>(2)</u>	<u>(2)</u>	<u>27</u>	<u>29</u>
Other financing sources:								
Transfers in from other funds	—	—	—	—	2	2	2	—
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>—</u>
Net change in fund balance (deficit)	<u>(680)</u>	<u>(680)</u>	<u>141</u>	<u>821</u>	<u>—</u>	<u>—</u>	<u>29</u>	<u>29</u>
Fund balance (deficit) July 1, 2011	<u>680</u>	<u>680</u>	<u>1,037</u>	<u>357</u>	<u>—</u>	<u>—</u>	<u>(38)</u>	<u>(38)</u>
Fund balance (deficit) June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>1,178</u>	<u>1,178</u>	<u>—</u>	<u>—</u>	<u>(9)</u>	<u>(9)</u>

* All appropriations of this fund are made under a single organization unit. Accordingly, negative variances on individual line items do not represent overexpenditures.

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Strategic Investment Program Fund</u>				<u>1999 Strategic Investment Program Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ —	3,000	—	(3,000)	—	—	—	—
Charges for services	11,950	11,950	11,531	(419)	—	—	—	—
Total revenues	<u>11,950</u>	<u>14,950</u>	<u>11,531</u>	<u>(3,419)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Expenditures:								
Current:								
Nonoperating	4,092	6,966	3,898	3,068	—	—	—	—
Total current	<u>4,092</u>	<u>6,966</u>	<u>3,898</u>	<u>3,068</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>4,092</u>	<u>6,966</u>	<u>3,898</u>	<u>3,068</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Revenues over (under) expenditures	<u>7,858</u>	<u>7,984</u>	<u>7,633</u>	<u>(351)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Other financing uses:								
Transfers out to other funds	(7,859)	(7,985)	(7,614)	371	—	(8)	(8)	—
Total other financing uses	<u>(7,859)</u>	<u>(7,985)</u>	<u>(7,614)</u>	<u>371</u>	<u>—</u>	<u>(8)</u>	<u>(8)</u>	<u>—</u>
Net change in fund balances	(1)	(1)	19	20	—	(8)	(8)	—
Fund balances July 1, 2011	<u>1</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>—</u>	<u>8</u>	<u>8</u>	<u>—</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>21</u>	<u>21</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Survey Fund				Surveyor-Public Land Corner Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ 193	193	310	117	500	500	472	(28)
Miscellaneous revenues	7	7	6	(1)	16	16	36	20
Interfund revenues	64	64	82	18	4	4	14	10
Total revenues	<u>264</u>	<u>264</u>	<u>398</u>	<u>134</u>	<u>520</u>	<u>520</u>	<u>522</u>	<u>2</u>
Expenditures:								
Current:								
Land use, housing and transportation	458	458	457	1	868	868	846	22
Operating contingency	284	284	—	284	1,493	1,493	—	1,493
Total current	<u>742</u>	<u>742</u>	<u>457</u>	<u>285</u>	<u>2,361</u>	<u>2,361</u>	<u>846</u>	<u>1,515</u>
Total expenditures	<u>742</u>	<u>742</u>	<u>457</u>	<u>285</u>	<u>2,361</u>	<u>2,361</u>	<u>846</u>	<u>1,515</u>
Revenues over (under) expenditures	<u>(478)</u>	<u>(478)</u>	<u>(59)</u>	<u>419</u>	<u>(1,841)</u>	<u>(1,841)</u>	<u>(324)</u>	<u>1,517</u>
Other financing sources (uses):								
Transfers in from other funds	77	77	77	—	8	8	8	—
Transfers out to other funds	(15)	(15)	(15)	—	(29)	(29)	(29)	—
Total other financing sources (uses)	<u>62</u>	<u>62</u>	<u>62</u>	<u>—</u>	<u>(21)</u>	<u>(21)</u>	<u>(21)</u>	<u>—</u>
Net change in fund balances	<u>(416)</u>	<u>(416)</u>	<u>3</u>	<u>419</u>	<u>(1,862)</u>	<u>(1,862)</u>	<u>(345)</u>	<u>1,517</u>
Fund balances July 1, 2011	<u>416</u>	<u>416</u>	<u>527</u>	<u>111</u>	<u>1,862</u>	<u>1,862</u>	<u>1,841</u>	<u>(21)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>530</u>	<u>530</u>	<u>—</u>	<u>—</u>	<u>1,496</u>	<u>1,496</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Tourism Dedicated Lodging Tax Fund				Urban Road Maintenance Service District Fund (Component Unit)			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 2,063	2,063	2,517	454	3,645	3,645	3,693	48
Miscellaneous revenues	13	13	12	(1)	38	38	160	122
Interfund revenues	—	—	—	—	—	—	15	15
Total revenues	<u>2,076</u>	<u>2,076</u>	<u>2,529</u>	<u>453</u>	<u>3,683</u>	<u>3,683</u>	<u>3,868</u>	<u>185</u>
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	2,372	2,372	2,187	185
Culture, education and recreation	3,359	3,359	2,529	830	—	—	—	—
Operating contingency	—	—	—	—	5,182	5,182	—	5,182
Total current	<u>3,359</u>	<u>3,359</u>	<u>2,529</u>	<u>830</u>	<u>7,554</u>	<u>7,554</u>	<u>2,187</u>	<u>5,367</u>
Total expenditures	<u>3,359</u>	<u>3,359</u>	<u>2,529</u>	<u>830</u>	<u>7,554</u>	<u>7,554</u>	<u>2,187</u>	<u>5,367</u>
Revenues under expenditures	<u>(1,283)</u>	<u>(1,283)</u>	<u>—</u>	<u>1,283</u>	<u>(3,871)</u>	<u>(3,871)</u>	<u>1,681</u>	<u>5,552</u>
Other financing uses:								
Transfers out to other funds	—	—	—	—	(14)	(14)	(14)	—
Total other financing uses	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(14)</u>	<u>(14)</u>	<u>(14)</u>	<u>—</u>
Net change in fund balances	<u>(1,283)</u>	<u>(1,283)</u>	<u>—</u>	<u>1,283</u>	<u>(3,885)</u>	<u>(3,885)</u>	<u>1,667</u>	<u>5,552</u>
Fund balances July 1, 2011	<u>1,283</u>	<u>1,283</u>	<u>1,284</u>	<u>1</u>	<u>3,885</u>	<u>3,885</u>	<u>4,686</u>	<u>801</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>1,284</u>	<u>1,284</u>	<u>—</u>	<u>—</u>	<u>6,353</u>	<u>6,353</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Washington County Fair Fund</u>				<u>West Slope Library Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Taxes	\$ 680	680	842	162	—	—	—	—
Intergovernmental revenues	36	36	50	14	3	3	2	(1)
Charges for services	601	601	582	(19)	—	—	—	—
Miscellaneous revenues	423	423	434	11	26	41	45	4
Total revenues	<u>1,740</u>	<u>1,740</u>	<u>1,908</u>	<u>168</u>	<u>29</u>	<u>44</u>	<u>47</u>	<u>3</u>
Expenditures:								
Current:								
Culture, education and recreation	1,707	1,777	1,789	(12)	757	772	672	100
Operating contingency	401	331	—	331	270	270	—	270
Total current	<u>2,108</u>	<u>2,108</u>	<u>1,789</u>	<u>319</u>	<u>1,027</u>	<u>1,042</u>	<u>672</u>	<u>370</u>
Capital outlay	<u>68</u>	<u>68</u>	<u>75</u>	<u>(7)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Debt service:								
Principal	—	—	2	(2)	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>2</u>	<u>(2)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>2,176</u>	<u>2,176</u>	<u>1,866</u>	<u>310</u>	<u>1,027</u>	<u>1,042</u>	<u>672</u>	<u>370</u>
Revenues over (under) expenditures	<u>(436)</u>	<u>(436)</u>	<u>42</u>	<u>478</u>	<u>(998)</u>	<u>(998)</u>	<u>(625)</u>	<u>373</u>
Other financing sources (uses):								
Transfers in from other funds	7	7	7	—	678	678	681	3
Transfers out to other funds	(51)	(51)	(51)	—	—	—	—	—
Total other financing sources (uses)	<u>(44)</u>	<u>(44)</u>	<u>(44)</u>	<u>—</u>	<u>678</u>	<u>678</u>	<u>681</u>	<u>3</u>
Net change in fund balances	<u>(480)</u>	<u>(480)</u>	<u>(2)</u>	<u>478</u>	<u>(320)</u>	<u>(320)</u>	<u>56</u>	<u>376</u>
Fund balances July 1, 2011	<u>480</u>	<u>480</u>	<u>622</u>	<u>142</u>	<u>320</u>	<u>320</u>	<u>362</u>	<u>42</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>620</u>	<u>620</u>	<u>—</u>	<u>—</u>	<u>418</u>	<u>418</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Debt Service Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Criminal Justice Bond Fund				Miscellaneous Debt Service Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 6,336	6,336	6,319	(17)	—	—	—	—
Miscellaneous revenues	4	4	3	(1)	—	—	—	—
Total revenues	6,340	6,340	6,322	(18)	—	—	—	—
Expenditures:								
Current:								
Nonoperating	—	—	—	—	3	3	2	1
Total current	—	—	—	—	3	3	2	1
Debt service:								
Principal	5,705	5,705	5,705	—	3,652	3,652	3,652	—
Interest	637	637	637	—	3,548	3,548	3,548	—
Total debt service	6,342	6,342	6,342	—	7,200	7,200	7,200	—
Total expenditures	6,342	6,342	6,342	—	7,203	7,203	7,202	1
Revenues under expenditures	(2)	(2)	(20)	(18)	(7,203)	(7,203)	(7,202)	1
Other financing sources:								
Transfers in from other funds	—	—	—	—	7,203	7,218	7,218	—
Total other financing sources	—	—	—	—	7,203	7,218	7,218	—
Net change in fund balance	(2)	(2)	(20)	(18)	—	15	16	1
Fund balance (deficit) July 1, 2011	2	2	79	77	—	(15)	(12)	3
Fund balances June 30, 2012	\$ —	—	59	59	—	—	4	4

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Building Equipment Replacement Fund</u>				<u>Countywide Traffic Impact Fee Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Charges for services	\$ —	—	—	—	110	110	29	(81)
Special assessments	—	—	—	—	—	—	8	8
Miscellaneous revenues	22	22	12	(10)	120	120	85	(35)
Total revenues	<u>22</u>	<u>22</u>	<u>12</u>	<u>(10)</u>	<u>230</u>	<u>230</u>	<u>122</u>	<u>(108)</u>
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	13,346	13,346	4,714	8,632
Operating contingency	814	814	—	814	—	—	—	—
Total current	<u>814</u>	<u>814</u>	<u>—</u>	<u>814</u>	<u>13,346</u>	<u>13,346</u>	<u>4,714</u>	<u>8,632</u>
Capital outlay	852	852	447	405	847	847	622	225
Total expenditures	<u>1,666</u>	<u>1,666</u>	<u>447</u>	<u>1,219</u>	<u>14,193</u>	<u>14,193</u>	<u>5,336</u>	<u>8,857</u>
Revenues over (under) expenditures	<u>(1,644)</u>	<u>(1,644)</u>	<u>(435)</u>	<u>1,209</u>	<u>(13,963)</u>	<u>(13,963)</u>	<u>(5,214)</u>	<u>8,749</u>
Other financing sources(uses):								
Transfers in from other funds	324	324	324	—	4,000	—	970	970
Transfers out to other funds	—	—	—	—	(11)	(11)	(11)	—
Total other financing sources (uses)	<u>324</u>	<u>324</u>	<u>324</u>	<u>—</u>	<u>3,989</u>	<u>(11)</u>	<u>959</u>	<u>970</u>
Net change in fund balances	<u>(1,320)</u>	<u>(1,320)</u>	<u>(111)</u>	<u>1,209</u>	<u>(9,974)</u>	<u>(13,974)</u>	<u>(4,255)</u>	<u>9,719</u>
Fund balances July 1, 2011	<u>1,320</u>	<u>1,320</u>	<u>1,673</u>	<u>353</u>	<u>9,974</u>	<u>13,974</u>	<u>12,590</u>	<u>(1,384)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>1,562</u>	<u>1,562</u>	<u>—</u>	<u>—</u>	<u>8,335</u>	<u>8,335</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Facilities General Capital Projects Fund				Facilities Park (THPRD) SDC Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 1,614	1,614	1,614	—	—	—	—	—
Charges for services	—	—	—	—	10	10	5	(5)
Miscellaneous revenues	12	12	8	(4)	2	2	2	—
Interfund revenues	166	166	198	32	—	—	—	—
Total revenues	<u>1,792</u>	<u>1,792</u>	<u>1,820</u>	<u>28</u>	<u>12</u>	<u>12</u>	<u>7</u>	<u>(5)</u>
Expenditures:								
Current:								
Nonoperating	12	12	8	4	176	176	—	176
Total current	<u>12</u>	<u>12</u>	<u>8</u>	<u>4</u>	<u>176</u>	<u>176</u>	<u>—</u>	<u>176</u>
Capital outlay	2,040	2,040	1,562	478	—	—	—	—
Total expenditures	<u>2,052</u>	<u>2,052</u>	<u>1,570</u>	<u>482</u>	<u>176</u>	<u>176</u>	<u>—</u>	<u>176</u>
Revenues over (under) expenditures	<u>(260)</u>	<u>(260)</u>	<u>250</u>	<u>510</u>	<u>(164)</u>	<u>(164)</u>	<u>7</u>	<u>171</u>
Other financing sources:								
Transfers in from other funds	160	160	124	(36)	—	—	—	—
Total other financing sources	<u>160</u>	<u>160</u>	<u>124</u>	<u>(36)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	<u>(100)</u>	<u>(100)</u>	<u>374</u>	<u>474</u>	<u>(164)</u>	<u>(164)</u>	<u>7</u>	<u>171</u>
Fund balances July 1, 2011	100	100	5	(95)	164	164	167	3
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>379</u>	<u>379</u>	<u>—</u>	<u>—</u>	<u>174</u>	<u>174</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>ITS Capital Projects Fund</u>				<u>Major Streets Capital Projects Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	1,785	1,785	1,966	181
Charges for services	5	5	9	4	—	—	—	—
Miscellaneous revenues	—	—	2	2	35	35	36	1
Interfund revenues	826	826	507	(319)	—	—	—	—
Total revenues	<u>831</u>	<u>831</u>	<u>518</u>	<u>(313)</u>	<u>1,820</u>	<u>1,820</u>	<u>2,002</u>	<u>182</u>
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	7,879	7,879	2,824	5,055
Total current	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,879</u>	<u>7,879</u>	<u>2,824</u>	<u>5,055</u>
Capital outlay	5,006	5,006	1,527	3,479	1,035	1,035	89	946
Total expenditures	<u>5,006</u>	<u>5,006</u>	<u>1,527</u>	<u>3,479</u>	<u>8,914</u>	<u>8,914</u>	<u>2,913</u>	<u>6,001</u>
Revenues over (under) expenditures	<u>(4,175)</u>	<u>(4,175)</u>	<u>(1,009)</u>	<u>3,166</u>	<u>(7,094)</u>	<u>(7,094)</u>	<u>(911)</u>	<u>6,183</u>
Other financing sources (uses):								
Transfers in from other funds	3,803	3,803	765	(3,038)	3,200	3,200	2,281	(919)
Transfers out to other funds	—	—	—	—	(257)	(257)	(357)	(100)
Total other financing sources (uses)	<u>3,803</u>	<u>3,803</u>	<u>765</u>	<u>(3,038)</u>	<u>2,943</u>	<u>2,943</u>	<u>1,924</u>	<u>(1,019)</u>
Net change in fund balances	<u>(372)</u>	<u>(372)</u>	<u>(244)</u>	<u>128</u>	<u>(4,151)</u>	<u>(4,151)</u>	<u>1,013</u>	<u>5,164</u>
Fund balances July 1, 2011	<u>372</u>	<u>372</u>	<u>266</u>	<u>(106)</u>	<u>4,151</u>	<u>4,151</u>	<u>3,774</u>	<u>(377)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>22</u>	<u>22</u>	<u>—</u>	<u>—</u>	<u>4,787</u>	<u>4,787</u>

* All appropriations of this fund are made under a single organization unit. Accordingly, negative variances on individual line items do not represent overexpenditures.

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	North Bethany SDC Fund				OTIA Capital Projects Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	—	—	471	471
Charges for services	250	250	—	(250)	—	—	—	—
Miscellaneous revenues	2	2	—	(2)	1	1	4	3
Total revenues	<u>252</u>	<u>252</u>	<u>—</u>	<u>(252)</u>	<u>1</u>	<u>1</u>	<u>475</u>	<u>474</u>
Expenditures:								
Current:								
Land use, housing and transportation	252	252	—	252	1,010	1,010	295	715
Total current	<u>252</u>	<u>252</u>	<u>—</u>	<u>252</u>	<u>1,010</u>	<u>1,010</u>	<u>295</u>	<u>715</u>
Capital outlay	—	—	—	—	100	100	—	100
Total expenditures	<u>252</u>	<u>252</u>	<u>—</u>	<u>252</u>	<u>1,110</u>	<u>1,110</u>	<u>295</u>	<u>815</u>
Revenues over (under) expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,109)</u>	<u>(1,109)</u>	<u>180</u>	<u>1,289</u>
Other financing sources:								
Transfers in from other funds	—	—	—	—	500	500	—	(500)
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>500</u>	<u>500</u>	<u>—</u>	<u>(500)</u>
Net change in fund balances	—	—	—	—	(609)	(609)	180	789
Fund balance (deficit) July 1, 2011	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>609</u>	<u>609</u>	<u>(102)</u>	<u>(711)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>78</u>	<u>78</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	Parks and Open Spaces Opportunity Projects Fund				Transportation Development Tax Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ —	—	—	—	1,500	1,500	2,549	1,049
Miscellaneous revenues	5	5	2	(3)	15	15	33	18
Total revenues	<u>5</u>	<u>5</u>	<u>2</u>	<u>(3)</u>	<u>1,515</u>	<u>1,515</u>	<u>2,582</u>	<u>1,067</u>
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	3,535	3,535	158	3,377
Nonoperating	55	55	—	55	—	—	—	—
Total current	<u>55</u>	<u>55</u>	<u>—</u>	<u>55</u>	<u>3,535</u>	<u>3,535</u>	<u>158</u>	<u>3,377</u>
Capital outlay	482	482	382	100	—	—	—	—
Total expenditures	<u>537</u>	<u>537</u>	<u>382</u>	<u>155</u>	<u>3,535</u>	<u>3,535</u>	<u>158</u>	<u>3,377</u>
Revenues over (under) expenditures	<u>(532)</u>	<u>(532)</u>	<u>(380)</u>	<u>152</u>	<u>(2,020)</u>	<u>(2,020)</u>	<u>2,424</u>	<u>4,444</u>
Net change in fund balances	<u>(532)</u>	<u>(532)</u>	<u>(380)</u>	<u>152</u>	<u>(2,020)</u>	<u>(2,020)</u>	<u>2,424</u>	<u>4,444</u>
Fund balances July 1, 2011	<u>532</u>	<u>532</u>	<u>507</u>	<u>(25)</u>	<u>2,020</u>	<u>2,020</u>	<u>2,131</u>	<u>111</u>
Fund balances June 30, 2012	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>127</u></u>	<u><u>127</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>4,555</u></u>	<u><u>4,555</u></u>

WASHINGTON COUNTY, OREGON

Combining Statement of Net Assets

Internal Service Funds

June 30, 2012

(Dollars in thousands)

Assets	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund
Current assets:					
Cash and investments	\$ 421	7,243	420	3,266	124
Accounts receivable	2	25	15	—	—
Inventory	313	—	18	—	—
Total current assets	736	7,268	453	3,266	124
Capital assets, net of accumulated depreciation	—	7,245	369	—	—
Total assets	<u>736</u>	<u>14,513</u>	<u>822</u>	<u>3,266</u>	<u>124</u>
Liabilities and Net Assets					
Current liabilities:					
Accounts payable	162	—	74	32	—
Accrued payroll liabilities	79	—	16	—	—
Accrued self-insurance	—	—	—	1,795	—
Current portion of capital lease	—	—	37	—	—
Total current liabilities	241	—	127	1,827	—
Noncurrent liabilities:					
Net OPEB obligation	48	—	19	—	—
Capital lease obligation	—	—	7	—	—
Total liabilities	<u>289</u>	<u>—</u>	<u>153</u>	<u>1,827</u>	<u>—</u>
Net assets:					
Invested in capital assets, net of related debt	—	7,245	325	—	—
Unrestricted	447	7,268	344	1,439	124
Total net assets	<u>447</u>	<u>14,513</u>	<u>669</u>	<u>1,439</u>	<u>124</u>
Total liabilities and net assets	<u>\$ 736</u>	<u>14,513</u>	<u>822</u>	<u>3,266</u>	<u>124</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Net Assets, Continued
Internal Service Funds
June 30, 2012
(Dollars in thousands)

Assets	Medical Insurance Fund	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Current assets:					
Cash and investments	\$ 882	8,378	687	2,471	23,892
Accounts receivable	—	—	—	—	42
Inventory	—	—	—	—	331
Total current assets	882	8,378	687	2,471	24,265
Capital assets, net of accumulated depreciation	—	—	—	—	7,614
Total assets	<u>882</u>	<u>8,378</u>	<u>687</u>	<u>2,471</u>	<u>31,879</u>
Liabilities and Net Assets					
Current liabilities:					
Accounts payable	27	—	71	51	417
Accrued payroll liabilities	—	—	—	—	95
Accrued self-insurance	—	—	—	1,971	3,766
Current portion of capital lease	—	—	—	—	37
Total current liabilities	27	—	71	2,022	4,315
Noncurrent liabilities:					
Net OPEB obligation	—	—	—	—	67
Capital lease obligation	—	—	—	—	7
Total liabilities	27	—	71	2,022	4,389
Net assets:					
Invested in capital assets, net of related debt	—	—	—	—	7,570
Unrestricted	855	8,378	616	449	19,920
Total net assets	855	8,378	616	449	27,490
Total liabilities and net assets	<u>\$ 882</u>	<u>8,378</u>	<u>687</u>	<u>2,471</u>	<u>31,879</u>

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenses
and Changes in Net Assets

Internal Service Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund
Operating revenues:					
Charges for services	\$ 4,262	1,493	1,508	1,861	398
Other	52	245	84	67	—
Total operating revenues	<u>4,314</u>	<u>1,738</u>	<u>1,592</u>	<u>1,928</u>	<u>398</u>
Operating expenses:					
Labor and fringe benefits	1,462	—	443	—	—
Utilities	28	—	—	—	—
Professional services	5	—	—	194	—
Supplies	2,044	—	717	—	—
Administrative costs	626	319	218	727	5
Depreciation and amortization	—	1,647	269	—	—
Insurance claims and premiums	—	—	—	844	389
Total operating expenses	<u>4,422</u>	<u>2,003</u>	<u>1,647</u>	<u>1,765</u>	<u>394</u>
Operating income (loss)	<u>(108)</u>	<u>(265)</u>	<u>(55)</u>	<u>163</u>	<u>4</u>
Nonoperating income:					
Interest income	2	54	2	26	1
Loss on sale of capital assets	—	(57)	(9)	—	—
Total nonoperating income (loss)	<u>2</u>	<u>(3)</u>	<u>(7)</u>	<u>26</u>	<u>1</u>
Other financing sources:					
Transfer in from other funds	18	—	5	—	—
Transfer out to other funds	—	—	—	—	—
Total other financing sources	<u>18</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>—</u>
Change in net assets	<u>(88)</u>	<u>(268)</u>	<u>(57)</u>	<u>189</u>	<u>5</u>
Net assets July 1, 2011	<u>535</u>	<u>14,781</u>	<u>726</u>	<u>1,250</u>	<u>119</u>
Net assets June 30, 2012	<u>\$ 447</u>	<u>14,513</u>	<u>669</u>	<u>1,439</u>	<u>124</u>

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenses
and Changes in Net Assets (Deficit), Continued

Internal Service Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Medical Insurance Fund	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Operating revenues:					
Charges for services	\$ 23,865	—	426	1,708	35,521
Other	1,361	—	—	95	1,904
Total operating revenues	25,226	—	426	1,803	37,425
Operating expenses:					
Labor and fringe benefits	—	—	—	—	1,905
Utilities	—	—	—	—	28
Professional services	136	—	4	5	344
Supplies	1	—	—	—	2,762
Administrative costs	82	126	6	186	2,295
Depreciation and amortization	—	—	—	—	1,916
Insurance claims and premiums	25,141	—	357	1,156	27,887
Repairs and maintenance	—	—	—	—	294
Total operating expenses	25,360	126	367	1,347	37,431
Operating income (loss)	(134)	(126)	59	456	(6)
Nonoperating income (expense):					
Interest income	5	67	5	17	179
Loss on sale of capital assets	—	—	—	—	(66)
Total nonoperating income	5	67	5	17	113
Other financing sources (uses):					
Transfer in from other funds	—	—	—	—	23
Transfer out to other funds	—	(2,107)	—	—	(2,107)
Total other financing uses	—	(2,107)	—	—	(2,084)
Change in net assets	(129)	(2,166)	64	473	(1,977)
Net assets (deficit) July 1, 2011	984	10,544	552	(24)	29,467
Net assets June 30, 2012	\$ <u>855</u>	<u>8,378</u>	<u>616</u>	<u>449</u>	<u>27,490</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Cash Flows
Internal Service Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund
Cash flows from (used in) operating activities:					
Cash received for services provided	\$ 3,917	1,741	1,497	1,861	398
Cash payments for labor and fringe benefits	(1,470)	—	(440)	—	—
Cash payments for goods and services	(2,964)	(726)	(876)	(1,781)	(394)
Other operating revenue	346	—	84	66	—
Other receipts	51	—	—	—	—
Other expense	(1)	—	—	—	—
	<u>(121)</u>	<u>1,015</u>	<u>265</u>	<u>146</u>	<u>4</u>
Net cash provided by (used in) operating activities					
Cash flows from noncapital financing activities:					
PERS rate stabilization subsidy	18	—	5	—	—
	<u>18</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>—</u>
Net cash provided by noncapital financing activities					
Cash flows provided by (used in) capital and related financing activities:					
Acquisition of capital assets	—	(1,028)	(277)	—	—
Proceeds from sale of capital assets	—	159	—	—	—
	<u>—</u>	<u>(869)</u>	<u>(277)</u>	<u>—</u>	<u>—</u>
Net cash used in capital and related financing activities					
Cash flows from investing activities:					
Interest on investments	2	54	2	26	1
	<u>2</u>	<u>54</u>	<u>2</u>	<u>26</u>	<u>1</u>
Net cash provided by investing activities					
	(101)	200	(5)	172	5
Net increase (decrease) in cash and investments					
Cash and investments, July 1, 2011	522	7,043	425	3,094	119
Cash and investments, June 30, 2012	<u>421</u>	<u>7,243</u>	<u>420</u>	<u>3,266</u>	<u>124</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	(108)	(265)	(55)	163	4
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	—	1,647	269	—	—
Other expense	—	—	—	3	—
Increase (decrease) in accounts payable	(32)	(369)	48	16	—
Increase in accrued liabilities	(8)	—	5	(36)	—
Decrease (increase) in accounts receivable	(1)	2	(12)	—	—
Decrease in supply inventory	28	—	10	—	—
	<u>28</u>	<u>—</u>	<u>10</u>	<u>—</u>	<u>—</u>
Net cash provided by (used in) operating activities					
	<u>\$ (121)</u>	<u>1,015</u>	<u>265</u>	<u>146</u>	<u>4</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Cash Flows, Continued
Internal Service Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	Medical Insurance Fund	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Cash provided by (used in) operating activities:					
Cash received for services provided	\$ 23,864	—	426	1,708	35,412
Cash payments for labor and fringe benefits	—	—	—	—	(1,910)
Cash payments for goods and services	(25,364)	(126)	(379)	(1,222)	(33,832)
Other operating revenue	1,363	—	—	96	1,955
Other receipts	—	—	—	—	51
Other expense	—	—	—	—	(1)
Net cash provided by (used in) operating activities	<u>(137)</u>	<u>(126)</u>	<u>47</u>	<u>582</u>	<u>1,675</u>
Cash flows from noncapital financing activities:					
PERS rate stabilization subsidy	—	(2,107)	—	—	(2,084)
Net cash used in noncapital financing activities	<u>—</u>	<u>(2,107)</u>	<u>—</u>	<u>—</u>	<u>(2,084)</u>
Cash flows provided by (used in) capital and related financing activities:					
Acquisition of capital assets	—	—	—	—	(1,305)
Proceeds from sale of capital assets	—	—	—	—	159
Net cash used in capital and related financing activities	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,146)</u>
Cash flows from investing activities:					
Interest on investments	5	67	5	17	179
Net cash provided by investing activities	<u>5</u>	<u>67</u>	<u>5</u>	<u>17</u>	<u>179</u>
Net increase (decrease) in cash and investments	(132)	(2,166)	52	599	(1,376)
Cash and investments, July 1, 2011	<u>1,014</u>	<u>10,544</u>	<u>635</u>	<u>1,872</u>	<u>25,268</u>
Cash and investments, June 30, 2012	<u>882</u>	<u>8,378</u>	<u>687</u>	<u>2,471</u>	<u>23,892</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	(134)	(126)	59	456	(6)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	—	—	—	—	1,916
Other expense	—	—	—	—	3
Increase (decrease) in accounts payable	(3)	—	(12)	(42)	(394)
Increase in accrued liabilities	—	—	—	168	129
Increase in accounts receivable	—	—	—	—	(11)
Increase in supply inventory	—	—	—	—	38
Net cash provided by (used in) operating activities	<u>\$ (137)</u>	<u>(126)</u>	<u>47</u>	<u>582</u>	<u>1,675</u>

WASHINGTON COUNTY, OREGON
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis)
Internal Service Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	Fleet Management Fund				Fleet Replacement Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ 4,399	4,399	4,262	(137)	2,045	2,045	1,733	(312)
Miscellaneous revenues	4	4	3	(1)	201	201	245	44
Interfund revenues	51	51	51	—	—	—	—	—
Total revenues	<u>4,454</u>	<u>4,454</u>	<u>4,316</u>	<u>(138)</u>	<u>2,246</u>	<u>2,246</u>	<u>1,978</u>	<u>(268)</u>
Expenditures:								
Current:								
General government	4,472	4,472	4,395	77	—	—	—	—
Nonoperating	—	—	—	—	554	554	545	9
Operating contingency	501	501	—	501	6,887	6,887	—	6,887
Total current	<u>4,973</u>	<u>4,973</u>	<u>4,395</u>	<u>578</u>	<u>7,441</u>	<u>7,441</u>	<u>545</u>	<u>6,896</u>
Capital outlay	—	—	—	—	1,636	1,636	866	770
Total expenditures	<u>4,973</u>	<u>4,973</u>	<u>4,395</u>	<u>578</u>	<u>9,077</u>	<u>9,077</u>	<u>1,411</u>	<u>7,666</u>
Revenues over (under) expenditures	(519)	(519)	(79)	440	(6,831)	(6,831)	567	7,398
Other financing sources:								
Transfers in from other funds	18	18	18	—	—	—	—	—
Total other financing sources	<u>18</u>	<u>18</u>	<u>18</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	(501)	(501)	(61)	440	(6,831)	(6,831)	567	7,398
Fund balances July 1, 2011	<u>501</u>	<u>501</u>	<u>556</u>	<u>55</u>	<u>6,831</u>	<u>6,831</u>	<u>6,701</u>	<u>(130)</u>
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>495</u>	<u>495</u>	<u>—</u>	<u>—</u>	<u>7,268</u>	<u>7,268</u>

WASHINGTON COUNTY, OREGON
 Schedule of Revenues and Expenditures -
 Budget and Actual (Budgetary Basis)

Internal Service Funds

For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Internal Support Services Fund</u>				<u>Liability/Casualty Insurance Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Charges for services	\$ 1,801	1,801	1,508	(293)	1,863	1,863	1,861	(2)
Miscellaneous revenues	49	49	164	115	64	64	93	29
Total revenues	<u>1,850</u>	<u>1,850</u>	<u>1,672</u>	<u>(178)</u>	<u>1,927</u>	<u>1,927</u>	<u>1,954</u>	<u>27</u>
Expenditures:								
Current:								
General government	1,727	1,727	1,546	181	—	—	—	—
Nonoperating	—	—	—	—	1,982	1,982	1,765	217
Operating contingency	374	374	—	374	1,048	1,048	—	1,048
Total current	<u>2,101</u>	<u>2,101</u>	<u>1,546</u>	<u>555</u>	<u>3,030</u>	<u>3,030</u>	<u>1,765</u>	<u>1,265</u>
Capital outlay	145	145	130	15	—	—	—	—
Debt service:								
Principal	—	—	34	(34)	—	—	—	—
Interest	—	—	6	(6)	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>40</u>	<u>(40)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>2,246</u>	<u>2,246</u>	<u>1,716</u>	<u>530</u>	<u>3,030</u>	<u>3,030</u>	<u>1,765</u>	<u>1,265</u>
Revenues over (under) expenditures	<u>(396)</u>	<u>(396)</u>	<u>(44)</u>	<u>352</u>	<u>(1,103)</u>	<u>(1,103)</u>	<u>189</u>	<u>1,292</u>
Other financing sources:								
Transfers in from other funds	5	5	5	—	—	—	—	—
Total other financing sources	<u>5</u>	<u>5</u>	<u>5</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	<u>(391)</u>	<u>(391)</u>	<u>(39)</u>	<u>352</u>	<u>(1,103)</u>	<u>(1,103)</u>	<u>189</u>	<u>1,292</u>
Fund balances July 1, 2011	391	391	403	12	1,103	1,103	1,250	147
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>364</u>	<u>364</u>	<u>—</u>	<u>—</u>	<u>1,439</u>	<u>1,439</u>

* All appropriations of this fund are made under a single organization unit. Accordingly, negative variances on individual line items do not represent overexpenditures.

WASHINGTON COUNTY, OREGON
 Schedule of Revenues and Expenditures -
 Budget and Actual (Budgetary Basis)

Internal Service Funds

For the fiscal year ended June 30, 2012
 (Dollars in thousands)

	<u>Life Insurance Fund</u>				<u>Medical Insurance Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Charges for services	\$ —	—	—	—	25,509	25,509	23,865	(1,644)
Miscellaneous revenues	383	383	399	16	1,484	1,484	1,366	(118)
Total revenues	<u>383</u>	<u>383</u>	<u>399</u>	<u>16</u>	<u>26,993</u>	<u>26,993</u>	<u>25,231</u>	<u>(1,762)</u>
Expenditures:								
Current:								
Nonoperating	413	413	394	19	27,831	27,831	25,360	2,471
Operating contingency	79	79	—	79	—	—	—	—
Total current	<u>492</u>	<u>492</u>	<u>394</u>	<u>98</u>	<u>27,831</u>	<u>27,831</u>	<u>25,360</u>	<u>2,471</u>
Total expenditures	<u>492</u>	<u>492</u>	<u>394</u>	<u>98</u>	<u>27,831</u>	<u>27,831</u>	<u>25,360</u>	<u>2,471</u>
Revenues over (under) expenditures	<u>(109)</u>	<u>(109)</u>	<u>5</u>	<u>114</u>	<u>(838)</u>	<u>(838)</u>	<u>(129)</u>	<u>709</u>
Other financing sources (uses):								
Transfers in from other funds	5	5	—	(5)	—	—	—	—
Transfers out to other funds	—	—	—	—	(5)	(5)	—	5
Total other financing sources (uses)	<u>5</u>	<u>5</u>	<u>—</u>	<u>(5)</u>	<u>(5)</u>	<u>(5)</u>	<u>—</u>	<u>5</u>
Net change in fund balances	<u>(104)</u>	<u>(104)</u>	<u>5</u>	<u>109</u>	<u>(843)</u>	<u>(843)</u>	<u>(129)</u>	<u>714</u>
Fund balances July 1, 2011	104	104	119	15	843	843	984	141
Fund balances June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>124</u>	<u>124</u>	<u>—</u>	<u>—</u>	<u>855</u>	<u>855</u>

WASHINGTON COUNTY, OREGON
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis)
Internal Service Funds
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	PERS Rate Stabilization Fund				Unemployment Insurance Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)*	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ —	—	—	—	389	389	426	37
Miscellaneous revenues	50	50	67	17	5	5	5	—
Total revenues	50	50	67	17	394	394	431	37
Expenditures:								
Nonoperating	8,544	8,544	126	8,418	711	711	367	344
Operating contingency	—	—	—	—	134	134	—	134
Total current	8,544	8,544	126	8,418	845	845	367	478
Total expenditures	8,544	8,544	126	8,418	845	845	367	478
Revenues over (under) expenditures	(8,494)	(8,494)	(59)	8,435	(451)	(451)	64	515
Other financing uses:								
Transfers out to other funds	(2,000)	(2,000)	(2,107)	(107)	—	—	—	—
Total other financing uses	(2,000)	(2,000)	(2,107)	(107)	—	—	—	—
Net change in fund balances	(10,494)	(10,494)	(2,166)	8,328	(451)	(451)	64	515
Fund balances July 1, 2011	10,494	10,494	10,544	50	451	451	552	101
Fund balances June 30, 2012	\$ —	—	8,378	8,378	—	—	616	616

* All appropriations of this fund are made under a single organization unit. Accordingly, negative variances on individual line items do not represent overexpenditures.

WASHINGTON COUNTY, OREGON

Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis)

Internal Service Funds

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Workers' Compensation Insurance Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:				
Charges for services	\$ 1,658	1,658	1,708	50
Miscellaneous revenues	69	69	112	43
Total revenues	<u>1,727</u>	<u>1,727</u>	<u>1,820</u>	<u>93</u>
Expenditures:				
Current:				
Nonoperating	1,457	1,457	1,347	110
Operating contingency	300	300	—	300
Total current	<u>1,757</u>	<u>1,757</u>	<u>1,347</u>	<u>410</u>
Total expenditures	<u>1,757</u>	<u>1,757</u>	<u>1,347</u>	<u>410</u>
Revenues over (under) expenditures	(30)	(30)	473	503
Fund balance (deficit) July 1, 2011	<u>30</u>	<u>30</u>	<u>(24)</u>	<u>(54)</u>
Fund balance June 30, 2012	<u>\$ —</u>	<u>—</u>	<u>449</u>	<u>449</u>

WASHINGTON COUNTY, OREGON
 Reconciliation of Fund Balance to Net Assets
 Internal Service Funds

June 30, 2012
 (Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund
Fund balance	\$ 495	7,268	364
Add capital assets reported on combining balance sheet	—	7,245	369
Less OPEB obligation	(48)	—	(19)
Total Net Assets	<u>\$ 447</u>	<u>14,513</u>	<u>714</u>

WASHINGTON COUNTY, OREGON
Statement of Changes in Assets and Liabilities
Agency Fund
For the fiscal year ended June 30, 2012
(Dollars in thousands)

	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2012</u>
Assets:				
Cash and investments	\$ 6,505	8,285,866	8,287,969	4,402
Accounts receivable	2,406	42,861	43,446	1,821
Property taxes receivable	25,003	31,164	25,004	31,163
Total assets	<u>33,914</u>	<u>8,359,891</u>	<u>8,356,419</u>	<u>37,386</u>
Liabilities:				
Accounts payable	271	1,412,370	1,412,236	405
Amounts held in trust	8,640	812,033	814,856	5,817
Uncollected taxes	25,003	31,164	25,003	31,164
Total liabilities	<u>\$ 33,914</u>	<u>2,255,567</u>	<u>2,252,095</u>	<u>37,386</u>

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OTHER FINANCIAL SCHEDULES

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WASHINGTON COUNTY, OREGON

Schedule of Property Tax and Assessment
Transactions and Outstanding Balances

For the fiscal year ended June 30, 2012

(Dollars in thousands)

	Taxes receivable July, 1 2011	Certified levies	Corrections and adjustments	Collections	Discounts allowed	Interest on delinquent taxes	Taxes receivable June 30, 2012
2011-12	\$ —	800,942	1,214	(761,985)	(20,528)	272	19,915
2010-11	18,508	—	(869)	(7,401)	131	866	11,235
2009-10	7,752	—	(453)	(1,685)	81	722	6,417
2008-09	3,747	—	(123)	(3,321)	—	778	1,081
2007-08	978	—	(45)	(874)	—	246	305
2006-07	242	—	(22)	(58)	1	22	185
2005-06 & prior	455	—	(66)	(83)	—	52	358
	<u>\$ 31,682</u>	<u>800,942</u>	<u>(364)</u>	<u>(775,407)</u>	<u>(20,315)</u>	<u>2,958</u>	<u>39,496</u>

Reconciliation to Receivables on Basic Financial Statements:

Governmental Activities property taxes receivable	\$ 8,233
Metzger Park LID assessments receivable	5
Agency funds property taxes receivable	31,163
Assessments receivable for Lighting District	95
	<u>\$ 39,496</u>

WASHINGTON COUNTY, OREGON

Schedule of Accountability of Independently Elected Officials

For the fiscal year ended June 30, 2012

Oregon Revised Statutes (ORS) Section 297 requires a statement of accountability for each independently elected official collecting or receiving money in the municipal corporation. In compliance with ORS 297, there are no independently elected officials that collect or receive money on behalf of Washington County.

**WASHINGTON COUNTY,
OREGON**

**STATISTICAL
SECTION**

SECTION III

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WASHINGTON COUNTY, OREGON
Statistical Information Section Narrative
June 30, 2012
(Unaudited)

This part of Washington 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. This section contains the following tables and information:

- **Financial Trends** – These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.
- **Revenue Capacity** – These schedules contain information to help the reader assess the County's most significant local revenue source.
- **Debt Capacity** – These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.
- **Economic and Demographic Information** – These schedules offer economic and demographic indicators to help the reader understand the environment wherein the County's financial activities take place.
- **Operating Information** – These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year.

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FINANCIAL TRENDS

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WASHINGTON COUNTY, OREGON

Net Assets by Component

Last Ten Fiscal Years

(Dollars in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	\$ 197,258	244,404	242,734	2,148,086	2,151,850	2,135,921	2,134,940	2,108,850	2,093,492	2,074,612 ⁽¹⁾
Restricted	9,039	4,314	1,272	1,069	170	239	911	6,530	93,002	95,942
Unrestricted	147,703	179,689	206,770	250,676	236,359	245,409	230,574	219,822	145,829	149,211
Total governmental activities net assets	354,000	428,407	450,776	2,399,831	2,388,379	2,381,569	2,366,425	2,335,202	2,332,323	2,319,765
Business-type activities ⁽³⁾										
Invested in capital assets, net of related debt	214,979	234,007	245,840	328,060	363,438	395,163	389,728	395,461	384,397	2,206 ⁽²⁾
Restricted	80,944	57,268	58,656	58,052	28,948	27,582	52,406	57,052	69,936	6,156
Unrestricted	35,655	47,474	49,249	50,035	64,206	55,872	52,806	48,554	54,673	801
Total business-type activities net assets	331,578	338,749	353,745	436,147	456,592	478,617	494,940	501,067	509,006	9,163
Primary government ⁽³⁾										
Invested in capital assets, net of related debt	412,237	478,411	488,574	2,476,146	2,515,288	2,531,084	2,524,668	2,504,311	2,477,889	2,076,818
Restricted	89,983	61,582	59,928	59,121	29,118	27,821	53,317	63,582	162,938	102,098
Unrestricted	183,358	227,163	256,019	300,711	300,565	301,281	283,380	268,376	200,502	150,012
Total primary government net assets	685,578	767,156	804,521	2,835,978	2,844,971	2,860,186	2,861,365	2,836,269	2,841,329	2,328,928
Component unit ⁽³⁾										
Invested in capital assets, net of related debt	—	—	—	—	—	—	—	—	—	388,941
Restricted	—	—	—	—	—	—	—	—	—	68,909
Unrestricted	—	—	—	—	—	—	—	—	—	64,777
Total component unit net assets	\$ —	—	—	—	—	—	—	—	—	522,627

⁽¹⁾ Years prior to 2006 not restated for reporting of infrastructure under GASB #34

⁽²⁾ Years prior to 2006 not restated for recording of contributed capital assets

⁽³⁾ Years prior to 2012 not restated for reporting of component units under GASB #61

Source: Current and prior years financial statements.

WASHINGTON COUNTY, OREGON

Changes in Net Assets by Component

Last Ten Fiscal Years

(Dollars in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Primary Government										
Governmental activities:										
General government	\$ 28,068	28,535	29,711	30,466	35,283	41,833	42,319	42,869	39,318	38,677
Public safety	75,719	72,858	79,547	89,097	107,566	101,859	97,512	98,562	104,664	109,222
Land use, housing and transportation	51,453	26,514	52,167	138,315	181,858	111,906	106,306	108,616	115,096	119,714
Health and human Services	48,775	52,168	58,364	61,292	56,507	51,555	56,474	58,467	59,013	58,443
Culture, education and recreation	15,696	14,644	14,181	15,038	27,854	23,218	25,728	26,261	26,882	28,476
Non-operating expense	7,746	8,605	15,048	—	5,119	21,078	11,663	10,653	9,225	9,234
Interest expense	7,764	7,381	821	5,882	6,370	6,818	5,665	5,013	4,599	4,202
Total governmental activities	235,221	210,705	249,839	340,090	420,557	358,267	345,667	350,441	358,797	367,968
Business-type activities:										
Housing authority	25,371	25,921	26,104	24,579	25,967	27,112	27,421	28,132	28,400	28,496
Sanitation and surface water	65,367	72,083	75,061	81,589	84,199	87,319	91,279	97,252	100,941	—
Street lighting district	1,687	1,601	1,667	1,671	1,726	1,775	1,856	1,842	1,803	1,839
Total business-type activities expenses	92,425	99,605	102,832	107,839	111,892	116,206	120,556	127,226	131,144	30,335
Total primary government expenses	327,646	310,310	352,671	447,929	532,449	474,473	466,223	477,667	489,941	398,303
Component unit:										
Sanitation and surface water	—	—	—	—	—	—	—	—	—	97,604
Total component unit expenses	—	—	—	—	—	—	—	—	—	97,604
Program Revenues										
Governmental activities:										
Charges for services:										
General government	8,918	8,161	7,199	32,572	21,499	24,551	6,363	5,371	4,797	5,334
Public safety	814	4,637	6,324	17,935	3,651	1,683	5,536	5,719	7,140	8,048
Land use, housing and transportation	3,057	13,061	15,488	17,297	20,591	33,387	10,837	10,568	11,974	13,636
Health and human Services	4,684	12,387	16,350	5,431	12,253	11,526	19,671	21,800	26,420	23,308
Culture, education and recreation	1,298	1,393	1,303	961	571	1,030	1,488	1,241	1,309	1,497
Non-operating revenue	12,227	11,767	27,571	—	22,868	24,628	16,387	16,604	20,013	17,777
Operating grants and contributions	92,644	91,037	90,677	106,147	98,844	88,512	91,902	92,531	97,640	100,922
Capital grants and contributions	2,516	10,751	5,349	3,751	71,081	1,690	1,851	686	1,462	1,608
Total governmental activities program revenue	126,158	153,194	170,261	184,094	251,358	187,007	154,035	154,520	170,755	172,130
Business-type activities:										
Charges for services:										
Housing authority	4,124	4,094	4,102	4,201	4,295	5,212	5,099	5,779	5,790	5,995
Sanitation and surface water	62,873	66,457	70,387	75,216	78,523	84,754	89,585	96,329	103,374	—
Street lighting district	1,639	1,654	1,724	1,707	1,902	1,840	1,828	1,725	1,746	1,929
Operating grants and contributions	18,839	19,298	19,039	19,203	18,920	19,801	20,141	20,855	21,574	19,885
Capital grants and contributions	14,580	10,684	16,970	18,056	17,732	22,442	16,629	6,803	5,053	164
Total business-type activities program revenue	102,055	102,187	112,222	118,383	121,372	134,049	133,282	131,491	137,537	27,973
Total primary government program revenue	228,213	255,381	282,483	302,477	372,730	321,056	287,317	286,011	308,292	200,103
Component unit:										
Charges for services:										
Sanitation and surface water	—	—	—	—	—	—	—	—	—	107,029
Capital grants and contributions	—	—	—	—	—	—	—	—	—	14,296
Total component unit program revenue	—	—	—	—	—	—	—	—	—	121,325
Net Revenue (expense)										
Governmental activities	(109,063)	(57,511)	(79,578)	(155,996)	(169,199)	(171,260)	(191,632)	(195,921)	(188,042)	(195,838)
Prior period adjustment (restatement)	—	—	(26,940)	1,965,931	—	—	(993)	—	—	—
Total	(109,063)	(57,511)	(106,518)	1,809,935	(169,199)	(171,260)	(192,625)	(195,921)	(188,042)	(195,838)
Business-type activities	9,630	2,582	9,390	10,544	9,480	17,843	12,726	4,265	6,393	(2,362)
Prior period adjustment (restatement)	—	—	—	63,351	(193)	(1,935)	—	—	—	(497,533)
Total	9,630	2,582	9,390	73,895	9,287	15,908	12,726	4,265	6,393	(499,895)
Total primary government net revenues (expenses)	(99,433)	(54,929)	(97,128)	1,883,830	(159,912)	(155,352)	(179,899)	(191,656)	(181,649)	(695,733)
Component unit	—	—	—	—	—	—	—	—	—	23,721
Prior period adjustment (restatement)	—	—	—	—	—	—	—	—	—	497,533
Total component unit net revenues	\$ —	—	—	—	—	—	—	—	—	521,254

⁽¹⁾ Years prior to restatements have not been restated

Source: Current and prior years financial statements

(Continued)

WASHINGTON COUNTY, OREGON

Changes in Net Assets by Component, Continued

Last Ten Fiscal Years

(Dollars in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 (as restated)
Total primary government net revenues (expenses) (brought forward)	\$ (99,433)	(54,929)	(97,128)	1,883,830	(159,912)	(155,352)	(179,899)	(191,656)	(181,649)	(695,733)
Total component unit net revenues (brought forward)	—	—	—	—	—	—	—	—	—	521,254
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes, levied for general purposes	100,171	103,935	108,025	112,150	104,314	135,409	142,298	147,250	152,065	157,586
Property taxes, levied for debt service	7,807	7,805	8,056	7,886	7,633	7,770	6,137	6,335	6,407	6,389
Other taxes	6,003	6,907	8,264	9,878	10,124	10,253	7,775	7,497	8,450	9,094
Interest income	3,698	2,135	4,535	9,197	13,031	10,377	8,247	3,197	1,984	2,575
Gain (loss) on sale of capital assets	(25)	(163)	—	—	—	—	—	—	—	—
Miscellaneous revenue	15,118	11,299	7	9	22,645	641	13,024	419	16,257	7,636
Capital contributions	8,486	—	—	—	—	—	—	—	—	—
Total governmental activities revenue	141,258	131,918	128,887	139,120	157,747	164,450	177,481	164,698	185,163	183,280
Business-type activities:										
Interest income	2,413	1,245	2,159	3,563	4,922	3,475	2,636	1,514	1,568	52
Gain on sale of capital assets	—	332	—	—	—	2,724	1,031	418	54	—
Loss on equity in joint venture	—	—	—	—	—	(82)	(70)	(70)	(76)	—
Miscellaneous revenue	3,453	3,012	3,448	4,944	6,236	—	—	—	—	—
Total business-type activities revenue	5,866	4,589	5,607	8,507	11,158	6,117	3,597	1,862	1,546	52
Total primary government	147,124	136,507	134,494	147,627	168,905	170,567	181,078	166,560	186,709	183,332
Component unit:										
Interest income	—	—	—	—	—	—	—	—	—	1,562
Gain on sale of capital assets	—	—	—	—	—	—	—	—	—	(116)
Loss on equity in joint venture	—	—	—	—	—	—	—	—	—	(73)
Total component unit	—	—	—	—	—	—	—	—	—	1,373
Change in Net Assets										
Governmental activities	32,195	74,407	22,369	1,949,055	(11,452)	(6,810)	(15,144)	(31,223)	(2,879)	(12,558)
Business-type activities	15,496	7,171	14,997	82,402	20,445	22,025	16,323	6,127	7,939	(2,310)
Total primary government	47,691	81,578	37,366	2,031,457	8,993	15,215	1,179	(25,096)	5,060	(14,868)
Component unit	—	—	—	—	—	—	—	—	—	25,094
Total component unit	\$ —	—	—	—	—	—	—	—	—	25,094

Source: Current and prior years financial statements

WASHINGTON COUNTY, OREGON

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Dollars in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Reserved fund balances:										
Advances	\$ —	—	—	—	—	4,000	2,000	—	—	—
Inventory	—	—	—	—	—	—	234	330	—	—
Debt service	338	3,869	149	543	170	237	—	—	—	—
Working capital	230	100	100	100	100	—	—	—	—	—
Capital projects	—	445	564	526	773	1,082	86	142	—	—
Nonspendable	—	—	—	—	—	—	—	—	282	269
Restricted	—	—	—	—	—	—	—	—	93,002	95,942
Committed	—	—	—	—	—	—	—	—	55,278	62,637
Assigned	—	—	—	—	—	—	—	—	1,300	679
Total reserved fund balances	568	4,414	813	1,169	1,043	5,319	2,320	472	149,862	159,527
Unreserved/unassigned fund balances (deficits):										
Major funds:										
General fund	24,652	27,211	33,253	41,792	43,480	37,522	30,806	33,874	32,513	29,642
HOME fund	—	—	—	—	—	1	(2)	(2)	(2)	—
Human Services Fund	1,191	1,078	833	1,172	1,361	2,115	2,983	3,253	—	—
MSTIP III Fund	30,594	36,818	34,383	68,164	57,077	55,908	47,623	44,398	—	—
Road Fund	12,420	20,712	19,972	14,609	14,360	14,044	11,853	13,265	—	—
Non-major funds:										
Special Revenue Funds	51,986	61,540	70,147	74,896	69,034	76,004	82,985	74,689	(97)	(32)
Capital Projects Funds	1,123	1,036	1,123	1,539	1,378	942	849	6,532	(102)	—
Debt Service Funds	—	—	—	—	—	—	(24)	(31)	(12)	—
Total unreserved/unassigned fund balances	121,966	148,395	159,711	202,172	186,690	186,536	177,073	175,978	32,300	29,610
Total fund balances	\$ 122,534	152,809	160,524	203,341	187,733	191,855	179,393	176,450	182,162	189,137

Source: Current and prior years financial statements.

WASHINGTON COUNTY, OREGON

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Dollars in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Taxes	\$ 113,451	118,582	124,866	130,181	121,977	149,442	154,379	160,234	166,766	170,704
Licenses and permits	8,051	8,596	9,613	10,253	8,882	9,213	8,126	8,200	8,482	9,167
Intergovernmental revenues	88,427	88,273	94,351	104,434	152,681	85,993	89,839	90,197	96,237	100,540
Charges for services	42,579	50,151	47,440	34,457	30,525	41,039	39,625	41,180	48,865	46,053
Fines and forfeitures	2,213	2,736	3,029	3,210	3,728	3,533	2,826	3,058	3,431	3,658
Special assessments	237	167	211	235	249	224	241	190	188	134
Miscellaneous revenues	14,066	23,132	29,633	33,363	35,697	37,069	34,534	28,256	30,784	30,466
Interfund revenues	25,884	23,491	24,187	23,417	26,272	28,283	28,423	29,160	29,619	27,924
Total revenues	294,908	315,128	333,330	339,550	380,011	354,796	357,993	360,475	384,372	388,646
Expenditures:										
Current:										
General government	24,866	26,243	29,125	30,123	31,134	32,609	36,136	34,265	35,019	36,912
Public safety and justice	90,575	91,322	97,605	100,587	104,517	114,416	120,744	121,021	129,651	134,389
Land use, housing and transportation	83,831	74,360	91,616	81,633	127,152	94,595	99,590	92,495	97,662	95,019
Health and human services	50,373	54,156	59,418	60,526	68,393	52,605	58,405	60,313	60,975	59,989
Culture, education and recreation	15,761	14,810	14,402	14,751	15,655	23,081	25,774	26,353	27,193	29,526
Nonoperating	6,354	6,182	8,025	7,013	6,359	7,902	7,372	5,673	6,153	5,736
Capital outlay	6,874	8,470	7,703	13,716	26,176	9,360	8,739	9,288	8,097	10,066
Debt service:										
Principal	8,393	7,327	11,598	14,897	9,485	44,049	8,452	8,908	9,340	10,181
Interest	7,138	6,749	6,399	5,352	6,750	6,186	5,748	5,098	4,683	4,267
Total expenditures	294,165	289,619	325,891	328,598	395,621	384,803	370,960	363,414	378,773	386,085
Excess(deficiency) of revenues over (under) expenditures	743	25,509	7,439	10,952	(15,610)	(30,007)	(12,967)	(2,939)	5,599	2,561
Other financing sources (uses):										
Proceeds from debt	294	4,343	274	83,401	—	34,125	—	—	—	2,284
Advance refunding of debt principal	—	—	—	(51,540)	—	—	—	—	—	—
Transfers in from other funds	56,393	60,481	70,271	80,292	91,364	69,224	73,738	79,801	61,538	69,330
Transfers out to other funds	(58,290)	(60,058)	(70,267)	(80,288)	(91,362)	(69,224)	(73,234)	(81,795)	(61,416)	(67,210)
Total other financing sources (uses)	(1,603)	4,766	278	31,865	2	34,125	504	(1,994)	122	4,404
Net change in fund balances	\$ (860)	30,275	7,717	42,817	(15,608)	4,118	(12,463)	(4,933)	5,721	6,965
Debt service as a percentage of noncapital expenditures	5.71%	5.73%	5.95%	7.05%	4.83%	14.49%	4.49%	4.20%	4.26%	4.24%

Source: Current and prior years financial statements.

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REVENUE CAPACITY

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WASHINGTON COUNTY, OREGON
Valuation of Taxable Property
Last Ten Fiscal Years
(Dollars in thousands, except direct tax rate)

Fiscal year ended June 30	Assessed Value				Total direct tax rate ⁽¹⁾	True cash valuation	Ratio of assessed valuation to true cash valuation
	Real property	Personal property	Public utility property	Total			
2003	\$ 30,082,720	1,771,620	1,185,317	33,039,657	2.91	45,004,178	73.41 %
2004	31,411,567	1,668,488	1,178,235	34,258,290	2.90	50,523,742	67.81
2005	33,025,666	1,626,433	1,140,884	35,792,983	2.87	52,646,589	67.99
2006	34,866,509	1,608,701	1,155,643	37,630,853	2.84	58,389,427	64.45
2007	36,728,957	1,652,098	1,198,560	39,579,615	2.45	69,903,003	56.62
2008	38,669,431	1,760,359	1,266,893	41,696,683	3.03	76,919,205	54.21
2009	40,540,532	1,911,303	1,411,287	43,863,122	2.99	79,498,937	55.17
2010	41,974,973	1,833,195	1,591,315	45,399,483	2.99	75,512,292	60.12
2011	43,397,583	1,781,436	1,622,849	46,801,868	2.98	71,983,750	65.02
2012	44,863,711	1,818,743	1,554,328	48,236,782	2.98	69,045,256	69.86

⁽¹⁾ The total direct tax rate is comprised of the following:

Fiscal year ended June 30	General	Special revenue	Debt service	Total direct tax rate
2003	\$ 2.25	0.42	0.24	2.91
2004	2.25	0.41	0.24	2.90
2005	2.25	0.39	0.23	2.87
2006	2.25	0.37	0.22	2.84
2007	2.25	—	0.20	2.45
2008	2.25	0.59	0.19	3.03
2009	2.25	0.59	0.15	2.99
2010	2.25	0.59	0.15	2.99
2011	2.25	0.59	0.14	2.98
2012	2.25	0.59	0.14	2.98

Source: Washington County Department of Assessment and Taxation

WASHINGTON COUNTY, OREGON

Certified Property Tax Levies -
Direct and Overlapping Governments

Last Ten Fiscal Years

(Dollars in thousands)

Fiscal year ended June 30	Total Tax Levies	Washington County	Component Units of Washington County	School Districts	Fire Districts
2003	\$ 520,050	96,229	14,490	233,208	45,345
2004	559,547	98,991	16,445	257,872	47,067
2005	565,497	102,382	18,695	251,279	49,269
2006	610,420	106,501	18,980	282,295	52,089
2007	598,942	96,775	19,575	269,116	54,774
2008	690,048	125,988	19,988	310,212	59,800
2009	715,850	130,338	23,855	313,624	61,864
2010	766,167	135,477	24,234	334,352	65,439
2011	783,036	140,212	24,614	341,593	67,422
2012	800,942	144,382	25,198	350,927	70,828

⁽¹⁾ Includes General Fund, Metzger Park, Road Maintenance LID, Local Option Levy, and County bonds and interest

⁽²⁾ Includes ESPD (Enhanced Sheriff's Patrol District), URMD (Urban Road Maintenance District), SDL (Street Lighting District), and CWS (Clean Water Services) bonds and interest

Source: Washington County Department of Assessment and Taxation

<u>Cities</u>	<u>Parks and Recreation</u>	<u>Development and Urban Renewal Agencies</u>	<u>Port of Portland</u>	<u>Portland Community College</u>	<u>Metropolitan Service District</u>	<u>Other</u>
73,626	19,374	4,557	2,305	16,174	8,685	6,057
78,318	20,040	6,306	2,381	17,302	9,178	5,647
81,830	20,804	4,587	2,488	18,017	13,053	3,093
86,783	21,736	4,868	2,616	18,386	14,053	2,113
92,893	22,776	5,348	2,750	19,099	13,729	2,107
98,422	23,818	6,145	2,894	20,771	19,848	2,162
108,078	25,139	6,652	3,040	21,738	19,398	2,124
112,334	31,528	7,180	3,145	28,367	21,948	2,163
120,524	33,394	913	3,269	29,567	21,528	—
125,758	34,105	1,022	3,371	28,649	16,702	—

WASHINGTON COUNTY, OREGON

Property Tax Levies and Collections⁽¹⁾

Last Ten Fiscal Years

(Dollars in thousands)

Fiscal year ended June 30	Certified tax levies			Collected within the fiscal year of the levy		Collections in subsequent years	Total collections to date	
	General Fund	Special levies	Total	Amount	Percentage of levy		Amount	Percentage of levy
2003	\$ 74,563	36,339	110,902	104,791	94.49 %	\$ 2,883	107,675	97.09 %
2004	77,079	38,358	115,437	109,388	94.76	2,667	112,055	97.07
2005	80,327	40,901	121,228	115,082	94.93	2,643	117,725	97.11
2006	84,583	41,013	125,596	119,454	95.11	2,399	121,853	97.02
2007	88,968	27,501	116,469	110,902	95.22	2,457	113,359	97.33
2008	93,588	45,498	139,086	132,062	94.95	3,338	135,400	97.35
2009	98,297	56,017	154,314	145,503	94.29	4,537	150,040	97.23
2010	102,210	57,501	159,711	150,799	94.42	3,290	154,089	96.48
2011	106,055	58,771	164,826	156,041	94.67	1,566	157,607	95.62
2012	109,453	60,127	169,580	161,338	95.14	-	161,338	95.14

⁽¹⁾Includes small levies paid off early to other jurisdictions by the General Fund totaling \$410 in 2011-12.

Source: Washington County Finance Division

WASHINGTON COUNTY, OREGON

Principal Taxpayers Within the County
Current Year and Nine Years Ago

(Dollars in Thousands)

	2012				2003			
	Rank	Assessed valuation	Percent of total		Rank	Assessed valuation	Percent of total	
Private enterprises:								
Intel Corporation	1	\$ 1,316,340	2.7	%	1	\$ 1,288,755	3.9	%
Nike, Inc.	2	437,734	0.9		3	325,811	1.0	
Frontier Communciations	4	350,700	0.7				—	
Pacific Realty Associates	5	299,183	0.6		5	206,045	0.6	
Genentech	7	239,110	0.5				—	
Comcast Corporation	8	223,356	0.5				—	
Maxim Integrated Products, Inc.	9	133,370	0.3		8	128,854	0.4	
Tektronix, Inc.	10	132,546	0.3		7	133,241	0.4	
Verizon Northwest, Inc.		—	—		2	363,758	1.1	
Amberjack Ltd		—	—		9	98,749	0.3	
Integrated Device Technology		—	—		10	92,787	0.3	
Public utilities:								
Portland General Electric	3	405,598	0.8		4	276,187	0.8	
Northwest Natural Gas	6	279,692	0.6		6	189,719	0.6	
All other taxpayers		<u>44,419,153</u>	<u>92.1</u>			<u>29,935,751</u>	<u>90.6</u>	
Total		<u>\$ 48,236,782</u>	<u>100.0</u>			<u>\$ 33,039,657</u>	<u>100.0</u>	

Source: Washington County Department of Assessment and Taxation

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DEBT CAPACITY

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WASHINGTON COUNTY, OREGON

Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

County

<u>Fiscal Year</u>	<u>Governmental Activities Bonds Payable</u>	<u>Business-Type Activities Bonds Payable</u>	<u>Total Bonds Payable</u>	<u>Total Taxable Assessed Value</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Debt Outstanding Per Capita</u>
2003 \$	62,150	258,815	320,965	33,039,657	1.0 %	\$ 693
2004	56,980	259,495	316,475	34,258,290	0.9	669
2005	51,545	243,855	295,400	35,792,983	0.8	615
2006	46,015	227,640	273,655	37,630,853	0.7	558
2007	40,260	210,735	250,995	39,579,614	0.6	501
2008	33,570	193,100	226,670	41,696,683	0.5	444
2009	28,570	233,375	261,945	43,863,122	0.6	504
2010	23,325	284,260	307,585	45,399,483	0.7	583
2011	17,845	263,845	281,690	46,801,868	0.6	528
2012	12,140	—	12,140	48,236,782	—	23

District⁽¹⁾

<u>Fiscal Year</u>	<u>Component Unit Bonds Payable</u>	<u>Total Taxable Assessed Value</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Debt Outstanding Per Capita</u>
2003 \$	—	—	— %	\$ —
2004	—	—	—	—
2005	—	—	—	—
2006	—	—	—	—
2007	—	—	—	—
2008	—	—	—	—
2009	—	—	—	—
2010	—	—	—	—
2011	—	—	—	—
2012	287,865	44,456,105	0.6	537

⁽¹⁾ District amounts are reported in County table for years prior to 2012.

Source: Washington County Finance Division and Department of Assessment and Taxation

WASHINGTON COUNTY, OREGON

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

County

<u>Fiscal Year</u>	<u>Governmental Activities</u>			
	<u>Bonds Payable</u>	<u>Notes Payable</u>	<u>Contracts Payable</u>	<u>Capital Lease Obligations</u>
2003	\$ 62,150	81,493	838	2,537
2004	56,980	77,853	741	2,344
2005	51,545	72,176	696	2,153
2006	46,015	94,593	650	1,951
2007	40,260	91,108	603	1,754
2008	33,570	88,121	555	1,525
2009	28,570	84,930	505	1,343
2010	23,325	81,510	454	1,160
2011	17,845	77,897	402	964
2012	12,140	74,149	380	2,586

District⁽¹⁾

<u>Fiscal Year</u>	<u>Component Unit</u>			
	<u>Bonds Payable</u>	<u>Notes Payable</u>	<u>Contracts Payable</u>	<u>Capital Lease Obligations</u>
2003	\$ —	—	—	—
2004	—	—	—	—
2005	—	—	—	—
2006	—	—	—	—
2007	—	—	—	—
2008	—	—	—	—
2009	—	—	—	—
2010	—	—	—	—
2011	—	—	—	—
2012	287,865	—	—	—

N/A: Data was not available for this fiscal year

⁽¹⁾ District amounts are reported in County table for years prior to 2012.

Source: Washington County Finance Division

Business-Type Activities

Bonds Payable	Notes Payable	Contracts Payable	Total Primary Government	Percentage of Personal Income	Outstanding Debt Per Capita
258,815	3,667	746	410,246	2.8 %	\$ 886
259,495	4,699	569	402,681	2.6	851
243,855	4,754	386	375,565	2.3	782
227,640	4,488	196	375,533	2.2	766
210,735	3,717	—	348,177	1.9	695
193,100	3,266	—	320,137	1.6	626
233,375	2,826	—	351,549	1.6	676
284,260	31,818	—	422,527	2.0	802
263,845	31,661	—	392,614	1.8	737
—	31,124	—	120,379	N/A	225

Total Component Unit	Percentage of Personal Income	Outstanding Debt Per Capita
—	— %	\$ —
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
287,865	N/A	537

WASHINGTON COUNTY, OREGON

Legal Debt Margin Information

Last Ten Fiscal Years

(Dollars in thousands)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Washington County:					
-ORS 287A.100 provides a debt limit on general obligation bonds of 2% of the real market value of all taxable property within the County's legal boundaries.					
Real market value	\$ 69,045,256	71,983,750	75,512,292	79,498,937	76,919,205
Debt limit rate	2.00%	2.00%	2.00%	2.00%	2.00%
Debt limit	1,380,905	1,439,675	1,510,246	1,589,979	1,538,384
Less general obligation debt at June 30	12,140	17,845	23,325	28,570	33,570
Legal debt margin	<u>1,368,765</u>	<u>1,421,830</u>	<u>1,486,921</u>	<u>1,561,409</u>	<u>1,504,814</u>
Total net debt applicable to the limit as a percentage of debt limit	0.88%	1.24%	1.54%	1.80%	2.18%

-ORS 287A.105 provides a debt limit on full faith and credit obligations of 1% of the real market value of all taxable property within the County's legal boundaries.

Real market value	<u>69,045,256</u>	<u>71,983,750</u>	<u>75,512,292</u>	<u>79,498,937</u>	<u>76,919,205</u>
Debt limit rate	1.00%	1.00%	1.00%	1.00%	1.00%
Debt limit	690,453	719,838	755,123	794,989	769,192
Less full faith and credit obligations at June 30	72,745	76,300	79,715	82,920	85,905
Legal debt margin	<u>617,708</u>	<u>643,538</u>	<u>675,408</u>	<u>712,069</u>	<u>683,287</u>
Total net debt applicable to the limit as a percentage of debt limit	10.54%	10.60%	10.56%	10.43%	11.17%

Housing Authority of Washington County:

-ORS 451.545 provides a debt limit on general obligation bonds of 13% of the real market value of all taxable property within the agency's legal boundaries.

Real market value	<u>69,045,256</u>	<u>71,983,750</u>	<u>75,512,292</u>	<u>79,498,937</u>	<u>76,919,205</u>
Debt limit rate	13.00%	13.00%	13.00%	13.00%	13.00%
Debt limit	8,975,883	9,357,888	9,816,598	10,334,862	9,999,497
Less general obligation debt at June 30	—	—	—	—	—
Legal debt margin	<u>8,975,883</u>	<u>9,357,888</u>	<u>9,816,598</u>	<u>10,334,862</u>	<u>9,999,497</u>
Total net debt applicable to the limit as a percentage of debt limit	—	—	—	—	—

Clean Water Services:

-ORS 451.545 provides a debt limit on general obligation bonds of 13% of the real market value of all taxable property within the agency's legal boundaries

Real market value	<u>61,998,156</u>	<u>64,712,780</u>	<u>67,333,674</u>	<u>67,466,438</u>	<u>65,485,068</u>
Debt limit rate	13.00%	13.00%	13.00%	13.00%	13.00%
Debt limit	8,059,760	8,412,661	8,753,378	8,770,637	8,513,059
Less general obligation debt at June 30	—	—	—	—	—
Legal debt margin	\$ <u>8,059,760</u>	<u>8,412,661</u>	<u>8,753,378</u>	<u>8,770,637</u>	<u>8,513,059</u>
Total net debt applicable to the limit as a percentage of debt limit	—	—	—	—	—

Source: Washington County Finance Division

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>69,903,003</u>	<u>58,389,427</u>	<u>52,646,589</u>	<u>50,523,742</u>	<u>45,004,178</u>
2.00%	2.00%	2.00%	2.00%	2.00%
<u>1,398,060</u>	<u>1,167,789</u>	<u>1,052,932</u>	<u>1,010,475</u>	<u>900,084</u>
<u>40,260</u>	<u>46,015</u>	<u>51,545</u>	<u>56,980</u>	<u>62,150</u>
<u>1,357,800</u>	<u>1,121,774</u>	<u>1,001,387</u>	<u>953,495</u>	<u>837,934</u>
2.88%	3.94%	4.90%	5.64%	6.90%
<u>69,903,003</u>	<u>58,389,427</u>	<u>52,646,589</u>	<u>50,523,742</u>	<u>45,004,178</u>
1.00%	1.00%	1.00%	1.00%	1.00%
<u>699,030</u>	<u>583,894</u>	<u>526,466</u>	<u>505,237</u>	<u>450,042</u>
<u>88,695</u>	<u>91,990</u>	<u>69,395</u>	<u>75,195</u>	<u>69,710</u>
<u>610,335</u>	<u>491,904</u>	<u>457,071</u>	<u>430,042</u>	<u>380,332</u>
12.69%	15.75%	13.18%	14.88%	15.49%
<u>69,903,003</u>	<u>58,389,427</u>	<u>52,646,589</u>	<u>50,523,742</u>	<u>45,004,178</u>
13.00%	13.00%	13.00%	13.00%	13.00%
<u>9,087,390</u>	<u>7,590,626</u>	<u>6,844,057</u>	<u>6,568,086</u>	<u>5,850,543</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>9,087,390</u>	<u>7,590,626</u>	<u>6,844,057</u>	<u>6,568,086</u>	<u>5,850,543</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>59,132,300</u>	<u>48,348,600</u>	<u>48,571,562</u>	<u>41,464,678</u>	<u>41,464,678</u>
13.00%	13.00%	13.00%	13.00%	13.00%
<u>7,687,199</u>	<u>6,285,318</u>	<u>6,314,303</u>	<u>5,390,408</u>	<u>5,390,408</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>7,687,199</u>	<u>6,285,318</u>	<u>6,314,303</u>	<u>5,390,408</u>	<u>5,390,408</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

WASHINGTON COUNTY, OREGON

Direct and Overlapping Governmental Activities Debt

June 30, 2012

(Dollars in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to County</u>
Debt repaid with property taxes:			
Overlapping debt outstanding:			
Banks Fire District #13	\$ 885	100.0 %	\$ 885
City of Banks	1,565	100.0	1,565
City of Durham	1,185	100.0	1,185
City of Forest Grove	1,865	100.0	1,865
City of Hillsboro	8,510	100.0	8,510
City of Lake Oswego	51	0.2	—
City of North Plains	270	100.0	270
City of Portland	325	0.2	1
City of Sherwood	6,373	100.0	6,373
City of Tigard	30,735	100.0	30,735
City of Tualatin	7,671	85.1	6,528
Clackamas County School District 3J (West Linn - Wilsonville)	2,861	1.4	40
Clackamas County School District 7J (Lake Oswego)	970	0.9	9
Columbia County School District 1J (Scappoose)	160	0.5	1
Columbia County School District 47J (Vernonia)	281	1.8	5
Forest Grove Rural Fire Protection District	80	100.0	80
Gaston Rural Fire Protection District	139	77.1	107
Metro	85,630	31.3	26,802
Multnomah County School District 1J (Portland)	2,523	55.0	1,388
Portland Community College	80,556	42.1	33,914
Tri-Met	3,110	31.7	986
Tualatin Hills Parks & Recreation District	105,790	100.0	105,790
Tualatin Valley Fire & Rescue District	39,160	82.5	32,307
Washington County School District 13 (Banks)	8,255	100.0	8,255
Washington County School District 15 (Forest Grove)	123,692	100.0	123,692
Washington County School District 1J (Hillsboro)	315,711	100.0	315,711
Washington County School District 23J (Tigard - Tualatin)	126,385	95.0	120,066
Washington County School District 48J (Beaverton)	498,526	99.5	496,033
Washington County School District 511J (Gaston)	2,804	79.2	2,221
Washington County School District 88J (Sherwood)	113,533	93.5	106,153
Willamette Education Service District	6	0.3	—
Yamhill County School District 29J (Newberg)	3,453	4.0	138
Total overlapping debt outstanding	1,573,060		1,431,615
Direct debt outstanding:			
Washington County	12,140	100.00	12,140
Total direct and overlapping debt outstanding	\$ 1,585,200		\$ 1,443,755

Source: Oregon State Treasury, Debt Management Division

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

DEMOGRAPHIC AND ECONOMIC INFORMATION

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WASHINGTON COUNTY, OREGON

Demographic Statistics

Last Ten Fiscal Years

(Dollars in thousands, except Personal Income)

<u>Fiscal Year</u>	<u>Population (estimated)</u>		<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
2003	463	\$	14,973	32	8.3 %
2004	473		15,419	33	6.3
2005	480		16,121	34	5.1
2006	490		17,254	35	4.4
2007	501		18,767	37	4.3
2008	511		19,945	39	4.8
2009	520		21,186	41	10.2
2010	527		21,205	40	8.4
2011	533		21,587	41	7.6
2012	536		N/A	N/A	6.8

N/A: Information not available as of printing.

Source: Portland State University Population Research Center, Bureau of Economic Analysis, and Oregon Employment Department.

WASHINGTON COUNTY, OREGON

Major Employment Industries

Current Year and Nine Years Ago

	2012*		2003	
	Annual Average	% of Total	Annual Average	% of Total
Construction	12,893	5%	12,092	6%
Manufacturing:				
Wood products	1,024		1,614	
Fabricated metal products	2,955		2,420	
Food	1,587		1,683	
Plastics and rubber products	1,589		1,743	
Computer and electronic products	26,855		25,637	
Machinery	3,608		3,498	
Other	6,291		7,640	
Total Manufacturing	43,909	18%	44,235	20%
Trade, Transportation, and Utilities:				
Wholesale	17,400		15,591	
Retail	28,227		26,349	
Transportation, Warehousing, and Utilities	3,673		4,841	
Total Trade, Transportation, and Utilities	49,300	20%	46,781	21%
Information:				
Publishing	3,121		4,030	
Telecommunications	2,072		1,937	
Other (broadcasting, ISP's, etc.)	2,425		869	
Total Information	7,618	3%	6,836	3%
Financial Activities:				
Finance and Insurance	10,837		9,601	
Real Estate	2,984		3,420	
Total Financial Activities	13,821	6%	13,021	6%
Professional and Business Services	38,267	15%	29,467	13%
Educational Services	5,247	2%	3,781	2%
Healthcare and Social Assistance	24,570	10%	16,873	8%
Leisure and Hospitality	20,643	8%	17,235	8%
Other Services (agriculture, repairs, private homes, misc.)	10,979	4%	11,076	5%
Government (federal, state, and local)	22,999	9%	17,515	8%
Total Employment	<u>250,246</u>	<u>100%</u>	<u>218,912</u>	<u>100%</u>

*Fiscal year 2012 information includes data through December 31, 2011.

Source: Oregon Employment Department Labor Market Information System (OLMIS)

OPERATING INFORMATION

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WASHINGTON COUNTY, OREGON

Full-time Equivalent Employees by Function

Last Ten Fiscal Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government	275.1	270.1	279.6	280.5	284.4	292.8	299.8	297.0	297.3	297.0
Public safety and justice	777.5	767.4	775.4	772.3	782.8	815.3	834.3	836.9	833.4	823.4
Land use, housing and transportation	412.8	408.8	405.4	398.6	416.6	426.0	423.9	391.8	357.4	348.8
Health and human services	214.6	221.1	222.1	220.6	228.8	231.8	240.2	239.4	250.0	253.5
Culture, education and recreation	44.6	38.6	36.6	36.6	36.6	40.0	44.3	45.3	44.3	47.3
Total	1,724.6	1,706.0	1,719.1	1,708.6	1,749.2	1,805.9	1,842.5	1,810.3	1,782.4	1,770.0

Source: Washington County Support Services Department

WASHINGTON COUNTY, OREGON

Operating Indicators by Function/Program

Last Ten Fiscal Years

Function/Program	2003	2004	2005	2006
General Government:				
Assessment & Taxation:				
Real property accounts	154,285	157,241	160,490	164,548
Personal property accounts	21,033	20,944	21,141	22,283
Mobile home accounts	6,522	6,387	6,227	6,092
Utility property accounts	1,084	1,097	1,072	941
County Counsel:				
Hours booked for General Fund programs	4,970	5,191	6,517	5,650
Hours booked for Special Revenue funds and miscellaneous	5,808	6,903	6,918	6,628
Hours booked for internal work	2,032	2,086	2,021	2,456
Support Services:				
Number of budgeted permanent FTE positions within the County	1,725	1,709	1,720	1,709
Number of collective bargaining units	4	4	4	5
Public Safety & Justice:				
Sheriff (measured in calendar years):				
Citizen generated calls for service	49,339	52,506	52,394	51,632
Officer-initiated calls for service (including traffic responses)	62,870	61,756	70,006	76,595
Bookings per year at Jail	18,149	19,015	20,600	19,329
Average length of stay in Jail (in days)	11	12	11	17
Average daily Jail population	530	579	589	554
Case numbers issued (all documented law enforcement actions taken)	26,363	26,800	27,552	25,619
Juvenile (measured in calendar years):				
Total referrals to juvenile department	3,621	3,677	3,642	3,961
Percent of youth with no new offenses	76%	73%	75%	72%
Total admissions to secure detention	549	515	538	547
Total admissions to shelter care evaluation	158	164	156	147
Community Corrections:				
Number of offenders residing at the Community Corrections Center	2,040	1,902	2,000	1,946
Average daily Community Corrections Center population	180	175	180	181
Average length of stay in Community Corrections Center (in days)	31	32	31	34
Number of offenders on supervision	3,999	4,137	3,962	4,059
Law Library:				
Total in-library users	4,854	6,917	6,165	6,968
Items checked out	608	675	786	1,022
Land Use, Housing, & Transportation:				
Land Use & Transportation (measured in calendar years):				
Total land use case files	542	538	518	596
Total land use actions	662	657	621	773
New subdivisions	36	43	54	83
Building permits issued (single family residential & remodels/additions)	1,194	1,458	1,504	1,648
Measure 37 claims received	N/A	33	404	469
Housing Services:				
Rent subsidies (units)	2,535	2,536	2,569	2,569
Affordable housing (units)	1,973	1,973	2,684	2,684
Public housing (units)	297	297	297	297
Homeownership (units)	1	—	4	3
Homeless services (beds)	595	622	624	625
Community Development:				
Number of people served by all CDBG programs	22,349	16,102	14,257	57,107
Number of households served by all CDBG programs	329	268	355	512
Health & Human Services:				
Health & Human Services:				
Swimming pool inspections, reviews, investigations	1,164	1,072	1,130	1,130
Solid Waste and Recycling phone calls received	3,683	3,269	3,127	3,082
Health Clinic - communicable disease client visits	15,606	14,053	13,666	12,500
Birth certificates received	7,529	7,498	7,511	7,500
Emergency Medical Services:				
CPR/AED people trained (measured in calendar years)	92	226	505	663
Ambulance licenses issued	86	112	94	110
Total ambulances inspected	25	40	35	37
Wheelchair car licenses issued	114	112	106	119
Culture, Education, & Recreation:				
Cooperative Library Services:				
Total library materials circulated	6,584,078	6,583,730	6,813,881	7,121,182
New users registered	34,621	34,521	38,730	36,104
Attendance at summer reading programs and events	16,652	19,685	26,621	25,050
Items delivered to member libraries via WCCLS couriers	1,713,589	1,794,180	1,852,787	2,011,235

N/A: Information not available

Source: Washington County Support Services Department

	2007	2008	2009	2010	2011	2012
	168,846	173,542	177,155	177,924	178,440	178,971
	23,278	23,791	24,100	24,591	24,077	23,893
	5,930	5,569	5,336	5,239	5,205	5,188
	997	977	940	1,026	1,167	1,278
	5,670	6,023	6,072	8,376	6,102	6,945
	7,118	6,938	7,081	5,639	6,223	6,200
	2,519	2,406	2,087	2,187	2,066	2,269
	1,749	1,806	1,843	1,810	1,782	1,770
	5	5	5	5	5	5
	52,121	52,481	49,296	48,343	47,050	N/A
	75,023	72,432	88,239	96,182	94,258	N/A
	19,181	18,560	18,698	17,967	17,761	N/A
	17	10	19	18	48	N/A
	547	545	613	579	568	N/A
	23,030	21,536	20,657	20,386	19,249	N/A
	4,416	4,646	4,087	4,106	3,738	3,539
	72%	71%	74%	74%	75%	N/A
	586	632	724	727	715	597
	167	165	163	160	134	121
	2,030	2,100	2,026	2,040	2,044	1,953
	198	190	194	198	195	181
	37	36	33	36	36	34
	4,176	4,205	4,162	4,123	4,035	3,694
	8,788	9,214	9,797	9,630	5,569	4,833
	864	800	802	865	867	796
	278	434	413	380	357	N/A
	360	549	488	456	431	N/A
	52	14	4	8	5	N/A
	1,639	1,212	988	1,110	1,053	N/A
	—	—	—	—	—	N/A
	2,569	2,581	2,610	2,810	2,810	2,823
	2,684	2,684	2,684	2,005	2,086	1,135
	297	265	257	255	255	255
	2	2	2	—	—	2
	483	548	544	604	594	739
	30,647	24,767	19,978	14,509	16,763	21,184
	293	468	341	523	491	435
	1,178	1,156	1,328	1,264	1,196	1,130
	3,500	3,187	3,442	3,502	3,600	4,200
	11,862	11,683	10,378	11,169	13,257	8,943
	8,177	4,172	N/A	N/A	N/A	N/A
	686	1,002	605	556	468	N/A
	113	103	98	99	97	111
	27	—	7	10	—	—
	103	131	134	135	144	174
	7,389,681	8,442,266	9,776,585	11,143,345	12,711,299	13,047,677
	38,189	41,715	44,797	38,108	40,374	35,770
	36,672	38,966	41,234	48,136	46,846	51,009
	2,125,504	2,714,141	3,170,517	3,721,876	4,138,471	4,108,984

WASHINGTON COUNTY, OREGON

Capital Assets

Last Ten Fiscal Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government:										
Facilities:										
Number of buildings - owned	25	25	25	25	22	23	23	23	23	23
Number of buildings - leased	8	9	9	9	10	8	9	9	8	7
Square feet - owned space	1,168,876	1,168,876	1,168,876	1,168,876	1,297,265	1,304,265	1,304,265	1,304,265	1,304,265	1,304,265
Square feet - leased space	32,424	36,821	36,821	36,821	31,642	24,282	24,722	24,722	24,079	19,867
Fleet:										
Number of units maintained	497	511	513	532	542	549	564	561	556	539
Gallons of fuel dispensed	384,273	400,812	404,661	421,373	408,405	450,074	439,539	431,506	449,544	441,940
Miles driven	4,277,224	4,293,800	4,309,245	4,543,847	4,475,521	4,705,659	4,554,668	4,620,550	4,613,964	4,485,547
Number of work orders	4,269	4,049	4,202	4,101	3,821	4,229	4,444	3,847	4,156	4,365
Information Technology Services:										
Computers supported	1,532	1,559	1,617	1,675	1,739	2,028	2,127	2,116	2,116	2,385
Applications supported	360	360	363	358	608	630	665	698	709	783
Land Use, Housing, and Transportation:										
County road system (measured in calendar years):										
Total miles maintained	1,264	1,277	1,277	1,276	1,285	1,271	1,271	1,280	1,300	N/A
Paved miles	996	1,014	1,017	1,017	1,033	1,035	1,035	1,055	1,075	N/A
Gravel miles	268	263	260	259	252	236	236	225	225	N/A
Urban miles	582	617	616	615	627	630	630	639	639	N/A
Rural miles	682	660	661	661	657	641	641	641	661	N/A
Bridges	185	186	186	187	187	187	187	189	189	N/A
Traffic signals	291	300	322	325	325	369	379	404	445	N/A

Source: Washington County Support Services Department

N/A: Information not available

**WASHINGTON COUNTY,
OREGON**

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

SECTION IV

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INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

December 18, 2012

Board of Commissioners
Washington County
Hillsboro, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Washington County, Oregon (the County), as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 18, 2012. We did not audit the financial statements of Clean Water Services (the District), a discretely presented component unit of the County. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the District is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

COMPLIANCE

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.

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

COMPLIANCE (Continued)

- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

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 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, except for over expenditures of appropriations as follows:

- General Fund – Non-operating organizational unit in the amount of \$3,000.
- Child Abuse Multidisciplinary Intervention Fund - Public safety and justice in the amount of \$99,000.
- Washington County Fair Fund – Culture, educational and recreation in the amount of \$12,000; Capital outlay in the amount of \$7,000; Debt service in the amount of \$2,000.
- Court Security Fund – Capital outlay in the amount of \$48,000.

OAR 162-10-230 INTERNAL CONTROL

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

Our report on the County's 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*, dated December 18, 2012, has been issued under separate cover.

* * * * *

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



Certified Public Accountants

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