

COMPREHENSIVE ANNUAL
**Financial
Report**



FISCAL YEAR
ENDED
JUNE 30,
2009

WASHINGTON COUNTY, OREGON

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**WASHINGTON COUNTY,
OREGON**

**INTRODUCTORY
SECTION**

SECTION I

WASHINGTON COUNTY, OREGON

Principal Officials

Commissioners as of June 30, 2009

<u>Name</u>	<u>Term Expires</u>
Tom Brian, Chair Commissioner-At-Large	December 31, 2010
Roy Rogers, Vice Chair District 3	December 31, 2012
Andy Duyck, District 4	December 31, 2010
Dick Schouten District 1	December 31, 2012
Desari Strader District 2	December 31, 2010

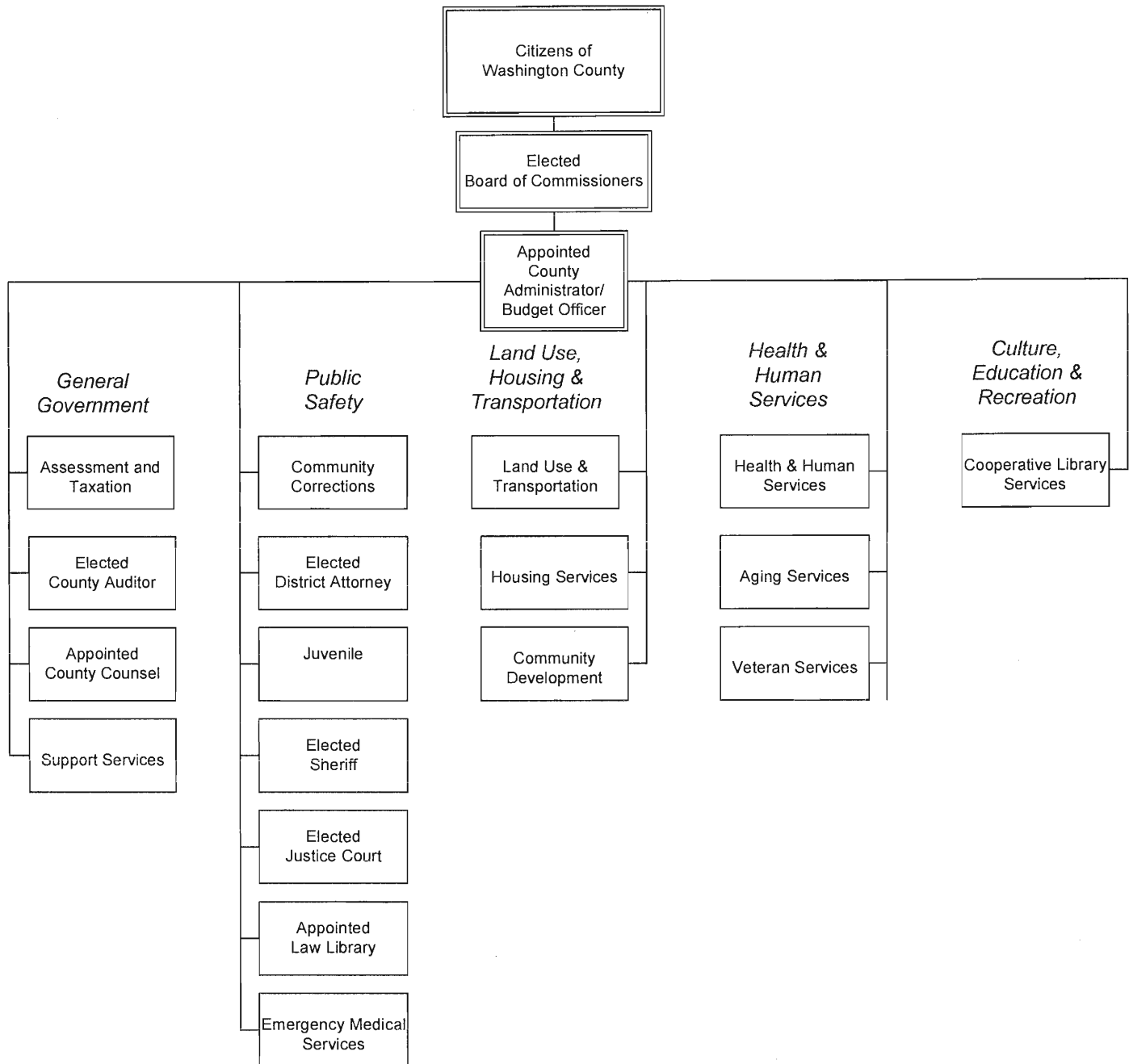
Administrative Staff

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

Administrative Offices

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

WASHINGTON COUNTY ORGANIZATIONAL CHART



Washington County is one of just six Oregon counties operating under a home rule charter. Approved by voters in 1976, the charter provides the County with the authority to design an organizational structure that effectively responds to community needs and establishes a Council-Manager form of government. The five-member Board of Commissioners fills the legislative role with the Board Chair elected at-large and the four Commissioners elected by district voters.

The Board of Commissioners appoints a professional County Administrator who assumes administrative authority for the organization's daily operations and provides oversight to all appointed department directors. County has a limited number of elected officials. In addition to the Board of Commissioners the Sheriff, District Attorney, and County Auditor are elected.

County Departments include: the Sheriff, District Attorney, County Auditor, Land Use and Transportation, Support Services, Health and Human Services, County Counsel, Community Corrections, Housing Services, Juvenile Services and Assessment and Taxation. County offices include: the Law Library, Community Development, Cooperative Library Services and Justice Court.



December 16, 2009

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, 2009.

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, 2009. 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 529,216. 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 principal amount 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 public works, housing, health and human services, and cultural and recreational services. This report includes all funds of the County as well as all of its component units, which are legally separate units for which the County is financially accountable and include Clean Water Services, Washington County Service District for Lighting No. 1, Housing Authority of Washington County, 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 1. This annual budget serves as the foundation for Washington County's financial planning and control. The budget is prepared by 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 a department as they see fit. Transfers between departments, 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 14.4% of the total non-farm employment in the Portland PMSA, while trade, transportation and utilities accounts for 19.9%, government jobs 14.4%, professional and business services 13.0%, education and health services 13.2%, and leisure and hospitality 9.0%.

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

**Washington County
Largest Employers**

Company	Products/Services	Location	Number of Employees
Intel Corporation	Semiconductor integrated circuits	Hillsboro	16,740
Nike, Inc.	Athletic footwear and apparen	Beaverton	7,648
Beaverton School District	Education	Beaverton	4,100
Providence St. Vincent Hospital	Health Care	Portland	3,850
Target Stores	Retail chain	Tualatin	3,843
Hillsboro School District	Education	Hillsboro	2,267
Tektronix	Electronics	Beaverton	2,000
Home Depot	Home improvement	Tigard	2,000
Kaiser Permanente	Health Care	various	1,850
Washington County	Government	Hillsboro	1,751
Rite Aid Corporation	Drug store chain	Beaverton	1,600
Xerox Office Business Group	Technology and services enterprise vendor	Wilsonville	1,600
TriQuint Semiconductor	Semiconductors	Hillsboro	1,500
Tuality Healthcare	Health Care	Hillsboro	1,407
Shari's Restaurants	Restaurant chain	Beaverton	1,200

Source: Westside Economic Alliance

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. Intel Corporation and Integrated Device Technology are both SIP recipients for properties within the County. The County received \$5,820 in SIP revenues in 2006-07, in, and \$4,914 in 2007-08, \$5,644 in 2008-09, and budgeted for \$5,374 in 2009-10 (*dollars in 000's*).

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
2008	Not available	Not available	136,276,807	35,956
2007	\$ 19,945,179	38,371	131,277,786	35,143
2006	18,766,887	36,731	123,857,159	33,648
2005	17,327,778	34,784	114,379,155	31,580
2004	16,120,965	33,168	109,717,646	30,679
2003	15,418,518	32,214	105,160,987	29,607
2002	\$ 14,972,521	31,740	101,881,884	28,960

Long term financial planning

The 2009-10 adopted budget included General Fund reserves of \$30 million dollars or 18 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. Currently the five-year forecast shows a declining fund balance. Executive management will work with departments to reduce operating expenses in an effort 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.

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 Aa1 and AA+, respectively; and Aa2 by Moody's for limited tax bonded indebtedness (backed by the full faith and credit of the County). The rating on the revenue bonds issued by the County's component unit – Clean Water Services – was Aa3 from Moody's and AA from S&P at June 30, 2009. 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 fiscal year ending June 30, 2009.

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

The County has a Major Streets and Transportation Improvement Program (MSTIP) that is funded from the permanent tax rate. The 2009-10 budget includes \$28 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.

At the November 2008 general election voters approved a revision and update of the 1962 Washington County Charter and an increase in County-wide transportation tax on new development. The Charter revisions included numerous substantive and housekeeping changes, including but not limited to the following:

- Removing gender references and outdated language
- Eliminated conflicts with State law
- Restructures Chair and Board's salary; eliminates annual cost of living increases
- Imposes a 2-year residency requirement for commission candidates
- Requires annual reports to the public on County Auditor's performance audits

The transportation tax will be dedicated to road and transit projects that increase the transportation system capacity within the County and will be 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.

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

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

Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to Washington County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. This was the twenty-third consecutive year the County received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,


Mary E. Gruss
Chief Finance Officer


Roger Dawes
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Washington County
Oregon

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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.



A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

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**WASHINGTON COUNTY,
OREGON**

**FINANCIAL
SECTION**

SECTION II



INDEPENDENT AUDITOR'S REPORT

December 16, 2009

Board of Commissioners
Washington County
Hillsboro, Oregon

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Washington County, Oregon (the County), as of and for the year ended June 30, 2009, 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, a component unit of Washington County, Oregon (the District), which is both presented as a major fund, and is 94 percent, 97 percent, and 79 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2009, 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
December 16 2009
Page 2

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2009, 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.

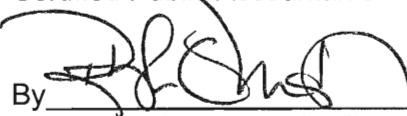
Management's Discussion and Analysis as listed in the Table of Contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited 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 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 subjected 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

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

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, 2009. 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 3-8 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, 2009 by \$2,861,365. Net assets invested in capital assets (net of depreciation and related debt) were \$2,524,668 and account for 88% of total net assets. Of the remaining net assets, \$283,356 may be used to meet the County's ongoing obligations to citizens and creditors.
- As of June 30, 2009, Washington County's governmental funds reported combined unreserved ending fund balances of \$179,073.
- Unreserved fund balance for the General Fund was \$32,806 at June 30, 2009, amounting to 29.4% of total General Fund expenditures for 2009.
- Unreserved fund balance for the Major Streets Transportation Improvement Program III Fund (MSTIP III) was \$47,623 at June 30, 2009, amounting to 118.8% of total MSTIP III expenditures. Unreserved fund balance for the Road Fund was \$11,853 at June 30, 2009, amounting to 38.6% of total Road Fund expenditures. Unreserved fund balance for the Human Services Fund was \$2,983 or 14.3% 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 2028. All the sewer revenue bonds will be paid with the District's net revenue as defined in the bond indenture agreements.
- The Housing Authority has issued revenue bonds for acquiring and rehabilitating low-income housing. The bonds are payable through fiscal year 2034. All the Authority's revenue bonds will be paid from the Trust Estate as defined in the bond indenture agreements.
- Washington County's governmental activities total general obligation debt at June 30, 2009 was \$28,570, with a remaining capacity for voter-approved debt at \$1,561,409. Total non-voter approved full faith and credit debt at June 30, 2009 was \$82,920, with remaining capacity for this type of debt at \$712,069.

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

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 25 and 26 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.

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

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

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-six 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 27 and 29 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 31 through 33 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 34 and 35 of this report.

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 37-66 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

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

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County's major governmental funds. Required supplementary information can be found on page 68 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 schedule can be found on pages 81-141 of this report.

Government-wide Financial Analysis.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Washington County, assets exceeded liabilities by \$2,861,359 at the close of the most recent fiscal year.

Washington County, Oregon Statement of Net Assets						
	Government activities		Business-type activities		Totals	
	2009	2008	2009	2008	2009	2008
Current assets	\$ 75,337	161,626	137,871	89,163	213,208	250,789
Noncurrent assets	217,658	139,292	20,578	21,099	238,236	160,391
Capital assets (net of depreciation)	2,249,316	2,258,583	605,874	580,928	2,855,190	2,839,511
Total assets	2,542,311	2,559,501	764,323	691,190	3,306,634	3,250,691
Current liabilities	65,555	59,967	52,071	36,211	117,626	96,178
Noncurrent liabilities	110,331	117,965	217,312	176,362	327,643	294,327
Total liabilities	175,886	177,932	269,383	212,573	445,269	390,505
Net assets:						
Invested in capital assets, net of related debt	2,134,940	2,135,921	389,728	395,163	2,524,668	2,531,084
Restricted	935	239	52,406	27,582	53,341	27,821
Unrestricted	230,550	245,409	52,806	55,872	283,356	301,281
Total net assets	\$ 2,366,425	2,381,569	494,940	478,617	2,861,365	2,860,186

By far the largest portion of the County's net assets (88%) 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 (1.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$283,356) may be used to meet the County's ongoing obligations to citizens and creditors.

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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 \$25,520 in restricted net assets reported in connection with the County's business-type activities. Key elements of this increase are as follows:

- Clean Water Services' restricted net assets increased by \$18,924; \$13,368 of which is related to unspent bond proceeds and \$5,556 of which is the result of reserve requirements for the FY 08-09 Series 2009A debt issue.
- The Housing Authority of Washington County's restricted net assets increased by \$5,900, which is attributable to a directive from the Department of Housing and Urban Development (HUD), dated August 17, 2009, requiring the restriction of Public Housing property sales proceeds until such time as they are expended.

The County's net assets increased by \$1,179 during the current fiscal year; the result of a \$16,323 increase in business-type activity net assets and a corresponding \$15,144 decrease in governmental activity net assets.

Governmental activities. Governmental activities decreased the County's net assets by \$15,144. Key elements of this decrease are as follows:

- Public Safety and Justice's net assets increased by \$4,784; \$2,484 of which is attributable to current year net proceeds from operations within the Local Option Levy fund and \$2,469 of which is the result of current year net proceeds within the Enhanced Sheriff's Patrol District.
- Land Use, Housing, and Transportation net assets decreased by approximately \$10,200 during the current year; \$8,500 of which can be attributed to increased construction and project activity costs within the Major Streets Transportation Improvement Program. The remaining \$1,700 decrease in net assets can be attributed to a decrease in revenues from permits and charges for services and an increase in personal services and supplies costs.
- Fund balance within the County's General Fund decreased by approximately \$8,716 during the current year, which can be attributed to an increase in contributions to other governmental funds of approximately \$2,500, a reduction in amounts due from other funds of \$2,000, and an overall increase in personal services and supplies costs of \$4,216.

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

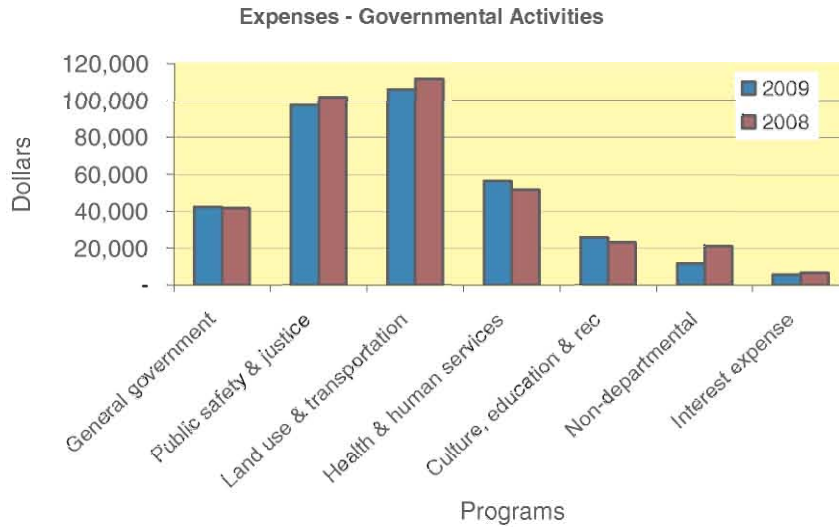
JUNE 30, 2009

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

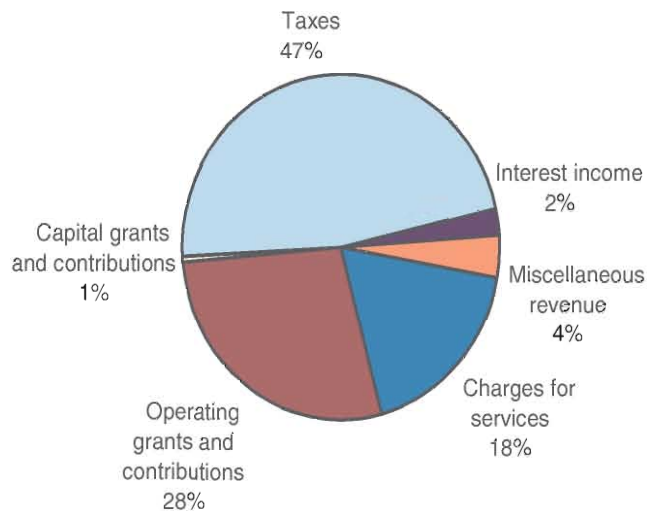
	Government activities		Business-type activities		Totals	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues						
Charges for services	\$ 60,282	96,805	96,512	91,806	156,794	188,611
Operating grants and contributions	91,902	88,512	20,141	19,801	112,043	108,313
Capital grants and contributions	1,851	1,690	16,629	22,442	18,480	24,132
General Revenues						
Taxes	156,210	153,432	-	-	156,210	153,432
Interest income	8,247	10,377	2,636	3,475	10,883	13,852
Miscellaneous revenue	13,024	641	-	-	13,024	641
Gain on disposal of capital assets	-	-	1,031	2,724	1,031	2,724
Loss on equity in joint venture	-	-	(70)	(82)	(70)	(82)
Total revenues	331,516	351,457	136,879	140,166	468,395	491,623
Program Expenses						
General government	42,319	41,833	-	-	42,319	41,833
Public safety and justice	97,512	101,859	-	-	97,512	101,859
Land use, housing and transportation	106,306	111,906	27,421	27,112	133,727	139,018
Health and human services	56,474	51,555	-	-	56,474	51,555
Culture, education and recreation	25,728	23,218	-	-	25,728	23,218
Sanitation and surface water	-	-	91,279	87,319	91,279	87,319
Street lighting	-	-	1,856	1,775	1,856	1,775
Non-departmental	11,663	21,078	-	-	11,663	21,078
Interest expense	5,665	6,818	-	-	5,665	6,818
Total expenses	345,667	358,267	120,556	116,206	466,223	474,473
Change in net assets	(14,151)	(6,810)	16,323	23,960	2,172	17,150
Net assets beginning of year	2,381,569	2,388,379	478,617	456,592	2,860,186	2,844,971
Restatement - See <i>Pollution Remediation note</i>	(993)	-	-	(1,935)	(993)	(1,935)
Net assets, beginning of year, as restated	2,380,576	2,388,379	478,617	454,657	2,859,193	2,843,036
Net assets end of year	\$ 2,366,425	2,381,569	494,940	478,617	2,861,365	2,860,186

WASHINGTON COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009



Revenues by Source - Governmental Activities



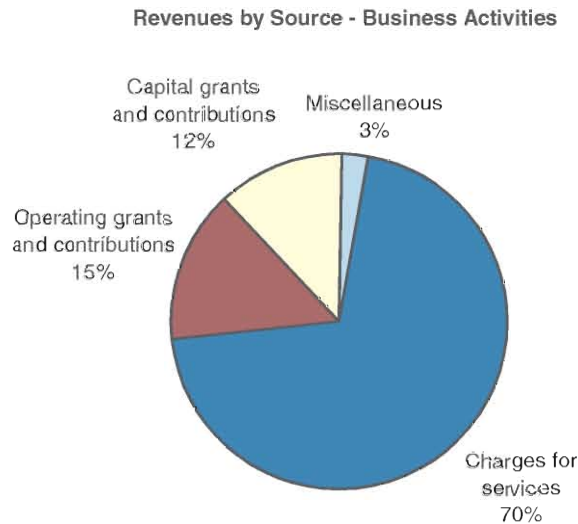
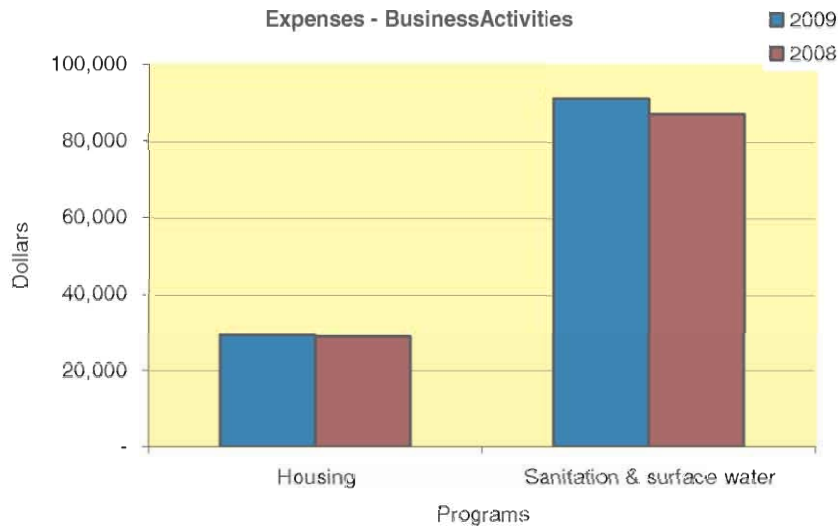
Business-type activities. Business-type activities increased the County's net assets by \$16,323. Key elements of this increase are as follows:

- Clean Water Services total net assets increased by \$16,400 during fiscal year 2009, mainly due to capital contributions from developers of \$16,365.

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009



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, *unreserved 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 \$179,393, a decrease of \$12,463 in comparison with the prior year. The majority of this amount, \$179,160, constitutes *unreserved, undesignated fund balance*, which is available for spending at the County's discretion.

WASHINGTON COUNTY, OREGON

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The remainder of fund balance is *reserved or designated* to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period (\$320). The debt service fund has a \$24 fund deficit.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$32,806. As a measure of the general fund's liquidity it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 29.4% of total general fund expenditures.

The fund balance of the County's general fund decreased by \$8,716 during the current fiscal year. Key factors in this decrease are as follows:

- Transfers out to other funds increased by approximately \$2,500.
- Total Local Option Levy fund transactions decreased by \$2,000.
- The remaining \$4,216 decrease can be attributable to increased personal services and supplies costs; \$2,000 of which is attributable to increased expenditures in the General Government functional area and \$1,500 of which is attributable to increased costs in the Public Safety and Justice functional area.

The Major Streets Transportation Improvement Program III fund has a total unreserved fund balance of \$47,623 all of which will be used for 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 of Clean Water Services at the end of the year amounted to \$54,331, the Housing Authority amounted to \$(2,775), and those for the Service District for Lighting amounted to \$1,250. The total change in net assets for all three funds was \$16,365, \$(61), and \$19, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion other County's business-type activities.

General fund Budgetary Highlights

During the year there was a \$290 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

- \$58 supplemental appropriations related to the settlement of new labor agreement with the Washington County Police Officers' Association and the Oregon Nurses Association.
- \$217 supplemental appropriations related to the award of a State Criminal Alien Assistance Program grant in the sheriff's office.
- \$15 supplemental appropriations to Land Use & Transportation for operating expenses.

The increase was offset by additional revenues and a transfer from contingency.

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, 2009, amounts to \$2,855,190 (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

WASHINGTON COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

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total investment, approximately 21% 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>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land	\$ 927,560	918,741	17,985	18,137	945,545	936,878
Land improvements	1,780	1,973	—	—	1,780	1,973
Buildings and improvements	110,879	113,831	127,135	126,953	238,014	240,784
Sewer lines	—	—	124,706	113,661	124,706	113,661
Treatment plants	—	—	212,194	217,235	212,194	217,235
Machinery and equipment	14,219	14,187	25,029	17,872	39,248	32,059
Infrastructure	1,112,389	1,159,522	-	-	1,112,389	1,159,522
Construction in progress	82,488	50,329	98,825	87,070	181,313	137,399
	<u>\$ 2,249,315</u>	<u>2,258,583</u>	<u>605,874</u>	<u>580,928</u>	<u>2,855,189</u>	<u>2,839,511</u>

Additional information on the County's capital assets can be found in the Capital Assets note on pages 47-48 of this report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$344,865. Of this amount \$82,920 comprises debt backed by the full faith and credit of the government and \$233,375 in revenue bonds secured solely by specified revenue sources.

	<u>Governmental activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
General obligation bonds	\$ 28,570	33,570	—	—	28,570	33,570
Full Faith & Credit bonds	82,920	85,905	—	—	82,920	85,905
Revenue bonds	—	—	233,375	193,100	233,375	193,100
	<u>\$ 111,490</u>	<u>119,475</u>	<u>233,375</u>	<u>193,100</u>	<u>344,865</u>	<u>312,575</u>

The County's total debt increased by \$32,345 during the current fiscal year. The key factor in this increase was a \$58,755 revenue bond issuance for the County's Clean Water Services component unit.

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 "Aa3" rating from Moody's and "AA" rating from S&P.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10 percent of its total assessed valuation. The current debt limitation for the County is \$1,505,814, 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 48-54 of this report.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the County is currently 10.1%, which is an increase from a rate of 5.4% a year ago. This compares favorably to the state's average unemployment rate of 11.5% but exceeds the national average rate of 9.8%.

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

WASHINGTON COUNTY, OREGON

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public safety, mental health, aging and disability services and other public health programs. Property tax revenues continue to grow.

Over the past several years, the County funded an enhanced level of public safety services through a five-year local option levy approved by the voters. The replacement levy was placed before voters in November 2006 to renew the service level for another four years and passed, taking affect on July 1, 2007. A new Library system local option levy also received voter approval in November 2006 and became effective at the same time. It provides an estimated \$13 million in revenue to the Countywide Library system through 2011. Most of the Library funds will be distributed to City libraries in the County. Property tax revenues are still increasing, but the real estate transfer tax rate of growth continued to decline during 2007-08 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 transfer tax is a General Fund discretionary revenue source.

All of these factors were considered in preparing the County's budget for the 2010 fiscal year.

During the current fiscal year, unreserved, undesignated fund balance in the general fund decreased to \$32,806. The County has appropriated \$8,000 of this amount for spending in the 2010 fiscal year.

Clean Water Services rates were increased for the 2010 budget year. The sewer and storm water rates were increased 5.5% and 6.5%, respectively. These rate increases were necessary to finance debt service on the new debt issued during the current fiscal year.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

WASHINGTON COUNTY, OREGON

Statement of Net Assets

June 30, 2009

(Dollars in thousands)

Assets	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Current assets:			
Cash and investments	\$ 49,591	121,325	170,916
Restricted cash	160	1,737	1,897
Property taxes receivable	6,433	—	6,433
Assessments receivable, short-term portion	145	82	227
Accounts receivable	13,198	12,489	25,687
Accrued interest receivable	3,862	—	3,862
Housing Authority Loan receivable, short term portion-internal balance	85	(85)	—
Contract receivable, short-term portion	209	2	211
Connection charges receivable	—	10	10
Deposits	—	3	3
Inventories	664	542	1,206
Prepaid pension obligation, short-term portion	678	584	1,262
Pollution remediation settlement receivable, short-term portion	250	—	250
Prepaid bond issuance costs, short-term portion	57	141	198
Other current assets	5	1,041	1,046
Total current assets	75,337	137,871	213,208
Noncurrent assets:			
Long-term investments	187,280	—	187,280
Long-term assessments receivable	29	1,050	1,079
Contracts receivable, net - long-term portion	17,095	—	17,095
Housing Authority loan receivable, net - internal balance long-term portion	717	(717)	—
Investments in Joint Venture	—	3,017	3,017
Other noncurrent assets	—	1,805	1,805
Pollution remediation settlement receivable, long-term portion	250	—	250
Prepaid bond issuance costs, net of current year amortization, long-term portion	546	1,712	2,258
Prepaid pension obligation, net	11,741	13,711	25,452
Non-capital assets	217,658	20,578	238,236
Capital assets:			
Land, CIP and other assets not being depreciated	1,010,048	116,811	1,126,859
Buildings and equipment, infrastructure and other assets net of depreciation	1,239,268	489,063	1,728,331
Capital assets, net	2,249,316	605,874	2,855,190
Total noncurrent assets	2,466,974	626,452	3,093,426
Total assets	2,542,311	764,323	3,306,634
Liabilities and Net Assets			
Current liabilities:			
Overdraft	—	3,711	3,711
Accounts payable	19,834	19,642	39,476
Accrued payroll liabilities	8,644	4,273	12,917
Accrued self insurance	3,387	263	3,650
Accrued IBNR reserve	1,770	—	1,770
Amounts held in trust	305	—	305
Unearned revenue	8,130	19	8,149
Tenant and other deposits	6,608	609	7,217
Accrued interest payable	584	3,450	4,034
Long-term obligations, current portion, net of discount	16,293	20,104	36,397
Total current liabilities	65,555	52,071	117,626
Noncurrent liabilities:			
Bond and bond anticipation notes payable, net of discount	23,480	215,252	238,732
Capital lease obligations	1,154	—	1,154
Noncurrent portion of other long term obligations, net of discount	81,888	1,634	83,522
Pollution remediation/postclosure obligation	1,139	—	1,139
Net other postemployment benefits obligation	2,670	426	3,096
Total noncurrent portion of long-term obligations	110,331	217,312	327,643
Total liabilities	175,886	269,383	445,269
Net assets:			
Investment in capital assets, net of related debt	2,134,940	389,728	2,524,668
Restricted for:			
Capital projects	935	36,141	37,076
Debt service	—	16,265	16,265
Unrestricted	230,550	52,806	283,356
Total net assets	2,366,425	494,940	2,861,365
Total liabilities and net assets	\$ 2,542,311	764,323	3,306,634

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON
Statement of Activities
For the fiscal year ended June 30, 2009
(Dollars in thousands)

	Program Income				Net (Expense) Revenue 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	\$ 42,319	6,363	1,860	—	(34,096)	—	(34,096)
Public safety and justice	97,512	5,536	17,154	66	(74,756)	—	(74,756)
Land use, housing and transportation	106,306	10,837	33,650	1,772	(60,047)	—	(60,047)
Health and human services	56,474	19,671	32,589	13	(4,201)	—	(4,201)
Culture, education and recreation	25,728	1,488	473	—	(23,767)	—	(23,767)
Non-operating functional area	11,663	16,387	6,176	—	10,900	—	10,900
Interest expense	5,665	—	—	—	(5,665)	—	(5,665)
Total governmental activities	<u>345,667</u>	<u>60,282</u>	<u>91,902</u>	<u>1,851</u>	<u>(191,632)</u>	<u>—</u>	<u>(191,632)</u>
Business-type activities:							
Housing authority	27,421	5,099	20,141	867	—	(1,314)	(1,314)
Sanitation and surface water	91,279	89,585	—	15,762	—	14,068	14,068
Street lighting	1,856	1,828	—	—	—	(28)	(28)
Total business-type activities	<u>120,556</u>	<u>96,512</u>	<u>20,141</u>	<u>16,629</u>	<u>—</u>	<u>12,726</u>	<u>12,726</u>
Total primary government	<u>\$ 466,223</u>	<u>156,794</u>	<u>112,043</u>	<u>18,480</u>	<u>(191,632)</u>	<u>12,726</u>	<u>(178,906)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					142,298	—	142,298
Property taxes, levied for debt service					6,137	—	6,137
Other taxes:							
Transient lodging					4,656	—	4,656
Real property transfer tax					2,260	—	2,260
County fuel tax					831	—	831
Other tax					28	—	28
Interest income					8,247	2,636	10,883
Miscellaneous revenues					13,024	—	13,024
Gain on disposal of capital assets					—	1,031	1,031
Loss on equity in joint venture					—	(70)	(70)
Total general revenues					<u>177,481</u>	<u>3,597</u>	<u>181,078</u>
Change in net assets					<u>(14,151)</u>	<u>16,323</u>	<u>2,172</u>
Net assets, beginning of year, Restatement - See Pollution Remediation note					2,381,569	478,617	2,860,186
					(993)	—	(993)
Net assets, beginning of year, as restated					<u>2,380,576</u>	<u>478,617</u>	<u>2,859,193</u>
Net assets, end of year					<u>\$ 2,366,425</u>	<u>494,940</u>	<u>2,861,365</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Balance Sheet
 Governmental Funds
 June 30, 2009
 (Dollars in thousands)

Assets	General Fund	HOME Fund	Human Services Fund	Major Streets Transportation Improvement Program III Fund	Road Fund	Other Governmental Funds	Total
Assets:							
Cash and investments	\$ 31,184	—	11,449	53,428	16,725	95,261	208,047
Property taxes receivable	4,226	—	—	—	—	2,207	6,433
Assessments receivable	2	—	—	—	129	43	174
Accounts receivable	4,838	188	1,192	927	2,102	3,767	13,014
Accrued interest receivable	2,445	1,214	—	—	—	203	3,862
Contracts receivable	—	15,567	—	—	—	1,737	17,304
Due from other funds	2,546	—	—	—	—	—	2,546
Inventory	—	—	—	—	170	64	234
Other assets	3	—	—	—	—	2	5
Total assets	45,244	16,969	12,641	54,355	19,126	103,284	251,619
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	2,339	20	4,421	6,648	510	4,619	18,557
Accrued payroll liabilities	5,396	7	181	—	764	2,219	8,567
Deposits payable	247	—	—	—	5,481	880	6,608
Amounts held in trust	240	—	—	—	36	29	305
Accrued OHP payable	—	—	—	—	—	1,770	1,770
Due to other funds	—	164	—	—	—	2,382	2,546
Deferred revenue	4,216	16,780	5,056	84	312	7,425	33,873
Total liabilities	12,438	16,971	9,658	6,732	7,103	19,324	72,226
Fund equity							
Fund balances:							
Reserved fund balance:							
Advances	2,000	—	—	—	—	—	2,000
Inventory	—	—	—	—	170	64	234
Capital Projects	—	—	—	—	—	86	86
Total reserved fund balances	2,000	—	—	—	170	150	2,320
Unreserved fund balance(deficit):							
General Fund	30,806	—	—	—	—	—	30,806
Special Revenue Funds	—	(2)	2,983	47,623	11,853	82,985	145,442
Debt Service	—	—	—	—	—	(24)	(24)
Capital Projects Funds	—	—	—	—	—	849	849
Total unreserved fund balances(deficit)	30,806	(2)	2,983	47,623	11,853	83,810	177,073
Total fund balance(deficit)	32,806	(2)	2,983	47,623	12,023	83,960	179,393
Total liabilities and fund balance(deficit) \$	45,244	16,969	12,641	54,355	19,126	103,284	251,619

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, 2009

(Dollars in thousands)

Fund balances - total governmental funds	\$ 179,393
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.	2,240,989
Prepaid pension obligations are not financial resources in governmental funds, but are reported in the Statement of Net Assets at their net unamortized value.	12,419
Bond issuance costs are recognized in the period paid in governmental funds, but are deferred and amortized in the Statement of Net Assets.	603
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds	1,302
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	25,743
Long-term liabilities, including bonds payable, are not due and payable in the current period, and; therefore, are not reported in the governmental funds.	(127,106)
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>33,082</u>
Net assets of governmental activities	<u>\$ 2,366,425</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON
Statement of Revenues, Expenditures and Changes
in Fund Balance(deficit) - Governmental Funds
For the fiscal year ended June 30, 2009
(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	\$ 98,743	—	—	—	831	54,805	154,379
Licenses and permits	5,413	—	—	—	130	2,583	8,126
Intergovernmental revenues	17,733	782	19,315	2,450	18,106	31,453	89,839
Charges for services	6,653	—	36	—	755	32,181	39,625
Fines and forfeitures	2,505	—	—	—	—	321	2,826
Special assessments	—	—	—	—	118	123	241
Miscellaneous revenues	6,262	145	399	2,115	1,047	24,566	34,534
Interfund revenues	5,601	—	131	—	7,322	15,369	28,423
Total revenues	<u>142,910</u>	<u>927</u>	<u>19,881</u>	<u>4,565</u>	<u>28,309</u>	<u>161,401</u>	<u>357,993</u>
Expenditures:							
Current:							
General government	36,130	—	—	—	—	6	36,136
Public safety and justice	53,496	—	—	—	—	67,248	120,744
Land use, housing and transportation	2,993	930	—	35,889	30,667	29,111	99,590
Health and human services	17,332	—	20,816	—	—	20,257	58,405
Culture, education and recreation	982	—	—	—	—	24,792	25,774
Nonoperating	—	—	—	—	—	7,372	7,372
Total current	<u>110,933</u>	<u>930</u>	<u>20,816</u>	<u>35,889</u>	<u>30,667</u>	<u>148,786</u>	<u>348,021</u>
Capital outlay	312	—	—	4,194	115	4,118	8,739
Debt service:							
Principal	298	—	—	—	27	8,127	8,452
Interest	128	—	—	—	4	5,616	5,748
Total debt service	<u>426</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>31</u>	<u>13,743</u>	<u>14,200</u>
Total expenditures	<u>111,671</u>	<u>930</u>	<u>20,816</u>	<u>40,083</u>	<u>30,813</u>	<u>166,647</u>	<u>370,960</u>
Excess(deficiency) of revenues over(under) expenditures	<u>31,239</u>	<u>(3)</u>	<u>(935)</u>	<u>(35,518)</u>	<u>(2,504)</u>	<u>(5,246)</u>	<u>(12,967)</u>
Other financing sources(uses):							
Operating transfers in from other funds	13,975	—	1,803	27,662	1,077	29,221	73,738
Operating transfers out to other funds	(53,930)	—	—	(429)	(772)	(18,103)	(73,234)
Total other financing sources(uses)	<u>(39,955)</u>	<u>—</u>	<u>1,803</u>	<u>27,233</u>	<u>305</u>	<u>11,118</u>	<u>504</u>
Net changes in fund balance	<u>(8,716)</u>	<u>(3)</u>	<u>868</u>	<u>(8,285)</u>	<u>(2,199)</u>	<u>5,872</u>	<u>(12,463)</u>
Fund balances July 1, 2008	41,522	1	2,115	55,908	14,222	78,088	191,856
Fund balances(deficit) June 30, 2009	<u>\$ 32,806</u>	<u>(2)</u>	<u>2,983</u>	<u>47,623</u>	<u>12,023</u>	<u>83,960</u>	<u>179,393</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON
 Reconciliation of the Governmental Funds Statement of Revenues,
 Expenditures and Changes in Fund Balance to the
 Government-wide Statement of Activities - Governmental Activities
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

Net change in fund balances - Governmental Funds \$ (12,463)

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	\$ 54,848	
Current year depreciation expense	<u>(64,736)</u>	(9,888)

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	8,452	
Amortization of premiums, discounts and related deferrals	<u>(21)</u>	8,431

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		2,531
--	--	-------

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

Change in net OPEB obligation		(742)
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Change in net pollution remediation obligation		113
--	--	-----

Internal Service funds are used by management to charge the costs of certain activities to individual funds. These funds are designed to recover all costs. The amount of revenues in excess of expenditures reported in the Statement of Activities		<u>(1,455)</u>
--	--	----------------

Change in net assets		<u>\$ (14,151)</u>
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See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON
Statement of Net Assets - Proprietary Funds
June 30, 2009
(Dollars in thousands)

Enterprise Funds

	<u>Clean Water Services of Washington County</u>	<u>Housing Authority of Washington County</u>	<u>Washington County Service District for Lighting No. 1</u>	<u>Total</u>	<u>Internal Service Funds</u>
Assets					
Current assets:					
Cash and investments	\$ 109,538	12,224	1,300	123,062	28,984
Assessments receivable	—	—	82	82	—
Accounts receivable - net of allowance for uncollectibles	11,601	888	—	12,489	184
Short-term portion of contracts receivable	—	2	—	2	—
Connection charges receivable	10	—	—	10	—
Deposits	3	—	—	3	—
Supply inventory	542	—	—	542	430
Current portion of prepaid pension obligation	584	—	—	584	—
Current portion of bond issuance costs	141	—	—	141	—
Other current assets	1,016	25	—	1,041	—
Total current assets	<u>123,435</u>	<u>13,139</u>	<u>1,382</u>	<u>137,956</u>	<u>29,598</u>
Noncurrent assets:					
Long-term assessments and contracts receivable	605	445	—	1,050	—
Capital assets:					
Land, artwork, CIP, and other assets not being depreciated	108,435	8,376	—	116,811	—
Buildings and equipment and infrastructure, net of depreciation	463,345	25,718	—	489,063	8,327
Investments in joint venture	3,017	—	—	3,017	—
Bond issuance costs	1,055	657	—	1,712	—
Other noncurrent assets	1,805	—	—	1,805	—
Prepaid pension obligation	13,711	—	—	13,711	—
Total noncurrent assets	<u>591,973</u>	<u>35,196</u>	<u>—</u>	<u>627,169</u>	<u>8,327</u>
Total assets	<u>715,408</u>	<u>48,335</u>	<u>1,382</u>	<u>765,125</u>	<u>37,925</u>
Liabilities and Net Assets					
Current liabilities:					
Book overdraft	—	3,711	—	3,711	—
Accounts payable	19,214	296	132	19,642	1,277
Accrued payroll liabilities	4,273	—	—	4,273	146
Accrued self-insurance	263	—	—	263	3,387
Deposits	—	609	—	609	—
Unearned revenue	—	19	—	19	—
Accrued interest payable	2,547	903	—	3,450	—
Current portion of long-term obligations, net of discount	19,452	737	—	20,189	—
Total current liabilities	<u>45,749</u>	<u>6,275</u>	<u>132</u>	<u>52,156</u>	<u>4,810</u>
Noncurrent liabilities:					
Bond and bond anticipation notes payable	186,999	28,253	—	215,252	—
Other long-term obligations	426	2,351	—	2,777	33
Total noncurrent liabilities	<u>187,425</u>	<u>30,604</u>	<u>—</u>	<u>218,029</u>	<u>33</u>
Total liabilities	<u>233,174</u>	<u>36,879</u>	<u>132</u>	<u>270,185</u>	<u>4,843</u>
Net assets:					
Investment in capital assets, net of related debt	385,725	4,003	—	389,728	8,327
Restricted for:					
Capital projects	36,141	—	—	36,141	—
Debt service	6,037	10,228	—	16,265	—
Unrestricted(deficit)	54,331	(2,775)	1,250	52,806	24,755
Total net assets	<u>482,234</u>	<u>11,456</u>	<u>1,250</u>	<u>494,940</u>	<u>33,082</u>
Total liabilities and net assets	<u>\$ 715,408</u>	<u>48,335</u>	<u>1,382</u>	<u>765,125</u>	<u>37,925</u>

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, 2009

(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	\$ 87,063	—	2	87,065	28,643
Intergovernmental revenue	—	20,141	1,826	21,967	—
Rental income	—	4,388	—	4,388	—
Other	2,522	711	—	3,233	2,043
Total operating revenues	89,585	25,240	1,828	116,653	30,686
Operating expenses:					
Labor and fringe benefits	27,712	—	—	27,712	1,875
Housing assistance payments	—	17,009	—	17,009	—
Utilities	4,633	441	1,596	6,670	29
Professional services	7,736	—	—	7,736	443
Supplies	4,133	—	1	4,134	2,656
Administrative costs	2,029	3,762	259	6,050	1,892
Chemicals	3,018	—	—	3,018	—
Depreciation and amortization	32,732	1,812	—	34,544	1,634
Insurance claims and premiums	715	—	—	715	23,654
Repairs and maintenance	259	2,119	—	2,378	576
Other	—	367	—	367	—
Total operating expenses	82,967	25,510	1,856	110,333	32,760
Operating income(loss)	6,618	(270)	(28)	6,320	(2,074)
Nonoperating income(expense):					
Interest income	2,291	298	47	2,636	944
Other expense	(70)	—	—	(70)	—
Gain(loss) on sale of capital assets	76	955	—	1,031	169
Interest expense	(8,312)	(1,911)	—	(10,223)	—
Total nonoperating income(expense)	(6,015)	(658)	47	(6,626)	1,113
Income(loss) before contributions/transfers	603	(928)	19	(306)	(1,460)
Transfer to General Fund	—	—	—	—	(500)
Capital contributions	15,762	867	—	16,629	—
Change in net assets	16,365	(61)	19	16,323	(1,960)
Total net assets, July 1, 2008	465,869	11,517	1,231	478,617	34,542
Total net assets, June 30, 2009	\$ 482,234	11,456	1,250	494,940	32,582

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON
Statement of Cash Flows - Proprietary Funds
For the fiscal year ended June 30, 2009
(Dollars in thousands)

	Enterprise Funds (Component Units)				Internal Service Funds
	Clean Water Services of Washington County	Housing Authority of Washington County	Washington County Service District for Lighting No. 1	Total	
Cash flows from operating activities:					
Cash received for services provided	\$ 87,543	25,146	1,812	114,501	28,499
Cash payments for labor and fringe benefits	(25,460)	(3,502)	—	(28,962)	(1,871)
Cash payments for goods and services	(22,290)	(20,179)	(1,856)	(44,325)	(28,232)
Other operating revenue	2,522	—	—	2,522	1,923
Other receipts	—	—	—	—	120
Net cash from operating activities	<u>42,315</u>	<u>1,465</u>	<u>(44)</u>	<u>43,736</u>	<u>439</u>
Cash flows from noncapital financing activities:					
Equity transfer to General Fund	—	—	—	—	(500)
Interest paid on pension bonds	(956)	—	—	(956)	—
Net cash used in noncapital financing activities	<u>(956)</u>	<u>—</u>	<u>—</u>	<u>(956)</u>	<u>(500)</u>
Cash flows from capital and related financing activities:					
Proceeds from issuance of debt	60,345	—	—	60,345	—
Acquisition and construction of capital assets	(42,744)	(1,015)	—	(43,759)	(2,326)
Proceeds (loss) from sale of capital assets	78	1,203	—	1,281	240
Decrease in contracts receivable	—	44	—	44	—
Principal paid on notes payable	—	(440)	—	(440)	—
Principal paid on bonds payable	(18,195)	(285)	—	(18,480)	—
Interest paid on bonds and notes payable	(6,851)	(1,865)	—	(8,716)	—
Interest received on assessments and contracts	31	—	—	31	—
Capital contributed by customers and cities	9,762	868	—	10,630	—
Principal payments on capital lease obligations	—	—	—	—	(4)
Net cash from capital and related financing activities	<u>2,426</u>	<u>(1,490)</u>	<u>—</u>	<u>936</u>	<u>(2,090)</u>
Cash flows from investing activities:					
Interest on investments	2,264	298	47	2,609	944
Net increase (decrease) in cash and investments	<u>46,049</u>	<u>273</u>	<u>3</u>	<u>46,325</u>	<u>(1,208)</u>
Cash and investments, July 1, 2008	<u>63,489</u>	<u>8,240</u>	<u>1,297</u>	<u>73,026</u>	<u>30,192</u>
Cash and investments, June 30, 2009 ⁽¹⁾	<u>109,538</u>	<u>8,513</u>	<u>1,300</u>	<u>119,351</u>	<u>28,984</u>
Reconciliation of operating income(loss) to net cash from operating activities:					
Operating income(loss)	6,618	(270)	(28)	6,320	(2,074)
Adjustments to reconcile operating income(loss) to net cash from operating activities:					
Depreciation and amortization	32,732	1,812	—	34,544	1,634
Amortization of prepaid pension obligations	584	—	—	584	—
Postemployment benefit costs other than pensions	200	—	—	200	—
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	480	(107)	—	373	(2)
(Increase) decrease in assessments receivable	—	—	(16)	(16)	—
(Increase) decrease in supply inventory	27	—	—	27	66
(Increase) decrease in other assets	(111)	90	—	(21)	—
Increase (decrease) in accounts payable	428	(31)	—	397	680
Increase (decrease) in deposits	—	(27)	—	(27)	—
Increase (decrease) in accrued liabilities	1,357	—	—	1,357	135
Net cash provided by(used in) operating activities	<u>42,315</u>	<u>1,465</u>	<u>(44)</u>	<u>43,736</u>	<u>439</u>
Supplemental schedule of noncash capital and related financing activities:					
Contributions of capital assets by developers	7,217	—	—	7,217	—
Loss on equity in joint venture	(70)	—	—	(70)	—

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

Current assets - cash and investments	12,224
Current liabilities - Book overdraft	(3,711)
	<u>\$ 8,513</u>

See accompanying notes to basic financial statements.

WASHINGTON COUNTY, OREGON

Statement of Fiduciary Net Assets

June 30, 2009

(Dollars in thousands)

	<u>Private- Purpose Trust Funds</u>	<u>Agency Funds</u>
Assets:		
Cash and investments	\$ 429	3,752
Accounts receivable	—	1,440
Property taxes receivable	—	24,038
Total assets	<u>429</u>	<u>29,230</u>
Liabilities:		
Accounts payable	—	365
Amounts held in trust	—	4,828
Undistributed taxes	—	24,037
Total liabilities	<u>—</u>	<u>29,230</u>
Net assets		
Amounts held in trust and other purposes	<u>\$ 429</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, 2009
(Dollars in thousands)

		Private- Purpose Trust Funds
		<hr/>
Additions:		
Intergovernmental revenues	\$	857
Contributions		371
Interest earnings		7
Total additions		<hr/> 1,235 <hr/>
Deductions:		
Distributions		<hr/> 1,275 <hr/>
Change in net assets		(40)
Net assets, July 1, 2008		<hr/> 469 <hr/>
Net assets, June 30, 2009	\$	<hr/> <hr/> 429 <hr/> <hr/>

See accompanying notes to basic financial statements.

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WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2009

(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, entities for which the County is considered to be financially accountable. The County's blended component units, although legally separate entities, are, in substance, part of the County's operations (see note below for description).

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 an urban or municipal level of police service to certain unincorporated areas of the County and is funded by voter-approved serial 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, 2009

(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 changes in net assets) 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.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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.

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).

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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.

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.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

Use of estimates

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

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.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

have not been recognized as revenue. An allowance for uncollectible amounts is not deemed necessary as, uncollected assessments, are recoverable through liens.

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

Inventories

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

Capital Assets

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 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 \$8,312. Of this amount, \$599 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:

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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

One full month of depreciation is taken in the month the assets are acquired; no depreciation is 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 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.

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 on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

carries commercial insurance. General liability claims are limited by State statute to \$500 per occurrence.

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

Fund equity

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

2. 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.

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, except for the Local Option Levy Fund which is at the program 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 \$289, \$192 of which was in the General fund.

Deficit fund equity

The below listed funds had expenditures in excess of related appropriations. Except for the Debt Service Fund, the over expenditures were all funded through available fund balances. The Debt Service Fund deficit was a result of lower than budgeted interest income.

Special Revenue Fund – HOME	\$ <u>(2)</u>
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3. Detailed notes on all funds

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.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

Cash and investments are comprised of the following at June 30, 2009:

Petty cash	\$	45
Deposits		7,159
Investments		353,359
		360,563
		360,563

Total County cash and investments are reported as follows:

Cash and investments reported on the statement of net assets		356,382
Fiduciary Funds		4,181
		360,563
	\$	360,563

Deposits 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, 2009, the carrying amount of the County's deposits was \$7,159 and the bank balance was \$9,941. Of the bank balance, \$3,785 was covered by the Federal Depository Insurance Corporation (FDIC) or collateral. 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.

Maturities of investments as of June 30, 2009 are as follows:

<u>Maturity:</u>	<u>Minimum Allowed</u>	<u>Actual</u>
Less than 30 days	10 %	22 %
Less than 1 year	25 %	47 %
5 years or less	100 %	100 %

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 these short-term ratings – Standard & Poor's = minimum A-1, Moody's Investors Services = minimum P-1, Fitch Ratings = minimum F1). The long-term ratings – Standards and Poor's = minimum AA-, Moody's Investors Services = minimum Aa3, Fitch Ratings = minimum AA-.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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	% Allocation
Federal agency discounts - amortizing	\$ 19,992	—	19,992	6%
Federal agency coupon securities	254,392	—	254,392	72%
Corporate notes	20,248	—	20,248	6%
Treasury Coupon Securities	5,012	—	5,012	1%
Certificates of Deposit - Bank	—	5,000	5,000	1%
State of Oregon Treasurer's Government Investment Pool (LGIP)	—	48,715	48,715	14%
Total Investments	\$ 299,644	53,715	353,359	100%

The State of Oregon Local government Investment Pool (LGIP) 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 below outlines the LGIP's investment maturity limitations and the actual maturities at June 30, 2009.

<u>LGIP Maturity:</u>	<u>Allowable per Policy</u>	<u>Actual</u>
Less than 93 days	Minimum of 50 %	75 %
Less than 1 year	Maximum of 25 %	12 %
Less than 3 years	Maximum of 25 %	13 %

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, 2009, the allowance was \$296. 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:

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

	Property Taxes	Assessments	Contracts Receivable	Accounts Receivable	Unearned Revenue	Total
General Fund	\$ 3,665	2	-	521	28	4,216
HOME Fund	-	-	16,780	-	-	16,780
Human Services Fund	-	-	-	-	5,056	5,056
MSTIP III	-	-	-	84	-	84
Road Fund	-	129	-	40	143	312
Other Governmental Funds	1,918	39	1,983	582	2,903	7,425
Total deferred revenue	<u>\$ 5,583</u>	<u>170</u>	<u>18,763</u>	<u>1,227</u>	<u>8,130</u>	<u>33,873</u>

Capital assets

Capital asset activity for governmental activities for the year ended June 30, 2009 was as follows:

Governmental Activities

	Balance 07/01/08	Increases	Decreases	Transfers	Balance 06/30/09
Capital assets not being depreciated:					
Land	\$ 918,390	10,176	(1,357)	-	927,209
Artwork	351	-	-	-	351
Construction in progress	50,329	35,455	-	(3,296)	82,488
Total capital assets not being depreciated	<u>969,070</u>	<u>45,631</u>	<u>(1,357)</u>	<u>(3,296)</u>	<u>1,010,048</u>
Capital assets being depreciated:					
Land improvements	4,707	-	-	-	4,707
Buildings and improvements	151,495	675	(60)	-	152,110
Machinery and equipment	41,465	3,259	(1,838)	-	42,886
Road network	1,656,790	10,027	(3,447)	2,647	1,666,017
Bridge network	79,627	-	(41)	174	79,760
Culverts	13,010	-	(4)	475	13,481
Signals	50,124	623	(270)	-	50,477
Total capital assets being depreciated	<u>1,997,218</u>	<u>14,584</u>	<u>(5,660)</u>	<u>3,296</u>	<u>2,009,438</u>
Less accumulated depreciation for:					
Land improvements	(2,734)	(193)	-	-	(2,927)
Building and improvements	(37,664)	(3,626)	59	-	(41,231)
Machinery and equipment	(27,278)	(3,025)	1,636	-	(28,667)
Road network	(578,435)	(55,258)	2,084	-	(631,609)
Bridge network	(25,324)	(1,525)	41	-	(26,808)
Culverts	(4,236)	(262)	4	-	(4,494)
Signals	(32,034)	(2,480)	79	-	(34,435)
Total accumulated depreciation	<u>(707,705)</u>	<u>(66,369)</u>	<u>3,903</u>	<u>-</u>	<u>(770,171)</u>
Total capital assets being depreciated, net	<u>1,289,513</u>	<u>(51,785)</u>	<u>(1,757)</u>	<u>3,296</u>	<u>1,239,267</u>
Governmental activities capital assets, net	<u>2,258,583</u>	<u>(6,154)</u>	<u>(3,114)</u>	<u>-</u>	<u>2,249,315</u>

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	2,070
Public safety and justice	3,182
Land use, housing, and transportation	60,851
Health and human services	145
Culture, education, and recreation	121
Total depreciation expense	<u>\$ 66,369</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

Capital asset activity for business-type activities for the year ended June 30, 2009 was as follows:

	Business-type Activities				Balance 06/30/09
	Balance 07/01/08	Increases	Decreases	Transfers	
Capital assets not being depreciated:					
Land and easements	\$ 18,137	-	(152)	-	17,985
Construction in progress	87,070	50,795	-	(39,040)	98,825
Total capital assets not being depreciated	105,207	50,795	(152)	(39,040)	116,810
Capital assets being depreciated:					
Buildings and improvements	220,913	5,408	(482)	4,142	229,981
Treatment plants	454,314	-	-	11,560	465,874
Sewer lines	165,850	1,979	-	12,540	180,369
Plant equipment	37,002	330	(79)	5,089	42,342
Automotive equipment	9,124	502	(879)	734	9,481
Plans and studies	5,130	-	-	4,444	9,574
Office equipment	18,045	665	(113)	531	19,128
Total capital assets being depreciated	910,378	8,884	(1,553)	39,040	956,749
Less accumulated depreciation for:					
Buildings and improvements	(93,960)	(9,271)	385	-	(102,846)
Treatment plants	(237,079)	(16,601)	-	-	(253,680)
Sewer lines	(52,189)	(3,474)	-	-	(55,663)
Plant equipment	(24,291)	(2,321)	77	-	(26,535)
Automotive equipment	(7,150)	(833)	879	-	(7,104)
Plans and studies	(4,035)	(968)	-	-	(5,003)
Office equipment	(15,953)	(1,014)	113	-	(16,854)
Total accumulated depreciation	(434,657)	(34,482)	1,454	-	(467,685)
Total capital assets being depreciated, net	475,721	(25,598)	(99)	39,040	489,064
Business-type activities capital assets, net	580,928	25,197	(251)	-	605,874
Depreciation expense was charged to functions as follows:					
Business-type activities:					
Sanitation	26,593				
Surface Water Management	6,077				
Housing	1,812				
Total depreciation expense	\$ 34,482				

Long-term debt

Bonds Payable

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.

Clean Water Services has issued sewer revenue bonds for capital expansion of the sewer treatment plants and collection system. The bonds are payable through fiscal year 2028. All

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

the sewer revenue bonds will be paid with the District's net revenue as defined in the bond indenture agreements.

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

The Housing Authority has issued revenue bonds for acquiring and rehabilitating low-income housing. The bonds are payable through fiscal year 2034. All the Authority's revenue bonds will be paid from the Trust Estate as defined in the bond indenture agreements. See subsequent event footnote on page 66 for County issued full faith & credit bond sale to refinance the Authority's affordable housing portfolio.

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, 2009, prior years' refunded revenue bonds defeased totaled \$88,285.

WASHINGTON COUNTY, OREGON
Notes to Basic Financial Statements (continued)
June 30, 2009
(Dollars in thousands)

Bonds payable transactions for the year ended June 30, 2009, are as follows:

	Original amount	Outstanding July 1, 2008	Additions	Payments & Decreases	Outstanding June 30, 2009	Due within one year	Long-term portion
Governmental activities:							
Refunding General Obligation Bonds, 2007 Series interest 4.000% - 5.000%	\$ 34,125	33,570	-	5,000	28,570	5,245	23,325
	34,125	33,570	-	5,000	28,570	5,245	23,325
Deferred amounts on refunding		(562)	-	(105)	(457)	(105)	(352)
Unamortized premiums		810	-	152	658	151	507
Total governmental activities	34,125	33,818	-	5,047	28,771	5,291	23,480
Business-type activities:							
Sewer Revenue Bonds, 1992 Series A interest 2.850% - 6.200%	126,175	3,000	-	3,000	-	-	-
Sewer Revenue Bonds, 1996 Issue interest 3.800% - 5.625%	50,000	2,555	-	2,555	-	-	-
Sewer Revenue Bonds, 1997 Series A interest 3.800% - 5.750%	47,060	41,345	-	4,875	36,470	8,350	28,120
Sewer Revenue Bonds, 1997 Series One interest 3.800% - 5.750%	45,435	30,645	-	5,445	25,200	5,770	19,430
Sewer Revenue Bonds, 2001 Series interest 4.000% - 5.125%	55,975	44,250	-	2,240	42,010	2,345	39,665
Sewer 2004 Refunding of 1996 Revenue Bonds interest 2.000% - 5.250%	26,455	26,035	-	25	26,010	2,710	23,300
Sewer Revenue Bonds, 2009 Series A interest 3.000% - 5.250%	58,755	-	58,755	-	58,755	-	58,755
Revenue Pension Bonds, 2004 Series interest 4.596% - 6.095%	15,990	15,990	-	55	15,935	100	15,835
Housing Authority Rev Bonds, Series 1999 A & B interest 4.400% - 6.125%	15,960	14,445	-	25	14,420	-	14,420
Housing Authority Revenue Bonds, Series 2001 A interest 4.250% - 6.000%	8,440	7,920	-	130	7,790	150	7,640
Housing Authority Revenue Bonds, Series 2001 B interest 4.500% - 5.875%	1,560	1,415	-	30	1,385	30	1,355
Housing Authority Revenue Bonds, Series 2002 A interest 2.250% - 6.125%	5,950	5,500	-	100	5,400	105	5,295
	457,755	193,100	58,755	18,480	233,375	19,560	213,815
Vested compensated absences		1,753	1,931	1,753	1,931	1,931	-
	457,755	194,853	60,686	20,233	235,306	21,491	213,815
Deferred amounts on refunding		(2,655)	-	(602)	(2,053)	(514)	(1,539)
Unamortized discounts		(592)	-	(35)	(557)	(34)	(523)
Unamortized premiums		2,776	-	(1,426)	4,202	702	3,500
Total business-type activities	\$ 457,755	194,382	60,686	18,170	236,898	21,645	215,253

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

Fiscal Year	Series 2007 General Obligation Bonds	
	Principal	Interest
2010	\$ 5,245	1,109
2011	5,480	868
2012	5,705	637
2013	5,945	390
2014	6,195	132
	28,570	3,136
Deferred amounts on refunding	(457)	-
Unamortized bond premiums	658	-
	\$ 28,771	3,136

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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

Fiscal Year	Sewer Revenue Bonds		Housing Authority Revenue Bonds		Business-type activities Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 19,275	10,268	285	1,726	19,560	11,994
2011	20,415	9,134	435	1,707	20,850	10,841
2012	21,625	7,972	765	1,676	22,390	9,648
2013	22,890	6,738	805	1,632	23,695	8,370
2014	9,020	5,903	850	1,584	9,870	7,487
2015 - 2019	44,905	22,739	5,060	7,079	49,965	29,818
2020 - 2024	36,255	12,427	6,750	5,329	43,005	17,756
2025 - 2029	29,995	3,977	9,060	2,955	39,055	6,932
2030 - 2034	-	-	4,985	506	4,985	506
	<u>204,380</u>	<u>79,158</u>	<u>28,995</u>	<u>24,194</u>	<u>233,375</u>	<u>103,352</u>
Unamortized bond discounts, deferred amounts on refunding and bond premiums, net	2,072	-	(480)	-	1,592	-
	<u>\$ 206,452</u>	<u>79,158</u>	<u>28,515</u>	<u>24,194</u>	<u>234,967</u>	<u>103,352</u>

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

As of June 30, 2009, the County has two outstanding contracts payable, nine outstanding notes payable, and outstanding vested compensated absences due to its employees, for a total of \$92,460.

Contracts, notes, and vested compensated absences activity for the year ended June 30, 2009, are summarized in the following table:

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

Contracts, notes, and vested compensated absences activity for the year ended June 30, 2009, is summarized in the following table:

	Balance July 1, 2008	Additions	Payments & decreases	Balance June 30, 2009	Due within one year	Long-term portion
Contracts payable:						
U.S Department of Interior, Bureau of Reclamation payable by the General Fund through 2029 interest 3.500%	\$ 468	-	22	446	22	424
Oregon Economic Development Department payable by the Road Fund through 2012 interest 5.000%	87	-	27	60	29	31
	<u>555</u>	<u>-</u>	<u>49</u>	<u>506</u>	<u>51</u>	<u>455</u>
Notes Payable:						
State of Oregon, Department of Energy payable by the General Fund through 2018 interest 4.130% - 5.750%	662	-	103	559	108	451
State of Oregon, Economic Development Department payable by the IS Capital Acquisition Fund through 2021 interest 5.280%	1,512	-	84	1,428	90	1,338
Full Faith & Credit Obligations:						
Full Faith & Credit Obligations, Series 2001 A payable by the Misc Debt Service Fund through 2026 interest 4.250% - 5.500%	4,875	-	1,470	3,405	1,630	1,775
Full Faith & Credit Obligations, Series 2001 C payable by the Misc Debt Service Fund through 2012 interest 3.000% - 4.000%	200	-	50	150	50	100
Full Faith & Credit Obligations, Series 2004 payable by the Misc Debt Service Fund through 2019 interest 3.000% - 4.600%	3,210	-	245	2,965	250	2,715
Full Faith & Credit Obligations, Series 2006 (Refunding) payable by the Misc Debt Service Fund through 2026 interest 3.600% - 5.000%	48,695	-	85	48,610	90	48,520
Full Faith & Credit Obligations, Series 2006 (New Money) payable by the Misc Debt Service Fund through 2026 interest 3.750% - 5.000%	28,925	-	1,135	27,790	1,185	26,605
\$150 Line of Credit Loan payable by the Fair Complex Fund through 2011 interest 0.000% - Wall Street Journal prime	42	-	19	23	19	4
	<u>88,121</u>	<u>-</u>	<u>3,191</u>	<u>84,930</u>	<u>3,422</u>	<u>81,508</u>
Vested compensated absences	6,939	7,111	6,939	7,111	7,111	-
	<u>95,615</u>	<u>7,111</u>	<u>10,179</u>	<u>92,547</u>	<u>10,584</u>	<u>81,963</u>
Deferred amounts on refunding	(2,811)	-	(157)	(2,654)	(157)	(2,497)
Unamortized discounts	(24)	-	(8)	(16)	(8)	(8)
Unamortized premiums	2,736	-	153	2,583	153	2,430
	<u>\$ 95,516</u>	<u>7,111</u>	<u>10,167</u>	<u>92,460</u>	<u>10,572</u>	<u>81,888</u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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

Fiscal Year	Contracts	FFC/ Notes	Vested Compensated Absences	Total	
				Principal	Interest
2010	\$ 51	3,422	7,111	10,584	3,915
2011	53	3,611	-	3,664	3,751
2012	22	3,748	-	3,770	3,577
2013	22	3,928	-	3,950	3,425
2014	22	4,174	-	-	3,256
2015 - 2019	111	25,287	-	25,398	13,151
2020 - 2024	113	27,962	-	28,075	6,761
2025 - 2029	112	12,799	-	12,911	848
	506	84,931	7,111	88,352	38,684
Deferred amounts on refunding	-	(2,654)	-	(2,654)	-
Unamortized discounts	-	(16)	-	(16)	-
Unamortized premiums	-	2,583	-	2,583	-
	\$ 506	84,844	7,111	88,265	38,684

Contracts and notes payable of business activities for the year ended June 30, 2009 are as follows:

	Balance July 1, 2008	Decreases	Balance June 30, 2009	Due Within One year	Long-term portion
Notes Payable:					
Housing Authority notes payable through 2038; interest 0.0% - 9.5%	\$ 3,266	(440)	2,826	475	2,351

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

Fiscal Year	Housing Authority of Washington County Notes Payable	
	Principal	Interest
2010	\$ 475	107
2011	141	86
2012	99	83
2013	102	81
2014	104	78
2015 - 2019	1,029	299
2020 - 2025	111	211
2025 - 2029	561	187
2030 - 2034	98	75
2035 - 2038	106	34
	\$ 2,826	1,241

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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 Washington County. The Authority, or the State and, accordingly, have not been reported in the accompanying basic financial statements.

As of June 30, 2009, there were nine series of Housing Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$30,776.

Capital lease obligations

The County has three capital lease agreements. Two are for the purchase of juvenile detention facility space. These are noncancelable lease agreements which end September 2012 and October 2016. The gross amounts of the leases are \$1,180 on the original lease and \$1,862 on the lease for additional beds. The third lease is for the purchase of a forklift. This noncancelable lease agreement ends August 2010. The gross amount of the lease is \$22.

Changes in the capital lease obligations for the year ended June 30, 2009, are as follows:

	<u>Outstanding</u> <u>July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Outstanding</u> <u>June 30, 2009</u>
Capital lease obligations	\$ 1,529	-	(186)	1,343

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

The following is a schedule, by fiscal year, of future minimum lease payments under capital leases, together with the present value of the future minimum lease payments as of June 30, 2009:

<u>Fiscal Year</u>	<u>Capital Lease Future Minimum Payments</u>
2010	\$ 262
2011	257
2012	256
2013	256
2014	154
2015 - 2017	462
Future minimum lease payments	<u>1,647</u>
Less amounts representing interest	<u>(304)</u>
Present value of future minimum lease payments	<u><u>1,343</u></u>
Current portion	189
Long-term portion	1,154
	<u><u>\$ 1,343</u></u>

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 \$721 for the year ended June 30, 2009.

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

<u>Year Ending June 30,</u>	<u>Clean Water Services</u>	<u>Washington County</u>	<u>Total</u>
2010	\$ 80	351	431
2011	76	67	143
2012	75	67	142
2013	76	34	110
	<u><u>\$ 307</u></u>	<u><u>519</u></u>	<u><u>826</u></u>

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

Due To/From Other funds

Interfund accounts at June 30, 2009, consist of:

<u>Fund</u>	<u>Due to other funds</u>	<u>Due from other funds</u>
Major governmental funds:		
General Fund	\$ -	2,546
HOME Fund	164	-
Other governmental funds	2,382	-
	<u>\$ 2,546</u>	<u>2,546</u>

Interfund receivables consist of \$2,000 from the Local Option Levy Fund to the General Fund and \$546 cash advanced to cover negative cash balances at year-end June 30, 2009.

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

<u>Description</u>	<u>Interest Rate</u>	<u>Outstanding July 1, 2008</u>	<u>Decrease</u>	<u>Outstanding July 1, 2009</u>
Washington County IGA	variable	\$ <u>878</u>	<u>(77)</u>	<u>801</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.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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.

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

The County's annual required contribution rate for fiscal 2009 was 13.09% of covered employees' salaries for PERS and 13.54% for general OPSRP and 16.81% for OPSRP police. Clean Water Services' annual contribution rate for fiscal 2009 was 4.3% for PERS and 7.28% for OPSRP. The employee contribution rate is 6% for both the County and Clean Water Services.

Risk Pooling and Revised PERS Contribution Rates

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

overall experience of the pool versus the potentially more volatile experience of individual employers.

Annual Pension Cost

For fiscal 2009, the County's and Clean Water Services' actual annual pension cost of \$15,350 and \$1,629, respectively, were equal to their annual required contributions plus current fiscal year amortization of prepaid pension assets. The actual pension costs without amortization of the prepaid pension obligation were \$12,419 and \$1,046, respectively. The required contribution was determined as part of the actuarial valuation at December 31, 2005 using the entry age actuarial cost method. Significant actuarial assumptions used in the valuation included: (a) rate of return on the investment of present and future assets of 8%; (b) projected salary increases which include 4.25% per year in addition to salary increases due to promotions and longevity that may vary by age and service; (c) post-retirement benefit increases of 2% per year (the maximum allowable); (d) consumer price inflation of 3.5% per year; and, (e) thirty-year open amortization of the unfunded actuarial liability as a level percentage of projected annual payroll.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(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:			
2007	\$ 14,178	100 %	\$ 13,775
2008	14,451	100	13,097
2009	15,350	100	12,419
Clean Water Services:			
2007	1,797	100	15,462
2008	1,534	100	14,878
2009	1,629	100	13,710
Total:			
2007	15,975	100	29,237
2008	15,985	100	27,975
2009	16,979	100	26,129

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. This is not a stand-alone plan and there are no separately issued financial statements.

Funding Policy

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

For fiscal year 2008-09, the County contributed \$521 and retirees made payments of \$1,037. The County has elected to not pre-fund the actuarially determined future cost amount of \$2,416.

The required monthly contributions of the plan members were as follows (*not in \$000's*) for the year ended June 30, 2009. The rates are established through negotiation with the County's insurance carrier each year and approved by the Board of County Commissioners.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

	Health		Dental/Vision		
	Providence	Kaiser	ODS	ODS Vision	Regence
Employee	\$ 393	348	49	8	40
Employee * 1	786	695	90	8	73
Full Family	1,179	1,043	136	8	128

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 annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's OPEB obligation to the plan:

Annual Required Contribution	\$ 2,417
Interest on net OPEB obligation	50
Adjustment to annual required contribution	<u>(1,171)</u>
Annual OPEB cost	1,296
Contributions made	<u>521</u>
Increase in net OPEB obligation	775
Net OPEB obligation – beginning of year	<u>1,895</u>
Net OPEB obligations – end of year	<u>\$ 2,670</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2008-09 is as follows.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/08	\$ 2,416	21.6%	1,895
6/30/09	1,296	40.3%	2,670

Funding status and Funding progress

As of July 1, 2006, the most recent actuarial valuation date, the plan was funded on a pay-as-you-go basis and therefore had no assets. The actuarial accrued liability for benefits was \$17,999 and also equaled the unfunded actuarial accrued liability (UAAL). The annual payroll of active employees covered by the plan (covered payroll) for 2008-09 was \$109,977 and the ratio of the UAAL to the covered payroll was 16.4%.

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

Actuarial Methods and Assumptions

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

In the July 1, 2006 valuation, the entry age normal actuarial cost method was used. The investment return for the County was assumed to be 5% to reflect the rate of return on the county's investment portfolio. Health care cost trends were assumed to be 11% for Providence and 13% for Kaiser initially, then declining to 5% for each in 2021. The UAAL is being amortized over an open period of 30 years.

Actuarial Valuation Date	Actuarial value of assets	Actuarial accrued liability	Unfunded liability (UAAL)	Funded ratio	Covered payroll	UAAL percent payroll
7/1/06	-	\$ 17,999	\$ 17,999	0%	\$ 109,977	16.4%

Retirement health insurance account (RHIA)

Plan Description

As a member of Oregon Public Employees Retirement System (OPERS), the County contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined 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. 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)

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating municipal corporations are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.59% of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The County's contributions to RHIA for the years ended June 30, 2007, 2008, and 2009 were \$575, \$609, and \$648, respectively, which equaled the required contributions each year.

Insured risks

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

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

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. Liabilities include an amount for claims that have been incurred but not reported. Liabilities are reevaluated periodically to consider current settlements, frequency of claims, past experience and economic factors. Changes in the balances of the County's and the District's accrued self-insurance liabilities during the current and 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>
2006-07	\$ 3,611	1,156	(972)	3,795
2007-08	3,795	870	(1,140)	3,525
2008-09	3,525	1,703	(1,578)	3,650

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

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

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 expected to be done near the end of 2010-11 and the County expects to get a certificate for DEQ at that time. The postclosure care liability at June 30, 2009 is estimated to be \$43.

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 new financial reporting 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. The County implemented GASB Statement No. 49 in the current fiscal year. The adoption of GASB 49 is considered a change in accounting principle and, accordingly, beginning net assets have been restated.

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 (ROD) requiring methane gas mitigation as part of the site development. An engineering firm has

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

been doing the on-going monitoring and DEQ reporting requirements and County employees will take 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 for the on-going monitoring and DEQ reporting costs are expected to be \$1,296; these costs are recorded in the Road Fund.

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 (PacTrust) and the County entered into a voluntary cleanup program with DEQ. A report with a conclusion of "no further action required" (including no further monitoring) is expected from DEQ by the end of December 2009. The pollution remediation obligation estimate for this work recorded in the Road Fund is \$41.

As both of these obligations existed at June 30, 2008, beginning net assets have been restated in accordance with GASB 49.

Transfers

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

Transfers in:

General fund	\$ 13,975
Human services fund	1,803
Major streets improvement program III fund	27,662
Road fund	1,077
Non-major funds	<u>29,221</u>
Total	<u><u>73,738</u></u>

Transfers out:

General fund	53,930
Major streets improvement program III fund	429
Road fund	772
Non-major funds	<u>18,103</u>
	<u>73,234</u>

Recorded as Other Expenses in the Proprietary fund types

	<u>504</u>
	<u><u>\$ 73,738</u></u>

The following are the major reasons for the above transfers:

Major streets improvement programs and Cooperative Library Services operated on fixed-rate serial levies until 1998-99. With the passage of Measures 47 and 50, those fixed-rate serial levies were combined with the County's permanent tax rate and now receive a majority of their funding directly from the County's General Fund. These transfers comprise approximately \$27,662 major streets improvement programs and \$14,068 to Cooperative Library Services.

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

These transfers are responsible for 57% of all transfers made during the fiscal year. Transfers between the other operating departments resulted from the normal course of operations.

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.

Commitments

The County has committed over \$45,950 to fund certain specific road construction projects over the next four years; \$12,940 for jail inmate health care services over the next four years; \$16,800 for County-wide library services over the next two years; \$7,500 over the next four years to the continued development and operation of the commuter light rail; and dispatch services for the Sheriff's Office through the Washington County Consolidated Communications Agency is approximately \$1,220 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 \$2,584.

The County has contracted for fuel for all County vehicles and equipment for \$4,140 over the next three years

Juvenile detention services at the Donald E. Long facility have been contracted for with Multnomah County for approximately \$6,400 over the next five years.

Restatements

As a result of the County's implementation of Governmental Accounting Standards Board (GASB) Statement No. 49 for the year ended June 30, 2009, and recognition of postclosure care costs associated with the County's past operation of the Shadybrook municipal solid waste landfill, beginning net assets have been restated to recognize liabilities and expenses as of and for the year ended June 30, 2008, as follows:

WASHINGTON COUNTY, OREGON

Notes to Basic Financial Statements (continued)

June 30, 2009

(Dollars in thousands)

Pollution remediation liability at June 30, 2008 (net)	\$	950
Postclosure care costs at June 30, 2008		<u>43</u>
Total restatement of governmental activities net assets in the Statement of Net Assets	\$	<u><u>993</u></u>

Subsequent events

The Housing Authority (Authority) is in the process of selling forty public housing properties. These properties are single-family dwellings, and have HUD approval to be sold, with the proceeds to be used for other housing purposes. As of June 30, 2009, thirty-seven properties had been sold. As of the date of this report, the three remaining properties have been sold.

On November 5, 2009, the County issued full faith & credit bonds to defease the entire bond portfolio of the Authority, in return for an agreement by the Authority to provide funds for the debt service of the new issue. This will result in debt service reductions exceeding \$500 per year.

REQUIRED SUPPLEMENTARY INFORMATION

WASHINGTON COUNTY, OREGON

Budgetary Comparison

For the fiscal year ended June 30, 2009

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 during the year ended June 30, 2009. Both the original adopted budget and the revised budget comparisons are presented in the accompanying budgetary schedules. Appropriations lapse at the end of the fiscal year.

WASHINGTON COUNTY, OREGON

Budgetary Comparison

General Fund

For the fiscal year ended June 30, 2009

(Dollars in thousands)

	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:				
Taxes	\$ 101,103	101,103	98,743	(2,360)
Licenses and permits	5,455	5,455	5,413	(43)
Intergovernmental revenues	18,819	19,093	17,733	(1,360)
Charges for services	7,105	7,105	6,653	(452)
Fines and forfeitures	3,527	3,527	2,505	(1,022)
Miscellaneous revenues	5,234	5,249	6,262	1,013
Interfund revenues	5,654	5,654	5,601	(53)
Total revenues	<u>146,897</u>	<u>147,186</u>	<u>142,910</u>	<u>(4,277)</u>
Expenditures:				
General government:				
Board of County Commissioners	351	391	379	12
County administrative office	1,988	1,988	1,630	358
Community network	605	605	604	1
County counsel	1,753	1,753	1,672	81
County auditor	192	192	189	3
Elections division	1,900	1,900	1,562	338
Assessment and taxation	8,132	8,132	7,462	670
County communications	756	756	661	95
Financial management	1,983	1,983	2,785	(802)
Human resources	1,755	1,755	1,755	—
Information services	9,108	9,108	8,013	1,095
Purchasing	399	399	362	37
Facilities management	8,269	8,269	7,802	467
Subtotal	<u>37,191</u>	<u>37,231</u>	<u>34,876</u>	<u>2,355</u>
Public safety and justice:				
Law enforcement services	15,454	15,702	14,758	944
Jail operations	19,003	19,572	18,423	1,149
Sheriff's office administration	3,140	3,143	2,727	416
Jail health care	3,296	3,546	3,494	52
District Attorney	8,331	8,331	7,789	542
Washington County justice court	662	662	612	50
Juvenile	5,263	5,263	5,142	121
Juvenile administration	1,189	1,189	991	198
Subtotal	<u>56,338</u>	<u>57,408</u>	<u>53,936</u>	<u>3,472</u>
Land use, housing and transportation:				
Planning	3,456	3,456	2,818	638
Water Master	167	182	175	7
Subtotal	<u>3,623</u>	<u>3,638</u>	<u>2,993</u>	<u>645</u>
Health and human services:				
Public health	16,288	16,397	14,072	2,325
Health and human services administration	958	958	934	24
Animal services	1,898	1,898	1,802	96
Veterans' services	664	664	565	99
Subtotal	<u>19,808</u>	<u>19,917</u>	<u>17,373</u>	<u>2,544</u>
Subtotal of expenditures carried forward	<u>116,960</u>	<u>118,194</u>	<u>109,178</u>	<u>9,016</u>

WASHINGTON COUNTY, OREGON

Budgetary Comparison, Continued

General Fund

For the fiscal year ended June 30, 2009

(Dollars in thousands)

	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Subtotal of expenditures brought forward	\$ 116,960	118,194	109,178	9,016
Expenditures, continued:				
Culture, education and recreation:				
Agriculture activities	355	355	355	—
Parks	719	719	666	53
Subtotal	<u>1,074</u>	<u>1,074</u>	<u>1,021</u>	<u>53</u>
Non-operating:				
Miscellaneous	1,659	1,617	1,471	146
Subtotal	<u>1,659</u>	<u>1,617</u>	<u>1,471</u>	<u>146</u>
Operating contingency	26,379	25,337	—	25,337
Total expenditures	<u>146,072</u>	<u>146,222</u>	<u>111,671</u>	<u>34,552</u>
Excess of revenues over expenditures	<u>822</u>	<u>962</u>	<u>31,239</u>	<u>30,275</u>
Other financing sources(uses):				
Transfers in from other funds	17,708	17,708	17,975	267
Transfers out to other funds	<u>(56,789)</u>	<u>(56,929)</u>	<u>(55,930)</u>	<u>999</u>
Total other financing sources(uses)	<u>(39,081)</u>	<u>(39,221)</u>	<u>(37,955)</u>	<u>1,266</u>
Net change in fund balance	<u>(38,259)</u>	<u>(38,259)</u>	<u>(6,716)</u>	<u>31,543</u>
Fund balance July 1, 2008	<u>38,259</u>	<u>38,259</u>	<u>37,522</u>	<u>(737)</u>
Fund balance June 30, 2009	\$ <u>—</u>	<u>—</u>	<u>30,806</u>	<u>30,806</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison
 Major Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	HOME Fund				Human Services Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 2,855	2,855	782	(2,073)	20,342	20,593	19,315	(1,278)
Charges for services	—	—	—	—	32	32	36	4
Miscellaneous revenues	—	—	145	145	527	527	399	(128)
Interfund revenues	—	—	—	—	131	131	131	—
Total revenues	<u>2,855</u>	<u>2,855</u>	<u>927</u>	<u>(1,928)</u>	<u>21,032</u>	<u>21,283</u>	<u>19,881</u>	<u>(1,402)</u>
Expenditures:								
Current:								
Land use, housing and transportation	2,855	2,855	930	1,925	—	—	—	—
Health and human services	—	—	—	—	22,245	22,496	20,816	1,680
Operating contingency	—	—	—	—	2,733	2,733	—	2,733
Total expenditures	<u>2,855</u>	<u>2,855</u>	<u>930</u>	<u>1,925</u>	<u>24,978</u>	<u>25,229</u>	<u>20,816</u>	<u>4,413</u>
Excess(deficiency) of revenues over expenditures	<u>—</u>	<u>—</u>	<u>(3)</u>	<u>(3)</u>	<u>(3,946)</u>	<u>(3,946)</u>	<u>(935)</u>	<u>3,011</u>
Other financing sources(uses):								
Transfers in from other funds	—	—	—	—	1,803	1,803	1,803	—
Total other financing sources(uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,803</u>	<u>1,803</u>	<u>1,803</u>	<u>—</u>
Net change in fund balance	<u>—</u>	<u>—</u>	<u>(3)</u>	<u>(3)</u>	<u>(2,143)</u>	<u>(2,143)</u>	<u>868</u>	<u>3,011</u>
Fund balances July 1, 2008	<u>—</u>	<u>—</u>	<u>1</u>	<u>1</u>	<u>2,143</u>	<u>2,143</u>	<u>2,115</u>	<u>(28)</u>
Fund balances(deficit) June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>(2)</u>	<u>(2)</u>	<u>—</u>	<u>—</u>	<u>2,983</u>	<u>2,983</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Major Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (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	\$ —	—	—	—	880	880	831	(49)
Licenses and permits	—	—	—	—	146	146	130	(16)
Intergovernmental revenues	2,080	2,080	2,450	370	20,758	20,758	18,106	(2,652)
Charges for services	—	—	—	—	1,039	1,039	755	(284)
Special assessments	—	—	—	—	50	50	118	68
Miscellaneous revenues	2,000	2,000	2,115	115	548	548	1,047	499
Interfund revenues	—	—	—	—	7,410	7,410	7,322	(88)
Total revenues	<u>4,080</u>	<u>4,080</u>	<u>4,565</u>	<u>485</u>	<u>30,831</u>	<u>30,831</u>	<u>28,309</u>	<u>(2,522)</u>
Expenditures:								
Current:								
Land use, housing and transportation:								
Administration	63,800	63,800	35,889	27,911	7,414	7,414	6,192	1,222
Engineering services	—	—	—	—	3,050	3,050	2,605	445
Capital projects management	—	—	—	—	5,139	5,139	4,384	755
Operations and maintenance	—	—	—	—	21,036	21,033	17,486	3,547
Operating contingency	—	—	—	—	6,434	6,434	—	6,434
Total current	<u>63,800</u>	<u>63,800</u>	<u>35,889</u>	<u>27,911</u>	<u>43,073</u>	<u>43,070</u>	<u>30,667</u>	<u>12,403</u>
Capital outlay	10,482	10,482	4,194	6,288	366	369	115	254
Debt service:								
Principal	—	—	—	—	27	27	27	—
Interest	—	—	—	—	4	4	4	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>31</u>	<u>31</u>	<u>31</u>	<u>—</u>
Total expenditures	<u>74,282</u>	<u>74,282</u>	<u>40,083</u>	<u>34,199</u>	<u>43,470</u>	<u>43,470</u>	<u>30,813</u>	<u>12,657</u>
Excess(deficiency) of revenues over expenditures	<u>(70,202)</u>	<u>(70,202)</u>	<u>(35,518)</u>	<u>34,684</u>	<u>(12,639)</u>	<u>(12,639)</u>	<u>(2,504)</u>	<u>10,135</u>
Other financing sources (uses):								
Proceeds from debt	—	—	—	—	—	—	—	—
Transfers in from other funds	27,637	27,637	27,662	25	1,040	1,040	1,077	37
Transfers out to other funds	(3,284)	(3,284)	(429)	2,855	(745)	(745)	(772)	(27)
Total other financing sources(uses)	<u>24,353</u>	<u>24,353</u>	<u>27,233</u>	<u>2,880</u>	<u>295</u>	<u>295</u>	<u>305</u>	<u>10</u>
Net change in fund balance	<u>(45,849)</u>	<u>(45,849)</u>	<u>(8,285)</u>	<u>37,564</u>	<u>(12,344)</u>	<u>(12,344)</u>	<u>(2,199)</u>	<u>10,145</u>
Fund balances July 1, 2008	45,849	45,849	55,908	10,059	12,344	12,344	14,222	1,878
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>47,623</u>	<u>47,623</u>	<u>—</u>	<u>—</u>	<u>12,023</u>	<u>12,023</u>

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

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SUPPLEMENTARY INFORMATION

NON-MAJOR FUND FINANCIAL STATEMENTS

SPECIAL REVENUE FUNDS

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

- Aging, 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.
- Countywide Traffic Impact Fee Fund – This fund accounts for traffic impact fees used to finance extra capacity street facilities required by new development.
- Court Security Fund – This fund accounts for the receipt and expenditure of County fine assessments earmarked for court security programs.

SPECIAL REVENUE FUNDS (Continued)

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

SPECIAL REVENUE FUNDS (Continued)

- Juvenile Conciliation Services Fund – This fund accounts for custody service fees collected and dedicated to conciliation services by state law. The moneys provide custody studies to circuit court, counseling services concerning marriage and divorce, and mediation services in dissolution proceedings involving child custody issues.
- Juvenile Grants Fund – This fund accounts for grant awards provided to enhance evaluative and diagnostic services to those youth that would be most susceptible to being committed to state training schools.
- Juvenile High Risk Prevention Fund – This fund accounts for grant moneys received from the State and contracted to prevention service providers in schools and private non-profit organizations. The funding is used for drug and alcohol evaluation and treatment services to high-risk youth identified by the Juvenile Crime Prevention Plan.
- Law Library Capital Construction Fund – This fund provides a reserve for future capital needs of the law library.
- Law Library Fund – This fund was established in accordance with state statutes to provide legal research and reference materials.
- Local Option Levy Fund – This fund accounts for funds from a five-year property tax serial levy for public safety and justice programs approved by voters in November 2006. 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.
- Major Streets Capital Projects Fund – This fund accounts for the activities necessary for installing, constructing, and extending extra capacity street facilities.
- 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.

SPECIAL REVENUE FUNDS (Continued)

- Oregon & California Title III Fund – This fund accounts for the revenues derived from the federal legislation (Timber Safety Net program PL 106-393) passed in 2000. Payments under this program were phased out in FY 2008-09, and the County has chosen to close this fund as of June 30, 2009.
- OTIA Capital Projects Fund – This fund accounts for resources made available to the County under House Bill 2041 for the creation of the Oregon Transportation Investment Act III (OTIA3) State Bridge Delivery Program. OTIA3 was created to maximize ease of traffic movement, while providing expedient project delivery and economic stimulus through the use of Oregon firms and their employees. Funds received are expended to repair or replace selected County bridge facilities.
- Real Property Management Fund – This fund accounts for the County's surplus real property inventory, including sale, disposal, transfer, maintenance, and renting of properties.
- Senate Bill 1145 Fund – This fund is the repository for those funds dedicated exclusively to services for criminal offenders sentenced under the provisions of Senate Bill 1145 (1995 Legislature).
- Sheriff's Office Contract Services Fund – This fund accounts for the contracted responsibility of providing service to Tri-Met Transit Police Division, the Forest Grove School District high school and middle schools, and the County's Elder Abuse Programs. This fund also provides for uniformed law enforcement security and other support services to the Multnomah County Drug and Alcohol Rehabilitation Program housed in space leased from Washington County in the old jail facility.
- Sheriff's Office Forfeitures Fund – This fund accounts for resources derived from asset forfeitures that typically come from the sale of real and/or personal property seized from offenders involved in drug-related criminal activity. Specific and strict guidelines govern the use of all forfeiture proceeds. These laws change periodically so funds accumulated at different times are subject to varying legal requirements for their use and are accounted for in different programs within this fund.
- 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.

SPECIAL REVENUE FUNDS (Continued)

- 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 monumentation, checking and recording subdivisions and plats, performing court-ordered surveys, right-of-way acquisitions, road and easement vacations, road alignment surveying, construction taking, and public assistance.
- Surveyor – Public Land Corner Fund – This fund accounts for activities related to the remonumentation of government survey corners funded through the public land corner preservation fee.
- Tourism Dedicated Lodging Tax Fund – This fund accounts for revenues generated by the three-ninths portion of the Washington County lodging tax that is tourism-dedicated. This program area was established in the 2006-07 fiscal year and reflects the evolving County role in tourism.
- Urban Road Maintenance Service District Fund (Component Unit) – This fund is a special service district formed to provide an enhanced level of maintenance services to local, minor collector, and public roads in the urban unincorporated areas of the County.
- Washington County Fair Fund – This fund accounts for the operation and management of the fairground facilities 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.

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:

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

INTERNAL SERVICE FUNDS

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

- Fleet Management Fund – This fund accounts for maintenance and repair services provided to County users of the fleet. Costs are billed to the user's department based upon a specified hourly rate.
- Fleet Replacement Fund – This fund provides for the purchase and disposition of fleet vehicles and equipment. Replacement costs are billed to other departments at an amount estimated to cover depreciation on the fleet.
- 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.
- 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.
- Municipal Transfer Liability Fund – This fund was established to provide a reserve for potential liabilities associated with cities providing services on behalf of the County in urban unincorporated areas. The County has elected to close this fund as of June 30, 2009.

INTERNAL SERVICE FUNDS (Continued)

- PERS Rate Stabilization Fund – This fund is used to account for moneys 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
 Non-major Governmental Funds - Special Revenue Funds
 June 30, 2009
 (Dollars in thousands)

Assets	Aging, Disability, & Veteran Services Fund	Animal Services Gifts and Donations Fund	Building/ Equipment Replacement Fund	Building Services Fund	Child Abuse Multidisciplinary Intervention Fund	Children and Youth Services Commission Fund
Cash and investments	\$ 635	254	2,962	10,418	22	1,163
Accounts receivable	215	—	—	8	—	394
Total assets	<u>850</u>	<u>254</u>	<u>2,962</u>	<u>10,426</u>	<u>22</u>	<u>1,557</u>
Liabilities and Fund Balance						
Liabilities:						
Accounts payable	107	2	141	26	94	770
Accrued payroll liabilities	36	—	—	210	4	29
Deposits payable	—	—	—	138	—	—
Deferred revenue	67	14	—	—	—	355
Total liabilities	<u>210</u>	<u>16</u>	<u>141</u>	<u>374</u>	<u>98</u>	<u>1,154</u>
Fund balance(deficit):						
Special Revenue	640	238	2,821	10,052	(76)	403
Total fund balance(deficit)	<u>640</u>	<u>238</u>	<u>2,821</u>	<u>10,052</u>	<u>(76)</u>	<u>403</u>
Total liabilities and fund balance(deficit) \$	<u>850</u>	<u>254</u>	<u>2,962</u>	<u>10,426</u>	<u>22</u>	<u>1,557</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2009
(Dollars in thousands)

Assets	Community Corrections Fund	Cooperative Library Services Fund	County- wide Traffic Impact Fee Fund	Court Security Fund	Department of Housing Services Fund
Cash and investments	\$ 908	4,645	17,924	223	44
Property taxes receivable	—	285	—	—	—
Assessments receivable	—	—	39	—	—
Accounts receivable	104	—	—	30	185
Inventory	1	—	—	—	—
Other assets	1	—	—	—	—
Total assets	<u>1,014</u>	<u>4,930</u>	<u>17,963</u>	<u>253</u>	<u>229</u>
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	81	100	244	28	90
Accrued payroll liabilities	300	106	—	—	128
Amounts held in trust	28	—	—	—	—
Deferred revenue	—	248	39	—	10
Total liabilities	<u>409</u>	<u>454</u>	<u>283</u>	<u>28</u>	<u>228</u>
Fund balance:					
Reserved fund balance:	1	—	—	—	—
Unreserved fund balance:					
Special Revenue	604	4,476	17,680	225	1
Total fund balance	<u>605</u>	<u>4,476</u>	<u>17,680</u>	<u>225</u>	<u>1</u>
Total liabilities and fund balance	<u>\$ 1,014</u>	<u>4,930</u>	<u>17,963</u>	<u>253</u>	<u>229</u>

WASHINGTON COUNTY, OREGON

Combining Balance Sheet, Continued

Non-major Governmental Funds - Special Revenue Funds

June 30, 2009

(Dollars in thousands)

Assets	Development Services Fund	District Patrol Fund	Emergency Medical Services Fund	Enhanced Sheriff Patrol District Fund (Component Unit)
Cash and investments	\$ 1,800	553	1,693	10,734
Property taxes receivable	—	—	—	758
Accounts receivable	5	—	1	—
Total assets	<u>1,805</u>	<u>553</u>	<u>1,694</u>	<u>11,492</u>
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	5	22	4	—
Accrued payroll liabilities	73	531	9	—
Deposits payable	218	—	—	—
Deferred revenue	—	—	—	656
Total liabilities	<u>296</u>	<u>553</u>	<u>13</u>	<u>656</u>
Fund balance:				
Special Revenue	<u>1,509</u>	<u>—</u>	<u>1,681</u>	<u>10,836</u>
Total fund balance	<u>1,509</u>	<u>—</u>	<u>1,681</u>	<u>10,836</u>
Total liabilities and fund balance	<u>\$ 1,805</u>	<u>553</u>	<u>1,694</u>	<u>11,492</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2009
(Dollars in thousands)

Assets	Human Services HB-2145 Fund	Human Services OHP Fund	Indirect Cost Reimburse- ment Fund	ITS Systems Replacement Fund	Jail Commissary Fund	Juvenile Conciliation Services Fund	Juvenile Grants Fund
Cash and investments	\$ 736	9,459	—	1,346	295	—	10
Accounts receivable	—	—	—	—	9	39	176
Total assets	<u>736</u>	<u>9,459</u>	<u>—</u>	<u>1,346</u>	<u>304</u>	<u>39</u>	<u>186</u>
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	—	460	—	—	—	1	47
Accrued payroll liabilities	—	39	—	—	—	20	20
Accrued OHP payable	—	1,770	—	—	—	—	—
Due to other funds	—	—	—	—	—	15	—
Deferred revenue	—	—	—	—	—	—	113
Total liabilities	<u>—</u>	<u>2,269</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>36</u>	<u>180</u>
Fund balance:							
Special Revenue	736	7,190	—	1,346	304	3	6
Total fund balance	<u>736</u>	<u>7,190</u>	<u>—</u>	<u>1,346</u>	<u>304</u>	<u>3</u>	<u>6</u>
Total liabilities and fund balance \$	<u><u>736</u></u>	<u><u>9,459</u></u>	<u><u>—</u></u>	<u><u>1,346</u></u>	<u><u>304</u></u>	<u><u>39</u></u>	<u><u>186</u></u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2009
(Dollars in thousands)

Assets	Juvenile High Risk Prevention Fund	Law Library Capital Construction Fund	Law Library Fund	Local Option Levy Fund	Maintenance Improvement District Fund	Major Streets Capital Projects Fund
Cash and investments	\$ 258	348	477	5,615	228	5,670
Property taxes receivable	—	—	—	732	—	—
Accounts receivable	490	—	41	142	—	231
Other assets	—	—	—	1	—	—
Total assets	<u>748</u>	<u>348</u>	<u>518</u>	<u>6,490</u>	<u>228</u>	<u>5,901</u>
Liabilities and Fund Balance						
Liabilities:						
Accounts payable	37	—	7	122	—	378
Accrued payroll liabilities	58	—	8	505	—	—
Due to other funds	—	—	—	2,000	—	—
Deferred revenue	153	—	—	777	—	—
Total liabilities	<u>248</u>	<u>—</u>	<u>15</u>	<u>3,404</u>	<u>—</u>	<u>378</u>
Fund balance:						
Special Revenue	500	348	503	3,086	228	5,523
Total fund balance	<u>500</u>	<u>348</u>	<u>503</u>	<u>3,086</u>	<u>228</u>	<u>5,523</u>
Total liabilities and fund balance	<u>\$ 748</u>	<u>348</u>	<u>518</u>	<u>6,490</u>	<u>228</u>	<u>5,901</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2009
(Dollars in thousands)

Assets	Metzger Park Fund	Office of Community Development Grant Fund	Oregon & California Title III Fund	OTIA Capital Projects Fund	Real Property Management Fund
Cash and investments	\$ 134	—	—	4,495	—
Assessments receivable	4	—	—	—	—
Accounts receivable	—	641	—	—	—
Investment interest receivable	—	203	—	—	—
Contracts receivable	—	1,737	—	—	—
Total assets	<u>138</u>	<u>2,581</u>	<u>—</u>	<u>4,495</u>	<u>—</u>
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	3	542	—	339	—
Accrued payroll liabilities	4	29	—	—	—
Deposits payable	3	—	—	—	—
Due to other funds	—	41	—	—	—
Deferred revenue	3	1,984	—	2,388	—
Total liabilities	<u>13</u>	<u>2,596</u>	<u>—</u>	<u>2,727</u>	<u>—</u>
Fund balance(deficit):					
Special Revenue	125	(15)	—	1,768	—
Total fund balance(deficit)	<u>125</u>	<u>(15)</u>	<u>—</u>	<u>1,768</u>	<u>—</u>
Total liabilities and fund balance(deficit) \$	<u>138</u>	<u>2,581</u>	<u>—</u>	<u>4,495</u>	<u>—</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2009
(Dollars in thousands)

Assets	Senate Bill 1145 Fund	Sheriff's Office Contract Services Fund	Sheriff's Office Forfeitures Fund	Sheriff's Office Grants & Donations Fund	Strategic Investment Program Fund	1999 Strategic Investment Program Fund
Cash and investments	\$ 93	—	691	—	410	1,441
Accounts receivable	—	80	—	155	—	—
Total assets	<u>93</u>	<u>80</u>	<u>691</u>	<u>155</u>	<u>410</u>	<u>1,441</u>
Liabilities and Fund Balance						
Liabilities:						
Accounts payable	—	—	6	24	—	—
Accrued payroll liabilities	—	14	—	3	—	—
Due to other funds	—	67	—	119	—	—
Deferred revenue	—	31	—	112	—	—
Total liabilities	<u>—</u>	<u>112</u>	<u>6</u>	<u>258</u>	<u>—</u>	<u>—</u>
Fund balance(deficit):						
Special Revenue	<u>93</u>	<u>(32)</u>	<u>685</u>	<u>(103)</u>	<u>410</u>	<u>1,441</u>
Total fund balance(deficit)	<u>93</u>	<u>(32)</u>	<u>685</u>	<u>(103)</u>	<u>410</u>	<u>1,441</u>
Total liabilities and fund balance(deficit)	<u>\$ 93</u>	<u>80</u>	<u>691</u>	<u>155</u>	<u>410</u>	<u>1,441</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Special Revenue Funds
June 30, 2009
(Dollars in thousands)

Assets	Survey Fund	Surveyor - Public Land Corner Fund	Tourism Dedicated Lodging Tax Fund	Urban Road Maintenance Service District Fund (Component Unit)	Washington County Fair Fund	West Slope Library Fund	Total Special Revenue Funds
Cash and investments	\$ 1,287	2,569	887	2,387	810	213	93,837
Property taxes receivable	—	—	—	149	—	—	1,924
Assessments receivable	—	—	—	—	—	—	43
Accounts receivable	124	7	428	—	170	—	3,675
Investment interest receivable	—	—	—	—	—	—	203
Contracts receivable	—	—	—	—	—	—	1,737
Inventory	—	—	—	—	63	—	64
Other assets	—	—	—	—	—	—	2
Total assets	1,411	2,576	1,315	2,536	1,043	213	101,485
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	54	—	62	287	24	8	4,117
Accrued payroll liabilities	20	35	—	—	23	17	2,219
Deposits payable	520	—	—	—	1	—	880
Amounts held in trust	—	—	—	—	1	—	29
Accrued OHP payable	—	—	—	—	—	—	1,770
Due to other funds	—	—	—	—	—	—	2,242
Deferred revenue	—	—	—	129	100	—	7,179
Total liabilities	594	35	62	416	149	25	18,436
Fund balance:							
Reserved fund balance:	—	—	—	—	63	—	64
Unreserved fund balance:							
Special Revenue	817	2,541	1,253	2,120	831	188	82,985
Total fund balance	817	2,541	1,253	2,120	894	188	83,049
Total liabilities and fund balance	\$ 1,411	2,576	1,315	2,536	1,043	213	101,485

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Debt Service Funds
June 30, 2009
(Dollars in thousands)

	Criminal Justice Bond Fund	Miscellaneous Debt Service Fund	Total Debt Service Funds
Assets			
Cash and investments	\$ 27	52	79
Property tax receivable	283	—	283
Total assets	<u>310</u>	<u>52</u>	<u>362</u>
Liabilities and Fund Deficit			
Liabilities:			
Due to other funds	64	76	140
Deferred revenue	246	—	246
Total liabilities	<u>310</u>	<u>76</u>	<u>386</u>
Fund deficit:			
Unreserved fund deficit	—	(24)	(24)
Total fund deficit	<u>—</u>	<u>(24)</u>	<u>(24)</u>
Total liabilities and fund deficit	<u>\$ 310</u>	<u>52</u>	<u>362</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Capital Projects Funds
June 30, 2009
(Dollars in thousands)

Assets	Facilities General Capital Projects Fund	Facilities Park (THPRD) SDC Fund	ITS Capital Projects Fund	Parks and Open Spaces Opportunity Projects Fund	Total Capital Projects Funds
Cash and investments	\$ 101	86	478	680	1,345
Property taxes receivable	—	—	—	—	—
Assessments receivable	—	—	—	—	—
Accounts receivable	75	—	17	—	92
Investment interest receivable	—	—	—	—	—
Contracts receivable	—	—	—	—	—
Inventory	—	—	—	—	—
Other assets	—	—	—	—	—
Total assets	<u>176</u>	<u>86</u>	<u>495</u>	<u>680</u>	<u>1,437</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	176	—	287	39	502
Accrued payroll liabilities	—	—	—	—	—
Deposits payable	—	—	—	—	—
Amounts held in trust	—	—	—	—	—
Accrued OHP payable	—	—	—	—	—
Due to other funds	—	—	—	—	—
Deferred revenue	—	—	—	—	—
Total liabilities	<u>176</u>	<u>—</u>	<u>287</u>	<u>39</u>	<u>502</u>
Fund balances:					
Reserved fund balances:	—	86	—	—	86
Unreserved fund balance:	—	—	208	641	849
Capital projects	—	—	—	—	—
Debt service	—	—	—	—	—
Special revenue	—	—	—	—	—
Total fund balances	<u>—</u>	<u>86</u>	<u>208</u>	<u>641</u>	<u>935</u>
Total liabilities and fund balances	<u>\$ 176</u>	<u>86</u>	<u>495</u>	<u>680</u>	<u>1,437</u>

WASHINGTON COUNTY, OREGON
Combining Balance Sheet, Continued
Non-major Governmental Funds - Summary
June 30, 2009
(Dollars in thousands)

Assets	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Non-major Funds
Cash and investments	\$ 93,837	79	1,345	95,261
Property taxes receivable	1,924	283	—	2,207
Assessments receivable	43	—	—	43
Accounts receivable	3,675	—	92	3,767
Investment interest receivable	203	—	—	203
Contracts receivable	1,737	—	—	1,737
Inventory	64	—	—	64
Other assets	2	—	—	2
Total assets	<u>101,485</u>	<u>362</u>	<u>1,437</u>	<u>103,284</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	4,117	—	502	4,619
Accrued payroll liabilities	2,219	—	—	2,219
Deposits payable	880	—	—	880
Amounts held in trust	29	—	—	29
Accrued OHP payable	1,770	—	—	1,770
Due to other funds	2,242	140	—	2,382
Deferred revenue	7,179	246	—	7,425
Total liabilities	<u>18,436</u>	<u>386</u>	<u>502</u>	<u>19,324</u>
Fund balances(deficit):				
Reserved fund balances:	64	—	86	150
Unreserved fund balance (deficit):				
Capital projects	—	—	849	849
Debt service	—	(24)	—	(24)
Special revenue	82,985	—	—	82,985
Total fund balances(deficit)	<u>83,049</u>	<u>(24)</u>	<u>935</u>	<u>83,960</u>
Total liabilities and fund balances(deficit) \$	<u>101,485</u>	<u>362</u>	<u>1,437</u>	<u>103,284</u>

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, 2009
(Dollars in thousands)

	Aging, Disability, & Veteran 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	\$ —	—	—	2,132	—	—
Intergovernmental revenues	1,967	—	—	99	—	3,697
Charges for services	—	—	—	1,457	—	79
Fines and forfeitures	—	—	—	3	—	—
Miscellaneous revenues	16	87	96	391	360	64
Interfund revenues	8	—	—	234	—	101
Total revenues	<u>1,991</u>	<u>87</u>	<u>96</u>	<u>4,316</u>	<u>360</u>	<u>3,941</u>
Expenditures:						
Current:						
Public safety and justice	—	—	—	—	478	—
Land use, housing and transportation	—	—	—	6,650	—	—
Health and human services	2,035	11	—	—	—	4,028
Nonoperating	—	—	15	—	—	—
Total current	<u>2,035</u>	<u>11</u>	<u>15</u>	<u>6,650</u>	<u>478</u>	<u>4,028</u>
Capital outlay	—	—	961	—	—	—
Total expenditures	<u>2,035</u>	<u>11</u>	<u>976</u>	<u>6,650</u>	<u>478</u>	<u>4,028</u>
Excess (deficiency) of revenues over expenditures	<u>(44)</u>	<u>76</u>	<u>(880)</u>	<u>(2,334)</u>	<u>(118)</u>	<u>(87)</u>
Other financing sources(uses):						
Transfers in	246	—	1,083	315	—	83
Transfers out	—	—	—	(307)	—	—
Total other financing sources(uses)	<u>246</u>	<u>—</u>	<u>1,083</u>	<u>8</u>	<u>—</u>	<u>83</u>
Net change in fund balance	<u>202</u>	<u>76</u>	<u>203</u>	<u>(2,326)</u>	<u>(118)</u>	<u>(4)</u>
Fund balances July 1, 2008	438	162	2,618	12,378	42	407
Fund balances(deficit) June 30, 2009	<u>\$ 640</u>	<u>238</u>	<u>2,821</u>	<u>10,052</u>	<u>(76)</u>	<u>403</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, 2009

(Dollars in thousands)

	Community Corrections Fund	Cooperative Library Fund	County- wide Traffic Impact Fee Fund	Court Security Fund	Department of Housing Services Fund	Development Services Fund
Revenues:						
Taxes	\$ —	7,125	—	—	—	—
Intergovernmental revenues	5,405	39	4,545	—	1,478	49
Charges for services	783	8	1,365	—	—	1,202
Fines and forfeitures	—	—	—	318	—	—
Special assessments	—	—	18	—	—	—
Miscellaneous revenues	78	210	889	8	3,463	71
Interfund revenues	1,268	—	—	—	—	406
Total revenues	<u>7,534</u>	<u>7,382</u>	<u>6,817</u>	<u>326</u>	<u>4,941</u>	<u>1,728</u>
Expenditures:						
Current:						
Public safety and justice	10,319	—	—	344	—	—
Land use, housing and transportation	—	—	4,330	—	5,058	2,766
Culture, education and recreation	—	20,033	—	—	—	—
Total current	<u>10,319</u>	<u>20,033</u>	<u>4,330</u>	<u>344</u>	<u>5,058</u>	<u>2,766</u>
Capital outlay	—	75	23	—	—	—
Total expenditures	<u>10,319</u>	<u>20,108</u>	<u>4,353</u>	<u>344</u>	<u>5,058</u>	<u>2,766</u>
Excess(deficiency) of revenues over expenditures	<u>(2,785)</u>	<u>(12,726)</u>	<u>2,464</u>	<u>(18)</u>	<u>(117)</u>	<u>(1,038)</u>
Other financing sources (uses):						
Transfers in	2,806	14,068	2	—	118	667
Transfers out	—	(586)	(15)	—	—	(130)
Total other financing sources(uses)	<u>2,806</u>	<u>13,482</u>	<u>(13)</u>	<u>—</u>	<u>118</u>	<u>537</u>
Net change in fund balance	21	756	2,451	(18)	1	(501)
Fund balances July 1, 2008	584	3,720	15,229	243	—	2,010
Fund balances June 30, 2009	\$ <u>605</u>	<u>4,476</u>	<u>17,680</u>	<u>225</u>	<u>1</u>	<u>1,509</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, 2009

(Dollars in thousands)

	District Patrol Fund	Emergency Medical Services Fund	Enhanced Sheriff Patrol District Fund (Component Unit)	Human Services HB-2145 Fund	Human Services OHP Fund	Indirect Cost Reimburse- ment Fund
Revenues:						
Taxes	\$ —	—	17,784	—	—	—
Licenses and permits	—	419	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	51
Charges for services	27	7	—	—	14,158	—
Miscellaneous revenues	15,730	56	364	—	310	—
Interfund revenues	—	1	—	364	—	12,298
Total revenues	15,757	483	18,148	364	14,468	12,349
Expenditures:						
Current:						
Public safety and justice	15,359	—	15,703	—	—	—
Health and human services	—	417	—	—	13,766	—
Nonoperating	—	—	—	—	—	1,471
Total current	15,359	417	15,703	—	13,766	1,471
Capital outlay	398	—	—	—	—	—
Total expenditures	15,757	417	15,703	—	13,766	1,471
Excess (deficiency) of revenues over expenditures	—	66	2,445	364	702	10,878
Other financing sources (uses):						
Transfers out	—	—	—	(300)	—	(10,878)
Total other financing sources(uses)	—	—	—	(300)	—	(10,878)
Net change in fund balance	—	66	2,445	64	702	—
Fund balances July 1, 2008	—	1,615	8,391	672	6,488	—
Fund balances June 30, 2009	\$ —	1,681	10,836	736	7,190	—

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, 2009
(Dollars in thousands)

	ITS Systems Replacement Fund	Jail Commissary Fund	Juvenile Conciliation Services Fund	Juvenile Grants Fund	Juvenile High Risk Prevention Fund	Law Library Capital Construction Reserve Fund	Law Library Fund
Revenues:							
Licenses and permits	\$ —	—	32	—	—	—	—
Intergovernmental revenues	—	—	—	846	2,341	—	—
Charges for services	—	—	474	—	—	—	452
Miscellaneous revenues	38	110	(1)	7	26	11	14
Total revenues	<u>38</u>	<u>110</u>	<u>505</u>	<u>853</u>	<u>2,367</u>	<u>11</u>	<u>466</u>
Expenditures:							
Current:							
Public safety and justice	—	127	517	920	2,202	1	361
Total current	—	127	517	920	2,202	1	361
Total expenditures	—	127	517	920	2,202	1	361
Excess(deficiency) of revenues over expenditures	38	(17)	(12)	(67)	165	10	105
Other financing sources(uses):							
Transfers in	417	—	—	—	—	—	—
Transfers out	—	—	—	—	—	—	(18)
Total other financing sources(uses)	<u>417</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(18)</u>
Net change in fund balance	455	(17)	(12)	(67)	165	10	87
Fund balances July 1, 2008	891	321	15	73	335	338	416
Fund balances June 30, 2009	<u>\$ 1,346</u>	<u>304</u>	<u>3</u>	<u>6</u>	<u>500</u>	<u>348</u>	<u>503</u>

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, 2009
(Dollars in thousands)

	Local Option Levy Fund	Maintenance Improvement District Fund	Major Streets Capital Projects Fund	Metzger Park Fund	Office of Community Development Grant Fund	Oregon & California Title III Fund
Revenues:						
Taxes	\$ 17,636	—	—	—	—	—
Intergovernmental revenues	243	—	973	—	3,376	—
Charges for services	50	—	—	—	—	—
Special assessments	—	18	—	87	—	—
Miscellaneous revenues	308	8	186	34	119	3
Total revenues	<u>18,237</u>	<u>26</u>	<u>1,159</u>	<u>121</u>	<u>3,495</u>	<u>3</u>
Expenditures:						
Current:						
Public safety and justice	15,477	—	—	—	—	—
Land use, housing and transportation	—	41	1,140	—	3,510	—
Culture, education and recreation	—	—	—	130	—	—
Nonoperating	—	—	—	—	—	121
Total current	<u>15,477</u>	<u>41</u>	<u>1,140</u>	<u>130</u>	<u>3,510</u>	<u>121</u>
Capital outlay	45	—	110	—	—	—
Debt service:						
Interest	231	—	—	—	—	—
Total debt service	<u>231</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>15,753</u>	<u>41</u>	<u>1,250</u>	<u>130</u>	<u>3,510</u>	<u>121</u>
Excess(deficiency) of revenues over expenditures	<u>2,484</u>	<u>(15)</u>	<u>(91)</u>	<u>(9)</u>	<u>(15)</u>	<u>(118)</u>
Other financing sources (uses):						
Transfers out	—	—	(29)	(6)	—	—
Total other financing sources(uses)	<u>—</u>	<u>—</u>	<u>(29)</u>	<u>(6)</u>	<u>—</u>	<u>—</u>
Net change in fund balance	2,484	(15)	(120)	(15)	(15)	(118)
Fund balances July 1, 2008	602	243	5,643	140	—	118
Fund balances(deficit) June 30, 2009	\$ <u>3,086</u>	<u>228</u>	<u>5,523</u>	<u>125</u>	<u>(15)</u>	<u>—</u>

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, 2009
(Dollars in thousands)

	OTIA Capital Projects Fund	Real Property Management Fund	Senate Bill 1145 Fund	Sheriff's Office Contract Services Fund	Sheriff's Office Forfeitures Fund	Sheriff's Office Grants & Donations Fund	Strategic Investment Program Fund
Revenues:							
Intergovernmental revenues	\$ 1,163	—	3,284	579	—	1,265	—
Charges for services	—	—	—	—	—	—	1,412
Miscellaneous revenues	157	—	15	7	477	—	15
Interfund revenues	—	—	—	10	—	—	—
Total revenues	<u>1,320</u>	<u>—</u>	<u>3,299</u>	<u>596</u>	<u>477</u>	<u>1,265</u>	<u>1,427</u>
Expenditures:							
Current:							
General government	—	6	—	—	—	—	—
Public safety and justice	—	—	3,301	681	194	1,264	—
Land use, housing and transportation	922	—	—	—	—	—	—
Nonoperating	—	—	—	—	—	—	1,412
Total current	<u>922</u>	<u>6</u>	<u>3,301</u>	<u>681</u>	<u>194</u>	<u>1,264</u>	<u>1,412</u>
Capital outlay	—	—	—	—	—	74	—
Total expenditures	<u>922</u>	<u>6</u>	<u>3,301</u>	<u>681</u>	<u>194</u>	<u>1,338</u>	<u>1,412</u>
Excess(deficiency) of revenues over expenditures	<u>398</u>	<u>(6)</u>	<u>(2)</u>	<u>(85)</u>	<u>283</u>	<u>(73)</u>	<u>15</u>
Other financing sources (uses):							
Transfers in	—	6	—	29	—	—	—
Transfers out	(33)	—	—	—	—	—	—
Total other financing sources(uses)	<u>(33)</u>	<u>6</u>	<u>—</u>	<u>29</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>365</u>	<u>—</u>	<u>(2)</u>	<u>(56)</u>	<u>283</u>	<u>(73)</u>	<u>15</u>
Fund balances(deficit) July 1, 2008	1,403	—	95	24	402	(30)	395
Fund balances(deficit) June 30, 2009	<u>\$ 1,768</u>	<u>—</u>	<u>93</u>	<u>(32)</u>	<u>685</u>	<u>(103)</u>	<u>410</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, 2009
(Dollars in thousands)

	1999 Strategic Investment Program Fund	Survey Fund	Surveyor - Public Land Corner Fund	Tourism Dedicated Lodging Tax Fund	Urban Road Maintenance Service District Fund (Component Unit)	Washington County Fair Fund	West Slope Library Fund	Total Special Revenue Funds
Revenues:								
Taxes	\$ —	—	—	2,118	3,344	706	—	48,713
Licenses and permits	—	—	—	—	—	—	—	2,583
Intergovernmental revenues	—	1	—	—	—	49	3	31,453
Charges for services	9,200	367	443	—	—	612	—	32,096
Fines and forfeitures	—	—	—	—	—	—	—	321
Special assessments	—	—	—	—	—	—	—	123
Miscellaneous revenues	151	48	91	30	77	303	27	24,454
Interfund revenues	—	85	89	—	—	—	—	14,864
Total revenues	9,351	501	623	2,148	3,421	1,670	30	154,607
Expenditures:								
Current:								
General government	—	—	—	—	—	—	—	6
Public safety and justice	—	—	—	—	—	—	—	67,248
Land use, housing and transportation	—	663	1,031	—	3,000	—	—	29,111
Health and human services	—	—	—	—	—	—	—	20,257
Culture, education and recreation	—	—	—	2,536	—	1,543	550	24,792
Nonoperating	3,444	—	—	—	—	—	—	6,463
Total current	3,444	663	1,031	2,536	3,000	1,543	550	147,877
Capital outlay	—	11	34	—	—	59	—	1,790
Debt service:								
Principal	—	—	—	—	—	58	—	58
Interest	—	—	—	—	—	3	—	234
Total debt service	—	—	—	—	—	61	—	292
Total expenditures	3,444	674	1,065	2,536	3,000	1,663	550	149,959
Excess(deficiency) of revenues over expenditures	5,907	(173)	(442)	(388)	421	7	(520)	4,648
Other financing sources (uses):								
Transfers in	—	73	—	—	—	—	586	20,499
Transfers out	(5,644)	(38)	(49)	—	(13)	(57)	—	(18,103)
Total other financing sources(uses)	(5,644)	35	(49)	—	(13)	(57)	586	2,396
Net change in fund balance	263	(138)	(491)	(388)	408	(50)	66	7,044
Fund balances July 1, 2008	1,178	955	3,032	1,641	1,712	944	122	76,005
Fund balances June 30, 2009	\$ 1,441	817	2,541	1,253	2,120	894	188	83,049

WASHINGTON COUNTY, OREGON

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

Debt Service Funds

For the fiscal year ended June 30, 2009

(Dollars in thousands)

	<u>Criminal Justice Bond Fund</u>	<u>Miscellaneous Debt Service Fund</u>	<u>Total Debt Service Funds</u>
Revenues:			
Taxes	\$ 6,092	—	6,092
Miscellaneous revenues	12	37	49
Total revenues	<u>6,104</u>	<u>37</u>	<u>6,141</u>
Expenditures:			
Current:			
Nonoperating	—	2	2
Total current	<u>—</u>	<u>2</u>	<u>2</u>
Debt service:			
Principal	5,000	3,069	8,069
Interest	1,365	4,017	5,382
Total debt service	<u>6,365</u>	<u>7,086</u>	<u>13,451</u>
Total expenditures	<u>6,365</u>	<u>7,088</u>	<u>13,453</u>
Excess (deficiency) of revenues over expenditures	<u>(261)</u>	<u>(7,051)</u>	<u>(7,312)</u>
Other financing sources:			
Transfers in	27	7,024	7,051
Total other financing sources	<u>27</u>	<u>7,024</u>	<u>7,051</u>
Net change in fund balance	(234)	(27)	(261)
Fund balances July 1, 2008	234	3	237
Fund balances(deficit) June 30, 2009	<u>\$ —</u>	<u>(24)</u>	<u>(24)</u>

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

Capital Projects Funds

For the fiscal year ended June 30, 2009

(Dollars in thousands)

	Facilities General Capital Projects Fund	Facilities Park (THPRD) SDC Fund	ITS Capital Projects Fund	Parks and Open Spaces Opportunity Projects Fund	Total Capital Projects Funds
Revenues:					
Taxes	\$ —	—	—	—	—
Licenses and permits	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—
Charges for services	—	59	26	—	85
Fines and forfeitures	—	—	—	—	—
Special assessments	—	—	—	—	—
Miscellaneous revenues	—	21	20	22	63
Interfund revenues	75	—	430	—	505
Total revenues	<u>75</u>	<u>80</u>	<u>476</u>	<u>22</u>	<u>653</u>
Expenditures:					
Current:					
General government	—	—	—	—	—
Public safety and justice	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—
Health and human services	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—
Nonoperating	9	898	—	—	907
Total current	<u>9</u>	<u>898</u>	<u>—</u>	<u>—</u>	<u>907</u>
Capital outlay	792	—	1,495	41	2,328
Debt service:					
Principal	—	—	—	—	—
Interest	—	—	—	—	—
Total debt service	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>801</u>	<u>898</u>	<u>1,495</u>	<u>41</u>	<u>3,235</u>
Excess (deficiency) of revenues over expenditures	<u>(726)</u>	<u>(818)</u>	<u>(1,019)</u>	<u>(19)</u>	<u>(2,582)</u>
Other financing sources:					
Transfers in	726	—	945	—	1,671
Transfers out	—	—	—	—	—
Total other financing sources	<u>726</u>	<u>—</u>	<u>945</u>	<u>—</u>	<u>1,671</u>
Net change in fund balance	<u>—</u>	<u>(818)</u>	<u>(74)</u>	<u>(19)</u>	<u>(911)</u>
Fund balances July 1, 2008	—	904	282	660	1,846
Fund balances June 30, 2009	<u>\$ —</u>	<u>86</u>	<u>208</u>	<u>641</u>	<u>935</u>

WASHINGTON COUNTY, OREGON

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

Non-major Governmental Funds - Summary

For the fiscal year ended June 30, 2009

(Dollars in thousands)

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Non-major Funds
Revenues:				
Taxes	\$ 48,713	6,092	—	54,805
Licenses and permits	2,583	—	—	2,583
Intergovernmental revenues	31,453	—	—	31,453
Charges for services	32,096	—	85	32,181
Fines and forfeitures	321	—	—	321
Special assessments	123	—	—	123
Miscellaneous revenues	24,454	49	63	24,566
Interfund revenues	14,864	—	505	15,369
Total revenues	154,607	6,141	653	161,401
Expenditures:				
Current:				
General government	6	—	—	6
Public safety and justice	67,248	—	—	67,248
Land use, housing and transportation	29,111	—	—	29,111
Health and human services	20,257	—	—	20,257
Culture, education and recreation	24,792	—	—	24,792
Nonoperating	6,463	2	907	7,372
Total current	147,877	2	907	148,786
Capital outlay	1,790	—	2,328	4,118
Debt service:				
Principal	58	8,069	—	8,127
Interest	234	5,382	—	5,616
Total debt service	292	13,451	—	13,743
Total expenditures	149,959	13,453	3,235	166,647
Excess (deficiency) of revenues over expenditures	4,648	(7,312)	(2,582)	(5,246)
Other financing sources:				
Transfers in	20,499	7,051	1,671	29,221
Transfers out	(18,103)	—	—	(18,103)
Total other financing sources	2,396	7,051	1,671	11,118
Net change in fund balance	7,044	(261)	(911)	5,872
Fund balances July 1, 2008	76,005	237	1,846	78,088
Fund balances(deficit) June 30, 2009	\$ <u>83,049</u>	<u>(24)</u>	<u>935</u>	<u>83,960</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Aging, Disability, & Veteran 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	\$ 2,067	2,067	1,967	(100)	—	—	—	—
Miscellaneous revenues	33	33	16	(17)	53	53	87	34
Interfund revenues	—	—	8	8	—	—	—	—
Total revenues	<u>2,100</u>	<u>2,100</u>	<u>1,991</u>	<u>(109)</u>	<u>53</u>	<u>53</u>	<u>87</u>	<u>34</u>
Expenditures:								
Current:								
Health and human services	2,425	2,425	2,035	390	100	100	11	89
Operating contingency	188	188	—	188	78	78	—	78
Total current	<u>2,613</u>	<u>2,613</u>	<u>2,035</u>	<u>578</u>	<u>178</u>	<u>178</u>	<u>11</u>	<u>167</u>
Total expenditures	<u>2,613</u>	<u>2,613</u>	<u>2,035</u>	<u>578</u>	<u>178</u>	<u>178</u>	<u>11</u>	<u>167</u>
Revenues over(under) expenditures	<u>(513)</u>	<u>(513)</u>	<u>(44)</u>	<u>469</u>	<u>(125)</u>	<u>(125)</u>	<u>76</u>	<u>201</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 balance	<u>(267)</u>	<u>(267)</u>	<u>202</u>	<u>469</u>	<u>(125)</u>	<u>(125)</u>	<u>76</u>	<u>201</u>
Fund balances July 1, 2008	267	267	438	171	125	125	162	37
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>640</u>	<u>640</u>	<u>—</u>	<u>—</u>	<u>238</u>	<u>238</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (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	\$ —	—	—	—	3,300	3,300	2,132	(1,168)
Intergovernmental revenues	—	—	—	—	40	40	99	59
Charges for services	—	—	—	—	2,493	2,493	1,457	(1,036)
Fines and forfeitures	—	—	—	—	8	8	3	(5)
Miscellaneous revenues	94	94	96	2	422	422	391	(31)
Interfund revenues	—	—	—	—	342	342	234	(108)
Total revenues	<u>94</u>	<u>94</u>	<u>96</u>	<u>2</u>	<u>6,605</u>	<u>6,605</u>	<u>4,316</u>	<u>(2,289)</u>
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	8,524	8,524	6,650	1,874
Nonoperating	—	—	15	(15)	—	—	—	—
Operating contingency	2,495	2,495	—	2,495	9,597	9,597	—	9,597
Total current	<u>2,495</u>	<u>2,495</u>	<u>15</u>	<u>2,480</u>	<u>18,121</u>	<u>18,121</u>	<u>6,650</u>	<u>11,471</u>
Capital outlay	1,237	1,237	961	276	—	—	—	—
Total expenditures	<u>3,732</u>	<u>3,732</u>	<u>976</u>	<u>2,756</u>	<u>18,121</u>	<u>18,121</u>	<u>6,650</u>	<u>11,471</u>
Excess(deficiency) of revenues over expenditures	<u>(3,638)</u>	<u>(3,638)</u>	<u>(880)</u>	<u>2,758</u>	<u>(11,516)</u>	<u>(11,516)</u>	<u>(2,334)</u>	<u>9,182</u>
Other financing sources (uses):								
Transfers in from other funds	1,300	1,300	1,083	(217)	317	317	315	(2)
Transfers out to other funds	—	—	—	—	(307)	(307)	(307)	—
Total other financing sources(uses)	<u>1,300</u>	<u>1,300</u>	<u>1,083</u>	<u>(217)</u>	<u>10</u>	<u>10</u>	<u>8</u>	<u>(2)</u>
Net change in fund balance	<u>(2,338)</u>	<u>(2,338)</u>	<u>203</u>	<u>2,541</u>	<u>(11,506)</u>	<u>(11,506)</u>	<u>(2,326)</u>	<u>9,180</u>
Fund balances July 1, 2008	<u>2,338</u>	<u>2,338</u>	<u>2,618</u>	<u>280</u>	<u>11,506</u>	<u>11,506</u>	<u>12,378</u>	<u>872</u>
Fund balances June 30, 2009	\$ <u>—</u>	<u>—</u>	<u>2,821</u>	<u>2,821</u>	<u>—</u>	<u>—</u>	<u>10,052</u>	<u>10,052</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, 2009
 (Dollars in thousands)

	Child Abuse Multidisciplinary Intervention Fund				Children and Youth Services Commission Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	3,851	3,851	3,697	(154)
Charges for services	—	—	—	—	250	250	79	(171)
Miscellaneous revenues	480	480	360	(120)	95	95	64	(31)
Interfund revenues	—	—	—	—	16	16	101	85
Total revenues	480	480	360	(120)	4,212	4,212	3,941	(271)
Expenditures:								
Current:								
Public safety and justice	489	521	478	43	—	—	—	—
Health and human services	—	—	—	—	4,259	4,259	4,028	231
Operating contingency	3	—	—	—	542	542	—	542
Total current	492	521	478	43	4,801	4,801	4,028	773
Total expenditures	492	521	478	43	4,801	4,801	4,028	773
Excess(deficiency) of revenues over expenditures	(12)	(41)	(118)	(77)	(589)	(589)	(87)	502
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	83	83	83	—
Total other financing sources(uses)	—	—	—	—	83	83	83	—
Net change in fund balance	(12)	(41)	(118)	(77)	(506)	(506)	(4)	502
Fund balances July 1, 2008	12	41	42	1	506	506	407	(99)
Fund balances(deficit) June 30, 2009	\$ —	—	(76)	(76)	—	—	403	403

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (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	\$ —	—	—	—	7,070	7,070	7,125	55
Intergovernmental revenues	5,780	5,780	5,405	(375)	49	49	39	(10)
Charges for services	830	830	783	(47)	5	5	8	3
Miscellaneous revenues	133	133	78	(55)	178	178	210	32
Interfund revenues	1,310	1,310	1,268	(42)	—	—	—	—
Total revenues	<u>8,053</u>	<u>8,053</u>	<u>7,534</u>	<u>(519)</u>	<u>7,302</u>	<u>7,302</u>	<u>7,382</u>	<u>80</u>
Expenditures:								
Current:								
Public safety and justice	11,214	11,214	10,319	895	—	—	—	—
Culture, education and recreation	—	—	—	—	20,448	20,448	20,033	415
Operating contingency	—	—	—	—	3,580	3,580	—	3,580
Total current	<u>11,214</u>	<u>11,214</u>	<u>10,319</u>	<u>895</u>	<u>24,028</u>	<u>24,028</u>	<u>20,033</u>	<u>3,995</u>
Capital outlay	50	50	—	50	77	77	75	2
Total expenditures	<u>11,264</u>	<u>11,264</u>	<u>10,319</u>	<u>945</u>	<u>24,105</u>	<u>24,105</u>	<u>20,108</u>	<u>3,997</u>
Excess(deficiency) of revenues over expenditures	<u>(3,211)</u>	<u>(3,211)</u>	<u>(2,785)</u>	<u>426</u>	<u>(16,803)</u>	<u>(16,803)</u>	<u>(12,726)</u>	<u>4,077</u>
Other financing sources (uses):								
Transfers in from other funds	2,806	2,806	2,806	—	14,068	14,068	14,068	—
Transfers out to other funds	—	—	—	—	(586)	(586)	(586)	—
Total other financing sources(uses)	<u>2,806</u>	<u>2,806</u>	<u>2,806</u>	<u>—</u>	<u>13,482</u>	<u>13,482</u>	<u>13,482</u>	<u>—</u>
Net change in fund balance	<u>(405)</u>	<u>(405)</u>	<u>21</u>	<u>426</u>	<u>(3,321)</u>	<u>(3,321)</u>	<u>756</u>	<u>4,077</u>
Fund balances July 1, 2008	405	405	584	179	3,321	3,321	3,720	399
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>605</u>	<u>605</u>	<u>—</u>	<u>—</u>	<u>4,476</u>	<u>4,476</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Countywide Traffic Impact Fee Fund				Court Security Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 4,530	4,530	4,545	15	—	—	—	—
Charges for services	1,872	1,872	1,365	(507)	—	—	—	—
Fines and forfeitures	—	—	—	—	325	325	318	(7)
Special assessments	—	—	18	18	—	—	—	—
Miscellaneous revenues	500	500	889	389	9	9	8	(1)
Total revenues	<u>6,902</u>	<u>6,902</u>	<u>6,817</u>	<u>(85)</u>	<u>334</u>	<u>334</u>	<u>326</u>	<u>(8)</u>
Expenditures:								
Current:								
Public safety and justice	—	—	—	—	453	453	344	109
Land use, housing and transportation	19,820	19,820	4,330	15,490	—	—	—	—
Operating contingency	—	—	—	—	103	103	—	103
Total current	<u>19,820</u>	<u>19,820</u>	<u>4,330</u>	<u>15,490</u>	<u>556</u>	<u>556</u>	<u>344</u>	<u>212</u>
Capital outlay	3,090	3,090	23	3,067	—	—	—	—
Total expenditures	<u>22,910</u>	<u>22,910</u>	<u>4,353</u>	<u>18,557</u>	<u>556</u>	<u>556</u>	<u>344</u>	<u>212</u>
Excess (deficiency) of revenues over expenditures	<u>(16,008)</u>	<u>(16,008)</u>	<u>2,464</u>	<u>18,472</u>	<u>(222)</u>	<u>(222)</u>	<u>(18)</u>	<u>204</u>
Other financing sources(uses):								
Transfers in from other funds	—	—	2	2	—	—	—	—
Transfers out to other funds	(15)	(15)	(15)	—	—	—	—	—
Total other financing sources(uses)	<u>(15)</u>	<u>(15)</u>	<u>(13)</u>	<u>2</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>(16,023)</u>	<u>(16,023)</u>	<u>2,451</u>	<u>18,474</u>	<u>(222)</u>	<u>(222)</u>	<u>(18)</u>	<u>204</u>
Fund balances July 1, 2008	<u>16,023</u>	<u>16,023</u>	<u>15,229</u>	<u>(794)</u>	<u>222</u>	<u>222</u>	<u>243</u>	<u>21</u>
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>17,680</u>	<u>17,680</u>	<u>—</u>	<u>—</u>	<u>225</u>	<u>225</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Department of Housing Services Fund				Development Services Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 2,073	2,073	1,478	(595)	25	25	49	24
Charges for services	—	—	—	—	1,888	1,888	1,202	(686)
Miscellaneous revenues	4,040	4,040	3,463	(577)	70	70	71	1
Interfund revenues	—	—	—	—	283	283	406	123
Total revenues	<u>6,113</u>	<u>6,113</u>	<u>4,941</u>	<u>(1,172)</u>	<u>2,266</u>	<u>2,266</u>	<u>1,728</u>	<u>(538)</u>
Expenditures:								
Current:								
Land use, housing and transportation	6,157	6,157	5,058	1,099	3,712	3,712	2,766	946
Operating contingency	35	35	—	35	1,229	1,229	—	1,229
Total current	<u>6,192</u>	<u>6,192</u>	<u>5,058</u>	<u>1,134</u>	<u>4,941</u>	<u>4,941</u>	<u>2,766</u>	<u>2,175</u>
Total expenditures	<u>6,192</u>	<u>6,192</u>	<u>5,058</u>	<u>1,134</u>	<u>4,941</u>	<u>4,941</u>	<u>2,766</u>	<u>2,175</u>
Excess (deficiency) of revenues over expenditures	<u>(79)</u>	<u>(79)</u>	<u>(117)</u>	<u>(38)</u>	<u>(2,675)</u>	<u>(2,675)</u>	<u>(1,038)</u>	<u>1,637</u>
Other financing sources(uses):								
Transfers in from other funds	78	78	118	40	668	668	667	1
Transfers out to other funds	—	—	—	—	(130)	(130)	(130)	—
Total other financing sources(uses)	<u>78</u>	<u>78</u>	<u>118</u>	<u>40</u>	<u>538</u>	<u>538</u>	<u>537</u>	<u>1</u>
Net change in fund balance	<u>—</u>	<u>—</u>	<u>1</u>	<u>1</u>	<u>(2,137)</u>	<u>(2,137)</u>	<u>(501)</u>	<u>1,636</u>
Fund balances July 1, 2008	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,137</u>	<u>2,137</u>	<u>2,010</u>	<u>(127)</u>
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>1</u>	<u>1</u>	<u>—</u>	<u>—</u>	<u>1,509</u>	<u>1,509</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	District Patrol Fund				Emergency Medical Services Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Licenses and permits	\$ —	—	—	—	440	440	419	(21)
Charges for services	21	21	27	6	8	8	7	(1)
Miscellaneous revenues	16,902	16,902	15,730	(1,172)	74	74	56	(18)
Interfund revenues	—	—	—	—	—	—	1	1
Total revenues	<u>16,923</u>	<u>16,923</u>	<u>15,757</u>	<u>(1,166)</u>	<u>522</u>	<u>522</u>	<u>483</u>	<u>(39)</u>
Expenditures:								
Current:								
Public safety and justice	15,946	16,238	15,359	879	—	—	—	—
Health and human services	—	—	—	—	609	609	417	192
Operating contingency	407	116	—	116	1,482	1,482	—	1,482
Total current	<u>16,353</u>	<u>16,354</u>	<u>15,359</u>	<u>995</u>	<u>2,091</u>	<u>2,091</u>	<u>417</u>	<u>1,674</u>
Capital outlay	570	569	398	171	—	—	—	—
Total expenditures	<u>16,923</u>	<u>16,923</u>	<u>15,757</u>	<u>1,166</u>	<u>2,091</u>	<u>2,091</u>	<u>417</u>	<u>1,674</u>
Excess(deficiency) of revenues over expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,569)</u>	<u>(1,569)</u>	<u>66</u>	<u>1,635</u>
Net change in fund balance	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,569)</u>	<u>(1,569)</u>	<u>66</u>	<u>1,635</u>
Fund balances July 1, 2008	—	—	—	—	1,569	1,569	1,615	46
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,681</u>	<u>1,681</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

Enhanced Sheriff Patrol District Fund (Component Unit)				
	<u>Adopted budget</u>	<u>Revised budget</u>	<u>Actual</u>	<u>Variance positive (negative)</u>
Revenues:				
Taxes	\$ 17,782	17,782	17,784	2
Miscellaneous revenues	430	430	364	(66)
Total revenues	<u>18,212</u>	<u>18,212</u>	<u>18,148</u>	<u>(64)</u>
Expenditures:				
Current:				
Public safety and justice	17,036	17,036	15,703	1,333
Operating contingency	9,294	9,294	—	9,294
Total expenditures	<u>26,330</u>	<u>26,330</u>	<u>15,703</u>	<u>10,627</u>
Excess(deficiency) of revenues over expenditures	<u>(8,118)</u>	<u>(8,118)</u>	<u>2,445</u>	<u>10,563</u>
Net change in fund balance	<u>(8,118)</u>	<u>(8,118)</u>	<u>2,445</u>	<u>10,563</u>
Fund balance July 1, 2008	<u>8,118</u>	<u>8,118</u>	<u>8,391</u>	<u>273</u>
Fund balance June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>10,836</u>	<u>10,836</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (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	\$ —	—	—	—	12,500	12,500	14,158	1,658
Miscellaneous revenues	—	—	—	—	168	168	310	142
Interfund revenues	—	—	364	364	—	—	—	—
Total revenues	—	—	364	364	12,668	12,668	14,468	1,800
Expenditures:								
Current:								
Health and human services	—	—	—	—	15,314	15,314	13,766	1,548
Operating contingency	270	270	—	270	1,585	1,585	—	1,585
Total expenditures	270	270	—	270	16,899	16,899	13,766	3,133
Excess(deficiency) of revenues over expenditures	(270)	(270)	364	634	(4,231)	(4,231)	702	4,933
Other financing sources (uses):								
Transfers out to other funds	(300)	(300)	(300)	—	—	—	—	—
Total other financing sources(uses)	(300)	(300)	(300)	—	—	—	—	—
Net change in fund balance	(570)	(570)	64	634	(4,231)	(4,231)	702	4,933
Fund balances July 1, 2008	570	570	672	102	4,231	4,231	6,488	2,257
Fund balances June 30, 2009	\$ —	—	736	736	—	—	7,190	7,190

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Indirect Cost Reimbursement Fund				ITS Systems Replacement Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 51	51	51	—	—	—	—	—
Miscellaneous revenues	—	—	—	—	40	40	38	(2)
Interfund revenues	12,298	12,298	12,298	—	—	—	—	—
Total revenues	12,349	12,349	12,349	—	40	40	38	(2)
Expenditures:								
Current:								
Nonoperating	1,471	1,471	1,471	—	82	82	—	82
Operating contingency	—	—	—	—	1,354	1,354	—	1,354
Total current	1,471	1,471	1,471	—	1,436	1,436	—	1,436
Total expenditures	1,471	1,471	1,471	—	1,436	1,436	—	1,436
Excess(deficiency) of revenues over expenditures	10,878	10,878	10,878	—	(1,396)	(1,396)	38	1,434
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	500	500	417	(83)
Transfers out to other funds	(10,878)	(10,878)	(10,878)	—	—	—	—	—
Total other financing sources(uses)	(10,878)	(10,878)	(10,878)	—	500	500	417	(83)
Net change in fund balance	—	—	—	—	(896)	(896)	455	1,351
Fund balances July 1, 2008	—	—	—	—	896	896	891	(5)
Fund balances June 30, 2009	\$ —	—	—	—	—	—	1,346	1,346

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Jail Commissary Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:				
Miscellaneous revenues	\$ 95	95	110	15
Total revenues	<u>95</u>	<u>95</u>	<u>110</u>	<u>15</u>
Expenditures:				
Current:				
Public safety and justice	177	177	127	50
Operating contingency	240	240	—	240
Total expenditures	<u>417</u>	<u>417</u>	<u>127</u>	<u>290</u>
Excess(deficiency) of revenues over expenditures	<u>(322)</u>	<u>(322)</u>	<u>(17)</u>	<u>305</u>
Net change in fund balance	(322)	(322)	(17)	305
Fund balance July 1, 2008	<u>322</u>	<u>322</u>	<u>321</u>	<u>(1)</u>
Fund balance June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>304</u>	<u>304</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Juvenile Conciliation Services Fund				Juvenile Grants Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Licenses and permits	\$ 42	42	32	(10)	—	—	—	—
Intergovernmental revenues	—	—	—	—	772	772	846	74
Charges for services	576	576	474	(102)	—	—	—	—
Miscellaneous revenues	1	1	(1)	(2)	9	9	7	(2)
Total revenues	<u>619</u>	<u>619</u>	<u>505</u>	<u>(114)</u>	<u>781</u>	<u>781</u>	<u>853</u>	<u>72</u>
Expenditures:								
Current:								
Public safety and justice	624	624	517	107	1,067	1,067	920	147
Operating contingency	—	—	—	—	1	1	—	1
Total expenditures	<u>624</u>	<u>624</u>	<u>517</u>	<u>107</u>	<u>1,068</u>	<u>1,068</u>	<u>920</u>	<u>148</u>
Excess(deficiency) of revenues over expenditures	<u>(5)</u>	<u>(5)</u>	<u>(12)</u>	<u>(7)</u>	<u>(287)</u>	<u>(287)</u>	<u>(67)</u>	<u>220</u>
Net change in fund balance	<u>(5)</u>	<u>(5)</u>	<u>(12)</u>	<u>(7)</u>	<u>(287)</u>	<u>(287)</u>	<u>(67)</u>	<u>220</u>
Fund balances July 1, 2008	<u>5</u>	<u>5</u>	<u>15</u>	<u>10</u>	<u>287</u>	<u>287</u>	<u>73</u>	<u>(214)</u>
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>3</u>	<u>3</u>	<u>—</u>	<u>—</u>	<u>6</u>	<u>6</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Juvenile High Risk Prevention Fund				Law Library Capital Construction Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 2,155	2,225	2,341	116	—	—	—	—
Miscellaneous revenues	25	25	26	1	14	14	11	(3)
Total revenues	<u>2,180</u>	<u>2,250</u>	<u>2,367</u>	<u>117</u>	<u>14</u>	<u>14</u>	<u>11</u>	<u>(3)</u>
Expenditures:								
Current:								
Public safety and justice	2,488	2,558	2,202	356	1	1	1	—
Operating contingency	52	52	—	52	352	352	—	352
Total expenditures	<u>2,540</u>	<u>2,610</u>	<u>2,202</u>	<u>408</u>	<u>353</u>	<u>353</u>	<u>1</u>	<u>352</u>
Excess(deficiency) of revenues over expenditures	(360)	(360)	165	525	(339)	(339)	10	293
Net change in fund balance	(360)	(360)	165	525	(339)	(339)	10	349
Fund balances July 1, 2008	360	360	335	(25)	339	339	338	(1)
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>500</u>	<u>500</u>	<u>—</u>	<u>—</u>	<u>348</u>	<u>348</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (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	\$ —	—	—	—	17,566	17,566	17,636	70
Intergovernmental revenues	—	—	—	—	288	288	243	(45)
Charges for services	378	378	452	74	82	82	50	(32)
Miscellaneous revenues	12	12	14	2	238	238	308	70
Total revenues	<u>390</u>	<u>390</u>	<u>466</u>	<u>76</u>	<u>18,174</u>	<u>18,174</u>	<u>18,237</u>	<u>63</u>
Expenditures:								
Current:								
Public safety and justice	436	436	361	75	—	—	—	—
County administration	—	—	—	—	810	810	760	50
Sheriff's office administration	—	—	—	—	824	824	758	66
Law enforcement services	—	—	—	—	7,409	7,551	7,039	512
Sheriff's Office - Jail	—	—	—	—	1,621	1,650	1,588	62
District Attorney	—	—	—	—	1,738	1,738	1,492	246
Community corrections	—	—	—	—	931	931	931	—
Juvenile services	—	—	—	—	3,070	3,070	2,909	161
Operating contingency	209	209	—	209	3,994	3,823	—	3,823
Total current	<u>645</u>	<u>645</u>	<u>361</u>	<u>284</u>	<u>20,397</u>	<u>20,397</u>	<u>15,477</u>	<u>4,920</u>
Capital outlay	—	—	—	—	173	173	45	128
Debt service:								
Interest	—	—	—	—	350	350	231	119
Total debt service	—	—	—	—	350	350	231	119
Total expenditures	<u>645</u>	<u>645</u>	<u>361</u>	<u>284</u>	<u>20,920</u>	<u>20,920</u>	<u>15,753</u>	<u>5,167</u>
Excess(deficiency) of revenues over expenditures	<u>(255)</u>	<u>(255)</u>	<u>105</u>	<u>360</u>	<u>(2,746)</u>	<u>(2,746)</u>	<u>2,484</u>	<u>5,230</u>
Other financing sources (uses):								
Transfers in from other funds	—	—	—	—	2,000	2,000	2,000	—
Transfers out to other funds	(18)	(18)	(18)	—	(4,000)	(4,000)	(4,000)	—
Total other financing sources(uses)	<u>(18)</u>	<u>(18)</u>	<u>(18)</u>	<u>—</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>—</u>
Net change in fund balance	<u>(273)</u>	<u>(273)</u>	<u>87</u>	<u>360</u>	<u>(4,746)</u>	<u>(4,746)</u>	<u>484</u>	<u>5,230</u>
Fund balances July 1, 2008	<u>273</u>	<u>273</u>	<u>416</u>	<u>143</u>	<u>4,746</u>	<u>4,746</u>	<u>4,602</u>	<u>(144)</u>
Fund balances June 30, 2009	\$ <u>—</u>	<u>—</u>	<u>503</u>	<u>503</u>	<u>—</u>	<u>—</u>	<u>5,086</u>	<u>5,086</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Maintenance Improvement District Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:				
Special assessments	\$ 17	17	18	1
Miscellaneous revenues	9	9	8	(1)
Total revenues	26	26	26	—
Expenditures:				
Current:				
Land use, housing and transportation	209	209	41	168
Operating contingency	10	10	—	10
Total current	219	219	41	178
Total expenditures	219	219	41	178
Excess(deficiency) of revenues over expenditures	(193)	(193)	(15)	178
Net change in fund balance	(193)	(193)	(15)	178
Fund balances July 1, 2008	193	193	243	50
Fund balances June 30, 2009	\$ —	—	228	228

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Major Streets Capital Projects Fund				Metzger Park LID Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 360	360	973	613	—	—	—	—
Special assessments	—	—	—	—	88	88	87	(1)
Miscellaneous revenues	3,485	3,485	186	(3,299)	34	34	34	—
Total revenues	<u>3,845</u>	<u>3,845</u>	<u>1,159</u>	<u>(2,686)</u>	<u>122</u>	<u>122</u>	<u>121</u>	<u>(1)</u>
Expenditures:								
Current:								
Land use, housing and transportation	8,917	8,817	1,140	7,677	—	—	—	—
Culture, education and recreation	—	—	—	—	143	143	130	13
Operating contingency	—	—	—	—	97	97	—	97
Total current	<u>8,917</u>	<u>8,817</u>	<u>1,140</u>	<u>7,677</u>	<u>240</u>	<u>240</u>	<u>130</u>	<u>110</u>
Capital outlay	205	305	110	195	—	—	—	—
Total expenditures	<u>9,122</u>	<u>9,122</u>	<u>1,250</u>	<u>7,872</u>	<u>240</u>	<u>240</u>	<u>130</u>	<u>110</u>
Excess(deficiency) of revenues over expenditures	<u>(5,277)</u>	<u>(5,277)</u>	<u>(91)</u>	<u>5,186</u>	<u>(118)</u>	<u>(118)</u>	<u>(9)</u>	<u>109</u>
Other financing sources(uses):								
Transfers in from other funds	80	80	—	(80)	—	—	—	—
Transfers out to other funds	(216)	(216)	(29)	187	(6)	(6)	(6)	—
Total other financing sources(uses)	<u>(136)</u>	<u>(136)</u>	<u>(29)</u>	<u>107</u>	<u>(6)</u>	<u>(6)</u>	<u>(6)</u>	<u>—</u>
Net change in fund balance	<u>(5,413)</u>	<u>(5,413)</u>	<u>(120)</u>	<u>5,293</u>	<u>(124)</u>	<u>(124)</u>	<u>(15)</u>	<u>109</u>
Fund balances July 1, 2008	5,413	5,413	5,643	230	124	124	140	16
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>5,523</u>	<u>5,523</u>	<u>—</u>	<u>—</u>	<u>125</u>	<u>125</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Office of Community Development Block Grant Fund				Oregon & California Title III Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 4,494	4,494	3,376	(1,118)	—	—	—	—
Miscellaneous revenues	—	—	119	119	5	5	3	(2)
Total revenues	<u>4,494</u>	<u>4,494</u>	<u>3,495</u>	<u>(999)</u>	<u>5</u>	<u>5</u>	<u>3</u>	<u>(2)</u>
Expenditures:								
Current:								
Land use, housing and transportation	4,394	4,394	3,510	884	—	—	—	—
Nonoperating	—	—	—	—	103	121	121	—
Operating contingency	100	100	—	100	—	—	—	—
Total current	<u>4,494</u>	<u>4,494</u>	<u>3,510</u>	<u>984</u>	<u>103</u>	<u>121</u>	<u>121</u>	<u>—</u>
Total expenditures	<u>4,494</u>	<u>4,494</u>	<u>3,510</u>	<u>984</u>	<u>103</u>	<u>121</u>	<u>121</u>	<u>—</u>
Excess(deficiency) of revenues over expenditures	—	—	(15)	(15)	(98)	(116)	(118)	(2)
Net change in fund balance	—	—	(15)	(15)	(98)	(116)	(118)	(2)
Fund balances July 1, 2008	—	—	—	—	98	116	118	2
Fund balances(deficit) June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>(15)</u>	<u>(15)</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, 2009
 (Dollars in thousands)

	OTIA Capital Projects Fund				Real Property Management Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ —	—	1,163	1,163	—	—	—	—
Miscellaneous revenues	275	275	157	(118)	6	6	—	(6)
Total revenues	<u>275</u>	<u>275</u>	<u>1,320</u>	<u>1,045</u>	<u>6</u>	<u>6</u>	<u>—</u>	<u>(6)</u>
Expenditures:								
Current:								
General government	—	—	—	—	6	6	6	—
Land use, housing and transportation	8,264	8,264	922	7,342	—	—	—	—
Total current	<u>8,264</u>	<u>8,264</u>	<u>922</u>	<u>7,342</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>—</u>
Capital outlay	630	630	—	630	—	—	—	—
Total expenditures	<u>8,894</u>	<u>8,894</u>	<u>922</u>	<u>7,972</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>—</u>
Excess(deficiency) of revenues over expenditures	<u>(8,619)</u>	<u>(8,619)</u>	<u>398</u>	<u>9,017</u>	<u>—</u>	<u>—</u>	<u>(6)</u>	<u>(6)</u>
Other financing sources(uses):								
Transfers in from other funds	3,000	3,000	—	(3,000)	—	—	6	6
Transfers out to other funds	(33)	(33)	(33)	—	—	—	—	—
Total other financing sources(uses)	<u>2,967</u>	<u>2,967</u>	<u>(33)</u>	<u>(3,000)</u>	<u>—</u>	<u>—</u>	<u>6</u>	<u>6</u>
Net change in fund balance	<u>(5,652)</u>	<u>(5,652)</u>	<u>365</u>	<u>6,017</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances July 1, 2008	5,652	5,652	1,403	(4,249)	—	—	—	—
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>1,768</u>	<u>1,768</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, 2009
 (Dollars in thousands)

	Senate Bill 1145 Fund				Sheriff's Office Contract Services Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ 3,499	3,499	3,284	(215)	695	695	579	(116)
Miscellaneous revenues	25	25	15	(10)	38	38	7	(31)
Interfund revenues	—	—	—	—	—	—	10	10
Total revenues	<u>3,524</u>	<u>3,524</u>	<u>3,299</u>	<u>(225)</u>	<u>733</u>	<u>733</u>	<u>596</u>	<u>(137)</u>
Expenditures:								
Current:								
Public safety and justice	3,544	3,544	3,301	243	830	830	681	149
Operating contingency	84	84	—	84	—	—	—	—
Total current	<u>3,628</u>	<u>3,628</u>	<u>3,301</u>	<u>327</u>	<u>830</u>	<u>830</u>	<u>681</u>	<u>149</u>
Total expenditures	<u>3,628</u>	<u>3,628</u>	<u>3,301</u>	<u>327</u>	<u>830</u>	<u>830</u>	<u>681</u>	<u>149</u>
Excess(deficiency) of revenues over expenditures	<u>(104)</u>	<u>(104)</u>	<u>(2)</u>	<u>102</u>	<u>(97)</u>	<u>(97)</u>	<u>(85)</u>	<u>12</u>
Other financing sources(uses):								
Transfers in from other funds	—	—	—	—	97	97	29	(68)
Transfers out to other funds	—	—	—	—	—	—	—	—
Total other financing sources(uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>97</u>	<u>97</u>	<u>29</u>	<u>(68)</u>
Net change in fund balance	<u>(104)</u>	<u>(104)</u>	<u>(2)</u>	<u>102</u>	<u>—</u>	<u>—</u>	<u>(56)</u>	<u>(56)</u>
Fund balances July 1, 2008	104	104	95	(9)	—	—	24	24
Fund balances(deficit) June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>93</u>	<u>93</u>	<u>—</u>	<u>—</u>	<u>(32)</u>	<u>(32)</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Sheriff's Office Forfeitures Fund				Sheriff's Office Grants & Donations Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)*
Revenues:								
Intergovernmental revenues	\$ —	—	—	—	1,454	2,562	1,265	(1,297)
Miscellaneous revenues	220	220	477	257	—	—	—	—
Total revenues	<u>220</u>	<u>220</u>	<u>477</u>	<u>257</u>	<u>1,454</u>	<u>2,562</u>	<u>1,265</u>	<u>(1,297)</u>
Expenditures:								
Current:								
Public safety and justice	506	506	194	312	1,454	2,505	1,264	1,241
Total current	<u>562</u>	<u>562</u>	<u>194</u>	<u>368</u>	<u>1,454</u>	<u>2,505</u>	<u>1,264</u>	<u>1,241</u>
Capital outlay	—	—	—	—	—	57	74	(17)
Total expenditures	<u>562</u>	<u>562</u>	<u>194</u>	<u>368</u>	<u>1,454</u>	<u>2,562</u>	<u>1,338</u>	<u>1,224</u>
Excess(deficiency) of revenues over expenditures	<u>(342)</u>	<u>(342)</u>	<u>283</u>	<u>625</u>	<u>—</u>	<u>—</u>	<u>(73)</u>	<u>(73)</u>
Net change in fund balance	<u>(342)</u>	<u>(342)</u>	<u>283</u>	<u>625</u>	<u>—</u>	<u>—</u>	<u>(73)</u>	<u>(73)</u>
Fund balances(deficit) July 1, 2008	<u>342</u>	<u>342</u>	<u>402</u>	<u>60</u>	<u>—</u>	<u>—</u>	<u>(30)</u>	<u>(30)</u>
Fund balances(deficit) June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>685</u>	<u>685</u>	<u>—</u>	<u>—</u>	<u>(103)</u>	<u>(103)</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, 2009
 (Dollars in thousands)

	Strategic Investment Program Fund				1999 Strategic Investment Program Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)*
Revenues:								
Charges for services	\$ 1,400	1,400	1,412	12	9,088	9,088	9,200	112
Miscellaneous revenues	10	10	15	5	—	—	151	151
Total revenues	<u>1,410</u>	<u>1,410</u>	<u>1,427</u>	<u>17</u>	<u>9,088</u>	<u>9,088</u>	<u>9,351</u>	<u>263</u>
Expenditures:								
Current:								
Nonoperating	1,414	1,414	1,412	2	3,408	3,408	3,444	(36)
Total current	<u>1,414</u>	<u>1,414</u>	<u>1,412</u>	<u>2</u>	<u>3,408</u>	<u>3,408</u>	<u>3,444</u>	<u>(36)</u>
Total expenditures	<u>1,414</u>	<u>1,414</u>	<u>1,412</u>	<u>2</u>	<u>3,408</u>	<u>3,408</u>	<u>3,444</u>	<u>(36)</u>
Excess(deficiency) of revenues over expenditures	<u>(4)</u>	<u>(4)</u>	<u>15</u>	<u>19</u>	<u>5,680</u>	<u>5,680</u>	<u>5,907</u>	<u>227</u>
Other financing sources(uses):								
Transfers out to other funds	—	—	—	—	(5,680)	(5,680)	(5,644)	36
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(5,680)</u>	<u>(5,680)</u>	<u>(5,644)</u>	<u>36</u>
Net change in fund balance	<u>(4)</u>	<u>(4)</u>	<u>15</u>	<u>19</u>	<u>—</u>	<u>—</u>	<u>263</u>	<u>263</u>
Fund balances July 1, 2008	<u>4</u>	<u>4</u>	<u>395</u>	<u>391</u>	<u>—</u>	<u>—</u>	<u>1,178</u>	<u>1,178</u>
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>410</u>	<u>410</u>	<u>—</u>	<u>—</u>	<u>1,441</u>	<u>1,441</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, 2009
 (Dollars in thousands)

	Survey Fund				Surveyor-Public Land Corner Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Intergovernmental revenues	\$ —	—	1	1	—	—	—	—
Charges for services	996	996	367	(629)	525	525	443	(82)
Miscellaneous revenues	95	95	48	(47)	127	127	91	(36)
Interfund revenues	30	30	85	55	98	98	89	(9)
Total revenues	<u>1,121</u>	<u>1,121</u>	<u>501</u>	<u>(620)</u>	<u>750</u>	<u>750</u>	<u>623</u>	<u>(127)</u>
Expenditures:								
Current:								
Land use, housing and transportation	1,178	1,178	663	515	1,218	1,218	1,031	187
Operating contingency	954	954	—	954	2,409	2,409	—	2,409
Total current	<u>2,132</u>	<u>2,132</u>	<u>663</u>	<u>1,469</u>	<u>3,627</u>	<u>3,627</u>	<u>1,031</u>	<u>2,596</u>
Capital outlay	12	12	11	1	36	36	34	2
Total expenditures	<u>2,144</u>	<u>2,144</u>	<u>674</u>	<u>1,470</u>	<u>3,663</u>	<u>3,663</u>	<u>1,065</u>	<u>2,598</u>
Excess(deficiency) of revenues over expenditures	<u>(1,023)</u>	<u>(1,023)</u>	<u>(173)</u>	<u>850</u>	<u>(2,913)</u>	<u>(2,913)</u>	<u>(442)</u>	<u>2,471</u>
Other financing sources(uses):								
Transfers in from other funds	73	73	73	—	—	—	—	—
Transfers out to other funds	(38)	(38)	(38)	—	(49)	(49)	(49)	—
Total other financing sources(uses)	<u>35</u>	<u>35</u>	<u>35</u>	<u>—</u>	<u>(49)</u>	<u>(49)</u>	<u>(49)</u>	<u>—</u>
Net change in fund balance	<u>(988)</u>	<u>(988)</u>	<u>(138)</u>	<u>850</u>	<u>(2,962)</u>	<u>(2,962)</u>	<u>(491)</u>	<u>2,471</u>
Fund balances July 1, 2008	988	988	955	(33)	2,962	2,962	3,032	70
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>817</u>	<u>817</u>	<u>—</u>	<u>—</u>	<u>2,541</u>	<u>2,541</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Tourism Dedicated Lodging Tax Fund				Urban Road Maintenance Service District Fund (Component Unit)			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 2,292	2,292	2,118	(174)	3,285	3,285	3,344	59
Miscellaneous revenues	79	79	30	(49)	100	100	77	(23)
Total revenues	<u>2,371</u>	<u>2,371</u>	<u>2,148</u>	<u>(223)</u>	<u>3,385</u>	<u>3,385</u>	<u>3,421</u>	<u>36</u>
Expenditures:								
Current:								
Land use, housing and transportation	—	—	—	—	3,307	3,307	3,000	307
Culture, education and recreation	3,739	3,739	2,536	1,203	—	—	—	—
Operating contingency	300	300	—	300	2,510	2,510	—	2,510
Total current	<u>4,039</u>	<u>4,039</u>	<u>2,536</u>	<u>1,503</u>	<u>5,817</u>	<u>5,817</u>	<u>3,000</u>	<u>2,817</u>
Total expenditures	<u>4,039</u>	<u>4,039</u>	<u>2,536</u>	<u>1,503</u>	<u>5,817</u>	<u>5,817</u>	<u>3,000</u>	<u>2,817</u>
Excess(deficiency) of revenues over expenditures	<u>(1,668)</u>	<u>(1,668)</u>	<u>(388)</u>	<u>1,280</u>	<u>(2,432)</u>	<u>(2,432)</u>	<u>421</u>	<u>2,853</u>
Other financing sources(uses):								
Transfers out to other funds	—	—	—	—	(13)	(13)	(13)	—
Total other financing sources(uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(13)</u>	<u>(13)</u>	<u>(13)</u>	<u>—</u>
Net change in fund balance	<u>(1,668)</u>	<u>(1,668)</u>	<u>(388)</u>	<u>1,280</u>	<u>(2,445)</u>	<u>(2,445)</u>	<u>408</u>	<u>2,853</u>
Fund balances July 1, 2008	1,668	1,668	1,641	(27)	2,445	2,445	1,712	(733)
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>1,253</u>	<u>1,253</u>	<u>—</u>	<u>—</u>	<u>2,120</u>	<u>2,120</u>

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Special Revenue Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Washington County Fair Fund				West Slope Library Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)*	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Taxes	\$ 680	680	706	26	—	—	—	—
Intergovernmental revenues	46	46	49	3	3	3	3	—
Charges for services	616	621	612	(9)	—	—	—	—
Miscellaneous revenues	345	340	303	(37)	24	24	27	3
Interfund revenues	—	—	—	—	—	—	—	—
Total revenues	<u>1,687</u>	<u>1,687</u>	<u>1,670</u>	<u>(17)</u>	<u>27</u>	<u>27</u>	<u>30</u>	<u>3</u>
Expenditures:								
Current:								
Culture, education and recreation	1,468	1,568	1,543	25	625	625	550	75
Operating contingency	858	758	—	758	90	90	—	90
Total current	<u>2,326</u>	<u>2,326</u>	<u>1,543</u>	<u>783</u>	<u>715</u>	<u>715</u>	<u>550</u>	<u>165</u>
Capital outlay	75	75	59	16	—	—	—	—
Debt service:								
Principal	108	108	58	50	—	—	—	—
Interest	8	8	3	5	—	—	—	—
Total debt service	<u>116</u>	<u>116</u>	<u>61</u>	<u>55</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>2,517</u>	<u>2,517</u>	<u>1,663</u>	<u>854</u>	<u>715</u>	<u>715</u>	<u>550</u>	<u>165</u>
Excess(deficiency) of revenues over expenditures	<u>(830)</u>	<u>(830)</u>	<u>7</u>	<u>837</u>	<u>(688)</u>	<u>(688)</u>	<u>(520)</u>	<u>168</u>
Other financing sources(uses):								
Transfers in from other funds	—	—	—	—	586	586	586	—
Transfers out to other funds	—	—	(57)	(57)	—	—	—	—
Total other financing sources(uses)	<u>—</u>	<u>—</u>	<u>(57)</u>	<u>(57)</u>	<u>586</u>	<u>586</u>	<u>586</u>	<u>—</u>
Net change in fund balance	<u>(830)</u>	<u>(830)</u>	<u>(50)</u>	<u>780</u>	<u>(102)</u>	<u>(102)</u>	<u>66</u>	<u>168</u>
Fund balances July 1, 2008	830	830	944	114	102	102	122	20
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>894</u>	<u>894</u>	<u>—</u>	<u>—</u>	<u>188</u>	<u>188</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, 2009
 (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	\$ 6,078	6,078	6,092	14	—	—	—	—
Miscellaneous revenues	48	48	12	(36)	63	63	37	(26)
Total revenues	6,126	6,126	6,104	(22)	63	63	37	(26)
Expenditures:								
Current:								
Nonoperating	—	—	—	—	6	6	2	4
Total current	—	—	—	—	6	6	2	4
Debt service:								
Principal	5,000	5,000	5,000	—	3,069	3,069	3,069	—
Interest	1,365	1,365	1,365	—	4,017	4,017	4,017	—
Total debt service	6,365	6,365	6,365	—	7,086	7,086	7,086	—
Total expenditures	6,365	6,365	6,365	—	7,092	7,092	7,088	4
Excess(deficiency) of revenues over expenditures	(239)	(239)	(261)	(22)	(7,029)	(7,029)	(7,051)	(22)
Other financing sources:								
Transfers in from other funds	—	—	27	27	7,024	7,024	7,024	—
Total other financing sources	—	—	27	27	7,024	7,024	7,024	—
Net change in fund balance	(239)	(239)	(234)	5	(5)	(5)	(27)	(22)
Fund balances July 1, 2008	239	239	234	(5)	5	5	3	(2)
Fund balances(deficit) June 30, 2009	\$ —	—	—	—	—	—	(24)	(24)

WASHINGTON COUNTY, OREGON
 Budgetary Comparison, Continued
 Non-major Governmental Funds - Capital Projects Funds
 For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Facilities General Capital Projects Fund				Facilities Park (THPRD) SDC Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)*	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ —	—	—	—	200	200	59	(141)
Miscellaneous revenues	—	—	—	—	40	40	21	(19)
Interfund revenues	165	165	75	(90)	—	—	—	—
Total revenues	165	165	75	(90)	240	240	80	(160)
Expenditures:								
Current:								
Nonoperating	—	—	9	(9)	3	898	898	—
Total current	—	—	9	(9)	3	898	898	—
Capital outlay	1,269	1,269	792	477	1,181	286	—	286
Total expenditures	1,269	1,269	801	468	1,184	1,184	898	286
Excess(deficiency) of revenues over expenditures	(1,104)	(1,104)	(726)	378	(944)	(944)	(818)	126
Other financing sources(uses):								
Transfers in from other funds	1,104	1,104	726	(378)	—	—	—	—
Total other financing sources(uses)	1,104	1,104	726	(378)	—	—	—	—
Net change in fund balance	—	—	—	—	(944)	(944)	(818)	126
Fund balances July 1, 2008	—	—	—	—	944	944	904	(40)
Fund balances June 30, 2009	\$ —	—	—	—	—	—	86	86

* 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, 2009
 (Dollars in thousands)

	ITS Capital Projects Fund				Parks and Open Spaces Opportunity Projects Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ 26	26	26	—	—	—	—	—
Miscellaneous revenues	3	3	20	17	27	27	22	(5)
Interfund revenues	1,335	1,335	430	(905)	—	—	—	—
Total revenues	1,364	1,364	476	(888)	27	27	22	(5)
Expenditures:								
Capital outlay	2,987	2,987	1,495	1,492	690	690	41	649
Total expenditures	2,987	2,987	1,495	1,492	690	690	41	649
Excess(deficiency) of revenues over expenditures	(1,623)	(1,623)	(1,019)	604	(663)	(663)	(19)	644
Other financing sources(uses):								
Transfers in from other funds	1,430	1,430	945	(485)	—	—	—	—
Total other financing sources(uses)	1,430	1,430	945	(485)	—	—	—	—
Net change in fund balance	(193)	(193)	(74)	119	(663)	(663)	(19)	644
Fund balances July 1, 2008	193	193	282	89	663	663	660	(3)
Fund balances June 30, 2009	\$ —	—	208	208	—	—	641	641

WASHINGTON COUNTY, OREGON

Combining Statement of Net Assets

Internal Service Funds

June 30, 2009

(Dollars in thousands)

Assets	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund	Medical Insurance Fund
Current assets:						
Cash and investments	\$ 454	7,008	536	5,493	76	2,483
Accounts receivable	1	174	—	—	—	—
Inventory	409	—	21	—	—	—
Total current assets	<u>864</u>	<u>7,181</u>	<u>557</u>	<u>5,493</u>	<u>76</u>	<u>2,483</u>
Capital assets, net of accumulated depreciation	—	8,032	295	—	—	—
Total assets	<u><u>864</u></u>	<u><u>15,213</u></u>	<u><u>852</u></u>	<u><u>5,493</u></u>	<u><u>76</u></u>	<u><u>2,483</u></u>
Liabilities and Net Assets						
Current liabilities:						
Accounts payable	150	819	74	5	—	30
Accrued payroll liabilities	121	—	26	—	—	—
Accrued self-insurance	—	—	—	1,684	—	—
Total current liabilities	<u>271</u>	<u>819</u>	<u>100</u>	<u>1,689</u>	<u>—</u>	<u>30</u>
Noncurrent liabilities:						
Net OPEB obligation	8	—	25	—	—	—
Total liabilities	<u>279</u>	<u>819</u>	<u>125</u>	<u>1,689</u>	<u>—</u>	<u>30</u>
Net assets:						
Invested in capital assets, net of related debt	—	8,032	295	—	—	—
Unrestricted	585	6,362	432	3,804	76	2,453
Total net assets	<u>585</u>	<u>14,394</u>	<u>727</u>	<u>3,804</u>	<u>76</u>	<u>2,453</u>
Total liabilities and net assets	<u><u>\$ 864</u></u>	<u><u>15,213</u></u>	<u><u>852</u></u>	<u><u>5,493</u></u>	<u><u>76</u></u>	<u><u>2,483</u></u>

WASHINGTON COUNTY, OREGON
Combining Statement of Net Assets, Continued
Internal Service Funds
June 30, 2009
(Dollars in thousands)

Assets	Municipal Transfer Liability Fund	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Current assets:					
Cash and investments	\$ —	10,398	603	1,934	28,984
Accounts receivable	—	—	—	10	184
Inventory	—	—	—	—	430
Total current assets	—	10,398	603	1,944	29,598
Capital assets, net of accumulated depreciation	—	—	—	—	8,327
Total assets	<u>—</u>	<u>10,398</u>	<u>603</u>	<u>1,944</u>	<u>37,925</u>
Liabilities and Net Assets					
Current liabilities:					
Accounts payable	—	—	124	74	1,277
Accrued payroll liabilities	—	—	—	—	146
Accrued self-insurance	—	—	—	1,703	3,387
Total current liabilities	—	—	124	1,777	4,810
Noncurrent liabilities:					
Net OPEB obligation	—	—	—	—	33
Total liabilities	<u>—</u>	<u>—</u>	<u>124</u>	<u>1,777</u>	<u>4,843</u>
Net assets:					
Invested in capital assets, net of related debt	—	—	—	—	8,327
Unrestricted	—	10,398	479	167	24,755
Total net assets	<u>—</u>	<u>10,398</u>	<u>479</u>	<u>167</u>	<u>33,082</u>
Total liabilities and net assets	<u>\$ —</u>	<u>10,398</u>	<u>603</u>	<u>1,944</u>	<u>37,925</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenses
and Changes in Net Assets
Internal Service Funds
For the fiscal year ended June 30, 2009
(Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund	Medical Insurance Fund	Municipal Transfer Liability Fund
Operating revenues:							
Charges for services	\$ 3,354	1,942	1,790	1,540	352	18,371	—
Other	807	—	—	30	—	1,041	—
Total operating revenues	<u>4,161</u>	<u>1,942</u>	<u>1,790</u>	<u>1,570</u>	<u>352</u>	<u>19,412</u>	<u>—</u>
Operating expenses:							
Labor and fringe benefits	1,404	—	471	—	—	—	—
Utilities	29	—	—	—	—	—	—
Professional services	12	—	—	270	—	153	—
Supplies	1,784	—	873	—	—	—	—
Administrative costs	594	292	242	572	—	33	—
Depreciation and amortization	—	1,490	145	—	—	—	—
Insurance claims and premiums	—	—	—	1,019	331	20,560	—
Repairs and maintenance	348	32	196	—	—	—	—
Total operating expenses	<u>4,171</u>	<u>1,814</u>	<u>1,926</u>	<u>1,861</u>	<u>331</u>	<u>20,746</u>	<u>—</u>
Operating income(loss)	<u>(10)</u>	<u>128</u>	<u>(136)</u>	<u>(290)</u>	<u>21</u>	<u>(1,334)</u>	<u>—</u>
Nonoperating income:							
Interest income	10	219	13	176	2	108	—
Gain(loss) on sale of capital assets	—	170	(1)	—	—	—	—
Total nonoperating income	<u>10</u>	<u>390</u>	<u>12</u>	<u>176</u>	<u>2</u>	<u>108</u>	<u>—</u>
Other financing(uses):							
Transfer out to other funds	—	—	—	—	—	—	(500)
Total other financing(uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(500)</u>
Change in net assets	0	518	(124)	(114)	23	(1,226)	(500)
Net assets July 1, 2008	585	13,876	851	3,918	53	3,679	500
Net assets June 30, 2009	<u>\$ 585</u>	<u>14,394</u>	<u>727</u>	<u>3,804</u>	<u>76</u>	<u>2,453</u>	<u>—</u>

WASHINGTON COUNTY, OREGON
Combining Statement of Revenues, Expenses
and Changes in Net Assets, Continued
Internal Service Funds
For the fiscal year ended June 30, 2009
(Dollars in thousands)

	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Operating revenues:				
Charges for services	\$ —	426	870	28,643
Other	—	—	164	2,043
Total operating revenues	—	426	1,034	30,686
Operating expenses:				
Labor and fringe benefits	—	—	—	1,875
Utilities	—	—	—	29
Professional services	—	3	7	443
Supplies	—	—	—	2,656
Administrative costs	33	0	126	1,892
Depreciation and amortization	—	—	—	1,634
Insurance claims and premiums	—	381	1,363	23,654
Repairs and maintenance	—	—	—	576
Total operating expenses	33	384	1,496	32,760
Operating income (loss)	(33)	42	(462)	(2,074)
Nonoperating income:				
interest income	333	18	64	944
Gain on sale of capital assets	—	—	—	169
Total nonoperating income	333	18	64	1,113
Other financing (uses):				
Transfer out to other funds	—	—	—	(500)
Total other financing (uses)	—	—	—	(500)
Change in net assets	300	61	(398)	(1,460)
Net assets July 1, 2008	10,098	417	565	34,542
Net assets June 30, 2009	\$ 10,398	478	167	33,082

WASHINGTON COUNTY, OREGON

Combining Statement of Cash Flows

Internal Service Funds

For the fiscal year ended June 30, 2009

(Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund	Liability/ Casualty Insurance Fund	Life Insurance Fund	Medical Insurance Fund	Municipal Transfer Liability Fund
Cash flows from operating activities:							
Cash received for services provided	\$ 3,354	1,768	1,827	1,540	352	18,371	—
Cash payments for labor and fringe benefits	(1,423)	—	(447)	—	—	—	—
Cash payments for goods and services	(2,926)	478	(1,256)	(1,726)	(357)	(20,771)	—
Other operating revenue	687	—	—	30	—	1,041	—
Other receipts	120	—	—	—	—	—	—
Net cash provided by (used in) operating activities	(188)	2,246	124	(156)	(5)	(1,359)	—
Cash flows from noncapital financing activities:							
Equity transfer to General Fund	—	—	—	—	—	—	(500)
Net cash provided (used in) noncapital financing activities	—	—	—	—	—	—	(500)
Cash flows from capital and related financing activities:							
Acquisition of capital assets	—	(2,309)	(18)	—	—	—	—
Principal payments on capital lease obligations	—	—	(4)	—	—	—	—
Proceeds from sale of capital assets	—	237	3	—	—	—	—
Net cash provided by (used in) capital and related financing activities	—	(2,071)	(19)	—	—	—	—
Cash flows from investing activities:							
Interest on investments	10	219	13	176	2	108	—
Net cash provided by investing activities	10	219	13	176	2	108	—
Net increase (decrease) in cash and investments	(178)	394	118	20	(3)	(1,251)	(500)
Cash and investments, July 1, 2008	633	6,614	418	5,473	79	3,733	500
Cash and investments, June 30, 2009	454	7,008	536	5,493	76	2,483	—
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	(10)	128	(136)	(290)	21	(1,334)	—
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	—	1,490	145	—	—	—	—
Other income	—	—	—	—	—	—	—
Increase (decrease) in accounts payable	(106)	802	42	3	(27)	(25)	—
Increase (decrease) in accrued liabilities	(19)	—	24	129	—	—	—
Decrease (increase) in accounts receivable	(1)	(174)	37	1	—	—	—
Decrease (increase) in supply inventory	(53)	—	12	—	—	—	—
Net cash provided by (used in) operating activities	\$ (188)	2,246	124	(156)	(5)	(1,359)	—

WASHINGTON COUNTY, OREGON
Combining Statement of Cash Flows, Continued
Internal Service Funds
For the fiscal year ended June 30, 2009
(Dollars in thousands)

	PERS Rate Stabilization Fund	Unemployment Insurance Fund	Workers' Compensation Insurance Fund	Total Internal Service Funds
Cash flows from operating activities:				
Cash received for services provided	\$ —	426	860	28,499
Cash payments for labor and fringe benefits	—	—	—	(1,871)
Cash payments for goods and services	(33)	(295)	(1,345)	(28,232)
Other operating revenue	—	—	164	1,923
Other receipts	—	—	—	120
Net cash provided by(used in) operating activities	<u>(33)</u>	<u>131</u>	<u>(321)</u>	<u>439</u>
Cash flows from noncapital financing activities:				
Equity transfer to General Fund	—	—	—	(500)
Net cash provided(used in) noncapital financing activities	<u>—</u>	<u>—</u>	<u>—</u>	<u>(500)</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	—	—	—	(2,326)
Principal payments on capital lease obligations	—	—	—	(4)
Proceeds from sale of capital assets	—	—	—	240
Net cash provided(used in) capital and related financing activities	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,090)</u>
Cash flows from investing activities:				
Interest on investments	333	18	64	944
Net cash provided by investing activities	<u>333</u>	<u>18</u>	<u>64</u>	<u>944</u>
Net increase(decrease) in cash and investments	300	150	(257)	(1,208)
Cash and investments, July 1, 2008	10,098	453	2,192	30,192
Cash and investments, June 30, 2009	<u>10,398</u>	<u>603</u>	<u>1,934</u>	<u>28,984</u>
Reconciliation of operating income(loss) to net cash provided by(used in) operating activities:				
Operating income (loss)	(33)	42	(462)	(2,074)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	—	—	—	1,634
Decrease(increase) in accounts receivable	—	89	46	(2)
Decrease(increase) in supply inventory	—	—	105	66
Increase(decrease) in accounts payable	—	—	(10)	680
Increase(decrease) in accrued liabilities	—	—	—	135
Net cash provided by(used in) operating activities	<u>\$ (33)</u>	<u>131</u>	<u>(321)</u>	<u>439</u>

WASHINGTON COUNTY, OREGON
 Schedule of Revenues and Expenditures -
 Budget and Actual (Budgetary Basis)
 Internal Service Funds
 For the fiscal year ended June 30, 2009
 (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:								
Taxes	\$ —	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	—	—	—	—	—
Charges for services	4,291	4,291	4,040	(251)	2,134	2,134	1,912	(222)
Fines and forfeitures	—	—	—	—	—	—	—	—
Special assessments	—	—	—	—	—	—	—	—
Miscellaneous revenues	25	25	12	(13)	1,130	1,130	489	(641)
Interfund revenues	70	70	120	50	—	—	—	—
Total revenues	<u>4,386</u>	<u>4,386</u>	<u>4,172</u>	<u>(214)</u>	<u>3,264</u>	<u>3,264</u>	<u>2,401</u>	<u>(863)</u>
Expenditures:								
Current:								
General government	4,444	4,444	4,166	278	—	—	—	—
Public safety and justice	—	—	—	—	—	—	—	—
Land use, housing and transportation	—	—	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—	—	—
Culture, education and recreation	—	—	—	—	—	—	—	—
Nonoperating	—	—	—	—	838	838	813	25
Operating contingency	500	500	—	500	6,336	6,336	—	6,336
Total current	<u>4,944</u>	<u>4,944</u>	<u>4,166</u>	<u>778</u>	<u>7,174</u>	<u>7,174</u>	<u>813</u>	<u>6,361</u>
Capital outlay	—	—	—	—	2,681	2,681	1,822	859
Total expenditures	<u>4,944</u>	<u>4,944</u>	<u>4,166</u>	<u>778</u>	<u>9,855</u>	<u>9,855</u>	<u>2,635</u>	<u>7,220</u>
Excess(deficiency) of revenues over expenditures	(558)	(558)	6	564	(6,591)	(6,591)	(234)	6,357
Fund balances July 1, 2008	558	558	585	27	6,591	6,591	6,596	5
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>591</u>	<u>591</u>	<u>—</u>	<u>—</u>	<u>6,362</u>	<u>6,362</u>

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

Internal Service Funds

For the fiscal year ended June 30, 2009
 (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	\$ 1,954	1,954	1,792	(162)	1,506	1,506	1,504	(2)
Miscellaneous revenues	15	15	13	(2)	195	195	242	47
Total revenues	<u>1,969</u>	<u>1,969</u>	<u>1,805</u>	<u>(164)</u>	<u>1,701</u>	<u>1,701</u>	<u>1,746</u>	<u>45</u>
Expenditures:								
Current:								
General government	1,712	1,755	1,651	104	—	—	—	—
Nonoperating	—	—	—	—	2,298	2,298	1,860	438
Operating contingency	348	348	—	348	2,227	2,227	—	2,227
Total current	<u>2,060</u>	<u>2,103</u>	<u>1,651</u>	<u>452</u>	<u>4,525</u>	<u>4,525</u>	<u>1,860</u>	<u>2,665</u>
Capital outlay	235	231	119	112	—	—	—	—
Debt service:								
Principal	43	8	8	—	—	—	—	—
Total debt service	<u>47</u>	<u>8</u>	<u>8</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>2,342</u>	<u>2,342</u>	<u>1,778</u>	<u>564</u>	<u>4,525</u>	<u>4,525</u>	<u>1,860</u>	<u>2,665</u>
Excess(deficiency) of revenues over expenditures	<u>(373)</u>	<u>(373)</u>	<u>27</u>	<u>400</u>	<u>(2,824)</u>	<u>(2,824)</u>	<u>(114)</u>	<u>2,710</u>
Fund balances July 1, 2008	373	373	430	57	2,824	2,824	3,918	1,094
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>457</u>	<u>457</u>	<u>—</u>	<u>—</u>	<u>3,804</u>	<u>3,804</u>

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

Internal Service Funds

For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	Life Insurance Fund				Medical Insurance Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Charges for services	\$ —	—	—	—	19,737	19,737	18,371	(1,366)
Miscellaneous revenues	371	371	354	(17)	1,120	1,120	1,149	29
Total revenues	<u>371</u>	<u>371</u>	<u>354</u>	<u>(17)</u>	<u>20,857</u>	<u>20,857</u>	<u>19,520</u>	<u>(1,337)</u>
Expenditures:								
Current:								
Nonoperating	345	345	330	15	20,724	20,824	20,746	78
Operating contingency	50	50	—	50	3,184	3,084	—	3,084
Total current	<u>395</u>	<u>395</u>	<u>330</u>	<u>65</u>	<u>23,908</u>	<u>23,908</u>	<u>20,746</u>	<u>3,162</u>
Total expenditures	<u>395</u>	<u>395</u>	<u>330</u>	<u>65</u>	<u>23,908</u>	<u>23,908</u>	<u>20,746</u>	<u>3,162</u>
Excess(deficiency) of revenues over expenditures	(24)	(24)	24	48	(3,051)	(3,051)	(1,226)	1,825
Fund balances July 1, 2008	24	24	53	29	3,051	3,051	3,679	628
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>77</u>	<u>77</u>	<u>—</u>	<u>—</u>	<u>2,453</u>	<u>2,453</u>

WASHINGTON COUNTY, OREGON
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis)
Internal Service Funds
For the fiscal year ended June 30, 2009
(Dollars in thousands)

	Municipal Transfer Liability Fund				PERS Rate Stabilization Fund			
	Adopted budget	Revised budget	Actual	Variance positive (negative)	Adopted budget	Revised budget	Actual	Variance positive (negative)
Revenues:								
Miscellaneous revenues	\$ —	—	—	—	444	444	333	(111)
Total revenues	—	—	—	—	444	444	333	(111)
Expenditures:								
Current:								
Nonoperating	—	—	—	—	10,607	10,607	32	10,575
Operating contingency	—	—	—	—	—	—	—	—
Total current	—	—	—	—	10,607	10,607	32	10,575
Total expenditures	—	—	—	—	10,607	10,607	32	10,575
Excess(deficiency) of revenues over expenditures	—	—	—	—	(10,163)	(10,163)	301	10,464
Other financing sources(uses):								
Proceeds from debt	—	—	—	—	—	—	—	—
Transfers in from other funds	—	—	—	—	—	—	—	—
Transfers out to other funds	(500)	(500)	(500)	—	—	—	—	—
Total other financing sources(uses)	(500)	(500)	(500)	—	—	—	—	—
Revenues and other financing sources over(under) expenditures and other financing uses	(500)	(500)	(500)	—	(10,163)	(10,163)	301	10,464
Fund balances July 1, 2008	500	500	500	—	10,163	10,163	10,096	(67)
Fund balances June 30, 2009	\$ —	—	—	—	—	—	10,397	10,397

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

For the fiscal year ended June 30, 2009
 (Dollars in thousands)

	<u>Unemployment Insurance Fund</u>				<u>Workers' Compensation 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	\$ 429	429	426	(3)	885	885	870	(15)
Miscellaneous revenues	12	12	18	6	196	196	228	32
Total revenues	<u>441</u>	<u>441</u>	<u>444</u>	<u>3</u>	<u>1,081</u>	<u>1,081</u>	<u>1,098</u>	<u>17</u>
Expenditures:								
Current:								
Nonoperating	330	430	383	47	1,437	1,557	1,496	61
Operating contingency	427	327	—	327	121	1	—	1
Total current	<u>757</u>	<u>757</u>	<u>383</u>	<u>374</u>	<u>1,558</u>	<u>1,558</u>	<u>1,496</u>	<u>62</u>
Total expenditures	<u>757</u>	<u>757</u>	<u>383</u>	<u>374</u>	<u>1,558</u>	<u>1,558</u>	<u>1,496</u>	<u>62</u>
Excess(deficiency) of revenues over expenditures	(316)	(316)	61	377	(477)	(477)	(398)	79
Fund balances July 1, 2008	316	316	417	101	477	477	565	88
Fund balances June 30, 2009	<u>\$ —</u>	<u>—</u>	<u>478</u>	<u>478</u>	<u>—</u>	<u>—</u>	<u>167</u>	<u>167</u>

WASHINGTON COUNTY, OREGON
 Reconciliation of Fund Balance to Net Assets
 Internal Service Funds
 June 30, 2009
 (Dollars in thousands)

	Fleet Management Fund	Fleet Replacement Fund	Internal Support Services Fund
Fund balance	\$ 591	6,362	457
Add capital assets reported on combining balance sheet	—	8,032	295
Less OPEB obligation	(8)	—	(25)
Total Net Assets	\$ 583	14,394	727

WASHINGTON COUNTY, OREGON
Statement of Changes in Assets and Liabilities
Agency Fund
For the fiscal year ended June 30, 2009
(Dollars in thousands)

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
Assets:				
Cash and investments	\$ 3,773	6,634,908	6,634,929	3,752
Accounts receivable	1,454	42,778	42,792	1,440
Property taxes receivable	18,246	9,867	4,075	24,038
Total assets	<u>23,473</u>	<u>6,687,553</u>	<u>6,681,796</u>	<u>29,230</u>
Liabilities:				
Accounts payable	522	1,260,480	1,260,637	365
Amounts held in trust	4,705	720,601	720,478	4,828
Uncollected taxes	18,246	9,866	4,075	24,037
Total liabilities	<u>\$ 23,473</u>	<u>1,990,947</u>	<u>1,985,190</u>	<u>29,230</u>

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OTHER FINANCIAL SCHEDULE

WASHINGTON COUNTY, OREGON
Schedule of Property Tax and Assessment
Transactions and Outstanding Balances
For the fiscal year ended June 30, 2009
(Dollars in thousands)

	Taxes receivable July, 1 2008	Certified levies	Corrections and adjustments	Collections	Discounts allowed	Interest	Taxes receivable June 30, 2009
2008-09	\$ —	715,850	(1,363)	(674,973)	(17,882)	245	21,877
2007-08	16,766	—	(1,175)	(10,617)	26	661	5,661
2006-07	3,744	—	(230)	(1,947)	5	295	1,867
2005-06	1,461	—	(141)	(1,020)	4	238	542
2004-05	578	—	(43)	(420)	1	111	227
2003-04	163	—	(16)	(41)	—	17	123
2002-03 & prior	348	—	(61)	(100)	—	43	230
	<u>\$ 23,060</u>	<u>715,850</u>	<u>(3,029)</u>	<u>(689,118)</u>	<u>(17,846)</u>	<u>1,610</u>	<u>30,527</u>

Reconciliation to Receivable note in the Notes to Basic Financial Statements:

Property taxes receivable total	\$ 30,471
Assessments receivable for Lighting District	82
Payment-in-lieu-of-taxes included above and in other receivables in the basic financial statements	<u>(26)</u>
	<u>\$ 30,527</u>

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

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**WASHINGTON COUNTY,
OREGON**

**STATISTICAL
SECTION**

SECTION III

STATISTICAL INFORMATION SECTION NARRATIVE
(UNAUDITED)

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

- **Financial Trends** – These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.
- **Revenue Capacity** – These schedules contain information to help the reader assess the County's most significant local revenue source.
- **Debt Capacity** – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the County's ability to issue additional debt in the future.
- **Economic and Demographic Information** – These schedules offer economic and demographic indicators to help the reader understand the environment 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. Note that the County implemented Governmental Accounting Standards Board Statement No. 34 in 2002; therefore, schedules presenting government-wide information include only information beginning in that fiscal year and going forward.

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FINANCIAL TRENDS

WASHINGTON COUNTY, OREGON

Net Assets by Component

Last Eight Fiscal Years

(Dollars in thousands)

	2002	2003	2004	2005	2006	2007	2008	2009
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 ⁽¹⁾
Restricted	9,039	9,039	4,314	1,272	1,069	170	239	935
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>230,550</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>
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 ⁽²⁾
Restricted	82,397	80,944	57,268	58,656	58,052	28,948	27,582	52,406
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>
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>
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
Restricted	91,436	89,983	61,582	59,928	59,121	29,118	27,821	53,341
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>283,356</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>

⁽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 Eight Fiscal Years

(Dollars in thousands)

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

⁽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

Last Eight Fiscal Years

(Dollars in thousands)

	2002	2003	2004	2005	2006	2007	2008	2009
Total primary government net expenses (<i>brought forward</i>)	<u>(92,410)</u>	<u>(99,433)</u>	<u>(54,929)</u>	<u>(97,128)</u>	<u>1,883,830</u>	<u>(159,912)</u>	<u>(155,352)</u>	<u>(179,899)</u>
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
Property taxes, levied for debt service	8,036	7,807	7,805	8,056	7,886	7,633	7,770	6,137
Other taxes	5,565	6,003	6,907	8,264	9,878	10,124	10,253	7,775
Interest income	5,979	3,698	2,135	4,535	9,197	13,031	10,377	8,247
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
Capital contributions	12,103	8,486	-	-	-	-	-	-
Transfers	2,237	-	-	-	-	-	-	-
Total governmental activities revenue	<u>147,095</u>	<u>141,258</u>	<u>131,918</u>	<u>128,887</u>	<u>139,120</u>	<u>157,747</u>	<u>164,450</u>	<u>177,481</u>
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
Gain (loss) on sale of capital assets	110	-	332	-	-	-	2,724	1,031
Loss on equity in joint venture	-	-	-	-	-	-	(82)	(70)
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	<u>18,283</u>	<u>5,866</u>	<u>4,589</u>	<u>5,607</u>	<u>8,507</u>	<u>11,158</u>	<u>6,117</u>	<u>3,597</u>
Total primary government	<u>165,378</u>	<u>147,124</u>	<u>136,507</u>	<u>134,494</u>	<u>147,627</u>	<u>168,905</u>	<u>170,567</u>	<u>181,078</u>
Change in Net Assets								
Governmental activities	54,364	32,195	74,407	22,369	1,949,055	(11,452)	(6,810)	(15,144)
Business-type activities	<u>18,604</u>	<u>15,496</u>	<u>7,171</u>	<u>14,997</u>	<u>82,402</u>	<u>20,445</u>	<u>22,025</u>	<u>16,323</u>
Total primary government	<u>72,968</u>	<u>47,691</u>	<u>81,578</u>	<u>37,366</u>	<u>2,031,457</u>	<u>8,993</u>	<u>15,215</u>	<u>1,179</u>

Source: Current and prior years' financial statements

WASHINGTON COUNTY, OREGON
Fund Balances of Governmental Funds

Last Eight Fiscal Years

(modified accrual basis of accounting)

(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>
Reserved fund balances:								
Advances	\$ —	—	—	—	—	—	4,000	2,000
Inventory	—	—	123	189	208	226	180	234
Debt service	667	338	3,869	149	543	170	237	—
Working capital	—	230	100	100	100	100	—	—
Capital projects	—	—	445	564	526	773	904	86
Total reserved fund balance:	<u>667</u>	<u>568</u>	<u>4,537</u>	<u>1,002</u>	<u>1,377</u>	<u>1,269</u>	<u>5,321</u>	<u>2,320</u>
Unreserved fund balances:								
Major funds:								
General fund	23,796	24,652	27,211	33,253	41,792	43,480	37,522	30,806
HOME fund	—	—	—	—	—	—	1	(2)
Human Services Fund	1,755	1,191	1,078	833	1,172	1,361	2,115	2,983
MSTIP III Fund	32,167	30,594	36,818	34,383	68,164	57,077	55,908	47,623
Road Fund	11,196	12,420	20,589	19,783	14,401	14,159	14,044	11,853
Non-major funds:								
Special Revenue Funds	52,173	51,986	61,540	70,147	74,896	69,009	76,002	82,985
Capital Projects Funds	1,640	1,123	1,036	1,123	1,539	1,378	942	849
Debt Service Funds	—	—	—	—	—	—	—	(24)
Total unreserved fund balance:	<u>122,727</u>	<u>121,966</u>	<u>148,272</u>	<u>159,522</u>	<u>201,964</u>	<u>186,464</u>	<u>186,534</u>	<u>177,073</u>
Total fund balances	<u>\$ 123,394</u>	<u>122,534</u>	<u>152,809</u>	<u>160,524</u>	<u>203,341</u>	<u>187,733</u>	<u>191,855</u>	<u>179,393</u>

Source: Current and prior years' financial statements.

WASHINGTON COUNTY, OREGON

Changes in Fund Balances of Governmental Funds

Last Eight Fiscal Years

(modified accrual basis of accounting)

(Dollars in thousands)

	2002	2003	2004	2005	2006	2007	2008	2009
Revenues:								
Taxes	\$ 108,937	113,451	118,582	124,866	130,181	121,977	149,442	154,379
Licenses and permits	7,895	8,051	8,596	9,613	10,253	8,882	9,213	8,126
Intergovernmental revenues	85,861	88,427	88,273	94,351	104,434	152,681	85,993	89,839
Charges for services	23,853	42,579	50,151	47,440	34,457	30,525	41,039	39,625
Fines and forfeitures	1,924	2,213	2,736	3,029	3,210	3,728	3,533	2,826
Special assessments	319	237	167	211	235	249	224	241
Miscellaneous revenues	31,794	14,066	23,132	29,633	33,363	35,697	37,069	34,534
Interfund revenues	19,658	25,884	23,491	24,187	23,417	26,272	28,283	28,423
Total revenues	280,241	294,908	315,128	333,330	339,550	380,011	354,796	357,993
Expenditures:								
Current:								
General government	24,037	24,866	26,243	29,125	30,123	31,134	32,609	36,136
Public safety and justice	84,108	90,575	91,322	97,605	100,587	104,517	114,416	120,744
Land use, housing and transportation	79,269	83,831	74,360	91,616	81,633	127,152	94,595	99,590
Health and human services	45,225	50,373	54,156	59,418	60,526	68,393	52,605	58,405
Culture, education and recreation	14,700	15,761	14,810	14,402	14,751	15,655	23,081	25,774
Nonoperating	5,613	6,354	6,182	8,025	7,013	6,359	7,902	7,372
Capital outlay	18,375	6,874	8,470	7,703	13,716	26,176	9,360	8,739
Debt service:								
Principal	8,348	8,393	7,327	11,598	14,897	9,485	44,049	8,452
Interest	7,897	7,138	6,749	6,399	5,352	6,750	6,186	5,748
Total expenditures	287,572	294,165	289,619	325,891	328,598	395,621	384,803	370,960
Excess(deficiency) of revenues over (under) expenditures	(7,331)	743	25,509	7,439	10,952	(15,610)	(30,007)	(12,967)
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
Transfers out to other funds	(36,974)	(58,290)	(60,058)	(70,267)	(80,288)	(91,362)	(69,224)	(73,234)
Total other financing sources(uses)	(11,737)	(1,603)	4,766	278	31,865	2	34,125	504
Net change in fund balances	\$ (19,068)	(860)	30,275	7,717	42,817	(15,608)	4,118	(12,463)
Debt service as a percentage of noncapital expenditures	6.03%	5.41%	5.01%	5.66%	6.43%	4.39%	13.38%	3.92%

Source: Current and prior years' financial statements.

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REVENUE CAPACITY

WASHINGTON COUNTY, OREGON

Valuation of Taxable Property

Last Ten Fiscal Years

(In Thousands)

Fiscal year ended June 30	Assessed Value				Total direct tax rate	True cash valuation	Ratio of assessed valuation to true cash valuation
	Real property	Personal property	Public utility property	Total			
2000	\$ 24,716,577	\$ 1,479,124	\$ 826,532	\$ 27,022,233	2.55	\$ 35,483,600	76.15 %
2001	26,616,267	1,546,626	936,735	29,099,628	2.53	38,375,452	75.83
2002	28,359,299	1,655,117	1,155,253	31,169,669	2.96	42,641,803	73.10
2003	30,082,720	1,771,620	1,185,317	33,039,658	2.92	45,004,178	73.41
2004	31,411,567	1,668,488	1,178,235	34,258,289	2.90	50,523,742	67.81
2005	33,025,666	1,626,433	1,140,884	35,792,982	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	39,579,614	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	2.98	79,498,937	55.17

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 ⁽¹⁾	Component units of Washington County ⁽²⁾	School Districts	Fire Districts
2000	\$ 398,037	67,575	12,237	173,664	32,816
2001	425,819	72,380	13,360	185,009	35,727
2002	491,097	92,476	13,909	215,997	43,376
2003	520,050	96,229	14,490	233,208	45,345
2004	559,547	98,991	16,445	257,872	47,067
2005	565,497	102,382	18,695	251,279	49,269
2006	610,402	106,501	18,980	282,295	52,089
2007	598,942	96,775	19,575	269,116	54,774
2008	690,047	125,988	19,988	310,212	59,800
2009	715,850	130,338	23,855	313,624	61,864

⁽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>
58,283	17,375	11,243	1,991	9,467	8,057	5,329
61,975	17,780	12,301	2,099	10,529	8,998	5,661
67,730	18,661	4,156	2,200	17,077	9,392	6,123
73,626	19,374	4,557	2,305	16,174	8,685	6,057
78,318	20,040	6,306	2,381	17,302	9,178	5,647
81,830	20,804	4,587	2,488	18,017	13,053	3,093
86,783	21,736	4,868	2,616	18,386	14,053	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

WASHINGTON COUNTY, OREGON

Property Tax Levies and Collections⁽¹⁾

Last Ten Fiscal Years

(Dollars in thousands)

Fiscal year ended June 30	Certified tax levies			Current tax collections	Current tax collections as a percentage of current levy	Delinquent tax collections
	General Fund	Special levies	Total			
2000	\$ 59,672	\$ 20,140	\$ 79,812	\$ 77,120	96.6 %	\$ 2,446
2001	64,700	21,253	85,953	83,514	97.2	2,428
2002	70,387	35,998	106,385	103,530	97.3	2,281
2003	74,563	36,339	110,902	108,085	97.5	2,754
2004	77,079	38,358	115,437	112,738	97.7	2,721
2005	80,327	40,901	121,228	118,529	97.8	2,511
2006	84,583	41,013	125,596	123,189	98.1	2,726
2007	88,968	27,501	116,469	114,058	97.9	2,375
2008	93,588	45,498	139,086	135,706	97.6	2,295
2009	98,297	56,017	154,314	149,598	96.9	3,015

⁽¹⁾Includes small levies paid off early to other jurisdictions by the General Fund totaling \$228 in 2007-08.

Source: Washington County Finance Division

<u>Total tax collections</u>	<u>Total tax collections as a percentage of current levy</u>	<u>Uncollected taxes</u>	<u>Uncollected taxes as a percentage of current levy</u>
\$ 79,566	99.7 %	\$ 3,784	4.7 %
85,942	100.0	3,795	4.4
105,811	99.5	4,170	3.9
110,839	99.9	4,232	3.8
115,459	100.0	4,207	3.6
121,040	99.8	3,761	3.1
125,915	100.3	3,519	2.8
116,433	100.0	3,554	3.1
138,001	99.2	4,642	3.3
152,614	98.9	6,514	4.2

WASHINGTON COUNTY, OREGON

Principal Taxpayers Within the County
Current Year and Nine Years Ago

(Dollars in Thousands)

	2009			2000		
	Rank	Assessed valuation	Percent of total	Rank	Assessed valuation	Percent of total
Private enterprises:						
Intel Corporation	1	\$ 1,101,357	2.5 %	1	\$ 723,163	2.7 %
Verizon Northwest Inc.	2	438,549	1.0			
Nike, Inc.	3	411,843	0.9	3	250,584	0.9
Pacific Realty Associates	5	283,367	0.7	7	163,591	0.6
Maxim Integrated Products, Inc.	7	171,437	0.4		79,219	0.3
Sprint Nextel Corporation		—	—	6	190,459	0.7
Tektronix, Inc.	8	135,300	0.3		—	—
ERP Operating LP	9	115,413	0.3		—	—
PS Business Parks	10	102,806	0.2			
Integrated Devices/Sumitomo Bank		—		9	109,273	0.4
Komatsu Silicon America, Inc.		—	—	5	214,919	0.8
Public utilities:						
Portland General Electric	4	343,428	0.8		—	—
Northwest Natural Gas Co.	6	286,150	0.7	4	230,832	0.9
GTE Northwest, Inc.		—	—	8	143,216	0.5
		—	—	2	286,459	1.1
All other taxpayers		<u>40,473,472</u>	<u>92.4</u>		<u>24,630,518</u>	<u>91.1</u>
Total		<u>\$ 43,863,122</u>	<u>100.0</u>		<u>\$ 27,022,233</u>	<u>100.0</u>

Source: Washington County Department of Assessment and Taxation

DEBT CAPACITY

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
2000	\$ 77,773	\$ 225,900	\$ 303,673	\$ 27,022,233	1.1 %	\$ 682
2001	72,933	214,055	286,988	29,099,628	1.0	639
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

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			
	Bonds Payable	Notes Payable	Contracts Payable	Capital Lease Obligations
2000	\$ 77,773	24,321	910	2,696
2001	72,933	78,868	869	2,548
2002	67,275	83,449	827	2,388
2003	62,150	81,493	838	2,537
2004	56,980	77,853	741	2,344
2005	51,545	72,176	696	2,153
2006	46,015	94,593	650	1,951
2007	40,260	91,108	603	1,754
2008	33,570	88,121	555	1,525
2009	28,570	84,930	505	1,343

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

Source: Washington County Finance Division

<u>Business-Type Activities</u>			<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>		<u>Outstanding Debt Per Capita</u>
<u>Bonds Payable</u>	<u>Notes Payable</u>	<u>Contracts Payable</u>				
225,900	2,725	1,242	335,567	2.5	%	\$ 754
214,055	2,572	1,253	373,098	2.5		831
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	N/A		676

WASHINGTON COUNTY, OREGON

Legal Debt Margin Information

Last Ten Fiscal Years

(Dollars in thousands)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</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	\$ 79,498,937	76,919,205	69,903,003	58,389,427	52,646,589
Debt limit rate	2.0%	2.0%	2.0%	2.0%	2.0%
Debt limit	1,589,979	1,538,384	1,398,060	1,167,789	1,052,932
Less general obligation debt at June 30	28,570	33,570	40,260	46,015	51,545
Legal debt margin	<u>1,561,409</u>	<u>1,504,814</u>	<u>1,357,800</u>	<u>1,121,774</u>	<u>1,001,387</u>
Total net debt applicable to the limit as a percentage of debt limit	1.80%	2.18%	2.88%	3.94%	4.90%
-ORS 287.053 provides a debt limit on full faith and credit bonds of 1% of the real market value of all taxable property within the County's legal boundaries.					
Real market value	<u>79,498,937</u>	<u>76,919,205</u>	<u>69,903,003</u>	<u>58,389,427</u>	<u>52,646,589</u>
Debt limit rate	1.00%	1.0%	1.0%	1.0%	1.0%
Debt limit	794,989	769,192	699,030	583,894	526,466
Less full faith and credit obligation debt at June 30	82,920	85,905	88,695	91,990	69,395
Legal debt margin	<u>712,069</u>	<u>683,287</u>	<u>610,335</u>	<u>491,904</u>	<u>457,071</u>
Total net debt applicable to the limit as a percentage of debt limit	10.43%	11.17%	12.69%	15.75%	13.18%
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>79,498,937</u>	<u>76,919,205</u>	<u>69,903,003</u>	<u>58,389,427</u>	<u>52,646,589</u>
Debt limit rate	13.00%	13.00%	13.00%	13.00%	13.00%
Debt limit	10,334,862	9,999,497	9,087,390	7,590,626	6,844,057
Less general obligation debt at June 30	-	-	-	-	-
Legal debt margin	<u>10,334,862</u>	<u>9,999,497</u>	<u>9,087,390</u>	<u>7,590,626</u>	<u>6,844,057</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>67,466,438</u>	<u>65,485,068</u>	<u>59,132,300</u>	<u>48,348,600</u>	<u>48,571,562</u>
Debt limit rate	13.00%	13.00%	13.00%	13.00%	13.00%
Debt limit	8,770,637	8,513,059	7,687,199	6,285,318	6,314,303
Less general obligation debt at June 30	-	-	-	-	-
Legal debt margin	<u>\$ 8,770,637</u>	<u>8,513,059</u>	<u>7,687,199</u>	<u>6,285,318</u>	<u>6,314,303</u>
Total net debt applicable to the limit as a percentage of debt limit	—	—	—	—	—

Source: Washington County Finance Division

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<u>50,523,742</u>	<u>45,004,178</u>	<u>42,641,803</u>	<u>38,375,452</u>	<u>35,483,600</u>
2.0%	2.0%	2.0%	2.0%	2.0%
<u>1,010,475</u>	<u>900,084</u>	<u>852,836</u>	<u>767,509</u>	<u>709,672</u>
<u>56,980</u>	<u>62,150</u>	<u>67,275</u>	<u>72,933</u>	<u>77,773</u>
<u>953,495</u>	<u>837,934</u>	<u>785,561</u>	<u>694,576</u>	<u>631,899</u>
5.64%	6.90%	7.89%	9.50%	10.96%
<u>50,523,742</u>	<u>45,004,178</u>	<u>42,641,803</u>	<u>38,375,452</u>	<u>35,483,600</u>
1.0%	1.0%	1.0%	1.0%	1.0%
<u>505,237</u>	<u>450,042</u>	<u>426,418</u>	<u>383,755</u>	<u>354,836</u>
<u>75,195</u>	<u>69,710</u>	<u>74,780</u>	<u>70,165</u>	<u>5,195</u>
<u>430,042</u>	<u>380,332</u>	<u>351,638</u>	<u>313,590</u>	<u>349,641</u>
14.88%	15.49%	17.54%	18.28%	1.46%
<u>50,523,742</u>	<u>45,004,178</u>	<u>42,641,803</u>	<u>38,375,452</u>	<u>35,483,600</u>
13.00%	13.00%	13.00%	13.00%	13.00%
<u>6,568,086</u>	<u>5,850,543</u>	<u>5,543,434</u>	<u>4,988,809</u>	<u>4,612,868</u>
-	-	-	-	-
<u>6,568,086</u>	<u>5,850,543</u>	<u>5,543,434</u>	<u>4,988,809</u>	<u>4,612,868</u>
-	-	-	-	-
<u>41,464,678</u>	<u>41,464,678</u>	<u>39,274,295</u>	<u>35,179,581</u>	<u>32,452,694</u>
13.00%	13.00%	13.00%	13.00%	13.00%
<u>5,390,408</u>	<u>5,390,408</u>	<u>5,105,658</u>	<u>4,573,346</u>	<u>4,218,850</u>
-	-	-	340	695
<u>5,390,408</u>	<u>5,390,408</u>	<u>5,105,658</u>	<u>4,573,006</u>	<u>4,218,155</u>
-	-	-	0.01%	0.02%

WASHINGTON COUNTY, OREGON

Direct and Overlapping Governmental Activities Debt

June 30, 2009

(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	\$ 1,210	100.0 %	\$ 1,210
City of Banks	—	100.0	—
City of Beaverton	—	100.0	—
City of Cornelius	440	100.0	440
City of Durham	1,570	100.0	1,570
City of Forest Grove	3,205	100.0	3,205
City of Hillsboro	—	100.0	—
City of Lake Oswego	46	0.2	—
City of Portland	220	0.2	1
City of Sherwood	10,191	100.0	10,191
City of Tigard	10,012	100.0	10,012
City of Tualatin	9,321	88.2	8,219
City of Wilsonville	—	10.7	—
Clackamas County Education Service District	—	0.4	—
Clackamas County School District 3J (West Linn - Wilsonville)	3,418	1.7	58
Clackamas County School District 7J (Lake Oswego)	648	0.9	6
Columbia County School District 1J (Scappoose)	149	0.4	1
Forest Grove Rural Fire Protection District	190	100.0	190
Gaston Rural Fire Protection District	328	78.1	256
Metro	58,432	31.1	18,196
Multnomah County School District 1J (Portland)	89	0.6	1
Multnomah Education Service District	—	0.4	—
Northwest Regional Education Service District	—	75.3	—
Port of Portland	—	30.4	—
Portland Community College	99,923	42.6	42,607
Tri-Met	11,492	31.6	3,630
Tualatin Hills Parks & Recreation District	71,685	100.0	71,685
Tualatin Valley Fire & Rescue District	23,558	81.2	19,136
Washington County School District 13 (Banks)	10,545	100.0	10,545
Washington County School District 15 (Forest Grove)	41,906	100.0	41,906
Washington County School District 1J (Hillsboro)	264,903	100.0	264,850
Washington County School District 29 (Reedville Bond)	775	100.0	775
Washington County School District 23J (Tigard - Tualatin)	125,920	97.2	122,445
Washington County School District 48J (Beaverton)	416,579	99.5	414,579
Washington County School District 511J (Gaston)	—	81.4	—
Washington County School District 88J (Sherwood)	115,941	92.0	106,654
Willamette Education Service District	9	0.4	—
Yamhill County School District 29J (Newberg)	1,992	4.1	81
Total overlapping debt outstanding	<u>1,284,696</u>		<u>1,152,449</u>
Total overlapping debt outstanding	2,569,393		2,304,898
Direct debt outstanding:			
Washington County	<u>28,570</u>	100.0	<u>—</u>
Total direct and overlapping debt outstanding	<u>\$ 2,597,963</u>		<u>\$ 2,304,898</u>

Source: Oregon State Treasury, Debt Management Division

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

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>
2000	445	\$	13,450	\$	30	3.9 %
2001	449		14,881		33	5.1
2002	456		14,844		33	6.6
2003	463		14,973		32	8.3
2004	473		15,419		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		N/A		N/A	10.2

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

Principal Employers

Current Year and Nine Years Ago

Employer	2009			2000		
	Employees	Rank	Percentage of Total County Employment ⁽¹⁾	Employees	Rank	Percentage of Total County Employment ⁽¹⁾
Intel Corporation	15,000	1	6.41%	16,000	1	6.97%
Nike, Inc.	6,500	2	2.78%	2,850	2	1.24%
Beaverton School District	5,000	3	2.14%			
Providence St. Vincent Hospital	3,850	4	1.64%			
Target Stores	3,843	5	1.64%			
Shari's Restaurants	3,725	6	1.59%	2,000	5	0.87%
Hillsboro School District	2,400	7	1.03%			
Home Depot	2,000	8	0.85%	1,700	7	0.74%
Tektronix, Inc.	1,900	9	0.81%	2,000	6	0.87%
Kaiser Permanente	1,850	10	0.79%			
Volt Services Group				2,500	3	1.09%
Cyprus Semiconductor				2,000	4	0.87%
Rite Aid Corporation				1,600	8	0.70%
IBM				1,500	9	0.65%
Maxim Integrated Products				1,500	10	0.65%
Totals	46,068		19.68%	33,650		14.65%

⁽¹⁾ Total County employment is estimated based on information provided from the Oregon Employment Department and U.S. Census Bureau. This figure is estimated to be 234,100 for 2009 and 229,704 for 2000.

Sources: Westside Economic Alliance, Oregon Employment Department, and U.S. Census Bureau

OPERATING INFORMATION

WASHINGTON COUNTY, OREGON

Full-time Equivalent Employees by Function

Last Eight Fiscal Years

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

Source: Washington County Support Services Department

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

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009
General Government:								
Assessment & Taxation:								
Real property accounts	151,190	154,285	157,241	160,490	164,548	168,846	173,542	177,155
Personal property accounts	21,137	21,033	20,944	21,141	22,283	23,278	23,791	24,100
Mobile home accounts	6,640	6,522	6,387	6,227	6,092	5,930	5,569	5,336
Utility property accounts	1,044	1,084	1,097	1,072	941	997	977	940
County Counsel:								
Hours booked for General Fund programs	N/A	4,970	5,191	6,517	5,650	5,670	6,023	6,072
Hours booked for Special Revenue funds and miscellaneous	N/A	5,808	6,903	6,918	6,628	7,118	6,938	7,081
Hours booked for internal work	N/A	2,032	2,086	2,021	2,456	2,519	2,406	2,087
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
Number of collective bargaining units	4	4	4	4	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	N/A
Officer-initiated calls for service (including traffic responses)	47,571	62,870	61,756	70,006	76,595	75,023	72,432	N/A
Bookings per year at Jail	19,235	18,149	19,015	20,600	19,329	19,181	18,560	N/A
Average length of stay in Jail (in days)	10	11	12	11	17	17	10	N/A
Average daily Jail population	495	530	579	589	554	547	545	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	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
Percent of youth with no new offenses	73%	76%	73%	75%	72%	72%	71%	N/A
Total admissions to secure detention	625	549	515	538	547	586	632	724
Total admissions to shelter care evaluation	132	158	164	156	147	167	165	163
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
Average daily Community Corrections Center population	177	180	175	180	181	198	190	194
Average length of stay in Community Corrections Center (in days)	28	31	32	31	34	37	36	33
Number of offenders on supervision	4,089	3,999	4,137	3,962	4,059	4,176	4,205	4,162
Law Library:								
Total in-library users	4,280	4,854	6,917	6,165	6,968	8,788	9,214	9,797
Items checked out	456	608	675	786	1,022	864	800	802
Land Use, Housing, & Transportation:								
Land Use & Transportation (measured in calendar years):								
Total land use case files	542	542	538	518	596	278	434	N/A
Total land use actions	662	662	657	621	773	360	549	N/A
New subdivisions	36	36	43	54	83	25	14	N/A
Building permits issued (single family residential & remodels/additions)	1,194	1,194	1,458	1,504	1,648	1,639	1,212	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
Affordable housing (units)	1,833	1,973	1,973	2,684	2,684	2,684	2,684	2,684
Public housing (units)	297	297	297	297	297	297	265	257
Homeownership (units)	5	1		4	3	2	2	2
Homeless services (beds)	512	595	622	624	625	483	548	544
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
Number of households served by all CDBG programs	267	329	268	355	512	293	468	341
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
Solid Waste and Recycling phone calls received	3,542	3,683	3,269	3,127	3,082	3,500	3,187	3,442
Health Clinic - communicable disease client visits	13,589	15,606	14,053	13,666	12,500	11,862	11,683	10,378
Birth certificates received	7,065	7,529	7,498	7,511	7,500	8,177	4,172	N/A
Emergency Medical Services:								
CPR/AED people trained (measured in calendar years)	46	92	226	505	663	686	1,002	N/A
Ambulance licenses issued	87	86	112	94	110	113	103	98
Total ambulances inspected	15	25	40	35	37	27	—	7
Wheelchair car licenses issued	82	114	112	106	119	103	131	134
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
New users registered	32,731	34,621	34,521	38,730	36,104	38,189	41,715	44,797
Attendance at summer reading programs and events	17,948	16,652	19,685	26,621	25,050	36,672	38,966	41,234
Items delivered to member libraries via WCLS 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

N/A: Information not available

Source: Washington County Support Services Department

WASHINGTON COUNTY, OREGON

Capital Assets

Last Eight Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009
General Government:								
Facilities:								
Number of buildings - owned	25	25	25	25	25	22	23	24
Number of buildings - leased	7	8	9	9	9	10	8	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
Square feet - leased space	29,463	32,424	36,821	36,821	36,821	31,642	24,282	24,282
Fleet:								
Number of units maintained	494	497	511	513	532	542	549	564
Gallons of fuel dispensed	356,208	384,273	400,812	404,661	421,373	408,405	450,074	439,539
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
Number of work orders	4,824	4,269	4,049	4,202	4,101	3,821	4,229	4,444
Information Technology Services:								
Computers supported	1,272	1,532	1,559	1,617	1,675	1,739	2,028	2,127
Applications supported	N/A	360	360	363	358	608	630	665
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	N/A
Paved miles	996	996	1,014	1,017	1,017	1,033	1,035	N/A
Gravel miles	268	268	263	260	259	252	236	N/A
Urban miles	582	582	617	616	615	627	630	N/A
Rural miles	682	682	660	661	661	657	641	N/A
Bridges	185	185	186	186	187	187	187	N/A
Traffic signals	291	291	300	322	325	325	369	N/A

Source: Washington County Support Services Department

N/A: Information not available

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**WASHINGTON COUNTY,
OREGON**

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

SECTION IV

AUDIT COMMENTS AND DISCLOSURES

REQUIRED BY STATE REGULATIONS

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

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AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

December 16, 2009

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, 2009, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 16, 2009. We did not audit the financial statements of the business-type activities of Clean Water Services, a component unit of Washington County, Oregon (the District), which is both presented as a major fund, and is 94 percent, 97 percent, and 79 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, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and *Minimum Standards for Audits of Oregon Municipal Corporations*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

We considered the County's internal control over financial reporting as necessary to plan and perform our audit of the basic financial statements. We have issued, under separate cover, our report on internal control over financial reporting and on compliance and other matters dated December 16, 2009.

ACCOUNTING RECORDS

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

COLLATERAL

The County has complied with Oregon Revised Statutes (ORS) 295 in relation to its deposit accounts for the year ended June 30, 2009.

INVESTMENTS

Our review of deposit and investment balances indicated that, during the year ended June 30, 2009, the County was in compliance with ORS 294 as it pertains to investment of public funds.

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

INDEBTEDNESS

We noted the indebtedness of the County was in compliance with ORS 287.004 during the year ended June 30, 2009. We noted no defaults in principal, interest, sinking fund or redemption provisions with respect to any of the County's bonded debt, and no breach of the bond agreements at June 30, 2009.

BUDGET

The County appears to have complied with Local Budget Law (ORS 294.305 to 294.520) in the preparation, adoption, and execution of its budget and tax levy for the year ended June 30, 2009, and the preparation and adoption of its budget for the year ending June 30, 2010, except as noted for the following items:

- The County had the following deficit fund balances at June 30, 2009:

Special Revenue Funds

Home	(2)
Community Development Block Grant	(15)
Sheriff's Office Contract Services	(32)
Child Abuse Multi Intervention	(76)
Sheriff's Office Grants & Donations	(103)

Debt Service Funds

Miscellaneous Debt Service Funds	(24)
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- In adopting the 2009-10 budget there were three instances where there were changes over 10% from the approved budget expenditures to the adopted budget expenditures. These three exceptions are: (1) Fund 100, Org. Unit 6010, (2) Fund 354, Org. Unit 3580, and (3) Fund 356, Org. Unit 3580. These increases in appropriation of more than 10% by the Governing Board upon adoption were not properly approved by the Budget Committee as required per ORS 294.

A description of the budgeting process is included in the Notes to Basic Financial Statements.

INSURANCE AND FIDELITY BONDS

We have reviewed the County's legally required insurance and fidelity bond coverage at June 30, 2009. We ascertained that such policies appeared to be in force and in compliance with legal requirements relating to insurance and fidelity bond coverage. We are not competent by training to comment on the adequacy of the insurance policies covering County property at June 30, 2009.

PUBLIC CONTRACTS AND PURCHASING

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

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

PROGRAMS FUNDED FROM OUTSIDE SOURCES

In a separate report dated December 16, 2009, we have reported on the Schedule of Expenditures of Federal Awards. We have also reported on internal control over financial reporting and on compliance and other matters based on an audit of the basic financial statements performed in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, and on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133.

FINANCIAL REPORTING REQUIREMENTS

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

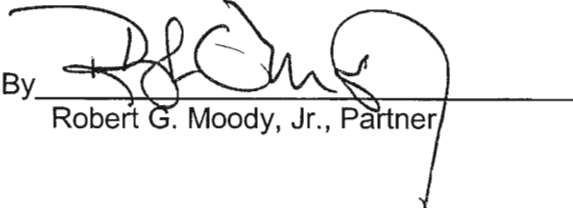
HIGHWAY FUNDS

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

* * * * *

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

TALBOT, KORVOLA & WARWICK, LLP
Certified Public Accountants

By 
Robert G. Moody, Jr., Partner

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