

**WASHINGTON COUNTY, OREGON**

155 North First Avenue  
Hillsboro, Oregon 97124

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the fiscal year ended June 30, 2007

Prepared by:

Washington County Finance Division

# WASHINGTON COUNTY, OREGON

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**WASHINGTON COUNTY,  
OREGON**

**INTRODUCTORY  
SECTION**

**SECTION I**

**WASHINGTON COUNTY, OREGON**

Principal Officials

Commissioners as of June 30, 2007

<u>Name</u>	<u>Term Expires</u>
Tom Brian, Chair Commissioner-At-Large	December 31, 2010
Roy Rogers, Vice Chair District 3	December 31, 2008
Andy Duyck, District 4	December 31, 2010
Dick Schouten District 1	December 31, 2008
Desari Strader District 2	December 31, 2010

Administrative Staff

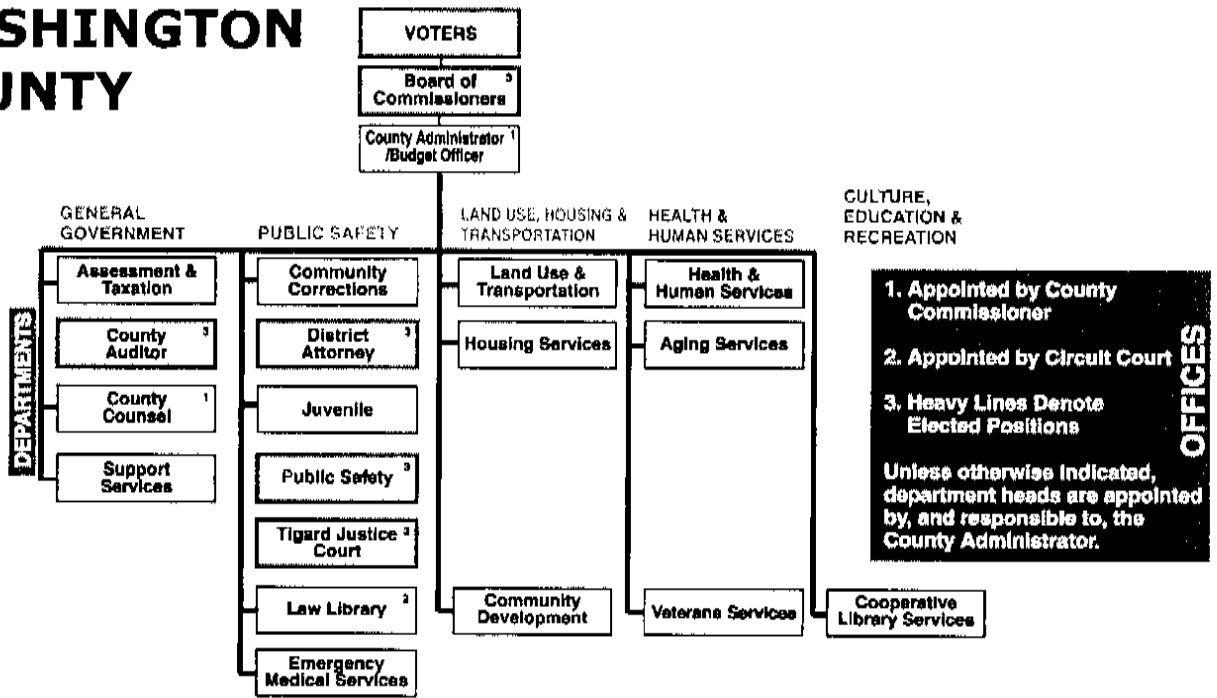
Robert Davis, County Administrator  
Don Bohn, Assistant County Administrator  
Wayne Lowry, Chief Finance Officer

Administrative Offices

Washington County, Oregon  
155 North First Avenue  
Hillsboro, Oregon 97124-3091



# WASHINGTON COUNTY



January 16, 2008

The Board of Commissioners  
Washington County, Oregon  
155 North First Avenue  
Hillsboro, OR 97124

Dear Commissioners:

In accordance with State statutes and local charter provisions, I hereby transmit the Comprehensive Annual Financial Report of Washington County, Oregon as of June 30, 2006 and for the fiscal year then ended. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. Management believes the data presented is accurate in all material aspects; is presented in a manner designed to fairly set forth the financial position of the County and the results of operations and cash flows of its proprietary fund types; and all disclosures necessary to enable the reader to gain an understanding of the County's financial affairs have been included.

In evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are discussed by the Chief Finance Officer in his accompanying Management Discussion and Analysis and, within that framework, I believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

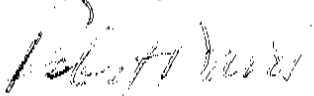
This report has been prepared following the guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada.

State law requires the financial statements of Washington County, Oregon be audited by a certified public accountant selected by the County Commissioners. The audit was performed in accordance with the Minimum Standards for Audits of Oregon Municipal Corporations. Therefore, the report includes certain audit comments and disclosures required by State regulations as an additional section of the report.

The County is also required to have a comprehensive single audit of its Federal Financial Assistance Programs in accordance with *U.S. Office of Management and Budget (OMB) Circular A-133*. A report on the County's compliance and on internal control over financial reporting will be issued under separate cover.

The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the dedicated effort of the County Finance Division. Their efforts continue to provide the highest quality of information being reported to the Board of Commissioners, State of Oregon, and the citizens of Washington County, Oregon.

Respectfully submitted,



Robert Davis  
County Administrator

January 16, 2008

The Board of County Commissioners  
Washington County, Oregon  
155 North First Avenue  
Hillsboro, Oregon 97124

Dear Commissioners:

The Comprehensive Annual Financial Report for 2006/07 is hereby submitted to your Board to fulfill the County's obligation to publish audited financial statements each fiscal year.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the County. I believe this report is materially accurate and fairly presents the financial position and results of operations of Washington County's funds. All disclosures necessary to enable the reader to understand the County's financial activities are included.

The County contracts with the accounting firm of Talbot, Korvola & Warwick, LLP to perform the annual audit. The independent auditors' report on the basic financial statements, required supplemental information and supplemental information is included in the financial section of this report. The auditors have expressed an unqualified opinion on the County's financial statements. In addition, they have issued an annual single audit report in accordance with the Federal Single Audit Act. Information related to the single audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and auditors' reports on the internal controls and statutory and regulatory compliance is presented in a separate report.

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

### **Profile of the County**

In 1848 Oregon was recognized by the United States as a territory. The Oregon Country was divided into four counties, and the northwesterly quarter came to be called the Tuality District. In 1849 the Territorial Legislature changed the county name to Washington. During the next several years, Washington County's boundaries were redrawn as Multnomah, Clatsop, Tillamook and Columbia Counties were created. In 1955 Washington County assumed its present configuration. In 1962 the voters of Washington County adopted a home rule charter and in 1976 the County began functioning under a council-manager form of government.

Washington County has the second largest population of Oregon counties, with a June 30, 2007 population estimated at approximately 500,585. The County's population has increased at a higher rate than the state as a whole and has been one of the fastest growing counties in the state for the past several years.

Washington County provides a full range of County services including general government and administration, public safety and justice, land use and public works, housing, health and human services, and cultural and recreational services. This report includes all funds of the County as well as all of its component units. Component units are legally separate units for which the County is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations and are included as part of the County. Included in the basic financial statements of this report are Clean Water Services of Washington County, the Washington County Service District for Lighting No. 1, the Housing Authority of Washington County, the Enhanced Sheriff Patrol District, and the Urban Road Maintenance Service District component units.

The Board of County Commissioners must adopt a budget each year by July 1. The annual budget provides estimates of revenue sources and establishes legal spending limits on the County in the form of appropriations. The budget is adopted at the organization unit level, by fund, with the exception of the Local Option Levy Fund, which budget is adopted at the program level. The adopted budget provides some flexibility within funds and organization units, but budget changes between funds or organization units must be approved by the Board. Oregon's local budget law provides several methods for amending the budget depending upon the type of amendment being considered.

### **Local Economy**

Washington County has assumed a significant role in the state's economy and especially in the Portland regional economy. The current economy of the County reflects the diversification of industry characteristics of the entire Portland metropolitan area.

The County is part of the Portland-Vancouver Metropolitan Statistical Area ( the "Portland PMSA"), which includes Clackamas, Columbia, Multnomah, Washington and Yamhill Counties in Oregon and Clark and Skamania Counties in Washington. Currently, manufacturing accounts for 12.4 percent of the total non-farm employment in the Portland PMSA, while trade, transportation and utilities accounts for 19.9 percent, government jobs 14.0 percent, professional and business services 13.1 percent, education and health services 12.2 percent, and leisure and hospitality 9.2 percent.

Electronic manufacturing comprises one of the largest employment sectors in the County. Among the major electronics manufacturing firms in the County are

Tektronix, Intel, IBM, Epson Portland, Toshiba American, IDT, and NEC America.

The County's assessed value has grown at an average rate of 6.25% per year over the past 8 years. Assessed value growth was 3.3% in 2003/04, 4.5% in 2004/05, 5.1% in 2005/06 and 5.2% in 2006/07. Although the economy has taken its toll on assessed values, it is expected that growth in future values will resume at levels of 5% and 6% as the economy continues to strengthen.

The Portland-Vancouver area relies heavily on the manufacturing and high technology industries. These have suffered from the nationwide sluggish economy. Unemployment for the area measured by the Oregon Employment Department at the end of June 2007 was 4.2%, as compared to the State of Oregon rate of 5.1% and the nation's rate of 4.5%.

### **Long term financial planning**

The 2006-07 adopted budget included general fund reserves of \$27 million dollars or 15.2 percent of the adopted general fund expenditures including contingencies. The forecast for the General Fund suggests that the County can live within the limits of the tax structure in the near term by judiciously using the reserves to meet existing output levels of the organization. Reserves are not expected to be reduced to less than 10 percent of expenditures.

The County is in the process of completing the update to the County 2000 plan known as the County 2020 plan. This plan sets forth the strategic direction of the County through 2020 by describing the County's mission, its guiding principles and a set of core strategies for each department and agency of the County. Over the next several years, a series of enabling plans will be developed to further detail the initiatives to be undertaken by County departments to achieve the County's mission.

### **Financial Information**

#### **Internal Controls**

County management is responsible for providing an internal control structure to ensure County assets are protected from loss, theft, or misuse and to ensure adequate accounting data are compiled allowing for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes the cost of a control should not exceed the likely benefits and the evaluation of costs and benefits requires judgment by management.

All internal control evaluations occur within the above framework. I believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The

County's accounting records for general government operations are maintained on a modified accrual basis, with revenues recorded when measurable and available and expenditures recorded when goods or services are received and liabilities are incurred. Accounting records for proprietary operations of the County are on the full accrual basis of accounting. For reporting purposes, accounting records are converted to full accrual for the government-wide statements.

The Department of Support Services' Finance Division provides the financial services for the County. Those services include financial accounting and reporting, payroll and accounts payable, cash and investment management, debt management, internal auditing, and special fiscal analyses. Both purchasing and central service functions have been reorganized into the Finance Division. Other divisions within the Department of Support Services provide human resources, risk management, information services, facilities management, and fleet management. Budget administration is provided by the County Administrative Office.

### **Budgetary Controls**

In addition to financial internal controls, the County maintains various budgetary controls. The objective of budgetary controls is to ensure legal compliance with the annual appropriated budget approved by the County Board of Commissioners. Activities of all County funds, except Trust and Agency Funds, are included in the appropriated budget. The level of budgetary controls is set by major function or organization unit within individual funds. Throughout the fiscal year, budgetary performance is monitored by operating department staff, the Finance Division, and the County Administrative Office.

### **Proprietary Operations**

The County has three enterprise funds. Clean Water Services is a component unit of the County responsible for the planning, operation, and maintenance of the sanitary and storm sewer system for the Tualatin River Drainage Basin. The Washington County Service District for Street Lighting No. 1, a component unit, provides operation and maintenance of streetlights in certain unincorporated areas of the County. The Housing Authority of Washington County is a component unit of the County that administers low income and affordable housing programs.

The County has several internal service funds accounting for activities and services on behalf of other County departments. Internal charges are made to those departments to support the operations of the internal service funds.

### **Debt Administration**

The County, including component units, had outstanding as of June 30, 2007, \$40.3 million of general obligation bonded debt, and \$210.7 million of revenue bonds. In addition, the County has \$88.7 million in full faith and credit debt outstanding at the June 30, 2007

The County's general obligation debt is primarily payable from the levy of property taxes.

Washington County is rated by Moody's Investors Service as Aa1 and Standard & Poor's Rating Group as AA for its general obligation bonds. The last rating review for general obligation debt was in conjunction with the issuance of General Obligation Refunding Bonds, Series 2007. The County issued several Full Faith and Credit Obligations in 2006 that received an Aa2 rating from Moody's Investors Service. An additional issue was completed in 2006 that carried an insured Moody's rating of Aaa. An explanation of the significance of any such rating can be obtained from the rating agencies.

### **Cash and Investment Management**

During the year, temporarily idle cash was invested according to the County investment policy as authorized by the Board of Commissioners. The primary objective of the investment policy is the preservation of capital and the protection of investment principal. The County Finance Division invests the cash of all funds on behalf of the County in a manner to earn an appropriate yield with minimal risk while meeting the liquidity needs of the County. County funds are pooled for investment purposes unless otherwise provided for under the County investment policy. The pooled investments are owned by the County. The investment instruments purchased may include: Treasury notes or bills, federal agency discount notes, bankers' acceptances created in Oregon, commercial paper, and the State Treasurers Local Government Investment Pool.

### **Risk Management**

The County aggressively seeks to minimize the costs of losses to the County. The Risk Management Division is responsible for insurance administration, risk assessment, and safety. The County is self-insured for liability, workers' compensation, and unemployment. Excess insurance is purchased whenever feasible and reserves are maintained for incurred but not reported claims. The Risk Management Division takes an active role in identifying, evaluating, and reducing risks to the County. The Division provides instruction to employees to promote safe behavior and helps the County make facilities safe places to visit and work.

### **Major initiatives**

The County's long anticipated commuter rail project has received a full funding grant agreement from the Federal Transit Administration and is now under construction. The project is slated to be completed in 2008 and will provide a transportation alternative between Wilsonville and I5 and the east/west light rail line in Beaverton. The rail line is financed with Federal, State and local dollars and the County's total contribution is estimated at \$26 million.



The County has a Major Streets and Transportation Improvement Program (MSTIP) that is funded from the permanent tax rate. An estimated \$26 million is made available each year to this program from the County's property tax collections. This program currently consists of a number of projects to widen and improve existing roadways to accommodate increased traffic volume and provide additional traffic safety. These projects have projected completion dates through the calendar year 2007. The County has also developed an interim list of projects to continue the program while the next generation of projects are developed through a public process.

Voters renewed a countywide public safety local option tax in November 2006. The levy generates an estimated \$16.5 million each year for four years. Funds are used for enhanced public safety activities and include continued funding for an estimated 122 positions including patrol, corrections, district attorney and the 911 center. The new levy expires June 30, 2011. In addition, the voters at the same election approved a local option property tax levy for the Countywide Library system. The levy will generate an estimated \$29.5 million over the four period ending June 30, 2011.

The County approved an agreement with Intel in 1999 under the State of Oregon's *Strategic Investment Program*. By the agreement, Intel will invest \$12.5 billion in new capital facilities in the County over the next few years. In exchange, Intel's property values associated with the new investment will be capped at \$100 million and Intel will pay the County a fee of 25% of the tax savings up to \$2 million per year. The County will receive an estimated \$110 million over the life of this agreement. Some of the funds will be split with other jurisdictions. The current 2007-08 budget anticipates a payment under the 1999 agreement estimated at \$8.5 million. The County entered into a new SIP program with Intel in 2005. The new program covers potential investment of \$25 billion. Although the new agreement is in place, investment is not expected to begin for several years.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to Washington County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006. This was the twenty-first consecutive year the County received this prestigious award.

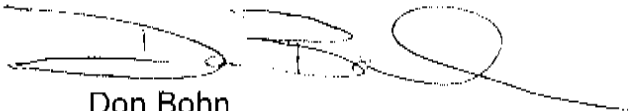
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a report must satisfy both accounting principles generally accepted in the United States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

A Certificate of Achievement is valid for a one-year period. I believe our current report continues to conform to the certificate program requirements, and I am submitting the report to GFOA for review.

The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the County Finance Division. Special recognition is due to the management accounting group of Leilani Reising, Financial Services Supervisor; Joshua Salaets, Senior Accountant, Justin Stratton, Accountant II; Mandy Chen, Accountant II; Kathleen Keim, Accountant I, and Tina Lischka, Senior Accounting Assistant. I also express my appreciation to the employees of other divisions and departments who assisted and contributed to the preparation of this report.

Finally, it is important to recognize the Board of Commissioners, the County's Audit Committee, and the County Administrator, Robert Davis, for their direction and support in maintaining excellence in all aspects of the County's financial management.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Don Bohn', with a long horizontal flourish extending to the right.

Don Bohn  
Assistant County Administrator

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

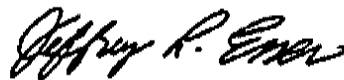
Washington County  
Oregon

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2006

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



President



Executive Director

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**WASHINGTON COUNTY,  
OREGON**

**FINANCIAL  
SECTION**

**SECTION II**

## **INDEPENDENT AUDITOR'S REPORT**

January 16, 2008

Board of Commissioners  
Washington County  
Hillsboro, Oregon

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Washington County, Oregon (the County), as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis on pages 1 through 15 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

**INDEPENDENT AUDITOR'S REPORT (Continued)**

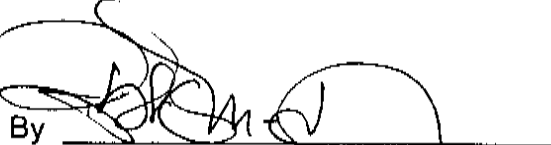
Board of Commissioners  
Washington County  
January 16, 2008  
Page 2

The Required Supplementary Information (budgetary comparison information for the General Fund and major special revenue funds) on pages 59 through 62, as listed in the Table of Contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. This budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respect in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The other major fund budgetary comparisons, combining and individual nonmajor fund financial statements and other schedules listed in the Table of Contents as supplementary information on pages 63 through 131 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying Introductory and Statistical sections, as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

**TALBOT, KORVOLA & WARWICK, LLP**  
Certified Public Accountants

By   
\_\_\_\_\_  
Robert G. Moody Jr., Partner



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

# WASHINGTON COUNTY, OREGON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2007

### **Introduction**

Washington County's discussion and analysis offers readers of the County's financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, and in the financial statements and notes to the basic financial statements (which immediately follow this discussion).

The County has five component units included in this presentation. They include Clean Water Services, a sewer and storm drainage agency, the Housing Authority of Washington County, Washington County Service District for Lighting No. 1, Washington County Enhanced Sheriff Patrol District, and the Washington County Urban Road Maintenance Service District.

### **Financial Highlights (dollars in thousands)**

- The assets of Washington County exceeded its liabilities at June 30, 2007 by \$2,844,971. Net assets invested in capital assets (net of depreciation and related debt) were \$2,515,288 and account for 88.4% of total net assets. Of the remaining net assets, \$300,565 may be used to meet the County's ongoing obligations to citizens and creditors.
- As of June 30, 2007, Washington County's governmental funds reported combined unreserved ending fund balances of \$186,690.
- Unreserved fund balance for the General Fund was \$43,480 at June 30, 2007, amounting to 27.4% of total General Fund expenditures for 2007.
- Unreserved fund balance for the Major Streets Transportation Improvement Program III Fund (MSTIP III) was \$57,077 at June 30, 2007, amounting to 125.2% of total MSTIP III expenditures. Unreserved fund balance for the Road Fund was \$14,360 at June 30, 2007, amounting to 47% of total Road Fund expenditures. Unreserved fund balance for the Human Services Fund was \$1,361 or 3.8% of fund expenditures.
- The County and its component units issued no debt during the fiscal year.
- Washington County's governmental activities total general obligation debt at June 30, 2007 was \$40,260, with a remaining capacity for voter-approved debt at \$1,357,800. Total non-voter approved full faith and credit debt at June 30, 2007 was \$88,695, with remaining capacity for this type of debt at \$610,335.

### **Overview of the Financial Statements**

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

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

JUNE 30, 2007

**Overview of the Financial Statements (Continued)**

**Government-wide Financial Statements**

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

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

The *Statement of Activities* presents information showing how net assets changed during fiscal year 2007. All changes in net assets are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods, such as uncollected taxes and earned but unused vacation leave.

Because the Statement of Activities separates program revenue from general revenue, it shows to what extent each program has to rely on taxes for funding. All changes in net assets are reported on the accrual basis of accounting similar to the method used by most private-sector companies.

Both of these Government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a portion of their costs through user fees and charges. The governmental activities of the County include general government, public safety and justice, land use, housing and transportation, health and human services, culture education and recreation and other non-operating activities. The business-type activities include housing, sanitation, surface water and street lighting.

The Government-wide financial statements can be found on pages 15 and 16 of this report.

**Fund Financial Statements**

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

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements. Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with

## WASHINGTON COUNTY, OREGON

### MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

JUNE 30, 2007

#### **Governmental Funds (Continued)**

similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's long-term financing decisions. The governmental funds' Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances each provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

The County maintains fifty-eight individual governmental funds. Information is presented separately in the governmental funds' Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Human Services Fund, Major Streets Transportation Improvement Program III Fund, and Road Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Governmental funds financial statements can be found on pages 17 and 19 of this report.

#### **Proprietary Funds**

Proprietary funds are maintained in two ways. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for Clean Water Services' sanitary and surface water programs, Housing Authority's programs and for the District for Lighting. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for self-insurance funds, fleet operations and other functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County's Internal Service funds are combined into a single, aggregated presentation in the Proprietary funds financial statements. Individual fund data for the Internal Service funds is provided in the form of combining statements elsewhere in this report.

The Proprietary funds financial statements can be found on pages 21 through 24 of this report.

#### **Fiduciary Funds**

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

The Fiduciary fund financial statements can be found on pages 25 and 26 of this report.

**WASHINGTON COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Basic Financial Statements can be found immediately following the basic financial statements in this report.

**Government-wide Financial Analysis (dollars in thousands)**

**Statement of Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Washington County's net assets totaled \$2,844,971 at June 30, 2007. The following table reflects the condensed Government-wide Statement of Net Assets with a comparison to the prior year.

**Washington County, Oregon  
Statement of Net Assets**

	Government activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Current assets	\$221,872	\$223,811	\$ 101,406	\$ 116,538	\$ 323,278	\$ 340,349
Noncurrent assets	70,282	82,373	20,615	19,911	90,897	102,284
Capital assets (net of depreciation)	<u>2,284,150</u>	<u>2,290,985</u>	<u>565,246</u>	<u>546,045</u>	<u>2,849,396</u>	<u>2,837,030</u>
Total assets	<u>2,576,304</u>	<u>2,597,169</u>	<u>687,267</u>	<u>682,494</u>	<u>3,263,571</u>	<u>3,279,663</u>
Current liabilities	63,411	63,888	35,659	33,374	99,070	97,262
Noncurrent liabilities	<u>124,514</u>	<u>133,450</u>	<u>195,016</u>	<u>212,973</u>	<u>319,530</u>	<u>346,423</u>
Total liabilities	<u>187,925</u>	<u>197,338</u>	<u>230,675</u>	<u>246,347</u>	<u>418,600</u>	<u>443,685</u>
Net assets:						
Invested in capital assets, net of related debt	2,151,850	2,148,086	363,438	328,060	2,515,288	2,476,146
Restricted	170	1,069	28,948	58,052	29,118	59,121
Unrestricted	<u>236,359</u>	<u>250,676</u>	<u>64,206</u>	<u>50,035</u>	<u>300,565</u>	<u>300,711</u>
Total net assets	<u>\$ 2,388,379</u>	<u>\$ 2,399,831</u>	<u>\$ 456,592</u>	<u>\$ 436,147</u>	<u>\$ 2,844,971</u>	<u>\$ 2,835,978</u>

**WASHINGTON COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**Government-wide Financial Analysis (dollars in thousands) (Continued)**

**Statement of Net Assets (Continued)**

The largest portion of the County's net assets (88.4%) represents investments in capital assets net of related debt. These assets include existing infrastructure assets and current year additions to roads, as well as housing units, sanitary and storm drainage sewer infrastructure and County facilities and parks. These assets are used to provide services to the citizens of the County.

Another significant portion of net assets amount to \$300,565 and are unrestricted. These assets can be used by the County to meet the ongoing obligations to citizens and creditors. This represents 10.6% of net assets. The remaining net assets of \$29,118 are restricted by external authorities and can only be used for the narrow purposes set forth by statute or other regulation.

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

**Statement of Activities**

The County's total net assets increased by \$9,186 in 2007. Clean Water Services has restated its beginning net assets to record Barney Reservoir Joint Ownership Commission as an investment in a joint venture, rather than capital assets, to record a payable amount to various cities and to correct accumulated depreciation in prior years.

**WASHINGTON COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**Washington County, Oregon  
Changes in Net Assets**

	Government activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for services	\$ 81,433	\$ 74,196	\$ 84,720	\$ 81,124	\$ 166,153	\$ 155,320
Operating grants and contributions	98,844	106,147	18,920	19,203	117,764	125,350
Capital grants and contributions	71,081	3,751	17,732	18,056	88,813	21,807
<b>General Revenues</b>						
Taxes	122,071	129,914	-	-	122,071	129,914
Interest income	13,031	9,197	4,922	3,563	17,953	12,760
Miscellaneous revenue	22,645	9	6,236	4,944	28,881	4,953
<b>Total revenues</b>	<b>409,105</b>	<b>323,214</b>	<b>132,530</b>	<b>126,890</b>	<b>541,635</b>	<b>450,104</b>
<b>Program Expenses</b>						
General government	35,283	30,466	-	-	35,283	30,466
Public safety and justice	107,566	89,097	-	-	107,566	89,097
Land use, housing and transportation	181,858	138,315	25,967	24,579	207,825	162,894
Health and human services	56,507	61,292	-	-	56,507	61,292
Culture, education and recreation	27,854	15,038	-	-	27,854	15,038
Sanitation and surface water	-	-	84,199	81,589	84,199	81,589
Street lighting	-	-	1,726	1,671	1,726	1,671
Non-departmental	5,119	-	-	-	5,119	-
Interest expense	6,370	5,882	-	-	6,370	5,882
<b>Total expenses</b>	<b>420,557</b>	<b>340,090</b>	<b>111,892</b>	<b>107,839</b>	<b>532,449</b>	<b>447,929</b>
<b>Change in net assets</b>	<b>(11,452)</b>	<b>(16,876)</b>	<b>20,638</b>	<b>19,051</b>	<b>9,186</b>	<b>2,175</b>
<b>Net assets beginning of year as previously reported</b>	<b>2,399,831</b>	<b>450,776</b>	<b>436,147</b>	<b>353,745</b>	<b>2,835,978</b>	<b>804,521</b>
<b>Prior period adjustment</b>	<b>-</b>	<b>1,965,931</b>	<b>(193)</b>	<b>63,351</b>	<b>(193)</b>	<b>2,029,282</b>
<b>Net assets beginning of year as restated</b>	<b>2,399,831</b>	<b>2,416,707</b>	<b>435,954</b>	<b>417,096</b>	<b>2,835,785</b>	<b>2,833,803</b>
<b>Net assets end of year</b>	<b>\$ 2,388,379</b>	<b>\$ 2,399,831</b>	<b>\$ 456,592</b>	<b>\$ 436,147</b>	<b>\$ 2,844,971</b>	<b>\$ 2,835,978</b>

**WASHINGTON COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**Government-wide Financial Analysis (dollars in thousands) (Continued)**

Key elements of the changes in net assets are as follows:

For governmental activities, revenues increased by \$85,891 while at the same time, expenses increased by \$80,467 to make up the total change in net assets from the previous year of \$5,424.

The major revenue contributors to the increase in governmental revenues include a \$67,330 increase in capital grants and contributions to Land Use and Transportation (LUT) and a \$22,636 increase in miscellaneous revenue. The increase in capital grants and contributions to LUT was attributable to greater earned revenue from a State of Oregon grant to retrofit and make capital improvements to several bridges located in Washington County on behalf of the State.

Governmental expenses experienced a net increase of \$80,467 due primarily to increases in Public Safety and Justice, \$18,469; LUT, \$43,543; Culture, Education and Recreation, \$12,816. All of these account for a change of \$74,828 for over 93.0% of the change in expenses compared with the previous year.

Public safety expenses increased by \$18,469 due to increases in homeland security-related expenditures.

The primary cause of increased expense in LUT is caused by increased work performed on bridges, as mentioned above.

Net assets related to business-type activities grew by \$20,638. The growth of net assets for business-type activities was primarily the result of Clean Water Services activity attributed to SDC's and developer contributions of \$17,500.

**Financial Analysis of the County's Funds**

As noted earlier, Washington County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Following are financial analyses of the County's major governmental and proprietary funds.



**WASHINGTON COUNTY, OREGON**

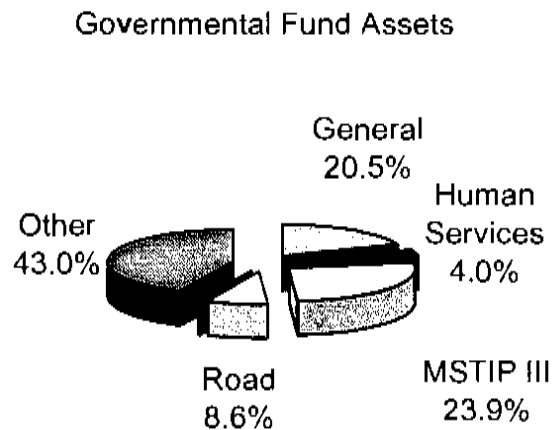
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**Financial Analysis of the County's Funds (Continued)**

**Governmental Funds Balance Sheet Analysis**

The General, Human Services, MSTIP III, and the Road funds are all considered major funds. Together, these four funds account for 57% of the governmental funds assets and 62% of governmental fund balance. The following chart shows the total assets by governmental fund:



As of June 30, 2007, the County's governmental funds reported combined fund balances of \$187,733. The majority of this amount is unreserved and available for spending within the designated funds. The General Fund had an unreserved fund balance of \$43,380 or 23.2% of total governmental fund balance.

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

The MSTIP III Fund accounts for major streets and transportation improvement projects throughout the County. Such projects are funded through a transfer from the General Fund each year.

**WASHINGTON COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances Analysis (Continued)**

Governmental Fund Revenues/Expenditures Analysis

	General Fund	Human Services Fund	Major Streets Transportation Improvement Program III	Road Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 94,003	\$ -	\$ -	\$ 887	\$ 27,087	\$ 121,977
Licenses and permits	5,032	-	-	128	3,722	8,882
Intergovernmental revenues	17,437	33,336	3,791	19,885	78,232	152,681
Charges for services	8,049	32	-	827	21,617	30,525
Fines and forfeitures	3,353	-	-	-	375	3,728
Special assessments	-	-	-	99	150	249
Miscellaneous revenues	5,882	564	3,438	1,325	24,488	35,697
Interfund revenues	5,070	140	-	6,462	14,600	26,272
<b>Total revenues</b>	<b>138,826</b>	<b>34,072</b>	<b>7,229</b>	<b>29,613</b>	<b>170,271</b>	<b>380,011</b>
Expenditures:						
Current:						
General government	31,124	-	-	-	10	31,134
Public safety and justice	47,169	-	-	-	57,348	104,517
Land use, housing and transportation	2,685	-	19,128	29,658	75,681	127,152
Health and human services	14,795	35,647	-	-	17,951	68,393
Culture, education and recreation	902	-	-	-	14,753	15,655
Nonoperating	-	-	-	-	6,359	6,359
<b>Total Current</b>	<b>96,675</b>	<b>35,647</b>	<b>19,128</b>	<b>29,658</b>	<b>172,102</b>	<b>353,210</b>
Capital Outlay	652	-	20,801	35	4,688	26,176
Other full accrual expenses	-	-	-	-	-	-
Debt service:						
Principal	272	-	-	25	9,188	9,485
Interest	156	-	-	7	6,587	6,750
<b>Total debt service</b>	<b>428</b>	<b>-</b>	<b>-</b>	<b>32</b>	<b>15,775</b>	<b>16,235</b>
<b>Total expenditures</b>	<b>97,755</b>	<b>35,647</b>	<b>39,929</b>	<b>29,725</b>	<b>192,565</b>	<b>395,621</b>
Revenues over (under) expenditures	41,071	(1,575)	(32,700)	(112)	(22,294)	(15,610)
Other financing sources (uses):						
Operating transfers in from other funds	23,099	1,785	27,281	669	38,530	91,364
Operating transfers out to other funds	(62,482)	(21)	(5,668)	(806)	(22,385)	(91,362)
<b>Total other financing sources (uses)</b>	<b>(39,383)</b>	<b>1,764</b>	<b>21,613</b>	<b>(137)</b>	<b>16,145</b>	<b>2</b>
Net change in fund balance	1,688	189	(11,087)	(249)	(6,149)	(15,608)
Fund balances July 1, 2006	41,792	1,272	68,164	14,609	77,504	203,341
Fund balances June 30, 2007	\$ 43,480	\$ 1,461	\$ 57,077	\$ 14,360	\$ 71,355	\$ 187,733

The four major funds account for 55.2% of total governmental revenues and other financing sources and 55.9% of total governmental expenditures and other financing uses.

The Human Services fund receives the majority of its funding from state and federal grants and programs. The General fund receives more than 67% of its revenues and other sources from taxes. The largest source of tax revenue is property tax.

Over half of all governmental expenditures are accounted for in the Public Safety and Justice and Land Use, Housing and Transportation and Health programs.

## WASHINGTON COUNTY, OREGON

### MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

JUNE 30, 2007

#### Enterprise Funds Net Assets Analysis

The County and its component units together include three enterprise funds. The Statement of Net Assets for this fund group indicates that, in total, the enterprise activities of the County ended the year with net assets of \$456,592. This represents an increase of \$20,638 in net assets for the year, or 4.7%.

Enterprise activities include Clean Water Services, the Housing Authority of Washington County and the County Service District for Lighting. Clean Water Services' net assets increased by \$19,380, the Housing Authority's net assets increased by \$1,014 and the Service District for Lighting's net assets increased by \$244.

Net assets for enterprise funds of \$456,592 include investments in capital assets net of related debt in the amount of \$363,438, restricted net assets of \$28,948 and unrestricted net assets of \$64,206. Restricted net assets are mostly cash and cash equivalents dedicated to certain projects or activities by rule or regulation that cannot be spent for other purposes. Unrestricted net assets represent 14.1% of total net assets.

#### Enterprise Funds Revenue and Expense Analysis

Enterprise fund operating revenues increased by \$4,186 over last year, a 4.0% increase. The increase is substantially due to a 4.4% increase in charges for sanitation services for Clean Water Services.

Total operating expenses for enterprise funds increased \$4,911 or 5.2% due to increases in most expense categories. The largest increases were seen in professional services; supplies; administrative costs; and insurance claims and premiums.

Clean Water Services' major source of revenue is in the form of charges for services. Such revenues totaling \$78,523 for the year are collected from users of the Sanitary and Storm Sewer facilities throughout the County. Most charges are collected by water districts or cities on behalf of the District and remitted to the District on a daily basis. The largest expenses for the District are depreciation and amortization of \$30,745, labor and fringe benefits of \$22,937 and interest expense of \$10,180.

The Housing Authority's major revenue source is in the form of state and federal housing funds amounting to \$18,920. The Authority also received rent from tenants of Housing properties in the amount of \$4,295. Both of these revenue sources are consistent with prior years levels. The two largest expenses for the Authority were \$16,078 for housing and assistance payments and \$3,427 for administrative costs. The Authority contracts with the County for all administrative functions. Housing assistance payments increased by \$1,085 from the prior year due to increased lease-ups.

**WASHINGTON COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**General Fund Budgetary Highlights**

**Washington County, Oregon  
General Fund Changes in Budget  
2006-07**

	<u>Adopted Budget</u>	<u>Approved Changes</u>	<u>Final Budget</u>	<u>Final 2005-06 Budget</u>
Revenues:				
Taxes	\$ 93,972	-	\$ 93,972	\$ 87,105
Licenses and permits	4,746	-	4,746	4,238
Intergovernmental	13,781	496	14,277	13,990
Charges for services	7,966	-	7,966	7,069
Fines and forfeitures	3,031	-	3,031	2,580
Miscellaneous	6,077	-	6,077	4,143
Interfund revenues	4,997	-	4,997	5,093
<b>Total revenues</b>	<u>134,570</u>	<u>496</u>	<u>135,066</u>	<u>124,218</u>
Expenditures:				
General government	32,843	235	33,078	30,849
Public safety and justice	49,649	485	50,134	48,816
Land use, housing and transportation	3,435	-	3,435	2,558
Health and human services	14,738	356	15,094	13,789
Culture, education and recreation	913	90	1,003	903
Non-departmental	1,218	60	1,278	1,377
Operating contingency	27,027	(730)	26,297	24,684
<b>Total expenditures</b>	<u>129,823</u>	<u>496</u>	<u>130,319</u>	<u>122,976</u>
Excess of revenues over expenditures	<u>4,747</u>	<u>-</u>	<u>4,747</u>	<u>1,242</u>
Other financing sources (uses):				
Transfers in	19,346	4,359	23,705	15,403
Transfers out	(63,449)	(4,479)	(67,928)	(48,141)
<b>Total other financing sources (uses)</b>	<u>(44,103)</u>	<u>(120)</u>	<u>(44,223)</u>	<u>(32,738)</u>
Net change in fund balance	(39,356)	(120)	(39,476)	(31,496)
<b>Fund balance, July 1, 2005</b>	<u>39,356</u>	<u>120</u>	<u>39,476</u>	<u>31,496</u>
<b>Fund balance, June 30, 2006</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Analysis of Budget Changes**

The Fiscal Year 2006-07 County budget was adopted in June of 2006 and took effect July 1, 2007. The budget provides appropriation authority for expenditures for the fiscal year. Oregon Budget Law allows the Board of County Commissioners to adjust the budget under certain circumstances.

**WASHINGTON COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**General Fund Budgetary Highlights (Continued)**

**Analysis of Budget Changes (Continued)**

Several budget adjustments were approved during the year recognizing additional revenue and increased appropriations in General Fund programs. Others transferred contingency in the General Fund to increase appropriations in other funds. The above table shows the budget changes with the majority of the changes being made to General Fund contingency and transfers, both in and out.

The following schedule shows the budget to actual comparison for the General Fund using the revised adopted budget.

**Washington County, Oregon  
General Fund Revenues, Expenditures, and Changes  
in Fund Balance – Budget and Actual  
for the year ended June 30, 2007**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:			
Taxes	\$ 93,972	\$ 94,003	\$ 31
Licenses and permits	4,746	5,032	286
Intergovernmental	14,277	17,430	3,153
Charges for services	7,966	8,049	83
Fines and forfeitures	3,031	3,353	322
Miscellaneous	6,077	5,810	(267)
Interfund revenues	4,997	5,070	73
<b>Total revenues</b>	<u>135,066</u>	<u>138,747</u>	<u>3,681</u>
Expenditures:			
General government	33,078	30,250	2,828
Public safety and justice	50,134	47,670	2,464
Land use, housing and transportation	3,435	2,685	750
Health and human services	15,094	14,902	192
Culture, education and recreation	1,003	946	57
Non-departmental	1,278	1,223	55
Operating contingency	26,297	-	26,297
<b>Total expenditures</b>	<u>130,319</u>	<u>97,676</u>	<u>32,643</u>
Excess of revenues over expenditures	<u>4,747</u>	<u>41,071</u>	<u>36,324</u>
Other financing sources (uses):			
Transfers in	23,705	23,099	(606)
Transfers out	(67,928)	(58,456)	9,472
<b>Total other financing sources (uses)</b>	<u>(44,223)</u>	<u>(35,357)</u>	<u>8,866</u>
Net change in fund balance	(39,476)	5,714	45,190
Fund balance, July 1, 2006	<u>39,476</u>	<u>41,792</u>	<u>2,316</u>
Fund balance, June 30, 2007	<u>\$ -</u>	<u>\$ 47,506</u>	<u>\$ 47,506</u>

**WASHINGTON COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**JUNE 30, 2007**

**General Fund Budgetary Highlights (Continued)**

**Analysis of General Fund Budget to Actual**

The general fund finished the year with a fund balance of \$47,506 reflecting a growth in fund balance of \$5,714 over the previous year. The County's modified budget for the year anticipated an ending fund balance of zero but included a contingency amount of \$26,279. Very little of the contingency is typically appropriated and spent during the year.

The ending fund balance is the result of revenues being greater than anticipated by \$3,681 and expenditures being less than anticipated by \$6,346 in addition to unspent contingency of \$26,297. Net transfers in and out of the General Fund produced another \$8,866 in net revenue.

The largest revenue contributor to the greater-than-anticipated fund balance was increased intergovernmental revenues comprised primarily of state-shared revenues from video lottery proceeds and timber receipts of \$1,419 and \$487, respectively. Public Health Clinic Services received \$1,167 in non-cash donations of vaccine that hasn't historically been budgeted. All three of these sources exceeded budget estimates as shown above.

All expenditure categories spent less than anticipated in the budget. When the operating contingency category is ignored, the remaining budget savings is \$6,346. The major contributors to less-than-anticipated expenditures were general government \$2,828 and public safety \$2,464. Public safety expenditures were less than anticipated due to mandatory savings imposed by the County Administrative Office as a strategy to provide bridge funding for the Public Safety Local Option Levy Fund before the levy renewal took effect. General government budget savings were caused by less spending in several areas: the county administrative office, \$204; elections, \$310; assessment and taxation, \$828; county communications, \$239; human resources, \$267; information and technology services, \$536; and facilities management, \$362.

**Capital Assets and Debt Administration**

**Capital Assets**

The County's total investment in capital assets, including construction in progress, for governmental and business type activities net of depreciation, as of June 30, 2007, amounted to \$2,849,396. Of this total investment, 19.8% was made by business-type activities of the County's component units with the balance being made through governmental activities.

The County's governmental funds account for capital assets, net of depreciation, in the amount of \$2,284,150.

Additional information on Washington' County's capital assets can be found in note 4 on pages 40 and 41 of this report.

Clean Water Services' investment in capital assets, net of depreciation, amounts to \$529.2 million, and these assets, net of related debt, comprise approximately 80.5% of total net assets. These assets include land, sewer lines, treatment plants, buildings, plant and office equipment and automotive equipment.

## WASHINGTON COUNTY, OREGON

### MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

JUNE 30, 2007

The Housing Authority's investment in capital assets, net of accumulated depreciation was \$36 million. These assets, net of related debt, comprise approximately 49.3%. These assets are comprised of land, buildings, improvements, equipment, vehicles and office equipment.

#### Long-term Debt

At June 30, 2007, Washington County had total debt outstanding of \$353,264. Outstanding debt included \$140,300 in debt related to governmental activities and \$212,964 related to business-type activities. Debt related to governmental activities is either voter-approved general obligation debt secured by the taxing authority of the County, debt secured by the full faith and credit of the County or obligations related to vested compensated absences. Revenue bonds secured solely by specified enterprise revenue sources amounted to \$210,181.

The refunding of general obligation bonds subsequent to the fiscal year-end issued by the County carried a Moody's rating of Aa1 and a Standard and Poor's rating of AA.

The County's remaining capacity for voter approved debt is \$1,357,800. Total non-voter approved full faith and credit debt at June 30, 2007 was \$98,114 with remaining capacity for this type of debt at \$512,221. Additional information related to debt can be found in notes 6 and 7 on pages 43 through 51 of this report.

#### **Economic Factors**

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

Over the past several years, the County funded an enhanced level of public safety services through a five-year local option levy approved by the voters. The replacement levy was placed before voters in November 2006 to renew the service level for another four years and passed. The prior levy expired on June 30 2006. A bridge funding plan was implemented in the 2006/07 fiscal year to continue the core services funded by the levy until the new levy takes affect on July 1, 2007. A new Library system local option levy also received voter approval in November 2006 and became effective at the same time. It provides an estimated \$13 million in revenue to the Countywide Library system through 2011. Most of the Library funds will be distributed to City libraries in the County.

Property tax revenues are steadily increasing, but the real estate transfer tax rate of growth has declined during 2006/07 due to the general slow down in the real estate market, this revenue source has been and is anticipated to grow more slowly. The transfer tax is a general fund discretionary revenue source.

#### **Requests for Information**

This financial report is designed to provide a general overview of Washington County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Washington County Finance Division, 155 N. First Avenue, Suite 270 MS 25, Hillsboro, Oregon 97124-3072.

## **BASIC FINANCIAL STATEMENTS**



WASHINGTON COUNTY, OREGON

Statement of Net Assets

June 30, 2007

(Dollars in thousands)

Assets	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Current assets:</b>			
Cash and investments	\$ 200,134	87,372	287,506
Restricted cash	64	—	64
Property taxes receivable	3,494	—	3,494
Assessments receivable, short-term portion	100	57	157
Accounts receivable	12,714	11,551	24,265
Accrued interest receivable	3,834	—	3,834
Housing Authority Loan receivable, short term portion-internal balance	52	(52)	—
Contract receivable, short-term portion	69	235	304
Connection charges receivable	—	70	70
Deposits	—	41	41
Inventories	581	517	1,098
Prepaid pension obligation, short-term portion	678	584	1,262
Prepaid bond issuance costs, short-term portion	103	135	238
Other current assets	49	896	945
<b>Total current assets</b>	<b>221,872</b>	<b>101,406</b>	<b>323,278</b>
<b>Noncurrent assets:</b>			
Long-term investments	43,932	—	43,932
Long-term assessments receivable	99	1,267	1,366
Contracts receivable, net - long-term portion	11,612	—	11,612
Housing Authority loan receivable, net - internal balance long-term portion	883	(883)	—
<b>Capital assets:</b>			
Land, CIP and other assets not being depreciated	944,783	83,154	1,027,937
Buildings and equipment, infrastructure and other assets net of depreciation	1,339,367	482,092	1,821,459
<b>Capital assets, net</b>	<b>2,284,150</b>	<b>565,246</b>	<b>2,849,396</b>
Investments in Joint Venture	—	3,169	3,169
Other noncurrent assets	—	659	659
Prepaid bond issuance costs, net of current year amortization, long-term portion	659	1,525	2,184
Prepaid pension obligation, net	13,097	14,878	27,975
<b>Total noncurrent assets</b>	<b>2,354,432</b>	<b>585,861</b>	<b>2,940,293</b>
<b>Total assets</b>	<b>\$ 2,576,304</b>	<b>687,267</b>	<b>3,263,571</b>
<b>Liabilities and Net Assets</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 15,896	11,184	27,080
Accrued payroll liabilities	6,225	2,512	8,737
Accrued self insurance	5,286	308	5,594
Amounts held in trust	409	—	409
Unearned revenue	11,526	35	11,561
Tenant and other deposits	7,588	586	8,174
Accrued interest payable	695	3,086	3,781
Long-term obligations, current portion, net of discount	15,786	17,948	33,734
<b>Total current liabilities</b>	<b>63,411</b>	<b>35,659</b>	<b>99,070</b>
<b>Noncurrent liabilities:</b>			
Bond and bond anticipation notes payable, net of discount	34,415	192,629	227,044
Capital lease obligations	1,529	—	1,529
Noncurrent portion of other long term obligations, net of discount	88,570	2,387	90,957
<b>Total noncurrent portion of long-term obligations</b>	<b>124,514</b>	<b>195,016</b>	<b>319,530</b>
<b>Total liabilities</b>	<b>187,925</b>	<b>230,675</b>	<b>418,600</b>
<b>Net assets:</b>			
Investment in capital assets, net of related debt	2,151,850	363,438	2,515,288
Restricted for:			
Capital projects	—	26,826	26,826
Debt service	170	2,122	2,292
Unrestricted	236,359	64,206	300,565
<b>Total net assets</b>	<b>2,388,379</b>	<b>456,592</b>	<b>2,844,971</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,576,304</b>	<b>687,267</b>	<b>3,263,571</b>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Activities

For Fiscal Year Ended June 30, 2007

(Dollars in thousands)

	Expenses	Program Income			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental activities:							
General government	\$ 35,283	21,499	17,488	—	3,704	—	3,704
Public safety and justice	107,566	3,651	12,191	—	(91,724)	—	(91,724)
Land use, housing and transportation	181,858	20,591	30,467	71,081	(59,719)	—	(59,719)
Health and human services	56,507	12,250	38,551	—	(5,703)	—	(5,703)
Culture, education and recreation	27,854	571	102	—	(27,181)	—	(27,181)
Non-operating functional area	5,119	22,868	45	—	17,794	—	17,794
Interest expense	6,370	—	—	—	(6,370)	—	(6,370)
Total governmental activities	420,557	81,433	98,844	71,081	(189,199)	—	(189,199)
Business-type activities:							
Housing authority	25,967	4,295	18,920	205	—	(2,547)	(2,547)
Sanitation and surface water	84,199	78,523	—	17,527	—	11,851	11,851
Street lighting	1,726	1,902	—	—	—	176	176
Total business-type activities	111,892	84,720	18,920	17,732	—	9,480	9,480
Total primary government	\$ 532,449	166,153	117,764	88,813	(189,199)	9,480	(159,719)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					104,314	—	104,314
Property taxes, levied for debt service					7,633	—	7,633
Other taxes:							
Transient lodging					3,285	—	3,285
Real property transfer tax					5,928	—	5,928
County fuel tax					887	—	887
Other tax					24	—	24
					10,124	—	10,124
Interest income					13,031	4,922	17,953
Miscellaneous revenues					22,645	6,236	28,881
Prior period adjustments					—	—	—
Prior period adjustments					—	—	—
Total general revenues					157,747	11,158	168,905
Change in net assets					(11,452)	20,638	9,186
Net assets, beginning of year,					2,399,831	436,147	2,835,978
Restatement - Note 17					—	(193)	(193)
Net assets, beginning of year as restated					2,399,831	435,954	2,835,785
Net assets, end of year					\$ 2,388,379	456,592	2,844,971

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Balance Sheet

Governmental Funds

June 30, 2007

(Dollars in thousands)

Assets	General Fund	Human Services Fund	Major Streets	Road Fund	Other Governmental Funds	Total
			Transportation Improvement Program III Fund			
<b>Assets:</b>						
Cash and investments	\$ 36,893	8,340	60,226	19,351	90,706	215,516
Cash restricted for equipment acquisition	—	—	—	—	64	64
Property taxes receivable	2,608	—	—	—	886	3,494
Assessments receivable	6	—	—	114	79	199
Accounts receivable	4,585	1,607	222	2,028	4,142	12,674
Accrued interest receivable	2,772	—	—	—	1,062	3,834
Contracts receivable	—	—	—	—	11,681	11,681
Due from other funds	4,733	—	—	—	—	4,733
Inventory	—	—	—	201	25	226
Other assets	37	—	—	—	12	49
<b>Total assets</b>	<b>\$ 51,634</b>	<b>10,037</b>	<b>60,448</b>	<b>21,694</b>	<b>108,657</b>	<b>252,470</b>
<b>Liabilities, Fund Equity and Other Credits</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 1,771	4,262	3,249	1,452	4,798	15,532
Accrued payroll liabilities	3,577	150	—	638	1,703	6,066
Deposits payable	94	—	—	4,846	2,648	7,588
Amounts held in trust	308	42	—	58	1	409
Accrued OHP payable	—	—	—	—	1,800	1,800
Due to other funds	—	—	—	—	4,733	4,733
Deferred revenue	2,404	4,122	122	342	21,619	28,609
<b>Total liabilities</b>	<b>8,154</b>	<b>8,576</b>	<b>3,371</b>	<b>7,334</b>	<b>37,302</b>	<b>64,737</b>
<b>Fund equity</b>						
<b>Fund balances:</b>						
Reserved fund balance:						
Debt service	—	100	—	—	170	270
Working capital	—	—	—	—	773	773
Unreserved fund balance:						
Capital Projects Funds	—	—	—	—	1,378	1,378
Special Revenue	43,480	1,361	57,077	14,360	69,034	185,312
<b>Total fund equity</b>	<b>43,480</b>	<b>1,461</b>	<b>57,077</b>	<b>14,360</b>	<b>71,355</b>	<b>187,733</b>
<b>Total liabilities, fund equity and assets</b>	<b>\$ 51,634</b>	<b>10,037</b>	<b>60,448</b>	<b>21,694</b>	<b>108,657</b>	<b>252,470</b>

See accompanying notes to basic financial statements.

**WASHINGTON COUNTY, OREGON**

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

June 30, 2007

(Dollars in thousands)

Fund balances - total governmental funds	\$	187,733
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and; therefore, are not reported in the governmental funds.		2,276,690
Prepaid pension obligations are not financial resources in governmental funds, but are reported in the Statement of Net Assets at their net unamortized value.		13,775
Bond issuance costs are recognized in the period paid in governmental funds, but are deferred and amortized in the Statement of Net Assets.		762
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds		935
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		17,083
Long-term liabilities, including bonds payable, are not due and payable in the current period, and; therefore, are not reported in the governmental funds.		(140,930)
Internal Service Funds are used by management to charge the costs of activities to individual funds. Net assets of the internal service funds that are reported with governmental activities:		<u>32,331</u>
Net assets of governmental activities	\$	<u>2,388,379</u>

See accompanying notes to basic financial statements.

**WASHINGTON COUNTY, OREGON**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Governmental Funds**  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	General Fund	Human Services Fund	Major Streets Transportation Improvement Program III Fund	Road Fund	Other Governmental Funds	Total
<b>Revenues:</b>						
Taxes	\$ 94,003	—	—	887	27,067	121,977
Licenses and permits	5,032	—	—	128	3,722	8,882
Intergovernmental revenues	17,437	33,338	3,791	19,885	78,232	152,681
Charges for services	8,049	32	—	827	21,617	30,525
Fines and forfeitures	3,353	—	—	—	375	3,728
Special assessments	—	—	—	99	150	249
Miscellaneous revenues	5,882	564	3,438	1,325	24,488	35,697
Interfund revenues	5,070	140	—	6,462	14,600	26,272
Total revenues	<u>138,826</u>	<u>34,072</u>	<u>7,229</u>	<u>29,613</u>	<u>170,271</u>	<u>380,011</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	31,124	—	—	—	10	31,134
Public safety and justice	47,169	—	—	—	57,348	104,517
Land use, housing and transportation	2,685	—	19,128	29,658	75,681	127,152
Health and human services	14,795	35,647	—	—	17,951	68,393
Culture, education and recreation	902	—	—	—	14,753	15,655
Nonoperating	—	—	—	—	6,359	6,359
Total current	<u>96,675</u>	<u>35,647</u>	<u>19,128</u>	<u>29,658</u>	<u>172,102</u>	<u>353,210</u>
Capital outlay	652	—	20,801	35	4,688	26,176
<b>Debt service:</b>						
Principal	272	—	—	25	9,188	9,485
Interest	156	—	—	7	6,587	6,750
Total debt service	<u>428</u>	<u>—</u>	<u>—</u>	<u>32</u>	<u>15,775</u>	<u>16,235</u>
Total expenditures	<u>97,755</u>	<u>35,647</u>	<u>39,929</u>	<u>29,725</u>	<u>192,565</u>	<u>395,621</u>
Excess (deficiency) of revenues over (under) expenditures	<u>41,071</u>	<u>(1,575)</u>	<u>(32,700)</u>	<u>(112)</u>	<u>(22,294)</u>	<u>(15,610)</u>
<b>Other financing sources (uses):</b>						
Operating transfers in from other funds	23,099	1,785	27,281	669	38,530	91,364
Operating transfers out to other funds	(62,482)	(21)	(5,668)	(808)	(22,385)	(91,362)
Total other financing sources (uses)	<u>(39,383)</u>	<u>1,764</u>	<u>21,613</u>	<u>(137)</u>	<u>16,145</u>	<u>2</u>
Net changes in fund balance	1,688	189	(11,087)	(249)	(6,149)	(15,608)
Fund balances July 1, 2006	41,792	1,272	68,164	14,609	77,504	203,341
Fund balances June 30, 2007	<u>\$ 43,480</u>	<u>1,461</u>	<u>57,077</u>	<u>14,360</u>	<u>71,355</u>	<u>187,733</u>

See accompanying notes to basic financial statements.

**WASHINGTON COUNTY, OREGON**

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

For the Fiscal Year Ended June 30, 2007

(Dollars in thousands)

Net change in fund balances - Governmental Funds		\$ (15,608)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded net additions in the current period.		(6,818)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Repayment of long-term debt	\$ 9,485	
Amortization of premiums, discounts and related deferrals	(927)	
Issuance of capital leases	<u>(22)</u>	
		8,536
Some revenues and expenses, as well as gains and losses, reported in the Statement of Activities do not provide nor require the use of current financial resources and, therefore are not reported as revenues or expenditures in the governmental funds.		1,560
Prepaid pension obligation is not reported in governmental funds, but is deferred and amortized in the Statement of Activities.		(678)
Internal Service funds are used by management to charge the costs of certain activities to individual funds. The change in net assets of the internal service funds is reported with governmental activities.		1,556
Change in net assets		<u>\$ (11,452)</u>

**WASHINGTON COUNTY, OREGON**  
Statement of Net Assets - Proprietary Funds  
June 30, 2007  
(Dollars in thousands)

	<b>Enterprise Funds</b>				<b>Internal Service Funds</b>
	<b>Clean Water Services of Washington County</b>	<b>Housing Authority of Washington County</b>	<b>Washington County Service District for Lighting No. 1</b>	<b>Total</b>	
<b>Assets</b>					
<b>Current assets:</b>					
Cash and investments	\$ 80,410	5,787	1,175	87,372	28,550
Assessments receivable	—	—	57	57	—
Accounts receivable - net of allowance for uncollectibles	10,550	1,001	—	11,551	40
Short-term portion of contracts receivable	—	235	—	235	—
Connection charges receivable	70	—	—	70	—
Deposits	41	—	—	41	—
Supply inventory	517	—	—	517	355
Current portion of prepaid pension obligation	584	—	—	584	—
Current portion of bond issuance costs	135	—	—	135	—
Other current assets	845	51	—	896	—
<b>Total current assets</b>	<b>93,152</b>	<b>7,074</b>	<b>1,232</b>	<b>101,458</b>	<b>28,945</b>
<b>Noncurrent assets:</b>					
Long-term assessments and contracts receivable	789	478	—	1,267	—
Capital assets:					
Land, artwork, CIP, and other assets not being depreciated	74,114	9,040	—	83,154	—
Buildings and equipment and infrastructure, net of depreciation	455,071	27,021	—	482,092	7,460
Investments in joint venture	3,169	—	—	3,169	—
Bond issuance costs	808	717	—	1,525	—
Other noncurrent assets	659	—	—	659	—
Prepaid pension obligation	14,878	—	—	14,878	—
<b>Total noncurrent assets</b>	<b>549,488</b>	<b>37,256</b>	<b>—</b>	<b>586,744</b>	<b>7,460</b>
<b>Total assets</b>	<b>\$ 642,640</b>	<b>44,330</b>	<b>1,232</b>	<b>688,202</b>	<b>36,405</b>
<b>Liabilities and Net Assets</b>					
<b>Current liabilities:</b>					
Accounts payable	\$ 10,786	268	130	11,184	364
Accrued payroll liabilities	2,512	—	—	2,512	159
Accrued self-insurance	308	—	—	308	3,486
Deposits	—	586	—	586	—
Unearned revenue	—	35	—	35	—
Accrued interest payable	2,166	918	—	3,086	—
Current portion of long-term obligations, net of discount	17,315	685	—	18,000	61
<b>Total current liabilities</b>	<b>33,089</b>	<b>2,492</b>	<b>130</b>	<b>35,711</b>	<b>4,070</b>
<b>Noncurrent liabilities:</b>					
Bond and bond anticipation notes payable	163,852	28,777	—	192,629	—
Capital lease obligations	—	—	—	—	4
Other long-term obligations	—	3,270	—	3,270	—
<b>Total noncurrent liabilities</b>	<b>163,852</b>	<b>32,047</b>	<b>—</b>	<b>195,899</b>	<b>4</b>
<b>Total liabilities</b>	<b>196,941</b>	<b>34,539</b>	<b>130</b>	<b>231,610</b>	<b>4,074</b>
<b>Net assets:</b>					
Investment in capital assets, net of related debt	358,613	4,825	—	363,438	—
Restricted for:					
Capital projects	26,826	—	—	26,826	7,395
Debt service	457	1,665	—	2,122	—
Unrestricted	59,803	3,301	1,102	64,206	24,936
<b>Total net assets</b>	<b>445,699</b>	<b>9,791</b>	<b>1,102</b>	<b>456,592</b>	<b>32,331</b>
<b>Total liabilities and net assets</b>	<b>\$ 642,640</b>	<b>44,330</b>	<b>1,232</b>	<b>688,202</b>	<b>36,405</b>

See accompanying notes to basic financial statements.

**WASHINGTON COUNTY, OREGON**  
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	<b>Enterprise Funds</b>				<b>Internal Service Funds</b>
	<b>Clean Water Services of Washington County</b>	<b>Housing Authority of Washington County</b>	<b>Washington County Service District for Lighting No. 1</b>	<b>Total</b>	
Operating revenues:					
Charges for services	\$ 78,523	—	—	78,523	25,236
Intergovernmental revenue	—	18,920	—	18,920	—
Rental income	—	4,295	—	4,295	—
Street lighting assessments	—	—	1,902	1,902	—
Other	3,129	1,003	—	4,132	2,252
<b>Total operating revenues</b>	<b>81,652</b>	<b>24,218</b>	<b>1,902</b>	<b>107,772</b>	<b>27,488</b>
Operating expenses:					
Labor and fringe benefits	22,937	—	—	22,937	1,689
Housing assistance payments	—	16,078	—	16,078	—
Utilities	4,581	406	1,529	6,516	24
Professional services	7,094	—	—	7,094	325
Supplies	2,839	—	16	2,855	2,574
Administrative costs	2,540	3,427	181	6,148	1,462
Chemicals	2,332	—	—	2,332	—
Depreciation and amortization	30,745	1,785	—	32,530	1,559
Insurance claims and premiums	654	—	—	654	19,082
Repairs and maintenance	297	2,075	—	2,372	692
Other	—	235	—	235	—
<b>Total operating expenses</b>	<b>74,019</b>	<b>24,006</b>	<b>1,726</b>	<b>99,751</b>	<b>27,407</b>
<b>Operating income</b>	<b>7,633</b>	<b>212</b>	<b>176</b>	<b>8,021</b>	<b>81</b>
Nonoperating income (expense):					
Interest income	4,643	211	68	4,922	1,480
Other income	99	—	—	99	—
Gain (loss) on sale of capital assets	(342)	2,347	—	2,005	(5)
Interest expense	(10,180)	(1,961)	—	(12,141)	—
<b>Total nonoperating income (expense)</b>	<b>(5,780)</b>	<b>597</b>	<b>68</b>	<b>(5,115)</b>	<b>1,475</b>
Income (loss) before contributions	1,853	809	244	2,906	1,556
Capital contributions	17,527	205	—	17,732	—
<b>Change in net assets</b>	<b>19,380</b>	<b>1,014</b>	<b>244</b>	<b>20,638</b>	<b>1,556</b>
Total net assets, July 1, 2006	426,512	8,777	858	438,147	30,775
Restatements	(193)	—	—	(193)	—
Total net assets, July 1, 2006, as restated	426,319	8,777	858	435,954	30,775
Total net assets, June 30, 2007	\$ 445,699	9,791	1,102	456,592	32,331

See accompanying notes to basic financial statements.



**WASHINGTON COUNTY, OREGON**  
**Statement of Cash Flows - Proprietary Funds**  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	<b>Enterprise Funds</b>				<b>Internal Service Funds</b>
	<b>Clean Water Services of Washington County</b>	<b>Housing Authority of Washington County</b>	<b>Washington County Service District for Lighting No. 1</b>	<b>Total</b>	
Cash flows from operating activities:					
Cash received for services provided	\$ 77,441	23,501	1,895	102,837	25,257
Cash payments for labor and fringe benefits	(22,348)	(3,028)	—	(25,376)	(1,677)
Cash payments for goods and services	(19,474)	(19,389)	(1,692)	(40,555)	(24,285)
Other operating revenue	3,129	—	—	3,129	2,184
Other receipts	—	—	—	—	70
Net cash from operating activities	<u>38,748</u>	<u>1,084</u>	<u>203</u>	<u>40,035</u>	<u>1,549</u>
Cash flows from noncapital financing activities:					
Interest paid on pension bonds	(971)	—	—	(971)	—
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(45,611)	(733)	—	(46,344)	(1,650)
Proceeds (loss) from sale of capital assets	—	2,905	—	2,905	101
Decrease in contracts receivable	—	134	—	134	—
Principal paid on notes payable	—	(771)	—	(771)	—
Principal paid on bonds payable	(16,675)	(230)	—	(16,905)	—
Interest paid on bonds and notes payable	(8,810)	(1,969)	—	(10,779)	—
Interest received on assessments and contracts	89	—	—	89	—
Capital contributed by customers and cities	11,737	205	—	11,942	—
Principal payments on contracts and notes payable	(196)	—	—	(196)	—
Principal payments on capital lease obligations	—	—	—	—	(53)
Interest payments on contracts and notes payable	(7)	—	—	(7)	—
Non-operating grant revenue	166	—	—	166	—
Net cash from capital and related financing activities	<u>(59,316)</u>	<u>(459)</u>	<u>—</u>	<u>(59,775)</u>	<u>(1,602)</u>
Cash flows from investing activities:					
Interest on investments	4,551	210	68	4,829	1,480
Net increase (decrease) in cash and investments	<u>(16,988)</u>	<u>835</u>	<u>271</u>	<u>(15,882)</u>	<u>1,427</u>
Cash and investments, July 1, 2006	97,398	4,952	904	103,254	27,123
Cash and investments, June 30, 2007	<u>\$ 80,410</u>	<u>5,787</u>	<u>1,175</u>	<u>87,372</u>	<u>28,550</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Cash Flows - Proprietary Funds, Continued

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	Enterprise Funds			Total	Internal Service Funds
	Clean Water Services of Washington County	Housing Authority of Washington County	Washington County Service District for Lighting No. 1		
Reconciliation of operating income to net cash from operating activities:					
Operating income	\$ 7,633	212	176	8,021	81
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation and amortization	31,391	1,785	—	33,176	1,559
Loss on disposal of capital assets	8	—	—	8	—
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(1,082)	(667)	—	(1,749)	20
(Increase) decrease in assessments receivable	—	—	(7)	(7)	—
(Increase) decrease in supply inventory	(44)	—	—	(44)	(60)
(Increase) decrease in other assets	32	2	—	34	—
Increase (decrease) in accounts payable	776	(274)	34	536	(219)
Increase (decrease) in deposits	—	76	—	76	—
Increase (decrease) in accrued liabilities	34	—	—	34	168
Increase (decrease) in unearned revenue	—	(50)	—	(50)	—
Net cash provided by (used in) operating activities	\$ 38,748	1,084	203	40,035	1,549
Supplemental schedule of noncash capital and related financing activities:					
Contributions of capital assets by developers	8,285	—	—	8,285	—
Amounts previously capitalized, expensed in current year	(350)	—	—	(350)	—
Loss on equity in joint venture	(68)	—	—	(68)	—
Acquisition of capital assets financed with capital lease	—	—	—	—	22

See accompanying notes to basic financial statements.

**WASHINGTON COUNTY, OREGON**

Statement of Fiduciary Net Assets

June 30, 2007

(Dollars in thousands)

	<b>Private- Purpose Trust Funds</b>	<b>Agency Funds</b>
<b>Assets:</b>		
Cash and investments	\$ 713	3,386
Accounts receivable	—	2,110
Property taxes receivable	—	14,319
Total assets	<u>713</u>	<u>19,815</u>
<b>Liabilities:</b>		
Accounts payable	—	56
Amounts held in trust	—	5,440
Undistributed taxes	—	14,319
Total liabilities	<u>—</u>	<u>19,815</u>
<b>Net assets</b>		
Amounts held in trust and other purposes	<u>\$ 713</u>	<u>—</u>

See accompanying notes to basic financial statements.

**WASHINGTON COUNTY, OREGON**  
**Statement of Changes in Fiduciary Net Assets**  
**For the fiscal year ended June 30, 2007**  
(Dollars in thousands)

	<b>Private- Purpose Trust Funds</b>
Additions:	
Intergovernmental revenues	\$ 1,792
Contributions	884
Interest earnings	10
Total additions	2,686
Deductions:	
Distributions	2,374
Change in net assets	312
Net assets, July 1, 2006	401
Net assets, June 30, 2007	\$ 713

See accompanying notes to basic financial statements.

# WASHINGTON COUNTY, OREGON

## Notes to Basic Financial Statements

June 30, 2007

(Dollars in thousands)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Reporting Entity

Washington County, Oregon (the County) was established in 1849. A Board of County Commissioners consisting of five members governs the County.

The accompanying basic financial statements present the activities of the County and its five blended component units comprised of: Clean Water Services of Washington County (the District), the Housing Authority of Washington County (the Authority), Washington County Enhanced Sheriff Patrol District (ESPD), Washington County Service District for Lighting No. 1 (SDL), and Washington County Urban Road Maintenance Service District (URMD).

The County has included blended component units which are separate legal entities that meet the component unit criteria and whose governing body is the same or substantially the same as the County Board of Commissioners. The Authority, the District, and the SDL are presented as business-type activities while ESPD and URMD are reported as special revenue funds.

A description of the County's blended component units follows:

- **Blended Component Units**

#### **Clean Water Services of Washington County**

The District is a special service district that, in close cooperation with the cities within its service area, provides sanitary sewer and surface water management service for the urbanized portion of Washington County and small parts of the City of Portland and Multnomah and Clackamas Counties.

#### **Housing Authority of Washington County**

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

#### **Washington County Enhanced Sheriff Patrol District**

ESPD contracts with the Washington County Sheriff's Office to provide an urban or municipal level of police service to certain unincorporated areas of the County and is funded by voter-approved serial levies.

#### **Washington County Service District for Lighting No. 1**

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

## WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Reporting Entity (Continued)

##### **Washington County Urban Road Maintenance Service District**

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

Complete financial statements for all component units may be obtained from the County Chief Financial Officer, 155 North First Avenue, Hillsboro, Oregon 97124, Suite 270, Mail Stop 25.

#### Basis of Presentation

##### **Government-wide Financial Statements**

The Statement of Net Assets and the Statement of Activities display information about the County and its component units. These statements include the financial activities of the overall County, except fiduciary activities. These statements distinguish between the governmental and business activities of the County. Governmental activities are financed through charges for services, property taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each activity of the County's governmental programs and business-type activities. Direct expenses are those that are specifically associated with an activity and, therefore, are clearly identifiable to that activity. Indirect expense allocations are included as part of program expenses in the Statement of Activities. Eliminations have been made to minimize the double counting of internal activities. Program revenues include fees, fines, and charges paid by the recipients of goods or services and grants and contributions that are restricted to meeting operational or capital requirements. Revenues that are not classified as program revenues, including property taxes and interest earnings, are presented as general revenues.

Net assets are reported as restricted when constraints placed on net asset use are either externally restricted, imposed by creditors (such as through grantors, contributors or laws), or through constitutional provisions or enabling resolutions.

##### **Fund Financial Statements**

The fund financial statements provide information about the County's funds including its fiduciary and blended component units. Separate statements for each fund category -- governmental, proprietary and fiduciary -- are presented. The emphasis of fund financial statements is on major funds; each displayed in a separate column. The County electively added the Human Services Fund, the Road Fund, and the Service District for Lighting No. 1, as major funds that have specific community focus. All remaining nonmajor governmental funds are aggregated and reported as a single column.

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Basis of Presentation (Continued)

##### **Fund Financial Statements (Continued)**

##### ***Governmental Funds***

The County reports the following major governmental funds:

- *General Fund*  
The General Fund is the primary operating fund of the County and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds. Principal sources of revenue are property taxes and revenues from other governmental agencies. Expenditures cover a wide range of functions including general government, public safety and justice, and public health.
- *Human Services Fund*  
This fund accounts for the delivery of community mental health services including treatment and rehabilitation services for persons with developmental disabilities, persons with severe emotional disturbances, alcohol and other drug abusers and is responsible for alcohol education and early intervention programs.
- *Major Streets Transportation Improvement Program III (MSTIP III) Fund*  
This fund was established to account for the moneys received from a six-year property tax serial levy approved by voters in May 1995. Resources collected are expended to support a comprehensive capital improvement transportation construction program that includes road widening projects, intersection safety improvements, preliminary engineering studies and other related transportation making the levy part of the permanent rate. Consequently, this revenue is transferred from the General Fund.
- *Road Fund*  
This fund primarily accounts for revenue provided by state gasoline tax and allocated to the County in accordance with ORS 366.530. Expenditures are used for maintenance, repair and improvement of existing roads as required by ORS Chapter 366.

# WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Basis of Presentation (Continued)

#### **Fund Financial Statements (Continued)**

#### ***Governmental Funds (Continued)***

Additionally, the County reports non-major funds within the following governmental fund types:

- *Special Revenue Funds*  
These are funds that are used to account for revenue derived from specific tax or other earmarked revenue sources, including federal and state grant awards, which are restricted to finance particular functions or activities.
- *Debt Service Funds*  
The debt service funds account for the payment of principal and interest on general obligation and Bancroft improvement bonds. Revenue is derived primarily from property taxes, special assessments and interest earned on special assessments.
- *Capital Projects Funds*  
These are funds that are used to account for the acquisition or construction of major capital facilities or assets (other than those financed by Proprietary Funds).

#### ***Proprietary Funds***

The County reports the following proprietary funds (the enterprise funds listed below are also major funds):

- *Enterprise Funds*
  - Clean Water Services of Washington County  
This fund accounts for the operations of both sanitary and storm (surface water management) sewer systems in the Tualatin River Drainage Basin. Principal funding sources are charges to users and various types of contributions.
  - Housing Authority of Washington County  
This fund accounts for the operation of programs that provide low-income housing for residents of Washington County. The program is funded by grants from the U.S. Department of Housing and Urban Development (HUD), revenue bonds, and rental receipts.
  - Washington County Service District for Lighting No. 1  
This fund accounts for the operation of a street lighting district that provides street lighting to certain unincorporated areas of Washington County. Property owners are assessed at a rate estimated to cover utility costs plus administrative costs.



## WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of Presentation (Continued)

#### **Fund Financial Statements (Continued)**

#### ***Proprietary Funds (Continued)***

- *Internal Service Funds*

These funds account for activities and services, such as, fleet management, office supplies and insurance, performed for other organizational units within the County. Charges to other County operating departments are made to support these activities. The County accounts for certain expenditures of the Internal Service Funds for budgetary purposes on the modified accrual basis of accounting. For financial reporting purposes, the accrual basis of accounting is used. The differences relate primarily to the methods of accounting for depreciation and capital outlay. Effects of these transactions are substantially eliminated in the government-wide statements, because the net operating income is proportionately distributed back to each of the Internal Service Funds' customers and reported as revenue to the County's other operating departments in the Governmental Fund Statements.

#### ***Fiduciary Funds***

Fiduciary funds are used to report assets held in a trustee or agency capacity for others. The County reports two types of fiduciary funds:

- *Private-Purpose Trust Funds*

Private purpose trust funds are used to report all trust agreement transactions, under which all principal and income benefit individuals, private organizations, or other governments.

- *Agency Funds*

Agency funds account for resources received and held by the County in a fiduciary capacity. Disbursements from these funds are made in accordance with the applicable legislative enactment for each particular fund. Accordingly, all assets reported in an agency fund are offset by a liability to the party on whose behalf they are held.

As is common practice, the County collects all of the separately levied taxes and uses an agency fund to account for the portion of taxes collected on behalf of other governments until those amounts are remitted to the respective jurisdictions.

#### **Measurement Focus and Basis of Accounting**

Government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County receives value without giving equal value in exchange, include property taxes, grants, entitlements, donations and contributions.

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Measurement Focus and Basis of Accounting (Continued)

On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Under terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general-long term debt and acquisitions under capital leases are reported as other financing sources.

For purposes of the government-wide and proprietary fund financial statements, the County has elected not to apply private-sector standards of accounting and financial reporting issued after November 30, 1989, unless specifically adopted by Governmental Accounting Standards Board pronouncements.

The proprietary fund types (enterprise funds and internal service funds) distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the funds' ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

##### Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Cash and Investments

The cash balances of substantially all funds and blended component units are pooled and invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. Investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market price, if available, otherwise the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale. Investments in the State Treasurer's Local Government Investment Pool (LGIP) are stated at fair value. The fair value of the County's position in the LGIP is the same as the value of the pool shares. The individual funds' and blended component units' portions of the pool's fair value are presented as "Cash and Investments" in the basic financial statements. Earnings on pooled funds are paid or credited to each fund and component unit monthly based on the average daily balance of each participating fund or component unit.

The LGIP is administered by the Oregon State Treasury. The LGIP is an 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. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP.

For purposes of the Statement of Cash Flows, cash and investments include all cash and investments held by the County Treasurer, since it has the general characteristics of a demand deposit (i.e. deposits of additional cash may be made at any time and cash may be withdrawn at any time without prior notice or penalty).

##### Property Taxes Receivables

The County levies, collects and distributes property taxes for all taxing jurisdictions within its boundaries. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through liens. All property taxes receivable are from property owners within the County.

Real and personal property taxes are levied, assessed and become a lien against the property as of July 1 each year. Property taxes are payable in three installments on November 15, February 15 and May 15. Discounts are allowed if the amount is paid by November 15 or February 15. Taxes unpaid and outstanding May 15 are considered delinquent.

# WASHINGTON COUNTY, OREGON

## Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Assessments Receivable

Assessments receivable represent uncollected amounts levied against benefited property for the cost of local improvements. An allowance for uncollectible amounts is not deemed necessary because substantially all amounts, including delinquent assessments, are recoverable through liens. Substantially all assessments are payable over a period of ten to thirty years and bear 4.95% to 10.0% interest.

#### Supply and Other Inventory

Inventory is stated at cost (first-in, first-out method).

#### Capital Assets

Purchased or constructed capital assets are recorded at cost. Donated capital assets are recorded at their estimated fair value at the time of donation. Infrastructure (bridges, roads, and drainage systems) acquired during the year has been recorded at cost or fair value, if donated by developers. The County defines capital assets as assets with an initial cost of more than \$5,000 and an estimated life of one year or more. Land and rights-of-ways with an initial cost of less than \$5,000 are also included as capital assets as is software valued at greater than \$25,000. The Housing Authority defines capital assets according to the County guidelines. Clean Water Services defines capital assets as assets with an initial cost of more than \$2,500. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets of the County and its component units are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Land improvements	20
Buildings and improvements	15 - 50
Sewer lines and treatment plants	25 - 50
Office equipment	3 - 10
Machinery and equipment	2 - 20
Automotive equipment	5
Plant equipment	10
Road network, bridge network, culverts and signals	5 - 50

One full month of depreciation is taken in the month the assets are acquired; no depreciation is recorded in the month an asset is retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Leases

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

##### Compensated Absences

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

##### Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations.

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as 'other financing sources' 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. Principal payments are recorded as expenditures in the governmental fund statements.

##### Self-Insurance

The County is exposed to various risks of loss up to various policy deductible amounts related to theft of, damage to, and destruction of assets and natural disasters for which the County carries commercial insurance. General liability claims are limited by State statute to \$500 per occurrence.

The County is fully self-insured for unemployment, workers' compensation benefits, and losses resulting from torts and errors and omissions. The County carries excess workers' compensation coverage for individual claims exceeding \$300.

**WASHINGTON COUNTY, OREGON**

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

**2. CASH AND INVESTMENTS**

The County maintains a cash and investment pool for all County funds and blended component units. The County's portfolio is comprised of a combination of both pooled and non-pooled cash and investments. Each fund's or fund type's portion of this pool is displayed on the balance sheet as "Cash and Investments".

The combined amounts for both the primary government and its component units at June 30, 2007 consist of:

Petty cash	\$	39
Deposits		7,040
Investments		328,522
		<hr/>
	\$	335,601
		<hr/> <hr/>

Total County cash and investments are reported as follows:

Governmental activities	\$	244,130
Business-type activities		87,372
		<hr/>
Total reported on Statement of Net Assets		331,502
Fiduciary Funds		4,099
		<hr/>
	\$	335,601
		<hr/> <hr/>

**Deposits (Custodial Credit Risk)**

Custodial credit risk is the risk that the County would not be able to recover the value of its investments that are in the possession of an outside party, in the event of that party's failure.

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 2. CASH AND INVESTMENTS (Continued)

##### Deposits (Custodial Credit Risk) (Continued)

At June 30, 2007, the carrying amount of the County's deposits was \$7,040 and the bank balance was \$6,968. Of the bank balance, \$341 was covered by the Federal Depository Insurance Corporation (FDIC). The balance of the deposits was covered by collateral certificates of participation issued by the depository institutions in compliance with Oregon Revised Statutes. Oregon Revised Statutes require depository institutions to maintain on deposit with a collateral pool manager, securities having a value not less than 25% of the outstanding collateral certificates of participation issued by the pool manager.

##### Investments

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

##### Disclosures Relating to Interest Rate Risk

Interest rate risk is that risk that would adversely affect the fair value of an investment should market interest rates change. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. County management believes the liquidity in the portfolio is sufficient to meet cash flow requirements and preclude the County from having to sell investments below original cost for that purpose. The County monitors the interest rate risk inherent in its portfolio by comparing the maturity dates of its investments to the minimum maturity dates outlined in the County's investment policy.

The table below outlines the County's investment maturity limitations and the actual maturities at June 30, 2007:

<u>Maturity:</u>	<u>Minimum Allowed</u>	<u>Actual</u>
Less than 30 days	10 %	15 %
Less than 90 days	25	35
Less than 270 days	50	76
Less than 1 year	70	82
Less than 3 years	100	100

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

## 2. CASH AND INVESTMENTS (Continued)

### Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating at year-end for each investment type:

Rating by Standard & Poor's Investment Service:	AAA	A	A-1	Not Rated	Total Invested Value
Commercial paper discounts - amortizing	\$ -	\$ -	\$ 8,530	\$ -	\$ 8,530
Federal agency discounts - amortizing	44,203	-	-	1,462	45,665
Strip bonds - amortizing	10,333	-	-	-	10,333
Federal agency coupon securities	223,890	-	-	-	223,890
Corporate notes	-	1,241	-	-	1,241
Oregon State Treasurer's Local Government Investment Pool (LGIP)	-	-	-	38,863	38,863
<b>Total Investments</b>	<b>\$ 278,426</b>	<b>\$ 1,241</b>	<b>\$ 8,530</b>	<b>\$ 40,325</b>	<b>\$ 328,522</b>

The County's invested value of its portfolio is a combination of the fair value and amortized cost of its investments held at June 30, 2007. The County diversifies its portfolio with the goal of minimizing inherent risks associated with over-investing in specific securities, sectors, or maturities. The primary objectives of our investment activity, in priority order, are preservation of principal, liquidity, and yield. Credit Risk is minimized by purchasing only those securities, which are rated by three of the nationally recognized credit rating agencies, at the time of purchase. The short-term ratings must be the top-tier (Standard & Poor's = minimum A-1, Moody's Investors Services = minimum P-1, Fitch Ratings = minimum F1). The long-term ratings must be in the top-tier (Standards and Poor's = minimum AA-, Moody's Investors Services = minimum Aa3, Fitch Ratings = minimum AA-).

### Investment in the Oregon State Treasurer's Local Government Investment Pool

The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. Oregon Revised Statutes and the Oregon Investment Council govern the investment policies of the pool. The State Treasurer is the investment officer



**WASHINGTON COUNTY, OREGON**

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

**2. CASH AND INVESTMENTS (Continued)**

**Investment in the Oregon State Treasurer's Local Government Investment Pool (Continued)**

for the Council and is responsible for all the funds of the State Treasury. Additionally, investments in the pool are further governed by guidelines issued by the Oregon Short-Term Fund Board. The State Treasurer mitigates the LGIP's credit risk in a manner similar to the method used by the County to manage the credit risk in its own portfolio; by comparing the maturity dates of its investments to the minimum maturity dates outlined in the LGIP's investment policy.

The table below outlines the LGIP's investment maturity limitations and the actual maturities at June 30, 2007:

<u>LGIP Maturity:</u>	<u>Minimum Allowed</u>	<u>Actual</u>
Less than 93 days	50 %	78 %
Less than 1 year	75	86
Less than 3 years	100	100

**3. RECEIVABLES**

Accounts, property taxes, assessments, grants, notes and contracts receivable are shown net of any allowance for uncollectible accounts.

Significant items included in the accounts receivable shown in the major funds on the Governmental Funds Balance Sheet are as follows:

<u>Major Funds:</u>		
General Fund	\$ 2,347	Standard operating accounts receivable
General Fund	216	Accrual of grants receivable
General Fund	262	Accrual of forest products revenue
General Fund	1,760	Accrual of revenues from State
Human Services Fund	142	Standard operating accounts receivable
Human Services Fund	1,555	Accrual of grants receivable
MSTIP III Fund	222	Standard operating accounts receivable
Road Fund	294	Standard operating accounts receivable
Road Fund	192	Accrual of forest products revenue
Road Fund	1,542	Accrual of revenues from State
	<u>8,532</u>	
<u>Non-Major Funds:</u>		
Grants receivable:		
Juvenile	126	
Agency on Aging	342	
Department of Housing Services	22	
Grants and Donations	464	
H.O.M.E.	255	
State High Risk Prevention Fund	424	
Standard operating accounts receivable:		
Special Revenue Funds	2,493	
Capital Projects Funds	16	
	<u>4,142</u>	
Total Funds	<u>\$ 12,674</u>	

**WASHINGTON COUNTY, OREGON**  
**Notes to Basic Financial Statements (Continued)**  
**June 30, 2007**  
(Dollars in thousands)

**4. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2007 was as follows:

	<u>Governmental Activities</u>				<u>Balance</u> <u>06/30/07</u>
	<u>Balance</u> <u>07/01/06</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	
Capital assets not being depreciated:					
Land	\$ 898,368	\$ 14,610	\$ -	\$ -	\$ 912,978
Artwork	332	-	-	-	332
Construction in progress	19,376	22,669	(285)	(10,287)	31,473
Total capital assets not being depreciated	<u>918,076</u>	<u>37,279</u>	<u>(285)</u>	<u>(10,287)</u>	<u>944,783</u>
Capital assets being depreciated:					
Land improvements	4,254	455	(2)	-	4,707
Buildings and improvements	148,816	929	-	-	149,745
Machinery and equipment	37,077	3,489	(1,166)	-	39,400
Road network	1,634,493	17,373	(893)	622	1,651,795
Bridge network	69,993	-	(374)	9,038	78,657
Culverts	11,621	-	-	438	12,059
Signals	47,410	-	-	189	47,599
Total capital assets being depreciated	<u>1,953,664</u>	<u>22,246</u>	<u>(2,235)</u>	<u>10,287</u>	<u>1,983,962</u>
Less accumulated depreciation for:					
Land improvements	(2,296)	(222)	-	-	(2,518)
Building and improvements	(30,374)	(3,478)	-	-	(33,852)
Machinery and equipment	(23,618)	(3,369)	1,139	-	(25,874)
Road network	(470,789)	(54,630)	538	-	(524,881)
Bridge network	(22,828)	(1,439)	375	-	(23,892)
Culverts	(3,773)	(234)	-	-	(4,007)
Signals	(27,077)	(2,495)	1	-	(29,571)
Total accumulated depreciation	<u>(580,755)</u>	<u>(65,887)</u>	<u>2,047</u>	<u>-</u>	<u>(644,595)</u>
Governmental activities capital assets, net	<u>\$ 2,280,985</u>	<u>\$ (6,362)</u>	<u>\$ (473)</u>	<u>\$ -</u>	<u>\$ 2,284,150</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 2,677
Public safety and justice	2,893
Land use, housing, and transportation	60,042
Health and human services	150
Culture, education, and recreation	125
Total depreciation expense	<u>\$ 65,887</u>

**WASHINGTON COUNTY, OREGON**  
**Notes to Basic Financial Statements (Continued)**  
**June 30, 2007**  
(Dollars in thousands)

**4. CAPITAL ASSETS (Continued)**

	Business-type Activities						Balance 06/30/07
	Balance 07/01/06	Restatements	Balance 7/1/2006 (as restated)	Increases	Decreases	Transfers	
<b>Capital assets not being depreciated:</b>							
Land and easements	\$ 15,663	\$ -	\$ 15,663	\$ 25	\$ (282)	\$ 3,100	\$ 18,506
Construction in progress	34,575	-	34,575	44,807	(350)	(14,384)	64,648
<b>Total capital assets not being depreciated</b>	<b>50,238</b>	<b>-</b>	<b>50,238</b>	<b>44,832</b>	<b>(632)</b>	<b>(11,284)</b>	<b>83,154</b>
<b>Capital assets being depreciated:</b>							
Buildings and improvements	206,490	(3,782)	202,708	6,343	(919)	2,085	210,217
Treatment plants	452,832	-	452,832	-	-	1,481	454,313
Sewer lines	149,886	-	149,886	2,586	-	3,598	156,070
Plant equipment	30,951	-	30,951	724	-	1,715	33,390
Automotive equipment	7,044	-	7,044	6	(44)	1,137	8,143
Plans and studies	4,377	-	4,377	-	-	694	5,071
Office equipment	16,676	-	16,676	47	-	574	17,297
<b>Total capital assets being depreciated</b>	<b>868,256</b>	<b>(3,782)</b>	<b>864,474</b>	<b>9,706</b>	<b>(963)</b>	<b>11,284</b>	<b>884,501</b>
<b>Less accumulated depreciation for:</b>							
Buildings and improvements	(79,567)	1,418	(78,149)	(8,497)	644	-	(86,002)
Treatment plants	(204,205)	-	(204,205)	(16,433)	-	-	(220,638)
Sewer lines	(45,911)	-	(45,911)	(3,060)	-	-	(48,971)
Plant equipment	(20,634)	-	(20,634)	(1,705)	-	-	(22,339)
Automotive equipment	(5,849)	-	(5,849)	(632)	45	-	(6,436)
Plans and studies	(2,625)	410	(2,215)	(809)	-	-	(3,124)
Office equipment	(13,658)	-	(13,658)	(1,241)	-	-	(14,899)
<b>Total accumulated depreciation</b>	<b>(372,449)</b>	<b>1,828</b>	<b>(370,621)</b>	<b>(32,477)</b>	<b>689</b>	<b>-</b>	<b>(402,409)</b>
<b>Total capital assets being depreciated, net</b>	<b>495,807</b>	<b>(1,954)</b>	<b>493,853</b>	<b>(22,771)</b>	<b>(274)</b>	<b>11,284</b>	<b>482,092</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 546,045</b>	<b>\$ (1,954)</b>	<b>\$ 544,091</b>	<b>\$ 22,061</b>	<b>\$ (906)</b>	<b>\$ -</b>	<b>\$ 585,246</b>
<b>Depreciation expense was charged to functions as follows:</b>							
<b>Business-type activities:</b>							
Sanitation	\$ 25,136						
Surface Water Management	5,609						
Housing	1,732						
<b>Total depreciation expense</b>	<b>\$ 32,477</b>						

**5. DEFERRED REVENUE**

Deferred revenue as presented on the Governmental Funds Balance Sheet is comprised of the following:

	Property Taxes	Assessments	Contracts Receivable	Accounts Receivable	Unearned Revenue	Total
General Fund	\$ 2,167	5	-	197	35	2,404
Human Services Fund	-	-	-	114	4,008	4,122
MSTIP III	-	-	-	122	-	122
Road Fund	-	114	-	29	199	342
Other Governmental Funds	743	81	12,787	724	7,284	21,619
<b>Total deferred revenue</b>	<b>\$ 2,910</b>	<b>200</b>	<b>12,787</b>	<b>1,166</b>	<b>11,526</b>	<b>28,609</b>

Unearned revenue as presented on the Statement of Net Assets is primarily comprised of grants.

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 6. LONG-TERM DEBT

##### Bonds Payable

Washington County has issued general obligation bonds for capital construction, capital acquisition, and refunding bonds to refund prior bond issuances with higher interest rates. The bonds are payable through fiscal year 2014. All the general obligation bonds and refunding bonds will be paid with property tax revenues.

Clean Water Services has issued sewer revenue bonds for capital expansion of the sewer treatment plants and collection system. The bonds are payable through fiscal year 2028. All the sewer revenue bonds will be paid with the District's net revenue as defined in the bond indenture agreements.

In May 2004, Clean Water Services issued \$15,990 of pension obligation bonds to pay its unfunded pension liability with PERS. The pension obligations are payable from gross sewer revenues.

The Housing Authority has issued revenue bonds for acquiring and rehabilitating low-income housing. The bonds are payable through fiscal year 2034. All the Authority's revenue bonds will be paid from the Trust Estate as defined in the bond indenture agreements.

In prior years, Clean Water Services defeased certain bonds by placing the proceeds of refunding bonds in an irrevocable trust to provide for all future debt service on the defeased bonds. Accordingly, the trust account assets and the related liability for those defeased bonds are not included in the District's financial statements. As of June 30, 2007, prior years' refunded revenue bonds defeased totaled \$103,705.

# WASHINGTON COUNTY, OREGON

## Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

### 6. LONG-TERM DEBT (Continued)

#### Bonds Payable (Continued)

Bonds payable transactions for the year ended June 30, 2007, are as follows:

	Original amount	Outstanding July 1, 2006	Decreases	Outstanding June 30, 2007	Due within one year	Long-term portion
<b>Governmental activities:</b>						
Refunding General Obligation Bonds, 1998 Series, interest, 3.500%-5.000%	\$ 50,550	43,755	4,645	39,110	4,840	34,270
Refunding General Obligation Bonds, 2001 Series, interest, 3.000%-3.400%	6,390	2,260	1,110	1,150	1,150	-
	<u>\$ 56,940</u>	<u>46,015</u>	<u>5,755</u>	<u>40,260</u>	<u>5,990</u>	<u>34,270</u>
Unamortized premium		209	32	177	32	145
Total governmental activities		<u>\$ 46,224</u>	<u>5,787</u>	<u>40,437</u>	<u>6,022</u>	<u>34,415</u>
<b>Business-type activities:</b>						
Sewer Revenue Bonds, 1992 Series A, interest 2.850%-6.200%	\$ 126,175	12,665	2,075	10,590	7,590	3,000
Sewer Revenue Bonds, 1996 Issue, interest 3.800%-5.625%	50,000	7,290	2,310	4,980	2,425	2,555
Sewer Revenue Bonds, 1997 Series A interest 3.800%-5.750%	47,060	46,735	5,345	41,390	45	41,345
Sewer Revenue Bonds, 1997 Series One interest 3.800%-5.750%	45,435	40,640	4,855	35,785	5,140	30,645
Sewer Revenue Bonds, 2001 Series interest 4.000%-5.125%	55,975	48,475	2,070	46,405	2,155	44,250
Sewer 2004 Refunding of 1996 Revenue Bonds, interest 2.000%-5.250%	26,455	26,075	20	26,055	20	26,035
Revenue Pension Bonds, 2004 Series interest 4.596%-6.095%	15,990	15,990	-	15,990	-	15,990
Housing Authority Revenue Bonds, Series 1999 A&B, interest 4.400%-6.125%	15,960	14,480	15	14,465	20	14,445
Housing Authority Revenue Bonds, Series 2001 A, interest 4.250%-6.000%	8,440	8,130	95	8,035	115	7,920
Housing Authority Revenue Bonds, Series 2001 B, interest 4.500%-5.875%	1,560	1,470	25	1,445	30	1,415
Housing Authority Revenue Bonds, Series 2002 A, interest 2.250%-6.125%	5,950	5,690	95	5,595	95	5,500
	<u>\$ 399,000</u>	<u>227,640</u>	<u>16,905</u>	<u>210,735</u>	<u>17,635</u>	<u>193,100</u>
Unamortized discount		(5,239)	(1,180)	(4,059)	(813)	(3,246)
Unamortized premium		4,279	773	3,506	731	2,775
Total business-type activities		<u>226,680</u>	<u>16,498</u>	<u>210,182</u>	<u>17,553</u>	<u>192,629</u>
Grand total		<u>\$ 272,904</u>	<u>22,285</u>	<u>250,619</u>	<u>23,575</u>	<u>227,044</u>

**WASHINGTON COUNTY, OREGON**

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

**6. LONG-TERM DEBT (Continued)**

**Bonds Payable (Continued)**

Future maturities of governmental activities unmatured bond principal and interest are as follows:

Fiscal Year	Series 1998 General Obligation Bonds		Series 2001 General Obligation Bonds		Governmental Activities Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 4,840	1,789	1,150	19	5,990	1,808
2009	5,050	1,572	-	-	5,050	1,572
2010	5,285	1,329	-	-	5,285	1,329
2011	5,550	1,058	-	-	5,550	1,058
2012	5,830	774	-	-	5,830	774
2013-2014	12,555	635	-	-	12,555	635
	39,110	7,157	1,150	19	40,260	7,176
Unamortized bond premium	172	-	5	-	177	-
	<u>\$ 39,282</u>	<u>\$ 7,157</u>	<u>\$ 1,155</u>	<u>\$ 19</u>	<u>\$ 40,437</u>	<u>\$ 7,176</u>

Future maturities of business-type activities unmatured bond principal and interest are as follows:

Fiscal Year	Sewer Revenue Bonds		Housing Authority Revenue Bonds		Business-type Activities Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 17,375	9,162	260	1,752	17,635	10,914
2009	18,195	8,406	285	1,739	18,480	10,145
2010	19,275	7,377	285	1,725	19,560	9,102
2011	20,415	6,290	435	1,707	20,850	7,997
2012	21,625	5,129	765	1,676	22,390	6,805
2013-2017	51,310	14,161	4,515	7,647	55,825	21,808
2018-2022	23,970	6,143	6,015	6,092	29,985	12,235
2023-2027	7,990	1,883	8,045	3,993	16,035	5,876
2028-2032	1,040	64	8,160	1,306	9,200	1,370
2033-2034	-	-	775	48	775	48
	181,195	58,615	29,540	27,685	210,735	86,300
Unamortized bond discount, deferred amount in refunding and bond premium, net	(27)	-	(526)	-	(553)	-
	<u>\$ 181,168</u>	<u>\$ 58,615</u>	<u>\$ 29,014</u>	<u>\$ 27,685</u>	<u>\$ 210,182</u>	<u>\$ 86,300</u>

**WASHINGTON COUNTY, OREGON**  
Notes to Basic Financial Statements (Continued)  
June 30, 2007  
(Dollars in thousands)

**6. LONG-TERM DEBT (Continued)**

**Contracts, Notes, Vested Compensated Absences and Other Long-Term Debt**

As of June 30, 2007, the County has two outstanding contracts payable, nine outstanding notes payable, and outstanding vested compensated absences due to its employees, for a total of \$98,110. A brief explanation of the outstanding contracts and notes reported in governmental activities is below.

In February 2006, the County issued \$49,475 worth of Full Faith and Credit Refunding Obligations to purchase certain U.S. Government securities that were placed in an irrevocable trust to provide resources for future debt service payments of \$48,775 of Full Faith and Credit Obligations. As a result, the refunded bonds are considered defeased and the liability has been removed from the County's financial statements. As of June 30, 2007, prior years' bonds defeased remaining outstanding totaled \$34,930.

**Contracts Payable**

U.S. Department of Interior, Bureau of Reclamation - This contract was established between the County and the Bureau of Reclamation as a means to repay the Federal Government a portion of the development costs incurred during the construction of Hagg Lake Park.

Oregon Economic Development Department - This contract provided loan funding for the County to make improvements to Cornelius Pass Road and Evergreen Parkway. The loan was issued by the Oregon Economic Development Department.

**Notes Payable**

State of Oregon, Department of Energy - These notes provide funding for various energy conservation projects and improvements throughout County facilities.

State of Oregon, Economic Development Department - This note provided funding to build the Harkins House juvenile shelter.

Full Faith & Credit Obligations Series 2000 - These notes were issued by the County to provide funding for an upgrade to the County's emergency response communication infrastructure and the purchase of a new countywide accounting system from Oracle.

Full Faith & Credit Obligations Series 2001A - These notes were issued to provide funding for various needs throughout the County, including transportation projects, the remodeling of several County buildings, and the refinancing of Land Use & Transportation's Operations Center. Of these notes, \$49,475 was advance refunded through the Full Faith & Credit Obligation Series 2006 (Refunding) bond issue. There is still a \$6,195 unrefunded balance outstanding as of June 30, 2007.

Full Faith & Credit Obligations Series 2001C - The revenue from these notes was used to refinance the 1991 Fair Complex lease-purchase agreement and the 1988 Certificates of Participation for the Tigard Detox Facility.

Full Faith & Credit Obligations Series 2004 - These notes were issued to refinance the 1993 Certificates of Participation issue and take advantage of the available lower interest rates. The 1993 issue was used to refund the Series 1990B Certificates of Participation and to finance several County projects, including the completion of the juvenile justice/law library building, the construction of a new animal shelter, and three information services projects.

Full Faith & Credit Obligations Series 2006 (Refunding) - The revenue from these notes was used for the partial advance refunding of the Full Faith & Credit Obligation Series 2001A bond issue. The County was able to advance refund \$49,475 of the Full Faith & Credit Obligation Series 2001A bond issue.

Full Faith & Credit Obligations Series 2006 (New Money) - These notes were issued to provide funding for various projects throughout the County, including the purchase of Clean Water Services' share of the Public Services Building, upgrades to data and phone systems in several County buildings, and improvements and repairs to several parking lots owned by the County.

\$150 Line of Credit Loan - This is a line of credit opened by the Washington County Fair Complex through Columbia Community Bank, and is used for interim funding of operating expenses as necessary.

**WASHINGTON COUNTY, OREGON**  
Notes to Basic Financial Statements (Continued)  
June 30, 2007  
(Dollars in thousands)

**6. LONG-TERM DEBT (Continued)**

**Contracts, Notes, Vested Compensated Absences and Other Long-Term Debt (Continued)**

Contracts, notes, and vested compensated absences activity for the year ended June 30, 2007, is summarized in the following table

	Balance July 1, 2006	Additions	Payments and decreases	Balance June 30, 2007	Due Within One year	Long-term portion
Contracts payable:						
U.S. Department of Interior, Bureau of Reclamation payable by the General Fund through 2029, interest, 3.5%	\$ 513	-	23	490	22	468
Oregon Economic Development Department, payable by the Road Fund through 2012, interest, 5%	137	-	24	113	26	87
	<u>650</u>	<u>-</u>	<u>47</u>	<u>603</u>	<u>48</u>	<u>555</u>
Notes payable:						
State of Oregon, Department of Energy payable by the General Fund through 2018; interest, 4.13%-5.75%	855	-	94	761	99	662
State of Oregon, Economic Development Department, payable by the IS Capital Acquisition Fund through 2021; interest, 5.28%	1,669	-	78	1,591	79	1,512
Full Faith & Credit Obligations Series 2000, payable by the Miscellaneous Debt Service Fund through 2007; interest, 4.25%-4.60%	905	-	905	-	-	-
Full Faith & Credit Obligations Series 2001A, payable by the Miscellaneous Debt Service Fund through 2026; interest, 4.25%-5.5%	7,375	-	1,180	6,195	1,320	4,875
Full Faith & Credit Obligations Series 2001C, payable by the Miscellaneous Debt Service Fund through 2012; interest, 3.0%-4.0%	310	-	50	260	60	200
Full Faith & Credit Obligations Series 2004, payable by the Miscellaneous Debt Service Fund through 2019; interest, 3.0%-4.6%	3,690	-	240	3,450	240	3,210
Full Faith & Credit Obligations, Series 2006 (Refunding) payable by the Miscellaneous Debt Service Fund through 2026; interest, 5.0%-5.5%	48,860	-	80	48,780	85	48,695
Full Faith & Credit Obligations, Series 2006 (New Money) payable by the Miscellaneous Debt Service Fund through 2026; interest, 3.75%-5.0%	30,850	-	840	30,010	1,085	28,925
\$150 Line of Credit Loan, payable by the Fair Complex Fund through 2011; interest, 0%	79	-	18	61	19	42
	<u>94,593</u>	<u>-</u>	<u>3,485</u>	<u>91,108</u>	<u>2,987</u>	<u>88,121</u>
Vested compensated absences	6,191	6,515	6,191	6,515	6,515	-
	<u>101,434</u>	<u>6,515</u>	<u>9,723</u>	<u>98,226</u>	<u>9,550</u>	<u>88,676</u>
Deferred amounts on refunding	(3,254)	-	(286)	(2,968)	(157)	(2,811)
Unamortized discounts	(286)	-	(253)	(33)	(8)	(25)
Unamortized premiums	3,043	-	158	2,885	153	2,732
	<u>\$ 100,937</u>	<u>\$ 6,515</u>	<u>\$ 9,342</u>	<u>\$ 98,110</u>	<u>\$ 9,538</u>	<u>\$ 88,572</u>



**WASHINGTON COUNTY, OREGON**

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

**6. LONG-TERM DEBT (Continued)**

**Contracts, Notes, Vested Compensated Absences and Other Long-Term Debt (Continued)**

Future maturities of governmental activities' unmatured contracts, notes and vested compensated absences are as follows:

Fiscal Year	Contracts	Notes	Vested compensated absences	Total	
				Principal	Interest
2008	\$ 48	\$ 2,987	\$ 6,515	\$ 9,550	\$ 4,207
2009	50	3,191	-	3,241	4,067
2010	51	3,422	-	3,473	3,916
2011	53	3,611	-	3,664	3,751
2012	22	3,748	-	3,770	3,577
2013-2017	112	22,304	-	22,416	15,251
2018-2022	111	28,031	-	28,142	9,413
2023-2027	111	23,814	-	23,925	2,763
2028-2029	45	-	-	45	2
	603	91,108	6,515	98,226	46,947
Plus unamortized premium	-	2,885	-	2,885	-
Less unamortized discount and amounts deferred on refunding	-	(3,001)	-	(3,001)	-
Total	<u>\$ 603</u>	<u>\$ 90,992</u>	<u>\$ 6,515</u>	<u>\$ 98,110</u>	<u>\$ 46,947</u>

Contracts and notes payable of business activities for the year ended June 30, 2007 are as follows:

	Balance July 1, 2006	Payments and decreases	Balance June 30, 2007	Due Within One year	Long-term portion
Notes Payable:					
Housing Authority notes payable through 2038; interest 0.000% - 9.500%	\$ 4,488	\$ 771	\$ 3,717	\$ 447	\$ 3,270
	<u>\$ 4,488</u>	<u>\$ 771</u>	<u>\$ 3,717</u>	<u>\$ 447</u>	<u>\$ 3,270</u>

**WASHINGTON COUNTY, OREGON**

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

**6. LONG-TERM DEBT (Continued)**

**Contracts, Notes, Vested Compensated Absences and Other Long-Term Debt (Continued)**

Future maturities of business activities unmatured contracts and notes payable are as follows:

Fiscal Year	Housing Authority of Washington County Notes payable	
	Principal	Interest
2008	\$ 447	\$ 175
2009	419	147
2010	1,216	132
2011	55	73
2012	11	71
2013-2017	675	329
2018-2022	111	222
2023-2027	51	198
2028-2032	581	122
2033-2037	131	43
2038	20	15
	<u>\$ 3,717</u>	<u>\$ 1,527</u>

**7. CAPITAL LEASE OBLIGATIONS**

The County has five capital lease agreements. Two are for the purchase of juvenile detention facility space. These are noncancelable lease agreements which end September 2012 and October 2016. The gross amounts of the leases are \$1,180 on the original lease and \$1,862 on the lease for additional beds. The third lease is for the purchase of a forklift. This noncancelable lease agreement ends August 2010. The gross amount of the lease is \$22. The fourth lease is for a high-speed copier and printer. This noncancelable lease agreement ends May 2008. The gross amount of the lease is \$244. The fifth lease for the purchase of a turf mower, was paid in full as of September 2006. The gross amount of the lease was \$30.

Changes in the capital lease obligations for the year ended June 30, 2007, are as follows:

Outstanding July 1, 2006	Increases	Decreases	Outstanding June 30, 2007
\$ 1,951	\$ 22	\$ (218)	\$ 1,755

# WASHINGTON COUNTY, OREGON

## Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

### 7. CAPITAL LEASE OBLIGATIONS (Continued)

The following is a schedule, by fiscal year, of future minimum lease payments under capital leases, together with the present value of the future minimum lease payments as of June 30, 2007:

Fiscal Year	Capital Lease Future Minimum Payments
2008	\$ 323
2009	270
2010	262
2011	257
2012	256
2013-2017	871
Future minimum lease payments	2,239
Less amounts representing interest	(484)
Present value of future minimum lease payments	<u>\$ 1,755</u>
Current portion	\$ 226
Long-term portion	<u>1,529</u>
	<u>\$ 1,755</u>

### 8. PENSION PLAN

#### Pension Plan Description

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

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

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

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 8. PENSION PLAN (Continued)

##### Pension Plan Description (Continued)

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

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

##### Funding Policy

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

In fiscal year 2002, the County contributed \$17,617 in excess of the annual required contribution. In fiscal years 2000 and 2004, Clean Water Services contributed \$2,232 and \$15,278 in excess of the annual required contribution, respectively. Pursuant to the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, these contributions in excess of the annual required contributions were recorded as prepaid pension assets which are reported on the Statement of Net Assets as prepaid pension obligation. These prepaid pension assets are being amortized over 26 years for the County and 30 years for Clean Water Services on a straight-line basis.

The County's annual required contribution rate for fiscal 2007 remained the same as the prior year at 14.71% of covered employees' salaries for PERS and 9.68% for general OPSRP and 13.29% for OPSRP police. Clean Water Services' annual contribution rate for fiscal 2007 was 6.88% for PERS and 8.04% for OPSRP. The employee contribution rate is 6% for both the County and Clean Water Services.

##### Risk Pooling and Revised PERS Contribution Rates

The County and Clean Water Services participate in the State and Local Government Rate Pool (SLGRP). The SLGRP was created by legislative act of the State of Oregon and provided local governments the option to pool their PERS related assets and liabilities with others that elected to participate in the pool. Contribution rates are determined based on the overall experience of the pool versus the potentially more volatile experience of individual employers.

**WASHINGTON COUNTY, OREGON**

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

**8. PENSION PLAN (Continued)**

**Annual Pension Cost**

For fiscal 2007, the County's and Clean Water Services' actual annual pension cost of \$14,178 and \$1,797, respectively, were equal to their annual required contributions plus current fiscal year amortization of prepaid pension assets. The actual pension costs without amortization of the prepaid pension obligation were \$12,881 and \$1,213, respectively. The required contribution was determined as part of the actuarial valuation at December 31, 2003 using the entry age actuarial cost method. Significant actuarial assumptions used in the valuation included: (a) rate of return on the investment of present and future assets of 8%; (b) projected salary increases which include 4.25% per year in addition to salary increases due to promotions and longevity that may vary by age and service; (c) post-retirement benefit increases of 2% per year (the maximum allowable); (d) consumer price inflation of 3.5% per year; and, (e) thirty-year open amortization of the unfunded actuarial liability as a level percentage of projected annual payroll.

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

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

	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Prepaid pension obligation</u>
County:			
2005	\$ 9,535	100 %	\$ 15,131
2006	13,559	100	14,453
2007	14,178	100	13,775
Clean Water Services:			
2005	1,387	100	16,629
2006	1,832	100	16,046
2007	1,797	100	15,462
Total:			
2005	10,922	100	31,760
2006	15,391	100	30,499
2007	15,975	100	29,237

**WASHINGTON COUNTY, OREGON**

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

**9. OPERATING LEASES**

The County and Clean Water Services lease various equipment, buildings and land for use in their operations under cancelable and noncancelable operating leases. Total costs for such leases were approximately \$383 for the year ended June 30, 2007.

The future minimum lease payments for the noncancelable leases are as follows:

Year Ending June 30,	Clean Water Services	Washington County	Total
2008	\$ 101	330	431
2009	99	121	220
2010	99	105	204
2011	99	28	127
2012	-	28	28
2013	-	28	28
2014	-	28	28
2015	-	28	28
2016	-	28	28
2017	-	28	28
Total	<u>\$ 398</u>	<u>752</u>	<u>1,150</u>

**10. DUE TO/FROM OTHER FUNDS**

Interfund accounts at June 30, 2007, consist of:

Fund	Due to other funds	Due from other funds
Major governmental funds:		
General Fund	\$ -	\$ 4,733
Other governmental funds	4,733	-
	<u>\$ 4,733</u>	<u>\$ 4,733</u>

Interfund receivables consist of \$4,000 to Local Operating Levy Fund bridging loan by the General Fund and \$733 cash advanced to cover negative cash balances at year-end June 30, 2007.

**11. INSURED RISKS**

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

**WASHINGTON COUNTY, OREGON**

Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

**11. INSURED RISKS (Continued)**

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

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

		<u>Beginning of fiscal year liability</u>	<u>Current year claims and changes in estimates</u>	<u>Claims payments</u>	<u>Balance at fiscal year-end</u>
2004-2005	\$	3,650	1,126	(999)	3,777
2005-2006		3,777	1,064	(1,230)	3,611
2006-2007		3,611	1,156	(972)	3,795

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

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 12. TRANSFERS

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

Transfers in:	
General Fund	\$ 23,099
Human Services Fund	1,785
Major Streets Transportation Improvement Program III Fund	27,281
Road Fund	669
Non-major funds	38,530
Total	<u>\$ 91,364</u>
Transfers out:	
General Fund	\$ 62,482
Human Services Fund	21
Major Streets Transportation Improvement Program III Fund	5,668
Road Fund	806
Non-major funds	22,385
	<u>91,362</u>
Recorded as other expenses in proprietary fund types	2
Total	<u>\$ 91,364</u>

The following are the major reasons for the above transfers:

Major streets improvement programs and Cooperative Library Services operated on fixed-rate serial levies until FY 1998-99. With the passage of Measures 47 and 50, those fixed-rate serial levies were combined with the County's permanent tax rate and now receive a majority of their funding directly from the County's General Fund. These transfers comprise approximately \$27,281 to major streets improvement programs and \$13,006 to Cooperative Library Services and are responsible for 44% of all transfers. Transfers between the other operating departments resulted from the normal course of operations.

#### 13. CONDUIT DEBT OBLIGATIONS

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

As of June 30, 2007, there were sixteen series of Housing Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$50,797.



## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 14. MEASURE 37

On November 2, 2004, Oregon voters approved citizen initiative petition Measure 37. This measure became effective on December 2, 2004. Measure 37 entitles certain landowners either (a) to compensation for the reduction in the fair market value of their property that results from certain land use regulations (restrictions) that are enacted or enforced against the property, or (b) to have their land released from the restrictions. The governmental body that enacted or enforced the restrictions decides whether to pay the claim or waive the restrictions. In order to file a claim under Measure 37, land ownership must have been established prior to restrictions being placed on the property.

Processing of claims under Measure 37 was temporarily delayed when the Marion County Circuit Court ruled the measure unconstitutional in October of 2005. In February 2006, the Oregon Supreme Court overturned the Marion County Circuit Court ruling and upheld Measure 37. Many questions exist about the meaning of the measure and the effect of its provisions. The Oregon Legislature has not adopted legislation resolving these questions, and no significant judicial precedents are available that construe its meaning.

The County has received claims under Measure 37. The claims must be processed within 180 days of being filed. County management cannot predict how Measure 37 will affect the financial position or the land use policies of the County.

#### 15. CONTINGENCIES

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

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

#### 16. COMMITMENTS

The County has committed approximately \$40,700 to fund certain specific road construction projects and \$20,600 for jail inmate health care services over the next seven years; \$14,500 for County-wide library services; \$11,600 over the next three years to the continued development and operation of the commuter light rail; public safety emergency shelter services in the amount of \$2,400, and contracted for environmental consulting and engineering services for approximately \$2,200.

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 16. COMMITMENTS (Continued)

The Community Corrections Center has contracted for pharmacy services, batterer treatment for domestic violence offenders, and sex offender treatment services in the combined amount of \$2,400.

The County has committed for children and family services through local services providers to school districts throughout the County in the amount of \$1,700.

Juvenile detention services with Multnomah County at the Donald E. Long facility have been contracted for approximately \$1,200 a year, juvenile school resource services for about \$1,000 have been committed, and about \$600 have been committed to a juvenile day reporting center.

The District is committed for approximately \$22,200 for various construction projects at June 30, 2007.

#### 17. RESTATEMENTS

Clean Water Services has restated its beginning net assets to record the Barney Reservoir Joint Ownership Commission as investment in joint venture rather than capital assets, to record a payable amount to various cities and to correct accumulated depreciation in prior years.

The effects of these restatements are summarized below:

Increase (decrease) in:		
Capital assets, net	\$	(1,954)
Investment in joint venture		3,237
Accounts payable		(1,476)
Net assets	\$	<u>(193)</u>

## WASHINGTON COUNTY, OREGON

### Notes to Basic Financial Statements (Continued)

June 30, 2007

(Dollars in thousands)

#### 18. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

##### A. Budgetary Information

In accordance with Oregon Revised Statutes, the County budgets all funds except fiduciary funds. All governmental and proprietary fund types are generally budgeted under the modified accrual basis of accounting. The Housing Authority of Washington County is not subject to Oregon Budget Law, but must follow the County's administrative budgeting processes. Expenditure budgets are appropriated by major function or organization unit for each fund except the Local Option Levy Fund, which expenditures are budgeted at the program level. These appropriations establish the legal level of control for each fund. Expenditures appropriations may not be legally overexpended except in the case of reimbursable grant expenditures and trust monies that could not be reasonably estimated at the time the budget was adopted.

After budget approval, the Board of Commissioners may approve supplemental appropriations and appropriation transfers between organizational units or major programs if an occurrence, condition or need exists which was not known at the time the budget was adopted. The County had one supplemental budget during the year ended June 30, 2007. Both the original adopted budget and the revised budget comparisons are presented in the accompanying budgetary schedules. Appropriations lapse at the end of the fiscal year.

##### B. Deficit Fund Balances

The Local Option Levy Fund indicates a deficit fund balance at year-end of \$2,164. The deficit results from the timing of program expenditures, and the financing of those expenditures via a transfer from the General Fund which occurred subsequent to year-end.

The Sheriff's Office Grants and Donations Fund and the Sheriff's Office Contract Services Fund had deficit fund balances at year-end in the amounts of \$425 and \$7, respectively.

Also, the Courthouse Improvement Bond Sinking Fund, a debt service fund, had a deficit fund balance in the amount of \$3 at fiscal year-end because of a shortfall in planned investment interest income.

#### 19. SUBSEQUENT EVENT

Subsequent to year end, the County issued debt totaling approximately \$34,930 for purposes of refunding criminal justice bonds.



**REQUIRED SUPPLEMENTARY INFORMATION**

# WASHINGTON COUNTY, OREGON

## Budgetary Comparison

For the fiscal year ended June 30, 2006

### **Appropriations and Budgetary Controls**

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

After budget approval, the Board of Commissioners may approve supplemental appropriations and appropriation transfers between organizational units or major programs if an occurrence, condition or need exists which was not known at the time the budget was adopted. The County had one supplemental budget during the year ended June 30, 2006. Both the original adopted budget and the revised budget comparisons are presented in the accompanying budgetary schedules. Appropriations lapse at the end of the fiscal year.

**WASHINGTON COUNTY, OREGON**

Budgetary Comparison

General Fund

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
<b>Revenues:</b>				
Taxes	\$ 93,972	93,972	94,003	31
Licenses and permits	4,746	4,746	5,032	286
Intergovernmental revenues	13,781	14,277	17,430	3,153
Charges for services	7,966	7,966	8,049	83
Fines and forfeitures	3,031	3,031	3,353	322
Miscellaneous revenues	6,077	6,077	5,810	(267)
Interfund revenues	4,997	4,997	5,070	73
<b>Total revenues</b>	<b>134,570</b>	<b>135,066</b>	<b>138,747</b>	<b>3,681</b>
<b>Expenditures:</b>				
<b>General government:</b>				
Board of County Commissioners	318	328	320	8
County administrative office	1,558	1,558	1,354	204
Community network	578	578	578	—
County counsel	1,518	1,518	1,481	37
County auditor	163	168	159	9
Elections division	1,601	1,601	1,291	310
Assessment and taxation	7,514	7,514	6,886	828
County communications	516	516	277	239
Financial management	1,706	1,706	1,694	12
Human resources	1,629	1,629	1,362	267
Information services	8,344	8,344	7,808	536
Purchasing	369	369	353	16
Facilities management	7,029	7,249	6,887	362
<b>Subtotal</b>	<b>32,843</b>	<b>33,078</b>	<b>30,250</b>	<b>2,828</b>
<b>Public safety and justice:</b>				
Law enforcement services	13,596	13,646	13,242	404
Jail operations	17,026	17,026	16,378	648
Sheriff's office administration	2,634	2,634	2,472	162
Jail health care	2,481	2,906	2,707	199
District Attorney	7,388	7,388	6,838	550
Washington County justice court	573	583	578	5
Juvenile	4,900	4,900	4,502	398
Juvenile administration	1,051	1,051	953	98
<b>Subtotal</b>	<b>49,649</b>	<b>50,134</b>	<b>47,670</b>	<b>2,464</b>
<b>Land use, housing and transportation</b>				
Planning	3,121	3,121	2,400	721
Water Master	314	314	285	29
<b>Subtotal</b>	<b>3,435</b>	<b>3,435</b>	<b>2,685</b>	<b>750</b>
<b>Health and human services:</b>				
Public health	11,568	11,924	12,013	(89)
Health and human services administration	890	890	860	30
Animal services	1,635	1,635	1,543	92
Veterans' services	645	645	486	159
<b>Subtotal</b>	<b>14,738</b>	<b>15,094</b>	<b>14,902</b>	<b>192</b>
<b>Subtotal of expenditures carried forward</b>	<b>100,665</b>	<b>101,741</b>	<b>95,507</b>	<b>6,234</b>

**WASHINGTON COUNTY, OREGON**

Budgetary Comparison, Continued

General Fund

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Subtotal of expenditures brought forward	\$ 100,665	101,741	95,507	6,234
Expenditures, continued:				
Culture, education and recreation:				
Agriculture activities	312	312	312	-
Parks	601	691	634	57
Subtotal	<u>913</u>	<u>1,003</u>	<u>946</u>	<u>57</u>
Non-operating:				
Miscellaneous	1,218	1,278	1,223	55
Subtotal	<u>1,218</u>	<u>1,278</u>	<u>1,223</u>	<u>55</u>
Operating contingency	27,027	26,297	-	26,297
Total expenditures	<u>129,823</u>	<u>130,319</u>	<u>97,676</u>	<u>32,643</u>
Excess (deficiency) of revenues over expenditures	4,747	4,747	41,071	36,324
Other financing sources (uses):				
Transfers in from other funds	19,346	23,705	23,099	(606)
Transfers out to other funds	<u>(63,449)</u>	<u>(67,928)</u>	<u>(58,456)</u>	<u>9,472</u>
Total other financing sources (uses)	<u>(44,103)</u>	<u>(44,223)</u>	<u>(35,357)</u>	<u>8,866</u>
Net change in fund balance	(39,356)	(39,476)	5,714	45,190
Fund balance July 1, 2006	<u>39,356</u>	<u>39,476</u>	<u>41,792</u>	<u>2,316</u>
Fund balance June 30, 2007	\$ <u>-</u>	<u>-</u>	<u>47,506</u>	<u>47,506</u>



**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison  
 Major Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Human Services Fund				MSTIP III Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
<b>Revenues:</b>								
Taxes	\$ -	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental revenues	33,653	33,653	33,338	(317)	700	700	3,791	3,091
Charges for services	12	12	32	20	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Miscellaneous revenues	216	216	557	341	1,400	1,400	3,438	2,038
Interfund revenues	132	132	140	8	-	-	-	-
<b>Total revenues</b>	<b>34,013</b>	<b>34,013</b>	<b>34,065</b>	<b>52</b>	<b>2,100</b>	<b>2,100</b>	<b>7,229</b>	<b>5,129</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	-	-	-	-	-	-	-	-
Land use, housing and transportation	-	-	-	-	58,122	58,122	19,128	38,994
Health and human services	36,313	36,313	35,640	673	-	-	-	-
Culture, education and recreation	-	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-	-
Non-operating	-	-	-	-	-	-	-	-
Operating contingency	96	96	-	96	-	-	-	-
<b>Total current</b>	<b>36,409</b>	<b>36,409</b>	<b>35,640</b>	<b>769</b>	<b>58,122</b>	<b>58,122</b>	<b>19,128</b>	<b>38,994</b>
Capital outlay	-	-	-	-	29,924	29,924	20,801	9,123
<b>Debt service:</b>								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>36,409</b>	<b>36,409</b>	<b>35,640</b>	<b>769</b>	<b>88,046</b>	<b>88,046</b>	<b>39,929</b>	<b>48,117</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,396)</b>	<b>(2,396)</b>	<b>(1,575)</b>	<b>821</b>	<b>(85,946)</b>	<b>(85,946)</b>	<b>(32,700)</b>	<b>53,246</b>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	1,785	1,785	1,785	-	26,113	26,113	27,281	1,168
Transfers out to other funds	(21)	(21)	(21)	-	(6,682)	(6,682)	(5,668)	1,014
<b>Total other financing sources (uses)</b>	<b>1,764</b>	<b>1,764</b>	<b>1,764</b>	<b>-</b>	<b>19,431</b>	<b>19,431</b>	<b>21,613</b>	<b>2,182</b>
<b>Net change in fund balance</b>	<b>(632)</b>	<b>(632)</b>	<b>189</b>	<b>821</b>	<b>(66,515)</b>	<b>(66,515)</b>	<b>(11,087)</b>	<b>55,428</b>
Fund balances July 1, 2006	632	632	1,272	640	66,515	66,515	68,184	1,649
Fund balances June 30, 2007	\$ -	-	1,461	1,461	-	-	57,077	57,077

WASHINGTON COUNTY, OREGON

Budgetary Comparison, Continued

Major Special Revenue Funds

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	<b>Road Fund</b>			
	<b>Adopted budget</b>	<b>Revised budget</b>	<b>Actual</b>	<b>Variance positive (negative)</b>
<b>Revenues:</b>				
Taxes	\$ 800	800	887	87
Licenses and permits	150	150	128	(22)
Intergovernmental revenues	19,065	19,065	19,885	820
Charges for services	697	697	827	130
Fines and forfeitures	-	-	-	-
Special assessments	25	25	99	74
Miscellaneous revenues	1,473	1,466	1,325	(141)
Interfund revenues	7,874	7,874	6,465	(1,409)
<b>Total revenues</b>	<b>30,084</b>	<b>30,077</b>	<b>29,616</b>	<b>(461)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety and justice	-	-	-	-
Land use, housing and transportation:				
Administration	7,264	7,284	5,952	1,332
Engineering services	2,901	2,901	2,754	147
Capital projects management	4,815	4,980	4,392	588
Operations and maintenance	18,062	18,155	16,555	1,600
Nonoperating	-	-	-	-
Operating contingency	10,149	10,149	-	10,149
<b>Total current</b>	<b>43,191</b>	<b>43,469</b>	<b>29,653</b>	<b>13,816</b>
Capital outlay	434	149	35	114
Debt service:				
Principal	25	25	25	-
Interest	7	7	7	-
<b>Total debt service</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>-</b>
<b>Total expenditures</b>	<b>43,657</b>	<b>43,650</b>	<b>29,720</b>	<b>13,930</b>
Excess (deficiency) of revenues over expenditures	<u>(13,573)</u>	<u>(13,573)</u>	<u>(104)</u>	<u>13,469</u>
<b>Other financing sources (uses):</b>				
Transfers in from other funds	661	661	661	-
Transfers out to other funds	(1,491)	(1,491)	(806)	685
<b>Total other financing sources (uses)</b>	<b>(830)</b>	<b>(830)</b>	<b>(145)</b>	<b>685</b>
<b>Net change in fund balance</b>	<b>(14,403)</b>	<b>(14,403)</b>	<b>(249)</b>	<b>14,154</b>
Fund balances July 1, 2006	14,403	14,403	14,609	206
Fund balances June 30, 2007	<u>\$ -</u>	<u>-</u>	<u>14,360</u>	<u>14,360</u>

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## **SUPPLEMENTARY INFORMATION**

**NON-MAJOR FUND FINANCIAL STATEMENTS**

## SPECIAL REVENUE FUNDS

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

- Aging Fund - This fund accounts for various services provided for elderly persons in the County in conjunction with the State.
- Animal Services Gifts and Donation Fund - This fund is a new fund added this fiscal year to account for financial contributions from private donors for the animal services program.
- Building/Equipment Replacement Fund - This fund accounts for resources to be used to replace various building and equipment components of the County's buildings.
- Building Services Fund - This fund provides inspection and plan review services related to conformance with the state building, mechanical, electrical, planning and mobile home codes and ordinances.
- Child Abuse Multidisciplinary Intervention Fund - This fund provides education and support to victims of child abuse and their families and serves as a liaison for the victim in dealing with police officers, attorneys and other professionals throughout the investigation and prosecution of the case.
- Children and Youth Services Commission Fund - This fund accounts for the development, administration and evaluation of the annual comprehensive juvenile services of the County.
- Community Corrections Fund - This fund accounts for the custodial and supervisory services for offenders adjudicated through the criminal justice system of the County.
- Commuter Rail Projects Fund - This fund accounts for local and state matching funds on a federal project to establish a commuter rail line between the Cities of Wilsonville and Beaverton. This fund has been deleted effective July 1, 2007.
- Cooperative Library Fund - This fund accounts for the coordination and contracting to provide a full range of library services to all residents of the County.
- Countywide Traffic Impact Fee Fund - This fund accounts for traffic impact fees used to finance extra capacity street facilities required by new development.
- Court Security Fund - This fund accounts for the receipt and expenditure of County fine assessments earmarked for court security programs.

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

- Department of Housing Services Fund - This fund accounts for the activities of the County and Housing Authority of Washington County housing programs.
- Development Services Fund - This fund accounts for activities pertaining to land development in the unincorporated areas of the County, and provides for development compliance/code enforcement activities as they relate to enforcement of the County's community development code and related ordinances.
- District Patrol Fund - This fund accounts for the contracted responsibility of providing enhanced patrol and related services to the Enhanced Sheriff Patrol District.
- Emergency Medical Services Fund - This fund accounts for the coordination of ambulance services in the County.
- Enhanced Sheriff Patrol District Fund - This fund accounts for monies from a previously approved levy that has now become part of the permanent tax rate to provide an urban level of police service to the unincorporated areas of the County. This fund contracts with the District Patrol Fund to provide the required police patrol services.
- HOME Fund - This fund accounts for the expenditure of HOME funds provided to the County's Community Development Fund by the U.S. Department of Housing and Urban Development (HUD).
- Human Services HB-2145 Fund - This fund accounts for beer and wine tax revenues designated for alcoholism treatment and rehabilitation services.
- Human Services OHP Fund - This fund accounts for moneys received from the Oregon Health Plan to provide mental health services to County residents enrolled in the plan. OHP Mental Health provides overall management of the program; including administration, reporting, quality assurance, and oversight of the contracted service providers and third-party claims administrators.
- Indirect Cost Reimbursement Fund - This fund accounts for the indirect costs that are allocated to and recovered from operating departments in connection with the County-wide cost allocation plan. Monies received in this fund are in turn expended as reimbursements to the fund or cost center that provided the service.
- Jail Commissary Fund - This fund accounts for the goods, services and moneys associated with the jail commissary.

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

- Juvenile Conciliation Services Fund - This fund accounts for custody service fees collected and dedicated to conciliation services by state law. The moneys provide custody studies to circuit court; counseling services concerning marriage and divorce; and mediation services in dissolution proceedings involving child custody issues.
- Juvenile Grants Fund - This fund accounts for grant awards provided to enhance evaluative and diagnostic services to those youth that would be most susceptible to being committed to state training schools.
- Juvenile High Risk Prevention Fund - This fund accounts for grant moneys received from the State and contracted to prevention service providers in schools and private non-profit organizations. The funding is used for drug and alcohol evaluation and treatment services to high-risk youth identified by the Juvenile Crime Prevention Plan.
- Law Library Capital Construction Fund - This fund provides a reserve for future capital needs of the law library.
- Law Library Fund - This fund was established in accordance with state statutes to provide legal research and reference materials.
- Local Option Levy Fund - This fund accounts for funds from a five-year property tax serial levy for public safety and justice programs approved by voters in November 2000. Funds collected are dedicated to improving/restoring service levels in existing county public safety and justice programs.
- Maintenance Improvement District Fund - This fund accounts for the construction of road maintenance improvement activities undertaken through the maintenance improvement district. This fund has been deleted effective July 1, 2007.
- Major Streets Capital Projects Fund - This fund accounts for the activities necessary for installing, constructing, and extending extra capacity street facilities.
- Major Streets Transportation Improvement Program II Fund - This fund accounts for funds from a six-year property tax serial levy for specific road improvements approved by voters in September 1989. Funds collected are expended for a comprehensive capital improvement road construction program that includes road-widening projects, intersection safety improvements, preliminary engineering studies and other related road improvements. This fund has been deleted effective July 1, 2007.



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

- Metzger Park Fund - This fund accounts for the maintenance and administration of programs at Metzger Park.
- Office of Community Development Grant Fund - This fund accounts for the management, on behalf of the County and eleven participating city consortium members, of the Urban County Entitlement Grant.
- Oregon & California Title III Fund - This fund accounts for the revenues derived from the federal legislation (Timber Safety Net program PL 106-393) passed in 2000. The County began receiving the payments in 2001 and they are expected to continue through FY 2006-07. Title III expenditures are permissible for a narrow range of local forestry-related projects.
- OTIA Capital Projects Fund - This fund accounts for resources made available to the County under House Bill 2041 for the creation of the Oregon Transportation Investment Act III (OTIA3) State Bridge Delivery Program. OTIA3 was created to maximize ease of traffic movement, while providing expedient project delivery and economic stimulus through the use of Oregon firms and their employees. Funds received are expended to repair or replace selected County bridge facilities.
- Real Property Management Fund - This fund accounts for the County's surplus real property inventory, including sale, disposal, transfer, maintenance, and renting of properties.
- Senate Bill 1145 Fund - This fund is the repository for those funds dedicated exclusively to services for criminal offenders sentenced under the provisions of Senate Bill 1145 (1995 Legislature).
- Sheriff's Office Contract Services Fund - This fund accounts for the contracted responsibility of providing service to Tri-Met Transit Police Division and the Forest Grove School District high school and middle schools, and Elder Abuse Programs. This fund also provides for uniformed law enforcement security and other support services to the Multnomah County Drug and Alcohol Rehabilitation Program housed in space leased from Washington County in the old jail facility.
- Sheriff's Office Forfeitures Fund - This fund accounts for resources derived from asset forfeitures that typically come from the sale of real and/or personal property seized from offenders involved in drug-related criminal activity. Specific and strict guidelines govern the use of all forfeiture proceeds. These laws change periodically so funds accumulated at different times are subject to varying legal requirements for their use and are accounted for in different programs within this fund.

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

- Sheriff's Office Grants and Donations Fund - This fund accounts for donations specifically identified for support of the Drug Abuse Resistance Education (DARE) programs and the Local Law Enforcement Block Grant (LLEBG) federal grant awards that require distinct fiscal entities for better identification and control of related revenues and expenditures.
- Strategic Investment Program Fund – This fund accounts for payments and other contributions/payments from companies receiving property tax exemptions under the State's Strategic Investment Plan (SIP).
- 1999 Strategic Investment Program Fund - This fund accounts for receipt of all fees from the 1999 SIP agreement and the County's payment of a portion of the community service fee to the City of Hillsboro and other administration functions for the fund.
- Survey Fund - This fund encompasses the duties and responsibilities of the County Surveyor which includes monumentation, checking and recording subdivisions and plats, performing court-ordered surveys, right-of-way acquisitions, road and easement vacations, road alignment surveying, construction taking and public assistance.
- Surveyor - Public Land Corner Fund - This fund accounts for activities related to the remonumentation of government survey corners funded through the public land corner preservation fee.
- Transportation Improvement Program Serial Levy Fund - This fund accounts for funds from a three-year serial levy for road improvements. Funds collected are expended to match state and federal funds for widening roads, intersection safety improvements, preliminary engineering studies, and other related road improvements.
- Tourism Dedicated Lodging Tax Fund - This fund accounts for revenues generated by the three-ninths portion of the Washington County lodging tax that is tourism-dedicated. This program area was established in the 2006-07 fiscal year and reflects the evolving County role in tourism.
- Urban Road Maintenance Service District Fund - This fund is a special service district formed to provide an enhanced level of maintenance services to local, minor collector and public roads in the urban unincorporated areas of the County.
- Washington County Fair Fund - This fund accounts for the operation and management of the fairground facilities and provides various services to the public, including the annual County fair.

## **DEBT SERVICE FUNDS**

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

- Courthouse Improvement Bond Sinking Fund - This fund accounts for the payment of principal and interest on general obligation bonds.
- Criminal Justice Bond Fund - This fund is used to pay principal and interest on the Series 1994 Criminal Justice Facilities Bonds.
- Miscellaneous Debt Service Fund - This fund is an accounting unit for the payment of debt that is not accounted for separately in another debt service fund.

## **CAPITAL PROJECTS FUNDS**

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

- Facilities General Capital Projects Fund - This fund accounts for miscellaneous capital improvement projects.
- Facilities Park (THPRD) SDC Fund - This fund is used to account for system development charges in the northeastern part of the County's urban unincorporated area. The SDC was established by the Board of Commissioners in October 2004. Proceeds are to be used for park capital improvements in the area.
- Information Technology Services Capital Projects Fund - This fund accounts for the purchase of IT-related capital assets (software and hardware) for Special and General Fund organization units.
- Parks and Open Spaces Opportunity Projects Fund - This fund is used to account for resources set aside for greenspace acquisitions.

## INTERNAL SERVICE FUNDS

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

- Fleet Management Fund - This fund accounts for maintenance and repair services provided to County users of the fleet. Costs are billed to the user's department based upon a specified hourly rate.
- Fleet Replacement Fund - This fund provides for the purchase and disposition of fleet vehicles and equipment. Replacement costs are billed to other departments at an amount estimated to cover depreciation on the fleet.
- Liability/Casualty Insurance Fund - This fund is a self-insurance fund that provides the funds necessary to cover liability and casualty claims. Costs are billed to user departments at an amount estimated to cover actual and incurred but not reported claims.
- Life Insurance Fund - This fund accounts for collection and payment of life and long-term disability insurance premiums for the various departments of the County.
- Workers' Compensation Insurance Fund - This fund accounts for the paying of workers' compensation costs. Costs are billed to the user department based on actual costs.
- Medical Insurance Fund - This fund accounts for all administrative and claims costs associated with the medical and dental plans. Costs are billed to the departments based on number of employees.
- Unemployment Insurance Fund - This fund accounts for all unemployment claims of departments and centralizes accounting of charges. Costs are billed to the departments based on historical claims.
- Municipal Transfer Liability Fund - This fund was established to provide a reserve for potential liabilities associated with cities providing services on behalf of the County in urban unincorporated areas.

### **INTERNAL SERVICE FUNDS (Continued)**

- Internal Support Services Fund - This fund accounts for all department costs for postage, office supplies, printing, training and other support services costs. Actual costs are billed to user departments as services are used.
- PERS Rate Stabilization Fund - This fund is used to account for moneys set aside to fund future rate increases. The moneys may be used for employer PERS costs, costs of managing and maintaining the fund and costs related to PERS litigation.

**WASHINGTON COUNTY, OREGON**  
Combining Balance Sheet  
Non-major Governmental Funds - Special Revenue Funds  
June 30, 2007  
(Dollars in thousands)

Assets	Aging Disability & Veterans' Services Fund	Animal Services Gifts and Donations Fund	Building/ Equipment Replacement Fund	Building Services Fund	Child Abuse Multidisciplinary Intervention Fund	Children and Youth Services Commission Fund
Cash and investments	\$ 49	141	3,074	13,590	10	1,242
Cash restricted for equipment acquisition	—	—	—	—	—	—
Property taxes receivable	—	—	—	—	—	—
Assessments receivable	—	—	—	—	—	—
Accounts receivable	380	—	—	—	84	15
Investment interest receivable	—	—	—	—	—	—
Contracts receivable	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—
Inventory	—	—	—	—	—	—
Supplies	—	—	—	—	—	—
Assets held for resale	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
Total assets	<u>\$ 429</u>	<u>141</u>	<u>3,074</u>	<u>13,590</u>	<u>94</u>	<u>1,257</u>
<b>Liabilities and Fund Equity</b>						
Liabilities:						
Accounts payable	\$ 100	—	252	35	64	486
Accrued payroll liabilities	35	—	—	188	3	18
Deposits payable	—	—	—	117	—	—
Amounts held in trust	—	—	—	—	—	—
Accrued self insurance	—	—	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	—
Deferred revenue	51	—	—	—	—	305
Total liabilities	<u>186</u>	<u>—</u>	<u>252</u>	<u>340</u>	<u>67</u>	<u>809</u>
Fund balances:						
Reserved fund balance:	—	—	—	—	—	—
Unreserved fund balance:	—	—	—	—	—	—
Capital projects	—	—	—	—	—	—
Special Revenue	243	141	2,822	13,250	27	448
Total fund equity	<u>243</u>	<u>141</u>	<u>2,822</u>	<u>13,250</u>	<u>27</u>	<u>448</u>
Total liabilities and fund equity	<u>\$ 429</u>	<u>141</u>	<u>3,074</u>	<u>13,590</u>	<u>94</u>	<u>1,257</u>

**WASHINGTON COUNTY, OREGON**  
Combining Balance Sheet, Continued  
Non-major Governmental Funds - Special Revenue Funds  
June 30, 2007  
(Dollars in thousands)

<b>Assets</b>	<b>Community Corrections Fund</b>	<b>Cooperative Library Services Fund</b>	<b>County- wide Traffic Impact Fee Fund</b>	<b>Court Security Fund</b>	<b>Department of Housing Services Fund</b>
Cash and investments	\$ 1,341	1,952	14,355	216	99
Cash restricted for equipment acquisition	—	—	—	—	—
Property taxes receivable	—	—	—	—	—
Assessments receivable	—	—	76	—	—
Accounts receivable	33	10	—	20	22
Investment interest receivable	—	—	—	—	—
Contracts receivable	—	—	—	—	—
Due from other funds	—	—	—	—	—
Inventory	—	—	—	—	—
Supplies	—	—	—	—	—
Assets held for resale	—	—	—	—	—
Other assets	—	—	—	—	5
<b>Total assets</b>	<b>\$ 1,374</b>	<b>1,962</b>	<b>14,431</b>	<b>236</b>	<b>126</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 91	78	11	28	19
Accrued payroll liabilities	241	75	—	—	107
Deposits payable	—	—	—	—	—
Amounts held in trust	—	—	—	—	—
Accrued self insurance	—	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—	—
Due to other funds	—	—	—	—	—
Deferred revenue	—	—	77	—	—
<b>Total liabilities</b>	<b>332</b>	<b>153</b>	<b>88</b>	<b>28</b>	<b>126</b>
<b>Fund balances:</b>					
Reserved fund balance:	—	—	—	—	—
Unreserved fund balance:	—	—	—	—	—
Capital projects	—	—	—	—	—
Special Revenue	1,042	1,809	14,343	208	—
<b>Total fund equity</b>	<b>1,042</b>	<b>1,809</b>	<b>14,343</b>	<b>208</b>	<b>—</b>
<b>Total liabilities and fund equity</b>	<b>\$ 1,374</b>	<b>1,962</b>	<b>14,431</b>	<b>236</b>	<b>126</b>

**WASHINGTON COUNTY, OREGON**  
**Combining Balance Sheet, Continued**  
**Non-major Governmental Funds - Special Revenue Funds**  
**June 30, 2007**  
(Dollars in thousands)

<b>Assets</b>	<b>Development Services Fund</b>	<b>District Patrol Fund</b>	<b>Emergency Medical Services Fund</b>	<b>Enhanced Sheriff Patrol District Fund (Component Unit)</b>	<b>HOME Fund</b>
Cash and investments	\$ 3,521	452	1,444	8,416	—
Cash restricted for equipment acquisition	—	—	—	—	—
Property taxes receivable	—	—	—	428	—
Assessments receivable	—	—	—	—	—
Accounts receivable	—	—	5	—	255
Investment interest receivable	—	—	—	—	873
Contracts receivable	—	—	—	—	9,886
Due from other funds	—	—	—	—	—
Inventory	—	—	—	—	—
Supplies	—	—	—	—	—
Assets held for resale	—	—	—	—	—
Other assets	—	—	—	—	—
<b>Total assets</b>	<b>\$ 3,521</b>	<b>452</b>	<b>1,449</b>	<b>8,844</b>	<b>11,014</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 49	75	7	2	155
Accrued payroll liabilities	87	377	5	—	5
Deposits payable	596	—	—	—	—
Amounts held in trust	—	—	—	—	—
Accrued self insurance	—	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—	—
Due to other funds	—	—	—	—	94
Deferred revenue	—	—	—	356	10,760
<b>Total liabilities</b>	<b>732</b>	<b>452</b>	<b>12</b>	<b>358</b>	<b>11,014</b>
<b>Fund balances:</b>					
Reserved fund balance:	—	—	—	—	—
Unreserved fund balance:	—	—	—	—	—
Capital projects	—	—	—	—	—
Special Revenue	2,789	—	1,437	8,486	—
<b>Total fund equity</b>	<b>2,789</b>	<b>—</b>	<b>1,437</b>	<b>8,486</b>	<b>—</b>
<b>Total liabilities and fund equity</b>	<b>\$ 3,521</b>	<b>452</b>	<b>1,449</b>	<b>8,844</b>	<b>11,014</b>



**WASHINGTON COUNTY, OREGON**  
Combining Balance Sheet, Continued  
Non-major Governmental Funds - Special Revenue Funds  
June 30, 2007  
(Dollars in thousands)

<b>Assets</b>	<b>Human Services HB-2145 Fund</b>	<b>Human Services OHP Fund</b>	<b>Indirect Cost Reimburse- ment Fund</b>	<b>Jail Commissary Fund</b>	<b>Juvenile Conciliation Services Fund</b>	<b>Juvenile Grants Fund</b>
Cash and investments	\$ 570	7,941	—	346	—	95
Cash restricted for equipment acquisition	—	—	—	—	—	—
Property taxes receivable	—	—	—	—	—	—
Assessments receivable	—	—	—	—	—	—
Accounts receivable	—	—	—	6	43	195
Investment interest receivable	—	—	—	—	—	—
Contracts receivable	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—
Inventory	—	—	—	—	—	—
Supplies	—	—	—	—	—	—
Assets held for resale	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
<b>Total assets</b>	<b>\$ 570</b>	<b>7,941</b>	<b>—</b>	<b>352</b>	<b>43</b>	<b>290</b>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts payable	\$ —	406	—	11	8	14
Accrued payroll liabilities	—	32	—	1	16	13
Deposits payable	—	—	—	—	—	—
Amounts held in trust	—	—	—	—	—	—
Accrued self insurance	—	—	—	—	—	—
Accrued OHP IBNR Reserve	—	1,800	—	—	—	—
Due to other funds	—	—	—	—	4	—
Deferred revenue	—	—	—	—	—	12
<b>Total liabilities</b>	<b>—</b>	<b>2,238</b>	<b>—</b>	<b>12</b>	<b>28</b>	<b>39</b>
Fund balances:						
Reserved fund balance:	—	—	—	—	—	—
Unreserved fund balance:	—	—	—	—	—	—
Capital projects	—	—	—	—	—	—
Special Revenue	570	5,703	—	340	15	251
<b>Total fund equity</b>	<b>570</b>	<b>5,703</b>	<b>—</b>	<b>340</b>	<b>15</b>	<b>251</b>
<b>Total liabilities and fund equity</b>	<b>\$ 570</b>	<b>7,941</b>	<b>—</b>	<b>352</b>	<b>43</b>	<b>290</b>

**WASHINGTON COUNTY, OREGON**  
 Combining Balance Sheet, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 June 30, 2007  
 (Dollars in thousands)

<b>Assets</b>	<b>Juvenile High Risk Prevention Fund</b>	<b>Law Library Capital Construction Fund</b>	<b>Law Library Fund</b>	<b>Local Option Levy Fund</b>	<b>Maintenance Improvement District Fund</b>	<b>Major Streets Capital Projects Fund</b>
Cash and investments	\$ —	324	282	2,266	217	5,909
Cash restricted for equipment acquisition	—	—	—	—	—	—
Property taxes receivable	—	—	—	125	—	—
Assessments receivable	—	—	—	—	—	—
Accounts receivable	483	—	39	41	—	30
Investment interest receivable	—	—	—	—	—	—
Contracts receivable	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—
Inventory	25	—	—	—	—	—
Supplies	—	—	—	—	—	—
Assets held fore resale	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
Total assets	<u>\$ 508</u>	<u>324</u>	<u>321</u>	<u>2,432</u>	<u>217</u>	<u>5,939</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 115	—	3	94	—	191
Accrued payroll liabilities	38	—	6	352	—	—
Deposits payable	—	—	—	—	—	—
Amounts held in trust	—	—	—	—	—	—
Accrued self insurance	—	—	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—	—	—
Due to other funds	—	—	—	4,000	—	—
Deferred revenue	260	—	—	150	—	—
Total liabilities	<u>413</u>	<u>—</u>	<u>9</u>	<u>4,596</u>	<u>—</u>	<u>191</u>
<b>Fund balances:</b>						
Reserved fund balance:	—	—	—	—	—	—
Unreserved fund balance:	—	—	—	—	—	—
Capital projects	—	—	—	—	—	—
Special Revenue	95	324	312	(2,164)	217	5,748
Total fund equity	<u>95</u>	<u>324</u>	<u>312</u>	<u>(2,164)</u>	<u>217</u>	<u>5,748</u>
Total liabilities and fund equity	<u>\$ 508</u>	<u>324</u>	<u>321</u>	<u>2,432</u>	<u>217</u>	<u>5,939</u>

**WASHINGTON COUNTY, OREGON**  
Combining Balance Sheet, Continued  
Non-major Governmental Funds - Special Revenue Funds  
June 30, 2007  
(Dollars in thousands)

<b>Assets</b>	<b>Major Streets Improvement Program II Fund</b>	<b>Metzger Park Fund</b>	<b>Office of Community Development Grant Fund</b>	<b>Oregon &amp; California Title III Fund</b>	<b>OTIA Capital Projects Fund</b>	<b>Real Property Management Fund</b>
Cash and investments	\$ —	126	—	115	8,968	—
Cash restricted for equipment acquisition	—	—	—	—	—	—
Property taxes receivable	—	—	—	—	—	—
Assessments receivable	—	3	—	—	—	—
Accounts receivable	—	—	733	—	18	—
Investment interest receivable	—	—	189	—	—	—
Contracts receivable	—	—	1,795	—	—	—
Due from other funds	—	—	—	—	—	—
Inventory	—	—	—	—	—	—
Supplies	—	—	—	—	—	—
Assets held for resale	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
<b>Total assets</b>	<b>\$ —</b>	<b>129</b>	<b>2,717</b>	<b>115</b>	<b>8,984</b>	<b>—</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable	\$ —	2	502	7	838	—
Accrued payroll liabilities	—	2	26	—	—	—
Deposits payable	—	2	—	—	—	—
Amounts held in trust	—	—	—	—	—	—
Accrued self insurance	—	—	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—	—	—
Due to other funds	—	—	161	—	—	—
Deferred revenue	—	2	2,028	—	6,801	—
<b>Total liabilities</b>	<b>—</b>	<b>8</b>	<b>2,717</b>	<b>7</b>	<b>7,639</b>	<b>—</b>
<b>Fund balances:</b>						
Reserved fund balance:	—	—	—	—	—	—
Unreserved fund balance:	—	—	—	—	—	—
Capital projects	—	—	—	—	—	—
Special Revenue	—	121	—	108	1,345	—
<b>Total fund equity</b>	<b>—</b>	<b>121</b>	<b>—</b>	<b>108</b>	<b>1,345</b>	<b>—</b>
<b>Total liabilities and fund equity</b>	<b>\$ —</b>	<b>129</b>	<b>2,717</b>	<b>115</b>	<b>8,984</b>	<b>—</b>

**WASHINGTON COUNTY, OREGON**  
Combining Balance Sheet, Continued  
Non-major Governmental Funds - Special Revenue Funds  
June 30, 2007  
(Dollars in thousands)

<b>Assets</b>	<b>Senate Bill 1145 Fund</b>	<b>Sheriff's Office Contract Services Fund</b>	<b>Sheriff's Office Forfeitures Fund</b>	<b>Sheriff's Office Grants &amp; Donations Fund</b>	<b>Strategic Investment Program Fund</b>	<b>1999 Strategic Investment Program Fund</b>
Cash and investments	\$ 88	—	321	—	6	—
Cash restricted for equipment acquisition	—	—	—	—	—	—
Property taxes receivable	—	—	—	—	—	—
Assessments receivable	—	—	—	—	—	—
Accounts receivable	—	72	—	464	—	—
Investment interest receivable	—	—	—	—	—	—
Contracts receivable	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—
Inventory	—	—	—	—	—	—
Supplies	—	—	—	—	—	—
Assets held for resale	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
<b>Total assets</b>	<b>\$ 88</b>	<b>72</b>	<b>321</b>	<b>464</b>	<b>6</b>	<b>—</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable	\$ —	—	1	60	—	—
Accrued payroll liabilities	—	7	—	—	—	—
Deposits payable	—	—	—	—	—	—
Amounts held in trust	—	—	—	—	—	—
Accrued self insurance	—	—	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—	—	—
Due to other funds	—	65	—	400	—	—
Deferred revenue	—	7	—	430	—	—
<b>Total liabilities</b>	<b>—</b>	<b>79</b>	<b>1</b>	<b>890</b>	<b>—</b>	<b>—</b>
<b>Fund balances:</b>						
Reserved fund balance:	—	—	—	—	—	—
Unreserved fund balance:	—	—	—	—	—	—
Capital projects	—	—	—	—	—	—
Special Revenue	88	(7)	320	(426)	6	—
<b>Total fund equity</b>	<b>88</b>	<b>(7)</b>	<b>320</b>	<b>(426)</b>	<b>6</b>	<b>—</b>
<b>Total liabilities and fund equity</b>	<b>\$ 88</b>	<b>72</b>	<b>321</b>	<b>464</b>	<b>6</b>	<b>—</b>

**WASHINGTON COUNTY, OREGON**  
 Combining Balance Sheet, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 June 30, 2007  
 (Dollars in thousands)

<b>Assets</b>	<b>Survey Fund</b>	<b>Surveyor - Public Land Corner Fund</b>	<b>Transient Occupancy Tax Fund</b>	<b>Transportation Improvement Program Serial Levy Fund</b>	<b>Urban Road Maintenance Service District Fund (Component Unit)</b>	<b>Washington County Fair Fund</b>	<b>Total Special Revenue Funds</b>
Cash and investments	\$ 2,541	3,180	1,007	—	3,256	569	88,027
Cash restricted for equipment acquisition	—	—	—	—	—	—	—
Property taxes receivable	—	—	—	—	94	—	647
Assessments receivable	—	—	—	—	—	—	79
Accounts receivable	628	6	356	—	—	188	4,126
Investment interest receivable	—	—	—	—	—	—	1,062
Contracts receivable	—	—	—	—	—	—	11,681
Due from other funds	—	—	—	—	—	—	—
Inventory	—	—	—	—	—	—	25
Supplies	—	—	—	—	—	—	—
Assets held for resale	—	—	—	—	—	—	—
Other assets	—	—	—	—	—	7	12
<b>Total assets</b>	<b>\$ 3,169</b>	<b>3,186</b>	<b>1,363</b>	<b>—</b>	<b>3,350</b>	<b>764</b>	<b>105,659</b>
<b>Liabilities and Fund Balances</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 224	—	14	—	370	17	4,329
Accrued payroll liabilities	26	28	—	—	—	15	1,703
Deposits payable	1,930	2	—	—	—	1	2,648
Amounts held in trust	—	—	—	—	—	1	1
Accrued self insurance	—	—	—	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—	—	—	1,800
Due to other funds	—	—	—	—	—	—	4,724
Deferred revenue	—	—	—	—	78	103	21,420
<b>Total liabilities</b>	<b>2,180</b>	<b>30</b>	<b>14</b>	<b>—</b>	<b>448</b>	<b>137</b>	<b>36,625</b>
<b>Fund balances:</b>							
Reserved fund balance:	—	—	—	—	—	—	—
Unreserved fund balance:	—	—	—	—	—	—	—
Capital projects	—	—	—	—	—	—	—
Special Revenue	989	3,156	1,349	—	2,902	627	69,034
<b>Total fund equity</b>	<b>989</b>	<b>3,156</b>	<b>1,349</b>	<b>—</b>	<b>2,902</b>	<b>627</b>	<b>69,034</b>
<b>Total liabilities and fund equity</b>	<b>\$ 3,169</b>	<b>3,186</b>	<b>1,363</b>	<b>—</b>	<b>3,350</b>	<b>764</b>	<b>105,659</b>

**WASHINGTON COUNTY, OREGON**  
Combining Balance Sheet, Continued  
Non-major Governmental Funds - Debt Service Funds  
June 30, 2007  
(Dollars in thousands)

<b>Assets</b>	<b>Courthouse Bond Sinking Fund</b>	<b>Criminal Justice Bond Fund</b>	<b>Miscellaneous Debt Service Fund</b>	<b>Total Debt Service Funds</b>
Cash and investments	\$ —	32	43	75
Cash restricted for equipment acquisition	—	—	64	64
Property tax receivable	35	204	—	239
Assessments receivable	—	—	—	—
Accounts receivable	—	—	—	—
Investment interest receivable	—	—	—	—
Contracts receivable	—	—	—	—
Due from other funds	—	—	—	—
Inventory	—	—	—	—
Supplies	—	—	—	—
Assets held for resale	—	—	—	—
Other assets	—	—	—	—
<b>Total assets</b>	<b>\$ 35</b>	<b>236</b>	<b>107</b>	<b>378</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ —	—	—	—
Accrued payroll liabilities	—	—	—	—
Deposits payable	—	—	—	—
Amounts held in trust	—	—	—	—
Accrued self insurance	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—
Due to other funds	9	—	—	9
Deferred revenue	29	170	—	199
<b>Total liabilities</b>	<b>38</b>	<b>170</b>	<b>—</b>	<b>208</b>
<b>Fund balances:</b>				
Reserved fund balance:	(3)	66	107	170
Unreserved fund balance:	—	—	—	—
Capital projects	—	—	—	—
Special revenue	—	—	—	—
<b>Total fund balances</b>	<b>(3)</b>	<b>66</b>	<b>107</b>	<b>170</b>
<b>Total liabilities and fund balances</b>	<b>\$ 35</b>	<b>236</b>	<b>107</b>	<b>378</b>

**WASHINGTON COUNTY, OREGON**  
Combining Balance Sheet, Continued  
Non-major Governmental Funds - Capital Projects Funds  
June 30, 2007  
(Dollars in thousands)

<b>Assets</b>	<b>Facilities General Capital Projects Fund</b>	<b>Facilities Park (THPRD) SDC Fund</b>	<b>ITS Capital Projects Fund</b>	<b>Parks and Open Spaces Opportunity Projects Fund</b>	<b>Total Capital Projects Funds</b>	<b>Total Non-major Funds</b>
Cash and investments	\$ 224	773	976	631	2,604	90,706
Cash restricted for equipment acquisition	—	—	—	—	—	64
Property taxes receivable	—	—	—	—	—	886
Assessments receivable	—	—	—	—	—	79
Accounts receivable	—	—	16	—	16	4,142
Investment interest receivable	—	—	—	—	—	1,062
Contracts receivable	—	—	—	—	—	11,681
Due from other funds	—	—	—	—	—	—
Inventory	—	—	—	—	—	25
Supplies	—	—	—	—	—	—
Assets held for resale	—	—	—	—	—	—
Other assets	—	—	—	—	—	12
<b>Total assets</b>	<b>\$ 224</b>	<b>773</b>	<b>992</b>	<b>631</b>	<b>2,620</b>	<b>108,657</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 213	—	256	—	469	4,798
Accrued payroll liabilities	—	—	—	—	—	1,703
Deposits payable	—	—	—	—	—	2,648
Amounts held in trust	—	—	—	—	—	1
Accrued self insurance	—	—	—	—	—	—
Accrued OHP IBNR Reserve	—	—	—	—	—	1,800
Due to other funds	—	—	—	—	—	4,733
Deferred revenue	—	—	—	—	—	21,619
<b>Total liabilities</b>	<b>213</b>	<b>—</b>	<b>256</b>	<b>—</b>	<b>469</b>	<b>37,302</b>
<b>Fund balances:</b>						
Reserved fund balance:	—	773	—	—	773	943
Unreserved fund balance:	—	—	—	—	—	—
Capital projects	—	—	736	631	1,378	1,378
Special revenue	11	—	—	—	—	69,034
<b>Total fund balances</b>	<b>11</b>	<b>773</b>	<b>736</b>	<b>631</b>	<b>2,151</b>	<b>71,355</b>
<b>Total liabilities and fund balances</b>	<b>\$ 224</b>	<b>773</b>	<b>992</b>	<b>631</b>	<b>2,620</b>	<b>108,657</b>

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances

Non-major Governmental Funds - Special Revenue Funds

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	Aging Disability & Veterans' Services Fund	Animal Services Gifts and Donation Fund	Building Equipment Replace- ment Fund	Building Services Fund	Child Abuse Multidisciplinary Intervention Fund	Children and Youth Services Commission Fund	Commuter Rail Fund
<b>Revenues:</b>							
Taxes	\$ —	—	—	—	—	—	—
Licenses and permits	—	—	—	3,282	—	—	—
Intergovernmental revenues	1,968	—	—	41	—	3,133	35,342
Charges for services	—	—	—	2,646	—	125	—
Fines and forfeitures	—	—	—	6	—	—	—
Special assessments	—	—	—	—	—	—	—
Miscellaneous revenues	149	32	173	744	339	72	51
Interfund revenues	9	—	—	334	—	—	—
Total revenues	2,126	32	173	7,053	339	3,330	35,393
<b>Expenditures:</b>							
Current:							
General government	—	—	—	—	—	—	—
Public safety and justice	—	—	—	—	341	—	—
Land use, housing and transportation	—	—	—	7,002	—	—	40,895
Health and human services	2,242	—	—	—	—	3,354	—
Culture, education and recreation	—	—	—	—	—	—	—
Nonoperating	—	—	20	—	—	—	—
Total current	2,242	—	20	7,002	341	3,354	40,895
Capital outlay	—	—	1,003	—	—	—	—
Debt service:							
Principal	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—
Total debt service	—	—	—	—	—	—	—
Total expenditures	2,242	—	1,023	7,002	341	3,354	40,895
Excess (deficiency) of revenues over expenditures	(116)	32	(850)	51	(2)	(24)	(5,502)
Other financing sources (uses):							
Transfers in	191	—	568	25	—	83	5,500
Transfers out	—	—	—	(257)	—	—	—
Total other financing sources (uses)	191	—	568	(232)	—	83	5,500
Net change in fund balance	75	32	(282)	(181)	(2)	59	(2)
Fund balances July 1, 2006	168	100	3,104	13,431	29	389	2
Fund balances June 30, 2007	\$ 243	141	2,822	13,250	27	448	—



**WASHINGTON COUNTY, OREGON**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances, Continued  
Non-major Governmental Funds - Special Revenue Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	Community Corrections Fund	Cooperative Library Fund	County- wide Traffic Impact Fee Fund	Court Security Fund	Department of Housing Services Fund	Development Services Fund
<b>Revenues:</b>						
Taxes	\$ —	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—
Intergovernmental revenues	5,084	56	53	—	1,076	24
Charges for services	849	5	1,822	—	—	2,160
Fines and forfeitures	—	—	—	369	—	—
Special assessments	—	—	45	—	—	—
Miscellaneous revenues	176	257	961	9	3,274	196
Interfund revenues	1,130	—	—	44	—	250
Total revenues	<u>7,239</u>	<u>318</u>	<u>2,881</u>	<u>422</u>	<u>4,350</u>	<u>2,630</u>
<b>Expenditures:</b>						
Current:						
General government	—	—	—	—	—	—
Public safety and justice	9,248	—	—	339	—	—
Land use, housing and transportation	—	—	684	—	4,380	3,061
Health and human services	—	—	—	—	—	—
Culture, education and recreation	—	13,275	—	—	—	—
Nonoperating	—	—	—	—	—	—
Total current	<u>9,248</u>	<u>13,275</u>	<u>684</u>	<u>339</u>	<u>4,380</u>	<u>3,061</u>
Capital outlay	—	—	90	—	—	—
Debt service:						
Principal	—	—	—	—	—	—
Interest	—	—	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>9,248</u>	<u>13,275</u>	<u>774</u>	<u>339</u>	<u>4,380</u>	<u>3,061</u>
Excess (deficiency) of revenues over expenditures	(2,009)	(12,957)	2,107	83	(30)	(431)
<b>Other financing sources (uses):</b>						
Transfers in	1,658	13,007	55	—	30	525
Transfers out	—	—	(1,307)	—	—	(101)
Total other financing sources (uses)	<u>1,658</u>	<u>13,007</u>	<u>(1,252)</u>	<u>—</u>	<u>30</u>	<u>424</u>
Net change in fund balance	(351)	50	855	83	—	(7)
Fund balances July 1, 2006	1,393	1,759	13,488	125	—	2,796
Fund balances June 30, 2007	<u>\$ 1,042</u>	<u>1,809</u>	<u>14,343</u>	<u>208</u>	<u>—</u>	<u>2,789</u>

**WASHINGTON COUNTY, OREGON**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances, Continued  
Non-major Governmental Funds - Special Revenue Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	District Patrol Fund	Emergency Medical Services Fund	Enhanced Sheriff Patrol District Fund (Component Unit)	HOME Fund	Human Services HB-2145 Fund	Human Services OHP Fund	Indirect Cost Reimburse- ment Fund
<b>Revenues:</b>							
Taxes	\$ —	—	14,003	—	—	—	—
Licenses and permits	—	409	—	—	—	—	—
Intergovernmental revenues	36	—	—	2,227	—	—	45
Charges for services	—	1	—	—	—	11,165	—
Fines and forfeitures	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—
Miscellaneous revenues	13,538	76	516	124	—	437	—
Interfund revenues	—	—	—	—	368	4	11,254
<b>Total revenues</b>	<b>13,574</b>	<b>486</b>	<b>14,519</b>	<b>2,351</b>	<b>368</b>	<b>11,806</b>	<b>11,299</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	—	—	—	—	—	—	—
Public safety and justice	13,342	—	13,510	—	—	—	—
Land use, housing and transportation	—	—	—	2,351	—	—	—
Health and human services	—	287	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	12,068	—
Nonoperating	—	—	—	—	—	—	1,398
<b>Total current</b>	<b>13,342</b>	<b>287</b>	<b>13,510</b>	<b>2,351</b>	<b>—</b>	<b>12,068</b>	<b>1,398</b>
Capital outlay	232	—	—	—	—	—	—
<b>Debt service:</b>							
Principal	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>13,574</b>	<b>287</b>	<b>13,510</b>	<b>2,351</b>	<b>—</b>	<b>12,068</b>	<b>1,398</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>—</b>	<b>199</b>	<b>1,009</b>	<b>—</b>	<b>368</b>	<b>(462)</b>	<b>9,901</b>
<b>Other financing sources (uses):</b>							
Transfers in	—	—	—	—	—	—	—
Transfers out	—	—	—	—	(400)	—	(9,901)
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(400)</b>	<b>—</b>	<b>(9,901)</b>
<b>Net change in fund balance</b>	<b>—</b>	<b>199</b>	<b>1,009</b>	<b>—</b>	<b>(32)</b>	<b>(462)</b>	<b>—</b>
Fund balances July 1, 2006	—	1,238	7,477	—	602	6,165	—
Fund balances June 30, 2007	\$ —	1,437	8,486	—	570	5,703	—

WASHINGTON COUNTY, OREGON

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

Non-major Governmental Funds - Special Revenue Funds

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	Jail Commissary Fund	Juvenile Conciliation Services Fund	Juvenile Grants Fund	Juvenile High Risk Prevention Fund	Law Library Capital Construction Reserve Fund	Law Library Fund	Local Option Lavy Fund
Revenues:							
Taxes	\$ —	—	—	—	—	—	208
Licenses and permits	—	31	—	—	—	—	—
Intergovernmental revenues	—	—	575	1,631	—	—	93
Charges for services	—	521	—	—	—	406	82
Fines and forfeitures	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—
Miscellaneous revenues	106	—	14	20	17	13	231
Interfund revenues	—	—	3	—	—	—	—
Total revenues	106	552	592	1,651	17	419	614
Expenditures:							
Current:							
General government	—	—	—	—	—	—	—
Public safety and justice	96	541	616	1,785	1	307	12,640
Land use, housing and transportation	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—
Total current	96	541	616	1,785	1	307	12,640
Capital outlay	—	—	—	—	—	—	24
Debt service:							
Principal	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—
Total debt service	—	—	—	—	—	—	—
Total expenditures	96	541	616	1,785	1	307	12,664
Excess (deficiency) of revenues over expenditures	10	11	(24)	(134)	16	112	(12,050)
Other financing sources (uses):							
Transfers in	—	—	—	—	—	—	4,802
Transfers out	—	—	—	—	—	(19)	—
Total other financing sources (uses)	—	—	—	—	—	(19)	4,602
Net change in fund balance	10	11	(24)	(134)	16	93	(7,448)
Fund balances July 1, 2006	330	4	275	229	308	219	5,284
Fund balances June 30, 2007	\$ 340	15	251	95	324	312	(2,164)

**WASHINGTON COUNTY, OREGON**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances, Continued  
Non-major Governmental Funds - Special Revenue Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	Maintenance Improvement District Fund	Major Streets Capital Projects Fund	Major Streets Transport. Improvement Program II Fund	Metzger Park Fund	Office of Community Development Grant Fund	Oregon & California Title III Fund
<b>Revenues:</b>						
Taxes	\$ —	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—
Intergovernmental revenues	—	1,999	—	—	3,537	—
Charges for services	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Special assessments	17	—	—	88	—	—
Miscellaneous revenues	11	126	151	35	768	12
Interfund revenues	—	—	—	—	—	—
Total revenues	<u>28</u>	<u>2,125</u>	<u>151</u>	<u>123</u>	<u>4,305</u>	<u>12</u>
<b>Expenditures:</b>						
Current:						
General government	—	—	—	—	—	—
Public safety and justice	—	—	—	—	—	—
Land use, housing and transportation	1	2,620	10	—	4,305	—
Health and human services	—	—	—	—	—	—
Culture, education and recreation	—	—	—	84	—	—
Nonoperating	—	—	—	—	—	130
Total current	<u>1</u>	<u>2,620</u>	<u>10</u>	<u>84</u>	<u>4,305</u>	<u>130</u>
Capital outlay	—	4	—	—	—	2
Debt service:						
Principal	—	—	—	—	—	—
Interest	—	—	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>1</u>	<u>2,624</u>	<u>10</u>	<u>84</u>	<u>4,305</u>	<u>132</u>
Excess (deficiency) of revenues over expenditures	27	(499)	141	39	—	(120)
<b>Other financing sources (uses):</b>						
Transfers in	—	3,264	—	—	—	—
Transfers out	—	(12)	(3,136)	(7)	—	—
Total other financing sources (uses)	<u>—</u>	<u>3,252</u>	<u>(3,136)</u>	<u>(7)</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>27</u>	<u>2,753</u>	<u>(2,995)</u>	<u>32</u>	<u>—</u>	<u>(120)</u>
Fund balances July 1, 2006	190	2,995	2,995	89	—	228
Fund balances June 30, 2007	<u>\$ 217</u>	<u>5,748</u>	<u>—</u>	<u>121</u>	<u>—</u>	<u>108</u>

**WASHINGTON COUNTY, OREGON**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances, Continued  
Non-major Governmental Funds - Special Revenue Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	OTIA Capital Projects Fund	Real Property Management Fund	Senate Bill 1145 Fund	Sheriff's Office Contract Services Fund	Sheriff's Office Forfeitures Fund	Sheriff's Office Grants & Donations Fund	Strategic Investment Program Fund
<b>Revenues:</b>							
Taxes	\$ ---	---	---	---	---	---	---
Licenses and permits	---	---	---	---	---	---	---
Intergovernmental revenues	5,804	---	2,997	440	---	860	---
Charges for services	---	---	---	95	---	---	1,416
Fines and forfeitures	---	---	---	---	---	---	---
Special assessments	---	---	---	---	---	---	---
Miscellaneous revenues	628	10	29	(8)	20	---	12
Interfund revenues	---	---	---	121	---	---	---
Total revenues	<u>6,432</u>	<u>10</u>	<u>3,026</u>	<u>647</u>	<u>20</u>	<u>860</u>	<u>1,428</u>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	---	10	---	---	---	---	---
Public safety and justice	---	---	3,012	656	80	834	---
Land use, housing and transportation	5,722	---	---	---	---	---	---
Health and human services	---	---	---	---	---	---	---
Culture, education and recreation	---	---	---	---	---	---	---
Nonoperating	---	---	---	---	---	---	1,434
Total current	<u>5,722</u>	<u>10</u>	<u>3,012</u>	<u>656</u>	<u>80</u>	<u>834</u>	<u>1,434</u>
Capital outlay	2	---	---	---	---	458	---
<b>Debt service:</b>							
Principal	---	---	---	---	---	---	---
Interest	---	---	---	---	---	---	---
Total debt service	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total expenditures	<u>5,724</u>	<u>10</u>	<u>3,012</u>	<u>656</u>	<u>80</u>	<u>1,292</u>	<u>1,434</u>
Excess (deficiency) of revenues over expenditures	708	---	14	(9)	(60)	(432)	(8)
<b>Other financing sources (uses):</b>							
Transfers in	---	---	---	---	---	---	---
Transfers out	(136)	---	---	---	---	---	---
Total other financing sources (uses)	<u>(136)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Net change in fund balance	572	---	14	(9)	(60)	(432)	(8)
Fund balances July 1, 2006	773	---	74	2	380	7	12
Fund balances June 30, 2007	<u>\$ 1,345</u>	<u>---</u>	<u>88</u>	<u>(7)</u>	<u>320</u>	<u>(425)</u>	<u>6</u>

**WASHINGTON COUNTY, OREGON**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances, Continued  
Non-major Governmental Funds - Special Revenue Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	1999 Strategic Investment Program Fund	Survey Fund	Surveyor - Public Land Corner Fund	Tourism Dedicated Lodging Tax Fund	Transport. Improvement Program Serial Levy Fund	Urban Road Maint. Svc. Dist. Fund (Component Unit)	Washington County Fair Fund	Total Special Revenue Funds
<b>Revenues:</b>								
Taxes	\$ —	—	—	1,430	—	3,092	721	19,454
Licenses and permits	—	—	—	—	—	—	—	3,722
Intergovernmental revenues	—	—	—	—	—	—	46	78,232
Charges for services	6,976	1,041	761	—	—	—	478	21,386
Fines and forfeitures	—	—	—	—	—	—	—	375
Special assessments	—	—	—	—	—	—	—	150
Miscellaneous revenues	83	133	176	23	57	143	350	24,283
Interfund revenues	—	32	62	—	—	—	—	13,611
<b>Total revenues</b>	<b>9,061</b>	<b>1,206</b>	<b>999</b>	<b>1,453</b>	<b>57</b>	<b>3,235</b>	<b>1,595</b>	<b>161,213</b>
<b>Expenditures:</b>								
<b>Current:</b>								
General government	—	—	—	—	—	—	—	10
Public safety and justice	—	—	—	—	—	—	—	57,346
Land use, housing and transportation	—	1,086	992	—	9	2,563	—	75,681
Health and human services	—	—	—	—	—	—	—	17,951
Culture, education and recreation	—	—	—	104	—	—	1,290	14,753
Nonoperating	3,373	—	—	—	—	—	—	6,355
<b>Total current</b>	<b>3,373</b>	<b>1,086</b>	<b>992</b>	<b>104</b>	<b>9</b>	<b>2,563</b>	<b>1,290</b>	<b>172,098</b>
Capital outlay	—	7	79	—	—	—	207	2,108
<b>Debt service:</b>								
Principal	—	—	—	—	—	—	60	60
Interest	—	—	—	—	—	—	5	5
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>65</b>	<b>65</b>
<b>Total expenditures</b>	<b>3,373</b>	<b>1,093</b>	<b>1,071</b>	<b>104</b>	<b>9</b>	<b>2,563</b>	<b>1,562</b>	<b>174,271</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>5,688</b>	<b>113</b>	<b>(72)</b>	<b>1,349</b>	<b>48</b>	<b>672</b>	<b>33</b>	<b>(13,058)</b>
<b>Other financing sources (uses):</b>								
Transfers in	—	73	—	—	—	—	—	29,581
Transfers out	(5,820)	(32)	(43)	—	(1,188)	(6)	(40)	(22,385)
<b>Total other financing sources (uses)</b>	<b>(5,820)</b>	<b>41</b>	<b>(43)</b>	<b>—</b>	<b>(1,188)</b>	<b>(6)</b>	<b>(40)</b>	<b>7,196</b>
<b>Net change in fund balance</b>	<b>(132)</b>	<b>154</b>	<b>(115)</b>	<b>1,349</b>	<b>(1,120)</b>	<b>666</b>	<b>(7)</b>	<b>(5,862)</b>
Fund balances July 1, 2006	132	834	3,271	—	1,120	2,236	634	74,896
Fund balances June 30, 2007	\$ —	988	3,156	1,349	—	2,902	627	69,034

**WASHINGTON COUNTY, OREGON**

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

Debt Service Funds

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	<b>Courthouse Improvement Bond Sinking Fund</b>	<b>Criminal Justice Bond Fund</b>	<b>Miscellaneous Debt Service Fund</b>	<b>Total Debt Service Funds</b>
<b>Revenues:</b>				
Taxes	\$ 1,127	6,506	—	7,633
Licenses and permits	—	—	—	—
Intergovernmental revenues	—	—	—	—
Charges for services	—	—	—	—
Fines and forfeitures	—	—	—	—
Special assessments	—	—	—	—
Miscellaneous revenues	2	35	63	100
Interfund revenues	—	—	—	—
<b>Total revenues</b>	<b>1,129</b>	<b>6,541</b>	<b>63</b>	<b>7,733</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	—	—	—	—
Public safety and justice	—	—	—	—
Land use, housing and transportation	—	—	—	—
Health and human services	—	—	—	—
Culture, education and recreation	—	—	—	—
Nonoperating	—	—	3	3
<b>Total current</b>	<b>—</b>	<b>—</b>	<b>3</b>	<b>3</b>
Capital outlay	—	—	—	—
<b>Debt service:</b>				
Principal	1,110	4,645	3,373	9,128
Interest	56	1,994	4,532	6,582
<b>Total debt service</b>	<b>1,166</b>	<b>6,639</b>	<b>7,905</b>	<b>15,710</b>
<b>Total expenditures</b>	<b>1,166</b>	<b>6,639</b>	<b>7,908</b>	<b>15,713</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(37)</b>	<b>(98)</b>	<b>(7,845)</b>	<b>(7,980)</b>
<b>Other financing sources:</b>				
Transfers in	—	—	7,607	7,607
Transfers out	—	—	—	—
<b>Total other financing sources</b>	<b>—</b>	<b>—</b>	<b>7,607</b>	<b>7,607</b>
<b>Net change in fund balance</b>	<b>(37)</b>	<b>(98)</b>	<b>(238)</b>	<b>(373)</b>
Fund balances July 1, 2006	34	164	345	543
Fund balances June 30, 2007	\$ (3)	66	107	170

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

Capital Projects Funds

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	Facilities General Capital Projects Fund	Facilities Park (THPRD) SDC Fund	ITS Capital Projects Fund	Parks and Open Spaces Opportunity Projects Fund	Total Capital Projects Funds	Total Non-major Funds
Revenues:						
Taxes	\$ —	—	—	—	—	27,087
Licenses and permits	—	—	—	—	—	3,722
Intergovernmental revenues	—	—	—	—	—	78,232
Charges for services	—	215	16	—	231	21,817
Fines and forfeitures	—	—	—	—	—	375
Special assessments	—	—	—	—	—	150
Miscellaneous revenues	4	32	36	33	105	24,488
Interfund revenues	143	—	846	—	989	14,600
Total revenues	147	247	898	33	1,325	170,271
Expenditures:						
Current:						
General government	—	—	—	—	—	10
Public safety and justice	—	—	—	—	—	57,348
Land use, housing and transportation	—	—	—	—	—	75,681
Health and human services	—	—	—	—	—	17,951
Culture, education and recreation	—	—	—	—	—	14,753
Nonoperating	1	—	—	—	1	6,359
Total current	1	—	—	—	1	172,102
Capital outlay	938	—	1,642	—	2,580	4,688
Debt service:						
Principal	—	—	—	—	—	9,188
Interest	—	—	—	—	—	6,587
Total debt service	—	—	—	—	—	15,775
Total expenditures	939	—	1,642	—	2,581	192,565
Excess (deficiency) of revenues over expenditures	(792)	247	(744)	33	(1,256)	(22,284)
Other financing sources:						
Transfers in	532	—	810	—	1,342	38,530
Transfers out	—	—	—	—	—	(22,385)
Total other financing sources	532	—	810	—	1,342	16,145
Net change in fund balance	(280)	247	86	33	86	(6,149)
Fund balances July 1, 2006	271	526	670	598	2,065	77,504
Fund balances June 30, 2007	\$ 11	773	736	631	2,151	71,355



**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Aging Fund				Animal Services Gifts and Donations Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	2,350	2,350	1,968	(382)	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	13	13	149	136	103	103	32	(71)
Interfund revenues	—	—	9	9	—	—	—	—
<b>Total revenues</b>	<b>2,363</b>	<b>2,363</b>	<b>2,126</b>	<b>(237)</b>	<b>103</b>	<b>103</b>	<b>32</b>	<b>(71)</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	2,621	2,621	2,242	379	120	120	—	120
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	64	64	—	64	102	102	—	102
<b>Total current</b>	<b>2,685</b>	<b>2,685</b>	<b>2,242</b>	<b>443</b>	<b>222</b>	<b>222</b>	<b>—</b>	<b>222</b>
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>2,685</b>	<b>2,685</b>	<b>2,242</b>	<b>443</b>	<b>222</b>	<b>222</b>	<b>—</b>	<b>222</b>
<b>Revenues over (under) expenditures</b>	<b>(322)</b>	<b>(322)</b>	<b>(116)</b>	<b>206</b>	<b>(119)</b>	<b>(119)</b>	<b>32</b>	<b>151</b>
Other financing sources (uses):								
Transfers in from other funds	191	191	191	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>191</b>	<b>191</b>	<b>191</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>(131)</b>	<b>(131)</b>	<b>75</b>	<b>206</b>	<b>(119)</b>	<b>(119)</b>	<b>32</b>	<b>151</b>
Fund balances July 1, 2006	131	131	168	37	119	119	109	(10)
<b>Fund balances June 30, 2007</b>	<b>\$ —</b>	<b>—</b>	<b>243</b>	<b>243</b>	<b>—</b>	<b>—</b>	<b>141</b>	<b>141</b>

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<u>Building Equipment Replacement Fund</u>				<u>Building Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	4,360	4,360	3,282	(1,078)
Intergovernmental revenues	—	—	—	—	40	40	41	1
Charges for services	—	—	—	—	3,220	3,220	2,646	(574)
Fines and forfeitures	—	—	—	—	18	18	6	(12)
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	145	145	173	28	512	512	744	232
Interfund revenues	—	—	—	—	328	328	334	6
<b>Total revenues</b>	<b>145</b>	<b>145</b>	<b>173</b>	<b>28</b>	<b>8,478</b>	<b>8,478</b>	<b>7,053</b>	<b>(1,425)</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	8,120	8,476	7,002	1,474
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	18	18	20	(2)	—	—	—	—
Operating contingency	2,601	2,601	—	2,601	13,649	13,649	—	13,649
<b>Total current</b>	<b>2,619</b>	<b>2,619</b>	<b>20</b>	<b>2,599</b>	<b>21,769</b>	<b>22,125</b>	<b>7,002</b>	<b>15,123</b>
Capital outlay	1,209	1,209	1,003	206	373	17	—	17
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>3,828</b>	<b>3,828</b>	<b>1,023</b>	<b>2,805</b>	<b>22,142</b>	<b>22,142</b>	<b>7,002</b>	<b>15,140</b>
Excess (deficiency) of revenues over expenditures	(3,683)	(3,683)	(850)	(2,833)	(13,664)	(13,664)	51	(13,715)
Other financing sources (uses):								
Transfers in from other funds	568	568	568	—	25	25	25	—
Transfers out to other funds	—	—	—	—	(257)	(257)	(257)	—
<b>Total other financing sources (uses)</b>	<b>568</b>	<b>568</b>	<b>568</b>	<b>—</b>	<b>(232)</b>	<b>(232)</b>	<b>(232)</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>(3,115)</b>	<b>(3,115)</b>	<b>(282)</b>	<b>2,833</b>	<b>(13,896)</b>	<b>(13,896)</b>	<b>(181)</b>	<b>13,715</b>
Fund balances July 1, 2006	3,115	3,115	3,104	(11)	13,896	13,896	13,431	(465)
<b>Fund balances June 30, 2007</b>	<b>\$ —</b>	<b>—</b>	<b>2,822</b>	<b>2,822</b>	<b>—</b>	<b>—</b>	<b>13,250</b>	<b>13,250</b>

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

WASHINGTON COUNTY, OREGON  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Child Abuse Multidisciplinary Intervention Fund				Children and Youth Services Commission Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	3,267	3,267	3,133	(134)
Charges for services	—	—	—	—	120	120	125	5
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	338	338	339	1	34	34	72	38
Interfund revenues	—	—	—	—	—	—	—	—
Total revenues	338	338	339	1	3,421	3,421	3,330	(91)
Expenditures:								
Current:								
Public safety and justice	361	361	341	20	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	3,568	3,728	3,354	374
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	4	4	—	4	323	163	—	163
Total current	365	365	341	24	3,891	3,691	3,354	537
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	—	—	—	—	—	—	—	—
Total expenditures	365	365	341	24	3,891	3,691	3,354	537
Excess (deficiency) of revenues over expenditures	(27)	(27)	(2)	25	(470)	(470)	(24)	446
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	83	83	83	—
Transfers out to other funds	—	—	—	—	—	—	—	—
Total other financing sources (uses)	—	—	—	—	83	83	83	—
Net change in fund balance	(27)	(27)	(2)	25	(387)	(387)	59	446
Fund balances July 1, 2006	27	27	29	2	387	387	389	2
Fund balances June 30, 2007	\$ —	—	27	27	—	—	448	448

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<b>Commuter Rail Project Fund</b>			
	<b>Adopted budget</b>	<b>Revised budget</b>	<b>Actual</b>	<b>Variance positive (negative)</b>
Revenues:				
Taxes	\$ —	—	—	—
Licenses and permits	—	—	—	—
Intergovernmental revenues	35,342	35,342	35,342	—
Charges for services	—	—	—	—
Fines and forfeitures	—	—	—	—
Special assessments	—	—	—	—
Miscellaneous revenues	1,125	1,125	51	(1,074)
Interfund revenues	—	—	—	—
Total revenues	<u>36,467</u>	<u>36,467</u>	<u>35,393</u>	<u>(1,074)</u>
Expenditures:				
Current:				
Public safety and justice	—	—	—	—
Land use, housing and transportation	41,967	41,967	40,895	1,072
Health and human services	—	—	—	—
Culture, education and recreation	—	—	—	—
General government	—	—	—	—
Nonoperating	—	—	—	—
Operating contingency	—	—	—	—
Total current	<u>41,967</u>	<u>41,967</u>	<u>40,895</u>	<u>1,072</u>
Capital outlay	—	—	—	—
Debt service:				
Principal	—	—	—	—
Interest	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>41,967</u>	<u>41,967</u>	<u>40,895</u>	<u>1,072</u>
Excess (deficiency) of revenues over expenditures	<u>(5,500)</u>	<u>(5,500)</u>	<u>(5,502)</u>	<u>(2)</u>
Other financing sources (uses):				
Transfers in from other funds	5,500	5,500	5,500	—
Transfers out to other funds	—	—	—	—
Total other financing sources (uses)	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>	<u>—</u>
Net change in fund balance	—	—	(2)	(2)
Fund balances July 1, 2006	—	—	2	2
Fund balances June 30, 2007	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Community Corrections Fund				Cooperative Library Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	5,068	5,068	5,084	16	88	88	56	(32)
Charges for services	696	696	849	153	3	3	5	2
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	95	95	176	81	205	215	257	42
Interfund revenues	1,070	1,158	1,130	(28)	—	—	—	—
Total revenues	6,929	7,017	7,239	222	296	306	318	12
Expenditures:								
Current:								
Public safety and justice	9,728	9,816	9,248	568	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	13,518	13,528	13,275	253
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	38	38	—	38	1,394	1,394	—	1,394
Total current	9,766	9,854	9,248	606	14,912	14,922	13,275	1,647
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	—	—	—	—	—	—	—	—
Total expenditures	9,766	9,854	9,248	606	14,912	14,922	13,275	1,647
Excess (deficiency) of revenues over expenditures	(2,837)	(2,837)	(2,009)	828	(14,616)	(14,616)	(12,957)	1,659
Other financing sources (uses):								
Transfers in from other funds	1,658	1,658	1,658	—	13,007	13,007	13,007	—
Transfers out to other funds	—	—	—	—	—	—	—	—
Total other financing sources (uses)	1,658	1,658	1,658	—	13,007	13,007	13,007	—
Net change in fund balance	(1,179)	(1,179)	(351)	828	(1,609)	(1,609)	50	1,859
Fund balances July 1, 2006	1,179	1,179	1,393	214	1,609	1,609	1,759	150
Fund balances June 30, 2007	\$ —	—	1,042	1,042	—	—	1,809	1,809

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Countywide Traffic Impact Fee Fund				Court Security Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	84	84	53	(31)	—	—	—	—
Charges for services	2,865	2,865	1,822	(1,043)	—	—	—	—
Fines and forfeitures	—	—	—	—	285	285	369	84
Special assessments	—	—	45	45	—	—	—	—
Miscellaneous revenues	636	636	961	325	61	61	9	(52)
Interfund revenues	—	—	—	—	—	—	44	44
Total revenues	<u>3,585</u>	<u>3,585</u>	<u>2,881</u>	<u>(704)</u>	<u>346</u>	<u>346</u>	<u>422</u>	<u>76</u>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	362	362	339	23
Land use, housing and transportation	13,675	13,675	684	12,991	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	—	—	—	—	137	137	—	137
Total current	<u>13,675</u>	<u>13,675</u>	<u>684</u>	<u>12,991</u>	<u>499</u>	<u>499</u>	<u>339</u>	<u>160</u>
Capital outlay	2,075	2,075	90	1,985	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>15,750</u>	<u>15,750</u>	<u>774</u>	<u>14,976</u>	<u>499</u>	<u>499</u>	<u>339</u>	<u>160</u>
Excess (deficiency) of revenues over expenditures	<u>(12,165)</u>	<u>(12,165)</u>	<u>2,107</u>	<u>(14,272)</u>	<u>(153)</u>	<u>(153)</u>	<u>83</u>	<u>(236)</u>
Other financing sources (uses):								
Transfers in from other funds	50	50	55	(5)	—	—	—	—
Transfers out to other funds	(1,307)	(1,307)	(1,307)	—	—	—	—	—
Total other financing sources (uses)	<u>(1,257)</u>	<u>(1,257)</u>	<u>(1,252)</u>	<u>(5)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>(13,422)</u>	<u>(13,422)</u>	<u>855</u>	<u>14,277</u>	<u>(153)</u>	<u>(153)</u>	<u>83</u>	<u>236</u>
Fund balances July 1, 2006	<u>13,422</u>	<u>13,422</u>	<u>13,488</u>	<u>66</u>	<u>153</u>	<u>153</u>	<u>125</u>	<u>(28)</u>
Fund balances June 30, 2007	<u>\$ —</u>	<u>—</u>	<u>14,343</u>	<u>14,343</u>	<u>—</u>	<u>—</u>	<u>208</u>	<u>208</u>

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Department of Housing Services Fund				Development Services Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
<b>Revenues:</b>								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	2,222	2,222	1,076	(1,146)	25	25	24	(1)
Charges for services	—	—	—	—	1,979	1,979	2,160	181
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	3,364	3,364	3,274	(90)	106	106	196	90
Interfund revenues	—	—	—	—	327	327	249	(78)
<b>Total revenues</b>	<b>5,586</b>	<b>5,586</b>	<b>4,350</b>	<b>(1,236)</b>	<b>2,437</b>	<b>2,437</b>	<b>2,629</b>	<b>192</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	5,616	5,616	4,380	1,236	3,110	3,246	3,060	186
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	—	—	—	—	2,456	2,320	—	2,320
<b>Total current</b>	<b>5,616</b>	<b>5,616</b>	<b>4,380</b>	<b>1,236</b>	<b>5,566</b>	<b>5,566</b>	<b>3,060</b>	<b>2,506</b>
Capital outlay	—	—	—	—	—	—	—	—
<b>Debt service:</b>								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>5,616</b>	<b>5,616</b>	<b>4,380</b>	<b>1,236</b>	<b>5,566</b>	<b>5,566</b>	<b>3,060</b>	<b>2,506</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(30)</b>	<b>(30)</b>	<b>(30)</b>	<b>—</b>	<b>(3,129)</b>	<b>(3,129)</b>	<b>(431)</b>	<b>2,698</b>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	30	30	30	—	525	525	525	—
Transfers out to other funds	—	—	—	—	(101)	(101)	(101)	—
<b>Total other financing sources (uses)</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>—</b>	<b>424</b>	<b>424</b>	<b>424</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2,705)</b>	<b>(2,705)</b>	<b>(7)</b>	<b>2,698</b>
Fund balances July 1, 2006	—	—	—	—	2,705	2,705	2,796	91
Fund balances June 30, 2007	\$ —	—	—	—	—	—	2,789	2,789

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	District Patrol Fund				Emergency Medical Services Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	382	382	409	27
Intergovernmental revenues	—	—	36	36	—	—	—	—
Charges for services	21	21	—	(21)	12	12	1	(11)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	14,437	14,437	13,538	(899)	51	51	76	25
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>14,458</b>	<b>14,458</b>	<b>13,574</b>	<b>(884)</b>	<b>445</b>	<b>445</b>	<b>486</b>	<b>41</b>
Expenditures:								
Current:								
Public safety and justice	13,971	13,971	13,342	629	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	518	518	287	231
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	52	52	—	52	1,011	1,011	—	1,011
<b>Total current</b>	<b>14,023</b>	<b>14,023</b>	<b>13,342</b>	<b>681</b>	<b>1,529</b>	<b>1,529</b>	<b>287</b>	<b>1,242</b>
Capital outlay	435	435	232	203	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>14,458</b>	<b>14,458</b>	<b>13,574</b>	<b>884</b>	<b>1,529</b>	<b>1,529</b>	<b>287</b>	<b>1,242</b>
Excess (deficiency) of revenues over expenditures	—	—	—	—	(1,084)	(1,084)	199	1,283
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(1,084)</b>	<b>(1,084)</b>	<b>199</b>	<b>1,283</b>
Fund balances July 1, 2006	—	—	—	—	1,084	1,084	1,238	154
<b>Fund balances June 30, 2007</b>	<b>\$ —</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,437</b>	<b>1,437</b>



**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<b>Enhanced Sheriff Patrol District Fund (Component Unit)</b>				<b>HOME Fund</b>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
<b>Revenues:</b>								
Taxes	\$ 14,013	14,013	14,003	(10)	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	3,928	3,928	2,227	(1,701)
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	150	150	516	366	195	195	124	(71)
Interfund revenues	—	—	—	—	—	—	—	—
Total revenues	<u>14,163</u>	<u>14,163</u>	<u>14,519</u>	<u>356</u>	<u>4,123</u>	<u>4,123</u>	<u>2,351</u>	<u>(1,772)</u>
<b>Expenditures:</b>								
Current:								
Public safety and justice	14,436	14,436	13,511	925	—	—	—	—
Land use, housing and transportation	—	—	—	—	4,123	4,123	2,351	1,772
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	6,710	6,710	—	6,710	—	—	—	—
Total current	<u>21,146</u>	<u>21,146</u>	<u>13,511</u>	<u>7,635</u>	<u>4,123</u>	<u>4,123</u>	<u>2,351</u>	<u>1,772</u>
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>21,146</u>	<u>21,146</u>	<u>13,511</u>	<u>7,635</u>	<u>4,123</u>	<u>4,123</u>	<u>2,351</u>	<u>1,772</u>
Excess (deficiency) of revenues over expenditures	<u>(6,983)</u>	<u>(6,983)</u>	<u>1,008</u>	<u>7,991</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>(6,983)</u>	<u>(6,983)</u>	<u>1,008</u>	<u>7,991</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances July 1, 2006	<u>6,983</u>	<u>6,983</u>	<u>7,478</u>	<u>495</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances June 30, 2007	<u>\$ —</u>	<u>—</u>	<u>8,486</u>	<u>8,486</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Human Services HB-2145 Fund				Human Services OHP Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
<b>Revenues:</b>								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	10,800	10,800	11,165	365
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	—	—	—	—	170	170	437	267
Interfund revenues	—	—	368	368	—	—	4	4
<b>Total revenues</b>	<b>—</b>	<b>—</b>	<b>368</b>	<b>368</b>	<b>10,970</b>	<b>10,970</b>	<b>11,606</b>	<b>636</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	13,754	13,754	12,068	1,686
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	142	142	—	142	990	999	—	999
<b>Total current</b>	<b>142</b>	<b>142</b>	<b>—</b>	<b>142</b>	<b>14,753</b>	<b>14,753</b>	<b>12,068</b>	<b>2,685</b>
Capital outlay	—	—	—	—	—	—	—	—
<b>Debt service:</b>								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>142</b>	<b>142</b>	<b>—</b>	<b>142</b>	<b>14,753</b>	<b>14,753</b>	<b>12,068</b>	<b>2,685</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(142)</b>	<b>(142)</b>	<b>368</b>	<b>510</b>	<b>(3,783)</b>	<b>(3,783)</b>	<b>(462)</b>	<b>3,321</b>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	(400)	(400)	(400)	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>(400)</b>	<b>(400)</b>	<b>(400)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>(542)</b>	<b>(542)</b>	<b>(32)</b>	<b>510</b>	<b>(3,783)</b>	<b>(3,783)</b>	<b>(462)</b>	<b>3,321</b>
Fund balances July 1, 2006	542	542	602	60	3,783	3,783	6,165	2,382
Fund balances June 30, 2007	\$ —	—	570	570	—	—	5,703	5,703

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Indirect Cost Reimbursement Fund				Jail Commissary Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	45	45	45	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	—	—	—	—	90	90	106	16
Interfund revenues	11,254	11,254	11,254	—	—	—	—	—
<b>Total revenues</b>	<b>11,299</b>	<b>11,299</b>	<b>11,299</b>	<b>—</b>	<b>90</b>	<b>90</b>	<b>106</b>	<b>16</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	111	111	96	15
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	1,398	1,398	1,398	—	—	—	—	—
Operating contingency	—	—	—	—	308	308	—	308
<b>Total current</b>	<b>1,398</b>	<b>1,398</b>	<b>1,398</b>	<b>—</b>	<b>419</b>	<b>419</b>	<b>96</b>	<b>323</b>
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>1,398</b>	<b>1,398</b>	<b>1,398</b>	<b>—</b>	<b>419</b>	<b>419</b>	<b>96</b>	<b>323</b>
Excess (deficiency) of revenues over expenditures	9,901	9,901	9,901	—	(329)	(329)	10	339
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	(9,901)	(9,901)	(9,901)	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>(9,901)</b>	<b>(9,901)</b>	<b>(9,901)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(329)</b>	<b>(329)</b>	<b>10</b>	<b>339</b>
Fund balances July 1, 2006	—	—	—	—	329	329	330	1
Fund balances June 30, 2007	\$ —	—	—	—	—	—	340	340

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Juvenile Conciliation Services Fund				Juvenile Grants Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ ---	---	---	---	---	---	---	---
Licenses and permits	40	40	31	(9)	---	---	---	---
Intergovernmental revenues	---	---	---	---	641	641	575	(66)
Charges for services	525	525	521	(4)	---	---	---	---
Fines and forfeitures	---	---	---	---	---	---	---	---
Special assessments	---	---	---	---	---	---	---	---
Miscellaneous revenues	1	1	---	(1)	7	7	14	7
Interfund revenues	---	---	---	---	---	---	3	3
<b>Total revenues</b>	<b>566</b>	<b>566</b>	<b>552</b>	<b>(14)</b>	<b>648</b>	<b>648</b>	<b>592</b>	<b>(56)</b>
Expenditures:								
Current:								
Public safety and justice	574	574	541	33	888	888	616	272
Land use, housing and transportation	---	---	---	---	---	---	---	---
Health and human services	---	---	---	---	---	---	---	---
Culture, education and recreation	---	---	---	---	---	---	---	---
General government	---	---	---	---	---	---	---	---
Nonoperating	---	---	---	---	---	---	---	---
Operating contingency	---	---	---	---	3	3	---	3
<b>Total current</b>	<b>574</b>	<b>574</b>	<b>541</b>	<b>33</b>	<b>891</b>	<b>891</b>	<b>616</b>	<b>275</b>
Capital outlay	---	---	---	---	---	---	---	---
Debt service:								
Principal	---	---	---	---	---	---	---	---
Interest	---	---	---	---	---	---	---	---
<b>Total debt service</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Total expenditures</b>	<b>574</b>	<b>574</b>	<b>541</b>	<b>33</b>	<b>891</b>	<b>891</b>	<b>618</b>	<b>275</b>
Excess (deficiency) of revenues over expenditures	(8)	(8)	11	19	(243)	(243)	(24)	219
Other financing sources (uses):								
Transfers in from other funds	---	---	---	---	---	---	---	---
Transfers out to other funds	---	---	---	---	---	---	---	---
<b>Total other financing sources (uses)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Net change in fund balance</b>	<b>(8)</b>	<b>(8)</b>	<b>11</b>	<b>19</b>	<b>(243)</b>	<b>(243)</b>	<b>(24)</b>	<b>219</b>
Fund balances July 1, 2006	8	8	4	(4)	243	243	275	32
Fund balances June 30, 2007	<u>\$ ---</u>	<u>---</u>	<u>15</u>	<u>15</u>	<u>---</u>	<u>---</u>	<u>251</u>	<u>251</u>

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<u>Juvenile High Risk Prevention Fund</u>				<u>Law Library Capital Construction Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	1,671	1,840	1,632	(208)	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	18	18	20	2	13	13	17	4
Interfund revenues	—	—	—	—	—	—	—	—
Total revenues	<u>1,689</u>	<u>1,858</u>	<u>1,652</u>	<u>(206)</u>	<u>13</u>	<u>13</u>	<u>17</u>	<u>4</u>
Expenditures:								
Current:								
Public safety and justice	1,841	2,010	1,786	224	1	1	1	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	11	11	—	11	317	317	—	317
Total current	<u>1,852</u>	<u>2,021</u>	<u>1,786</u>	<u>235</u>	<u>318</u>	<u>318</u>	<u>1</u>	<u>317</u>
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>1,852</u>	<u>2,021</u>	<u>1,786</u>	<u>235</u>	<u>318</u>	<u>318</u>	<u>1</u>	<u>317</u>
Revenues over (under) expenditures	<u>(163)</u>	<u>(163)</u>	<u>(134)</u>	<u>29</u>	<u>(305)</u>	<u>(305)</u>	<u>16</u>	<u>321</u>
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>(163)</u>	<u>(163)</u>	<u>(134)</u>	<u>29</u>	<u>(305)</u>	<u>(305)</u>	<u>16</u>	<u>321</u>
Fund balances July 1, 2006	<u>163</u>	<u>183</u>	<u>229</u>	<u>68</u>	<u>305</u>	<u>305</u>	<u>308</u>	<u>3</u>
Fund balances June 30, 2007	<u>\$ —</u>	<u>—</u>	<u>95</u>	<u>95</u>	<u>—</u>	<u>—</u>	<u>324</u>	<u>324</u>

**WASHINGTON COUNTY, OREGON**  
**Budgetary Comparison, Continued**  
**Non-major Governmental Funds - Special Revenue Funds**  
**For the fiscal year ended June 30, 2007**  
**(Dollars in thousands)**

	Law Library Fund				Local Option Levy Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)*
<b>Revenues:</b>								
Taxes	\$ —	—	—	—	119	119	208	89
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	279	279	93	(186)
Charges for services	368	368	406	38	97	97	82	(15)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	7	7	13	6	100	100	231	131
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>375</b>	<b>375</b>	<b>419</b>	<b>44</b>	<b>595</b>	<b>595</b>	<b>614</b>	<b>20</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	392	392	307	85	—	—	—	—
County administration	—	—	—	—	665	665	541	124
Sheriff's office administration	—	—	—	—	674	674	598	76
Law enforcement services	—	—	—	—	6,165	6,172	5,883	289
Sheriff's Office - Jail	—	—	—	—	1,516	1,516	1,438	80
District Attorney	—	—	—	—	1,441	1,441	939	502
Community corrections	—	—	—	—	2,612	2,612	2,571	41
Juvenile services	—	—	—	—	673	673	672	1
Operating contingency	111	111	—	111	1,063	1,063	—	1,063
<b>Total current</b>	<b>503</b>	<b>503</b>	<b>307</b>	<b>196</b>	<b>14,809</b>	<b>14,816</b>	<b>12,640</b>	<b>2,176</b>
Capital outlay	—	—	—	—	149	142	24	116
<b>Debt service:</b>								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>503</b>	<b>503</b>	<b>307</b>	<b>196</b>	<b>14,958</b>	<b>14,958</b>	<b>12,664</b>	<b>2,294</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(128)</b>	<b>(128)</b>	<b>112</b>	<b>240</b>	<b>(14,363)</b>	<b>(14,363)</b>	<b>(12,050)</b>	<b>2,313</b>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	—	—	—	—	9,326	9,326	4,602	(4,724)
Transfers out to other funds	(19)	(19)	(19)	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>(19)</b>	<b>(19)</b>	<b>(19)</b>	<b>—</b>	<b>9,326</b>	<b>9,326</b>	<b>4,602</b>	<b>(4,724)</b>
<b>Net change in fund balance</b>	<b>(147)</b>	<b>(147)</b>	<b>93</b>	<b>240</b>	<b>(5,037)</b>	<b>(5,037)</b>	<b>(7,448)</b>	<b>(2,411)</b>
Fund balances July 1, 2006	147	147	219	72	5,037	5,037	5,284	247
Fund balances June 30, 2007	\$ —	—	312	312	—	—	(2,164)	(2,164)

\* Deficit Fund balance is a result of timing of funding from General Fund versus the expenditures for program services.

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<u>Maintenance Improvement District Fund</u>				<u>Major Streets Capital Projects Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	2,468	2,468	1,999	(469)
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	17	17	17	—	—	—	—	—
Miscellaneous revenues	8	8	11	3	102	102	126	24
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>25</b>	<b>25</b>	<b>28</b>	<b>3</b>	<b>2,570</b>	<b>2,570</b>	<b>2,125</b>	<b>(445)</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	86	86	1	85	6,590	6,590	2,620	3,970
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	127	127	—	127	—	—	—	—
<b>Total current</b>	<b>213</b>	<b>213</b>	<b>1</b>	<b>212</b>	<b>6,590</b>	<b>6,590</b>	<b>2,620</b>	<b>3,970</b>
Capital outlay	—	—	—	—	365	365	4	361
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>213</b>	<b>213</b>	<b>1</b>	<b>212</b>	<b>6,955</b>	<b>6,955</b>	<b>2,624</b>	<b>4,331</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(188)</b>	<b>(188)</b>	<b>27</b>	<b>215</b>	<b>(4,385)</b>	<b>(4,385)</b>	<b>(499)</b>	<b>3,886</b>
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	1,829	1,829	3,264	1,435
Transfers out to other funds	—	—	—	—	(12)	(12)	(12)	—
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,817</b>	<b>1,817</b>	<b>3,252</b>	<b>1,435</b>
<b>Net change in fund balance</b>	<b>(188)</b>	<b>(188)</b>	<b>27</b>	<b>215</b>	<b>(2,568)</b>	<b>(2,568)</b>	<b>2,753</b>	<b>5,321</b>
Fund balances July 1, 2006	188	188	190	2	2,568	2,588	2,995	427
<b>Fund balances June 30, 2007</b>	<b>\$ —</b>	<b>—</b>	<b>217</b>	<b>217</b>	<b>—</b>	<b>—</b>	<b>5,748</b>	<b>5,748</b>

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<b>Major Streets Transportation Improvement Projects II Fund</b>				<b>Metzger Park LID Fund</b>			
	<b>Adopted budget</b>	<b>Revised budget</b>	<b>Actual</b>	<b>Variance positive (negative)</b>	<b>Adopted budget</b>	<b>Revised budget</b>	<b>Actual</b>	<b>Variance positive (negative)*</b>
<b>Revenues:</b>								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	86	86	88	2
Miscellaneous revenues	103	174	150	(24)	32	32	35	3
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>103</b>	<b>174</b>	<b>150</b>	<b>(24)</b>	<b>118</b>	<b>118</b>	<b>123</b>	<b>5</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	2,882	2,882	10	2,872	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	105	105	84	21
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	—	—	—	—	83	83	—	83
<b>Total current</b>	<b>2,882</b>	<b>2,882</b>	<b>10</b>	<b>2,872</b>	<b>188</b>	<b>188</b>	<b>84</b>	<b>104</b>
Capital outlay	—	—	—	—	3	3	—	3
<b>Debt service:</b>								
Principal	—	—	—	—	8	8	—	8
Interest	—	—	—	—	1	1	—	1
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>9</b>	<b>9</b>	<b>—</b>	<b>9</b>
<b>Total expenditures</b>	<b>2,882</b>	<b>2,882</b>	<b>10</b>	<b>2,872</b>	<b>200</b>	<b>200</b>	<b>84</b>	<b>116</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,779)</b>	<b>(2,708)</b>	<b>140</b>	<b>2,848</b>	<b>(82)</b>	<b>(82)</b>	<b>39</b>	<b>121</b>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	(288)	(3,136)	(2,848)	—	—	(7)	(7)
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>(288)</b>	<b>(3,136)</b>	<b>(2,848)</b>	<b>—</b>	<b>—</b>	<b>(7)</b>	<b>(7)</b>
<b>Net change in fund balance</b>	<b>(2,779)</b>	<b>(2,996)</b>	<b>(2,996)</b>	<b>—</b>	<b>(82)</b>	<b>(82)</b>	<b>32</b>	<b>114</b>
Fund balances July 1, 2006	2,779	2,996	2,996	—	82	82	89	7
Fund balances June 30, 2007	\$ —	—	—	—	—	—	121	121

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



**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Office of Community Development Block Grant Fund				Oregon & California Title III Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)*
Revenues:								
Taxes	\$ ---	---	---	---	---	---	---	---
Licenses and permits	---	---	---	---	---	---	---	---
Intergovernmental revenues	4,588	4,588	3,537	(1,051)	---	---	---	---
Charges for services	---	---	---	---	---	---	---	---
Fines and forfeitures	---	---	---	---	---	---	---	---
Special assessments	---	---	---	---	---	---	---	---
Miscellaneous revenues	768	768	768	---	6	6	12	6
Interfund revenues	---	---	---	---	---	---	---	---
Total revenues	<u>5,356</u>	<u>5,356</u>	<u>4,305</u>	<u>(1,051)</u>	<u>6</u>	<u>6</u>	<u>12</u>	<u>8</u>
Expenditures:								
Current:								
Public safety and justice	---	---	---	---	---	---	---	---
Land use, housing and transportation	5,056	5,056	4,305	751	---	---	---	---
Health and human services	---	---	---	---	---	---	---	---
Culture, education and recreation	---	---	---	---	---	---	---	---
General government	---	---	---	---	---	---	---	---
Nonoperating	---	---	---	---	224	224	130	94
Operating contingency	300	300	---	300	---	---	---	---
Total current	<u>5,356</u>	<u>5,356</u>	<u>4,305</u>	<u>1,051</u>	<u>224</u>	<u>224</u>	<u>130</u>	<u>94</u>
Capital outlay	---	---	---	---	---	---	2	(2)
Debt service:								
Principal	---	---	---	---	---	---	---	---
Interest	---	---	---	---	---	---	---	---
Total debt service	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total expenditures	<u>5,356</u>	<u>5,356</u>	<u>4,305</u>	<u>1,051</u>	<u>224</u>	<u>224</u>	<u>132</u>	<u>92</u>
Excess (deficiency) of revenues over expenditures	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(218)</u>	<u>(218)</u>	<u>(120)</u>	<u>98</u>
Other financing sources (uses):								
Transfers in from other funds	---	---	---	---	---	---	---	---
Transfers out to other funds	---	---	---	---	---	---	---	---
Total other financing sources (uses)	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Net change in fund balance	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(218)</u>	<u>(218)</u>	<u>(120)</u>	<u>98</u>
Fund balances July 1, 2006	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>218</u>	<u>218</u>	<u>228</u>	<u>10</u>
Fund balances June 30, 2007	<u>\$ ---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>108</u>	<u>108</u>

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

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	OTIA Capital Projects Fund				Real Property Management Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	5,804	5,804	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	250	250	628	378	13	13	11	(2)
Interfund revenues	—	—	—	—	—	—	—	—
Total revenues	250	250	6,432	6,182	13	13	11	(2)
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	12,238	12,235	5,722	6,513	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	13	13	11	2
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	—	—	—	—	—	—	—	—
Total current	12,238	12,235	5,722	6,513	13	13	11	2
Capital outlay	1,150	1,150	2	1,148	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	—	—	—	—	—	—	—	—
Total expenditures	13,388	13,385	5,724	7,661	13	13	11	2
Excess (deficiency) of revenues over expenditures	(13,138)	(13,135)	708	13,849	—	—	—	—
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	(133)	(136)	(136)	—	—	—	—	—
Total other financing sources (uses)	(133)	(136)	(136)	—	—	—	—	—
Net change in fund balance	(13,271)	(13,271)	572	13,843	—	—	—	—
Fund balances July 1, 2006	13,271	13,271	773	(12,498)	—	—	—	—
Fund balances June 30, 2007	\$ —	—	1,345	1,345	—	—	—	—

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Senate Bill 1145 Fund				Sheriff's Office Contract Services Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)*
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	2,997	2,997	2,997	—	616	616	440	(176)
Charges for services	—	—	—	—	—	—	95	95
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	17	17	29	12	12	12	(9)	(21)
Interfund revenues	—	—	—	—	132	132	121	(11)
Total revenues	3,014	3,014	3,026	12	760	760	647	(113)
Expenditures:								
Current:								
Public safety and justice	3,039	3,039	3,012	27	760	760	656	104
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	40	40	—	40	—	—	—	—
Total current	3,079	3,079	3,012	67	760	760	656	104
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	—	—	—	—	—	—	—	—
Total expenditures	3,079	3,079	3,012	67	760	760	656	104
Excess (deficiency) of revenues over expenditures	(65)	(65)	14	79	—	—	(9)	(9)
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
Total other financing sources (uses)	—	—	—	—	—	—	—	—
Net change in fund balance	(65)	(65)	14	79	—	—	(9)	(9)
Fund balances July 1, 2006	65	65	74	9	—	—	2	2
Fund balances June 30, 2007	\$ —	—	88	88	—	—	(7)	(7)

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

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<u>Sheriff's Office Forfeitures Fund</u>				<u>Sheriff's Office Grants &amp; Donations Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	605	1,673	861	(812)
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	—	—	20	20	3	3	—	(3)
Interfund revenues	—	—	—	—	—	—	—	—
Total revenues	—	—	20	20	608	1,676	861	(815)
Expenditures:								
Current:								
Public safety and justice	167	167	80	87	611	1,054	835	219
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	208	208	—	208	6	6	—	6
Total current	375	375	80	295	617	1,060	835	225
Capital outlay	—	—	—	—	—	625	458	187
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	—	—	—	—	—	—	—	—
Total expenditures	375	375	80	295	617	1,685	1,293	391
Excess (deficiency) of revenues over expenditures	(375)	(375)	(60)	315	(9)	(9)	(432)	(423)
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
Total other financing sources (uses)	—	—	—	—	—	—	—	—
Net change in fund balance	(375)	(375)	(60)	315	(9)	(9)	(432)	(423)
Fund balances July 1, 2006	375	375	380	5	9	9	7	(2)
Fund balances June 30, 2007	\$ —	—	320	320	—	—	(425)	(425)

\* Deficit Fund balance at year-end is a result of not having yet received reimbursement from grantor for expenditures made prior to year-end.

**WASHINGTON COUNTY, OREGON**  
**Budgetary Comparison, Continued**  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Strategic Investment Program Fund				1999 Strategic Investment Program Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	1,854	1,854	1,416	(438)	9,550	9,550	8,978	(572)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	10	10	12	2	6	6	83	77
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>1,864</b>	<b>1,864</b>	<b>1,428</b>	<b>(436)</b>	<b>9,556</b>	<b>9,556</b>	<b>9,061</b>	<b>(495)</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	1,875	1,875	1,434	441	3,556	3,556	3,373	183
Operating contingency	—	—	—	—	—	—	—	—
<b>Total current</b>	<b>1,875</b>	<b>1,875</b>	<b>1,434</b>	<b>441</b>	<b>3,556</b>	<b>3,556</b>	<b>3,373</b>	<b>183</b>
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>1,875</b>	<b>1,875</b>	<b>1,434</b>	<b>441</b>	<b>3,556</b>	<b>3,556</b>	<b>3,373</b>	<b>183</b>
Excess (deficiency) of revenues over expenditures	(11)	(11)	(6)	5	6,000	6,000	5,688	(312)
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	(6,000)	(6,000)	(5,820)	180
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(6,000)</b>	<b>(6,000)</b>	<b>(5,820)</b>	<b>180</b>
<b>Net change in fund balance</b>	<b>(11)</b>	<b>(11)</b>	<b>(6)</b>	<b>5</b>	<b>—</b>	<b>—</b>	<b>(132)</b>	<b>(132)</b>
Fund balances July 1, 2006	11	11	12	1	—	—	132	132
<b>Fund balances June 30, 2007</b>	<b>\$ —</b>	<b>—</b>	<b>6</b>	<b>6</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Survey Fund				Surveyor-Public Land Corner Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	996	996	1,041	45	854	854	761	(93)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	66	66	133	67	135	135	176	41
Interfund revenues	25	25	32	7	65	65	62	(3)
<b>Total revenues</b>	<b>1,087</b>	<b>1,086</b>	<b>1,206</b>	<b>119</b>	<b>1,054</b>	<b>1,054</b>	<b>999</b>	<b>(55)</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	1,134	1,134	1,086	46	1,197	1,197	992	205
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	714	714	—	714	2,872	2,872	—	2,872
<b>Total current</b>	<b>1,848</b>	<b>1,848</b>	<b>1,086</b>	<b>762</b>	<b>4,069</b>	<b>4,069</b>	<b>992</b>	<b>3,077</b>
Capital outlay	8	8	7	1	130	130	79	51
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>1,857</b>	<b>1,856</b>	<b>1,093</b>	<b>763</b>	<b>4,199</b>	<b>4,199</b>	<b>1,071</b>	<b>3,128</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(769)</b>	<b>(769)</b>	<b>113</b>	<b>662</b>	<b>(3,145)</b>	<b>(3,145)</b>	<b>(72)</b>	<b>3,073</b>
Other financing sources (uses):								
Transfers in from other funds	73	73	73	—	—	—	—	—
Transfers out to other funds	(32)	(32)	(32)	—	(43)	(43)	(43)	—
<b>Total other financing sources (uses)</b>	<b>41</b>	<b>41</b>	<b>41</b>	<b>—</b>	<b>(43)</b>	<b>(43)</b>	<b>(43)</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>(728)</b>	<b>(728)</b>	<b>154</b>	<b>662</b>	<b>(3,188)</b>	<b>(3,188)</b>	<b>(115)</b>	<b>3,073</b>
Fund balances July 1, 2006	728	728	834	106	3,188	3,188	3,271	83
Fund balances June 30, 2007	\$ —	—	<u>988</u>	<u>988</u>	—	—	<u>3,156</u>	<u>3,156</u>

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Tourism Dedicated Lodging Tax Fund				Transportation Improvement Program Serial Levy Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	1,100	1,430	330	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	—	—	23	23	45	90	57	(33)
Interfund revenues	—	—	—	—	—	—	—	—
Total revenues	—	1,100	1,453	353	45	90	57	(33)
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	1,133	1,133	9	1,124
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	1,026	104	922	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	—	—	—	—	—	—	—	—
Total current	—	1,026	104	922	1,133	1,133	9	1,124
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Total debt service	—	—	—	—	—	—	—	—
Total expenditures	—	1,026	104	922	1,133	1,133	9	1,124
Excess (deficiency) of revenues over expenditures	—	74	1,349	1,275	(1,088)	(1,043)	48	1,091
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	(74)	—	74	—	(77)	(1,168)	1,091
Total other financing sources (uses)	—	(74)	—	74	—	(77)	(1,168)	1,091
Net change in fund balance	—	—	1,349	1,349	(1,088)	(1,120)	(1,120)	2,182
Fund balances July 1, 2006	—	—	—	—	1,088	1,120	1,120	—
Fund balances June 30, 2007	\$ —	—	1,349	1,349	—	—	—	2,182

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Special Revenue Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Urban Road Maintenance Service District Fund (Component Unit)				Washington County Fair Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)*
<b>Revenues:</b>								
Taxes	\$ 3,053	3,053	3,092	39	550	550	721	171
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	41	41	46	5
Charges for services	—	—	—	—	548	546	478	(68)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	71	71	143	72	346	346	350	4
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>3,124</b>	<b>3,124</b>	<b>3,235</b>	<b>111</b>	<b>1,483</b>	<b>1,483</b>	<b>1,595</b>	<b>112</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	2,565	2,565	2,563	2	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	1,412	1,412	1,290	122
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	2,505	2,505	—	2,505	305	305	—	431
<b>Total current</b>	<b>5,070</b>	<b>5,070</b>	<b>2,563</b>	<b>2,507</b>	<b>1,717</b>	<b>1,717</b>	<b>1,290</b>	<b>553</b>
Capital outlay	—	—	—	—	835	635	207	428
<b>Debt service:</b>								
Principal	—	—	—	—	93	93	60	33
Interest	—	—	—	—	8	8	5	3
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>101</b>	<b>101</b>	<b>65</b>	<b>36</b>
<b>Total expenditures</b>	<b>5,070</b>	<b>5,070</b>	<b>2,563</b>	<b>2,507</b>	<b>2,453</b>	<b>2,453</b>	<b>1,562</b>	<b>1,017</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(1,946)</b>	<b>(1,946)</b>	<b>672</b>	<b>2,618</b>	<b>(970)</b>	<b>(970)</b>	<b>33</b>	<b>1,003</b>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	—	—	—	—	500	500	—	(500)
Transfers out to other funds	(6)	(6)	(6)	—	—	—	(40)	(40)
<b>Total other financing sources (uses)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>—</b>	<b>500</b>	<b>500</b>	<b>(40)</b>	<b>(540)</b>
<b>Net change in fund balance</b>	<b>(1,952)</b>	<b>(1,952)</b>	<b>666</b>	<b>2,618</b>	<b>(470)</b>	<b>(470)</b>	<b>(7)</b>	<b>463</b>
Fund balances July 1, 2006	1,952	1,952	2,236	284	470	470	634	164
Fund balances June 30, 2007	\$ —	—	2,902	2,902	—	—	627	627

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



**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Debt Service Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<b>Courthouse Improvement Bond Sinking Fund</b>				<b>Criminal Justice Bond Fund</b>			
	<b>Adopted budget</b>	<b>Revised budget</b>	<b>Actual</b>	<b>Variance positive (negative)*</b>	<b>Adopted budget</b>	<b>Revised budget</b>	<b>Actual</b>	<b>Variance positive (negative)</b>
<b>Revenues:</b>								
Taxes	\$ 1,122	1,122	1,127	5	6,489	6,489	6,506	17
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	5	5	2	(3)	24	24	35	11
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>1,127</b>	<b>1,127</b>	<b>1,129</b>	<b>2</b>	<b>6,513</b>	<b>6,513</b>	<b>6,541</b>	<b>28</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	—	—	—	—	—	—	—	—
<b>Total current</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Capital outlay	—	—	—	—	—	—	—	—
<b>Debt service:</b>								
Principal	1,110	1,110	1,110	—	4,645	4,645	4,645	—
Interest	56	56	56	—	1,994	1,994	1,994	—
<b>Total debt service</b>	<b>1,166</b>	<b>1,166</b>	<b>1,166</b>	<b>—</b>	<b>6,639</b>	<b>6,639</b>	<b>6,639</b>	<b>—</b>
<b>Total expenditures</b>	<b>1,166</b>	<b>1,166</b>	<b>1,166</b>	<b>—</b>	<b>6,639</b>	<b>6,639</b>	<b>6,639</b>	<b>—</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(39)</b>	<b>(39)</b>	<b>(37)</b>	<b>2</b>	<b>(126)</b>	<b>(126)</b>	<b>(98)</b>	<b>28</b>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>(39)</b>	<b>(39)</b>	<b>(37)</b>	<b>2</b>	<b>(126)</b>	<b>(126)</b>	<b>(98)</b>	<b>28</b>
Fund balances July 1, 2006	39	39	34	(5)	126	126	164	38
Fund balances June 30, 2007	<b>\$ —</b>	<b>—</b>	<b>(3)</b>	<b>(3)</b>	<b>—</b>	<b>—</b>	<b>66</b>	<b>66</b>

\* Deficit Fund balance at year-end is due to shortfall in planned investment interest income.

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Debt Service Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<u>Miscellaneous Debt Service Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
<b>Revenues:</b>				
Taxes	\$ —	—	—	—
Licenses and permits	—	—	—	—
Intergovernmental revenues	—	—	—	—
Charges for services	—	—	—	—
Fines and forfeitures	—	—	—	—
Special assessments	—	—	—	—
Miscellaneous revenues	70	70	63	(7)
Interfund revenues	—	—	—	—
Total revenues	<u>70</u>	<u>70</u>	<u>63</u>	<u>(7)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety and justice	—	—	—	—
Land use, housing and transportation	—	—	—	—
Health and human services	—	—	—	—
Culture, education and recreation	—	—	—	—
General government	—	—	—	—
Nonoperating	2	2	3	(1)
Operating contingency	67	67	—	67
Total current	<u>69</u>	<u>69</u>	<u>3</u>	<u>66</u>
<b>Capital outlay</b>	—	—	—	—
<b>Debt service:</b>				
Principal	3,373	3,373	3,373	—
Interest	4,532	4,532	4,532	—
Total debt service	<u>7,905</u>	<u>7,905</u>	<u>7,905</u>	<u>—</u>
Total expenditures	<u>7,974</u>	<u>7,974</u>	<u>7,908</u>	<u>66</u>
Excess (deficiency) of revenues over expenditures	<u>(7,904)</u>	<u>(7,904)</u>	<u>(7,845)</u>	<u>59</u>
<b>Other financing sources (uses):</b>				
Transfers in from other funds	7,597	7,597	7,607	10
Transfers out to other funds	—	—	—	—
Total other financing sources (uses)	<u>7,597</u>	<u>7,597</u>	<u>7,607</u>	<u>10</u>
Net change in fund balance	<u>(307)</u>	<u>(307)</u>	<u>(238)</u>	<u>69</u>
Fund balances July 1, 2006	<u>307</u>	<u>307</u>	<u>345</u>	<u>38</u>
Fund balances June 30, 2007	<u>\$ —</u>	<u>—</u>	<u>107</u>	<u>107</u>

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

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Capital Projects Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	<u>Facilities General Capital Projects Fund</u>				<u>Facilities Park (THPRD) SDC Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Taxes	\$ —	—	—	—	\$ —	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	440	440	215	(225)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	111	252	4	(248)	22	22	32	10
Interfund revenues	—	—	143	143	—	—	—	—
<b>Total revenues</b>	<b>111</b>	<b>252</b>	<b>147</b>	<b>(105)</b>	<b>462</b>	<b>462</b>	<b>247</b>	<b>(215)</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	1	(1)	5	5	—	5
Operating contingency	—	—	—	—	—	—	—	—
<b>Total current</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>(1)</b>	<b>5</b>	<b>5</b>	<b>—</b>	<b>5</b>
Capital outlay	869	1,222	938	284	1,141	1,141	—	1,141
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>869</b>	<b>1,222</b>	<b>939</b>	<b>283</b>	<b>1,146</b>	<b>1,146</b>	<b>—</b>	<b>1,146</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(758)</b>	<b>(970)</b>	<b>(792)</b>	<b>178</b>	<b>(684)</b>	<b>(684)</b>	<b>247</b>	<b>931</b>
Proceeds from debt	—	—	—	—	—	—	—	—
Transfers in from other funds	579	699	532	(167)	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>579</b>	<b>699</b>	<b>532</b>	<b>(167)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>(179)</b>	<b>(271)</b>	<b>(260)</b>	<b>11</b>	<b>(684)</b>	<b>(684)</b>	<b>247</b>	<b>931</b>
Fund balances July 1, 2006	179	271	271	—	684	684	526	(158)
Fund balances June 30, 2007	\$ —	—	11	11	\$ —	—	773	773

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

**WASHINGTON COUNTY, OREGON**  
 Budgetary Comparison, Continued  
 Non-major Governmental Funds - Capital Projects Funds  
 For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	ITS Capital Projects Fund				Parks and Open Spaces Opportunity Projects Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
<b>Revenues:</b>								
Taxes	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	1,241	1,241	16	(1,225)	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	19	19	36	17	22	22	33	11
Interfund revenues	—	—	846	846	—	—	—	—
<b>Total revenues</b>	<b>1,260</b>	<b>1,260</b>	<b>898</b>	<b>(362)</b>	<b>22</b>	<b>22</b>	<b>33</b>	<b>11</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	—	—
Operating contingency	464	464	—	464	—	—	—	—
<b>Total current</b>	<b>464</b>	<b>464</b>	<b>—</b>	<b>464</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Capital outlay	2,224	2,224	1,642	582	606	606	—	606
<b>Debt service:</b>								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>2,688</b>	<b>2,688</b>	<b>1,642</b>	<b>1,046</b>	<b>606</b>	<b>606</b>	<b>—</b>	<b>606</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(1,428)</b>	<b>(1,428)</b>	<b>(744)</b>	<b>684</b>	<b>(584)</b>	<b>(584)</b>	<b>33</b>	<b>617</b>
<b>Other financing sources (uses):</b>								
Transfers in from other funds	810	810	810	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>810</b>	<b>810</b>	<b>810</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net change in fund balance</b>	<b>(618)</b>	<b>(618)</b>	<b>66</b>	<b>684</b>	<b>(584)</b>	<b>(584)</b>	<b>33</b>	<b>617</b>
<b>Fund balances July 1, 2006</b>	<b>618</b>	<b>618</b>	<b>670</b>	<b>52</b>	<b>584</b>	<b>584</b>	<b>598</b>	<b>14</b>
<b>Fund balances June 30, 2007</b>	<b>—</b>	<b>—</b>	<b>736</b>	<b>736</b>	<b>—</b>	<b>—</b>	<b>631</b>	<b>631</b>

WASHINGTON COUNTY, OREGON

Combining Statement of Net Assets

Internal Service Funds

June 30, 2007

(Dollars in thousands)

<b>Assets</b>	<b>Fleet Management Fund</b>	<b>Fleet Replacement Fund</b>	<b>Liability/ Casualty Insurance Fund</b>	<b>Life Insurance Fund</b>	<b>Workers' Compensation Insurance Fund</b>	<b>Medical Insurance Fund</b>
Current assets:						
Cash and investments	\$ 700	6,019	4,968	105	2,458	3,412
Accounts receivable	—	22	—	—	—	—
Supplies	335	—	—	—	—	—
Total current assets	<u>1,035</u>	<u>6,041</u>	<u>4,968</u>	<u>105</u>	<u>2,458</u>	<u>3,412</u>
Capital assets, net of accumulated depreciation	—	7,036	—	—	—	—
Total assets	<u>\$ 1,035</u>	<u>13,077</u>	<u>4,968</u>	<u>105</u>	<u>2,458</u>	<u>3,412</u>
<b>Liabilities and Net Assets</b>						
Current liabilities:						
Accounts payable	\$ 185	47	5	13	16	12
Accrued payroll liabilities	128	—	—	—	—	—
Accrued self-insurance	—	—	2,371	—	1,115	—
Current portion of capital lease	—	—	—	—	—	—
Total current liabilities	<u>313</u>	<u>47</u>	<u>2,376</u>	<u>13</u>	<u>1,131</u>	<u>12</u>
Capital lease obligation	—	—	—	—	—	—
Total liabilities	<u>313</u>	<u>47</u>	<u>2,376</u>	<u>13</u>	<u>1,131</u>	<u>12</u>
Net assets:						
Invested in capital assets, net of related debt	—	7,036	—	—	—	—
Unreserved	722	5,994	2,592	92	1,327	3,400
Total net assets	<u>722</u>	<u>13,030</u>	<u>2,592</u>	<u>92</u>	<u>1,327</u>	<u>3,400</u>
Total liabilities and net assets	<u>\$ 1,035</u>	<u>13,077</u>	<u>4,968</u>	<u>105</u>	<u>2,458</u>	<u>3,412</u>

**WASHINGTON COUNTY, OREGON**  
Combining Statement of Net Assets, Continued  
Internal Service Funds  
June 30, 2007  
(Dollars in thousands)

Assets	Unemployment Insurance Fund	Municipal Transfer Liability Fund	Internal Support Services Fund	PERS Rate Stabilization Fund	Total
Current assets:					
Cash and investments	\$ 250	499	455	9,684	28,550
Accounts receivable	—	—	18	—	40
Supplies	—	—	20	—	355
Total current assets	250	499	493	9,684	28,945
Capital assets, net of accumulated depreciation	—	—	424	—	7,460
Total assets	<u>\$ 250</u>	<u>499</u>	<u>917</u>	<u>9,684</u>	<u>36,405</u>
<b>Liabilities and Net Assets</b>					
Current liabilities:					
Accounts payable	\$ 54	—	32	—	364
Accrued payroll liabilities	—	—	31	—	159
Accrued self-insurance	—	—	—	—	3,486
Current portion of capital lease	—	—	61	—	61
Total current liabilities	54	—	124	—	4,070
Capital lease obligation	—	—	4	—	4
Total liabilities	54	—	128	—	4,074
Net assets:					
Invested in capital assets, net of related debt	—	—	359	—	7,395
Unreserved	196	499	430	9,684	24,930
Total net assets	196	499	789	9,684	32,331
Total liabilities and net assets	<u>\$ 250</u>	<u>499</u>	<u>917</u>	<u>9,684</u>	<u>36,405</u>

**WASHINGTON COUNTY, OREGON**  
Combining Statement of Revenues, Expenses  
and Changes in Net Assets  
Internal Service Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	<u>Fleet Management Fund</u>	<u>Fleet Replacement Fund</u>	<u>Liability/ Casualty Insurance Fund</u>	<u>Life Insurance Fund</u>	<u>Workers' Compensation Insurance Fund</u>	<u>Medical Insurance Fund</u>	<u>Unemployment Insurance Fund</u>
Operating revenues:							
Charges for services	\$ 3,010	1,506	1,421	181	748	16,169	369
Other	686	—	27	—	92	1,433	—
Total operating revenues	<u>3,696</u>	<u>1,506</u>	<u>1,448</u>	<u>161</u>	<u>840</u>	<u>17,602</u>	<u>369</u>
Operating expenses:							
Labor and fringe benefits	1,227	—	—	—	—	—	—
Utilities	24	—	—	—	—	—	—
Professional services	9	—	182	—	52	78	4
Supplies	1,648	—	—	—	—	—	—
Administrative costs	527	98	314	21	68	158	10
Depreciation and amortization	—	1,370	—	—	—	—	—
Insurance claims and premiums	—	—	739	270	1,090	16,748	235
Repairs and maintenance	544	30	—	—	—	—	—
Total operating expenses	<u>3,979</u>	<u>1,498</u>	<u>1,235</u>	<u>291</u>	<u>1,230</u>	<u>16,984</u>	<u>249</u>
Operating income (loss)	(283)	8	213	(130)	(390)	618	120
Nonoperating income:							
Interest income	38	319	252	8	135	187	11
Gain (loss) on sale of capital assets	—	(2)	—	—	—	—	—
Total nonoperating income	<u>38</u>	<u>317</u>	<u>252</u>	<u>8</u>	<u>135</u>	<u>187</u>	<u>11</u>
Change in net assets	(245)	325	465	(122)	(255)	805	131
Net assets July 1, 2006	<u>967</u>	<u>12,705</u>	<u>2,127</u>	<u>214</u>	<u>1,582</u>	<u>2,595</u>	<u>65</u>
Net assets June 30, 2007	<u>\$ 722</u>	<u>13,030</u>	<u>2,592</u>	<u>92</u>	<u>1,327</u>	<u>3,400</u>	<u>196</u>

**WASHINGTON COUNTY, OREGON**  
Combining Statement of Revenues, Expenses  
and Changes in Net Assets, Continued  
Internal Service Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	<b>Municipal Transfer Liability Fund</b>	<b>Internal Support Services Fund</b>	<b>PERS Rate Stabilization Fund</b>	<b>Total</b>
Operating revenues:				
Charges for services	\$ —	1,852	—	25,236
Other	—	14	—	2,252
Total operating revenues	—	1,866	—	27,488
Operating expenses:				
Labor and fringe benefits	—	462	—	1,689
Utilities	—	—	—	24
Professional services	—	—	—	325
Supplies	—	926	—	2,574
Administrative costs	—	219	27	1,462
Depreciation and amortization	—	189	—	1,559
Insurance claims and premiums	—	—	—	19,082
Repairs and maintenance	—	118	—	692
Total operating expenses	—	1,914	27	27,407
Operating income (loss)	—	(48)	(27)	81
Nonoperating income:				
Interest income	—	21	509	1,480
Gain (loss) on sale of capital assets	—	(3)	—	(5)
Total nonoperating income	—	18	509	1,475
Income (loss) before transfers	—	(30)	482	1,556
Change in net assets	—	(30)	482	1,556
Net assets July 1, 2006	499	819	9,202	30,775
Net assets June 30, 2007	\$ 499	789	9,684	32,331



**WASHINGTON COUNTY, OREGON**

Combining Statement of Cash Flows

Internal Service Funds

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	<b>Fleet Management Fund</b>	<b>Fleet Replacement Fund</b>	<b>Liability/ Casualty Insurance Fund</b>	<b>Life Insurance Fund</b>	<b>Workers' Compensation Insurance Fund</b>	<b>Medical Insurance Fund</b>	<b>Unemployment Insurance Fund</b>
<b>Cash flows from operating activities:</b>							
Cash received for services provided	\$ 3,012	1,508	1,427	161	751	16,169	368
Cash payments for labor and fringe benefits	(1,219)	—	—	—	—	—	—
Cash payments for goods and services	(2,840)	(220)	(1,170)	(278)	(1,143)	(17,048)	(272)
Other operating revenue	616	—	27	—	93	1,433	—
Other receipts	70	—	—	—	—	—	—
<b>Net cash provided by (used in)     operating activities</b>	<b>(361)</b>	<b>1,288</b>	<b>284</b>	<b>(117)</b>	<b>(299)</b>	<b>554</b>	<b>96</b>
<b>Cash flows from capital and related financing activities:</b>							
Acquisition of capital assets	—	(1,472)	—	—	—	—	—
Current maturities and principal payments on capital lease obligation	—	—	—	—	—	—	—
Proceeds from sale of capital assets	—	100	—	—	—	—	—
<b>Net cash provided by (used in) capital and     related financing activities</b>	<b>—</b>	<b>(1,372)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Cash flows from investing activities:</b>							
Interest on investments	38	319	252	8	135	187	11
<b>Net cash provided by investing     activities</b>	<b>38</b>	<b>319</b>	<b>252</b>	<b>8</b>	<b>135</b>	<b>187</b>	<b>11</b>
<b>Net increase (decrease) in cash     and investments</b>	<b>(323)</b>	<b>235</b>	<b>536</b>	<b>(109)</b>	<b>(164)</b>	<b>741</b>	<b>107</b>
Cash and investments at July 1, 2006	1,023	5,784	4,432	214	2,622	2,671	143
Cash and investments at June 30, 2007	\$ <u>700</u>	<u>6,019</u>	<u>4,968</u>	<u>105</u>	<u>2,458</u>	<u>3,412</u>	<u>250</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>							
Operating income (loss)	\$ (283)	8	213	(130)	(390)	618	120
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	—	1,370	—	—	—	—	—
Other income	—	—	—	—	—	—	—
Increase (decrease) in accounts payable	(37)	(91)	(9)	13	6	(64)	(24)
Increase (decrease) in accrued liabilities	8	—	74	—	81	—	—
Decrease (increase) in accounts receivable	—	1	6	—	4	—	—
Decrease (increase) in supply inventory	(49)	—	—	—	—	—	—
<b>Net cash provided by (used in)     operating activities</b>	<b>\$ (361)</b>	<b>1,288</b>	<b>284</b>	<b>(117)</b>	<b>(299)</b>	<b>554</b>	<b>96</b>

**WASHINGTON COUNTY, OREGON**  
Combining Statement of Cash Flows, Continued  
Internal Service Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	Municipal Transfer Liability Fund	Internal Support Services Fund	PERS Rate Stabilization Fund	Total
<b>Cash flows from operating activities:</b>				
Cash received for services provided	\$ —	1,861	—	25,257
Cash payments for labor and fringe benefits	—	(458)	—	(1,677)
Cash payments for goods and services	—	(1,287)	(27)	(24,285)
Other operating revenue	—	15	—	2,184
Other receipts	—	—	—	70
Net cash provided by (used in) operating activities	—	131	(27)	1,549
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets	—	(178)	—	(1,650)
Principal payments on capital lease obligations	—	(53)	—	(53)
Proceeds from sale of capital assets	—	1	—	101
Net cash provided (used in) capital and related financing activities	—	(230)	—	(1,602)
<b>Cash flows from investing activities:</b>				
Interest on investments	—	21	509	1,480
Net cash provided by investing activities	—	21	509	1,480
Net increase (decrease) in cash and investments	—	(78)	482	1,427
Cash and investments at July 1, 2006	499	533	9,202	27,123
Cash and investments at June 30, 2007	\$ 499	455	9,684	28,550
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	—	(48)	(27)	81
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	—	189	—	1,559
Other income (expense)	—	—	—	—
Increase (decrease) in accounts payable	—	(13)	—	(218)
Increase (decrease) in accrued liabilities	—	5	—	168
Decrease (increase) in accounts receivable	—	9	—	20
Decrease (increase) in supply inventory	—	(11)	—	(60)
Net cash provided by (used in) operating activities	\$ —	131	(27)	1,549

**WASHINGTON COUNTY, OREGON**  
Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Internal Service Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	Fleet Management				Fleet Replacement Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
<b>Revenues:</b>								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	3,338	3,338	3,626	288	1,719	1,719	1,500	(219)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	36	36	40	4	407	407	453	46
Interfund revenues	70	70	70	—	—	—	—	—
<b>Total revenues</b>	<b>3,444</b>	<b>3,444</b>	<b>3,736</b>	<b>292</b>	<b>2,126</b>	<b>2,126</b>	<b>1,953</b>	<b>(173)</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	3,784	4,062	3,981	81	—	—	—	—
Nonoperating	—	—	—	—	660	660	604	56
Operating contingency	578	304	—	304	5,119	5,119	—	5,119
<b>Total current</b>	<b>4,362</b>	<b>4,366</b>	<b>3,981</b>	<b>385</b>	<b>5,779</b>	<b>5,779</b>	<b>604</b>	<b>5,175</b>
Capital outlay	53	49	—	49	1,966	1,966	1,025	941
<b>Debt service:</b>								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>4,415</b>	<b>4,415</b>	<b>3,981</b>	<b>434</b>	<b>7,745</b>	<b>7,745</b>	<b>1,629</b>	<b>6,116</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(971)</b>	<b>(971)</b>	<b>(245)</b>	<b>726</b>	<b>(5,619)</b>	<b>(5,619)</b>	<b>324</b>	<b>5,943</b>
<b>Other financing sources (uses):</b>								
Proceeds from debt	—	—	—	—	—	—	—	—
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(971)</b>	<b>(971)</b>	<b>(245)</b>	<b>726</b>	<b>(5,619)</b>	<b>(5,619)</b>	<b>324</b>	<b>5,943</b>
Fund balances July 1, 2006	971	971	967	(4)	5,619	5,619	5,669	50
Fund balances June 30, 2007	\$ —	—	722	722	—	—	5,993	5,993

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

Internal Service Funds

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	Internal Support Services Fund				Liability/Casualty Insurance Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	1,959	1,959	1,852	(107)	1,433	1,433	1,421	(12)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	5	5	37	32	95	95	279	184
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>1,964</b>	<b>1,964</b>	<b>1,889</b>	<b>(75)</b>	<b>1,528</b>	<b>1,528</b>	<b>1,700</b>	<b>172</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	1,736	1,736	1,673	63	—	—	—	—
Nonoperating	—	—	—	—	1,960	1,960	1,235	745
Operating contingency	378	378	—	378	1,560	1,560	—	1,560
<b>Total current</b>	<b>2,114</b>	<b>2,114</b>	<b>1,673</b>	<b>441</b>	<b>3,569</b>	<b>3,569</b>	<b>1,235</b>	<b>2,334</b>
Capital outlay	256	256	222	34	—	—	—	—
Debt service:								
Principal	53	53	53	—	—	—	—	—
Interest	8	8	8	—	—	—	—	—
<b>Total debt service</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>2,431</b>	<b>2,431</b>	<b>1,956</b>	<b>475</b>	<b>3,569</b>	<b>3,569</b>	<b>1,235</b>	<b>2,334</b>
Excess (deficiency) of revenues over expenditures	(467)	(467)	(67)	400	(2,041)	(2,041)	465	2,506
Other financing sources (uses):								
Proceeds from debt	—	—	—	—	—	—	—	—
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Revenues and other financing sources over (under) expenditures and other financing uses	(467)	(467)	(67)	400	(2,041)	(2,041)	465	2,506
Fund balances July 1, 2006	467	467	497	30	2,041	2,041	2,127	86
Fund balances June 30, 2007	\$ —	—	430	430	—	—	2,592	2,592

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

Internal Service Funds

For the fiscal year ended June 30, 2007  
 (Dollars in thousands)

	Life Insurance Fund				Medical Insurance Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ --	--	--	--	--	--	--	--
Licenses and permits	--	--	--	--	--	--	--	--
Intergovernmental revenues	--	--	--	--	--	--	--	--
Charges for services	--	--	--	--	17,213	17,213	16,169	(1,044)
Fines and forfeitures	--	--	--	--	--	--	--	--
Special assessments	--	--	--	--	--	--	--	--
Miscellaneous revenues	163	163	169	6	1,076	1,076	1,620	544
Interfund revenues	--	--	--	--	--	--	--	--
<b>Total revenues</b>	<b>163</b>	<b>163</b>	<b>169</b>	<b>6</b>	<b>18,289</b>	<b>18,289</b>	<b>17,789</b>	<b>(500)</b>
Expenditures:								
Current:								
Public safety and justice	--	--	--	--	--	--	--	--
Land use, housing and transportation	--	--	--	--	--	--	--	--
Health and human services	--	--	--	--	--	--	--	--
Culture, education and recreation	--	--	--	--	--	--	--	--
General government	--	--	--	--	--	--	--	--
Nonoperating	291	293	291	2	17,914	17,914	16,984	930
Operating contingency	85	83	--	83	2,839	2,839	--	2,839
<b>Total current</b>	<b>376</b>	<b>376</b>	<b>291</b>	<b>85</b>	<b>20,753</b>	<b>20,753</b>	<b>16,984</b>	<b>3,769</b>
Capital outlay	--	--	--	--	--	--	--	--
Debt service:								
Principal	--	--	--	--	--	--	--	--
Interest	--	--	--	--	--	--	--	--
<b>Total debt service</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total expenditures</b>	<b>376</b>	<b>376</b>	<b>291</b>	<b>85</b>	<b>20,753</b>	<b>20,753</b>	<b>16,984</b>	<b>3,769</b>
Excess (deficiency) of revenues over expenditures	(213)	(213)	(122)	91	(2,464)	(2,464)	805	3,269
Other financing sources (uses):								
Proceeds from debt	--	--	--	--	--	--	--	--
Transfers in from other funds	--	--	--	--	--	--	--	--
Transfers out to other funds	--	--	--	--	--	--	--	--
<b>Total other financing sources (uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Revenues and other financing sources over (under) expenditures and other financing uses	(213)	(213)	(122)	91	(2,464)	(2,464)	805	3,269
Fund balances July 1, 2006	213	213	214	1	2,464	2,464	2,585	131
Fund balances June 30, 2007	\$ --	--	92	92	--	--	3,400	3,400

**WASHINGTON COUNTY, OREGON**  
Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Internal Service Funds  
For the fiscal year ended June 30, 2007  
(Dollars in thousands)

	Municipal Transfer Liability Fund				PERS Rate Stabilization Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	—	—	—	—	391	391	509	118
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>391</b>	<b>391</b>	<b>509</b>	<b>118</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	27	27	27	—
Operating contingency	500	500	—	500	9,527	9,527	—	9,527
<b>Total current</b>	<b>500</b>	<b>500</b>	<b>—</b>	<b>500</b>	<b>9,554</b>	<b>9,554</b>	<b>27</b>	<b>9,527</b>
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>500</b>	<b>500</b>	<b>—</b>	<b>500</b>	<b>9,554</b>	<b>9,554</b>	<b>27</b>	<b>9,527</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(500)</b>	<b>(500)</b>	<b>—</b>	<b>500</b>	<b>(9,163)</b>	<b>(9,163)</b>	<b>482</b>	<b>9,645</b>
Other financing sources (uses):								
Proceeds from debt	—	—	—	—	—	—	—	—
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(500)</b>	<b>(500)</b>	<b>—</b>	<b>500</b>	<b>(9,163)</b>	<b>(9,163)</b>	<b>482</b>	<b>9,645</b>
Fund balances July 1, 2006	500	500	500	—	9,163	9,163	9,202	39
Fund balances June 30, 2007	\$ —	—	500	500	—	—	9,684	9,684

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

For the fiscal year ended June 30, 2007

(Dollars in thousands)

	Unemployment Insurance Fund				Workers' Compensation Insurance Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	370	370	369	(1)	750	750	748	(2)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	4	4	11	7	162	162	227	65
Interfund revenues	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>374</b>	<b>374</b>	<b>360</b>	<b>6</b>	<b>912</b>	<b>912</b>	<b>975</b>	<b>63</b>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
General government	—	—	—	—	—	—	—	—
Nonoperating	340	340	249	91	1,018	1,143	1,230	(87)
Operating contingency	137	137	—	137	1,161	1,036	—	1,036
<b>Total current</b>	<b>477</b>	<b>477</b>	<b>249</b>	<b>228</b>	<b>2,179</b>	<b>2,179</b>	<b>1,230</b>	<b>949</b>
Capital outlay	—	—	—	—	—	—	—	—
Debt service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
<b>Total debt service</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total expenditures</b>	<b>477</b>	<b>477</b>	<b>249</b>	<b>228</b>	<b>2,179</b>	<b>2,179</b>	<b>1,230</b>	<b>949</b>
Excess (deficiency) of revenues over expenditures	(103)	(103)	131	234	(1,267)	(1,267)	(255)	1,012
Other financing sources (uses):								
Proceeds from debt	—	—	—	—	—	—	—	—
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Revenues and other financing sources over (under) expenditures and other financing uses	(103)	(103)	131	234	(1,267)	(1,267)	(255)	1,012
Fund balances July 1, 2006	103	103	65	(38)	1,267	1,267	1,582	315
Fund balances June 30, 2007	\$ —	—	196	196	—	—	1,327	1,327

**WASHINGTON COUNTY, OREGON**

Reconciliation of Fund Balance to Net Assets

Internal Service Funds

June 30, 2007

(Dollars in thousands)

	<u>Fleet Replacement Fund</u>	<u>Internal Support Services Fund</u>
Fund balance	\$ 5,994	430
Add capital assets reported on combining balance sheet	7,036	424
Less capital lease	—	(65)
Total Net Assets	<u>\$ 13,030</u>	<u>789</u>



**WASHINGTON COUNTY, OREGON**  
**Statement of Changes in Assets and Liabilities**  
**Agency Fund**  
**For the Fiscal Year Ended June 30, 2007**  
(Dollars in thousands)

	<u>Balance</u> <u>July 1, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2007</u>
<b>Assets:</b>				
Cash and investments	\$ 4,772	5,057,194	5,058,654	3,312
Accounts receivable	1,675	33,267	32,832	2,110
Property taxes receivable	13,455	988	124	14,319
Total assets	<u>\$ 19,902</u>	<u>5,091,449</u>	<u>5,091,610</u>	<u>19,741</u>
<b>Liabilities:</b>				
Accounts payable	\$ 452	1,087,881	1,088,321	12
Amounts held in trust	5,995	817,544	818,129	5,410
Uncollected taxes	13,455	988	124	14,319
Total liabilities	<u>\$ 19,902</u>	<u>1,906,413</u>	<u>1,906,574</u>	<u>19,741</u>

## **OTHER FINANCIAL SCHEDULES**

**WASHINGTON COUNTY, OREGON**  
**Schedule of Property Tax and Assessment**  
**Transactions and Outstanding Balances**  
**For the fiscal year ended June 30, 2007**  
(Dollars in thousands)

	Taxes receivable July, 1 2006	Certified levies	Corrections and adjustments	Collections	Discounts allowed	Interest	Taxes receivable June 30, 2007	
2006-07	\$	598,942	(1,160)	(570,323)	(15,253)	188	12,394	
2005-06		11,697	—	(490)	6	499	3,047	
2004-05		2,868	—	(249)	5	223	1,459	
2003-04		1,425	—	(345)	7	241	513	
2002-03		555	—	(38)	1	119	185	
2001-02		159	—	(8)	—	23	96	
2000-01 & prior		221	—	(6)	—	28	176	
	\$	<u>16,925</u>	<u>598,942</u>	<u>(2,296)</u>	<u>(581,788)</u>	<u>(15,234)</u>	<u>1,321</u>	<u>17,870</u>

Note: Amounts include assessments receivable relating to Service District for Lighting No. 1.

**WASHINGTON COUNTY,  
OREGON**

**STATISTICAL  
SECTION**

**SECTION III**

## STATISTICAL INFORMATION SECTION (UNAUDITED)

This part of Washington County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health. This section contains the following tables and information:

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

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year. Note that the County implemented Governmental Accounting Standards Board Statement No. 34 in 2002; therefore, schedules presenting government-wide information include only information beginning in that fiscal year and going forward.

## **FINANCIAL TRENDS**

**WASHINGTON COUNTY, OREGON**

Net Assets by Component

Last Five Fiscal Years

(dollars in thousands)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities:					
Invested in capital assets, net of related debt	\$ 197,258	244,404	242,734	2,148,086	2,151,850 <sup>(1)</sup>
Restricted	9,039	4,314	1,272	1,069	170
Unrestricted	<u>147,703</u>	<u>179,689</u>	<u>206,770</u>	<u>250,676</u>	<u>236,359</u>
Total governmental activities net assets	<u>354,000</u>	<u>428,407</u>	<u>450,776</u>	<u>2,399,831</u>	<u>2,388,379</u>
Business-type activities:					
Invested in capital assets, net of related debt	214,979	234,007	245,840	328,060	363,438 <sup>(2)</sup>
Restricted	80,944	57,268	58,656	58,052	28,948
Unrestricted	<u>35,655</u>	<u>47,474</u>	<u>49,249</u>	<u>50,035</u>	<u>64,206</u>
Total business-type activities net assets	<u>331,578</u>	<u>338,749</u>	<u>353,745</u>	<u>436,147</u>	<u>456,592</u>
Primary government:					
Invested in capital assets, net of related debt	412,237	478,411	488,574	2,476,146	2,515,288
Restricted	89,983	61,582	59,928	59,121	29,118
Unrestricted	<u>183,358</u>	<u>227,163</u>	<u>256,019</u>	<u>300,711</u>	<u>300,565</u>
Total primary government net assets	<u>\$ 685,578</u>	<u>767,156</u>	<u>804,521</u>	<u>2,835,978</u>	<u>2,844,971</u>

<sup>(1)</sup> Years prior to 2006 not restated for reporting of infrastructure under GASB #34.

<sup>(2)</sup> Years prior to 2006 not restated for recording of contributed capital assets.

Source: Current and prior years' financial statements.

**WASHINGTON COUNTY, OREGON**

Changes in Net Assets by Component

Last Five Fiscal Years

(dollars in thousands)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Expenses:</b>					
Primary Government					
Governmental activities:					
General government	\$ 28,068	28,535	29,711	30,466	35,283
Public safety	75,719	72,858	79,547	89,097	107,566
Land use, housing and transportation	51,453	26,514	52,167	138,315	181,858
Health and human services	48,775	52,168	58,364	61,292	56,507
Culture, education and recreation	15,696	14,644	14,181	15,038	27,854
Non-operating expense	7,746	8,605	15,048	-	5,119
Interest expense	7,764	7,381	821	5,882	6,370
Total governmental activities expenses	<u>235,221</u>	<u>210,705</u>	<u>249,839</u>	<u>340,090</u>	<u>420,557</u>
Business-type activities:					
Housing authority	25,371	25,921	26,104	24,579	25,967
Sanitation and surface water	65,367	72,083	75,061	81,589	84,199
Street lighting district	1,687	1,601	1,667	1,671	1,726
Total business-type activities expenses	<u>92,425</u>	<u>99,605</u>	<u>102,832</u>	<u>107,839</u>	<u>111,892</u>
Total primary government expenses	<u>327,646</u>	<u>310,310</u>	<u>352,671</u>	<u>447,929</u>	<u>532,449</u>
<b>Program Revenues:</b>					
Governmental activities:					
Charges for services:					
General government	8,918	8,161	7,199	32,572	21,499
Public safety	814	4,637	6,324	17,935	3,651
Land use, housing and transportation	3,057	13,061	15,488	17,297	20,591
Health and human services	4,684	12,387	16,350	5,431	12,253
Culture, education and recreation	1,298	1,393	1,303	961	571
Non-operating revenue	12,227	11,767	27,571	-	22,868
Operating grants and contributions	92,644	91,037	90,677	106,147	98,844
Capital grants and contributions	2,516	10,751	5,349	3,751	71,081
Total governmental activities program revenue	<u>126,158</u>	<u>153,194</u>	<u>170,261</u>	<u>184,094</u>	<u>251,358</u>
Business-type activities:					
Charges for services:					
Housing authority	4,124	4,094	4,102	4,201	4,295
Sanitation and surface water	62,873	66,457	70,387	75,216	78,523
Street lighting district	1,639	1,654	1,724	1,707	1,902
Operating grants and contributions	18,839	19,298	19,039	19,203	18,920
Capital grants and contributions	14,580	10,684	16,970	18,056	17,732
Total business-type activities program revenue	<u>102,055</u>	<u>102,187</u>	<u>112,222</u>	<u>118,383</u>	<u>121,372</u>
Total primary government program revenue	<u>228,213</u>	<u>255,381</u>	<u>282,483</u>	<u>302,477</u>	<u>372,730</u>
<b>Net (Expense) Revenue:</b>					
Governmental activities	(109,063)	(57,511)	(79,578)	(155,996)	(169,199)
Prior period adjustment (restatements) <sup>(1)</sup>	-	-	(26,940)	1,965,931	-
Total	<u>(109,063)</u>	<u>(57,511)</u>	<u>(106,518)</u>	<u>1,809,935</u>	<u>(169,199)</u>
Business-type activities	9,630	2,582	9,390	10,544	9,480
Prior period adjustment (restatements)	-	-	-	63,351	(193)
Total	<u>9,630</u>	<u>2,582</u>	<u>9,390</u>	<u>73,895</u>	<u>9,287</u>
Total primary government net expense	\$ <u>(99,433)</u>	<u>(54,929)</u>	<u>(97,128)</u>	<u>1,883,830</u>	<u>(159,912)</u>

<sup>(1)</sup> Years prior to restatements have not been restated.

Source: Current and prior years' financial statements.

(Continued)



**WASHINGTON COUNTY, OREGON**  
**Changes in Net Assets by Component, Continued**  
**Last Five Fiscal Years**  
(dollars in thousands)

	2003	2004	2005	2006	2007
<b>Net (Expense) Revenue,</b>					
brought forward from prior page	\$ (99,433)	(54,929)	(97,128)	1,883,830	(159,912)
<b>General Revenues and Other Changes in Net Assets:</b>					
Governmental activities:					
Taxes:					
Property taxes, levied for general purposes	100,171	103,935	108,025	112,150	104,314
Property taxes, levied for debt service	7,807	7,805	8,056	7,686	7,633
Other taxes	6,003	6,907	8,264	9,878	10,124
Interest income	3,698	2,135	4,535	9,197	13,031
Gain (loss) on sale of capital assets	(25)	(163)	-	-	-
Miscellaneous revenue	15,118	11,299	7	9	22,645
Capital contributions	8,486	-	-	-	-
Total governmental activities revenue	141,258	131,918	128,887	139,120	157,747
Business-type activities:					
Taxes:					
Property taxes, levied for general purposes	-	-	-	-	-
Interest income	2,413	1,245	2,159	3,563	4,922
Gain on sale of capital assets	-	332	-	-	-
Miscellaneous revenue	3,453	3,012	3,448	4,944	6,236
Capital contributions	-	-	-	-	-
Transfers	-	-	-	-	-
Total business-type activities revenue	5,866	4,589	5,607	8,507	11,158
Total primary government general revenues and other changes	\$ 147,124	136,507	134,494	147,627	168,905
<b>Change in Net Assets:</b>					
Governmental activities	\$ 32,195	74,407	22,369	1,949,055	(11,452)
Business-type activities	15,496	7,171	14,997	82,402	20,638
Total primary government <sup>(1)</sup>	\$ 47,691	81,578	37,366	2,031,457	9,186

Continued from previous page

<sup>(1)</sup> Years prior to restatements have not been restated.

Source: Current and prior years' financial statements.

**WASHINGTON COUNTY, OREGON**  
**Fund Balances of Governmental Funds**  
**Last Five Fiscal Years**  
(modified accrual basis of accounting)  
(dollars in thousands)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Reserved fund balances:</b>					
Debt service	\$ 338	3,869	149	543	170
Working capital	230	100	100	100	100
Capital projects	-	445	564	526	773
Total reserved fund balance	<u>568</u>	<u>4,414</u>	<u>813</u>	<u>1,169</u>	<u>1,043</u>
<b>Unreserved fund balances:</b>					
Major funds:					
General Fund	24,652	27,211	33,253	41,792	43,480
Human Services Fund	1,191	1,078	833	1,172	1,361
MSTIP III Fund	30,594	36,818	34,383	68,164	57,077
Road Fund	12,420	20,712	19,972	14,609	14,360
Non-major funds:					
Special revenue funds	51,986	61,540	70,147	74,896	69,034
Capital projects funds	1,123	1,036	1,123	1,539	1,378
Total unreserved fund balance	<u>121,966</u>	<u>148,395</u>	<u>159,711</u>	<u>202,172</u>	<u>186,690</u>
Total fund equity	<u>\$ 122,534</u>	<u>152,809</u>	<u>160,524</u>	<u>203,341</u>	<u>187,733</u>

Source: Current and prior years' financial statements.

**WASHINGTON COUNTY, OREGON**  
**Changes in Fund Balances of Governmental Funds**  
**Last Five Fiscal Years**  
(modified accrual basis of accounting)  
(dollars in thousands)

	2003	2004	2005	2006	2007
<b>Revenues:</b>					
Taxes	\$ 113,451	118,582	124,866	130,181	121,977
Licenses and permits	8,051	8,596	9,613	10,253	8,882
Intergovernmental revenues	88,427	88,273	94,351	104,434	152,681
Charges for services	42,579	50,151	47,440	34,457	30,525
Fines and forfeitures	2,213	2,736	3,029	3,210	3,728
Special assessments	237	167	211	235	249
Miscellaneous revenues	14,066	23,132	29,633	33,363	35,697
Interfund revenues	25,884	23,491	24,187	23,417	26,272
<b>Total revenues</b>	<u>294,908</u>	<u>315,128</u>	<u>333,330</u>	<u>339,550</u>	<u>380,011</u>
<b>Expenditures:</b>					
Current:					
General government	24,866	26,243	29,125	30,123	31,134
Public safety and justice	90,575	91,322	97,605	100,587	104,517
Land use, housing and transportation	83,831	74,360	91,616	81,633	127,152
Health and human services	50,373	54,156	59,418	60,526	68,393
Culture, education and recreation	15,761	14,810	14,402	14,751	15,655
Nonoperating	6,354	6,182	8,025	7,013	6,359
Capital outlay	6,874	8,470	7,703	13,716	26,176
Debt service:					
Principal	8,393	7,327	11,598	14,897	9,485
Interest	7,138	6,749	6,399	5,352	6,750
<b>Total expenditures</b>	<u>294,165</u>	<u>289,619</u>	<u>325,891</u>	<u>328,598</u>	<u>395,621</u>
Excess (deficiency) of revenues over (under) expenditures	<u>743</u>	<u>25,509</u>	<u>7,439</u>	<u>10,952</u>	<u>(15,610)</u>
<b>Other financing sources (uses):</b>					
Proceeds from debt	294	4,343	274	83,401	-
Payments to escrow for advance refunding	-	-	-	(51,540)	-
Transfers in from other funds	56,393	60,481	70,271	80,292	91,364
Transfers out to other funds	(58,290)	(60,058)	(70,267)	(80,288)	(91,362)
<b>Total other financing sources (uses)</b>	<u>(1,603)</u>	<u>4,766</u>	<u>278</u>	<u>31,865</u>	<u>2</u>
<b>Net change in fund balances</b>	<u>\$ (860)</u>	<u>30,275</u>	<u>7,717</u>	<u>42,817</u>	<u>(15,608)</u>
 Debt service as a percentage of noncapital expenditures	 5.6%	 5.5%	 5.6%	 6.4%	 -4.1%

Source: Current and prior years' financial statements.



## REVENUE CAPACITY

**WASHINGTON COUNTY, OREGON**

Valuation of Taxable Property

Last Ten Fiscal Years

(dollars in thousands)

Fiscal year ended June 30	Assessed Value				True cash valuation	Ratio of assessed valuation to true cash valuation
	Real property	Personal property	Public utility property	Total		
1998	\$ 21,241,948	1,521,017	642,140	23,405,105	29,679,797	78.86 %
1999	22,858,078	1,557,742	738,857	25,154,677	32,545,558	77.29
2000	24,716,577	1,479,124	826,532	27,022,233	35,483,600	76.15
2001	26,616,267	1,546,626	936,735	29,099,628	38,375,452	75.83
2002	28,359,299	1,655,117	1,155,253	31,169,669	42,641,803	73.10
2003	30,082,720	1,771,620	1,185,317	33,039,658	45,004,178	73.41
2004	31,411,567	1,668,488	1,178,235	34,258,289	50,523,742	67.81
2005	33,025,666	1,626,433	1,140,884	35,792,982	52,646,589	67.99
2006	34,866,509	1,608,701	1,155,643	37,630,853	58,389,427	64.45
2007	36,728,957	1,652,098	1,198,560	39,579,614	69,903,003	56.62

Source: Washington County Department of Assessment and Taxation.

**WASHINGTON COUNTY, OREGON**

Certified Property Tax Levies -  
Direct and Overlapping Governments

Last Ten Fiscal Years

(dollars in thousands)

Fiscal year ended <u>June 30</u>	<u>Total</u>	<u>Washington <sup>(1)</sup> County</u>	<u>Component <sup>(2)</sup> Units of Washington County</u>	<u>School Districts</u>	<u>Fire Districts</u>
1998	\$ 339,415	60,014	7,581	149,471	29,034
1999	365,980	63,652	11,475	158,777	29,888
2000	398,037	67,575	12,237	173,664	32,816
2001	425,819	72,380	13,360	185,009	35,727
2002	491,097	92,476	13,909	215,997	43,376
2003	520,050	96,229	14,490	233,208	45,345
2004	559,547	98,991	16,445	257,872	47,067
2005	565,497	102,382	18,695	251,279	49,269
2006	610,402	106,501	18,980	282,295	52,089
2007	598,942	96,775	19,575	269,116	54,774

<sup>(1)</sup> Includes General Fund, Metzger Park, Road Maintenance LID, Local Option Levy, County bonds and interest, Street LID-lien docket.

<sup>(2)</sup> Includes ESPD, URMD, SDL, CWS bonds and interest.

Source: Washington County Department of Assessment and Taxation.

Cities	Park and Recreation	Development and Urban Renewal Agencies	Port of Portland	Portland Community College	Metropolitan Service District	Other
44,476	15,056	9,482	1,616	8,398	8,348	5,939
49,168	15,700	12,394	1,926	8,641	8,345	6,014
58,283	17,375	11,243	1,991	9,467	8,057	5,329
61,975	17,780	12,301	2,099	10,529	8,998	5,661
67,730	18,661	4,156	2,200	17,077	9,392	6,123
73,626	19,374	4,557	2,305	16,174	8,685	6,057
78,318	20,040	6,306	2,381	17,302	9,178	5,647
81,830	20,804	4,587	2,488	18,017	13,053	3,093
86,783	21,736	4,868	2,616	18,386	14,035	2,113
92,893	22,776	5,348	2,750	19,099	13,729	2,107



**WASHINGTON COUNTY, OREGON**  
**Property Tax Levies and Collections<sup>(1)</sup>**  
**Last Ten Fiscal Years**  
**(dollars in thousands)**

Fiscal year ended June 30	Certified tax levies			Current tax collections	Current tax collections as a percentage of current levy
	General Fund	Special levies	Total		
1998	\$ 23,688	43,907	67,595	65,794	97.3 %
1999	55,783	19,344	75,127	72,573	96.6
2000	59,672	20,140	79,812	77,120	96.6
2001	64,700	21,253	85,953	83,514	97.2
2002	70,387	35,998	106,385	103,530	97.3
2003	74,563	36,339	110,903	108,085	97.6
2004	77,079	38,358	115,437	112,738	97.5
2005	80,327	40,901	121,228	118,529	97.9
2006	84,583	41,013	125,596	123,189	98.1
2007	<sup>(1)</sup> 88,968	27,501	116,468	114,058	98.1

<sup>(1)</sup> Includes small levies paid off early to other jurisdictions by the General Fund totaling \$157 in FY 2006-2007.

Source: Washington County Finance Division.

	<u>Delinquent tax collections</u>	<u>Total tax collections</u>	<u>Total tax collections as a percentage of current levy</u>	<u>Uncollected taxes</u>	<u>Uncollected taxes as a percentage of current levy</u>
\$	1,793	67,587	100.0 %	2,688	3.98 %
	1,706	74,279	98.9	3,537	4.71
	2,446	79,566	99.7	3,784	4.74
	2,428	85,942	100.0	3,795	4.42
	2,281	105,811	99.5	4,170	3.92
	2,754	110,839	99.9	4,232	3.82
	2,721	115,458	100.0	4,207	3.64
	2,511	121,040	99.8	3,761	3.10
	2,726	125,915	100.3	3,519	2.80
	2,375	116,433	100.0	3,554	3.05

**WASHINGTON COUNTY, OREGON**

Principal Taxpayers Within the County

Current Year and Nine Years Ago

(dollars in thousands)

	2007			1998		
	Rank	Assessed valuation	Percent of total	Rank	Assessed valuation	Percent of total
<b>Private enterprises:</b>						
Intel Corporation	1	\$ 1,043,165	2.64 %	1	\$ 820,901	3.51 %
Verizon Northwest, Inc.	2	352,921	0.89			
Nike, Inc.	3	333,402	0.84	2	184,168	0.79
Pacific Realty Associates	6	245,937	0.62	4	148,738	0.64
Maxim Integrated Products, Inc.	7	152,395	0.39			
Tektronix, Inc.	8	135,416	0.34	3	154,442	0.66
ERP Operating, LP	9	108,788	0.27			
Novellus Systems, Inc.	10	105,491	0.27			
Integrated Device/Sumitomo Bank				5	103,008	0.44
Fred Meyer, Inc.				6	79,866	0.34
Spieker Properties, LP				7	68,056	0.29
<b>Public utilities:</b>						
Portland General Electric Co.	4	317,363	0.80	9	184,062	0.79
Northwest Natural Gas Co.	5	262,931	0.66	10	122,857	0.52
GTE Northwest, Inc.				8	226,526	0.97
All other taxpayers		<u>36,521,805</u>	92.27		<u>21,312,482</u>	91.06
Total		<u>\$ 39,579,614</u>	100.00 %		<u>\$ 23,405,106</u>	100.00 %

Source: Washington County Department of Assessment and Taxation.

## **DEBT CAPACITY**

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**WASHINGTON COUNTY, OREGON**  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities			
	Bonds Payable	Notes Payable	Contracts Payable	Capital Lease Obligations
1998	\$ 85,135	17,523	989	2,968
1999	98,773	29,710	950	2,836
2000	77,773	24,321	910	2,696
2001	72,933	78,868	869	2,548
2002	67,275	83,449	827	2,388
2003	62,150	81,493	838	2,537
2004	56,980	77,853	741	2,344
2005	51,545	72,176	696	2,153
2006	46,015	94,593	650	1,951
2007	40,260	91,108	603	1,754

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

Source: Washington County Finance Division.

Business-Type Activities

<u>Bonds Payable</u>	<u>Notes Payable</u>	<u>Contracts Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
232,155	-	1,545	340,315	2.75	799
220,970	-	1,396	354,635	2.70	810
225,900	2,725	1,242	335,567	2.43	754
214,055	2,572	1,253	373,098	2.52	831
273,595	938	3,960	432,432	2.96	948
258,815	3,667	746	410,246	2.77	886
259,495	4,699	569	402,681	2.66	851
243,855	4,754	386	375,565	2.37	782
227,640	4,488	196	375,533	2.19	766
210,735	3,717	-	348,177	N/A	695

**WASHINGTON COUNTY, OREGON**  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Year	Governmental Activities Bonds Payable	Business-type Activities Bonds Payable	Total Bonds Payable	Total Taxable Assessed Value	Percentage of Actual Payable Value of Property	Per Capita
1998	\$ 85,135	232,155	317,290	23,405,105	1.36 %	745
1999	98,773	220,970	319,743	25,154,677	1.27	730
2000	77,773	225,900	303,673	27,022,233	1.12	682
2001	72,933	214,055	286,988	29,099,628	0.99	639
2002	67,275	273,595	340,870	31,169,669	1.09	748
2003	62,150	258,815	320,965	33,039,658	0.97	693
2004	56,980	259,495	316,475	34,258,289	0.92	669
2005	51,545	243,855	295,400	35,792,982	0.83	615
2006	46,015	227,640	273,655	37,630,853	0.73	558
2007	40,260	210,735	250,995	39,579,614	0.63	501

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



**WASHINGTON COUNTY, OREGON**

Direct and Overlapping Governmental Activities Debt

June 30, 2007

(dollars in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to County
Debt repaid with property taxes:			
Overlapping debt outstanding:			
Banks Fire District #13	\$ 1,385	100.00 %	\$ 1,385
City of Beaverton	1,995	100.00	1,995
City of Cornelius	735	100.00	735
City of Durham	1,785	100.00	1,785
City of Forest Grove	3,820	100.00	3,820
City of Hillsboro	-	100.00	-
City of Lake Oswego	58	0.21	-
City of North Plains	-	100.00	-
City of Portland	185	0.27	-
City of Sherwood	8,345	100.00	8,345
City of Tigard	11,066	100.00	11,066
City of Tualatin	10,701	88.36	9,455
City of Wilsonville	25	10.87	3
Clackamas County Education Service District	-	0.46	-
Clackamas County School District 3J (West Linn - Wilsonville)	2,157	1.72	37
Clackamas County School District 7J (Lake Oswego)	736	0.94	7
Columbia County School District 1J (Scappoose)	5	0.47	-
Forest Grove Rural Fire Protection District	250	100.00	250
Metro	74,185	32.74	24,288
Multnomah County School District 1J (Portland)	-	0.71	-
Multnomah Education Service District	-	0.51	-
Northwest Regional Education Service District	-	77.67	-
Port of Portland	-	31.98	-
Portland Community College	28,164	44.40	12,505
Tri-Met	22,837	33.15	7,570
Tualatin Hills Parks & Recreation District	16,585	100.00	16,585
Tualatin Valley Fire & Rescue District	2,351	82.51	1,940
Washington County School District 13 (Banks)	8,670	100.00	8,670
Washington County School District 15 (Forest Grove)	47,800	100.00	47,800
Washington County School District 1J (Hillsboro 7 Bond)	685	100.00	685
Washington County School District 1J (Hillsboro)	281,535	99.99	281,507
Washington County School District 1J (Reedville Bond)	1,580	100.00	1,580
Washington County School District 23J (Tigard - Tualatin)	103,201	97.35	100,466
Washington County School District 48J (Beaverton)	396,142	99.56	394,399
Washington County School District 511J (Gaston)	54	82.36	44
Washington County School District 88J (Sherwood)	124,369	92.63	115,203
Willamette Education Service District	-	0.36	-
Yamhill County School District 29J (Newberg)	2,212	3.66	81
Total overlapping debt outstanding	<u>1,153,618</u>		<u>1,052,206</u>
Direct debt outstanding:			
Washington County	<u>40,260</u>	100.00 %	<u>40,260</u>
Total direct and overlapping debt outstanding	<u>\$ 1,193,878</u>		<u>\$ 1,092,466</u>

Source: Oregon State Treasury, Debt Management Division.

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

**WASHINGTON COUNTY, OREGON**

Legal Debt Margin Information

Last Ten Fiscal Years

(dollars in thousands, except per capita)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Washington County:</b>					
-ORS 287.054 provides a debt limit on general obligation bonds of 2% of the real market value of all taxable property within the County's legal boundaries.					
Real market value	\$ 69,903,003	58,389,427	52,646,589	50,523,742	45,004,178
Debt limit rate	2.00%	2.00%	2.00%	2.00%	2.00%
Debt limit	1,398,060	1,167,789	1,052,932	1,010,475	900,084
Less general obligation debt at June 30	<u>40,260</u>	<u>(46,015)</u>	<u>(51,545)</u>	<u>(56,980)</u>	<u>(62,150)</u>
Legal debt margin	\$ <u>1,357,800</u>	<u>1,121,774</u>	<u>1,001,387</u>	<u>953,495</u>	<u>837,934</u>
Total net debt applicable to the limit as a percentage of debt limit	2.88%	3.94%	4.90%	5.64%	6.90%
-ORS 287.053 provides a debt limit on full faith and credit bonds of 1% of the real market value of all taxable property within the County's legal boundaries.					
Real market value	\$ 69,903,003	58,389,427	52,646,589	50,523,742	45,004,178
Debt limit rate	1.00%	1.00%	1.00%	1.00%	1.00%
Debt limit	699,030	583,894	526,466	505,237	450,042
Less full faith and credit obligation debt at June 30	<u>(88,695)</u>	<u>(91,990)</u>	<u>(88,395)</u>	<u>(75,195)</u>	<u>(69,710)</u>
Legal debt margin	\$ <u>787,725</u>	<u>491,904</u>	<u>457,071</u>	<u>430,042</u>	<u>380,332</u>
Total net debt applicable to the limit as a percentage of debt limit	-12.69%	15.75%	13.18%	14.88%	15.49%
<b>Housing Authority of Washington County:</b>					
-ORS 451.545 provides a debt limit on general obligation bonds of 13% of the real market value of all taxable property within the agency's legal boundaries.					
Real market value	\$ 69,903,003	58,389,427	52,646,589	50,523,742	45,004,178
Debt limit rate	13.00%	13.00%	13.00%	13.00%	13.00%
Debt limit	9,087,390	7,590,626	6,844,057	6,568,086	5,850,543
Less general obligation debt at June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	\$ <u>9,087,390</u>	<u>7,590,626</u>	<u>6,844,057</u>	<u>6,568,086</u>	<u>5,850,543</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Clean Water Services:</b>					
-ORS 451.545 provides a debt limit on general obligation bonds of 13% of the real market value of all taxable property within the agency's legal boundaries.					
Real market value	\$ 59,132,300	48,348,800	48,571,562	46,802,733	41,464,678
Debt limit rate	13.00%	13.00%	13.00%	13.00%	13.00%
Debt limit	7,687,199	6,285,318	6,314,303	6,084,355	5,390,408
Less general obligation debt at June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	\$ <u>7,687,199</u>	<u>6,285,318</u>	<u>6,314,303</u>	<u>6,084,355</u>	<u>5,390,408</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Washington County Finance Division.

2002	2001	2000	1999	1998
42,641,803	38,375,452	35,483,600	32,545,558	29,679,797
2.00%	2.00%	2.00%	2.00%	2.00%
852,836	767,509	709,672	650,911	593,596
(67,275)	(72,933)	(77,773)	(98,773)	(85,135)
<u>785,561</u>	<u>694,576</u>	<u>631,899</u>	<u>552,138</u>	<u>508,461</u>
7.89%	9.50%	10.96%	15.17%	14.34%
42,641,803	38,375,452	35,483,600	32,545,558	29,679,797
1.00%	1.00%	1.00%	1.00%	1.00%
426,418	383,755	354,836	325,456	296,798
(74,780)	(70,165)	(5,195)	(5,360)	(5,810)
<u>351,638</u>	<u>313,590</u>	<u>349,641</u>	<u>320,096</u>	<u>291,188</u>
17.54%	18.28%	1.46%	1.65%	1.89%
42,641,803	38,375,452	35,483,600	32,545,558	29,679,797
13.00%	13.00%	13.00%	13.00%	13.00%
5,543,434	4,988,809	4,612,868	4,230,923	3,858,374
-	-	-	-	-
<u>5,543,434</u>	<u>4,988,809</u>	<u>4,612,868</u>	<u>4,230,923</u>	<u>3,858,374</u>
0.00%	0.00%	0.00%	0.00%	0.00%
39,274,295	35,179,581	32,452,694	29,688,414	27,059,253
13.00%	13.00%	13.00%	13.00%	13.00%
5,105,658	4,573,346	4,218,850	3,859,494	3,517,703
-	(340)	(695)	(1,010)	(1,830)
<u>5,105,658</u>	<u>4,573,006</u>	<u>4,218,155</u>	<u>3,858,484</u>	<u>3,516,073</u>
0.00%	0.01%	0.02%	0.03%	0.05%

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## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

# WASHINGTON COUNTY, OREGON

## Demographic Statistics

### Last Ten Fiscal Years

(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Population (estimated)</u>	<u>Personal income (in thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment rate</u>
1998	426	11,935	28	3.8 %
1999	438	12,547	29	4.0
2000	445	13,450	30	3.9
2001	449	14,881	33	5.1
2002	456	14,844	33	6.6
2003	463	14,973	32	8.3
2004	473	15,418	33	6.2
2005	480	16,366	34	5.2
2006	490	17,338	35	4.4
2007	501	N/A	N/A	4.2

N/A: Information not available as of printing.

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



## **OPERATING INFORMATION**



WASHINGTON COUNTY, OREGON

Major Employment Industries  
Current Year and Nine Years Ago

	2007 *		1998	
	Annual Avg	% of Total	Annual Avg	% of Total
Construction	15,264	6.2%	12,423	5.9%
Manufacturing:				
Wood and lumber	1,665		1,941	
Metals	3,072		2,608	
Food	1,608		1,495	
Rubber/plastic	2,232		2,910	
Computer and electronic equipment/instruments	28,037		27,433	
Machinery	3,506		7,006	
Other	7,840		4,671	
	47,960	19.5%	48,064	22.9%
Trade, transportation, and utilities:				
Wholesale trade	17,604		18,360	
Retail trade	29,078		24,983	
Transportation and utilities	4,194		5,129	
	50,876	20.7%	48,472	23.1%
Information:				
Publishing	3,682		1,855	
Telecommunications	2,021		1,356	
Other (broadcasting, ISP's, etc.)	1,628		-	
	7,331	3.0%	3,211	1.5%
Financial activities:				
Finance and insurance	10,875		7,574	
Real estate	3,866		2,513	
	14,741	6.0%	10,087	4.8%
Professional and business services	34,239	13.9%	25,813	12.3%
Educational services	4,650	1.9%	2,749	1.3%
Health care and social assistance	19,644	8.0%	14,925	7.1%
Leisure and hospitality	19,419	7.9%	18,210	8.7%
Other services (agriculture, repairs, private homes, misc.)	11,429	4.6%	11,063	5.3%
Government (federal, state, and local)	20,341	8.3%	14,502	6.9%
<b>TOTAL EMPLOYMENT</b>	<b>245,894</b>	<b>100.0%</b>	<b>209,519</b>	<b>100.0%</b>

\* Fiscal Year 2007 information includes data through 12/31/06.

Source: Oregon Employment Department Labor Market Information System (OLMIS) at [www.qualityinfo.org/olmis/CEP](http://www.qualityinfo.org/olmis/CEP) based on covered employment and wages.

**WASHINGTON COUNTY, OREGON**  
 Full-time Equivalent Employees by Function  
 Last Six Fiscal Years

Function/Program	Full-time equivalent employees as of June 30,					
	2002	2003	2004	2005	2006	2007
General government	251.1	275.1	270.1	279.6	280.5	284.4
Public safety and justice	760.6	777.5	767.4	775.4	772.3	782.8
Land use, housing and transportation	430.8	412.8	408.8	405.4	398.6	416.6
Health and human services	196.1	214.6	221.1	222.1	220.6	228.8
Culture, education and recreation	42.7	44.6	38.6	36.6	36.6	36.6
Total	<u>1,681.3</u>	<u>1,724.5</u>	<u>1,705.9</u>	<u>1,719.0</u>	<u>1,708.6</u>	<u>1,749.2</u>

Source: Washington County Budget Department.

**WASHINGTON COUNTY, OREGON**  
 Operating Indicators by Function/Program  
 Last Six Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007
<b>General Government:</b>						
Assessment & Taxation:						
Real property accounts	151,190	154,285	157,241	160,490	164,548	166,846
Personal property accounts	21,137	21,033	20,944	21,141	22,283	23,278
Mobile home accounts	6,840	6,522	6,387	6,227	6,092	5,930
Utility property accounts	1,044	1,084	1,097	1,072	941	997
County Counsel:						
Hours booked for General Fund programs	N/A	4,970	5,191	6,517	6,650	6,670
Hours booked for Special Revenue funds and miscellaneous	N/A	5,808	6,903	6,918	6,628	7,118
Hours booked for internal work	N/A	2,032	2,086	2,021	2,456	2,519
Support Services:						
Number of permanent FTE positions within the County	1,682	1,725	1,709	1,720	1,709	1,673
Number of collective bargaining units	4	4	4	4	5	5
<b>Public Safety &amp; Justice:</b>						
Sheriff (measured in calendar years):						
Citizen generated calls for service	70,555	70,298	73,161	70,886	N/A	N/A
Officer-initiated calls for service (including traffic responses)	58,883	71,326	65,364	72,016	N/A	N/A
Bookings per year at jail	19,235	18,149	19,015	20,600	N/A	N/A
Average length of stay in jail (in days)	10	11	12	11	N/A	N/A
Average daily jail population	495	530	579	589	N/A	N/A
Case numbers issued (all documented law enforcement actions taken)	28,676	26,363	26,800	27,552	N/A	N/A
Juvenile:						
Total referrals to juvenile department	4,159	3,621	3,677	3,642	3,961	4,416
Percent of youth with no new offenses	73%	76%	73%	75%	N/A	N/A
Total admissions to secure detention	625	549	515	538	547	586
Total admissions to shelter care evaluation	132	158	164	156	147	167
Community Corrections:						
Number of offenders booked into the Community Corrections Center	1,871	2,040	1,902	2,000	1,946	2,030
Average daily Community Corrections Center population	177	180	175	180	181	198
Average length of stay in Community Corrections Center (in days)	26	31	32	31	34	37
Number of offenders on supervision	4,089	3,999	4,137	3,902	4,059	4,176
Law Library:						
Total in-library users	4,280	4,854	6,017	6,165	6,968	8,788
Items checked out	456	608	675	786	1,022	864
<b>Land Use, Housing, &amp; Transportation:</b>						
Land Use and Transportation (measured in calendar years)						
Total land use case files	542	542	538	518	N/A	N/A
Total land use actions	662	662	657	621	N/A	N/A
New subdivisions	36	36	43	54	N/A	N/A
Building permits issued (single family residential)	1,194	1,194	1,458	1,504	N/A	N/A
Measure 37 claims received	N/A	N/A	33	404	N/A	N/A
Housing Services:						
Rent subsidies (units)	2,462	2,535	2,536	2,569	2,569	2,569
Affordable housing (units)	1,833	1,973	1,973	2,684	2,684	2,684
Public housing (units)	297	297	297	297	297	297
Homeownership (units)	5	1	-	4	3	2
Homeless services (beds)	512	595	622	624	625	483
Community Development:						
Number of people served by all CDBG programs	5,846	22,349	16,102	14,257	57,107	30,647
Number of households served by all CDBG programs	267	329	268	355	512	293
<b>Health &amp; Human Services:</b>						
Health & Human Services:						
Swimming pool inspections, reviews, investigations	1,061	1,164	1,072	1,130	1,130	1,178
Solid waste and recycling phone calls received	3,542	3,683	3,269	3,127	3,082	3,500
Health clinic - communicable disease client visits	13,589	15,806	14,053	13,666	12,500	11,882
Birth certificates received	7,085	7,529	7,498	7,511	7,500	8,177
Emergency Medical Services:						
CPR/AED people trained (measured in calendar years)	46	92	226	505	N/A	N/A
Ambulance licenses issued	87	86	112	94	110	113
Total ambulances inspected	15	25	40	35	37	27
Wheelchair car licenses issued	82	114	112	106	119	103
<b>Culture, Education, &amp; Recreation:</b>						
Cooperative Library Services:						
Total library materials circulated	5,832,491	6,584,078	6,583,730	6,813,881	7,121,182	7,389,681
New users registered	32,731	34,621	34,521	38,730	36,104	38,189
Attendance at summer reading programs and events	17,948	16,652	19,685	26,621	25,050	36,672
Items delivered to member libraries via WCCLS couriers	1,516,199	1,713,589	1,794,160	1,852,787	2,011,235	2,125,504

N/A - Information is not available or applicable.

**WASHINGTON COUNTY, OREGON**

Capital Asset Statistics

Last Six Fiscal Years

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>General Government:</b>						
Facilities:						
Number of buildings-owned	25	25	25	25	25	22
Number of buildings-leased	7	8	9	9	9	10
Square feet-owned space	1,168,876	1,168,876	1,168,876	1,168,876	1,168,876	1,297,265
Square feet-leased space	29,463	32,424	36,821	36,821	36,821	31,642
Fleet:						
Number of units maintained	494	497	511	513	532	542
Gallons of fuel dispensed	356,208	384,273	400,812	404,661	421,373	408,405
Miles driven	4,418,108	4,277,224	4,293,800	4,309,245	4,543,847	4,475,521
Number of work orders	4,824	4,269	4,049	4,202	4,101	3,821
Information Technology:						
Computers supported	1,272	1,532	1,559	1,617	1,675	1,739
Applications supported	N/A	360	360	363	358	608
<b>Land Use Housing and Transportation:</b>						
County road system (calendar year):						
Total miles maintained	1,264	1,264	1,277	1,277	N/A	N/A
Paved miles	996	996	1,014	1,017	N/A	N/A
Gravel miles	268	268	263	260	N/A	N/A
Urban miles	582	582	617	616	N/A	N/A
Rural miles	682	682	660	661	N/A	N/A
Bridges	185	185	186	186	N/A	N/A
Traffic signals	291	291	300	322	N/A	N/A

Source: Washington County Finance Department.

N/A: Information not available.

**WASHINGTON COUNTY,  
OREGON**

**AUDIT COMMENTS AND DISCLOSURES  
REQUIRED BY STATE REGULATIONS**

**SECTION IV**

**AUDIT COMMENTS AND DISCLOSURES  
REQUIRED BY STATE REGULATIONS**

Oregon Administrative Rules 162-10-050 through 162-10-320 incorporated in the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, and comments and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.

**AUDIT COMMENTS AND DISCLOSURES  
REQUIRED BY STATE REGULATIONS**

January 16, 2008

Board of Commissioners  
Washington County  
Hillsboro, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Washington, County, Oregon (the County), as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 16, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

**AUDIT COMMENTS AND DISCLOSURES  
REQUIRED BY STATE REGULATIONS (Continued)**

**INTERNAL CONTROL OVER FINANCIAL REPORTING (Continued)**

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

**ACCOUNTING RECORDS**

We found the County's accounting records to be adequate for audit purposes.

**ADEQUACY OF COLLATERAL SECURING DEPOSITORY BALANCES**

Oregon Revised Statutes Chapter 295 requires that each depository throughout the period of its possession of public fund deposits shall maintain on deposit with its custodians, at its own expense, securities having a value not less than 25% of the certificates of participation issued by the pool manager for funds in excess of those insured by the Federal Deposit Insurance Corporation. Our review of adequacy of collateral securing depository balances indicated the collateral was sufficient during the year ended June 30, 2007.

**INVESTMENTS**

Our review of deposit and investment balances indicated that, during the year ended June 30, 2007, the County was in compliance with ORS 294 as it pertains to investment of public funds.

**LEGAL REQUIREMENTS RELATING TO DEBT**

We noted the indebtedness of the County was in compliance with ORS 287.004 during the year ended June 30, 2007. We noted no defaults in principal, interest, sinking fund or redemption provisions with respect to any of the County's bonded debt, and no breach of the bond agreements, at June 30, 2007.

**BUDGET COMPLIANCE**

The County appears to have complied with Local Budget Law (ORS 294.305 to 294.520) in the preparation, adoption and execution of its budget and tax levy for the year ended June 30, 2007, and the preparation and adoption of its budget for the year ending June 30, 2008. A description of the budgeting process is included in the Notes to the Basic Financial Statements.



**AUDIT COMMENTS AND DISCLOSURES  
REQUIRED BY STATE REGULATIONS (Continued)**

**INSURANCE POLICIES AND FIDELITY BONDS**

We have reviewed the County's insurance and fidelity bond coverage at June 30, 2007. We ascertained that such policies appeared to be in force and in compliance with legal requirements relating to insurance and fidelity bond coverage. We are not competent by training to comment on the adequacy of the insurance policies covering County property at June 30, 2007.

**PUBLIC CONTRACTS**

The County's procedures for awarding public contracts were reviewed and found to be in accordance with ORS Chapter 279.

**PROGRAMS FUNDED FROM OUTSIDE SOURCES**

We have reviewed financial reports and other data relating to programs funded wholly or partially by other governmental agencies. This data, filed with other governmental agencies, is in agreement with and supported by the accounting records.

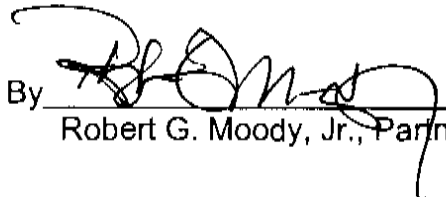
**HIGHWAY FUNDS**

The County's procedures for utilizing gas tax funds were reviewed and found to be in accordance with ORS Chapter 294.

\* \* \* \* \*

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

**TALBOT, KORVOLA & WARWICK, LLP**  
Certified Public Accountants

By  \_\_\_\_\_  
Robert G. Moody, Jr., Partner