

**MALHEUR COUNTY, OREGON**

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Report on Audited  
Basic Cash Basis  
Financial Statements  
and  
Supplemental Information

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For the Year Ended June 30, 2016

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**Malheur County, Oregon**  
Principal Officers  
For the Year Ended June 30, 2016

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	<u>GOVERNING BOARD</u>	<u>TERM EXPIRES</u>
Dan P. Joyce	County Judge Ontario, Oregon	January 2023
Lawrence Wilson	County Commissioner Ontario, Oregon	January 2021
Don Hodge	County Commissioner Ontario, Oregon	January 2019
Registered Agent	Dan P. Joyce	
Registered Office	251 B Street West Vale, Oregon 97918	

OTHER ELECTED OFFICIALS

County Sheriff	Brian Wolfe	January 2021
County Clerk	Deborah R. DeLong	January 2019
County Treasurer	Jennifer Forsyth	January 2019
County Assessor	Dave Ingram	January 2021
Justice of the Peace	Margaret Mahoney	January 2019

OTHER APPOINTED OFFICIALS

Administrative Officer	Lorinda DuBois
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# Millington Zwygart

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditor's Report

Board of Commissioners  
Malheur County, Oregon  
Vale, Oregon

### Report on the Financial Statements

We have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Malheur County, Oregon (the County), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic cash financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Malheur County, Oregon, as of June 30, 2016, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the cash basis of accounting described in note 1.

## **Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

## ***Other Matters***

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the cash basis financial statements that collectively comprise Malheur County, Oregon's basic cash basis financial statements. The introductory section, cash basis budgetary comparison, combining and individual cash basis fund financial statements, and the other schedules, are presented for purposes of additional analysis and are not a required part of the cash basis financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the cash basis financial statements.

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

The introductory section has not been subjected to the auditing procedures applied in the audit of the cash basis financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2016, on our consideration of Malheur County, Oregon's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Malheur County, Oregon's internal control over financial reporting and compliance.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated December 5, 2016 on our consideration of the County's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

*Millington Zwyzart CPAs, PLLC*

By: *Jordan Zwyzart*

Caldwell, Idaho  
December 5, 2016



**Malheur County, Oregon**  
Statement of Net Position - Cash Basis  
June 30, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and Cash Equivalents	\$ 7,660,397	\$ 82,082	\$ 7,742,479
Short-term Investments	302,053	-	302,053
Total Assets	7,962,450	82,082	8,044,532
<b>Liabilities</b>			
Overdrawn Account	-	-	-
Total Liabilities	-	-	-
<b>Net Position</b>			
Restricted for:			
Public Safety	774,607	-	774,607
Roads and Bridges	1,204,317	-	1,204,317
Social Services	56,768	-	56,768
Restricted for other purposes	1,422,998	-	1,422,998
Unrestricted	4,503,760	82,082	4,585,842
Total Net Position	\$ 7,962,450	\$ 82,082	\$ 8,044,532

The accompanying notes are an integral  
part of the financial statements

**Malheur County, Oregon**  
Statement of Activities - Cash Basis  
For the Year Ended June 30, 2016

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
		Governmental Activities	Business-type Activities				
<b>Primary Government:</b>							
Governmental Activities:							
General Government	\$ 2,151,604	\$ 2,891,352	\$ 648,063	\$ -	\$ 1,387,811	\$ -	\$ 1,387,811
Social Services	4,455,733	17,256	474,040	-	(3,964,437)	-	(3,964,437)
Public Safety and Justice	9,010,319	289,207	333,880	-	(8,387,232)	-	(8,387,232)
Community Services	1,290,343	607	-	-	(1,289,736)	-	(1,289,736)
Library Services	22,327	21,638	-	-	(689)	-	(689)
Roads and Bridges	2,471,587	60,803	-	-	(2,410,784)	-	(2,410,784)
Debt Services:							
Principal	92,752	-	-	-	(92,752)	-	(92,752)
Interest	19,351	-	-	-	(19,351)	-	(19,351)
Total Governmental Activities	19,514,016	3,280,863	1,455,983	-	(14,777,170)	-	(14,777,170)
Business-type Activities:							
Malheur County Fair	234,466	208,058	6,040	-	-	(20,368)	(20,368)
Total Business-type Activities	234,466	208,058	6,040	-	-	(20,368)	(20,368)
<b>Total Primary Government</b>	<b>\$ 19,748,482</b>	<b>\$ 3,488,921</b>	<b>\$ 1,462,023</b>	<b>-</b>	<b>(14,777,170)</b>	<b>(20,368)</b>	<b>(14,797,538)</b>
General Revenues:							
Property Taxes					5,184,262	-	5,184,262
Intergovernmental					10,358,482	53,667	10,412,149
Investment Earnings (Losses)					25,402	220	25,622
Debt Proceeds					130,000	-	130,000
Other Income					-	-	-
Disposal of Assets					20,372	-	20,372
Total General Revenues					15,718,518	53,887	15,772,405
Special Items:							
Transfer Between Governmental and Business Funds					(10,500)	10,500	-
Total General Revenues and Special Items					31,426,536	118,274	31,544,810
Change in Net Position					930,848	44,019	974,867
Net Position, Beginning of Year - Previously Stated					6,878,826	38,063	6,916,889
Prior Period Adjustment					152,776	-	152,776
Net Position, Beginning of Year					7,031,602	38,063	7,069,665
Net Position, End of Year					<b>\$ 7,962,450</b>	<b>\$ 82,082</b>	<b>\$ 8,044,532</b>

The accompanying notes are an integral  
part of the financial statements

**Malheur County, Oregon**  
 Balance Sheet - Cash Basis -  
 Governmental Funds  
 June 30, 2016

	<u>General Fund</u>	<u>Road Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 4,201,707	\$ 900,001	\$ 2,558,689	\$ 7,660,397
Short-Term Investments	302,053	-	-	302,053
Internal Balance	20	-	-	20
<b>Total Assets</b>	<u>\$ 4,503,780</u>	<u>\$ 900,001</u>	<u>\$ 2,558,689</u>	<u>\$ 7,962,470</u>
<b>Liabilities</b>				
Internal Balance	\$ -	\$ -	\$ 20	\$ 20
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>20</u>	<u>20</u>
<b>Fund Balances</b>				
Restricted	-	900,001	2,558,689	3,458,690
Unassigned	4,503,780	-	(20)	4,503,760
<b>Total Fund Balances</b>	<u>4,503,780</u>	<u>900,001</u>	<u>2,558,669</u>	<u>7,962,450</u>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<u>\$ 4,503,780</u>	<u>\$ 900,001</u>	<u>\$ 2,558,689</u>	<u>\$ 7,962,470</u>

The accompanying notes are an integral  
 part of the financial statements

**Malheur County, Oregon**  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Cash Basis -  
Governmental Funds  
For the Year Ended June 30, 2016

	General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$ 4,583,721	\$ -	\$ 600,541	\$ 5,184,262
Intergovernmental	3,916,533	2,307,517	4,134,432	10,358,482
Grants	648,063	-	807,920	1,455,983
Charges for Services	2,834,958	60,803	385,102	3,280,863
Investment Earnings (Losses)	11,717	4,006	9,679	25,402
Other Income	-	-	-	-
<b>Total Revenues</b>	<u>11,994,992</u>	<u>2,372,326</u>	<u>5,937,674</u>	<u>20,304,992</u>
<b>Expenditures</b>				
Current:				
General Government	2,058,715	-	80,067	2,138,782
Social Services	1,897,308	-	2,543,425	4,440,733
Public Safety and Justice	7,433,755	-	1,537,393	8,971,148
Community Services	770,044	-	505,208	1,275,252
Library Services	6,000	-	16,327	22,327
Roads and Bridges	-	2,319,638	9,549	2,329,187
Capital Outlay	61,044	142,400	21,040	224,484
Debt Service:				
Principal	-	92,752	-	92,752
Interest	-	19,351	-	19,351
<b>Total Expenditures</b>	<u>12,226,866</u>	<u>2,574,141</u>	<u>4,713,009</u>	<u>19,514,016</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(231,874)</u>	<u>(201,815)</u>	<u>1,224,665</u>	<u>790,976</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Equipment	4,772	15,600	-	20,372
Debt Proceeds	-	130,000	-	130,000
Transfers In	799,848	-	76,806	876,654
Transfers Out	(20,000)	(41,806)	(825,348)	(887,154)
<b>Total Other Financing Sources (Uses)</b>	<u>784,620</u>	<u>103,794</u>	<u>(748,542)</u>	<u>139,872</u>
<b>Net Change in Fund Balances</b>	<u>552,746</u>	<u>(98,021)</u>	<u>476,123</u>	<u>930,848</u>
Fund Balances - Beginning -				
Previously Stated	3,798,258	998,022	2,082,546	6,878,826
Prior Period Adjustment	152,776	-	-	152,776
<b>Fund Balance - Beginning</b>	<u>3,951,034</u>	<u>998,022</u>	<u>2,082,546</u>	<u>7,031,602</u>
<b>Fund Balances - Ending</b>	<u>\$ 4,503,780</u>	<u>\$ 900,001</u>	<u>\$ 2,558,669</u>	<u>\$ 7,962,450</u>

The accompanying notes are an integral  
part of the financial statements

**Malheur County, Oregon**  
Statement of Net Position- Cash Basis - Proprietary Funds  
June 30, 2016

	<u>Enterprise Funds</u> <u>Malheur County</u> <u>Fair Board</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 82,082
Total Assets	82,082
<b>Liabilities</b>	
Bank Overdrawn	-
Total Liabilities	-
<b>Net Position</b>	
Unrestricted	82,082
Total Net Position	\$ 82,082

The accompanying notes are an integral  
part of the financial statements

**Malheur County, Oregon**  
Statement of Revenues, Expenses, and Changes in Net Position -  
Cash Basis - Proprietary Funds  
For the Year Ended June 30, 2016

	<u>Enterprise Funds</u>
	<u>Malheur County</u>
	<u>Fair Board</u>
<b>Operating Revenues</b>	
Property Taxes	\$ -
Intergovernmental	53,667
Grants	-
Charges for Services	208,058
Contributions	6,040
Total Operating Revenues	267,765
<b>Operating Expenses</b>	
Personnel Services	77,268
Material and Supplies	157,198
Capital Outlay	-
Total Operating Expenses	234,466
<b>Net Operating Income (Loss)</b>	33,299
<b>Nonoperating Revenue (Expense)</b>	
Sale of Assets	-
Interest	220
Transfer From Governmental Activities	10,500
Total Nonoperating Revenue (Expense)	10,720
Change in Net Position	44,019
Net Position - Beginning	38,063
Net Position - Ending	\$ 82,082

The accompanying notes are an integral  
part of the financial statements

**Malheur County, Oregon**  
Statement of Fiduciary Net Position - Cash Basis- Fiduciary Funds  
June 30, 2016

	<u>Agency Funds</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 442,878
Total Assets	<u>\$ 442,878</u>
<b>Liabilities</b>	
Due to Other Funds or Taxing Units	\$ 442,878
Total Liabilities	<u>\$ 442,878</u>

The accompanying notes are an integral  
part of the financial statements

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Malheur County, Oregon (the County) was created in 1887. The County includes a geographical area of approximately 9,888 square miles and operates under a county court form of government. Major services provided by the County included police protection, planning/land use, building permitting, community services, Roads and Bridges, Health and Social Services, and Library.

The accompany financial statements present the County as the primary government. The County has no component units, which are legally separate organizations fiscally dependent on the County or for which the County is financially accountable. The County is a municipal corporation governed by a County Court comprised of a judge and two commissioners elected at biannual elections.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

*Government-wide Statements:* The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall County, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.
- Indirect expenses - expenses of the County related to the administration and support of the County's programs, such as personnel and accounting - are not allocated to programs.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.



**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

*Fund Financial Statements:* The fund financial statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category - *governmental, proprietary, and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, use, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid.

The difference between governmental fund assets and liabilities is reported as fund balance. The County reports the following major governmental funds:

- *General fund.* This is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.
- *Road and Bridge fund.* This fund accounts for repairs and maintenance of roads and bridges and construction of new roads and bridges.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Proprietary fund operating revenues and expenses are related to providing services related to the County Fair, including personal expenses, materials and supplies, and capital outlay. Revenues and expenses that arise from capital and non-capital financing activities and from investing activities are presented as non-operating revenues and expenses.

Enterprise Funds

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County reports the following enterprise funds:

- *Malheur County Fair Board:* These funds account for the activities of the County's fair board. Including all fair related income and expenses.

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary Funds

The County reports the following fiduciary fund types:

- *Agency Funds*: These funds are being held by the county on behalf of another taxing unit.

Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the cash basis of accounting. Revenues are recorded when received and expenses when paid. Accounts receivable, accounts payable and other liabilities, and fixed assets are not reported on the financial statements.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, and donations. On a cash basis revenue is recognized when the funds are received by the county.

Governmental funds are reported using the cash basis of accounting. Under this method, revenues are recognized when received. Expenditures are recorded when the funds have been paid. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Fund Balance Reporting in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet. The District uses the following fund balance categories in the governmental fund Balance Sheet:

- *Restricted*. Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Unassigned*. Balances available for any purpose.

The remaining fund balance classifications (nonspendable, committed, and assigned) are either not applicable or no formal policy has yet been established to be able to utilize such classifications of fund balance. However, if there had been committed funds, these amounts would have been decided by the Board of Commissioners, the County's highest level of decision making authority, through a formal action. The Board of Commissioners would also have the authority to assign funds or authorize another official to do so.

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position/fund balance available to finance the program. When both restricted and unrestricted resources are available for use, it is the government's intent to use restricted resources first, then unrestricted resources as they are needed.

There is also no formal policy regarding the use of committed, assigned, or unassigned fund balances. However, it is the County's intent that when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the County considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

C. Assets and Liabilities

Cash Equivalents

The County requires all cash belonging to the County to be placed in custody of the Treasurer. A "Pooled Cash" concept is therefore used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All deposits and short-term investments with an original maturity of three or less are considered to be cash and cash equivalents. Investments are stated at fair value. See Note 2.

Fair Value Measurements

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

Property Taxes

Property taxes are levied and become a lien on July 1. Property taxes are assessed in October and tax payments are due November 15<sup>th</sup> of the same year. Under the partial payment schedule, the first one third of taxes are due November 15<sup>th</sup>, the second one-third on February 15<sup>th</sup>. A two percent discount is allowed if two thirds of the taxes are paid by November 15<sup>th</sup>. Taxes become delinquent if not paid fully by May 15 and interest accrues after each trimester at a rate of one percent per month. If, after three years from the tax due date, taxes are still unpaid, counties initiate tax foreclosure proceedings

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

Deposits

As of June 30, 2016, the carrying amount of the County's deposits was \$3,969,202 and the respective bank balances totaled \$5,007,317. The total bank balance was insured or covered by collateral held in a multiple financial institution collateral pool (RS 295.015) administered by the Oregon Office of the State Treasurer in the Public Funds Collateralization Program (PFCP).

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of June 30, 2016, all of the County's deposits were covered by the federal depository insurance or covered by collateral held in a multiple financial institution collateral pool (RS 295.015) administered by the Oregon Office of the State Treasurer in the Public Funds Collateralization Program (PFCP) , and thus were not exposed to custodial credit risk. The County does not have a formal policy limiting its exposure to custodial credit risk for deposits.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The County does not have a formal policy limiting its custodial credit risk for investments.

Interest Rate Risk

The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

2. CASH AND INVESTMENTS (continued)

Investments

The County voluntarily participates in the State of Oregon Investment Pool which has not been rated. The pool is not registered with the Securities and Exchange Commission or any other regulatory body. Oversight of the pool is with the Oregon Short-Term Fund Board who defines allowable investments. The fair value of the County's investment in the pool is the same as the value of the pool shares, measured on a monthly basis.

The County follows Oregon Revised Statutes, Chapter 294, which outlines qualifying investment options as follows:

Oregon Revised Statutes, Chapter 294, authorizes the County to invest in obligations of the U.S. Treasury, U.S. Government agencies and instrumentalities, bankers' acceptances guaranteed by a qualified financial institution, commercial paper, corporate bonds, repurchase agreements, State of Oregon Local Government Investment Pool ("LGIP"), and various interest-bearing bonds of Oregon Municipalities.

The County has the following recurring fair value measurements as of June 30, 2016:

- U.S. Treasury Bonds securities of \$179,031 are valued using quoted market prices (Level 1 inputs)
- Corporate Bond securities of \$123,022 are valued using quoted market prices (Level 1 inputs)

The County's investments at June 30, 2016, are summarized below:

Investment Type	Rating	Fair Value	Investment Maturities (In Years)		
			Less Than	1 - 5 Years	More Than 5 Years
External Investment Pool	Not Rated	\$4,020,143	\$4,020,143	\$ -	\$ -
Treasury Bonds	AAA	179,031	179,031	-	-
Corporate Bonds	A2	123,022	123,022	-	-
Total Investments	Not Rated	<u>\$4,322,196</u>	<u>\$4,322,196</u>	<u>\$ -</u>	<u>\$ -</u>

At year-end, the cash and cash equivalents reported in the basic financial statements are made up of the following categories:

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

2. CASH AND INVESTMENTS (continued)

	Governmental Activities	Business-type Activities	Total	Agency Funds	Total Fiduciary
Cash and Cash Equivalents	\$ 3,640,254	\$ 82,082	\$ 3,722,336	\$ 442,878	\$ 442,878
as Cash and Cash Equivalents	4,020,143		4,020,143	-	-
Investments	302,053	-	302,053	-	-
	<u>\$ 7,962,450</u>	<u>\$ 82,082</u>	<u>\$ 8,044,532</u>	<u>\$ 442,878</u>	<u>\$ 442,878</u>

The following accounts are not recorded on the County's books:

	Book Balance	Bank Balance
County Clerk Fees	\$ 2,867	\$ 30,949
Sheriff's Office	7,568	7,568
Justice Court	152,776	229,295
Inmate Trust	23,277	23,277
Work Release	108	388
Fair Board	8,592	8,696
	<u>\$195,188</u>	<u>\$300,173</u>

3. INTERFUND TRANSFERS

The following is a summary of transfers between funds in the fund financial statements for the year ended June 30, 2016:

\$ 799,848	Transferred from Nonmajor funds to the General fund for expenses paid
20,000	Transferred from the General fund to Nonmajor funds for expenses paid
41,806	Transferred from Nonmajor funds to the Road fund for expenses paid
15,000	Transferred from Nonmajor funds to other Nonmajor funds for expenses paid
10,500	Transferred from Nonmajor funds to the Malheur County Fair Board fund for expenses paid
<u>\$887,154</u>	

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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4. INTERFUND BALANCES

The following is a summary of balances due from other funds reported in the fund financial statements as of June 30, 2016:

\$ 20 Due to the General fund from Nonmajor funds representing cash overdrafts.

5. DEFICIT FUND BALANCES

The following funds had a deficit fund balances as of June 30, 2016:

<u>Fund</u>	
Project Dove	<u>\$ (20)</u>

6. PENSION PLAN

***Public Employees Retirement System***

*Plan Description.* Malheur County, Oregon contributes to the Oregon Public Employees Retirement Fund (OPERF). The County is not a member of a State Local Government Rate Pool (SLGRP). Non-pooled employers, which include the County, participate in two plans. One is a cost sharing multiple-employer pension plan for purposes of Tier1/Tier 2 PERS pension liabilities. The other is a cost sharing plan for purpose of the Oregon Public Service Retirement Plan (OPSRP) pension liabilities. Both are administered by the State of Oregon Public Employees Retirement System (PERS).

***Plan Benefits***

*Tier One/Tier Two Retirement Benefit (Chapter 238):*

Pension Benefits - The PERS retirement allowance may be selected from 13 retirement benefit options. These options include annuities, survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

Death Benefits - Upon the death of a non-retired member, the beneficiary receives a lump sum refund of the member's account balance (accumulated contributions and interest) and employer funds equal to the account balance, provided certain conditions are met.

Disability Benefits - This is available for qualifying employees for both duty and non-duty connected causes.

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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6. PENSION PLAN (continued)

Benefit Changes After Retirement - Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Also, monthly benefits are adjusted annually through cost-of-living changes.

*OPSRP Pension Program (ORS Chapter 238A):*

Pension Benefits - The Pension Program provides benefits to members hired on or after August 29, 2003. OPSRP provides a life pension funded by employer contributions. Benefits are based upon the number of years of service and the final average salary.

Death Benefits - Upon the death of a non-retired member, the beneficiary receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

Disability Benefits - This is available for qualifying employees for both duty and non-duty connected causes.

Benefit Changes After Retirement - Monthly benefits are adjusted annually through cost of-living changes.

*OPSRP Individual Account Program (OPSRP IAP):*

Pension Benefits – An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of services in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over 5-, 10-, 15-, or 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits - Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balances, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.



**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

6. PENSION PLAN (continued)

Recordkeeping – OPERS contracts with VOYA Financial to maintain IAP participant records.

*Contributions:*

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The County paid 11.64% for Tier 1 and Tier II employees, 7.32% for OPSRP General Service payroll, and 10.05% for OPSRP Police and Fire payroll members for the fiscal year.

Employer contribution rates during the period were based on the December 31, 2011 actuarial valuation as subsequently modified by 2013 legislated changes in benefit provisions. The state of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced. Employer contributions for the year ended June 30, 2015 were \$909,912. Both PERS and OPSRP are administered by the Oregon Public Employees Retirement Board ("OPERB"). The comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (503) 598-7377, or by accessing the PERS web site at [www.oregon.gov/PERS](http://www.oregon.gov/PERS).

Actuarial methods and assumptions used in developing total pension liability:

Valuation Date	December 1, 2013 rolled forward to June 30, 2015
Experience Study	2014, Published September 2015
Amortization cost method	Entry Age Normal
Amortization method	Amortized as level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years.
Asset valuation	Market value of assets
Actuarial	
Inflation rate	2.75 Percent
Investment rate of return	7.75 Percent
Projected salary increases	3.75 percent overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service.

The methods and assumptions shown above are based on the 2012 Experience Study which reviewed experience for the four-year period ending on December 31, 2012.

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

6. PENSION PLAN (continued)

*Discount Rate*

The discount rate used to measure the total pension liability was 7.75 percent, the same as the prior year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Assumed Asset Allocation:

Asset Class/ Strategy	Low Range	High Range	Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Private Equity	16.0%	24.0%	20.0%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	10.0%	10.0%
Opportunity Portfolio	0.0%	3.0%	0.0%

Long-Term Expected Rate of Return:

Asset Class	Target	Compound Annual Return (Geometric)
Core Fixed Income	7.20%	4.50%
Short-Term Bonds	8.00%	3.70%
Intermediate - Term Bonds	3.00%	4.10%
High Yield Bonds	1.80%	6.66%
Large Cap US Equities	11.65%	7.20%
Mid Cap US Equities	3.88%	7.30%
Small Cap US Equities	2.27%	7.45%
Developed Foreign Equities	14.21%	6.90%
Emerging Foreign Equities	5.49%	7.40%
Private Equity	20.00%	8.26%
Opportunity Funds/ Absolute Return	5.00%	6.01%
Real Estate (Property)	13.75%	6.51%
Real Estate (REITS)	2.50%	6.76%
Commodities	1.25%	6.07%
Assumed Inflation - Mean		2.75%

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

6. PENSION PLAN (continued)

**Measurement Date [MD] of the Net Pension Liability/(Asset)  
[NPL/(A)]**

	June 30, 2015
Actuarial Valuation Date (liability rolled forward to MD)	December 31, 2013
Discount Rate	7.75%
Employer's proportionate share at prior MD	0.07839934%
Employer's proportionate share at MD	0.07045832%
Employer's proportionate share of system NPL/(A) at prior MD	\$ (1,777,089)
Employer's proportionate share of system NPL/(A) at MD	<b>\$ 4,045,337</b>
· Sensitivity: NPL/(A) using discount rate 1.00% lower	\$ 9,763,271
· Sensitivity: NPL/(A) using discount rate 1.00% higher	\$ (773,379)

**Employer Pension Expense for Measurement Period**

· Employer's proportionate share of system Pensions Expense/(Income)	\$ 3,981,968
· Net amortization of deferred amounts from:	
· Changes in proportionate share	\$ (30,987)
· Difference between employer contributions and employer's proportionate share of system contributions	\$ (3,102)
Employer's Total Pension Expense/(Income)	<b>\$ 3,947,879</b>

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual	\$ 218,145	\$ -
Change of assumptions	\$ -	\$ -
Net difference between projected and actual earnings on investments	\$ -	\$ 847,994
Changes in proportion and difference between employer contributions and proportionate share of contributions	\$ 10,978	\$ 163,405
Total (prior to post-MD contributions)	\$ 229,123	\$ 1,011,399
Contributions subsequent to the MD	\$ 847,043	\$ -
Net Deferred Outflow/(Inflow) of Resources		\$ (782,276)

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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6. PENSION PLAN (continued)

Amounts reported as deferred outflows or inflows of resources related to pension would be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflows/(Inflows) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	\$ (389,118)
2nd Fiscal Year	(389,118)
3rd Fiscal Year	(389,118)
4th Fiscal Year	380,098
5th Fiscal Year	4,978
Therafter	-

All assumptions, methods and plan provisions used in these calculations are described in Oregon PERS system-wide GASB 68 reporting summary dated December 1, 2015.

These amounts are not reported on the County's financial statements because they are reported using the cash basis of accounting.

The actuarially determined contribution requirements of the County and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2016, the required contribution rate as a percentage of covered payrolls for members was 6% for general members and 6% for police/firefighters. The employer rate as a percentage of covered payroll was 7.33% for general members and 11.44% for police/firefighter members. The County employer contributions required and paid were \$847,043, \$742,576, and \$778,477 for the three years ended June 30, 2016, 2015, and 2014, respectively.

7. RISK MANAGEMENT

The County is exposed to a considerable number of risks of loss including, but not limited to, a) damage to and loss of property and contents, b) employee torts, c) professional liabilities, i.e. errors and omissions, d) environmental damage, e) worker's compensation, i.e. employee injuries, and f) medical insurance costs of its employees. Commercial insurance policies are purchased to transfer the risk of loss for property and content damage, employee torts, and professional liabilities.

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

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8. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS:

Lytle Landfill Permit #348

The County has not had an operating deficit greater than five percent of revenue in more than one of the two fiscal years immediately past.

<b>General Fund Only:</b>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
X: Beginning Cash Balance	\$ 3,951,034	\$ 3,843,712	\$ 3,377,427
Y: Total Revenue	\$12,949,612	\$11,455,820	\$11,322,978
X/Y	31%	34%	30%
B: Total Expenditures	\$12,396,866	\$12,268,491	\$11,606,751
A: Ending Cash Balance	\$ 4,503,780	\$ 3,771,959	\$ 3,843,712
A/B	36%	31%	33%

The County is adequately liquid in that its liquid assets are equal to or greater than five percent of expenditures:

A: Cash plus Marketable Securities	\$ 4,503,780	\$ 3,771,959	\$ 3,843,712
B: Total Expenditures	\$12,396,866	\$12,268,491	\$11,606,751
A/B	36%	31%	33%

Environmental obligations do not consume a disproportionate share of the County's revenues. All the County's environmental obligations, including guarantees of third party obligations do not exceed 43 percent of revenues.

C: Environmental Obligations	\$ 86,133	\$ 86,133	\$ 86,133
D: Revenue	\$12,949,612	\$11,455,820	\$11,322,978
C/D	0.7%	0.8%	0.8%

The County's financial statements are reported on a cash basis. Any cost for the landfill closure will be recognized when it is paid.

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

8. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS (continued):

State and federal laws and regulations require the County to place a final cover on its landfill sites when the landfills stop accepting waste and to perform certain maintenance and monitoring functions at these sites for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date the landfills stop accepting waste, the County is required to report these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The following schedule shows details of landfill closure and post-closure liability:

	Landfill Closure and Post-closure Care Liability	% of Capacity Used	Estimated Remaining Life (years)
Lytle Landfill General Fund	\$ 86,133	59.90%	29

The above dollar amounts are based on what it would cost to perform all closure and post-closure in 2016. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The above liability is not reported on the financial statements, because they are displayed using the cash basis of accounting.

9. LEASE COMMITMENTS

Capital Leases

The County leases certain equipment under long-term lease agreements. These leases are not recorded on the financial statements, because the financial statements use the cash basis of accounting.

Changes in the long-term leases for the year ended June 30, 2016 are as follows:

	Rate	Maturity	6/30/2015	Increase	Decrease	6/30/2016	Current
US Bank Equipment Finance	3.92%	2015	\$ 2,979	\$ -	\$ (2,979)	\$ -	\$ -
Grade Lease	3.50%	2019	142,410	-	(33,730)	108,680	34,911
Loader Lease	3.50%	2020	100,000	-	(20,006)	79,994	18,933
			\$ 245,389	\$ -	\$ (56,715)	\$ 188,674	\$ 53,844

There was interest expense of \$6,797 paid on capital leases during the year ending June 30, 2016

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

9. LEASE COMMITMENTS (continued)

Future lease payments as of June 30, 2016 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	\$ 53,844	\$ 6,649	\$ 60,493
2018	55,739	4,754	60,493
2019	57,941	2,791	60,732
2020	21,150	752	21,902
	<u>\$ 188,674</u>	<u>\$ 14,946</u>	<u>\$ 203,620</u>

Operating Leases

In January 2015 the County entered into a lease to rent property in Ontario Oregon. The lease was for two years and had monthly payments of \$2,900. Future minimum lease payments are as follows:

Fiscal Year Ending June 30,	
2017	\$ 17,400
	<u>\$ 17,400</u>

Rent expense for the year ended June 30, 2016 was \$34,800.

10. LONG-TERM OBLIGATIONS

In 2005 the County entered into a 20 year agreement to purchase a plot of land. The original loan was for \$290,000, with monthly payments of \$2,248.

In 2016 the County entered into a 15 year loan for \$130,000 to purchase a gravel pit. The loan requires annual payments \$11,233.

Long-term obligation activity for the year ended June 30, 2016 was as follows:

<u>Description</u>	<u>Maturity</u>	<u>Rate</u>	<u>6/30/2016</u>	<u>Increase</u>	<u>Decrease</u>	<u>6/30/2016</u>	<u>Current Portion</u>
<u>Governmental Activities:</u>							
Gravel Pit Loan	2031	3.50%	\$ -	\$ 130,000	\$ -	\$ 130,000	\$ 7,306
Goodfellows Bldg Lease	2025	7.00%	186,599	-	(14,386)	172,213	15,426
			<u>\$186,599</u>	<u>\$ 130,000</u>	<u>\$ (14,386)</u>	<u>\$302,213</u>	<u>\$ 22,732</u>

There was interest paid on long-term obligations of \$12,594 during the year ended June 30, 2016.

**Malheur County, Oregon**  
Notes to the Financial Statements  
For the Year Ended June 30, 2016

10. LONG-TERM OBLIGATIONS (continued)

Debt service requirements on long-term debt as of June 30, 2016, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	\$ 22,732	\$ 15,481	\$ 38,213
2018	23,481	14,733	38,214
2019	24,919	13,294	38,213
2020	26,453	11,761	38,214
2021	28,088	10,126	38,214
2022-2026	125,664	24,181	149,845
2027-2031	50,749	5,453	56,202
	<u>\$302,213</u>	<u>\$ 95,156</u>	<u>\$ 397,242</u>

Debt is not reported on the Government-wide statements, because they are reported on a cash basis. All debt payments are fully expensed as paid.

11. RESTATEMENT

In prior years a County checking account that is not kept on the books was not recorded on the financial statements. This caused cash to be understated by \$152,776. This caused the fund balance and net position to both be understated by the same amount.

The changes in fund balance and net position are as follows:

	<u>Governmental Funds</u>
Fund Balance, Beginning - As Previously Stated	\$ 6,878,079
Understatement of Cash	152,776
Fund Balance, Beginning - Restated	<u>\$ 7,030,855</u>
	<u>Governmental Activities</u>
Net Position, Beginning - As Previously Stated	\$ 6,878,079
Understatement of Cash	152,776
Net Position, Beginning - Restated	<u>\$ 7,030,855</u>



***SUPPLEMENTARY INFORMATION***

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 General Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 4,351,645	\$ 4,428,081	\$ 4,583,721	\$ 155,640
Intergovernmental	3,486,561	3,483,212	3,916,533	433,321
Grants	965,454	919,242	648,063	(271,179)
Charges for Services	2,304,321	2,405,281	2,834,958	429,677
Investment Earnings (Losses)	8,510	8,510	11,717	3,207
Total Revenues	<u>11,116,491</u>	<u>11,244,326</u>	<u>11,994,992</u>	<u>750,666</u>
<b>Expenditures</b>				
Personal Services	10,267,874	10,411,466	9,543,189	868,277
Materials and Supplies	3,566,850	3,547,818	2,622,633	925,185
Capital Outlay	577,900	538,486	61,044	477,442
Contingencies	161,756	212,165	-	212,165
Total Expenditures	<u>14,574,380</u>	<u>14,709,935</u>	<u>12,226,866</u>	<u>2,483,069</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>				
	<u>(3,457,889)</u>	<u>(3,465,609)</u>	<u>(231,874)</u>	<u>3,233,735</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	200	200	4,772	4,572
Transfers In	711,344	793,696	799,848	6,152
Transfers Out	(20,000)	(20,000)	(20,000)	-
Total Other Financing Sources (Uses)	<u>691,544</u>	<u>773,896</u>	<u>784,620</u>	<u>10,724</u>
Net Change in Fund Balances	<u>(2,766,345)</u>	<u>(2,691,713)</u>	<u>552,746</u>	<u>3,244,459</u>
Fund Balances - Beginning - Previously	2,766,345	2,691,713	3,798,258	1,106,545
Prior Period Adjustment	-	-	152,776	152,776
Fund Balances - Beginning	<u>2,766,345</u>	<u>2,691,713</u>	<u>3,951,034</u>	<u>1,259,321</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,503,780</u>	<u>\$ 4,503,780</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Road Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	2,700,200	2,837,733	2,307,517	(530,216)
Charges for Services	35,500	38,500	60,803	22,303
Investment Earnings (Losses)	3,000	3,000	4,006	1,006
<b>Total Revenues</b>	<u>2,738,700</u>	<u>2,879,233</u>	<u>2,372,326</u>	<u>(506,907)</u>
<b>Expenditures</b>				
Personal Services	867,122	846,595	752,660	93,935
Materials and Supplies	2,271,085	2,303,449	1,566,978	736,471
Capital Outlay	388,807	417,643	142,400	275,243
Debt Services:				
Principal	22,342	155,475	92,752	62,723
Interest	19,351	19,351	19,351	-
Contingencies	3,993	16,679	-	16,679
<b>Total Expenditures</b>	<u>3,572,700</u>	<u>3,759,192</u>	<u>2,574,141</u>	<u>1,185,051</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(834,000)</u>	<u>(879,959)</u>	<u>(201,815)</u>	<u>678,144</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	50,000	30,000	15,600	(14,400)
Debt Proceeds	-	-	130,000	130,000
Transfers In	-	-	-	-
Transfers Out	(44,000)	(43,947)	(41,806)	(2,141)
<b>Total Other Financing Sources (Uses)</b>	<u>6,000</u>	<u>(13,947)</u>	<u>103,794</u>	<u>113,459</u>
<b>Net Change in Fund Balances</b>	<u>(828,000)</u>	<u>(893,906)</u>	<u>(98,021)</u>	<u>791,603</u>
Fund Balances - Beginning - Previously	828,000	893,906	998,022	104,116
Prior Period Adjustment	-	-	-	-
Fund Balances - Beginning - Restated	<u>828,000</u>	<u>893,906</u>	<u>998,022</u>	<u>104,116</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 900,001</u>	<u>\$ 895,719</u>

**Malheur County, Oregon**  
Notes to Budgetary Comparisons Schedules  
For the Year Ended June 30, 2016

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1. BUDGETS TO ACTUAL RECONCILIATION

No reconciliation between the budgetary information schedules and the government-wide or fund financial statements is required because the budget is prepared on the same accounting basis (cash method) as the financial statements.

**Malheur County, Oregon**  
 Schedule of the County's Proportionate Share of the  
 Net Pension Liability

State of Oregon Public Employees Retirement System

Last 10 - Fiscal Years\*

	<u>2016</u>	<u>2015</u>
County proportion of the net pension liability (asset)	0.07045832%	0.07839934%
County's proportionate share of the net pension liability (asset)	\$ 4,045,337	\$ (1,777,089)
County's covered-employee payroll	\$ 8,093,153	\$ 8,123,430
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	49.98%	21.88%
Plan fiduciary net position as a percentage of the total pension liability	91.90%	103.60%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, Malheur County, Oregon will present information for those years for which information is available.

Data reported is measured as of July 1, 2015

**Malheur County, Oregon**  
**Schedule of County Contributions**

State of Oregon Public Employees Retirement System

Last 10 - Fiscal Years\*

	2016	2015
Contractually required contributions	\$ 847,043	\$ 742,576
Contributions in relation to the contractually required contribution	847,043	742,576
Contribution deficiency (excess)	\$ -	\$ -
County's covered-employee payroll	\$ 8,093,153	\$ 8,123,430
Contributions as a percentage of covered-employee payroll	10.47%	9.14%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, Malheur County, Oregon will present information for those years for which information is available.

Data reported is measured as of June 30, 2016

**Malheur County, Oregon**  
Combining Balance Sheet - Cash Basis -  
Nonmajor Governmental Funds  
June 30, 2016

	Total Nonmajor Special Revenue Funds
<b>Assets</b>	
Cash and Cash Equivalents	\$ 2,558,689
Total Assets	\$ 2,558,689
<b>Liabilities</b>	
Internal Balance	\$ 20
Total Liabilities	20
<b>Fund Balances</b>	
Restricted	2,558,689
Unassigned	(20)
Total Fund Balances	2,558,669
Total Liabilities, Deferred Inflows and Fund Balances	\$ 2,558,689

**Malheur County, Oregon**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Cash Basis - Nonmajor Governmental Funds  
For the Year Ended June 30, 2016

	<u>Total Nonmajor Special Revenue Funds</u>
<b>Revenues</b>	
Property Taxes	\$ 600,541
Intergovernmental	4,134,432
Grants	807,920
Charges for Services	385,102
Investment Earnings (Losses)	9,679
Other Income	-
Total Revenues	<u>5,937,674</u>
<b>Expenditures</b>	
Current:	
General Government	80,067
Social Services	2,543,425
Public Safety and Justice	1,537,393
Community Services	505,208
Library Services	16,327
Roads and Bridges	9,549
Capital Outlay	21,040
Total Expenditures	<u>4,713,009</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>1,224,665</u>
<b>Other Financing Sources (Uses)</b>	
Sale of Equipment	-
Transfers In	76,806
Transfers Out	(825,348)
Total Other Financing Sources (Uses)	<u>(748,542)</u>
Net Change in Fund Balances	476,123
Fund Balance - Beginning	<u>2,082,546</u>
Fund Balances - Ending	<u><u>\$ 2,558,669</u></u>



**Malheur County, Oregon**  
Combining Balance Sheet - Cash Basis -  
Special Revenue Funds  
June 30, 2016

	Economic Development	Major Bridge	Surveyor Corner Preservation	Community Corrections	Law Library
<b>Assets</b>					
Cash and Cash Equivalents	\$ 174,229	\$ 304,316	\$ 66,159	\$ 255,816	\$ 69,708
Total Assets	<u>\$ 174,229</u>	<u>\$ 304,316</u>	<u>\$ 66,159</u>	<u>\$ 255,816</u>	<u>\$ 69,708</u>
<b>Liabilities</b>					
Internal Balances	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	174,229	304,316	66,159	255,816	69,708
Unassigned	-	-	-	-	-
Total Fund Balances	<u>174,229</u>	<u>304,316</u>	<u>66,159</u>	<u>255,816</u>	<u>69,708</u>
Total Liabilities and Fund Balances	<u>\$ 174,229</u>	<u>\$ 304,316</u>	<u>\$ 66,159</u>	<u>\$ 255,816</u>	<u>\$ 69,708</u>

**Malheur County, Oregon**  
Combining Balance Sheet - Cash Basis -  
Special Revenue Funds  
June 30, 2016  
(continued)

	<u>Boat Licenses</u>	<u>Correction Assessment</u>	<u>D.A. Enforcement</u>	<u>Taylor Grazing</u>	<u>Task Force</u>
<b>Assets</b>					
Cash and Cash Equivalents	\$ 49,876	\$ 131,226	\$ 1,053	\$ 309,830	\$ 9,655
Total Assets	<u>\$ 49,876</u>	<u>\$ 131,226</u>	<u>\$ 1,053</u>	<u>\$ 309,830</u>	<u>\$ 9,655</u>
<b>Liabilities</b>					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	49,876	131,226	1,053	309,830	9,655
Unassigned	-	-	-	-	-
Total Fund Balances	<u>49,876</u>	<u>131,226</u>	<u>1,053</u>	<u>309,830</u>	<u>9,655</u>
Total Liabilities and Fund Balances	<u>\$ 49,876</u>	<u>\$ 131,226</u>	<u>\$ 1,053</u>	<u>\$ 309,830</u>	<u>\$ 9,655</u>

**Malheur County, Oregon**  
Combining Balance Sheet - Cash Basis -  
Special Revenue Funds  
June 30, 2016  
(continued)

	Ambulance Service District	Community Children Family	Special Transport	Juvenile Crime Prevention	911
<b>Assets</b>					
Cash and Cash Equivalents	\$ 275,026	\$ 232	\$ 191	\$ 8,007	\$ 83,860
Total Assets	<u>\$ 275,026</u>	<u>\$ 232</u>	<u>\$ 191</u>	<u>\$ 8,007</u>	<u>\$ 83,860</u>
<b>Liabilities</b>					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	275,026	232	191	8,007	83,860
Unassigned	-	-	-	-	-
Total Fund Balances	<u>275,026</u>	<u>232</u>	<u>191</u>	<u>8,007</u>	<u>83,860</u>
Total Liabilities and Fund Balances	<u>\$ 275,026</u>	<u>\$ 232</u>	<u>\$ 191</u>	<u>\$ 8,007</u>	<u>\$ 83,860</u>

**Malheur County, Oregon**  
Combining Balance Sheet - Cash Basis -  
Special Revenue Funds  
June 30, 2016  
(continued)

	<u>Traffic Safety</u>	<u>CRT Facilities Security</u>	<u>State Drug Court</u>	<u>State Mediation</u>	<u>Mental Health</u>
<b>Assets</b>					
Cash and Cash Equivalents	\$ 4,522	\$ 19,026	\$ 9,320	\$ 56,345	\$ -
Total Assets	<u>\$ 4,522</u>	<u>\$ 19,026</u>	<u>\$ 9,320</u>	<u>\$ 56,345</u>	<u>\$ -</u>
<b>Liabilities</b>					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	4,522	19,026	9,320	56,345	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>4,522</u>	<u>19,026</u>	<u>9,320</u>	<u>56,345</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 4,522</u>	<u>\$ 19,026</u>	<u>\$ 9,320</u>	<u>\$ 56,345</u>	<u>\$ -</u>

**Malheur County, Oregon**  
 Combining Balance Sheet - Cash Basis -  
 Special Revenue Funds  
 June 30, 2016  
 (continued)

	Healthy Start	CVSO Expansion	Search & Rescue	GIS Maintenance	Clerk Records
<b>Assets</b>					
Cash and Cash Equivalents	\$ -	\$ 12,133	\$ 3,330	\$ 69,287	\$ 12,096
Total Assets	<u>\$ -</u>	<u>\$ 12,133</u>	<u>\$ 3,330</u>	<u>\$ 69,287</u>	<u>\$ 12,096</u>
<b>Liabilities</b>					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	-	12,133	3,330	69,287	12,096
Unassigned	-	-	-	-	-
Total Fund Balances	<u>-</u>	<u>12,133</u>	<u>3,330</u>	<u>69,287</u>	<u>12,096</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 12,133</u>	<u>\$ 3,330</u>	<u>\$ 69,287</u>	<u>\$ 12,096</u>

**Malheur County, Oregon**  
Combining Balance Sheet - Cash Basis -  
Special Revenue Funds  
June 30, 2016  
(continued)

	OJTA Road	Project Dove	Healthy Families Grant	RBEG Federal Grant	Wolf Depredation
<b>Assets</b>					
Cash and Cash Equivalents	\$ 103	\$ -	\$ -	\$ 1	\$ 700
Total Assets	<u>\$ 103</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 700</u>
<b>Liabilities</b>					
Internal Balance	\$ -	\$ 20	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	103	0		1	700
Unassigned	-	(20)	-	-	-
Total Fund Balances	<u>103</u>	<u>(20)</u>	<u>-</u>	<u>1</u>	<u>700</u>
Total Liabilities and Fund Balances	<u>\$ 103</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 700</u>

**Malheur County, Oregon**  
 Combining Balance Sheet - Cash Basis -  
 Special Revenue Funds  
 June 30, 2016  
 (continued)

	Extension Service District	Federal Forfeitures	MS II Detention	Elevator Project	45th Parallel	Work Release Construction	Total Nonmajor Special Revenue Funds
<b>Assets</b>							
Cash and Cash Equivalents	\$ 293,298	\$ 20,431	\$ 40,063	\$ 28	\$ 13,064	\$ 265,758	\$ 2,558,689
Total Liabilities	\$ 293,298	\$ 20,431	\$ 40,063	\$ 28	\$ 13,064	\$ 265,758	\$ 2,558,689
<b>Liabilities</b>							
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20
Total Liabilities	-	-	-	-	-	-	20
<b>Fund Balances</b>							
Restricted	293,298	20,431	40,063	28	13,064	265,758	2,558,689
Unassigned	-	-	-	-	-	-	(20)
Total Fund Balances	293,298	20,431	40,063	28	13,064	265,758	2,558,669
Total Liabilities and Fund Balances	\$ 293,298	\$ 20,431	\$ 40,063	\$ 28	\$ 13,064	\$ 265,758	\$ 2,558,689

**Malheur County, Oregon**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Cash Basis - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016

	Economic Development	Major Bridge	Surveyor	Community Corrections	Law Library
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	296,469	-	-	1,210,001	-
Grants	-	-	-	180,719	-
Charges for Services	607	-	29,025	85,383	21,638
Investment Earnings (Losses)	493	988	234	1,276	264
Other Income	-	-	-	-	-
<b>Total Revenues</b>	<u>297,569</u>	<u>988</u>	<u>29,259</u>	<u>1,477,379</u>	<u>21,902</u>
<b>Expenditures</b>					
Current:					
General Government	-	-	26,159	-	-
Social Services	-	-	-	-	-
Public Safety and Justice	-	-	-	992,485	-
Community Services	174,960	-	-	-	-
Library Services	-	-	-	-	16,327
Roads and Bridges	-	9,549	-	-	-
Capital Outlay	-	-	-	-	-
<b>Total Expenditures</b>	<u>174,960</u>	<u>9,549</u>	<u>26,159</u>	<u>992,485</u>	<u>16,327</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>122,609</u>	<u>(8,561)</u>	<u>3,100</u>	<u>484,894</u>	<u>5,575</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Equipment	-	-	-	-	-
Transfers In	-	41,806	-	-	-
Transfers Out	(51,500)	-	-	(415,700)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(51,500)</u>	<u>41,806</u>	<u>-</u>	<u>(415,700)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	71,109	33,245	3,100	69,194	5,575
<b>Fund Balances - Beginning -</b>					
Previously Stated	103,120	271,071	63,059	186,622	64,133
Prior Period Adjustment	-	-	-	-	-
Fund Balance - Beginning	103,120	271,071	63,059	186,622	64,133
<b>Fund Balances - Ending</b>	<u>\$ 174,229</u>	<u>\$ 304,316</u>	<u>\$ 66,159</u>	<u>\$ 255,816</u>	<u>\$ 69,708</u>



**Malheur County, Oregon**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Cash Basis - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016  
(continued)

	Boat Licenses	Correction Assessment	DA Enforcement	Taylor Grazing	Task Force
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	67,895	-
Grants	152,666	-	-	-	-
Charges for Services	5,324	72,889	11,815	86	150
Investment Earnings (Losses)	51	416	11	999	61
Other Income	-	-	-	-	-
<b>Total Revenues</b>	<b>158,041</b>	<b>73,305</b>	<b>11,826</b>	<b>68,980</b>	<b>211</b>
<b>Expenditures</b>					
Current:					
General Government	-	-	-	10,000	-
Social Services	-	-	-	-	-
Public Safety and Justice	140,572	47,926	-	-	10,572
Community Services	-	-	-	-	-
Library Services	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
<b>Total Expenditures</b>	<b>140,572</b>	<b>47,926</b>	<b>-</b>	<b>10,000</b>	<b>10,572</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>17,469</b>	<b>25,379</b>	<b>11,826</b>	<b>58,980</b>	<b>(10,361)</b>
<b>Other Financing Sources (Uses)</b>					
Sale of Equipment	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	(11,520)	(25,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(11,520)</b>	<b>(25,000)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>17,469</b>	<b>25,379</b>	<b>306</b>	<b>33,980</b>	<b>(10,361)</b>
Fund Balance - Beginning	32,407	105,847	747	275,850	20,016
<b>Fund Balances - Ending</b>	<b>\$ 49,876</b>	<b>\$ 131,226</b>	<b>\$ 1,053</b>	<b>\$ 309,830</b>	<b>\$ 9,655</b>

**Malheur County, Oregon**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Cash Basis - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016  
(continued)

	Ambulance Service District	Community Child & Family	Special Transport Fund	Juvenile Crime Prevention	911
<b>Revenues</b>					
Property Taxes	\$ 199,799	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	19,180	404,868
Grants	-	-	387,024	-	-
Charges for Services	-	-	-	24,925	-
Investment Earnings (Losses)	1,089	1	10	5	620
Other Income	-	-	-	-	-
Total Revenues	<u>200,888</u>	<u>1</u>	<u>387,034</u>	<u>44,110</u>	<u>405,488</u>
<b>Expenditures</b>					
Current:					
General Government	-	-	-	-	-
Social Services	-	-	387,024	-	-
Public Safety and Justice	183,487	-	-	43,749	-
Community Services	-	-	-	-	-
Library Services	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Capital Outlay	-	-	15,000	-	-
Total Expenditures	<u>183,487</u>	<u>-</u>	<u>402,024</u>	<u>43,749</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>17,401</u>	<u>1</u>	<u>(14,990)</u>	<u>361</u>	<u>405,488</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Equipment	-	-	-	-	-
Transfers In	-	-	15,000	-	-
Transfers Out	-	-	-	-	(321,628)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>(321,628)</u>
Net Change in Fund Balances	17,401	1	10	361	83,860
Fund Balance - Beginning	257,625	231	181	7,646	-
Fund Balances - Ending	<u>\$ 275,026</u>	<u>\$ 232</u>	<u>\$ 191</u>	<u>\$ 8,007</u>	<u>\$ 83,860</u>

**Malheur County, Oregon**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Cash Basis - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016  
(continued)

	Traffic Safety	Court Facilities Security	State Drug Court	State Mediation	Mental Health
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	2,079,113
Grants	-	-	-	-	-
Charges for Services	-	87,779	942	17,256	-
Investment Earnings (Losses)	16	56	35	229	-
Other Income	-	-	-	-	-
Total Revenues	16	87,835	977	17,485	2,079,113
<b>Expenditures</b>					
Current:					
General Government	-	-	-	-	-
Social Services	-	-	-	16,500	2,079,113
Public Safety and Justice	100	89,239	1,261	-	-
Community Services	-	-	-	-	-
Library Services	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	100	89,239	1,261	16,500	2,079,113
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(84)	(1,404)	(284)	985	-
<b>Other Financing Sources (Uses)</b>					
Sale of Equipment	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(84)	(1,404)	(284)	985	-
Fund Balance - Beginning	4,606	20,430	9,604	55,360	-
Fund Balances - Ending	\$ 4,522	\$ 19,026	\$ 9,320	\$ 56,345	\$ -

**Malheur County, Oregon**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Cash Basis - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016  
(continued)

	Healthy Start	CVSO Expansion	Search & Rescue	GIS Maintenance	Clerk Records
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	552	31,354	-	-	-
Grants	-	-	-	-	-
Charges for Services	-	-	-	15,533	8,250
Investment Earnings (Losses)	-	23	12	224	34
Other Income	-	-	-	-	-
Total Revenues	<u>552</u>	<u>31,377</u>	<u>12</u>	<u>15,757</u>	<u>8,284</u>
<b>Expenditures</b>					
Current:					
General Government	-	-	-	3,685	6,416
Social Services	-	-	-	-	-
Public Safety and Justice	-	27,112	-	-	-
Community Services	552	-	-	-	-
Library Services	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>552</u>	<u>27,112</u>	<u>-</u>	<u>3,685</u>	<u>6,416</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>					
	<u>-</u>	<u>4,265</u>	<u>12</u>	<u>12,072</u>	<u>1,868</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Equipment	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	4,265	12	12,072	1,868
Fund Balance - Beginning - Restated	-	7,868	3,318	57,215	10,228
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 12,133</u>	<u>\$ 3,330</u>	<u>\$ 69,287</u>	<u>\$ 12,096</u>

**Malheur County, Oregon**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Cash Basis - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016  
(continued)

	OJTA Road Fund	Project Dove	Healthy Family Grant	RBEG Federal Grant	Wolf Depredation
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Grants	-	-	87,016	-	495
Charges for Services	-	-	-	-	-
Investment Earnings (Losses)	-	-	51	-	1
Other Income	-	-	-	-	-
Total Revenues	-	-	87,067	-	496
<b>Expenditures</b>					
Current:					
General Government	-	-	-	-	-
Social Services	-	-	60,788	-	-
Public Safety and Justice	-	-	-	-	250
Community Services	-	-	-	-	-
Library Services	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	-	-	60,788	-	250
<b>Excess (Deficiency) of Revenues Over Expenditures</b>					
	-	-	26,279	-	246
<b>Other Financing Sources (Uses)</b>					
Sale of Equipment	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	-	-	26,279	-	246
Fund Balance - Beginning	103	(20)	(26,279)	1	454
Fund Balances - Ending	\$ 103	\$ (20)	\$ -	\$ 1	\$ 700

**Malheur County, Oregon**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Cash Basis - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016  
(continued)

	Extension Service District	Federal Forfeiture	MS II Detention	Elevator Project	45th Parallel Fund	Work Release	Total Nonmajor Special Revenue Funds
<b>Revenues</b>							
Property Taxes	\$ 400,742	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,541
Intergovernmental	-	-	-	25,000	-	-	4,134,432
Grants	-	-	-	-	-	-	807,920
Charges for Services	-	-	-	-	3,500	-	385,102
Investment Earnings (Losses)	1,304	87	63	28	40	958	9,679
Other Income	-	-	-	-	-	-	-
Total Revenues	<u>402,046</u>	<u>87</u>	<u>63</u>	<u>25,028</u>	<u>3,540</u>	<u>958</u>	<u>5,937,674</u>
<b>Expenditures</b>							
Current:							
General Government	-	8,807	-	25,000	-	-	80,067
Social Services	-	-	-	-	-	-	2,543,425
Public Safety and Justice	-	-	-	-	640	-	1,537,393
Community Services	329,696	-	-	-	-	-	505,208
Library Services	-	-	-	-	-	-	16,327
Roads and Bridges	-	-	-	-	-	-	9,549
Capital Outlay	6,040	-	-	-	-	-	21,040
Total Expenditures	<u>335,736</u>	<u>8,807</u>	<u>-</u>	<u>25,000</u>	<u>640</u>	<u>-</u>	<u>4,713,009</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>66,310</u>	<u>(8,720)</u>	<u>63</u>	<u>28</u>	<u>2,900</u>	<u>958</u>	<u>1,224,665</u>
<b>Other Financing Sources (Uses)</b>							
Sale of Equipment	-	-	-	-	-	-	-
Transfers In	-	-	20,000	-	-	-	76,806
Transfers Out	-	-	-	-	-	-	(825,348)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(748,542)</u>
Net Change in Fund Balances	66,310	(8,720)	20,063	28	2,900	958	476,123
Fund Balance - Beginning	226,988	29,151	20,000	-	10,164	264,800	2,082,546
Fund Balances - Ending	<u>\$ 293,298</u>	<u>\$ 20,431</u>	<u>\$ 40,063</u>	<u>\$ 28</u>	<u>\$ 13,064</u>	<u>\$ 265,758</u>	<u>\$ 2,558,669</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Economic Development  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	245,000	250,000	296,469	46,469
Charges for Services	100	100	607	507
Investment Earnings (Losses)	250	250	493	243
<b>Total Revenues</b>	<u>245,350</u>	<u>250,350</u>	<u>297,569</u>	<u>47,219</u>
<b>Expenditures</b>				
Personal Services	5,000	5,000	5,000	-
Materials and Supplies	230,540	262,200	169,960	92,240
Capital Outlay	-	-	-	-
Contingencies	38,310	52,150	-	52,150
<b>Total Expenditures</b>	<u>273,850</u>	<u>319,350</u>	<u>174,960</u>	<u>144,390</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(28,500)</u>	<u>(69,000)</u>	<u>122,609</u>	<u>191,609</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(51,500)	(61,000)	(51,500)	(9,500)
<b>Total Other Financing Sources (Uses)</b>	<u>(51,500)</u>	<u>(61,000)</u>	<u>(51,500)</u>	<u>(9,500)</u>
<b>Net Change in Fund Balances</b>	(80,000)	(130,000)	71,109	182,109
Fund Balances - Beginning	80,000	130,000	103,120	(26,880)
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,229</u>	<u>\$ 155,229</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Major Bridge  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	700	700	988	288
Total Revenues	<u>700</u>	<u>700</u>	<u>988</u>	<u>288</u>
<b>Expenditures</b>				
Personal Services	9,646	10,003	9,549	454
Materials and Supplies	273,384	305,715	-	305,715
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>283,030</u>	<u>315,718</u>	<u>9,549</u>	<u>306,169</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(282,330)</u>	<u>(315,018)</u>	<u>(8,561)</u>	<u>306,457</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	44,000	43,947	41,806	(2,141)
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>44,000</u>	<u>43,947</u>	<u>41,806</u>	<u>(2,141)</u>
Net Change in Fund Balances	(238,330)	(271,071)	33,245	304,316
Fund Balances - Beginning	238,330	271,071	271,071	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 304,316</u>	<u>\$ 304,316</u>



**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Surveyor Coroner Preservation  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	25,000	25,000	29,025	4,025
Investment Earnings (Losses)	200	200	234	34
Total Revenues	25,200	25,200	29,259	4,059
<b>Expenditures</b>				
Personal Services	24,116	25,007	23,872	1,135
Materials and Supplies	10,700	10,700	2,287	8,413
Capital Outlay	-	-	-	-
Contingencies	49,984	51,993	-	51,993
Total Expenditures	84,800	87,700	26,159	61,541
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(59,600)	(62,500)	3,100	65,600
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>Net Change in Fund Balances</b>	(59,600)	(62,500)	3,100	65,600
Fund Balances - Beginning	59,600	62,500	63,059	559
Fund Balances - Ending	\$ -	\$ -	\$ 66,159	\$ 66,159

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Community Corrections  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,188,782	1,188,782	1,210,001	21,219
Grants	-	150,908	180,719	29,811
Charges for Services	99,100	79,100	85,383	6,283
Investment Earnings (Losses)	1,000	1,000	1,276	276
<b>Total Revenues</b>	<u>1,288,882</u>	<u>1,419,790</u>	<u>1,477,379</u>	<u>57,589</u>
<b>Expenditures</b>				
Personal Services	833,360	859,392	849,177	10,215
Materials and Supplies	140,000	210,579	143,308	67,271
Capital Outlay	-	-	-	-
Contingencies	-	9,819	-	9,819
<b>Total Expenditures</b>	<u>973,360</u>	<u>1,079,790</u>	<u>992,485</u>	<u>87,305</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>315,522</u>	<u>340,000</u>	<u>484,894</u>	<u>144,894</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(400,000)	(400,000)	(415,700)	15,700
<b>Total Other Financing Sources (Uses)</b>	<u>(400,000)</u>	<u>(400,000)</u>	<u>(415,700)</u>	<u>15,700</u>
<b>Net Change in Fund Balances</b>	(84,478)	(60,000)	69,194	160,594
Fund Balances - Beginning	84,478	60,000	186,622	126,622
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 255,816</u>	<u>\$ 287,216</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Law Library  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	15,000	18,000	21,638	3,638
Investment Earnings (Losses)	170	130	264	134
Total Revenues	15,170	18,130	21,902	3,772
<b>Expenditures</b>				
Personal Services	4,100	4,100	4,100	-
Materials and Supplies	22,000	22,000	12,227	9,773
Capital Outlay	60,070	57,030	-	57,030
Contingencies	-	-	-	-
Total Expenditures	86,170	83,130	16,327	66,803
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(71,000)	(65,000)	5,575	70,575
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(71,000)	(65,000)	5,575	70,575
Fund Balances - Beginning	71,000	65,000	64,133	(867)
Fund Balances - Ending	\$ -	\$ -	\$ 69,708	\$ 69,708

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Boat License  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	146,230	155,085	152,666	(2,419)
Charges for Services	100	2,322	5,324	3,002
Investment Earnings (Losses)	-	-	51	51
<b>Total Revenues</b>	<u>146,330</u>	<u>157,407</u>	<u>158,041</u>	<u>634</u>
<b>Expenditures</b>				
Personal Services	127,611	141,994	128,676	13,318
Materials and Supplies	23,719	20,413	11,896	8,517
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
<b>Total Expenditures</b>	<u>151,330</u>	<u>162,407</u>	<u>140,572</u>	<u>21,835</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(5,000)</u>	<u>(5,000)</u>	<u>17,469</u>	<u>22,469</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(5,000)	(5,000)	17,469	22,469
Fund Balances - Beginning	5,000	5,000	32,407	27,407
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,876</u>	<u>\$ 49,876</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Corrections Assessment  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	60,000	60,000	72,889	12,889
Investment Earnings (Losses)	100	150	416	266
Total Revenues	<u>60,100</u>	<u>60,150</u>	<u>73,305</u>	<u>13,155</u>
<b>Expenditures</b>				
Personal Services	49,753	50,237	47,926	2,311
Materials and Supplies	60,347	99,913	-	99,913
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>110,100</u>	<u>150,150</u>	<u>47,926</u>	<u>102,224</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(50,000)</u>	<u>(90,000)</u>	<u>25,379</u>	<u>115,379</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(50,000)	(90,000)	25,379	115,379
Fund Balances - Beginning	50,000	90,000	105,847	15,847
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,226</u>	<u>\$ 131,226</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 D.A. Enforcement  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	25,000	25,000	11,815	(13,185)
Investment Earnings (Losses)	10	10	11	1
<b>Total Revenues</b>	<u>25,010</u>	<u>25,010</u>	<u>11,826</u>	<u>(13,184)</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>25,010</u>	<u>25,010</u>	<u>11,826</u>	<u>(13,184)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(25,010)	(25,010)	(11,520)	(13,490)
<b>Total Other Financing Sources (Uses)</b>	<u>(25,010)</u>	<u>(25,010)</u>	<u>(11,520)</u>	<u>(13,490)</u>
<b>Net Change in Fund Balances</b>	-	-	306	(26,674)
Fund Balances - Beginning	-	-	747	747
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,053</u>	<u>\$ (25,927)</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Taylor Grazing  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	50,000	50,000	67,895	17,895
Charges for Services	100	100	86	(14)
Investment Earnings (Losses)	1,000	1,000	999	(1)
<b>Total Revenues</b>	<u>51,100</u>	<u>51,100</u>	<u>68,980</u>	<u>17,880</u>
<b>Expenditures</b>				
Personal Services	4,000	4,000	4,000	-
Materials and Supplies	272,100	182,100	6,000	176,100
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
<b>Total Expenditures</b>	<u>276,100</u>	<u>186,100</u>	<u>10,000</u>	<u>176,100</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(225,000)</u>	<u>(135,000)</u>	<u>58,980</u>	<u>193,980</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(25,000)	(25,000)	(25,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(250,000)	(160,000)	33,980	193,980
Fund Balances - Beginning	250,000	160,000	275,850	115,850
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 309,830</u>	<u>\$ 309,830</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Task Force  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	20,100	20,100	150	(19,950)
Investment Earnings (Losses)	50	50	61	11
<b>Total Revenues</b>	<u>20,150</u>	<u>20,150</u>	<u>211</u>	<u>(19,939)</u>
<b>Expenditures</b>				
Personal Services	10,550	10,550	4,660	5,890
Materials and Supplies	29,600	29,600	5,912	23,688
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
<b>Total Expenditures</b>	<u>40,150</u>	<u>40,150</u>	<u>10,572</u>	<u>29,578</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(10,361)</u>	<u>9,639</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(20,000)	(20,000)	(10,361)	9,639
Fund Balances - Beginning	20,000	20,000	20,016	16
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,655</u>	<u>\$ 9,655</u>



**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Ambulance Service District  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ 194,100	\$ 199,799	\$ 5,699
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	100	-	(100)
Investment Earnings (Losses)	-	750	1,089	339
Total Revenues	-	194,950	200,888	5,938
<b>Expenditures</b>				
Personal Services	-	69,154	68,208	946
Materials and Supplies	-	169,500	115,279	54,221
Capital Outlay	-	180,296	-	180,296
Contingencies	-	25,000	-	25,000
Total Expenditures	-	443,950	183,487	260,463
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	(249,000)	17,401	266,401
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	(249,000)	17,401	266,401
Fund Balances - Beginning	-	249,000	257,625	8,625
Fund Balances - Ending	\$ -	\$ -	\$ 275,026	\$ 275,026

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Community Children & Families  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	1	1
Total Revenues	-	-	1	1
<b>Expenditures</b>				
Personal Services	-	231	-	231
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	-	231	-	231
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	(231)	1	232
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	(231)	1	232
Fund Balances - Beginning	-	231	231	-
Fund Balances - Ending	\$ -	\$ -	\$ 232	\$ 232

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Special Transport  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	283,764	396,062	387,024	(9,038)
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	10	10
Total Revenues	<u>283,764</u>	<u>396,062</u>	<u>387,034</u>	<u>(9,028)</u>
<b>Expenditures</b>				
Personal Services	2,500	2,500	2,500	-
Materials and Supplies	281,264	393,562	384,524	9,038
Capital Outlay	15,000	15,000	15,000	-
Contingencies	-	-	-	-
Total Expenditures	<u>298,764</u>	<u>411,062</u>	<u>402,024</u>	<u>9,038</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>				
	<u>(15,000)</u>	<u>(15,000)</u>	<u>(14,990)</u>	<u>10</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	15,000	15,000	15,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Net Change in Fund Balances	-	-	10	10
Fund Balances - Beginning	-	-	181	181
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191</u>	<u>\$ 191</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Juvenile Crime Prevention  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	12,925	12,925	19,180	6,255
Charges for Services	35,466	35,466	24,925	(10,541)
Investment Earnings (Losses)	-	-	5	5
<b>Total Revenues</b>	<u>48,391</u>	<u>48,391</u>	<u>44,110</u>	<u>(4,281)</u>
<b>Expenditures</b>				
Personal Services	2,803	4,003	3,962	41
Materials and Supplies	45,588	44,388	39,787	4,601
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
<b>Total Expenditures</b>	<u>48,391</u>	<u>48,391</u>	<u>43,749</u>	<u>4,642</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>361</u>	<u>361</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	-	361	361
Fund Balances - Beginning	-	-	7,646	7,646
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,007</u>	<u>\$ 8,007</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 911 Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	306,900	312,769	404,868	92,099
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	200	200	620	420
Total Revenues	<u>307,100</u>	<u>312,969</u>	<u>405,488</u>	<u>92,519</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>				
	<u>307,100</u>	<u>312,969</u>	<u>405,488</u>	<u>92,519</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(307,100)	(312,969)	(321,628)	(8,659)
Total Other Financing Sources (Uses)	<u>(307,100)</u>	<u>(312,969)</u>	<u>(321,628)</u>	<u>(8,659)</u>
Net Change in Fund Balances	-	-	83,860	83,860
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,860</u>	<u>\$ 83,860</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Traffic Safety  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	10	10	-	(10)
Investment Earnings (Losses)	15	10	16	6
Total Revenues	<u>25</u>	<u>20</u>	<u>16</u>	<u>(4)</u>
<b>Expenditures</b>				
Personal Services	100	100	100	-
Materials and Supplies	4,525	4,420	-	4,420
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>4,625</u>	<u>4,520</u>	<u>100</u>	<u>4,420</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(4,600)</u>	<u>(4,500)</u>	<u>(84)</u>	<u>4,416</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(4,600)	(4,500)	(84)	4,416
Fund Balances - Beginning	4,600	4,500	4,606	106
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,522</u>	<u>\$ 4,522</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 CRT Facilities Security  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	69,500	80,532	87,779	7,247
Investment Earnings (Losses)	100	50	56	6
Total Revenues	<u>69,600</u>	<u>80,582</u>	<u>87,835</u>	<u>7,253</u>
<b>Expenditures</b>				
Personal Services	87,858	87,965	87,241	724
Materials and Supplies	5,000	2,617	1,998	619
Capital Outlay	20,000	-	-	-
Contingencies	6,742	-	-	-
Total Expenditures	<u>119,600</u>	<u>90,582</u>	<u>89,239</u>	<u>1,343</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(50,000)</u>	<u>(10,000)</u>	<u>(1,404)</u>	<u>8,596</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(50,000)	(10,000)	(1,404)	8,596
Fund Balances - Beginning	50,000	10,000	20,430	10,430
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,026</u>	<u>\$ 19,026</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 State Drug Court  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	8,000	3,100	942	(2,158)
Investment Earnings (Losses)	20	20	35	15
<b>Total Revenues</b>	<u>8,020</u>	<u>3,120</u>	<u>977</u>	<u>(2,143)</u>
<b>Expenditures</b>				
Personal Services	500	500	500	-
Materials and Supplies	17,520	7,620	761	6,859
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
<b>Total Expenditures</b>	<u>18,020</u>	<u>8,120</u>	<u>1,261</u>	<u>6,859</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(10,000)</u>	<u>(5,000)</u>	<u>(284)</u>	<u>4,716</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(10,000)	(5,000)	(284)	4,716
Fund Balances - Beginning	10,000	5,000	9,604	4,604
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,320</u>	<u>\$ 9,320</u>



**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 State Mediation  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	16,000	16,000	17,256	1,256
Investment Earnings (Losses)	200	175	229	54
Total Revenues	<u>16,200</u>	<u>16,175</u>	<u>17,485</u>	<u>1,310</u>
<b>Expenditures</b>				
Personal Services	5,100	5,100	1,750	3,350
Materials and Supplies	66,100	69,075	14,750	54,325
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>71,200</u>	<u>74,175</u>	<u>16,500</u>	<u>57,675</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(55,000)</u>	<u>(58,000)</u>	<u>985</u>	<u>58,985</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(55,000)	(58,000)	985	58,985
Fund Balances - Beginning	55,000	58,000	55,360	(2,640)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,345</u>	<u>\$ 56,345</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Mental Health  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	26,000	2,207,323	2,079,113	(128,210)
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Total Revenues	26,000	2,207,323	2,079,113	(128,210)
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	26,000	2,207,323	2,079,113	128,210
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	26,000	2,207,323	2,079,113	128,210
<b>Excess (Deficiency) of Revenues Over Expenditures</b>				
	-	-	-	-
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	\$ -	\$ -	\$ -	\$ -

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Healthy Start  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	142,910	552	(142,358)
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Total Revenues	<u>-</u>	<u>142,910</u>	<u>552</u>	<u>(142,358)</u>
<b>Expenditures</b>				
Personal Services	-	139,395	552	138,843
Materials and Supplies	-	3,515	-	3,515
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>142,910</u>	<u>552</u>	<u>142,358</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 CSVO Expansion  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	21,065	35,455	31,354	(4,101)
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	10	10	23	13
Total Revenues	<u>21,075</u>	<u>35,465</u>	<u>31,377</u>	<u>(4,088)</u>
<b>Expenditures</b>				
Personal Services	19,996	20,521	19,734	787
Materials and Supplies	1,079	14,944	7,378	7,566
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>21,075</u>	<u>35,465</u>	<u>27,112</u>	<u>8,353</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>4,265</u>	<u>4,265</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	4,265	4,265
Fund Balances - Beginning	-	-	7,868	7,868
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,133</u>	<u>\$ 12,133</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Search & Rescue  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	10	10	-	(10)
Grants	-	-	-	-
Charges for Services	10	10	-	(10)
Investment Earnings (Losses)	10	10	12	2
Total Revenues	30	30	12	(18)
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	3,330	3,330	-	3,330
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	3,330	3,330	-	3,330
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(3,300)	(3,300)	12	3,312
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>Net Change in Fund Balances</b>	(3,300)	(3,300)	12	3,312
Fund Balances - Beginning	3,300	3,300	3,318	18
Fund Balances - Ending	\$ -	\$ -	\$ 3,330	\$ 3,330

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 GIS Maintenance  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	12,500	12,500	15,533	3,033
Investment Earnings (Losses)	100	100	224	124
Total Revenues	12,600	12,600	15,757	3,157
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	38,100	38,600	3,685	34,915
Capital Outlay	5,500	5,500	-	5,500
Contingencies	-	-	-	-
Total Expenditures	43,600	44,100	3,685	40,415
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(31,000)	(31,500)	12,072	43,572
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(31,000)	(31,500)	12,072	43,572
Fund Balances - Beginning	31,000	31,500	57,215	25,715
Fund Balances - Ending	\$ -	\$ -	\$ 69,287	\$ 69,287

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Clerk Records  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	6,000	7,000	8,250	1,250
Investment Earnings (Losses)	10	10	34	24
<b>Total Revenues</b>	<u>6,010</u>	<u>7,010</u>	<u>8,284</u>	<u>1,274</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	12,510	17,010	6,416	10,594
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
<b>Total Expenditures</b>	<u>12,510</u>	<u>17,010</u>	<u>6,416</u>	<u>10,594</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(6,500)</u>	<u>(10,000)</u>	<u>1,868</u>	<u>11,868</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(6,500)	(10,000)	1,868	11,868
Fund Balances - Beginning	6,500	10,000	10,228	228
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,096</u>	<u>\$ 12,096</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 OJTA Road Project  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning	-	-	103	103
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103</u>	<u>\$ 103</u>



**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Project Dove  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning - Restated	-	-	(20)	(20)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20)</u>	<u>\$ (20)</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Healthy Families Grant  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	40,311	65,111	87,016	21,905
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	51	51
Total Revenues	<u>40,311</u>	<u>65,111</u>	<u>87,067</u>	<u>21,956</u>
<b>Expenditures</b>				
Personal Services	28,059	16,059	15,483	576
Materials and Supplies	12,252	49,052	45,305	3,747
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>40,311</u>	<u>65,111</u>	<u>60,788</u>	<u>4,323</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>26,279</u>	<u>26,279</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	26,279	26,279
Fund Balances - Beginning	-	-	(26,279)	(26,279)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 RBEG Federal Grant  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning	-	-	1	1
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Wolf Depredation  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	450	495	495	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	1	1
Total Revenues	<u>450</u>	<u>495</u>	<u>496</u>	<u>1</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	450	948	250	698
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>450</u>	<u>948</u>	<u>250</u>	<u>698</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>(453)</u>	<u>246</u>	<u>699</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(453)	246	699
Fund Balances - Beginning	-	453	454	1
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700</u>	<u>\$ 700</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Extension Service District  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ 373,338	\$ 400,742	\$ 27,404
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	100	-	(100)
Investment Earnings (Losses)	-	500	1,304	804
Total Revenues	-	373,938	402,046	28,108
<b>Expenditures</b>				
Personal Services	-	318,153	303,431	14,722
Materials and Supplies	-	45,671	26,265	19,406
Capital Outlay	-	16,500	6,040	10,460
Contingencies	-	183,614	-	183,614
Total Expenditures	-	563,938	335,736	228,202
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	(190,000)	66,310	256,310
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>Net Change in Fund Balances</b>	-	(190,000)	66,310	256,310
Fund Balances - Beginning	-	190,000	226,988	36,988
Fund Balances - Ending	\$ -	\$ -	\$ 293,298	\$ 293,298

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Federal Forfeiture  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	10,000	10,000	-	(10,000)
Investment Earnings (Losses)	50	50	87	37
Total Revenues	<u>10,050</u>	<u>10,050</u>	<u>87</u>	<u>(9,963)</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	41,050	30,050	8,807	21,243
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>41,050</u>	<u>30,050</u>	<u>8,807</u>	<u>21,243</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(31,000)</u>	<u>(20,000)</u>	<u>(8,720)</u>	<u>11,280</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(31,000)	(20,000)	(8,720)	11,280
Fund Balances - Beginning	31,000	20,000	29,151	9,151
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,431</u>	<u>\$ 20,431</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 MS II Detention  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	110	110	63	(47)
<b>Total Revenues</b>	<u>110</u>	<u>110</u>	<u>63</u>	<u>(47)</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	40,110	60,110	-	60,110
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
<b>Total Expenditures</b>	<u>40,110</u>	<u>60,110</u>	<u>-</u>	<u>60,110</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(40,000)</u>	<u>(60,000)</u>	<u>63</u>	<u>60,063</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	20,000	20,000	20,000	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(20,000)	(40,000)	20,063	60,063
Fund Balances - Beginning	20,000	40,000	20,000	(20,000)
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,063</u>	<u>\$ 40,063</u>

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Elevator Project  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	25,000	25,000	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	28	28
Total Revenues	<u>-</u>	<u>25,000</u>	<u>25,028</u>	<u>28</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	-	25,000	25,000	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>28</u>	<u>28</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	28	28
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ 28</u>



**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 45th Parallel  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	5,500	3,500	(2,000)
Investment Earnings (Losses)	-	10	40	30
Other Income	-	-	-	-
Total Revenues	-	5,510	3,540	(1,970)
<b>Expenditures</b>				
Personal Services	-	9,632	192	9,440
Materials and Supplies	-	5,842	448	5,394
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	-	15,474	640	14,834
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	(9,964)	2,900	12,864
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	(9,964)	2,900	12,864
Fund Balances - Beginning	-	9,964	10,164	200
Fund Balances - Ending	\$ -	\$ -	\$ 13,064	\$ 13,064

**Malheur County, Oregon**  
 Budgetary Comparison Schedule - Cash Basis  
 Work Release Construction  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	1,000	700	958	258
Total Revenues	<u>1,000</u>	<u>700</u>	<u>958</u>	<u>258</u>
<b>Expenditures</b>				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	265,400	266,000	-	266,000
Contingencies	-	-	-	-
Total Expenditures	<u>265,400</u>	<u>266,000</u>	<u>-</u>	<u>266,000</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(264,400)</u>	<u>(265,300)</u>	<u>958</u>	<u>266,258</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(264,400)	(265,300)	958	266,258
Fund Balances - Beginning	264,400	265,300	264,800	(500)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,758</u>	<u>\$ 265,758</u>

**Malheur County, Oregon**  
**Statement of Property Tax Transactions**  
**For the Year Ended June 30, 2016**

General Fund

Year	Taxes Receivable 6/30/2015	Levy	Add (Subtract) Net Adjustments	Add Interest On Delinquent Taxes	Collections Including Interest	Taxes Receivable 6/30/2016
2015-2016	\$ -	\$ 4,608,666	\$ (123,464)	\$ 4,830	\$ (4,339,967)	\$ 150,065
2014-2015	155,106	-	(3,331)	8,189	(79,842)	80,122
2013-2014	76,761	-	(151)	8,149	(35,652)	49,107
2012-2013	54,811	-	(169)	14,227	(44,652)	24,217
2011-2012	26,938	-	(163)	12,581	(35,179)	4,177
2010-2011	2,538	-	(221)	473	(1,104)	1,686
2009-2010	433	-	(433)	0	0	0
2008-2009	88	-	-	-	-	88
2007-2008	285	-	-	0	0	285
Prior	325	-	-	-	-	325
	<u>\$ 317,285</u>	<u>\$ 4,608,666</u>	<u>\$ (127,932)</u>	<u>\$ 48,449</u>	<u>\$ (4,536,396)</u>	<u>\$ 310,072</u>

Ambulance Fund

Year	Taxes Receivable 6/30/2015	Levy	Add (Subtract) Net Adjustments	Add Interest On Delinquent Taxes	Collections Including Interest	Taxes Receivable 6/30/2016
2015-2016	\$ -	\$ 203,606	\$ (5,414)	\$ 212	\$ (191,824)	\$ 6,580
2014-2015	6,984	-	(150)	368	(3,594)	3,608
2013-2014	3,537	-	(7)	376	(1,643)	2,263
2012-2013	2,167	-	(7)	562	(1,764)	958
2011-2012	1,138	-	(7)	531	(1,486)	176
2010-2011	109	-	(10)	20	(46)	73
2009-2010	20	-	(20)	-	-	-
2008-2009	4	-	-	-	-	4
2007-2008	14	-	-	-	-	14
Prior	16	-	-	-	-	16
	<u>\$ 13,989</u>	<u>\$ 203,606</u>	<u>\$ (5,615)</u>	<u>\$ 2,069</u>	<u>\$ (200,357)</u>	<u>\$ 13,692</u>

**Malheur County, Oregon**  
 Schedule of Deposits - Elected Officials  
 June 30, 2016

	Cash Balance 6/30/2015	Receipts	Disbursements	Cash Balance 6/30/2016
Sheriff's Office	\$ 14,996	\$ 164,763	\$ 163,546	\$ 16,213

Summary of receipts: civil process serving fees, record sales, patrolling contracts, room and board for prisoners and miscellaneous reimbursements.

County Clerk	\$ 46,093	\$ 373,743	\$ 388,886	\$ 30,950
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Summary of receipts: record recordings, filings, and elections.

**Malheur County, Oregon**  
Statement of Insurance in Force  
June 30, 2016

<u>Type of Coverage</u>	<u>Company</u>	<u>Expiration Date</u>	<u>Coverage</u>	<u>Limit</u>
General Liability	CIS	7/1/2016	Aggregate Each Occurrence	\$ 15,000,000 \$ 5,000,000
Auto Liability	CIS	7/1/2016	Aggregate Each Occurrence	None \$ 5,000,000
Auto Physical Damage	CIS	7/1/2016		
Property	CIS/RSUI Indemnity	7/1/2016		Per Filed Value
Boiler and Machinery	CIS	7/1/2016		Per Filed Value
Excess Crime	National Union Fire Insurance Company of Pitts, PA	7/1/2016	Per Loss	\$ 300,000
Workers' Compensation	CIS	7/1/2016		

***STATE AND FEDERAL REPORTS***

Malheur County, Oregon  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2016

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Number</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Passed through State Department of Administrative Services:			
Schools and Roads - Grants to States	10.665		\$ 397
Passed through State Department of Human Resources:			
Women, Infants, and Children	10.557	148021	<u>252,595</u>
Total U.S. Department of Agriculture			<u>252,992</u>
<u>U.S. Department of Interior</u>			
Direct			
PILT	15.226		2,592,063
Fish Wildlife & Plant Conservation	15.231		123,000
Passed through State Department of Administrative Services:			
Mineral Leasing Act	15.214		300
Taylor Grazing	15.227		<u>67,895</u>
Total U.S. Department Interior:			<u>2,783,258</u>
<u>U.S. Department of Justice</u>			
Direct			
State Criminal Alien Assistance Program	16.606		<u>3,544</u>
Total U.S. Department of Justice			<u>3,544</u>

Malheur County, Oregon  
Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2016

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Number</u>	<u>Expenditures</u>
<u>U.S. Department of Transportation</u>			
Passed through State Department of Transportation:			
Capital Assistant for Elderly & Disabled	20.513		83,232
Grants for Other Urbanized Areas	20.509		135,660
Total U.S. Department of Transportation			<u>218,892</u>
<u>U.S. Department of Environmental Protection Agency</u>			
Passed through State Department of Human Resources:			
State Public Water System	66.432	280557	1,681
Capital Grant For Drinking Water	66.468	280655	1,000
Total U.S. Department of Housing and Urban Development			<u>2,681</u>
<u>U.S. Department of Health and Human Resources</u>			
Passed through State Department of Human Resources:			
Public Health Emergency Preparedness	93.069	280619	77,382
Project Grants - Tuberculosis Contract	93.116	280549	540
Family Planning Services	93.217	280558	37,213
Foster Care Title IV-E	93.658		9,060
Temporary Assistance for Needy Families	93.558	100000	31,318
Medical Assistance Program	93.778	148021	116,113
Block Grants for Community Mental Health Services	93.958	147797	33,386
Block Grants for Prevention and Treatment of Substance Abuse	93.959	147797	280,249
Maternal Child Health Services Grant	93.994	180514	32,987
Passed through State Division of Public Health:			
Affordable Care Act Maternal, Infant	93.505	280539	87,016
Passed through State Department of Justice & Delinquency Prevention:			
Child Support Enforcement	93.563		97,231
Total U.S. Department of Health and Human Resources			<u>802,495</u>
<u>U.S. Department of Homeland Security</u>			
Passed through State Department of State Police:			
Emergency Management & Performance	97.042		42,014
Passed Through Federal Surplus			
Road Fund	39.002		165
Total U.S. Department of Homeland Security			<u>42,179</u>
Total Federal Financial Assistance Expended			<u>\$ 4,106,041</u>



**Malheur County, Oregon**  
Notes to Budgetary Comparisons Schedules  
For the Year Ended June 30, 2016

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1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Malheur County, Oregon under programs of the Federal Government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Malheur County, Oregon, it is not intended to and does not present the financial position or changes in Net Position of Malheur County, Oregon.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures report on the Schedule are reported using the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. INDIRECT COST RATE

Malheur County, Oregon has elected to use the 10-percent de minimis indirect cost rate.



# Millington Zwygart

CERTIFIED PUBLIC ACCOUNTANTS

## **Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Oregon Minimum Audit Stands***

Board of Commissioners  
Malheur County, Oregon  
Vale, Oregon

We have audited the cash basis financial statements of Malheur County, Oregon (the County) as of and for the year ended June 30, 2016 and have issued our report thereon dated December 5, 2016. We conducted our audit in accordance with auditing standards general accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

### **Compliance**

As part of obtaining reasonable assurance about whether the County's cash basis financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 162-10-330 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

**Malheur County, Oregon**  
Notes to Budgetary Comparisons Schedules  
For the Year Ended June 30, 2016

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

**Internal Control Over Financial Reporting**

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

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

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

**Purpose of this Report**

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

*Millington Zwysart CPAs, PLLC*

By: *Jordan Zwysart*

Caldwell, Idaho  
December 5, 2016



# Millington Zwygart

CERTIFIED PUBLIC ACCOUNTANTS

## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Commissioners  
Malheur County, Oregon  
Vale, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Malheur County, Oregon (the County) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's cash basis financial statements, and have issued our report thereon dated December 5, 2016.

### **Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*Millington Zwyzart CPAs, PLLC*

By: *Jordan Zwyzart*

Caldwell, Idaho  
December 5, 2016



# Millington Zwygart

CERTIFIED PUBLIC ACCOUNTANTS

## **Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance**

Board of Commissioners  
Malheur County, Oregon  
Vale, Oregon

### **Report on Compliance for Each Major Federal Program**

We have audited Malheur County, Oregon's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Malheur County, Oregon's major federal programs for the year ended June 30, 2016. Malheur County, Oregon's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Malheur County, Oregon's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Malheur County, Oregon's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

#### ***Opinion on Each Major Federal Program***

In our opinion, Malheur County, Oregon, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

## Report on Internal Control Over Compliance

Management of Malheur County, Oregon, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Malheur County, Oregon's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Malheur County, Oregon's internal control over compliance.

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

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

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

*Millington Zwysart CPAs, PLLC*

By: *Jordan Zwysart*

Caldwell, Idaho  
December 5, 2016

**Malheur County, Oregon**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2016

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**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Significant deficiency(ies) disclosed?                     yes     none reported

Material weakness(es) disclosed?                     yes     none reported

Noncompliance material to financial statements  
noted?                     yes     no

*Federal Awards*

Internal control over major programs:

Significant deficiencies disclosed?                     yes     none reported

Material weaknesses disclosed?                     yes     none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to  
be reported in accordance with 2cfr SECTION  
200.516(A)?                     yes     no

Identification of major programs:

CFDA Numbers	Name of Federal Program
15.226	Payments in Lieu of Taxes
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000

Auditee qualified as low-risk auditee?                     yes     no



**Malheur County, Oregon**  
Schedule of Findings and Questioned Costs ( Continued)  
For the Year Ended June 30, 2016

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**Section II - Financial Statement Findings**

No Matters Reported

**Section III - Findings and Questioned Costs for Federal Awards**

No Matters Reported