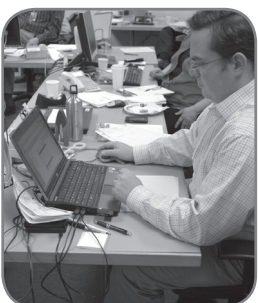
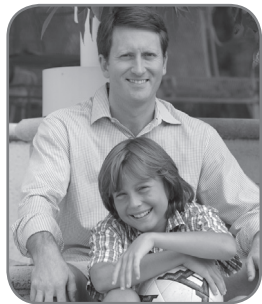
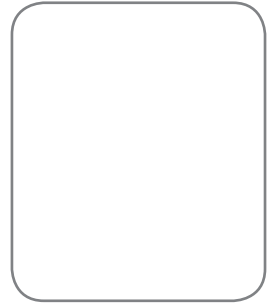
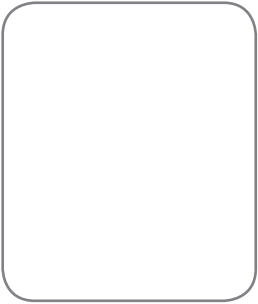




year ended
June 30, 2011



Comprehensive
Annual Financial Report



Working today with our future in mind.

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WASHINGTON COUNTY, OREGON
155 North First Avenue
Hillsboro, Oregon 97124-3072

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2011

Prepared by:
Washington County Finance Division

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WASHINGTON COUNTY, OREGON

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WASHINGTON COUNTY, OREGON

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WASHINGTON COUNTY, OREGON

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**WASHINGTON COUNTY,
OREGON**

**INTRODUCTORY
SECTION**

SECTION I

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WASHINGTON COUNTY, OREGON

Principal Officials

Commissioners as of June 30, 2011

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

Administrative Staff

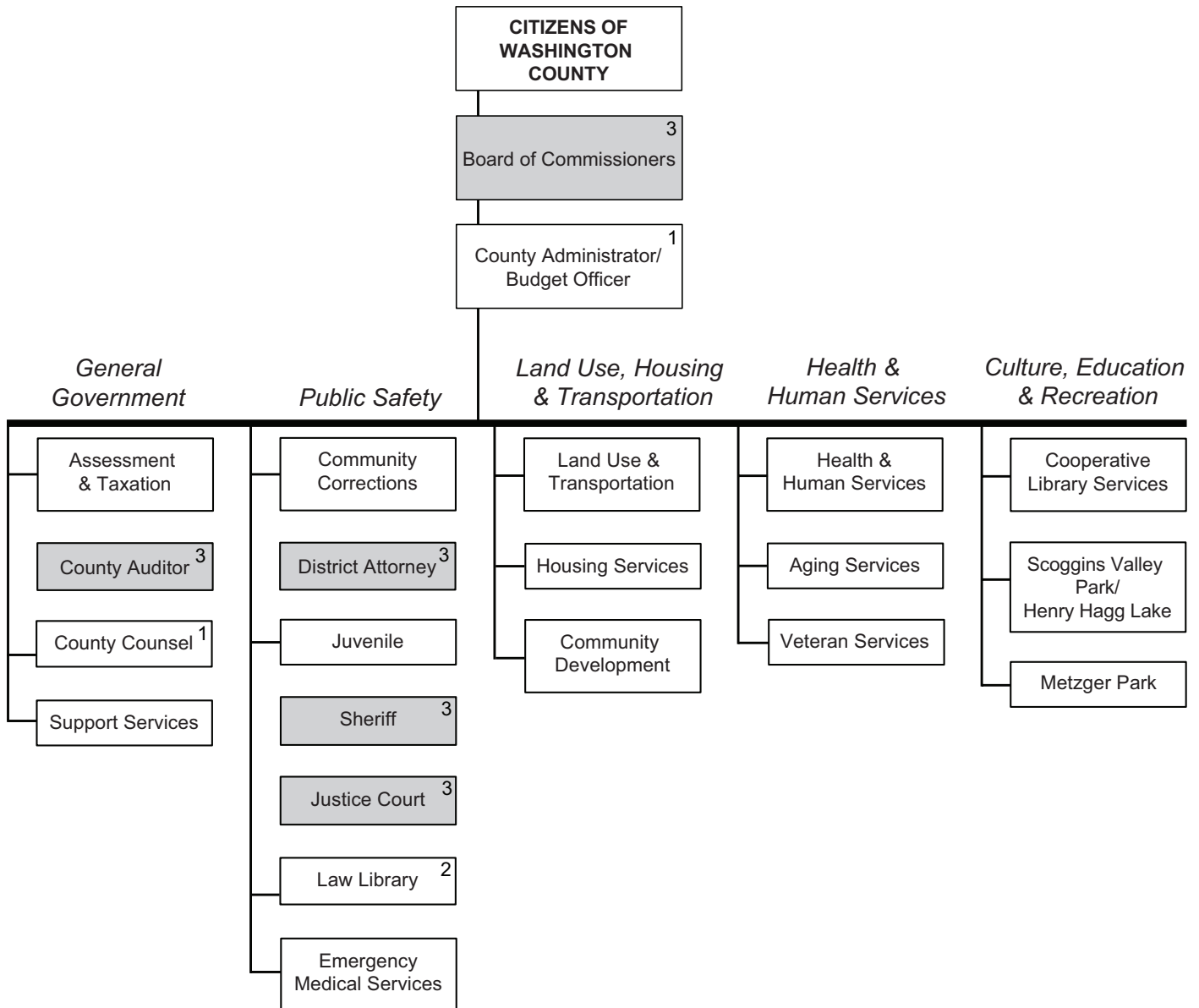
Robert Davis, County Administrator
Don Bohn, Assistant County Administrator
Rob Massar, Assistant County Administrator
Mary Gruss, Chief Finance Officer
Roger Dawes, Controller
Josh Salaets, Chief Accountant

Administrative Offices

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

WASHINGTON COUNTY, OREGON

Organizational Chart



1. Appointed by County Commissioner

2. Appointed by Circuit Court

3. Gray boxes denote elected positions

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



December 21, 2011

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

State law requires that every general-purpose local government publish within six months of the close of each fiscal year, unless extended, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2011.

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

Talbot, Korvola & Warwick, LLP have issued an unqualified (clean) opinion on Washington County's financial statements for the fiscal year ended June 30, 2011. The independent auditor's report is located at the front of the financial section of this report.

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

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

Profile of the County

Washington County was incorporated in 1849 and is located in the northwestern part of Oregon, south of the Columbia River and immediately to the west of Portland, the State's largest city. The County is the second largest in the State and encompasses 727 square miles and serves a population of approximately 533,000. Most local governments, including the County, have permanent authority to levy property taxes for operations at a maximum tax rate (permanent tax rate). All property tax levies exceeding the permanent tax rate require voter approval at a general election; levies funding operating levies are limited to five years, and levies dedicated to capital expenditures are limited to ten years, and levies to pay general obligation bonds are limited by the debt service requirements of the bonds.

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

Washington County provides a full range of County services including general government and administration, public safety and justice, land use and transportation, housing, health and human services, and cultural and recreational services. This report includes all funds of the County as well as all of its component units, which are legally separate units for which the County is financially accountable and include Clean Water Services, Housing Authority of Washington County, Washington County Service District for Lighting No. 1, Washington County Enhanced Sheriff Patrol District, and Washington County Urban Road Maintenance Service District. Additional information on all five of these legally separate entities can be found in the notes to the financial statements.

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

Local Economy

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. The economy of the Portland metropolitan area is broad and widely diversified. The Portland PMSA includes the State's largest employers, including Intel, Providence Health System, Safeway, Oregon Health & Sciences University, Fred Meyer, Kaiser Foundation Health Plan, Legacy Health System, and Nike.

Currently, manufacturing accounts for 18% of the total non-farm employment in the Portland PMSA, while trade, transportation and utilities accounts for 20%, government jobs 10%, professional and business services 15%, education and health services 12%, and leisure and hospitality 8%. The County's two largest employers are Intel and Nike.

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

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

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

Agreements	2006-07	2007-08	2008-09	2009-10	2010-11
1994/96 Intel	\$ 1,416	1,635	1,412	1,316	1,103
1999 Intel	8,978	9,670	9,200	9,332	9,066
2005 Intel	-	-	-	-	2,240
2006 Genentech	-	-	-	-	500
Totals	10,394	11,305	10,612	10,648	12,909
Distributed to:					
Washington County	5,820	6,076	5,756	5,846	7,818
Other agencies	4,574	5,229	4,856	4,802	5,091
Totals	\$ 10,394	11,305	10,612	10,648	12,909

Source: Washington County Finance Division

Historic personal income and per capita income levels for the County and the State are shown below:

Year	Washington County		State of Oregon	
	Personal Income (\$ 000's omitted)	Per Capita Income	Personal Income (\$ 000's omitted)	Per Capita Income
2011	Not available	Not available	139,841,938	36,427
2010	\$ 21,205,286	39,465	138,203,000	35,667
2009	21,185,612	40,747	136,276,807	35,956
2008	19,945,179	38,371	131,277,786	35,143
2007	18,766,887	36,731	123,857,159	33,648

Source: Portland State University Population Research Center and Bureau of Economic Analysis

Long term financial planning

The 2011-12 adopted budget included General Fund reserves of \$28 million or 16 percent of the adopted General Fund revenues. In March 2007 the Board adopted a policy to maintain a reserve of 20% or more and not less than 15% of General Fund revenues. Executive management will work with departments periodically to meet the upper reserve amount at each fiscal year end. The Board will be updated on the General Fund forecast, and other funds as deemed appropriate, quarterly.

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

The County has a Major Streets and Transportation Improvement Program (MSTIP) that is funded from the permanent tax rate. The 2011-12 budget includes \$31 million for this program from the County's property tax collections. This program currently consists of a number of projects to widen and improve existing roadways to accommodate increased traffic volume and provide additional traffic safety. The County has also developed an interim list of projects to continue the program while the next generation of projects are developed through a public process.

Relevant financial policies

Cash Management

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

Debt Management

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

Independent Audit

Pursuant to the Oregon Municipal Audit Law, ORS 297.405-297.555 all Oregon counties must obtain an audit annually. The required audit may be performed by the State Division of Audits or by independent public accountants certified by the State as capable of auditing municipal corporations. The accounting firm of Talbot, Korvola & Warwick, LLP conducted the audit for the fiscal year ended June 30, 2011.

Risk Management

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

Major initiatives

A transportation tax approved by voters in November 2008 will be dedicated to road and transit projects that increase the transportation system capacity within the County and is being phased in from July 1, 2009 through July 1, 2012.

In May 2008 voters approved a \$9,500,000 dollar levy for the Enhanced Sheriff's Patrol District; the levy will cover the period July 1, 2008 – June 30, 2013. The County will place an ESPD local option levy before the voters in 2012.

Voters renewed a County-wide public safety and library local option tax levies in November 2010. The public safety levy generates an estimated \$106 million over the five years. Funds are used for enhanced public safety activities and include continued funding for an estimated 122 positions including patrol, corrections, district attorney and the 911 center. The Countywide Library system levy will generate an estimated \$42 million over the five years. The renewed levies begin July 1, 2011 and expire June 30, 2016.

Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to Washington County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. This was the twenty-fifth consecutive year the County received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

Mary E. Gruss
Chief Finance Officer

Roger Dawes
Controller

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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, 2010

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



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

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**WASHINGTON COUNTY,
OREGON**

**FINANCIAL
SECTION**

SECTION II

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**Talbot, Korvola
& Warwick, LLP**

Certified Public Accountants
& Consultants

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INDEPENDENT AUDITOR'S REPORT

December 21, 2011

Board of Commissioners
Washington County, Oregon
Hillsboro, Oregon

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Washington County, Oregon (the County), as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the business-type activities of Clean Water Services (the District), a component unit of the County, which is both presented as a major fund, and is 94 percent, 98 percent and 78 percent, respectively, of the assets, net assets and revenues of the County's total business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the District is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit 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, 2011, and the respective changes in financial position and the cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT (Continued)

Board of Commissioners
Washington County, Oregon
December 21, 2011

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2011 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis 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. 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.

The budgetary comparison information for the General Fund and major special revenue funds, 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 respects 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 combining and individual major and nonmajor fund financial statements and schedules, and other schedules listed in the Table of Contents as Other Supplementary Information 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 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 subject to the auditing procedures applied by us and the other auditor 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

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WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

As management of Washington County, we offer readers of Washington County's financial statements this narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 3 through 7 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

The County has five component units included in this presentation – Clean Water Services, 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

- The assets of Washington County exceeded its liabilities at June 30, 2011 by \$2,841,329. Net assets invested in capital assets (net of depreciation and related debt) were \$2,477,889 and account for 87% of total net assets. Of the remaining net assets, \$200,502 may be used to meet the County's ongoing obligations to citizens and creditors.
- As of June 30, 2011, Washington County's governmental funds reported combined unassigned ending fund balances of \$32,310.
- Unassigned fund balance for the General Fund was \$32,513 at June 30, 2011, amounting to 27% of total General Fund expenditures for 2011.
- Committed fund balance for the Major Streets Transportation Improvement Program III Fund (MSTIP III) was \$47,677 at June 30, 2011, amounting to 135% of total MSTIP III expenditures. Restricted fund balance for the Road Fund was \$14,899 at June 30, 2011, amounting to 50% of total Road Fund expenditures. Restricted fund balance for the Human Services Fund was \$4,226 or 21% of fund expenditures. The HOME fund had a fund deficit of \$2.
- 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 (the District) has issued sewer revenue bonds for capital expansion of the sewer treatment plants and collection system. The bonds are payable through fiscal year 2036. All the sewer revenue bonds will be paid with the District's net revenue as defined in the bond indenture agreements.
- The County refinanced revenue bonds for acquiring and rehabilitating low-income housing. The refunding obligations are payable through fiscal year 2045.
- Washington County's governmental activities total general obligation debt at June 30, 2011 was \$17,845, with a remaining capacity for voter-approved debt at \$1,421,830. Total non-voter approved full faith and credit debt at June 30, 2011 was \$76,300, with remaining capacity for this type of debt at \$643,538.

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

Overview of the Financial Statements

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

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

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

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

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

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

The government-wide financial statements can be found on pages 22 and 23 of this report.

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *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.

WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's long-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and governmental activities.

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

The basic governmental fund financial statements can be found on pages 24 and 26 of this report.

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

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

The basic proprietary fund financial statements can be found on pages 28 through 30 of this report.

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

The basic fiduciary fund financial statements can be found on pages 31 and 32 of this report.

WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

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Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33 through 78 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Washington County's major governmental funds. Required supplementary information can be found beginning on page 79 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on major governmental funds. Combining and individual fund statements and schedules can be found on pages 93 through 152 of this report.

Government-wide Financial Analysis.

As noted earlier, over time net assets may serve as a useful indicator of a government's financial position. In the case of Washington County, assets exceeded liabilities by \$2,841,329 at the close of the most recent fiscal year.

Statement of Net Assets

	Government activities		Business-type activities		Totals	
	2011	2010	2011	2010	2011	2010
Current assets	\$ 70,900	40,807	189,240	206,854	260,140	247,661
Noncurrent assets	222,710	245,661	19,252	20,233	241,962	265,894
Capital assets (net of depreciation)	2,195,066	2,214,467	627,545	619,769	2,822,611	2,834,236
Total assets	2,488,676	2,500,935	836,037	846,856	3,324,713	3,347,791
Current liabilities	62,969	63,654	54,349	51,151	117,318	114,805
Noncurrent liabilities	93,384	102,079	272,682	294,638	366,066	396,717
Total liabilities	156,353	165,733	327,031	345,789	483,384	511,522
Net assets:						
Invested in capital assets, net of related debt	2,093,492	2,108,850	384,397	395,461	2,477,889	2,504,311
Restricted	93,002	6,530	69,936	57,052	162,938	63,582
Unrestricted	145,829	219,822	54,673	48,554	200,502	268,376
Total net assets	\$ 2,332,323	2,335,202	509,006	501,067	2,841,329	2,836,269

WASHINGTON COUNTY, OREGON

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JUNE 30, 2011

By far the largest portion of the County's net assets (87%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. Washington County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$200,502) may be used to meet the County's ongoing obligations to citizens and creditors.

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

There was an increase of \$12,884 in restricted net assets reported in connection with the County's business-type activities. Key elements of this increase are as follows:

- Clean Water Service's restricted net assets increased by \$12,738, which is primarily the result of additional funds being restricted for debt service reserve requirements as well as for capital asset construction.
- The Housing Authority of Washington County's restricted net assets increased by \$146, which is attributable to a change in reserve requirements on the Authority's outstanding debt service agreements and the cash restrictions imposed on the Authority by the Department of Housing and Urban Development (HUD) through various contracts and agreements.

The County's net assets increased by \$5,060 during the current fiscal year; the result of a \$7,939 increase in business-type activity net assets and a corresponding \$2,879 decrease in governmental activity net assets.

Governmental activities. Governmental activities decreased the County's net assets by \$2,879. Key elements of this decrease are as follows:

- Land Use, Housing, and Transportation net assets decreased by approximately \$4,784 during the current year; most of which can be attributed to a decrease in revenues from traffic impact fees, permits, and charges for services.
- Health and Human Services net assets increased by approximately \$3,493 during the current year, all of which can be attributed to an increase in charges for services in the Human Services Oregon Health Plan Fund.
- Fund balance within the County's General Fund decreased by \$1,503 during the current year, which can be attributed to an increase in total expenditures of \$11,094, an increase in total other financing uses of \$22,018, and a corresponding increase in total revenues of \$30,364.

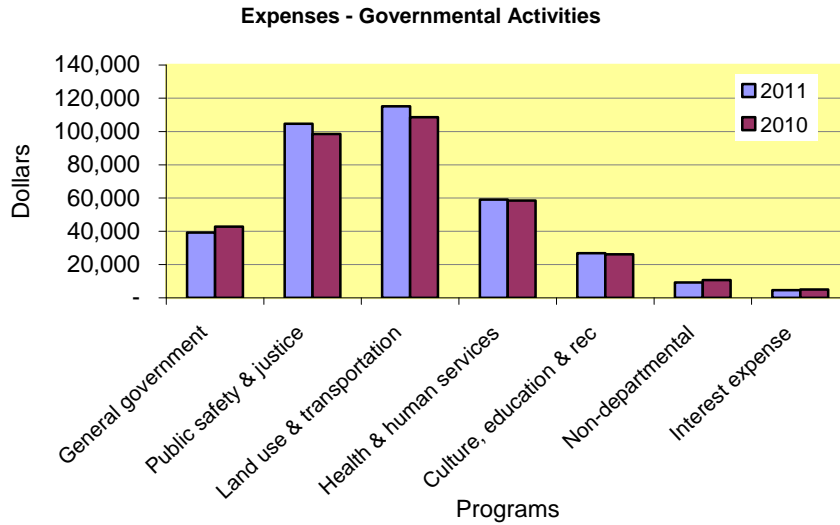
WASHINGTON COUNTY, OREGON
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JUNE 30, 2011

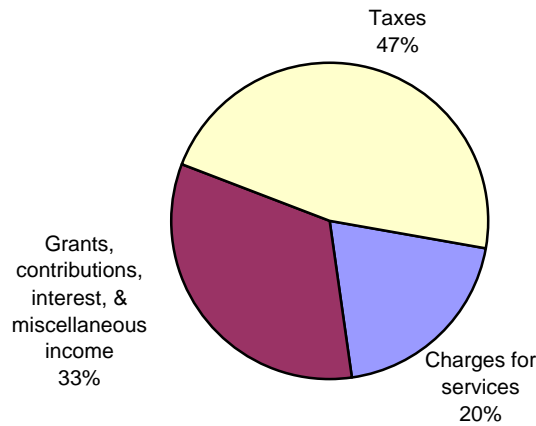
Changes in Net Assets

	Government activities		Business-type activities		Totals	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues						
Charges for services	\$ 71,653	61,303	110,910	103,833	182,563	165,136
Operating grants and contributions	97,640	92,531	21,574	20,855	119,214	113,386
Capital grants and contributions	1,462	686	5,053	6,803	6,515	7,489
General Revenues						
Taxes	166,922	161,082	-	-	166,922	161,082
Interest income	1,984	3,197	1,568	1,514	3,552	4,711
Miscellaneous revenue	16,257	419	-	(70)	16,257	349
Gain on disposal of capital assets	-	-	54	418	54	418
Loss on equity in joint venture	-	-	(76)	-	(76)	-
Total revenues	<u>355,918</u>	<u>319,218</u>	<u>139,083</u>	<u>133,353</u>	<u>495,001</u>	<u>452,571</u>
Program Expenses						
General government	39,318	42,869	-	-	39,318	42,869
Public safety and justice	104,664	98,562	-	-	104,664	98,562
Land use, housing and transportation	115,096	108,616	28,400	28,132	143,496	136,748
Health and human services	59,013	58,467	-	-	59,013	58,467
Culture, education and recreation	26,882	26,261	-	-	26,882	26,261
Sanitation and surface water	-	-	100,941	97,252	100,941	97,252
Street lighting	-	-	1,803	1,842	1,803	1,842
Non-departmental	9,225	10,653	-	-	9,225	10,653
Interest expense	4,599	5,013	-	-	4,599	5,013
Total expenses	<u>358,797</u>	<u>350,441</u>	<u>131,144</u>	<u>127,226</u>	<u>489,941</u>	<u>477,667</u>
Change in net assets	(2,879)	(31,223)	7,939	6,127	5,060	(25,096)
Net assets beginning of year	<u>2,335,202</u>	<u>2,366,425</u>	<u>501,067</u>	<u>494,940</u>	<u>2,836,269</u>	<u>2,861,365</u>
Net assets end of year	<u>\$ 2,332,323</u>	<u>2,335,202</u>	<u>509,006</u>	<u>501,067</u>	<u>2,841,329</u>	<u>2,836,269</u>

WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011



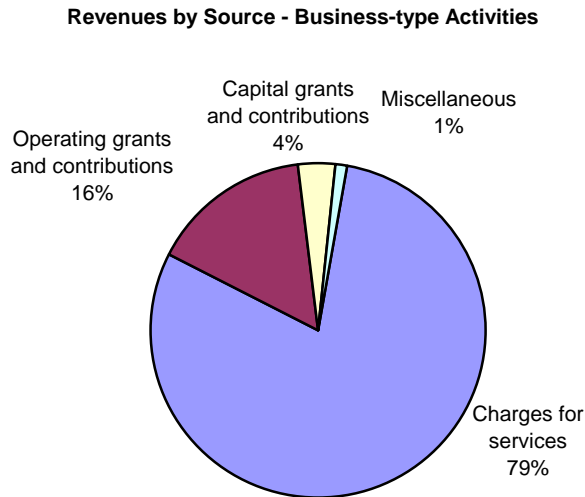
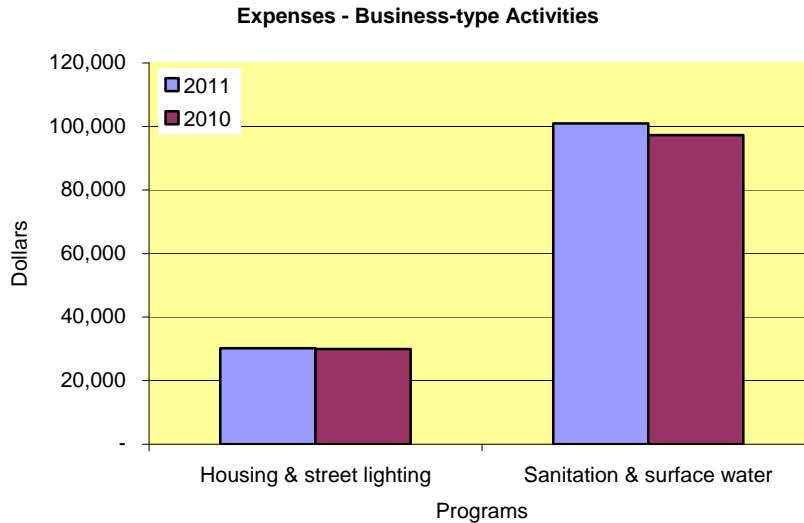
Revenues by Source - Governmental Activities



Business-type activities. Business-type activities increased the County's net assets by \$7,939. Key elements of this increase are as follows:

- Clean Water Services total net assets increased by \$8,772 during fiscal year 2011, due to total revenues exceeding total expenses by \$3,908 and capital contributions from developers of \$4,864.
- The Housing Authority of Washington County's total net assets decreased by \$789, mainly due to total expenses exceeding total revenues by \$864.

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Financial Analysis of the County's Funds

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

Governmental funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, Washington County's governmental funds reported combined ending fund balances of \$182,172; an increase of \$5,721 in comparison with the prior year. Of this amount, \$32,310 constitutes *unassigned fund balance*, which is available for spending at the County's discretion.

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The remainder of fund balance is classified as *nonspendable, restricted, committed, or assigned* to indicate that it is not available for new spending because it has already been dedicated to other needs throughout the County. The County's miscellaneous debt service fund has a \$12 fund deficit.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the General Fund had an unassigned fund balance of \$32,513. As a measure of the general fund's liquidity it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 27% of total General Fund expenditures.

The fund balance of the County's General Fund decreased by \$1,503 during the current fiscal year; key factors in this increase are as follows:

- Increased total revenues by \$30,364
- Net transfers for other financing sources/uses increased by \$22,018
- The remaining decrease is mainly attributable to increased total expenditures of \$11,094; \$6,136 of which is the result of increased costs in the non-operating functional area, \$3,113 of which is the result of increased costs in the public safety and justice functional area, and \$1,845 in increased costs in other functional areas.

The Major Streets Transportation Improvement Program III fund has a total committed fund balance of \$47,667; all of which has been committed to road improvements within the County.

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

Unrestricted net assets at the end of the year for Clean Water Services and the Service District for Lighting were \$54,690 and \$1,106, respectively; the Housing Authority deficit was \$1,123. The total change in next assets for all three funds was \$8,772, \$(44), and \$(789) respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

During the year there was a \$234 increase in appropriations between the adopted and revised budget. Following are the main components of the increase:

- \$189 supplemental appropriations related to the award of a State Criminal Alien Assistance Program grant in the sheriff's office
- \$45 supplemental appropriations related to the Board approval of additional funding for the Sheriff's Office annual contract with the Oregon State Marine Board.

Total expenditures in the General Fund were \$28,249 or 20% under the final amended budget for the year. Key factors in this savings include:

- \$16,632 in operating contingency that was not utilized during the fiscal year.
- \$4,490 in savings recognized in the Health and Human Services functional area during the fiscal year; \$4,182 of which is due to expenditures being lower than anticipated in the Public Health program area.

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

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- \$3,236 in total cost savings across all programs in the General Government functional area; \$1,248 of which is attributable to savings in the Assessment and Taxation program area.
- The remaining \$3,891 reduction is from savings recognized in other functional areas of the General Fund, including \$2,925 from Public Safety and Justice, \$793 from Land Use Housing, and Transportation, \$51 from Culture, Education, and Recreation, and \$122 from the Nonoperating functional area.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2011, amounts to \$2,822,611 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, sewer lines, treatment plant, machinery and equipment, park facilities, roads, highways, and bridges. Of this total investment, approximately 22% was held by the County's business-type activities, with the balance being held by the County's governmental activities.

	<u>Governmental activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land	\$ 940,514	929,690	18,556	18,323	959,070	948,013
Land improvements	1,418	1,579	—	—	1,418	1,579
Buildings and improvements	104,682	107,449	129,480	131,647	234,162	239,096
Sewer lines	—	—	124,286	125,647	124,286	125,647
Treatment plants	—	—	212,056	215,042	212,056	215,042
Machinery and equipment	13,300	13,029	41,156	44,467	54,456	57,496
Infrastructure	1,090,180	1,052,194	—	—	1,090,180	1,052,194
Construction in progress	44,972	110,526	102,012	84,643	146,984	195,169
	<u>\$ 2,195,066</u>	<u>2,214,467</u>	<u>627,546</u>	<u>619,769</u>	<u>2,822,612</u>	<u>2,834,236</u>

Additional information on the County's capital assets can be found in the Capital Assets note on pages 46 and 47 of this report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$368,815. Of this amount \$104,970 comprises debt backed by the full faith and credit of the government and \$263,845 in revenue bonds secured solely by specified revenue sources.

	<u>Governmental activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
General obligation bonds	\$ 17,845	23,325	—	—	17,845	23,325
Full Faith & Credit bonds	76,300	79,715	28,670	28,985	104,970	108,700
Revenue bonds	—	—	263,845	284,260	263,845	284,260
	<u>\$ 94,145</u>	<u>103,040</u>	<u>292,515</u>	<u>313,245</u>	<u>386,660</u>	<u>416,285</u>

The County's total debt decreased by \$29,625 during the current fiscal year; all of which was due to the debt service payments the County made throughout the year on its outstanding debt.

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

WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

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State statutes limit the amount of general obligation debt a governmental entity may issue up to 10 percent of its total assessed valuation. The current debt limitation for the County is \$1,421,830, which is significantly in excess of the County outstanding general obligation debt.

Additional information on the County's long-term debt can be found on pages 48 through 63 of this report.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the County is currently 7.6%, which is a decrease from a rate of 8.4% a year ago. This compares favorably to the State's average unemployment rate of 9.4% and to the national average rate of 9.2%.

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

Over the past several years, the County funded an enhanced level of public safety and library services through local option levies approved by the voters. In November 2010 voters approved the renewal of both levies for an additional five years with an expiration date of June 30, 2016. Property tax revenues are still increasing, but the rate of growth for the real estate transfer tax continued to decline during 2010-11 due to the general slow down in the real estate market. This revenue source has been and is anticipated to grow more slowly during the upcoming year. The real estate transfer tax is a General Fund discretionary revenue source.

All of these factors were considered in preparing the County's budget for the 2011-12 fiscal year.

During the current fiscal year, the unassigned fund balance in the general fund decreased to \$32,513. The County has appropriated \$1,000 of this amount for spending in the 2011-12 fiscal year.

Clean Water Services rates were increased for the 2011-12 fiscal year. The sewer and storm water rates were increased 4.5% and 10.5%, respectively. These rate increases were necessary to finance improvements to both the sanitary sewer and storm water systems, which will help increase overall system capacity and allow the District to meet increasing regulatory requirements for water quality.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

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WASHINGTON COUNTY, OREGON

Statement of Net Assets

June 30, 2011

(Dollars in thousands)

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Current assets:			
Cash and investments	\$ 47,070	36,801	83,871
Restricted cash	139	133,976	134,115
Property taxes receivable	6,602	—	6,602
Assessments receivable, short-term portion	68	75	143
Accounts receivable	12,556	14,823	27,379
Prepays	3	600	603
Accrued interest receivable	2,832	—	2,832
Housing Authority Loan receivable, short term portion-internal balance	94	(94)	—
Contract receivable, short-term portion	145	7	152
Connection charges receivable	—	485	485
Supply inventory	650	779	1,429
Prepaid pension obligation, short-term portion	678	584	1,262
Prepaid bond issuance costs, short-term portion	50	184	234
Other current assets	13	1,020	1,033
Total current assets	70,900	189,240	260,140
Noncurrent assets:			
Long-term investments	187,168	—	187,168
Long-term assessments receivable	122	877	999
Contracts receivable, net - long-term portion	24,071	—	24,071
Housing Authority loan receivable, net - internal balance long-term portion	525	(525)	—
Investments in Joint Venture	—	2,872	2,872
Other noncurrent assets	—	1,430	1,430
Prepaid bond issuance costs, net of current year amortization, long-term portion	439	2,055	2,494
Prepaid pension obligation, net	10,385	12,543	22,928
Non-capital assets	222,710	19,252	241,962
Capital assets:			
Land, CIP and other assets not being depreciated	985,486	120,568	1,106,054
Buildings and equipment, infrastructure and other assets net of depreciation	1,209,580	506,977	1,716,557
Capital assets, net	2,195,066	627,545	2,822,611
Total noncurrent assets	2,417,776	646,797	3,064,573
Total assets	2,488,676	836,037	3,324,713
Current liabilities:			
Overdraft	—	4,326	4,326
Accounts payable	14,344	17,566	31,910
Accrued payroll liabilities	8,521	5,303	13,824
Accrued self insurance	3,633	254	3,887
Accrued OHP payable	2,298	—	2,298
Amounts held in trust	642	—	642
Unearned revenue	10,044	27	10,071
Tenant and other deposits	5,495	585	6,080
Accrued interest payable	484	3,909	4,393
Pollution remediation obligation, current portion	39	—	39
Capital lease obligations, current portion	206	—	206
Other long-term obligations, current portion, net of discount	17,263	22,379	39,642
Total current liabilities	62,969	54,349	117,318
Noncurrent liabilities:			
Pollution remediation obligation	1,060	—	1,060
Capital lease obligations	758	—	758
Bond and bond anticipation notes payable, net of discount	12,202	269,867	282,069
Noncurrent portion of other long term obligations, net of discount	74,469	2,301	76,770
Net other postemployment benefits obligation	4,895	514	5,409
Total noncurrent portion of long-term obligations	93,384	272,682	366,066
Total liabilities	156,353	327,031	483,384
Net assets:			
Investment in capital assets, net of related debt	2,093,492	384,397	2,477,889
Restricted for:			
General government	—	—	—
Public safety and justice	26,062	—	26,062
Land use, housing, and transportation	30,527	—	30,527
Health and human services	17,842	—	17,842
Culture, education, and recreation	1,961	—	1,961
Nonoperating	—	—	—
Debt service	79	26,165	26,244
Capital projects	16,531	43,771	60,302
Total restricted	93,002	69,936	162,938
Unrestricted	145,829	54,673	200,502
Total net assets	\$ 2,332,323	509,006	2,841,329

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Activities

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	Program Income				Net Revenue (Expense) and Changes in Net Assets		
	Expenses	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	\$ 39,318	4,797	1,964	223	(32,334)	—	(32,334)
Public safety and justice	104,664	7,140	15,697	—	(81,827)	—	(81,827)
Land use, housing and transportation	115,096	11,974	42,526	375	(60,221)	—	(60,221)
Health and human services	59,013	26,420	30,902	—	(1,691)	—	(1,691)
Culture, education and recreation	26,882	1,309	446	—	(25,127)	—	(25,127)
Non-operating functional area	9,225	20,013	6,105	864	17,757	—	17,757
Interest expense	4,599	—	—	—	(4,599)	—	(4,599)
Total governmental activities	<u>358,797</u>	<u>71,653</u>	<u>97,640</u>	<u>1,462</u>	<u>(188,042)</u>	<u>—</u>	<u>(188,042)</u>
Business-type activities:							
Housing authority	28,400	5,790	21,574	189	—	(847)	(847)
Sanitation and surface water	100,941	103,374	—	4,864	—	7,297	7,297
Street lighting	1,803	1,746	—	—	—	(57)	(57)
Total business-type activities	<u>131,144</u>	<u>110,910</u>	<u>21,574</u>	<u>5,053</u>	<u>—</u>	<u>6,393</u>	<u>6,393</u>
Total primary government	<u>\$ 489,941</u>	<u>182,563</u>	<u>119,214</u>	<u>6,515</u>	<u>(188,042)</u>	<u>6,393</u>	<u>(181,649)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					152,065	—	152,065
Property taxes, levied for debt service					6,407	—	6,407
Other taxes:							
Transient lodging					5,019	—	5,019
Real property transfer tax					2,301	—	2,301
County fuel tax					837	—	837
Other tax					293	—	293
Total taxes					<u>166,922</u>	<u>—</u>	<u>166,922</u>
Interest income					1,984	1,568	3,552
Miscellaneous revenues					16,257	—	16,257
Gain on disposal of capital assets					—	54	54
Loss on equity in joint venture					—	(76)	(76)
Total general revenues					<u>185,163</u>	<u>1,546</u>	<u>186,709</u>
Change in net assets					<u>(2,879)</u>	<u>7,939</u>	<u>5,060</u>
Net assets, beginning of year					<u>2,335,202</u>	<u>501,067</u>	<u>2,836,269</u>
Net assets, end of year					<u>\$ 2,332,323</u>	<u>509,006</u>	<u>2,841,329</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Balance Sheet
Governmental Funds
June 30, 2011
(Dollars in thousands)

Assets	General Fund	HOME Fund	Human Services Fund	Major Streets	Road Fund	Other Governmental Funds	Total
				Transportation Improvement Program III Fund			
Cash and investments	\$ 34,544	—	14,208	51,803	18,931	89,572	209,058
Restricted cash	—	—	—	—	—	51	51
Property taxes receivable	4,300	—	—	—	—	2,302	6,602
Assessments receivable	—	—	—	—	110	80	190
Accounts receivable	3,750	337	1,541	906	2,467	3,521	12,522
Accrued interest receivable	893	1,704	—	—	—	235	2,832
Contracts receivable	—	19,558	—	—	—	4,658	24,216
Due from other funds	810	—	—	—	—	—	810
Inventory	155	—	—	—	126	1	282
Other assets	1	—	—	—	—	12	13
Total assets	44,453	21,599	15,749	52,709	21,634	100,432	256,576
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	1,501	31	3,380	4,292	611	3,717	13,532
Accrued payroll liabilities	4,902	7	190	—	821	2,511	8,431
Deposits payable	432	—	—	—	4,787	276	5,495
Amounts held in trust	600	—	—	—	18	24	642
Accrued OHP payable	—	—	—	—	—	2,298	2,298
Due to other funds	—	301	—	—	—	509	810
Deferred revenue	3,823	21,262	7,953	750	372	9,036	43,196
Total liabilities	11,258	21,601	11,523	5,042	6,609	18,371	74,404
Fund balances:							
Nonspendable	155	—	—	—	126	1	282
Restricted	—	—	4,226	—	14,899	73,877	93,002
Committed	—	—	—	47,667	—	7,611	55,278
Assigned	527	—	—	—	—	773	1,300
Unassigned	32,513	(2)	—	—	—	(201)	32,310
Total fund balances	33,195	(2)	4,226	47,667	15,025	82,061	182,172
Total liabilities and fund balances \$	44,453	21,599	15,749	52,709	21,634	100,432	256,576

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, 2011

(Dollars in thousands)

Fund balances - total governmental funds	\$ 182,172
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.	2,186,616
Prepaid pension obligations are not financial resources in governmental funds, but are reported in the Statement of Net Assets at their net unamortized value.	11,063
Bond issuance costs are recognized in the period paid in governmental funds, but are deferred and amortized in the Statement of Net Assets.	489
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds	619
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	33,152
Long-term liabilities, including bonds payable, are not due and payable in the current period, and; therefore, are not reported in the governmental funds.	(111,255)
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>29,467</u>
Net assets of governmental activities	<u>\$ 2,332,323</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

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

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	General Fund	HOME Fund	Human Services Fund	Major Streets Transportation Improvement Program III Fund	Road Fund	Other Governmental Funds	Total
Revenues:							
Taxes	\$ 107,489	—	—	—	837	58,440	166,766
Licenses and permits	5,877	—	—	—	207	2,398	8,482
Intergovernmental revenues	16,954	2,806	18,239	8,702	22,480	27,056	96,237
Charges for services	19,686	—	26	—	283	28,870	48,865
Fines and forfeitures	3,004	—	—	—	—	427	3,431
Special assessments	—	—	—	—	69	119	188
Miscellaneous revenues	3,932	311	207	524	635	25,175	30,784
Interfund revenues	18,245	—	240	—	7,316	3,818	29,619
Total revenues	175,187	3,117	18,712	9,226	31,827	146,303	384,372
Expenditures:							
Current:							
General government	35,019	—	—	—	—	—	35,019
Public safety and justice	56,332	—	—	—	—	73,319	129,651
Land use, housing and transportation	2,868	3,117	—	33,481	29,890	28,306	97,662
Health and human services	16,901	—	20,046	—	—	24,028	60,975
Culture, education and recreation	974	—	—	—	—	26,219	27,193
Nonoperating	6,136	—	—	—	—	17	6,153
Total current	118,230	3,117	20,046	33,481	29,890	151,889	356,653
Capital outlay	628	—	—	1,856	110	5,503	8,097
Debt service:							
Principal	316	—	—	—	30	8,994	9,340
Interest	97	—	—	—	2	4,584	4,683
Total debt service	413	—	—	—	32	13,578	14,023
Total expenditures	119,271	3,117	20,046	35,337	30,032	170,970	378,773
Revenues over (under) expenditures	55,916	—	(1,334)	(26,111)	1,795	(24,667)	5,599
Other financing sources(uses):							
Transfers in from other funds	—	—	1,558	30,148	687	29,145	61,538
Transfers out to other funds	(57,419)	—	—	(769)	(872)	(2,356)	(61,416)
Total other financing sources (uses)	(57,419)	—	1,558	29,379	(185)	26,789	122
Net changes in fund balances (deficit)	(1,503)	—	224	3,268	1,610	2,122	5,721
Fund balances (deficit) July 1, 2010	34,051	(2)	3,253	44,399	13,415	81,335	176,451
Restatement (See Note 4)	647	—	749	—	—	(1,396)	—
Fund balances (deficit), July 1, 2010, as restated	34,698	(2)	4,002	44,399	13,415	79,939	176,451
Fund balances (deficit) June 30, 2011	\$ 33,195	(2)	4,226	47,667	15,025	82,061	182,172

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, 2011

(Dollars in thousands)

Net change in fund balances - Governmental Funds \$ 5,721

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

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

Expenditures for capital assets	\$ 49,599		
Current year depreciation expense	<u>(69,363)</u>		(19,764)

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

Repayment of long-term debt	9,340		
Amortization of premiums, discounts and related deferrals	<u>(22)</u>		9,318

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			3,697
--	--	--	-------

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

Change in net OPEB obligation			(1,054)
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Change in net pollution remediation obligation			(210)
--	--	--	-------

Internal Service funds are used by management to charge the costs of certain activities to individual funds. These funds are designed to recover all costs. The amount of revenues in excess of expenditures reported in the Statement of Activities			<u>91</u>
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Change in net assets			\$ <u><u>(2,879)</u></u>
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See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Net Assets - Proprietary Funds

June 30, 2011

(Dollars in thousands)

	Enterprise Funds				Internal Service Funds
	Clean Water Services of Washington County	Housing Authority of Washington County	Washington County Service District for Lighting No. 1	Total	
Assets					
Current assets:					
Cash and investments	\$ 33,567	2,069	1,165	36,801	25,268
Restricted cash	124,394	9,582	—	133,976	—
Assessments receivable	—	—	75	75	—
Accounts receivable - net of allowance for uncollectibles	14,700	123	—	14,823	34
Prepays	600	—	—	600	3
Short-term portion of contracts receivable	—	7	—	7	—
Connection charges receivable	485	—	—	485	—
Supply inventory	779	—	—	779	368
Current portion of prepaid pension obligation	584	—	—	584	—
Current portion of bond issuance costs	152	32	—	184	—
Other current assets	990	30	—	1,020	—
Total current assets	176,251	11,843	1,240	189,334	25,673
Noncurrent assets:					
Long-term assessments and contracts receivable	436	441	—	877	—
Capital assets:					
Land, artwork, CIP, and other assets not being depreciated	112,408	8,160	—	120,568	—
Buildings and equipment and infrastructure, net of depreciation	482,819	24,158	—	506,977	8,450
Investments in joint venture	2,872	—	—	2,872	—
Bond issuance costs	1,504	551	—	2,055	—
Other noncurrent assets	1,430	—	—	1,430	—
Prepaid pension obligation	12,543	—	—	12,543	—
Total noncurrent assets	614,012	33,310	—	647,322	8,450
Total assets	790,263	45,153	1,240	836,656	34,123
Liabilities and Net Assets					
Current liabilities:					
Overdraft	—	4,326	—	4,326	—
Accounts payable	17,237	195	134	17,566	812
Accrued payroll liabilities	5,303	—	—	5,303	143
Accrued self-insurance	254	—	—	254	3,633
Deposits	—	585	—	585	—
Unearned revenue	—	27	—	27	—
Accrued interest payable	3,244	665	—	3,909	—
Current portion of long-term obligations, net of discount	22,086	387	—	22,473	—
Total current liabilities	48,124	6,185	134	54,443	4,588
Noncurrent liabilities:					
Bond and bond anticipation notes payable	244,092	25,775	—	269,867	—
Other long-term obligations	—	2,826	—	2,826	—
Net other postemployment benefits obligation	514	—	—	514	68
Total noncurrent liabilities	244,606	28,601	—	273,207	68
Total liabilities	292,730	34,786	134	327,650	4,656
Net assets:					
Investment in capital assets, net of related debt	381,067	3,330	—	384,397	8,450
Restricted for:					
Capital projects	43,771	—	—	43,771	—
Debt service	18,005	8,160	—	26,165	—
Unrestricted(deficit)	54,690	(1,123)	1,106	54,673	21,017
Total net assets	497,533	10,367	1,106	509,006	29,467
Total liabilities and net assets	\$ 790,263	45,153	1,240	836,656	34,123

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, 2011

(Dollars in thousands)

	Enterprise Funds				Internal Service Funds
	Clean Water Services of Washington County	Housing Authority of Washington County	Washington County Service District for Lighting No. 1	Total	
Operating revenues:					
Charges for services	\$ 98,003	—	—	98,003	32,990
Intergovernmental revenue	—	21,574	—	21,574	—
Rental income	—	4,962	—	4,962	—
Street lighting assessments	—	—	1,746	1,746	—
Other	5,371	828	—	6,199	1,933
Total operating revenues	103,374	27,364	1,746	132,484	34,923
Operating expenses:					
Labor and fringe benefits	29,237	—	—	29,237	1,911
Housing assistance payments	—	18,246	—	18,246	—
Utilities	4,648	513	1,611	6,772	30
Professional services	7,747	—	—	7,747	436
Supplies	3,524	—	1	3,525	2,813
Administrative costs	2,020	3,465	191	5,676	2,087
Chemicals	3,063	—	—	3,063	—
Depreciation and amortization	38,545	1,749	—	40,294	1,717
Insurance claims and premiums	593	—	—	593	25,809
Repairs and maintenance	389	2,347	—	2,736	396
Other	—	451	—	451	—
Total operating expenses	89,766	26,771	1,803	118,340	35,199
Operating income(loss)	13,608	593	(57)	14,144	(276)
Nonoperating income(expense):					
Interest income	1,497	58	13	1,568	230
Other expense	(76)	—	—	(76)	—
Gain on sale of capital assets	54	—	—	54	137
Interest expense	(11,175)	(1,515)	—	(12,690)	—
Contribution to Dept of Housing Services	—	(114)	—	(114)	—
Total nonoperating income(expense)	(9,700)	(1,571)	13	(11,258)	367
Income(loss) before contributions/transfers	3,908	(978)	(44)	2,886	91
Capital contributions	4,864	189	—	5,053	—
Change in net assets	8,772	(789)	(44)	7,939	91
Net assets July 1, 2010	488,761	11,156	1,150	501,067	29,376
Net assets June 30, 2011	\$ <u>497,533</u>	<u>10,367</u>	<u>1,106</u>	<u>509,006</u>	<u>29,467</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON
Statement of Cash Flows - Proprietary Funds
For the fiscal year ended June 30, 2011
(Dollars in thousands)

	Enterprise Funds				
	Clean Water Services of Washington County	Housing Authority of Washington County	Washington County Service District for Lighting No. 1	Total	Internal Service Funds
Cash flows provided by (used in) operating activities:					
Cash received for services provided	\$ 95,765	27,600	1,752	125,117	33,067
Cash payments for labor and fringe benefits	(28,387)	(3,385)	—	(31,772)	(1,928)
Cash payments for goods and services	(23,131)	(21,717)	(1,803)	(46,651)	(31,605)
Other operating revenue	4,405	—	—	4,405	1,863
Other receipts	—	—	—	—	71
Net cash provided by (used in) operating activities	<u>48,652</u>	<u>2,498</u>	<u>(51)</u>	<u>51,099</u>	<u>1,468</u>
Cash flows from noncapital financing activities:					
Payment to Department of Housing Services	—	(114)	—	(114)	—
Interest paid on pension bonds	(973)	—	—	(973)	—
Net cash used in noncapital financing activities	<u>(973)</u>	<u>(114)</u>	<u>—</u>	<u>(1,087)</u>	<u>—</u>
Cash flows provided by (used in) capital and related financing activities:					
Acquisition and construction of capital assets	(41,773)	(185)	—	(41,958)	(2,296)
Proceeds from sale of capital assets	75	—	—	75	353
Decrease in contracts receivable	—	(3)	—	(3)	—
Principal paid on notes payable	—	(574)	—	(574)	—
Principal paid on bonds payable	(20,415)	—	—	(20,415)	—
Interest paid on bonds and notes payable	(10,082)	(1,343)	—	(11,425)	—
Interest received on assessments and contracts	23	—	—	23	—
Capital contributed by customers and cities	4,716	189	—	4,905	—
Net cash from capital and related financing activities	<u>(67,456)</u>	<u>(1,916)</u>	<u>—</u>	<u>(69,372)</u>	<u>(1,943)</u>
Cash flows provided by investing activities:					
Interest on investments	1,473	58	13	1,544	230
Net increase (decrease) in cash and investments	<u>(18,304)</u>	<u>526</u>	<u>(38)</u>	<u>(17,816)</u>	<u>(245)</u>
Cash and investments, July 1, 2010	176,265	6,799	1,203	184,267	25,513
Cash and investments, June 30, 2011 ⁽¹⁾	<u>157,961</u>	<u>7,325</u>	<u>1,165</u>	<u>166,451</u>	<u>25,268</u>
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	13,608	593	(57)	14,144	(276)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation and amortization	37,702	1,749	—	39,451	1,717
Other (expense)	—	—	—	—	42
Amortization of prepaid pension obligations	584	—	—	584	—
Postemployment benefit costs other than pensions	32	—	—	32	—
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(2,213)	218	—	(1,995)	78
(Increase) decrease in assessments receivable	—	—	7	7	—
(Increase) decrease in supply inventory	(254)	—	—	(254)	30
(Increase) decrease in other assets	(185)	1	—	(184)	—
Increase (decrease) in accounts payable	(801)	(66)	(1)	(868)	299
Increase (decrease) in deposits	—	(15)	—	(15)	—
Increase (decrease) in deferred revenue	(25)	18	—	(7)	—
Increase (decrease) in accrued liabilities	204	—	—	204	(422)
Net cash provided by (used in) operating activities	<u>48,652</u>	<u>2,498</u>	<u>(51)</u>	<u>51,099</u>	<u>1,468</u>
Supplemental schedule of noncash capital and related financing activities:					
Contributions of capital assets by developers	1,412	—	—	1,412	—
Loss on equity in joint venture	(76)	—	—	(76)	—
⁽¹⁾ Cash and investments are reflected on the Statement of Net Assets as follows:					
Current assets - cash and investments	33,567	2,069	1,165		
Current assets - Restricted cash	124,394	9,582	—		
Current liabilities - Bank overdraft	—	(4,326)	—		
	<u>\$ 157,961</u>	<u>7,325</u>	<u>1,165</u>		

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Fiduciary Net Assets

June 30, 2011

(Dollars in thousands)

	Private- Purpose Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and investments	\$ 48	6,505
Accounts receivable	1	2,406
Property taxes receivable	—	25,003
Total assets	<u>49</u>	<u>33,914</u>
Liabilities:		
Accounts payable	—	271
Amounts held in trust	—	8,640
Undistributed taxes	—	25,003
Total liabilities	<u>—</u>	<u>33,914</u>
Net assets		
Amounts held in trust and other purposes	<u>\$ 49</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, 2011
(Dollars in thousands)

		Private- Purpose Trust Funds
Additions:		
Intergovernmental revenues	\$	1,774
Contributions		14
Interest earnings		3
Total additions		1,791
Deductions:		
Distributions		1,858
Change in net assets		(67)
Net assets, July 1, 2010		116
Net assets, June 30, 2011	\$	49

See accompanying notes to basic financial statements.

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WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2011

(Dollars in thousands)

1. Summary of significant accounting policies

Reporting entity

Washington County (County) is a municipal corporation established in 1849 and is governed by a five member Board. The accompanying financial statements present the activities of the County and its 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.

Blended Component Units

Clean Water Services (District)

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

Housing Authority of Washington County (Authority)

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

Enhanced Sheriff Patrol District (ESPD)

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

Service District for Lighting No. 1 (SDL)

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

Urban Road Maintenance Service District (URMD)

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

The District, Authority and SDL are presented as business-type activities and the ESPD and URMD are reported as special revenue funds.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Government-wide and fund financial statements

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

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

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

Measurement focus, basis of accounting, and financial statement presentation

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

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

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

The County reports the following major governmental funds:

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

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

The *Human Services fund* accounts for the delivery of community mental health services.

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

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

The County reports the following major proprietary funds:

The *Clean Water Services Fund* accounts for the operations of both sanitary and storm (surface water management) sewer systems in the Tualatin River Drainage Basin through user charges and various types of contributions.

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

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Additionally, the County reports the following fund types:

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

Debt Service Funds account for the payment of principal and interest on general obligation and refunding bonds. Revenue is derived primarily from property taxes.

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

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

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

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

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

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

Amounts reported as *program revenue* include 1) charges to customers, or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Items not meeting the criteria of program revenues are reported as *general revenues*.

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

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

Assets, liabilities, and net assets or equity

Deposits and investments

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

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

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Receivables and payables

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

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

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

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

Inventories

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

Capital Assets

Capital assets, which include property plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined by the County and Authority as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year or more; software is capitalized at \$25,000; the District uses an initial cost of \$2,500 (amounts not rounded). As the County constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations the County values these capital assets at the estimated fair value as of the date of its donation.

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the District during the current fiscal year was \$11,175. Of this amount, \$2,838 was included as part of the cost of capital assets under construction in connection with the District's construction projects.

Property, plant, and equipment of the County, and its component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Type</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 taken in the month the asset is retired. Gains or losses from sales or retirements are included in operations of the current period.

Leases

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

Compensated absences

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 such amounts when employees separate from service with the County. All vacation pay is accrued when earned in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Long-term obligations

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

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

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 \$1,000 per occurrence.

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

Fund equity

In March 2009, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this Standard, the prior fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

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

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

2. Stewardship, compliance, and accountability

Budgetary information

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

3. Detailed notes on all funds

Deficit fund equity

The following fund had a deficit fund balance at year end.

Special Revenue Funds:	
HOME	\$ 2

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Fund balance detail

Below is a schedule of ending fund balances (deficit), based on GASB Statement No. 54 implementation:

	General Fund	HOME Fund	Human Services Fund	Major Streets Transportation Improvement Program III Fund	Road Fund	Other Governmental Funds	Total
Fund balances (deficit):							
Nonspendable:							
Inventory	\$ 155	—	—	—	126	1	282
Total nonspendable fund balances	<u>155</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>126</u>	<u>1</u>	<u>282</u>
Restricted for:							
Public safety and justice	—	—	—	—	—	26,062	26,062
Land use, housing and transportation	—	—	—	—	14,899	15,628	30,527
Health and human services	—	—	4,226	—	—	13,616	17,842
Culture, education and recreation	—	—	—	—	—	1,961	1,961
Debt service	—	—	—	—	—	79	79
Capital projects	—	—	—	—	—	16,531	16,531
Total restricted fund balances	<u>—</u>	<u>—</u>	<u>4,226</u>	<u>—</u>	<u>14,899</u>	<u>73,877</u>	<u>93,002</u>
Committed to:							
Culture, education, and recreation	—	—	—	—	—	5,507	5,507
Capital projects	—	—	—	47,667	—	2,104	49,771
Total committed fund balances	<u>—</u>	<u>—</u>	<u>—</u>	<u>47,667</u>	<u>—</u>	<u>7,611</u>	<u>55,278</u>
Assigned to:							
Land use, housing and transportation	527	—	—	—	—	—	527
Capital projects	—	—	—	—	—	773	773
Total assigned fund balances	<u>527</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>773</u>	<u>1,300</u>
Unassigned	32,513	(2)	—	—	—	(201)	32,310
Total fund balances (deficit)	<u>\$ 33,195</u>	<u>(2)</u>	<u>4,226</u>	<u>47,667</u>	<u>15,025</u>	<u>82,061</u>	<u>182,172</u>
Fund balances (deficit) summary:							
Nonspendable	155	—	—	—	126	1	282
Restricted	—	—	4,226	—	14,899	73,877	93,002
Committed	—	—	—	47,667	—	7,611	55,278
Assigned	527	—	—	—	—	773	1,300
Unassigned	32,513	(2)	—	—	—	(201)	32,310
Total fund balances (deficit)	<u>\$ 33,195</u>	<u>(2)</u>	<u>4,226</u>	<u>47,667</u>	<u>15,025</u>	<u>82,061</u>	<u>182,172</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Deposits and investments

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

Cash and investments are comprised of the following at June 30, 2011:

Petty cash	\$	39
Deposits		454
Investments		406,888
Total cash and investments		<u>407,381</u>

Total County cash and investments are reported as follows:

Cash and investments		83,871
Restricted cash		134,115
Long-term investments		187,168
Overdraft		<u>(4,326)</u>
Cash and investments reported on statement of net assets		400,828
Fiduciary Funds		<u>6,553</u>
Total cash and investments	\$	<u>407,381</u>

Deposits custodial credit risk. This is the risk that in the event of a bank failure, the County's deposits may not be returned to it. At June 30, 2011, the carrying amount of the County's deposits was \$453 and the bank balance was \$5,840. \$972 of the bank balance was covered by the Federal Depository Insurance Corporation (FDIC). As required by Oregon Revised Statutes, deposits in excess of federal depository insurance were held at a qualified depository for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer. As a result the County's remaining deposits in excess of FDIC insurance are considered to be fully collateralized.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Maturities of investments as of June 30, 2011 are as follows:

Maturity	Minimum Allowed	Actual
Less than 30 days	10%	24%
Less than 1 year	25%	54%
5 years or less	100%	100%
Weighted Average Maturity	2.0 years	1.5 years

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

Rating by Standard & Poor's Investment Service	AAA	Not Rated	Total Invested Value	Percent Allocation
Federal agency discounts - amortizing	\$ 10,000	—	10,000	2%
Federal agency coupon securities	195,595	—	195,595	48%
Corporate notes	20,087	—	20,087	5%
Treasury Coupon Securities	95,251	—	95,251	23%
Certificates of Deposit - Bank	—	5,000	5,000	1%
State of Oregon Local Government Investment Pool (LGIP)	—	80,955	80,955	20%
Total Investments	\$ 320,933	85,955	406,888	100%

The State of Oregon Local Government Investment Pool (Pool) is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the Pool's investment policies. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-term Funds Board. The table on the following page outlines the LGIP's investment maturity limitations and the actual maturities at June 30, 2011.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

<u>LGIP Maturity</u>	<u>per Policy</u>	<u>Actual</u>
Less than 93 days	Minimum of 50%	54%
Less than 1 year	Maximum of 25%	23%
Less than 3 years	Maximum of 25%	22%
Defaulted	N/A	1%

Receivables

Receivables of the District represent user charges which are recognized as earned. An allowance for doubtful accounts is established for amounts deemed to be uncollectible, based on historical collection percentages. At June 30, 2011, the allowance was \$318. The County receivables have no allowance for doubtful accounts.

Deferred revenue

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

	<u>Property Taxes</u>	<u>Assessments</u>	<u>Contracts Receivable</u>	<u>Other</u>	<u>Accounts Receivable</u>	<u>Unearned Revenue</u>	<u>Total</u>
General Fund	\$ 3,638	-	-	-	143	42	3,823
HOME Fund	-	-	21,262	-	-	-	21,262
Human Services Fund	-	-	-	-	-	7,953	7,953
MSTIP III	-	-	-	-	750	-	750
Road Fund	-	110	-	-	13	249	372
Other Governmental Funds	1,949	77	4,932	1	277	1,800	9,036
Total deferred revenue	\$ 5,587	187	26,194	1	1,183	10,044	43,196

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Capital assets

During the fiscal year, the County exchanged properties of similar value with the State of Oregon through the Oregon Military Department. The properties are on or adjacent to the County Fairgrounds. The County received a parcel of land which included a building located near the northwest corner of the Fairgrounds. In return the County gave up three parcels of vacant land located near the southeast corner of the Fairgrounds.

Capital asset activity for governmental activities for the year ended June 30, 2011 was as follows:

	Governmental Activities				Balance 06/30/11
	Balance 07/01/10	Increases	Decreases	Transfers	
Capital assets not being depreciated:					
Land	\$ 929,339	10,995	(171)	-	940,163
Artwork	351	-	-	-	351
Construction in progress	110,526	20,959	(819)	(85,694)	44,972
Total capital assets not being depreciated	1,040,216	31,954	(990)	(85,694)	985,486
Capital assets being depreciated:					
Land improvements	4,707	-	-	-	4,707
Buildings and improvements	152,332	898	(33)	-	153,197
Machinery and equipment	42,477	3,568	(2,084)	-	43,961
Road network	1,662,836	16,384	(571)	62,402	1,741,051
Bridge network	79,760	-	(1,417)	15,333	93,676
Culverts	13,481	-	(32)	106	13,555
Signals	49,869	520	(90)	7,853	58,152
Total capital assets being depreciated	2,005,462	21,370	(4,227)	85,694	2,108,299
Less accumulated depreciation for:					
Land improvements	(3,128)	(161)	-	-	(3,289)
Building and improvements	(44,883)	(3,664)	32	-	(48,515)
Machinery and equipment	(29,448)	(3,036)	1,823	-	(30,661)
Road network	(684,760)	(57,894)	312	-	(742,342)
Bridge network	(28,325)	(1,755)	1,389	-	(28,691)
Culverts	(4,761)	(268)	16	-	(5,013)
Signals	(35,906)	(4,302)	-	-	(40,208)
Total accumulated depreciation	(831,211)	(71,080)	3,572	-	(898,719)
Total capital assets being depreciated, net	1,174,251	(49,710)	(655)	85,694	1,209,580
Governmental activities capital assets, net	2,214,467	(17,756)	(1,645)	-	2,195,066

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	2,072
Public safety and justice	3,209
Land use, housing, and transportation	65,495
Health and human services	137
Culture, education, and recreation	167
Total depreciation expense	\$ 71,080

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Capital asset activity for business-type activities for the year ended June 30, 2011 was as follows:

	Business-type Activities				
	Balance 07/01/10	Increases	Decreases	Transfers	Balance 06/30/11
Capital assets not being depreciated:					
Land and easements	\$ 18,323	196	-	37	18,556
Construction in progress	84,643	53,677	(8,023)	(28,285)	102,012
Total capital assets not being depreciated	102,966	53,873	(8,023)	(28,248)	120,568
Capital assets being depreciated:					
Buildings and improvements	244,074	1,309	-	6,664	252,047
Treatment plants	485,881	-	-	14,795	500,676
Sewer lines	184,963	320	-	2,042	187,325
Plant equipment	65,808	-	-	2,096	67,904
Automotive equipment	9,873	-	(310)	867	10,430
Plans and studies	11,427	-	-	1,400	12,827
Office equipment	19,280	-	(24)	384	19,640
Total capital assets being depreciated	1,021,306	1,629	(334)	28,248	1,050,849
Less accumulated depreciation for:					
Buildings and improvements	(112,427)	(10,140)	-	-	(122,567)
Treatment plants	(270,839)	(17,781)	-	-	(288,620)
Sewer lines	(59,316)	(3,723)	-	-	(63,039)
Plant equipment	(30,153)	(4,873)	-	-	(35,026)
Automotive equipment	(7,848)	(954)	310	-	(8,492)
Plans and studies	(6,247)	(1,573)	-	-	(7,820)
Office equipment	(17,673)	(658)	24	-	(18,307)
Total accumulated depreciation	(504,503)	(39,702)	334	-	(543,871)
Total capital assets being depreciated, net	516,803	(38,073)	-	28,248	506,978
Business-type activities capital assets, net	619,769	15,800	(8,023)	-	627,546
Depreciation expense was charged to functions as follows:					
Business-type activities:					
Sanitation	31,677				
Surface Water Management	6,276				
Housing	1,749				
Total depreciation expense	\$ 39,702				

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Long-term obligations

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

	Balance	Increase	Decreases	Balance	Due In	Long-term
	July 1, 2010	Decreases	Increases	June 30, 2011	One Year	portion
Governmental activities:						
Compensated absences	\$ 7,570	7,745	7,570	7,745	7,745	-
Contracts Payable						
US Dept of Interior	424	-	22	402	22	380
Oregon Econ. Dev. Dept.	30	-	30	-	-	-
subtotal Contracts Payable	454	-	52	402	22	380
Notes Payable						
State of Oregon, Dept. of Energy	451	-	101	350	97	253
State of Oregon, Econ. Dev. Dep	1,338	-	91	1,247	97	1,150
Full Faith & Credit Obligations						
Series 2001 A	1,775	-	1,775	-	-	-
Series 2001 C	100	-	50	50	50	-
Series 2004	2,715	-	260	2,455	270	2,185
Series 2006 - Refunding	48,520	-	100	48,420	1,985	46,435
Series 2006 - New Money	26,605	-	1,230	25,375	1,250	24,125
Credit Loan - Fair Complex	5	-	5	-	-	-
subtotal Notes and FF&C	81,509	-	3,612	77,897	3,749	74,148
Obligations						
General Obligation Bonds						
Series 2007 - Refunding	23,325	-	5,480	17,845	5,705	12,140
Total notes and bonds	105,288	-	9,144	96,144	9,454	86,288
Total governmental activities	\$ 112,858	7,745	16,714	103,889	17,221	86,668
Unamortized bond premium				2,632	304	2,328
Deferred amounts on refunding				(2,587)	(262)	(2,325)
Total Government Activities				103,934	17,263	86,671
 From the Statement of Net Assets:						
Other long-term obligations, current portion, net of discount				17,263		
Bond and bond anticipation notes payable, net of discount				12,202		
Noncurrent portion of other long term obligations, net of discount				74,469		
Total non current				86,671		
Total governmental activities				103,934		

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>Due In</u>	<u>Long-term</u>
	<u>July 1, 2010</u>			<u>June 30, 2011</u>	<u>One Year</u>	<u>portion</u>
Business-type activities:						
Compensated absences	\$ 1,817	1,895	1,817	1,895	1,895	-
Notes Payable						
Housing Authority	2,833	417	259	2,991	166	2,825
Sewer Revenue Bonds						
Series A 1997	28,120	-	8,840	19,280	9,360	9,920
Series One 1997	19,430	-	6,110	13,320	6,470	6,850
Series 2001	39,665	-	2,465	37,200	2,590	34,610
2004 Refunding of 1996 Bonds	23,300	-	2,850	20,450	3,000	17,450
Series A 2009	58,755	-	-	58,755	-	58,755
Series A 2010	8,895	-	-	8,895	-	8,895
Series B 2010	90,260	-	-	90,260	-	90,260
Revenue Pension Bonds						
Series 2004	15,835	-	150	15,685	205	15,480
Housing Authority FF&C Obligations						
Series 2009 - Refunding of 1999, 2001, 2002 Bonds	28,985	-	315	28,670	370	28,300
Total notes and bonds	<u>316,078</u>	<u>417</u>	<u>20,989</u>	<u>295,506</u>	<u>22,161</u>	<u>273,345</u>
Total business-type activities	<u>\$ 317,895</u>	<u>2,312</u>	<u>22,806</u>	<u>297,401</u>	<u>24,056</u>	<u>273,345</u>
				Unamortized bond premium	792	2,716
				Unamortized bond discounts	(27)	(311)
				Deferred amounts on refunding	(453)	(3,057)
				<u>297,061</u>	<u>24,368</u>	<u>272,693</u>
Housing Authority Note Payable to County, current portion*				94		
Clean Water Services compensated absences (recorded in business-type activities as an accrued payroll liability)				1,895		
Other long-term obligations, current portion, net of discount				<u>22,379</u>		
				<u>24,368</u>		
Housing Authority Note Payable to County, noncurrent portion*				525		
Bond and bond anticipation notes payable, net of discount				269,867		
Noncurrent portion of other long term obligations, net of discount				<u>2,301</u>		
Total non current				<u>272,693</u>		
Total business-type activities				<u>297,061</u>		

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Governmental Activities

Contracts Payable

Hagg Lake Contract. In March 1980, a contract was issued in the amount of \$1,111 with an interest rate of 3.50% to repay a portion of the development costs incurred by the Federal Government, US Department of Interior, during the construction of Hagg Lake Park. The final maturity is in February 2029.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 22	14
2013	22	13
2014	22	12
2015	22	12
2016 - 2020	112	47
2021 - 2025	112	27
2026 - 2029	90	8
	\$ 402	133

Notes Payable

1997 ODE Note. In November 1997, the County issued a note with Oregon Department of Energy for County-wide energy measures in the amount of \$293 with an interest rate of 4.20%. The final maturity is in October 2012.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 28	1
2013	8	-
	\$ 36	1

2002 ODE Note. In September 2002, the County issued a note with Oregon Department of Energy for County-wide energy measures in the amount of \$114 with an interest rate of 5.75%. The final maturity is in September 2017.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 8	3
2013	9	3
2014	9	2
2015	10	2
2016	10	1
2017 - 2018	13	1
	\$ 59	12

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

2004 ODE Note. In June 2004, the County issued a note with Oregon Department of Energy for County-wide energy measures in the amount of \$605 with an interest rate of 4.50%. The final maturity is in June 2015.

<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest</u>
2012	\$	61	10
2013		63	7
2014		66	5
2015		65	2
	\$	<u>255</u>	<u>24</u>

OEDD Note. In October 2000, the County issued a note with Oregon Economic Development Department was issued in the amount of \$2,000 with an interest rate of 5.28%. This was to provide funding for the construction of the Harkins House juvenile shelter in October 2000. The final maturity is in December 2020.

<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest</u>
2012	\$	97	14
2013		103	10
2014		108	7
2015		114	3
2016		120	1
2017 - 2021		705	1
	\$	<u>1,247</u>	<u>36</u>

Full Faith and Credit Obligations

2001C FF&C. In October 2001, Full Faith & Credit obligations were issued in the amount of \$510. Interest rates on the obligations range are 3.85% for fiscal year 2011 and 4.00% for fiscal year 2012. These obligations were issued to refinance the 1991 Fair Complex lease-purchase agreement and the 1988 Certificates of Participation for the Tigard Detox Facility. The final maturity is in July 2011.

<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest</u>
2012	\$	<u>50</u>	<u>1</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

2004 FF&C. In May 2004, Full Faith & Credit obligations were issued for \$3,925. Interest rates on the obligations are as follows:

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012 - 2013	4.000%
2014	4.125%
2015	4.500%
2016 - 2017	4.400%
2018	4.500%
2019	4.600%

These obligations were issued to refinance the 1993 Certificates of Participation originally issued to provide funding for the completion of the Juvenile Justice/Law Library building, building of a new animal shelter, and completion of several information services projects. The final maturity is in July 2018.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 270	101
2013	275	90
2014	290	79
2015	300	66
2016	310	52
2017 - 2019	1,010	70
	<u>\$ 2,455</u>	<u>458</u>

2006 Refunded FF&C. In February 2006, Full Faith & Credit obligations were issued for \$49,475. Interest rates on the obligations are as follows:

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012 - 2015	5.500%
2015 - 2016	5.000%
2016 - 2017	5.500%
2017 - 2022	5.000%
2022 - 2024	5.125%
2024 - 2026	5.000%

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

These obligations were issued to provide funding for the partial advance refunding of the May 2001 – Series 2001A Full Faith & Credit issue. The final maturity is in June 2026.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 1,985	2,255
2013	2,170	2,175
2014	2,340	2,093
2015	2,550	1,987
2016	2,785	1,880
2017 - 2021	18,100	7,185
2022 - 2026	18,490	2,668
	<u>\$ 48,420</u>	<u>20,243</u>

2006 New FF&C. In March 2006, Full Faith & Credit obligations were issued for \$30,850. Interest rates on the obligations are as follows:

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012	4.000%
2013 - 2016	5.000%
2017 - 2018	4.000%
2019 - 2023	4.250%
2024	5.000%
2025 - 2026	4.250%

These obligations were issued to provide funding for the purchase of Clean Water Services' share of the Public Services Building, upgrade data and phone systems in several County buildings, and improve and repair several County-owned parking lots. The maturity is in June 2026.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 1,250	1,125
2013	1,300	1,075
2014	1,360	1,010
2015	1,430	942
2016	1,505	870
2017 - 2021	8,295	3,326
2022 - 2026	10,235	1,389
	<u>\$ 25,375</u>	<u>9,737</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for capital construction, capital acquisition, and refunding bonds to refund prior bond issuances with higher interest rates. General obligation bonds are direct obligations and pledge the full faith and credit of the County. The bonds are payable through fiscal year 2014. All the general obligation bonds and refunding bonds will be paid with property tax revenues. The Series 2007 – Refunding Bonds were issued for of \$34,270 with an interest rate of 5.00%

Series 2007		
General Obligation Bonds		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 5,705	637
2013	5,945	390
2014	6,195	132
	17,845	1,159
Deferred amounts on refunding	(247)	-
Unamortized bond premiums	356	-
	\$ 17,954	1,159

Business-type activities

Housing Authority Notes Payable

1988 FHA Notes. In January 1988, the authority issued three Farmer's Home Administration notes to purchase Kaybern Terrace (12 units of affordable housing) in North Plains. These notes totaled \$361 with interest rates of 9.0% and 9.5%. The final maturity is in February 2038. The schedules for each note follow.

Housing Authority of		
Washington County		
Farmers Home Administration 9.00% - 9.50%		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 3	32
2013	3	32
2014	4	31
2015	4	31
2016	4	30
2017 - 2021	29	145
2022 - 2026	46	128
2027 - 2031	74	100
2032 - 2036	119	55
2037 - 2038	51	3
	\$ 337	587

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

1988 Notes. In December 1988, the Authority issued State of Oregon Specialty Housing notes to purchase two facilities (five units) of Specialty Housing in Aloha and Beaverton. These notes were in the amount of \$181; one with an interest rate of 8.97% and the second with an interest rate of 0.00%. The final maturity is in January 2018.

**Housing Authority of
Washington County
Specialty Housing State of Oregon 8.97%**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 5	4
2013	6	3
2014	7	3
2015	7	2
2016	8	2
2017 - 2018	13	1
	<u>\$ 46</u>	<u>15</u>

**Housing Authority of
Washington County
Specialty Housing State of Oregon 0.00%**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 3	-
2013	3	-
2014	3	-
2015	3	-
2016	3	-
2017 - 2018	4	-
	<u>\$ 19</u>	<u>-</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

1995. In November 1995, the OCD Home Loan for the Authority was issued at the time of the purchase of Amberwood. This property was financed with this note as well as with two revenue bond issues. This note was in the amount of \$604 with an interest rate of 3.0%. The final maturity date will be October 2016.

Housing Authority of Washington County Amberwood HOME Loans		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ -	18
2013	-	18
2014	-	18
2015	-	18
2016	-	18
2017	604	6
	<u>\$ 604</u>	<u>96</u>

2003 OCD Note. In September 2003, the OCD Home Loan for the Authority was issued to finance improvements to the Bonita Villa affordable housing property. This note was in the amount of \$500 with an interest rate of 3.0%. The final maturity is in June 2029.

Housing Authority of Washington County Bonita Villa HOME Loan		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ -	15
2013	-	15
2014	-	15
2015	-	15
2016	-	15
2017 - 2021	-	75
2022 - 2026	-	75
2027 - 2029	500	45
	<u>\$ 500</u>	<u>270</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

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

Housing Authority of Washington County Bonita Villa IGA		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 94	6
2013	95	5
2014	96	4
2015	97	3
2016	98	2
2017 - 2018	139	2
	<u>\$ 619</u>	<u>22</u>

2010 OCD Note. In June, 2010, the Office of Community Development (OCD) provided funding under the Neighborhood Stabilization Program to acquire properties for low income housing. The note was in the amount of \$652 at 0.0% interest and is due when the properties are sold.

Washington County Neighborhood Stabilization Program OCD State of Oregon		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
Due on sale	\$ <u>652</u>	<u>-</u>

2011 Aloha Park Note. In October, 2010, the Authority purchased Aloha Park Apartments and assumed the existing mortgage from the previous owner. The remaining balance on the note was \$251 at 4.59% interest at the time of acquisition and the final maturity is in October of 2014.

Housing Authority of Washington County Aloha Park 4.59%		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 61	13
2013	64	9
2014	69	4
2015	19	-
	<u>\$ 213</u>	<u>26</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Sewer Revenue Bonds

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

1997 Series A. Issued August 1997 for \$47,060 with a 5.75% interest rate. The final maturity is in October 2012.

Sewer Revenue Bonds		
1997 Series A		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 9,360	840
2013	9,920	285
	<u>\$ 19,280</u>	<u>1,125</u>

1997 Series 1. Issued August 1997 for \$45,435 with a 5.75% interest rate. The final maturity is in October 2012.

Sewer Revenue Bonds		
1997 Series 1		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 6,470	580
2013	6,850	197
	<u>\$ 13,320</u>	<u>777</u>

2001 Bonds. Issued August 2001 for \$55,975. The final maturity is in October 2021. The interest rates and future maturities follow:

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012 - 2014	5.000%
2015 - 2018	5.125%
2019	4.750%
2020 - 2022	5.000%

Sewer Revenue Bonds 2001		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 2,590	1,802
2013	2,715	1,670
2014	2,845	1,602
2015	2,990	1,459
2016	3,160	1,306
2017 - 2021	18,585	4,055
2022	4,315	108
	<u>\$ 37,200</u>	<u>12,002</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

2004 Bonds. Issued July 2004 for \$26,455 to refund bonds which were issued in 1996. The final maturity is in October 2016. The interest rates and future maturities follow.

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012 - 2015	5.000%
2016 - 2017	5.250%

**Sewer Revenue Bonds 2004
Refunding of 1996 Bonds**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 3,000	966
2013	3,140	813
2014	3,310	652
2015	3,480	482
2016	3,660	299
2017	3,860	101
	<u>\$ 20,450</u>	<u>3,313</u>

2009A Bonds. Issued March 2009 in the amount of \$58,755. The final maturity is in October 2028. The interest rates and future maturities follow.

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012 - 2014	3.000%
2015 - 2017	4.000%
2018 - 2021	5.000%
2022 - 2026	5.250%
2027	5.000%
2028	4.750%
2029	5.000%

Sewer Revenue Bonds 2009A

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ -	2,843
2013	-	2,843
2014	2,535	2,805
2015	2,625	2,715
2016	2,735	2,608
2017 - 2021	15,700	12,283
2022 - 2026	20,265	6,433
2027 - 2029	14,895	1,123
	<u>\$ 58,755</u>	<u>33,653</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

2010A Bonds. Issued April 2010 in the amount of \$8,895. The final maturity is in October 2015. The interest rates and future maturities follow.

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012 - 2014	4.000%
2015	3.000%
2016	5.000%

Sewer Revenue Bonds 2010A

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ -	357
2013	-	357
2014	2,850	300
2015	2,965	198
2016	3,080	77
	<u>\$ 8,895</u>	<u>1,289</u>

2010B Bonds. Issued April 2010 in the amount of \$90,260. The final maturity is in October 2035. The interest rates and future maturities follow.

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012 - 2016	3.970%
2017	4.120%
2018	4.428%
2019	4.528%
2020	4.628%
2021	4.728%
2022	4.828%
2023	4.978%
2024	5.078%
2025	5.228%
2026 - 2030	5.701%
2031 - 2036	5.801%

Sewer Revenue Bonds 2010B

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ -	4,792
2013	-	4,792
2014	-	4,792
2015	-	4,792
2016	-	4,792
2017 - 2021	17,415	22,167
2022 - 2026	20,180	17,780
2027 - 2031	23,930	11,844
2032 - 2036	28,735	4,291
	<u>\$ 90,260</u>	<u>80,042</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Sewer Pension Revenue Bonds

In May 2004, Clean Water Services issued \$16 of pension revenue bonds to pay its unfunded pension liability with PERS. The pension revenue bonds are payable from gross sewer revenues. Final maturity is in June 2028. The interest rates and future maturities follow.

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012	5.250%
2013	5.350%
2014	5.571%
2015	5.671%
2016	5.771%
2017	5.871%
2018	5.941%
2019 - 2023	6.015%
2024 - 2028	6.095%

Sewer Pension Revenue Bonds 2004

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 205	941
2013	265	930
2014	330	916
2015	405	898
2016	480	875
2017 - 2021	3,845	3,841
2022 - 2026	7,155	2,317
2027 - 2028	3,000	246
	<u>\$ 15,685</u>	<u>10,964</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Housing Authority Full Faith & Credit Obligations

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

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

Interest rates and future maturities follow.

<u>Fiscal Year</u>	<u>Interest Rate</u>
2012 - 2014	2.250%
2015	2.500%
2016 - 2017	2.750%
2018	3.250%
2019 - 2020	3.500%
2021	4.000%
2022 - 2023	5.000%
2024 - 2030	4.000%
2031 - 2040	4.500%
2041 - 2044	4.625%
2045	5.000%

Housing Authority Full Faith & Credit Obligations

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 370	1,225
2013	375	1,217
2014	385	1,209
2015	395	1,199
2016	405	1,189
2017 - 2021	1,990	5,788
2022 - 2026	3,375	5,183
2027 - 2031	3,620	4,469
2032 - 2036	5,110	3,520
2037 - 2041	6,405	2,229
2042 - 2045	6,240	615
	<u>\$ 28,670</u>	<u>27,843</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Defeased Debt

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, 2011, prior years' refunded revenue bonds defeased totaled \$53,615.

Conduit debt obligations

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

As of June 30, 2011, there were six series of multi-family Housing Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$29,882.

Capital lease obligations

Changes in the capital lease obligations for the year ended June 30, 2011, are as follows:

	<u>Outstanding July 1, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Outstanding June 30, 2011</u>
Capital lease obligations	\$ 1,160	-	(196)	964

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

The following is a schedule, by fiscal year, of future minimum lease payments with the present value of the future minimum lease payments as of June 30, 2011:

<u>Fiscal Year</u>	<u>Capital Lease Future Minimum Payments</u>
2012	\$ 258
2013	258
2014	154
2015	154
2016	154
2017	154
Future minimum lease payments	1,132
Less amounts representing interest	(168)
Present value of future minimum lease payments	<u>964</u>
Current portion	206
Long-term portion	758
	<u>\$ 964</u>

1992 Lease. In 1992 the County entered into a capital lease obligation with Multnomah County, Oregon for the purchase of juvenile detention facility space for the amount of \$1,180. This is a noncancelable lease agreement. The interest rate for this obligation is 5.98%; final maturity is in October 2012.

Capital Lease - Multnomah County, Oregon		
1992 Juvenile Detention		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 91	11
2013	97	6
	<u>\$ 188</u>	<u>17</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

1997 Lease. In 1997 the County entered into a capital lease obligation with Multnomah County, Oregon for the purchase of juvenile detention facility space for the amount of \$1,862. This is a noncancelable lease agreement. The interest rate for this obligation is 5.33%; final maturity is in October 2016.

Capital Lease - Multnomah County, Oregon 1997 Juvenile Detention

Fiscal Year	Principal	Interest
2012	\$ 112	41
2013	118	35
2014	125	29
2015	131	22
2016	138	15
2017	146	8
	\$ 770	150

2009 Lease. In 2009 the County entered into a capital lease obligation with Ricoh Corporation for the purchase of a copier for use at the Fair Complex in the amount of \$7. This is a noncancelable lease agreement. The interest rate for this obligation is 7.09%; final maturity is in October 2013.

Capital Lease with Ricoh Coporation C2800SPF Copier

Fiscal Year	Principal	Interest
2012	\$ 2	-
2013	2	-
2014	1	-
	\$ 5	-

Operating leases

The County and the District lease various equipment, buildings and land for use in their operations under cancelable and noncancelable operating leases. Total costs for such leases were approximately \$589 for the year ended June 30, 2011.

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

Year Ending June 30,	Clean Water Services	Washington County	Total
2012	\$ 104	164	268
2013	104	112	216
2014	105	-	105
	\$ 313	276	589

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Due To/From Other funds

Interfund accounts at June 30, 2011, consist of:

<u>Fund</u>	<u>Due to other funds</u>	<u>Due from other funds</u>
Major governmental funds:		
General Fund	\$ -	810
HOME Fund	301	-
Other governmental funds	509	-
	<u>\$ 810</u>	<u>810</u>

Interfund receivables of the General Fund consist of \$301 in cash advanced to the HOME Fund and \$509 in cash advanced to the non-major funds to cover negative cash balances at year end.

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

<u>Description</u>	<u>Interest Rate</u>	<u>Outstanding July 1, 2010</u>	<u>Decrease</u>	<u>Outstanding June 30, 2011</u>
Washington County IGA	variable	\$ <u>713</u>	<u>(93)</u>	<u>619</u>

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

4. Other information

Pension Plan

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. 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.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

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

The County's annual required contribution rate for fiscal 2011 was 10.38% of covered employees' salaries for PERS and 8.79% for general OPSRP and 11.50% for OPSRP police. The District's annual contribution rate for fiscal 2011 was 0.99% for PERS and 2.24% for OPSRP. The employee contribution rate is 6% for both the County and the District.

Risk Pooling and Revised PERS Contribution Rates

The County and the District 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.

Annual Pension Cost

For fiscal 2011, the County's and the District's actual annual pension cost of \$12,838 and \$902, 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 \$11,063 and \$13,127, respectively. The required contribution was determined as part of the actuarial valuation at December 31, 2008 using the entry age actuarial cost method. Significant actuarial assumptions used in the valuation included: (a) rate of return on the investment of present and future assets of 8%; (b) projected salary increases which include 3.75% per year in addition to salary increases due to promotions and longevity that may vary by age and service; (c) post-retirement benefit increases of 2% per year (the maximum allowable); (d) consumer price inflation of 2.75% per year; and, (e) thirty-year open amortization of the unfunded actuarial liability as a level percentage of projected annual payroll.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

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:			
2009	\$ 15,350	100 %	\$ 12,419
2010	12,325	100	11,741
2011	12,838	100	11,063
Clean Water Services:			
2009	1,629	100	14,294
2010	886	100	13,710
2011	902	100	13,127
Total:			
2009	16,979	100	26,713
2010	13,211	100	25,451
2011	13,740	100	24,190

Other Post Employment Benefits

Plan Description

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

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Funding Policy

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

For fiscal year 2010-11, the County contributed \$673 and retirees made payments of \$1,175. The County has elected to not pre-fund the actuarially determined future cost amount of \$1,748.

Below are the required monthly contributions of the plan members (not in \$1,000's) for the year ended June 30, 2011. The rates are established through negotiation with the County's insurance carrier each year and approved by the Board of County Commissioners.

	<u>Health Insurance</u>		<u>Dental/Vision Insurance</u>		
	<u>Providence</u>	<u>Kaiser</u>	<u>ODS</u>	<u>ODS Vision</u>	<u>Willamette</u>
Employee	\$ 450	415	53	8	43
Employee + 1	900	830	98	8	79
Full Family	1,350	1,245	148	8	137

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

For fiscal year 2010-11, the District contributed \$140,086 consisting of retiree payments. The District has elected to not pre-fund the actuarially determined future cost amount of \$514,305.

The required monthly contributions of the plan members (not in \$1,000's) were as follows for the year ended June 30, 2011.

	<u>Health Insurance</u>	
	<u>Providence</u>	<u>Kaiser</u>
Employee	\$ 431	422
Employee + 1	875	860
Full Family	1,229	1,202

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Annual OPEB Cost and Net OPEB Obligation

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

		<u>County</u>	<u>District</u>
Annual required contribution (ARC)	\$	1,748	192
Interest on net OPEB obligation		133	19
Adjustment to ARC		<u>(140)</u>	<u>(39)</u>
Annual OPEB cost		1,741	172
Contributions made		<u>(673)</u>	<u>(140)</u>
Increase in net OPEB obligation		1,068	32
Net OPEB obligation, beginning of year		<u>3,827</u>	<u>482</u>
Net OPEB obligation, end of year	\$	<u><u>4,895</u></u>	<u><u>514</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2010-11 is as follows.

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/09 \$	1,296	40.2 %	\$ 2,670
6/30/10	1,701	32.0	3,826
6/30/11	1,741	38.6	4,895

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2010-11 is as follows.

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/09 \$	442	55.0 %	\$ 426
6/30/10	168	66.0	482
6/30/11	172	73.0	514

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Funding status and Funding progress

As of the most recent actuarial valuation date, the plan was funded on a pay-as-you-go basis and therefore had no assets. The County's and District's actuarial accrued liability for benefits was \$17,251 and \$1,885 respectively, also equaled the unfunded actuarial accrued liability (UAAL). The annual payroll of active employees covered by the plan (covered payroll) for 2010-11 was \$110,241 and \$20,314 the ratio of the UAAL to the covered payroll was 15.6% and 9.3%, respectively.

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

Actuarial Methods and Assumptions

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

In the June 30, 2010 valuation, the entry age normal actuarial cost method was used. Under this method, the actuarial present value of the projected benefits of each active employee included in the valuation is allocated on a level dollar basis over the service of the active employee. The investment return for the County was assumed to be 3.5% to reflect the rate of return on the county's investment portfolio. Health care cost trends (net of inflation) were assumed to be 7.5% for Providence and 8.5% for Kaiser initially, then declining to 5.0%. It is assumed that the future cost of the retiree health plan will retain its current relationship to the active plan, and that the active plan cost will maintain a reasonable relationship to direct compensation. The UAAL is being amortized over an open period of 30 years.

Retirement health insurance account (RHIA)

Plan Description

As members of Oregon Public Employees Retirement System (OPERS), the County and the District, contribute to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy

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

Participating municipal corporations are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.29% of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The County's contributions to RHIA for the years ended June 30, 2009, 2010 and 2011 were \$407, \$309, and \$309, respectively, which equaled the required contributions each year. The District's contributions to RHIA for the years ended June 30, 2009, 2010 and 2011 were \$78, \$66, and \$69, respectively, which equaled the required contributions each year.

Insured risks

The County and District 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, 2011

(Dollars in thousands)

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

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

<u>Fiscal Year</u>	<u>Beginning of fiscal year liability</u>	<u>Current year claims and changes in estimates</u>	<u>Claims payments</u>	<u>Balance at fiscal year-end</u>
2008-09	\$ 3,525	1,703	(1,578)	3,650
2009-10	3,650	2,427	(1,754)	4,323
2010-11	4,323	1,038	(1,474)	3,887

The 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).

Solid Waste Landfill Closure and Postclosure Care Costs

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

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Pollution Remediation

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

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

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

In February 2004 DEQ issued a Record of Decision requiring methane gas mitigation as part of the site development. An engineering firm was previously contracted by the County to perform the on-going monitoring and meet DEQ reporting requirements; however County employees took over these responsibilities in 2009-10. In April 2008 the Board of Commissioners approved a \$1,000 settlement with the construction company the County had contracted with to backfill the quarry; the settlement is being paid out in four equal payments with the first payment received in 2007-08 and will offset costs incurred in prior years. The pollution remediation obligation estimate at June 30, 2011 for the on-going monitoring and DEQ reporting costs is \$1,099.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

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

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:

Human services fund	\$ 1,558	3%
Major streets improvement program III fund	30,148	49%
Road fund	687	1%
Non-major funds	<u>29,145</u>	<u>47%</u>
Total	<u>61,538</u>	<u>100%</u>

Transfers out:

General fund	57,419	94%
Major streets improvement program III fund	769	1%
Road fund	872	1%
Non-major funds	<u>2,356</u>	<u>4%</u>
	<u>61,416</u>	<u>100%</u>

Recorded as Other Expenses in the Proprietary fund types

	122	
	<u>\$ 61,538</u>	

The following are the major reasons for the above transfers:

Major streets improvement programs, and Cooperative Library Services operated on fixed-rate serial levies until 1998-99. With the passage of Measures 47 and 50, those fixed-rate serial levies were combined with the County's permanent tax rate and now receive a majority of their funding directly from the County's General Fund. These transfers comprise \$30,148 to Major streets improvement programs and \$15,216 to non-major governmental funds. These transfers are responsible for 74% of all transfers. Transfers between the other operating departments resulted from the normal course of operations.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Contingency

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.

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

Commitments

The County has committed over \$60,143 to fund certain specific road construction projects over the next three to four years; \$5,095 for jail inmate health care services over the next two years; \$95,245 for County-wide library services over the next five years; \$4,841 over the next two years to the continued development and operation of the commuter light rail; \$2,082 for kitchen services at the jail for the next two years; and dispatch services for the Sheriff's Office through the Washington County Consolidated Communications Agency are approximately \$1,046 for the upcoming year.

The Community Corrections Center has contracted for pharmacy and psychiatric nurse practitioner services, batterer treatment for domestic violence offenders, and sex offender treatment services and mentoring to assist in the reintegration of substance abuse offenders in the combined amount of approximately \$3,092.

The County has contracted for fuel for all County vehicles and equipment for \$1,617 and \$3,052 for janitorial services for all County facilities over the next year.

Juvenile detention services at the Donald E. Long facility have been contracted for with Multnomah County for approximately \$3,680 over the next three years.

The District is committed for approximately \$39,600 for various construction projects at June 30, 2011.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2011

(Dollars in thousands)

Reclassifications

Certain June 30, 2010 amounts in the County's business-type activities have been reclassified to conform to the current year presentation.

Restatement of beginning fund balance

The County has restated its June 30, 2010 fund balance to reflect the retrospective classification of fund balance categories that resulted from the implementation of GASB Statement No. 54. The following discloses the restatement of fund balances as of the beginning of the fiscal year resulting from the aggregation into the General Fund and Human Services Fund of funds not meeting the criteria for separate reporting under GASB Statement No. 54:

	General Fund	Human Services Fund	Other Governmental Funds	Total
Fund balances, July 1, 2010, as previously reported	\$ 34,051	3,253	81,335	118,639
Restatement - aggregate funds	647	749	(1,396)	—
Fund balances, July 1, 2010, as restated	<u>\$ 34,698</u>	<u>4,002</u>	<u>79,939</u>	<u>118,639</u>

Subsequent events

On August 24, 2011, the District issued revenue bonds totaling \$80,300. The proceeds will be used to refund the District's outstanding Senior Lien Sewer Revenue Bonds, 2001 Series, dated August 1, 2001 (\$30,300, Series A) and "new money" to fund sanitary capital projects (\$50,000, Series B). The District netted over \$5,800 in present value savings on the Series A sale on refunding of existing debt. The interest rate on the bonds range from 2.0 – 5.0% and the maturity date is October 1, 2021 for the Series A and October 1, 2032 for the Series B.

REQUIRED SUPPLEMENTARY INFORMATION

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WASHINGTON COUNTY, OREGON

Budgetary Comparison

General Fund

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:				
Taxes	\$ 107,246	107,246	107,489	243
Licenses and permits	5,398	5,398	5,877	479
Intergovernmental revenues	20,585	20,818	16,881	(3,937)
Charges for services	7,130	7,130	6,648	(482)
Fines and forfeitures	2,999	2,999	3,004	5
Miscellaneous revenues	3,943	3,943	3,918	(25)
Interfund revenues	5,881	5,881	5,664	(217)
Total revenues	<u>153,182</u>	<u>153,415</u>	<u>149,481</u>	<u>(3,934)</u>
Expenditures:				
General government:				
Board of County Commissioners	430	440	432	8
County administrative office	1,779	1,779	1,714	65
Community network	515	515	515	—
County counsel	1,815	1,815	1,665	150
County auditor	191	206	198	8
Elections division	1,874	1,874	1,624	250
Assessment and taxation	8,601	8,601	7,353	1,248
County communications	803	803	736	67
Financial management	2,009	2,009	1,961	48
Human resources	1,820	1,820	1,683	137
Information services	8,935	8,935	8,371	564
Purchasing	389	389	386	3
Facilities management	8,268	8,268	7,580	688
Subtotal	<u>37,429</u>	<u>37,454</u>	<u>34,218</u>	<u>3,236</u>
Public safety and justice:				
Law enforcement services	16,396	16,441	15,475	966
Jail operations	19,737	19,926	19,314	612
Sheriff's office administration	3,300	3,300	3,041	259
Jail health care	3,883	4,213	3,854	359
District Attorney	8,495	8,495	8,031	464
Washington County justice court	653	653	658	(5)
Juvenile	5,386	5,386	5,227	159
Juvenile administration	1,310	1,310	1,199	111
Subtotal	<u>59,160</u>	<u>59,724</u>	<u>56,799</u>	<u>2,925</u>
Land use, housing and transportation				
Planning	3,107	3,107	2,318	789
Water Master	178	178	174	4
Subtotal	<u>3,285</u>	<u>3,285</u>	<u>2,492</u>	<u>793</u>
Health and human services:				
Public health	17,701	17,701	13,519	4,182
Health and human services administration	975	975	898	77
Animal services	2,056	2,056	1,889	167
Veterans' services	657	657	593	64
Subtotal	<u>21,389</u>	<u>21,389</u>	<u>16,899</u>	<u>4,490</u>
Subtotal of expenditures carried forward	<u>121,263</u>	<u>121,852</u>	<u>110,408</u>	<u>11,444</u>

WASHINGTON COUNTY, OREGON

Budgetary Comparison, Continued

General Fund

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Subtotal of expenditures brought forward	\$ 121,263	121,852	110,408	11,444
Expenditures, continued:				
Culture, education and recreation:				
Agriculture activities	355	355	355	—
Parks	707	707	656	51
Subtotal	<u>1,062</u>	<u>1,062</u>	<u>1,011</u>	<u>51</u>
Non-operating:				
Miscellaneous	1,465	1,465	1,343	122
Subtotal	<u>1,465</u>	<u>1,465</u>	<u>1,343</u>	<u>122</u>
Operating contingency	16,987	16,632	—	16,632
Total expenditures	<u>140,777</u>	<u>141,011</u>	<u>112,762</u>	<u>28,249</u>
Revenues over expenditures	<u>12,405</u>	<u>12,404</u>	<u>36,719</u>	<u>24,315</u>
Other financing sources(uses):				
Transfers in from other funds	16,823	16,823	18,102	1,279
Transfers out to other funds	<u>(56,127)</u>	<u>(56,127)</u>	<u>(56,214)</u>	<u>(87)</u> *
Total other financing uses	<u>(39,304)</u>	<u>(39,304)</u>	<u>(38,112)</u>	<u>1,192</u>
Net change in fund balance	<u>(26,899)</u>	<u>(26,900)</u>	<u>(1,393)</u>	<u>25,507</u>
Fund balance July 1, 2010	<u>26,899</u>	<u>26,900</u>	<u>34,051</u>	<u>7,151</u>
Fund balance June 30, 2011	\$ <u>—</u>	<u>—</u>	<u>32,658</u>	<u>32,658</u>

* This negative variance is part of the overall program appropriation in the General Fund Planning Organization Unit and therefore does not represent an overexpenditure.

WASHINGTON COUNTY, OREGON
 Budgetary Comparison
 Major Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>HOME Fund</u>				<u>Human Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 3,700	3,700	2,806	(894)	26,494	26,999	18,239	(8,760)
Charges for services	—	—	—	—	37	37	26	(11)
Miscellaneous revenues	425	425	311	(114)	166	166	207	41
Interfund revenues	—	—	—	—	260	260	240	(20)
Total revenues	<u>4,125</u>	<u>4,125</u>	<u>3,117</u>	<u>(1,008)</u>	<u>26,957</u>	<u>27,462</u>	<u>18,712</u>	<u>(8,750)</u>
Expenditures:								
Current:								
Land use, housing and transportation	3,733	3,733	3,117	616	—	—	—	—
Health and human services	—	—	—	—	28,849	29,354	20,333	9,021
Operating contingency	392	392	—	392	3,247	3,247	—	3,247
Total current	<u>4,125</u>	<u>4,125</u>	<u>3,117</u>	<u>1,008</u>	<u>32,096</u>	<u>32,601</u>	<u>20,333</u>	<u>12,268</u>
Total expenditures	<u>4,125</u>	<u>4,125</u>	<u>3,117</u>	<u>1,008</u>	<u>32,096</u>	<u>32,601</u>	<u>20,333</u>	<u>12,268</u>
Revenues under expenditures	—	—	—	—	(5,139)	(5,139)	(1,621)	3,518
Other financing sources								
Transfers in from other funds	—	—	—	—	1,959	1,959	1,858	(101)
Total other financing sources	—	—	—	—	1,959	1,959	1,858	(101)
Net change in fund balance (deficit)	—	—	—	—	(3,180)	(3,180)	237	3,417
Fund balance (deficit) July 1, 2010	—	—	(2)	(2)	3,180	3,180	3,253	73
Fund balance (deficit) June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>(2)</u>	<u>(2)</u>	<u>—</u>	<u>—</u>	<u>3,490</u>	<u>3,490</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Major Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	Major Streets Transportation Improvement Program III Fund				Road Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)*
Revenues:								
Taxes	\$ —	—	—	—	844	844	837	(7)
Licenses and permits	—	—	—	—	111	111	207	96
Intergovernmental revenues	14,179	14,179	8,702	(5,477)	22,342	22,342	22,480	138
Charges for services	—	—	—	—	372	372	283	(89)
Special assessments	—	—	—	—	70	70	69	(1)
Miscellaneous revenues	575	575	524	(51)	309	309	635	326
Interfund revenues	—	—	—	—	7,424	7,424	7,316	(108)
Total revenues	<u>14,754</u>	<u>14,754</u>	<u>9,226</u>	<u>(5,528)</u>	<u>31,472</u>	<u>31,472</u>	<u>31,827</u>	<u>355</u>
Expenditures:								
Current:								
Land use, housing and transportation:								
Administration	85,763	85,763	33,481	52,282	6,617	6,617	5,997	620
Engineering services	—	—	—	—	2,959	2,959	2,497	462
Capital projects management	—	—	—	—	4,440	4,440	4,171	269
Operations and maintenance	—	—	—	—	18,241	18,241	17,225	1,016
Operating contingency	—	—	—	—	11,672	11,672	—	11,672
Total current	<u>85,763</u>	<u>85,763</u>	<u>33,481</u>	<u>52,282</u>	<u>43,929</u>	<u>43,929</u>	<u>29,890</u>	<u>14,039</u>
Capital outlay	<u>9,875</u>	<u>9,875</u>	<u>1,856</u>	<u>8,019</u>	<u>165</u>	<u>165</u>	<u>110</u>	<u>55</u>
Debt service:								
Principal	—	—	—	—	30	30	30	—
Interest	—	—	—	—	2	2	2	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>32</u>	<u>32</u>	<u>32</u>	<u>—</u>
Total expenditures	<u>95,638</u>	<u>95,638</u>	<u>35,337</u>	<u>60,301</u>	<u>44,126</u>	<u>44,126</u>	<u>30,032</u>	<u>14,094</u>
Revenues over (under) expenditures	<u>(80,884)</u>	<u>(80,884)</u>	<u>(26,111)</u>	<u>54,773</u>	<u>(12,654)</u>	<u>(12,654)</u>	<u>1,795</u>	<u>14,449</u>
Other financing sources (uses):								
Transfers in from other funds	33,448	33,448	30,148	(3,300)	687	687	687	—
Transfers out to other funds	(785)	(785)	(769)	16	(723)	(723)	(872)	(149)
Total other financing sources (uses)	<u>32,663</u>	<u>32,663</u>	<u>29,379</u>	<u>(3,284)</u>	<u>(36)</u>	<u>(36)</u>	<u>(185)</u>	<u>(149)</u>
Net change in fund balances	<u>(48,221)</u>	<u>(48,221)</u>	<u>3,268</u>	<u>51,489</u>	<u>(12,690)</u>	<u>(12,690)</u>	<u>1,610</u>	<u>14,300</u>
Fund balances July 1, 2010	48,221	48,221	44,399	(3,822)	12,690	12,690	13,415	725
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>47,667</u>	<u>47,667</u>	<u>—</u>	<u>—</u>	<u>15,025</u>	<u>15,025</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

Required Supplementary Information

Schedule of Funding Progress

Other Post Employment Benefits

(Dollars in thousands)

County

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percent of Covered Payroll</u>
7/1/06 \$	—	17,999	17,999	0%	\$ 109,977	16.4%
6/30/10	—	16,446	16,446	0%	106,605	15.4%
6/30/11	—	17,251	17,251	0%	110,241	15.6%

District

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

WASHINGTON COUNTY, OREGON

Notes to Required Supplementary Information

June 30, 2011

(Dollars in thousands)

1. Stewardship, compliance, and accountability

The appropriated budget is prepared by functional area, fund, organization unit and program. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the organization unit level. The Authority is not subject to Oregon Budget Law but must follow the County's administrative budgeting process. The Board made several supplemental budgetary appropriations throughout the year increasing the budget \$4,636; \$234 of which was in the General Fund.

Appropriations and Budgetary Controls Description

In accordance with Oregon Revised Statutes, the County budgets all funds except fiduciary funds. All governmental and proprietary fund types are generally budgeted under the modified accrual basis of accounting, which for all governmental funds represents the GAAP basis as well. 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 and three contingency transfers during the year ended June 30, 2011. Both the original adopted budget and the revised budget comparisons are presented in the accompanying budgetary schedules. Appropriations lapse at the end of the fiscal year.

OTHER SUPPLEMENTARY INFORMATION

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NON-MAJOR FUND FINANCIAL STATEMENTS

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WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2011

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, Disability, & Veteran Services Fund – This fund accounts for various services provided for elderly and disabled persons in the County in conjunction with the State, as well as services to veterans.
- Animal Services Gifts and Donation Fund – This fund accounts for financial contributions from private donors for the animal services program.
- Building/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.
- Cooperative Library Services Fund – This fund accounts for the coordination and contracting to provide a full range of library services to all residents of the County.
- Court Security Fund – This fund accounts for the receipt and expenditure of County fine assessments earmarked for court security programs.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2011

- 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 (Component Unit) – The District provides an enhanced level of sheriff patrol in the urban unincorporated areas of the County funded by a permanent tax rate and voter approved five-year operating levies. A replacement five-year levy was approved by voters in May 2008 that became effective July 1, 2008. The District contracts with Washington County to provide the required police patrols.
- Human Services OHP Fund – This fund accounts for monies received from the Oregon Health Plan to provide mental health services to County residents enrolled in the plan. OHP Mental Health provides overall management of the program; including administration, reporting, quality assurance, and oversight of the contracted service providers and third-party claims administrators.
- ITS Systems Replacement Fund – This fund provides for the systematic replacement of key information technology assets.
- Jail Commissary Fund – This fund accounts for the goods, services and monies associated with the jail commissary.
- Juvenile Conciliation Services Fund – This fund accounts for custody service fees collected and dedicated to conciliation services by State law. The monies provide custody studies to circuit court, counseling services concerning marriage and divorce, and mediation services in dissolution proceedings involving child custody issues.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2011

- 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 monies received from the State and contracted to prevention service providers in schools and private non-profit organizations. The funding is used for drug and alcohol evaluation and treatment services to high-risk youth identified by the Juvenile Crime Prevention Plan.
- Law Library Fund – This fund was established in accordance with state statutes to provide legal research and reference materials.
- Local Option Levy Fund – This fund accounts for funds from a local option property tax levy for public safety and justice programs approved by voters. Funds collected are dedicated to improving/restoring service levels in existing County public safety and justice programs.
- Maintenance Improvement District Fund – This fund accounts for the construction of road maintenance improvement activities undertaken through the maintenance improvement district.
- 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.
- 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, the Forest Grove School District high school and middle schools, and the County's Elder Abuse Programs. This fund also provides for uniformed law enforcement security and other support services to the Multnomah County Drug and Alcohol Rehabilitation Program housed in space leased from Washington County in the old jail facility.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2011

- Sheriff's Office Forfeitures Fund – This fund accounts for resources from asset forfeitures that typically come from the sale of real and/or personal property seized from offenders involved in drug-related criminal activity. Specific and strict guidelines govern the use of all forfeiture proceeds. These laws change periodically so funds accumulated at different times are subject to varying legal requirements for their use and are accounted for in different programs within this fund.
- Sheriff's Office Grants and Donations Fund – This fund accounts for donations specifically identified for support of the Drug Abuse Resistance Education (DARE) programs and the Local Law Enforcement Block Grant (LLEBG) federal grant awards that require identification and control of related revenues and expenditures.
- Surveyor – Public Land Corner Fund – This fund accounts for activities related to the remonumentation of government survey corners funded through the public land corner preservation fee.
- Tourism Dedicated Lodging Tax Fund – This fund accounts for revenues generated by the three-ninths portion of the Washington County lodging tax that is tourism-dedicated.
- Urban Road Maintenance Service District Fund (Component Unit) – The District provides an enhanced level of maintenance services to local, minor collector, and public roads in the urban unincorporated areas of Washington County and is funded by an established permanent rate. The District contracts with private firms and with Washington County to provide the required road maintenance services.
- Washington County Fair Fund – This fund accounts for the operation and management of the fairground facilities which provide various services to the public, including the annual County fair.
- West Slope Library Fund – This fund accounts for the provision of public library services for County residents in the unincorporated West Slope/Raleigh Hills area, including circulation of library materials, basic reference service, and children's programs.

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2011

The following funds are presented individually for budgetary purposes. For reporting purposes these funds are combined with the General Fund in accordance with Generally Accepted Accounting Principles. See combining schedules on pages 93 and 104.

- 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.
- Real Property Management Fund – This fund accounts for the County's surplus real property inventory, including sale, disposal, transfer, maintenance, and renting of properties.
- Strategic Investment Program Fund – This fund accounts for payments and other contributions/payments from companies receiving property tax exemptions under the State's Strategic Investment Plan (SIP).
- 1999 Strategic Investment Program Fund – This fund accounts for receipt of all fees from the 1999 SIP agreement and the County's payment of a portion of the community service fee to the City of Hillsboro and other administration functions for the fund.
- Survey Fund – This fund encompasses the duties and responsibilities of the County Surveyor, which include documentation, checking and recording subdivisions and plats, performing court-ordered surveys, right-of-way acquisitions, road and easement vacations, road alignment surveying, construction taking, and public assistance.

The following fund is presented individually for budgetary purposes. For reporting purposes this fund is combined with the Human Services Fund in accordance with Generally Accepted Accounting Principles. See combining schedules on pages 94 and 105.

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

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2011

DEBT SERVICE FUNDS

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

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

CAPITAL PROJECTS FUNDS

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

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

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2011

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

INTERNAL SERVICE FUNDS

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

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

WASHINGTON COUNTY, OREGON

Fund Descriptions

Non-major Funds

June 30, 2011

- Life Insurance Fund – This fund accounts for collection and payment of life and long-term disability insurance premiums for the various departments of the County.
- Medical Insurance Fund – This fund accounts for all administrative and claims costs associated with the County's medical and dental plans. Costs are billed to the departments based on number of employees.
- PERS Rate Stabilization Fund – This fund is used to account for monies set aside to fund future rate increases. The funds may be used for employer PERS costs, costs of managing and maintaining the fund and costs related to PERS litigation.
- Unemployment Insurance Fund – This fund accounts for all unemployment claims of departments and centralizes accounting of charges. Costs are billed to the departments based on historical claims.
- Workers' Compensation Insurance Fund – This fund accounts for the paying of workers' compensation costs. Costs are billed to the user department based on actual expenses.

WASHINGTON COUNTY, OREGON

Combining Balance Sheet

General Fund

June 30, 2011

(Dollars in thousands)

Assets	General Fund	Strategic Investment Program Fund	1999 Strategic Investment Program Fund	Survey Fund	Total General Fund
Cash and investments	\$ 33,695	2	8	839	34,544
Property taxes receivable	4,300	—	—	—	4,300
Accounts receivable	3,748	—	—	2	3,750
Investment interest receivable	893	—	—	—	893
Due from other funds	810	—	—	—	810
Inventory	155	—	—	—	155
Other assets	1	—	—	—	1
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>43,602</u>	<u>2</u>	<u>8</u>	<u>841</u>	<u>44,453</u>
 Liabilities and Fund Balances					
Liabilities:					
Accounts payable	1,501	—	—	—	1,501
Accrued payroll liabilities	4,886	—	—	16	4,902
Deposits payable	134	—	—	298	432
Amounts held in trust	600	—	—	—	600
Deferred revenue	3,823	—	—	—	3,823
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>10,944</u>	<u>—</u>	<u>—</u>	<u>314</u>	<u>11,258</u>
 Fund balances:					
Nonspendable	155	—	—	—	155
Assigned	—	—	—	527	527
Unassigned	32,503	2	8	—	32,513
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>32,658</u>	<u>2</u>	<u>8</u>	<u>527</u>	<u>33,195</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ <u>43,602</u>	<u>2</u>	<u>8</u>	<u>841</u>	<u>44,453</u>

WASHINGTON COUNTY, OREGON

Combining Balance Sheet

Human Services Fund

June 30, 2011

(Dollars in thousands)

Assets	Human Services Fund	Human Services HB-2145 Fund	Total Human Services Fund
Cash and investments	\$ 13,472	736	14,208
Accounts receivable	1,541	—	1,541
Total assets	<u>15,013</u>	<u>736</u>	<u>15,749</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	3,380	—	3,380
Accrued payroll liabilities	190	—	190
Deferred revenue	7,953	—	7,953
Total liabilities	<u>11,523</u>	<u>—</u>	<u>11,523</u>
Fund balances			
Restricted	3,490	736	4,226
Total fund balances	<u>3,490</u>	<u>736</u>	<u>4,226</u>
Total liabilities and fund balances	<u>\$ 15,013</u>	<u>736</u>	<u>15,749</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet
Non-major Governmental Funds - Summary
June 30, 2011
(Dollars in thousands)

Assets	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Non-major Funds
Cash and investments	\$ 68,413	37	21,122	89,572
Restricted cash	—	51	—	51
Property taxes receivable	2,029	273	—	2,302
Assessments receivable	3	—	77	80
Accounts receivable	3,320	—	201	3,521
Investment interest receivable	235	—	—	235
Contracts receivable	4,658	—	—	4,658
Inventory	1	—	—	1
Other assets	12	—	—	12
	<u>78,671</u>	<u>361</u>	<u>21,400</u>	<u>100,432</u>
Total assets	78,671	361	21,400	100,432
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	2,709	—	1,008	3,717
Accrued payroll liabilities	2,511	—	—	2,511
Deposits payable	276	—	—	276
Amounts held in trust	24	—	—	24
Accrued OHP Reserve	2,298	—	—	2,298
Due to other funds	446	63	—	509
Deferred revenue	7,751	231	1,054	9,036
	<u>16,015</u>	<u>294</u>	<u>2,062</u>	<u>18,371</u>
Total liabilities	16,015	294	2,062	18,371
Fund balances:				
Nonspendable	1	—	—	1
Restricted	55,136	79	18,662	73,877
Committed	7,606	—	5	7,611
Assigned	—	—	773	773
Unassigned	(87)	(12)	(102)	(201)
	<u>62,656</u>	<u>67</u>	<u>19,338</u>	<u>82,061</u>
Total fund balances	62,656	67	19,338	82,061
Total liabilities and fund balances	\$ 78,671	361	21,400	100,432

WASHINGTON COUNTY, OREGON
Combining Balance Sheet
Non-major Governmental Funds - Special Revenue Funds
June 30, 2011
(Dollars in thousands)

Assets	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
Cash and investments	\$ 775	541	1,814	6,335	65	954
Accounts receivable	179	—	—	13	—	351
Total assets	<u>954</u>	<u>541</u>	<u>1,814</u>	<u>6,348</u>	<u>65</u>	<u>1,305</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	109	1	141	5	—	433
Accrued payroll liabilities	49	—	—	161	3	37
Deposits payable	—	—	—	149	—	—
Deferred revenue	82	127	—	2	—	477
Total liabilities	<u>240</u>	<u>128</u>	<u>141</u>	<u>317</u>	<u>3</u>	<u>947</u>
Fund balances:						
Restricted	714	413	—	6,031	62	358
Committed	—	—	1,673	—	—	—
Total fund balances	<u>714</u>	<u>413</u>	<u>1,673</u>	<u>6,031</u>	<u>62</u>	<u>358</u>
Total liabilities and fund balances	<u>\$ 954</u>	<u>541</u>	<u>1,814</u>	<u>6,348</u>	<u>65</u>	<u>1,305</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2011
(Dollars in thousands)

Assets	Community Corrections Fund	Cooperative Library Services Fund	Court Security Fund	Department of Housing Services Fund	Development Services Fund	District Patrol Fund
Cash and investments	\$ 1,595	5,272	191	196	700	680
Property taxes receivable	—	314	—	—	—	—
Accounts receivable	222	8	27	103	143	—
Other assets	1	—	—	2	—	1
Total assets	1,818	5,594	218	301	843	681
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	150	71	34	71	18	31
Accrued payroll liabilities	327	113	—	141	87	650
Deposits payable	—	—	—	—	124	—
Amounts held in trust	22	—	—	—	—	—
Deferred revenue	175	265	—	—	22	—
Total liabilities	674	449	34	212	251	681
Fund balances:						
Restricted	1,144	—	184	89	592	—
Committed	—	5,145	—	—	—	—
Total fund balances	1,144	5,145	184	89	592	—
Total liabilities and fund balances	\$ 1,818	5,594	218	301	843	681

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2011
(Dollars in thousands)

Assets	Emergency Medical Services Fund	Enhanced Sheriff Patrol District Fund (Component Unit)	Human Services OHP Fund	Human ITS Systems Replacement Fund	Jail Commissary Fund	Juvenile Conciliation Services Fund
Cash and investments	\$ 1,682	13,958	13,162	426	357	18
Property taxes receivable	—	778	—	—	—	—
Accounts receivable	2	—	—	—	7	48
Total assets	<u>1,684</u>	<u>14,736</u>	<u>13,162</u>	<u>426</u>	<u>364</u>	<u>66</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	17	—	320	—	—	4
Accrued payroll liabilities	13	—	67	—	—	16
Amounts held in trust	—	—	—	—	1	—
Accrued OHP IBNR Reserve	—	—	2,298	—	—	—
Deferred revenue	—	659	—	—	—	—
Total liabilities	<u>30</u>	<u>659</u>	<u>2,685</u>	<u>—</u>	<u>1</u>	<u>20</u>
Fund balances:						
Restricted	1,654	14,077	10,477	—	363	46
Committed	—	—	—	426	—	—
Total fund balances	<u>1,654</u>	<u>14,077</u>	<u>10,477</u>	<u>426</u>	<u>363</u>	<u>46</u>
Total liabilities and fund balances	<u>\$ 1,684</u>	<u>14,736</u>	<u>13,162</u>	<u>426</u>	<u>364</u>	<u>66</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2011
(Dollars in thousands)

Assets	Juvenile Grants Fund	Juvenile High Risk Prevention Fund	Law Library Fund	Local Option Levy Fund	Maintenance Improvement District Fund	Metzger Park LID Fund
Cash and investments	\$ —	—	1,184	8,149	258	63
Property taxes receivable	—	—	—	786	—	—
Assessments receivable	—	—	—	—	—	3
Accounts receivable	269	376	52	2	—	(1)
Inventory	—	1	—	—	—	—
Total assets	269	377	1,236	8,937	258	65
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	13	17	13	79	—	1
Accrued payroll liabilities	22	63	9	636	—	4
Deposits payable	—	—	—	—	—	2
Due to other funds	124	75	—	—	—	—
Deferred revenue	—	34	—	664	—	3
Total liabilities	159	189	22	1,379	—	10
Fund balances:						
Nonspendable	—	1	—	—	—	—
Restricted	110	187	1,214	7,558	258	55
Total fund balances	110	188	1,214	7,558	258	55
Total liabilities and fund balances \$	269	377	1,236	8,937	258	65

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2011
(Dollars in thousands)

Assets	Office of Community Development Grant Fund	Senate Bill 1145 Fund	Sheriff's Office Contract Services Fund	Sheriff's Office Forfeitures Fund	Sheriff's Office Grants & Donations Fund	Surveyor - Public Land Corner Fund
Cash and investments	\$ —	80	—	1,041	—	1,865
Accounts receivable	507	—	87	—	182	6
Investment interest receivable	235	—	—	—	—	—
Contracts receivable	4,658	—	—	—	—	—
Total assets	<u>5,400</u>	<u>80</u>	<u>87</u>	<u>1,041</u>	<u>182</u>	<u>1,871</u>
Liabilities and Fund Balances (Deficits)						
Liabilities:						
Accounts payable	442	—	—	4	46	—
Accrued payroll liabilities	27	—	5	—	4	30
Due to other funds	35	—	82	—	130	—
Deferred revenue	4,932	—	13	—	40	—
Total liabilities	<u>5,436</u>	<u>—</u>	<u>100</u>	<u>4</u>	<u>220</u>	<u>30</u>
Fund balances (deficits):						
Restricted	—	80	—	1,037	—	1,841
Unassigned	(36)	—	(13)	—	(38)	—
Total fund balances (deficits)	<u>(36)</u>	<u>80</u>	<u>(13)</u>	<u>1,037</u>	<u>(38)</u>	<u>1,841</u>
Total liabilities and fund balances (deficits) \$	<u>5,400</u>	<u>80</u>	<u>87</u>	<u>1,041</u>	<u>182</u>	<u>1,871</u>

WASHINGTON COUNTY, OREGON

Combining Balance Sheet, Continued

Non-major Governmental Funds - Special Revenue Funds

June 30, 2011

(Dollars in thousands)

Assets	Tourism Dedicated Lodging Tax Fund	Urban Road Maintenance Service District Fund (Component Unit)	Washington County Fair Fund	West Slope Library Fund	Total Special Revenue Funds
Cash and investments	\$ 1,370	4,686	598	398	68,413
Property taxes receivable	—	151	—	—	2,029
Assessments receivable	—	—	—	—	3
Accounts receivable	541	—	196	—	3,320
Investment interest receivable	—	—	—	—	235
Contracts receivable	—	—	—	—	4,658
Inventory	—	—	—	—	1
Other assets	—	—	8	—	12
Total assets	1,911	4,837	802	398	78,671
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	627	24	24	14	2,709
Accrued payroll liabilities	—	—	25	22	2,511
Deposits payable	—	—	1	—	276
Amounts held in trust	—	—	1	—	24
Accrued OHP IBNR Reserve	—	—	—	—	2,298
Due to other funds	—	—	—	—	446
Deferred revenue	—	127	129	—	7,751
Total liabilities	627	151	180	36	16,015
Fund balances:					
Nonspendable	—	—	—	—	1
Restricted	1,284	4,686	622	—	55,136
Committed	—	—	—	362	7,606
Unassigned	—	—	—	—	(87)
Total fund balances	1,284	4,686	622	362	62,656
Total liabilities and fund balances	\$ 1,911	4,837	802	398	78,671

WASHINGTON COUNTY, OREGON
Combining Balance Sheet
Non-major Governmental Funds - Debt Service Funds
June 30, 2011
(Dollars in thousands)

Assets	Criminal Justice Bond Fund	Miscellaneous Debt Service Fund	Total Debt Service Funds
Cash and investments	\$ 37	—	37
Restricted cash	—	51	51
Property tax receivable	273	—	273
Total assets	<u>310</u>	<u>51</u>	<u>361</u>
Liabilities and Fund Balance (Deficit)			
Liabilities:			
Due to other funds	—	63	63
Deferred revenue	231	—	231
Total liabilities	<u>231</u>	<u>63</u>	<u>294</u>
Fund balance (deficit):			
Restricted	79	—	79
Unassigned	—	(12)	(12)
Total fund balance (deficit)	<u>79</u>	<u>(12)</u>	<u>67</u>
Total liabilities and fund balance (deficit)	<u>\$ 310</u>	<u>51</u>	<u>361</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet
Non-major Governmental Funds - Capital Projects Funds
June 30, 2011
(Dollars in thousands)

Assets	County- wide Traffic Impact Fee Fund	Facilities General Capital Projects Fund	Facilities Park (THPRD) SDC Fund	ITS Capital Projects Fund	Major Streets Capital Projects Fund	OTIA Capital Projects Fund	Parks and Open Spaces Opportunity Projects Fund	Transportation Development Tax Fund	Total Capital Projects Funds
Cash and investments	\$ 12,814	95	167	531	3,912	933	539	2,131	21,122
Assessments receivable	77	—	—	—	—	—	—	—	77
Accounts receivable	—	200	—	1	—	—	—	—	201
Total assets	<u>12,891</u>	<u>295</u>	<u>167</u>	<u>532</u>	<u>3,912</u>	<u>933</u>	<u>539</u>	<u>2,131</u>	<u>21,400</u>
Liabilities and Fund Balances (Deficit)									
Liabilities:									
Accounts payable	224	290	—	266	138	58	32	—	1,008
Deferred revenue	77	—	—	—	—	977	—	—	1,054
Total liabilities	<u>301</u>	<u>290</u>	<u>—</u>	<u>266</u>	<u>138</u>	<u>1,035</u>	<u>32</u>	<u>—</u>	<u>2,062</u>
Fund balances (deficit):									
Restricted	12,590	—	167	—	3,774	—	—	2,131	18,662
Committed	—	5	—	—	—	—	—	—	5
Assigned	—	—	—	266	—	—	507	—	773
Unassigned	—	—	—	—	—	(102)	—	—	(102)
Total fund balances (deficit)	<u>12,590</u>	<u>5</u>	<u>167</u>	<u>266</u>	<u>3,774</u>	<u>(102)</u>	<u>507</u>	<u>2,131</u>	<u>19,338</u>
Total liabilities and fund balances (deficit) \$	<u>12,891</u>	<u>295</u>	<u>167</u>	<u>532</u>	<u>3,912</u>	<u>933</u>	<u>539</u>	<u>2,131</u>	<u>21,400</u>

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

General Fund

For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	General Fund	Indirect Cost Reimburse- ment Fund	Real Property Management Fund	Strategic Investment Program Fund	1999 Strategic Investment Program Fund	Survey Fund	Net Consolidation Adjustments	Total General Fund
Revenues:								
Taxes	\$ 107,489	—	—	—	—	—	—	107,489
Licenses and permits	5,877	—	—	—	—	—	—	5,877
Intergovernmental revenues	16,881	73	—	—	—	—	—	16,954
Charges for services	6,648	—	—	3,718	9,066	254	—	19,686
Fines and forfeitures	3,004	—	—	—	—	—	—	3,004
Miscellaneous revenues	3,918	—	8	2	—	8	(4)	3,932
Interfund revenues	5,664	12,646	—	—	—	28	(93)	18,245
Total revenues	149,481	12,719	8	3,720	9,066	290	(97)	175,187
Expenditures:								
Current:								
General government	35,017	—	8	—	—	—	(6)	35,019
Public safety and justice	56,332	—	—	—	—	—	—	56,332
Land use, housing and transportation	2,497	—	—	—	—	462	(91)	2,868
Health and human services	16,901	—	—	—	—	—	—	16,901
Culture, education and recreation	974	—	—	—	—	—	—	974
Nonoperating	—	1,093	—	2,142	2,901	—	—	6,136
Total current	111,721	1,093	8	2,142	2,901	462	(97)	118,230
Capital outlay	628	—	—	—	—	—	—	628
Debt service:								
Principal	316	—	—	—	—	—	—	316
Interest	97	—	—	—	—	—	—	97
Total debt service	413	—	—	—	—	—	—	413
Total expenditures	112,762	1,093	8	2,142	2,901	462	(97)	119,271
Revenues over (under) expenditures	36,719	11,626	—	1,578	6,165	(172)	—	55,916
Other financing sources (uses):								
Transfers in	18,102	—	—	—	—	73	(18,175)	—
Transfers out	(56,214)	(11,626)	—	(1,577)	(6,157)	(20)	18,175	(57,419)
Total other financing sources	(38,112)	(11,626)	—	(1,577)	(6,157)	53	—	(57,419)
Net change in fund balances	(1,393)	—	—	1	8	(119)	—	(1,503)
Fund balances July 1, 2010	34,051	—	—	1	—	646	—	34,698
Fund balances June 30, 2011	\$ 32,658	—	—	2	8	527	—	33,195

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Human Services Fund

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	<u>Human Services Fund</u>	<u>Human Services HB-2145 Fund</u>	<u>Net Consolidation Adjustments</u>	<u>Total Human Services Fund</u>
Revenues:				
Intergovernmental revenues	\$ 18,239	—	—	18,239
Charges for services	26	—	—	26
Miscellaneous revenues	207	—	—	207
Interfund revenues	240	287	(287)	240
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	18,712	287	(287)	18,712
Expenditures:				
Current:				
Health and human services	20,333	—	(287)	20,046
	<hr/>	<hr/>	<hr/>	<hr/>
Total current	20,333	—	(287)	20,046
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	20,333	—	(287)	20,046
	<hr/>	<hr/>	<hr/>	<hr/>
Revenues over (under) expenditures	(1,621)	287	—	(1,334)
Other financing sources (uses):				
Transfers in	1,858	—	(300)	1,558
Transfers out	—	(300)	300	—
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources	1,858	(300)	—	1,558
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances	237	(13)	—	224
Fund balances July 1, 2010	3,253	749	—	4,002
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Fund balances June 30, 2011	\$ 3,490	736	—	4,226
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WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Non-major Governmental Funds - Summary

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Non-major Funds
Revenues:				
Taxes	\$ 52,016	6,424	—	58,440
Licenses and permits	2,398	—	—	2,398
Intergovernmental revenues	25,666	—	1,390	27,056
Charges for services	27,461	—	1,409	28,870
Fines and forfeitures	427	—	—	427
Special assessments	106	—	13	119
Miscellaneous revenues	24,322	20	833	25,175
Interfund revenues	1,867	—	1,951	3,818
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	134,263	6,444	5,596	146,303
Expenditures:				
Current:				
Public safety and justice	73,319	—	—	73,319
Land use, housing and transportation	22,067	—	6,239	28,306
Health and human services	24,028	—	—	24,028
Culture, education and recreation	26,219	—	—	26,219
Nonoperating	—	2	15	17
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Total current	145,633	2	6,254	151,889
Capital outlay	1,261	—	4,242	5,503
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Debt service:				
Principal	8	8,986	—	8,994
Interest	—	4,584	—	4,584
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Total debt service	8	13,570	—	13,578
Total expenditures	146,902	13,572	10,496	170,970
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Revenues under expenditures	(12,639)	(7,128)	(4,900)	(24,667)
Other financing sources (uses):				
Transfers in	20,134	7,225	1,786	29,145
Transfers out	(2,283)	—	(73)	(2,356)
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	17,851	7,225	1,713	26,789
Net change in fund balances (deficit)	5,212	97	(3,187)	2,122
Fund balances (deficit) July 1, 2010	58,840	(30)	22,525	81,335
Restatement (See Note 4)	(1,396)	—	—	(1,396)
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Fund balances (deficit), July 1, 2010, as restated	57,444	(30)	22,525	79,939
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances June 30, 2011	\$ 62,656	67	19,338	82,061

WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances(deficit)
Non-major Governmental Funds - Special Revenue Funds
For the fiscal year ended June 30, 2011
(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
Revenues:						
Licenses and permits	\$ —	—	—	1,918	—	—
Intergovernmental revenues	2,214	3	3	37	—	3,164
Charges for services	—	—	—	1,481	—	171
Fines and forfeitures	—	—	—	17	—	—
Miscellaneous revenues	9	(50)	27	184	414	34
Interfund revenues	25	—	—	195	—	63
Total revenues	<u>2,248</u>	<u>(47)</u>	<u>30</u>	<u>3,832</u>	<u>414</u>	<u>3,432</u>
Expenditures:						
Current:						
Public safety and justice	—	—	—	—	377	—
Land use, housing and transportation	—	—	—	5,116	—	—
Health and human services	2,457	4	—	—	—	3,719
Total current	<u>2,457</u>	<u>4</u>	<u>—</u>	<u>5,116</u>	<u>377</u>	<u>3,719</u>
Capital outlay	—	—	504	—	—	—
Total expenditures	<u>2,457</u>	<u>4</u>	<u>504</u>	<u>5,116</u>	<u>377</u>	<u>3,719</u>
Revenues over (under) expenditures	<u>(209)</u>	<u>(51)</u>	<u>(474)</u>	<u>(1,284)</u>	<u>37</u>	<u>(287)</u>
Other financing sources (uses):						
Transfers in	246	—	98	25	—	244
Transfers out	—	—	—	(262)	—	—
Total other financing sources (uses)	<u>246</u>	<u>—</u>	<u>98</u>	<u>(237)</u>	<u>—</u>	<u>244</u>
Net change in fund balances	37	(51)	(376)	(1,521)	37	(43)
Fund balances July 1, 2010	<u>677</u>	<u>464</u>	<u>2,049</u>	<u>7,552</u>	<u>25</u>	<u>401</u>
Fund balances June 30, 2011	<u>\$ 714</u>	<u>413</u>	<u>1,673</u>	<u>6,031</u>	<u>62</u>	<u>358</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, 2011

(Dollars in thousands)

	Community Corrections Fund	Cooperative Library Fund	Court Security Fund	Department of Housing Services Fund	Development Services Fund	District Patrol Fund
Revenues:						
Taxes	\$ —	7,705	—	—	—	—
Intergovernmental revenues	5,637	27	—	2,185	257	—
Charges for services	804	9	—	—	1,310	21
Fines and forfeitures	—	—	358	—	52	—
Miscellaneous revenues	89	104	2	3,578	7	18,024
Interfund revenues	1,212	—	—	—	279	—
Total revenues	7,742	7,845	360	5,763	1,905	18,045
Expenditures:						
Current:						
Public safety and justice	10,454	—	354	—	—	17,792
Land use, housing and transportation	—	—	—	6,074	2,640	—
Culture, education and recreation	—	21,668	—	—	—	—
Total current	10,454	21,668	354	6,074	2,640	17,792
Capital outlay	—	193	—	—	—	253
Total expenditures	10,454	21,861	354	6,074	2,640	18,045
Revenues over (under) expenditures	(2,712)	(14,016)	6	(311)	(735)	—
Other financing sources (uses):						
Transfers in	2,541	15,216	—	420	686	—
Transfers out	—	(658)	—	(20)	(111)	—
Total other financing sources	2,541	14,558	—	400	575	—
Net change in fund balances	(171)	542	6	89	(160)	—
Fund balances July 1, 2010	1,315	4,603	178	—	752	—
Fund balances June 30, 2011	\$ 1,144	5,145	184	89	592	—

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, 2011
(Dollars in thousands)

	Emergency Medical Services Fund	Enhanced Sheriff Patrol District Fund (Component Unit)	Human Services OHP Fund	ITS Systems Replacement Fund	Jail Commissary Fund	Juvenile Conciliation Services Fund
Revenues:						
Taxes	\$ —	18,610	—	—	—	—
Licenses and permits	450	—	—	—	—	30
Charges for services	4	—	20,878	—	—	568
Miscellaneous revenues	139	154	99	6	108	—
Interfund revenues	2	—	—	—	—	—
Total revenues	<u>595</u>	<u>18,764</u>	<u>20,977</u>	<u>6</u>	<u>108</u>	<u>598</u>
Expenditures:						
Current:						
Public safety and justice	—	18,007	—	—	82	535
Health and human services	525	—	17,323	—	—	—
Total current	<u>525</u>	<u>18,007</u>	<u>17,323</u>	<u>—</u>	<u>82</u>	<u>535</u>
Capital outlay	133	—	—	—	—	—
Total expenditures	<u>658</u>	<u>18,007</u>	<u>17,323</u>	<u>—</u>	<u>82</u>	<u>535</u>
Revenues over (under) expenditures	<u>(63)</u>	<u>757</u>	<u>3,654</u>	<u>6</u>	<u>26</u>	<u>63</u>
Other financing uses:						
Transfers out	—	—	(161)	(942)	—	—
Total other financing (uses)	<u>—</u>	<u>—</u>	<u>(161)</u>	<u>(942)</u>	<u>—</u>	<u>—</u>
Net change in fund balances	<u>(63)</u>	<u>757</u>	<u>3,493</u>	<u>(936)</u>	<u>26</u>	<u>63</u>
Fund balances July 1, 2010	1,717	13,320	6,984	1,362	337	(17)
Fund balances June 30, 2011	<u>\$ 1,654</u>	<u>14,077</u>	<u>10,477</u>	<u>426</u>	<u>363</u>	<u>46</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, 2011
(Dollars in thousands)

	Juvenile Grants Fund	Juvenile High Risk Prevention Fund	Law Library Fund	Local Option Levy Fund	Maintenance Improvement District Fund	Metzger Park LID Fund
Revenues:						
Taxes	\$ —	—	—	19,036	—	—
Intergovernmental revenues	776	1,698	—	283	—	—
Charges for services	—	—	655	48	—	—
Special assessments	—	—	—	—	18	88
Miscellaneous revenues	22	20	11	123	2	32
Interfund revenues	—	—	—	26	—	—
Total revenues	798	1,718	666	19,516	20	120
Expenditures:						
Current:						
Public safety and justice	798	1,898	417	17,770	—	—
Land use, housing and transportation	—	—	—	—	4	—
Culture, education and recreation	—	—	—	—	—	140
Total current	798	1,898	417	17,770	4	140
Capital outlay	—	—	—	72	—	—
Total expenditures	798	1,898	417	17,842	4	140
Revenues over (under) expenditures	—	(180)	249	1,674	16	(20)
Other financing uses:						
Transfers out	—	—	(18)	—	(1)	(10)
Total other financing uses	—	—	(18)	—	(1)	(10)
Net change in fund balances	—	(180)	231	1,674	15	(30)
Fund balances July 1, 2010	110	368	983	5,884	243	85
Fund balances June 30, 2011	\$ 110	188	1,214	7,558	258	55

WASHINGTON COUNTY, OREGON

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

Non-major Governmental Funds - Special Revenue Funds

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	Office of Community Development Grant Fund	Senate Bill 1145 Fund	Sheriff's Office Contract Services Fund	Sheriff's Office Forfeitures Fund	Sheriff's Office Grants & Donations Fund	Surveyor - Public Land Corner Fund
Revenues:						
Intergovernmental revenues	\$ 5,233	3,128	—	—	983	—
Charges for services	—	—	623	—	—	478
Miscellaneous revenues	83	2	2	565	—	21
Interfund revenues	—	36	18	—	—	11
	<u>5,316</u>	<u>3,166</u>	<u>643</u>	<u>565</u>	<u>983</u>	<u>510</u>
Total revenues						
Expenditures:						
Current:						
Public safety and justice	—	3,174	656	279	726	—
Land use, housing and transportation	5,265	—	—	—	—	793
	<u>5,265</u>	<u>3,174</u>	<u>656</u>	<u>279</u>	<u>726</u>	<u>793</u>
Total current						
Capital outlay	—	—	—	20	42	20
	<u>—</u>	<u>—</u>	<u>—</u>	<u>20</u>	<u>42</u>	<u>20</u>
Total expenditures						
	<u>5,265</u>	<u>3,174</u>	<u>656</u>	<u>299</u>	<u>768</u>	<u>813</u>
Revenues over (under) expenditures	<u>51</u>	<u>(8)</u>	<u>(13)</u>	<u>266</u>	<u>215</u>	<u>(303)</u>
Other financing (uses):						
Transfers out	—	—	—	—	—	(37)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(37)</u>
Total other financing (uses)						
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(37)</u>
Net change in fund balances	51	(8)	(13)	266	215	(340)
Fund balances (deficits) July 1, 2010	(87)	88	—	771	(253)	2,181
Fund balances (deficits) June 30, 2011	\$ <u>(36)</u>	<u>80</u>	<u>(13)</u>	<u>1,037</u>	<u>(38)</u>	<u>1,841</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, 2011

(Dollars in thousands)

	Tourism Dedicated Lodging Tax Fund	Urban Road Maintenance Service District Fund (Component Unit)	Washington County Fair Fund	West Slope Library Fund	Total Special Revenue Funds
Revenues:					
Taxes	\$ 2,290	3,611	764	—	52,016
Licenses and permits	—	—	—	—	2,398
Intergovernmental revenues	—	—	36	2	25,666
Charges for services	—	—	411	—	27,461
Fines and forfeitures	—	—	—	—	427
Special assessments	—	—	—	—	106
Miscellaneous revenues	13	42	427	29	24,322
Interfund revenues	—	—	—	—	1,867
Total revenues	2,303	3,653	1,638	31	134,263
Expenditures:					
Current:					
Public safety and justice	—	—	—	—	73,319
Land use, housing and transportation	—	2,175	—	—	22,067
Health and human services	—	—	—	—	24,028
Culture, education and recreation	2,284	—	1,510	617	26,219
Total current	2,284	2,175	1,510	617	145,633
Capital outlay	—	—	24	—	1,261
Debt service:					
Principal	—	—	8	—	8
Total debt service	—	—	8	—	8
Total expenditures	2,284	2,175	1,542	617	146,902
Revenues over (under) expenditures	19	1,478	96	(586)	(12,639)
Other financing sources (uses):					
Transfers in	—	—	—	658	20,134
Transfers out	—	(10)	(53)	—	(2,283)
Total other financing sources(uses)	—	(10)	(53)	658	17,851
Net change in fund balances	19	1,468	43	72	5,212
Fund balances July 1, 2010	1,265	3,218	579	290	57,444
Fund balances June 30, 2011	\$ 1,284	4,686	622	362	62,656

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

Debt Service Funds

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	Criminal Justice Bond Fund	Miscellaneous Debt Service Fund	Total Debt Service Funds
Revenues:			
Taxes	\$ 6,424	—	6,424
Miscellaneous revenues	20	—	20
Total revenues	<u>6,444</u>	<u>—</u>	<u>6,444</u>
Expenditures:			
Current:			
Nonoperating	<u>—</u>	<u>2</u>	<u>2</u>
Total current	<u>—</u>	<u>2</u>	<u>2</u>
Debt service:			
Principal	5,480	3,506	8,986
Interest	868	3,716	4,584
Total debt service	<u>6,348</u>	<u>7,222</u>	<u>13,570</u>
Total expenditures	<u>6,348</u>	<u>7,224</u>	<u>13,572</u>
Revenues over (under) expenditures	<u>96</u>	<u>(7,224)</u>	<u>(7,128)</u>
Other financing sources:			
Transfers in	<u>—</u>	<u>7,225</u>	<u>7,225</u>
Total other financing sources	<u>—</u>	<u>7,225</u>	<u>7,225</u>
Net change in fund deficits	96	1	97
Fund deficits July 1, 2010	<u>(17)</u>	<u>(13)</u>	<u>(30)</u>
Fund balance (deficit) June 30, 2011	<u>\$ 79</u>	<u>(12)</u>	<u>67</u>

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Capital Projects Funds

For the fiscal year ended June 30, 2011
(Dollars in thousands)

	County- wide Traffic Impact Fee Fund	Facilities General Capital Projects Fund	Facilities Park (THPRD) SDC Fund	ITS Capital Projects Fund	Major Streets Capital Projects Fund	OTIA Capital Projects Fund	Parks and Open Spaces Opportunity Projects Fund	Transportation Development Tax Fund	Total Capital Projects Funds
Revenues:									
Intergovernmental revenues	\$ 9	868	—	—	462	51	—	—	1,390
Charges for services	123	—	24	(61)	—	—	—	1,323	1,409
Special assessments	13	—	—	—	—	—	—	—	13
Miscellaneous revenues	128	—	1	21	665	(5)	5	18	833
Interfund revenues	—	176	—	1,775	—	—	—	—	1,951
Total revenues	273	1,044	25	1,735	1,127	46	5	1,341	5,596
Expenditures:									
Current:									
Land use, housing and transportation	3,883	—	—	—	2,091	222	—	43	6,239
Nonoperating	—	15	—	—	—	—	—	—	15
Total current	3,883	15	—	—	2,091	222	—	43	6,254
Capital outlay	228	1,234	—	2,706	—	—	74	—	4,242
Total expenditures	4,111	1,249	—	2,706	2,091	222	74	43	10,496
Revenues over (under) expenditures	(3,838)	(205)	25	(971)	(964)	(176)	(69)	1,298	(4,900)
Other financing sources (uses):									
Transfers in	599	210	—	942	—	35	—	—	1,786
Transfers out	(24)	—	—	—	(21)	(28)	—	—	(73)
Total other financing sources	575	210	—	942	(21)	7	—	—	1,713
Net change in fund balances	(3,263)	5	25	(29)	(985)	(169)	(69)	1,298	(3,187)
Fund balances July 1, 2010	15,853	—	142	295	4,759	67	576	833	22,525
Fund balances (deficit) June 30, 2011	\$ 12,590	5	167	266	3,774	(102)	507	2,131	19,338

WASHINGTON COUNTY, OREGON
 Budgetary Comparison
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	Aging, Disability & Veterans' Services Fund				Animal Services Gifts and Donations Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 2,631	2,781	2,214	(567)	55	55	3	(52)
Miscellaneous revenues	6	6	9	3	34	34	(50)	(84)
Interfund revenues	—	—	25	25	—	—	—	—
Total revenues	<u>2,637</u>	<u>2,787</u>	<u>2,248</u>	<u>(539)</u>	<u>89</u>	<u>89</u>	<u>(47)</u>	<u>(136)</u>
Expenditures:								
Current:								
Health and human services	2,758	2,908	2,457	451	165	165	4	161
Nonoperating	—	—	—	—	—	256	—	256
Operating contingency	791	791	—	791	256	256	—	256
Total current	<u>3,549</u>	<u>3,699</u>	<u>2,457</u>	<u>1,242</u>	<u>421</u>	<u>677</u>	<u>4</u>	<u>673</u>
Total expenditures	<u>3,549</u>	<u>3,699</u>	<u>2,457</u>	<u>1,242</u>	<u>421</u>	<u>677</u>	<u>4</u>	<u>673</u>
Revenues under expenditures	<u>(912)</u>	<u>(912)</u>	<u>(209)</u>	<u>703</u>	<u>(332)</u>	<u>(588)</u>	<u>(51)</u>	<u>537</u>
Other financing sources:								
Transfers in from other funds	246	246	246	—	—	—	—	—
Total other financing sources	<u>246</u>	<u>246</u>	<u>246</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	<u>(666)</u>	<u>(666)</u>	<u>37</u>	<u>703</u>	<u>(332)</u>	<u>(588)</u>	<u>(51)</u>	<u>537</u>
Fund balances July 1, 2010	666	666	677	11	332	588	464	(124)
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>714</u>	<u>714</u>	<u>—</u>	<u>—</u>	<u>413</u>	<u>413</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	Building Equipment Replacement Fund				Building Services Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Licenses and permits	\$ —	—	—	—	2,360	2,360	1,918	(442)
Intergovernmental revenues	—	—	3	3	40	40	37	(3)
Charges for services	—	—	—	—	1,804	1,804	1,481	(323)
Fines and forfeitures	—	—	—	—	12	12	17	5
Miscellaneous revenues	32	32	27	(5)	74	74	184	110
Interfund revenues	—	—	—	—	250	250	195	(55)
Total revenues	32	32	30	(2)	4,540	4,540	3,832	(708)
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	6,086	6,086	5,116	970
Operating contingency	838	838	—	838	5,570	5,570	—	5,570
Total current	838	838	—	838	11,656	11,656	5,116	6,540
Capital outlay	1,369	1,369	504	865	—	—	—	—
Total expenditures	2,207	2,207	504	1,703	11,656	11,656	5,116	6,540
Revenues under expenditures	(2,175)	(2,175)	(474)	1,701	(7,116)	(7,116)	(1,284)	5,832
Other financing sources (uses):								
Transfers in from other funds	98	98	98	—	25	25	25	—
Transfers out to other funds	—	—	—	—	(262)	(262)	(262)	—
Total other financing sources(uses)	98	98	98	—	(237)	(237)	(237)	—
Net change in fund balances	(2,077)	(2,077)	(376)	1,701	(7,353)	(7,353)	(1,521)	5,832
Fund balances July 1, 2010	2,077	2,077	2,049	(28)	7,353	7,353	7,552	199
Fund balances June 30, 2011	\$ —	—	1,673	1,673	—	—	6,031	6,031

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Child Abuse Multidisciplinary Intervention Fund</u>				<u>Children and Youth Services Commission Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	3,630	3,630	3,164	(466)
Charges for services	—	—	—	—	80	80	171	91
Miscellaneous revenues	497	497	414	(83)	125	125	34	(91)
Interfund revenues	—	—	—	—	120	120	63	(57)
Total revenues	<u>497</u>	<u>497</u>	<u>414</u>	<u>(83)</u>	<u>3,955</u>	<u>3,955</u>	<u>3,432</u>	<u>(523)</u>
Expenditures:								
Current:								
Public safety and justice	516	516	377	139	—	—	—	—
Health and human services	—	—	—	—	4,389	4,389	3,719	670
Operating contingency	10	10	—	10	54	54	—	54
Total current	<u>526</u>	<u>526</u>	<u>377</u>	<u>149</u>	<u>4,443</u>	<u>4,443</u>	<u>3,719</u>	<u>724</u>
Total expenditures	<u>526</u>	<u>526</u>	<u>377</u>	<u>149</u>	<u>4,443</u>	<u>4,443</u>	<u>3,719</u>	<u>724</u>
Revenues over (under) expenditures	<u>(29)</u>	<u>(29)</u>	<u>37</u>	<u>66</u>	<u>(488)</u>	<u>(488)</u>	<u>(287)</u>	<u>201</u>
Other financing sources:								
Transfers in from other funds	—	—	—	—	214	214	244	30
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>214</u>	<u>214</u>	<u>244</u>	<u>30</u>
Net change in fund balances	<u>(29)</u>	<u>(29)</u>	<u>37</u>	<u>66</u>	<u>(274)</u>	<u>(274)</u>	<u>(43)</u>	<u>231</u>
Fund balances July 1, 2010	<u>29</u>	<u>29</u>	<u>25</u>	<u>(4)</u>	<u>274</u>	<u>274</u>	<u>401</u>	<u>127</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>62</u>	<u>62</u>	<u>—</u>	<u>—</u>	<u>358</u>	<u>358</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (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	\$ —	—	—	—	7,750	7,750	7,705	(45)
Intergovernmental revenues	5,931	6,306	5,637	(669)	47	47	27	(20)
Charges for services	850	850	804	(46)	8	8	9	1
Miscellaneous revenues	48	48	89	41	69	69	104	35
Interfund revenues	1,222	1,222	1,212	(10)	—	—	—	—
Total revenues	8,051	8,426	7,742	(684)	7,874	7,874	7,845	(29)
Expenditures:								
Current:								
Public safety and justice	11,446	11,820	10,454	1,366	—	—	—	—
Culture, education and recreation	—	—	—	—	22,290	22,290	21,668	622
Operating contingency	—	—	—	—	4,185	4,185	—	4,185
Total current	11,446	11,820	10,454	1,366	26,475	26,475	21,668	4,807
Capital outlay	—	—	—	—	186	186	193	(7)
Total expenditures	11,446	11,820	10,454	1,366	26,661	26,661	21,861	4,800
Revenues under expenditures	(3,395)	(3,394)	(2,712)	682	(18,787)	(18,787)	(14,016)	4,771
Other financing sources (uses):								
Transfers in from other funds	2,541	2,541	2,541	—	15,216	15,216	15,216	—
Transfers out to other funds	—	—	—	—	(658)	(658)	(658)	—
Total other financing sources	2,541	2,541	2,541	—	14,558	14,558	14,558	—
Net change in fund balances	(854)	(853)	(171)	682	(4,229)	(4,229)	542	4,771
Fund balances July 1, 2010	854	853	1,315	462	4,229	4,229	4,603	374
Fund balances June 30, 2011	\$ —	—	1,144	1,144	—	—	5,145	5,145

* 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, 2011
 (Dollars in thousands)

	<u>Court Security Fund</u>				<u>Department of Housing Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	2,416	2,416	2,185	(231)
Fines and forfeitures	296	296	358	62	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	6	6	2	(4)	3,764	3,764	3,578	(186)
Total revenues	302	302	360	58	6,180	6,180	5,763	(417)
Expenditures:								
Current:								
Public safety and justice	331	331	354	(23)	—	—	—	—
Land use, housing and transportation	—	—	—	—	6,466	6,466	6,074	392
Operating contingency	90	90	—	90	—	—	—	—
Total current	421	421	354	67	6,466	6,466	6,074	392
Total expenditures	421	421	354	67	6,466	6,466	6,074	392
Revenues over (under) expenditures	(119)	(119)	6	125	(286)	(286)	(311)	(25)
Other financing sources(uses):								
Transfers in from other funds	—	—	—	—	286	286	420	134
Transfers out to other funds	—	—	—	—	—	—	(20)	(20)
Total other financing sources	—	—	—	—	286	286	400	114
Net change in fund balances	(119)	(119)	6	125	—	—	89	89
Fund balances July 1, 2010	119	119	178	59	—	—	—	—
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>184</u>	<u>184</u>	<u>—</u>	<u>—</u>	<u>89</u>	<u>89</u>

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

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Development Services Fund</u>				<u>District Patrol Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 275	275	257	(18)	—	—	—	—
Charges for services	1,308	1,308	1,310	2	21	21	21	—
Fines and forfeitures	75	75	52	(23)	—	—	—	—
Miscellaneous revenues	8	8	7	(1)	18,999	18,999	18,024	(975)
Interfund revenues	284	284	279	(5)	—	—	—	—
Total revenues	<u>1,950</u>	<u>1,950</u>	<u>1,905</u>	<u>(45)</u>	<u>19,020</u>	<u>19,020</u>	<u>18,045</u>	<u>(975)</u>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	18,613	18,613	17,792	821
Land use, housing and transportation	2,919	2,919	2,640	279	—	—	—	—
Operating contingency	258	258	—	258	—	—	—	—
Total current	<u>3,177</u>	<u>3,177</u>	<u>2,640</u>	<u>537</u>	<u>18,613</u>	<u>18,613</u>	<u>17,792</u>	<u>821</u>
Capital outlay	—	—	—	—	407	407	253	154
Total expenditures	<u>3,177</u>	<u>3,177</u>	<u>2,640</u>	<u>537</u>	<u>19,020</u>	<u>19,020</u>	<u>18,045</u>	<u>975</u>
Revenues under expenditures	<u>(1,227)</u>	<u>(1,227)</u>	<u>(735)</u>	<u>492</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Other financing sources (uses):								
Transfers in from other funds	449	449	686	237	—	—	—	—
Transfers out to other funds	(111)	(111)	(111)	—	—	—	—	—
Total other financing sources	<u>338</u>	<u>338</u>	<u>575</u>	<u>237</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	<u>(889)</u>	<u>(889)</u>	<u>(160)</u>	<u>729</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances July 1, 2010	<u>889</u>	<u>889</u>	<u>752</u>	<u>(137)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>592</u>	<u>592</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, 2011
 (Dollars in thousands)

	Emergency Medical Services Fund				Enhanced Sheriff Patrol District Fund (Component Unit)			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ —	—	—	—	18,510	18,510	18,610	100
Licenses and permits	476	476	450	(26)	—	—	—	—
Charges for services	10	10	4	(6)	—	—	—	—
Miscellaneous revenues	25	25	139	114	113	113	154	41
Interfund revenues	—	—	2	2	—	—	—	—
Total revenues	<u>511</u>	<u>511</u>	<u>595</u>	<u>84</u>	<u>18,623</u>	<u>18,623</u>	<u>18,764</u>	<u>141</u>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	19,003	19,003	18,007	996
Health and human services	715	715	525	190	—	—	—	—
Operating contingency	1,316	1,316	—	1,316	12,480	12,480	—	12,480
Total current	<u>2,031</u>	<u>2,031</u>	<u>525</u>	<u>1,506</u>	<u>31,483</u>	<u>31,483</u>	<u>18,007</u>	<u>13,476</u>
Capital outlay	152	152	133	19	—	—	—	—
Total expenditures	<u>2,183</u>	<u>2,183</u>	<u>658</u>	<u>1,525</u>	<u>31,483</u>	<u>31,483</u>	<u>18,007</u>	<u>13,476</u>
Revenues over (under) expenditures	<u>(1,672)</u>	<u>(1,672)</u>	<u>(63)</u>	<u>1,609</u>	<u>(12,860)</u>	<u>(12,860)</u>	<u>757</u>	<u>13,617</u>
Net change in fund balances	<u>(1,672)</u>	<u>(1,672)</u>	<u>(63)</u>	<u>1,609</u>	<u>(12,860)</u>	<u>(12,860)</u>	<u>757</u>	<u>13,617</u>
Fund balances July 1, 2010	<u>1,672</u>	<u>1,672</u>	<u>1,717</u>	<u>45</u>	<u>12,860</u>	<u>12,860</u>	<u>13,320</u>	<u>460</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>1,654</u>	<u>1,654</u>	<u>—</u>	<u>—</u>	<u>14,077</u>	<u>14,077</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (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)
Revenues:								
Charges for services	\$ —	—	—	—	17,041	17,260	20,878	3,618
Miscellaneous revenues	—	—	—	—	60	60	99	39
Interfund revenues	—	—	287	287	—	—	—	—
Total revenues	—	—	287	287	17,101	17,320	20,977	3,657
Expenditures:								
Current:								
Health and human services	—	—	—	—	17,033	19,752	17,323	2,429
Operating contingency	137	137	—	137	5,660	3,160	—	3,160
Total current	137	137	—	137	22,693	22,912	17,323	5,589
Revenues over (under) expenditures	(137)	(137)	287	424	(5,592)	(5,592)	3,654	9,246
Other financing uses:								
Transfers out to other funds	(300)	(300)	(300)	—	(231)	(231)	(161)	70
Total other financing uses	(300)	(300)	(300)	—	(231)	(231)	(161)	70
Net change in fund balances	(437)	(437)	(13)	424	(5,823)	(5,823)	3,493	9,316
Fund balances July 1, 2010	437	437	749	312	5,823	5,823	6,984	1,161
Fund balances June 30, 2011	\$ —	—	736	736	—	—	10,477	10,477

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Indirect Cost Reimbursement Fund</u>				<u>ITS Systems Replacement Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 74	74	73	(1)	—	—	—	—
Miscellaneous revenues	—	—	—	—	4	4	6	2
Interfund revenues	12,646	12,646	12,646	—	—	—	—	—
Total revenues	<u>12,720</u>	<u>12,720</u>	<u>12,719</u>	<u>(1)</u>	<u>4</u>	<u>4</u>	<u>6</u>	<u>2</u>
Expenditures:								
Current:								
Nonoperating	1,094	1,094	1,093	1	—	—	—	—
Operating contingency	—	—	—	—	419	419	—	419
Total current	<u>1,094</u>	<u>1,094</u>	<u>1,093</u>	<u>1</u>	<u>419</u>	<u>419</u>	<u>—</u>	<u>419</u>
Total expenditures	<u>1,094</u>	<u>1,094</u>	<u>1,093</u>	<u>1</u>	<u>419</u>	<u>419</u>	<u>—</u>	<u>419</u>
Revenues over (under) expenditures	<u>11,626</u>	<u>11,626</u>	<u>11,626</u>	<u>—</u>	<u>(415)</u>	<u>(415)</u>	<u>6</u>	<u>421</u>
Other financing uses:								
Transfers out to other funds	(11,626)	(11,626)	(11,626)	—	(942)	(942)	(942)	—
Total other financing uses	<u>(11,626)</u>	<u>(11,626)</u>	<u>(11,626)</u>	<u>—</u>	<u>(942)</u>	<u>(942)</u>	<u>(942)</u>	<u>—</u>
Net change in fund balances	—	—	—	—	(1,357)	(1,357)	(936)	421
Fund balances July 1, 2010	—	—	—	—	1,357	1,357	1,362	5
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>426</u>	<u>426</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Jail Commissary Fund</u>				<u>Juvenile Conciliation Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Licenses and permits	\$ —	—	—	—	33	33	30	(3)
Charges for services	—	—	—	—	516	516	568	52
Miscellaneous revenues	102	102	108	6	1	1	—	(1)
Total revenues	<u>102</u>	<u>102</u>	<u>108</u>	<u>6</u>	<u>550</u>	<u>550</u>	<u>598</u>	<u>48</u>
Expenditures:								
Current:								
Public safety and justice	134	134	82	52	567	567	535	32
Operating contingency	223	223	—	223	—	—	—	—
Total current	<u>357</u>	<u>357</u>	<u>82</u>	<u>275</u>	<u>567</u>	<u>567</u>	<u>535</u>	<u>32</u>
Total expenditures	<u>357</u>	<u>357</u>	<u>82</u>	<u>275</u>	<u>567</u>	<u>567</u>	<u>535</u>	<u>32</u>
Revenues over (under) expenditures	<u>(255)</u>	<u>(255)</u>	<u>26</u>	<u>281</u>	<u>(17)</u>	<u>(17)</u>	<u>63</u>	<u>80</u>
Net change in fund balances	<u>(255)</u>	<u>(255)</u>	<u>26</u>	<u>281</u>	<u>(17)</u>	<u>(17)</u>	<u>63</u>	<u>80</u>
Fund balance (deficit) July 1, 2010	<u>255</u>	<u>255</u>	<u>337</u>	<u>82</u>	<u>17</u>	<u>17</u>	<u>(17)</u>	<u>(34)</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>363</u>	<u>363</u>	<u>—</u>	<u>—</u>	<u>46</u>	<u>46</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Juvenile Grants Fund</u>				<u>Juvenile High Risk Prevention Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 732	732	776	44	1,930	1,930	1,698	(232)
Miscellaneous revenues	14	14	22	8	30	30	20	(10)
Total revenues	<u>746</u>	<u>746</u>	<u>798</u>	<u>52</u>	<u>1,960</u>	<u>1,960</u>	<u>1,718</u>	<u>(242)</u>
Expenditures:								
Current:								
Public safety and justice	801	801	798	3	2,492	2,492	1,898	594
Total current	<u>801</u>	<u>801</u>	<u>798</u>	<u>3</u>	<u>2,492</u>	<u>2,492</u>	<u>1,898</u>	<u>594</u>
Total expenditures	<u>801</u>	<u>801</u>	<u>798</u>	<u>3</u>	<u>2,492</u>	<u>2,492</u>	<u>1,898</u>	<u>594</u>
Revenues over (under) expenditures	<u>(55)</u>	<u>(55)</u>	<u>—</u>	<u>55</u>	<u>(532)</u>	<u>(532)</u>	<u>(180)</u>	<u>352</u>
Net change in fund balances	<u>(55)</u>	<u>(55)</u>	<u>—</u>	<u>55</u>	<u>(532)</u>	<u>(532)</u>	<u>(180)</u>	<u>352</u>
Fund balances July 1, 2010	<u>55</u>	<u>55</u>	<u>110</u>	<u>55</u>	<u>532</u>	<u>532</u>	<u>368</u>	<u>(164)</u>
Fund balances June 30, 2011	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>110</u></u>	<u><u>110</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>188</u></u>	<u><u>188</u></u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (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)
Revenues:								
Taxes	\$ —	—	—	—	19,148	19,148	19,036	(112)
Intergovernmental revenues	—	—	—	—	340	340	283	(57)
Charges for services	503	503	655	152	52	52	48	(4)
Miscellaneous revenues	8	8	11	3	88	88	123	35
Interfund revenues	—	—	—	—	—	—	26	26
Total revenues	511	511	666	155	19,628	19,628	19,516	(112)
Expenditures:								
Current:								
Public safety and justice	556	556	417	139	—	—	—	—
County administration	—	—	—	—	1,013	1,013	967	46
Sheriff's office administration	—	—	—	—	845	845	798	47
Law enforcement services	—	—	—	—	8,233	8,233	8,052	181
Sheriff's Office - Jail	—	—	—	—	1,754	1,754	1,727	27
District Attorney	—	—	—	—	2,068	2,068	2,026	42
Community corrections	—	—	—	—	1,012	1,012	1,012	—
Juvenile services	—	—	—	—	3,308	3,308	3,188	120
Operating contingency	723	723	—	723	6,668	6,668	—	6,668
Total current	1,279	1,279	417	862	24,901	24,901	17,770	7,131
Capital outlay	—	—	—	—	141	141	72	69
Total expenditures	1,279	1,279	417	862	25,042	25,042	17,842	7,200
Revenues over (under) expenditures	(768)	(768)	249	1,017	(5,414)	(5,414)	1,674	7,088
Transfers out to other funds	(18)	(18)	(18)	—	—	—	—	—
Total other financing uses	(18)	(18)	(18)	—	—	—	—	—
Net change in fund balances	(786)	(786)	231	1,017	(5,414)	(5,414)	1,674	7,088
Fund balances July 1, 2010	786	786	983	197	5,414	5,414	5,884	470
Fund balances June 30, 2011	\$ —	—	1,214	1,214	—	—	7,558	7,558

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Maintenance Improvement District Fund</u>				<u>Metzger Park LID 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:								
Special assessments	\$ 18	18	18	—	87	87	88	1
Miscellaneous revenues	2	2	2	—	28	28	32	4
Total revenues	<u>20</u>	<u>20</u>	<u>20</u>	<u>—</u>	<u>115</u>	<u>115</u>	<u>120</u>	<u>5</u>
Expenditures:								
Current:								
Land use, housing and transportation	203	203	4	199	—	—	—	—
Culture, education and recreation	—	—	—	—	162	162	140	22
Operating contingency	10	10	—	10	29	29	—	29
Total current	<u>213</u>	<u>213</u>	<u>4</u>	<u>209</u>	<u>191</u>	<u>191</u>	<u>140</u>	<u>51</u>
Capital outlay	—	—	—	—	5	5	—	5
Total expenditures	<u>213</u>	<u>213</u>	<u>4</u>	<u>209</u>	<u>196</u>	<u>196</u>	<u>140</u>	<u>56</u>
Revenues over (under) expenditures	<u>(193)</u>	<u>(193)</u>	<u>16</u>	<u>209</u>	<u>(81)</u>	<u>(81)</u>	<u>(20)</u>	<u>61</u>
Other financing uses:								
Transfers out to other funds	(1)	(1)	(1)	—	(10)	(10)	(10)	—
Total other financing uses	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>—</u>	<u>(10)</u>	<u>(10)</u>	<u>(10)</u>	<u>—</u>
Net change in fund balances	(194)	(194)	15	209	(91)	(91)	(30)	61
Fund balances July 1, 2010	194	194	243	49	91	91	85	(6)
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>258</u>	<u>258</u>	<u>—</u>	<u>—</u>	<u>55</u>	<u>55</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	Office of Community Development Block Grant Fund				Real Property Management Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 5,901	6,813	5,233	(1,580)	—	—	—	—
Miscellaneous revenues	100	100	83	(17)	10	10	8	(2)
Total revenues	<u>6,001</u>	<u>6,913</u>	<u>5,316</u>	<u>(1,597)</u>	<u>10</u>	<u>10</u>	<u>8</u>	<u>(2)</u>
Expenditures:								
Current:								
General government	—	—	—	—	10	10	8	2
Land use, housing and transportation	6,000	6,913	5,265	1,648	—	—	—	—
Total current	<u>6,000</u>	<u>6,913</u>	<u>5,265</u>	<u>1,648</u>	<u>10</u>	<u>10</u>	<u>8</u>	<u>2</u>
Total expenditures	<u>6,000</u>	<u>6,913</u>	<u>5,265</u>	<u>1,648</u>	<u>10</u>	<u>10</u>	<u>8</u>	<u>2</u>
Revenues over expenditures	<u>1</u>	<u>—</u>	<u>51</u>	<u>51</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund deficits	1	—	51	51	—	—	—	—
Fund deficits July 1, 2010	<u>(1)</u>	<u>—</u>	<u>(87)</u>	<u>(87)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund deficits June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>(36)</u>	<u>(36)</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, 2011
 (Dollars in thousands)

	<u>Senate Bill 1145 Fund</u>				<u>Sheriff's Office Contract Services Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 3,295	3,295	3,128	(167)	783	783	—	(783)
Charges for services	—	—	—	—	—	—	623	623
Miscellaneous revenues	10	10	2	(8)	20	20	2	(18)
Interfund revenues	36	36	36	—	40	40	18	(22)
Total revenues	<u>3,341</u>	<u>3,341</u>	<u>3,166</u>	<u>(175)</u>	<u>843</u>	<u>843</u>	<u>643</u>	<u>(200)</u>
Expenditures:								
Current:								
Public safety and justice	3,377	3,377	3,174	203	843	843	656	187
Operating contingency	53	53	—	53	—	—	—	—
Total current	<u>3,430</u>	<u>3,430</u>	<u>3,174</u>	<u>256</u>	<u>843</u>	<u>843</u>	<u>656</u>	<u>187</u>
Total expenditures	<u>3,430</u>	<u>3,430</u>	<u>3,174</u>	<u>256</u>	<u>843</u>	<u>843</u>	<u>656</u>	<u>187</u>
Revenues under expenditures	<u>(89)</u>	<u>(89)</u>	<u>(8)</u>	<u>81</u>	<u>—</u>	<u>—</u>	<u>(13)</u>	<u>(13)</u>
Net change in fund balances	<u>(89)</u>	<u>(89)</u>	<u>(8)</u>	<u>81</u>	<u>—</u>	<u>—</u>	<u>(13)</u>	<u>(13)</u>
Fund balances July 1, 2010	89	89	88	(1)	—	—	—	—
Fund balance (deficit) June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>80</u>	<u>80</u>	<u>—</u>	<u>—</u>	<u>(13)</u>	<u>(13)</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Sheriff's Office Forfeitures Fund</u>				<u>Sheriff's Office Grants & Donations Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	1,917	1,917	983	(934)
Miscellaneous revenues	410	410	565	155	10	10	—	(10)
Total revenues	<u>410</u>	<u>410</u>	<u>565</u>	<u>155</u>	<u>1,927</u>	<u>1,927</u>	<u>983</u>	<u>(944)</u>
Expenditures:								
Current:								
Public safety and justice	1,070	1,070	279	791	1,927	1,927	726	1,201
Operating contingency	48	48	—	48	—	—	—	—
Total current	<u>1,118</u>	<u>1,118</u>	<u>279</u>	<u>839</u>	<u>1,927</u>	<u>1,927</u>	<u>726</u>	<u>1,201</u>
Capital outlay	—	—	20	(20)	—	—	42	(42)
Total expenditures	<u>1,118</u>	<u>1,118</u>	<u>299</u>	<u>819</u>	<u>1,927</u>	<u>1,927</u>	<u>768</u>	<u>1,159</u>
Revenues over (under) expenditures	<u>(708)</u>	<u>(708)</u>	<u>266</u>	<u>974</u>	<u>—</u>	<u>—</u>	<u>215</u>	<u>215</u>
Net change in fund balances	<u>(708)</u>	<u>(708)</u>	<u>266</u>	<u>974</u>	<u>—</u>	<u>—</u>	<u>215</u>	<u>215</u>
Fund balance (deficit) July 1, 2010	<u>708</u>	<u>708</u>	<u>771</u>	<u>63</u>	<u>—</u>	<u>—</u>	<u>(253)</u>	<u>(253)</u>
Fund balance (deficit) June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>1,037</u>	<u>1,037</u>	<u>—</u>	<u>—</u>	<u>(38)</u>	<u>(38)</u>

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

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Strategic Investment Program Fund</u>				<u>1999 Strategic Investment Program Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Charges for services	\$ 1,800	4,040	3,718	(322)	9,058	9,058	9,066	8
Miscellaneous revenues	<u>1</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues	<u>1,801</u>	<u>4,041</u>	<u>3,720</u>	<u>(321)</u>	<u>9,058</u>	<u>9,058</u>	<u>9,066</u>	<u>8</u>
Expenditures:								
Current:								
Nonoperating	<u>1,507</u>	<u>2,390</u>	<u>2,142</u>	<u>248</u>	<u>2,899</u>	<u>2,899</u>	<u>2,901</u>	<u>(2)</u>
Total current	<u>1,507</u>	<u>2,390</u>	<u>2,142</u>	<u>248</u>	<u>2,899</u>	<u>2,899</u>	<u>2,901</u>	<u>(2)</u>
Total expenditures	<u>1,507</u>	<u>2,390</u>	<u>2,142</u>	<u>248</u>	<u>2,899</u>	<u>2,899</u>	<u>2,901</u>	<u>(2)</u>
Revenues over expenditures	<u>294</u>	<u>1,651</u>	<u>1,578</u>	<u>(73)</u>	<u>6,159</u>	<u>6,159</u>	<u>6,165</u>	<u>6</u>
Other financing uses:								
Transfers out to other funds	<u>(295)</u>	<u>(1,653)</u>	<u>(1,577)</u>	<u>76</u>	<u>(6,160)</u>	<u>(6,160)</u>	<u>(6,157)</u>	<u>3</u>
Total other financing uses	<u>(295)</u>	<u>(1,653)</u>	<u>(1,577)</u>	<u>76</u>	<u>(6,160)</u>	<u>(6,160)</u>	<u>(6,157)</u>	<u>3</u>
Net change in fund balances	<u>(1)</u>	<u>(2)</u>	<u>1</u>	<u>3</u>	<u>(1)</u>	<u>(1)</u>	<u>8</u>	<u>9</u>
Fund balances July 1, 2010	<u>1</u>	<u>2</u>	<u>1</u>	<u>(1)</u>	<u>1</u>	<u>1</u>	<u>—</u>	<u>(1)</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>2</u>	<u>2</u>	<u>—</u>	<u>—</u>	<u>8</u>	<u>8</u>

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

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Survey Fund</u>				<u>Surveyor-Public Land Corner Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Charges for services	\$ 214	214	254	40	500	500	478	(22)
Miscellaneous revenues	8	8	8	—	19	19	21	2
Interfund revenues	7	7	28	21	9	9	11	2
Total revenues	<u>229</u>	<u>229</u>	<u>290</u>	<u>61</u>	<u>528</u>	<u>528</u>	<u>510</u>	<u>(18)</u>
Expenditures:								
Current:								
Land use, housing and transportation	530	530	462	68	820	820	793	27
Operating contingency	352	352	—	352	1,817	1,817	—	1,817
Total current	<u>882</u>	<u>882</u>	<u>462</u>	<u>420</u>	<u>2,637</u>	<u>2,637</u>	<u>793</u>	<u>1,844</u>
Capital outlay	5	5	—	5	22	22	20	2
Total expenditures	<u>887</u>	<u>887</u>	<u>462</u>	<u>425</u>	<u>2,659</u>	<u>2,659</u>	<u>813</u>	<u>1,846</u>
Revenues under expenditures	<u>(658)</u>	<u>(658)</u>	<u>(172)</u>	<u>486</u>	<u>(2,131)</u>	<u>(2,131)</u>	<u>(303)</u>	<u>1,828</u>
Other financing sources(uses):								
Transfers in from other funds	73	73	73	—	—	—	—	—
Transfers out to other funds	(20)	(20)	(20)	—	(37)	(37)	(37)	—
Total other financing sources(uses)	<u>53</u>	<u>53</u>	<u>53</u>	<u>—</u>	<u>(37)</u>	<u>(37)</u>	<u>(37)</u>	<u>—</u>
Net change in fund balances	<u>(605)</u>	<u>(605)</u>	<u>(119)</u>	<u>486</u>	<u>(2,168)</u>	<u>(2,168)</u>	<u>(340)</u>	<u>1,828</u>
Fund balances July 1, 2010	605	605	646	41	2,168	2,168	2,181	13
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>527</u>	<u>527</u>	<u>—</u>	<u>—</u>	<u>1,841</u>	<u>1,841</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	Tourism Dedicated Lodging Tax Fund				Urban Road Maintenance Service District Fund (Component Unit)			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 1,933	1,933	2,290	357	3,571	3,571	3,611	40
Miscellaneous revenues	15	15	13	(2)	34	34	42	8
Total revenues	<u>1,948</u>	<u>1,948</u>	<u>2,303</u>	<u>355</u>	<u>3,605</u>	<u>3,605</u>	<u>3,653</u>	<u>48</u>
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	3,028	3,028	2,175	853
Culture, education and recreation	3,424	3,424	2,284	1,140	—	—	—	—
Operating contingency	—	—	—	—	4,049	4,049	—	4,049
Total current	<u>3,424</u>	<u>3,424</u>	<u>2,284</u>	<u>1,140</u>	<u>7,077</u>	<u>7,077</u>	<u>2,175</u>	<u>4,902</u>
Total expenditures	<u>3,424</u>	<u>3,424</u>	<u>2,284</u>	<u>1,140</u>	<u>7,077</u>	<u>7,077</u>	<u>2,175</u>	<u>4,902</u>
Revenues over (under) expenditures	<u>(1,476)</u>	<u>(1,476)</u>	<u>19</u>	<u>1,495</u>	<u>(3,472)</u>	<u>(3,472)</u>	<u>1,478</u>	<u>4,950</u>
Other financing uses:								
Transfers out to other funds	—	—	—	—	(10)	(10)	(10)	—
Total other financing uses	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(10)</u>	<u>(10)</u>	<u>(10)</u>	<u>—</u>
Net change in fund balances	<u>(1,476)</u>	<u>(1,476)</u>	<u>19</u>	<u>1,495</u>	<u>(3,482)</u>	<u>(3,482)</u>	<u>1,468</u>	<u>4,950</u>
Fund balances July 1, 2010	<u>1,476</u>	<u>1,476</u>	<u>1,265</u>	<u>(211)</u>	<u>3,482</u>	<u>3,482</u>	<u>3,218</u>	<u>(264)</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>1,284</u>	<u>1,284</u>	<u>—</u>	<u>—</u>	<u>4,686</u>	<u>4,686</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Washington County Fair Fund</u>				<u>West Slope Library Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Taxes	\$ 660	660	764	104	—	—	—	—
Intergovernmental revenues	36	36	36	—	3	3	2	(1)
Charges for services	447	447	411	(36)	—	—	—	—
Miscellaneous revenues	359	359	427	68	25	25	29	4
Total revenues	<u>1,502</u>	<u>1,502</u>	<u>1,638</u>	<u>136</u>	<u>28</u>	<u>28</u>	<u>31</u>	<u>3</u>
Expenditures:								
Current:								
Culture, education and recreation	1,423	1,423	1,510	(87)	657	657	617	40
Operating contingency	474	474	—	474	246	246	—	246
Total current	<u>1,897</u>	<u>1,897</u>	<u>1,510</u>	<u>387</u>	<u>903</u>	<u>903</u>	<u>617</u>	<u>286</u>
Capital outlay	<u>200</u>	<u>200</u>	<u>24</u>	<u>176</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Debt service:								
Principal	<u>5</u>	<u>5</u>	<u>8</u>	<u>(3)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total debt service	<u>5</u>	<u>5</u>	<u>8</u>	<u>(3)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>2,102</u>	<u>2,102</u>	<u>1,542</u>	<u>560</u>	<u>903</u>	<u>903</u>	<u>617</u>	<u>286</u>
Revenues over (under) expenditures	<u>(600)</u>	<u>(600)</u>	<u>96</u>	<u>696</u>	<u>(875)</u>	<u>(875)</u>	<u>(586)</u>	<u>289</u>
Other financing sources(uses):								
Transfers in from other funds	—	—	—	—	658	658	658	—
Transfers out to other funds	(53)	(53)	(53)	—	—	—	—	—
Total other financing sources (uses)	<u>(53)</u>	<u>(53)</u>	<u>(53)</u>	<u>—</u>	<u>658</u>	<u>658</u>	<u>658</u>	<u>—</u>
Net change in fund balances	<u>(653)</u>	<u>(653)</u>	<u>43</u>	<u>696</u>	<u>(217)</u>	<u>(217)</u>	<u>72</u>	<u>289</u>
Fund balances July 1, 2010	<u>653</u>	<u>653</u>	<u>579</u>	<u>(74)</u>	<u>217</u>	<u>217</u>	<u>290</u>	<u>73</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>622</u>	<u>622</u>	<u>—</u>	<u>—</u>	<u>362</u>	<u>362</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 - Debt Service Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	Criminal Justice Bond Fund				Miscellaneous Debt Service Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 6,384	6,384	6,424	40	—	—	—	—
Miscellaneous revenues	—	—	20	20	—	—	—	—
Total revenues	<u>6,384</u>	<u>6,384</u>	<u>6,444</u>	<u>60</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Expenditures:								
Current:								
Nonoperating	1	1	—	1	3	3	2	1
Total current	<u>1</u>	<u>1</u>	<u>—</u>	<u>1</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>1</u>
Debt service:								
Principal	5,480	5,480	5,480	—	3,506	3,506	3,506	—
Interest	906	906	868	38	3,716	3,716	3,716	—
Total debt service	<u>6,386</u>	<u>6,386</u>	<u>6,348</u>	<u>38</u>	<u>7,222</u>	<u>7,222</u>	<u>7,222</u>	<u>—</u>
Total expenditures	<u>6,387</u>	<u>6,387</u>	<u>6,348</u>	<u>39</u>	<u>7,225</u>	<u>7,225</u>	<u>7,224</u>	<u>1</u>
Revenues over (under) expenditures	<u>(3)</u>	<u>(3)</u>	<u>96</u>	<u>99</u>	<u>(7,225)</u>	<u>(7,225)</u>	<u>(7,224)</u>	<u>1</u>
Other financing sources:								
Transfers in from other funds	—	—	—	—	7,225	7,225	7,225	—
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,225</u>	<u>7,225</u>	<u>7,225</u>	<u>—</u>
Net change in fund deficits	<u>(3)</u>	<u>(3)</u>	<u>96</u>	<u>99</u>	<u>—</u>	<u>—</u>	<u>1</u>	<u>1</u>
Fund deficits July 1, 2010	<u>3</u>	<u>3</u>	<u>(17)</u>	<u>(20)</u>	<u>—</u>	<u>—</u>	<u>(13)</u>	<u>(13)</u>
Fund balance (deficit) June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>79</u>	<u>79</u>	<u>—</u>	<u>—</u>	<u>(12)</u>	<u>(12)</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Countywide Traffic Impact Fee Fund</u>				<u>Facilities General Capital Projects Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)*</u>
Revenues:								
Intergovernmental revenues	\$ 1,200	1,200	9	(1,191)	1,917	1,917	868	(1,049)
Charges for services	418	418	123	(295)	—	—	—	—
Special assessments	—	—	13	13	—	—	—	—
Miscellaneous revenues	200	200	128	(72)	—	—	—	—
Interfund revenues	—	—	—	—	143	143	176	33
Total revenues	<u>1,818</u>	<u>1,818</u>	<u>273</u>	<u>(1,545)</u>	<u>2,060</u>	<u>2,060</u>	<u>1,044</u>	<u>(1,016)</u>
Expenditures:								
Current:								
Land use, housing and transportation	14,485	14,485	3,883	10,602	—	—	—	—
Nonoperating	—	—	—	—	—	—	15	(15)
Total current	<u>14,485</u>	<u>14,485</u>	<u>3,883</u>	<u>10,602</u>	<u>—</u>	<u>—</u>	<u>15</u>	<u>(15)</u>
Capital outlay	166	166	228	(62)	3,770	3,770	1,234	2,536
Total expenditures	<u>14,651</u>	<u>14,651</u>	<u>4,111</u>	<u>10,540</u>	<u>3,770</u>	<u>3,770</u>	<u>1,249</u>	<u>2,521</u>
Revenues under expenditures	<u>(12,833)</u>	<u>(12,833)</u>	<u>(3,838)</u>	<u>8,995</u>	<u>(1,710)</u>	<u>(1,710)</u>	<u>(205)</u>	<u>1,505</u>
Other financing sources(uses):								
Proceeds from debt	—	—	—	—	1,500	1,500	—	(1,500)
Transfers in from other funds	500	—	599	599	210	210	210	—
Transfers out to other funds	(3,324)	(3,324)	(24)	3,300	—	—	—	—
Total other financing (uses) sources	<u>(2,824)</u>	<u>(3,324)</u>	<u>575</u>	<u>3,899</u>	<u>1,710</u>	<u>1,710</u>	<u>210</u>	<u>(1,500)</u>
Net change in fund balances	<u>(15,657)</u>	<u>(16,157)</u>	<u>(3,263)</u>	<u>12,894</u>	<u>—</u>	<u>—</u>	<u>5</u>	<u>5</u>
Fund balances July 1, 2010	<u>15,657</u>	<u>16,157</u>	<u>15,853</u>	<u>(304)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>12,590</u>	<u>12,590</u>	<u>—</u>	<u>—</u>	<u>5</u>	<u>5</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, 2011
 (Dollars in thousands)

	Facilities Park (THPRD) SDC Fund				ITS Capital Projects Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ 25	25	24	(1)	2	2	(61)	(63)
Miscellaneous revenues	1	1	1	—	—	—	21	21
Interfund revenues	—	—	—	—	1,809	1,809	1,775	(34)
Total revenues	<u>26</u>	<u>26</u>	<u>25</u>	<u>(1)</u>	<u>1,811</u>	<u>1,811</u>	<u>1,735</u>	<u>(76)</u>
Expenditures:								
Current:								
Nonoperating	163	163	—	163	—	—	—	—
Total current	<u>163</u>	<u>163</u>	<u>—</u>	<u>163</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Capital outlay	—	—	—	—	3,067	3,067	2,706	361
Total expenditures	<u>163</u>	<u>163</u>	<u>—</u>	<u>163</u>	<u>3,067</u>	<u>3,067</u>	<u>2,706</u>	<u>361</u>
Revenues over (under) expenditures	<u>(137)</u>	<u>(137)</u>	<u>25</u>	<u>162</u>	<u>(1,256)</u>	<u>(1,256)</u>	<u>(971)</u>	<u>285</u>
Other financing sources:								
Transfers in from other funds	—	—	—	—	942	942	942	—
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>942</u>	<u>942</u>	<u>942</u>	<u>—</u>
Net change in fund balances	<u>(137)</u>	<u>(137)</u>	<u>25</u>	<u>162</u>	<u>(314)</u>	<u>(314)</u>	<u>(29)</u>	<u>285</u>
Fund balances July 1, 2010	<u>137</u>	<u>137</u>	<u>142</u>	<u>5</u>	<u>314</u>	<u>314</u>	<u>295</u>	<u>(19)</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>167</u>	<u>167</u>	<u>—</u>	<u>—</u>	<u>266</u>	<u>266</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Major Streets Capital Projects Fund</u>				<u>OTIA Capital Projects Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Intergovernmental revenues	\$ 1,718	1,718	462	(1,256)	—	—	51	51
Miscellaneous revenues	50	50	665	615	8	8	(5)	(13)
Total revenues	<u>1,768</u>	<u>1,768</u>	<u>1,127</u>	<u>(641)</u>	<u>8</u>	<u>8</u>	<u>46</u>	<u>38</u>
Expenditures:								
Current:								
Land use, housing and transportation	6,536	6,536	2,091	4,445	819	819	222	597
Total current	<u>6,536</u>	<u>6,536</u>	<u>2,091</u>	<u>4,445</u>	<u>819</u>	<u>819</u>	<u>222</u>	<u>597</u>
Total expenditures	<u>6,536</u>	<u>6,536</u>	<u>2,091</u>	<u>4,445</u>	<u>819</u>	<u>819</u>	<u>222</u>	<u>597</u>
Revenues under expenditures	<u>(4,768)</u>	<u>(4,768)</u>	<u>(964)</u>	<u>3,804</u>	<u>(811)</u>	<u>(811)</u>	<u>(176)</u>	<u>635</u>
Other financing sources(uses):								
Transfers in from other funds	50	50	—	(50)	100	100	35	(65)
Transfers out to other funds	(21)	(21)	(21)	—	(28)	(28)	(28)	—
Total other financing sources	<u>29</u>	<u>29</u>	<u>(21)</u>	<u>(50)</u>	<u>72</u>	<u>72</u>	<u>7</u>	<u>(65)</u>
Net change in fund balances	<u>(4,739)</u>	<u>(4,739)</u>	<u>(985)</u>	<u>3,754</u>	<u>(739)</u>	<u>(739)</u>	<u>(169)</u>	<u>570</u>
Fund balances July 1, 2010	<u>4,739</u>	<u>4,739</u>	<u>4,759</u>	<u>20</u>	<u>739</u>	<u>739</u>	<u>67</u>	<u>(672)</u>
Fund balance (deficit) June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>3,774</u>	<u>3,774</u>	<u>—</u>	<u>—</u>	<u>(102)</u>	<u>(102)</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	Parks and Open Spaces Opportunity Projects Fund				Transportation Development Tax Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ —	—	—	—	550	550	1,323	773
Miscellaneous revenues	6	6	5	(1)	5	5	18	13
Total revenues	<u>6</u>	<u>6</u>	<u>5</u>	<u>(1)</u>	<u>555</u>	<u>555</u>	<u>1,341</u>	<u>786</u>
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	1,106	1,106	43	1,063
Total current	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,106</u>	<u>1,106</u>	<u>43</u>	<u>1,063</u>
Capital outlay	630	630	74	556	—	—	—	—
Total expenditures	<u>630</u>	<u>630</u>	<u>74</u>	<u>556</u>	<u>1,106</u>	<u>1,106</u>	<u>43</u>	<u>1,063</u>
Revenues over (under) expenditures	<u>(624)</u>	<u>(624)</u>	<u>(69)</u>	<u>555</u>	<u>(551)</u>	<u>(551)</u>	<u>1,298</u>	<u>1,849</u>
Net change in fund balances	<u>(624)</u>	<u>(624)</u>	<u>(69)</u>	<u>555</u>	<u>(551)</u>	<u>(551)</u>	<u>1,298</u>	<u>1,849</u>
Fund balances July 1, 2010	624	624	576	(48)	551	551	833	282
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>507</u>	<u>507</u>	<u>—</u>	<u>—</u>	<u>2,131</u>	<u>2,131</u>

WASHINGTON COUNTY, OREGON

Combining Statement of Net Assets

Internal Service Funds

June 30, 2011

(Dollars in thousands)

Assets	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund
Current assets:					
Cash and investments	\$ 522	7,043	425	3,094	119
Accounts receivable	2	27	5	—	—
Prepays	—	—	—	3	—
Inventory	340	—	28	—	—
Total current assets	<u>864</u>	<u>7,070</u>	<u>458</u>	<u>3,097</u>	<u>119</u>
Capital assets, net of accumulated depreciation	<u>—</u>	<u>8,080</u>	<u>370</u>	<u>—</u>	<u>—</u>
Total assets	<u><u>864</u></u>	<u><u>15,150</u></u>	<u><u>828</u></u>	<u><u>3,097</u></u>	<u><u>119</u></u>
Liabilities and Net Assets					
Current liabilities:					
Accounts payable	194	369	26	16	—
Accrued payroll liabilities	114	—	29	—	—
Accrued self-insurance	—	—	—	1,831	—
Total current liabilities	<u>308</u>	<u>369</u>	<u>55</u>	<u>1,847</u>	<u>—</u>
Noncurrent liabilities:					
Net OPEB obligation	<u>21</u>	<u>—</u>	<u>47</u>	<u>—</u>	<u>—</u>
Total liabilities	<u>329</u>	<u>369</u>	<u>102</u>	<u>1,847</u>	<u>—</u>
Net assets:					
Invested in capital assets, net of related debt	—	8,080	370	—	—
Unrestricted	<u>535</u>	<u>6,701</u>	<u>356</u>	<u>1,250</u>	<u>119</u>
Total net assets	<u>535</u>	<u>14,781</u>	<u>726</u>	<u>1,250</u>	<u>119</u>
Total liabilities and net assets	<u>\$ <u>864</u></u>	<u><u>15,150</u></u>	<u><u>828</u></u>	<u><u>3,097</u></u>	<u><u>119</u></u>

WASHINGTON COUNTY, OREGON
Combining Statement of Net Assets, Continued
Internal Service Funds
June 30, 2011
(Dollars in thousands)

Assets	Medical Insurance Fund	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Current assets:					
Cash and investments	\$ 1,014	10,544	635	1,872	25,268
Accounts receivable	—	—	—	—	34
Prepays	—	—	—	—	3
Inventory	—	—	—	—	368
Total current assets	1,014	10,544	635	1,872	25,673
Capital assets, net of accumulated depreciation	—	—	—	—	8,450
Total assets	<u>1,014</u>	<u>10,544</u>	<u>635</u>	<u>1,872</u>	<u>34,123</u>
Liabilities and Net Assets (Deficit)					
Current liabilities:					
Accounts payable	30	—	83	94	812
Accrued payroll liabilities	—	—	—	—	143
Accrued self-insurance	—	—	—	1,802	3,633
Total current liabilities	30	—	83	1,896	4,588
Noncurrent liabilities:					
Net OPEB obligation	—	—	—	—	68
Total liabilities	<u>30</u>	<u>—</u>	<u>83</u>	<u>1,896</u>	<u>4,656</u>
Net assets (deficit):					
Invested in capital assets, net of related debt	—	—	—	—	8,450
Unrestricted	984	10,544	552	(24)	21,017
Total net assets (deficit)	<u>984</u>	<u>10,544</u>	<u>552</u>	<u>(24)</u>	<u>29,467</u>
Total liabilities and net assets	<u>\$ 1,014</u>	<u>10,544</u>	<u>635</u>	<u>1,872</u>	<u>34,123</u>

WASHINGTON COUNTY, OREGON

Combining Statement of Revenues, Expenses
and Changes in Net Assets

Internal Service Funds

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund
Operating revenues:					
Charges for services	\$ 3,684	1,544	1,777	1,126	392
Other	457	—	—	45	—
Total operating revenues	<u>4,141</u>	<u>1,544</u>	<u>1,777</u>	<u>1,171</u>	<u>392</u>
Operating expenses:					
Labor and fringe benefits	1,452	—	459	—	—
Utilities	30	—	—	—	—
Professional services	9	—	—	283	—
Supplies	1,960	—	853	—	—
Administrative costs	494	223	235	824	4
Depreciation and amortization	—	1,565	152	—	—
Insurance claims and premiums	—	—	—	779	372
Repairs and maintenance	270	31	95	—	—
Total operating expenses	<u>4,215</u>	<u>1,819</u>	<u>1,794</u>	<u>1,886</u>	<u>376</u>
Operating income (loss)	<u>(74)</u>	<u>(275)</u>	<u>(17)</u>	<u>(715)</u>	<u>16</u>
Nonoperating income:					
Interest income	3	65	3	31	1
Gain (loss) on sale of capital assets	—	140	(3)	—	—
Total nonoperating income	<u>3</u>	<u>205</u>	<u>—</u>	<u>31</u>	<u>1</u>
Change in net assets	<u>(71)</u>	<u>(70)</u>	<u>(17)</u>	<u>(684)</u>	<u>17</u>
Net assets July 1, 2010	<u>606</u>	<u>14,851</u>	<u>743</u>	<u>1,934</u>	<u>102</u>
Net assets June 30, 2011	<u>\$ 535</u>	<u>14,781</u>	<u>726</u>	<u>1,250</u>	<u>119</u>

WASHINGTON COUNTY, OREGON

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

Internal Service Funds

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	Medical Insurance Fund	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Operating revenues:					
Charges for services	\$ 22,642	—	416	1,409	32,990
Other	1,238	—	—	193	1,933
Total operating revenues	23,880	—	416	1,602	34,923
Operating expenses:					
Labor and fringe benefits	—	—	—	—	1,911
Utilities	—	—	—	—	30
Professional services	134	—	3	7	436
Supplies	—	—	—	—	2,813
Administrative costs	69	38	7	193	2,087
Depreciation and amortization	—	—	—	—	1,717
Insurance claims and premiums	23,312	—	315	1,031	25,809
Repairs and maintenance	—	—	—	—	396
Total operating expenses	23,515	38	325	1,231	35,199
Operating income (loss)	365	(38)	91	371	(276)
Nonoperating income:					
Interest income	6	99	6	16	230
Gain on sale of capital assets	—	—	—	—	137
Total nonoperating income	6	99	6	16	367
Change in net assets (deficit)	371	61	97	387	91
Net assets (deficit) July 1, 2010	613	10,483	455	(411)	29,376
Net assets (deficit) June 30, 2011	\$ <u>984</u>	<u>10,544</u>	<u>552</u>	<u>(24)</u>	<u>29,467</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Cash Flows
Internal Service Funds
For the fiscal year ended June 30, 2011
(Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund
Cash flows from (used in) operating activities:					
Cash received for services provided	\$ 3,691	1,605	1,775	1,126	392
Cash payments for labor and fringe benefits	(1,472)	—	(456)	—	—
Cash payments for goods and services	(2,691)	116	(1,191)	(2,043)	(376)
Other operating revenue	387	—	—	46	—
Other receipts	71	—	—	—	—
	<u>(14)</u>	<u>1,721</u>	<u>128</u>	<u>(871)</u>	<u>16</u>
Cash flows provided by (used in) capital and related financing activities:					
Acquisition of capital assets	—	(2,156)	(140)	—	—
Proceeds from sale of capital assets	—	348	5	—	—
	<u>—</u>	<u>(1,808)</u>	<u>(135)</u>	<u>—</u>	<u>—</u>
Cash flows from investing activities:					
Interest on investments	3	65	3	31	1
	<u>3</u>	<u>65</u>	<u>3</u>	<u>31</u>	<u>1</u>
	<u>3</u>	<u>65</u>	<u>3</u>	<u>31</u>	<u>1</u>
	<u>3</u>	<u>65</u>	<u>3</u>	<u>31</u>	<u>1</u>
Net increase (decrease) in cash and investments	(11)	(22)	(4)	(840)	17
Cash and investments, July 1, 2010	533	7,065	429	3,934	102
Cash and investments, June 30, 2011	<u>522</u>	<u>7,043</u>	<u>425</u>	<u>3,094</u>	<u>119</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	(74)	(275)	(17)	(715)	16
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	—	1,565	152	—	—
Other expense	—	—	—	(3)	—
Increase (decrease) in accounts payable	44	369	(10)	(37)	—
Increase in accrued liabilities	(20)	—	4	(116)	—
Decrease (increase) in accounts receivable	8	62	(3)	—	—
Decrease (increase) in supply inventory	28	—	2	—	—
	<u>28</u>	<u>—</u>	<u>2</u>	<u>—</u>	<u>—</u>
Net cash provided by (used in) operating activities	\$ <u>(14)</u>	<u>1,721</u>	<u>128</u>	<u>(871)</u>	<u>16</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Cash Flows, Continued
Internal Service Funds
For the fiscal year ended June 30, 2011
(Dollars in thousands)

	Medical Insurance Fund	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Cash provided by (used in) operating activities:					
Cash received for services provided	\$ 22,642	—	416	1,420	33,067
Cash payments for labor and fringe benefits	—	—	—	—	(1,928)
Cash payments for goods and services	(23,468)	(38)	(344)	(1,570)	(31,605)
Other operating revenue	1,239	—	—	191	1,863
Other receipts	—	—	—	—	71
	<u>413</u>	<u>(38)</u>	<u>72</u>	<u>41</u>	<u>1,468</u>
Net cash provided by (used in) operating activities					
Cash flows provided by (used in) capital and related financing activities:					
Acquisition of capital assets	—	—	—	—	(2,296)
Proceeds from sale of capital assets	—	—	—	—	353
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,943)</u>
Net cash used in capital and related financing activities					
Cash flows from investing activities:					
Interest on investments	6	99	6	16	230
	<u>6</u>	<u>99</u>	<u>6</u>	<u>16</u>	<u>230</u>
Net cash provided by investing activities					
Net increase (decrease) in cash and investments	419	61	78	57	(245)
Cash and investments, July 1, 2010	595	10,483	557	1,815	25,513
Cash and investments, June 30, 2011	<u>1,014</u>	<u>10,544</u>	<u>635</u>	<u>1,872</u>	<u>25,268</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	365	(38)	91	371	(276)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	—	—	—	—	1,717
Other expense	45	—	—	—	42
Increase (decrease) in accounts payable	3	—	(19)	(51)	299
Increase in accrued liabilities	—	—	—	(290)	(422)
Increase in accounts receivable	—	—	—	11	78
Increase in supply inventory	—	—	—	—	30
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>30</u>
Net cash provided by (used in) operating activities	<u>\$ 413</u>	<u>(38)</u>	<u>72</u>	<u>41</u>	<u>1,468</u>

WASHINGTON COUNTY, OREGON
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis)
Internal Service Funds
For the fiscal year ended June 30, 2011
(Dollars in thousands)

	Fleet Management Fund				Fleet Replacement Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ —	—	38	38	—	—	—	—
Charges for services	4,181	4,181	4,026	(155)	2,252	2,252	1,497	(755)
Miscellaneous revenues	4	4	9	5	168	168	470	302
Interfund revenues	70	70	71	1	—	—	—	—
Total revenues	<u>4,255</u>	<u>4,255</u>	<u>4,144</u>	<u>(111)</u>	<u>2,420</u>	<u>2,420</u>	<u>1,967</u>	<u>(453)</u>
Expenditures:								
Current:								
General government	4,280	4,280	4,208	72	—	—	—	—
Nonoperating	—	—	—	—	635	635	449	186
Operating contingency	544	544	—	544	6,684	6,684	—	6,684
Total current	<u>4,824</u>	<u>4,824</u>	<u>4,208</u>	<u>616</u>	<u>7,319</u>	<u>7,319</u>	<u>449</u>	<u>6,870</u>
Capital outlay	—	—	—	—	2,135	2,135	1,971	164
Total expenditures	<u>4,824</u>	<u>4,824</u>	<u>4,208</u>	<u>616</u>	<u>9,454</u>	<u>9,454</u>	<u>2,420</u>	<u>7,034</u>
Revenues under expenditures	(569)	(569)	(64)	505	(7,034)	(7,034)	(453)	6,581
Fund balances July 1, 2010	<u>569</u>	<u>569</u>	<u>620</u>	<u>51</u>	<u>7,034</u>	<u>7,034</u>	<u>7,154</u>	<u>120</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>556</u>	<u>556</u>	<u>—</u>	<u>—</u>	<u>6,701</u>	<u>6,701</u>

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

Internal Service Funds

For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Internal Support Services Fund</u>				<u>Liability/Casualty Insurance Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Charges for services	\$ 1,823	1,823	1,782	(41)	1,129	1,129	1,122	(7)
Miscellaneous revenues	5	5	4	(1)	89	89	77	(12)
Interfund revenues	—	—	—	—	4	4	4	—
Total revenues	<u>1,828</u>	<u>1,828</u>	<u>1,786</u>	<u>(42)</u>	<u>1,222</u>	<u>1,222</u>	<u>1,203</u>	<u>(19)</u>
Expenditures:								
Current:								
General government	1,699	1,699	1,622	77	—	—	—	—
Nonoperating	—	—	—	—	3,425	3,425	1,887	1,538
Operating contingency	384	384	—	384	1,101	1,101	—	1,101
Total current	<u>2,083</u>	<u>2,083</u>	<u>1,622</u>	<u>461</u>	<u>4,526</u>	<u>4,526</u>	<u>1,887</u>	<u>2,639</u>
Capital outlay	165	165	152	13	—	—	—	—
Total expenditures	<u>2,248</u>	<u>2,248</u>	<u>1,774</u>	<u>474</u>	<u>4,526</u>	<u>4,526</u>	<u>1,887</u>	<u>2,639</u>
Revenues over (under) expenditures	(420)	(420)	12	432	(3,304)	(3,304)	(684)	2,620
Fund balances July 1, 2010	420	420	391	(29)	3,304	3,304	1,934	(1,370)
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>403</u>	<u>403</u>	<u>—</u>	<u>—</u>	<u>1,250</u>	<u>1,250</u>

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

Internal Service Funds

For the fiscal year ended June 30, 2011
 (Dollars in thousands)

	<u>Life Insurance Fund</u>				<u>Medical Insurance Fund</u>			
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:								
Charges for services	\$ —	—	—	—	23,371	23,371	22,643	(728)
Miscellaneous revenues	385	385	393	8	1,221	1,221	1,245	24
Total revenues	<u>385</u>	<u>385</u>	<u>393</u>	<u>8</u>	<u>24,592</u>	<u>24,592</u>	<u>23,888</u>	<u>(704)</u>
Expenditures:								
Current:								
Nonoperating	379	379	376	3	25,864	25,864	23,517	2,347
Operating contingency	106	106	—	106	—	—	—	—
Total current	<u>485</u>	<u>485</u>	<u>376</u>	<u>109</u>	<u>25,864</u>	<u>25,864</u>	<u>23,517</u>	<u>2,347</u>
Total expenditures	<u>485</u>	<u>485</u>	<u>376</u>	<u>109</u>	<u>25,864</u>	<u>25,864</u>	<u>23,517</u>	<u>2,347</u>
Revenues over (under) expenditures	<u>(100)</u>	<u>(100)</u>	<u>17</u>	<u>117</u>	<u>(1,272)</u>	<u>(1,272)</u>	<u>371</u>	<u>1,643</u>
Fund balances July 1, 2010	<u>100</u>	<u>100</u>	<u>102</u>	<u>2</u>	<u>1,272</u>	<u>1,272</u>	<u>613</u>	<u>(659)</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>119</u>	<u>119</u>	<u>—</u>	<u>—</u>	<u>984</u>	<u>984</u>

WASHINGTON COUNTY, OREGON
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis)
Internal Service Funds
For the fiscal year ended June 30, 2011
(Dollars in thousands)

	PERS Rate Stabilization Fund				Unemployment Insurance Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ —	—	—	—	417	417	416	(1)
Miscellaneous revenues	34	34	99	65	4	4	6	2
Total revenues	<u>34</u>	<u>34</u>	<u>99</u>	<u>65</u>	<u>421</u>	<u>421</u>	<u>422</u>	<u>1</u>
Expenditures:								
Current:								
Nonoperating	10,426	10,426	38	10,388	711	711	325	386
Operating contingency	—	—	—	—	100	100	—	100
Total current	<u>10,426</u>	<u>10,426</u>	<u>38</u>	<u>10,388</u>	<u>811</u>	<u>811</u>	<u>325</u>	<u>486</u>
Total expenditures	<u>10,426</u>	<u>10,426</u>	<u>38</u>	<u>10,388</u>	<u>811</u>	<u>811</u>	<u>325</u>	<u>486</u>
Revenues over (under) expenditures	<u>(10,392)</u>	<u>(10,392)</u>	<u>61</u>	<u>10,453</u>	<u>(390)</u>	<u>(390)</u>	<u>97</u>	<u>487</u>
Fund balances July 1, 2010	<u>10,392</u>	<u>10,392</u>	<u>10,483</u>	<u>91</u>	<u>390</u>	<u>390</u>	<u>455</u>	<u>65</u>
Fund balances June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>10,544</u>	<u>10,544</u>	<u>—</u>	<u>—</u>	<u>552</u>	<u>552</u>

WASHINGTON COUNTY, OREGON

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

Internal Service Funds

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	Workers' Compensation Insurance Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:				
Charges for services	\$ 1,453	1,453	1,409	(44)
Miscellaneous revenues	155	155	208	53
Total revenues	<u>1,608</u>	<u>1,608</u>	<u>1,617</u>	<u>9</u>
Expenditures:				
Current:				
Nonoperating	2,697	2,697	1,230	1,467
Operating contingency	210	210	—	210
Total current	<u>2,907</u>	<u>2,907</u>	<u>1,230</u>	<u>1,677</u>
Total expenditures	<u>2,907</u>	<u>2,907</u>	<u>1,230</u>	<u>1,677</u>
Revenues over (under) expenditures	(1,299)	(1,299)	387	1,686
Fund deficit July 1, 2010	<u>1,299</u>	<u>1,299</u>	<u>(411)</u>	<u>(1,710)</u>
Fund deficit June 30, 2011	<u>\$ —</u>	<u>—</u>	<u>(24)</u>	<u>(24)</u>

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

June 30, 2011
 (Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund
Fund balance	\$ 556	6,701	403
Add capital assets reported on combining balance sheet	—	8,080	370
Less OPEB obligation	(21)	—	(47)
Total Net Assets	<u>\$ 535</u>	<u>14,781</u>	<u>726</u>

WASHINGTON COUNTY, OREGON
Statement of Changes in Assets and Liabilities
Agency Fund
For the fiscal year ended June 30, 2011
(Dollars in thousands)

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
Assets:				
Cash and investments	\$ 4,276	7,619,699	7,617,470	6,505
Accounts receivable	2,454	43,046	43,094	2,406
Property taxes receivable	<u>26,327</u>	<u>10,832</u>	<u>12,156</u>	<u>25,003</u>
Total assets	<u><u>33,057</u></u>	<u><u>7,673,577</u></u>	<u><u>7,672,720</u></u>	<u><u>33,914</u></u>
Liabilities:				
Accounts payable	365	1,385,282	1,385,376	271
Amounts held in trust	6,365	812,651	810,376	8,640
Uncollected taxes	<u>26,327</u>	<u>10,832</u>	<u>12,156</u>	<u>25,003</u>
Total liabilities	<u><u>\$ 33,057</u></u>	<u><u>2,208,765</u></u>	<u><u>2,207,908</u></u>	<u><u>33,914</u></u>

OTHER FINANCIAL SCHEDULES

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WASHINGTON COUNTY, OREGON

Schedule of Property Tax and Assessment
Transactions and Outstanding Balances

For the fiscal year ended June 30, 2011

(Dollars in thousands)

	Taxes receivable July, 1 2010	Certified levies	Corrections and adjustments	Collections	Discounts allowed	Interest on delinquent taxes	Taxes receivable June 30, 2011
2010-11	\$ —	783,036	(3,563)	(741,299)	(19,938)	272	18,508
2009-10							
2008-09	21,359	—	(417)	(14,104)	4	910	7,752
2007-08	7,872	—	(364)	(4,492)	5	726	3,747
2006-07	2,860	—	(120)	(2,301)	1	538	978
2005-06	662	—	(28)	(544)	—	152	242
2004-05	162	—	(69)	—	1	22	116
2003-04 & prior	417	—	(76)	(50)	—	48	339
	<u>\$ 33,332</u>	<u>783,036</u>	<u>(4,637)</u>	<u>(762,790)</u>	<u>(19,927)</u>	<u>2,668</u>	<u>31,682</u>

Reconciliation to Receivables on Basic Financial Statements:

Governmental Activities property taxes receivable	\$ 6,602
Agency funds property taxes receivable	25,003
Assessments receivable for Lighting District	75
Payment-in-lieu-of-taxes	2
	<u>\$ 31,682</u>

WASHINGTON COUNTY, OREGON

Schedule of Accountability of Independently Elected Officials

For the fiscal year ended June 30, 2011

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

**WASHINGTON COUNTY,
OREGON**

**STATISTICAL
SECTION**

SECTION III

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WASHINGTON COUNTY, OREGON
Statistical Information Section Narrative
June 30, 2011
(Unaudited)

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

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

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

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FINANCIAL TRENDS

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WASHINGTON COUNTY, OREGON

Net Assets by Component

Last Ten Fiscal Years

(Dollars in thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 166,737	197,258	244,404	242,734	2,148,086	2,151,850	2,135,921	2,134,940	2,108,850	2,093,492 ⁽¹⁾
Restricted	9,039	9,039	4,314	1,272	1,069	170	239	911	6,530	93,002
Unrestricted	<u>146,029</u>	<u>147,703</u>	<u>179,689</u>	<u>206,770</u>	<u>250,676</u>	<u>236,359</u>	<u>245,409</u>	<u>230,574</u>	<u>219,822</u>	<u>145,829</u>
Total governmental activities net assets	<u>321,805</u>	<u>354,000</u>	<u>428,407</u>	<u>450,776</u>	<u>2,399,831</u>	<u>2,388,379</u>	<u>2,381,569</u>	<u>2,366,425</u>	<u>2,335,202</u>	<u>2,332,323</u>
Business-type activities										
Invested in capital assets, net of related debt	194,903	214,979	234,007	245,840	328,060	363,438	395,163	389,728	395,461	384,397 ⁽²⁾
Restricted	82,397	80,944	57,268	58,656	58,052	28,948	27,582	52,406	57,052	69,936
Unrestricted	<u>38,782</u>	<u>35,655</u>	<u>47,474</u>	<u>49,249</u>	<u>50,035</u>	<u>64,206</u>	<u>55,872</u>	<u>52,806</u>	<u>48,554</u>	<u>54,673</u>
Total business-type activities net assets	<u>316,082</u>	<u>331,578</u>	<u>338,749</u>	<u>353,745</u>	<u>436,147</u>	<u>456,592</u>	<u>478,617</u>	<u>494,940</u>	<u>501,067</u>	<u>509,006</u>
Primary government										
Invested in capital assets, net of related debt	361,640	412,237	478,411	488,574	2,476,146	2,515,288	2,531,084	2,524,668	2,504,311	2,477,889
Restricted	91,436	89,983	61,582	59,928	59,121	29,118	27,821	53,317	63,582	162,938
Unrestricted	<u>184,811</u>	<u>183,358</u>	<u>227,163</u>	<u>256,019</u>	<u>300,711</u>	<u>300,565</u>	<u>301,281</u>	<u>283,380</u>	<u>268,376</u>	<u>200,502</u>
Total primary government net assets	<u>\$ 637,887</u>	<u>685,578</u>	<u>767,156</u>	<u>804,521</u>	<u>2,835,978</u>	<u>2,844,971</u>	<u>2,860,186</u>	<u>2,861,365</u>	<u>2,836,269</u>	<u>2,841,329</u>

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

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

Source: Current and prior years' financial statements.

WASHINGTON COUNTY, OREGON

Changes in Net Assets by Component

Last Ten Fiscal Years

(Dollars in thousands)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses										
Primary Government										
Governmental activities:										
General government	\$ 7,629	28,068	28,535	29,711	30,466	35,283	41,833	42,319	42,869	39,318
Public safety	69,373	75,719	72,858	79,547	89,097	107,566	101,859	97,512	98,562	104,664
Land use, housing and transportation	37,118	51,453	26,514	52,167	138,315	181,858	111,906	106,306	108,616	115,096
Health and human Services	43,931	48,775	52,168	58,364	61,292	56,507	51,555	56,474	58,467	59,013
Culture, education and recreation	14,990	15,696	14,644	14,181	15,038	27,854	23,218	25,728	26,261	26,882
Non-operating expense	24,162	7,746	8,605	15,048	-	5,119	21,078	11,663	10,653	9,225
Interest expense	9,217	7,764	7,381	821	5,882	6,370	6,818	5,665	5,013	4,599
Total governmental activities	206,420	235,221	210,705	249,839	340,090	420,557	358,267	345,667	350,441	358,797
Business-type activities:										
Housing authority	19,746	25,371	25,921	26,104	24,579	25,967	27,112	27,421	28,132	28,400
Sanitation and surface water	63,079	65,367	72,083	75,061	81,589	84,199	87,319	91,279	97,252	100,941
Street lighting district	1,598	1,687	1,601	1,667	1,671	1,726	1,775	1,856	1,842	1,803
Total business-type activities expenses	84,423	92,425	99,605	102,832	107,839	111,892	116,206	120,556	127,226	131,144
Total primary government expenses	290,843	327,646	310,310	352,671	447,929	532,449	474,473	466,223	477,667	489,941
Program Revenues										
Governmental activities:										
Charges for services:										
General government	4,709	8,918	8,161	7,199	32,572	21,499	24,551	6,363	5,371	4,797
Public safety	145	814	4,637	6,324	17,935	3,651	1,683	5,536	5,719	7,140
Land use, housing and transportation	3,958	3,057	13,061	15,488	17,297	20,591	33,387	10,837	10,568	11,974
Health and human Services	2,884	4,684	12,387	16,350	5,431	12,253	11,526	19,671	21,800	26,420
Culture, education and recreation	1,098	1,298	1,393	1,303	961	571	1,030	1,488	1,241	1,309
Non-operating revenue	3,991	12,227	11,767	27,571	-	22,868	24,628	16,387	16,604	20,013
Operating grants and contributions	94,679	92,644	91,037	90,677	106,147	98,844	88,512	91,902	92,531	97,640
Capital grants and contributions	2,225	2,516	10,751	5,349	3,751	71,081	1,690	1,851	686	1,462
Total governmental activities program revenue	113,689	126,158	153,194	170,261	184,094	251,358	187,007	154,035	154,520	170,755
Business-type activities:										
Charges for services:										
Housing authority	4,281	4,124	4,094	4,102	4,201	4,295	5,212	5,099	5,779	5,790
Sanitation and surface Water	61,476	62,873	66,457	70,387	75,216	78,523	84,754	89,585	96,329	103,374
Street lighting district	1,325	1,639	1,654	1,724	1,707	1,902	1,840	1,828	1,725	1,746
Operating grants and contributions	17,662	18,839	19,298	19,039	19,203	18,920	19,801	20,141	20,855	21,574
Capital grants and contributions	-	14,580	10,684	16,970	18,056	17,732	22,442	16,629	6,803	5,053
Total business-type activities program revenue	84,744	102,055	102,187	112,222	118,383	121,372	134,049	133,282	131,491	137,537
Total primary government program revenue	198,433	228,213	255,381	282,483	302,477	372,730	321,056	287,317	286,011	308,292
Net Revenue(expense)										
Governmental activities	(92,731)	(109,063)	(57,511)	(79,578)	(155,996)	(169,199)	(171,260)	(191,632)	(195,921)	(188,042)
Prior period adjustment(restatement)	-	-	-	(26,940)	1,965,931	-	-	(993)	-	- ⁽¹⁾
Total	(92,731)	(109,063)	(57,511)	(106,518)	1,809,935	(169,199)	(171,260)	(192,625)	(195,921)	(188,042)
Business-type activities	321	9,630	2,582	9,390	10,544	9,480	17,843	12,726	4,265	6,393
Prior period adjustment(restatement)	-	-	-	-	63,351	(193)	(1,935)	-	-	- ⁽¹⁾
Total	321	9,630	2,582	9,390	73,895	9,287	15,908	12,726	4,265	6,393
Total primary government net revenues(expenses)	\$ (92,410)	(99,433)	(54,929)	(97,128)	1,883,830	(159,912)	(155,352)	(179,899)	(191,656)	(181,649)

⁽¹⁾ Years prior to restatements have not been restated

Source: Current and prior years' financial statements

(Continued)

WASHINGTON COUNTY, OREGON

Changes in Net Assets by Component, Continued

Last Ten Fiscal Years

(Dollars in thousands)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total primary government net revenues(expenses) (<i>brought forward</i>)	\$ (92,410)	(99,433)	(54,929)	(97,128)	1,883,830	(159,912)	(155,352)	(179,899)	(191,656)	(181,649)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes, levied for general purposes	95,434	100,171	103,935	108,025	112,150	104,314	135,409	142,298	147,250	152,065
Property taxes, levied for debt service	8,036	7,807	7,805	8,056	7,886	7,633	7,770	6,137	6,335	6,407
Other taxes	5,565	6,003	6,907	8,264	9,878	10,124	10,253	7,775	7,497	8,450
Interest income	5,979	3,698	2,135	4,535	9,197	13,031	10,377	8,247	3,197	1,984
Gain (loss) on sale of capital assets	5,221	(25)	(163)	-	-	-	-	-	-	-
Miscellaneous revenue	12,520	15,118	11,299	7	9	22,645	641	13,024	419	16,257
Capital contributions	12,103	8,486	-	-	-	-	-	-	-	-
Transfers	2,237	-	-	-	-	-	-	-	-	-
Total governmental activities revenue	147,095	141,258	131,918	128,887	139,120	157,747	164,450	177,481	164,698	185,163
Business-type activities:										
Taxes										
Property taxes, levied for general purposes	1	-	-	-	-	-	-	-	-	-
Interest income	4,469	2,413	1,245	2,159	3,563	4,922	3,475	2,636	1,514	1,568
Gain on sale of capital assets	110	-	332	-	-	-	2,724	1,031	418	54
Loss on equity in joint venture	-	-	-	-	-	-	(82)	(70)	(70)	(76)
Miscellaneous revenue	50	3,453	3,012	3,448	4,944	6,236	-	-	-	-
Capital contributions	15,890	-	-	-	-	-	-	-	-	-
Transfers	(2,237)	-	-	-	-	-	-	-	-	-
Total business-type activities revenue	18,283	5,866	4,589	5,607	8,507	11,158	6,117	3,597	1,862	1,546
Total primary government	165,378	147,124	136,507	134,494	147,627	168,905	170,567	181,078	166,560	186,709
Change in Net Assets										
Governmental activities	54,364	32,195	74,407	22,369	1,949,055	(11,452)	(6,810)	(15,144)	(31,223)	(2,879)
Business-type activities	18,604	15,496	7,171	14,997	82,402	20,445	22,025	16,323	6,127	7,939
Total primary government	\$ 72,968	47,691	81,578	37,366	2,031,457	8,993	15,215	1,179	(25,096)	5,060

Source: Current and prior years' financial statements

WASHINGTON COUNTY, OREGON

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Dollars in thousands)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Reserved fund balances:										
Advances	\$ —	—	—	—	—	—	4,000	2,000	—	—
Inventory	—	—	—	—	—	—	—	234	330	—
Debt service	667	338	3,869	149	543	170	237	—	—	—
Working capital	—	230	100	100	100	100	—	—	—	—
Capital projects	—	—	445	564	526	773	1,082	86	142	—
Nonspendable	—	—	—	—	—	—	—	—	—	282
Restricted	—	—	—	—	—	—	—	—	—	93,002
Committed	—	—	—	—	—	—	—	—	—	55,278
Assigned	—	—	—	—	—	—	—	—	—	1,300
Total reserved fund balances	667	568	4,414	813	1,169	1,043	5,319	2,320	472	149,862
Unreserved/unassigned fund balances (deficits):										
Major funds:										
General fund	23,796	24,652	27,211	33,253	41,792	43,480	37,522	30,806	33,874	32,513
HOME fund	—	—	—	—	—	—	1	(2)	(2)	(2)
Human Services Fund	1,755	1,191	1,078	833	1,172	1,361	2,115	2,983	3,253	—
MSTIP III Fund	32,167	30,594	36,818	34,383	68,164	57,077	55,908	47,623	44,398	—
Road Fund	11,196	12,420	20,712	19,972	14,609	14,360	14,044	11,853	13,265	—
Non-major funds:										
Special Revenue Funds	52,173	51,986	61,540	70,147	74,896	69,034	76,004	82,985	74,689	(97)
Capital Projects Funds	1,640	1,123	1,036	1,123	1,539	1,378	942	849	6,532	(102)
Debt Service Funds	—	—	—	—	—	—	—	(24)	(31)	(12)
Total unreserved/unassigned fund balances	122,727	121,966	148,395	159,711	202,172	186,690	186,536	177,073	175,978	32,300
Total fund balances	\$ 123,394	122,534	152,809	160,524	203,341	187,733	191,855	179,393	176,450	182,162

Source: Current and prior years' financial statements.

WASHINGTON COUNTY, OREGON

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Dollars in thousands)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Taxes	\$ 108,937	113,451	118,582	124,866	130,181	121,977	149,442	154,379	160,234	166,766
Licenses and permits	7,895	8,051	8,596	9,613	10,253	8,882	9,213	8,126	8,200	8,482
Intergovernmental revenues	85,861	88,427	88,273	94,351	104,434	152,681	85,993	89,839	90,197	96,237
Charges for services	23,853	42,579	50,151	47,440	34,457	30,525	41,039	39,625	41,180	48,865
Fines and forfeitures	1,924	2,213	2,736	3,029	3,210	3,728	3,533	2,826	3,058	3,431
Special assessments	319	237	167	211	235	249	224	241	190	188
Miscellaneous revenues	31,794	14,066	23,132	29,633	33,363	35,697	37,069	34,534	28,256	30,784
Interfund revenues	19,658	25,884	23,491	24,187	23,417	26,272	28,283	28,423	29,160	29,619
Total revenues	280,241	294,908	315,128	333,330	339,550	380,011	354,796	357,993	360,475	384,372
Expenditures:										
Current:										
General government	24,037	24,866	26,243	29,125	30,123	31,134	32,609	36,136	34,265	35,019
Public safety and justice	84,108	90,575	91,322	97,605	100,587	104,517	114,416	120,744	121,021	129,651
Land use, housing and transportation	79,269	83,831	74,360	91,616	81,633	127,152	94,595	99,590	92,495	97,662
Health and human services	45,225	50,373	54,156	59,418	60,526	68,393	52,605	58,405	60,313	60,975
Culture, education and recreation	14,700	15,761	14,810	14,402	14,751	15,655	23,081	25,774	26,353	27,193
Nonoperating	5,613	6,354	6,182	8,025	7,013	6,359	7,902	7,372	5,673	6,153
Capital outlay	18,375	6,874	8,470	7,703	13,716	26,176	9,360	8,739	9,288	8,097
Debt service:										
Principal	8,348	8,393	7,327	11,598	14,897	9,485	44,049	8,452	8,908	9,340
Interest	7,897	7,138	6,749	6,399	5,352	6,750	6,186	5,748	5,098	4,683
Total expenditures	287,572	294,165	289,619	325,891	328,598	395,621	384,803	370,960	363,414	378,773
Excess(deficiency) of revenues over (under) expenditures	(7,331)	743	25,509	7,439	10,952	(15,610)	(30,007)	(12,967)	(2,939)	5,599
Other financing sources(uses):										
Proceeds from debt	13,210	294	4,343	274	83,401	—	34,125	—	—	—
Advance refunding of debt principal	(6,730)	—	—	—	(51,540)	—	—	—	—	—
Advance payment on pension obligation	(17,617)	—	—	—	—	—	—	—	—	—
Transfers in from other funds	36,374	56,393	60,481	70,271	80,292	91,364	69,224	73,738	79,801	61,538
Transfers out to other funds	(36,974)	(58,290)	(60,058)	(70,267)	(80,288)	(91,362)	(69,224)	(73,234)	(81,795)	(61,416)
Total other financing sources(uses)	(11,737)	(1,603)	4,766	278	31,865	2	34,125	504	(1,994)	122
Net change in fund balances	\$ (19,068)	(860)	30,275	7,717	42,817	(15,608)	4,118	(12,463)	(4,933)	5,721
Debt service as a percentage of noncapital expenditures	6.75%	5.71%	5.73%	5.95%	7.05%	4.83%	14.49%	4.49%	4.20%	4.26%

Source: Current and prior years' financial statements.

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REVENUE CAPACITY

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WASHINGTON COUNTY, OREGON

Valuation of Taxable Property

Last Ten Fiscal Years

(In Thousands)

Fiscal year ended June 30	Assessed Value				Total direct tax rate ⁽¹⁾	True cash valuation	Ratio of assessed valuation to true cash valuation
	Real property	Personal property	Public utility property	Total			
2002	\$ 28,359,299	\$ 1,655,117	\$ 1,155,253	\$ 31,169,669	2.97	\$ 42,641,803	73.10 %
2003	30,082,720	1,771,620	1,185,317	33,039,657	2.91	45,004,178	73.41
2004	31,411,567	1,668,488	1,178,235	34,258,290	2.90	50,523,742	67.81
2005	33,025,666	1,626,433	1,140,884	35,792,983	2.87	52,646,589	67.99
2006	34,866,509	1,608,701	1,155,643	37,630,853	2.84	58,389,427	64.45
2007	36,728,957	1,652,098	1,198,560	39,579,615	2.45	69,903,003	56.62
2008	38,669,431	1,760,359	1,266,893	41,696,683	3.03	76,919,205	54.21
2009	40,540,532	1,911,303	1,411,287	43,863,122	2.99	79,498,937	55.17
2010	41,974,973	1,833,195	1,591,315	45,399,483	2.99	75,512,292	60.12
2011	43,397,583	1,781,436	1,622,849	46,801,868	2.98	71,983,750	65.02

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

Fiscal year ended June 30	General	Special revenue	Debt service	Total direct tax rate
2002	\$ 2.25	\$ 0.45	\$ 0.27	\$ 2.97
2003	2.25	0.42	0.24	2.91
2004	2.25	0.41	0.24	2.90
2005	2.25	0.39	0.23	2.87
2006	2.25	0.37	0.22	2.84
2007	2.25	—	0.20	2.45
2008	2.25	0.59	0.19	3.03
2009	2.25	0.59	0.15	2.99
2010	2.25	0.59	0.15	2.99
2011	2.25	0.59	0.14	2.98

Source: Washington County Department of Assessment and Taxation

WASHINGTON COUNTY, OREGON

Certified Property Tax Levies -
Direct and Overlapping Governments

Last Ten Fiscal Years

(Dollars in thousands)

Fiscal year ended June 30	Total Tax Levies	Washington County	Component units of Washington County ⁽²⁾	School Districts	Fire Districts
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
2008	690,047	125,988	19,988	310,212	59,800
2009	715,850	130,338	23,855	313,624	61,864
2010	766,167	135,477	24,234	334,352	65,439
2011	783,036	140,212	24,614	341,593	67,422

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

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

Source: Washington County Department of Assessment and Taxation

	<u>Cities</u>	<u>Park and recreation</u>	<u>Development and urban renewal agencies</u>	<u>Port of Portland</u>	<u>Portland Community College</u>	<u>Metropolitan Service District</u>	<u>Other</u>
\$	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	14,053	2,113
	92,893	22,776	5,348	2,750	19,099	13,729	2,107
	98,422	23,818	6,145	2,894	20,771	19,848	2,162
	108,078	25,139	6,652	3,040	21,738	19,398	2,124
	112,334	31,528	7,180	3,145	28,367	21,948	2,163
	120,524	33,394	913	3,269	29,567	21,528	—

WASHINGTON COUNTY, OREGON

Property Tax Levies and Collections⁽¹⁾

Last Ten Fiscal Years

(Dollars in thousands)

Fiscal year ended June 30	Certified tax levies			Collected within the fiscal year of the levy			Total collections to date	
	General Fund	Special levies	Total	Amount	Percentage of levy	Collections in subsequent years	Amount	Percentage of levy
2002	\$ 70,387	35,998	106,385	100,810	94.76	% \$ 2,670	103,481	97.27
2003	74,563	36,339	110,902	104,791	94.49	2,883	107,675	97.09
2004	77,079	38,358	115,437	109,388	94.76	2,667	112,055	97.07
2005	80,327	40,901	121,228	115,082	94.93	2,631	117,712	97.10
2006	84,583	41,013	125,596	119,454	95.11	2,386	121,841	97.01
2007	88,968	27,501	116,469	110,902	95.22	2,446	113,348	97.32
2008	93,588	45,498	139,086	132,062	94.95	3,060	135,122	97.15
2009	98,297	56,017	154,314	145,503	94.29	3,812	149,314	96.76
2010	102,210	57,501	159,711	150,799	94.42	2,795	153,594	96.17
2011	106,055	58,771	164,826	156,041	94.67	-	156,041	94.67

⁽¹⁾Includes small levies paid off early to other jurisdictions by the General Fund totaling \$361 in 2010-11.

Source: Washington County Finance Division

WASHINGTON COUNTY, OREGON

Principal Taxpayers Within the County
Current Year and Nine Years Ago

(Dollars in Thousands)

	2011				2002			
	Rank	Assessed valuation	Percent of total		Rank	Assessed valuation	Percent of total	
Private enterprises:								
Intel Corporation	1	\$ 1,086,960	2.3	%	1	\$ 884,856	2.8	%
Nike, Inc.	2	431,605	0.9		4	274,521	0.9	
Frontier Communciations	4	371,640	0.8				—	
Pacific Realty Associates	5	301,957	0.6		7	169,655	0.5	
Genentech	7	231,547	0.5		10		—	
Comcast Corporation	8	213,073	0.5				—	
Maxim Integrated Products, Inc.	9	137,022	0.3		5	194,615	0.6	
Tektronix, Inc.	10	128,237	0.3			155,958	0.5	
Verizon Northwest, Inc.		—	—		2	371,568	1.2	
Spieker Properties		—	—		9	120,123	0.4	
Integrated Device/Sumitomo Bank		—	—		10	115,927	0.4	
Public utilities:								
Portland General Electric	3	390,953	0.8		3	282,644	0.9	
Northwest Natural Gas	6	282,171	0.6		6	182,680	0.6	
All other taxpayers		<u>43,226,703</u>	<u>92.4</u>			<u>28,417,121</u>	<u>91.2</u>	
Total		<u>\$ 46,801,868</u>	<u>100.0</u>			<u>\$ 31,169,668</u>	<u>100.0</u>	

Source: Washington County Department of Assessment and Taxation

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DEBT CAPACITY

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WASHINGTON COUNTY, OREGON

Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

Fiscal Year	Governmental Activities Bonds Payable	Business-Type Activities Bonds Payable	Total Bonds Payable	Total Taxable Assessed Value	Percentage of Actual Taxable Value of Property	Debt Outstanding Per Capita
2002	\$ 67,275	\$ 273,595	\$ 340,870	\$ 31,169,669	1.1 %	\$ 748
2003	62,150	258,815	320,965	33,039,657	1.0	693
2004	56,980	259,495	316,475	34,258,290	0.9	669
2005	51,545	243,855	295,400	35,792,983	0.8	615
2006	46,015	227,640	273,655	37,630,853	0.7	558
2007	40,260	210,735	250,995	39,579,614	0.6	501
2008	33,570	193,100	226,670	41,696,683	0.5	444
2009	28,570	233,375	261,945	43,863,122	0.6	504
2010	23,325	284,260	307,585	45,399,483	0.7	583
2011	17,845	263,845	281,690	46,801,868	0.6	528

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

WASHINGTON COUNTY, OREGON

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

Fiscal Year	Governmental Activities				Capital Lease Obligations
	Bonds Payable	Notes Payable	Contracts Payable		
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
2008	33,570	88,121	555		1,525
2009	28,570	84,930	505		1,343
2010	23,325	81,510	454		1,160
2011	17,845	77,897	402		964

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

Source: Washington County Finance Division

Business-Type Activities			Total Primary Government	Percentage of Personal Income	Outstanding Debt Per Capita
Bonds Payable	Notes Payable	Contracts Payable			
\$ 273,595	\$ 938	\$ 3,960	\$ 432,432	2.9 %	\$ 948
258,815	3,667	746	410,246	2.8	886
259,495	4,699	569	402,681	2.6	851
243,855	4,754	386	375,565	2.3	782
227,640	4,488	196	375,533	2.2	766
210,735	3,717	—	348,177	1.9	695
193,100	3,266	—	320,137	1.6	626
233,375	2,826	—	351,549	1.6	676
284,260	31,818	—	422,526	2.0	802
263,845	31,661	—	392,614	N/A	737

WASHINGTON COUNTY, OREGON

Legal Debt Margin Information

Last Ten Fiscal Years

(Dollars in thousands)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Washington County:					
-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	\$ 71,983,750	75,512,292	79,498,937	76,919,205	69,903,003
Debt limit rate	<u>2.00%</u>	<u>2.00%</u>	<u>2.00%</u>	<u>2.00%</u>	<u>2.00%</u>
Debt limit	1,439,675	1,510,246	1,589,979	1,538,384	1,398,060
Less general obligation debt at June 30	<u>17,845</u>	<u>23,325</u>	<u>28,570</u>	<u>33,570</u>	<u>40,260</u>
Legal debt margin	<u>1,421,830</u>	<u>1,486,921</u>	<u>1,561,409</u>	<u>1,504,814</u>	<u>1,357,800</u>
Total net debt applicable to the limit as a percentage of debt limit	1.24%	1.54%	1.80%	2.18%	2.88%

-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	<u>71,983,750</u>	<u>75,512,292</u>	<u>79,498,937</u>	<u>76,919,205</u>	<u>69,903,003</u>
Debt limit rate	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>
Debt limit	719,838	755,123	794,989	769,192	699,030
Less full faith and credit obligation debt at June 30	<u>76,300</u>	<u>79,715</u>	<u>82,920</u>	<u>85,905</u>	<u>88,695</u>
Legal debt margin	<u>643,538</u>	<u>675,408</u>	<u>712,069</u>	<u>683,287</u>	<u>610,335</u>
Total net debt applicable to the limit as a percentage of debt limit	10.60%	10.56%	10.43%	11.17%	12.69%

Housing Authority of Washington County:					
-ORS 451.545 provides a debt limit on general obligation bonds of 13% of the real market value of all taxable property within the agency's legal boundaries.					
Real market value	<u>71,983,750</u>	<u>75,512,292</u>	<u>79,498,937</u>	<u>76,919,205</u>	<u>69,903,003</u>
Debt limit rate	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>
Debt limit	9,357,888	9,816,598	10,334,862	9,999,497	9,087,390
Less general obligation debt at June 30	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Legal debt margin	<u>9,357,888</u>	<u>9,816,598</u>	<u>10,334,862</u>	<u>9,999,497</u>	<u>9,087,390</u>
Total net debt applicable to the limit as a percentage of debt limit	—	—	—	—	—

Clean Water Services:					
-ORS 451.545 provides a debt limit on general obligation bonds of 13% of the real market value of all taxable property within the agency's legal boundaries					
Real market value	<u>64,712,780</u>	<u>67,333,674</u>	<u>67,466,438</u>	<u>65,485,068</u>	<u>59,132,300</u>
Debt limit rate	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>
Debt limit	8,412,661	8,753,378	8,770,637	8,513,059	7,687,199
Less general obligation debt at June 30	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Legal debt margin	<u>\$ 8,412,661</u>	<u>8,753,378</u>	<u>8,770,637</u>	<u>8,513,059</u>	<u>7,687,199</u>
Total net debt applicable to the limit as a percentage of debt limit	—	—	—	—	—

Source: Washington County Finance Division

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>58,389,427</u>	<u>52,646,589</u>	<u>50,523,742</u>	<u>45,004,178</u>	<u>42,641,803</u>
2.00%	2.00%	2.00%	2.00%	2.00%
<u>1,167,789</u>	<u>1,052,932</u>	<u>1,010,475</u>	<u>900,084</u>	<u>852,836</u>
<u>46,015</u>	<u>51,545</u>	<u>56,980</u>	<u>62,150</u>	<u>67,275</u>
<u>1,121,774</u>	<u>1,001,387</u>	<u>953,495</u>	<u>837,934</u>	<u>785,561</u>
3.94%	4.90%	5.64%	6.90%	7.89%
<u>58,389,427</u>	<u>52,646,589</u>	<u>50,523,742</u>	<u>45,004,178</u>	<u>42,641,803</u>
1.00%	1.00%	1.00%	1.00%	1.00%
<u>583,894</u>	<u>526,466</u>	<u>505,237</u>	<u>450,042</u>	<u>426,418</u>
<u>91,990</u>	<u>69,395</u>	<u>75,195</u>	<u>69,710</u>	<u>74,780</u>
<u>491,904</u>	<u>457,071</u>	<u>430,042</u>	<u>380,332</u>	<u>351,638</u>
15.75%	13.18%	14.88%	15.49%	17.54%
<u>58,389,427</u>	<u>52,646,589</u>	<u>50,523,742</u>	<u>45,004,178</u>	<u>42,641,803</u>
13.00%	13.00%	13.00%	13.00%	13.00%
<u>7,590,626</u>	<u>6,844,057</u>	<u>6,568,086</u>	<u>5,850,543</u>	<u>5,543,434</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>7,590,626</u>	<u>6,844,057</u>	<u>6,568,086</u>	<u>5,850,543</u>	<u>5,543,434</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>48,348,600</u>	<u>48,571,562</u>	<u>41,464,678</u>	<u>41,464,678</u>	<u>39,274,295</u>
13.00%	13.00%	13.00%	13.00%	13.00%
<u>6,285,318</u>	<u>6,314,303</u>	<u>5,390,408</u>	<u>5,390,408</u>	<u>5,105,658</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>6,285,318</u>	<u>6,314,303</u>	<u>5,390,408</u>	<u>5,390,408</u>	<u>5,105,658</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

WASHINGTON COUNTY, OREGON

Direct and Overlapping Governmental Activities Debt

June 30, 2011

(Dollars in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to County</u>
Debt repaid with property taxes:			
Overlapping debt outstanding:			
Banks Fire District #13	\$ 1,005	100.0 %	\$ 1,005
City of Banks	1,565	100.0	1,565
City of Beaverton	—	100.0	—
City of Cornelius	—	100.0	—
City of Durham	1,320	100.0	1,320
City of Forest Grove	2,265	100.0	2,265
City of Hillsboro	8,870	100.0	8,870
City of Lake Oswego	30	0.2	—
City of North Plains	275	100.0	275
City of Portland	309	0.2	1
City of Sherwood	7,771	100.0	7,771
City of Tigard	32,300	100.0	32,300
City of Tualatin	8,091	84.2	6,813
City of Wilsonville	—	12.1	—
Clackamas County Education Service District	—	0.5	—
Clackamas County School District 3J (West Linn - Wilsonville)	4,328	1.9	82
Clackamas County School District 7J (Lake Oswego)	1,018	0.9	9
Columbia County School District 1J (Scappoose)	148	0.5	1
Columbia County School District 47J (Vernonia)	265	1.6	4
Forest Grove Rural Fire Protection District	120	100.0	120
Gaston Rural Fire Protection District	204	77.2	157
Metro	49,491	31.3	15,491
Multnomah County School District 1J (Portland)	2,660	0.6	16
Multnomah Education Service District	—	0.4	—
Northwest Regional Education Service District	—	75.9	—
Port of Portland	—	30.9	—
Portland Community College	83,733	42.0	35,168
Tri-Met	3,105	31.7	984
Tualatin Hills Parks & Recreation District	70,790	100.0	70,790
Tualatin Valley Fire & Rescue District	41,295	82.8	34,192
Washington County School District 13 (Banks)	9,100	100.0	9,100
Washington County School District 15 (Forest Grove)	97,507	100.0	97,507
Washington County School District 1J (Hillsboro)	341,330	100.0	341,330
Washington County School District 23J (Tigard - Tualatin)	117,587	95.2	111,943
Washington County School District 48J (Beaverton)	536,943	99.5	534,258
Washington County School District 511J (Gaston)	2,891	79.6	2,301
Washington County School District 88J (Sherwood)	118,916	93.1	110,711
Willamette Education Service District	7	0.4	—
Yamhill County School District 29J (Newberg)	2,610	4.0	104
Total overlapping debt outstanding	1,547,849		1,426,453
Direct debt outstanding:			
Washington County	17,845	100.00	17,845
Total direct and overlapping debt outstanding	\$ 1,565,694		\$ 1,444,298

Source: Oregon State Treasury, Debt Management Division

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

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WASHINGTON COUNTY, OREGON

Demographic Statistics

Last Ten Fiscal Years

(Dollars in thousands)

<u>Fiscal Year</u>	<u>Population (estimated)</u>		<u>Personal Income</u>		<u>Per Capita Income</u>	<u>Unemployment Rate</u>
2002	456	\$	14,844	\$	33	6.6 %
2003	463		14,973		32	8.3
2004	473		15,419		33	6.3
2005	480		16,121		34	5.1
2006	490		17,254		35	4.4
2007	501		18,767		37	4.3
2008	511		19,945		39	4.8
2009	520		21,186		41	10.2
2010	527		21,205		40	8.4
2011	533		N/A		N/A	7.6

N/A: Information not available as of printing.

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

WASHINGTON COUNTY, OREGON

Major Employment Industries

Current Year and Nine Years Ago

	2011*		2002	
	Annual Average	% of Total	Annual Average	% of Total
Construction	11,708	5%	12,347	6%
Manufacturing:				
Wood products	1,048		1,617	
Fabricated metal products	2,842		2,334	
Food	1,569		1,746	
Plastics and rubber products	1,552		1,591	
Computer and electronic products	25,867		27,655	
Machinery	3,551		3,486	
Other	6,386		7,863	
Total Manufacturing	42,815	18%	46,292	21%
Trade, Transportation, and Utilities:				
Wholesale	16,471		14,908	
Retail	27,789		26,634	
Transportation, Warehousing, and Utilities	3,306		4,665	
Total Trade, Transportation, and Utilities	47,566	20%	46,207	21%
Information:				
Publishing	3,311		4,572	
Telecommunications	2,042		1,814	
Other (broadcasting, ISP's, etc.)	2,636		883	
Total Information	7,989	3%	7,269	3%
Financial Activities:				
Finance and Insurance	10,445		9,255	
Real Estate	3,082		3,138	
Total Financial Activities	13,527	6%	12,393	6%
Professional and Business Services	35,783	15%	32,164	15%
Educational Services	5,003	2%	3,559	2%
Healthcare and Social Assistance	24,595	10%	16,560	7%
Leisure and Hospitality	20,246	8%	16,639	8%
Other Services (agriculture, repairs, private homes, misc.)	10,551	3%	10,765	3%
Government (federal, state, and local)	23,421	10%	17,349	8%
Total Employment	<u>243,204</u>	<u>100%</u>	<u>221,544</u>	<u>100%</u>

*Fiscal Year 2011 information includes data through December 31, 2010.

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

OPERATING INFORMATION

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WASHINGTON COUNTY, OREGON

Full-time Equivalent Employees by Function

Last Ten Fiscal Years

Function/Program	Full-time equivalent employees as of June 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	251.1	275.1	270.1	279.6	280.5	284.4	292.8	299.8	297.0	297.3
Public safety and justice	760.6	777.5	767.4	775.4	772.3	782.8	815.3	834.3	836.9	833.42
Land use, housing and transportation	430.8	412.8	408.8	405.4	398.6	416.6	426.0	423.9	391.8	357.4
Health and human services	196.1	214.6	221.1	222.1	220.6	228.8	231.8	240.2	239.4	250.0
Culture, education and recreation	42.7	44.6	38.6	36.6	36.6	36.6	40.0	44.3	45.3	44.3
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>	<u>1,805.8</u>	<u>1,842.4</u>	<u>1,810.3</u>	<u>1,782.4</u>

Source: Washington County Support Services Department

WASHINGTON COUNTY, OREGON

Operating Indicators by Function/Program

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government:										
Assessment & Taxation:										
Real property accounts	151,190	154,285	157,241	160,490	164,548	168,846	173,542	177,155	177,924	178,440
Personal property accounts	21,137	21,033	20,944	21,141	22,283	23,278	23,791	24,100	24,591	24,077
Mobile home accounts	6,640	6,522	6,387	6,227	6,092	5,930	5,569	5,336	5,239	5,205
Utility property accounts	1,044	1,084	1,097	1,072	941	997	977	940	1,026	1,167
County Counsel:										
Hours booked for General Fund programs	N/A	4,970	5,191	6,517	5,650	5,670	6,023	6,072	8,376	6,102
Hours booked for Special Revenue funds and miscellaneous	N/A	5,808	6,903	6,918	6,628	7,118	6,938	7,081	5,639	6,223
Hours booked for internal work	N/A	2,032	2,086	2,021	2,456	2,519	2,406	2,087	2,187	2,066
Support Services:										
Number of budgeted permanent FTE positions within the County	1,682	1,725	1,709	1,720	1,709	1,749	1,806	1,843	1,810	1,782
Number of collective bargaining units	4	4	4	4	5	5	5	5	5	5
Public Safety & Justice:										
Sheriff (measured in calendar years):										
Citizen generated calls for service	48,450	49,339	52,506	52,394	51,632	52,121	52,481	49,296	48,343	N/A
Officer-initiated calls for service (including traffic responses)	47,571	62,870	61,756	70,006	76,595	75,023	72,432	88,239	96,182	N/A
Bookings per year at Jail	19,235	18,149	19,015	20,600	19,329	19,181	18,560	18,698	17,967	N/A
Average length of stay in Jail (in days)	10	11	12	11	17	17	10	19	18	N/A
Average daily Jail population	495	530	579	589	554	547	545	613	579	N/A
Case numbers issued (all documented law enforcement actions taken)	28,676	26,363	26,800	27,552	25,619	23,030	21,536	20,657	20,386	N/A
Juvenile (measured in calendar years):										
Total referrals to juvenile department	4,159	3,621	3,677	3,642	3,961	4,416	4,646	4,087	4,106	3,738
Percent of youth with no new offenses	73%	76%	73%	75%	72%	72%	71%	74%	74%	N/A
Total admissions to secure detention	625	549	515	538	547	586	632	724	727	715
Total admissions to shelter care evaluation	132	158	164	156	147	167	165	163	160	134
Community Corrections:										
Number of offenders residing at the Community Corrections Center	1,871	2,040	1,902	2,000	1,946	2,030	2,100	2,026	2,040	2,044
Average daily Community Corrections Center population	177	180	175	180	181	198	190	194	198	195
Average length of stay in Community Corrections Center (in days)	28	31	32	31	34	37	36	33	36	36
Number of offenders on supervision	4,089	3,999	4,137	3,962	4,059	4,176	4,205	4,162	4,123	4,035
Law Library:										
Total in-library users	4,280	4,854	6,917	6,165	6,968	8,788	9,214	9,797	9,630	5,569
Items checked out	456	608	675	786	1,022	864	800	802	865	867
Land Use, Housing, & Transportation:										
Land Use & Transportation (measured in calendar years):										
Total land use case files	542	542	538	518	596	278	434	413	380	N/A
Total land use actions	662	662	657	621	773	360	549	488	456	N/A
New subdivisions	36	36	43	54	83	52	14	4	8	N/A
Building permits issued (single family residential & remodels/additions)	1,194	1,194	1,458	1,504	1,648	1,639	1,212	988	1,110	N/A
Measure 37 claims received	N/A	N/A	33	404	469	—	—	—	—	N/A
Housing Services:										
Rent subsidies (units)	2,462	2,535	2,536	2,569	2,569	2,569	2,581	2,610	2,810	2,810
Affordable housing (units)	1,833	1,973	1,973	2,684	2,684	2,684	2,684	2,684	2,005	2,086
Public housing (units)	297	297	297	297	297	297	265	257	255	255
Homeownership (units)	5	1	—	4	3	2	2	2	2	2
Homeless services (beds)	512	595	622	624	625	483	548	544	604	594
Community Development:										
Number of people served by all CDBG programs	5,846	22,349	16,102	14,257	57,107	30,647	24,767	19,978	14,509	16,763
Number of households served by all CDBG programs	267	329	268	355	512	293	468	341	523	491
Health & Human Services:										
Health & Human Services:										
Swimming pool inspections, reviews, investigations	1,061	1,164	1,072	1,130	1,130	1,178	1,156	1,328	1,264	1,196
Solid Waste and Recycling phone calls received	3,542	3,683	3,269	3,127	3,082	3,500	3,187	3,442	3,502	3,600
Health Clinic - communicable disease client visits	13,589	15,606	14,053	13,666	12,500	11,862	11,683	10,378	11,169	13,257
Birth certificates received	7,065	7,529	7,498	7,511	7,500	8,177	4,172	N/A	N/A	N/A
Emergency Medical Services:										
CPR/AED people trained (measured in calendar years)	46	92	226	505	663	686	1,002	605	556	N/A
Ambulance licenses issued	87	86	112	94	110	113	103	98	99	97
Total ambulances inspected	15	25	40	35	37	27	—	7	10	10
Wheelchair car licenses issued	82	114	112	106	119	103	131	134	135	144
Culture, Education, & Recreation:										
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	8,442,266	9,776,585	11,143,345	12,711,299
New users registered	32,731	34,621	34,521	38,730	36,104	38,189	41,715	44,797	38,108	40,374
Attendance at summer reading programs and events	17,948	16,652	19,685	26,621	25,050	36,672	38,966	41,234	48,136	46,846
Items delivered to member libraries via WCCLS couriers	1,516,199	1,713,589	1,794,180	1,852,787	2,011,235	2,125,504	2,714,141	3,170,517	3,721,876	4,138,471

N/A: Information not available

Source: Washington County Support Services Department

WASHINGTON COUNTY, OREGON

Capital Assets

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government:										
Facilities:										
Number of buildings - owned	25	25	25	25	25	22	23	23	23	23
Number of buildings - leased	7	8	9	9	9	10	8	9	9	8
Square feet - owned space	1,168,876	1,168,876	1,168,876	1,168,876	1,168,876	1,297,265	1,304,265	1,304,265	1,304,265	1,304,265
Square feet - leased space	29,463	32,424	36,821	36,821	36,821	31,642	24,282	24,722	24,722	24,079
Fleet:										
Number of units maintained	494	497	511	513	532	542	549	564	561	556
Gallons of fuel dispensed	356,208	384,273	400,812	404,661	421,373	408,405	450,074	439,539	431,506	449,544
Miles driven	4,418,108	4,277,224	4,293,800	4,309,245	4,543,847	4,475,521	4,705,659	4,554,668	4,620,550	4,613,964
Number of work orders	4,824	4,269	4,049	4,202	4,101	3,821	4,229	4,444	3,847	4,156
Information Technology Services:										
Computers supported	1,272	1,532	1,559	1,617	1,675	1,739	2,028	2,127	2,116	2,116
Applications supported	N/A	360	360	363	358	608	630	665	698	709
Land Use, Housing, and Transportation:										
County road system (measured in calendar years):										
Total miles maintained	1,264	1,264	1,277	1,277	1,276	1,285	1,271	1,271	1,280	N/A
Paved miles	996	996	1,014	1,017	1,017	1,033	1,035	1,035	1,055	N/A
Gravel miles	268	268	263	260	259	252	236	236	225	N/A
Urban miles	582	582	617	616	615	627	630	630	639	N/A
Rural miles	682	682	660	661	661	657	641	641	641	N/A
Bridges	185	185	186	186	187	187	187	187	189	N/A
Traffic signals	291	291	300	322	325	325	369	379	404	N/A

Source: Washington County Support Services Department

N/A: Information not available

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**WASHINGTON COUNTY,
OREGON**

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

SECTION IV

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INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

December 21, 2011

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, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 21, 2011. We did not audit the financial statements of the business-type activities of Clean Water Services (the District), a component unit of the County, which is both presented as a major fund, and is 94 percent, 98 percent, and 78 percent, respectively, of the assets, net assets, and revenues of business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the District is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

COMPLIANCE

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

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

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

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

COMPLIANCE (Continued)

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

In connection with our testing, nothing came to our attention that caused us to believe the County was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, except as follows:

- The County had the following deficit fund balances at June 30, 2011:

	<u>Amount</u>
Special Revenue Funds	
HOME	\$ (2,000)
Office Community Development Grant Fund	(36,000)
Sheriff's Office Contract Services	(13,000)
Sheriff's Office Grants and Donations	(38,000)
Debt Service Funds	
Miscellaneous Debt Service	\$ (12,000)
Capital Projects Funds	
OTIA Capital Projects	\$(102,000)

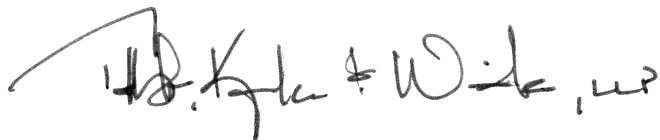
OAR 162-10-230 INTERNAL CONTROL

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements.

Our report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements in accordance with *Government Auditing Standards*, dated December 21, 2011, is presented under separate cover.

* * * * *

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



Certified Public Accountants

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