

MALHEUR COUNTY, OREGON

Report on Audited
Basic Cash Basis
Financial Statements
and
Supplemental Information

For the Year Ended June 30, 2018

Table of Contents

	<u>Page</u>
<u>INTRODUCTORY SECTION</u>	
Principal Officers	1
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	2
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position – Cash Basis	5
Statement of Activities –Cash Basis	6
Fund Financial Statements:	
Balance Sheet –Cash Basis – Governmental Funds	7
Statement of Revenues, Expenditures, and Changes in Fund Balances –Cash Basis – Governmental Funds	8
Statement of Net Position –Cash Basis – Proprietary Funds	9
Statement of Revenues, Expenses, and Changes in Net Position – Cash Basis – Proprietary Funds	10
Statement of Fiduciary Net Position –Cash Basis – Fiduciary Funds	11
Notes to Financial Statements	12

Table of Contents
(continued)

	<u>Page</u>
SUPPLEMENTAL INFORMATION	
Budgetary (Cash Basis) Comparison Schedule:	
General Fund	32
Road and Bridge	33
Mental Health	34
Notes to Budgetary Comparison Schedules	35
Schedule of the County's Proportionate Share of the Net Pension Liability	36
Schedule of County Contributions	37
Combining and Individual Fund Statements:	
Combining Balance Sheet –Cash Basis – Nonmajor Governmental Funds	38
Combining Statement of Revenues, Expenditure, and Changes in Fund Balance – Cash Basis – Nonmajor Governmental Funds	39
Combining Balance Sheet –Cash Basis – Nonmajor Special Revenue Funds	40
Combining Statement of Revenues, Expenditure, and Changes in Fund Balance – Cash Basis – Nonmajor Special Revenue Funds	47
Budgetary Comparison Schedule – Cash Basis:	
Economic Development	54
Major Bridge	55
Surveyor Coroner Preservation	56
Community Corrections	57
Law Library	58
Boat License	59
Corrections Assessment	60
D.A. Enforcement	61
Taylor Grazing	62
Task Force	63
Ambulance Service District	64
Special Transport	65
Juvenile Crime Prevention	66
911 Fund	67
Traffic Safety	68
CRT Facilities Security	69
State Drug Court	70

Table of Contents
(continued)

	<u>Page</u>
SUPPLEMENTAL INFORMATION (continued)	
State Mediation	71
Healthy Start	72
CSV0 Expansion	73
Search & Rescue	74
GIS Maintenance	75
Clerk Records	76
OJTA Road Fund	77
Wolf Depredation	78
Extension Service District	79
Federal Forfeiture	80
MS II Detention	81
Elevator Project	82
45 th Parallel	83
Work Release Construction	84
Fair Board	85
Statement of Property Tax Transactions	86
Schedule of Deposits – Elected Officials	87
Statement of Insurance in Force	88
STATE AND FEDERAL REPORTS	
Schedule of Expenditures of Federal Awards	89
Notes to the Schedule of Expenditures of Federal Awards	91
Independent Auditor’s Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance with <i>Oregon Minimum Audit Standards</i>	92
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	94
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with The Uniform Guidance	96
Schedule of Findings and Questioned Costs	98

Malheur County, Oregon
Principal Officers
For the Year Ended June 30, 2018

	<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
Dan P. Joyce	Registered Agent	
Registered Office	251 B Street West Vale, Oregon 97918	

OTHER ELECTED OFFICIALS

County Sheriff	Brian Wolfe	January 2021
County Clerk	Gayle Trotter	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, 2018, 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, 2018, 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic 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 27, 2018, 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 27, 2018 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 Zwysart CPAs, PLLC

By: *Jordan Zwysart*

Caldwell, Idaho
December 27, 2018

Malheur County, Oregon
Statement of Net Position - Cash Basis
June 30, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 10,606,011	\$ 124,181	\$ 10,730,192
Total Assets	10,606,011	124,181	10,730,192
Liabilities			
Overdrawn Account	-	-	-
Total Liabilities	-	-	-
Net Position			
Restricted for:			
Public Safety	729,566	-	729,566
Roads and Bridges	1,356,769	-	1,356,769
Social Services	87,534	-	87,534
Restricted for other purposes	1,993,078	-	1,993,078
Unrestricted	6,439,064	124,181	6,563,245
Total Net Position	\$ 10,606,011	\$ 124,181	\$ 10,730,192

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, 2018

	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				
Primary Government:							
Governmental Activities:							
General Government	\$ 2,827,322	\$ 2,828,065	\$ 1,004,256	\$ -	\$ 1,004,999	\$ -	\$ 1,004,999
Social Services	4,418,929	19,393	485,354	-	(3,914,182)	-	(3,914,182)
Public Safety and Justice	9,306,405	234,241	1,305,848	-	(7,766,316)	-	(7,766,316)
Community Services	1,623,894	-	-	-	(1,623,894)	-	(1,623,894)
Library Services	20,403	-	-	-	(20,403)	-	(20,403)
Roads and Bridges	2,668,062	32,240	-	-	(2,635,822)	-	(2,635,822)
Debt Services:							
Principal	78,873	-	-	-	(78,873)	-	(78,873)
Interest	23,348	-	-	-	(23,348)	-	(23,348)
Total Governmental Activities	<u>20,967,236</u>	<u>3,113,939</u>	<u>2,795,458</u>	<u>-</u>	<u>(15,057,839)</u>	<u>-</u>	<u>(15,057,839)</u>
Business-type Activities:							
Malheur County Fair	455,862	226,569	44,693	-	-	(184,600)	(184,600)
Total Business-type Activities	<u>455,862</u>	<u>226,569</u>	<u>44,693</u>	<u>-</u>	<u>-</u>	<u>(184,600)</u>	<u>(184,600)</u>
Total Primary Government	<u>\$ 21,423,098</u>	<u>\$ 3,340,508</u>	<u>\$ 2,840,151</u>	<u>\$ -</u>	<u>(15,057,839)</u>	<u>(184,600)</u>	<u>(15,242,439)</u>
General Revenues:							
Property Taxes					6,163,851	-	6,163,851
Intergovernmental					9,554,403	53,167	9,607,570
Investment Earnings (Losses)					106,966	912	107,878
Debt Proceeds					-	-	-
Other Income					391,287	120,598	511,885
Disposal of Assets					27,797	-	27,797
Total General Revenues					<u>16,244,304</u>	<u>174,677</u>	<u>16,418,981</u>
Special Items:							
Transfer Between Governmental and Business Funds					(30,000)	30,000	-
Total General Revenues and Special Items					<u>32,458,608</u>	<u>379,354</u>	<u>32,837,962</u>
Change in Net Position					1,156,465	20,077	1,176,542
Net Position, Beginning of Year					9,449,546	104,104	9,553,650
Net Position, End of Year					<u>\$ 10,606,011</u>	<u>\$ 124,181</u>	<u>\$ 10,730,192</u>

The accompanying notes are an integral
part of the financial statements

Malheur County, Oregon
 Balance Sheet - Cash Basis -
 Governmental Funds
 June 30, 2018

	General Fund	Road Fund	State Mediation	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 6,439,064	\$ 983,299	\$ -	\$ 3,183,648	\$ 10,606,011
Internal Balance	-	-	-	-	-
Total Assets	<u>\$ 6,439,064</u>	<u>\$ 983,299</u>	<u>\$ -</u>	<u>\$ 3,183,648</u>	<u>\$ 10,606,011</u>
Liabilities					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	-	983,299	-	3,183,648	4,166,947
Unassigned	6,439,064	-	-	-	6,439,064
Total Fund Balances	<u>6,439,064</u>	<u>983,299</u>	<u>-</u>	<u>3,183,648</u>	<u>10,606,011</u>
Total Liabilities and Fund Balances	<u>\$ 6,439,064</u>	<u>\$ 983,299</u>	<u>\$ -</u>	<u>\$ 3,183,648</u>	<u>\$ 10,606,011</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, 2018

	General Fund	Road Fund	State Mediation	Other Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$ 5,481,221	\$ -	\$ -	\$ 682,630	\$ 6,163,851
Intergovernmental	3,625,790	2,685,562	2,236,859	1,006,192	9,554,403
Grants	1,001,806	-	-	1,793,652	2,795,458
Charges for Services	2,762,904	32,240	-	318,795	3,113,939
Investment Earnings (Losses)	55,906	10,560	-	40,500	106,966
Other Income	371,937	15,179	-	4,171	391,287
Total Revenues	13,299,564	2,743,541	2,236,859	3,845,940	22,125,904
Expenditures					
Current:					
General Government	2,336,659	-	-	111,847	2,448,506
Social Services	1,657,781	-	2,239,344	506,804	4,403,929
Public Safety and Justice	7,667,815	-	-	1,638,590	9,306,405
Community Services	1,020,314	-	-	603,580	1,623,894
Library Services	6,000	-	-	14,403	20,403
Roads and Bridges	4,000	2,621,874	-	11,399	2,637,273
Capital Outlay	294,495	30,789	-	79,321	404,605
Contingency	-	-	-	20,000	20,000
Debt Service:					
Principal	8,789	70,084	-	-	78,873
Interest	10,473	12,875	-	-	23,348
Total Expenditures	13,006,326	2,735,622	2,239,344	2,985,944	20,967,236
Excess (Deficiency) of Revenues Over Expenditures	293,238	7,919	(2,485)	859,996	1,158,668
Other Financing Sources (Uses)					
Sale of Equipment	16,130	11,667	-	-	27,797
Transfers In	816,130	104	-	77,196	893,430
Transfers Out	(20,000)	(42,196)	-	(861,234)	(923,430)
Total Other Financing Sources (Uses)	812,260	(30,425)	-	(784,038)	(2,203)
Net Change in Fund Balances	1,105,498	(22,506)	(2,485)	75,958	1,156,465
Fund Balance - Beginning	5,333,566	1,005,805	2,485	3,107,690	9,449,546
Fund Balances - Ending	\$ 6,439,064	\$ 983,299	\$ -	\$ 3,183,648	\$ 10,606,011

The accompanying notes are an integral
part of the financial statements

Malheur County, Oregon
Statement of Net Position - Cash Basis - Proprietary Funds
June 30, 2018

	Enterprise Funds
	Malheur County
	Fair Board
Assets	
Cash and Cash Equivalents	\$ 124,181
Total Assets	\$ 124,181
Liabilities	
Bank Overdrawn	\$ -
Total Liabilities	-
Net Position	
Unrestricted	124,181
Total Net Position	\$ 124,181

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, 2018

	<u>Enterprise Funds</u>
	<u>Malheur County</u>
	<u>Fair Board</u>
Operating Revenues	
Intergovernmental	\$ 53,167
Grants	5,000
Charges for Services	226,569
Contributions	39,693
Other Income	120,598
Total Operating Revenues	445,027
Operating Expenses	
Personnel Services	75,390
Material and Supplies	310,010
Capital Outlay	70,462
Total Operating Expenses	455,862
Net Operating Income (Loss)	(10,835)
Nonoperating Revenue (Expense)	
Sale of Assets	-
Interest	912
Transfer From Governmental Activities	30,000
Total Nonoperating Revenue (Expense)	30,912
Change in Net Position	20,077
Net Position - Beginning	104,104
Net Position - Ending	\$ 124,181

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, 2018

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 740,526
Total Assets	<u>\$ 740,526</u>
Liabilities	
Due to Other Funds or Taxing Units	\$ 740,526
Total Liabilities	<u>\$ 740,526</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, 2018

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, 2018

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.
- *Mental Health* – This fund accounts for funds spent to help and support the mental health of County.

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, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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, 2018

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 15th of the same year. Under the partial payment schedule, the first one third of taxes are due November 15th, the second one-third on February 15th. A two percent discount is allowed if two thirds of the taxes are paid by November 15th. 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, 2018

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, 2018, the carrying amount of the County's deposits was \$5,985,670 and the respective bank balances totaled \$6,436,567. 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, 2018, 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. The County had \$825 of cash on hand at the end of the year.

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, 2018

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's investments at June 30, 2018, are summarized below:

Investment Type	Rating	Fair Value	Investment Maturities (In Years)		
			Less Than 1 Year	1 - 5 Years	More Than 5 Years
External Investment Pool	Not Rated	\$5,387,014	\$5,387,014	\$ -	\$ -

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

	Governmental Activities	Business-type Activities	Total	Agency Funds	Total Fiduciary
Cash and Cash Equivalents	\$ 5,120,963	\$ 124,181	\$ 5,245,144	\$ 740,526	\$ 740,526
Investments Categorized as Cash and Cash Equivalents	5,387,014		5,387,014	-	-
	<u>\$ 10,507,977</u>	<u>\$ 124,181</u>	<u>\$10,632,158</u>	<u>\$ 740,526</u>	<u>\$ 740,526</u>

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

2. CASH AND INVESTMENTS (continued)

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

	Book Balance	Bank Balance
County Clerk Fees	\$ (1,761)	\$ 38,170
Sheriff's Office	7,568	7,539
Justice Court	172,828	167,243
Work Release	288	288
Fair Board	6,244	6,286
Inmate Trust	64,354	64,354
	\$249,521	\$283,880

3. INTERFUND TRANSFERS

The following is a summary of transfers between funds in the fund financial statements for the year ended June 30, 2018:

\$ 808,410	Transferred from Nonmajor funds to the General fund for expenses paid
20,000	Transferred from the General fund to Nonmajor funds for expenses paid
42,196	Transferred from Nonmajor funds to the Road fund for expenses paid
45,000	Transferred from Nonmajor funds to other Nonmajor funds for expenses paid
\$ 915,606	

4. PENSION PLAN

General Information about the Pension Plan

Plan Description

Employees of the County are provided with pensions through Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan, the Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

Benefits Provided

1. Tier One/Tier Two Retirement Benefit ORS Chapter 238

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension 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). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

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. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living (COLA) changes. The COLA is capped at 2.0 percent.

2. OPSRP Pension Program (OPSRP DB)

Pension Benefits

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent of the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

3. **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 service 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

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

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. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2013 actuarial valuation as subsequently modified by 2015 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2015. Employer contributions for the year ended June 30, 2018 were \$1,004,523, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2018 were 17.93 percent for Tier One/Tier Two General Service Member, 17.93 percent for Tier One/Tier Two Police and Fire, 8.52 percent for OPSRP Pension Program General Service Members, 13.29 for OPSRP Pension Program Police and Fire Members, and 6 for OPSRP Individual Account Program.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the County reported liability of \$8,945,547 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 rolled forward to June 30, 2017. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2017, the County's proportion was 0.06636144 percent, which was decreased from its proportion of 0.07002315 measured as of June 30, 2016.

For the year ended June 30, 2018, the County's recognized pension expense (income) of \$1,004,523. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 432,610	\$ -
Change of assumptions	1,630,614	-
Net difference between projected and actual earnings on investments	92,160	-
Changes in proportion and difference between employer contributions and proportionate share of contributions	255,060	355,115
Total (prior to post-MD contributions)	2,410,444	355,115
Contributions subsequent to the MD	1,508,236	-
Net Deferred Outflow/(Inflow) of Resources	\$ 3,918,680	\$ 355,115

\$1,508,236 Reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2019	\$ 392,985
2020	1,117,403
2021	765,284
2022	(226,571)
2023	6,227
Total	\$2,055,329

Actuarial Assumptions

The employer contribution rates effective July 1, 2017, through June 30, 2019, were set using the entry age normal method.

For ORS 238 Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the ORS 2388A OPSRP Pension Program component of the PERS Defined Benefit

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an actuarially determined amount for funding a disability benefit component, and (3) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2015
Measurement Date	June 30, 2017
Experience Study	2014, Published September 2015
Amortization cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll; UAL (10 year) amortization is closed.
Actuarial Assumptions:	
Inflation Rate	2.75 percent
Long-Term Expected Rate of Return	7.50 percent
Discount Rate	7.50 percent
Projected Salary Increases	3.50 percent over payroll growth
Cost of Living Adjustment (COLA)	Blend of 2.0% COLA and grade COLA (1.25%/0.015%) in accordance with Moro decision, blend based on service.
Mortality	Heath retirees and beneficiaries: RP-2000 sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 sex-distinct, generational per Scale BB, disabled mortality table.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2014 Experience Study which reviewed experience for the four-year period ending on December 31, 2014.

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic mode.

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	14.0%	21.0%	17.5%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100%

Asset Class	Target	Compound Annual Return (Geometric)
Core Fixed Income	8.00%	4.00%
Short-Term Bonds	8.00%	3.61%
Bank/Leveraged Loans	3.00%	5.42%
High Yield Bonds	1.00%	6.20%
Large Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.30%	6.99%
Micro Cap US Equities	1.30%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Foreign Equities	4.12%	7.25%
Non-US Small Cap Equities	1.88%	7.22%
Private Equity	17.50%	7.97%
Real Estate (Property)	10.00%	5.84%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	2.50%	4.64%
Hedge Fund - Event-driven	0.63%	6.72%
Timber	1.88%	5.85%
Farmland	1.88%	6.37%
Infrastructure	3.75%	7.13%
Commodities	1.88%	4.58%
	100.00%	
Assumed Inflation - Mean		2.50%

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgement.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to 100% funded position by the end of the amortization period if future experience follows assumptions.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

4. PENSION PLAN (continued)

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following presents the County's proportionate share of the net position liability calculated using the discount rate of 7.50 percent, as well as what the County's proportionate share of the net position liability would be if it were calculated using a discount rate that is 1-percentage lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employer's proportionate share of the net pension liability (asset)	\$15,244,846	\$8,945,547	\$3,678,167

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial reports.

5. 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.

6. 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.

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

General Fund Only:	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
X: Beginning Cash Balance	\$ 4,780,820	\$ 3,951,034	\$ 3,996,508
Y: Total Revenue	14,189,233	\$ 13,720,225	\$ 13,193,738
X/Y	34%	29%	30%
B: Total Expenditures	13,083,735	\$ 12,890,439	\$ 12,640,992
A: Ending Cash Balance	\$ 5,886,318	\$ 4,780,820	\$ 4,549,254
A/B	45%	37%	36%

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

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	\$ 5,886,318	\$ 4,780,820	\$ 4,549,254
B: Total Expenditures	\$ 13,083,735	\$ 12,890,439	\$ 12,640,992
A/B	45%	37%	36%

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	\$ 14,189,233	\$ 13,720,225	\$ 13,193,738
C/D	0.6%	0.6%	0.7%

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

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:

	<u>Landfill Closure and Post-closure Care Liability</u>	<u>% of Capacity Used</u>	<u>Estimated Remaining Life (years)</u>
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

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

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.

7. 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, 2018 are as follows:

	Rate	Maturity	6/30/2017	Increase	Decrease	6/30/2018	Current
Grader Leas	3.50%	2019	\$ 73,358	\$ -	\$ (35,721)	\$ 37,637	\$ 37,637
Loader Leas	3.50%	2020	60,881	-	(19,423)	41,458	20,304
			<u>\$ 134,239</u>	<u>\$ -</u>	<u>\$ (55,144)</u>	<u>\$ 79,095</u>	<u>\$ 57,941</u>

There was interest expense of \$4,754 paid on capital leases during the year ending June 30, 2018.

Future lease payments as of June 30, 2018 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 57,941	\$ 2,792	\$ 60,733
2020	21,154	752	21,906
	<u>\$ 79,095</u>	<u>\$ 3,544</u>	<u>\$ 82,639</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:

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

Fiscal Year Ending June 30,	Total
2019	\$ 36,000
2020	36,000
	\$ 72,000

Rent expense for the year ended June 30, 2018 was \$34,800.

8. 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, 2018 was as follows:

Description	Maturity	Rate	6/30/2017	Increase	Decrease	6/30/2018	Current Portion
<u>Governmental Activities:</u>							
Gravel Pit Loan	2031	3.50%	\$ 122,490	\$ -	#####	#####	\$ -
Goodfellows Bldg Lease	2025	7.00%	156,834	-	(16,508)	140,326	16,508
			\$ 279,324	\$ -	#####	#####	\$ 16,508

There was interest paid on long-term obligations of \$23,347 during the year ended June 30, 2018.

Debt service requirements on long-term debt as of June 30, 2018, are as follows:

Malheur County, Oregon
Notes to the Financial Statements
For the Year Ended June 30, 2018

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 17,701	\$ 9,279	\$ 26,980
2020	26,414	11,800	38,214
2021	28,046	10,167	38,214
2022	29,787	8,427	38,214
2023	31,643	6,571	38,214
2024-2028	83,805	12,586	96,391
2029-2031	31,203	2,232	33,435
	<u>\$ 248,599</u>	<u>\$ 61,061</u>	<u>\$ 309,660</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.

9. COMPENSATED ABSENCES

Vacation leave is granted to all regular County employees. In the event of termination, an employee is reimbursed for accumulated vacation leave. Changes in accumulated vacation are as follows:

June 30, 2017	Earned	Used	June 30, 2018
<u>\$ 523,191</u>	<u>\$489,081</u>	<u>\$(466,559)</u>	<u>\$ 545,713</u>

SUPPLEMENTARY INFORMATION

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 General Fund
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 4,452,530	\$ 4,452,530	\$ 5,481,221	\$ 1,028,691
Intergovernmental	3,194,160	3,194,160	3,625,790	431,630
Grants	1,435,836	1,586,845	1,001,806	(585,039)
Charges for Services	2,543,079	2,543,079	2,762,904	219,825
Investment Earnings (Losses)	10,850	10,850	55,906	45,056
Other Income	142,150	222,150	371,937	149,787
Total Revenues	<u>11,778,605</u>	<u>12,009,614</u>	<u>13,299,564</u>	<u>1,289,950</u>
Expenditures				
Personal Services	10,722,374	10,722,374	9,839,885	882,489
Materials and Supplies	3,927,610	4,166,339	2,852,684	1,313,655
Capital Outlay	817,551	817,551	294,495	523,056
Debt Services:				
Principal	17,392	17,392	8,789	8,603
Interest	12,608	12,608	10,473	2,135
Contingencies	573,616	573,616	-	573,616
Total Expenditures	<u>16,071,151</u>	<u>16,309,880</u>	<u>13,006,326</u>	<u>3,303,554</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,292,546)</u>	<u>(4,300,266)</u>	<u>293,238</u>	<u>(2,013,604)</u>
Other Financing Sources (Uses)				
Sale of Assets	300	300	16,130	15,830
Transfers In	1,089,749	1,097,469	816,130	(281,339)
Transfers Out	(220,000)	(220,000)	(20,000)	(200,000)
Total Other Financing Sources (Uses)	<u>870,049</u>	<u>877,769</u>	<u>812,260</u>	<u>(465,509)</u>
Net Change in Fund Balances	(3,422,497)	(3,422,497)	1,105,498	(2,479,113)
Fund Balances - Beginning	3,422,497	3,422,497	5,333,566	1,911,069
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,439,064</u>	<u>\$ (568,044)</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Road Fund
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	3,123,618	3,227,305	2,685,562	(541,743)
Charges for Services	28,000	28,000	32,240	4,240
Investment Earnings (Losses)	3,500	3,500	10,560	7,060
Other Income	10,000	10,000	15,179	5,179
Total Revenues	<u>3,165,118</u>	<u>3,268,805</u>	<u>2,743,541</u>	<u>(525,264)</u>
Expenditures				
Personal Services	876,733	903,207	832,374	70,833
Materials and Supplies	2,585,533	2,662,746	1,789,500	873,246
Capital Outlay	240,508	240,508	30,789	209,719
Debt Services:				
Principal	61,943	61,943	70,084	(8,141)
Interest	9,782	9,782	12,875	(3,093)
Contingencies	69,995	69,995	-	69,995
Total Expenditures	<u>3,844,494</u>	<u>3,948,181</u>	<u>2,735,622</u>	<u>1,212,559</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(679,376)</u>	<u>(679,376)</u>	<u>7,919</u>	<u>(1,737,823)</u>
Other Financing Sources (Uses)				
Sale of Assets	25,000	25,000	11,667	(13,333)
Transfers In	125,105	125,105	104	(125,001)
Transfers Out	(167,000)	(167,000)	(42,196)	(124,804)
Total Other Financing Sources (Uses)	<u>(16,895)</u>	<u>(16,895)</u>	<u>(30,425)</u>	<u>(263,138)</u>
Net Change in Fund Balances	(696,271)	(696,271)	(22,506)	(2,000,961)
Fund Balances - Beginning	696,271	696,271	1,005,805	309,534
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 983,299</u>	<u>\$ (1,691,427)</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Mental Health
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	2,332,742	2,347,742	2,236,859	(110,883)
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Other Income	-	-	-	-
Total Revenues	<u>2,332,742</u>	<u>2,347,742</u>	<u>2,236,859</u>	<u>(110,883)</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	2,332,742	2,347,742	2,239,344	108,398
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>2,332,742</u>	<u>2,347,742</u>	<u>2,239,344</u>	<u>108,398</u>
Excess (Deficiency) of Revenues Over Expenditures				
	-	-	(2,485)	(2,485)
Other Financing Sources (Uses)				
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	-	-	(2,485)	(2,485)
Fund Balances - Beginning	-	-	2,485	2,485
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Malheur County, Oregon
Notes to Budgetary Comparisons Schedules
For the Year Ended June 30, 2018

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*

	2018	2017	2016	2015
County proportion of the net pension liability (asset)	0.06636144%	0.07002315%	0.07045832%	0.07839934%
County's proportionate share of the net pension liability (asset)	\$ 8,945,547	\$ 10,512,101	\$ 4,045,337	\$ (1,777,089)
County's covered-employee payroll	\$ 8,246,994	\$ 8,232,005	\$ 8,093,153	\$ 8,123,430
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	108.47%	127.70%	49.98%	21.88%
Plan fiduciary net position as a percentage of the total pension liability	83.1	80.50%	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 June 30, 2017

Malheur County, Oregon
Schedule of County Contributions

State of Oregon Public Employees Retirement System

Last 10 - Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 1,004,523	\$ 843,545	\$ 847,043	\$ 742,576
Contributions in relation to the contractually required contribution	<u>1,004,523</u>	<u>843,545</u>	<u>847,043</u>	<u>742,576</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 8,246,994	\$ 8,232,005	\$ 8,093,153	\$ 8,123,430
Contributions as a percentage of covered-employee payroll	12.18%	10.25%	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, 2018

Malheur County, Oregon
Combining Balance Sheet - Cash Basis -
Nonmajor Governmental Funds
June 30, 2018

	<u>Total Nonmajor Special Revenue Funds</u>
Assets	
Cash and Cash Equivalents	\$ 3,183,648
Total Assets	<u>\$ 3,183,648</u>
Liabilities	
Internal Balance	<u>\$ -</u>
Total Liabilities	<u>-</u>
Fund Balances	
Restricted	3,183,648
Unassigned	-
Total Fund Balances	<u>3,183,648</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 3,183,648</u>

Malheur County, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -
Cash Basis - Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Total Nonmajor Special Revenue Funds
Revenues	
Property Taxes	\$ 682,630
Intergovernmental	1,006,192
Grants	1,793,652
Charges for Services	318,795
Investment Earnings (Losses)	40,500
Other Income	4,171
Total Revenues	3,845,940
 Expenditures	
Current:	
General Government	111,847
Social Services	506,804
Public Safety and Justice	1,638,590
Community Services	603,580
Library Services	14,403
Roads and Bridges	11,399
Capital Outlay	79,321
Contingency	20,000
Total Expenditures	2,985,944
 Excess (Deficiency) of Revenues Over Expenditures	 859,996
 Other Financing Sources (Uses)	
Sale of Equipment	-
Transfers In	77,196
Transfers Out	(861,234)
Total Other Financing Sources (Uses)	(784,038)
 Net Change in Fund Balances	 75,958
 Fund Balance - Beginning	 3,107,690
Fund Balances - Ending	\$ 3,183,648

Malheur County, Oregon
Combining Balance Sheet - Cash Basis -
Nonmajor Special Revenue Funds
June 30, 2018

	Economic Development	Major Bridge	Surveyor Corner Preservation	Community Corrections	Law Library
Assets					
Cash and Cash Equivalents	\$ 359,379	\$ 373,470	\$ 73,173	\$ 121,172	\$ 79,838
Total Assets	<u>\$ 359,379</u>	<u>\$ 373,470</u>	<u>\$ 73,173</u>	<u>\$ 121,172</u>	<u>\$ 79,838</u>
Liabilities					
Internal Balances	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	359,379	373,470	73,173	121,172	79,838
Unassigned	-	-	-	-	-
Total Fund Balances	<u>359,379</u>	<u>373,470</u>	<u>73,173</u>	<u>121,172</u>	<u>79,838</u>
Total Liabilities and Fund Balances	<u>\$ 359,379</u>	<u>\$ 373,470</u>	<u>\$ 73,173</u>	<u>\$ 121,172</u>	<u>\$ 79,838</u>

Malheur County, Oregon
Combining Balance Sheet - Cash Basis -
Nonmajor Special Revenue Funds
June 30, 2018
(continued)

	<u>Boat Licenses</u>	<u>Correction Assessment</u>	<u>D.A. Enforcement</u>	<u>Taylor Grazing</u>	<u>Task Force</u>
Assets					
Cash and Cash Equivalents	\$ 70,275	\$ 147,081	\$ 788	\$ 326,105	\$ 714
Total Assets	<u>\$ 70,275</u>	<u>\$ 147,081</u>	<u>\$ 788</u>	<u>\$ 326,105</u>	<u>\$ 714</u>
Liabilities					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	70,275	147,081	788	326,105	714
Unassigned	-	-	-	-	-
Total Fund Balances	<u>70,275</u>	<u>147,081</u>	<u>788</u>	<u>326,105</u>	<u>714</u>
Total Liabilities and Fund Balances	<u>\$ 70,275</u>	<u>\$ 147,081</u>	<u>\$ 788</u>	<u>\$ 326,105</u>	<u>\$ 714</u>

Malheur County, Oregon
Combining Balance Sheet - Cash Basis -
Nonmajor Special Revenue Funds
June 30, 2018
(continued)

	Ambulance Service District	Special Transport	Juvenile Crime Prevention	911
Assets				
Cash and Cash Equivalents	\$ 242,488	\$ 225	\$ 5,647	\$ 88,742
Total Assets	<u>\$ 242,488</u>	<u>\$ 225</u>	<u>\$ 5,647</u>	<u>\$ 88,742</u>
Liabilities				
Internal Balance	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	242,488	225	5,647	88,742
Unassigned	-	-	-	-
Total Fund Balances	<u>242,488</u>	<u>225</u>	<u>5,647</u>	<u>88,742</u>
Total Liabilities and Fund Balances	<u>\$ 242,488</u>	<u>\$ 225</u>	<u>\$ 5,647</u>	<u>\$ 88,742</u>

Malheur County, Oregon
Combining Balance Sheet - Cash Basis -
Nonmajor Special Revenue Funds
June 30, 2018
(continued)

	Traffic Safety	Court Facilities Security	State Drug Court	State Mediation	Healthy Start
Assets					
Cash and Cash Equivalents	\$ 4,404	\$ 88,073	\$ 13,682	\$ 60,248	\$ 27,061
Total Assets	<u>\$ 4,404</u>	<u>\$ 88,073</u>	<u>\$ 13,682</u>	<u>\$ 60,248</u>	<u>\$ 27,061</u>
Liabilities					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	4,404	88,073	13,682	60,248	27,061
Unassigned	-	-	-	-	-
Total Fund Balances	<u>4,404</u>	<u>88,073</u>	<u>13,682</u>	<u>60,248</u>	<u>27,061</u>
Total Liabilities and Fund Balances	<u>\$ 4,404</u>	<u>\$ 88,073</u>	<u>\$ 13,682</u>	<u>\$ 60,248</u>	<u>\$ 27,061</u>

Malheur County, Oregon
 Combining Balance Sheet - Cash Basis -
 Nonmajor Special Revenue Funds
 June 30, 2018
 (continued)

	CVSO Expansion	Search & Rescue	GIS Maintenance	Clerk Records	OJTA Road Fund
Assets					
Cash and Cash Equivalents	\$ 36,030	\$ 3,392	\$ 98,306	\$ 11,514	\$ -
Total Assets	<u>\$ 36,030</u>	<u>\$ 3,392</u>	<u>\$ 98,306</u>	<u>\$ 11,514</u>	<u>\$ -</u>
Liabilities					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	36,030	3,392	98,306	11,514	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>36,030</u>	<u>3,392</u>	<u>98,306</u>	<u>11,514</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 36,030</u>	<u>\$ 3,392</u>	<u>\$ 98,306</u>	<u>\$ 11,514</u>	<u>\$ -</u>

Malheur County, Oregon
 Combining Balance Sheet - Cash Basis -
 Nonmajor Special Revenue Funds
 June 30, 2018
 (continued)

	Wolf Depredation	Extension Service District	Federal Forfeiture
Assets			
Cash and Cash Equivalents	\$ 3,621	\$ 568,088	\$ 20,183
Total Assets	<u>\$ 3,621</u>	<u>\$ 568,088</u>	<u>\$ 20,183</u>
Liabilities			
Internal Balance	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Restricted	3,621	568,088	20,183
Unassigned	-	-	-
Total Fund Balances	<u>3,621</u>	<u>568,088</u>	<u>20,183</u>
Total Liabilities and Fund Balances	<u>\$ 3,621</u>	<u>\$ 568,088</u>	<u>\$ 20,183</u>

Malheur County, Oregon
Combining Balance Sheet - Cash Basis -
Nonmajor Special Revenue Funds
June 30, 2018
(continued)

	MS II Detention	Elevator Project	45th Parallel Fund	Work Release	Total Nonmajor Special Revenue Funds
Assets					
Cash and Cash Equivalents	\$ 74,344	\$ -	\$ 14,924	\$ 270,681	\$ 3,183,648
Total Liabilities	<u>\$ 74,344</u>	<u>\$ -</u>	<u>\$ 14,924</u>	<u>\$ 270,681</u>	<u>\$ 3,183,648</u>
Liabilities					
Internal Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	74,344	-	14,924	270,681	3,183,648
Unassigned	-	-	-	-	-
Total Fund Balances	<u>74,344</u>	<u>-</u>	<u>14,924</u>	<u>270,681</u>	<u>3,183,648</u>
Total Liabilities and Fund Balances	<u>\$ 74,344</u>	<u>\$ -</u>	<u>\$ 14,924</u>	<u>\$ 270,681</u>	<u>\$ 3,183,648</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, 2018

	Economic Development	Major Bridge	Surveyor	Community Corrections	Law Library
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	356,008	-	-	2,729	-
Grants	-	-	-	1,155,306	-
Charges for Services	-	-	32,670	63,923	18,216
Investment Earnings (Losses)	3,641	4,086	854	4,029	1,020
Other Income	-	-	-	3,960	-
Total Revenues	<u>359,649</u>	<u>4,086</u>	<u>33,524</u>	<u>1,229,947</u>	<u>19,236</u>
Expenditures					
Current:					
General Government	-	-	31,099	-	-
Social Services	-	-	-	-	-
Public Safety and Justice	-	-	-	1,012,187	-
Community Services	169,091	-	-	-	-
Library Services	-	-	-	-	14,403
Roads and Bridges	-	11,399	-	-	-
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Expenditures	<u>169,091</u>	<u>11,399</u>	<u>31,099</u>	<u>1,012,187</u>	<u>14,403</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>190,558</u>	<u>(7,313)</u>	<u>2,425</u>	<u>217,760</u>	<u>4,833</u>
Other Financing Sources (Uses)					
Transfers In	-	42,196	-	-	-
Transfers Out	(78,720)	-	-	(400,000)	-
Total Other Financing Sources (Uses)	<u>(78,720)</u>	<u>42,196</u>	<u>-</u>	<u>(400,000)</u>	<u>-</u>
Net Change in Fund Balances	111,838	34,883	2,425	(182,240)	4,833
Fund Balance - Beginning	247,541	338,587	70,748	303,412	75,005
Fund Balances - Ending	<u>\$ 359,379</u>	<u>\$ 373,470</u>	<u>\$ 73,173</u>	<u>\$ 121,172</u>	<u>\$ 79,838</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, 2018
(continued)

	Boat Licenses	Correction Assessment	DA Enforcement	Taylor Grazing	Task Force
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	78,173	-
Grants	150,542	-	-	-	-
Charges for Services	-	67,624	8,004	-	-
Investment Earnings (Losses)	610	1,672	24	3,544	(2)
Other Income	-	-	-	111	-
Total Revenues	151,152	69,296	8,028	81,828	(2)
Expenditures					
Current:					
General Government	-	-	-	66,036	-
Social Services	-	-	-	-	-
Public Safety and Justice	151,563	63,708	-	-	-
Community Services	-	-	-	-	-
Library Services	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Expenditures	151,563	63,708	-	66,036	-
Excess (Deficiency) of Revenues Over Expenditures	(411)	5,588	8,028	15,792	(2)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	(8,440)	(25,000)	-
Total Other Financing Sources (Uses)	-	-	(8,440)	(25,000)	-
Net Change in Fund Balances	(411)	5,588	(412)	(9,208)	(2)
Fund Balance - Beginning	70,686	141,493	1,200	335,313	716
Fund Balances - Ending	\$ 70,275	\$ 147,081	\$ 788	\$ 326,105	\$ 714

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, 2018
(continued)

	Ambulance Service District	Special Transport Fund	Juvenile Crime Prevention	911
Revenues				
Property Taxes	\$ 199,263	\$ -	\$ -	\$ -
Intergovernmental Grants	-	-	19,600	349,344
Charges for Services	-	485,354	-	-
Investment Earnings (Losses)	3,557	23	(17)	2,326
Other Income	-	-	-	-
Total Revenues	<u>202,820</u>	<u>485,377</u>	<u>48,844</u>	<u>351,670</u>
Expenditures				
Current:				
General Government	-	-	-	-
Social Services	-	485,354	-	-
Public Safety and Justice	221,415	-	48,816	-
Community Services	-	-	-	-
Library Services	-	-	-	-
Roads and Bridges	-	-	-	-
Capital Outlay	-	15,000	-	-
Contingency	-	-	-	-
Total Expenditures	<u>221,415</u>	<u>500,354</u>	<u>48,816</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(18,595)</u>	<u>(14,977)</u>	<u>28</u>	<u>351,670</u>
Other Financing Sources (Uses)				
Transfers In	-	15,000	-	-
Transfers Out	-	-	-	(348,970)
Total Other Financing Sources (Uses)	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>(348,970)</u>
Net Change in Fund Balances	<u>(18,595)</u>	<u>23</u>	<u>28</u>	<u>2,700</u>
Fund Balance - Beginning	261,083	202	5,619	86,042
Fund Balances - Ending	<u>\$ 242,488</u>	<u>\$ 225</u>	<u>\$ 5,647</u>	<u>\$ 88,742</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, 2018
(continued)

	Traffic Safety	Court Facilities Security	State Drug Court	State Mediation	Healthy Start
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	126,357
Grants	-	-	-	-	-
Charges for Services	-	51,083	4,134	19,393	-
Investment Earnings (Losses)	53	1,344	144	709	-
Other Income	-	-	-	-	-
Total Revenues	53	52,427	4,278	20,102	126,357
Expenditures					
Current:					
General Government	-	-	-	-	-
Social Services	-	-	-	21,450	-
Public Safety and Justice	100	83,895	1,066	-	-
Community Services	-	-	-	-	130,675
Library Services	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Expenditures	100	83,895	1,066	21,450	130,675
Excess (Deficiency) of Revenues Over Expenditures	(47)	(31,468)	3,212	(1,348)	(4,318)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(47)	(31,468)	3,212	(1,348)	(4,318)
Fund Balance - Beginning	4,451	119,541	10,470	61,596	31,379
Fund Balances - Ending	\$ 4,404	\$ 88,073	\$ 13,682	\$ 60,248	\$ 27,061

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, 2018
(continued)

	CVSO Expansion	Search & Rescue	GIS Maintenance	Clerk Records	OJTA Road Fund
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	73,981	-	-	-	-
Charges for Services	-	-	17,243	7,244	-
Investment Earnings (Losses)	191	41	1,068	140	-
Other Income	-	-	-	-	-
Total Revenues	<u>74,172</u>	<u>41</u>	<u>18,311</u>	<u>7,384</u>	<u>-</u>
Expenditures					
Current:					
General Government	-	-	3,500	7,585	-
Social Services	-	-	-	-	-
Public Safety and Justice	48,928	-	-	-	-
Community Services	-	-	-	-	-
Library Services	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Expenditures	<u>48,928</u>	<u>-</u>	<u>3,500</u>	<u>7,585</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures					
	<u>25,244</u>	<u>41</u>	<u>14,811</u>	<u>(201)</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(104)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(104)</u>
Net Change in Fund Balances	25,244	41	14,811	(201)	(104)
Fund Balance - Beginning - Restated	10,786	3,351	83,495	11,715	104
Fund Balances - Ending	<u>\$ 36,030</u>	<u>\$ 3,392</u>	<u>\$ 98,306</u>	<u>\$ 11,514</u>	<u>\$ -</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, 2018
(continued)

	Wolf Depredation	Extension Service District	Federal Forfeiture
Revenues			
Property Taxes	\$ -	\$ 483,367	\$ -
Intergovernmental	-	-	-
Grants	2,450	-	-
Charges for Services	-	-	-
Investment Earnings (Losses)	16	6,912	248
Other Income	-	100	-
Total Revenues	<u>2,466</u>	<u>490,379</u>	<u>248</u>
Expenditures			
Current:			
General Government	-	-	627
Social Services	-	-	-
Public Safety and Justice	-	-	-
Community Services	-	303,814	-
Library Services	-	-	-
Roads and Bridges	-	-	-
Capital Outlay	-	-	-
Contingency	-	-	-
Total Expenditures	<u>-</u>	<u>303,814</u>	<u>627</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,466</u>	<u>186,565</u>	<u>(379)</u>
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	2,466	186,565	(379)
Fund Balance - Beginning	1,155	381,523	20,562
Fund Balances - Ending	<u>\$ 3,621</u>	<u>\$ 568,088</u>	<u>\$ 20,183</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, 2018
(continued)

	MS II Detention	Elevator Project	45th Parallel Fund	Work Release	Total Nonmajor Special Revenue Funds
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 682,630
Intergovernmental	-	-	-	-	1,006,192
Grants	-	-	-	-	1,793,652
Charges for Services	-	-	-	-	318,795
Investment Earnings (Losses)	864	-	178	3,225	40,500
Other Income	-	-	-	-	4,171
Total Revenues	<u>864</u>	<u>-</u>	<u>178</u>	<u>3,225</u>	<u>3,845,940</u>
Expenditures					
Current:					
General Government	-	3,000	-	-	111,847
Social Services	-	-	-	-	506,804
Public Safety and Justice	6,912	-	-	-	1,638,590
Community Services	-	-	-	-	603,580
Library Services	-	-	-	-	14,403
Roads and Bridges	-	-	-	-	11,399
Capital Outlay	-	64,321	-	-	79,321
Contingency	-	20,000	-	-	20,000
Total Expenditures	<u>6,912</u>	<u>87,321</u>	<u>-</u>	<u>-</u>	<u>2,985,944</u>
Excess (Deficiency) of Revenues Over Expenditures					
	<u>(6,048)</u>	<u>(87,321)</u>	<u>178</u>	<u>3,225</u>	<u>859,996</u>
Other Financing Sources (Uses)					
Transfers In	20,000	-	-	-	77,196
Transfers Out	-	-	-	-	(861,234)
Total Other Financing Sources (Uses)	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(784,038)</u>
Net Change in Fund Balances	13,952	(87,321)	178	3,225	75,958
Fund Balance - Beginning	60,392	87,321	14,746	267,456	3,107,690
Fund Balances - Ending	<u>\$ 74,344</u>	<u>\$ -</u>	<u>\$ 14,924</u>	<u>\$ 270,681</u>	<u>\$ 3,183,648</u>

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

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	275,000	275,000	356,008	81,008
Charges for Services	-	-	-	-
Investment Earnings (Losses)	750	750	3,641	2,891
Other Income	100	100	-	(100)
Total Revenues	<u>275,850</u>	<u>275,850</u>	<u>359,649</u>	<u>83,799</u>
Expenditures				
Personal Services	5,000	5,000	5,000	-
Materials and Supplies	262,300	254,580	164,091	90,489
Capital Outlay	-	-	-	-
Contingencies	187,550	187,550	-	187,550
Total Expenditures	<u>454,850</u>	<u>447,130</u>	<u>169,091</u>	<u>278,039</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(179,000)</u>	<u>(171,280)</u>	<u>190,558</u>	<u>361,838</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(71,000)	(78,720)	(78,720)	-
Total Other Financing Sources (Uses)	<u>(71,000)</u>	<u>(78,720)</u>	<u>(78,720)</u>	<u>-</u>
Net Change in Fund Balances	(250,000)	(250,000)	111,838	361,838
Fund Balances - Beginning	250,000	250,000	247,541	(2,459)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 359,379</u>	<u>\$ 359,379</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Major Bridge
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	900	900	4,086	3,186
Other Income	-	-	-	-
Total Revenues	<u>900</u>	<u>900</u>	<u>4,086</u>	<u>3,186</u>
Expenditures				
Personal Services	10,774	10,774	10,699	75
Materials and Supplies	336,442	336,442	700	335,742
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>347,216</u>	<u>347,216</u>	<u>11,399</u>	<u>335,817</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(346,316)</u>	<u>(346,316)</u>	<u>(7,313)</u>	<u>339,003</u>
Other Financing Sources (Uses)				
Transfers In	42,000	42,000	42,196	196
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>42,000</u>	<u>42,000</u>	<u>42,196</u>	<u>196</u>
Net Change in Fund Balances	(304,316)	(304,316)	34,883	339,199
Fund Balances - Beginning	304,316	304,316	338,587	34,271
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 373,470</u>	<u>\$ 373,470</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Surveyor Coroner Preservation
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	25,000	25,000	32,670	7,670
Investment Earnings (Losses)	200	200	854	654
Other Income	-	-	-	-
Total Revenues	<u>25,200</u>	<u>25,200</u>	<u>33,524</u>	<u>8,324</u>
Expenditures				
Personal Services	26,935	26,935	26,748	187
Materials and Supplies	10,700	10,700	4,351	6,349
Capital Outlay	-	-	-	-
Contingencies	49,565	49,565	-	49,565
Total Expenditures	<u>87,200</u>	<u>87,200</u>	<u>31,099</u>	<u>56,101</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(62,000)</u>	<u>(62,000)</u>	<u>2,425</u>	<u>64,425</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(62,000)	(62,000)	2,425	64,425
Fund Balances - Beginning	62,000	62,000	70,748	8,748
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,173</u>	<u>\$ 73,173</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Community Corrections
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	7,000	7,000	2,729	(4,271)
Grants	1,028,114	1,046,274	1,155,306	109,032
Charges for Services	65,100	65,100	63,923	(1,177)
Investment Earnings (Losses)	2,000	2,000	4,029	2,029
Other Income	2,000	2,000	3,960	1,960
Total Revenues	<u>1,104,214</u>	<u>1,122,374</u>	<u>1,229,947</u>	<u>107,573</u>
Expenditures				
Personal Services	906,176	906,176	884,847	21,329
Materials and Supplies	145,000	163,160	127,340	35,820
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>1,051,176</u>	<u>1,069,336</u>	<u>1,012,187</u>	<u>57,149</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>53,038</u>	<u>53,038</u>	<u>217,760</u>	<u>164,722</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(400,000)	(400,000)	(400,000)	-
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
Net Change in Fund Balances	(346,962)	(346,962)	(182,240)	164,722
Fund Balances - Beginning	346,962	346,962	303,412	(43,550)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 121,172</u>	<u>\$ 121,172</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Law Library
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	18,000	18,000	18,216	216
Investment Earnings (Losses)	250	250	1,020	770
Other Income	-	-	-	-
Total Revenues	<u>18,250</u>	<u>18,250</u>	<u>19,236</u>	<u>986</u>
Expenditures				
Personal Services	4,100	4,100	4,100	-
Materials and Supplies	22,000	22,000	10,303	11,697
Capital Outlay	63,150	63,150	-	63,150
Contingencies	-	-	-	-
Total Expenditures	<u>89,250</u>	<u>89,250</u>	<u>14,403</u>	<u>74,847</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(71,000)</u>	<u>(71,000)</u>	<u>4,833</u>	<u>75,833</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(71,000)	(71,000)	4,833	75,833
Fund Balances - Beginning	71,000	71,000	75,005	4,005
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,838</u>	<u>\$ 79,838</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Boat License
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	155,943	155,943	150,542	(5,401)
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	610	610
Other Income	100	100	-	(100)
Total Revenues	<u>156,043</u>	<u>156,043</u>	<u>151,152</u>	<u>(4,891)</u>
Expenditures				
Personal Services	143,111	143,111	137,615	5,496
Materials and Supplies	17,932	17,932	13,948	3,984
Capital Outlay	2,222	2,222	-	2,222
Contingencies	-	-	-	-
Total Expenditures	<u>163,265</u>	<u>163,265</u>	<u>151,563</u>	<u>11,702</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(7,222)</u>	<u>(7,222)</u>	<u>(411)</u>	<u>6,811</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(7,222)	(7,222)	(411)	6,811
Fund Balances - Beginning	7,222	7,222	70,686	63,464
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,275</u>	<u>\$ 70,275</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Corrections Assessment
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	60,000	60,000	67,624	7,624
Investment Earnings (Losses)	400	400	1,672	1,272
Other Income	-	-	-	-
Total Revenues	<u>60,400</u>	<u>60,400</u>	<u>69,296</u>	<u>8,896</u>
Expenditures				
Personal Services	52,404	52,404	50,408	1,996
Materials and Supplies	137,996	137,996	13,300	124,696
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>190,400</u>	<u>190,400</u>	<u>63,708</u>	<u>126,692</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(130,000)</u>	<u>(130,000)</u>	<u>5,588</u>	<u>135,588</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(130,000)	(130,000)	5,588	135,588
Fund Balances - Beginning	130,000	130,000	141,493	11,493
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 147,081</u>	<u>\$ 147,081</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 D.A. Enforcement
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	10,500	10,500	8,004	(2,496)
Investment Earnings (Losses)	10	10	24	14
Other Income	-	-	-	-
Total Revenues	<u>10,510</u>	<u>10,510</u>	<u>8,028</u>	<u>(2,482)</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>10,510</u>	<u>10,510</u>	<u>8,028</u>	<u>(2,482)</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(11,510)	(11,510)	(8,440)	(3,070)
Total Other Financing Sources (Uses)	<u>(11,510)</u>	<u>(11,510)</u>	<u>(8,440)</u>	<u>(3,070)</u>
Net Change in Fund Balances	(1,000)	(1,000)	(412)	(5,552)
Fund Balances - Beginning	1,000	1,000	1,200	200
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 788</u>	<u>\$ (5,352)</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Taylor Grazing
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	50,000	50,000	78,173	28,173
Charges for Services	-	-	-	-
Investment Earnings (Losses)	1,000	1,000	3,544	2,544
Other Income	100	100	111	11
Total Revenues	<u>51,100</u>	<u>51,100</u>	<u>81,828</u>	<u>30,728</u>
Expenditures				
Personal Services	4,000	4,000	4,000	-
Materials and Supplies	272,100	272,100	62,036	210,064
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>276,100</u>	<u>276,100</u>	<u>66,036</u>	<u>210,064</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(225,000)</u>	<u>(225,000)</u>	<u>15,792</u>	<u>240,792</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(25,000)	(25,000)	(25,000)	-
Total Other Financing Sources (Uses)	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Net Change in Fund Balances	(250,000)	(250,000)	(9,208)	240,792
Fund Balances - Beginning	250,000	250,000	335,313	85,313
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 326,105</u>	<u>\$ 326,105</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Task Force
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	10,000	10,000	-	(10,000)
Charges for Services	1,000	1,000	-	(1,000)
Investment Earnings (Losses)	10	10	(2)	(12)
Other Income	50	50	-	(50)
Total Revenues	<u>11,060</u>	<u>11,060</u>	<u>(2)</u>	<u>(11,062)</u>
Expenditures				
Personal Services	500	500	-	500
Materials and Supplies	15,560	15,560	-	15,560
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>16,060</u>	<u>16,060</u>	<u>-</u>	<u>16,060</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(5,000)</u>	<u>(5,000)</u>	<u>(2)</u>	<u>4,998</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(5,000)	(5,000)	(2)	4,998
Fund Balances - Beginning	5,000	5,000	716	(4,284)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 714</u>	<u>\$ 714</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Ambulance Service District
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 198,100	\$ 198,100	\$ 199,263	\$ 1,163
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	750	750	3,557	2,807
Other Income	100	100	-	(100)
Total Revenues	<u>198,950</u>	<u>198,950</u>	<u>202,820</u>	<u>3,870</u>
Expenditures				
Personal Services	106,379	108,064	107,935	129
Materials and Supplies	166,850	165,165	113,480	51,685
Capital Outlay	195,000	195,000	-	195,000
Contingencies	10,721	10,721	-	10,721
Total Expenditures	<u>478,950</u>	<u>478,950</u>	<u>221,415</u>	<u>257,535</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(280,000)</u>	<u>(280,000)</u>	<u>(18,595)</u>	<u>261,405</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(280,000)	(280,000)	(18,595)	261,405
Fund Balances - Beginning	280,000	280,000	261,083	(18,917)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242,488</u>	<u>\$ 242,488</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Special Transport
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	497,409	547,408	485,354	(62,054)
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	23	23
Other Income	-	-	-	-
Total Revenues	<u>497,409</u>	<u>547,408</u>	<u>485,377</u>	<u>(62,031)</u>
Expenditures				
Personal Services	2,500	2,500	2,500	-
Materials and Supplies	494,909	544,908	482,854	62,054
Capital Outlay	15,000	15,000	15,000	-
Contingencies	-	-	-	-
Total Expenditures	<u>512,409</u>	<u>562,408</u>	<u>500,354</u>	<u>62,054</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(15,000)</u>	<u>(15,000)</u>	<u>(14,977)</u>	<u>23</u>
Other Financing Sources (Uses)				
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	-	-	23	23
Fund Balances - Beginning	-	-	202	202
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225</u>	<u>\$ 225</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Juvenile Crime Prevention
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	27,200	27,200	19,600	(7,600)
Charges for Services	44,617	44,617	29,261	(15,356)
Investment Earnings (Losses)	-	-	(17)	(17)
Other Income	-	-	-	-
Total Revenues	<u>71,817</u>	<u>71,817</u>	<u>48,844</u>	<u>(22,973)</u>
Expenditures				
Personal Services	3,824	4,027	4,026	1
Materials and Supplies	67,993	67,790	44,790	23,000
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>71,817</u>	<u>71,817</u>	<u>48,816</u>	<u>23,001</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>28</u>	<u>28</u>
Other Financing Sources (Uses)				
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	-	-	5,619	5,619
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,647</u>	<u>\$ 5,647</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 911 Fund
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	336,549	336,549	349,344	12,795
Charges for Services	-	-	-	-
Investment Earnings (Losses)	200	200	2,326	2,126
Other Income	-	-	-	-
Total Revenues	<u>336,749</u>	<u>336,749</u>	<u>351,670</u>	<u>14,921</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>336,749</u>	<u>336,749</u>	<u>351,670</u>	<u>14,921</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(336,749)	(336,749)	(348,970)	12,221
Total Other Financing Sources (Uses)	<u>(336,749)</u>	<u>(336,749)</u>	<u>(348,970)</u>	<u>12,221</u>
Net Change in Fund Balances	-	-	2,700	27,142
Fund Balances - Beginning	-	-	86,042	86,042
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,742</u>	<u>\$ 113,184</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Traffic Safety
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	10	10	53	43
Other Income	10	10	-	(10)
Total Revenues	<u>20</u>	<u>20</u>	<u>53</u>	<u>33</u>
Expenditures				
Personal Services	100	100	100	-
Materials and Supplies	4,320	4,320	-	4,320
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>4,420</u>	<u>4,420</u>	<u>100</u>	<u>4,320</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(4,400)</u>	<u>(4,400)</u>	<u>(47)</u>	<u>4,353</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(4,400)	(4,400)	(47)	4,353
Fund Balances - Beginning	4,400	4,400	4,451	51
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,404</u>	<u>\$ 4,404</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 CRT Facilities Security
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	80,532	80,532	51,083	(29,449)
Investment Earnings (Losses)	50	50	1,344	1,294
Other Income	-	-	-	-
Total Revenues	<u>80,582</u>	<u>80,582</u>	<u>52,427</u>	<u>(28,155)</u>
Expenditures				
Personal Services	92,890	92,890	81,440	11,450
Materials and Supplies	17,692	17,692	2,455	15,237
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>110,582</u>	<u>110,582</u>	<u>83,895</u>	<u>26,687</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(30,000)</u>	<u>(30,000)</u>	<u>(31,468)</u>	<u>(1,468)</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(30,000)	(30,000)	(31,468)	(1,468)
Fund Balances - Beginning	30,000	30,000	119,541	89,541
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,073</u>	<u>\$ 88,073</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 State Drug Court
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	3,000	3,000	4,134	1,134
Investment Earnings (Losses)	25	25	144	119
Other Income	10	10	-	(10)
Total Revenues	<u>3,035</u>	<u>3,035</u>	<u>4,278</u>	<u>1,243</u>
Expenditures				
Personal Services	500	500	500	-
Materials and Supplies	7,535	7,535	566	6,969
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>8,035</u>	<u>8,035</u>	<u>1,066</u>	<u>6,969</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(5,000)</u>	<u>(5,000)</u>	<u>3,212</u>	<u>8,212</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(5,000)	(5,000)	3,212	8,212
Fund Balances - Beginning	5,000	5,000	10,470	5,470
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,682</u>	<u>\$ 13,682</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 State Mediation
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	16,000	16,000	19,393	3,393
Investment Earnings (Losses)	250	250	709	459
Other Income	-	-	-	-
Total Revenues	<u>16,250</u>	<u>16,250</u>	<u>20,102</u>	<u>3,852</u>
Expenditures				
Personal Services	5,100	5,100	1,500	3,600
Materials and Supplies	61,150	61,150	19,950	41,200
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>66,250</u>	<u>66,250</u>	<u>21,450</u>	<u>44,800</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(50,000)</u>	<u>(50,000)</u>	<u>(1,348)</u>	<u>48,652</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(50,000)	(50,000)	(1,348)	48,652
Fund Balances - Beginning	50,000	50,000	61,596	11,596
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,248</u>	<u>\$ 60,248</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Healthy Start
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	135,872	135,872	126,357	(9,515)
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Other Income	-	-	-	-
Total Revenues	<u>135,872</u>	<u>135,872</u>	<u>126,357</u>	<u>(9,515)</u>
Expenditures				
Personal Services	135,588	135,588	130,391	5,197
Materials and Supplies	284	284	284	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>135,872</u>	<u>135,872</u>	<u>130,675</u>	<u>5,197</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>(4,318)</u>	<u>(4,318)</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	(4,318)	(4,318)
Fund Balances - Beginning	-	-	31,379	31,379
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,061</u>	<u>\$ 27,061</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 CSVO Expansion
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	35,455	73,981	73,981	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	20	20	191	171
Other Income	-	-	-	-
Total Revenues	<u>35,475</u>	<u>74,001</u>	<u>74,172</u>	<u>171</u>
Expenditures				
Personal Services	25,927	40,377	21,987	18,390
Materials and Supplies	14,048	38,124	26,941	11,183
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>39,975</u>	<u>78,501</u>	<u>48,928</u>	<u>29,573</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,500)</u>	<u>(4,500)</u>	<u>25,244</u>	<u>29,744</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(4,500)	(4,500)	25,244	29,744
Fund Balances - Beginning	4,500	4,500	10,786	6,286
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,030</u>	<u>\$ 36,030</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Search & Rescue
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	10	10	-	(10)
Charges for Services	-	-	-	-
Investment Earnings (Losses)	10	10	41	31
Other Income	10	10	-	(10)
Total Revenues	<u>30</u>	<u>30</u>	<u>41</u>	<u>11</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	3,350	3,350	-	3,350
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>3,350</u>	<u>3,350</u>	<u>-</u>	<u>3,350</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(3,320)</u>	<u>(3,320)</u>	<u>41</u>	<u>3,361</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(3,320)	(3,320)	41	3,361
Fund Balances - Beginning	3,320	3,320	3,351	31
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,392</u>	<u>\$ 3,392</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 GIS Maintenance
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	12,500	12,500	17,243	4,743
Investment Earnings (Losses)	200	200	1,068	868
Other Income	-	-	-	-
Total Revenues	<u>12,700</u>	<u>12,700</u>	<u>18,311</u>	<u>5,611</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	38,600	38,600	3,500	35,100
Capital Outlay	43,100	43,100	-	43,100
Contingencies	-	-	-	-
Total Expenditures	<u>81,700</u>	<u>81,700</u>	<u>3,500</u>	<u>78,200</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(69,000)</u>	<u>(69,000)</u>	<u>14,811</u>	<u>83,811</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(69,000)	(69,000)	14,811	83,811
Fund Balances - Beginning	69,000	69,000	83,495	14,495
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,306</u>	<u>\$ 98,306</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Clerk Records
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	6,000	6,000	7,244	1,244
Investment Earnings (Losses)	30	30	140	110
Other Income	-	-	-	-
Total Revenues	<u>6,030</u>	<u>6,030</u>	<u>7,384</u>	<u>1,354</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	21,030	21,030	7,585	13,445
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>21,030</u>	<u>21,030</u>	<u>7,585</u>	<u>13,445</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(15,000)</u>	<u>(15,000)</u>	<u>(201)</u>	<u>14,799</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(15,000)	(15,000)	(201)	14,799
Fund Balances - Beginning	15,000	15,000	11,715	(3,285)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,514</u>	<u>\$ 11,514</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 OJTA Road Project
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Other Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(105)	(105)	(104)	(1)
Total Other Financing Sources (Uses)	<u>(105)</u>	<u>(105)</u>	<u>(104)</u>	<u>(1)</u>
Net Change in Fund Balances	(105)	(105)	(104)	(1)
Fund Balances - Beginning	105	105	104	(1)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2)</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Wolf Depredation
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	495	495	2,450	1,955
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	16	16
Other Income	-	-	-	-
Total Revenues	495	495	2,466	1,971
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	1,195	1,195	-	1,195
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	1,195	1,195	-	1,195
Excess (Deficiency) of Revenues Over Expenditures				
	(700)	(700)	2,466	3,166
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(700)	(700)	2,466	3,166
Fund Balances - Beginning	700	700	1,155	455
Fund Balances - Ending	\$ -	\$ -	\$ 3,621	\$ 3,621

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Extension Service District
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 417,044	\$ 417,044	\$ 483,367	\$ 66,323
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	1,000	1,000	6,912	5,912
Other Income	100	100	100	-
Total Revenues	<u>418,144</u>	<u>418,144</u>	<u>490,379</u>	<u>72,235</u>
Expenditures				
Personal Services	339,683	339,683	249,916	89,767
Materials and Supplies	61,862	61,862	53,898	7,964
Capital Outlay	25,000	25,000	-	25,000
Contingencies	341,599	341,599	-	341,599
Total Expenditures	<u>768,144</u>	<u>768,144</u>	<u>303,814</u>	<u>464,330</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(350,000)</u>	<u>(350,000)</u>	<u>186,565</u>	<u>536,565</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(350,000)	(350,000)	186,565	536,565
Fund Balances - Beginning	350,000	350,000	381,523	31,523
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 568,088</u>	<u>\$ 568,088</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Federal Forfeiture
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	10,000	10,000	-	(10,000)
Investment Earnings (Losses)	50	50	248	198
Other Income	-	-	-	-
Total Revenues	<u>10,050</u>	<u>10,050</u>	<u>248</u>	<u>(9,802)</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	30,050	30,050	627	29,423
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>30,050</u>	<u>30,050</u>	<u>627</u>	<u>29,423</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(20,000)</u>	<u>(20,000)</u>	<u>(379)</u>	<u>19,621</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(20,000)	(20,000)	(379)	19,621
Fund Balances - Beginning	20,000	20,000	20,562	562
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,183</u>	<u>\$ 20,183</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 MS II Detention
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	100	100	864	764
Other Income	10	10	-	(10)
Total Revenues	<u>110</u>	<u>110</u>	<u>864</u>	<u>754</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	80,310	80,310	6,912	73,398
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>80,310</u>	<u>80,310</u>	<u>6,912</u>	<u>73,398</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(80,200)</u>	<u>(80,200)</u>	<u>(6,048)</u>	<u>74,152</u>
Other Financing Sources (Uses)				
Transfers In	20,000	20,000	20,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net Change in Fund Balances	(60,200)	(60,200)	13,952	74,152
Fund Balances - Beginning	60,200	60,200	60,392	192
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,344</u>	<u>\$ 74,344</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Elevator Project
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	43,000	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	-	-
Other Income	-	-	-	-
Total Revenues	<u>43,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	-	3,000	3,000	-
Capital Outlay	43,000	64,321	64,321	-
Contingencies	-	20,000	20,000	-
Total Expenditures	<u>43,000</u>	<u>87,321</u>	<u>87,321</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>(87,321)</u>	<u>(87,321)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(87,321)	(87,321)	-
Fund Balances - Beginning	-	87,321	87,321	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 45th Parallel
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	20	20	178	158
Other Income	1,000	1,000	-	(1,000)
Total Revenues	<u>1,020</u>	<u>1,020</u>	<u>178</u>	<u>(842)</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	15,720	15,720	-	15,720
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total Expenditures	<u>15,720</u>	<u>15,720</u>	<u>-</u>	<u>15,720</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(14,700)</u>	<u>(14,700)</u>	<u>178</u>	<u>14,878</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(14,700)	(14,700)	178	14,878
Fund Balances - Beginning	14,700	14,700	14,746	46
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,924</u>	<u>\$ 14,924</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Work Release Construction
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	1,000	1,000	3,225	2,225
Other Income	-	-	-	-
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>3,225</u>	<u>2,225</u>
Expenditures				
Personal Services	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	268,000	268,000	-	268,000
Contingencies	-	-	-	-
Total Expenditures	<u>268,000</u>	<u>268,000</u>	<u>-</u>	<u>268,000</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(267,000)</u>	<u>(267,000)</u>	<u>3,225</u>	<u>270,225</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(267,000)	(267,000)	3,225	270,225
Fund Balances - Beginning	267,000	267,000	267,456	456
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 270,681</u>	<u>\$ 270,681</u>

Malheur County, Oregon
 Budgetary Comparison Schedule - Cash Basis
 Fair Board
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Grants	53,000	53,000	53,167	167
Charges for Services	-	5,000	5,000	-
Other Income	168,500	168,500	226,569	58,069
Total Revenues	<u>246,500</u>	<u>375,411</u>	<u>445,027</u>	<u>69,616</u>
Expenditures				
Personal Services	95,033	75,392	75,390	2
Materials and Supplies	205,643	295,045	310,010	(14,965)
Capital Outlay	19,807	78,957	70,462	8,495
Contingencies	1,924	1,924	-	1,924
Total Expenditures	<u>322,407</u>	<u>451,318</u>	<u>455,862</u>	<u>(4,544)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(75,907)</u>	<u>(75,907)</u>	<u>(10,835)</u>	<u>65,072</u>
Other Financing Sources (Uses)				
Interest	100	100	912	812
Transfers In	30,000	30,000	30,000	-
Total Other Financing Sources (Uses)	<u>30,100</u>	<u>30,100</u>	<u>30,912</u>	<u>812</u>
Net Change in Fund Balances	(45,807)	(45,807)	20,077	65,884
Fund Balances - Beginning	45,807	45,807	104,104	58,297
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,181</u>	<u>\$ 124,181</u>

Malheur County, Oregon
Statement of Property Tax Transactions
For the Year Ended June 30, 2018

General Fund

Year	Taxes Receivable 6/30/2017	Levy	Add (Subtract) Net Adjustments	Add Interest On Delinquent Taxes	Collections Including Interest	Taxes Receivable 6/30/2018
2017-2018	\$ -	\$ 5,578,096	\$ (140,237)	\$ 7,166	\$ (5,267,049)	\$ 177,977
2016-2017	167,981	-	(3,632)	88,478	(157,715)	95,112
2015-2016	85,615	-	(884)	10,058	(44,176)	50,613
2014-2015	51,498	-	(853)	15,079	(47,173)	18,551
2013-2014	21,539	-	(817)	10,813	(30,193)	1,342
2012-2013	3,477	-	(922)	1,458	(3,354)	659
2011-2012	2,325	-	(925)	1,305	(2,705)	-
2010-2011	1,049	-	-	1,166	(2,215)	-
2009-2010	88	-	-	138	(226)	-
Prior	412	-	-	866	(1,278)	-
	<u>\$ 333,984</u>	<u>\$ 5,578,096</u>	<u>\$ (148,270)</u>	<u>\$ 136,527</u>	<u>\$ (5,556,084)</u>	<u>\$ 344,254</u>

Ambulance Fund

Year	Taxes Receivable 6/30/2017	Levy	Add (Subtract) Net Adjustments	Add Interest On Delinquent Taxes	Collections Including Interest	Taxes Receivable 6/30/2018
2017-2018	\$ -	\$ 203,701	\$ (5,094)	\$ 260	\$ (192,403)	\$ 6,465
2016-2017	6,670	-	(145)	337	(3,086)	3,776
2015-2016	3,754	-	(39)	441	(1,937)	2,219
2014-2015	2,319	-	(38)	679	(2,124)	836
2013-2014	993	-	(38)	498	(1,392)	61
2012-2013	137	-	(36)	58	(132)	27
2011-2012	98	-	(39)	55	(114)	-
2010-2011	45	-	-	50	(95)	-
2009-2010	4	-	-	-	(4)	-
Prior	20	-	-	51	(71)	-
	<u>\$ 14,040</u>	<u>\$ 203,701</u>	<u>\$ (5,429)</u>	<u>\$ 2,429</u>	<u>\$ (201,358)</u>	<u>\$ 13,384</u>

Malheur County, Oregon
 Schedule of Deposits - Elected Officials
 June 30, 2018

	Cash Balance 6/30/2017	Receipts	Disbursements	Cash Balance 6/30/2018
Sheriff's Office	<u>\$ 54,588</u>	<u>\$ 545,513</u>	<u>\$ 515,645</u>	<u>\$ 84,456</u>

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

County Clerk	<u>\$ 54,248</u>	<u>\$ 400,858</u>	<u>\$ 416,936</u>	<u>\$ 38,170</u>
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Summary of receipts: record recordings, filings, and elections.

Malheur County, Oregon
Statement of Insurance in Force
June 30, 2018

Type of Coverage	Company	Expiration Date	Coverage	Limit
General Liability	CIS	7/1/2018	Aggregate Each Occurrence	\$ 15,000,000 \$ 5,000,000
Auto Liability	CIS	7/1/2018	Aggregate Each Occurrence	None \$ 5,000,000
Auto Physical Damage	CIS	7/1/2018		
Property	CIS	7/1/2018		Per Filed Value
Equipment Breakdown	CIS	7/1/2018		Per Filed Value
Excess Crime	CIS	7/1/2018	Per Loss	\$ 300,000
Workers' Compensation	CIS	7/1/2018		

Malheur County, Oregon
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2018

<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		\$ 583
Passed through State Department of Human Resources:			
Women, Infants, and Children	10.557	148021	<u>247,674</u>
Total U.S. Department of Agriculture			<u>248,257</u>
<u>U.S. Department of Interior</u>			
Direct			
Fish Wildlife & Plant Conservation	15.231		260,462
Endangered Species Conservation	15.666		2,450
Passed through State Department of Administrative Services:			
Taylor Grazing	15.227		<u>78,173</u>
Total U.S. Department Interior:			<u>341,085</u>
<u>U.S. Department of Justice</u>			
Passed through State Department of Justice & Delinquency Prevention:			
Crime Victim Assistance	16.575		<u>26,579</u>
Total U.S. Department of Justice			<u>\$ 26,579</u>

Malheur County, Oregon
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2018

<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		\$ 184,263
Grants for Other Urbanized Areas	20.509		210,334
Total U.S. Department of Transportation			<u>394,597</u>
<u>U.S. Department of Environmental Protection Agency</u>			
Passed through State Department of Human Resources:			
State Public Water System	66.432	148021	1,681
Capital Grant For Drinking Water	66.468	148021	3,001
Total U.S. Department of Housing and Urban Development			<u>4,682</u>
<u>U.S. Department of Health and Human Resources</u>			
Passed through State Department of Human Resources:			
Public Health Emergency Preparedness	93.069	148021	31,788
Hospital Preparedness Program	93.074	148021	1,354
(ACA) Personal Responsibility Education	93.092	148021	54,050
Project Grants - Tuberculosis Contract	93.116	148021	252
Family Planning Services	93.217	148021	43,284
Medical Assistance Program	93.778	148021	63,747
Block Grants for Community Mental Health Services	93.958	147797	33,386
Block Grants for Prevention and Treatment of Substance Abuse	93.959	147797	249,451
Maternal Child Health Services Grant	93.994	148021	31,476
Passed through State Department of Justice & Delinquency Prevention:			
Child Support Enforcement	93.563		126,333
Total U.S. Department of Health and Human Resources			<u>635,121</u>
<u>U.S. Department of Homeland Security</u>			
Passed through State Department of State Police:			
Emergency Management & Performance	97.042		51,504
Passed Through Federal Surplus			
Road Fund	39.002		110
Total U.S. Department of Homeland Security			<u>51,614</u>
Total Federal Financial Assistance Expended			<u>\$ 1,701,935</u>

Malheur County, Oregon
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

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, 2018. 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.

STATE AND FEDERAL REPORTS



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, 2018 and have issued our report thereon dated December 27, 2018. 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

In connection with our testing the below 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.

- Funds with Expenditures over appropriations are as follows:

Fund	Department/Category	Excess Amounts
911	Transfers Out	\$ 12,221
County Fair	Materials and Supplies	14,965
	Total	<u>\$ 27,186</u>

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 Zwyzart CPAs, PLLC

By: *Jordan Zwyzart*

December 27, 2018



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, 2018, 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 27, 2018.

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 27, 2018



Millington Zwygart

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required in accordance with 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, 2018. 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 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, 2018.

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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 Zwyzart CPAs, PLLC

By: *Jordan Zwyzart*

Caldwell, Idaho
December 27, 2018

Malheur County, Oregon
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

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
10.557	Women, Infants, and Children
15.231	Fish, Wildlife & Plant Conservation
	Block Grants for Prevention and
93.959	Treatment of Substance Abuse

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, 2018

Section II - Financial Statement Findings

No Matters Reported

Section III - Findings and Questioned Costs for Federal Awards

No Matters Reported