

Tillamook County, Oregon



Comprehensive Annual Financial Report

For the Year Ended June 30, 2019



TILLAMOOK COUNTY, OREGON

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended June 30, 2019

Prepared by the Office of County Treasurer

Shawn Blanchard, Treasurer



TILLAMOOK COUNTY

MEMBERS OF THE GOVERNING BODY

For the Year Ended June 30, 2019

<u>Commissioners</u>	<u>Term Expiration December 31,</u>
William Baertlein 4980 Sollie Smith Road Tillamook, OR 97141	2020
Tim Josi 6750 Baseline Road Tillamook, OR 97141	2018
David Yamamoto PO Box 658 Pacific City, OR 97135	2020
Mary Faith Bell PO Box 973 Tillamook, OR 97141	2022



TILLAMOOK COUNTY
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INTRODUCTORY SECTION



TILLAMOOK COUNTY TREASURER'S OFFICE



Shawn Blanchard
County Treasurer
(503) 842-3439

sblancha@co.tillamook.or.us

December 9, 2019

To the Board of County 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, 2019. This CAFR is published to fulfill the requirements of Oregon Revised Statute Title 28, Chapter 297.425 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 submit 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 + Smith Certified Public Accountants was selected by the Board of County Commissioners to perform this work. The County complies with the aforementioned requirement and the auditor's opinion on the fair presentation of the financial statements is unmodified.

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 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. 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 26,690. 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 miles, 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 education 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 coastal bays – 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. Total public school enrollment is 3,498. 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 386 miles of roads and 95 bridges under County jurisdiction.

Tillamook County is governed under the provisions of Oregon Revised Statute Title 20, Chapter 203.230 by a Board of Commissioners, consisting of three (3) commissioners who are elected to four-year staggered terms. The Board elects a chair at the beginning of the calendar year, who serves until the first Monday in January of the following year. 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. Other elected officials of the County include sheriff, 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 public safety; health and welfare services; community development; construction and maintenance of streets and related infrastructure; local government services; and administration and support. 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 prepares an annual budget in accordance with Oregon Local Budget Law. Oregon Revised Statute Title 28, Chapter 294.305 provides standard procedures for the preparation, presentation, administration and appraisal of budgets for all Oregon local governments. The law mandates public involvement in the budget preparation and public exposure of its proposed programs. The law also requires that the budget be balanced. The County budgets all funds, except trust and agency funds. The County's Budget Officer evaluates the budget requests of the County departments to determine the funding levels. The budget is presented to the public through public hearings held by a budget committee consisting of the Board of Commissioners and three (3) lay members. After due consideration of the input received from the citizens, the Board adopts a resolution which adopts the budget, authorizes the levying of taxes and sets appropriations. The budget resolution must be adopted no later than June 30 of each fiscal year.

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 2019, the seasonally adjusted unemployment rate for Tillamook County was 4.2 percent. Last year for the same period, Tillamook County's rate was 4.3 percent. Tillamook County's economic base includes lumber and wood products. Dairy farms dominate the County's fertile valley and play a major economic role in the milk product industry. Deep-sea and stream fishing, seafood processing industries, charter and dory boats also contribute to the economy with the associated tourism. The Real Market Value of property in Tillamook County is \$6,878,155,304 and the Assessed Value is \$5,049,448,595 for the 2018/2019 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.

The Oregon Department of Forestry (ODF) manages 250,517 acres of forest land in Tillamook County. ODF grows and harvests timber to produce revenue as the primary use of forest lands. ODF uses a structured basis management strategy plan for timber harvests. Once the sales are held, they have three (3) years to produce income. This revenue source fluctuates annually based on economics, price and demand. This practice represents approximately one-fourth (1/4) of Tillamook County's General Fund operating revenues and local governments rely on these revenues to help fund schools and other essential services.

The County receives a share, based on population, of the revenues the State of Oregon receives from taxing motor vehicle fuels. The Oregon Constitution requires that these revenues be used to pay costs of public roads only. Tillamook County also receives a share of the revenues the State of Oregon receives from tobacco and liquor taxes. The State of Oregon is generally not obligated to continue to provide these revenues to local governments.

A major economic impact on the County's finances is the elimination of federal funding through the Payment in Lieu of Taxes (PILT) program. The PILT program provides payments to counties and other local governments to offset losses in tax revenues due to the presence of tax-exempt federal land in their jurisdictions. PILT was first signed into law October 1976. The Act was amended in 1994 to provide for a more equitable authorization level in light of disparities that existed between property values and current PILT payments. The Emergency Economic Stabilization Act (PL110-343) was enacted in 2008. The Act included language that modified the PILT program from a discretionary program to a fully funded mandatory entitlement program. Congress provided five (5) years of mandatory funding for PILT, from 2008-2012. The Moving Ahead for Progress in the 21st Century Act (MAP-21), enacted in July 2012, included mandatory PILT funding for 2013. PILT was extended through the farm bill (P.L 113-79) as a fully funded, mandatory entitlement program at \$425 million for fiscal year 2014. After a year of short-term extensions of MAP-21, federal highway and transit programs now have a long-term policy framework and funding through the Fixing America's Surface Transportation (FAST) Act (H.R.22). President Obama signed it on December 4, 2015. A five-year bill, the FAST Act will provide counties the long-term certainty they need in order to plan, fund and deliver transformative transportation projects. This additional funding helps repair the 30 percent decrease in funding that occurred under MAP-21.

The County's Management Team holds an annual review and discussion of budget and financial projections, usually in early December before the budget preparation begins. Out of this session come project and budgeting 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.

The County Roads Advisory Committee (CRAC) and a local political action committee recommended that the County submit a General Obligation Bond measure to the voters. On May 21, 2013, there was a Special Election that included Measure 29-130, Tillamook County General Obligation Road Bond for County road improvements not exceeding \$15,000,000. This measure passed with 3,720 or 51.28% yes votes and 3,534 or 48.72% no votes. Total number voting, 7,254 or 49.78% of registered voters. Tillamook County issued a portion of the authorized bonds in September 2013 and issued the remainder in December 2018. The Road Department and CRAC continues reviewing the schedule of road repairs, replacing failing culverts and bridge maintenance program.

At the November 5, 2013 Special Election, voters passed Measure 29-133 authorizing Tillamook County to collect a ten (10) percent countywide transient lodging tax including within cities. This measure passed with 4,714 or 66.88% yes votes and 2,334 or 33.12% no votes. Total number voting, 7,068 or 49.27% of registered voters. In cities that already had such a tax, the percentage of County tax collected from the guest would be offset by the percentage of city tax paid up to nine (9) percent. By State law, lodging operators may retain five (5) percent of tax collections for their costs. Also by State law, seventy percent (70%) of net County lodging tax collections are dedicated for tourism promotion and tourism related facilities. The thirty percent (30%) balance is dedicated to County road maintenance, after first deducting the County's costs and expenses for collection and enforcement of the tax. This has been a gain for the County Road Department with \$1,108,167 in revenue received this year.

At the May 16, 2017 Special 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 5,885 or 77.79% yes votes and 1,680 or 22.21% no votes. The Library measure passed with 4,685 or 61.29% yes votes and 2,959 or 38.71% no votes. Total voter turnout was 7,834 or 44.11% of registered voters.

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 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 Oregon Revised Statute Title 36, Chapter 451 to provide Oregon State University Extension education programs, training and information to residents of Tillamook County.

The County provides a defined benefit retirement plan (the Pension Plan) for its employees. All fulltime employees are eligible to participate in the Pension Plan after six (6) full months of employment. Pension Plan members are permitted to contribute up to ten percent (10%) of their annual covered salary. The County is required by the Pension Plan's provisions to pay the employees' contribution to the Pension Plan of seven percent (7%) of covered salaries (six percent (6%) if monthly base pay is less than \$1,500), in addition to the remaining amount necessary to fund the pension Plan.

The County provides other post-employment benefits (OPEB) 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. Retirees who were hired on or after July 1, 2003, are allowed to continue, at retirees' expense, coverage under the group health insurance plan until age 65.

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 two (2) General Obligations Bonds. Outstanding debts on the bonds payable relate to the Library Refunding Bond and Road General Obligation Bond. In September 2015, the County secured tax-exempt financing for Oregon Energy Savings Equipment and Jail/Justice Facility improvements in the amount of \$3,150,000. This financing agreement, Series 2015, matures in 2028.

The County aggressively seeks to improve its awareness of claims liability. A Risk Management Executive Team, that includes the County's insurance agent of record, meets quarterly. This committee monitors issues that may cause liability exposure to the County and advises the Board of County Commissioners regarding such matters. The 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 receive 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. The County received the coveted Citycounty Insurance Services Gold Safety Award. The County was one (1) of four (4) Oregon counties to receive the gold award. This award recognizes County's for having a good employee safety record.

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 for the fiscal year ended June 30, 2018. This was the thirtieth (30th) consecutive year that Tillamook County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one (1) year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis has been accomplished with the efficient and dedicated services of the County's accounting staff. In addition, I would like to express my appreciation to members of other departments who assisted and contributed to its preparation. Finally, I would also like to thank the Board of County Commissioners for their interest and support in our continued effort to improve Tillamook County's financial reporting.

Respectfully submitted,

Shawn Blanchard

Shawn Blanchard

Tillamook County Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Tillamook County
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

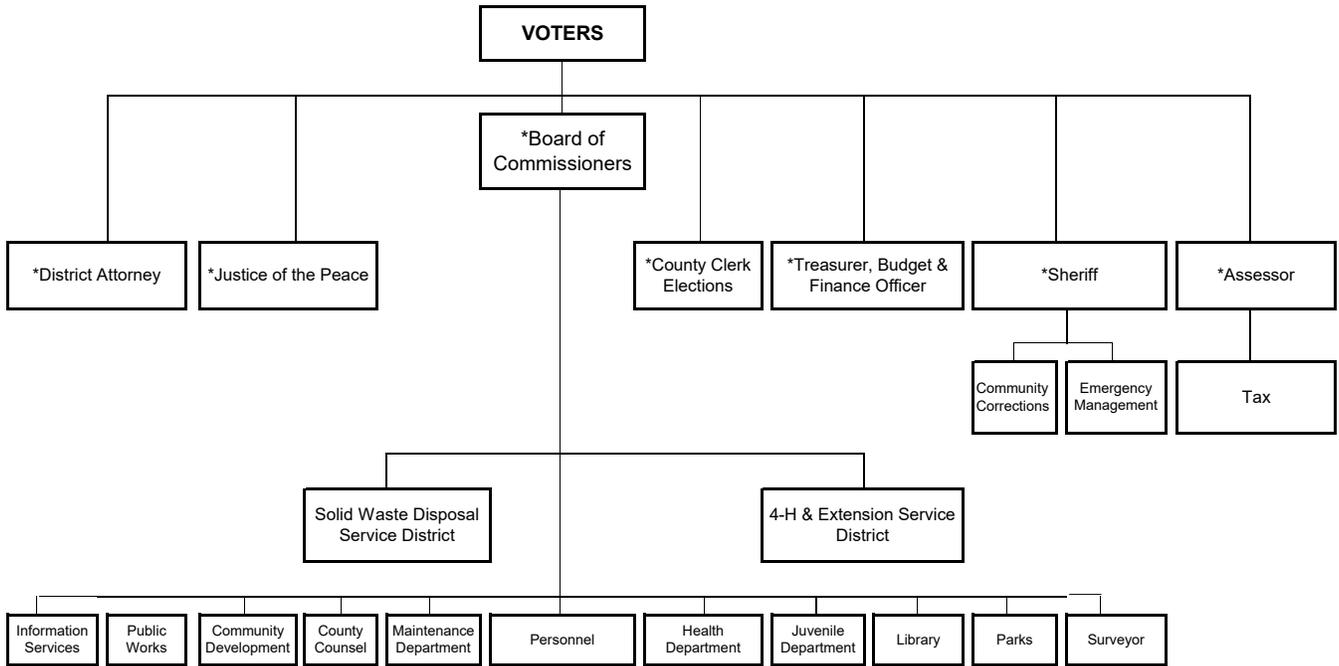
June 30, 2018

Christopher P. Morill

Executive Director/CEO

Tillamook County

Organizational Chart For the Year Ended June 30, 2019



*Elected Official

TILLAMOOK COUNTY
ELECTED OFFICIALS
For the Year Ended June 30, 2019

Board of Commissioners

<u>Name</u>	<u>Term Expiration</u>
William Baertlein	December 31, 2020
Tim Josi	December 31, 2018
David Yamamoto	December 31, 2020
Mary Faith Bell	December 31, 2022

Other Elected Officials

Denise Vandecouvering, Assessor / Tax Collector	December 31, 2020
Tassi O'Neil, County Clerk	December 31, 2020
William Porter, District Attorney	December 31, 2022
Joel Stevens, Justice of the Peace	December 31, 2024
Wm. Andy Long, Sheriff	December 31, 2020
Shawn Blanchard, Treasurer	December 31, 2022

FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
TILLAMOOK COUNTY
Tillamook, Oregon

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT (Continued)

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages *a* through *i* and the schedules of net pension liability and changes in net pension liability, employer contributions, investment rate of return, and changes in the County's total other postemployment benefit liability and ratios on pages 57 through 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

INDEPENDENT AUDITOR'S REPORT (Continued)

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

Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 9, 2019, on our consideration of the County's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and do not provide an opinion on compliance.

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
December 9, 2019

By:



Bradley G. Bingenheimer, Member



MANAGEMENT'S DISCUSSION AND ANALYSIS



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 *vii*) and the County's financial statements.

FINANCIAL HIGHLIGHTS

The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2019 by \$79,593,464 (*net position*). Of this amount \$68,816,264 was the net investment in capital assets; \$23,825,583 was restricted for specific purposes and \$(13,048,383) was unrestricted.

The County's net position increased by \$15,948,045, or 25%, which was due primarily to the operations of governmental activities.

The County's governmental fund balances increased by \$15,112,667, with the General Fund experiencing an increase of \$3,392,810, the Transient Lodging Tax Fund an increase of \$1,606,764, the Road Improvement Construction Fund an increase of \$7,558,285, and the Road, County School, Health Services, Library, Community Corrections, Mitigation Grants, and Nonmajor Governmental Funds having a combined increase in fund balance of \$2,554,808.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Basic Financial Statements. Includes a statement of net position, a statement of activities, fund financial statements and the notes to basic financial statements.

Statements of net position 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 "Nonmajor Funds." Budgetary comparison statements are presented for the General, Road, County School, Health Services, Library, Community Corrections, and Transient Lodging Tax Funds. Statements for the County's proprietary funds follow the governmental funds and include statements of net position, revenues, expenses and changes in net position, and cash flows. Fiduciary funds account for resources held for the benefit of others and have not been reflected in the statements of net position and activities as they are not available to the County.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Basic Financial Statements. (continued)

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.

Required Supplementary Information. The Governmental Accounting Standards Board (GASB) requires certain additional schedules be included in the financial statements related to the County’s pension and other postemployment benefit plans.

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

- Combining statements of nonmajor governmental funds. These statements include balance sheets and statements of revenues, expenditures and changes in fund balances.
- Budgetary comparisons. Budget to actual schedules 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 of 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.

Compliance Section:

- Independent Auditor’s Report required by Oregon 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL SUMMARY AND ANALYSIS

As mentioned earlier, the County's net position as of June 30, 2019 was \$79,593,464. By far the largest portion of net position 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	
	2019	2018	2019	2018	2019	2018
<u>ASSETS</u>						
Current and other assets	\$ 53,081,818	\$ 37,852,932	\$ 1,819,285	\$ 1,894,449	\$ 54,901,103	\$ 39,747,381
Capital assets, net	<u>71,089,011</u>	<u>64,410,898</u>	<u>1,890,239</u>	<u>1,896,323</u>	<u>72,979,250</u>	<u>66,307,221</u>
Total assets	<u>124,170,829</u>	<u>102,263,830</u>	<u>3,709,524</u>	<u>3,790,772</u>	<u>127,880,353</u>	<u>106,054,602</u>
<u>DEFERRED OUTFLOWS</u>						
<u>OF RESOURCES</u>	<u>8,167,121</u>	<u>5,526,123</u>	<u>83,018</u>	<u>53,892</u>	<u>8,250,139</u>	<u>5,580,015</u>
<u>LIABILITIES</u>						
Other liabilities	2,417,141	2,105,859	188,208	201,290	2,605,349	2,307,149
Long-term obligations	<u>48,373,215</u>	<u>42,098,357</u>	<u>1,602,121</u>	<u>1,568,055</u>	<u>49,975,336</u>	<u>43,666,412</u>
Total liabilities	<u>50,790,356</u>	<u>44,204,216</u>	<u>1,790,329</u>	<u>1,769,345</u>	<u>52,580,685</u>	<u>45,973,561</u>
<u>DEFERRED INFLOWS</u>						
<u>OF RESOURCES</u>	<u>3,906,212</u>	<u>1,994,534</u>	<u>50,131</u>	<u>21,103</u>	<u>3,956,343</u>	<u>2,015,637</u>
<u>NET POSITION</u>						
Net investment in capital assets	66,926,025	58,914,012	1,890,239	1,896,323	68,816,264	60,810,335
Restricted	23,825,583	20,631,880	-	-	23,825,583	20,631,880
Unrestricted	<u>(13,110,226)</u>	<u>(17,954,689)</u>	<u>61,843</u>	<u>157,893</u>	<u>(13,048,383)</u>	<u>(17,796,796)</u>
Total net position	<u>\$ 77,641,382</u>	<u>\$ 61,591,203</u>	<u>\$ 1,952,082</u>	<u>\$ 2,054,216</u>	<u>\$ 79,593,464</u>	<u>\$ 63,645,419</u>

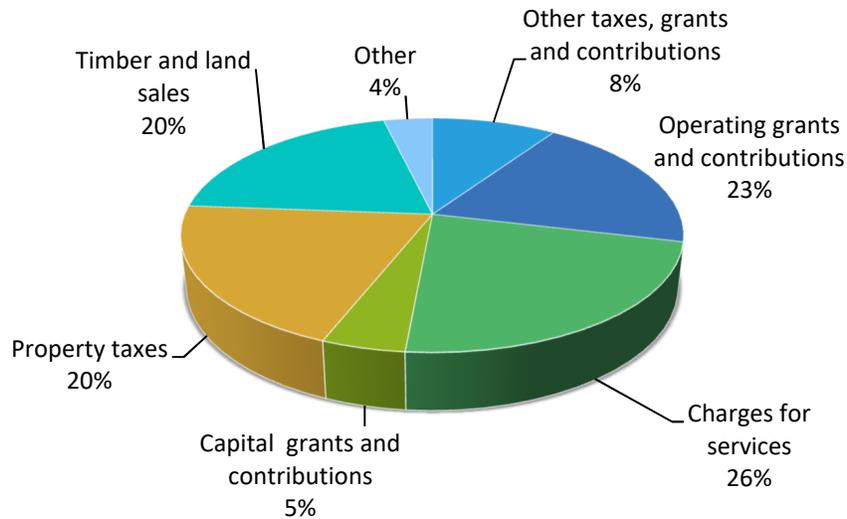
The unrestricted net position of business-type activities represent the current assets of the Solid Waste Service District, which are offset by the liability for landfill post-closure care costs.

Total net position increased by \$15,948,045. 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, health and welfare, and sanitation accounting for over half of the expenses.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL SUMMARY AND ANALYSIS (continued)

Tillamook County Revenue



Property taxes, comprising 20% 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 veteran’s services are funded by the local option tax levies (expiring in 2022). General obligation debt consists of the Justice Facility Construction Debt, Road Construction Debt, Library Construction Debt and subsequent refundings.

For the year ended June 30, 2019, a large percentage of revenues come from property taxes (20%), charges for services (26%) and operating grants and contributions (23%). 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.

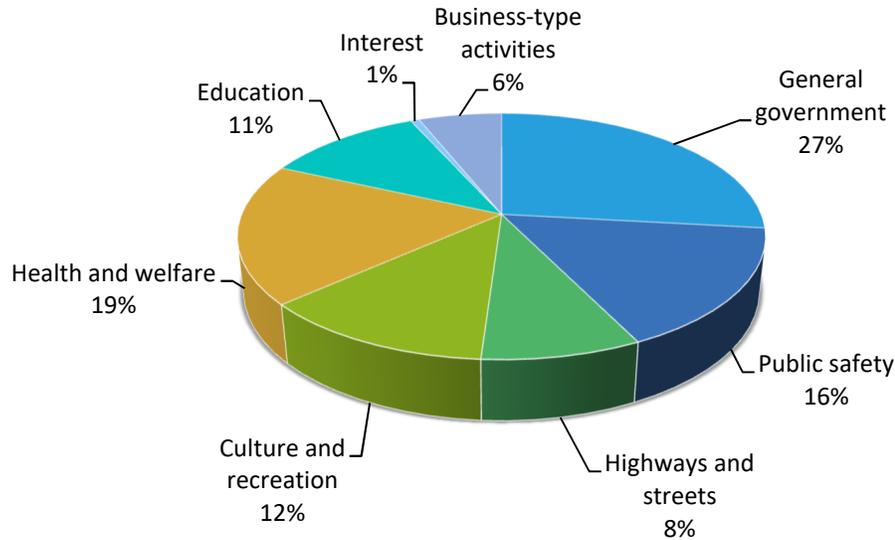
Operating grants and contributions primarily fund the community health center, public works, community corrections, children and families programs and mental health services.

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

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL SUMMARY AND ANALYSIS (continued)

Tillamook County Functional Expenses



Expenses for general government and public safety comprise 43% 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 expenses 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 expenses 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL SUMMARY AND ANALYSIS (continued)

Governmental activities increased the County's net position by \$15,948,045. The key elements of this increase are as follows:

TILLAMOOK COUNTY'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for services	\$ 11,798,019	\$ 12,307,854	\$ 2,724,547	\$ 2,733,663	\$ 14,522,566	\$ 15,041,517
Operating grants and contributions	12,332,584	11,436,960	-	-	12,332,584	11,436,960
Capital grants and contributions	2,920,777	12,015,458	-	-	2,920,777	12,015,458
General revenues:						
Property taxes	12,913,585	12,439,328	-	-	12,913,585	12,439,328
Transient lodging taxes	4,220,898	3,638,113	-	-	4,220,898	3,638,113
Other taxes	294,174	385,084	-	-	294,174	385,084
Other grants and contributions	1,554,753	1,616,791	-	-	1,554,753	1,616,791
Timber and land sales	12,858,399	9,013,375	-	-	12,858,399	9,013,375
Other	2,302,125	1,536,117	80,628	48,766	2,382,753	1,584,883
Total revenues	<u>61,195,314</u>	<u>64,389,080</u>	<u>2,805,175</u>	<u>2,782,429</u>	<u>64,000,489</u>	<u>67,171,509</u>
Expenses						
General government	12,874,256	13,574,920	-	-	12,874,256	13,574,920
Public safety	7,667,402	8,116,563	-	-	7,667,402	8,116,563
Highways and streets	3,987,484	4,488,096	-	-	3,987,484	4,488,096
Culture and recreation	5,916,513	6,762,342	-	-	5,916,513	6,762,342
Health and welfare	8,880,977	9,693,664	-	-	8,880,977	9,693,664
Education	5,516,777	4,106,960	-	-	5,516,777	4,106,960
Interest on long-term obligations	301,726	152,207	-	-	301,726	152,207
Solid waste	-	-	2,907,309	2,657,787	2,907,309	2,657,787
Total expenses	<u>45,145,135</u>	<u>46,894,752</u>	<u>2,907,309</u>	<u>2,657,787</u>	<u>48,052,444</u>	<u>49,552,539</u>
Change in net position	16,050,179	17,494,328	(102,134)	124,642	15,948,045	17,618,970
Net position - beginning	<u>61,591,203</u>	<u>44,096,875</u>	<u>2,054,216</u>	<u>1,929,574</u>	<u>63,645,419</u>	<u>46,026,449</u>
Net position - ending	<u>\$ 77,641,382</u>	<u>\$ 61,591,203</u>	<u>\$ 1,952,082</u>	<u>\$ 2,054,216</u>	<u>\$ 79,593,464</u>	<u>\$ 63,645,419</u>

Governmental Activities

The increase in net position is attributed largely to an increase in timber and land sales of \$3,845,024 and a decrease in total expenses of \$1,749,617.

Business-type Activities

The Solid Waste Service District for disposal of solid waste generated in Tillamook County. The decrease in net position is attributed the District's increase in expenses for the year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL ANALYSIS OF FUNDS

As of June 30, 2019, the County's governmental funds reported a combined fund balance of \$50,421,634, which is an increase of \$15,112,667 from June 30, 2018.

The General Fund is the primary operating fund of the County. As of June 30, 2019, the General Fund balance is \$15,755,582, which is an increase of \$3,392,810 from June 30, 2018. Increased state timber revenue, property taxes, interest and land sales contributed to this increase. The County has two funds, Revenue Stabilization and Post Employment Liability Reserve, which are separately budgeted, that do not qualify to be presented as separate funds in accordance with accounting principles generally accepted in the United States of America. 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 \$(688,491) during 2018-19. Revenues and transfers increased \$1,094,569 due to receipt of federal reimbursement through FEMA and expenditures and transfers out increased \$3,176,445 due to cost increases and scale of projects.

The County School Fund receives state timber revenues which are passed on to public school districts within the County. The fund balance increased \$608,879 due to timing of pass-through distributions and increased state timber revenue.

The Health Services Fund balance increased \$255,233. A decrease in expenditures of \$372,748 contributed to this increase. In addition, the Health Services Fund was able to apply for and obtain new grant funding during 2018-19.

The Library Fund experienced an increase in fund balance of \$516,428 which is primarily due to an increase in property taxes of \$109,722 and a decrease in expenditures of \$353,077. The decrease in expenditures can be attributed to a reduction in personnel services and materials and services in 2018-19

The Community Corrections Fund experienced an increase in fund balance of \$436,873. The programs funding is determined biennially by the Oregon State Legislature. Community Corrections received increased grant funding based on the formula per capita.

The Mitigation Grant Fund typically has a significant amount of grant funded activity for environmental remediation projects. In the current year, grant revenues were minimal but are expected to rise in upcoming years as funding for new projects is awarded.

The Transient Lodging Tax Fund had an increase in fund balance of \$1,606,764 due to an increase in transient lodging tax revenues from an additional 330 short-term rentals in 2018-19.

The Road Improvement Construction Fund had an increase in fund balance of \$7,558,285 due to a bond issuance. The bond proceeds will be expended in future years.

Proprietary funds provide the same type of information as presented in the government-wide statements of net position and activities, but in more detail. The proprietary funds net position amounted to \$1,952,082 as of June 30, 2019.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

GENERAL FUND BUDGETARY HIGHLIGHTS

The County prepares its General Fund 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 increase budgeted revenues and expenditures for additional revenues received but not budgeted for. In addition, changes were made to transfer relatively small amounts between appropriation categories. Actual revenues in the General Fund were \$2,480,193 more than anticipated and actual expenditures were \$1,646,186 less than appropriations.

CAPITAL ASSETS AND DEBT ADMINISTRATION

As of June 30, 2019, the County had invested \$72,979,250 in capital assets, net of depreciation. Construction in progress had significant activity with additions of \$8,348,313, including \$2,792,047 contributed by the Oregon Department of Transportation for bridge construction, and reclassifications to infrastructure and equipment of \$4,529,054. The 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 \$8,350,088 less \$1,671,975 of changes in accumulated depreciation. Business-type activities capital asset had a net decrease of \$6,084. Additional information on the County's capital assets may be found in Note 6 of the financial statements.

The total long-term obligations outstanding as of June 30, 2019 amounted to \$49,975,336. These obligations include bonded debt, loans, capital leases, compensated absences, other postemployment benefit liability, landfill post-closure care liability and the net pension liability.

During the year the County retired \$1,979,826 in principal on long-term debt obligations and other long-term obligations had a net decrease of \$280,556.

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

General obligations bonds	\$	8,935,000
Unamortized premiums		706,091
Loans payable		2,384,544
Capital leases		179,364
Landfill post-closure care liability		1,200,260
Compensated absences		1,271,059
Net pension liability		22,365,803
Other postemployment benefit liability		12,933,215

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

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

ECONOMIC FACTORS

Oregon law limits annual increases in the assessed value of property subject to taxation. Assessed values may increase up to 3% per year, plus the value of new construction. Increases in the County’s property tax revenue each year are insufficient to cover the rising cost of services.

General Government operations rely heavily on timber allotments 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 finances and to demonstrate accountability. Additionally, the component units (Solid Waste Service District and 4H and Extension Service District) 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 Avenue, Tillamook, Oregon 97141.



BASIC FINANCIAL STATEMENTS

TILLAMOOK COUNTY
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities	Business-type Activities	Totals
<u>ASSETS</u>			
Cash and cash equivalents	\$ 33,947,337	\$ 1,610,636	\$ 35,557,973
Investments	10,706,751	-	10,706,751
Receivables, net	8,427,730	208,649	8,636,379
Capital assets:			
Land and construction in progress	24,180,489	125,000	24,305,489
Other capital assets, net	46,908,522	1,765,239	48,673,761
TOTAL ASSETS	124,170,829	3,709,524	127,880,353
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Refunded debt charges	4,229	-	4,229
Pension related items	7,525,540	74,227	7,599,767
Other postemployment benefit related items	637,352	8,791	646,143
TOTAL DEFERRED OUTFLOWS OF RESOURCES	8,167,121	83,018	8,250,139
<u>LIABILITIES</u>			
Accounts payable and accrued liabilities	2,020,243	188,208	2,208,451
Accrued interest	200,821	-	200,821
Unearned revenue	196,077	-	196,077
Long-term obligations:			
Due within one year	2,510,115	115,981	2,626,096
Due in more than one year	45,863,100	1,486,140	47,349,240
TOTAL LIABILITIES	50,790,356	1,790,329	52,580,685
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related items	953,416	9,404	962,820
Other postemployment benefit related items	2,952,796	40,727	2,993,523
TOTAL DEFERRED INFLOWS OF RESOURCES	3,906,212	50,131	3,956,343
<u>NET POSITION</u>			
Net investment in capital assets	66,926,025	1,890,239	68,816,264
Restricted for:			
Debt service	234,309	-	234,309
Highways and streets	3,986,863	-	3,986,863
Education	2,902,366	-	2,902,366
Health services	2,743,850	-	2,743,850
Culture, recreation and tourism	9,582,691	-	9,582,691
Law enforcement	2,094,372	-	2,094,372
Other purposes	2,281,132	-	2,281,132
Unrestricted	(13,110,226)	61,843	(13,048,383)
TOTAL NET POSITION	\$ 77,641,382	\$ 1,952,082	\$ 79,593,464

See accompanying notes

TILLAMOOK COUNTY
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
General government	\$ 12,874,256	\$ 3,805,032	\$ 796,540	\$ -	\$ (8,272,684)		\$ (8,272,684)
Public safety	7,667,402	928,390	1,912,359	-	(4,826,653)		(4,826,653)
Highways and streets	3,987,484	137,190	3,879,787	2,792,047	2,821,540		2,821,540
Culture and recreation	5,916,513	3,260,539	65,737	128,730	(2,461,507)		(2,461,507)
Health and welfare	8,880,977	3,666,868	5,678,161	-	464,052		464,052
Education	5,516,777	-	-	-	(5,516,777)		(5,516,777)
Interest on long-term obligations	301,726	-	-	-	(301,726)		(301,726)
Total governmental activities	<u>45,145,135</u>	<u>11,798,019</u>	<u>12,332,584</u>	<u>2,920,777</u>	<u>(18,093,755)</u>		<u>(18,093,755)</u>
Business-type activities:							
Solid waste	<u>2,907,309</u>	<u>2,724,547</u>	<u>-</u>	<u>-</u>		<u>\$ (182,762)</u>	<u>(182,762)</u>
Totals	<u>\$ 48,052,444</u>	<u>\$ 14,522,566</u>	<u>\$ 12,332,584</u>	<u>\$ 2,920,777</u>	<u>(18,093,755)</u>	<u>(182,762)</u>	<u>(18,276,517)</u>
General revenues							
Taxes:							
Property taxes levied for:							
General purposes					11,298,664	-	11,298,664
Debt service					1,614,921	-	1,614,921
Transient lodging taxes					4,220,898	-	4,220,898
Other taxes					294,174	-	294,174
Grants and contributions not restricted for							
specific programs					1,554,753	-	1,554,753
Timber and land sales					12,858,399	-	12,858,399
Unrestricted investment earnings					901,727	33,239	934,966
Miscellaneous					1,400,398	47,389	1,447,787
TOTAL GENERAL REVENUES					<u>34,143,934</u>	<u>80,628</u>	<u>34,224,562</u>
CHANGES IN NET POSITION					16,050,179	(102,134)	15,948,045
NET POSITION - BEGINNING					63,651,064	2,054,216	65,705,280
PRIOR PERIOD ADJUSTMENT					<u>(2,059,861)</u>	<u>-</u>	<u>(2,059,861)</u>
NET POSITION - ENDING					<u>\$ 77,641,382</u>	<u>\$ 1,952,082</u>	<u>\$ 79,593,464</u>

See accompanying notes

TILLAMOOK COUNTY

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

	General	Road	County School	Health Services	Library
ASSETS					
Cash and cash equivalents	\$ 4,282,663	\$ 3,673,525	\$ -	\$ 2,209,590	\$ 2,395,747
Investments	8,748,751	-	-	-	-
Receivables, net	3,800,630	274,321	2,254,752	778,592	206,181
TOTAL ASSETS	\$ 16,832,044	\$ 3,947,846	\$2,254,752	\$ 2,988,182	\$ 2,601,928
LIABILITIES					
Accounts payable and accrued liabilities	\$ 696,309	\$ 388,690	\$ -	\$ 341,307	\$ 112,441
TOTAL LIABILITIES	696,309	388,690	-	341,307	112,441
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	380,153	-	-	-	156,314
TOTAL DEFERRED INFLOWS OF RESOURCES	380,153	-	-	-	156,314
FUND BALANCES					
Restricted	-	3,559,156	2,254,752	2,646,875	2,333,173
Assigned	2,301,407	-	-	-	-
Unassigned	13,454,175	-	-	-	-
TOTAL FUND BALANCES	15,755,582	3,559,156	2,254,752	2,646,875	2,333,173
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 16,832,044	\$ 3,947,846	\$2,254,752	\$ 2,988,182	\$ 2,601,928

Amounts reported for governmental activities in the statement of net position are different because:

- Capital assets used in governmental activities are not financial resources and, therefore, are not reported 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 reported as unavailable revenue in the funds.
- Deferred outflows related to the pension and other postemployment benefit plans are not current financial resources and therefore are not reported 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 position.
- The net pension liability is reported in the statement of net position, but is not reported in the funds.
- The other postemployment benefit liability is reported in the statement of net position, but is not reported in the funds.
- Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.
- Deferred inflows related to the pension and other postemployment benefit plan are reported in the statement of net position, but is not reported in the funds.

NET POSITION OF GOVERNMENTAL ACTIVITIES

Community Corrections	Mitigation Grants	Transient Lodging Tax	Road Improvement Construction	Total Nonmajor Funds	Total Governmental Funds
\$ 1,773,738	\$ 98,027	\$ 2,414,351	\$ 7,776,881	\$ 9,322,815	\$ 33,947,337
-	-	900,000	-	1,058,000	10,706,751
<u>847</u>	<u>-</u>	<u>538,436</u>	<u>-</u>	<u>573,971</u>	<u>8,427,730</u>
<u>\$ 1,774,585</u>	<u>\$ 98,027</u>	<u>\$ 3,852,787</u>	<u>\$ 7,776,881</u>	<u>\$ 10,954,786</u>	<u>\$ 53,081,818</u>
\$ 37,840	\$ -	\$ 30,187	\$ 187,418	\$ 226,051	\$ 2,020,243
<u>37,840</u>	<u>-</u>	<u>30,187</u>	<u>187,418</u>	<u>226,051</u>	<u>2,020,243</u>
-	-	-	-	103,474	639,941
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,474</u>	<u>639,941</u>
1,736,745	98,027	3,822,600	7,589,463	6,970,000	31,010,791
-	-	-	-	3,655,261	5,956,668
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,454,175</u>
<u>1,736,745</u>	<u>98,027</u>	<u>3,822,600</u>	<u>7,589,463</u>	<u>10,625,261</u>	<u>50,421,634</u>
<u>\$ 1,774,585</u>	<u>\$ 98,027</u>	<u>\$ 3,852,787</u>	<u>\$ 7,776,881</u>	<u>\$ 10,954,786</u>	

71,089,011

4,229

639,941

8,162,892

(196,077)

(22,147,355)

(12,757,257)

(13,669,424)

(3,906,212)

\$ 77,641,382

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

	<u>General</u>	<u>Road</u>	<u>County School</u>	<u>Health Services</u>	<u>Library</u>
REVENUES					
Property taxes	\$ 7,514,239	\$ -	\$ 684	\$ -	\$ 3,199,029
Transient lodging tax	-	-	-	-	-
Licenses, permits and fees	889,547	57,944	-	-	12,055
Intergovernmental	2,207,974	4,479,983	200,065	3,851,560	5,497
Charges for services	173,131	-	-	3,650,834	-
Fines and forfeitures	413,356	-	-	-	11,569
Timber and land sales	7,034,632	-	5,531,237	-	-
Interest	358,927	65,981	31,747	41,521	53,012
Intercounty charges	1,504,190	79,246	-	-	-
Miscellaneous	260,958	973,729	-	88,778	88,623
TOTAL REVENUES	<u>20,356,954</u>	<u>5,656,883</u>	<u>5,763,733</u>	<u>7,632,693</u>	<u>3,369,785</u>
EXPENDITURES					
Current					
General government	9,639,055	-	-	-	-
Public safety	6,621,706	-	-	-	-
Highways and streets	-	4,473,724	-	-	-
Culture and recreation	280	-	-	-	2,850,008
Health and welfare	3,558	-	-	7,038,427	-
Education	-	-	5,154,854	-	-
Capital outlay	115,492	2,954,317	-	417,833	3,349
Debt service					
Principal	352,701	-	-	-	-
Interest	67,954	-	-	-	-
TOTAL EXPENDITURES	<u>16,800,746</u>	<u>7,428,041</u>	<u>5,154,854</u>	<u>7,456,260</u>	<u>2,853,357</u>
Excess (deficiency) of revenues over expenditures	<u>3,556,208</u>	<u>(1,771,158)</u>	<u>608,879</u>	<u>176,433</u>	<u>516,428</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	440,867	1,108,167	-	165,000	-
Sale of capital assets	18,235	-	-	-	-
Issuance of debt	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Transfers out	<u>(622,500)</u>	<u>(25,500)</u>	<u>-</u>	<u>(86,200)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (US	<u>(163,398)</u>	<u>1,082,667</u>	<u>-</u>	<u>78,800</u>	<u>-</u>
Net change in fund balances	3,392,810	(688,491)	608,879	255,233	516,428
Fund balances at beginning of year	<u>12,362,772</u>	<u>4,247,647</u>	<u>1,645,873</u>	<u>2,391,642</u>	<u>1,816,745</u>
Fund balances at end of year	<u>\$ 15,755,582</u>	<u>\$ 3,559,156</u>	<u>\$ 2,254,752</u>	<u>\$ 2,646,875</u>	<u>\$ 2,333,173</u>

See accompanying notes

Community Corrections	Mitigation Grants	Transient Lodging Tax	Road Improvement Construction	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 2,197,509	\$ 12,911,461
-	-	4,220,898	-	-	4,220,898
-	-	-	-	1,120,284	2,079,830
1,174,447	116,078	-	-	2,462,459	14,498,063
122,886	9,540	-	-	3,343,217	7,299,608
-	-	-	-	107,426	532,351
-	-	-	-	288,446	12,854,315
-	-	61,852	103,608	189,551	906,199
-	-	-	-	-	1,583,436
2,234	-	25,035	-	101,128	1,540,485
<u>1,299,567</u>	<u>125,618</u>	<u>4,307,785</u>	<u>103,608</u>	<u>9,810,020</u>	<u>58,426,646</u>
-	83,405	1,424,434	-	1,885,084	13,031,978
856,370	-	-	-	51,130	7,529,206
-	-	-	114,554	8,200	4,596,478
-	-	-	-	2,902,208	5,752,496
-	-	-	-	1,769,199	8,811,184
-	-	-	-	332,780	5,487,634
6,324	-	-	349,524	752,080	4,598,919
-	-	-	-	1,593,253	1,945,954
-	-	-	-	79,717	147,671
<u>862,694</u>	<u>83,405</u>	<u>1,424,434</u>	<u>464,078</u>	<u>9,373,651</u>	<u>51,901,520</u>
<u>436,873</u>	<u>42,213</u>	<u>2,883,351</u>	<u>(360,470)</u>	<u>436,369</u>	<u>6,525,126</u>
-	7,500	-	-	1,080,500	2,802,034
-	-	-	-	-	18,235
-	-	-	7,800,000	100,551	7,900,551
-	-	-	668,755	-	668,755
-	-	(1,276,587)	(550,000)	(241,247)	(2,802,034)
-	7,500	(1,276,587)	7,918,755	939,804	8,587,541
436,873	49,713	1,606,764	7,558,285	1,376,173	15,112,667
<u>1,299,872</u>	<u>48,314</u>	<u>2,215,836</u>	<u>31,178</u>	<u>9,249,088</u>	<u>35,308,967</u>
<u>\$ 1,736,745</u>	<u>\$ 98,027</u>	<u>\$ 3,822,600</u>	<u>\$ 7,589,463</u>	<u>\$ 10,625,261</u>	<u>\$ 50,421,634</u>



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, 2019**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 15,112,667

Amounts reported for governmental activities in the statement of activities are
Governmental funds report capital outlays 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	\$ 5,804,072	
Depreciation	<u>(1,890,761)</u>	3,913,311

The net effect of transactions involving capital assets (i.e., sales, trade-ins, and donations) is
to increase net position 2,764,802

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. 2,124

In the statement of activities, the change in the net pension liability and deferred
outflows
and inflows of pension related items are reported as additional expenses for
increases and
a reduction of expenses for decreases. (532,217)

The change in the other postemployment benefit liability and deferred outflows and inflows
of other postemployment benefit related items are reported as additional revenues (expenses)
in the statement of activities 1,517,869

Repayment of long-term obligation principal is an expenditure in the governmental funds, but
the repayment reduces long-term obligations in the statement of net position. Additionally,
the issuance of debt is an other financing source in the funds but increases long-term
obligations in the statement of net position.

Proceeds from long-term debt obligations		(7,900,551)
Proceeds from bond premium		(668,755)
Principal payments		1,945,954

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

Accrued interest		(185,191)
Amortization of premiums received on the issuance of long-term obligations		33,872

Amortization of the excess of the requisition price over the balance remaining of long-term obligations refunded		(2,736)
Compensated absences		<u>61,026</u>
		<u>(93,029)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 16,050,179

See accompanying notes

TILLAMOOK COUNTY

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

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 7,230,000	\$ 7,230,000	\$ 7,520,890	\$ 290,890
Licenses, permits and fees	809,700	829,700	915,984	86,284
Intergovernmental	1,986,820	1,986,820	1,958,268	(28,552)
Charges for services	143,300	143,300	169,902	26,602
Fines and forfeitures	355,000	355,000	413,262	58,262
Timber and land sales	4,415,000	4,415,000	6,274,027	1,859,027
Investment earnings	70,000	120,000	312,737	192,737
Intercounty charges	1,523,670	1,523,670	1,504,252	(19,418)
Miscellaneous	157,600	242,730	257,091	14,361
TOTAL REVENUES	<u>16,691,090</u>	<u>16,846,220</u>	<u>19,326,413</u>	<u>2,480,193</u>
EXPENDITURES				
Board of commissioners	1,080,675	1,102,875	1,100,843	2,032
County clerk	584,740	586,780	514,787	71,993
Assessor	1,354,050	1,354,050	1,267,222	86,828
Tax department	226,000	226,000	189,220	36,780
Surveyor	394,950	394,950	380,485	14,465
Community development	1,022,710	1,042,710	832,541	210,169
County forest lands and landsales	18,200	21,300	20,777	523
Treasurer	523,550	533,550	514,013	19,537
Human resources	437,600	457,600	388,409	69,191
Information services	955,200	1,019,830	923,776	96,054
Facilities	437,800	437,800	405,771	32,029
Motorpool	500	500	-	500
General county government	917,500	924,460	903,134	21,326
Non-departmental	547,050	547,050	544,047	3,003
Justice court	427,650	427,650	392,731	34,919
Juvenile department	650,120	650,120	569,990	80,130
District attorney	1,198,090	1,198,090	1,153,644	44,446
Sheriff	6,811,800	6,811,800	6,324,425	487,375
Emergency management	227,950	227,950	210,254	17,696
Communications	180,950	201,450	171,402	30,048
Mental health	5,000	5,000	3,558	1,442
Operating contingency	300,000	285,700	-	285,700
TOTAL EXPENDITURES	<u>18,302,085</u>	<u>18,457,215</u>	<u>16,811,029</u>	<u>1,646,186</u>

See accompanying notes

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

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Excess (deficiency) of revenues over expenditures	<u>\$ (1,610,995)</u>	<u>\$ (1,610,995)</u>	<u>\$ 2,515,384</u>	<u>\$ 4,126,379</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	451,200	451,200	440,867	(10,333)
Sale of capital assets	-	-	18,235	18,235
Transfers out	<u>(622,500)</u>	<u>(622,500)</u>	<u>(622,500)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(171,300)</u>	<u>(171,300)</u>	<u>(163,398)</u>	<u>7,902</u>
Net change in fund balances	(1,782,295)	(1,782,295)	2,351,986	4,134,281
Fund balances - beginning	<u>6,600,000</u>	<u>6,600,000</u>	<u>8,147,212</u>	<u>1,547,212</u>
Fund balances - ending	<u>\$ 4,817,705</u>	<u>\$ 4,817,705</u>	<u>\$ 10,499,198</u>	<u>\$ 5,681,493</u>

TILLAMOOK COUNTY

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

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses, permits and fees	\$ 30,000	\$ 30,000	\$ 57,944	\$ 27,944
Intergovernmental	3,453,000	3,453,000	4,701,305	1,248,305
Investment earnings	10,000	10,000	65,981	55,981
Intercounty charges	30,000	30,000	79,246	49,246
Miscellaneous	<u>1,710,000</u>	<u>1,710,000</u>	<u>1,172,566</u>	<u>(537,434)</u>
TOTAL REVENUES	<u>5,233,000</u>	<u>5,233,000</u>	<u>6,077,042</u>	<u>844,042</u>
EXPENDITURES				
Personal services	2,588,490	2,588,490	2,258,268	330,222
Materials and services	1,637,550	2,232,550	2,154,193	78,357
Capital outlay	3,499,000	2,904,000	2,845,198	58,802
Contingency	<u>700,000</u>	<u>700,000</u>	<u>-</u>	<u>700,000</u>
TOTAL EXPENDITURES	<u>8,425,040</u>	<u>8,425,040</u>	<u>7,257,659</u>	<u>1,167,381</u>
Excess (deficiency) of revenues over expenditures	<u>(3,192,040)</u>	<u>(3,192,040)</u>	<u>(1,180,617)</u>	<u>2,011,423</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	875,000	875,000	1,108,167	233,167
Transfers out	<u>(25,500)</u>	<u>(25,500)</u>	<u>(25,500)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>849,500</u>	<u>849,500</u>	<u>1,082,667</u>	<u>233,167</u>
Net change in fund balance	(2,342,540)	(2,342,540)	(97,950)	2,244,590
Fund balance at beginning of year	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,723,269</u>	<u>473,269</u>
Fund balance at end of year	<u>\$ 907,460</u>	<u>\$ 907,460</u>	<u>\$ 3,625,319</u>	<u>\$ 2,717,859</u>

See accompanying notes

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, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ -	\$ -	\$ 684	\$ 684
Intergovernmental	-	-	200,065	200,065
Timber and land sales	4,500,000	4,500,000	4,922,358	422,358
Investment earnings	<u>2,000</u>	<u>2,000</u>	<u>31,747</u>	<u>29,747</u>
TOTAL REVENUES	<u>4,502,000</u>	<u>4,502,000</u>	<u>5,154,854</u>	<u>652,854</u>
EXPENDITURES				
Materials and services	<u>4,502,000</u>	<u>4,502,000</u>	<u>5,154,854</u>	<u>(652,854)</u>
TOTAL EXPENDITURES	<u>4,502,000</u>	<u>4,502,000</u>	<u>5,154,854</u>	<u>(652,854)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes

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, 2019

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 2,991,060	\$ 2,991,060	\$ 3,639,063	\$ 648,003
Charges for services	4,303,500	4,303,500	3,928,496	(375,004)
Investment earnings	15,000	15,000	41,521	26,521
Miscellaneous	<u>80,700</u>	<u>80,700</u>	<u>146,621</u>	<u>65,921</u>
TOTAL REVENUES	<u>7,390,260</u>	<u>7,390,260</u>	<u>7,755,701</u>	<u>365,441</u>
EXPENDITURES				
Personal services	5,490,780	5,490,780	4,724,966	765,814
Materials and services	3,309,170	3,060,300	2,223,653	836,647
Capital outlay	<u>169,610</u>	<u>418,480</u>	<u>417,833</u>	<u>647</u>
TOTAL EXPENDITURES	<u>8,969,560</u>	<u>8,969,560</u>	<u>7,366,452</u>	<u>1,603,108</u>
Excess (deficiency) of revenues over expenditures	<u>(1,579,300)</u>	<u>(1,579,300)</u>	<u>389,249</u>	<u>1,968,549</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	165,000	165,000	165,000	-
Sale of capital assets	500	500	-	(500)
Transfers out	<u>(86,200)</u>	<u>(86,200)</u>	<u>(86,200)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>79,300</u>	<u>79,300</u>	<u>78,800</u>	<u>(500)</u>
Net change in fund balance	(1,500,000)	(1,500,000)	468,049	1,968,049
Fund balance at beginning of year	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,652,070</u>	<u>152,070</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,120,119</u>	<u>\$ 2,120,119</u>

See accompanying notes

TILLAMOOK COUNTY

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

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 3,120,000	\$ 3,120,000	\$ 3,201,198	\$ 81,198
Intergovernmental	5,000	5,000	5,497	497
Fines and forfeitures	8,000	8,000	12,173	4,173
Licenses, permits and fees	10,000	10,000	12,481	2,481
Investment earnings	10,000	10,000	53,012	43,012
Miscellaneous	<u>102,500</u>	<u>102,500</u>	<u>88,619</u>	<u>(13,881)</u>
TOTAL REVENUES	<u>3,255,500</u>	<u>3,255,500</u>	<u>3,372,980</u>	<u>117,480</u>
EXPENDITURES				
Personal services	2,155,000	2,155,000	1,927,854	227,146
Materials and services	1,120,230	1,116,730	1,025,162	91,568
Capital outlay	-	3,500	3,349	151
Contingency	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
TOTAL EXPENDITURES	<u>3,575,230</u>	<u>3,575,230</u>	<u>2,956,365</u>	<u>618,865</u>
Net change in fund balance	(319,730)	(319,730)	416,615	736,345
Fund balance at beginning of year	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,939,876</u>	<u>339,876</u>
Fund balance at end of year	<u>\$ 1,280,270</u>	<u>\$ 1,280,270</u>	<u>\$ 2,356,491</u>	<u>\$ 1,076,221</u>

See accompanying notes

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, 2019**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 802,500	\$ 802,500	\$ 1,173,600	\$ 371,100
Charges for services	130,000	130,000	164,512	34,512
Miscellaneous	42,600	42,600	2,234	(40,366)
TOTAL REVENUES	<u>975,100</u>	<u>975,100</u>	<u>1,340,346</u>	<u>365,246</u>
EXPENDITURES				
Personal services	579,600	579,600	510,301	69,299
Materials and services	417,300	417,300	343,613	73,687
Capital outlay	5,000	5,000	-	5,000
Contingency	300,000	300,000	-	300,000
TOTAL EXPENDITURES	<u>1,301,900</u>	<u>1,301,900</u>	<u>853,914</u>	<u>447,986</u>
Net change in fund balance	(326,800)	(326,800)	486,432	813,232
Fund balance at beginning of year	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,277,877</u>	<u>277,877</u>
Fund balance at end of year	<u>\$ 673,200</u>	<u>\$ 673,200</u>	<u>\$ 1,764,309</u>	<u>\$ 1,091,109</u>

See accompanying notes

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

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 203,420	\$ 203,420	\$ 116,078	\$ (87,342)
Charges for services	9,540	9,540	9,540	-
Miscellaneous	10,460	10,460	13,280	2,820
TOTAL REVENUES	<u>223,420</u>	<u>223,420</u>	<u>138,898</u>	<u>(84,522)</u>
EXPENDITURES				
Materials and services	<u>230,920</u>	<u>230,920</u>	<u>83,442</u>	<u>147,478</u>
TOTAL EXPENDITURES	<u>230,920</u>	<u>230,920</u>	<u>83,442</u>	<u>147,478</u>
Excess (deficiency) of revenues over expenditures	<u>(7,500)</u>	<u>(7,500)</u>	<u>55,456</u>	<u>62,956</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Net change in fund balance	-	-	62,956	62,956
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>35,071</u>	<u>35,071</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,027</u>	<u>\$ 98,027</u>

See accompanying notes

TILLAMOOK COUNTY

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

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Transient lodging tax	\$ 3,500,000	\$ 3,500,000	\$ 4,140,961	\$ 640,961
Investment earnings	6,000	6,000	61,852	55,852
Miscellaneous	-	-	25,035	25,035
	<u>3,506,000</u>	<u>3,506,000</u>	<u>4,227,848</u>	<u>721,848</u>
TOTAL REVENUES				
	<u>3,506,000</u>	<u>3,506,000</u>	<u>4,227,848</u>	<u>721,848</u>
EXPENDITURES				
Materials and services	2,452,000	2,218,000	1,582,002	635,998
Contingency	4,000	4,000	-	4,000
	<u>2,456,000</u>	<u>2,222,000</u>	<u>1,582,002</u>	<u>639,998</u>
TOTAL EXPENDITURES				
	<u>2,456,000</u>	<u>2,222,000</u>	<u>1,582,002</u>	<u>639,998</u>
Excess (deficiency) of revenues over expenditures	<u>1,050,000</u>	<u>1,284,000</u>	<u>2,645,846</u>	<u>1,361,846</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,050,000)</u>	<u>(1,284,000)</u>	<u>(1,276,587)</u>	<u>(7,413)</u>
TOTAL OTHER FINANCING SOURCES (USES)				
	<u>(1,050,000)</u>	<u>(1,284,000)</u>	<u>(1,276,587)</u>	<u>(7,413)</u>
Net change in fund balance	-	-	1,369,259	1,369,259
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>1,945,092</u>	<u>1,945,092</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,314,351</u>	<u>\$ 3,314,351</u>

See accompanying notes

TILLAMOOK COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019

	Business-type Activities			Total Enterprise Funds
	Solid Waste	Solid Waste Sinking	Solid Waste Post Closure Reserve	
<u>ASSETS</u>				
Current assets				
Cash and cash equivalents	\$ 84,198	\$ 488,709	\$ 1,037,729	\$ 1,610,636
Receivables	208,649	-	-	208,649
Total current assets	292,847	488,709	1,037,729	1,819,285
Capital assets				
Land and construction in progress	125,000	-	-	125,000
Other capital assets, net	1,765,239	-	-	1,765,239
Total capital assets	1,890,239	-	-	1,890,239
TOTAL ASSETS	2,183,086	488,709	1,037,729	3,709,524
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pension related items	74,227	-	-	74,227
Other postemployment benefit related items	8,791	-	-	8,791
TOTAL DEFERRED OUTFLOWS OF RESOURCES	83,018	-	-	83,018
<u>LIABILITIES</u>				
Current liabilities				
Accounts payable and accrued liabilities	188,208	-	-	188,208
Accumulated compensated absences	7,455	-	-	7,455
Current portion of landfill post-closure care liability	108,526	-	-	108,526
Total current liabilities	304,189	-	-	304,189
Long-term obligations				
Other postemployment benefit liability	175,958	-	-	175,958
Net pension liability	218,448	-	-	218,448
Landfill post-closure care liability	1,091,734	-	-	1,091,734
Total long-term obligations	1,486,140	-	-	1,486,140
TOTAL LIABILITIES	1,790,329	-	-	1,790,329
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Pension related items	9,404	-	-	9,404
Other postemployment benefit related items	40,727	-	-	40,727
TOTAL DEFERRED INFLOWS OF RESOURCES	50,131	-	-	50,131
<u>NET POSITION</u>				
Investment in capital assets	1,890,239	-	-	1,890,239
Unrestricted	(1,464,595)	488,709	1,037,729	61,843
TOTAL NET POSITION	\$ 425,644	\$ 488,709	\$ 1,037,729	\$ 1,952,082

See accompanying notes

TILLAMOOK COUNTY

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Year Ended June 30, 2019

	<u>Business-type Activities</u>			<u>Total Enterprise Funds</u>
	<u>Solid Waste</u>	<u>Solid Waste Sinking</u>	<u>Solid Waste Post Closure Reserve</u>	
REVENUES				
Charges for services	\$ 2,472,671	\$ -	\$ -	\$ 2,472,671
Total revenues	<u>2,472,671</u>	<u>-</u>	<u>-</u>	<u>2,472,671</u>
OPERATING EXPENSES				
Personal services	341,968	-	-	341,968
Other supplies and expenses	2,290,999	151,258	-	2,442,257
Depreciation	<u>123,084</u>	<u>-</u>	<u>-</u>	<u>123,084</u>
Total operating expenses	<u>2,756,051</u>	<u>151,258</u>	<u>-</u>	<u>2,907,309</u>
Operating (loss)	<u>(283,380)</u>	<u>(151,258)</u>	<u>-</u>	<u>(434,638)</u>
NONOPERATING REVENUES (EXPENSES)				
Assessments	251,876	-	-	251,876
Interest and investment earnings	2,120	11,190	19,929	33,239
Miscellaneous	<u>40,639</u>	<u>6,750</u>	<u>-</u>	<u>47,389</u>
Total nonoperating revenue (expenses)	<u>294,635</u>	<u>17,940</u>	<u>19,929</u>	<u>332,504</u>
Income (loss) before transfers	11,255	(133,318)	19,929	(102,134)
Transfers in (out)	<u>(123,667)</u>	<u>23,667</u>	<u>100,000</u>	<u>-</u>
Change in net position	(112,412)	(109,651)	119,929	(102,134)
Net position - beginning	<u>538,056</u>	<u>598,360</u>	<u>917,800</u>	<u>2,054,216</u>
Net position - ending	<u>\$ 425,644</u>	<u>\$ 488,709</u>	<u>\$ 1,037,729</u>	<u>\$ 1,952,082</u>

See accompanying notes

TILLAMOOK COUNTY

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

	Business-type Activities			Total Enterprise Funds
	Solid Waste	Solid Waste Sinking	Solid Waste Post Closure Reserve	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 2,487,773	\$ -	\$ -	\$ 2,487,773
Payments to suppliers	(2,304,081)	(151,258)	-	(2,455,339)
Payments to employees	(308,000)	-	-	(308,000)
Net cash provided by (used in) operating activities	(124,308)	(151,258)	-	(275,566)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Assessments of property owners	251,876	-	-	251,876
Miscellaneous	40,639	6,750	-	47,389
Transfers in	-	23,667	100,000	123,667
Transfers out	(123,667)	-	-	(123,667)
Net cash provided by non-capital financing activities	168,848	30,417	100,000	299,265
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(117,000)	-	-	(117,000)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest	2,120	11,190	19,929	33,239
Net increase (decrease) in cash and cash equivalents	(70,340)	(109,651)	119,929	(60,062)
Cash and cash equivalents - beginning of year	154,538	598,360	917,800	1,670,698
Cash and cash equivalents - end of year	\$ 84,198	\$ 488,709	\$ 1,037,729	\$ 1,610,636
Reconciliation of operating (loss) to net cash provided by (used in) operating activities				
Operating (loss)	\$ (283,380)	\$ (151,258)	\$ -	\$ (434,638)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities				
Depreciation	123,084	-	-	123,084
(Increase) in receivables	15,102	-	-	15,102
(Increase) in deferred outflow of resources	(29,126)	-	-	(29,126)
Increase (decrease) in liabilities				
Accounts payable and accrued liabilities	(13,082)	-	-	(13,082)
Accumulated compensated absences	1,756	-	-	1,756
Other postemployment benefit liability	(3,482)	-	-	(3,482)
Net pension liability	35,792	-	-	35,792
Increase in deferred inflows of resources	29,028	-	-	29,028
Net cash provided by (used in) operating activities	\$ (124,308)	\$ (151,258)	\$ -	\$ (275,566)

See accompanying notes

TILLAMOOK COUNTY

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS**

For the Year Ended June 30, 2019

	Tillamook County Retirement Plan for Employees Pension Trust
ADDITIONS	
Employer contributions	\$ 4,938,067
Investment earnings, net	<u>4,818,338</u>
Total additions	<u>9,756,405</u>
DEDUCTIONS	
Benefits	4,320,622
Administrative expenses	<u>163,381</u>
Total deductions	<u>4,484,003</u>
Change in net position	5,272,402
Net position - beginning	<u>68,028,065</u>
Net position - ending	<u><u>\$ 73,300,467</u></u>

See accompanying notes

TILLAMOOK COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2019

1. Summary of significant accounting policies

A. 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 sources are user charges and assessments. The Solid Waste Fund, Solid Waste Sinking Fund and Post Closure Reserve 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 act as the governing body 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)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County (the primary government) and its component units. For the most part, the effect of interfund activity has been eliminated 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, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major governmental funds and major proprietary funds are reported in separate columns in the respective fund financial statements.

C. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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.

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.

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.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

Governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) 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 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.

Health Services – accounts for the revenues and expenditures of the health department which provides medical assistance to residents. 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.

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.

Mitigation Grants – accounts for environmental remediation grants.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

Transient Lodging Tax – accounts for the collection of a 10 percent lodging tax from temporary overnight stays at hotels, motels, and other similar establishments within the County.

Road Improvement Construction – accounts for road improvement projects within the County funded by the issuance of general obligation bonded debt.

The County reports the following major proprietary funds:

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 Employees 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. Activity in this fund relates to property taxes and other shared revenues received on behalf of other municipalities.

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.

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.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

D. Budget policies and budgetary control

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds of the County except agency funds 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.

E. Risk management

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

F. 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.

G. Assessments

The Solid Waste Fund assesses each unit of property within the County a \$12 fee to support waste collection and disposal operations. In the financial statements for business-type activities and the proprietary funds, assessments are recognized as revenue when levied.

H. Grants and entitlements

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

I. 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 unavailable revenue. Revenues are recorded when earned in proprietary fund types.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

J. Capital assets

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

K. Long-term debt 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 position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period in which they are incurred. 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.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

L. Other long-term obligations

Premiums and discounts on bonded debt issuance

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. 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.

Compensated absences

Accumulated vacation – Employees may accumulate vacation leave of one and one-half times the employees' annual accrual rate. The annual accrual rate is from 12 to 24 days per year. Vacation leave is accrued when earned 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 are paid 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.

Net pension liability

The net pension liability, measured as of June 30, 2018, is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service, net of the pension plan's fiduciary net position as of that date.

Other post-employment benefits liability

The other post-employment benefits (OPEB) liability is based on actuarial valuations. The latest valuation used to determine the other post-employment obligation was dated July 1, 2018.

M. Deferred outflows / inflows of resources

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

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents amount that apply to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. Pension and other postemployment benefit related items which are amortized over specified periods are reported as deferred inflows of resources.

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

N. 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.

O. Retirement plan

Substantially all of the County’s employees are participants in the Retirement Plan for Certain Employees of Tillamook County, Oregon (the Plan). 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.

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

P. 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 liability balance did not change. The estimated liability is \$1,200,260 at June 30, 2019.

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.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

Q. Equity classifications

i. Government-wide statements

On the statement of net position, equity is classified as net position and displayed in three components:

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

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

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

In the government-wide and proprietary fund financial statements, when the County has restricted and unrestricted resources available, it is the County’s policy to expend restricted resources first and then unrestricted resources as needed in determining the amounts to report as restricted – net position and unrestricted – net position.

ii. Governmental fund type fund balance reporting

Fund balance amounts are 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 — Fund balance amounts that represents resources whose use is subject to a legally binding constraint by ordinance that is imposed by the Board of County Commissioners, the highest level of decision-making authority for Tillamook County. The same type of formal action that created the constraint is required to change or remove the specified use.

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 Commissioners have given the County Treasurer has the authority to assign fund balance amounts. The County Commissioners also make assignments when the annual budget is adopted by specifying the intended use of resources.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

1. Summary of significant accounting policies (continued)

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 the County has restricted and unrestricted (committed, assigned or unassigned) resources available, it is the County's policy to expend restricted resources first. Unrestricted resources are then expended in the order of committed, assigned, and unassigned as needed, unless otherwise provided for in actions to commit or assign resources, in determining the amounts to be reported in each of the fund balance categories.

2. Reconciliation of generally accepted accounting principles 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:

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

2. Reconciliation of generally accepted accounting principles to budgetary basis (continued)

	General	Road	County School	Health Services	Library	Community Corrections	Mitigation Grants	Transient Lodging Tax
Net change in fund balances - generally accepted accounting principles basis	\$ 3,392,810	\$ (688,491)	\$ 608,879	\$ 255,233	\$ 516,428	\$ 436,873	\$ 49,713	\$ 1,606,764
Revenues:								
Revenues of separately budgeted funds which are included in the general fund on the governmental fund statements	(46,190)	-	-	-	-	-	-	-
(Increase) decrease in property taxes and other receivables susceptible to accrual, recognized as revenues on the generally accepted accounting principles basis	(983,516)	420,159	(608,879)	123,004	1,361	40,779	13,280	(79,937)
Increase (decrease) in deferred revenues	(835)	-	-	-	1,834	-	-	-
	<u>(1,030,541)</u>	<u>420,159</u>	<u>(608,879)</u>	<u>123,004</u>	<u>3,195</u>	<u>40,779</u>	<u>13,280</u>	<u>(79,937)</u>
Expenditures:								
Increase (decrease) in accounts and accrued expenditures recognized as expenditures on the generally accepted accounting principles basis	(10,283)	170,382	-	89,812	(103,008)	8,780	(37)	(157,568)
Net change in fund balances - budgetary basis	<u>\$ 2,351,986</u>	<u>\$ (97,950)</u>	<u>\$ -</u>	<u>\$ 468,049</u>	<u>\$ 416,615</u>	<u>\$ 486,432</u>	<u>\$ 62,956</u>	<u>\$ 1,369,259</u>

In addition, a reconciliation of the differences between budgetary basis and accounting principles generally accepted in the United States of America in beginning and ending fund balances is as follows:

	General	Road	County School	Health Services	Library	Community Corrections	Mitigation Grants	Transient Lodging Tax
Beginning fund balances - generally accepted accounting principles basis	\$ 12,362,772	\$ 4,247,647	\$ 1,645,873	\$ 2,391,642	\$ 1,816,745	\$ 1,299,872	\$ 48,314	\$ 2,215,836
Beginning balances of separately budgeted funds which are included in the general fund on the governmental fund statements	(2,255,217)	-	-	-	-	-	-	-
Interfund loan				-				
Differences in revenue recognition	(2,436,109)	(694,480)	(1,645,873)	(901,596)	(53,062)	(41,626)	(13,280)	(458,499)
Differences in expenditure recognition	475,766	170,102	-	162,024	176,193	19,631	37	187,755
Beginning fund balance - budgetary basis	<u>\$ 8,147,212</u>	<u>\$ 3,723,269</u>	<u>\$ -</u>	<u>\$ 1,652,070</u>	<u>\$ 1,939,876</u>	<u>\$ 1,277,877</u>	<u>\$ 35,071</u>	<u>\$ 1,945,092</u>
Ending fund balances - generally accepted accounting principles basis	\$ 15,755,582	\$ 3,559,156	\$ 2,254,752	\$ 2,646,875	\$ 2,333,173	\$ 1,736,745	\$ 98,027	\$ 3,822,600
Ending balances of separately budgeted funds which are included in the general fund on the governmental fund statements	(2,301,407)	-	-	-	-	-	-	-
Differences in revenue recognition	(3,420,477)	(274,321)	(2,254,752)	(778,592)	(49,867)	(847)	-	(538,436)
Differences in expenditures recognition	465,500	340,484	-	251,836	73,185	28,411	-	30,187
Ending fund balance - budgetary basis	<u>\$ 10,499,198</u>	<u>\$ 3,625,319</u>	<u>\$ -</u>	<u>\$ 2,120,119</u>	<u>\$ 2,356,491</u>	<u>\$ 1,764,309</u>	<u>\$ 98,027</u>	<u>\$ 3,314,351</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

3. Cash, cash equivalents and investments

Cash and cash equivalents	
Deposits with financial institutions	\$ 3,392,999
State of Oregon Local Government Investment Pool	32,153,850
Money market	635,559
Cash on hand	<u>11,124</u>
Total cash and cash equivalents	<u>\$ 36,193,532</u>
Investments	
US government agency securities	\$ 5,057,873
Corporate bonds	6,249,579
Municipal bonds	506,508
Mutual funds	<u>72,664,908</u>
Total investments	<u>\$ 84,478,868</u>

The County maintains a pool of cash, cash equivalents 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 cash equivalents and investments. Interest earned on pooled cash, cash equivalents and investments is allocated to participating funds based upon their combined cash, cash equivalents and investment balances.

A. Deposits with financial institutions

Custodial Credit Risk – Deposits. This is the risk that in the event of a bank failure, the County's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the County's deposits with financial institutions up to \$250,000 each for the aggregate of demand deposit accounts and the aggregate of all time and savings accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2019, none of the County's bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution's agent but not in the County's name.

B. State of Oregon Local Government Investment Pool

Balances in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value. Fair value is determined at the quoted market price, if available; otherwise the fair value is estimated based on the amount at which the balances could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. The Oregon State Treasury administers the LGIP. The LGIP is an unrated, open-ended, no-load, diversified portfolio offered to any agency, political subdivision or public corporation of the state who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. To provide regulatory oversight, the Oregon Legislature established the Oregon Short-Term Fund Board and LGIP investments are approved by the Oregon Investment Council. The fair value of the County's position in the LGIP is the same as the value of the pool shares.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

3. Cash, cash equivalents and investments (continued)

C. Investments

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

Investment Type	Rating	Fair Value	Risk Concentration	Weighted Average Maturity (in months)
US Government Agencies	AA+	\$ 5,057,873	6%	18.4
Corporate Bonds				
JP Morgan Chase	A-	1,004,494	1%	17.0
Wells Fargo & Co	A	1,004,429	1%	18.4
Toronto Dominion	AA-	1,010,507	1%	18.1
Westpac BKG Corp	AA-	1,007,382	1%	22.3
Bank of Nova Scotia	A+	1,016,454	1%	19.2
Microsoft Corp	AAA	1,206,313	1%	10.4
Municipal Bonds				
Coos County School District #13	AA+	506,508	1%	43.0
Mutual Funds	Not Rated	72,664,908	86%	N/A
Total investments		\$84,478,868		

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 AA or better by Standard & Poor's Corporation or Aa or better by Moody's Commercial Paper Record, and the state treasurer's investment pool. Additionally, the pension trust may invest in equity securities and mutual funds. During the year, the County violated its policy by investing in three commercial bonds with ratings of less than the minimum required.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

3. Cash, cash equivalents and investments (continued)

Concentration of Credit Risk: The County's policy places a limit on the amount that may be invested in any one issuer as follows:

Issue Type	Maximum Holdings (%)	Minimum Ratings (Moody's/S&P/Fitch)
U.S. Treasury Obligations	100%	None
U.S. Agency Securities	100%	
Per Agency (Senior Obligations Only)	33%	N/A
Oregon Short Term Fund	Maximum allowed per ORS 294.810	N/A
Time Deposits/Savings Accounts/ Certificates of Deposit	50%	N/A
Per Institution	25%	N/A
Corporate Debt (Total)	15%	
Corporate Commercial Paper		
Per Issuer	2.5%	A1/P1/F1
Corporate Bonds	10%	
Corporate Bonds Per Issuer	2.5%	Aa/AA/AA
Municipal Debt (Total)	10%	
Municipal Commercial Paper	10%	A1/P1/F1
Municipal Bonds	10%	Aa/AA/AA

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

- Where feasible and prudent, investment maturities should be matched with expected cash outflows to mitigate market risk
- To the extent feasible, investment maturities not matched with cash outflows, including liquidity investments under one year, should be staggered to mitigate re-investment risk
- No commitments to buy or sell securities may be made more than 14 days prior to the anticipated settlement date, or receive a fee other than interest for future deliveries
- The maximum percent of callable securities in the portfolio shall be 35%
- The maximum stated final maturity of individual securities in the portfolio shall be five years, except as otherwise stated in the policy
- The maximum portfolio average maturity (measured with stated final maturity) shall be 2.5 years

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

3. Cash, cash equivalents and investments (continued)

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, including those held in the Pension Trust, 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.

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

The County’s investment in equities and mutual funds are measured using level 1 inputs and U.S Agencies, corporate and municipal bonds are measured using level 2 inputs.

4. Receivables

Receivables at June 30, 2019, are as follows:

	Governmental Funds/Activities								Total
	General	Road	County School	Health Services	Library	Community Corrections	Transient Lodging Tax	Nonmajor Funds	
Property taxes	\$ 445,862	\$ -	\$ -	\$ -	\$ 183,838	\$ -	\$ -	\$ 122,136	\$ 751,836
Unsegregated taxes	51,079	-	-	-	21,563	-	-	14,803	87,445
State timber allotment	2,815,639	-	2,254,752	-	-	-	-	129,611	5,200,002
Patients and medicaid	-	-	-	951,804	-	-	-	-	951,804
Other	488,050	274,321	-	-	780	847	538,436	307,421	1,609,855
Less: allowance for uncollectible accounts	-	-	-	(173,212)	-	-	-	-	(173,212)
	<u>\$ 3,800,630</u>	<u>\$ 274,321</u>	<u>\$ 2,254,752</u>	<u>\$ 778,592</u>	<u>\$ 206,181</u>	<u>\$ 847</u>	<u>\$ 538,436</u>	<u>\$ 573,971</u>	<u>\$ 8,427,730</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

4. Receivables (continued)

	Business-type	
	Activities/ Enterprise Fund	Fiduciary Fund
	<u>Solid Waste</u>	<u>Agency</u>
Property taxes	\$ -	\$ 2,446,293
Unsegregated taxes	-	291,109
Assessments	15,789	-
Accounts	192,860	-
State timber allotment	-	4,901,118
Court fines	-	3,829,807
Less: allowance for uncollectible accounts	-	<u>(3,279,062)</u>
	<u>\$ 208,649</u>	<u>\$ 8,189,265</u>

5. Interfund balances and transfers

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 440,867	\$ 622,500
Road	1,108,167	25,500
Health Services	165,000	86,200
Mitigation Grants	7,500	-
Transient Lodging Tax	-	1,276,587
Road Improvement Construction	-	550,000
Nonmajor governmental	1,080,500	241,247
Solid Waste	-	123,667
Solid Waste Sinking	23,667	-
Solid Waste Post Closure Reserve	<u>100,000</u>	<u>-</u>
	<u>\$ 2,925,701</u>	<u>\$ 2,925,701</u>

As part of the budget process, the County plans to make interfund transfers to move resources between funds to provide resources for specific expenditures that are not supported by other revenues.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

6. Capital assets

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

	Balances July 1, 2018	Additions	Reclassifications and Deletions	Balances June 30, 2019
Capital assets not being depreciated				
Land	\$ 7,738,469	\$ -	\$ -	\$ 7,738,469
Construction in progress	<u>12,622,761</u>	<u>8,348,313</u>	<u>4,529,054</u>	<u>16,442,020</u>
Total capital assets not being depreciated	<u>\$ 20,361,230</u>	<u>\$ 8,348,313</u>	<u>\$ 4,529,054</u>	<u>\$ 24,180,489</u>
Capital assets being depreciated				
Land improvements	\$ 2,702,960	\$ -	\$ -	\$ 2,702,960
Buildings	34,549,814	443,994	-	34,993,808
Equipment	10,495,903	924,859	243,689	11,177,073
Infrastructure	<u>28,416,193</u>	<u>3,405,665</u>	<u>-</u>	<u>31,821,858</u>
Total capital assets being depreciated	<u>76,164,870</u>	<u>4,774,518</u>	<u>243,689</u>	<u>80,695,699</u>
Less accumulated depreciation for:				
Land improvements	906,225	95,122	-	1,001,347
Buildings	13,196,194	828,214	-	14,024,408
Equipment	8,768,248	428,088	218,786	8,977,550
Infrastructure	<u>9,244,535</u>	<u>539,337</u>	<u>-</u>	<u>9,783,872</u>
Total accumulated depreciation	<u>32,115,202</u>	<u>1,890,761</u>	<u>218,786</u>	<u>33,787,177</u>
Total capital assets being depreciated	<u>\$ 44,049,668</u>	<u>\$ 2,883,757</u>	<u>\$ 24,903</u>	<u>\$ 46,908,522</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

6. Capital assets (continued)

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

	Balances July 1, 2018	Additions	Reclassifications and Deletions	Balances June 30, 2019
Capital assets not being depreciated				
Land	\$ 125,000	\$ -	\$ -	\$ 125,000
Capital assets being depreciated				
Land improvements	\$ 625,506	\$ -	\$ -	\$ 625,506
Buildings	3,646,138	-	-	3,646,138
Equipment	198,318	117,000	-	315,318
Total capital assets being depreciated	4,469,962	117,000	-	4,586,962
Less accumulated depreciation for:				
Land improvements	516,155	3,038	-	519,193
Buildings	2,034,268	103,492	-	2,137,760
Equipment	148,216	16,554	-	164,770
Total accumulated depreciation	2,698,639	123,084	-	2,821,723
Total capital assets being depreciated	\$ 1,771,323	\$ (6,084)	\$ -	\$ 1,765,239

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

Governmental activities

General government	\$ 172,823
Public safety	441,605
Highways and streets	658,012
Culture and recreation	321,511
Health and welfare	267,667
Education	29,143
Total governmental activities	<u>\$ 1,890,761</u>

Business-type activities

Solid waste	<u>\$ 123,084</u>
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7. Unavailable revenue

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

	General	Library	Nonmajor Funds	Totals
Property taxes	\$ 380,153	\$ 156,314	\$ 103,474	\$ 639,941

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

8. Long-term obligations

A. Long-term obligation transactions for the year ended June 30, 2019, are as follows:

	Balances			Balances	
	July 1, 2018	Additions	Reductions	June 30, 2019	Due Within One Year
<i>Governmental activities</i>					
<u>Long-term debt</u>					
Bonded debt					
2013 General Obligation Refunding	\$ 1,335,000	\$ -	\$ 200,000	\$ 1,135,000	\$ 210,000
2013 Road Bond	1,280,000	-	1,280,000	-	-
2018 General Obligation Bonds	-	7,800,000	-	7,800,000	800,000
Premiums on long-term debt	71,208	668,755	33,872	706,091	231,174
Direct borrowings and placements					
Oregon Economic Development					
Department (OEDD)	67,133	-	32,589	34,544	34,544
TLC Federal Credit Union (TLC)	150,000	-	75,000	75,000	75,000
Chase Bank	2,500,000	-	225,000	2,275,000	230,000
Capital Lease					
US Bancorp	46,850	-	46,850	-	-
US Bancorp	63,530	-	31,535	31,995	31,995
US Bancorp	101,798	-	33,165	68,633	33,927
US Bancorp	-	100,551	21,815	78,736	18,475
Total long-term debt	5,615,519	8,569,306	1,979,826	12,204,999	1,665,115
<u>Other long-term obligations</u>					
Compensated absences	1,324,630	784,390	845,416	1,263,604	845,000
Net pension liability	19,115,009	3,032,346	-	22,147,355	-
Other postemployment benefit liability	16,043,199	-	3,285,942	12,757,257	-
Total long-term obligations	<u>\$42,098,357</u>	<u>\$12,386,042</u>	<u>\$ 6,111,184</u>	<u>\$ 48,373,215</u>	<u>\$ 2,510,115</u>
<i>Business-type activities</i>					
<u>Other long-term obligations</u>					
Landfill post-closure care liability	\$ 1,200,260	\$ -	\$ -	\$ 1,200,260	\$ 108,526
Compensated absences	5,699	6,506	4,750	7,455	7,455
Net pension liability	182,656	35,792	-	218,448	-
Other postemployment benefit liability	179,440	-	3,482	175,958	-
Total other long-term obligations	<u>\$ 1,568,055</u>	<u>\$ 42,298</u>	<u>\$ 8,232</u>	<u>\$ 1,602,121</u>	<u>\$ 115,981</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

8. Long-term obligations (continued)

B. Governmental activities long-term debt

2013 General Obligation Refunding Bonds - The County issued bonds in the amount of \$2,075,000 to refund previously issued long-term debt obligations. Interest on outstanding bonds varies, depending on the maturity of principal amounts over 10 years, from 3 to 4 percent.

2013 Road Bond - The County issued bonds in the amount of \$7,200,000 to finance improvements to County roads. Interest on outstanding bonds varies, depending on the maturity of principal amounts over 6 years, from 3 to 4.105 percent.

2018 General Obligation Bonds – The County issued bonds in the amount of \$7,800,000 to finance paving, repair, drainage and other road and bridge improvements and equipment for work on the County road system. Interest on outstanding bonds varies, depending on the maturity of principal amounts over 10 years, from 4 to 5 percent.

OEDD - The County borrowed \$420,000 under the Water / Wastewater Financing Program. Annual payments are \$36,618 for 20 years including interest at 6 percent.

TLC Federal Credit Union - The County borrowed \$750,000 to finance the purchase of grandstands at the fairgrounds. Annual payments are \$75,000 for 10 years with no interest. In the event of a default, interest accrues on the unpaid balance at 8.25 percent. In addition, upon default, the lender may declare the entire unpaid principal balance and all accrued unpaid interest immediately due.

Chase Bank – The County borrowed \$3,150,000 to finance jail improvements. The interest rate is 2.52 percent.

US Bancorp – The County entered into a master tax-exempt lease purchase agreement for the acquisition of four pickups, a prisoner transport vehicle and ballot counting software. Annual payments are \$48,019 for 5 years including interest at 2.496 percent. The capital lease is secured by the property purchased with the lease.

US Bancorp – The County entered into a master tax-exempt lease purchase agreement for the acquisition of 5 vehicles. Annual payments are \$33,137 for 5 years including interest at 2.509 percent. The capital lease is secured by the property purchased with the lease.

US Bancorp – The County entered into a master tax-exempt lease purchase agreement for the acquisition of 6 vehicles. Annual payments are \$35,502 for 5 years including interest at 2.295 percent. The capital lease is secured by the property purchased with the lease.

US Bancorp – The County entered into a master tax-exempt lease purchase agreement for the acquisition of 3 vehicles. Annual payments are \$21,815 for 5 years including interest at 4.242 percent. The capital lease is secured by the property purchased with the lease.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

8. Long-term obligations (continued)

C. Future maturities

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

i. Bonded debt:

Fiscal Year	2018 General Obligation					
	2013 Refunding		Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 210,000	\$ 41,200	\$ 800,000	\$ 510,660	\$ 1,010,000	\$ 551,860
2021	220,000	32,600	1,075,000	288,875	1,295,000	321,475
2022	225,000	23,700	1,190,000	232,250	1,415,000	255,950
2023	235,000	14,500	1,310,000	169,750	1,545,000	184,250
2024	245,000	4,900	1,420,000	108,600	1,665,000	113,500
2025-29	-	-	1,615,000	248,500	1,615,000	248,500
2030	-	-	390,000	7,800	390,000	7,800
	<u>\$ 1,135,000</u>	<u>\$ 116,900</u>	<u>\$ 7,800,000</u>	<u>\$ 1,566,435</u>	<u>\$ 8,545,000</u>	<u>\$ 1,675,535</u>

ii. Loans:

Fiscal Year	OEDD		TLC	Chase		Totals	
	Principal	Interest	Principal	Principal	Interest	Principal	Interest
2020	\$ 34,544	\$ 2,073	\$ 75,000	\$ 230,000	\$ 57,330	\$ 339,544	\$ 59,403
2021	-	-	-	235,000	51,534	235,000	51,534
2022	-	-	-	240,000	45,612	240,000	45,612
2023	-	-	-	245,000	39,564	245,000	39,564
2024	-	-	-	250,000	33,390	250,000	33,390
2025-28	-	-	-	1,075,000	68,544	1,075,000	68,544
	<u>\$ 34,544</u>	<u>\$ 2,073</u>	<u>\$ 75,000</u>	<u>\$ 2,275,000</u>	<u>\$ 295,974</u>	<u>\$ 2,384,544</u>	<u>\$ 298,047</u>

iii. Capital leases:

Fiscal Year	US Bancorp		US Bancorp		US Bancorp		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 31,995	\$ 812	\$ 33,927	\$ 1,575	18,475	3,340	\$ 84,397	\$ 5,727
2021	-	-	34,706	797	19,259	2,556	53,965	3,353
2022	-	-	-	-	20,076	1,739	20,076	1,739
2023	-	-	-	-	20,926	888	20,926	888
	<u>\$ 31,995</u>	<u>\$ 812</u>	<u>\$ 68,633</u>	<u>\$ 2,372</u>	<u>\$ 78,736</u>	<u>\$ 8,523</u>	<u>\$ 158,438</u>	<u>\$ 10,819</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

8. Long-term obligations (continued)

D. Other long-term obligations

i. Compensated absences

As described in note 1, employees of the County are allowed to accumulate earned vacation leave up 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 upon termination or retirement. The General, Road, Health Services, Parks, and Library Funds have typically been used to liquidate the liability for compensated absences.

As of June 30, 2019 accumulated and unpaid compensated absences amounted to \$1,263,604 for the governmental activities and \$7,455 for the business-type activities.

ii. Net pension liability

Net pension liability represents the difference between the total pension liability for benefits earned by County employees and the net position held in trust for pension benefits of the Tillamook County Retirement Plan for Employees Pension Trust as more fully discussed in note 9 below. The General, Road, Health Services, Parks, Library and Solid Waste Funds have typically been used to liquidate the liability for net pension liability.

iii. Other post-employment benefit liability

Other postemployment benefit liability represents the implicit benefit for the difference between the premiums for health insurance for retirees under the group insurance plan and the premium retirees would pay for comparable benefits under other insurance plans as more fully discussed in note 10 below. The General, Road, Health Services, Parks, Library and Solid Waste Funds have typically been used to liquidate the liability for other postemployment benefits.

iv. Landfill post-closure care liability

The landfill post-closure care liability of \$1,200,260 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.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

9. Defined benefit pension plan

A. Plan description

Substantially all employees of the County are provided pensions through the Retirement Plan for Certain Employees of Tillamook County, Oregon (the Plan), a single employer defined benefit public employee retirement plan.

The Plan was established by the Tillamook County Commissioners who may amend the plan.

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

B. Plan membership

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. As of June 30, 2019, there were 216 active plan members, 59 inactive plan members entitled to but not yet receiving benefits, 7 disabled plan members receiving benefits, and 189 retired plan members receiving benefits for a total of 471 plan members. Of the 216 active employees covered by the Plan, 88 were non-vested, 114 were vested, and 14 were over retirement age. Of the 59 terminated members, 13 were entitled to their account balances only and 46 were members with vested accrued benefits.

C. Description of benefit terms

Normal retirement

Members are able to receive benefits after attaining age 60 for uniformed members (police) or age 65 for all other members and 5 years of vesting service. Retirement benefits are calculated using a formula of 2.4 percent for uniformed members or 2.25 percent for all other employees times the average highest three consecutive years' July 1 pay rate during the last ten years of employment time the years of service after July 1, 1973. Retirement benefits are subject to annual cost of living adjustments up to 1.5 percent per year.

Additionally, members receive benefits from voluntary or unit contribution, if any.

Early retirement

Members are able to receive early retirement benefits after attaining age 50 for uniformed members or age 55 for all other members and 5 years of vesting service. Members may also retire after 30 years of service. Retirement benefits are reduced based upon the members age at retirement from 92 percent to 60 percent of the benefit that would result if they were of normal retirement age.

Late retirement

Members that continue working beyond the normal retirement age receive increases to their retirement benefits equal to the larger of benefit accruals past the normal retirement age or 7.2 percent for the first 5 years and 3.6 percent thereafter for each year the retirement date follows age 65.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

9. Defined benefit pension plan (continued)

Disability

Uniformed members that become totally and permanently disabled in the course of duty or members with 10 years of service are entitled to disability benefits. The benefit is based on current monthly earnings rate of compensation as of the date of disability and years of service projected to the earliest retirement age, or the early retirement benefit available, whichever is greater but in no event less than \$100 per month.

Death benefits

The beneficiaries of members who have not begun to receive benefits under the plan are entitled to a lump-sum payment of the members account. Otherwise, the beneficiaries are entitled to a monthly benefit equal to 25 percent of the life annuity actuarially equivalent to the monthly benefit payable to the member immediately before the member's death.

D. Contributions

The County is required by the Plan's provisions to pay the employees' contribution to the Plan of seven percent of covered salaries (six percent if monthly base pay is less than \$1,500). In addition the County will contribute additional amount necessary to fund the Plan sufficient to pay benefits when due based on annual actuarial valuations. Plan members are permitted to contribute up to ten percent of their annual covered salary. County contributions to the plan for the year ended June 30, 2019 were \$4,431,830.

E. Net pension liability, changes in net pension liability, pension expense, deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2019, the County reported a net pension liability of \$22,365,803. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date as follows:

Total pension liability	\$ 90,393,868
Plan fiduciary net position	<u>68,028,065</u>
Net pension liability	<u>\$ 22,365,803</u>
Fiduciary net position as a percentage of total pension liability	75.26%

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

9. Defined benefit pension plan (continued)

Changes in the net pension liability is as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Beginning balances	\$ 81,589,969	\$ 62,292,304	\$ 19,297,665
Changes for the year:			
Service cost	2,450,285	-	2,450,285
Interest on total pension liability	5,350,765	-	5,350,765
Effect of economic/demographic losses	(232,056)	-	(232,056)
Effect of assumption changes or inputs	4,676,479	-	4,676,479
Benefit payments	(3,964,321)	(3,964,321)	-
Administrative expenses	-	(47,314)	47,314
Member contributions	522,747	522,747	-
Net investment income	-	4,985,348	(4,985,348)
Employer contributions	-	4,239,301	(4,239,301)
Ending balances	<u>\$ 90,393,868</u>	<u>\$ 68,028,065</u>	<u>\$ 22,365,803</u>

For the year ended June 30, 2019, the County recognized pension expense of \$4,973,927. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ --	\$ (230,770)
Changes of assumptions or inputs	3,167,937	(54,709)
Net difference between projected and actual earnings		
On pension plan investments	--	(677,341)
County's contributions subsequent to the measurement date	<u>4,431,830</u>	<u>--</u>
	<u>\$ 7,599,767</u>	<u>\$ (962,820)</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

9. Defined benefit pension plan (continued)

\$4,431,830 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ends June 30,	
2020	\$ 1,746,764
2021	1,218,676
2022	(577,929)
2023	(182,394)

F. Actuarial valuation

The County contributions are based on the accruing benefit costs measured using the individual entry age normal actuarial cost method. Under this method, a normal cost is determined for each active member. The normal cost is the annual contribution determined as a level percentage of base salary which would be paid from year of entry to year of retirement to fund the projected retirement benefit. The normal cost for the Plan is the sum of the individuals' normal costs. The actuarial accrued liability for active plan members is an accumulation of the normal costs from entry to the valuation date. The actuarial accrued liability for inactive members is the actuarial present value of the accrued benefits. The actuarial accrued liability for the Plan is the sum of the individual actuarial accrued liabilities. The unfunded actuarial liability is the difference between the actuarial accrued liability and the actuarial value of assets, which is amortized over 20 years on a closed level percent of projected payroll basis, assuming payroll increases 2.5 percent per year.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

9. Defined benefit pension plan (continued)

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

Valuation Date	July 1, 2018
Actuarial Cost Method	Entry Age Normal, Level Percentage of Pay
Amortization Method	Amortized as a level percent of projected payroll, assuming covered payroll increases 2.5 percent per year, over a closed period of 20 years.
Asset Valuation Method	Market value of assets
Actuarial Assumptions:	
Inflation Rate	1.5 percent
Investment rate of return	6 percent
Projected Salary Increases	Salaries for individuals are assumed to grow at 1.5 percent plus assumed rates of merit/longevity increases based on service of 4 percent
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs Members with disabilities: 70% of RP 2000 Disabled for males and 95% for females, sex distinct, generational projection per Scale BB

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

Discount rate

The discount rate used to measure the total pension liability was 6 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Plan was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

9. Defined benefit pension plan (continued)

Depletion date projection

GASB 67 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment. Based on these circumstances, it is the Plan's independent actuary's opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses. As such, the actuary's detailed projections were not developed.

Long-term expected rate of return

The long-term expected rate of return assumption of 6 percent is based on a blending of the projected return on plan assets and a 20-year tax-exempt, high quality general obligation municipal bond yield or index rate.

Sensitivity of the County net pension liability to changes in the discount rate

The following presents the County net pension liability calculated using the discount rate of 6 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5 percent) or 1-percentage-point higher (7 percent) than the current rate:

	<u>1 Percentage Point Lower</u>	<u>Current Discount Rate</u>	<u>1 Percentage Point Higher</u>
County's net pension liability	\$ 35,080,017	\$ 22,365,803	\$ 11,959,233

Changes since the last actuarial valuation

The investment long-term rate of return assumption was lowered from 6.5 percent to 6 percent.

The assumption for annual future salary increases for individual members was lowered from 5 percent per year to 4 percent per year.

The amortization of unfunded actuarial accrued liability calculation method was changed from level dollar amortization to level percent of projected payroll amortization, assuming covered payroll increases 2.5 percent per year over a 20-year closed period. The existing bases were recalculated under the new method based on their outstanding balance and remaining years as of July 1, 2018.

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

10. Other postemployment benefits

A. Plan description and benefits provided

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

B. Plan membership

As of June 30, 2019, there were 198 active employees, 150 eligible retirees, and 4 spouses of ineligible retirees for a total of 352 plan members.

C. Contributions

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

For retirees	\$	790
For spouses of retirees		863

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

At June 30, 2019, the County reported a total OPEB liability of \$12,933,215. The total OPEB liability was measured as of June 30, 2018 and determined by an actuarial valuation as of that date.

Changes in the total OPEB liability is as follows:

	Total OPEB Liability
	<u> </u>
Balances at June 30, 2018	\$ 16,222,639
Changes for the year:	
Service cost	320,828
Interest on total OPEB liability	579,560
Effect of economic/demographic gains or losses	(1,297,318)
Changes in assumptions or other inputs	(2,176,922)
Benefit payments	<u>(715,572)</u>
Balances at June 30, 2019	<u>\$ 12,933,215</u>

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

10. Other postemployment benefits (continued)

For the year ended June 30, 2019, the County recognized OPEB revenue of \$849,394. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ --	\$ 849,967
Changes of assumptions	--	2,143,556
County's contributions subsequent to the measurement date	<u>646,143</u>	<u>--</u>
	<u>\$ 646,143</u>	<u>\$ 2,993,523</u>

Deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date in the amount of \$646,143 will be recognized as an adjustment to the Total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ends June 30,	
2020	\$ (1,749,782)
2021	(1,243,741)

E. Actuarial valuation

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

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

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

10. Other postemployment benefits (continued)

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

Discount rate

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

Healthcare cost trend rate

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

<u>Year</u>	<u>Pre-65 Trend</u>	<u>Post-65 Trend</u>
2018	6.75%	5.75%
2019	7.00%	6.25%
2020	5.50%	5.25%
2021-2025	5.00%	5.00%
2026	4.75%	5.00%
2027-2029	4.75%	5.25%
2030-2033	5.00%	5.25%
2034	5.25%	5.25%
2035	5.75%	5.25%
2036-2038	6.00%	5.25%
2039-2044	5.75%	5.25%
2045	5.75%	5.00%
2046-2050	5.50%	5.00%
2051-2061	5.25%	4.75%
2062-2064	5.00%	4.75%
2065	5.00%	4.50%
2066+	4.75%	4.50%

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

10. Other postemployment benefits (continued)

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

The following presents the County total OPEB liability calculated using the discount rate of 3.87 percent, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

	<u>1 Percentage Point Lower</u>	<u>Current Discount Rate</u>	<u>1 Percentage Point Higher</u>
County's total OPEB liability	\$ 14,826,972	\$ 12,933,215	\$ 11,399,417
	<u>1 Percentage Point Lower</u>	<u>Current Trend Rate</u>	<u>1 Percentage Point Higher</u>
County's total OPEB liability	\$ 11,354,376	\$ 12,933,215	\$ 14,875,137

11. Net position restricted through enabling legislation

Net position restricted through enabling legislation is as follows:

Highways and streets:

The Board of Commissioners enacted a fee, charged to logging operators using Trask Road, for use in making repairs and improvements \$ 42,004

Education:

The 4H Extension Service District has its own taxing authority \$ 647,614

Culture, recreation and tourism (County Library):

The voters of Tillamook County approved a separate levy for library operations \$ 2,489,487

Other purposes:

Transient lodging tax \$ 3,822,600

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

12. Tax abatements

Tillamook County has established an Enterprise Zone under ORS 285C.050-250 that abates property taxes on new business development within the zone. For the fiscal year ended June 30, 2019, the County property taxes revenues have been reduced by \$10,433.

The Oregon Enterprise Zone program is a State of Oregon economic development program that allows property tax exemptions for up to 5 years. In exchange for receiving property tax exemption, participating firms are required to meet program requirements set by state statute and the local sponsor.

The Enterprise Zone program provides qualified firms that will be making a substantial new capital investment within the defined enterprise zone, a waiver of 100% of the amount of real property taxes attributable to the new investment for a period of five years following completion of the new investment. Land or existing machinery or equipment is not tax-exempt.

13. 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.

14. Expenditures in excess of appropriations

Expenditures in excess of appropriations occurred as follows:

<u>Fund/Category</u>	<u>Appropriation</u>	<u>Actual</u>	<u>Variance</u>
County School Materials and services	\$ 4,502,000	\$ 5,154,854	\$ (652,854)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

15. Governmental fund balances

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:											Total	
	General	Road	County School	Health Services	Library	Community Corrections	Mitigation Grants	Transient Lodging Tax	Road Improvement Construction	Nonmajor Funds		
Restricted for:												
Highways and streets	\$ -	\$ 3,559,156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	132,162	\$ 3,691,318
Road improvement projects	-	-	-	-	-	-	-	-	7,589,463	-	42,004	7,631,467
Education	-	-	2,254,752	-	-	-	-	-	-	-	631,140	2,885,892
Health services	-	-	-	2,646,875	-	-	-	-	-	-	96,975	2,743,850
Library purposes	-	-	-	-	2,333,173	-	-	-	-	-	-	2,333,173
Corrections	-	-	-	-	-	1,736,745	-	-	-	-	-	1,736,745
Law enforcement	-	-	-	-	-	-	-	-	-	-	357,627	357,627
County fair operations	-	-	-	-	-	-	-	-	-	-	372,728	372,728
Park operations	-	-	-	-	-	-	-	-	-	-	2,897,876	2,897,876
General obligation debt	-	-	-	-	-	-	-	-	-	-	158,356	158,356
Tourism	-	-	-	-	-	-	-	3,822,600	-	-	-	3,822,600
Other purposes	-	-	-	-	-	-	98,027	-	-	-	2,281,132	2,379,159
Assigned for:												
Building improvements	-	-	-	-	-	-	-	-	-	-	2,906,965	2,906,965
Vehicle replacement	-	-	-	-	-	-	-	-	-	-	49,411	49,411
Road improvement projects	-	-	-	-	-	-	-	-	-	-	646,563	646,563
Computer replacement	-	-	-	-	-	-	-	-	-	-	52,322	52,322
Revenue stabilization	1,653,263	-	-	-	-	-	-	-	-	-	-	1,653,263
Post-employment liabilities	648,144	-	-	-	-	-	-	-	-	-	-	648,144
Unassigned	<u>13,454,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,454,175</u>
Total fund balances	<u>\$ 15,755,582</u>	<u>\$ 3,559,156</u>	<u>\$ 2,254,752</u>	<u>\$ 2,646,875</u>	<u>\$ 2,333,173</u>	<u>\$ 1,736,745</u>	<u>\$ 98,027</u>	<u>\$ 3,822,600</u>	<u>\$ 7,589,463</u>	<u>\$ 10,625,261</u>	<u>\$ 50,421,634</u>	

The County has established the Revenue Stabilization Fund to provide financial resources in future periods. The County may provide access to those resources through its annual budget process.

16. Prior period adjustment

The beginning net position of the governmental activities has been reduced to correct errors in accounting for construction in progress in prior periods in the amount of \$2,059,861. Accordingly, the beginning balance for construction in progress of governmental activities presented in Note 7 has been reduced from \$14,682,622 to \$12,622,761.

REQUIRED SUPPLEMENTARY INFORMATION



TILLAMOOK COUNTY
SCHEDULE OF NET PENSION LIABILITY AND CHANGES IN NET PENSION LIABILITY
Last 10 Plan Years*

	June 30,				
	2018	2017	2016	2015	2014
Beginning of year					
Total pension liability	\$ 81,589,969	\$ 77,624,280	\$ 75,429,462	\$ 62,740,169	\$ 57,770,013
Fiduciary net position	<u>62,292,304</u>	<u>54,226,826</u>	<u>53,462,427</u>	<u>53,071,797</u>	<u>46,309,270</u>
Net pension liability	<u>19,297,665</u>	<u>\$ 23,397,454</u>	<u>\$ 21,967,035</u>	<u>\$ 9,668,372</u>	<u>\$ 11,460,743</u>
Changes in total pension liability					
Service cost	\$ 2,450,285	\$ 2,291,678	\$ 2,092,168	\$ 1,711,278	\$ 1,728,883
Interest on total pension liability	5,350,765	5,084,829	4,941,849	4,422,266	4,089,355
Effect of economic/demographic losses	(232,056)	(35,169)	(977,496)	(446,953)	101,325
Effect of assumption changes or inputs	4,676,479	-	(875,344)	9,555,140	1,209,681
Benefit payments	(3,964,321)	(3,888,052)	(3,487,342)	(3,048,614)	(2,653,815)
Member contributions	<u>522,747</u>	<u>512,403</u>	<u>500,983</u>	<u>496,176</u>	<u>494,727</u>
Net change in total pension liability	<u>\$ 8,803,899</u>	<u>\$ 3,965,689</u>	<u>\$ 2,194,818</u>	<u>\$ 12,689,293</u>	<u>\$ 4,970,156</u>
Changes in fiduciary net position					
Employer contributions	\$ 4,239,301	\$ 5,216,900	\$ 2,911,410	\$ 2,561,276	\$ 2,462,234
Member contributions	522,747	512,403	500,983	496,175	494,727
Investment income net of expenses	4,985,348	6,277,384	932,483	442,703	6,514,529
Benefit payments	(3,964,321)	(3,888,052)	(3,487,342)	(3,048,614)	(2,653,815)
Administrative expenses	<u>(47,314)</u>	<u>(53,157)</u>	<u>(93,135)</u>	<u>(60,910)</u>	<u>(55,148)</u>
Net change in fiduciary net position	<u>\$ 5,735,761</u>	<u>\$ 8,065,478</u>	<u>\$ 764,399</u>	<u>\$ 390,630</u>	<u>\$ 6,762,527</u>
End of year					
Total pension liability	\$ 90,393,868	\$ 81,589,969	\$ 77,624,280	\$ 75,429,462	\$ 62,740,169
Fiduciary net position	<u>68,028,065</u>	<u>62,292,304</u>	<u>54,226,826</u>	<u>53,462,427</u>	<u>53,071,797</u>
Net pension liability	<u>\$ 22,365,803</u>	<u>\$ 19,297,665</u>	<u>\$ 23,397,454</u>	<u>\$ 21,967,035</u>	<u>\$ 9,668,372</u>
Fiduciary net position as a percent of total pension liability	-23.7%	76.4%	69.9%	70.9%	84.6%
Covered payroll	\$ 12,648,122	\$ 12,527,664	\$ 11,823,780	\$ 12,170,772	\$ 11,452,068
Net pension liability as a percent of covered payroll	176.8%	154.0%	197.9%	180.5%	84.4%

*Information will be accumulated until 10 years are presented.

TILLAMOOK COUNTY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last 10 Fiscal Years
(Amounts in Thousands)

	June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarilly determined contribution	\$ 4,623	\$ 4,532	\$ 4,363	\$ 3,042	\$ 3,042	\$ 2,994	\$ 2,717	\$ 2,396	\$ 1,979	\$ 1,825
Actual employer contribution	4,432	4,239	5,217	2,911	2,561	2,462	2,311	1,956	1,896	1,977
Contribution deficiency (excess)	191	293	(854)	131	481	532	406	440	83	(152)
Covered payroll	12,686	12,648	12,528	11,824	12,171	11,452	11,770	10,846	10,509	10,051
Contribution as a percent of covered payroll	34.94%	33.52%	41.64%	24.62%	21.04%	21.50%	19.63%	18.03%	18.04%	19.67%
Valuation date	7/1/2018	7/1/2017	7/1/2016	7/1/2015	7/1/2014	7/1/2013	7/1/2012	7/1/2011	7/1/2010	7/1/2009
Assumed investment rate of return	6.00%	6.50%	6.50%	6.50%	7.00%	7.00%	7.00%	7.00%	7.25%	7.25%

Notes to schedule

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Individual entry age normal, level percentage of pay
Amortization method	Effective July 1, 2018: Open 20-year amortization, level percent of pay Effective July 1, 2011: Closed 20-year amortization, level dolar Effective July 1, 2008: Open 20-year amortization, level percent of pay
Asset valuation method	Effective July 1, 2008: Market value gains and losses smoothed over five years, with result not less than 80 percent or greater than 120 percent of market value Prior to July 1, 2008: Market value of assets
Healthy mortality	Effective July 1, 2015: RP-2000 blended 25% blue collar/75% white collar, sex distinct, set back 12 months for males and no set back for femailes, projected generationally using Scale BB Effective July 1, 2014: Healthy combined RP-2000 mortality projected to 2014 Effective July 1,2011: Healthy combined RP-2000 mortality projected to 2005 Prior ot July 1, 2011: 1994 group annuity mortality
Cost of living increases	1.5 percent per year
Salary increases	Effective July 1, 2018: 4 percent per year Through July 1, 2017: 5 percent per year
Investment return	Effective July 1, 2018: 6% Effective July 1, 2015: 6.5% Effective July 1, 2011: 7% Effective July 1, 2006: 7.25%

TILLAMOOK COUNTY
SCHEDULE OF INVESTMENT RATE OF RETURN
Last 10 Fiscal Years

<u>Year Ended</u> <u>June 30,</u>	<u>Percentage</u> <u>Rate of</u> <u>Return</u>
2019	6.82
2018	10.77
2017	11.44
2016	1.75
2015	0.83
2014	14.02
2013	8.71
2012	2.66
2011	12.13
2010	11.29

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

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Service cost	\$ 320,828	\$ 358,236
Interest on total OPEB liability	579,560	508,711
Effect of economic/demographic gains or losses	(1,297,318)	-
Effect of assumptions changes or inputs	(2,176,922)	(1,820,833)
Benefit payments	<u>(715,572)</u>	<u>(625,117)</u>
Net change in total OPEB liability	(3,289,424)	(1,579,003)
Total OPEB liability - beginning of year	<u>16,222,639</u>	<u>17,801,642</u>
Total OPEB liability - end of year	<u>\$ 12,933,215</u>	<u>\$ 16,222,639</u>
Covered payroll	\$ 12,648,122	\$ 12,527,664
Total OPEB liability as a percentage of covered payroll	102.3%	129.5%

Notes to schedule

*Information will be accumulated until 10 years are presented.

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

**COMBINING FINANCIAL STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**



GENERAL FUNDS

The County has two funds, which are budgeted separately, but do not meet the definition of a special revenue, debt service, capital project or permanent fund as defined in generally accepted accounting principles. Accordingly, these funds have been combined with the General Fund for purposes 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, 2019

	General	Revenue Stabilization	Post Employment Liability Reserve	Totals
ASSETS				
Cash and cash equivalents	\$ 1,981,256	\$ 1,653,263	\$ 648,144	\$ 4,282,663
Investments	8,748,751	-	-	8,748,751
Receivables, net	3,800,630	-	-	3,800,630
TOTAL ASSETS	\$ 14,530,637	\$ 1,653,263	\$ 648,144	\$ 16,832,044
 LIABILITIES				
Accounts payable and accrued liabilities	\$ 696,309	\$ -	\$ -	\$ 696,309
TOTAL LIABILITIES	696,309	-	-	696,309
 DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	380,153	-	-	380,153
TOTAL DEFERRED INFLOWS OF RESOURCES	380,153	-	-	380,153
 FUND BALANCES				
Assigned	-	1,653,263	648,144	2,301,407
Unassigned	13,454,175	-	-	13,454,175
TOTAL FUND BALANCES	13,454,175	1,653,263	648,144	15,755,582
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 14,530,637	\$ 1,653,263	\$ 648,144	\$ 16,832,044

TILLAMOOK COUNTY

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

For the Year Ended June 30, 2019

	<u>General</u>	<u>Revenue Stabilization</u>	<u>Post Employment Liability Reserve</u>	<u>Totals</u>
REVENUES				
Property taxes	\$ 7,514,239	\$ -	\$ -	\$ 7,514,239
Licenses, permits and fees	889,547	-	-	889,547
Intergovernmental	2,207,974	-	-	2,207,974
Charges for services	173,131	-	-	173,131
Fines and forfeitures	413,356	-	-	413,356
Timber and land sales	7,034,632	-	-	7,034,632
Interest	312,737	33,182	13,008	358,927
Intercounty charges	1,504,190	-	-	1,504,190
Miscellaneous	260,958	-	-	260,958
TOTAL REVENUES	<u>20,310,764</u>	<u>33,182</u>	<u>13,008</u>	<u>20,356,954</u>
EXPENDITURES				
Current				
General government	9,639,055	-	-	9,639,055
Public safety	6,621,706	-	-	6,621,706
Culture and recreation	280	-	-	280
Health and welfare	3,558	-	-	3,558
Capital outlay	115,492	-	-	115,492
Debt service				
Principal	352,701	-	-	352,701
Interest	67,954	-	-	67,954
TOTAL EXPENDITURES	<u>16,800,746</u>	<u>-</u>	<u>-</u>	<u>16,800,746</u>
Excess (deficiency) of revenues over expenditures	<u>3,510,018</u>	<u>33,182</u>	<u>13,008</u>	<u>3,556,208</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	440,867	-	-	440,867
Sale of capital assets	18,235	-	-	18,235
Transfers out	(622,500)	-	-	(622,500)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(163,398)</u>	<u>-</u>	<u>-</u>	<u>(163,398)</u>
Net change in fund balances	3,346,620	33,182	13,008	3,392,810
Fund balances at beginning of year	<u>10,107,555</u>	<u>1,620,081</u>	<u>635,136</u>	<u>12,362,772</u>
Fund balances at end of year	<u>\$ 13,454,175</u>	<u>\$ 1,653,263</u>	<u>\$ 648,144</u>	<u>\$ 15,755,582</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, 2019**

	Budget	Actual	Variance
REVENUES			
Investment earnings	\$ 5,000	\$ 33,182	\$ 28,182
TOTAL REVENUES	5,000	33,182	28,182
EXPENDITURES			
Contingency	1,005,000	-	1,005,000
TOTAL EXPENDITURES	1,005,000	-	1,005,000
Net change in fund balance	(1,000,000)	33,182	1,033,182
Fund balance at beginning of year	1,590,000	1,620,081	30,081
Fund balance at end of year	\$ 590,000	\$ 1,653,263	\$ 1,063,263

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, 2019**

	Budget	Actual	Variance
REVENUES			
Investment earnings	\$ 2,400	\$ 13,008	\$ 10,608
TOTAL REVENUES	2,400	13,008	10,608
EXPENDITURES			
Contingency	627,400	-	627,400
TOTAL EXPENDITURES	627,400	-	627,400
Net change in fund balance	(625,000)	13,008	638,008
Fund balance at beginning of year	625,000	635,136	10,136
Fund balance at end of year	\$ -	\$ 648,144	\$ 648,144

OTHER MAJOR FUNDS

The County will report major funds other than the general or special revenue funds in the governmental fund financial statements, however the budget to actual comparison schedules for these funds are not presented in the basic financial statements.

CAPITAL PROJECT FUND

Road Improvement Construction – accounts for the expenditure of general obligation bonds issued to finance improvements to the County roads.



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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment earnings	\$ 5,000	\$ 103,608	\$ 98,608
TOTAL REVENUES	<u>5,000</u>	<u>103,608</u>	<u>98,608</u>
EXPENDITURES			
Materials and services	992,000	358,105	633,895
Capital outlay	-	91,000	(91,000)
Contingency	<u>200,000</u>	<u>-</u>	<u>200,000</u>
TOTAL EXPENDITURES	<u>1,192,000</u>	<u>449,105</u>	<u>742,895</u>
Excess (deficiency) of revenues over expenditures	<u>(1,187,000)</u>	<u>(345,497)</u>	<u>841,503</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	7,500,000	7,800,000	300,000
Premium on issuance of debt	-	668,755	668,755
Transfers out	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>6,950,000</u>	<u>7,918,755</u>	<u>968,755</u>
Net change in fund balance	5,763,000	7,573,258	1,810,258
Fund balance at beginning of year	<u>237,000</u>	<u>203,623</u>	<u>(33,377)</u>
Fund balance at end of year	<u>\$ 6,000,000</u>	<u>\$ 7,776,881</u>	<u>\$ 1,776,881</u>



NONMAJOR GOVERNMENTAL FUNDS

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

Community Development – accounts for the activities of the Community Development Department.

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.

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

NONMAJOR GOVERNMENTAL FUNDS (Continued)

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 through December 31, 2012. Beginning April 24, 2013, the County allocates a portion of fines to this fund.

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).

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.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

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:

Road – accounts for payment of general obligation bond principal and interest related the construction of improvements to County highways and streets

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 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.

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 resources to be used for specific road construction projects.

Building Improvement – accounts for capital improvements to County buildings

Jail Capital Improvement Projects – accounts for proceeds from long-term obligations used to make improvements to the Justice facility.

Computer Reserve – accounts for resources available to purchase new computers

TILLAMOOK COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	<u>Special Revenue Funds</u>					
	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets Bike Path</u>	<u>Culture and Recreation</u>	<u>Health and Welfare - Mediation Program</u>	<u>Education - Tillamook County 4-H and Extension Service District</u>
<u>ASSETS</u>						
Cash and cash equivalents	\$ 2,191,580	\$ 354,991	\$ 132,162	\$ 3,140,461	\$ 98,100	\$ 588,655
Investments	-	-	-	-	-	-
Receivables	168,459	3,062	-	230,279	-	71,259
TOTAL ASSETS	<u>\$ 2,360,039</u>	<u>\$ 358,053</u>	<u>\$ 132,162</u>	<u>\$ 3,370,740</u>	<u>\$ 98,100</u>	<u>\$ 659,914</u>
<u>LIABILITIES</u>						
Accounts payable and accrued liabilities	\$ 67,860	\$ 426	\$ -	\$ 100,136	\$ 1,125	\$ 12,300
TOTAL LIABILITIES	<u>67,860</u>	<u>426</u>	<u>-</u>	<u>100,136</u>	<u>1,125</u>	<u>12,300</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Unavailable revenue	11,047	-	-	-	-	16,474
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>11,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,474</u>
<u>FUND BALANCES</u>						
Restricted	2,281,132	357,627	132,162	3,270,604	96,975	631,140
Assigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>2,281,132</u>	<u>357,627</u>	<u>132,162</u>	<u>3,270,604</u>	<u>96,975</u>	<u>631,140</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,360,039</u>	<u>\$ 358,053</u>	<u>\$ 132,162</u>	<u>\$ 3,370,740</u>	<u>\$ 98,100</u>	<u>\$ 659,914</u>

Debt Service Funds

Road	Library	Capital Projects Funds	Totals
\$ 104,615	\$ 28,782	\$ 2,683,469	\$ 9,322,815
-	-	1,058,000	1,058,000
<u>83,098</u>	<u>17,814</u>	<u>-</u>	<u>573,971</u>
\$ 187,713	\$ 46,596	\$ 3,741,469	\$ 10,954,786
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,204</u>	<u>\$ 226,051</u>
<u>-</u>	<u>-</u>	<u>44,204</u>	<u>226,051</u>
<u>62,300</u>	<u>13,653</u>	<u>-</u>	<u>103,474</u>
<u>62,300</u>	<u>13,653</u>	<u>-</u>	<u>103,474</u>
125,413	32,943	42,004	6,970,000
<u>-</u>	<u>-</u>	<u>3,655,261</u>	<u>3,655,261</u>
<u>125,413</u>	<u>32,943</u>	<u>3,697,265</u>	<u>10,625,261</u>
\$ 187,713	\$ 46,596	\$ 3,741,469	\$ 10,954,786

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

	<u>Special Revenue Funds</u>					
	<u>General</u>	<u>Highways</u>			<u>Health and</u>	<u>Education - Tillamook</u>
	<u>Government</u>	<u>Public Safety</u>	<u>and Streets -</u>	<u>Culture and</u>	<u>Welfare</u>	<u>County 4-H and</u>
			<u>Bike Path</u>	<u>Recreation</u>		<u>Extension Service</u>
						<u>District</u>
REVENUES						
Property taxes	\$ 245,562	\$ -	\$ -	\$ -	\$ -	\$ 337,376
Timber and land sales	160,000	-	-	7,634	-	120,812
Licenses, permits and fees	1,120,284	-	-	-	-	-
Intergovernmental	522,910	-	-	181,477	1,758,072	-
Charges for services	17,596	32,694	-	3,278,491	14,436	-
Fines and forfeitures	65,775	41,651	-	-	-	-
Interest	34,103	6,736	2,427	67,703	2,040	13,922
Miscellaneous	8,763	50,428	-	41,937	-	-
TOTAL REVENUES	<u>2,174,993</u>	<u>131,509</u>	<u>2,427</u>	<u>3,577,242</u>	<u>1,774,548</u>	<u>472,110</u>
EXPENDITURES						
Current:						
General government	1,701,007	-	-	-	-	-
Public safety	-	51,130	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	2,902,208	-	-
Health and welfare	-	-	-	-	1,769,199	-
Education	-	-	-	-	-	332,780
Capital outlay	8,726	-	386	474,966	-	53,696
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,709,733</u>	<u>51,130</u>	<u>386</u>	<u>3,377,174</u>	<u>1,769,199</u>	<u>386,476</u>
Excess (deficiency) of revenues over expenditures	<u>465,260</u>	<u>80,379</u>	<u>2,041</u>	<u>200,068</u>	<u>5,349</u>	<u>85,634</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	25,500	-	-	-
Issuance of debt	-	-	-	-	-	-
Transfers out	(120,000)	(50,000)	-	(5,000)	-	(50,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(120,000)</u>	<u>(50,000)</u>	<u>25,500</u>	<u>(5,000)</u>	<u>-</u>	<u>(50,000)</u>
Net change in fund balances	345,260	30,379	27,541	195,068	5,349	35,634
Fund balances - beginning	1,935,872	327,248	104,621	3,075,536	91,626	595,506
Fund balances - ending	<u>\$ 2,281,132</u>	<u>\$ 357,627</u>	<u>\$ 132,162</u>	<u>\$ 3,270,604</u>	<u>\$ 96,975</u>	<u>\$ 631,140</u>

Continued on next page

Debt Service Funds

		Capital Projects Funds	Totals
Road	Library		
\$ 1,342,113	\$ 272,458	\$ -	\$ 2,197,509
-	-	-	288,446
-	-	-	1,120,284
-	-	-	2,462,459
-	-	-	3,343,217
-	-	-	107,426
1,684	655	60,281	189,551
-	-	-	101,128
<u>1,343,797</u>	<u>273,113</u>	<u>60,281</u>	<u>9,810,020</u>
-	-	184,077	1,885,084
-	-	-	51,130
-	-	8,200	8,200
-	-	-	2,902,208
-	-	-	1,769,199
-	-	-	332,780
-	-	214,306	752,080
1,280,000	200,000	113,253	1,593,253
<u>26,225</u>	<u>49,400</u>	<u>4,092</u>	<u>79,717</u>
<u>1,306,225</u>	<u>249,400</u>	<u>523,928</u>	<u>9,373,651</u>
<u>37,572</u>	<u>23,713</u>	<u>(463,647)</u>	<u>436,369</u>
-	-	1,055,000	1,080,500
-	-	100,551	100,551
-	-	(16,247)	(241,247)
-	-	1,139,304	939,804
37,572	23,713	675,657	1,376,173
<u>87,841</u>	<u>9,230</u>	<u>3,021,608</u>	<u>9,249,088</u>
<u>\$ 125,413</u>	<u>\$ 32,943</u>	<u>\$ 3,697,265</u>	<u>\$ 10,625,261</u>

TILLAMOOK COUNTY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
GENERAL GOVERNMENT
June 30, 2019

	Community Development	Video Lottery	Forest Timber Trust	Juvenile Trust	Law Library	BPS Surcharge
<u>ASSETS</u>						
Cash and cash equivalents	\$ 1,167,535	\$ 36,429	\$ 40,272	\$ 18,972	\$ 78,285	\$ 24,531
Receivables	<u>7,161</u>	<u>66,143</u>	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>776</u>
TOTAL ASSETS	<u>\$ 1,174,696</u>	<u>\$ 102,572</u>	<u>\$ 120,272</u>	<u>\$ 18,972</u>	<u>\$ 78,285</u>	<u>\$ 25,307</u>
<u>LIABILITIES</u>						
Accounts payable and accrued liabilities	\$ 34,978	\$ -	\$ 14,944	\$ -	\$ -	\$ 4,500
TOTAL LIABILITIES	<u>34,978</u>	<u>-</u>	<u>14,944</u>	<u>-</u>	<u>-</u>	<u>4,500</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES</u>						
Restricted	<u>1,139,718</u>	<u>102,572</u>	<u>105,328</u>	<u>18,972</u>	<u>78,285</u>	<u>20,807</u>
TOTAL FUND BALANCES	<u>1,139,718</u>	<u>102,572</u>	<u>105,328</u>	<u>18,972</u>	<u>78,285</u>	<u>20,807</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,174,696</u>	<u>\$ 102,572</u>	<u>\$ 120,272</u>	<u>\$ 18,972</u>	<u>\$ 78,285</u>	<u>\$ 25,307</u>

PLCP	Clerks Records	Federal Title III	Veteran's Services	Technology	Totals
\$ 28,706	\$ 42,555	\$ 302,012	\$ 205,434	\$ 246,849	\$ 2,191,580
<u>-</u>	<u>-</u>	<u>-</u>	<u>14,379</u>	<u>-</u>	<u>168,459</u>
<u>\$ 28,706</u>	<u>\$ 42,555</u>	<u>\$ 302,012</u>	<u>\$ 219,813</u>	<u>\$ 246,849</u>	<u>\$ 2,360,039</u>
\$ 1,246	\$ 114	\$ -	\$ 11,198	\$ 880	\$ 67,860
<u>1,246</u>	<u>114</u>	<u>-</u>	<u>11,198</u>	<u>880</u>	<u>67,860</u>
-	-	-	11,047	-	11,047
-	-	-	11,047	-	11,047
<u>27,460</u>	<u>42,441</u>	<u>302,012</u>	<u>197,568</u>	<u>245,969</u>	<u>2,281,132</u>
<u>27,460</u>	<u>42,441</u>	<u>302,012</u>	<u>197,568</u>	<u>245,969</u>	<u>2,281,132</u>
<u>\$ 28,706</u>	<u>\$ 42,555</u>	<u>\$ 302,012</u>	<u>\$ 219,813</u>	<u>\$ 246,849</u>	<u>\$ 2,360,039</u>

TILLAMOOK COUNTY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC SAFETY
June 30, 2019

	Court Security	Law Enforceme nt	Sheriff Trust	SB 1065 Assessmen t and Conviction	Tillamook Narcotics Team	Totals
<u>ASSETS</u>						
Cash and cash equivalents	\$ 178,542	\$ 49,284	\$ 81,982	\$ 6,054	\$ 39,129	\$ 354,991
Receivables	<u>363</u>	<u>2,560</u>	<u>-</u>	<u>139</u>	<u>-</u>	<u>3,062</u>
TOTAL ASSETS	<u>\$ 178,905</u>	<u>\$ 51,844</u>	<u>\$ 81,982</u>	<u>\$ 6,193</u>	<u>\$ 39,129</u>	<u>\$ 358,053</u>
<u>LIABILITIES</u>						
Accounts payable and accrued liabilities	\$ -	\$ 426	\$ -	\$ -	\$ -	\$ 426
TOTAL LIABILITIES	<u>-</u>	<u>426</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>426</u>
<u>FUND BALANCES</u>						
Restricted	<u>178,905</u>	<u>51,418</u>	<u>81,982</u>	<u>6,193</u>	<u>39,129</u>	<u>357,627</u>
TOTAL FUND BALANCES	<u>178,905</u>	<u>51,418</u>	<u>81,982</u>	<u>6,193</u>	<u>39,129</u>	<u>357,627</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 178,905</u>	<u>\$ 51,844</u>	<u>\$ 81,982</u>	<u>\$ 6,193</u>	<u>\$ 39,129</u>	<u>\$ 358,053</u>

TILLAMOOK COUNTY

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
CULTURE AND RECREATION**

June 30, 2019

	<u>County Fair</u>	<u>Parks Operations</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 372,728	\$ 2,767,733	\$ 3,140,461
Receivables	<u> -</u>	<u> 230,279</u>	<u> 230,279</u>
TOTAL ASSETS	<u><u>\$ 372,728</u></u>	<u><u>\$ 2,998,012</u></u>	<u><u>\$ 3,370,740</u></u>
 <u>LIABILITIES</u>			
Accounts payable and accrued liabilities	<u> -</u>	<u> 100,136</u>	<u> 100,136</u>
TOTAL LIABILITIES	<u> -</u>	<u> 100,136</u>	<u> 100,136</u>
 <u>FUND BALANCES</u>			
Restricted	<u> 372,728</u>	<u> 2,897,876</u>	<u> 3,270,604</u>
TOTAL FUND BALANCES	<u> 372,728</u>	<u> 2,897,876</u>	<u> 3,270,604</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 372,728</u></u>	<u><u>\$ 2,998,012</u></u>	<u><u>\$ 3,370,740</u></u>

TILLAMOOK COUNTY
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
June 30, 2019

	Vehicle Reserve	Library Reserve	Fair Reserve	County 4-H and Extension Building Reserve	Trask Road Project
<u>ASSETS</u>					
Cash and cash equivalents	\$ 49,411	\$ 1,038,980	\$ 20,170	\$ 126,353	\$ 50,204
Investments	-	-	-	-	-
TOTAL ASSETS	<u>\$ 49,411</u>	<u>\$ 1,038,980</u>	<u>\$ 20,170</u>	<u>\$ 126,353</u>	<u>\$ 50,204</u>
<u>LIABILITIES</u>					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ 8,200
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,200</u>
<u>FUND BALANCES</u>					
Restricted	-	-	-	-	42,004
Assigned	49,411	1,038,980	20,170	126,353	-
TOTAL FUND BALANCES	<u>49,411</u>	<u>1,038,980</u>	<u>20,170</u>	<u>126,353</u>	<u>42,004</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 49,411</u>	<u>\$ 1,038,980</u>	<u>\$ 20,170</u>	<u>\$ 126,353</u>	<u>\$ 50,204</u>

Road			
Construction	Building	Computer	
Grant Projects	Improvement	Reserve	Totals
\$ 675,732	\$ 670,297	\$ 52,322	\$ 2,683,469
-	1,058,000	-	1,058,000
<u>\$ 675,732</u>	<u>\$ 1,728,297</u>	<u>\$ 52,322</u>	<u>\$ 3,741,469</u>
\$ 29,169	\$ 6,835	\$ -	\$ 44,204
<u>29,169</u>	<u>6,835</u>	<u>-</u>	<u>44,204</u>
-	-	-	42,004
<u>646,563</u>	<u>1,721,462</u>	<u>52,322</u>	<u>3,655,261</u>
<u>646,563</u>	<u>1,721,462</u>	<u>52,322</u>	<u>3,697,265</u>
<u>\$ 675,732</u>	<u>\$ 1,728,297</u>	<u>\$ 52,322</u>	<u>\$ 3,741,469</u>

TILLAMOOK COUNTY

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
GENERAL GOVERNMENT**

For the Year Ended June 30, 2019

	Community Development	Video Lottery	Forest Timber Trust	Juvenile Trust	Law Library	BPS Surcharge
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Timber and land sales	-	-	160,000	-	-	-
Licenses, permits and fees	1,023,452	-	-	-	20,693	-
Intergovernmental	-	282,755	-	-	-	105,569
Charges for services	17,596	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest	20,975	1,169	-	377	-	-
Miscellaneous	7,511	-	-	1,113	-	-
TOTAL REVENUES	<u>1,069,534</u>	<u>283,924</u>	<u>160,000</u>	<u>1,490</u>	<u>20,693</u>	<u>105,569</u>
EXPENDITURES						
General government	849,431	100,405	94,174	85	11,259	80,729
Capital outlay	4,482	-	-	-	-	-
TOTAL EXPENDITURES	<u>853,913</u>	<u>100,405</u>	<u>94,174</u>	<u>85</u>	<u>11,259</u>	<u>80,729</u>
Excess (deficiency) of revenues over expenditures	<u>215,621</u>	<u>183,519</u>	<u>65,826</u>	<u>1,405</u>	<u>9,434</u>	<u>24,840</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	-	(120,000)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(120,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	215,621	63,519	65,826	1,405	9,434	24,840
Fund balances - beginning	924,097	39,053	39,502	17,567	68,851	(4,033)
Fund balances - ending	<u>\$ 1,139,718</u>	<u>\$ 102,572</u>	<u>\$ 105,328</u>	<u>\$ 18,972</u>	<u>\$ 78,285</u>	<u>\$ 20,807</u>

PLCP	Clerks Records	Federal Title III	Veteran's Services	Technology	Totals
\$ -	\$ -	\$ -	\$ 245,562	\$ -	\$ 245,562
-	-	-	-	-	160,000
65,484	10,655	-	-	-	1,120,284
-	-	65,903	68,683	-	522,910
-	-	-	-	-	17,596
-	-	-	-	65,775	65,775
630	779	5,701	4,472	-	34,103
<u>41</u>	<u>-</u>	<u>-</u>	<u>98</u>	<u>-</u>	<u>8,763</u>
<u>66,155</u>	<u>11,434</u>	<u>71,604</u>	<u>318,815</u>	<u>65,775</u>	<u>2,174,993</u>
72,902	419	101,377	279,865	110,361	1,701,007
<u>-</u>	<u>1,797</u>	<u>-</u>	<u>2,447</u>	<u>-</u>	<u>8,726</u>
<u>72,902</u>	<u>2,216</u>	<u>101,377</u>	<u>282,312</u>	<u>110,361</u>	<u>1,709,733</u>
<u>(6,747)</u>	<u>9,218</u>	<u>(29,773)</u>	<u>36,503</u>	<u>(44,586)</u>	<u>465,260</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(120,000)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(120,000)</u>
<u>(6,747)</u>	<u>9,218</u>	<u>(29,773)</u>	<u>36,503</u>	<u>(44,586)</u>	<u>345,260</u>
<u>34,207</u>	<u>33,223</u>	<u>331,785</u>	<u>161,065</u>	<u>290,555</u>	<u>1,935,872</u>
<u>\$ 27,460</u>	<u>\$ 42,441</u>	<u>\$ 302,012</u>	<u>\$ 197,568</u>	<u>\$ 245,969</u>	<u>\$ 2,281,132</u>



TILLAMOOK COUNTY

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

	Court Security	Law Enforcement	Sheriff Trust	SB 1065 Assessment and Conviction	TILLAMOOK Narcotics Team	Totals
REVENUES						
Charges for services	\$ -	\$ -	\$ 32,694	\$ -	\$ -	\$ 32,694
Fines and forfeitures	36,013	-	-	3,235	2,403	41,651
Interest	4,332	-	1,439	93	872	6,736
Miscellaneous	-	46,628	3,420	-	380	50,428
TOTAL REVENUES	<u>40,345</u>	<u>46,628</u>	<u>37,553</u>	<u>3,328</u>	<u>3,655</u>	<u>131,509</u>
EXPENDITURES						
Public safety	<u>2,950</u>	<u>27,865</u>	<u>6,272</u>	<u>-</u>	<u>14,043</u>	<u>51,130</u>
TOTAL EXPENDITURES	<u>2,950</u>	<u>27,865</u>	<u>6,272</u>	<u>-</u>	<u>14,043</u>	<u>51,130</u>
Excess (deficiency) of revenues over expenditures	<u>37,395</u>	<u>18,763</u>	<u>31,281</u>	<u>3,328</u>	<u>(10,388)</u>	<u>80,379</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Net change in fund balances	(12,605)	18,763	31,281	3,328	(10,388)	30,379
Fund balances - beginning	<u>191,510</u>	<u>32,655</u>	<u>50,701</u>	<u>2,865</u>	<u>49,517</u>	<u>327,248</u>
Fund balances - ending	<u>\$ 178,905</u>	<u>\$ 51,418</u>	<u>\$ 81,982</u>	<u>\$ 6,193</u>	<u>\$ 39,129</u>	<u>\$ 357,627</u>

TILLAMOOK COUNTY

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

	<u>County Fair</u>	<u>Parks Operations</u>	<u>Totals</u>
REVENUES			
Timber and land sales	\$ -	\$ 7,634	\$ 7,634
Intergovernmental	53,167	128,310	181,477
Charges for services	918,164	2,360,327	3,278,491
Interest	8,398	59,305	67,703
Miscellaneous	<u>37,454</u>	<u>4,483</u>	<u>41,937</u>
TOTAL REVENUES	<u>1,017,183</u>	<u>2,560,059</u>	<u>3,577,242</u>
EXPENDITURES			
Culture and recreation	990,124	1,912,084	2,902,208
Capital outlay	<u>6,800</u>	<u>468,166</u>	<u>474,966</u>
TOTAL EXPENDITURES	<u>996,924</u>	<u>2,380,250</u>	<u>3,377,174</u>
Excess (deficiency) of revenues over expenditures	<u>20,259</u>	<u>179,809</u>	<u>200,068</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(5,000)</u>	<u>-</u>	<u>(5,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(5,000)</u>	<u>-</u>	<u>(5,000)</u>
Net change in fund balances	15,259	179,809	195,068
Fund balances - beginning	<u>357,469</u>	<u>2,718,067</u>	<u>3,075,536</u>
Fund balances - ending	<u>\$ 372,728</u>	<u>\$ 2,897,876</u>	<u>\$ 3,270,604</u>

TILLAMOOK COUNTY

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

	<u>Mental Health</u>	<u>Mediation Program</u>	<u>Totals</u>
REVENUES			
Intergovernmental	\$ 1,758,072	\$ -	\$ 1,758,072
Charges for services	-	14,436	14,436
Interest	-	2,040	2,040
	<u>1,758,072</u>	<u>16,476</u>	<u>1,774,548</u>
TOTAL REVENUES	<u>1,758,072</u>	<u>16,476</u>	<u>1,774,548</u>
EXPENDITURES			
Health and welfare	<u>1,758,072</u>	<u>11,127</u>	<u>1,769,199</u>
TOTAL EXPENDITURES	<u>1,758,072</u>	<u>11,127</u>	<u>1,769,199</u>
Net change in fund balances	-	5,349	5,349
Fund balances - beginning	-	91,626	91,626
	<u>-</u>	<u>96,975</u>	<u>96,975</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 96,975</u>	<u>\$ 96,975</u>

TILLAMOOK COUNTY

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

	Vehicle Reserve	Library Reserve	Fair Reserve	County 4-H and Extension Building	Trask Road Project
REVENUES					
Interest	\$ 557	\$ 21,214	\$ -	\$ 1,849	\$ 1,008
TOTAL REVENUES	557	21,214	-	1,849	1,008
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Highways and streets	-	-	-	-	8,200
Capital outlay	100,551	31,092	-	-	-
Debt service					
Principal	113,253	-	-	-	-
Interest	4,092	-	-	-	-
TOTAL EXPENDITURES	217,896	31,092	-	-	8,200
Excess (deficiency) of revenues over expenditures	(217,339)	(9,878)	-	1,849	(7,192)
OTHER FINANCING SOURCES (USES)					
Transfers in	150,000	-	5,000	50,000	-
Issuance of debt	100,551	-	-	-	-
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	250,551	-	5,000	50,000	-
Net change in fund balances	33,212	(9,878)	5,000	51,849	(7,192)
Fund balances - beginning	16,199	1,048,858	15,170	74,504	49,196
Fund balances - ending	\$ 49,411	\$ 1,038,980	\$ 20,170	\$ 126,353	\$ 42,004

Continued on next page

Road Construction Grant Projects	Building Improvement	Jail Capital Improvement Projects	Computer Reserve	Totals
\$ 3,086	\$ 32,567	\$ -	\$ -	\$ 60,281
3,086	32,567	-	-	60,281
-	123,426	-	60,651	184,077
-	-	-	-	8,200
67,038	15,625	-	-	214,306
-	-	-	-	113,253
-	-	-	-	4,092
67,038	139,051	-	60,651	523,928
(63,952)	(106,484)	-	(60,651)	(463,647)
550,000	250,000	-	50,000	1,055,000
-	-	-	-	100,551
-	-	(16,247)	-	(16,247)
550,000	250,000	(16,247)	50,000	1,139,304
486,048	143,516	(16,247)	(10,651)	675,657
160,515	1,577,946	16,247	62,973	3,021,608
\$ 646,563	\$ 1,721,462	\$ -	\$ 52,322	\$ 3,697,265

TILLAMOOK COUNTY

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Licenses, permits and fees	\$ 1,008,550	\$ 1,016,324	\$ 7,774
Charges for services	8,000	17,596	9,596
Investment earnings	100	20,975	20,875
Miscellaneous	<u>600</u>	<u>7,478</u>	<u>6,878</u>
TOTAL REVENUES	<u>1,017,250</u>	<u>1,062,373</u>	<u>45,123</u>
EXPENDITURES			
Personal services	570,300	505,146	65,154
Materials and services	374,750	351,029	23,721
Capital outlay	38,000	4,482	33,518
Contingency	<u>20,000</u>	<u>-</u>	<u>20,000</u>
TOTAL EXPENDITURES	<u>1,003,050</u>	<u>860,657</u>	<u>142,393</u>
Net change in fund balance	14,200	201,716	187,516
Fund balance at beginning of year	<u>300,000</u>	<u>957,301</u>	<u>657,301</u>
Fund balance at end of year	<u>\$ 314,200</u>	<u>\$ 1,159,017</u>	<u>\$ 844,817</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, 2019**

	Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 200,000	\$ 216,612	\$ 16,612
Investment earnings	410	1,169	759
	<u>200,410</u>	<u>217,781</u>	<u>17,371</u>
TOTAL REVENUES	<u>200,410</u>	<u>217,781</u>	<u>17,371</u>
EXPENDITURES			
Materials and services	<u>100,410</u>	<u>100,405</u>	<u>5</u>
TOTAL EXPENDITURES	<u>100,410</u>	<u>100,405</u>	<u>5</u>
Excess (deficiency) of revenues over expenditures	<u>100,000</u>	<u>117,376</u>	<u>17,376</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(120,000)</u>	<u>(120,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(120,000)</u>	<u>(120,000)</u>	<u>-</u>
Net change in fund balance	(20,000)	(2,624)	17,376
Fund balance at beginning of year	<u>20,000</u>	<u>39,053</u>	<u>19,053</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 36,429</u></u>	<u><u>\$ 36,429</u></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, 2019**

	Budget	Actual	Variance
REVENUES			
Timber and land sales	\$ 80,000	\$ 80,000	\$ -
TOTAL REVENUES	80,000	80,000	-
EXPENDITURES			
Materials and services	90,000	79,230	10,770
TOTAL EXPENDITURES	90,000	79,230	10,770
Net change in fund balance	(10,000)	770	10,770
Fund balance at beginning of year	10,000	39,502	29,502
Fund balance at end of year	\$ -	\$ 40,272	\$ 40,272

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, 2019**

	Budget	Actual	Variance
REVENUES			
Investment earnings	\$ -	\$ 377	\$ 377
Miscellaneous	500	1,113	613
TOTAL REVENUES	500	1,490	990
EXPENDITURES			
Materials and services	10,000	85	9,915
TOTAL EXPENDITURES	10,000	85	9,915
Net change in fund balance	(9,500)	1,405	10,905
Fund balance at beginning of year	15,600	17,567	1,967
Fund balance at end of year	\$ 6,100	\$ 18,972	\$ 12,872

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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Licenses, permits and fees	\$ 15,000	\$ 20,693	\$ 5,693
TOTAL REVENUES	<u>15,000</u>	<u>20,693</u>	<u>5,693</u>
EXPENDITURES			
Materials and services	<u>40,000</u>	<u>12,153</u>	<u>27,847</u>
TOTAL EXPENDITURES	<u>40,000</u>	<u>12,153</u>	<u>27,847</u>
Net change in fund balance	(25,000)	8,540	33,540
Fund balance at beginning of year	<u>40,000</u>	<u>69,745</u>	<u>29,745</u>
Fund balance at end of year	<u>\$ 15,000</u>	<u>\$ 78,285</u>	<u>\$ 63,285</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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 150,000	\$ 104,793	\$ (45,207)
TOTAL REVENUES	<u>150,000</u>	<u>104,793</u>	<u>(45,207)</u>
EXPENDITURES			
Materials and services	<u>150,000</u>	<u>108,289</u>	<u>41,711</u>
TOTAL EXPENDITURES	<u>150,000</u>	<u>108,289</u>	<u>41,711</u>
Net change in fund balance	-	(3,496)	(3,496)
Fund balance at beginning of year	<u>-</u>	<u>28,027</u>	<u>28,027</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 24,531</u>	<u>\$ 24,531</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, 2019**

	Budget	Actual	Variance
REVENUES			
Licenses, permits and fees	\$ 70,000	\$ 65,484	\$ (4,516)
Investment earnings	100	630	530
Miscellaneous	-	41	41
TOTAL REVENUES	70,100	66,155	(3,945)
EXPENDITURES			
Personal services	65,950	66,130	(180)
Materials and services	10,400	6,760	3,640
Capital outlay	2,800	-	2,800
Contingency	20,950	-	20,950
TOTAL EXPENDITURES	100,100	72,890	27,210
Net change in fund balance	(30,000)	(6,735)	23,265
Fund balance at beginning of year	30,000	34,207	4,207
Fund balance at end of year	\$ -	\$ 27,472	\$ 27,472

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, 2019**

	Budget	Actual	Variance
REVENUES			
Licenses, permits and fees	\$ 10,000	\$ 10,655	\$ 655
Investment earnings	100	779	679
TOTAL REVENUES	10,100	11,434	1,334
EXPENDITURES			
Materials and services	25,000	305	24,695
Capital outlay	10,100	1,827	8,273
TOTAL EXPENDITURES	35,100	2,132	32,968
Net change in fund balance	(25,000)	9,302	34,302
Fund balance at beginning of year	25,000	33,253	8,253
Fund balance at end of year	\$ -	\$ 42,555	\$ 42,555

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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 50,000	\$ 65,903	\$ 15,903
Investment earnings	<u>900</u>	<u>5,701</u>	<u>4,801</u>
TOTAL REVENUES	<u>50,900</u>	<u>71,604</u>	<u>20,704</u>
EXPENDITURES			
Materials and services	<u>310,900</u>	<u>101,377</u>	<u>209,523</u>
TOTAL EXPENDITURES	<u>310,900</u>	<u>101,377</u>	<u>209,523</u>
Net change in fund balance	(260,000)	(29,773)	230,227
Fund balance at beginning of year	<u>260,000</u>	<u>331,785</u>	<u>71,785</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 302,012</u>	<u>\$ 302,012</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, 2019**

	Budget	Actual	Variance
REVENUES			
Property taxes	\$ 234,500	\$ 245,511	\$ 11,011
Intergovernmental	84,260	89,748	5,488
Investment earnings	100	4,472	4,372
Miscellaneous	100	98	(2)
	<u>318,960</u>	<u>339,829</u>	<u>20,869</u>
TOTAL REVENUES			
EXPENDITURES			
Personal services	239,650	238,454	1,196
Materials and services	40,860	40,652	208
Capital outlay	-	2,447	(2,447)
Contingency	26,400	-	26,400
	<u>306,910</u>	<u>281,553</u>	<u>25,357</u>
TOTAL EXPENDITURES			
Net change in fund balance	12,050	58,276	46,226
Fund balance at beginning of year	130,000	143,343	13,343
	<u>142,050</u>	<u>201,619</u>	<u>59,569</u>
Fund balance at end of year	<u>\$ 142,050</u>	<u>\$ 201,619</u>	<u>\$ 59,569</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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and forfeitures	\$ 40,000	\$ 65,775	\$ 25,775
TOTAL REVENUES	<u>40,000</u>	<u>65,775</u>	<u>25,775</u>
EXPENDITURES			
Materials and services	125,000	109,481	15,519
Capital outlay	<u>50,000</u>	<u>-</u>	<u>50,000</u>
TOTAL EXPENDITURES	<u>175,000</u>	<u>109,481</u>	<u>65,519</u>
Net change in fund balance	(135,000)	(43,706)	91,294
Fund balance at beginning of year	<u>250,000</u>	<u>290,555</u>	<u>40,555</u>
Fund balance at end of year	<u>\$ 115,000</u>	<u>\$ 246,849</u>	<u>\$ 131,849</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, 2019**

	Budget	Actual	Variance
REVENUES			
Fines and forfeitures	\$ 30,000	\$ 35,650	\$ 5,650
Investment earnings	1,200	4,332	3,132
TOTAL REVENUES	31,200	39,982	8,782
EXPENDITURES			
Materials and services	13,000	2,950	10,050
Capital outlay	158,200	-	158,200
TOTAL EXPENDITURES	171,200	2,950	168,250
Excess (deficiency) of revenues over expenditures	(140,000)	37,032	177,032
OTHER FINANCING SOURCES (USES)			
Transfers out	(50,000)	(50,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(50,000)	(50,000)	-
Net change in fund balance	(190,000)	(12,968)	177,032
Fund balance at beginning of year	190,000	191,510	1,510
Fund balance at end of year	\$ -	\$ 178,542	\$ 178,542

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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Miscellaneous	\$ 30,000	\$ 44,068	\$ 14,068
TOTAL REVENUES	<u>30,000</u>	<u>44,068</u>	<u>14,068</u>
EXPENDITURES			
Materials and services	<u>50,000</u>	<u>29,089</u>	<u>20,911</u>
TOTAL EXPENDITURES	<u>50,000</u>	<u>29,089</u>	<u>20,911</u>
Net change in fund balance	(20,000)	14,979	34,979
Fund balance at beginning of year	<u>20,000</u>	<u>34,305</u>	<u>14,305</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 49,284</u>	<u>\$ 49,284</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, 2019**

	Budget	Actual	Variance
REVENUES			
Charges for services	\$ 20,000	\$ 32,694	\$ 12,694
Investment earnings	-	1,439	1,439
Miscellaneous	5,000	3,420	(1,580)
TOTAL REVENUES	25,000	37,553	12,553
EXPENDITURES			
Materials and services	35,000	6,272	28,728
Capital outlay	20,000	-	20,000
TOTAL EXPENDITURES	55,000	6,272	48,728
Net change in fund balance	(30,000)	31,281	61,281
Fund balance at beginning of year	30,000	50,701	20,701
Fund balance at end of year	\$ -	\$ 81,982	\$ 81,982

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, 2019**

	Budget	Actual	Variance
REVENUES			
Fines and forfeitures	\$ 2,000	\$ 3,096	\$ 1,096
Investment earnings	50	93	43
TOTAL REVENUES	2,050	3,189	1,139
EXPENDITURES			
Materials and services	2,050	-	2,050
TOTAL EXPENDITURES	2,050	-	2,050
Net change in fund balance	-	3,189	3,189
Fund balance at beginning of year	-	2,865	2,865
Fund balance at end of year	\$ -	\$ 6,054	\$ 6,054

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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and forfeitures	\$ 10,000	\$ 2,403	\$ (7,597)
Investment earnings	-	872	872
Miscellaneous	-	380	380
	<u>10,000</u>	<u>3,655</u>	<u>(6,345)</u>
TOTAL REVENUES	<u>10,000</u>	<u>3,655</u>	<u>(6,345)</u>
EXPENDITURES			
Materials and services	<u>60,000</u>	<u>14,043</u>	<u>45,957</u>
TOTAL EXPENDITURES	<u>60,000</u>	<u>14,043</u>	<u>45,957</u>
Net change in fund balance	(50,000)	(10,388)	39,612
Fund balance at beginning of year	<u>50,000</u>	<u>49,517</u>	<u>(483)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 39,129</u>	<u>\$ 39,129</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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment earnings	\$ 300	\$ 2,427	\$ 2,127
TOTAL REVENUES	<u>300</u>	<u>2,427</u>	<u>2,127</u>
EXPENDITURES			
Capital outlay	75,000	386	74,614
Contingency	<u>50,000</u>	<u>-</u>	<u>50,000</u>
TOTAL EXPENDITURES	<u>125,000</u>	<u>386</u>	<u>124,614</u>
Excess (deficiency) of revenues over expenditures	<u>(124,700)</u>	<u>2,041</u>	<u>126,741</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>25,500</u>	<u>25,500</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>25,500</u>	<u>25,500</u>	<u>-</u>
Net change in fund balance	(99,200)	27,541	126,741
Fund balance at beginning of year	<u>100,000</u>	<u>104,621</u>	<u>4,621</u>
Fund balance at end of year	<u><u>\$ 800</u></u>	<u><u>\$ 132,162</u></u>	<u><u>\$ 131,362</u></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, 2019**

	Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 53,000	\$ 53,167	\$ 167
Charges for services	872,300	918,164	45,864
Investment earnings	2,000	8,398	6,398
Miscellaneous	49,850	37,454	(12,396)
TOTAL REVENUES	977,150	1,017,183	40,033
EXPENDITURES			
Personal services	309,550	267,425	42,125
Materials and services	760,800	722,699	38,101
Capital outlay	10,000	6,800	3,200
Contingency	40,000	-	40,000
TOTAL EXPENDITURES	1,120,350	996,924	123,426
Excess (deficiency) of revenues over expenditures	(143,200)	20,259	163,459
OTHER FINANCING SOURCES (USES)			
Transfers out	(5,000)	(5,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(5,000)	(5,000)	-
Net change in fund balance	(148,200)	15,259	163,459
Fund balance at beginning of year	279,600	357,469	77,869
Fund balance at end of year	\$ 131,400	\$ 372,728	\$ 241,328

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, 2019**

	Budget	Actual	Variance
REVENUES			
Timber and land sales	\$ 7,600	\$ 7,634	\$ 34
Intergovernmental	128,300	7,940	(120,360)
Charges for services	2,070,280	2,351,230	280,950
Investment earnings	2,000	59,305	57,305
Miscellaneous	3,100	4,686	1,586
TOTAL REVENUES	2,211,280	2,430,795	219,515
EXPENDITURES			
Personal services	757,200	699,348	57,852
Materials and services	1,338,530	1,214,342	124,188
Capital outlay	2,506,800	450,861	2,055,939
Contingency	25,000	-	25,000
TOTAL EXPENDITURES	4,627,530	2,364,551	2,262,979
Net change in fund balance	(2,416,250)	66,244	2,482,494
Fund balance at beginning of year	2,590,000	2,688,561	98,561
Fund balance at end of year	\$ 173,750	\$ 2,754,805	\$ 2,581,055

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, 2019**

	Budget	Actual	Variance
REVENUES			
Intergovernmental	<u>\$ 1,600,000</u>	<u>\$ 1,758,072</u>	<u>\$ 158,072</u>
TOTAL REVENUES	<u>1,600,000</u>	<u>1,758,072</u>	<u>158,072</u>
EXPENDITURES			
Materials and services	<u>1,600,000</u>	<u>1,758,072</u>	<u>(158,072)</u>
TOTAL EXPENDITURES	<u>1,600,000</u>	<u>1,758,072</u>	<u>(158,072)</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>\$ -</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, 2019**

	Budget	Actual	Variance
REVENUES			
Charges for services	\$ 13,000	\$ 14,436	\$ 1,436
Investment earnings	<u>300</u>	<u>2,040</u>	<u>1,740</u>
TOTAL REVENUES	<u>13,300</u>	<u>16,476</u>	<u>3,176</u>
EXPENDITURES			
Materials and services	<u>103,300</u>	<u>11,802</u>	<u>91,498</u>
TOTAL EXPENDITURES	<u>103,300</u>	<u>11,802</u>	<u>91,498</u>
Net change in fund balance	(90,000)	4,674	94,674
Fund balance at beginning of year	<u>90,000</u>	<u>93,426</u>	<u>3,426</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 98,100</u></u>	<u><u>\$ 98,100</u></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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 310,800	\$ 337,598	\$ 26,798
Timber and land sales	66,000	107,189	41,189
Investment earnings	2,000	13,922	11,922
TOTAL REVENUES	<u>378,800</u>	<u>458,709</u>	<u>79,909</u>
EXPENDITURES			
Personal services	231,200	231,200	-
Materials and services	168,200	89,675	78,525
Capital outlay	53,700	53,696	4
Contingency	91,000	-	91,000
TOTAL EXPENDITURES	<u>544,100</u>	<u>374,571</u>	<u>169,529</u>
Excess (deficiency) of revenues over expenditures	<u>(165,300)</u>	<u>84,138</u>	<u>249,438</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balance	(215,300)	34,138	249,438
Fund balance at beginning of year	<u>558,100</u>	<u>554,517</u>	<u>(3,583)</u>
Fund balance at end of year	<u>\$ 342,800</u>	<u>\$ 588,655</u>	<u>\$ 245,855</u>

TILLAMOOK COUNTY

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 1,306,725	\$ 1,344,518	\$ 37,793
Investment earnings	<u>-</u>	<u>1,684</u>	<u>1,684</u>
TOTAL REVENUES	<u>1,306,725</u>	<u>1,346,202</u>	<u>39,477</u>
EXPENDITURES			
Debt service	<u>1,306,225</u>	<u>1,306,225</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,306,225</u>	<u>1,306,225</u>	<u>-</u>
Net change in fund balance	500	39,977	39,477
Fund balance at beginning of year	<u>-</u>	<u>64,638</u>	<u>64,638</u>
Fund balance at end of year	<u>\$ 500</u>	<u>\$ 104,615</u>	<u>\$ 104,115</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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 249,900	\$ 272,557	\$ 22,657
Investment earnings	-	655	655
TOTAL REVENUES	<u>249,900</u>	<u>273,212</u>	<u>23,312</u>
EXPENDITURES			
Debt service	<u>249,400</u>	<u>249,400</u>	-
TOTAL EXPENDITURES	<u>249,400</u>	<u>249,400</u>	-
Net change in fund balance	500	23,812	23,312
Fund balance at beginning of year	<u>-</u>	<u>4,970</u>	<u>4,970</u>
Fund balance at end of year	<u>\$ 500</u>	<u>\$ 28,782</u>	<u>\$ 28,282</u>

TILLAMOOK COUNTY

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

	Budget	Actual	Variance
REVENUES			
Investment earnings	\$ 1,000	\$ 557	\$ (443)
TOTAL REVENUES	1,000	557	(443)
EXPENDITURES			
Capital outlay	274,600	217,896	56,704
Contingency	21,400	-	21,400
TOTAL EXPENDITURES	296,000	217,896	78,104
Excess (deficiency) of revenues over expenditures	(295,000)	(217,339)	77,661
OTHER FINANCING SOURCES (USES)			
Transfers in	150,000	150,000	-
Issuance of debt	145,000	100,551	(44,449)
TOTAL OTHER FINANCING SOURCES (USES)	295,000	250,551	(44,449)
Net change in fund balance	-	33,212	33,212
Fund balance at beginning of year	-	16,199	16,199
Fund balance at end of year	\$ -	\$ 49,411	\$ 49,411

TILLAMOOK COUNTY

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment earnings	\$ 2,000	\$ 21,214	\$ 19,214
TOTAL REVENUES	<u>2,000</u>	<u>21,214</u>	<u>19,214</u>
EXPENDITURES			
Materials and services	500,000	-	500,000
Capital outlay	200,000	31,092	168,908
Contingency	<u>312,000</u>	<u>-</u>	<u>312,000</u>
TOTAL EXPENDITURES	<u>1,012,000</u>	<u>31,092</u>	<u>980,908</u>
Net change in fund balance	(1,010,000)	(9,878)	1,000,122
Fund balance at beginning of year	<u>1,010,000</u>	<u>1,048,858</u>	<u>38,858</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 1,038,980</u>	<u>\$ 1,038,980</u>

TILLAMOOK COUNTY

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

	Budget	Actual	Variance
EXPENDITURES			
Capital outlay	\$ 5,000	\$ -	\$ 5,000
TOTAL EXPENDITURES	5,000	-	5,000
Excess (deficiency) of revenues over expenditures	(5,000)	-	5,000
OTHER FINANCING SOURCES (USES)			
Transfers in	5,000	5,000	-
TOTAL OTHER FINANCING SOURCES (USES)	5,000	5,000	-
Net change in fund balance	-	5,000	5,000
Fund balance at beginning of year	-	15,170	15,170
Fund balance at end of year	\$ -	\$ 20,170	\$ 20,170

TILLAMOOK COUNTY

**TILLAMOOK COUNTY 4-H AND 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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment earnings	\$ 300	\$ 1,849	\$ 1,549
TOTAL REVENUES	<u>300</u>	<u>1,849</u>	<u>1,549</u>
EXPENDITURES			
Materials and services	4,900	-	4,900
Capital outlay	<u>120,000</u>	<u>-</u>	<u>120,000</u>
TOTAL EXPENDITURES	<u>124,900</u>	<u>-</u>	<u>124,900</u>
Excess (deficiency) of revenues over expenditures	<u>(124,600)</u>	<u>1,849</u>	<u>126,449</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balance	(74,600)	51,849	126,449
Fund balance at beginning of year	<u>74,600</u>	<u>74,504</u>	<u>(96)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 126,353</u>	<u>\$ 126,353</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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment earnings	<u>\$ 500</u>	<u>\$ 1,008</u>	<u>\$ 508</u>
TOTAL REVENUES	<u>500</u>	<u>1,008</u>	<u>508</u>
EXPENDITURES			
Materials and services	<u>184,500</u>	<u>27,314</u>	<u>157,186</u>
TOTAL EXPENDITURES	<u>184,500</u>	<u>27,314</u>	<u>157,186</u>
Net change in fund balance	(184,000)	(26,306)	157,694
Fund balance at beginning of year	<u>184,000</u>	<u>76,510</u>	<u>(107,490)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 50,204</u>	<u>\$ 50,204</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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment earnings	\$ 1,000	\$ 3,086	\$ 2,086
TOTAL REVENUES	<u>1,000</u>	<u>3,086</u>	<u>2,086</u>
EXPENDITURES			
Capital outlay	207,000	37,869	169,131
Contingency	<u>500,000</u>	<u>-</u>	<u>500,000</u>
TOTAL EXPENDITURES	<u>707,000</u>	<u>37,869</u>	<u>669,131</u>
Excess (deficiency) of revenues over expenditures	<u>(706,000)</u>	<u>(34,783)</u>	<u>671,217</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>550,000</u>	<u>550,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>550,000</u>	<u>550,000</u>	<u>-</u>
Net change in fund balance	(156,000)	515,217	671,217
Fund balance at beginning of year	<u>158,000</u>	<u>160,515</u>	<u>2,515</u>
Fund balance at end of year	<u>\$ 2,000</u>	<u>\$ 675,732</u>	<u>\$ 673,732</u>

TILLAMOOK COUNTY

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

	Budget	Actual	Variance
REVENUES			
Investment earnings	\$ 2,000	\$ 32,567	\$ 30,567
TOTAL REVENUES	2,000	32,567	30,567
EXPENDITURES			
Materials and services	1,200,500	142,676	1,057,824
Capital outlay	451,500	15,625	435,875
TOTAL EXPENDITURES	1,652,000	158,301	1,493,699
Excess (deficiency) of revenues over expenditures	(1,650,000)	(125,734)	1,524,266
OTHER FINANCING SOURCES (USES)			
Transfers in	250,000	250,000	-
TOTAL OTHER FINANCING SOURCES (USES)	250,000	250,000	-
Net change in fund balance	(1,400,000)	124,266	1,524,266
Fund balance at beginning of year	1,400,000	1,604,031	204,031
Fund balance at end of year	\$ -	\$ 1,728,297	\$ 1,728,297

TILLAMOOK COUNTY

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

	Budget	Actual	Variance
OTHER FINANCING SOURCES (USES)			
Transfers out	\$ (20,000)	\$ (16,247)	\$ 3,753
TOTAL OTHER FINANCING SOURCES (USES)	(20,000)	(16,247)	3,753
Net change in fund balance	(20,000)	(16,247)	3,753
Fund balance at beginning of year	20,000	16,247	(3,753)
 Fund balance at end of year	 \$ -	 \$ -	 \$ -

TILLAMOOK COUNTY

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

	Budget	Actual	Variance
REVENUES			
Investment earnings	\$ 100	\$ -	\$ (100)
TOTAL REVENUES	100	-	(100)
EXPENDITURES			
Materials and services	86,600	67,525	19,075
Capital outlay	12,500	-	12,500
TOTAL EXPENDITURES	99,100	67,525	31,575
Excess (deficiency) of revenues over expenditures	(99,000)	(67,525)	31,475
OTHER FINANCING SOURCES (USES)			
Transfers in	50,000	50,000	-
TOTAL OTHER FINANCING SOURCES (USES)	50,000	50,000	-
Net change in fund balance	(49,000)	(17,525)	31,475
Fund balance at beginning of year	49,000	69,847	20,847
Fund balance at end of year	\$ -	\$ 52,322	\$ 52,322

Proprietary Funds

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

Solid Waste - accounts for the operation of three solid waste transfer stations.

Solid Waste Sinking - accounts for funds set aside for capital improvements to the transfer stations.

Solid Waste Post Closure Reserve - accounts for funds set aside for potential costs of environmental remediation of the closed County landfill.



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, 2019**

	Budget	Actual	Variance
REVENUES			
Assessments	\$ 235,000	\$ 236,087	\$ 1,087
Intergovernmental	28,200	-	(28,200)
Charges for services	2,690,000	2,502,967	(187,033)
Investment earnings	3,500	2,120	(1,380)
Miscellaneous	23,000	41,234	18,234
TOTAL REVENUES	2,979,700	2,782,408	(197,292)
EXPENDITURES			
Personal services	312,600	304,599	8,001
Materials and services	2,503,850	2,423,450	80,400
Capital outlay	1,250	200	1,050
Contingency	85,000	-	85,000
TOTAL EXPENDITURES	2,902,700	2,728,249	174,451
Excess (deficiency) of revenues over expenditures	77,000	54,159	(22,841)
OTHER FINANCING SOURCES (USES)			
Transfers out	(242,000)	(123,667)	(118,333)
TOTAL OTHER FINANCING SOURCES (USES)	(242,000)	(123,667)	(118,333)
Net change in fund balance	(165,000)	(69,508)	95,492
Fund balance at beginning of year	175,000	145,480	(29,520)
Fund balance at end of year	\$ 10,000	75,972	\$ 65,972
Reconciliation to generally accepted accounting principles:			
Receivables		208,649	
Capital assets, net		1,890,239	
Deferred outflows of resources		83,018	
Accounts payable and accrued liabilities		(179,982)	
Accumulated compensated absences		(7,455)	
Other postemployment benefit liability		(175,958)	
Net pension liability		(218,448)	
Landfill post-closure care liability		(1,200,260)	
Deferred inflows of resources		(50,131)	
Net position at end of year		\$ 425,644	

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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment earnings	\$ 5,000	\$ 11,190	\$ 6,190
Miscellaneous	-	6,750	6,750
TOTAL REVENUES	<u>5,000</u>	<u>17,940</u>	<u>12,940</u>
EXPENDITURES			
Capital outlay	340,000	151,258	188,742
Contingency	120,000	-	120,000
TOTAL EXPENDITURES	<u>460,000</u>	<u>151,258</u>	<u>308,742</u>
Excess (deficiency) of revenues over expenditures	<u>(455,000)</u>	<u>(133,318)</u>	<u>321,682</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	142,000	23,667	118,333
TOTAL OTHER FINANCING SOURCES (USES)	<u>142,000</u>	<u>23,667</u>	<u>118,333</u>
Net change in fund balance	(313,000)	(109,651)	203,349
Fund balance at beginning of year	<u>575,000</u>	<u>598,360</u>	<u>23,360</u>
Fund balance at end of year	<u>\$ 262,000</u>	<u>\$ 488,709</u>	<u>\$ 226,709</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, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment earnings	\$ 15,000	\$ 19,929	\$ 4,929
TOTAL REVENUES	<u>15,000</u>	<u>19,929</u>	<u>4,929</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance	115,000	119,929	4,929
Fund balance at beginning of year	<u>915,000</u>	<u>917,800</u>	<u>2,800</u>
Fund balance at end of year	<u>\$ 1,030,000</u>	<u>\$ 1,037,729</u>	<u>\$ 7,729</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

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

	Balances July 1, 2018	Additions	Deductions	Balances June 30, 2019
ASSETS				
Cash and investments	\$ 1,014,086	\$ 84,523,215	\$ 84,430,092	\$ 1,107,209
Receivables	<u>6,834,797</u>	<u>76,508,503</u>	<u>75,154,035</u>	<u>8,189,265</u>
TOTAL ASSETS	<u>\$ 7,848,883</u>	<u>\$ 161,031,718</u>	<u>\$ 159,584,127</u>	<u>\$ 9,296,474</u>
LIABILITIES				
Due to other governments	<u>\$ 7,848,883</u>	<u>\$ 161,031,718</u>	<u>\$ 159,584,127</u>	<u>\$ 9,296,474</u>



**CAPITAL ASSETS USED IN
GOVERNMENTAL ACTIVITIES**

TILLAMOOK COUNTY

SCHEDULE OF CAPITAL ASSETS
GOVERNMENTAL ACTIVITIES

June 30, 2019

CAPITAL ASSETS

Land	\$ 7,738,469
Land improvements	2,702,960
Buildings	34,993,808
Equipment	11,177,073
Infrastructure	31,821,858
Construction in progress	<u>16,442,020</u>

TOTAL CAPITAL ASSETS \$ 104,876,188

INVESTMENT IN CAPITAL ASSETS

General fund	\$ 16,992,463
Special revenue funds	47,878,863
Capital project funds	<u>40,004,862</u>

TOTAL INVESTMENT IN CAPITAL ASSETS \$ 104,876,188

TILLAMOOK COUNTY

SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY
 GOVERNMENTAL ACTIVITIES
 June 30, 2019

Function and Activity	Totals	Land				Infrastructure	Construction in Progress
		Land	Improvements	Buildings	Equipment		
General government:							
Board of County Commissioners	\$ 5,576	\$ -	\$ -	\$ -	\$ 5,576	\$ -	\$ -
District Attorney	71,512	-	-	-	71,512	-	-
County Clerk	272,513	-	-	-	272,513	-	-
County Assessor	168,830	-	-	-	168,830	-	-
Courthouse	2,951,571	702,367	-	2,113,209	115,914	11,581	8,500
County Surveyor	55,991	-	-	-	55,991	-	-
Community Development	762,510	550,186	-	-	212,324	-	-
Data processing	708,250	-	-	33,782	674,468	-	-
Juvenile	57,709	-	-	-	57,709	-	-
Personnel	18,578	-	-	-	18,578	-	-
Other - unclassified	1,844,496	345,056	-	555,791	943,649	-	-
Total general government	<u>6,917,536</u>	<u>1,597,609</u>	<u>-</u>	<u>2,702,782</u>	<u>2,597,064</u>	<u>11,581</u>	<u>8,500</u>
Public safety							
County Sheriff	1,777,686	-	42,678	-	1,735,008	-	-
Communications	70,288	-	-	31,258	39,030	-	-
Corrections	12,295,245	-	-	11,661,115	583,204	-	50,926
Courts	261,837	-	-	225,316	36,521	-	-
Total public safety	<u>14,405,056</u>	<u>-</u>	<u>42,678</u>	<u>11,917,689</u>	<u>2,393,763</u>	<u>-</u>	<u>50,926</u>
Highways and streets	<u>53,199,862</u>	<u>1,475,557</u>	<u>159,804</u>	<u>107,768</u>	<u>4,393,297</u>	<u>30,930,385</u>	<u>16,133,051</u>
Culture and recreation							
Parks	8,063,894	2,227,960	2,172,205	2,239,588	458,133	716,465	249,543
Library	661,724	97,155	-	123,715	277,427	163,427	-
Fair	4,738,332	54,156	88,128	4,195,491	400,557	-	-
Total culture and recreation	<u>13,463,950</u>	<u>2,379,271</u>	<u>2,260,333</u>	<u>6,558,794</u>	<u>1,136,117</u>	<u>879,892</u>	<u>249,543</u>
Health and welfare	<u>15,163,167</u>	<u>2,286,032</u>	<u>12,545</u>	<u>12,213,227</u>	<u>651,363</u>	<u>-</u>	<u>-</u>
Education	<u>1,726,617</u>	<u>-</u>	<u>227,600</u>	<u>1,493,548</u>	<u>5,469</u>	<u>-</u>	<u>-</u>
Total capital assets	<u>\$ 104,876,188</u>	<u>\$ 7,738,469</u>	<u>\$ 2,702,960</u>	<u>\$ 34,993,808</u>	<u>\$ 11,177,073</u>	<u>\$ 31,821,858</u>	<u>\$ 16,442,020</u>

TILLAMOOK COUNTY

SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY
 GOVERNMENT ACTIVITIES
 For the Year Ended June 30, 2019

<u>Function and Activity</u>	<u>Balances</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>June 30, 2019</u>
General government				
Board of County Commissioners	\$ 15,276	\$ -	\$ 9,700	\$ 5,576
District Attorney	71,512	-	-	71,512
County Clerk	272,513	-	-	272,513
County Assessor	178,530	-	9,700	168,830
Courthouse	2,927,026	24,545	-	2,951,571
County Surveyor	55,991	-	-	55,991
Community Development	772,410	-	9,900	762,510
Data processing	708,250	-	-	708,250
Juvenile	57,709	-	-	57,709
Personnel	18,578	-	-	18,578
Other - unclassified	1,796,579	47,917	-	1,844,496
Total general government	<u>6,874,374</u>	<u>72,462</u>	<u>29,300</u>	<u>6,917,536</u>
Public safety				
County Sheriff	1,771,346	203,496	197,156	1,777,686
Communications	70,288	-	-	70,288
Corrections	12,241,591	53,654	-	12,295,245
Courts	261,837	-	-	261,837
Total public safety	<u>14,345,062</u>	<u>257,150</u>	<u>197,156</u>	<u>14,405,056</u>
Highways and streets	<u>45,821,246</u>	<u>7,378,616</u>	<u>-</u>	<u>53,199,862</u>
Culture and recreation				
Parks	7,624,512	439,382	-	8,063,894
Library	647,865	31,092	17,233	661,724
Fair	4,738,332	-	-	4,738,332
Total culture and recreation	<u>13,010,709</u>	<u>470,474</u>	<u>17,233</u>	<u>13,463,950</u>
Health and welfare	<u>14,748,092</u>	<u>415,075</u>	<u>-</u>	<u>15,163,167</u>
Education	<u>1,726,617</u>	<u>-</u>	<u>-</u>	<u>1,726,617</u>
Total capital assets	<u>\$ 96,526,100</u>	<u>\$ 8,593,777</u>	<u>\$ 243,689</u>	<u>\$ 104,876,188</u>

**LONG-TERM OBLIGATIONS OF
OF GOVERNMENTAL ACTIVITIES**



TILLAMOOK COUNTY

SCHEDULE OF LONG-TERM OBLIGATIONS PRINCIPAL AND INTEREST TRANSACTIONS
GOVERNMENTAL ACTIVITIES
For the Year Ended June 30, 2019

Obligation	Interest Rates	Date of Issue	Principal			Interest Matured and Paid	
			Outstanding July 1, 2018	Issued Current Year	Matured and Paid		Outstanding June 30, 2019
General obligation bond issues							
2013 Refunding	3.0% -4.1%	9/23/2013	\$ 1,335,000	\$ -	\$ 200,000	\$ 1,135,000	\$ 49,400
2013 Road	3.0% -4.1%	9/23/2013	1,280,000	-	1,280,000	-	26,225
2018 Bonds	4.0%-5.0%	12/18/2018	-	7,800,000	-	7,800,000	-
Total general obligation bond issues			2,615,000	7,800,000	1,480,000	8,935,000	75,625
Loans							
OEDD	6.00%	3/1/2000	67,133	-	32,589	34,544	4,028
TLC	0%	2/25/2008	150,000	-	75,000	75,000	-
Chase	2.52%	9/3/2015	2,500,000	-	225,000	2,275,000	63,000
Total loans			2,717,133	-	332,589	2,384,544	67,028
Capital leases							
US Bancorp	2.50%	8/22/2014	46,850	-	46,850	-	1,169
US Bancorp	2.509%	11/30/2015	63,530	-	31,535	31,995	1,602
US Bancorp	2.295%	8/15/2016	101,798	-	33,165	68,633	2,336
US Bancorp	4.242%	10/12/2018	-	100,551	21,815	78,736	-
Total capital leases			212,178	100,551	133,365	179,364	5,107
Total			\$ 5,544,311	\$ 7,900,551	\$ 1,945,954	\$ 11,498,908	\$ 147,760

TILLAMOOK COUNTY

SCHEDULE OF LONG-TERM OBLIGATIONS FUTURE DEBT SERVICE REQUIREMENTS
 GOVERNMENTAL ACTIVITIES
 June 30, 2019

	General Obligation Bond Issues				Loans		
	2013 Refunding		2018 Bonds		OEDD		TLC
	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2019-20	\$ 210,000	\$ 41,200	\$ 800,000	\$ 510,660	\$ 34,544	\$ 2,074	\$ 75,000
2020-21	220,000	32,600	1,075,000	288,875	-	-	-
2021-22	225,000	23,700	1,190,000	232,250	-	-	-
2022-23	235,000	14,500	1,310,000	169,750	-	-	-
2023-24	245,000	4,900	1,420,000	108,600	-	-	-
2024-25	-	-	280,000	74,600	-	-	-
2025-26	-	-	300,000	63,000	-	-	-
2026-27	-	-	320,000	50,600	-	-	-
2027-28	-	-	345,000	37,300	-	-	-
2028-29	-	-	370,000	23,000	-	-	-
2029-30	-	-	390,000	7,800	-	-	-
	<u>\$ 1,135,000</u>	<u>\$ 116,900</u>	<u>\$ 7,800,000</u>	<u>\$ 1,566,435</u>	<u>\$ 34,544</u>	<u>\$ 2,074</u>	<u>\$ 75,000</u>

Loans		Capital Leases							
Chase		US Bank		US Bank		US Bank		Totals	
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
\$ 230,000	\$ 57,330	\$ 31,995	\$ 811	\$ 33,927	\$ 1,575	\$ 18,475	\$ 3,340	\$ 1,433,941	\$ 616,990
235,000	51,534	-	-	34,706	797	19,259	2,556	1,583,965	376,362
240,000	45,612	-	-	-	-	20,076	1,739	1,675,076	303,301
245,000	39,564	-	-	-	-	20,926	888	1,810,926	224,702
250,000	33,390	-	-	-	-	-	-	1,915,000	146,890
260,000	27,090	-	-	-	-	-	-	540,000	101,690
265,000	20,538	-	-	-	-	-	-	565,000	83,538
270,000	13,860	-	-	-	-	-	-	590,000	64,460
280,000	7,056	-	-	-	-	-	-	625,000	44,356
-	-	-	-	-	-	-	-	370,000	23,000
-	-	-	-	-	-	-	-	390,000	7,800
<u>\$ 2,275,000</u>	<u>\$ 295,974</u>	<u>\$ 31,995</u>	<u>\$ 811</u>	<u>\$ 68,633</u>	<u>\$ 2,372</u>	<u>\$ 78,736</u>	<u>\$ 8,523</u>	<u>\$ 11,498,908</u>	<u>\$ 1,993,089</u>

TILLAMOOK COUNTY

**SCHEDULE OF ACCOUNTABILITY FOR INDEPENDENTLY ELECTED OFFICIALS
As of and for the Year Ended June 30, 2019**

Elected Officials	Cash and Investments Balances July 1, 2018	Cash Receipts	Cash Turnovers and Disbursements to County Treasurer and Others	Cash and Investments Balances June 30, 2019
County Clerk	\$ -	\$ 310,191	\$ 310,191	\$ -
Justice of the Peace	-	376,499	376,499	-
Sheriff	56,288	73,227	74,273	55,242
Tax Collector	-	56,583,664	56,583,664	-
Treasurer	33,032,239	183,825,135	169,977,997	46,879,377
Totals	<u>\$33,088,527</u>	<u>\$241,168,716</u>	<u>\$227,322,624</u>	<u>\$46,934,619</u>
Cash and investments as of June 30, 2019				
Deposits with financial institutions				\$ 2,955,685
Cash on hand				11,124
U.S. Government Agencies				5,057,873
Corporate debt obligation securities				6,249,579
Municipal bonds				506,508
State treasurer's investment pool				<u>32,153,850</u>
Cash and investments for elected officials				46,934,619
Cash held by County Fair Board				437,314
Held by custodian under pension plan, primarily mutual funds				<u>73,300,467</u>
Total cash and investments				<u>\$120,672,400</u>
Reported in the basic financial statements as:				
Governmental activities - cash and cash equivalents				\$ 33,947,337
Business-type activities - cash and cash equivalents				1,610,636
Governmental activities - investments				10,706,751
Pension trust				
Cash and cash equivalents				635,559
Investments				72,664,908
Agency funds				
Investments				<u>1,107,209</u>
				<u>\$120,672,400</u>

STATISTICAL SECTION



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 County's most significant revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current level 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.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.



TILLAMOOK COUNTY

**NET POSITION BY COMPONENT
Last Ten Fiscal Years**

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Net investment capital asset	\$66,926,025	\$58,914,012	\$47,823,024	\$48,975,851	\$45,742,856	\$43,587,827	\$42,719,867	\$42,615,214	\$44,019,014	\$37,071,660
Restricted	23,825,583	20,631,880	16,716,526	16,377,192	15,968,746	10,267,130	9,988,891	9,150,515	9,617,647	3,777,499
Unrestricted	(13,110,226)	(17,954,689)	(10,705,727)	(10,609,267)	(8,701,669)	6,006,435	7,527,068	9,038,864	5,672,012	17,653,947
Total governmental activities net position	<u>\$77,641,382</u>	<u>\$61,591,203</u>	<u>\$53,833,823</u>	<u>\$54,743,776</u>	<u>\$53,009,933</u>	<u>\$59,861,392</u>	<u>\$60,235,826</u>	<u>\$60,804,593</u>	<u>\$59,308,673</u>	<u>\$58,503,106</u>
Business-type activities										
Net investment capital asset	\$ 1,890,239	\$ 1,896,323	\$ 2,019,882	\$ 2,247,807	\$ 2,167,459	\$ 2,252,799	\$ 2,360,555	\$ 2,455,401	\$ 2,156,940	\$ 2,085,051
Unrestricted	61,843	157,893	68,487	(160,260)	156,971	352,704	122,246	219,089	659,708	724,915
Total business-type activities net position	<u>\$ 1,952,082</u>	<u>\$ 2,054,216</u>	<u>\$ 2,088,369</u>	<u>\$ 2,087,547</u>	<u>\$ 2,324,430</u>	<u>\$ 2,605,503</u>	<u>\$ 2,482,801</u>	<u>\$ 2,674,490</u>	<u>\$ 2,816,648</u>	<u>\$ 2,809,966</u>
Totals - all activities										
Net investment capital asset	\$68,816,264	\$60,810,335	\$49,842,906	\$51,223,658	\$47,910,315	\$45,840,626	\$45,080,422	\$45,070,615	\$46,175,954	\$39,156,711
Restricted	23,825,583	20,631,880	16,716,526	16,377,192	15,968,746	10,267,130	9,988,891	9,150,515	9,617,647	3,777,499
Unrestricted	(13,048,383)	(17,796,796)	(10,637,240)	(10,769,527)	(8,544,698)	6,359,139	7,649,314	9,257,953	6,331,720	18,378,862
Total net position	<u>\$79,593,464</u>	<u>\$63,645,419</u>	<u>\$55,922,192</u>	<u>\$56,831,323</u>	<u>\$55,334,363</u>	<u>\$62,466,895</u>	<u>\$62,718,627</u>	<u>\$63,479,083</u>	<u>\$62,125,321</u>	<u>\$61,313,072</u>

The beginning net position of the governmental activities and business-type activities as of July 1, 2014 was adjusted for the implementation of GASB 68 in the amount of \$(9,589,455) and \$(63,590), respectively

The beginning net position of the governmental activities as of July 1, 2016 was adjusted for a correction in capital assets in the amount of \$(4,992,510)

The beginning net position of the governmental activities and business-type activities as of July 1, 2017 was adjusted for the implementation of GASB 75 in the amount of \$(7,677,087) and \$(158,795), respectively

The beginning net position of the governmental activities as of July 1, 2018 was adjusted for a correction in capital assets in the amount of \$(2,059,861)

TILLAMOOK COUNTY
CHANGES IN NET POSITION
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental activities										
General government	\$ 12,874,256	\$ 13,574,920	\$ 17,334,354	\$ 14,426,926	\$ 13,188,777	\$ 11,560,270	\$ 10,453,790	\$ 9,934,062	\$ 10,897,384	\$ 9,331,403
Public safety	7,667,402	8,116,563	7,995,194	8,576,618	7,503,407	7,912,221	7,616,317	7,719,096	7,754,878	7,482,483
Highways and streets	3,987,484	4,488,096	4,503,377	6,702,265	4,691,512	5,495,551	4,746,759	4,431,828	4,825,966	4,482,036
Culture and recreation	5,916,513	6,762,342	6,626,056	6,267,088	5,727,138	5,533,318	5,028,281	4,951,190	4,490,789	4,288,657
Health and welfare	8,880,977	9,693,664	9,518,753	8,501,652	7,296,419	7,074,190	6,199,816	5,703,431	5,290,597	5,093,360
Education	5,516,777	4,106,960	4,011,849	3,892,709	3,110,258	3,748,080	3,420,184	2,355,043	2,887,100	3,019,596
Interest	301,726	152,207	187,662	197,854	187,015	214,280	363,477	393,364	454,086	511,485
Total governmental activities	45,145,135	46,894,752	50,177,245	48,565,112	41,704,526	41,537,910	37,828,624	35,488,014	36,600,800	34,209,020
Business-type activities										
Solid waste	2,907,309	2,657,787	2,761,474	2,567,958	2,213,733	1,842,483	1,986,866	1,997,550	1,863,490	1,563,107
Total expenses	\$ 48,052,444	\$ 49,552,539	\$ 52,938,719	\$ 51,133,070	\$ 43,918,259	\$ 43,380,393	\$ 39,815,490	\$ 37,485,564	\$ 38,464,290	\$ 35,772,127
Program revenues										
Governmental activities										
Charges for services										
General government	\$ 3,805,032	\$ 3,792,869	\$ 3,615,482	\$ 3,461,057	\$ 3,037,348	\$ 2,912,809	\$ 2,730,216	\$ 3,268,622	\$ 3,350,795	\$ 3,093,560
Public safety	928,390	921,514	902,971	1,055,835	891,028	798,203	916,654	827,688	812,281	679,201
Highways and streets	137,190	123,302	123,557	118,038	639,894	1,106,357	549,505	574,350	533,556	282,259
Culture and recreation	3,260,539	3,210,426	2,851,834	2,645,248	2,564,708	2,207,786	2,123,390	1,756,832	1,844,767	1,864,620
Health and welfare	3,666,868	4,259,743	3,860,933	4,152,013	4,452,280	2,804,328	1,783,411	1,818,001	1,684,237	1,799,361
Education	-	-	-	-	-	-	-	-	29	-
Operating grants and contributions	12,332,584	11,436,960	11,054,934	11,956,385	8,542,630	8,174,975	7,846,715	8,194,060	8,476,992	7,693,145
Capital grants and contributions	2,920,777	12,015,458	2,019,080	81,151	65,661	134,813	125,774	2,506,529	1,275,535	95,231
Total governmental activities	27,051,380	35,760,272	24,428,791	23,469,727	20,193,549	18,139,271	16,075,665	18,946,082	17,978,192	15,507,377
Business-type activities										
Charges for services	2,724,547	2,733,663	2,580,455	2,299,767	1,984,955	1,946,113	1,768,038	1,778,065	1,710,689	1,675,149
Operating grants	-	-	25,000	-	-	1,371	-	1,000	46,200	-
Capital grants	-	-	116,860	-	-	-	19,800	70,000	-	-
Total business-type activities	2,724,547	2,733,663	2,722,315	2,299,767	1,984,955	1,947,484	1,787,838	1,849,065	1,756,889	1,675,149
Total program revenues	\$ 29,775,927	\$ 38,493,935	\$ 27,151,106	\$ 25,769,494	\$ 22,178,504	\$ 20,086,755	\$ 17,863,503	\$ 20,795,147	\$ 19,735,081	\$ 17,182,526
Net (expense) / revenue										
Governmental activities	\$ (18,093,755)	\$ (11,134,480)	\$ (25,748,454)	\$ (25,095,385)	\$ (21,510,977)	\$ (23,398,639)	\$ (21,752,959)	\$ (16,541,932)	\$ (18,622,608)	\$ (18,701,643)
Business-type activities	(182,762)	75,876	(39,159)	(268,191)	(228,778)	105,001	(199,028)	(148,485)	(106,601)	112,042
Total net (expense) / revenue	\$ (18,276,517)	\$ (11,058,604)	\$ (25,787,613)	\$ (25,363,576)	\$ (21,739,755)	\$ (23,293,638)	\$ (21,951,987)	\$ (16,690,417)	\$ (18,729,209)	\$ (18,589,601)
General revenues										
Governmental activities										
Property taxes	\$ 12,913,585	\$ 12,439,328	\$ 11,740,726	\$ 11,920,575	\$ 12,169,570	\$ 12,682,828	\$ 10,907,719	\$ 10,712,390	\$ 10,414,096	\$ 10,083,863
Other taxes	4,515,072	4,023,197	3,158,895	2,990,229	2,626,521	644,452	187,171	179,630	161,778	200,083
Unrestricted grants and contributions	1,554,753	1,616,791	1,051,485	1,480,359	1,501,277	1,692,103	1,506,904	3,465,267	4,746,992	5,449,169
Timber and land sales	12,858,399	9,013,375	12,378,847	9,278,590	6,959,813	6,781,116	7,636,245	2,342,060	2,789,366	3,304,836
Unrestricted investment earnings	901,727	432,019	231,618	126,381	95,435	93,112	86,255	86,692	98,664	187,697
Miscellaneous	1,400,398	1,104,098	1,269,440	1,033,094	896,357	1,130,594	858,761	1,235,353	1,214,859	704,016
Gain (loss) on disposition of property	-	-	-	-	-	-	1,137	16,460	2,420	-
Total governmental activities	34,143,934	28,628,808	29,831,011	26,829,228	24,248,973	23,024,205	21,184,192	18,037,852	19,428,175	19,929,664
Business-type activities										
Unrestricted investment earnings	33,239	21,611	10,389	6,420	5,279	4,742	5,056	5,068	7,351	14,499
Miscellaneous	47,389	27,155	29,592	24,888	6,016	12,959	2,283	1,259	105,932	1,436
Total business-type activities	80,628	48,766	39,981	31,308	11,295	17,701	7,339	6,327	113,283	15,935
Total general revenues	\$ 34,224,562	\$ 28,677,574	\$ 29,870,992	\$ 26,860,536	\$ 24,260,268	\$ 23,041,906	\$ 21,191,531	\$ 18,044,179	\$ 19,541,458	\$ 19,945,599
Change in net position										
Governmental activities	\$ 16,050,179	\$ 17,494,328	\$ 4,082,557	\$ 1,733,843	\$ 2,737,996	\$ (374,434)	\$ (568,767)	\$ 1,495,920	\$ 805,567	\$ 1,228,021
Business-type activities	(102,134)	124,642	822	(236,883)	(217,483)	122,702	(191,689)	(142,158)	6,682	127,977
Total change in net position	\$ 15,948,045	\$ 17,618,970	\$ 4,083,379	\$ 1,496,960	\$ 2,520,513	\$ (251,732)	\$ (760,456)	\$ 1,353,762	\$ 812,249	\$ 1,355,998

TILLAMOOK COUNTY

**FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years**

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011*	2010
General Fund										
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,043,291
Assigned	2,301,407	2,255,217	2,224,813	2,207,567	2,197,426	2,687,585	2,678,311	-	-	-
Unassigned	13,454,175	10,107,555	8,432,803	7,787,620	6,554,855	6,538,976	7,508,823	10,416,940	10,718,830	-
Total general fund	<u>\$15,755,582</u>	<u>\$12,362,772</u>	<u>\$10,657,616</u>	<u>\$ 9,995,187</u>	<u>\$ 8,752,281</u>	<u>\$ 9,226,561</u>	<u>\$10,187,134</u>	<u>\$10,416,940</u>	<u>\$10,718,830</u>	<u>\$ 8,043,291</u>
All other governmental funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,774
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	11,771,220
Capital projects funds	-	-	-	-	-	-	-	-	-	1,759,915
Restricted	31,010,791	19,994,063	16,498,708	16,105,425	15,669,130	15,797,133	9,392,145	8,907,041	9,477,736	-
Assigned	3,655,261	2,956,165	3,328,954	1,965,513	2,628,863	2,410,145	1,589,910	1,644,400	1,458,727	-
Unassigned	-	(4,033)	(2,090)	(1,304)	(21,784)	-	-	-	(4,370)	-
Total all other governmental funds	<u>\$34,666,052</u>	<u>\$22,946,195</u>	<u>\$19,825,572</u>	<u>\$18,069,634</u>	<u>\$18,276,209</u>	<u>\$18,207,278</u>	<u>\$10,982,055</u>	<u>\$10,551,441</u>	<u>\$10,932,093</u>	<u>\$13,737,909</u>

* 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 - GOVERNMENTAL FUNDS Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Property taxes	\$ 12,911,461	\$ 12,506,373	\$ 11,778,226	\$ 11,880,354	\$ 12,246,061	\$ 12,665,784	\$ 10,943,530	\$ 10,714,016	\$ 10,333,210	\$ 9,987,473
Transient lodging tax	4,220,898	3,638,113	2,971,997	2,805,887	2,431,178	468,760	-	-	-	-
Licences, permits and fees	2,079,830	2,101,998	1,927,988	652,098	1,348,248	1,201,714	1,180,674	627,586	600,973	1,303,389
Intergovernmental	14,498,063	13,790,277	12,742,189	11,203,780	10,587,649	10,009,799	9,530,283	11,963,865	14,536,914	13,526,561
Charges for services	7,299,608	7,839,014	7,180,057	11,079,655	8,025,166	6,981,153	5,148,972	5,612,304	5,381,155	4,384,487
Fines and forfeitures	532,351	478,792	423,681	595,486	417,618	426,011	436,745	552,940	630,989	631,219
Timber and land sales	12,854,315	9,009,611	12,378,847	9,134,224	6,863,904	6,677,739	7,522,718	2,292,024	2,743,241	3,190,547
Interest	906,199	432,019	231,618	126,604	95,435	93,112	86,350	86,692	98,664	187,697
Intercounty charges	1,583,436	1,603,807	1,632,026	1,510,300	1,354,772	1,297,306	1,213,233	1,348,615	1,409,253	1,174,756
Miscellaneous	1,540,485	1,243,736	1,495,410	1,278,312	1,123,423	1,337,303	1,091,354	3,029,694	1,679,046	985,109
Total revenues	58,426,646	52,643,740	52,762,039	50,266,700	44,493,454	41,158,681	37,153,859	36,227,736	37,413,445	35,371,238
Expenditures										
Current:										
General government	13,031,978	12,954,793	16,431,519	13,022,505	12,582,032	10,905,793	9,980,713	9,265,504	10,528,662	8,853,114
Public safety	7,529,206	7,255,820	6,884,329	6,822,402	6,730,679	6,900,868	6,848,038	6,796,559	7,121,264	6,812,616
Highways and streets	4,596,478	3,880,229	3,481,735	4,341,151	4,255,633	4,922,296	3,255,373	3,949,224	4,262,450	3,567,824
Culture and recreation	5,752,496	6,194,801	5,827,293	5,078,232	4,951,594	4,723,601	4,399,019	4,150,125	3,945,989	3,694,391
Health and welfare	8,811,184	8,884,283	8,785,587	7,968,572	7,038,666	6,761,274	6,002,697	5,507,666	5,193,134	4,902,771
Education	5,487,634	4,090,945	4,031,341	3,886,065	3,103,615	3,741,437	3,413,540	2,348,399	2,880,506	3,012,953
Capital outlay	4,598,919	2,500,805	3,026,850	8,793,087	3,837,408	1,319,309	1,139,566	2,977,910	1,665,946	1,406,921
Debt service:										
Principal	1,945,954	1,854,638	1,832,413	2,297,558	2,273,000	2,997,751	1,612,974	1,582,031	1,522,159	1,470,520
Interest	147,671	216,283	278,508	343,687	371,310	386,385	302,268	366,414	425,377	480,636
Total expenditures	51,901,520	47,832,597	50,579,575	52,553,259	45,143,937	42,658,714	36,954,188	36,943,832	37,545,487	34,201,746
Excess (deficiency) of revenues over expenditures	6,525,126	4,811,143	2,182,464	(2,286,559)	(650,483)	(1,500,033)	199,671	(716,096)	(132,042)	1,169,492
Other financing sources (uses)										
Transfers in	2,802,034	1,688,761	2,229,332	1,548,231	1,962,253	1,532,089	987,965	596,881	1,403,034	658,665
Transfers (out)	(2,802,034)	(1,688,761)	(2,229,332)	(1,548,231)	(1,962,253)	(1,532,089)	(987,965)	(596,881)	(1,403,034)	(658,665)
Issuance of debt	7,900,551	-	169,721	3,307,772	228,684	9,275,000	-	22,882	-	31,800
Premium on issuance of debt	668,755	-	-	-	-	713,930	-	-	-	-
Payments to refund bond escrow agent	-	-	-	-	-	(2,227,146)	-	-	-	-
Sale of capital assets	18,235	14,636	66,182	15,118	16,450	2,899	1,137	10,672	1,765	-
Total other financing sources (uses)	8,587,541	14,636	235,903	3,322,890	245,134	7,764,683	1,137	33,554	1,765	31,800
Net change in fund balances	\$ 15,112,667	\$ 4,825,779	\$ 2,418,367	\$ 1,036,331	\$ (405,349)	\$ 6,264,650	\$ 200,808	\$ (682,542)	\$ (130,277)	\$ 1,201,292
Debt service as a percentage of non-capital expenditures	4.43%	4.57%	4.41%	5.91%	6.43%	8.22%	5.21%	5.77%	5.43%	5.89%

TILLAMOOK COUNTY

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years

<u>Fiscal Year Ended June 30,</u>	<u>Property Taxes</u>	<u>State Fuel Taxes</u>	<u>Other Taxes</u>	<u>Totals</u>
2010	\$ 10,414,096	\$ 1,333,076	\$ 161,778	\$ 11,908,950
2011	10,712,390	1,695,486	179,630	12,587,506
2012	10,907,719	1,772,683	187,171	12,867,573
2013	10,907,719	1,787,725	187,171	12,882,615
2014	12,682,828	1,869,562	644,452	15,196,842
2015	12,169,570	1,932,030	2,626,521	16,728,121
2016	11,920,575	1,985,843	2,990,229	16,896,647
2017	11,778,226	2,017,849	3,158,895	16,954,970
2018	12,439,328	2,207,337	4,023,197	18,669,862
2019	12,913,585	2,558,719	4,515,072	19,987,376

TILLAMOOK COUNTY

ASSESSED VALUE AND

ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Real Property		Personal Property	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate Per \$1,000	Estimated True Cash Value	Total Taxable Assessed Value as a Percent of Estimated True Cash Value
	Residential	Commercial						
2010	3,530,324,543	224,635,617	36,955,960	23,991,465	3,767,924,655	2.78721	6,566,645,351	57.38%
2011	3,662,030,160	231,781,361	32,730,571	29,478,600	3,897,063,492	2.73831	6,103,214,368	63.85%
2012	3,787,401,830	234,540,379	31,261,564	27,447,136	4,025,756,637	2.72053	5,775,140,616	69.71%
2013	3,884,369,104	249,835,018	31,527,484	31,435,222	4,134,296,384	2.68420	5,467,447,448	75.62%
2014	3,997,673,288	251,397,292	35,069,514	24,192,049	4,259,948,045	2.95079	5,544,895,609	76.83%
2015	4,040,798,636	258,864,131	33,874,020	30,314,241	4,363,851,028	2.76728	5,572,553,028	78.31%
2016	4,168,153,220	263,197,404	37,666,740	32,274,450	4,501,291,814	2.61732	5,818,778,712	77.36%
2017	4,298,671,912	269,478,259	39,198,590	36,419,778	4,643,768,539	2.50279	6,008,465,936	77.29%
2018	4,461,674,006	286,227,156	39,601,190	34,725,452	4,822,227,804	2.52436	6,438,143,587	74.90%
2019	4,647,270,014	309,437,635	44,539,300	48,201,646	5,049,448,595	2.63798	6,878,155,304	73.41%

Source: Tillamook County Department of Assessment and Taxation

TILLAMOOK COUNTY

**PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
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	
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	0.4806	2.7205	0.4432	5.9871	1.9517	11.1025
2013	2.2268	0.4574	2.6842	0.4315	5.8299	1.9004	10.8461
2014	2.1688	0.7820	2.9508	0.4350	5.8231	2.1189	11.3278
2015	2.1680	0.5993	2.7673	0.4424	5.8590	2.0090	11.0777
2016	2.1679	0.4494	2.6173	0.4316	5.8909	2.0916	11.0314
2017	2.1670	0.3358	2.5028	0.4290	5.8901	2.0568	10.8787
2018	2.1847	0.3397	2.5244	0.4547	5.9003	2.0704	10.9498
2019	2.2471	0.3909	2.6380	0.4808	6.1396	2.0310	11.2894

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 PROPERTY TAXPAYERS
Current Year and Ten Years Ago

Taxpayer	2018-19 Assessed Valuation	Rank	Percentage of Total Assessed Value	2008-09 Assessed Valuation	Rank	Percentage of Total Assessed Value
Private Enterprises:						
Tillamook County Creamery Association	\$ 86,544,352	1	1.795 %	\$ 49,613,318	2	1.377 %
Stimson Lumber	67,397,536	3	1.398	18,313,850	6	0.508
Green Diamond Resource Company	-	n/a	n/a	24,876,487	3	0.690
Hampton Lumber	15,125,450	7	0.314	22,170,540	4	0.615
Port of Tillamook Bay	-	n/a	n/a	17,714,372	7	0.492
Port of Garibaldi	-	n/a	n/a	8,688,210	10	0.241
Texas Commerce Bank National Association	-	n/a	n/a	12,656,360	8	0.351
Pacific Carriage Limited	14,019,300	8	0.291	-	n/a	n/a
Tillamook Country Smoker Inc.	-	n/a	n/a	9,645,370	9	0.268
Fred Meyer Stores Inc.	16,934,490	6	0.351	-	n/a	n/a
Nestucca Forests LLC	10,080,005	10	0.209	-	n/a	n/a
Kiwanda Lodge LLC	10,229,850	9	0.212	-	n/a	n/a
Subtotal	<u>220,330,983</u>		<u>4.569</u>	<u>163,678,507</u>		<u>4.543</u>
Public Utilities:						
Tillamook Public Utility District	80,237,370	2	1.664	62,185,260	1	1.726
United Telephone Co. of NW	-	n/a	n/a	18,447,300	5	0.512
Centurylink	42,458,000	4	0.880	-	n/a	n/a
Charter Communications	22,553,700	5	0.468	-	n/a	n/a
Subtotal	<u>145,249,070</u>		<u>3.012</u>	<u>80,632,560</u>		<u>2.238</u>
All other	<u>4,456,647,751</u>		<u>92.419</u>	<u>3,358,660,090</u>		<u>93.219</u>
Total	<u>\$4,822,227,804</u>		<u>100.000 %</u>	<u>\$3,602,971,157</u>		<u>100.000 %</u>

n/a - not among top ten taxpayers

Source: Tillamook County Department of Assessment and Taxation

TILLAMOOK COUNTY

**PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Certified Taxes Levies				Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	General	Special/ Local Option Levies	Debt Service	Totals	Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 5,616,132	\$ 2,561,980	\$ 1,864,135	\$ 10,042,248	\$ 9,545,435	95.05%	\$ 489,309	\$ 10,034,744	99.93%
2011	5,803,056	2,649,644	1,865,052	10,317,752	9,712,049	94.13%	602,854	10,314,903	99.97%
2012	5,991,857	2,737,136	1,873,083	10,602,076	9,849,650	92.90%	748,939	10,598,589	99.97%
2013	6,153,490	2,810,936	1,841,518	10,805,944	10,321,146	95.51%	452,284	10,773,430	99.70%
2014	6,342,504	2,896,381	3,331,328	12,570,213	12,102,656	96.28%	420,101	12,522,757	99.62%
2015	6,493,637	2,966,993	2,615,387	12,076,017	11,707,616	96.95%	359,530	12,067,146	99.93%
2016	6,698,082	3,060,487	2,022,774	11,781,343	11,421,305	96.94%	318,693	11,739,998	99.65%
2017	6,905,652	3,157,356	1,559,376	11,622,384	11,297,035	97.20%	236,586	11,533,621	99.24%
2018	7,159,951	3,375,157	1,637,937	12,173,045	11,862,646	97.45%	167,446	12,030,092	98.83%
2019	7,535,706	3,810,916	1,374,298	12,720,920	12,375,100	97.28%	-	12,375,100	97.28%

Source: Tillamook County Assessment and Taxation Department

This schedule does not include the Tillamook County 4-H and Extension Service District tax levy and the Solid Waste Service District assessment.

TILLAMOOK COUNTY

RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Years

Fiscal Year Ended June 30,	Governmental Activities					Total	Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Bond Premiums	Loans and Notes	Capital Leases				
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	1.06%	364.89	
2012	6,615,000	-	1,017,418	21,925	7,654,343	0.84%	301.32	
2013	5,813,930	-	881,794	16,700	6,712,424	0.72%	265.45	
2014	9,908,363	427,865	744,603	11,140	11,091,971	1.20%	438.12	
2015	7,657,800	392,800	605,762	180,665	8,837,027	0.89%	348.71	
2016	5,660,312	250,312	3,390,183	261,458	9,562,265	0.91%	372.75	
2017	4,040,000	142,669	3,037,878	321,071	7,541,618	0.68%	288.48	
2018	2,615,000	71,208	2,717,133	212,178	5,615,519	0.47%	210.40	
2019	8,935,000	706,091	2,384,544	179,364	12,204,999	n/a	455.63	

n/a - Personal income information not available

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 is derived from demographic information presented on page 140.

The County's business-type activities have been debt free the last 10 years.

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>Bond Premiums</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>
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
2013	5,813,930	-	187,741	5,626,189	0.136%	222
2014	9,908,363	427,865	125,883	10,210,345	0.240%	403
2015	7,657,800	392,800	185,647	7,864,953	0.180%	310
2016	5,660,312	250,312	73,145	5,837,479	0.130%	228
2017	4,040,000	142,669	43,538	4,139,131	0.089%	158
2018	2,615,000	71,208	97,071	2,589,137	0.054%	97
2019	8,935,000	706,091	158,356	9,482,735	0.188%	354

Per capita information is derived from demographic statistics presented on page 140.

TILLAMOOK COUNTY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2019

Governmental Unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
Beaver Water District	\$ 105,000	100.00%	\$ 105,000
City of Bay City	410,276	100.00%	410,276
City of Garibaldi	552,040	100.00%	552,040
City of Manzanita	4,065,240	100.00%	4,065,240
City of Nehalem	2,169,296	100.00%	2,169,296
City of Rockaway Beach	1,791,639	100.00%	1,791,639
City of Tillamook	15,181,627	100.00%	15,181,627
City of Wheeler	894,472	100.00%	894,472
Falcon Cove Beach Water District	87,189	24.22%	21,120
Neahkahnie Water District	1,044,367	100.00%	1,044,367
Nehalem Bay Fire & Rescue	2,045,000	99.52%	2,035,182
Neskowin Regional Water District	366,275	100.00%	366,275
Nestucca RFPD	68,873	100.00%	68,873
Netarts-Oceanside Sanitary District	13,408,474	100.00%	13,408,474
North Lincoln Fire & Rescue District 1	9,470,000	1.01%	95,647
Northwest Regional ESD	3,299,644	5.14%	169,559
Pacific City Joint Water - Sanitary Authority	11,429,029	100.00%	11,429,029
Port of Tillamook Bay	6,708,384	100.00%	6,708,384
Tillamook Bay Community College	7,189,896	100.00%	7,189,896
Tillamook City SD 101 (Nestucca Valley)	34,732,776	99.90%	34,698,807
Tillamook City SD 56 (Neah-Kah-Nie)	7,840,000	100.00%	7,840,000
Tillamook City SD 9 (Tillamook)	18,210,065	100.00%	18,210,065
Tillamook City Transportation District	322,072	100.00%	322,072
Twin Rocks Sanitary District	102,660	100.00%	102,660
Willamette ESD	20,809,853	0.01%	1,644
Yamhill City SD 30J (Willamina)	3,225,000	0.75%	24,207
Total overlapping debt			128,905,850
Tillamook County direct debt	12,204,999	100.0000	12,204,999
Total			<u>\$ 141,110,849</u>

Source: Oregon State Treasury, Debt Management Division

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Tillamook County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers 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**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 131,332,907	\$ 122,064,287	\$ 115,502,812	\$ 109,348,949	\$ 110,897,912	\$ 111,451,061	\$ 116,375,574	\$ 120,169,319	\$ 128,762,872	\$ 137,563,106
Total net debt applicable to limit	<u>9,445,000</u>	<u>8,060,000</u>	<u>6,615,000</u>	<u>5,100,000</u>	<u>9,340,000</u>	<u>7,657,800</u>	<u>5,660,312</u>	<u>4,040,000</u>	<u>2,615,000</u>	<u>8,935,000</u>
Legal debt margin	<u>\$ 121,887,907</u>	<u>\$ 114,004,287</u>	<u>\$ 108,887,812</u>	<u>\$ 104,248,949</u>	<u>\$ 101,557,912</u>	<u>\$ 103,793,261</u>	<u>\$ 110,715,262</u>	<u>\$ 116,129,319</u>	<u>\$ 126,147,872</u>	<u>\$ 128,628,106</u>
Legal debt margin as a percentage of debt limit	92.81%	93.40%	94.27%	95.34%	91.58%	93.13%	95.14%	96.64%	97.97%	93.50%

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	Unemployment Rate
2010	24,889	834,099	33,011	3,278	8.6%
2011	25,250	868,635	34,194	3,239	8.6%
2012	25,403	906,876	35,863	3,232	8.2%
2013	25,287	931,826	36,806	3,184	7.3%
2014	25,317	926,616	36,564	3,168	5.9%
2015	25,342	997,588	39,365	3,292	5.7%
2016	25,653	1,047,155	40,820	3,324	5.2%
2017	26,143	1,111,313	42,509	3,351	4.2%
2018	26,690	1,187,491	44,492	3,418	4.1%
2019	26,787	n/a	n/a	3,422	3.9%

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	2019			2010		
	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
Tillamook County Creamery Association	500	1	5.07%	500	1	4.06%
Tillamook County General Hospital	400	2	4.06%	345	2	2.80%
Tillamook County	300	3	3.04%	234	5	1.90%
Tillamook Country Smoker	250	4	2.54%	250	4	2.03%
Tillamook School District #9	250	5	2.54%	298	3	2.42%
Fred Meyer	220	6	2.23%	200	7	1.62%
Tillamook Lumber	215	7	2.18%	215	6	1.74%
Nestucca Ridge Development	150	8	1.52%	150	8	1.22%
Fallon Logging	130	9	1.32%	130	10	1.06%
Stimson Lumber	127	10	1.29%	120	11	0.97%
Neah-Kah-Nie School District	127	11	1.29%	135	9	1.10%
Total number of individuals employed	9,859			12,322		

Source: Tillamook County Treasurer

TILLAMOOK COUNTY
FULL-TIME EQUIVALENT
EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

<u>Function</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General government	63.25	60.94	61.94	63.50	66.25	71.65	62.86	58.50	61.00	57.00
Public safety	75.50	78.77	73.00	74.75	75.75	73.00	70.38	70.50	68.00	70.50
Highways and streets	27.50	24.00	25.00	24.00	26.50	22.00	22.00	25.00	22.00	25.00
Culture and recreation	29.08	39.83	44.33	44.83	28.45	26.83	29.25	33.00	29.00	30.50
Health and welfare	37.90	34.08	36.10	37.50	35.28	39.23	43.51	47.75	43.00	42.50
Solid waste	<u>1.00</u>	<u>1.50</u>	<u>1.75</u>	<u>2.50</u>	<u>1.50</u>	<u>1.80</u>	<u>2.55</u>	<u>2.50</u>	<u>2.75</u>	<u>6.00</u>
	<u>234.23</u>	<u>239.12</u>	<u>242.12</u>	<u>247.08</u>	<u>233.73</u>	<u>234.51</u>	<u>230.55</u>	<u>237.25</u>	<u>225.75</u>	<u>231.50</u>

Source: Tillamook County Human Resources

TILLAMOOK COUNTY

**OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years**

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public safety										
Arrests	1,219	1,418	697	563	638	1,178	1,826	1,697	816	954
Highways and streets										
Resurfacing (miles)	10.1	7.7	5.0	2.6	6.8	10.4	6.1	2.8	8.5	3.7
Culture and recreation										
Library books checked out	390,669	432,742	407,016	392,097	427,104	349,276	371,247	506,949	520,700	542,638
County fair attendance	74,202	70,762	72,269	72,000	76,798	74,610	74,176	74,982	72,914	77,049
Health and welfare										
Health department encounters	17,729	17,019	13,521	16,071	16,031	16,267	17,197	16,645	17,298	16,037
Solid waste										
Refuse collected (tons)	21,338	20,142	19,712	20,160	20,243	23,514	24,956	26,817	27,613	27,319

* 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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public safety										
Justice centers	1	1	1	1	1	1	1	1	1	1
Patrol units	28	30	17	20	22	22	20	23	19	22
Inmate beds	120	120	120	120	120	96	96	96	96	96
Highways and streets										
Miles of paved roads	286	281	281	280	280	280	280	262	262	262
Miles of gravel roads	100	96	96	96	96	96	96	96	96	96
Bridges	96	99	99	100	101	101	103	103	105	110
Culture and recreation										
Parks acreage	2,765	2,765	2,765	2,700	2,700	2,700	2,700	1,882	1,881	1,881
Library branches	6	6	6	6	6	6	6	6	6	5
Library book titles	131,000	209,333	185,000	122,174	157,051	165,658	168,905	197,041	152,754	160,000
Museums	1	1	1	1	1	1	1	1	1	1
Fairground acreage	63	63	63	63	63	68	68	68	64	64
Health and welfare										
Clinics	3	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

COMPLIANCE SECTION





INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Commissioners
TILLAMOOK COUNTY
Tillamook, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of **TILLAMOOK COUNTY** as of and for the year ended June 30, 2019, and have issued our report thereon dated December 9, 2019.

Compliance

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

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

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

In connection with our testing nothing came to our attention that caused us to believe that **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 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

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

Budgets legally required

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>
County School			
Materials and services	\$ 4,502,000	\$ 5,154,854	\$ (652,854)
Road Improvement Construction			
Capital outlay	--	91,000	(91,000)
Public Land Corner Preservation (PLCP)			
Personal services	65,950	66,130	(180)
Veteran's Services			
Capital outlay	--	2,447	(2,447)
Mental Health			
Materials and services	1,600,000	1,758,072	(158,072)

The amounts reported in the published Form LB-1 for the 2019-20 budget did not agree to amounts in the approved budget as required by ORS 294.438. In the approved budget total resources and expenditures approved were \$93,480,660 and \$93,456,160, respectively, but the LB-1 reported \$93,605,660 for both resources and expenditures.

Internal Control OAR 162-10-0230

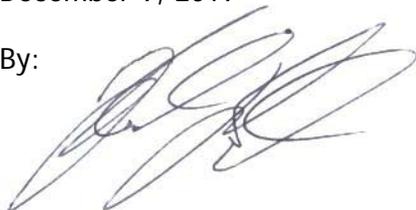
In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose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

Restriction on Use

This report is intended solely for the information and use of the Board of Commissioners and management of 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
 Certified Public Accountants
 Salem, Oregon
 December 9, 2019

By:



Bradley G. Bingenheimer, Member



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

Board of County Commissioners
TILLAMOOK COUNTY
Tillamook, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of TILLAMOOK COUNTY as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 9, 2019.

Internal Control over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Boldt Carlisle & Smith

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
December 9, 2019



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

Board of County Commissioners
TILLAMOOK COUNTY
Tillamook, Oregon

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

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

Report on Internal Control over Compliance

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

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

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

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

Boldt Carlisle & Smith

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon
December 9, 2019

TILLAMOOK COUNTY

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

Section I Summary of Auditors' Results

Financial Statements

Type of auditor's report issued:	Unmodified
Were financial statements prepared in accordance with generally accepted accounting principles	Yes
Internal controls over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies)	No
Noncompliance material to financial statements noted?	No

Federal awards

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

CFDA	<u>Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as a low-risk auditee:	Yes

Section II - Financial Statement Findings

None reported

Section III - Federal Award Findings and Questioned Costs

None reported

TILLAMOOK COUNTY

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

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>Department of Agriculture</u>			
Food and Nutrition Service			
<i>Passed through Oregon State Health Authority</i>			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		\$ 117,476
Total Department of Agriculture			<u>117,476</u>
<u>Department of Commerce</u>			
National Oceanic and Atmospheric Administration			
<i>Passed through Oregon Department of Land Conservation and Development</i>			
Coastal Zone Management Administration Awards	11.419	NR15NO85190118	5,000
Total Department of Commerce			<u>5,000</u>
<u>Department of the Interior</u>			
U.S. Fish and Wildlife Service			
Fish and Wildlife Management Assistance	15.608		61,233
Total Department of the Interior			<u>61,233</u>
<u>Department of Justice</u>			
Office of Victims of Crime			
<i>Passed through Oregon State Criminal Justice Division</i>			
Crime Victims Assistance	16.575	VOCA OT-2016 VOCA NC-FR-2017	420 <u>44,321</u>
Total 16.575 Crime Victims Assistance			<u>44,741</u>
Total Department of Justice			<u>44,741</u>
<u>General Services Administration</u>			
<i>Passed through Oregon State Department of Administrative Services</i>			
Donation of Federal Surplus Personal Property	39.003		7,804
Total General Services Administration			<u>7,804</u>
<u>Environmental Protection Agency</u>			
Office of Solid Waste and Emergency Response			
<i>Passed through Oregon Business Development Department</i>			
Brownfield Assessment and Cleanup Cooperative Agreement	66.818	Q16003	14,361
Office of Water			
<i>Passed through Oregon Department of Human Services</i>			
State Public Water System Supervision	66.432		995
Capitalization Grants for Drinking Water State Revolving Funds	66.468		<u>3,551</u>
Total Environmental Protection Agency			<u>18,907</u>
<u>Department of Homeland Security</u>			
U.S. Coast Guard			
<i>Passed through Oregon State Marine Board</i>			
Boating Safety Financial Assistance	97.012		58,460
Federal Emergency Management Agency			
<i>Passed through Oregon State Police Office of Emergency Management</i>			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		895,241
Emergency Management Performance Grants	97.042		<u>80,511</u>
Total Department of Homeland Security			<u>1,034,212</u>

See accompanying notes

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>Department of Health and Human Services</u>			
Office of Population Affairs			
<i>Passed through Oregon Health Authority</i>			
Family Planning - Services	93.217		\$ 18,840
Administration for Children and Families			
<i>Passed through Oregon Department of Justice</i>			
Child Support Enforcement	93.563		92,330
Centers for Disease Control and Prevention -			
<i>Passed through Oregon State Health Authority</i>			
Public Health Emergency Preparedness	93.069		101,254
Project Grant and Cooperative Agreements for Tuberculosis Control Programs	93.116		10
Health Resources and Services Administration			
Health Center Cluster			
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224		150,214
Grants for New and Expanded Services under the Health Center Program	93.527		<u>2,513,572</u>
Total Health Center Program Cluster			2,663,786
<i>Passed through Oregon State Health Authority</i>			
Maternal and Child Health Services Block Grant to the States	93.994		13,876
Substance Abuse and Mental Health Services Administration			
<i>Passed through Oregon State Health Authority</i>			
Block Grants for Community Mental Health Services	93.958		27,544
Block Grants for Prevention and Treatment of Substance Abuse	93.959		<u>33,210</u>
Total Department of Health and Human Services			<u>2,950,850</u>
Total Expenditures of Federal Awards			<u><u>\$ 4,240,223</u></u>

TILLAMOOK COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2019

1. *Basis of presentation*

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

2. *Summary of significant accounting policies*

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

The County has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance. Indirect costs are only charged to the Health Center Program Cluster which may not exceed 10 percent.