

# Tillamook County, Oregon



## Comprehensive Annual Financial Report

For the Year Ended June 30, 2012

**TILLAMOOK COUNTY, OREGON**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended June 30, 2012**

**Prepared by the Office of County Treasurer**

**Debbie Clark, Treasurer**

**TILLAMOOK COUNTY**  
**BOARD OF COMMISSIONERS**  
**For the Year Ended June 30, 2012**

<b><u>Commissioners</u></b>	<b><u>Term Expires December 31,</u></b>
Charles J. Hurliman 12985 Highway 101 S Tillamook, OR 97141	2012
Tim Josi 6750 Baseline Road Tillamook, OR 97141	2014
Mark Labhart 9190 Mill Creek Road Tillamook, OR 97141	2012

**County Counsel**

William K. Sargent

**Treasurer**

Karen L. Richards-Dye (Term Ended August 31, 2011)  
Debbie Clark (Term Began September 1, 2011)

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

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## **INTRODUCTORY SECTION**

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*



## TILLAMOOK COUNTY TREASURER'S OFFICE

*Land of Cheese, Trees and Ocean Breeze*

Debbie Clark  
County Treasurer  
(503) 842-3439  
FAX (503) 842-1829

December 14, 2012

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

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of Tillamook County, Oregon, for the fiscal year ended June 30, 2012. This CAFR is published to fulfill the requirements of Oregon Revised Statute 297.415 and other state and local laws. The financial statements presented herein conform to generally accepted accounting principles. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with Tillamook County. It is believed that the data, as presented, is accurate in all material aspects and is presented in a manner designed to present fairly the financial position and results of the operation of Tillamook County as measured by the financial activity of its various funds and component units. All disclosures necessary to enable the reader to gain the maximum understanding of Tillamook County's financial affairs have been included.

### **INTRODUCTION**

The Management Discussion and Analysis (MD&A) contained in the financial section is required by Generally Accepted Accounting Principles (GAAP). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditor's report.

Oregon State Law requires that every municipal corporation submits an annual financial report to the Secretary of State; to have its combined general purpose financial statements audited by an independent certified public accountant in accordance with generally accepted auditing standards and Minimum Standards for Audits of Oregon Municipal Corporations; and to have an independent auditor express an opinion upon the financial position, results of operations and cash flows for the period under audit. The accounting firm of Boldt, Carlisle, and Smith, LLC was selected by the Board of County Commissioners to perform this work. The County complies with the aforementioned requirement, and the auditor's opinion has been included in this report.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and US Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of Federal awards, findings and questioned costs, and auditor's reports on the internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts and grants is included in this document.

Managers of the County are responsible for establishing internal control structures that ensure assets of the County are protected from loss, theft or misuse and to ensure adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

## **TILLAMOOK COUNTY PROFILE**

Tillamook County was established December 15, 1853 on lands that previously were part of Clatsop, Yamhill and Polk counties. The county was named after the Tillamook Indians who occupied the areas around the Tillamook and Nehalem Bays. The County is located on the Northern Oregon Coast and has an estimated population of 25,403 as per the US Census Bureau. The County's boundaries consist of 75 miles of coastline extending from Lincoln County on the south, to Clatsop County on the north. The Pacific Ocean is the County's western boundary and Yamhill and Washington Counties are the eastern boundaries. The city of Tillamook is the county seat and located in the central part of the county 75 miles west of Portland.

According to the US Census Bureau, Tillamook County has a total area of 1,333 square mile, of which 1,102 square miles is land and 231 square miles is water. Per the 2010 US Census Bureau, there are 22.9 persons per square mile. At 3,706 feet in elevation, Rogers Peak is the highest point in Tillamook County and the highest in the Northern Oregon Coast Range. The State of Oregon, the US Bureau of Land management, the US Forest Service, County of Tillamook and private timber companies control more than ninety percent (90%) of the land. The Tillamook State Forest is a key aspect of the county's economy. The 500,000-acre forest which was destroyed by disastrous fires in the 1930s and 1940s has now begun to come of age. This helps drive growth in timber harvesting and processing which supports local educations through timber revenues. Five percent (5%) of the land in Tillamook County is designated agricultural and the remainder is in urban and other uses.

There are eight (8) major stream systems in Tillamook County. Each discharges the County's annual average ninety (90) inches of precipitation into the Pacific Ocean by way of a coastal bay – five (5) into Tillamook Bay, two (2) into Nestucca Bay, and one (1) into Nehalem Bay. Mild summers and wet winters characterize the climate. Average temperatures range from forty-two (42) degrees in January to fifty-eight (58) degrees in July.

The county encompasses seven (7) incorporated cities and three (3) school districts. The majority of the population resides in or around the discontinuous coastal plain, running the entire length of the County. Seasonal population swells the County's population total in excess of fifty percent (50%) during peak periods. There are 377 miles of roads and 99 bridges under County jurisdiction.

Tillamook County is governed by a Board of Commissioners, consisting of three (3) commissioners, who are elected to four-year terms. The Board of Commissioners conduct all legislative business of the County and are responsible for setting County policy, general administration of the County and holding public hearings on certain issues required by law. The Commissioners are active at state and federal levels representing the concerns and interests of the county. The County also has an elected sheriff, surveyor, clerk, assessor, treasurer, district attorney and justice of the peace.

The financial reporting entity (the County) includes all funds and activities of the primary government (i.e., Tillamook County as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The County provides a full range of services, which include sheriff protection; the construction and maintenance of streets and related infrastructure; and other County public services. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Solid Waste Disposal Service District is reported as an enterprise fund of the primary government, and the 4-H and Extension Service District is reported as a special revenue fund of the primary government.

Tillamook County's budget is prepared on the cash basis of accounting. In accordance with State statutes, the County budgets all funds except trust and agency funds. The annual budget maintains a variety of budgetary controls to ensure compliance with legal provisions and is adopted and appropriated by the Board of County Commissioners. Activities of the general fund, special revenue funds, debt service funds and capital project funds are included in the annual appropriated budget. The level of budgetary control is established by department within the general fund and by expenditure category with the other individual funds. The expenditure appropriations lapse at the end of the fiscal year. Additional resources and corresponding appropriations may be added to the budget during the fiscal year through a supplemental budget process. Appropriation transfers may be made throughout the fiscal year and, if required, are approved by the Board of Commissioners in public meetings.

### **FINANCIAL CONDITIONS AND OUTLOOK**

In June 2012, the unemployment rate for Tillamook County was 8.2 percent. Oregon's rate was 8.5 percent. Last year for the same period, Tillamook County's rate was 8.6 percent while Oregon's was 9.4 percent. Construction of new homes has continued to slow down and sales of new and existing homes have declined. The Real market Value of property in Tillamook County is \$5,775,140,616 and the Assessed Value is \$4,025,756,637 for the 2011/2012 tax year.

Tillamook County, like other local governments in Oregon continues to struggle with the impacts of Property Tax Limitation Measures that passed in the 1990's. With the passage of BM5 and in 1997 BM50, rates were capped at \$10.00 per thousand dollars of value for general government and phased in a limit of \$5.00 per thousand dollars for schools. Growth of property tax revenues is limited to three percent (3%) per year, except for new construction, which now results in new revenues rather than an adjustment in the tax rate.

Tillamook County Government is primarily dependent on forestry revenues. The Tillamook State Forest consisting of 360,000 acres in Tillamook, Washington, Clatsop, Columbia and Yamhill counties is the largest block of public forest in the north Coast Range. The bulk of this forest (308,000 acres) is in Tillamook County. Local governments rely on these revenues to help fund schools and other essential services. A forest management plan allows for timber harvests using a "structured bases" management strategy. Current national and local economic factors are impacting sale prices of current and future timber sales

Revenues from federal and state sources have declined as state and federal governments reduce spending. In response to the continued economic crisis, the County's Management Team holds a strategic planning session once a year. Out of this session come project priorities. This list is a large part of the budget planning discussions and creates a focal point for administration and finance as the budget allocations are determined. Projects of greatest priority are allocated resources in the next budget



cycle and “lesser” priorities are reviewed in the subsequent years for continued inclusion on, upgrade of status within, or potential removal from the list.

A major economic impact on the County’s finances is the elimination of federal funding through the Secure Rural Schools and Community Self Determination Act (“Safety Net Payments”). The Act was reauthorized by Public Law 110-343, but at reduced revenues for the County and phase out when the act expires in 2012. Historically, fifty percent (50%) of annual operating revenues for the Road fund come from this source.

Management and local citizens continue their efforts to identify funding sources for capital road repair and replacement projects. Tillamook County’s road system is among the worst in the State with a Condition Pavement Index of forty eight (48). The County Roads Advisory Committee and a local political action committee recommended that the County submit a General Obligation Bond measure to the voters. On November 8, 2011, there was a Special Election that included Measure 29-124, Tillamook County Road General Obligation Bond. This measure failed with 3,785 or 47.18% yes votes and 4,237 or 52.82% no votes. Total number voting, 8,029 or 56.4% of registered voters. Proceeds from this bond would have provided \$15 million to fund identified projects.

At the May 15, 2012 Primary Election, Tillamook County voters approved the renewal of five (5) year Veteran’s Services and Library local operating levies. The Veteran’s Services measure passed with 6,217 or 82.21% yes votes and 1,345 or 17.79% no votes. The Library measure passed with 4,073 or 53.04% yes votes and 3,606 or 46.96% no votes. Total voter turnout was 8,109 or 56.57% of registered voters.

Management successful negotiated the collective bargaining agreement between Tillamook County and Oregon AFSCME Local 2734 with a new pay plan effective January 1, 2012, composed of twenty (20) ranges of six (6) steps and shall provide for a five percent (5%) step increase and five percent (5%) between the ranges. Bargaining Unit employees transitioned to this pay schedule on January 1, 2012. Effective July 1, 2012, the five (5) by five (5) pay plan reflects a two and a half percent (2.5%) across the board uniform increase.

Management also negotiated an extension agreement between Tillamook County, the Tillamook County Sheriff and Teamsters Local Union No. 223. The parties mutually agreed to the same two and a half percent (2.5%) across the board increase for all pay grades of the bargaining unit effective July 1, 2012.

## **OTHER FINANCIAL INFORMATION**

The County’s enterprise operation is comprised of the Solid Waste Service District. This district is included in the CAFR as a component unit of Tillamook County. The Board of County Commissioners serves as its governing body. The District is responsible for countywide solid waste management planning, recycling education and coordination, illegal dumping cleanup and prevention, as well as enforcement coordination. The District collects municipal solid waste at a transit station in order to transport it to the Coffin Butte Landfill in Corvallis, Oregon. The operations of the transit station and transport of solid waste to the Coffin Butte Landfill are performed by a private company under contract with the District.

The County recognizes a liability for post-closure care and maintenance of the Tillamook County closed landfill. A Solid Waste Post Closure Reserve fund was established in FY2011-2012 to satisfy DEQ requirements of financial assurance. The County, on behalf of the District, files an Annual Financial Assurance Update and Recertification with DEQ no later than December 31 each year. The County

expects that transfer station fees and assessments to property owners will continue to be sufficient to cover the post-closure costs.

The Tillamook County 4-H Extension Service district is included in the CAFR as a component unit of Tillamook County. The Board of County Commissioners serves as its governing body, making appointments and approving the budget. The District was formed in 1986 under the provisions of ORS Chapter 451 to provide Oregon State University Extension education programs, training and information to residents of Tillamook County.

The County provides a retirement program for its employees. All fulltime employees are eligible to participate in the program after six (6) full months of employment.

The County issues various types of debt. This debt is comprised of capital lease obligations, accumulated unpaid vacation and sick leave, notes payable and bonds payable relating to three General Obligations Bonds. Outstanding debts on the bonds payable relate to the Library General Obligation Bonds, Refunding Bonds for the Jail and Justice Facility and Refunding Bonds for the Hospital.

The County aggressively seeks to improve its awareness of claims liability. A safety committee provides inspections, training and equipment to create a safe working environment for its employees. A safe work environment reduces the risk of worker's compensation claims. Field employees received continued training in identifying and responding to hazardous materials sites. While the County is not self-insured, every effort is made to reduce costs, while still providing adequate coverage. An insurance agent of record provides counseling to the County on insurance matters. A wellness committee creates programs targeted to enhance the employees' physical condition and in return reduce sick leave usage. The Human Resource Director and County Counsel provide risk management by monitoring issues that may cause liability exposure to the County and advises the Board of County Commissioners regarding such matters.

The County invests excess funds considering state statutes, security of the investment and cash flow requirements. Investments are comprised of the State of Oregon Treasurer's Investment Pool and US Government Agencies. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances.

## **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Tillamook County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2011. The Certificate of Achievement is a prestigious national award and recognizes conformance with the highest standards for preparation of state and local government financial reports.

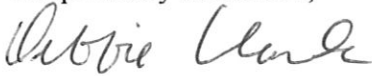
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Tillamook County has received a Certificate of Achievement for twenty-three (23) consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to GFOA to determine its eligibility for another certificate.

## **ACKNOWLEDGEMENTS**

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the County's accounting staff. In addition, I would like to express my appreciation to all members of other departments who assisted and contributed to its preparation. Finally, I would also like to thank the County Commissioners for their interest and support in our continued effort to improve the County's financial reporting.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Debbie Clark".

Debbie Clark  
County Treasurer



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Tillamook 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. Sandison*

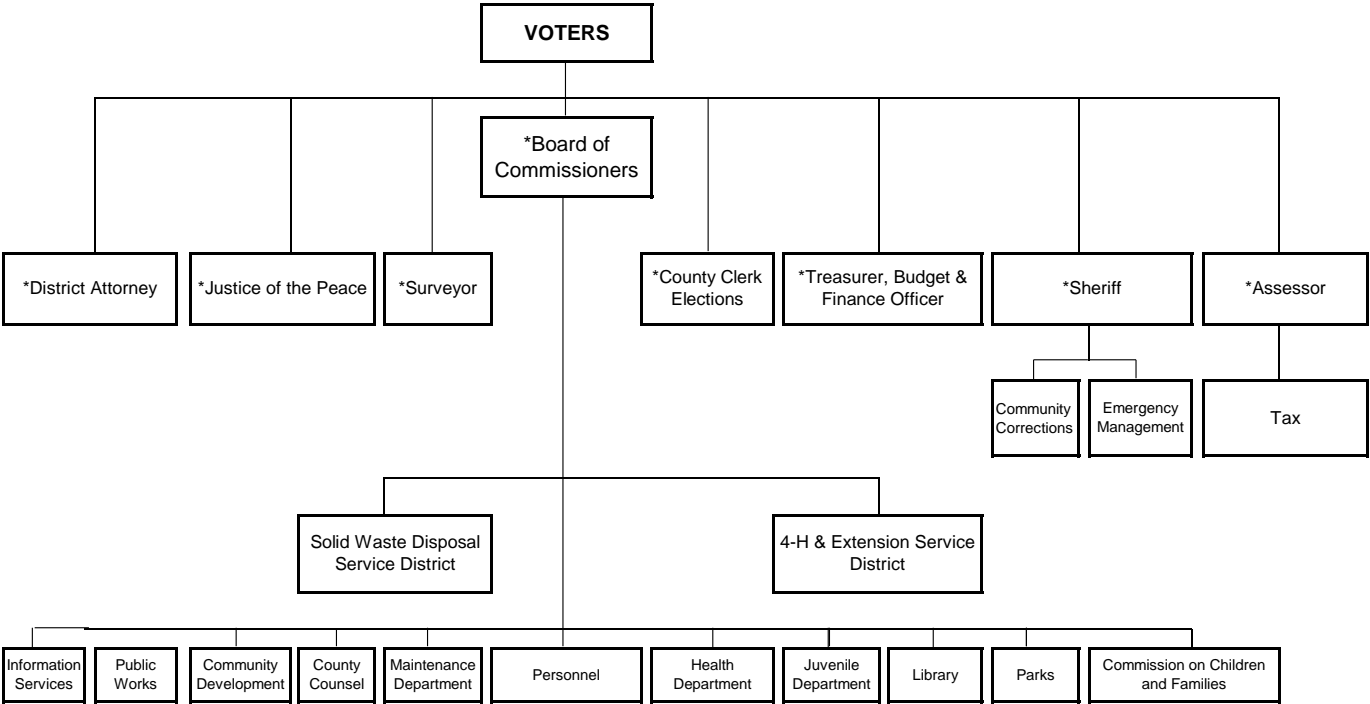
President

*Jeffrey R. Enen*

Executive Director

# Tillamook County

Organizational Chart  
Year Ended June 30, 2012



\*Elected Official

**TILLAMOOK COUNTY**  
**PRINCIPAL OFFICIALS**  
**For the Year Ended June 30, 2012**

**Board of Commissioners**

<b><u>Name</u></b>	<b><u>Term Expires</u></b>
Charles J. Hurliman	December 31, 2012
Tim Josi	December 31, 2014
Mark Labhart	December 31, 2012

**Other Elected Officials**

Denise Vandecouvering, Assessor	December 31, 2012
Tassi O'Neil, County Clerk	December 31, 2012
William Porter, District Attorney	December 31, 2014
Neal Lemery, Justice of the Peace	December 31, 2012
Wm. Andy Long, Sheriff	December 31, 2012
Dan McNutt, Surveyor	December 31, 2012
Debbie Clark, Treasurer	December 31, 2012

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

## **FINANCIAL SECTION**

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*



## INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
**TILLAMOOK COUNTY**  
Tillamook, 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 **TILLAMOOK 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 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 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **TILLAMOOK COUNTY**, as of June 30, 2012, the respective changes in financial position, and cash flows, where applicable, thereof, and the respective budgetary comparisons for the General, Road, County School, Health Services, Library, Commission on Children and Families, Community Corrections, and Community Development Funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

## INDEPENDENT AUDITOR'S REPORT (Continued)

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages *a* through *i* 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 financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

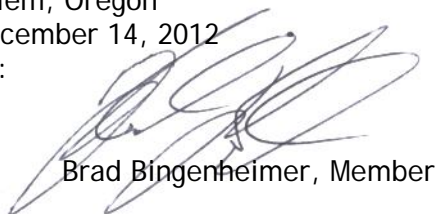
**Boldt, Carlisle & Smith, LLC**

Certified Public Accountants

Salem, Oregon

December 14, 2012

By:



Brad Bingenheimer, Member



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

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis presents the highlights of financial activities and financial position for Tillamook County. The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget, and specific issues related to funds and the economic factors affecting the County. It includes all the activities of the County and its component units: *Solid Waste Service District* and *4H and Extension Service District*.

Please read this MD&A in conjunction with the Transmittal Letter (pages *i* through *v*) and the County's financial statements.

### FINANCIAL HIGHLIGHTS

The County's assets exceeded its liabilities at June 30, 2012 by \$63,479,083 (*net assets*). Of this amount \$45,070,615 was invested in capital assets, net of related debt; \$9,150,515 was restricted for specific purposes and \$9,257,953 was unrestricted.

The County's net assets increased by \$1,353,762 (or 2.18%) which was due primarily to increases from investments in capital assets, net of related debt. Reduction in long term obligations contributed to the overall increase.

The County's Governmental Funds decreased fund balances by \$682,542, with the General Fund experiencing a decrease in its fund balance by \$301,890 and the Road, County School, Health Services, Library, Commission on Children and Families, Community Corrections, Community Development, Building Improvement and Other Governmental Funds having a combined decrease in fund balance of \$380,652.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

Statements of Net Assets and Activities focus on entity-wide presentations using the accrual basis of accounting and provide both long-term and short-term information about the County's financial status.

Fund financial statements focus separately on major governmental and proprietary funds and types of fiduciary funds. Governmental fund statements follow the more traditional presentation of financial statements. The County's major governmental funds are presented in their own columns and the remaining funds are combined into a single column titled "Other Governmental Funds." Budgetary comparison statements are presented for the General, Road, Health Services, Library, Commission on Children and Families, Community Corrections, Community Development, Building Improvement and County School Funds. Statements for the County's proprietary funds follow the governmental funds and include statements of net assets, revenues, expenses and changes in fund net assets, and cash flows. Fiduciary funds account for resources held for the benefit of others and have not been reflected in the Statements of Net Assets and Activities, as they are not available to the County.

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

**Combining and Individual Fund Financial Statements and Schedules.** Readers desiring additional information on non-major funds can find it in this section of this report. Included within this section are:

- Combining Statements of other governmental funds which are classified as non-major. These statements include balance sheets and statements of revenues, expenditures and changes in fund balances.
- Budgetary Comparisons. Budgetary information for all funds, except General and the major Special Revenue Funds, which are presented within the Basic Financial Statements, are presented here.
- Fiduciary Fund statement for changes in assets and liabilities.
- Other Financial Schedules covering capital assets and long-term obligations complete the Financial Section of the report.

**Statistical Section.** Trend information and demographics.

**Audit comments and disclosures required by state regulations.** Supplemental communication on county compliance and internal controls as required by Oregon statutes.

**Grant compliance – Single Audit.** Additional reports by the county's independent auditor and the schedule of expenditures of federal awards as required by Government Auditing Standards and the Single Audit Act.

## FINANCIAL SUMMARY AND ANALYSIS

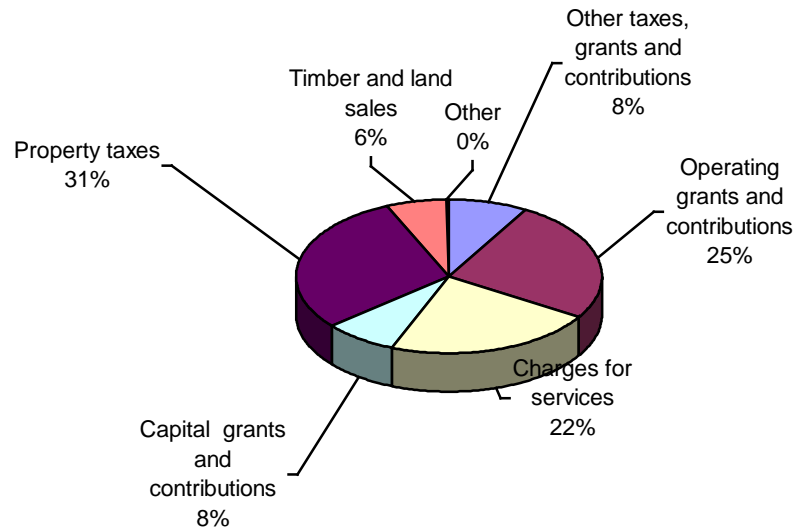
As mentioned earlier, the County's net assets as of June 30, 2012 were \$63,479,083. By far the largest portion of net assets is comprised of the county's investment in capital assets (e.g., land, buildings, equipment and public infrastructure), less any related debt outstanding that was used to acquire those assets. The County uses capital assets to provide services to citizens; therefore, these assets are not available for future spending. The resources to repay the related debt is not provided by capital assets, but will be provided from other sources.

	Governmental Activities		Business-type Activities		Totals	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b><u>ASSETS</u></b>						
Current and other assets	\$ 23,825,154	\$ 25,576,928	\$ 1,389,745	\$ 1,709,608	\$ 25,214,899	\$ 27,286,536
Capital assets	<u>50,247,632</u>	<u>47,862,505</u>	<u>2,455,401</u>	<u>2,156,940</u>	<u>52,703,033</u>	<u>50,019,445</u>
Total assets	<u>74,072,786</u>	<u>73,439,433</u>	<u>3,845,146</u>	<u>3,866,548</u>	<u>77,917,932</u>	<u>77,305,981</u>
<b><u>LIABILITIES</u></b>						
Other liabilities	1,125,383	1,463,160	133,185	146,874	1,258,568	1,610,034
Long-term liabilities	<u>12,142,810</u>	<u>12,667,600</u>	<u>1,037,471</u>	<u>903,026</u>	<u>13,180,281</u>	<u>13,570,626</u>
Total liabilities	<u>13,268,193</u>	<u>14,130,760</u>	<u>1,170,656</u>	<u>1,049,900</u>	<u>14,438,849</u>	<u>15,180,660</u>
<b><u>NET ASSETS</u></b>						
Invested in capital assets net of related debt	42,615,214	44,019,014	2,455,401	2,156,940	45,070,615	46,175,954
Restricted	9,150,515	9,617,647	-	-	9,150,515	9,617,647
Unrestricted	<u>9,038,864</u>	<u>5,672,012</u>	<u>219,089</u>	<u>659,708</u>	<u>9,257,953</u>	<u>6,331,720</u>
Total net assets	<u>\$ 60,804,593</u>	<u>\$ 59,308,673</u>	<u>\$ 2,674,490</u>	<u>\$ 2,816,648</u>	<u>\$ 63,479,083</u>	<u>\$ 62,125,321</u>

The unrestricted net assets of business-type activities represent the current assets of the Solid Waste Service District, which are offset by the liability for landfill post-closure care costs.

Total net assets increased by \$1,353,762. The revenue of the county comes primarily from property taxes, charges for services, operating grants and contributions. The county's expenses cover a wide variety of services, with general government, public safety, and health and welfare accounting for over half of the expenses.

## Tillamook County Revenue



Property taxes, comprising 31% of Tillamook County's revenue, are derived from the Permanent Tax Rate, Local Option Taxes and General Obligation debt levies.

The permanent tax rate provides funding for general government. Countywide library services and Veterans Services are funded by the local option tax levies (expiring in 2017). General Obligation Debt consists of the Justice Facility Construction Debt, Hospital Construction Debt, Library Construction Debt and subsequent refundings.

For the year ended June 30, 2012, a large percentage of revenues come from property taxes (31%), charges for services (22%) and operating grants and contributions (25%). This includes such items as permits, licenses, recreation fees, recording fees, health services patient fees, other user fees, solid waste disposal fees and assessments and fines.

Operating grants and contributions primarily fund the Community Health Center, Public Works, Community Corrections, Children and Families Programs and Mental Health Services.

Timber and Land sales revenue is a major resource for the General, Road, and County School Funds.

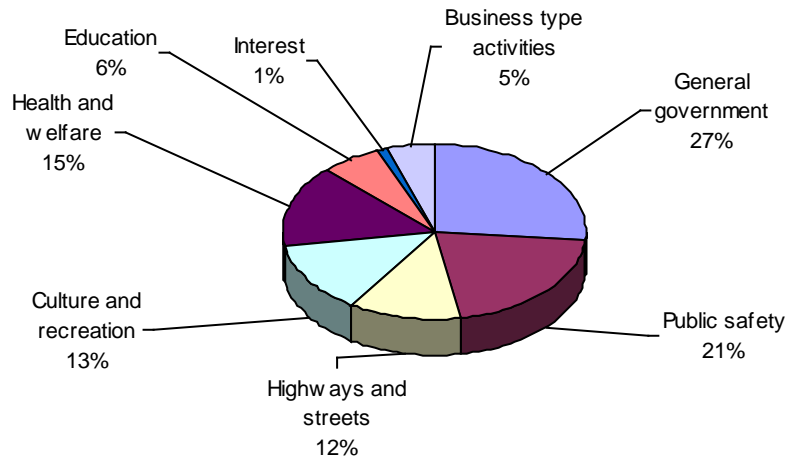
Expenses for General Government and Public Safety comprise 49% of total expenses. The County Justice Facility, opened in 1997, houses the Sheriff's Department, Community Corrections, State Police, Emergency Management and the jail.

General Government includes expenditures for Community Development, Information Services, Assessment and Taxation, Elections, Finance, Commissioners and Support Services. County Park System expenses are included in Culture and Recreation.

Health and Welfare expenses relate to the County's federally funded Community Health Center. Highways and Streets expenditures relate to repair and maintenance of infrastructure.

The Extension Service District and County School Fund comprise Education expenses and Business-type activities relate to the Solid Waste Service District. Interest expenses account for payments on the County's long-term debt.

### **Tillamook County Functional Expenses**



Governmental activities increased the County's net assets by \$1,495,919 which represents 101 percent of the increase in net assets. The key elements of this increase are as follows:

#### TILLAMOOK COUNTY'S CHANGES IN NET ASSETS

	Governmental Activities		Business-type Activities		Totals	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 8,245,493	\$ 8,225,665	\$ 1,778,065	\$ 1,710,689	\$ 10,023,558	\$ 9,936,354
Operating grants and contributions	8,194,060	8,476,992	1,000	-	8,195,060	8,476,992
Capital grants and contributions	2,506,529	1,275,535	70,000	46,200	2,576,529	1,321,735
General revenues:						
Property taxes	10,712,390	10,414,096	-	-	10,712,390	10,414,096
Other taxes	179,630	161,778	-	-	179,630	161,778
Other grants and contributions	3,465,267	4,746,992	-	-	3,465,267	4,746,992
Timber and land sales	2,342,060	2,789,366	-	-	2,342,060	2,789,366
Other	1,338,505	1,315,943	6,327	113,283	1,344,832	1,429,226
Total revenues	<u>36,983,934</u>	<u>37,406,367</u>	<u>1,855,392</u>	<u>1,870,172</u>	<u>38,839,326</u>	<u>39,276,539</u>
<b>Expenses</b>						
General government	9,934,062	10,897,384	-	-	9,934,062	10,897,384
Public safety	7,719,096	7,754,878	-	-	7,719,096	7,754,878
Highways and streets	4,431,828	4,825,966	-	-	4,431,828	4,825,966
Culture and recreation	4,951,190	4,490,789	-	-	4,951,190	4,490,789
Health and welfare	5,703,431	5,290,597	-	-	5,703,431	5,290,597
Education	2,355,043	2,887,100	-	-	2,355,043	2,887,100
Interest on long-term debt	393,364	454,086	-	-	393,364	454,086
Solid waste	-	-	1,997,550	1,863,490	1,997,550	1,863,490
Total expenses	<u>35,488,014</u>	<u>36,600,800</u>	<u>1,997,550</u>	<u>1,863,490</u>	<u>37,485,564</u>	<u>38,464,290</u>
Change in net assets	1,495,920	805,567	(142,158)	6,682	1,353,762	812,249
Net assets - beginning	<u>59,308,673</u>	<u>58,503,106</u>	<u>2,816,648</u>	<u>2,809,966</u>	<u>62,125,321</u>	<u>61,313,072</u>
Net assets - ending	<u>\$ 60,804,593</u>	<u>\$ 59,308,673</u>	<u>\$ 2,674,490</u>	<u>\$ 2,816,648</u>	<u>\$ 63,479,083</u>	<u>\$ 62,125,321</u>

#### Governmental Activities

The growth in net assets is attributed to increased receipts from capital grants and property taxes and reductions in general government, education expenditures and highways and streets.

#### Business-type Activities

The Solid Waste Fund accounts for disposal of solid waste generated in Tillamook County. The decrease in net assets is attributed to decreased other program revenue and increases in Solid Waste expenditures.



## FINANCIAL ANALYSIS OF FUNDS

As of June 30, 2012 the County's governmental funds reported a combined fund balance of \$20,968,381, which is a decrease of \$682,542 from June 30, 2011.

The general fund is the primary operating fund of the County. As of June 30, 2012, the general fund balance is \$10,416,940, which is a decrease of \$301,890 from June 30, 2011. GASB 54 requires governmental type fund balance amounts to be properly reported. With the implementation of GASB 54, the County has two funds, Revenue Stabilization and Post Employment Liability Reserve, which are separately budgeted, that no longer qualify to be presented as separate funds in accordance with generally accepted accounting principles. Accordingly, these funds have been combined with the General Fund.

The Road Fund is primarily supported by state fuel taxes and federal forest fees. Its fund balance decreased by \$887,270 during 2011-12 due primarily to a continued decrease in federal forest fees, scheduled to sunset in fiscal year 2012-13 and an increase in completed capital projects.

The County School Fund receives state timber revenues which are passed on to public school districts within the County. The fund balance decreased \$50,108 due to timing of pass-through distributions.

The Health Services Fund balance increased to \$445,179 from \$274,102 at June 30, 2011. This increase was due to an increase in health and welfare revenues and a decrease of uncollectible accounts receivables. The General Fund transferred \$158,000 to the Health Services Fund for public health support during the year. The transfer from Health Service Fund to the General Fund during this reporting period was \$55,000. It is anticipated that the Health Services Fund will make subsequent transfers to the General Fund on an annual basis.

The Library Fund had an increase in fund balance of \$362,401. This increase was due primarily to property taxes levied for library operations.

The Commission on Children and Families fund balance decreased \$12,844, which was primarily due to a decrease in intergovernmental revenues.

The Community Corrections fund experienced a decrease in fund balances of \$34,941. The programs funding is determined biennially by the Oregon State Legislature.

The Department of Community Development budget was eliminated from the General fund and reclassified as a Special Revenue Fund in fiscal year 2010-11. This reporting period is the last year Community Development is reported as a major governmental fund in accordance with generally accepted accounting principles. Effective July 1, 2012, the Board of County Commissioners made the decision to move the Department of Community Development back to the General Fund. Thus, the ending fund balance was zero.

The Building Improvement fund balance decreased by \$169,656 due to expenditures for repairs and improvements to County buildings.

Proprietary funds provide the same type of information as presented in the government-wide statements of net assets and activities, but in more detail. The proprietary funds net assets amounted to \$2,674,490 as of June 30, 2012.

## **BUDGETARY HIGHLIGHTS**

The County prepares its budget on the cash receipts and disbursements basis of accounting.

The changes between the original and final budget of the general fund were enacted to transfer relatively small amounts between appropriation categories. Actual receipts in the general fund were \$426,425 less than anticipated and actual disbursements were \$1,137,604 less than appropriations, demonstrating a generally prudent spending policy.

A supplemental budget was adopted during the year to create appropriation for unanticipated revenue for special revenue and capital projects funds.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

As of June 30, 2012, the County had invested \$52,703,033 in total capital assets, net of depreciation, which is a net increase of \$2,683,588 from June 30, 2011. This investment includes land and land improvements, buildings, equipment and public infrastructure of roads and bridges. The investment in governmental activities capital assets had an increase of \$2,385,127 due to reclassifications, and business-type activities increased by \$298,461. Additional information on the County's capital assets may be found in Note 6 of the financial statements.

The total obligations outstanding as of June 30, 2012 amounted to \$13,180,281. Additionally, the County's estimated liabilities for other post-employment benefit obligations and landfill post-closure care costs are reported as long-term obligations.

During the year the County retired \$2,548,848 in principal on long-term debt, a reduction of 19 percent of the balance outstanding at the beginning of the year.

A summary of the County's long-term debt outstanding is as follows:

General Obligations Bonds	\$	6,615,000
Loans payable		1,017,418
Capital leases		21,924
Accumulated unpaid compensation		1,141,615
Other post-employment benefits		3,346,853
Landfill post-closure care liability		1,037,471

Additional information on the County's long-term obligations may be found in Note 8 to the financial statements.

## **ECONOMIC FACTORS**

Oregon law limits increases in property tax revenue. Assessed values may increase 3% per year, plus the value of new construction. Tillamook County's tax increase each year is insufficient to cover the rising cost of services.

General Government operations rely heavily on timber revenues to support expenditures. The County is also very dependent on federal and state grants.

Rising costs of employee benefits challenge the county to reduce expenditures for materials and services and capital outlay while maintaining a viable, fairly compensated workforce. The County continues to explore ways to combine and streamline service delivery.

Funding provided by the state legislature for county programs is subject to biennial appropriations. The state's funding source is primarily income taxes. Therefore the state is dependent on a strong economy to fund services. Local governments compete with schools and other services which make them vulnerable to funding reductions. During the next budget year, the county will be evaluating its ability to provide citizens the services they are accustomed to with declining state and federal resources.

## **FINANCIAL CONTACT**

The County's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the County's finances and to demonstrate the County's accountability. Additionally, the component units have separately issued financial statements that are available to provide information on their finances and activities.

If you have questions about the report or need additional financial information, please contact the County Treasurer's office at 201 Laurel Ave., Tillamook, Oregon.

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

## **BASIC FINANCIAL STATEMENTS**

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

**TILLAMOOK COUNTY**  
**STATEMENT OF NET ASSETS**  
**June 30, 2012**

	<b>Governmental</b>	<b>Business-type</b>	<b>Totals</b>
	<b>Activities</b>	<b>Activities</b>	
<b><u>ASSETS</u></b>			
Cash and investments	\$ 18,569,023	\$ 1,109,821	\$ 19,678,844
Receivables, net	3,915,079	279,924	4,195,003
Deferred charges	90,749	-	90,749
Net pension obligation asset	1,250,303	-	1,250,303
Capital assets:			
Land, improvements, and construction in progress	8,546,776	141,793	8,688,569
Other capital assets, net	<u>41,700,856</u>	<u>2,313,608</u>	<u>44,014,464</u>
 TOTAL ASSETS	 <u>74,072,786</u>	 <u>3,845,146</u>	 <u>77,917,932</u>
 <b><u>LIABILITIES</u></b>			
Accounts payable and accrued expenses	718,322	133,185	851,507
Accrued interest	99,784	-	99,784
Unearned revenue	307,277	-	307,277
Long-term obligations:			
Due within one year	2,797,462	108,526	2,905,988
Due in more than one year	<u>9,345,348</u>	<u>928,945</u>	<u>10,274,293</u>
 TOTAL LIABILITIES	 <u>13,268,193</u>	 <u>1,170,656</u>	 <u>14,438,849</u>
 <b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	42,615,214	2,455,401	45,070,615
Restricted for:			
Debt service	200,426	-	200,426
Highways and streets	2,605,778	-	2,605,778
Schools and education	922,317	-	922,317
Health services	538,735	-	538,735
County library	2,643,613	-	2,643,613
Grants	497,830	-	497,830
Public safety	720,700	-	720,700
County fair	294,919	-	294,919
Parks	269,653	-	269,653
Other purposes	456,544	-	456,544
Unrestricted	<u>9,038,864</u>	<u>219,089</u>	<u>9,257,953</u>
 TOTAL NET ASSETS	 <u>\$ 60,804,593</u>	 <u>\$ 2,674,490</u>	 <u>\$ 63,479,083</u>

*See notes to basic financial statements*

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*



**TILLAMOOK COUNTY**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2012**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets		Totals
		Charges for	Operating Grants and	Capital Grants and	Governmental	Business-type	
		Services	Contributions	Contributions	Activities	Activities	
<b>Governmental activities:</b>							
General Government	\$ 9,934,062	\$ 3,268,622	\$ 547,339	\$ -	\$ (6,118,101)		\$ (6,118,101)
Public Safety	7,719,096	827,688	1,809,864	-	(5,081,544)		(5,081,544)
Public Works	4,431,828	574,350	2,072,409	1,991,670	206,601		206,601
Culture and Recreation	4,951,190	1,756,832	55,412	514,859	(2,624,087)		(2,624,087)
Health, Welfare and Sanitation	5,703,431	1,818,001	3,709,036	-	(176,394)		(176,394)
Education	2,355,043	-	-	-	(2,355,043)		(2,355,043)
Interest on Long-term debt	393,364	-	-	-	(393,364)		(393,364)
Total governmental activities	35,488,014	8,245,493	8,194,060	2,506,529	(16,541,932)		(16,541,932)
<b>Business-type activities:</b>							
Solid Waste	1,997,550	1,778,065	1,000	70,000	70,000	\$ (148,485)	(148,485)
Totals	\$ 37,485,564	\$ 10,023,558	\$ 8,195,060	\$ 2,576,529	(16,541,932)	(148,485)	(16,690,417)
<b>General revenues</b>							
Taxes:							
Property taxes levied for:							
General purposes					8,915,069	-	8,915,069
Debt service					1,797,321	-	1,797,321
Other taxes					179,630	-	179,630
Other grants and contributions not restricted for specific programs							
Timber and land sales					3,465,267	-	3,465,267
Unrestricted investment earnings					2,342,060	-	2,342,060
Miscellaneous					86,692	5,068	91,760
Gain on sale of capital assets					1,235,353	1,259	1,236,612
					16,460	-	16,460
TOTAL GENERAL REVENUES					18,037,852	6,327	18,044,179
CHANGES IN NET ASSETS					1,495,920	(142,158)	1,353,762
NET ASSETS - BEGINNING					59,308,673	2,816,648	62,125,321
NET ASSETS - ENDING					\$ 60,804,593	\$ 2,674,490	\$ 63,479,083

*See notes to basic financial statements*

# TILLAMOOK COUNTY

## BALANCE SHEET GOVERNMENTAL FUNDS June 30, 2012

	General	Road	County School	Health Services	Library	Commission on Children and Families
<b>ASSETS</b>						
Cash and cash equivalents	\$ 9,118,335	\$ 2,191,203	\$ 537	\$ 210,112	\$ 2,362,282	\$ 84,584
Receivables, net	1,926,109	207,327	616,757	383,592	256,255	-
<b>TOTAL ASSETS</b>	<u>\$ 11,044,444</u>	<u>\$ 2,398,530</u>	<u>\$ 617,294</u>	<u>\$ 593,704</u>	<u>\$ 2,618,537</u>	<u>\$ 84,584</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 183,177	\$ 200,561	\$ -	\$ 148,525	\$ 29,553	\$ 16,309
Deferred revenue	444,327	-	-	-	188,845	-
<b>TOTAL LIABILITIES</b>	<u>627,504</u>	<u>200,561</u>	<u>-</u>	<u>148,525</u>	<u>218,398</u>	<u>16,309</u>
<b>FUND BALANCES</b>						
Restricted	-	2,197,969	617,294	445,179	2,400,139	68,275
Assigned	2,667,164	-	-	-	-	-
Unassigned	7,749,776	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>10,416,940</u>	<u>2,197,969</u>	<u>617,294</u>	<u>445,179</u>	<u>2,400,139</u>	<u>68,275</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 11,044,444</u>	<u>\$ 2,398,530</u>	<u>\$ 617,294</u>	<u>\$ 593,704</u>	<u>\$ 2,618,537</u>	<u>\$ 84,584</u>

*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 funds
- Deferred charges relating to debt issuances are not financial resources and therefore are not reported in the funds
- Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds
- Certain payments received are for services to be provided in future periods and therefore are reported as unearned in the statement of net assets
- The net pension obligation (asset) is reported in the statement of net assets but is not reported in the funds
- The net post-employment benefits obligations is reported in the statement of net assets but is not reported in the funds
- Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds

NET ASSETS OF GOVERNMENTAL ACTIVITIES

*See notes to basic financial statements*

<b>Community Corrections</b>	<b>Building Improvement</b>	<b>Other Governmental Funds</b>	<b>Totals</b>
\$ 183,101	\$ 624,406	\$ 3,794,463	\$ 18,569,023
-	-	525,039	3,915,079
<u>\$ 183,101</u>	<u>\$ 624,406</u>	<u>\$ 4,319,502</u>	<u>\$ 22,484,102</u>
\$ 4,126	\$ -	\$ 136,071	\$ 718,322
-	-	164,227	797,399
<u>4,126</u>	<u>-</u>	<u>300,298</u>	<u>1,515,721</u>
178,975	-	2,999,210	8,907,041
-	624,406	1,019,994	4,311,564
-	-	-	7,749,776
<u>178,975</u>	<u>624,406</u>	<u>4,019,204</u>	20,968,381
<u>\$ 183,101</u>	<u>\$ 624,406</u>	<u>\$ 4,319,502</u>	
50,247,632			
90,749			
797,399			
(307,277)			
1,250,303			
(3,346,853)			
<u>(8,895,741)</u>			
<u>\$ 60,804,593</u>			

**TILLAMOOK COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND**

**CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

**For the Year Ended June 30, 2012**

	<b>General</b>	<b>Road</b>	<b>County School</b>	<b>Health Services</b>	<b>Library</b>	<b>Commission on Children and Families</b>
<b>REVENUES</b>						
Property taxes	\$ 5,942,896	\$ -	\$ 461	\$ -	\$ 2,578,214	\$ -
Licenses, permits and fees	406,515	41,271	-	-	-	-
Intergovernmental	2,008,233	2,718,013	2,022,986	2,669,166	3,840	328,876
Charges for services	401,388	191,278	-	1,814,445	-	-
Fines and forfeitures	402,396	-	-	-	9,530	-
Timber and land sales	2,292,024	-	-	-	-	-
Interest	47,359	9,580	1,882	222	9,608	169
Intercounty charges	1,318,615	30,000	-	-	-	-
Miscellaneous	313,187	324,280	-	45,124	48,414	18,993
<b>TOTAL REVENUES</b>	<b>13,132,613</b>	<b>3,314,422</b>	<b>2,025,329</b>	<b>4,528,957</b>	<b>2,649,606</b>	<b>348,038</b>
<b>EXPENDITURES</b>						
Current						
General government	7,437,078	-	-	-	-	-
Public safety	5,498,291	-	-	-	-	380,882
Highways and streets	-	3,697,087	-	-	-	-
Culture and recreation	-	-	-	-	2,262,205	-
Health and welfare	55,500	-	-	4,436,692	-	-
Education	-	-	2,075,437	-	-	-
Capital outlay	298,527	557,865	-	44,023	-	-
Debt service						
Principal	96,674	37,459	-	2,898	-	-
Interest	14,944	1,141	-	149	-	-
<b>TOTAL EXPENDITURES</b>	<b>13,401,014</b>	<b>4,293,552</b>	<b>2,075,437</b>	<b>4,483,762</b>	<b>2,262,205</b>	<b>380,882</b>
Excess (deficiency) of revenues over expenditures	(268,401)	(979,130)	(50,108)	45,195	387,401	(32,844)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	195,498	109,860	-	158,000	-	20,000
Sale of capital assets	9,536	-	-	-	-	-
Issuance of debt	-	-	-	22,882	-	-
Transfers out	(238,523)	(18,000)	-	(55,000)	(25,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(33,489)</b>	<b>91,860</b>	<b>-</b>	<b>125,882</b>	<b>(25,000)</b>	<b>20,000</b>
Net change in fund balances	(301,890)	(887,270)	(50,108)	171,077	362,401	(12,844)
Fund balances at beginning of year	10,718,830	3,085,239	667,402	274,102	2,037,738	81,119
Fund balances at end of year	\$ 10,416,940	\$ 2,197,969	\$ 617,294	\$ 445,179	\$ 2,400,139	\$ 68,275

*See notes to basic financial statements*

Community Corrections	Community Development	Building Improvement	Other Governmental Funds	Totals
\$ -	\$ -	\$ -	\$ 2,192,445	\$ 10,714,016
-	169,703	-	10,097	627,586
560,598	33,161	-	1,618,992	11,963,865
76,521	871,373	-	2,257,299	5,612,304
-	-	-	141,014	552,940
-	-	-	-	2,292,024
-	-	2,867	15,005	86,692
-	-	-	-	1,348,615
2,819	27,487	-	2,249,390	3,029,694
639,938	1,101,724	2,867	8,484,242	36,227,736
-	1,152,877	10,377	665,172	9,265,504
674,879	-	-	242,507	6,796,559
-	-	-	252,137	3,949,224
-	-	-	1,887,920	4,150,125
-	-	-	1,015,474	5,507,666
-	-	-	272,962	2,348,399
-	-	162,146	1,915,349	2,977,910
-	-	-	1,445,000	1,582,031
-	-	-	350,180	366,414
674,879	1,152,877	172,523	8,046,701	36,943,832
(34,941)	(51,153)	(169,656)	437,541	(716,096)
-	55,523	-	58,000	596,881
-	-	-	1,136	10,672
-	-	-	-	22,882
-	-	-	(260,358)	(596,881)
-	55,523	-	(201,222)	33,554
(34,941)	4,370	(169,656)	236,319	(682,542)
213,916	(4,370)	794,062	3,782,885	21,650,923
\$ 178,975	\$ -	\$ 624,406	\$ 4,019,204	\$ 20,968,381

**TILLAMOOK COUNTY**

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2012**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (682,542)

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

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

Capitalized expenditures	\$ 3,176,994	
Depreciation	<u>(1,634,370)</u>	1,542,624

The net effect of transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets		842,503
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In the Statement of Activities, property taxes are reported as revenues when assessed. However in the governmental funds, property taxes are reported when they are measurable and available. This revenue recognition results in differences in amounts reported for property tax revenues		(1,626)
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Governmental funds report as revenues certain payments for services to be provided in future periods		(81,847)
--	--	----------

Proceeds from long-term obligations provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets.		(22,882)
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Debt issuance costs are reported as a reduction in the proceeds from long-term debt in the governmental funds. However in the statement of Net Assets these amounts are reported as deferred charges and amortized over the debt repayment period as additional interest expense.		(54,530)
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In the Statement of Activities, the change in the net pension obligation is reported as additional expenses for increases and a reduction of expenses for decreases.		(621,032)
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The change in other post-employment benefits are reported as additional expenses in the Statement of Activities		(887,523)
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Repayment of long-term obligations principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Assets.		1,582,031
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued interest	27,580	
Compensated absences	<u>(146,836)</u>	<u>(119,256)</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES		<u>\$ 1,495,920</u>
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*See notes to basic financial statements*

# TILLAMOOK COUNTY

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL For the Year Ended June 30, 2012

	Budget		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 5,835,000	\$ 5,835,000	\$ 5,929,596	\$ 94,596
Timber and land sales	2,800,000	2,800,000	2,361,253	(438,747)
Intergovernmental	1,892,450	1,892,450	1,858,896	(33,554)
Fines and forfeitures	435,000	435,000	383,271	(51,729)
Licenses, permits and fees	334,000	334,000	299,614	(34,386)
Charges for services	328,000	328,000	418,592	90,592
Investment earnings	50,000	50,000	36,707	(13,293)
Intercounty	1,389,290	1,389,290	1,328,675	(60,615)
Miscellaneous	283,700	283,700	304,411	20,711
<b>TOTAL REVENUES</b>	<b>13,347,440</b>	<b>13,347,440</b>	<b>12,921,015</b>	<b>(426,425)</b>
<b>EXPENDITURES</b>				
Board of County Commissioners	790,745	790,745	754,466	36,279
Land Sales	9,300	11,107	10,239	868
Justice Court	293,910	293,910	284,331	9,579
Juvenile Department	579,040	579,040	471,429	107,611
District Attorney	949,640	991,051	937,924	53,127
County Clerk	491,910	520,910	486,234	34,676
County Assessor	1,339,200	1,344,830	1,248,172	96,658
County Treasurer	532,535	554,881	504,853	50,028
Tax Department	190,570	191,652	180,346	11,306
Courthouse Building	375,010	375,010	349,161	25,849
Sheriff - Criminal	2,734,300	2,738,928	2,591,359	147,569
Sheriff - Jail	2,723,110	2,723,110	2,521,444	201,666
Sheriff - Marine	255,250	282,772	258,346	24,426
Communications	109,635	109,635	95,218	14,417
Emergency Services	261,565	323,278	296,389	26,889
County Surveyor	271,155	271,155	268,015	3,140
Information Services	961,020	961,020	868,811	92,209
General Government	899,700	800,398	636,556	163,842
Non-Departmental	300,380	300,380	294,526	5,854
Mental Health Services	59,000	59,000	55,500	3,500
Motorpool	500	500	-	500
Personnel	348,950	348,950	325,502	23,448
Operating Contingency	300,000	4,163	-	4,163
<b>TOTAL EXPENDITURES</b>	<b>14,776,425</b>	<b>14,576,425</b>	<b>13,438,821</b>	<b>1,137,604</b>

*See notes to basic financial statements*

*Continued on page 9*

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

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
Excess (deficiency) of revenues over expenditures	\$ (1,428,985)	\$ (1,228,985)	\$ (517,806)	\$ 711,179
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	722,500	722,500	195,498	(527,002)
Sale of assets	-	-	9,536	9,536
Transfers out	(183,000)	(383,000)	(238,523)	(144,477)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>539,500</b>	<b>339,500</b>	<b>(33,489)</b>	<b>(661,943)</b>
Net change in fund balances	(889,485)	(889,485)	(551,295)	338,190
Fund balances - beginning	6,200,000	6,200,000	6,903,868	703,868
Fund balances - ending	<u>\$ 5,310,515</u>	<u>\$ 5,310,515</u>	<u>\$ 6,352,573</u>	<u>\$ 1,042,058</u>

*See notes to basic financial statements*



**TILLAMOOK COUNTY**

**ROAD FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 2,726,000	\$ 2,726,000	\$ 2,716,450	\$ (9,550)
Licenses, permits and fees	30,000	30,000	41,271	11,271
Charges for services	16,000	16,000	222,182	206,182
Investment earnings	15,000	15,000	9,580	(5,420)
Intercounty	30,000	30,000	30,000	-
Miscellaneous	<u>200,000</u>	<u>200,000</u>	<u>421,678</u>	<u>221,678</u>
<b>TOTAL REVENUES</b>	<u>3,017,000</u>	<u>3,017,000</u>	<u>3,441,161</u>	<u>424,161</u>
<b>EXPENDITURES</b>				
Personal services	1,831,450	1,831,450	1,692,182	139,268
Materials and services	1,416,810	2,129,810	2,103,106	26,704
Capital outlay	371,122	565,132	559,309	5,823
Contingency	<u>535,435</u>	<u>17,425</u>	<u>-</u>	<u>17,425</u>
<b>TOTAL EXPENDITURES</b>	<u>4,154,817</u>	<u>4,543,817</u>	<u>4,354,597</u>	<u>189,220</u>
Excess (deficiency) of revenues over expenditures	<u>(1,137,817)</u>	<u>(1,526,817)</u>	<u>(913,436)</u>	<u>613,381</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	109,860	109,860	109,860	-
Transfers out	<u>(18,000)</u>	<u>(18,000)</u>	<u>(18,000)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>91,860</u>	<u>91,860</u>	<u>91,860</u>	<u>-</u>
Net change in fund balance	(1,045,957)	(1,434,957)	(821,576)	613,381
Fund balance at beginning of year	<u>2,131,130</u>	<u>2,520,130</u>	<u>2,998,177</u>	<u>478,047</u>
Fund balance at end of year	<u>\$ 1,085,173</u>	<u>\$ 1,085,173</u>	<u>\$ 2,176,601</u>	<u>\$ 1,091,428</u>

*See notes to basic financial statements*

**TILLAMOOK COUNTY**

**COUNTY SCHOOL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ 461	\$ 461
Intergovernmental	3,625,000	3,625,000	2,073,358	(1,551,642)
Investment earnings	<u>5,000</u>	<u>5,000</u>	<u>1,882</u>	<u>(3,118)</u>
<b>TOTAL REVENUES</b>	<b>3,630,000</b>	<b>3,630,000</b>	<b>2,075,701</b>	<b>(1,554,299)</b>
<b>EXPENDITURES</b>				
Materials and services	<u>3,630,000</u>	<u>3,630,000</u>	<u>2,075,437</u>	<u>1,554,563</u>
Net change in fund balance	-	-	264	264
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>273</u>	<u>273</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 537</u></u>	<u><u>\$ 537</u></u>

*See notes to basic financial statements*

**TILLAMOOK COUNTY**

**HEALTH SERVICES FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<b>Budget</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Intergovernmental	\$ 2,423,800	\$ 2,423,800	\$ 2,621,321	\$ 197,521
Charges for services	1,962,300	1,962,300	1,859,212	(103,088)
Investment earnings	1,000	1,000	222	(778)
Miscellaneous	10,500	10,500	45,128	34,628
<b>TOTAL REVENUES</b>	<b>4,397,600</b>	<b>4,397,600</b>	<b>4,525,883</b>	<b>128,283</b>
<b>EXPENDITURES</b>				
Personal services	3,265,010	3,139,915	3,070,104	69,811
Materials and services	1,079,590	1,330,660	1,324,101	6,559
Capital outlay	30,025	30,025	49,193	(19,168)
Contingency	125,975	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>4,500,600</b>	<b>4,500,600</b>	<b>4,443,398</b>	<b>57,202</b>
Excess (deficiency) of revenues over expenditures	(103,000)	(103,000)	82,485	185,485
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	158,000	158,000	158,000	-
Issuance of debt	-	-	22,882	22,882
Transfers out	(55,000)	(55,000)	(55,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>103,000</b>	<b>103,000</b>	<b>125,882</b>	<b>22,882</b>
Net change in fund balance	-	-	208,367	208,367
Fund balance at beginning of year	-	-	(33,874)	(33,874)
Fund balance at end of year	\$ -	\$ -	\$ 174,493	\$ 174,493

*See notes to basic financial statements*

**TILLAMOOK COUNTY**

**LIBRARY FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<b>Budget</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Property taxes	\$ 2,475,000	\$ 2,475,000	\$ 2,572,419	\$ 97,419
Intergovernmental	4,000	4,000	3,840	(160)
Fines and forfeitures	7,500	7,500	9,530	2,030
Investment earnings	25,000	25,000	9,608	(15,392)
Miscellaneous	162,500	162,500	46,914	(115,586)
<b>TOTAL REVENUES</b>	<u>2,674,000</u>	<u>2,674,000</u>	<u>2,642,311</u>	<u>(31,689)</u>
<b>EXPENDITURES</b>				
Personal services	1,611,720	1,611,720	1,438,681	173,039
Materials and services	845,850	870,861	827,263	43,598
Capital outlay	35,000	9,989	9,989	-
Contingency	268,430	268,430	-	268,430
<b>TOTAL EXPENDITURES</b>	<u>2,761,000</u>	<u>2,761,000</u>	<u>2,275,933</u>	<u>485,067</u>
Excess (deficiency) of revenues over expenditures	(87,000)	(87,000)	366,378	453,378
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	(112,000)	(112,000)	341,378	453,378
Fund balance at beginning of year	<u>1,512,000</u>	<u>1,512,000</u>	<u>2,006,909</u>	<u>494,909</u>
Fund balance at end of year	<u>\$ 1,400,000</u>	<u>\$ 1,400,000</u>	<u>\$ 2,348,287</u>	<u>\$ 948,287</u>

*See notes to basic financial statements*

# TILLAMOOK COUNTY

## COMMISSION ON CHILDREN AND FAMILIES FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL For the Year Ended June 30, 2012

	Budget			
	Original	Final	Actual	Variance
<b>REVENUES</b>				
Intergovernmental	\$ 277,900	\$ 277,900	\$ 422,760	\$ 144,860
Investment earnings	400	400	169	(231)
Miscellaneous	25,500	25,500	19,156	(6,344)
<b>TOTAL REVENUES</b>	<u>303,800</u>	<u>303,800</u>	<u>442,085</u>	<u>138,285</u>
<b>EXPENDITURES</b>				
Personal services	123,820	148,330	139,982	8,348
Materials and services	279,680	255,170	240,435	14,735
Capital outlay	<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>
<b>TOTAL EXPENDITURES</b>	<u>406,000</u>	<u>406,000</u>	<u>380,417</u>	<u>25,583</u>
Excess (deficiency) of revenues over expenditures	(102,200)	(102,200)	61,668	163,868
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in fund balance	(82,200)	(82,200)	81,668	163,868
Fund balance at beginning of year	<u>82,200</u>	<u>82,200</u>	<u>4,343</u>	<u>(77,857)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,011</u>	<u>\$ 86,011</u>

See notes to basic financial statements

**TILLAMOOK COUNTY**

**COMMUNITY CORRECTIONS FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND**

**CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2012**

	<b>Budget</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Intergovernmental	\$ 679,600	\$ 679,600	\$ 560,598	\$ (119,002)
Charges for services	85,000	85,000	76,521	(8,479)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>3,591</u>	<u>(1,409)</u>
 TOTAL REVENUES	 <u>769,600</u>	 <u>769,600</u>	 <u>640,710</u>	 <u>(128,890)</u>
 <b>EXPENDITURES</b>				
Personal services	509,020	509,020	388,197	120,823
Materials and services	420,780	420,780	288,317	132,463
Capital outlay	5,000	5,000	-	5,000
Contingency	<u>84,800</u>	<u>84,800</u>	<u>-</u>	<u>84,800</u>
 TOTAL EXPENDITURES	 <u>1,019,600</u>	 <u>1,019,600</u>	 <u>676,514</u>	 <u>343,086</u>
 Net change in fund balance	 (250,000)	 (250,000)	 (35,804)	 214,196
Fund balance at beginning of year	<u>250,000</u>	<u>250,000</u>	<u>216,187</u>	<u>(33,813)</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 180,383</u>	 <u>\$ 180,383</u>

*See notes to basic financial statements*

**TILLAMOOK COUNTY**

**COMMUNITY DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 43,000	\$ 43,000	\$ 47,161	\$ 4,161
Licenses, permits and fees	255,000	255,000	170,088	(84,912)
Charges for services	882,000	882,000	875,406	(6,594)
Miscellaneous	<u>-</u>	<u>-</u>	<u>27,487</u>	<u>27,487</u>
 TOTAL REVENUES	 <u>1,180,000</u>	 <u>1,180,000</u>	 <u>1,120,142</u>	 <u>(59,858)</u>
 <b>EXPENDITURES</b>				
Personal services	870,730	903,730	893,094	10,636
Materials and services	305,110	276,270	263,182	13,088
Capital outlay	<u>4,160</u>	<u>-</u>	<u>-</u>	<u>-</u>
 TOTAL EXPENDITURES	 <u>1,180,000</u>	 <u>1,180,000</u>	 <u>1,156,276</u>	 <u>23,724</u>
 Excess (deficiency) of revenues over expenditures	 -	 -	 (36,134)	 (36,134)
 <b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>55,523</u>	<u>(55,523)</u>
 Net change in fund balance	 -	 -	 19,389	 19,389
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>(19,389)</u>	<u>(19,389)</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

*See notes to basic financial statements*

**TILLAMOOK COUNTY**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**June 30, 2012**

	<b>Business-type Activities / Enterprise Funds</b>			
	<b>Solid Waste</b>	<b>Solid Waste Sinking</b>	<b>Post Closure Reserve</b>	<b>Totals</b>
<b><u>ASSETS</u></b>				
Current assets				
Cash and investments	\$ 155,937	\$ 661,411	\$ 292,473	\$ 1,109,821
Receivables	279,924	-	-	279,924
Total current assets	435,861	661,411	292,473	1,389,745
Capital assets				
Land and construction in progress	141,793	-	-	141,793
Other capital assets, net	2,313,608	-	-	2,313,608
Total capital assets, net	2,455,401	-	-	2,455,401
<b>TOTAL ASSETS</b>	<b>2,891,262</b>	<b>661,411</b>	<b>292,473</b>	<b>3,845,146</b>
<b><u>LIABILITIES</u></b>				
Current liabilities				
Accounts payable and accrued expenses	133,185	-	-	133,185
Current portion of landfill post-closure care liability	108,526	-	-	108,526
Total current liabilities	241,711	-	-	241,711
Landfill post-closure care liability	928,945	-	-	928,945
<b>TOTAL LIABILITIES</b>	<b>1,170,656</b>	<b>-</b>	<b>-</b>	<b>1,170,656</b>
<b><u>NET ASSETS</u></b>				
Invested in capital assets	2,455,401	-	-	2,455,401
Unrestricted	(734,795)	661,411	292,473	219,089
<b>TOTAL NET ASSETS</b>	<b>\$ 1,720,606</b>	<b>\$ 661,411</b>	<b>\$ 292,473</b>	<b>\$ 2,674,490</b>

*See notes to basic financial statements*



**TILLAMOOK COUNTY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2012**

	Business-type Activities / Enterprise Funds			
	Solid Waste	Solid Waste Sinking	Post Closure Reserve	Totals
REVENUES				
Charges for services	\$ 1,474,866	\$ -	\$ -	\$ 1,474,866
OPERATING EXPENSES				
Personal services	90,556	-	-	90,556
Other supplies and expenses	1,802,914	864	-	1,803,778
Depreciation	103,216	-	-	103,216
Total operating expenses	1,996,686	864	-	1,997,550
Operating (loss)	(521,820)	(864)	-	(522,684)
NON-OPERATING REVENUES (EXPENSES)				
Assessments	303,199	-	-	303,199
Interest and investment earnings	1,139	3,123	806	5,068
Miscellaneous	2,259	-	-	2,259
Total non-operating revenue (expenses)	306,597	3,123	806	310,526
Income (loss) before contributions and transfers	(215,223)	2,259	806	(212,158)
Capital contribuitons	70,000	-	-	70,000
Transfers	(6,657)	(285,010)	291,667	-
Change in net assets	(151,880)	(282,751)	292,473	(142,158)
Total net assets - beginning	1,872,486	944,162	-	2,816,648
Total net assets - ending	\$ 1,720,606	\$ 661,411	\$ 292,473	\$ 2,674,490

*See notes to basic financial statements*

**TILLAMOOK COUNTY**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2012**

	<b>Business-type Activities/Enterprise Funds</b>			
	<b>Solid Waste</b>	<b>Solid Waste Sinking</b>	<b>Post Closure Reserve</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 1,402,170	\$ -	\$ -	\$ 1,402,170
Payments to suppliers	(1,664,947)	(16,457)	-	(1,681,404)
Payments to employees	(92,174)	-	-	(92,174)
Other	72,259	-	-	72,259
Net cash (used in) operating activities	(282,692)	(16,457)	-	(299,149)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Assessments of property owners	303,199	-	-	303,199
Transfers in	-	116,667	291,667	408,334
Transfers out	(408,334)	-	-	(408,334)
Net cash provided by (used in) non-capital financing activities	(105,135)	116,667	291,667	11,532
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases of capital assets	-	(401,677)	-	(401,677)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest	1,139	3,123	806	5,068
Net increase (decrease) in cash and cash equivalents	(386,688)	(298,344)	292,473	(684,226)
Cash and cash equivalents - beginning of year	542,625	959,755	-	1,502,380
Cash and cash equivalents - end of year	\$ 155,937	\$ 661,411	\$ 292,473	\$ 1,109,821
<b>Reconciliation of operating (loss) to net cash (used in) operating activities</b>				
Operating (loss)	\$ (521,820)	\$ (864)	\$ -	\$ (522,684)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities				
Depreciation	103,216	-	-	103,216
Other	72,259	-	-	72,259
(Increase) in accounts receivable	(72,696)	-	-	(72,696)
Increase (decrease) in liabilities				
Accounts payable and accrued expenses	1,904	(15,593)	-	(13,689)
Accumulated compensated absences	(1,618)	-	-	(1,618)
Landfill post-closure care liability	136,063	-	-	136,063
Net cash (used in) operating activities	\$ (282,692)	\$ (16,457)	\$ -	\$ (299,149)

**Non-cash investing and financing transactions**

During the year the Solid Waste fund had a non-cash transfer in from the Solid Waste Sinking fund relating to the acquisition of capital assets by the Solid Waste Sinking fund but used the the Solid Waste fund.

**TILLAMOOK COUNTY**

**STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
June 30, 2012**

	<b>Tillamook County Retirement Plan for Employees Pension</b>	
	<b>Trust</b>	<b>Agency</b>
<b>ASSETS</b>		
Cash and investments	\$ 2,118,178	\$ 1,147,318
Receivables, net	-	4,961,026
Investments, at fair value:		
Fixed income securities	7,622,438	-
Mutual funds	<u>32,376,746</u>	<u>-</u>
 TOTAL ASSETS	 42,117,362	 <u>\$ 6,108,344</u>
 <b>LIABILITIES</b>		
Due to other governments	<u>-</u>	<u>\$ 6,108,344</u>
 <b>NET ASSETS</b>		
Held in trust for pension benefits	<u>\$ 42,117,362</u>	

*See notes to basic financial statements*

**TILLAMOOK COUNTY**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**

**FIDUCIARY FUNDS**

**For the Year Ended June 30, 2012**

	<b>Tillamook County Retirement Plan for Employees Pension Trust</b>
	<hr/>
<b>ADDITIONS</b>	
Employer contributions	\$ 2,391,758
Investment earnings	<hr/> 1,106,338
Total additions	<hr/> 3,498,096
<b>DEDUCTIONS</b>	
Benefits	2,383,513
Administrative	<hr/> 121,364
Total deductions	<hr/> 2,504,877
Change in net assets	993,219
Net assets - beginning of year	<hr/> 41,124,143
Net assets - end of year	<hr/> <hr/> \$ 42,117,362

*See notes to basic financial statements*

**NOTES TO BASIC  
FINANCIAL STATEMENTS**

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

**TILLAMOOK COUNTY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2012**

**1. Summary of Significant Accounting Policies**

**The Reporting Entity**

Tillamook County was established December 15, 1853. A three-member Board of Commissioners governs the County under provisions of ORS 203.230.

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

*Solid Waste Service District*

The Solid Waste Service District was formed in June 1976 to dispose of solid waste generated in Tillamook County. The principal funding source is user charges and assessments. The Solid Waste Fund and the Solid Waste Sinking Fund make up the Solid Waste Service District.

*Tillamook County 4-H and Extension Service District*

The Tillamook County 4-H and Extension Service District was formed in February 1986, under the provisions of ORS Chapter 451 to provide Oregon State University extension educational programs, training and information to Tillamook County residents.

Since the County is financially accountable for, significantly influences the operations and the Board of Commissioners acts as the governing board of each component unit, these entities have been included as blended component units in the basic financial statements of the County. Complete financial statements of the individual component units can be obtained from the Tillamook County Treasurer.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the County (the primary government) and its component units. For the most part, the effect of interfund activity has been removed from these statements. *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.

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

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

#### Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements, except for the agency funds which have no measurement focus. 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.

The government-wide statements and proprietary funds have applied all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements. The County has elected to not follow FASB pronouncements issued after November 30, 1989.

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



## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

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

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

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

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

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

The County reports the following major governmental funds:

*General* – accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Road* – accounts for maintenance activities related to maintaining and inspecting the County's highways and roads. The primary revenue for this fund is taxes on motor vehicle fuel.

*County School* – accounts for State timber and Federal Forest Fees revenues which are distributed to school districts within the County.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

*Health Services* – accounts for the revenues and expenditures of the County’s Health Department which provides medical assistance to residents of the County. The fund’s activities are largely supported by federal and state grants.

*Library* – accounts for the operation of the County’s public library which is supported by a local option property tax levy.

*Commission on Children and Families* – accounts for Oregon Children and Youth Services Commission grants for the development, administration and evaluation of an annual Comprehensive Juvenile Services Plan for the County.

*Community Corrections* – accounts for the custodial and supervisory services for offenders adjudicated through the criminal justice system of the County. The State of Oregon provides a significant amount of the financial resources for these activities.

*Community Development* - accounts for the operations of the Community Development Department which issues building permits and provides inspection services.

*Building Improvement* - accounts for capital improvements to County buildings.

The County reports the following major proprietary fund:

*Solid Waste* – accounts for disposal of solid waste generated in Tillamook County. The principal funding sources are collection fees and assessments from property owners.

*Solid Waste Sinking* – accounts for resources held for future costs associated with solid waste facilities

*Post Closure Reserve* – accounts for resources held for future costs associated with the closed landfill.

The County reports the following fiduciary funds:

*Tillamook County Retirement Plan for Employee Pension Trust* – accounts for the assets held, contributions to and benefit payments of Tillamook County’s pension plan to provide retirement benefits to its employees.

*Agency* – account for resources received and held by the County in a fiduciary capacity. Disbursements from these funds are made in accordance with the trust agreement or applicable legislative enactment for each particular fund.

Additionally, the County reports the following fund types:

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

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

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

### **1. Summary of Significant Accounting Policies (continued)**

#### **Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)**

*Capital projects* – account for expenditures on major construction projects or equipment acquisition. The principal sources of revenues are proceeds from certificates of participation issued to finance capital acquisitions, proceeds from the sale of County owned property, general obligation bond proceeds, full faith and credit bonds, and revenue bonds.

#### **Budget Policies and Budgetary Control**

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds of the County except agency funds and the pension trust fund. The County uses the cash basis of accounting for all budgets. All annual appropriations lapse at fiscal year end.

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

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The County established the levels of budgetary control at the personal services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds except the General Fund budgetary control is established at the department level.

Budget amounts shown in the financial statements have been revised since the original budget amounts were adopted. The County Commissioners must authorize all appropriation transfers and supplementary budgetary appropriations.

#### **Risk Management**

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

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

### **1. Summary of Significant Accounting Policies (continued)**

#### **Property Taxes**

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

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

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

#### **Assessments**

The Solid Waste Service District (an Enterprise Fund) assesses each unit of property within the County a \$12 fee to support waste collection and disposal operations. Assessments are recorded as levied.

#### **Grants and Entitlements**

Receivables for federal and state grants and state shared revenue are recorded as revenue in all fund types as earned.

#### **Other Receivables**

In governmental fund types, the portion of receivables which is available to finance expenditures of the current period is recorded as revenue and the remaining balance is recorded as deferred revenue. Revenues are recorded when earned in proprietary fund types.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Capital Assets

Capital assets, which include property, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, sewers, street lighting, and similar items), and their improvements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of at least one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Property, plant, and equipment of the County, as well as the component units, are depreciated using the straight-line method over estimated useful lives as follows:

• Motor vehicles	5 to 10 years
• Equipment, including software	5 to 15 years
• Buildings	45 to 50 years
• Buildings improvements	20 years
• Public domain infrastructure	50 to 75 years

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

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of Significant Accounting Policies (continued)

#### **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 using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs and the excess of bond amounts issued to refund previously issued debt over the refunded debt are reported as deferred charges and amortized over the term of the related debt.

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

#### **Compensated Absences**

*Accumulated Vacation* – Employees may accumulate vacation leave up to one and one-half times the employees' annual accrual rate. The annual accrual rate is from 12 to 24 days per year. Accumulated vacation is accrued when incurred in the government-wide and proprietary fund financial statements.

*Sick Leave* – Employees of the County earn sick leave at a rate of one day per month and may accumulate up to 180 days. The right to receive any payments for unused sick leave does not vest with employees during their employment, and no payments for unused sick leave are made upon termination of employment. However, in accordance with the County's collective bargaining agreements, upon retirement from the County or death, employees will be paid for up to 480 hours of unused sick leave. The County has accrued a liability for the estimated amount of these sick leave payments in the government-wide and proprietary fund statements.

#### **Interfund Loans**

Lending and borrowing arrangements between funds, which are outstanding at the end of the year, are presented as either "interfund receivables/payables" for the current portion or advances to/from other funds" for the non-current portion of the interfund loan. All other outstanding balances between funds are reported as due to/from other funds. Advances to other funds are offset by a reservation of fund equity to indicate that they are not available financial resources.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Retirement Plan

Substantially all of the County's employees are participants in the Tillamook County, Oregon Retirement Plan for Employees. Contributions to the plan are made on a current basis as required by the plan and are charged to expenditures or expenses when due and the employer has made a formal commitment to provide the contribution.

The assets of the plan are invested in various mutual funds. The County pays the investment expenses of the plan.

#### Landfill Post-Closure Care Liability

The Tillamook County Landfill ceased accepting solid waste in January 1989 and final cover was applied subsequently in conformity with state regulations. A closed landfill permit was issued by the Oregon Department of Environmental Quality in November 1992. State and federal laws and regulations require certain maintenance and monitoring functions at the site for thirty years after closure.

The County has recorded a liability for the estimated cost of landfill post-closure care. Annually, the liability is evaluated by examining the estimated costs needed to perform the post-closure care over the remaining life and the liability is adjusted accordingly. During the current fiscal year, the balance was increased by \$136,063 to reflect an estimated liability of \$1,037,471 at June 30, 2012.

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

#### Equity Classification

##### Government-wide statements

On the Statement of Net Assets, equity is classified as net assets and displayed in three components:

***Invested in capital assets, net of related debt*** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

***Restricted net assets*** – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

***Unrestricted net assets*** – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Governmental Fund Type Fund Balance Reporting

The Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) requires governmental type fund balance amounts to be properly reported within one of the fund balance categories list below:

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

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

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

***Assigned*** — Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The County Treasurer has the authority to assign fund balance amounts.

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

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



## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 2. Reconciliation of Generally Accepted Accounting Principles Basis to Budgetary Basis

The budget of the County is prepared differently from accounting principles generally accepted in the United States of America. Therefore, the Statements of Revenues, Expenditures and Changes in Fund Balances (Budgetary Basis) – Budget and Actual for governmental funds are presented on the budgetary basis and are adjusted to the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds in accordance with accounting principles generally accepted in the United States of America. The following is a reconciliation of the differences between the budgetary basis and accounting principles generally accepted in the United States of America for revenues and other financing sources over (under) expenditures and other financing uses for the aforementioned financial statements:

	General	Road	County School	Health Services	Library	Commission on Children and Families	Community Corrections	Community Development	Building Improvement
Net change in fund balances - generally accepted accounting principles basis	\$ (301,890)	\$ (887,270)	\$ (50,108)	\$ 171,077	\$ 362,401	\$ (12,844)	\$ (34,941)	\$ 4,370	\$ (169,656)
<b>Revenues:</b>									
Revenues of separately budgeted funds which are included in the general fund on the governmental fund statements	(10,652)	-	-	-	-	-	-	-	-
(Increase) decrease in property taxes and other receivables susceptible to accrual, recognized as revenues on the generally accepted accounting principles basis	(208,671)	126,647	50,372	(3,815)	(8,209)	94,047	772	18,418	-
Increase (decrease) in deferred revenues	1,577	-	-	-	914	-	-	-	-
	(217,746)	126,647	50,372	(3,815)	(7,295)	94,047	772	18,418	-
<b>Expenditures:</b>									
Increase (decrease) in accounts and accrued expenditures recognized as expenditures on the generally accepted accounting principles basis	(31,659)	(60,953)	-	41,105	(13,728)	465	(1,635)	(3,399)	(222,676)
Net change in fund balances - budgetary basis	\$ (551,295)	\$ (821,576)	\$ 264	\$ 208,367	\$ 341,378	\$ 81,668	\$ (35,804)	\$ 19,389	\$ (392,332)

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 3. Deposits and Investments

The County maintains a pool of cash and investments that are available for use by all funds, except for the Tillamook County Oregon Retirement Plan for Employees Pension Trust (a pension trust fund) and the County Fair fund (a non-major special revenue fund). Each fund's portion of this pool is displayed on the financial statements as cash and investments. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances.

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

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

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

*Credit Risk.* The County's policy on the credit risk of investments is based on Oregon statutes which authorize the County to invest in obligations of the U. S. Treasury and U. S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool. The pension trust is authorized to invest in a variety of debt and equity securities.

As of June 30, 2012, the County had the following investments:

	<u>Maturities</u>	<u>Rating</u>	<u>Fair Value</u>
State Treasurer's Investment Pool	N/A	Not Rated	\$ 13,730,279
Procter & Gamble Co NTS	8/1/12	Aa3/AA-	191,182
XTO Energy Inc.	8/1/12	Aaa/AAA	205,603
Wells Fargo & Co.	1/31/13	A2/A+	1,040,038
Credit Suisse First Boston USA Inc.	8/15/13	A1/A+	1,062,712
Certificates of Deposit	4/12/13-4/26/13	Not Rated	1,685,793
Pension Trust Investments:			
Certificates of Deposit	7/11/12-12/10/13	Not Rated	1,128,969
U.S. Treasury Notes	8/15/13-2/15/17	AAA	7,736,663
Mutual Funds	N/A	Not Rated	<u>32,367,405</u>
Total			<u>\$ 59,148,644</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 3. Deposits and Investments (continued)

*Interest Rate Risk.* The County does not have a formal policy that limits investment maturities as a means of managing its exposure to fair-value losses arising from increases in interest rates.

*Concentration of Credit Risk.* The County does not have a formal policy that places a limit on the amount that may be invested in any one issuer. 77 percent of the County's investments, other than the Pension Trust investments, are in the State Treasurer's Investment Pool.

*Custodial Credit Risk – Investments.* This is the risk that, in the event of the failure of a counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. Investments, other than the Pension Trust investments, amounting to \$4,185,328 has custodial credit risk because the related securities are uninsured, unregistered and held by the County's brokerage firm, which is the counterparty to those securities. The County does not have a policy which limits the amount of investments that can be held by counterparties.

*Custodial Credit Risk – Deposits.* This is the risk that in the event of a bank failure, the County's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the County's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2012, \$2,638,863 of the County's bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution's agent but not in the County's name.

A. The County's deposits and investments at June 30, 2012, are as follows:

Total investments	\$ 59,148,644
Cash on hand	19,581
Deposits with financial institutions	<u>3,775,299</u>
Total deposits and investments	<u>\$ 62,943,524</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 3. Deposits and Investments (continued)

#### B. Cash and investments by fund:

##### Governmental activities/funds

General	\$ 9,118,335
Road	2,191,203
County School	537
Health Services	210,112
Library	2,362,282
Commission on Children and Families	84,584
Community Corrections	183,101
Building Improvement	624,406
Other governmental funds	<u>3,794,463</u>

Total governmental activities/funds	<u>18,569,023</u>
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##### Business-type activities/Enterprise funds

Solid Waste	155,937
Solid Waste Sinking	661,411
Post Closure Reserve	<u>292,473</u>

Total business-type activities/Enterprise funds	<u>1,109,821</u>
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##### Fiduciary funds

Tillamook County Retirement Plan for Employees Pension Trust Agency	<u>42,117,362</u> <u>1,147,318</u>
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Total fiduciary funds	<u>43,264,680</u>
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Total cash and investments	<u>\$ 62,943,524</u>
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### 4. Receivables

#### A. The County's receivables at June 30, 2012, are as follows:

##### Governmental Funds / Activities

	General	Road	County School	Health Services	Library	Other Governmental Funds	Totals
Property taxes	\$ 524,832	\$ -	\$ -	\$ -	\$ 223,136	\$ 194,555	\$ 942,523
Unsegregated taxes	74,186	-	-	-	31,619	27,507	133,312
Federal funds	139,699	-	-	-	-	30,863	170,562
Accounts	302,975	207,327	-	568,382	1,500	258,853	1,339,037
State timber allotment	780,417	-	616,757	-	-	13,261	1,410,435
Other	104,000	-	-	-	-	-	104,000
Less: allowance for uncollectible accounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>(184,790)</u>	<u>-</u>	<u>-</u>	<u>(184,790)</u>
	<u>\$ 1,926,109</u>	<u>\$ 207,327</u>	<u>\$ 616,757</u>	<u>\$ 383,592</u>	<u>\$ 256,255</u>	<u>\$ 525,039</u>	<u>\$ 3,915,079</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 4. Receivables (continued)

	Activities/ Enterprise Fund	Fiduciary Fund
	Solid Waste	Agency
Property taxes	\$ -	\$ 2,785,184
Unsegregated taxes	-	411,873
Assessments	159,568	-
Accounts	120,356	18,235
State timber allotment	-	1,330,705
Other	-	2,836,660
Less: allowance for uncollectible accounts	-	(2,421,631)
	<u>\$ 279,924</u>	<u>\$ 4,961,026</u>

#### B. Property taxes

##### i. Collection procedures

Taxes are levied on July 1 and are payable in three installments due November 15, February 15 and May 15.

##### ii. Transactions

Levy Year	Balances July 1, 2011	2011-12 Levies	Adjustments	Net Interest (Discounts)	Collections	Balances June 30, 2012
Current	\$ -	\$ 43,088,303	\$ (29,536)	\$ (1,013,833)	\$ 40,203,718	\$ 1,841,216
2010-11	1,936,325	-	(1,875)	11	1,017,694	916,767
2009-10	1,082,090	-	(1,092)	11	419,227	661,782
2008-09	570,397	-	(917)	7	363,036	206,451
2007-08	166,611	-	(712)	-	125,242	40,657
2006-07	21,690	-	(633)	-	3,071	17,986
Prior	43,715	-	(629)	-	238	42,848
	<u>\$ 3,820,828</u>	<u>\$ 43,088,303</u>	<u>\$ (35,394)</u>	<u>\$ (1,013,804)</u>	<u>\$ 42,132,226</u>	<u>\$ 3,727,707</u>

##### iii. Ensuing year's levies

The permanent tax rates per \$1,000 of assessed value for the various funds are as follows:

General	\$ 1.4986
Tillamook County 4-H and Extension Service District	.0690

The tax rate limit of \$10.00 per thousand of assessed value imposed by the Oregon Constitution is not expected to affect these levies.

In addition, the County will levy \$1,812,500 for the retirement of long-term debt principal and interest due in 2012-13.

Also, the voters of the County approved local option taxes for the County Library and Veteran's Services of \$.65 and \$.03 per thousand of assessed value, respectively.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 5. Interfund Balances and Transfers

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

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer out</u>
General	\$ 195,498	\$ 238,523
Road	109,860	18,000
Health Services	158,000	55,000
Library	--	25,000
Commission on Children and Families	20,000	--
Community Development	55,523	--
Other Governmental Funds	58,000	260,358
Solid Waste – Cash	--	408,334
– Non-cash	401,677	--
Solid Waste Sinking – Cash	116,667	--
– Non-cash	--	401,677
Post Closure Reserve – Cash	<u>291,667</u>	<u>--</u>
	<u>\$ 1,406,892</u>	<u>\$ 1,406,892</u>

The Non-cash transfer results from the Solid Waste Sinking fund purchasing capital assets which are reported in the Solid Waste fund.

### 6. Capital Assets

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

	<u>Balances July 1, 2011</u>	<u>Additions</u>	<u>Reclassifications and Deletions</u>	<u>Balances June 30, 2012</u>
<i>Governmental Activities</i>				
Capital assets not being depreciated				
Land	\$ 5,377,282	\$ -	\$ -	\$ 5,377,282
Construction in progress	<u>1,377,193</u>	<u>2,258,714</u>	<u>466,413</u>	<u>3,169,494</u>
Total capital assets not being depreciated	<u>\$ 6,754,475</u>	<u>\$ 2,258,714</u>	<u>\$ 466,413</u>	<u>\$ 8,546,776</u>
Capital assets being depreciated				
Land improvements	\$ 1,843,325	\$ 130,019	\$ -	\$ 1,973,344
Buildings	31,009,968	756,170	-	31,766,138
Equipment	9,305,981	498,504	191,698	9,612,787
Infrastructure	<u>21,402,735</u>	<u>884,170</u>	<u>-</u>	<u>22,286,905</u>
Total capital assets being depreciated	<u>63,562,009</u>	<u>2,268,863</u>	<u>191,698</u>	<u>65,639,174</u>
Less accumulated depreciation for:				
Land improvements	796,217	32,227	-	828,444
Buildings	7,967,396	653,448	-	8,620,844
Equipment	7,055,023	638,161	150,031	7,543,153
Infrastructure	<u>6,635,343</u>	<u>310,534</u>	<u>-</u>	<u>6,945,877</u>
Total accumulated depreciation	<u>22,453,979</u>	<u>1,634,370</u>	<u>150,031</u>	<u>23,938,318</u>
Total capital assets being depreciated	<u>\$ 41,108,030</u>	<u>\$ 634,493</u>	<u>\$ 41,667</u>	<u>\$ 41,700,856</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 6. Capital Assets (continued)

	Balances July 1, 2011	Additions	Reclassifications and Deletions	Balances June 30, 2012
<i>Business-type Activities</i>				
Capital assets not being depreciated				
Land	\$ 125,000	\$ -	\$ -	\$ 125,000
Construction in progress	<u>99,338</u>	<u>16,793</u>	<u>99,338</u>	<u>16,793</u>
Total capital assets not being depreciated	<u>\$ 224,338</u>	<u>\$ 16,793</u>	<u>\$ 99,338</u>	<u>\$ 141,793</u>
Capital assets being depreciated				
Land improvements	\$ 1,026,790	\$ -	\$ -	\$ 1,026,790
Buildings	2,515,233	484,223	-	2,999,456
Equipment	<u>215,698</u>	<u>-</u>	<u>-</u>	<u>215,698</u>
Total capital assets being depreciated	<u>3,757,721</u>	<u>484,223</u>	<u>-</u>	<u>4,241,944</u>
Less accumulated depreciation for:				
Land improvements	381,071	25,147	-	406,218
Buildings	1,328,080	72,848	-	1,400,928
Equipment	<u>115,969</u>	<u>5,221</u>	<u>-</u>	<u>121,190</u>
Total accumulated depreciation	<u>1,825,120</u>	<u>103,216</u>	<u>-</u>	<u>1,928,336</u>
Total capital assets being depreciated	<u>\$ 1,932,601</u>	<u>\$ 381,007</u>	<u>\$ -</u>	<u>\$ 2,313,608</u>

Depreciation expense charged to functions/programs of the County was as follows:

#### *Governmental activities*

General government	\$ 148,321
Public safety	413,562
Public works	534,128
Culture and recreation	518,235
Health, welfare and sanitation	13,480
Education	<u>6,644</u>

Total governmental activities \$1,634,370

#### *Business-type activities*

Solid waste	<u>\$ 103,216</u>
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## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 7. Deferred Revenue

Resources owned by the County, which are measurable but not available, and are deferred in the governmental funds consist of the following:

	<u>General</u>	<u>Library</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
Property taxes	\$ 444,327	\$ 188,845	\$ 164,227	\$ 797,399

### 8. Long-Term Obligations

a. Long-term obligation transactions for the year ended June 30, 2012, are as follows:

<i>Governmental activities</i>	<u>Balances July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances June 30, 2012</u>	<u>Balances Due Within One Year</u>
<u>Bonded Debt</u>					
1999 General Obligation					
Refunding Bonds – original					
issue \$5,115,000, 15 years,					
interest from 3.2 to 4.7					
percent					
Principal	\$ 1,800,000	\$ -	\$ 575,000	\$ 1,225,000	\$ 600,000
Interest	41,425	69,913	82,850	28,488	
	<u>1,841,425</u>	<u>69,913</u>	<u>657,850</u>	<u>1,253,488</u>	
2002 General Obligation					
Refunding Bonds – original					
issue \$6,580,000, 14 years,					
interest from 1.8 to 4.7					
percent					
Principal	3,575,000	-	710,000	2,865,000	745,000
Interest	72,582	144,692	158,360	58,914	
	<u>3,647,582</u>	<u>144,692</u>	<u>868,360</u>	<u>2,923,914</u>	
2003 General Obligation –					
original issue \$3,700,000,					
20 years, interest from 2.0					
to 4.5 percent					
Percent	2,685,000	-	160,000	2,525,000	170,000
Interest	4,640	108,754	108,970	4,424	
	<u>2,689,640</u>	<u>108,754</u>	<u>268,970</u>	<u>2,529,424</u>	



## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 8. Long-Term Obligations (continued)

#### a. (Continued)

<i>Governmental activities (continued)</i>	Balances July 1, 2011	Additions	Reductions	Balances June 30, 2012	Balances Due Within One Year
<u>Loans</u>					
Oregon Economic Development Department (OEDD) - annual installments of \$36,617.51, including interest at 6 percent					
Principal	\$ 249,060	\$ -	\$ 21,674	\$ 227,386	\$ 22,974
Interest	8,717	14,185	14,944	7,958	
	<u>257,777</u>	<u>14,185</u>	<u>36,618</u>	<u>235,344</u>	
 Oregon Department of Transportation (ODOT) - annual installments of \$65,833.07, including interest at 0.5 percent					
Principal	227,491	-	37,459	190,032	37,650
Interest	-	1,141	1,141	-	
	<u>227,491</u>	<u>1,141</u>	<u>38,600</u>	<u>190,032</u>	
 TLC Federal Credit Union - annual installments of \$75,000 with no interest					
Principal	675,000	-	75,000	600,000	75,000
	<u>675,000</u>	<u>-</u>	<u>75,000</u>	<u>600,000</u>	
<u>Capital Leases</u>					
Ford Motor Credit Co. - monthly installments of \$397.97, including interest at 6.95 percent					
Principal	1,940	-	1,940	-	
Interest	-	33	33	-	
	<u>1,940</u>	<u>33</u>	<u>1,973</u>	<u>-</u>	
 Ford Motor Credit Co. - monthly installments of \$537.21, including interest at 6.25 percent					
Principal	-	22,882	958	21,924	5,223
Interest	-	116	116	-	
	<u>-</u>	<u>22,998</u>	<u>1,074</u>	<u>21,924</u>	
Compensated absences	<u>994,779</u>	<u>1,014,222</u>	<u>867,386</u>	<u>1,141,615</u>	<u>1,141,615</u>
Net other post-employment benefits	<u>2,459,330</u>	<u>887,523</u>	<u>-</u>	<u>3,346,853</u>	
Total long-term obligations	12,794,964	2,263,461	2,815,831	12,242,594	<u>\$ 2,797,462</u>
Interest	<u>127,364</u>	<u>338,834</u>	<u>366,414</u>	<u>99,784</u>	
Principal	<u>\$ 12,667,600</u>	<u>\$ 1,924,627</u>	<u>\$ 2,449,417</u>	<u>\$ 12,142,810</u>	

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 8. Long-Term Obligations (continued)

#### a. (Continued)

<i>Business-type activities</i>	July 1, 2011	Additions	Reductions	June 30, 2012	Due Within One Year
Landfill post-closure care liability	\$ 901,408	\$ 233,876	\$ 97,813	\$ 1,037,471	<u>\$ 108,526</u>
Compensated absences	<u>1,618</u>	<u>-</u>	<u>1,618</u>	<u>-</u>	
	<u>\$ 903,026</u>	<u>\$ 233,876</u>	<u>\$ 99,431</u>	<u>\$ 1,037,471</u>	

#### b. Future maturities

The future maturities of obligation outstanding as of June 30, 2012, are as follows:

##### i. Bonded debt:

Fiscal Year	1999 Refunding		2002 Refunding		2003		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$ 600,000	\$ 56,975	\$ 745,000	\$ 128,540	\$ 170,000	\$ 103,110	\$ 1,515,000	\$ 288,625
2014	625,000	29,375	775,000	96,505	175,000	96,769	1,575,000	222,649
2015	-	-	810,000	62,405	180,000	90,112	990,000	152,517
2016	-	-	535,000	25,145	190,000	83,033	725,000	108,178
2017	-	-	-	-	195,000	75,379	195,000	75,379
2018-22	-	-	-	-	1,105,000	241,840	1,105,000	241,840
2023-24	-	-	-	-	510,000	23,175	510,000	23,175
	<u>\$ 1,225,000</u>	<u>\$ 86,350</u>	<u>\$ 2,865,000</u>	<u>\$ 312,595</u>	<u>\$ 2,525,000</u>	<u>\$ 713,418</u>	<u>\$ 6,615,000</u>	<u>\$ 1,112,363</u>

##### ii. Loans:

Fiscal Year	OEDD		ODOT		TLC	Totals	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2013	\$ 22,974	\$ 13,643	\$ 37,650	\$ 950	\$ 75,000	\$ 135,624	\$ 14,593
2014	24,353	12,265	37,838	762	75,000	137,191	13,027
2015	25,814	10,804	38,027	573	75,000	138,841	11,377
2016	27,363	9,255	38,216	384	75,000	140,579	9,639
2017	29,005	7,613	38,301	192	75,000	142,306	7,805
2018-22	97,877	11,974	-	-	225,000	322,877	11,974
	<u>\$ 227,386</u>	<u>\$ 65,554</u>	<u>\$ 190,032</u>	<u>\$ 2,861</u>	<u>\$ 600,000</u>	<u>\$ 1,017,418</u>	<u>\$ 68,415</u>

##### iii. Capital Lease:

Year Ending	FMC	
June 30,	Principal	Interest
2013	\$ 5,223	\$ 1,223
2014	5,560	887
2015	5,918	529
2016	<u>5,223</u>	<u>150</u>
	<u>\$ 21,924</u>	<u>\$ 2,789</u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 8. Long-Term Obligations (continued)

#### c. Other long-term obligations

##### Compensated absences

As described in Note 1, employees of the County are allowed to accumulate vacation up to amounts equal to one and one-half times the employee's annual accrual rate. Employees also accumulate 'comp' time and holidays as permitted by County employment policies and agreements. Amounts so accumulated are vested and will be paid out upon termination or retirement. The General, Road, Health Services, Parks, Community Development and Library funds have typically been used to liquidate the liability for compensated absences.

Compensated absences amounted to \$1,141,615 for the governmental activities. The County expects these amounts to mature and be retired within the ensuing fiscal year and therefore are reported as due within one year.

##### Net other post-employment benefits

Net other post-employment benefits represents the accumulated differences between the annual required contribution to the other post-employment benefit plan and the amounts actually contributed to the plan as discussed more fully in note 12 below. The General, Road, Health Services, Parks, Community Development and Library funds have typically been used to liquidate the liability for net other post-employment benefits.

##### Landfill post-closure care liability

The landfill post-closure care liability of \$1,037,471 does not have established future maturities. Currently, management estimates that \$108,526 will mature and be retired within the ensuing fiscal year. However, future maturities are subject to changes due to inflation, changes in technology or changes to applicable laws or regulations.

### 9. Defined Benefit Pension Plan

#### *Plan Description*

Substantially all employees are participants in the defined benefit retirement plan of Tillamook County, Oregon (the Plan), a single employer defined benefit public employee retirement system.

All full-time employees are eligible to participate in the Plan after six months of employment. Benefits generally vest after five years of continuous service. Retirement is allowed at the ages of 50, 55, and 60 depending upon whether the employee is uniformed (fire and police) or nonuniformed and is included or excluded from a bargaining unit. Retirement benefits are reduced if retirement occurs prior to the age of 50 (uniformed employees) or 55 (nonuniformed employees), and the employee has less than 25 years of service (uniformed employees) or 30 years of service (nonuniformed employees). Employees may work after their normal retirement date with employer consent.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined Benefit Pension Plan (continued)

Retirement benefits are calculated using a formula based on salary and length of service and are payable in a lump sum or monthly. The Plan also provides death and disability benefits. These benefit provisions, contributions and other requirements are established by state statutes.

The total Plan membership at July 1, 2011, of 382 includes 210 active employees, 8 disabled employees, 40 terminated employees entitled to benefits and 124 retired employees with deferred benefits. Of the 210 active employees covered by the Plan, 77 were non-vested, 132 were vested, and 1 was over retirement age. Of the 40 terminated members, 6 were entitled to their account balances only and 34 were members with vested accrued benefits.

The County does not issue a financial report available to the public for this plan.

#### *Funding Policy*

Plan members are permitted to contribute up to ten percent of their annual covered salary. The County is required by the Plan's provisions to pay the employees' contribution to the Plan of seven percent of covered salaries in addition to the remaining amount necessary to fund the Plan. Costs of administering the Plan are paid by the Plan.

#### *Annual Pension Cost*

The Plan's funding policy provides for actuarially determined periodic contributions that are sufficient to pay benefits when due. The actuarial costing method used to determine the contribution required for formula benefits in excess of employee and employer account balances was the "individual entry age method." The actuarial values of the Plan assets are determined by the fair value of the mutual fund investments of the Plan as of the actuarial valuation date. The July 1, 2011, actuarial assumptions included:

- Future investment earnings of the assets of the plan will accrue at a net annual rate of 7.25%.
- Interest on member contributions will accrue at a net annual rate of 8%.
- Projected salary increases of 5 percent per annum (includes both merit and cost of living increases).
- Post-retirement benefit increases of 1.5 percent per year.

The unfunded actuarial accrued liability is being amortized as a level percentage of base salary on an open basis over twenty years.

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined Benefit Pension Plan (continued)

The following table presents a schedule of the County's required annual contributions:

<u>Year Ended June 30,</u>	<u>Annual Required Contributions</u>	<u>Employer Contributions</u>	<u>Percentage Contributed</u>
2012	\$ 2,576,363	\$ 1,955,331	76%
2011	2,305,985	2,308,343	100%
2010	2,349,149	2,360,441	100%
2009	987,382	2,639,374	267%
2008	1,696,744	2,206,855	130%
2007	1,973,585	2,047,728	104%
2006	1,818,310	1,767,869	97%
2005	1,765,601	1,659,665	94%
2004	1,856,843	1,708,295	92%
2003	1,684,691	1,885,456	95%

The following table presents a schedule of funding progress for the County:

<u>Actuarial Valuation as of July 1,</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Actuarial Accrued Liability as a Percent of Covered Payroll</u>
2011	\$ 40,962,939	\$ 49,198,990	\$ 8,236,051	83%	10,059,420	78%
2010	38,715,898	43,997,559	5,281,661	88%	10,050,564	53%
2009	36,825,432	40,405,515	3,580,083	91%	9,884,760	36%
2008	34,815,703	37,449,276	2,633,573	93%	9,426,660	28%
2007	31,906,678	34,117,986	2,211,308	94%	9,767,064	23%
2006	27,006,079	31,325,724	4,319,645	86%	9,624,036	45%
2005	23,979,112	27,451,673	3,472,561	87%	9,428,172	37%
2004	20,883,296	24,904,338	4,028,403	84%	9,628,464	42%
2003	16,879,927	22,026,636	5,146,709	77%	9,312,900	55%
2002	15,601,685	19,594,076	3,992,391	80%	9,083,832	44%

The following table presents the annual pension cost and change in net pension obligation for the County estimated as of June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Annual Required Contribution (ARC)	\$ 1,978,993	\$ 1,825,381
Interest on Net Pension Obligation	(102,566)	(93,480)
Adjustment to Annual Required Contribution	<u>699,936</u>	<u>574,084</u>
Annual Pension Cost	2,576,363	2,305,985
Contributions made	<u>(1,955,331)</u>	<u>(2,308,343)</u>
Change in Net Pension Obligation	621,032	(2,358)
Net Pension Obligation (Asset) - beginning of year	<u>(1,871,335)</u>	<u>(1,868,977)</u>
Net Pension Obligation (Asset) - end of year	<u><u>\$(1,250,303)</u></u>	<u><u>\$ (1,871,335)</u></u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 9. Defined Benefit Pension Plan (continued)

Three-year trend information

	<u>Annual Pension Cost</u>	<u>Amount Contributed</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2012	\$ 2,576,363	\$ 1,955,331	75.90%	\$ (1,250,303)
June 30, 2011	2,305,985	2,308,343	100.10%	(1,871,335)
June 30, 2010	2,349,149	2,360,441	100.48%	(1,868,977)

### 10. Contingency – Sick Leave

Portions of amounts accumulated at any point in time can be expected to be redeemed before termination of employment; however, such redemptions cannot be reasonably estimated. As of June 30, 2012, employees of the County had accumulated 7,971 days of sick leave.

### 11. Litigation

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

### 12. Other Post-Employment Benefits

#### Plan description and benefits provided

The County provides *other post-employment benefits* (OPEB) for employees, retirees, spouses and dependents through a single employer defined benefit plan in the form of group health insurance benefits. For employees hired before July 1, 2003 the County will pay the group health insurance for retired employees. As required by ORS 243.303(2) retirees who were hired after July 1, 2003 are allowed to continue, at the retirees' expense, coverage under the group health insurance plan until age 65. The difference between the premium actually paid by retirees under the group insurance plan and the premium that they would pay if they were not included in the plan is considered to be an implicit subsidy under the provisions of GASB 45. The plan does not issue a separate stand-alone financial report.

#### Membership

The County's membership in the plan at August 1, 2010 (the date of the latest actuarial valuation) consisted of the following:

Active employees	213
Retirees, spouses or dependents	<u>131</u>
Total	<u><u>344</u></u>

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 12. Other Post-Employment Benefits (continued)

#### Funding policy and contributions

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

For retirees hired before July 1, 2003	\$ 598
For retirees hired after July 1, 2003	189

The County has not established an irrevocable trust to accumulate assets to fund the cost of the net OPEB obligation that arises from the implicit subsidy.

#### Annual OPEB cost and net OPEB Obligation

The County had its first actuarial valuation performed as of August 1, 2006 to determine the *unfunded accrued actuarial liability* (UAAL), *annual required contribution* (ARC) and NOPEBO as of that date. The ARC represents a level funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The annual OPEB cost is equal to the ARC as follows:

Normal cost	\$ 593,280
Amortization of UAAL	<u>1,106,407</u>
Annual required contribution	<u>\$1,699,687</u>

The net OPEB obligation as of June 30, 2012 was calculated as follows:

Annual required contribution	\$1,699,687
Interest on prior year Net OPEB	98,373
Adjustment to ARC	167,134
Contributions made	<u>(743,403)</u>
Increase in net OPEB obligation	887,523
Net OPEB obligation at beginning of year	<u>2,459,330</u>
Net OPEB obligation at end of year	<u>\$3,346,853</u>

#### Three-year trend information

The County's annual OPEB cost, percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2012, 2011 and 2010 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2012	\$ 1,630,926	45.58%	\$ 3,346,853
June 30, 2011	1,299,143	43.32%	2,459,330
June 30, 2010	1,395,594	37.73%	1,722,978

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 12. Other Post-Employment Benefits (continued)

#### Actuarial methods and assumptions

Actuarial valuations will be performed every two years for the County's other post-employment benefit plan. Projections of benefits for financial reporting purposes are based on the plan as understood by the County and plan members, and include the types of benefits provided at the time of the valuation and historical patterns of sharing of benefit costs between the County and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets consistent with the long-term perspective of the calculations.

In the August 1, 2010 actuarial valuation, the projected unit credit cost method was used to determine contributions levels comprised of normal cost and amortization payments. The actuarial assumptions included a 4.5 percent rate for discounting future liabilities, a payroll growth of 3.75 percent per year, annual premium rate increases from 8 percent initially to 5 percent in 2037, and participation rate of 70 percent of future retirees hired after July 1, 2003 electing coverage under the plan. The unfunded actuarial liability is being amortized using the level-dollar method over a rolling period of 15 years.

#### Funded status and funding progress

The schedule of funding progress presents information about the actuarial value of plan assets and the unfunded actuarial liability.

Actuarial Valuation as of August 1,	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability as a Percent of Covered Payroll
2010	\$ --	\$ 15,137,898	\$ 15,137,898	0%	\$ 10,050,564	151%
2008	--	10,623,438	10,623,438	0%	9,426,660	113%
2006	--	9,928,424	9,928,424	0%	9,624,036	103%

### 13. Net Assets Restricted Through Enabling Legislation

Net assets which are restricted through enabling legislation are as follows:

#### Highways and streets:

The Board of Commissioners of Tillamook County enacted a fee charged to logging operators using Trask Road for use in making repairs and improvements	\$ 330,063
Oregon and Federal laws restrict the use of state gas tax and Federal Forest Fees for road repairs and improvements	<u>2,275,715</u>
Total	<u>\$ 2,605,778</u>



## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

### 13. Net Assets Restricted Through Enabling Legislation (continued)

Other purposes:

Oregon law restricts the use of fines collected under SB 1065

\$ 95,229

### 14. Governmental Fund Balances

Categories

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

Fund balances:	General	Road	County School	Health Services	Library	Commission on Children and Families	Community Corrections	Building Improvement	Other Governmental Funds	Total
<b>Restricted for:</b>										
Highways and streets	\$ -	\$ 2,197,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 407,809	\$ 2,605,778
Schools and education	-	-	617,294	-	-	-	-	-	305,023	922,317
Health services	-	-	-	445,179	-	-	-	-	93,556	538,735
County library	-	-	-	-	2,400,139	-	-	-	-	2,400,139
Grants	-	-	-	-	-	68,275	-	-	429,555	497,830
Public safety	-	-	-	-	-	-	178,975	-	541,725	720,700
County fair	-	-	-	-	-	-	-	-	294,919	294,919
Parks	-	-	-	-	-	-	-	-	269,653	269,653
Debt service	-	-	-	-	-	-	-	-	200,426	200,426
Other purposes	-	-	-	-	-	-	-	-	456,544	456,544
<b>Assigned for:</b>										
Capital projects	-	-	-	-	-	-	-	624,406	1,019,994	1,644,400
Revenue stabilization	2,055,218	-	-	-	-	-	-	-	-	2,055,218
Post employment liabilities	611,946	-	-	-	-	-	-	-	-	611,946
<b>Unassigned:</b>	<u>7,749,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,749,776</u>
Total fund balances	<u>\$ 10,416,940</u>	<u>\$ 2,197,969</u>	<u>\$ 617,294</u>	<u>\$ 445,179</u>	<u>\$ 2,400,139</u>	<u>\$ 68,275</u>	<u>\$ 178,975</u>	<u>\$ 624,406</u>	<u>\$ 4,019,204</u>	<u>\$ 20,968,381</u>

The County has established the revenue stabilization fund to provide financial resources in future periods. The County may provide access to those funds during its budget process.

### 15. Expenditures in excess of appropriations

Oregon law prohibits expenditures or expenses of a fund in excess of board-approved appropriations. Expenditures in excess of appropriations occurred as follows:

<u>Fund/Category</u>	<u>Appropriation</u>	<u>Actual</u>	<u>Variance</u>
Health Services			
Capital outlay	\$ 30,025	\$ 49,193	\$ (19,168)

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

**COMBINING AND INDIVIDUAL FUND FINANCIAL  
STATEMENTS AND SCHEDULES**

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

**TILLAMOOK COUNTY**

**BUILDING IMPROVEMENT - A MAJOR CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ 10,000	\$ 2,867	\$ (7,133)
<b>EXPENDITURES</b>			
Materials and services	210,000	12,588	197,412
Capital outlay	<u>500,000</u>	<u>382,611</u>	<u>117,389</u>
<b>TOTAL EXPENDITURES</b>	<u>710,000</u>	<u>395,199</u>	<u>314,801</u>
Net change in fund balance	(700,000)	(392,332)	307,668
Fund balance at beginning of year	<u>1,000,000</u>	<u>1,016,738</u>	<u>16,738</u>
Fund balance at end of year	<u>\$ 300,000</u>	<u>\$ 624,406</u>	<u>\$ 324,406</u>

## **GENERAL FUNDS**

With the implementation of GASB 54, the County has two funds, which are separately budgeted, that no longer qualify to be presented as separate funds in accordance with generally accepted accounting principles. Accordingly, these funds have been combined with the General Fund for the purpose of the fund financial statements:

*Revenue Stabilization* – accounts for funds set aside to provide financial resources to future periods, should other sources of revenue not be available.

*Post Employment Liability Reserve* – accounts for funds set aside to provide financial resources for future post-employment benefits.

**TILLAMOOK COUNTY**

**COMBINING BALANCE SHEET**

**GENERAL FUNDS**

**June 30, 2012**

	<b>General</b>	<b>Revenue Stabilization</b>	<b>Post Employment Liability Reserve</b>	<b>Totals</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 6,451,171	\$ 2,055,218	\$ 611,946	\$ 9,118,335
Receivables, net	<u>1,926,109</u>	<u>-</u>	<u>-</u>	<u>1,926,109</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 8,377,280</u></u>	<u><u>\$ 2,055,218</u></u>	<u><u>\$ 611,946</u></u>	<u><u>\$ 11,044,444</u></u>
<b>LIABILITIES</b>				
Accounts payable	\$ 183,177	\$ -	\$ -	\$ 183,177
Deferred revenue	<u>444,327</u>	<u>-</u>	<u>-</u>	<u>444,327</u>
<b>TOTAL LIABILITIES</b>	<u>627,504</u>	<u>-</u>	<u>-</u>	<u>627,504</u>
<b>FUND BALANCES</b>				
Assigned	-	2,055,218	611,946	2,667,164
Unassigned	<u>7,749,776</u>	<u>-</u>	<u>-</u>	<u>7,749,776</u>
<b>TOTAL FUND BALANCES</b>	<u>7,749,776</u>	<u>2,055,218</u>	<u>611,946</u>	<u>10,416,940</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 8,377,280</u></u>	<u><u>\$ 2,055,218</u></u>	<u><u>\$ 611,946</u></u>	<u><u>\$ 11,044,444</u></u>

**TILLAMOOK COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES**

**GENERAL FUNDS**

**For the Year Ended June 30, 2012**

	<b>General</b>	<b>Revenue Stabilization</b>	<b>Post Employment Liability Reserve</b>	<b>Totals</b>
<b>REVENUES</b>				
Property taxes	\$ 5,942,896	\$ -	\$ -	\$ 5,942,896
Licenses, permits and fees	406,515	-	-	406,515
Intergovernmental	2,008,233	-	-	2,008,233
Charges for services	401,388	-	-	401,388
Fines and forfeitures	402,396	-	-	402,396
Timber and land sales	2,292,024	-	-	2,292,024
Interest	36,707	8,208	2,444	47,359
Intercounty charges	1,318,615	-	-	1,318,615
Miscellaneous	313,187	-	-	313,187
<b>TOTAL REVENUES</b>	<u>13,121,961</u>	<u>8,208</u>	<u>2,444</u>	<u>13,132,613</u>
<b>EXPENDITURES</b>				
Current				
General government	7,437,078	-	-	7,437,078
Public safety	5,498,291	-	-	5,498,291
Health and welfare	55,500	-	-	55,500
Capital outlay	298,527	-	-	298,527
Debt service				
Principal	96,674	-	-	96,674
Interest	14,944	-	-	14,944
<b>TOTAL EXPENDITURES</b>	<u>13,401,014</u>	<u>-</u>	<u>-</u>	<u>13,401,014</u>
Excess (deficiency) of revenues over expenditures	<u>(279,053)</u>	<u>8,208</u>	<u>2,444</u>	<u>(268,401)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	195,498	-	-	195,498
Sale of capital assets	9,536	-	-	9,536
Transfers out	(238,523)	-	-	(238,523)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(33,489)</u>	<u>-</u>	<u>-</u>	<u>(33,489)</u>
Net change in fund balances	(312,542)	8,208	2,444	(301,890)
Fund balances at beginning of year	8,062,318	2,047,010	609,502	10,718,830
Fund balances at end of year	<u>\$ 7,749,776</u>	<u>\$ 2,055,218</u>	<u>\$ 611,946</u>	<u>\$ 10,416,940</u>



**TILLAMOOK COUNTY**

**REVENUE STABILIZATION - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	<u>\$ 20,000</u>	<u>\$ 8,208</u>	<u>\$ (11,792)</u>
Excess (deficiency) of revenues over expenditures	20,000	8,208	(11,792)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(500,000)</u>	<u>-</u>	<u>(500,000)</u>
Net change in fund balance	(480,000)	8,208	488,208
Fund balance at beginning of year	<u>2,050,000</u>	<u>2,047,010</u>	<u>(2,990)</u>
Fund balance at end of year	<u>\$ 1,570,000</u>	<u>\$ 2,055,218</u>	<u>\$ 485,218</u>

**TILLAMOOK COUNTY**

**POST EMPLOYMENT LIABILITY RESERVE - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ 5,000	\$ 2,444	\$ (2,556)
<b>EXPENDITURES</b>			
Contingency	<u>615,000</u>	<u>-</u>	<u>615,000</u>
Net change in fund balance	(610,000)	2,444	612,444
Fund balance at beginning of year	<u>610,000</u>	<u>609,502</u>	<u>(498)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 611,946</u>	<u>\$ 611,946</u>

## **OTHER GOVERNMENTAL FUNDS (NON-MAJOR)**

### **Special Revenue Funds**

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

#### GENERAL GOVERNMENT

*Mitigation Grants* – accounts for grant funds related to a Corps of Engineers feasibility study.

*Video Lottery* – accounts for revenues received from state video lottery funds for gambling enforcement activities, gambling addiction programs and economic development.

*Forest Timber Trust*– accounts for the distributions of monies to certain agencies for protection of the County's forest lands.

*Juvenile Trust* – accounts for donated revenues to the Juvenile Department. The revenues are to be used for incentives to help juveniles.

*Law Library* – accounts for fees in accordance with state statute to provide legal research and reference materials.

*Building, Planning and Sanitation (BPS) Surcharge* – accounts for surcharges and certain permit fees charged by the state which the County collects.

*Public Land Corners Preservation (PLCP)* – accounts for fees for the remonumentation of government survey corners.

*Clerks Records* – to account for monies accumulated to preserve County records.

*Federal Title III* – to account for grant monies received and expended under Federal Oregon and California Land Grant Title III and Federal Forest Fees Title III.

*Veteran's Services* – to account for funds from a five-year local option tax levy for programs that benefit veterans who reside in Tillamook County.

*Nestucca Valley Community Campus* - to account for revenues and expenses related to County owned property located in Hebo.

*Technology* - to account for a special assessment on traffic citations to fund the purchase of new technology for E-ticketing.

## OTHER GOVERNMENTAL FUNDS (NON-MAJOR)

### Special Revenue Funds (continued)

#### PUBLIC SAFETY

*Court Security* – accounts for revenues and expenditures mandated by the state legislature. The revenues are to be used to develop a court security plan for the courthouse and fund expenditures related to implementation.

*Law Enforcement* – accounts for fines and forfeitures in accordance with State statute to provide the District Attorney with funds for investigative purposes relating to liquor related offenses.

*Sheriff Trust* – accounts for donations received by the County Sheriff.

*SB 1065 Assessment and Conviction* – accounts for fines received by the court systems for purposes of planning, operating and maintaining County juvenile and adult corrections programs and facilities and approved drug and alcohol programs.

*Tillamook Narcotics Team* – accounts for revenues received from drug forfeitures for expenditures for drug enforcement activities by the Tillamook County Narcotics Team (TNT).

*North Coast Drug Task Force* - accounts for grant revenues used for expenditures for drug enforcement activities in Lincoln, Tillamook and Clatsop Counties.

#### HIGHWAYS AND STREETS

*Bike Path* – accounts for maintenance activities related to constructing and maintaining bike paths and County roads.

#### CULTURE AND RECREATION

*County Fair* – accounts for the operations and management of the fairground facilities and provides various services to the public, including the annual County Fair.

*Parks Operations* - accounts for the operations and management of County parks.

#### HEALTH AND WELFARE

*Mental Health* – accounts for funds received related to the County's responsibility for Mental Health Services.

*Mediation Program* – accounts for program costs related to a court program for settling domestic disputes outside of the courtroom setting.

#### EDUCATION

*Tillamook County 4-H and Extension Service District* – accounts for property tax revenues raised to fund the educational and training activities of the Tillamook County 4-H and Extension Service District.

## **OTHER GOVERNMENTAL FUNDS (NON-MAJOR)**

### **Debt Service Funds**

Debt service funds account for the payment of principal and interest on the County's general obligation bonds. Revenue is mainly derived from property taxes levied against property owners. Funds included in this category are:

*Hospital* – accounts for payment of general obligation bond principal and interest related to the construction and remodel of the Tillamook County Hospital.

*Jail* – accounts for payment of general obligation bond principal and interest related to the construction of a new correctional facility and the remodel of the existing facility.

*Library* – accounts for payment of general obligation bond principal and interest related to the construction of a new County library.

### **Capital Projects Funds**

These funds account for the resources used for the acquisition, construction or major improvement of County buildings, office meeting rooms and education facilities. Funds included in this category are:

*Vehicle Reserve* – accounts for funds set aside for replacement of County general fund vehicles.

*Library Reserve* – provides a reserve for future capital needs of County Library for replacement of the County Bookmobile.

*Fair* – accounts for funds which are assigned for capital improvements to the fairgrounds.

*Fair Reserve* – accounts for resources to acquire or construct capital improvements to the fairgrounds

*Tillamook County 4-H and Extension Building Reserve* – accounts for resources to acquire or construct offices, meeting rooms and educational facilities.

*Oregon Community Development Block Grant* – accounts for grant funds received for the purpose of construction of an upgrade to the Hebo water system.

*OTIA Bridge Construction* – accounts for funds provided by the Oregon Department of Transportation for reconstruction of bridges within the County.

*Trask Road Project* – accounts for fees received from the Oregon Department of Forestry assessed on Timber sales to be used for repair and maintenance of Trask River Road.

*Road Construction Grant Projects* – accounts for grant funds to be used for construction of roads.

*Road Improvement Construction* – accounts for proceeds from debt issuance to be used for construction of roads.

**TILLAMOOK COUNTY**  
**COMBINING BALANCE SHEET**  
**OTHER GOVERNMENTAL FUNDS (NON-MAJOR)**  
**June 30, 2012**

	<b>Special Revenue Funds</b>					
	<b>General Government</b>	<b>Public Safety</b>	<b>Highways and Streets - Bike Path</b>	<b>Culture and Recreation</b>	<b>Health and Welfare - Mediation Program</b>	<b>Education - Tillamook County 4-H and Extension Service District</b>
<b><u>ASSETS</u></b>						
Cash and investments	\$ 873,315	\$ 541,506	\$ 77,746	\$ 502,978	\$ 95,509	\$ 288,549
Receivables	71,580	14,075	-	89,391	-	40,213
<b>TOTAL ASSETS</b>	<b><u>\$ 944,895</u></b>	<b><u>\$ 555,581</u></b>	<b><u>\$ 77,746</u></b>	<b><u>\$ 592,369</u></b>	<b><u>\$ 95,509</u></b>	<b><u>\$ 328,762</u></b>
<b><u>LIABILITIES</u></b>						
Accounts payable and accrued expenditures	\$ 50,225	\$ 13,856	\$ -	\$ 27,797	\$ 1,953	\$ 3,742
Deferred revenue	8,571	-	-	-	-	19,997
<b>TOTAL LIABILITIES</b>	<b><u>58,796</u></b>	<b><u>13,856</u></b>	<b><u>-</u></b>	<b><u>27,797</u></b>	<b><u>1,953</u></b>	<b><u>23,739</u></b>
<b><u>FUND BALANCES</u></b>						
Restricted	886,099	541,725	77,746	564,572	93,556	305,023
Assigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b><u>886,099</u></b>	<b><u>541,725</u></b>	<b><u>77,746</u></b>	<b><u>564,572</u></b>	<b><u>93,556</u></b>	<b><u>305,023</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 944,895</u></b>	<b><u>\$ 555,581</u></b>	<b><u>\$ 77,746</u></b>	<b><u>\$ 592,369</u></b>	<b><u>\$ 95,509</u></b>	<b><u>\$ 328,762</u></b>

**Debt Service Funds**

<b>Hospital</b>	<b>Jail</b>	<b>Library</b>	<b>Capital Project Funds</b>	<b>Totals</b>
\$ 93,777	\$ 45,970	\$ 12,841	\$ 1,262,272	\$ 3,794,463
88,749	67,062	27,686	126,283	525,039
<u>\$ 182,526</u>	<u>\$ 113,032</u>	<u>\$ 40,527</u>	<u>\$ 1,388,555</u>	<u>\$ 4,319,502</u>
\$ -	\$ -	\$ -	\$ 38,498	\$ 136,071
65,709	49,517	20,433	-	164,227
<u>65,709</u>	<u>49,517</u>	<u>20,433</u>	<u>38,498</u>	<u>300,298</u>
116,817	63,515	20,094	330,063	2,999,210
-	-	-	1,019,994	1,019,994
<u>116,817</u>	<u>63,515</u>	<u>20,094</u>	<u>1,350,057</u>	<u>4,019,204</u>
<u>\$ 182,526</u>	<u>\$ 113,032</u>	<u>\$ 40,527</u>	<u>\$ 1,388,555</u>	<u>\$ 4,319,502</u>

**TILLAMOOK COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

**OTHER GOVERNMENTAL FUNDS (NON-MAJOR)**

**For the Year Ended June 30, 2012**

	Special Revenue Funds					
	General Government	Public Safety	Highways and Streets - Bike Path	Culture and Recreation	Health and Welfare	Education - Tillamook County 4-H and Extension Service District
<b>REVENUES</b>						
Property taxes	\$ 118,979	\$ -	\$ -	\$ -	\$ -	\$ 271,894
Licenses, permits and fees	10,097	-	-	-	-	-
Intergovernmental	336,484	143,589	-	50,002	998,830	38,692
Charges for services	78,220	-	-	1,850,698	16,580	-
Fines and forfeitures	47,344	93,670	-	-	-	-
Interest	1,732	2,000	495	3,237	371	1,290
Miscellaneous	374,916	948	-	156,921	-	-
<b>TOTAL REVENUES</b>	<u>967,772</u>	<u>240,207</u>	<u>495</u>	<u>2,060,858</u>	<u>1,015,781</u>	<u>311,876</u>
<b>EXPENDITURES</b>						
Current:						
General government	663,582	-	-	-	-	-
Public safety	-	242,507	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	1,875,775	-	-
Health and welfare	-	-	-	-	1,015,474	-
Education	-	-	-	-	-	272,962
Capital outlay	102,471	4,353	-	201,200	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>766,053</u>	<u>246,860</u>	<u>-</u>	<u>2,076,975</u>	<u>1,015,474</u>	<u>272,962</u>
Excess (deficiency) of revenues over expenditures	<u>201,719</u>	<u>(6,653)</u>	<u>495</u>	<u>(16,117)</u>	<u>307</u>	<u>38,914</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	5,000	-	18,000	-	-	-
Sale of capital assets	-	-	-	1,136	-	-
Transfers out	(75,000)	(65,498)	(109,860)	(10,000)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(70,000)</u>	<u>(65,498)</u>	<u>(91,860)</u>	<u>(8,864)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	131,719	(72,151)	(91,365)	(24,981)	307	38,914
Fund balances - beginning	<u>754,380</u>	<u>613,876</u>	<u>169,111</u>	<u>589,553</u>	<u>93,249</u>	<u>266,109</u>
Fund balances - ending	<u>\$ 886,099</u>	<u>\$ 541,725</u>	<u>\$ 77,746</u>	<u>\$ 564,572</u>	<u>\$ 93,556</u>	<u>\$ 305,023</u>



**Debt Service Funds**

<b>Hospital</b>	<b>Jail</b>	<b>Library</b>	<b>Capital Project Funds</b>	<b>Totals</b>
\$ 867,701	\$ 658,084	\$ 275,787	\$ -	\$ 2,192,445
-	-	-	-	10,097
-	-	-	51,395	1,618,992
-	-	-	311,801	2,257,299
-	-	-	-	141,014
519	109	103	5,149	15,005
-	-	-	1,716,605	2,249,390
<u>868,220</u>	<u>658,193</u>	<u>275,890</u>	<u>2,084,950</u>	<u>8,484,242</u>
530	530	530	-	665,172
-	-	-	-	242,507
-	-	-	252,137	252,137
-	-	-	12,145	1,887,920
-	-	-	-	1,015,474
-	-	-	-	272,962
-	-	-	1,607,325	1,915,349
710,000	575,000	160,000	-	1,445,000
<u>158,360</u>	<u>82,850</u>	<u>108,970</u>	<u>-</u>	<u>350,180</u>
<u>868,890</u>	<u>658,380</u>	<u>269,500</u>	<u>1,871,607</u>	<u>8,046,701</u>
<u>(670)</u>	<u>(187)</u>	<u>6,390</u>	<u>213,343</u>	<u>437,541</u>
-	-	-	35,000	58,000
-	-	-	-	1,136
-	-	-	-	(260,358)
-	-	-	35,000	(201,222)
(670)	(187)	6,390	248,343	236,319
<u>117,487</u>	<u>63,702</u>	<u>13,704</u>	<u>1,101,714</u>	<u>3,782,885</u>
<u>\$ 116,817</u>	<u>\$ 63,515</u>	<u>\$ 20,094</u>	<u>\$ 1,350,057</u>	<u>\$ 4,019,204</u>

**TILLAMOOK COUNTY**

**COMBINING BALANCE SHEET**

**OTHER GOVERNMENTAL SPECIAL REVENUE FUNDS**

**GENERAL GOVERNMENT FUNDS**

**June 30, 2012**

	<b>Mitigation</b>	<b>Video</b>	<b>Forest</b>	<b>Juvenile</b>	<b>Law</b>	<b>BPS</b>
	<b>Grants</b>	<b>Lottery</b>	<b>Timber</b>	<b>Trust</b>	<b>Library</b>	<b>Surcharge</b>
<b><u>ASSETS</u></b>						
Cash and investments	\$ 331,401	\$ 142,581	\$ 20,571	\$ 16,707	\$ 22,447	\$ 32,267
Receivables	<u>13,045</u>	<u>46,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 344,446</u></b>	<b><u>\$ 189,503</u></b>	<b><u>\$ 20,571</u></b>	<b><u>\$ 16,707</u></b>	<b><u>\$ 22,447</u></b>	<b><u>\$ 32,267</u></b>
<b><u>LIABILITIES</u></b>						
Accounts payable and accrued expenditures	\$ 45,136	\$ -	\$ -	\$ -	\$ 1,224	\$ -
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b>45,136</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,224</b>	<b>-</b>
<b><u>FUND BALANCES</u></b>						
Restricted	<u>299,310</u>	<u>189,503</u>	<u>20,571</u>	<u>16,707</u>	<u>21,223</u>	<u>32,267</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 344,446</u></b>	<b><u>\$ 189,503</u></b>	<b><u>\$ 20,571</u></b>	<b><u>\$ 16,707</u></b>	<b><u>\$ 22,447</u></b>	<b><u>\$ 32,267</u></b>

Nestucca Valley						
<b>PLCP</b>	<b>Clerks Records</b>	<b>Federal Title III</b>	<b>Veteran's Services</b>	<b>Community Campus</b>	<b>Technology</b>	<b>Totals</b>
\$ 73,142	\$ 7,987	\$ 130,245	\$ 8,980	\$ 6,375	\$ 80,612	\$ 873,315
-	-	-	11,613	-	-	71,580
<u>\$ 73,142</u>	<u>\$ 7,987</u>	<u>\$ 130,245</u>	<u>\$ 20,593</u>	<u>\$ 6,375</u>	<u>\$ 80,612</u>	<u>\$ 944,895</u>
\$ 1,718	\$ -	\$ -	\$ 2,147	\$ -	\$ -	\$ 50,225
-	-	-	8,571	-	-	8,571
1,718	-	-	10,718	-	-	58,796
71,424	7,987	130,245	9,875	6,375	80,612	886,099
<u>\$ 73,142</u>	<u>\$ 7,987</u>	<u>\$ 130,245</u>	<u>\$ 20,593</u>	<u>\$ 6,375</u>	<u>\$ 80,612</u>	<u>\$ 944,895</u>

**TILLAMOOK COUNTY**

**COMBINING BALANCE SHEET**

**OTHER GOVERNMENTAL SPECIAL REVENUE FUNDS**

**PUBLIC SAFETY FUNDS**

**June 30, 2012**

	SB 1065						
	Court	Law	Sheriff	Assessment	Tillamook	North Coast	
	Security	Enforcement	Trust	and	Narcotics	Drug Task	
				Conviction	Team	Force	Totals
<b><u>ASSETS</u></b>							
Cash and investments	\$ 295,872	\$ 9,329	\$ 24,349	\$ 95,189	\$ 37,538	\$ 79,229	\$ 541,506
Receivables	53	-	-	40	-	13,982	14,075
TOTAL ASSETS	<u>\$ 295,925</u>	<u>\$ 9,329</u>	<u>\$ 24,349</u>	<u>\$ 95,229</u>	<u>\$ 37,538</u>	<u>\$ 93,211</u>	<u>\$ 555,581</u>
<b><u>LIABILITIES</u></b>							
Accounts payable and accrued expenditures	\$ -	\$ 698	\$ 538	\$ -	\$ 85	\$ 12,535	\$ 13,856
<b><u>FUND BALANCES</u></b>							
Restricted	<u>295,925</u>	<u>8,631</u>	<u>23,811</u>	<u>95,229</u>	<u>37,453</u>	<u>80,676</u>	<u>541,725</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 295,925</u>	<u>\$ 9,329</u>	<u>\$ 24,349</u>	<u>\$ 95,229</u>	<u>\$ 37,538</u>	<u>\$ 93,211</u>	<u>\$ 555,581</u>

**TILLAMOOK COUNTY**

**COMBINING BALANCE SHEET**

**OTHER GOVERNMENTAL SPECIAL REVENUE FUNDS**

**CULTURE AND RECREATION FUNDS**

**June 30, 2012**

	<b>County Fair</b>	<b>Parks Operations</b>	<b>Totals</b>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 294,919	\$ 208,059	\$ 502,978
Receivables	<u>-</u>	<u>89,391</u>	<u>89,391</u>
 TOTAL ASSETS	 <u>\$ 294,919</u>	 <u>\$ 297,450</u>	 <u>\$ 592,369</u>
 <b><u>LIABILITIES</u></b>			
Accounts payable and accrued expenditures	\$ -	\$ 27,797	\$ 27,797
 <b><u>FUND BALANCES</u></b>			
Restricted	<u>294,919</u>	<u>269,653</u>	<u>564,572</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 294,919</u>	 <u>\$ 297,450</u>	 <u>\$ 592,369</u>

**TILLAMOOK COUNTY**

**COMBINING BALANCE SHEET**

**OTHER GOVERNMENTAL CAPITAL PROJECT FUNDS**

**June 30, 2012**

					Tillamook County 4-H and Extension		Road	
	Vehicle Reserve	Library Reserve	Fair	Fair Reserve	Building Reserve	Trask Road Project	Construction Grant Projects	Totals
<b><u>ASSETS</u></b>								
Cash and investments	\$ 268,871	\$ 243,474	\$ 228,263	\$ 10,000	\$ 92,382	\$ 240,338	\$ 178,944	\$ 1,262,272
Receivables	-	-	-	-	-	95,420	30,863	126,283
<b>TOTAL ASSETS</b>	<b>\$ 268,871</b>	<b>\$ 243,474</b>	<b>\$ 228,263</b>	<b>\$ 10,000</b>	<b>\$ 92,382</b>	<b>\$ 335,758</b>	<b>\$ 209,807</b>	<b>\$ 1,388,555</b>
<b><u>LIABILITIES</u></b>								
Accounts payable and accrued expenditures	\$ -	\$ -	\$ 1,940	\$ -	\$ -	\$ 5,695	\$ 30,863	\$ 38,498
<b><u>FUND BALANCES</u></b>								
Restricted	-	-	-	-	-	330,063	-	330,063
Assigned	268,871	243,474	226,323	10,000	92,382	-	178,944	1,019,994
<b>TOTAL FUND BALANCES</b>	<b>268,871</b>	<b>243,474</b>	<b>226,323</b>	<b>10,000</b>	<b>92,382</b>	<b>330,063</b>	<b>178,944</b>	<b>1,350,057</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 268,871</b>	<b>\$ 243,474</b>	<b>\$ 228,263</b>	<b>\$ 10,000</b>	<b>\$ 92,382</b>	<b>\$ 335,758</b>	<b>\$ 209,807</b>	<b>\$ 1,388,555</b>

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

**TILLAMOOK COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
OTHER GOVERNMENTAL SPECIAL REVENUE FUNDS  
GENERAL GOVERNMENT FUNDS  
For the Year Ended June 30, 2012**

	<b>Mitigation</b>	<b>Video</b>	<b>Forest</b>	<b>Juvenile</b>	<b>Law</b>
	<b>Grants</b>	<b>Lottery</b>	<b>Timber</b>	<b>Trust</b>	<b>Library</b>
	<b>Trust</b>		<b>Trust</b>		
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-	-
Intergovernmental	-	230,788	10,000	-	-
Charges for services	-	-	-	-	19,413
Fines and forfeitures	-	-	-	-	-
Interest	89	511	-	67	-
Miscellaneous	369,902	-	-	895	-
<b>TOTAL REVENUES</b>	<b>369,991</b>	<b>231,299</b>	<b>10,000</b>	<b>962</b>	<b>19,413</b>
<b>EXPENDITURES</b>					
General government	152,986	110,550	26,643	817	17,051
Capital outlay	5,000	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>157,986</b>	<b>110,550</b>	<b>26,643</b>	<b>817</b>	<b>17,051</b>
Excess (deficiency) of revenues over expenditures	212,005	120,749	(16,643)	145	2,362
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	5,000
Transfers out	-	(75,000)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(75,000)</b>	<b>-</b>	<b>-</b>	<b>5,000</b>
Net change in fund balances	212,005	45,749	(16,643)	145	7,362
Fund balances - beginning	87,305	143,754	37,214	16,562	13,861
Fund balances - ending	<u>\$ 299,310</u>	<u>\$ 189,503</u>	<u>\$ 20,571</u>	<u>\$ 16,707</u>	<u>\$ 21,223</u>



Nestucca Valley							
BPS		Clerks	Federal Title	Veteran's	Community		
Surcharge	PLCP	Records	III	Services	Campus	Technology	Totals
\$ -	\$ -	\$ -	\$ -	\$ 118,979	\$ -	\$ -	\$ 118,979
-	-	10,097	-	-	-	-	10,097
71,223	-	-	-	24,473	-	-	336,484
-	58,807	-	-	-	-	-	78,220
-	-	-	-	-	-	47,344	47,344
-	361	79	520	105	-	-	1,732
-	50	-	-	1,069	3,000	-	374,916
71,223	59,218	10,176	520	144,626	3,000	47,344	967,772
45,481	94,693	21,022	-	167,086	-	27,253	663,582
-	-	-	-	5,475	-	91,996	102,471
45,481	94,693	21,022	-	172,561	-	119,249	766,053
25,742	(35,475)	(10,846)	520	(27,935)	3,000	(71,905)	201,719
-	-	-	-	-	-	-	5,000
-	-	-	-	-	-	-	(75,000)
-	-	-	-	-	-	-	(70,000)
25,742	(35,475)	(10,846)	520	(27,935)	3,000	(71,905)	131,719
6,525	106,899	18,833	129,725	37,810	3,375	152,517	754,380
\$ 32,267	\$ 71,424	\$ 7,987	\$ 130,245	\$ 9,875	\$ 6,375	\$ 80,612	\$ 886,099

**TILLAMOOK COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

**OTHER GOVERNMENTAL SPECIAL REVENUE FUNDS  
PUBLIC SAFETY FUNDS**

**For the Year Ended June 30, 2012**

	<b>SB 1065</b>						
	<b>Court</b>	<b>Law</b>	<b>Sheriff</b>	<b>Assessment</b>	<b>Tillamook</b>	<b>North</b>	
	<b>Security</b>	<b>Enforcement</b>	<b>Trust</b>	<b>and</b>	<b>Narcotics</b>	<b>Coast Drug</b>	
	<b>Security</b>	<b>Enforcement</b>	<b>Trust</b>	<b>Conviction</b>	<b>Team</b>	<b>Task Force</b>	<b>Totals</b>
<b>REVENUES</b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 644	\$ 142,945	\$ 143,589
Fines and forfeitures	42,844	18,995	11,282	18,946	1,603	-	93,670
Interest	1,286	-	84	437	193	-	2,000
Miscellaneous	-	448	500	-	-	-	948
<b>TOTAL REVENUES</b>	<u>44,130</u>	<u>19,443</u>	<u>11,866</u>	<u>19,383</u>	<u>2,440</u>	<u>142,945</u>	<u>240,207</u>
<b>EXPENDITURES</b>							
Public safety	59,689	15,563	4,893	18,500	23,332	120,530	242,507
Capital outlay	4,353	-	-	-	-	-	4,353
<b>TOTAL EXPENDITURES</b>	<u>64,042</u>	<u>15,563</u>	<u>4,893</u>	<u>18,500</u>	<u>23,332</u>	<u>120,530</u>	<u>246,860</u>
Excess (deficiency) of revenues over expenditures	(19,912)	3,880	6,973	883	(20,892)	22,415	(6,653)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers out	-	-	-	(20,000)	-	(45,498)	(65,498)
Net change in fund balances	(19,912)	3,880	6,973	(19,117)	(20,892)	(23,083)	(72,151)
Fund balances - beginning	<u>315,837</u>	<u>4,751</u>	<u>16,838</u>	<u>114,346</u>	<u>58,345</u>	<u>103,759</u>	<u>613,876</u>
Fund balances - ending	<u>\$ 295,925</u>	<u>\$ 8,631</u>	<u>\$ 23,811</u>	<u>\$ 95,229</u>	<u>\$ 37,453</u>	<u>\$ 80,676</u>	<u>\$ 541,725</u>

**TILLAMOOK COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
OTHER GOVERNMENTAL SPECIAL REVENUE FUNDS  
CULTURE AND RECREATION FUNDS  
For the Year Ended June 30, 2012**

	<b>County</b>	<b>Parks</b>	
	<b>Fair</b>	<b>Operations</b>	<b>Totals</b>
<b>REVENUES</b>			
Intergovernmental	\$ 50,002	\$ -	\$ 50,002
Charges for services	663,723	1,186,975	1,850,698
Interest	1,987	1,250	3,237
Miscellaneous	109,945	46,976	156,921
 TOTAL REVENUES	 <u>825,657</u>	 <u>1,235,201</u>	 <u>2,060,858</u>
<b>EXPENDITURES</b>			
Culture and recreation	747,283	1,128,492	1,875,775
Capital outlay	74,958	126,242	201,200
 TOTAL EXPENDITURES	 <u>822,241</u>	 <u>1,254,734</u>	 <u>2,076,975</u>
 Excess (deficiency) of revenues over expenditures	 3,416	 (19,533)	 (16,117)
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of assets	<u>-</u>	<u>1,136</u>	<u>1,136</u>
 Net change in fund balances	 (6,584)	 (18,397)	 (24,981)
Fund balances - beginning	<u>301,503</u>	<u>288,050</u>	<u>589,553</u>
 Fund balances - ending	 <u>\$ 294,919</u>	 <u>\$ 269,653</u>	 <u>\$ 564,572</u>

**TILLAMOOK COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

**OTHER GOVERNMENTAL SPECIAL REVENUE FUNDS**

**HEALTH AND WELFARE FUNDS**

**For the Year Ended June 30, 2012**

	<b>Mental Health</b>	<b>Mediation Program</b>	<b>Totals</b>
<b>REVENUES</b>			
Intergovernmental	\$ 998,830	\$ -	\$ 998,830
Charges for services	-	16,580	16,580
Interest	-	371	371
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL REVENUES	998,830	16,951	1,015,781
<b>EXPENDITURES</b>			
Health and welfare	<u>998,830</u>	<u>16,644</u>	<u>1,015,474</u>
Net change in fund balances	-	307	307
Fund balances - beginning	<u>-</u>	<u>93,249</u>	<u>93,249</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 93,556</u>	<u>\$ 93,556</u>

**TILLAMOOK COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**OTHER GOVERNMENTAL CAPITAL PROJECT FUNDS**  
**For the Year Ended June 30, 2012**

	Tillamook County 4-H and Extension								
	<b>Vehicle</b>	<b>Library</b>		<b>Fair</b>	<b>Building</b>	<b>OTIA Bridge</b>	<b>Trask Road</b>	<b>Road</b>	
	<b>Reserve</b>	<b>Reserve</b>	<b>Fair</b>	<b>Reserve</b>	<b>Reserve</b>	<b>Construction</b>	<b>Project</b>	<b>Construction</b>	<b>Totals</b>
								<b>Grant Projects</b>	
<b>REVENUES</b>									
Intergovernmental	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,395	\$ 51,395
Charges for services	-	-	-	-	-	-	311,801	-	311,801
Interest	1,073	922	1,334	-	369	28	1,000	423	5,149
Miscellaneous	-	-	483,500	-	-	-	-	1,233,105	1,716,605
<b>TOTAL REVENUES</b>	<b>1,073</b>	<b>922</b>	<b>484,834</b>	<b>-</b>	<b>369</b>	<b>28</b>	<b>312,801</b>	<b>1,284,923</b>	<b>2,084,950</b>
<b>EXPENDITURES</b>									
Current:									
Highways and streets	-	-	-	-	-	25,417	176,846	49,874	252,137
Culture and recreation	-	-	12,145	-	-	-	-	-	12,145
Capital outlay	-	-	551,220	-	-	-	-	1,056,105	1,607,325
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>563,365</b>	<b>-</b>	<b>-</b>	<b>25,417</b>	<b>176,846</b>	<b>1,105,979</b>	<b>1,871,607</b>
Excess (deficiency) of revenues over expenditures	1,073	922	(78,531)	-	369	(25,389)	135,955	178,944	213,343
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	25,000	-	10,000	-	-	-	-	35,000
Net change in fund balances	1,073	25,922	(78,531)	10,000	369	(25,389)	135,955	178,944	248,343
Fund balances - beginning	267,798	217,552	304,854	-	92,013	25,389	194,108	-	1,101,714
Fund balances - ending	<u>\$ 268,871</u>	<u>\$ 243,474</u>	<u>\$ 226,323</u>	<u>\$ 10,000</u>	<u>\$ 92,382</u>	<u>\$ -</u>	<u>\$ 330,063</u>	<u>\$ 178,944</u>	<u>\$ 1,350,057</u>

**TILLAMOOK COUNTY**

**MITIGATION GRANTS - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 7,040,000	\$ 30,000	\$ (7,010,000)
Investment earnings	-	89	89
Miscellaneous	<u>164,000</u>	<u>356,857</u>	<u>192,857</u>
 TOTAL REVENUES	 <u>7,204,000</u>	 <u>386,946</u>	 <u>(6,817,054)</u>
 <b>EXPENDITURES</b>			
Materials and services	7,199,000	171,725	7,027,275
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>-</u>
 TOTAL EXPENDITURES	 <u>7,204,000</u>	 <u>176,725</u>	 <u>7,027,275</u>
 Net change in fund balance	 -	 210,221	 210,221
Fund balance at beginning of year	<u>-</u>	<u>121,180</u>	<u>121,180</u>
 Fund balance at end of year	 <u><u>\$ -</u></u>	 <u><u>\$ 331,401</u></u>	 <u><u>\$ 331,401</u></u>

**TILLAMOOK COUNTY**

**VIDEO LOTTERY - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 125,000	\$ 200,445	\$ 75,445
Investment earnings	<u>800</u>	<u>511</u>	<u>(289)</u>
 TOTAL REVENUES	 125,800	 200,956	 75,156
 <b>EXPENDITURES</b>			
Materials and services	<u>110,550</u>	<u>110,550</u>	<u>-</u>
 Excess (deficiency) of revenues over expenditures	 15,250	 90,406	 75,156
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(75,000)</u>	<u>(75,000)</u>	<u>-</u>
 Net change in fund balance	 (59,750)	 15,406	 75,156
Fund balance at beginning of year	<u>130,000</u>	<u>127,175</u>	<u>(2,825)</u>
 Fund balance at end of year	 <u>\$ 70,250</u>	 <u>\$ 142,581</u>	 <u>\$ 72,331</u>

**TILLAMOOK COUNTY**

**FOREST TIMBER TRUST - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 40,000	\$ 10,000	\$ (30,000)
<b>EXPENDITURES</b>			
Materials and services	<u>80,000</u>	<u>26,643</u>	<u>53,357</u>
Net change in fund balance	(40,000)	(16,643)	23,357
Fund balance at beginning of year	<u>40,000</u>	<u>37,214</u>	<u>(2,786)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 20,571</u>	<u>\$ 20,571</u>



**TILLAMOOK COUNTY**

**JUVENILE TRUST - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 67	\$ 67
Miscellaneous	<u>1,500</u>	<u>996</u>	<u>(504)</u>
 TOTAL REVENUES	 1,500	 1,063	 (437)
 <b>EXPENDITURES</b>			
Materials and services	<u>11,500</u>	<u>917</u>	<u>10,583</u>
 Net change in fund balance	 (10,000)	 146	 10,146
Fund balance at beginning of year	<u>16,500</u>	<u>16,561</u>	<u>61</u>
 Fund balance at end of year	 <u><u>\$ 6,500</u></u>	 <u><u>\$ 16,707</u></u>	 <u><u>\$ 10,207</u></u>

**TILLAMOOK COUNTY**

**LAW LIBRARY - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 20,000	\$ 21,915	\$ 1,915
<b>EXPENDITURES</b>			
Materials and services	<u>40,000</u>	<u>23,252</u>	<u>16,748</u>
Excess (deficiency) of revenues over expenditures	(20,000)	(1,337)	18,663
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balance	(15,000)	3,663	18,663
Fund balance at beginning of year	<u>15,000</u>	<u>18,784</u>	<u>3,784</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 22,447</u>	<u>\$ 22,447</u>

**TILLAMOOK COUNTY**

**BUILDING, PLANNING AND SANITATION (BPS) SURCHARGE  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 150,000	\$ 71,507	\$ (78,493)
<b>EXPENDITURES</b>			
Materials and services	<u>150,000</u>	<u>83,318</u>	<u>66,682</u>
Net change in fund balance	-	(11,811)	(11,811)
Fund balance at beginning of year	<u>-</u>	<u>44,078</u>	<u>44,078</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 32,267</u>	<u>\$ 32,267</u>

**TILLAMOOK COUNTY**

**PUBLIC LAND CORNER PRESERVATION (PLCP) - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 54,000	\$ 59,347	\$ 5,347
Investment earnings	1,000	361	(639)
Miscellaneous	<u>-</u>	<u>50</u>	<u>50</u>
 TOTAL REVENUES	 <u>55,000</u>	 <u>59,758</u>	 <u>4,758</u>
 <b>EXPENDITURES</b>			
Personal services	88,315	87,052	1,263
Materials and services	67,685	8,835	58,850
Capital outlay	15,000	-	15,000
Contingency	<u>24,000</u>	<u>-</u>	<u>24,000</u>
 TOTAL EXPENDITURES	 <u>195,000</u>	 <u>95,887</u>	 <u>99,113</u>
 Net change in fund balance	 (140,000)	 (36,129)	 103,871
Fund balance at beginning of year	<u>140,000</u>	<u>107,651</u>	<u>(32,349)</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ 71,522</u>	 <u>\$ 71,522</u>

**TILLAMOOK COUNTY**

**CLERKS RECORDS - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Licenses, permits and fees	\$ 10,000	\$ 10,190	\$ 190
Investment earnings	<u>100</u>	<u>79</u>	<u>(21)</u>
 TOTAL REVENUES	 10,100	 10,269	 169
 <b>EXPENDITURES</b>			
Materials and services	27,000	21,022	5,978
Capital outlay	<u>1,100</u>	<u>-</u>	<u>1,100</u>
 TOTAL EXPENDITURES	 <u>28,100</u>	 <u>21,022</u>	 <u>7,078</u>
 Net change in fund balance	 (18,000)	 (10,753)	 7,247
Fund balance at beginning of year	<u>18,000</u>	<u>18,740</u>	<u>740</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ 7,987</u>	 <u>\$ 7,987</u>

**TILLAMOOK COUNTY**

**FEDERAL TITLE III - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 520	\$ 520
<b>EXPENDITURES</b>			
Materials and services	<u>130,000</u>	<u>-</u>	<u>130,000</u>
Net change in fund balance	(130,000)	520	130,520
Fund balance at beginning of year	<u>130,000</u>	<u>129,725</u>	<u>(275)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 130,245</u>	<u>\$ 130,245</u>

**TILLAMOOK COUNTY**

**VETERAN'S SERVICES - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 114,500	\$ 118,706	\$ 4,206
Intergovernmental	17,500	32,279	14,779
Investment earnings	500	105	(395)
Miscellaneous	<u>-</u>	<u>1,069</u>	<u>1,069</u>
 TOTAL REVENUES	 <u>132,500</u>	 <u>152,159</u>	 <u>19,659</u>
 <b>EXPENDITURES</b>			
Personal services	141,650	138,860	2,790
Materials and services	33,400	27,510	5,890
Capital outlay	5,475	5,475	-
Contingency	<u>1,965</u>	<u>-</u>	<u>1,965</u>
 TOTAL EXPENDITURES	 <u>182,490</u>	 <u>171,845</u>	 <u>10,645</u>
 Net change in fund balance	 (49,990)	 (19,686)	 30,304
Fund balance at beginning of year	<u>49,990</u>	<u>27,536</u>	<u>(22,454)</u>
 Fund balance at end of year	 <u><u>\$ -</u></u>	 <u><u>\$ 7,850</u></u>	 <u><u>\$ 7,850</u></u>

**TILLAMOOK COUNTY**

**NESTUCCA VALLEY COMMUNITY CAMPUS - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Miscellaneous	\$ 2,700	\$ 3,000	\$ 300
<b>EXPENDITURES</b>			
Materials and services	<u>5,200</u>	<u>-</u>	<u>5,200</u>
Net change in fund balance	(2,500)	3,000	5,500
Fund balance at beginning of year	<u>2,500</u>	<u>3,375</u>	<u>875</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 6,375</u>	<u>\$ 6,375</u>



**TILLAMOOK COUNTY**

**TECHNOLOGY - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fines and forfeitures	<u>\$ 50,000</u>	<u>\$ 47,344</u>	<u>\$ (2,656)</u>
<b>EXPENDITURES</b>			
Materials and services	125,000	27,253	97,747
Capital outlay	<u>75,000</u>	<u>91,996</u>	<u>(16,996)</u>
<b>TOTAL EXPENDITURES</b>	<u>200,000</u>	<u>119,249</u>	<u>80,751</u>
Net change in fund balance	(150,000)	(71,905)	78,095
Fund balance at beginning of year	<u>150,000</u>	<u>152,517</u>	<u>2,517</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 80,612</u>	<u>\$ 80,612</u>

**TILLAMOOK COUNTY**

**COURT SECURITY - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 40,000	\$ 42,950	\$ 2,950
Investment earnings	<u>1,500</u>	<u>1,286</u>	<u>(214)</u>
TOTAL REVENUES	<u>41,500</u>	<u>44,236</u>	<u>2,736</u>
<b>EXPENDITURES</b>			
Materials and services	66,500	60,048	6,452
Capital outlay	<u>300,000</u>	<u>4,353</u>	<u>295,647</u>
TOTAL EXPENDITURES	<u>366,500</u>	<u>64,401</u>	<u>302,099</u>
Net change in fund balance	(325,000)	(20,165)	304,835
Fund balance at beginning of year	<u>325,000</u>	<u>316,037</u>	<u>(8,963)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 295,872</u>	<u>\$ 295,872</u>

**TILLAMOOK COUNTY**

**LAW ENFORCEMENT - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 20,000	\$ 19,161	\$ (839)
Miscellaneous	<u>-</u>	<u>448</u>	<u>448</u>
 TOTAL REVENUES	 20,000	 19,609	 (391)
 <b>EXPENDITURES</b>			
Materials and services	<u>20,000</u>	<u>16,195</u>	<u>3,805</u>
 Net change in fund balance	 -	 3,414	 3,414
Fund balance at beginning of year	<u>-</u>	<u>5,915</u>	<u>5,915</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ 9,329</u>	 <u>\$ 9,329</u>

**TILLAMOOK COUNTY**

**SHERIFF TRUST - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 5,000	\$ 11,282	\$ 6,282
Investment earnings	-	84	84
Miscellaneous	<u>5,000</u>	<u>500</u>	<u>(4,500)</u>
 TOTAL REVENUES	 10,000	 11,866	 1,866
 <b>EXPENDITURES</b>			
Materials and services	<u>22,000</u>	<u>5,436</u>	<u>16,564</u>
 Net change in fund balance	 (12,000)	 6,430	 18,430
Fund balance at beginning of year	<u>12,000</u>	<u>17,919</u>	<u>5,919</u>
 Fund balance at end of year	 <u><u>\$ -</u></u>	 <u><u>\$ 24,349</u></u>	 <u><u>\$ 24,349</u></u>

**TILLAMOOK COUNTY**

**SB 1065 ASSESSMENT AND CONVICTION - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 30,000	\$ 19,145	\$ (10,855)
Investment earnings	<u>1,000</u>	<u>437</u>	<u>(563)</u>
<b>TOTAL REVENUES</b>	<u>31,000</u>	<u>19,582</u>	<u>(11,418)</u>
<b>EXPENDITURES</b>			
Materials and services	106,000	18,500	87,500
Contingency	<u>5,000</u>	<u>-</u>	<u>5,000</u>
<b>TOTAL EXPENDITURES</b>	<u>111,000</u>	<u>18,500</u>	<u>92,500</u>
Excess (deficiency) of revenues over expenditures	(80,000)	1,082	81,082
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Net change in fund balance	(100,000)	(18,918)	81,082
Fund balance at beginning of year	<u>100,000</u>	<u>114,107</u>	<u>14,107</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 95,189</u></u>	<u><u>\$ 95,189</u></u>

**TILLAMOOK COUNTY**

**TILLAMOOK NARCOTICS TEAM - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 644	\$ 644
Fines and forfeitures	10,000	1,603	(8,397)
Investment earnings	<u>-</u>	<u>193</u>	<u>193</u>
 TOTAL REVENUES	 10,000	 2,440	 (7,560)
 <b>EXPENDITURES</b>			
Materials and services	<u>40,000</u>	<u>23,247</u>	<u>16,753</u>
 Net change in fund balance	 (30,000)	 (20,807)	 9,193
Fund balance at beginning of year	<u>30,000</u>	<u>58,345</u>	<u>28,345</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ 37,538</u>	 <u>\$ 37,538</u>

**TILLAMOOK COUNTY**

**NORTH COAST DRUG TASK FORCE - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 221,000	\$ 256,984	\$ 35,984
<b>EXPENDITURES</b>			
Materials and services	<u>180,000</u>	<u>179,977</u>	<u>23</u>
Excess (deficiency) of revenues over expenditures	41,000	77,007	36,007
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(45,500)</u>	<u>(45,498)</u>	<u>2</u>
Net change in fund balance	(4,500)	31,509	36,009
Fund balance at beginning of year	<u>4,500</u>	<u>47,720</u>	<u>43,220</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 79,229</u>	<u>\$ 79,229</u>

**TILLAMOOK COUNTY**

**BIKE PATH - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ 1,000	\$ 495	\$ (505)
<b>EXPENDITURES</b>			
Contingency	<u>74,140</u>	<u>-</u>	<u>74,140</u>
Excess (deficiency) of revenues over expenditures	<u>(73,140)</u>	<u>495</u>	<u>73,635</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	18,000	18,000	-
Transfers out	<u>(109,860)</u>	<u>(109,860)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(91,860)</u>	<u>(91,860)</u>	<u>-</u>
Net change in fund balance	(165,000)	(91,365)	73,635
Fund balance at beginning of year	<u>165,000</u>	<u>169,111</u>	<u>4,111</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 77,746</u>	<u>\$ 77,746</u>



**TILLAMOOK COUNTY**

**COUNTY FAIR - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 43,750	\$ 50,002	\$ 6,252
Charges for services	724,350	663,723	(60,627)
Investment earnings	1,800	1,987	187
Miscellaneous	<u>22,000</u>	<u>109,945</u>	<u>87,945</u>
 TOTAL REVENUES	 <u>791,900</u>	 <u>825,657</u>	 <u>33,757</u>
 <b>EXPENDITURES</b>			
Personal services	208,900	208,187	713
Materials and services	548,750	539,096	9,654
Capital outlay	77,500	74,958	2,542
Contingency	<u>40,000</u>	<u>-</u>	<u>40,000</u>
 TOTAL EXPENDITURES	 <u>875,150</u>	 <u>822,241</u>	 <u>52,909</u>
 Excess (deficiency) of revenues over expenditures	 (83,250)	 3,416	 86,666
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
 Net change in fund balance	 (93,250)	 (6,584)	 86,666
Fund balance at beginning of year	<u>146,000</u>	<u>301,503</u>	<u>155,503</u>
 Fund balance at end of year	 <u>\$ 52,750</u>	 <u>\$ 294,919</u>	 <u>\$ 242,169</u>

**TILLAMOOK COUNTY**

**PARKS OPERATIONS - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 168,750	\$ -	\$ (168,750)
Charges for services	1,208,000	1,168,333	(39,667)
Investment earnings	2,000	1,250	(750)
Miscellaneous	<u>38,900</u>	<u>48,112</u>	<u>9,212</u>
 TOTAL REVENUES	 <u>1,417,650</u>	 <u>1,217,695</u>	 <u>(199,955)</u>
 <b>EXPENDITURES</b>			
Personal services	652,645	576,303	76,342
Materials and services	633,525	562,128	71,397
Capital outlay	301,950	128,333	173,617
Contingency	<u>29,530</u>	<u>-</u>	<u>29,530</u>
 TOTAL EXPENDITURES	 <u>1,617,650</u>	 <u>1,266,764</u>	 <u>350,886</u>
 Net change in fund balance	 (200,000)	 (49,069)	 150,931
Fund balance at beginning of year	<u>200,000</u>	<u>249,111</u>	<u>49,111</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ 200,042</u>	 <u>\$ 200,042</u>

**TILLAMOOK COUNTY**

**MENTAL HEALTH - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 1,500,000	\$ 998,830	\$ (501,170)
<b>EXPENDITURES</b>			
Materials and services	<u>1,500,000</u>	<u>998,830</u>	<u>501,170</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TILLAMOOK COUNTY**

**MEDIATION PROGRAM - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 12,000	\$ 18,330	\$ 6,330
Investment earnings	<u>1,000</u>	<u>371</u>	<u>(629)</u>
 TOTAL REVENUES	 13,000	 18,701	 5,701
 <b>EXPENDITURES</b>			
Materials and services	<u>108,000</u>	<u>16,200</u>	<u>91,800</u>
 Net change in fund balance	 (95,000)	 2,501	 97,501
Fund balance at beginning of year	<u>95,000</u>	<u>93,008</u>	<u>(1,992)</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ 95,509</u>	 <u>\$ 95,509</u>

**TILLAMOOK COUNTY**

**TILLAMOOK COUNTY 4-H AND EXTENSION SERVICE DISTRICT  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 259,700	\$ 271,290	\$ 11,590
Intergovernmental	34,820	39,839	5,019
Investment earnings	1,000	1,290	290
Miscellaneous	<u>16,100</u>	<u>-</u>	<u>(16,100)</u>
 TOTAL REVENUES	 <u>311,620</u>	 <u>312,419</u>	 <u>799</u>
 <b>EXPENDITURES</b>			
Personal services	185,800	184,150	1,650
Materials and services	136,000	90,639	45,361
Contingency	<u>66,900</u>	<u>-</u>	<u>66,900</u>
 TOTAL EXPENDITURES	 <u>388,700</u>	 <u>274,789</u>	 <u>113,911</u>
 Net change in fund balance	 (77,080)	 37,630	 114,710
Fund balance at beginning of year	<u>222,080</u>	<u>250,919</u>	<u>28,839</u>
 Fund balance at end of year	 <u>\$ 145,000</u>	 <u>\$ 288,549</u>	 <u>\$ 143,549</u>

**TILLAMOOK COUNTY**

**HOSPITAL - DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 853,460	\$ 866,133	\$ 12,673
Investment earnings	<u>500</u>	<u>519</u>	<u>19</u>
 TOTAL REVENUES	 <u>853,960</u>	 <u>866,652</u>	 <u>12,692</u>
 <b>EXPENDITURES</b>			
Materials and services	600	530	70
Debt service	<u>868,360</u>	<u>868,360</u>	<u>-</u>
 TOTAL EXPENDITURES	 <u>868,960</u>	 <u>868,890</u>	 <u>70</u>
 Net change in fund balance	 (15,000)	 (2,238)	 12,762
Fund balance at beginning of year	<u>80,000</u>	<u>96,015</u>	<u>16,015</u>
 Fund balance at end of year	 <u>\$ 65,000</u>	 <u>\$ 93,777</u>	 <u>\$ 28,777</u>

**TILLAMOOK COUNTY**

**JAIL - DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 644,950	\$ 656,760	\$ 11,810
Investment earnings	<u>500</u>	<u>109</u>	<u>(391)</u>
<b>TOTAL REVENUES</b>	<u>645,450</u>	<u>656,869</u>	<u>11,419</u>
<b>EXPENDITURES</b>			
Materials and services	600	530	70
Debt service	<u>657,850</u>	<u>657,850</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>658,450</u>	<u>658,380</u>	<u>70</u>
Net change in fund balance	(13,000)	(1,511)	11,489
Fund balance at beginning of year	<u>41,500</u>	<u>47,481</u>	<u>5,981</u>
Fund balance at end of year	<u>\$ 28,500</u>	<u>\$ 45,970</u>	<u>\$ 17,470</u>

**TILLAMOOK COUNTY**

**LIBRARY - DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 269,320	\$ 275,328	\$ 6,008
Investment earnings	<u>250</u>	<u>103</u>	<u>(147)</u>
TOTAL REVENUES	<u>269,570</u>	<u>275,431</u>	<u>5,861</u>
<b>EXPENDITURES</b>			
Materials and services	600	530	70
Debt service	<u>268,970</u>	<u>268,970</u>	<u>-</u>
TOTAL EXPENDITURES	<u>269,570</u>	<u>269,500</u>	<u>70</u>
Net change in fund balance	-	5,931	5,931
Fund balance at beginning of year	<u>3,500</u>	<u>6,910</u>	<u>3,410</u>
Fund balance at end of year	<u>\$ 3,500</u>	<u>\$ 12,841</u>	<u>\$ 9,341</u>



**TILLAMOOK COUNTY**

**VEHICLE RESERVE - CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ 2,000	\$ 1,073	\$ (927)
<b>EXPENDITURES</b>			
Capital outlay	<u>270,000</u>	<u>-</u>	<u>270,000</u>
Net change in fund balance	(268,000)	1,073	269,073
Fund balance at beginning of year	<u>268,000</u>	<u>267,798</u>	<u>(202)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 268,871</u>	<u>\$ 268,871</u>

**TILLAMOOK COUNTY**

**LIBRARY RESERVE - CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ 500	\$ 922	\$ 422
<b>EXPENDITURES</b>			
Capital outlay	75,000	-	75,000
Contingency	<u>175,500</u>	<u>-</u>	<u>175,500</u>
<b>TOTAL EXPENDITURES</b>	<u>250,500</u>	<u>-</u>	<u>250,500</u>
Excess (deficiency) of revenues over expenditures	(250,000)	922	250,922
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balance	(225,000)	25,922	250,922
Fund balance at beginning of year	<u>225,000</u>	<u>217,552</u>	<u>(7,448)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 243,474</u>	<u>\$ 243,474</u>

**TILLAMOOK COUNTY**

**FAIR - CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 1,334	\$ 1,334
Miscellaneous	<u>800,000</u>	<u>483,500</u>	<u>(316,500)</u>
<b>TOTAL REVENUES</b>	<u>800,000</u>	<u>484,834</u>	<u>(315,166)</u>
<b>EXPENDITURES</b>			
Materials and services	12,163	12,145	18
Capital outlay	<u>787,837</u>	<u>549,280</u>	<u>238,557</u>
<b>TOTAL EXPENDITURES</b>	<u>800,000</u>	<u>561,425</u>	<u>238,575</u>
Net change in fund balance	-	(76,591)	(76,591)
Fund balance at beginning of year	<u>-</u>	<u>304,854</u>	<u>304,854</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 228,263</u>	<u>\$ 228,263</u>

**TILLAMOOK COUNTY**

**FAIR RESERVE - CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES</b>			
Contingency	\$ 10,000	\$ -	\$ 10,000
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balance	-	10,000	10,000
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>

**TILLAMOOK COUNTY**

**TILLAMOOK COUNTY 4-H EXTENSION BUILDING RESERVE  
CAPITAL PROJECTS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 369	\$ 369
<b>EXPENDITURES</b>			
Capital outlay	<u>92,000</u>	<u>-</u>	<u>92,000</u>
Net change in fund balance	(92,000)	369	92,369
Fund balance at beginning of year	<u>92,000</u>	<u>92,013</u>	<u>13</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 92,382</u>	<u>\$ 92,382</u>

**TILLAMOOK COUNTY**

**OREGON COMMUNITY DEVELOPMENT BLOCK GRANT**

**CAPITAL PROJECTS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND**

**CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2012**

	<u><b>Budget</b></u>	<u><b>Actual</b></u>	<u><b>Variance</b></u>
<b>REVENUES</b>			
Intergovernmental	\$ 75,000	\$ 23,317	\$ (51,683)
<b>EXPENDITURES</b>			
Materials and services	<u>75,000</u>	<u>-</u>	<u>75,000</u>
Net change in fund balance	-	23,317	23,317
Fund balance at beginning of year	<u>-</u>	<u>(23,317)</u>	<u>(23,317)</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**TILLAMOOK COUNTY**

**OTIA BRIDGE CONSTRUCTION - CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ 100	\$ 28	\$ (72)
<b>EXPENDITURES</b>			
Materials and services	<u>30,654</u>	<u>30,652</u>	<u>2</u>
Net change in fund balance	(30,554)	(30,624)	(70)
Fund balance at beginning of year	<u>30,554</u>	<u>30,624</u>	<u>70</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TILLAMOOK COUNTY**

**TRASK ROAD PROJECT - CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ -	\$ 216,381	\$ 216,381
Investment earnings	<u>500</u>	<u>1,000</u>	<u>500</u>
 TOTAL REVENUES	 500	 217,381	 216,881
 <b>EXPENDITURES</b>			
Materials and services	<u>200,500</u>	<u>171,151</u>	<u>29,349</u>
 Net change in fund balance	 (200,000)	 46,230	 246,230
Fund balance at beginning of year	<u>200,000</u>	<u>194,108</u>	<u>(5,892)</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ 240,338</u>	 <u>\$ 240,338</u>



**TILLAMOOK COUNTY**

**ROAD CONSTRUCTION GRANT PROJECTS - CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Intergovernmental	\$ 7,177,000	\$ 20,532	\$ (7,156,468)
Investment earnings	-	423	423
Miscellaneous	<u>-</u>	<u>1,233,105</u>	<u>1,233,105</u>
 TOTAL REVENUES	 <u>7,177,000</u>	 <u>1,254,060</u>	 <u>(5,922,940)</u>
 <b>EXPENDITURES</b>			
Materials and services	900,000	19,011	880,989
Capital outlay	<u>6,277,000</u>	<u>1,056,105</u>	<u>5,220,895</u>
 TOTAL EXPENDITURES	 <u>7,177,000</u>	 <u>1,075,116</u>	 <u>6,101,884</u>
 Net change in fund balance	 -	 178,944	 178,944
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
 Fund balance at end of year	 <u><u>\$ -</u></u>	 <u><u>\$ 178,944</u></u>	 <u><u>\$ 178,944</u></u>

**TILLAMOOK COUNTY**

**ROAD IMPROVEMENT CONSTRUCTION - CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES</b>			
Materials and services	\$ 500,000	\$ -	\$ 500,000
Capital outlay	<u>14,500,000</u>	<u>-</u>	<u>14,500,000</u>
 TOTAL EXPENDITURES	 15,000,000	 -	 15,000,000
 <b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of debt	<u>15,000,000</u>	<u>-</u>	<u>(15,000,000)</u>
 Net change in fund balance	 -	 -	 -
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
 Fund balance at end of year	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

## **Proprietary Funds**

Proprietary funds provide services and charge for those services on a cost recovery basis, including capital costs. The comparison of budget to actual for those funds is presented to comply with legal requirements.

**TILLAMOOK COUNTY**

**SOLID WASTE - ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Assessments	\$ 215,000	\$ 230,503	\$ 15,503
Intergovernmental	39,800	-	(39,800)
Charges for services	1,714,000	1,474,866	(239,134)
Investment earnings	5,000	1,139	(3,861)
Miscellaneous	<u>-</u>	<u>72,259</u>	<u>72,259</u>
<b>TOTAL REVENUES</b>	<u>1,973,800</u>	<u>1,778,767</u>	<u>(195,033)</u>
<b>EXPENDITURES</b>			
Personal services	124,300	92,174	32,126
Materials and services	1,804,850	1,662,500	142,350
Contingency	<u>400,000</u>	<u>-</u>	<u>400,000</u>
<b>TOTAL EXPENDITURES</b>	<u>2,329,150</u>	<u>1,754,674</u>	<u>574,476</u>
Excess (deficiency) of revenues over expenditures	(355,350)	24,093	379,443
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(700,000)</u>	<u>(408,334)</u>	<u>(291,666)</u>
Net change in fund balance	(1,055,350)	(384,241)	671,109
Fund balance at beginning of year	<u>1,264,450</u>	<u>540,416</u>	<u>(724,034)</u>
Fund balance at end of year	<u>\$ 209,100</u>	156,175	<u>\$ (52,925)</u>
<b>Reconciliation to generally accepted accounting principles:</b>			
Receivables		279,924	
Capital assets, net		2,455,401	
Accounts payable and accrued expenses		(133,423)	
Landfill post-closure costs		<u>(1,037,471)</u>	
Net assets at end of year		<u>\$ 1,720,606</u>	

**TILLAMOOK COUNTY**

**SOLID WASTE SINKING - ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ 5,000	\$ 3,123	\$ (1,877)
<b>EXPENDITURES</b>			
Materials and services	71,850	71,833	17
Capital outlay	346,310	346,301	9
Contingency	<u>160,640</u>	<u>-</u>	<u>160,640</u>
<b>TOTAL EXPENDITURES</b>	<u>578,800</u>	<u>418,134</u>	<u>160,666</u>
Excess (deficiency) of revenues over expenditures	(573,800)	(415,011)	158,789
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>200,000</u>	<u>116,667</u>	<u>83,333</u>
Net change in fund balance	(373,800)	(298,344)	75,456
Fund balance at beginning of year	<u>533,800</u>	<u>959,755</u>	<u>425,955</u>
Fund balance at end of year	<u>\$ 160,000</u>	<u>\$ 661,411</u>	<u>\$ 501,411</u>

**TILLAMOOK COUNTY**

**SOLID WASTE POST CLOSURE RESERVE - ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL  
For the Year Ended June 30, 2012**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 806	\$ 806
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>500,000</u>	<u>291,667</u>	<u>208,333</u>
Net change in fund balance	500,000	292,473	(207,527)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 500,000</u>	<u>\$ 292,473</u>	<u>\$ (207,527)</u>

## **Agency Fund**

This fund accounts for resources received and held by the County in a fiduciary capacity. The fund accounts for various monies and other assets held by the County Treasurer for other taxing districts and other departments.

**TILLAMOOK COUNTY**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**AGENCY FUND**

**For the Year Ended June 30, 2012**

	<b>Balances</b>			<b>Balances</b>
	<b>June 30, 2011</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2012</b>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 844,371	\$ 54,631,802	\$ 54,328,855	\$ 1,147,318
Receivables	<u>5,065,187</u>	<u>36,903,458</u>	<u>37,007,619</u>	<u>4,961,026</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 5,909,558</u></u></b>	<b><u><u>\$ 91,535,260</u></u></b>	<b><u><u>\$ 91,336,474</u></u></b>	<b><u><u>\$ 6,108,344</u></u></b>
<b><u>LIABILITIES</u></b>				
Due to other governments	<u><u>\$ 5,909,558</u></u>	<u><u>\$ 91,535,260</u></u>	<u><u>\$ 91,336,474</u></u>	<u><u>\$ 6,108,344</u></u>



**CAPITAL ASSETS USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS**

**TILLAMOOK COUNTY**

**SCHEDULE OF CAPITAL ASSETS  
GOVERNMENTAL ACTIVITIES  
June 30, 2012**

**CAPITAL ASSETS**

Land	\$ 5,377,282
Land improvements	1,973,344
Buildings	31,766,138
Equipment	9,612,787
Infrastructure	22,286,905
Construction in progress	<u>3,169,494</u>

TOTAL CAPITAL ASSETS	<u><u>\$ 74,185,950</u></u>
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**INVESTMENT IN CAPITAL ASSETS**

General fund	\$ 9,997,370
Special revenue funds	28,055,587
Capital project funds	<u>36,132,993</u>

TOTAL INVESTMENT IN CAPITAL ASSETS	<u><u>\$ 74,185,950</u></u>
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# TILLAMOOK COUNTY

## SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY GOVERNMENTAL ACTIVITIES June 30, 2012

<u>Function and Activity</u>	<u>Totals</u>	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>
General government:							
Board of County Commissioners	\$ 36,675	\$ -	\$ -	\$ -	\$ 36,675	\$ -	\$ -
District Attorney	71,512	-	-	-	71,512	-	-
County Clerk	247,888	-	-	-	247,888	-	-
County Assessor	173,628	-	-	-	173,628	-	-
Courthouse Building	2,173,302	702,367	-	1,371,067	99,868	-	-
County Surveyor	55,991	-	-	-	55,991	-	-
Community Development	723,912	550,186	-	-	173,726	-	-
Data Processing	461,935	-	-	33,782	428,153	-	-
Juvenile	44,495	-	-	-	44,495	-	-
Personnel	18,578	-	-	-	18,578	-	-
Other - unclassified	1,942,116	345,056	-	705,187	786,873	-	105,000
Total general government	5,950,032	1,597,609	-	2,110,036	2,137,387	-	105,000
Public safety							
County Sheriff	1,795,537	-	42,678	90,686	1,662,173	-	-
Communications	59,838	-	-	20,808	39,030	-	-
Commission on Children and Families	11,832	-	-	-	11,832	-	-
Corrections	8,562,500	-	-	8,036,470	526,030	-	-
Courts	251,118	-	-	225,316	25,802	-	-
Total public safety	10,680,825	-	42,678	8,373,280	2,264,867	-	-
Highways and streets	30,479,593	1,475,557	11,560	85,103	4,107,695	22,286,905	2,512,773
Culture and recreation							
Parks	5,053,173	2,227,960	1,603,378	989,791	232,044	-	-
Library	4,721,787	22,000	-	4,444,962	254,825	-	-
Fair	4,207,356	54,156	88,128	3,137,624	375,727	-	551,721
Total culture and recreation	13,982,316	2,304,116	1,691,506	8,572,377	862,596	-	551,721
Health and welfare	12,448,000	-	-	12,213,227	234,773	-	-
Education	645,184	-	227,600	412,115	5,469	-	-
Total capital assets	\$74,185,950	\$5,377,282	\$ 1,973,344	\$31,766,138	\$ 9,612,787	\$ 22,286,905	\$ 3,169,494

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**TILLAMOOK COUNTY**

**SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY  
GOVERNMENT ACTIVITIES  
For the Year Ended June 30, 2012**

<b><u>Function and Activity</u></b>	<b><u>Balances June 30, 2011</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balances June 30, 2012</u></b>
General government				
Board of County Commissioners	\$ 36,675	\$ -	\$ -	\$ 36,675
District Attorney	71,512	-	-	71,512
County Clerk	247,888	-	-	247,888
County Assessor	162,386	25,662	14,420	173,628
Courthouse Building	1,931,977	246,887	5,562	2,173,302
County Surveyor	55,991	-	-	55,991
Community Development	723,912	-	-	723,912
Data Processing	461,935	-	-	461,935
Juvenile	44,495	-	-	44,495
Personnel	18,578	-	-	18,578
Other - unclassified	1,915,880	26,236	-	1,942,116
Total general government	5,671,229	298,785	19,982	5,950,032
Public safety				
County Sheriff	1,542,689	394,571	141,723	1,795,537
Communications	59,838	-	-	59,838
Commission on Children and Families	11,832	-	-	11,832
Corrections	8,562,500	-	-	8,562,500
Courts	251,118	-	-	251,118
Total public safety	10,427,977	394,571	141,723	10,680,825
Highways and streets	27,881,520	2,643,799	45,726	30,479,593
Culture and recreation				
Parks	4,946,397	130,019	23,243	5,053,173
Library	4,734,117	-	12,330	4,721,787
Fair	3,590,334	617,022	-	4,207,356
Total culture and recreation	13,270,848	747,041	35,573	13,982,316
Health and welfare	12,419,726	443,381	415,107	12,448,000
Education	645,184	-	-	645,184
Total capital assets	\$ 70,316,484	\$ 4,527,577	\$ 658,111	\$ 74,185,950

## **OTHER FINANCIAL SCHEDULES**

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

**TILLAMOOK COUNTY**

**SCHEDULE OF GENERAL OBLIGATION BONDS  
PRINCIPAL AND INTEREST TRANSACTIONS  
For the Year Ended June 30, 2012**

<b>General Obligation Bond Issues</b>	<b>Interest Rates</b>	<b>Date of Issue</b>	<b>Principal</b>			<b>Interest Matured and Paid</b>
			<b>Outstanding June 30, 2011</b>	<b>Matured and Paid</b>	<b>Outstanding June 30, 2012</b>	
1999 Refunding	3.2% - 4.7%	3/11/1999	\$ 1,800,000	\$ 575,000	\$ 1,225,000	\$ 82,850
2002 Refunding	1.8% - 4.7%	5/2/2002	3,575,000	710,000	2,865,000	158,360
2003	2.0% - 4.5%	12/17/2003	2,685,000	160,000	2,525,000	108,970
Totals			<u>\$ 8,060,000</u>	<u>\$ 1,445,000</u>	<u>\$ 6,615,000</u>	<u>\$ 350,180</u>

# TILLAMOOK COUNTY

## SCHEDULE OF LONG-TERM OBLIGATION FUTURE REQUIREMENTS

June 30, 2012

	Bonded Debt					
	1999 Refunding		2002 Refunding		2003	
	Principal	Interest	Principal	Interest	Principal	Interest
2012-13	\$ 600,000	\$ 56,975	\$ 745,000	\$ 128,540	\$ 170,000	\$ 103,110
2013-14	625,000	29,375	775,000	96,505	175,000	96,769
2014-15	-	-	810,000	62,405	180,000	90,112
2015-16	-	-	535,000	25,145	190,000	83,033
2016-17	-	-	-	-	195,000	75,379
2017-18	-	-	-	-	205,000	67,125
2018-19	-	-	-	-	210,000	58,410
2019-20	-	-	-	-	220,000	49,050
2020-21	-	-	-	-	230,000	38,925
2021-22	-	-	-	-	240,000	28,350
2022-23	-	-	-	-	250,000	17,325
2023-24	-	-	-	-	260,000	5,850
	<u>\$ 1,225,000</u>	<u>\$ 86,350</u>	<u>\$ 2,865,000</u>	<u>\$ 312,595</u>	<u>\$ 2,525,000</u>	<u>\$ 713,438</u>



Loans					Capital Lease		Compensated Absences	Totals	
OEDD		ODOT		TLC	FMC				
Principal	Interest	Principal	Interest	Principal	Principal	Interest			
\$ 22,974	\$ 13,643	\$ 37,650	\$ 951	\$ 75,000	\$ 5,223	\$ 1,223	\$ 1,141,615	\$ 2,797,462	\$ 304,442
24,353	12,265	37,838	761	75,000	5,560	887	-	1,717,751	236,562
25,814	10,804	38,027	573	75,000	5,918	529	-	1,134,759	164,423
27,363	9,255	38,216	384	75,000	5,223	150	-	870,802	117,967
29,004	7,612	38,301	192	75,000	-	-	-	337,305	83,183
30,745	5,873	-	-	75,000	-	-	-	310,745	72,998
32,589	4,028	-	-	75,000	-	-	-	317,589	62,438
34,544	2,074	-	-	75,000	-	-	-	329,544	51,124
-	-	-	-	-	-	-	-	230,000	38,925
-	-	-	-	-	-	-	-	240,000	28,350
-	-	-	-	-	-	-	-	250,000	17,325
-	-	-	-	-	-	-	-	260,000	5,850
\$227,386	\$ 65,554	\$190,032	\$ 2,861	\$ 600,000	\$ 21,924	\$ 2,789	\$ 1,141,615	\$ 8,795,957	\$ 1,183,587

**TILLAMOOK COUNTY**

**SCHEDULE OF CASH RECEIPTS AND TURNS OVERS FOR ELECTED OFFICIALS**  
**As of and for the Year Ended June 30, 2012**

<b>Elected Officials</b>	<b>Cash and Investments Balances June 30, 2011</b>	<b>Cash Receipts</b>	<b>Cash Turnovers and Disbursements to County Treasurer and Others</b>	<b>Cash and Investments Balances June 30, 2012</b>
Clerk	\$ -	\$ 257,618	\$ 257,618	\$ -
Justice of the Peace	-	356,671	356,671	-
Sheriff	22,828	46,475	28,379	40,924
Surveyor	-	24,318	24,318	-
Tax Collector	11,754	44,764,068	44,767,161	8,661
Treasurer	21,582,868	91,367,340	92,487,508	20,462,700
Total cash and investments	<u>\$ 21,617,450</u>	<u>\$ 136,816,490</u>	<u>\$ 137,921,655</u>	<u>\$ 20,512,285</u>
Cash and investments as of June 30, 2012				
Deposits with financial institutions				\$ 2,051,704
Cash on hand				19,581
Money market funds				1,698
Certificates of deposit				1,691,718
U.S. Government Agencies				1,003,471
Corporate Debt Obligation Securities				2,142,610
State Treasurer's Investment Pool				<u>13,601,503</u>
Cash and investments for elected officials				20,512,285
Cash held by County Fair Board				304,918
Restricted cash held for Employee Benefits				8,959
Held by custodian under pension plan, primarily mutual funds				<u>42,117,362</u>
Total cash and investments				<u>\$ 62,943,524</u>
Reported in the Basic Financial Statements as:				
Governmental activities - cash and investments				\$ 18,569,023
Business-type activities - cash and investments				1,109,821
Pension trust				
Cash				1,997,038
Investments in fixed income securities				7,622,438
Investments in mutual funds				32,497,886
Agency funds - cash and investments				<u>1,147,318</u>
				<u>\$ 62,943,524</u>

## **STATISTICAL SECTION**

This section of Tillamook 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.

### **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 factors affecting the County's ability to generate its most significant revenue source, property taxes.

### **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.

### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

### **Operating Information**

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

# TILLAMOOK COUNTY

## Net Assets by Component Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 42,615,214	\$ 44,019,014	\$ 37,071,660	\$ 36,042,826	\$ 31,862,585	\$ 28,288,674	\$ 22,952,895	\$ 19,415,441	\$ 15,073,481	\$ 16,553,927
Restricted	9,150,515	9,617,647	3,777,499	4,423,745	4,756,637	5,995,709	8,618,799	10,457,167	2,271,966	3,300,578
Unrestricted	<u>9,038,864</u>	<u>5,672,012</u>	<u>17,653,947</u>	<u>16,808,514</u>	<u>16,501,257</u>	<u>14,411,635</u>	<u>12,707,246</u>	<u>9,788,885</u>	<u>12,545,890</u>	<u>7,807,388</u>
Total governmental activities net assets	<u>\$ 60,804,593</u>	<u>\$ 59,308,673</u>	<u>\$ 58,503,106</u>	<u>\$ 57,275,085</u>	<u>\$ 53,120,479</u>	<u>\$ 48,696,018</u>	<u>\$ 44,278,940</u>	<u>\$ 39,661,493</u>	<u>\$ 29,891,337</u>	<u>\$ 27,661,893</u>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 2,455,401	\$ 2,156,940	\$ 2,085,051	\$ 2,112,011	\$ 1,633,850	\$ 1,454,638	\$ 1,520,162	\$ 1,585,686	\$ 1,626,812	1,612,165
Unrestricted	<u>346,444</u>	<u>659,708</u>	<u>724,915</u>	<u>569,978</u>	<u>1,005,008</u>	<u>991,608</u>	<u>723,497</u>	<u>285,305</u>	<u>11,829</u>	<u>(169,191)</u>
Total business-type activities net assets	<u>\$ 2,801,845</u>	<u>\$ 2,816,648</u>	<u>\$ 2,809,966</u>	<u>\$ 2,681,989</u>	<u>\$ 2,638,858</u>	<u>\$ 2,446,246</u>	<u>\$ 2,243,659</u>	<u>\$ 1,870,991</u>	<u>\$ 1,638,641</u>	<u>\$ 1,442,974</u>
<b>Totals - all activities</b>										
Invested in capital assets, net of related debt	\$ 45,070,615	\$ 46,175,954	\$ 39,156,711	\$ 38,154,837	\$ 33,496,435	\$ 29,743,312	\$ 24,473,057	\$ 21,001,127	\$ 16,700,293	\$ 18,166,092
Restricted	9,150,515	9,617,647	3,777,499	4,423,745	4,756,637	5,995,709	8,618,799	10,457,167	2,271,966	3,300,578
Unrestricted	<u>9,385,308</u>	<u>6,331,720</u>	<u>18,378,862</u>	<u>17,378,492</u>	<u>17,506,265</u>	<u>15,403,243</u>	<u>13,430,743</u>	<u>10,074,190</u>	<u>12,557,719</u>	<u>7,638,197</u>
Total net assets	<u>\$ 63,606,438</u>	<u>\$ 62,125,321</u>	<u>\$ 61,313,072</u>	<u>\$ 59,957,074</u>	<u>\$ 55,759,337</u>	<u>\$ 51,142,264</u>	<u>\$ 46,522,599</u>	<u>\$ 41,532,484</u>	<u>\$ 31,529,978</u>	<u>\$ 29,104,867</u>

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*

# TILLAMOOK COUNTY

## Changes in Net Assets Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Expenses</b>										
Governmental activities										
General government	\$ 9,934,062	\$ 10,897,384	\$ 9,331,403	\$ 11,000,094	\$ 11,151,831	\$ 10,329,572	\$ 10,017,377	\$ 8,482,212	\$ 7,789,199	\$ 8,334,185
Public safety	7,705,518	7,754,878	7,482,483	7,119,266	7,356,213	7,626,060	7,094,277	6,993,692	6,072,669	6,512,903
Highways and streets	4,431,828	4,825,966	4,482,036	2,317,050	3,847,477	3,810,554	4,610,247	4,391,196	3,440,140	3,126,249
Culture and recreation	4,951,190	4,490,789	4,288,657	3,930,672	3,583,838	2,989,953	2,809,252	3,118,685	2,807,429	2,797,993
Health and welfare	5,703,431	5,290,597	5,093,360	4,836,871	4,673,434	5,141,431	5,324,185	6,067,370	6,323,321	5,707,406
Education	2,355,043	2,887,100	3,019,596	3,608,717	4,650,449	4,260,607	4,827,179	3,513,958	3,103,404	2,893,407
Interest on long-term debt	393,364	454,086	511,485	564,404	614,666	634,634	719,839	805,846	760,816	756,084
Total governmental activities expenses	35,474,436	36,600,800	34,209,020	33,377,074	35,877,908	34,792,811	35,402,356	33,372,959	30,296,978	30,128,227
Business-type activities										
Solid waste	1,870,195	1,863,490	1,563,107	1,699,546	1,837,700	1,748,418	1,379,511	1,277,275	1,132,552	1,074,485
Total expenses	\$ 37,344,631	\$ 38,464,290	\$ 35,772,127	\$ 35,076,620	\$ 37,715,608	\$ 36,541,229	\$ 36,781,867	\$ 34,650,234	\$ 31,429,530	\$ 31,202,712
<b>Program revenues</b>										
Governmental activities										
Charges for services										
General government	\$ 3,268,622	\$ 3,350,795	\$ 3,093,560	\$ 2,491,513	\$ 2,846,402	\$ 3,479,240	\$ 3,197,562	\$ 2,932,916	\$ 2,773,203	\$ 2,546,269
Public safety	814,110	812,281	679,201	713,007	734,387	803,006	890,652	869,356	996,560	894,651
Highways and streets	574,350	533,556	282,259	437,649	204,262	485,292	804,708	283,674	138,638	147,362
Culture and recreation	1,756,832	1,844,767	1,864,620	1,693,575	1,672,903	1,554,426	1,508,389	1,329,529	1,255,443	1,158,231
Health and welfare	1,818,001	1,684,237	1,799,361	1,827,733	1,850,471	1,651,769	1,954,317	2,052,064	1,952,027	963,946
Education	-	29	-	267	-	-	-	-	-	-
Operating grants and contributions	8,194,060	8,476,992	7,693,145	7,796,207	8,445,756	7,956,196	8,108,624	7,243,113	7,773,742	7,436,582
Capital grants and contributions	2,506,529	1,275,535	95,231	1,498,018	1,529,350	489,909	417,834	8,518,424	845,177	935,609
Total governmental activities program revenue	18,932,504	17,978,192	15,507,377	16,457,969	17,283,531	16,419,838	16,882,086	23,229,076	15,734,790	14,082,650
Business-type activities										
Charges for services	1,778,065	1,710,689	1,675,149	1,689,870	1,925,292	1,828,136	1,678,723	1,279,263	1,105,658	1,114,952
Operating grants	71,000	46,200	-	5,757	5,972	34,093	16,416	-	-	-
Total program revenues	\$ 20,781,569	\$ 19,735,081	\$ 17,182,526	\$ 18,153,596	\$ 19,214,795	\$ 18,282,067	\$ 18,577,225	\$ 24,508,339	\$ 16,840,448	\$ 15,197,602
Net (expense) / revenue										
Governmental activities	\$ (16,541,932)	\$ (18,622,608)	\$ (18,701,643)	\$ (16,919,105)	\$ (18,594,377)	\$ (18,372,973)	\$ (18,520,270)	\$ (10,143,883)	\$ (14,562,188)	\$ (16,045,577)
Business-type activities	(21,130)	(106,601)	112,042	(3,919)	93,564	113,811	315,628	1,988	(26,894)	40,467
Total net (expense) / revenue	\$ (16,563,062)	\$ (18,729,209)	\$ (18,589,601)	\$ (16,923,024)	\$ (18,500,813)	\$ (18,259,162)	\$ (18,204,642)	\$ (10,141,895)	\$ (14,589,082)	\$ (16,005,110)
<b>General revenues and other changes in net assets</b>										
Governmental activities										
Property taxes	\$ 10,712,390	\$ 10,414,096	\$ 10,083,863	\$ 9,786,714	\$ 9,206,760	\$ 8,278,392	\$ 7,867,969	\$ 7,982,592	\$ 7,096,992	\$ 7,527,695
Other taxes	179,630	161,778	200,083	197,973	177,285	179,739	167,918	156,096	157,012	153,151
Unrestricted grants and contributions	3,465,267	4,746,992	5,449,169	5,906,234	6,722,787	7,017,641	7,840,581	6,445,884	6,074,788	5,693,656
Timber and land sales	2,342,060	2,789,366	3,304,836	3,596,833	4,072,039	4,517,564	5,639,887	4,644,545	3,237,047	3,077,861
Unrestricted investment earnings	86,692	98,664	187,697	534,977	977,682	1,057,756	902,182	308,439	126,296	180,227
Assessments	-	-	-	-	-	-	-	37,600	-	-
Miscellaneous	1,235,353	1,214,859	704,016	1,022,062	1,127,360	1,243,564	1,134,351	857,047	99,497	607,947
Gain (Loss) on disposition of property	16,460	2,420	-	28,917	734,925	-	(11,550)	(24,619)	-	-
Transfers	-	-	-	-	-	8,102	-	-	-	13,293
Prior period adjustments	-	-	-	-	-	487,293	(403,621)	(493,545)	-	-
Total governmental activities	18,037,852	19,428,175	19,929,664	21,073,710	23,018,838	22,790,051	23,137,717	19,914,039	16,791,632	17,253,830
Business-type activities										
Assessments	-	-	-	-	-	-	-	15,930	210,021	183,840
Unrestricted investment earnings	5,068	7,351	14,499	45,084	97,007	85,932	54,826	211,262	10,678	16,166
Miscellaneous	1,259	105,932	1,436	1,966	2,041	2,844	2,214	3,170	1,862	780
(Loss) on disposition of property	-	-	-	-	-	-	-	-	-	(9,067)
Transfers	-	-	-	-	-	-	-	-	-	(13,293)
Total business-type activities	6,327	113,283	15,935	47,050	99,048	88,776	57,040	230,362	222,561	178,426
Total general revenues and other changes in net assets	\$ 18,044,179	\$ 19,541,458	\$ 19,945,599	\$ 21,120,760	\$ 23,117,886	\$ 22,878,827	\$ 23,194,757	\$ 20,144,401	\$ 17,014,193	\$ 17,432,256
<b>Change in net assets</b>										
Governmental activities	\$ 1,495,920	\$ 805,567	\$ 1,228,021	\$ 4,154,605	\$ 4,424,461	\$ 4,417,078	\$ 4,617,447	\$ 9,770,156	\$ 2,229,444	\$ 1,208,253
Business-type activities	(14,803)	6,682	127,977	43,131	192,612	202,587	372,668	232,350	195,667	218,893
Total change in net assets	\$ 1,481,117	\$ 812,249	\$ 1,355,998	\$ 4,197,736	\$ 4,617,073	\$ 4,619,665	\$ 4,990,115	\$ 10,002,506	\$ 2,425,111	\$ 1,427,146

## TILLAMOOK COUNTY

### Governmental Activities Tax Revenues by Source Last Ten Fiscal Years

Fiscal Year Ended June 30,	Property Taxes	State Fuel Taxes	Other Taxes	Totals
2003	\$ 7,527,695	\$ 1,153,640	\$ 153,151	\$ 8,834,486
2004	7,096,992	1,396,239	157,012	8,650,243
2005	7,982,592	1,430,267	156,096	9,568,955
2006	7,867,969	1,484,109	167,918	9,519,996
2007	8,278,392	1,464,705	179,739	9,922,836
2008	9,206,760	1,477,664	177,285	10,861,709
2009	9,786,714	1,217,874	197,973	11,202,561
2010	10,083,863	1,333,076	200,083	11,617,022
2011	10,414,096	1,695,486	161,778	12,271,360
2012	10,712,390	1,772,683	179,630	12,664,703



# TILLAMOOK COUNTY

## Fund Balances of Governmental Funds Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2011*	2010	2009	2008	2007	2006	2005	2004	2003
General fund										
Unreserved	\$ -	\$ -	\$ 8,043,291	\$ 6,882,209	\$ 6,821,346	\$ 7,337,984	\$ 7,812,327	\$ 6,138,135	\$ 5,626,426	\$ 5,318,223
Unassigned	<u>10,416,940</u>	<u>10,718,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General fund	<u>10,416,940</u>	<u>10,718,830</u>	<u>8,043,291</u>	<u>6,882,209</u>	<u>6,821,346</u>	<u>7,337,984</u>	<u>7,812,327</u>	<u>6,138,135</u>	<u>5,626,426</u>	<u>5,318,223</u>
All other governmental funds										
Reserved	-	-	206,774	235,337	215,949	322,142	470,259	556,992	358,143	392,881
Unreserved, reported in:										
Special revenue funds	-	-	11,771,220	11,575,922	10,390,356	9,476,705	7,512,996	5,602,952	5,132,411	5,241,612
Capital projects funds	-	-	1,759,915	1,886,440	4,116,286	4,174,993	6,922,753	11,667,869	3,761,538	149,358
Restricted	8,907,041	9,477,736	-	-	-	-	-	-	-	-
Assigned	1,644,400	1,458,727	-	-	-	-	-	-	-	-
Unassigned	<u>-</u>	<u>(4,370)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental fund	<u>10,551,441</u>	<u>10,932,093</u>	<u>13,737,909</u>	<u>13,697,699</u>	<u>14,722,591</u>	<u>13,973,840</u>	<u>14,906,008</u>	<u>17,827,813</u>	<u>9,252,092</u>	<u>5,783,851</u>
Total all governmental funds	<u>\$ 20,968,381</u>	<u>\$ 21,650,923</u>	<u>\$ 21,781,200</u>	<u>\$ 20,579,908</u>	<u>\$ 21,543,937</u>	<u>\$ 21,311,824</u>	<u>\$ 22,718,335</u>	<u>\$ 23,965,948</u>	<u>\$ 14,878,518</u>	<u>\$ 11,102,074</u>

The significant increase in the fund balance of capital project funds in 2005 was the result of the County receiving Oregon Transportation Improvement Act funds to be used for the repair and replacement of bridges. The decrease in 2006 is the result of the use of these funds.

\* The County implemented the provisions of GASB 54 for the year ended June 30, 2011 which requires fund balance to be presented in the categories of unspendable, restricted, committed, assigned and unassigned.

# TILLAMOOK COUNTY

## Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Revenues</b>										
Property taxes	\$ 10,714,016	\$ 10,333,210	\$ 9,987,473	\$ 9,639,855	\$ 9,106,933	\$ 8,271,003	\$ 7,930,381	\$ 8,059,139	\$ 7,189,829	\$ 7,641,537
Licences, permits and fees	627,586	600,973	1,303,389	1,171,341	1,494,431	2,075,166	1,946,936	1,558,172	1,438,510	1,280,774
Intergovernmental	11,963,865	14,536,914	13,526,561	16,274,582	17,116,589	16,111,821	16,668,427	22,323,685	15,106,846	14,720,679
Charges for services	5,612,304	5,381,155	4,384,487	4,208,498	4,150,954	4,071,257	4,843,870	4,261,631	3,973,124	2,696,291
Fines and forfeitures	539,362	630,989	631,219	486,735	569,179	607,473	445,869	459,416	451,661	477,587
Timber and land sales	2,292,024	2,743,241	3,190,547	3,537,254	3,996,788	4,306,537	5,471,766	4,483,877	3,084,565	2,940,354
Interest	86,692	98,664	187,697	534,977	977,682	1,057,756	902,182	308,439	126,296	180,227
Assessments				-	-	-	-	37,600	-	-
Intercounty charges	1,348,615	1,409,253	1,174,756	944,018	906,294	922,130	903,355	1,056,203	998,251	845,570
Miscellaneous	3,029,694	1,679,046	985,109	1,444,040	1,163,559	1,304,906	1,381,282	1,180,136	197,529	695,060
<b>Total revenues</b>	<b>36,214,158</b>	<b>37,413,445</b>	<b>35,371,238</b>	<b>38,241,300</b>	<b>39,482,409</b>	<b>38,728,049</b>	<b>40,494,068</b>	<b>43,728,298</b>	<b>32,566,611</b>	<b>31,478,079</b>
<b>Expenditures</b>										
General government	9,265,504	10,528,662	8,853,114	10,993,130	11,164,760	9,977,228	8,786,171	8,376,287	7,705,725	7,477,199
Public safety	6,782,981	7,121,264	6,812,616	7,168,431	7,196,260	7,230,929	6,704,170	6,662,805	5,808,071	6,229,987
Highways and streets	3,949,224	4,262,450	3,567,824	3,559,452	3,914,600	3,525,984	4,317,729	4,074,452	3,228,909	2,905,702
Culture and recreation	4,150,125	3,945,989	3,694,391	3,484,882	3,349,109	2,959,789	2,750,275	2,894,294	2,720,726	2,608,819
Health and welfare	5,507,666	5,193,134	4,902,771	4,984,677	4,685,745	5,125,135	5,295,462	5,831,335	6,072,876	5,440,020
Education	2,348,399	2,880,506	3,012,953	3,624,999	4,650,241	4,255,495	4,820,624	3,510,257	3,098,897	2,888,900
Capital outlay	2,977,910	1,665,946	1,406,921	3,648,289	3,873,732	5,152,551	7,181,096	1,297,647	1,901,943	2,165,485
Debt service										
Principal	1,582,031	1,522,159	1,470,520	1,418,966	1,292,489	1,301,064	1,196,623	1,184,860	1,227,674	1,626,662
Interest	366,414	425,377	480,636	532,455	580,997	634,573	689,531	813,994	652,918	640,043
<b>Total expenditures</b>	<b>36,930,254</b>	<b>37,545,487</b>	<b>34,201,746</b>	<b>39,415,281</b>	<b>40,707,933</b>	<b>40,162,748</b>	<b>41,741,681</b>	<b>34,645,931</b>	<b>32,417,739</b>	<b>31,982,817</b>
Excess (deficiency) of revenues over expenditures	(716,096)	(132,042)	1,169,492	(1,173,981)	(1,225,524)	(1,434,699)	(1,247,613)	9,082,367	148,872	(504,738)
<b>Other financing sources (uses)</b>										
Transfers in	596,881	1,403,034	658,665	600,626	880,100	1,885,220	1,424,161	1,061,538	430,975	241,793
Transfers (out)	(596,881)	(1,403,034)	(658,665)	(600,626)	(880,100)	(1,877,118)	(1,424,161)	(1,061,538)	(430,975)	(228,500)
Issuance of debt	22,882	-	31,800	168,200	700,000	20,086	-	-	3,627,572	-
Refunding bonds issued	-	-	-	-	-	-	-	-	-	-
Payments to refund bond escrow agent	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	10,672	1,765	-	41,751	757,637	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>33,554</b>	<b>1,765</b>	<b>31,800</b>	<b>209,951</b>	<b>1,457,637</b>	<b>28,188</b>	<b>-</b>	<b>-</b>	<b>3,627,572</b>	<b>13,293</b>
<b>Net change in fund balances</b>	<b>\$ (682,542)</b>	<b>\$ (130,277)</b>	<b>\$ 1,201,292</b>	<b>\$ (964,030)</b>	<b>\$ 232,113</b>	<b>\$ (1,406,511)</b>	<b>\$ (1,247,613)</b>	<b>\$ 9,082,367</b>	<b>\$ 3,776,444</b>	<b>\$ (491,445)</b>
Debt service as a percentage of non-capital expenditures	5.43%	5.34%	5.89%	5.54%	5.09%	5.53%	5.46%	5.99%	6.16%	7.60%

# TILLAMOOK COUNTY

## Assessed Value and Estimated Actual Value of Taxable Property For the Last Ten Fiscal Years

Fiscal Year Ended	Real Property		Personal Property	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate Per \$1,000	Total Taxable Assessed Value as a Percent of Estimated	
	Residential	Commercial					Estimated True Cash Value	Estimated True Cash Value
2003	\$ 2,622,972,703	\$ 191,793,587	\$ 48,217,134	\$ 249,537,942	\$ 2,613,445,482	\$ 2.81960	\$ 3,212,407,213	81.35%
2004	2,746,188,927	184,816,314	45,667,931	264,608,553	2,712,064,619	2.56770	3,315,641,286	81.80%
2005	2,863,731,929	194,607,847	43,546,749	252,462,220	2,849,424,305	2.76816	3,582,116,191	79.55%
2006	3,019,269,563	205,177,567	47,507,858	262,940,467	3,009,014,521	2.60088	3,573,714,064	84.20%
2007	3,199,178,598	210,113,615	37,436,764	251,192,873	3,195,536,104	2.45830	5,278,805,832	60.54%
2008	3,385,980,549	223,595,793	37,844,699	241,726,113	3,405,694,928	2.66218	6,656,583,154	51.16%
2009	3,551,626,421	236,873,215	38,814,289	224,342,768	3,602,971,157	2.67210	6,993,018,810	51.52%
2010	3,530,324,543	224,635,617	36,955,960	23,991,465	3,767,924,655	2.63515	6,566,645,351	57.38%
2011	3,662,030,160	231,781,361	32,730,571	29,478,600	3,897,063,492	2.61754	6,103,214,368	63.85%
2012	3,787,401,830	234,540,379	31,261,564	27,447,136	4,025,756,637	2.60356	5,775,140,616	69.71%

Source: Tillamook County Department of Assessment and Taxation

# TILLAMOOK COUNTY

## PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS PER \$1,000 OF ASSESSED VALUATION For the Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tillamook County			Overlapping Rates			Total Direct and Overlapping Tax Rates
	Operating	Debt Service	Totals	Cities	Schools	Other Districts	
2003	\$ 2.2704	\$ 0.5492	\$ 2.8196	\$ 0.5297	\$ 5.5380	\$ 1.8154	\$ 10.7027
2004	2.0202	0.5475	2.5677	0.5753	5.5147	1.8542	10.5119
2005	2.0324	0.7358	2.7682	0.5806	5.4477	1.5179	10.3144
2006	2.0344	0.5665	2.6009	0.5626	5.9489	1.5477	10.6601
2007	2.0361	0.5184	2.5545	0.5372	5.8591	1.5901	10.5409
2008	2.0361	0.6120	2.6481	0.5336	5.9876	1.7710	10.9403
2009	2.1444	0.5578	2.7021	0.4891	5.9704	1.6992	10.8608
2010	2.2698	0.5174	2.7872	0.4818	6.0263	2.0485	11.3438
2011	2.2433	0.4950	2.7383	0.4699	5.9601	1.9295	11.0978
2012	2.2399	0.4080	2.6479	0.4432	5.9871	1.9517	11.0298

Source: Tillamook County Department of Assessment and Taxation

Overlapping rates are those of other governments that apply to property owners within Tillamook County. Not all overlapping rates apply to all property owners within the County as rates for cities, schools and other districts apply only to the proportion of the County's property owners whose property is located within the geographic boundaries of those governments.

# TILLAMOOK COUNTY

## PRINCIPAL TAXPAYERS

June 30, 2012 and 2003

Taxpayer	2011-2012 Assessed Valuation	Rank	Percentage of Total Assessed Value	2002-2003 Assessed Valuation	Rank	Percentage of Total Assessed Value
Private Enterprises:						
Tillamook County Creamery Association	\$ 56,512,298	2	1.404 %	\$ 40,891,061	2	1.565 %
Stimson Lumber	50,699,522	3	1.259	11,712,386	6	0.448
Simpson Timber Company	-	n/a	n/a	26,691,564	3	1.021
Willamette Industries	-	n/a	n/a	7,547,357	8	0.289
Hampton Lumber	16,253,900	5	0.404	11,809,823	5	0.452
Port of Tillamook Bay	-	n/a	-	7,405,512	9	0.283
Texas Commerce Bank National Association	14,244,830	6	0.354	6,907,880	12	0.264
CEF Lease Residual Holdings LLC	-	n/a	n/a	6,124,770	14	0.234
Pacific Telecom Transmission	-	n/a	n/a	7,293,765	11	0.279
Pacific Carriage Limited	10,115,000	9	0.251	-	n/a	n/a
Nestucca Ridge Development Inc.	9,623,990	10	0.239	-	n/a	n/a
Tillamook Country Smoker Inc.	8,820,060	11	0.219	6,813,493	13	0.261
Nestucca Forests LLC	8,752,589	12	0.217	-	n/a	n/a
Port of Garibaldi	-	n/a	n/a	7,317,630	10	0.280
Subtotal	175,022,189		4.348	140,515,241		5.377
Public Utilities:						
Tillamook Public Utility District	74,225,570	1	1.844	41,682,623	1	1.595
United Telephone Co. of NW	-	n/a	n/a	16,004,164	4	0.612
Centurylink	23,081,600	4	0.573	-	n/a	n/a
WCI Cable, Inc.	13,903,400	7	0.345	7,796,519	7	0.298
Charter Communications	10,953,000	8	0.272	5,506,432	15	0.211
Nehalem Telecommunications Inc.	8,189,000	13	0.203	-	n/a	n/a
Subtotal	130,352,570		3.238	70,989,738		2.716
All other	3,720,381,878		92.414	2,401,940,503		91.907
Total	\$4,025,756,637		100.000 %	\$2,613,445,482		100.000 %

Source: Tillamook County Assessor's Department

n/a - not applicable

# TILLAMOOK COUNTY

## PROPERTY TAX LEVIES AND COLLECTIONS For the Last Ten Fiscal Years

Fiscal Year Ended June 30,	Certified Taxes Levies								
	General	Special/ Local Option Levies	Debt Service	Totals	Collected Within the		Collections in Subsequent Years	Total Collections to Date	
					Fiscal Year of the Levy			Amount	Percentage of Levy
					Amount	Percent of Levy			
2003	\$ 3,869,637	\$ 2,063,801	\$ 1,435,305	\$ 7,368,743	\$ 6,815,892	92.5	\$ 550,260	\$ 7,366,152	99.96
2004	4,014,898	1,464,006	1,484,855	6,963,759	6,462,531	92.8	498,416	6,960,947	99.96
2005	4,252,989	1,538,072	2,096,604	7,887,665	6,777,166	85.9	1,107,687	7,884,853	99.96
2006	4,497,252	1,624,238	1,704,606	7,826,096	6,819,481	87.1	1,003,845	7,823,326	99.96
2007	4,781,050	1,725,278	1,656,568	8,162,896	7,908,010	96.9	250,407	8,158,417	99.95
2008	5,089,615	2,213,408	1,715,611	9,018,634	8,667,941	96.1	340,511	9,008,452	99.89
2009	5,375,313	2,449,708	1,910,687	9,735,708	9,280,397	95.3	403,108	9,683,505	99.46
2010	5,616,132	2,561,980	1,864,135	10,042,248	9,545,435	95.1	337,079	9,882,514	98.41
2011	5,803,056	2,649,644	1,865,052	10,317,752	9,712,049	94.1	370,190	10,082,239	97.72
2012	5,991,857	2,737,136	1,590,082	10,319,075	9,849,650	95.5	-	9,849,650	95.45

Source: Tillamook County Assessment and Taxation Department

NOTE: This schedule does not include the Tillamook County 4-H and Extension Service District

# TILLAMOOK COUNTY

## RATIO OF OUTSTANDING DEBT BY TYPE For the Last Ten Years

Fiscal Year Ended June 30,	Governmental Activities				Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Loans and Notes	Capital Leases	Total		
2003	\$ 13,890,000	\$1,337,853	\$ -	\$ 15,227,853	2.45%	\$ 618.69
2004	16,695,000	985,086	-	17,680,086	2.62%	709.42
2005	15,615,000	880,226	-	16,495,226	2.32%	661.13
2006	14,485,000	813,613	-	15,298,613	2.08%	606.97
2007	13,300,000	699,644	17,981	14,017,625	1.75%	552.31
2008	12,065,000	1,345,759	14,377	13,425,136	1.65%	536.19
2009	10,780,000	1,220,655	10,515	12,011,170	1.47%	481.85
2010	9,445,000	1,284,274	6,376	10,735,650	1.29%	431.34
2011	8,060,000	1,151,551	1,940	9,213,491	n/a	364.89
2012	6,615,000	1,017,418	21,925	7,654,343	n/a	301.32

Sources: Department of Human Resources, State of Oregon, Tillamook County Assessor's Office and Comprehensive Annual Financial Reports.

Percentage of Personal Income and Per Capita information derived from demographic information presented on page 131.

The County has not had any debt associated with business-type activities in the last 10 years.

n/a - Personal income information not available

# TILLAMOOK COUNTY

## Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

(Amounts expressed in thousands, except for per capita amount)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Totals</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2003	\$ 13,890,000	\$ 392,881	\$ 13,497,119	0.516%	\$ 548
2004	16,695,000	358,143	16,336,857	0.602%	656
2005	15,615,000	551,929	15,063,071	0.529%	604
2006	14,485,000	470,259	14,014,741	0.466%	556
2007	13,300,000	322,142	12,977,858	0.406%	511
2008	12,065,000	215,949	11,849,051	0.348%	473
2009	10,780,000	235,337	10,544,663	0.293%	423
2010	9,445,000	206,774	9,238,226	0.245%	371
2011	8,060,000	194,893	7,865,107	0.202%	311
2012	6,615,000	200,426	6,414,574	0.159%	253

Per Capita information is derived from demographic statistics presented on page 131.



# TILLAMOOK COUNTY

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2012

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percent Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Cannon Beach RFPD	\$ 285,000	1.0970	\$ 3,126
Nehalem Bay Rural Fire Protection District	2,540,000	99.5100	2,527,554
North Lincoln Fire and Rescue District #1	5,685,000	1.0883	61,870
City of Bay City	373,983	100.0000	373,983
City of Garibaldi	500,250	100.0000	500,250
City of Rockaway Beach	1,108,709	100.0000	1,108,709
City of Wheeler	1,041,390	100.0000	1,041,390
Tillamook Co. School District No. 9	22,448,968	100.0000	22,448,968
Tillamook Co. School District No. 56	13,365,000	100.0000	13,365,000
Tillamook Co. School District No. 101	12,935,000	99.9300	12,925,946
Tillamook Bay Community College	8,685,000	100.0000	8,685,000
Yamhill Co. School District No. 30J	2,550,000	0.9614	24,516
Willamette Education Service District	1,670,000	0.0100	167
Total overlapping debt			63,066,478
Tillamook County direct debt	6,615,000	100.0000	6,615,000
Total			<u>\$ 69,681,478</u>

Source: Oregon State Treasury, Debt Management Division

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 governments that is borne by the residents and businesses of Tillamook County. This process recognizes that, when considering the government'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.

# TILLAMOOK COUNTY

## Legal Debt Margin Information Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2014
Debt limit	\$ 64,248,144	\$ 66,312,826	\$ 71,642,324	\$ 71,474,281	\$ 105,576,117	\$ 133,131,663	\$ 139,860,376	\$ 131,332,907	\$ 122,064,287	\$ 115,502,812
Total net debit applicable to limit	<u>13,890,000</u>	<u>16,695,000</u>	<u>15,615,000</u>	<u>14,485,000</u>	<u>13,300,000</u>	<u>12,065,000</u>	<u>10,780,000</u>	<u>9,445,000</u>	<u>8,060,000</u>	<u>6,615,000</u>
Legal debt margin	<u>\$ 50,358,144</u>	<u>\$ 49,617,826</u>	<u>\$ 56,027,324</u>	<u>\$ 56,989,281</u>	<u>\$ 92,276,117</u>	<u>\$ 121,066,663</u>	<u>\$ 129,080,376</u>	<u>\$ 121,887,907</u>	<u>\$ 114,004,287</u>	<u>\$ 108,887,812</u>

Total net debt applicable to the limit  
as a percentage of debt limit

\$ 5,775,140,616

\$ 115,502,812

Under Oregon law, the County's outstanding general obligation debt may not exceed 2 percent of the total true cash value of property assessed for taxation.

# TILLAMOOK COUNTY

## DEMOGRAPHIC AND ECONOMIC STATISTICS

### Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Public School Enrollment	Unemploy- ment Rate
2003	24,613	620,494	25,210	3,654	7.3%
2004	24,922	675,112	27,089	3,478	7.1%
2005	24,950	709,803	28,449	3,444	6.3%
2006	25,205	734,171	29,128	3,422	5.1%
2007	25,380	802,643	31,625	3,437	4.8%
2008	25,038	815,087	32,554	3,332	4.3%
2009	24,927	816,933	32,773	3,301	9.2%
2010	24,889	834,099	33,011	3,278	8.6%
2011	25,250	n/a	n/a	3,239	8.6%
2012	25,403	n/a	n/a	3,232	8.2%

n/a - Information is not currently available

Source: Population, Personal Income and Per Capita Personal Income estimates are from the U.S. Census Bureau. Public School Enrollment is from the Oregon Department of Education.

# TILLAMOOK COUNTY

## Principal Employers Current Year and Nine Years Ago

Employer	2012			2003		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Tillamook County Creamery Association	453	1	3.68%	360	1	3.26%
Tillamook County General Hospital	375	2	3.04%	300	2	2.72%
Fred Meyer	300	3	2.43%	150	6	1.36%
Tillamook County	286	4	2.32%	250	3	2.26%
Tillamook School District #9	266	5	2.16%	n/a	n/a	n/a
Tillamook Country Smoker	173	6	1.40%	200	4	1.81%
Nestucca Ridge Development	165	7	1.34%	n/a	n/a	n/a
Fallon Logging	140	8	1.14%	n/a	n/a	n/a
Tillamook Lumber	133	9	1.08%	168	5	1.52%
Neah-Kah-Nie School District	109	10	0.88%	n/a	n/a	n/a
Total number of individuals employed	12,322			11,039		

Source: Tillamook County Almanac

n/a - information is not available

# TILLAMOOK COUNTY

## Full-time Equivalent County Government Employees by Function Last Ten Fiscal Years

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government	63.00	62.50	63.00	72.50	68.40	73.00	70.00	63.25	60.94	61.94
Public safety	80.80	84.30	93.00	85.50	89.55	84.00	84.75	75.50	78.77	73.00
Highways and streets	35.00	35.00	35.00	30.00	30.50	30.50	26.00	27.50	24.00	25.00
Culture and recreation	26.31	25.25	27.00	25.00	25.56	25.50	28.53	29.08	39.83	44.33
Health and welfare	57.80	50.00	50.00	32.75	36.40	38.80	40.40	37.90	34.08	36.10
Solid waste	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50	1.75
	<u>263.91</u>	<u>258.05</u>	<u>269.00</u>	<u>246.75</u>	<u>251.41</u>	<u>252.80</u>	<u>250.68</u>	<u>234.23</u>	<u>235.12</u>	<u>242.12</u>

Source: Tillamook County Human Resources

# TILLAMOOK COUNTY

## Operating Indicators by Function Last Ten Fiscal Years

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public safety										
Arrests	1,282	529	765	1,015	1,606	1,547	1,765	1,219	1,418	697
Highways and streets										
Resurfacing (miles)	4.8	4.7	*18.2	*12.33	4.0	8.9	2.6	10.1	7.7	5.0
Culture and recreation										
Library books checked out	221,610	344,290	321,610	312,592	323,053	327,328	379,740	390,669	432,742	407,016
County fair attendance	64,881	66,308	69,679	71,180	73,193	71,198	73,333	74,202	70,762	72,269
Health and welfare										
Health department encounters	16,560	17,770	18,487	20,991	19,742	20,646	18,356	17,729	17,019	13,521
Solid waste										
Refuse collected (tons)	18,405	19,538	17,000	23,567	24,201	26,092	21,655	21,338	20,142	19,712

\* Includes miles paved by federal and state agencies

Indicators are not available for the general government function

Source: Various County departments and State of Oregon

# TILLAMOOK COUNTY

## Capital Asset Statistics by Function Last Ten Fiscal Years

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public safety										
Justice centers	1	1	1	1	1	1	1	1	1	1
Patrol units	18	18	20	20	20	32	32	28	30	17
Inmate beds	120	120	120	120	120	120	120	120	120	120
Highways and streets										
Miles of paved roads	281	281	281	281	281	281	283	286	281	281
Miles of gravel roads	97	97	97	97	97	97	97	100	96	96
Bridges	96	96	96	96	96	96	96	96	99	99
Culture and recreation										
Parks acreage	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,765	2,765	2,765
Library branches	6	6	6	6	6	6	6	6	6	6
Library book titles	138,300	129,292	129,292	113,650	142,550	155,053	120,492	131,000	209,333	185,000
Museums	1	1	1	1	1	1	1	1	1	1
Fairground acreage	65	65	65	65	65	63	63	63	63	63
Health and welfare										
Clinics	2	3	3	3	3	3	3	3	3	3
Solid waste										
Transfer stations	3	3	3	3	3	3	3	3	3	3

Source: Various County departments

No capital asset indicators are available for the general government function

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*



**INDEPENDENT AUDITOR'S REPORT REQUIRED BY  
THE MINIMUM STANDARDS FOR AUDITS OF  
OREGON MUNICIPAL CORPORATIONS**

# Tillamook County



*Land of Cheese, Trees and Ocean Breeze*



## INDEPENDENT AUDITOR'S REPORT REQUIRED BY THE MINIMUM STANDARDS FOR AUDITS OF OREGON MUNICIPAL CORPORATIONS

Board of Commissioners  
TILLAMOOK COUNTY  
Tillamook, Oregon

We have audited the basic financial statements of the **TILLAMOOK COUNTY** as of and for the year ended June 30, 2012, and have issued our report thereon dated December 14, 2012. 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 **TILLAMOOK 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 162-10-240 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. As such, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing nothing came to our attention that caused us to believe the **TILLAMOOK COUNTY** was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-240 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

Expenditures in excess of appropriations (which is prohibited by ORS 294.435) occurred as follows:

<u>Fund/Category</u>	<u>Appropriation</u>	<u>Actual</u>	<u>Variance</u>
Health Services			
Capital outlay	\$ 30,025	\$ 49,193	\$ (19,168)

**Internal Control OAR 162-10-0230**

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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of County's internal control over financial reporting.

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

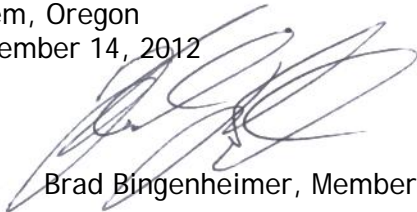
**Boldt, Carlisle & Smith, LLC**

Certified Public Accountants

Salem, Oregon

December 14, 2012

By:



Brad Bingenheimer, Member

## **GRANT COMPLIANCE – SINGLE AUDIT**

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Board of County Commissioners  
**TILLAMOOK COUNTY**  
Tillamook, 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 **TILLAMOOK 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 14, 2012. 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.

**Internal Control Over Financial Reporting**

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.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of County Commissioners  
TILLAMOOK COUNTY  
Tillamook, Oregon

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Continued)

*Compliance and Other Matters*

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

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Boldt Carlisle + Smith*

Salem, Oregon  
December 14, 2012





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of County Commissioners  
**TILLAMOOK COUNTY**  
Tillamook, Oregon

**Compliance**

We have audited the County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2012. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, **TILLAMOOK COUNTY** complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Board of County Commissioners  
TILLAMOOK COUNTY  
Tillamook, Oregon

REPORT ON COMPLIANCE WITH REQUIREMENTS TO EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133 (Continued)

*Internal Control Over Compliance*

Management of TILLAMOOK COUNTY is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Boldt Carlisle + Smith*

Salem, Oregon  
December 14, 2012

**TILLAMOOK COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2012**

**Section I Summary of Auditors' Results**

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***Financial Statements***

Type of auditor's report issued:	<i>Unqualified</i>
Internal controls over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

***Federal awards***

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Type of auditor's report issued on compliance for major programs:	<i>Unqualified</i>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No
Identification of major programs:	

**CFDA**

<u>Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.665	Schools and Roads - Grants to States
10.666	Schools and Roads - Grants to Counties
93.505	Affordable Care Act - Maternal, Infant and Early Childhood Home Visiting Program Formula, Expansion and Development Grants to States
97.073	Homeland Security Grant Program

Dollar threshold used to distinguish between type A and type B programs:	\$ 300,000
Auditee qualified as a low-risk auditee:	Yes

**Section II - Financial Statement Findings**

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None

**Section III - Federal Award Findings and Questioned Costs**

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None

**TILLAMOOK COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2012**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<i><b>Department of Agriculture</b></i>			
<b>Food and Nutrition Service</b>			
Passed through Oregon State Department of Human Services and Health Authority			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		\$ 121,259
WIC Grants To States (WGS)	10.578		3,000
<b>Forest Service</b>			
Schools and Roads - Grants to Counties	10.666		51,395
Passed through Oregon Department of Administrative Services			
Schools and Roads - Grants to States	10.665		860,805
Total Department of Agriculture			<u>1,036,459</u>
<i><b>Department of Commerce</b></i>			
<b>National Oceanic and Atmospheric Administration</b>			
Passed through Oregon Department of Land Conservation and Development			
Coastal Zone Management Administration Awards	11.419	CZM-12-032 TR 306-10-010	28,000 19,161
Total Department of Commerce			<u>47,161</u>
<i><b>Department of Housing and Urban Development</b></i>			
<b>Office of Community Planning and Development</b>			
Passed through Oregon Economic and Community Development Department			
Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii (Recovery Act Funded)	14.228	CR0903	<u>23,318</u>
<i><b>Department of the Interior</b></i>			
<b>Bureau of Land Management</b>			
Distribution of Receipts to State and Local Governments	15.227		211,541
Payment in Lieu of Tax	15.226		<u>44,580</u>
Total Department of the Interior			<u>256,121</u>
<i><b>Department of Justice</b></i>			
<b>Office of Juvenile Justice and Delinquency Prevention</b>			
Passed through Oregon Commission on Children and Families			
Juvenile Accountability Incentive Block Grant	16.523		<u>10,000</u>
<b>Bureau of Justice Assistance</b>			
State Criminal Alien Assistance Program	16.606		<u>7,178</u>
Bulletproof Vest Partnership Program	16.607		<u>778</u>
Passed through Oregon State Criminal Justice Services Division			
Edward Byrne Memorial State and Local Law Enforcement Assistance			
Discretionary Grants Program	16.580		<u>644</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	LE19-10	<u>102,815</u>
Recovery Act – Assistance to Rural Law Enforcement to Combat Crime and Drugs Competitive Grant Program	16.810	2009-SD-B9-1859 2009-SD-B9-0029	815 <u>142,945</u>
Subtotal Recovery Act – Assistance to Rural Law Enforcement to Combat Crime and Drugs Competitive Grant Program			<u>143,760</u>

*Continued on pages 143 and 144*

*See note to schedule of expenditures of federal awards*

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

<b><u>Federal Grantor/Pass-Through Grantor/Program Title</u></b>	<b><u>Federal CFDA Number</u></b>	<b><u>Pass-Through Entity Identifying Number</u></b>	<b><u>Federal Expenditures</u></b>
<b><i>Department of Justice (continued)</i></b>			
<b>Office of Victims of Crime</b>			
Passed through Oregon State Criminal Justice Division Crime Victims Assistance	16.575	VOCA NC-FR-2010	\$ 23,379
Total Department of Justice			288,554
<b><i>General Services Administration</i></b>			
Passed through Oregon State Department of Administrative Services Donation of Federal Surplus Personal Property	39.003		1,101
<b><i>Department of Transportation</i></b>			
<b>Federal Highway Administration</b>			
Passed through Oregon Department of Transportation Highway Planning and Construction	20.205		52,118
<b>National Highway Traffic Safety Administration</b>			
Passed through Oregon State Sheriff's Association Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601		2,352
Occupant Protection	20.602		4,608
Total Department of Transportation			59,078
<b><i>Environmental Protection Agency</i></b>			
<b>Office of Water</b>			
Passed through Oregon Department of Human Services State Public Water System Supervision	66.432		13,300
Capitalization Grants for Drinking Water State Revolving Funds	66.468		9,139
Total Environmental Protection Agency			22,439
<b><i>Department of Homeland Security</i></b>			
Passed through Oregon State Marine Board Boating Safety Financial Assistance	97.012		98,701
Passed through Oregon State Police Office of Emergency Management Hazard Mitigation Grants	97.039		9,900
Emergency Management Performance Grants	97.042	11-530	84,749
Citizens Corp	94.053	11-113	4,492
State Homeland Security Grant Program	97.073	10-339	60,500
		10-340	10,300
		11-293	26,394
		08-282	26,929
Subtotal State Homeland Security Grant Program			124,123
Total Department of Homeland Security			321,965
<b><i>Department of Health and Human Services</i></b>			
<b>Office of Population Affairs</b>			
Passed through Oregon State Department of Human Services and Health Authority Family Planning - Services	93.217		39,073
<b>Administration for Children and Families</b>			
Passed through Oregon Commission on Children and Families Promoting Safe and Stable Families	93.556		7,826
Foster Care - Title IV-E	93.658		8,706
Social Services Block Grant	93.667		28,917
Passed through Oregon Department of Justice Child Support Enforcement	93.563		79,610

*Continued on page 144*

*See note to schedule of expenditures of federal awards*

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

<b><u>Federal Grantor/Pass-Through Grantor/Program Title</u></b>	<b><u>Federal CFDA Number</u></b>	<b><u>Pass-Through Entity Identifying Number</u></b>	<b><u>Federal Expenditures</u></b>
<b><i>Department of Health and Human Services (continued)</i></b>			
<b>Centers for Medicare and Medicaid Services</b>			
Passed through Oregon Commission on Children and Families			
Medical Assistance Program	93.778		\$ 16,580
<b>Centers for Disease Control and Prevention -</b>			
Passed through Oregon State Department of Human Services and Health Authority			
Public Health Emergency Preparedness	93.069		94,408
Immunization Cooperative Agreements	93.268		600
HIV Prevention Activities Health Department Based	93.940		10,771
<b>Health Resources and Services Administration</b>			
Community Health Centers	93.224		1,526,374
ARRA - Health Center Integrated Services Development Initiative	93.703	C81CS14164	
Passed through Oregon State Department of Human Services and Health Authority			
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home			
Visiting Program	93.505		300,000
HIV Care Formula Grants	93.917		1,489
Maternal and Child Health Services Block Grant to the States	93.994		16,948
<b>Substance Abuse and Mental Health Services Administration</b>			
Passed through Oregon State Department of Human Services and Health Authority			
Substance Abuse and Mental Health Services-Projects of Regional and			
National Significance	93.243		100,000
Block Grants for Community Mental Health Services	93.958		27,544
Block Grants for Prevention and Treatment of Substance			
Abuse	93.959		92,254
Total Department of Health and Human Services			2,351,100
Total Expenditures of Federal Awards			\$ 4,407,296

*See note to schedule of expenditures of federal awards*

**TILLAMOOK COUNTY**

**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**June 30, 2012**

***Basis of Presentation***

The accompanying schedule of expenditures of federal awards is a summary of the County's federal award programs presented on the modified accrual basis of accounting in accordance with generally accepted accounting principles.

# **Tillamook County**



*Land of Cheese, Trees and Ocean Breeze*