



HARNEY COUNTY, OREGON

**INDEPENDENT AUDITOR'S REPORT,
BASIC FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION AND
SINGLE AUDIT**

For the Year Ended June 30, 2018

HARNEY COUNTY, OREGON

June 30, 2018

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INTRODUCTORY SECTION



HARNEY COUNTY, OREGON
COUNTY COURT AND ELECTED OFFICIALS
June 30, 2018

County Court

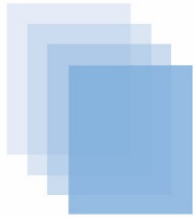
Name	Address	Position
Pete Runnels	1100 N Diamond Ave Burns, OR 97720	County Judge
Mark Owens	PO Box 746 Crane, OR 97732	Commissioner
Patty Dorroh	70839 Crane Buchanan Rd Burns, OR 97720	Commissioner

Elected Officials

Name	Address	Position
David Ward	PO Box 1024 Burns, OR 97720	Sheriff
Ted Tiller	PO Box 814 Hines, OR 97738	Assessor
Bobbi Jo Heany	PO Box 446 Hines, OR 97738	Treasurer
Derrin (Dag) Robinson	PO Box 999 Hines, OR 97738	Clerk
Joseph Lucas, Ph.D.	PO Box 1343 Hines, OR 97738	District Attorney
Vicky Clemens	72261 N Hwy 395 Burns, OR 97720	Justice of the Peace

FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Honorable Judge and County Court
Harney County, Oregon
Burns, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Harney County, Oregon, 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 financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Harney County, Oregon's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 of 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 county'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 county'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 financial position of the governmental activities, each major fund and the aggregate remaining fund information of Harney County,

Oregon as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 8 and the Schedules of Required Supplementary Information on pages 50 through 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to this required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information for the General Fund and the major special revenue funds on pages 41 through 48 are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. This budgetary information is the responsibility of management and has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Harney County, Oregon's financial statements as a whole. The combining and individual nonmajor fund financial statements, other supplementary information, other financial schedules, the Schedule of Expenditures of Federal Awards, required by audit requirement of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Feder Awards* (Uniform Guidance) and the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, other supplementary information, other financial 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory section, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Reporting on Other Legal and Regulatory Requirements

Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have issued our report dated March 25, 2019 on our consideration of Harney County, Oregon's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed

in accordance with *Government Auditing Standards* in considering Harney County, Oregon's internal control over financial reporting and compliance.

Reporting Required by Oregon Revised Statutes

In accordance with 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, we have issued our report dated March 25, 2019 on our consideration of Harney County, Oregon's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations in considering Harney County, Oregon's internal control over financial reporting and compliance.

Oster Professional Group, CPA's

By *Cara R. Willer*

Burns, Oregon
March 25, 2019



HARNEY COUNTY COURT

Office of Judge Pete Runnels

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Websites: www.co.harney.or.us ♦ www.harneycounty.org

Management's Discussion and Analysis

As County Judge of Harney County, I offer readers of these financial statements this narrative overview and analysis of the financial activities of Harney County for the fiscal year ended June 30, 2018. I encourage readers to consider the information presented here in conjunction with the independent auditor's report.

Overview of the Financial Statements:

This discussion and analysis is intended to serve both as an introduction to Harney County's basic financial statements as well as an overview of the 2017-2018 fiscal year. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information and other financial schedules in addition to the basic financial statements.

Government-wide financial statements:

The government-wide financial statements are designed to provide readers with a broad overview of the county's finances, in a manner similar to a private-sector business. These statements provide information about the activities of Harney County as a whole and present a longer-term view of the County's finances.

The government-wide financial statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting. In these financial statements, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. However, both during the budget process and on a day to day basis, the County uses the cash basis of accounting as allowed per ORS 294.445.

These statements report Harney County's net position and changes to net position. Net position (the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources) are one way to measure an organization's financial health. Changes in net position over time provide one indicator of whether financial health is improving or deteriorating.

Fund financial statements:

Fund financial statements also may give you some insight into the County's overall financial health. Fund financial statements report the County's operations in more detail than the government-wide financial statements. Harney County uses different types of funds; major funds in the current year include the general fund and special revenue funds.

Governmental funds:

These funds are reported using the modified accrual basis of accounting. The governmental fund statements provide a detailed short-term view of operations. The relationship (differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in reconciliations after the fund financial statements.

Notes to the basic financial statements:

The notes provide additional information that is essential for a full understanding of the information provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them.

Our auditor has provided assurance in the Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly presented. A user of this report

should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

Financial analysis of Harney County as a whole, government-wide.

Net position. The County's combined net position decreased between fiscal years 2018 and 2017 by \$123,846 (not including restatements).

Harney County's Net Position			
	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>Net Change</u>
Assets			
Current and other assets	\$ 20,994,537	\$ 21,600,872	\$ (606,335)
Capital assets	<u>20,927,694</u>	<u>19,283,176</u>	<u>1,644,518</u>
Total assets	<u>41,922,231</u>	<u>40,884,048</u>	<u>1,038,183</u>
Deferred outflows of resources	<u>2,195,664</u>	<u>3,645,514</u>	<u>(1,449,850)</u>
Liabilities			
Current and other liabilities	571,438	418,722	152,716
Noncurrent liabilities	<u>7,150,233</u>	<u>7,443,971</u>	<u>(293,738)</u>
Total liabilities	<u>7,721,671</u>	<u>7,862,693</u>	<u>(141,022)</u>
Deferred inflows of resources	<u>238,008</u>	<u>157,734</u>	<u>80,274</u>
Net position			
Net investment in capital assets	20,587,855	19,283,176	1,304,679
Restricted	17,588,711	17,778,531	(189,820)
Unrestricted	<u>(2,018,350)</u>	<u>(552,572)</u>	<u>(1,465,778)</u>
Total net position	<u>\$ 36,158,216</u>	<u>\$ 36,509,135</u>	<u>\$ (350,919)</u>

Harney County's Changes in Net Position

	Governmental Activities		<u>Net Change</u>
	<u>2017-2018</u>	<u>2016-2017</u>	
Program revenues			
Charges for services and other program revenues	\$ 3,617,697	\$ 3,186,438	\$ 431,259
Grants and contracts	4,562,689	2,807,886	1,754,803
Capital grants	1,815	33,251	(31,436)
General revenues, by source			
Property tax and payments in lieu of taxes	3,660,663	3,569,647	91,016
Grants and contribution not restricted	19,816	16,561	3,255
Interest	290,511	196,957	93,554
Other federal receipts	1,521,874	70,642	1,451,232
Other	474,892	258,764	216,128
Total revenues	<u>14,149,957</u>	<u>10,140,146</u>	<u>4,009,811</u>
Program expenses			
Public safety and legal services	3,395,279	3,299,294	95,985
Physical health and social services	1,689,407	1,387,953	301,454
County environment and education	871,688	651,201	220,487
Roads and transportation	2,208,650	1,767,106	441,544
Governmental services to residents	3,529,914	3,253,112	276,802
Administration	2,181,569	2,069,387	112,182
General government	406,966	255,489	151,477
Total expenses	<u>14,283,473</u>	<u>12,683,542</u>	<u>1,599,931</u>
Net gain or loss on asset sales	9,670	(19,440)	29,110
Change in net position	(123,846)	(2,562,836)	2,438,990
Beginning net position, before restatement	36,509,135	39,072,541	(2,563,406)
Restatement	<u>(227,073)</u>	<u>(570)</u>	<u>(226,503)</u>
Beginning net position, after restatement	<u>36,282,062</u>	<u>39,071,971</u>	<u>(2,789,909)</u>
Net position end of year	<u>\$ 36,158,216</u>	<u>\$ 36,509,135</u>	<u>\$ (350,919)</u>

Changes in net position, as a result of the County's governmental activities, is a decrease of \$350,919, with restatements, explained in note 9 of the Notes to the Basic Financial Statements.

General Fund Budgetary Notes

The General Fund expended \$242,526 less than budgeted and it received \$772,910 more revenues than budgeted. The General Fund budget shows the maximum that could be expended in a year; the departments all remained conservative resulting in the under expenditures. The increase in revenue is seen in our PILT payment, \$275,267 higher than anticipated, Justice Court revenue up \$93,182, property tax revenue \$187,852 over budget and public health revenue came in \$157,144 higher as we expanded into the Rural Health Clinic. The County also received a one-time \$100,000 legislative appropriation for the Silvies River studies. Expenditures were less than budgeted again due to the staff being frugal in their purchasing.

Governmental Funds

Total governmental funds balances decreased by \$653,305.

Combined General Fund - Revenues increased by \$833,412. Expenditures increased by \$985,953. These changes to revenue in General Fund are explained in the prior paragraph. Increased expenditures are noted in Personal Services due

to a 1% COLA increase, along with increased healthcare costs accounting for over \$600,000 which includes additional staff to run the Rural Health Clinic. We had increased costs of approximately \$200,000 in materials and supplies with a large part of that related to building improvements long overdue in the Courthouse. We also reestablished our PERS Reserve fund with \$48,303 dedicated to this future liability.

Road Department Fund - Revenues increased by \$2,433,232 as a result of two budgeted bridge replacement projects in the county. Expenditures increased by \$2,233,329 as a result of the same two bridges being paid for.

Road Department Operating Reserve Fund - Revenues increased by \$47,619 and expenditures remained at zero.

Road Equipment Reserve Fund - Revenues increased by \$9,403 and expenditures remained at zero.

Road Pavement Restoration Fund - Revenues increased by \$24,783 and expenditures remained at zero.

Capital Asset Administration

Total capital assets, net of accumulated depreciation, were \$20,927,694 at June 30, 2018. Several assets were purchased during the year, including land, equipment, and vehicles. Depreciation expense for the year was \$1,159,041.

Long Term Debt

The County entered into a capital lease for a Caterpillar D6T Track Type Tractor. The County made principal payments in the amount of \$41,770. The ending balance at June 30, 2018 was \$339,839.

Analysis of Current Year Results

At the end of this fiscal year, the net position of the county decreased. This is something the county court and budget committee must carefully watch and control costs to prevent further decreases. The decrease has been identified and is partially attributable to the county's software budgeting program starting with an incorrect beginning fund balance. Cost cutting measures began in October 2018 and will continue into the unforeseeable future.

Economic Factors

The 2017-2018 fiscal year has seen slow but steady growth in US and Oregon economies and we are beginning to show signs of improvement. Still, only the agriculture industry remains to be our strongest economic driver for the community. Although we would prefer a stable manufacturing type industry, government continues to be a strong contributor to our economy through payroll and associated business relationships. On a positive note, we are seeing an increase in retail locations and have some solar projects on the horizon.

Harney County continues to have a very fragile economy for the people of this county throughout all of the 2017-2018 fiscal year. Federal regulations are a large contributing factor limiting growth opportunities within the county but signs of change and being at the table in collaborative decision making is helping.

Requests for Information

This financial report is designed to provide interested parties with a general overview of the County's finances and to demonstrate the County's accountability for the funds it receives. If you have questions about this report or need additional financial information please contact Harney County Judge Pete Runnels at 541-573-6356 or County Treasurer Bobbi Jo Heany at 541-573-6541 at the Harney County Courthouse 450 N Buena Vista Burns, Oregon 97720.

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS



HARNEY COUNTY, OREGON
STATEMENT OF NET POSITION

June 30, 2018

Assets	
Cash and pooled investments	\$ 18,524,462
Receivables	
Accounts	824,695
Property tax	321,677
Inventories	1,248,528
Prepaid insurance	58,999
Net OPEB asset	16,176
Capital assets	
Land and other non-depreciable assets	3,765,376
Other capital assets (net of accumulated depreciation)	<u>17,162,318</u>
Total assets	<u>41,922,231</u>
Deferred outflows of resources	
Deferred outflows related to pensions	2,149,301
Deferred outflows related to OPEB	<u>46,363</u>
Total deferred outflows	<u>2,195,664</u>
Liabilities	
Current liabilities	
Accounts payable	455,794
Payroll liabilities	78,424
Lease payable, due within a year	29,874
Salaries and benefits payable - current portion	7,346
Long-term liabilities	
Salaries and benefits payable	173,462
Lease payable	309,965
Landfill closure and post closure care liability	167,217
Net pension liability	6,263,568
Net OPEB liability	<u>236,021</u>
Total liabilities	<u>7,721,671</u>
Deferred inflows of resources	
Deferred inflows related to pensions	201,871
Deferred inflows related to OPEB	17,125
Unavailable loan revenues	<u>19,012</u>
Total deferred inflows	<u>238,008</u>
Net Position	
Net investment in capital assets	20,587,855
Restricted	
Landfill closure and post closure care	39,655
Special programs	1,792,789
Road programs	15,756,267
Unrestricted	<u>(2,018,350)</u>
Total net position	<u>\$ 36,158,216</u>

HARNEY COUNTY, OREGON
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	
Governmental activities					
Public safety and legal services	\$ 3,395,279	\$ 735,349	\$ 711,080	\$ 1,762	\$ (1,947,088)
Physical health and social services	1,689,407	892,742	253,036	53	(543,576)
County environment and education	871,688	142,505	349,959	-	(379,224)
Roads and transportation	2,208,650	642,454	2,185,117	-	618,921
Governmental services to residents	3,529,914	876,647	1,039,944	-	(1,613,323)
Administration	2,181,569	169,156	23,553	-	(1,988,860)
General government	406,966	158,844	-	-	(248,122)
Total	<u>\$ 14,283,473</u>	<u>\$ 3,617,697</u>	<u>\$ 4,562,689</u>	<u>\$ 1,815</u>	<u>(6,101,272)</u>
General revenues					
Property tax levied for:					
					2,369,927
					1,289,572
					1,164
					1,521,874
					19,816
					290,511
					474,892
					5,967,756
					9,670
					(123,846)
					36,509,135
					(227,073)
					36,282,062
					\$ 36,158,216

GOVERNMENTAL FUND STATEMENTS



HARNEY COUNTY, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	Combined General	Road Department	Road Department Operating Reserve	Road Equipment Reserve	Road Pavement Restoration	Nonmajor Funds	June 30, 2018
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets							
Cash and investments	\$ 671,687	\$ 2,035,337	\$ 7,527,800	\$ 2,344,756	\$ 3,915,796	\$ 2,029,086	\$ 18,524,462
Accounts receivable	238,551	188,830	-	-	-	397,314	824,695
Taxes receivable	321,677	-	-	-	-	-	321,677
Interfund receivable	4,280	-	-	-	-	-	4,280
Inventory	14,036	-	-	-	-	-	14,036
Total assets	<u>1,250,231</u>	<u>2,224,167</u>	<u>7,527,800</u>	<u>2,344,756</u>	<u>3,915,796</u>	<u>2,426,400</u>	<u>19,689,150</u>
Deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows	<u>\$ 1,250,231</u>	<u>\$ 2,224,167</u>	<u>\$ 7,527,800</u>	<u>\$ 2,344,756</u>	<u>\$ 3,915,796</u>	<u>\$ 2,426,400</u>	<u>\$ 19,689,150</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 113,206	\$ 256,252	\$ -	\$ -	\$ -	\$ 86,336	\$ 455,794
Payroll liabilities	78,394	-	-	-	-	30	78,424
Interfund payable	-	-	-	-	-	4,280	4,280
Total liabilities	<u>191,600</u>	<u>256,252</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,646</u>	<u>538,498</u>
Deferred inflows of resources							
Unavailable property tax revenues	264,565	-	-	-	-	-	264,565
Unavailable loan revenues	-	-	-	-	-	19,012	19,012
Total deferred inflows of resources	<u>264,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,012</u>	<u>283,577</u>
Fund balances							
Nonspendable	18,316	-	-	-	-	-	18,316
Restricted	-	1,967,915	7,527,800	2,344,756	3,915,796	1,832,444	17,588,711
Committed	543,963	-	-	-	-	484,298	1,028,261
Unassigned	231,787	-	-	-	-	-	231,787
Total fund balances	<u>794,066</u>	<u>1,967,915</u>	<u>7,527,800</u>	<u>2,344,756</u>	<u>3,915,796</u>	<u>2,316,742</u>	<u>18,867,075</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,250,231</u>	<u>\$ 2,224,167</u>	<u>\$ 7,527,800</u>	<u>\$ 2,344,756</u>	<u>\$ 3,915,796</u>	<u>\$ 2,426,400</u>	<u>\$ 19,689,150</u>

HARNEY COUNTY, OREGON
**RECONCILIATION OF THE BALANCE SHEET-
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**
June 30, 2018

Total governmental fund balances		\$ 18,867,075
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.		
Cost	\$ 67,090,529	
Accumulated depreciation	<u>(46,162,835)</u>	20,927,694
Inventory is expensed when used on the Statement of Activities. In the fund financial statements, it is expensed when paid.		
		1,234,492
Other assets are not available to pay current period expenditures and therefore, are deferred in the fund financial statements.		
		264,565
Unemployment insurance premiums are reported as a prepaid expense in the Statement of Net Position, however, the payment of these premiums is treated as payroll benefits expense in the governmental funds statement.		
		58,999
Certain payroll is accrued for compensated vacation benefits and is not recorded on the fund financial statements, but is recorded as an expenditure when used.		
		(180,808)
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities.		
Landfill closure liability	(167,217)	
Capital lease payable	(339,839)	
Net pension liability	(6,263,568)	
Net OPEB liability	<u>(236,021)</u>	(7,006,645)
Net OPEB asset is not a financial resource and therefore, is not reported in the governmental funds.		
		16,176
Current year PERS contributions are deferred outflows of resources that will be recognized expense in the subsequent period.		
		610,813
Current year OPEB contributions are deferred outflows of resources that will be recognized as an expense in the subsequent period.		
		46,363
County's proportionate share of difference between employer contributions and proportionate share of contributions that will be amortized over the next five years.		
		1,538,488
County's proportionate share of net differences between projected and actual earnings on investments that will be amortized over the next five years.		
		(201,871)
The County's changes in OPEB related deferred inflows and outflows will be amortized over future years.		
		<u>(17,125)</u>
Net position of governmental activities		<u>\$ 36,158,216</u>

HARNEY COUNTY, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
For the Year Ended
June 30, 2018

	Combined General	Road Department	Road Department Operating Reserve	Road Equipment Reserve	Road Pavement Restoration	Nonmajor Funds	June 30, 2018
Revenues							
Property and other taxes	\$ 2,360,553	\$ -	\$ -	\$ -	\$ -	\$ 47,728	\$ 2,408,281
Intergovernmental revenues	2,757,853	3,892,967	-	-	-	1,960,016	8,610,836
Licenses and permits	359,922	-	-	-	-	14,635	374,557
Charges for services	824,674	-	-	-	-	805,114	1,629,788
Fines and forfeits	16,669	-	-	-	-	27,959	44,628
Interest earnings	12,369	13,981	128,582	34,696	66,921	33,967	290,516
Miscellaneous revenues	606,043	4,566	-	-	-	17,979	628,588
Administration	191,591	-	-	-	-	-	191,591
Total revenues	7,129,674	3,911,514	128,582	34,696	66,921	2,907,398	14,178,785
Expenditures							
Current							
Public safety and legal services	2,107,946	-	-	-	-	977,055	3,085,001
Physical health and social services	1,638,072	-	-	-	-	-	1,638,072
Mental health services	6,974	-	-	-	-	-	6,974
County environment and education	596,068	-	-	-	-	588,365	1,184,433
Roads and transportation	-	4,298,090	-	-	-	-	4,298,090
Governmental services to residents	2,113,991	-	-	-	-	968,229	3,082,220
Administration	874,961	-	-	-	-	24,658	899,619
General government	364,370	-	-	-	-	-	364,370
Capital outlay	78,407	97,999	-	-	-	53,607	230,013
Debt service							
Principal	-	41,770	-	-	-	-	41,770
Interest	-	1,528	-	-	-	-	1,528
Total expenditures	7,780,789	4,439,387	-	-	-	2,611,914	14,832,090
Excess of revenues over (under) expenditures	(651,115)	(527,873)	128,582	34,696	66,921	295,484	(653,305)
Other financing sources (uses)							
Transfers in	407,539	-	-	-	-	424,016	831,555
Transfers out	(326,504)	(60,000)	-	-	-	(445,051)	(831,555)
Total other financing sources (uses)	81,035	(60,000)	-	-	-	(21,035)	-
Net change in fund balances	(570,080)	(587,873)	128,582	34,696	66,921	274,449	(653,305)
Fund balances, July 1, 2017	1,364,146	2,555,788	7,399,218	2,310,060	3,848,875	2,042,293	19,520,380
Fund balances, June 30, 2018	\$ 794,066	\$ 1,967,915	\$ 7,527,800	\$ 2,344,756	\$ 3,915,796	\$ 2,316,742	\$ 18,867,075

HARNEY COUNTY, OREGON
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES**

For the Year Ended
 June 30, 2018

Net change in fund balances - total governmental funds \$ (653,305)

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Depreciation expense exceeded capital outlay expenditures in the current year as follows:

Expenditures for capital assets	\$ 2,853,452	
Foreclosed capital assets	64,580	
Sale of assets	(99,868)	
Depreciation expense	<u>(1,159,041)</u>	1,659,123

Because some revenues will not be collected for several months after the county's year end, they are not considered available revenues and are deferred in the governmental funds. 9,374

Because some expenditures will not be paid until after the county's year end they are not accrued in the fund statements.
 Compensated absences (22,620)

Inventory is expensed only when used on the Statement of Activities, but on the fund financial statements it is expensed when paid. (151,386)

Unemployment insurance premiums are reported as a prepaid expense in the Statement of Net Position, however, the payment of these premiums is treated as payroll benefits expense in the governmental funds statement. 31,778

Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in governmental funds but reduces the liability in the Statement of Net Position. This is the amount by which proceeds exceeded repayments:

Principal payments on capital lease	41,770	
New capital lease	<u>(381,609)</u>	(339,839)

Change in net pension liability, the related changes in the deferred outflows and deferred inflows of resources are not recognized as expenses in the governmental funds. (678,832)

Changes in net OPEB asset/liability, the related changes in deferred outflows and deferred inflows of resources are not recognized as expenses in the governmental funds. 21,861

Change in net position of governmental activities \$ (123,846)

FIDUCIARY FUND STATEMENTS



HARNEY COUNTY, OREGON
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
June 30, 2018

ASSETS

Cash and investments	\$ 413,904
Accounts receivable	
Taxes receivable	709,193
Other receivables	1,155
Total assets	<u>\$ 1,124,252</u>

LIABILITIES

Liabilities	
Accounts payable	\$ 21
Due to other governments	1,124,231
Total liabilities	<u>\$ 1,124,252</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS



HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2018

Note 1. Significant Accounting Policies

Harney County, Oregon was established under Oregon law and operates under the authority and power of the county court consisting of a county judge and two commissioners who are elected for terms of six and four years, respectively. Additionally, a county clerk, county assessor, county treasurer, county sheriff and district attorney are elected to terms of office of four years. The justice of the peace is elected to a term of six years. All other officers and employees of the county are appointed. The county provides numerous services to citizens, including law enforcement, health and social services, planning and zoning, roadway construction and maintenance, and general administrative services.

The county's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

The following is a summary of significant accounting policies utilized by Harney County, Oregon in preparation of the accompanying financial statements.

A. Reporting Entity

For financial reporting purposes, the county has included all funds, organizations, agencies, boards, commissions and authorities. The county has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the county are such that exclusion would cause the county's financial statements to be misleading or incomplete. The criteria for including organizations as component units within the county's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can be used in its own name)
- the county holds the corporate powers of the organization
- the county appoints a voting majority of the organization's board
- the county is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the county
- there is fiscal dependency by the organization on the county

Based on the aforementioned criteria, Harney County, Oregon has no component units.

B. Basis of Presentation

Government-Wide Financial Statements - The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the county. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by property tax, intergovernmental revenues and other nonexchange transactions.

The Statement of Net Position presents the county's nonfiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net position results when constraints placed on net position use is either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2018

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

Fund Financial Statements – Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The county reports the following major governmental funds:

General Fund is the general operating fund of the county. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs that are not paid from other funds.

Special Revenue Funds

Road Department Fund is used to account for the operational expenses involved with acquisition and maintenance of the county roads.

Road Department Operating Reserve Fund is used to hold in reserve revenues for future use in the operations of the road department.

Road Equipment Reserve Fund is used to hold funds in reserve for future use in equipment acquisition for the road department. The fund generally receives revenues through transfer of federal grants.

Road Pavement Restoration Fund is used to hold funds in reserve for future use in road construction and maintenance.

Additionally, the county reports the following funds:

Fiduciary funds – The fiduciary funds are treated as agency funds. Agency funds are used to account for assets held by Harney County, Oregon as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency funds represent monies collected for, but not yet allocated to, various governmental agencies. The other office funds represent unallocated funds as described above, which were collected by various county departments and are supported by summary statements as required by Oregon law.

C. Measurement Focus and Basis of Accounting

The government-wide financials statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied. Under terms of grant agreements, the county funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the county's policy to first apply cost-reimbursement grant resources, or restricted revenue, to such programs and then general revenues, or unrestricted revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2018

liabilities of the current period. For this purpose, the county considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered measurable and available only when cash is received by the county.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recorded as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The county maintains its financial records and those of the agency funds on the cash basis. The financial statements of the county are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets and Liabilities

Property Tax Receivable- Property taxes in governmental funds is accounted for using the modified accrual basis of accounting. Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax is certified by the county. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the county to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. However, by statute, the tax and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in the governmental fund financial statements and will not be recognized as revenue until the year for which it is collected. In the government-wide statements, all taxes levied are recognized as revenue and there is no deferral of revenues.

Harney County, Oregon levies taxes on a fiscal year from July 1 to June 30. The current levy becomes a lien on July 1. Taxes are due November 15 and become delinquent May 15. Foreclosure is started three years after taxes become delinquent. Harney County, Oregon collects all property taxes and then allocates them among the various taxing districts within Harney County, Oregon.

Inventory- Inventory in the Road Department Fund is valued at cost using the first-in, first-out method and is charged to expenditures when purchased. Inventory in the General Fund is valued at cost using the first-in, first-out method and is charged to expenditures when consumed.

Capital Assets- Capital assets, which include property, equipment, vehicles and infrastructure assets (e.g., roads, bridges, curbs, and similar items which are immovable and of value only to the government), are reported in the governmental activities column in the government-wide Statement of Net Position. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the county as assets with initial, individual costs in excess of \$5,000 and estimated useful lives in excess of one reporting period.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	50
Infrastructure	20
Equipment	5
Vehicles	8

Depreciation is reported as an administration expense on the Statement of Activities.

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2018

E. Budgets and Budgetary Accounting

A budget is prepared for each county governmental fund in accordance with the cash basis of accounting. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The county budgets each fund into the following categories: personal services, materials and services, capital outlay, operating contingency and all other requirements and transfers. These categories represent the levels of control for all funds. The detail budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories. All appropriations for annually budgeted funds lapse at fiscal year end.

Unexpected additional resources may be added to the budget through the use of a supplemental budget or appropriations resolution. A supplemental budget requires hearings before the public, publications in newspapers, and approval by the county court. Original and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require approval by the county court.

The budget for the General Fund and special revenue funds includes capital outlay expenditures in each program for capital outlay applicable to that program. The budget was prepared in accordance with ORS 294, local budget law. The county had the following over expenditures:

General Fund	Personal services	\$96,999
General Fund	Capital outlay	407
Diamond Disposal Site Fund	Personal services	266
Building Program Fund	Personal services	13,231
Building Program Fund	Materials and services	7,709
Title III Reserve Fund	Transfers	12
ELC Hub Fund	Materials and services	28,003
General Operating Reserve Fund	Transfers	85,000
Home Health/Hospice Fund	Materials and services	2,166
County School Fund	Reimbursed items	281,838

F. Compensated Absences

At June 30, 2018, Harney County, Oregon had accumulated unpaid vacation of \$180,808, and is reported on the Statement of Net Position. Sick leave accumulates at the rate of one day per month and does not vest. The county intends to continue to pay accumulated vacation from General Fund resources as employees use their vacation.

<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
\$ 158,188	\$ 22,620	\$ -	\$ 180,808

G. Deposits and Investments

Harney County, Oregon's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Short-term cash surpluses are maintained in accounts at the Oregon State Treasury Local Government Investment Pool and allocated to each fund based on the amount of excess cash each fund has deposited.

State statutes and local ordinances authorize Harney County, Oregon to invest (short-term and long-term) in certificates of deposit (considered deposits for risk categorization purposes), certain bond obligations of civil subdivisions, general obligations of the United States, U.S. agency issues, general obligations of the states of Oregon, Washington, Idaho and California, certain interest bearing bonds of a county, port or school district, certain interest bearing bonds of any city in the state of Oregon, life insurance and annuity contracts, pooled deferred compensation trusts, banker's acceptances and certain corporate bonds. All investments are stated at cost.

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2018

H. Encumbrances

The county does not use encumbrance accounting.

I. Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, and the useful lives and impairment of assets, among others. Actual results could differ from those estimates.

J. Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

K. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Interfund receivables and payables between funds are eliminated in the statement of net position.

L. Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The county has two items that qualify for reporting in this category. It is the deferred amounts relating to pensions and other post-employment benefits. This amount is deferred and recognized as an outflow of resources in the period when the county recognizes expense/expenditures. Deferred outflows are included in the government-wide Statement of Net Position and was \$2,195,664 at June 30, 2018.

M. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The county has four items that qualify for reporting in this category. Unavailable revenue from property taxes and loan revenues are reported in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that amount becomes available. At June 30, 2018, they were \$264,565 for property taxes and \$19,012 for loan revenues. The county also reports deferred amounts related to pensions and other post-employment benefits. These amounts are deferred and recognized as an inflow of resources in the period when the county recognizes pension or OPEB income and are included in the government-wide Statement of Net Position with a balance of \$218,996 at June 30, 2018.

N. Fund Balances

GASB Statement No. 54 requires analysis and presentation of fund balances in five categories; the fund balance categories are:

- *Nonspendable*—Includes items not immediately converted to cash, such as prepaid items, interfund receivables and inventory.

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

- *Restricted*—Includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.
- *Committed*—Includes items committed by the county court, by formal resolution.
- *Assigned*—Includes items assigned for specific uses, authorized by the Budget Officer.
- *Unassigned*—This is the residual classification used for those balances not assigned to another category.

The board authorized the Budget Officer to make assignments of ending fund balance. Assignments of fund balances can be done at any time, including after fiscal year end date.

Finally, GASB 54 requires a spending policy, as it relates to ending fund balance. The spending policy states in what order fund balance categories are spent. The county court approved the following fund balance order of spending policy:

1. Restricted Fund Balance
2. Committed Fund Balance
3. Assigned Fund Balance
4. Unassigned Fund Balance

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Other Post-Employment Benefits (OPEB)

The OPEB asset or liability is reported in the government-wide statement of net position and the proprietary statement of net position. The asset or liability reflects the present value of expected future payments less the fiduciary net position of the trustee.

Note 2. Municipal Solid Waste Landfill Closure and Post Closure Care Costs

Statement No. 18 of the Government Accounting Standards board entitled "Accounting for Municipal Solid Waste Landfill Closure and Post Closure Care Costs" requires the county to record a liability for the estimated costs of landfill closure and post closure care, as required by governmental authorities.

State and federal regulations require that the county place a final cover on its current operating landfills when waste is no longer accepted and to perform certain maintenance and monitoring functions at these sites for a period of thirty years after closure. In addition to operating expenditures related to current activities of the landfill, a related liability is being recognized based on the future closure and post closure care costs that will be paid near or after the date that the landfills stop accepting waste. The county reports these closure and post closure care costs as a liability in the Statement of Net Position based on landfill capacity used as of each balance sheet date.

The estimated cost of closure and post closure care does not anticipate any reimbursement that may be provided by the state of Oregon. Actual costs may be higher due to inflation, changes in technology, or changes in laws or regulation. The county expects to pay for the actual closure and post closure costs with funds transferred from the General Fund annually. If those funds are not sufficient the county will look to other funding sources.

The county has five permitted solid waste facilities. Five of these facilities are currently operating and one has been closed as of May 27, 2006. The five facilities currently in operation have an estimated remaining capacity of 49 more years and each are estimated to be at 13% of capacity. The county estimates the final closure costs and post closure costs for the landfills will be approximately \$167,217 at June 30, 2018, of which \$39,655 has been restricted for the closures and thirty years of post closure care. The county intends to fund the closures with General Fund sources at the time of closure. The

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2018

closure and post closure care costs are estimated at 2.61% of total annual revenues of the General Fund.

Note 3. Pension Plan

General Information about the Pension Plan

Plan Description

Employees of the county are provided with pensions through the 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/section/financial_reports/financials.aspx.

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 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. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 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.

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 the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 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 changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

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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.

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 on 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 a 5-, 10-, 15-, 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 balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

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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, 2015 actuarial valuation as subsequently modified by 2017 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2017. Employer contributions for the year ended June 30, 2018 were \$610,813, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2018 were 22.33 percent for Tier One/Tier Two General Service Member, 22.33 percent for Tier One/Tier Two Police and Fire, 17.64 percent for OPSRP Pension Program General Service Members, and 6 percent 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 a liability of \$6,263,568 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 0.04646551 percent, which decreased from its proportion of 0.04752353 measured as of June 30, 2016.

For the year ended June 30, 2018, the county recognized pension expense of \$1,297,621. At June 30, 2018, the county reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/Inflows of Resources
Differences between expected and actual experience	\$ 302,909	\$ -	\$ 302,909
Changes of assumptions	1,141,737	-	1,141,737
Net difference between projected and actual earnings on investments	64,529	-	64,529
Changes in proportion	25,739	106,663	(80,924)
Differences between employer contributions and proportionate share of contributions	3,574	95,208	(91,634)
Total (prior to post-MD contributions)	1,538,488	201,871	1,336,617
Contributions subsequent to the MD	610,813	-	610,813
Total	\$ 2,149,301	\$ 201,871	\$ 1,947,430

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Deferred Outflows		Deferred Inflows		Net Deferred Outflows/Inflows	
Amortization Period		Amortization Period		Amortization Period	
FY2019	\$ 286,734	FY2019	\$ 64,574	FY2019	\$ 222,160
FY2020	794,816	FY2020	62,096	FY2020	732,720
FY2021	547,129	FY2021	43,075	FY2021	504,054
FY2022	(117,728)	FY2022	25,445	FY2022	(143,173)
FY2023	27,537	FY2023	6,681	FY2023	20,856
Total	<u>\$ 1,538,488</u>	Total	<u>\$ 201,871</u>	Total	<u>\$ 1,336,617</u>

Actuarial Assumptions

The employer contribution rates effective July 1, 2015, through June 30, 2017 and effective July 1, 2017, through June 30, 2019, were set using the projected unit credit actuarial cost method. For the 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 OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) 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 Report	2014, published September 23, 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.5 percent
Long-Term Expected Rate of Return	7.5 percent
Discount Rate	7.5 percent
Projected Salary Increases	3.5 percent
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service
Mortality	<p>Health retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>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.</p>

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

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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 2013 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment 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 model.

Asset Class/Strategy	Assumed Asset Allocation		
	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			<u>100.0%</u>

Asset Class	Target Allocation	Compounded 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/Mid Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.31%	6.99%
Micro Cap US Equities	1.31%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Market Equities	4.12%	7.25%
Non-US Small Cap Equities	1.88%	7.22%
Private Equities	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%
Total	<u>100.00%</u>	
Assumed Inflation - Mean		2.50%

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 that the plan’s Fiduciary Net Position is projected to cover

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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 judgment.

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

- PERS has a 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 a 100% funded position by the end of the amortization period if future experience follows assumption.
- 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's 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 7.5 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.

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

The following presents the county's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the county's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	<u>1% Decrease (6.5%)</u>	<u>Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
County's proportionate share of the net pension liability (asset)	\$ 10,674,264	\$ 6,263,568	\$ 2,575,410

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plan

The county reported payables of legally required contributions to the pension plan in the amount of \$78,558 at June 30, 2018.

Changes in Plan Provisions During the Measurement Period

There are no changes during the June 30, 2018 measurement period that required disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

At July 28, 2017, subsequent to the June 30, 2017 measurement date, the OSPERS Board lowered the assumed rate to 7.2 percent. The current assumed rate is 7.5 percent and has been in effect for member transactions since January 1, 2016. The new rate was effective January 1, 2018. The effect on the county has not been determined.

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Deferred Compensation Plan

Plan Description - The county offers employees a deferred compensation plan (the plan) sponsored by the county. The plan is a defined contribution plan created in accordance with Internal Revenue Code Section 457. The plan is available to all represented and non-represented city employees, and permits them to defer a portion of their salary until future years. Contributions are made through salary deductions from participating employees up to the amounts specified in the Internal Revenue Code Section 457. No contributions are required from the county. As of June 30, 2018, 11 individuals were participating in the Internal Revenue Code Section 457 plans. Amounts deferred are not available to employees until termination, retirement, death, or unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. No plan assets have been used for purposes other than the payment of benefits.

At June 30, 2018, the amount deferred and investments earnings thereon, adjusted to fair market value, amount to \$1,790,217. The plan assets are held in custodial accounts by the plan provider for the exclusive benefit of the participants or their beneficiaries. The county does not perform the investing function and has no fiduciary accountability for the plan. Therefore, plan assets and any related liability to plan participants are not reported in the county financial statements as of June 30, 2018.

Note 4. Cash and Investments

Cash and Investments

Cash and investments are comprised of the following at June 30, 2018:

Deposits with banks	\$ 1,929,841
Investments	17,008,405
Cash on hand	120
	<u>\$ 18,938,366</u>

Cash and investments are shown on the basic financial statements as:

Statement of Net Position	
Cash and investments	\$ 18,524,462
Statement of Fiduciary Net Position	
Cash and investments	413,904
Total cash and investments	<u>\$ 18,938,366</u>

As of June 30, 2018, the county held the following investments and maturities:

<u>Investment Type</u>	<u>Maturity Date</u>	<u>Fair Value</u>	<u>% of Investment Portfolio</u>
Local Government Investment Pool	N/A	\$ 17,008,405	100%

Deposits

The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP), which include standards to categorize deposits to give an indication of the level of custodial risk assumed by the county at June 30, 2018. If bank deposits at year end are not entirely insured or collateralized with securities held by the county or by its agent in the county's name, the county must disclose the custodial credit risk (below) that exists. Deposits with financial institutions are comprised of bank demand deposits. For deposits in excess of federal depository insurance, Oregon Revised Statutes require depository institutions to be in compliance with ORS 295.

At June 30, 2018 the carrying amount of the county's deposits (cash and certificates of deposit) in various financial institutions was \$1,929,841 and the bank balances was \$2,107,769. Of these deposits, not all were covered by federal depository insurance. The insurance and collateral requirements for deposits are established by banking regulations and

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Oregon law. Federal depository insurance (FDIC) of \$250,000 applies to the deposits in each depository. Where balances continually exceed \$250,000, ORS 295.018 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the Oregon state treasurer's website. Qualifying depository banks must pledge securities with a particular value based on the banks level of capitalization. At June 30, 2018 and for the year then ended, the county's deposits were in compliance with the requirements of ORS 295.018.

Custodial credit risk – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The county has no policy for custodial credit risk for deposits.

Effective July 1, 2008, House Bill 2901 created a shared liability structure for participating bank depositories in Oregon. Barring any exceptions, a qualifying bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the Oregon State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public bank depositories is available to repay the deposits of public funds of governmental entities.

Investments

At June 30, 2018, the county held \$17,008,405 of investments, which is all classified as cash and investments on the Statement of Net Position. The county has no policy for managing interest rate risk or credit risk.

The county has invested funds in the Oregon Short-term Fund Local Government Investment Pool (LGIP) during fiscal year 2018. The Local Government Investment Pool was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The Local Government Investment Pool is an external investment pool managed by the state treasurer's office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 40. The Oregon LGIP is unrated for credit quality.

In addition, the Oregon LGIP distributes investment income on an amortized cost basis and participant's equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the county's cash position.

Investments in the Oregon LGIP are made under the provisions of ORS 194.180. These funds are held in the county's name and are not subject to collateralization requirements or ORS 295.018. Investments are stated at cost, which approximated fair value.

A separate financial report for the Oregon Short-term Fund Local Government Investment Pool is prepared by the Secretary of State Audits Division in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Copies of the report can be obtained from the Oregon Audits Division, 255 Capitol Street NE, Suite 500, Salem, OR 97310 or online at <http://www.sos.state.or.us/audits/index.html>.

Oregon statutes restrict the types of investments in which the county may invest. Authorized investments include obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, time certificates of deposit, certain commercial paper, and the Oregon Local Government Investment Pool. As of June 30, 2018 and for the year then ended, the county was in compliance with the aforementioned Oregon statutes.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes authorize the county to invest primarily in general obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial paper, and the state of Oregon Treasurer's Local Government Investment Pool, among others. The county has a formal investment policy that further restricts its investment choices.

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Concentration of Credit Risk – Concentration of credit risk is the risk of a loss attributed to the magnitude of a government’s investment in a single issuer. The county is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the United States Government. The county has no such investments.

Interest Rate Risk – The county has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Foreign Currency Risk – The county is prohibited from investments that are not US dollar-denominated; therefore, the county is not exposed to this risk.

Note 5. Receivables

Receivables at June 30, 2018 consisted of the following:

	General Fund	Road Department	Nonmajor Funds	Total
Receivables				
Property taxes	\$ 321,677	\$ -	\$ -	\$ 321,677
Accounts	238,551	188,830	-	427,381
Grants	-	-	397,314	397,314
Total receivables	<u>\$ 560,228</u>	<u>\$ 188,830</u>	<u>\$ 397,314</u>	<u>\$ 1,146,372</u>

Note 6. Risk Management

Harney County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The county assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Note 7. Related Parties

The county conducted business with key officials and employees during the year as follows:

<u>County Court/Employee</u>	<u>Employee/Vendor</u>	<u>Relationship</u>	<u>Amount</u>
Pete Runnels	Cheryl Runnels	Husband/Wife	\$ 41,397

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Note 8. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

Governmental activities	Balance Beginning of Year	Restatements	Increases	Decreases	Balance End of Year
Capital assets not being depreciated					
Land	\$ 1,192,714	\$ 36,500	\$ 64,580	\$ (94,031)	\$ 1,199,763
Construction in process	558,992	-	1,786,856	(5,235)	2,340,613
Library western collection	225,000	-	-	-	225,000
Total capital assets not being depreciated	<u>1,976,706</u>	<u>36,500</u>	<u>1,851,436</u>	<u>(99,266)</u>	<u>3,765,376</u>
Capital assets being depreciated					
Buildings	5,508,409	-	-	-	5,508,409
Improvements other than buildings	313,549	-	-	-	313,549
Equipment and vehicles	9,875,562	-	471,089	(110,042)	10,236,609
Infrastructure, road network	46,665,844	-	600,742	-	47,266,586
Total capital assets being depreciated	<u>62,363,364</u>	<u>-</u>	<u>1,071,831</u>	<u>(110,042)</u>	<u>63,325,153</u>
Less accumulated depreciation for					
Buildings	2,146,734	-	96,044	-	2,242,778
Improvements other than buildings	293,149	-	3,295	-	296,444
Equipment and vehicles	7,010,974	51,105	437,092	(104,205)	7,394,966
Infrastructure, road depreciation	35,606,037	-	622,610	-	36,228,647
Total accumulated depreciation	<u>45,056,894</u>	<u>51,105</u>	<u>1,159,041</u>	<u>(104,205)</u>	<u>46,162,835</u>
Total capital assets being depreciated, net	<u>17,306,470</u>	<u>(51,105)</u>	<u>(87,210)</u>	<u>(5,837)</u>	<u>17,162,318</u>
Governmental activities capital assets, net	<u>\$ 19,283,176</u>	<u>\$ (14,605)</u>	<u>\$ 1,764,226</u>	<u>\$ (105,103)</u>	<u>\$ 20,927,694</u>

Depreciation expense of \$1,159,041 was charged to administration.

The Library Western Collection in the amount of \$225,000 is not depreciated. It is protected, cared for, preserved and held for public display and education.

Note 9. Prior Period Adjustment

The county restated to correctly report the balances of transfers, capital assets, accumulated depreciation and to implement GASB Statement No. 75.

The following is a reconciliation of the total net position as previously reported at July 1, 2017, to the restated net position.

Recalculation of net position	<u>Governmental Activities</u>
Net position at July 1, 2017, as previously reported	\$ 36,509,135
Net OPEB liability - implicit subsidy	(220,166)
Net OPEB asset - RHIA	7,698
Capital assets	<u>(14,605)</u>
Net position at July 1, 2017, as restated	<u>\$ 36,282,062</u>

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The following is a reconciliation of fund balances as previously reported at July 1, 2017, to the restated fund balances.

Recalculation of fund balances	<u>General Fund</u>	<u>Library Reserve Fund</u>
Fund balance at July 1, 2017, as previously reported	\$ 910,829	\$ 3,413
Transfers in (out)	<u>(11,370)</u>	<u>11,370</u>
Fund balance at July 1, 2017, as restated	<u>\$ 899,459</u>	<u>\$ 14,783</u>

Note 10. Interfund Transfers and Payables

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources. The detail of significant interfund transfers for the fiscal year ended June 30, 2018 is as follows:

Transfers to	<u>Combined General</u>	<u>Nonmajor Governmental</u>	<u>Total</u>	<u>Reason for transfers</u>
Transfers from				
General Fund	\$ 125,000	\$ 374,004	\$ 499,004	To comply with budgetary commitments.
Road Department	50,000	10,000	60,000	For weed control measures and future expenses.
Nonmajor	232,539	40,012	272,551	To comply with budgetary commitments.
Total governmental	<u>\$ 407,539</u>	<u>\$ 424,016</u>	<u>\$ 831,555</u>	

The interfund receivable and payables at June 30, 2018 consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor fund	\$ 4,280
	TOTAL	<u>\$ 4,280</u>

The purpose of the interfund receivable and payable balances is to account for expenses paid by the receivable fund for the payable fund, or revenue received in the payable fund that should be accounted for in the receivable fund.

Note 11. Capital Leases

A summary of changes in capital leases for the year ended June 30, 2018 is as follows:

Description	Balance 7/1/2017	Increases	Decreases	Balance 6/30/2018	Due within one year
GOVERNMENTAL ACTIVITIES					
Caterpillar Financial Services Corp.	\$ -	\$ 381,609	\$ 41,770	\$ 339,839	\$ 29,874
Total Capital Lease	<u>\$ -</u>	<u>\$ 381,609</u>	<u>\$ 41,770</u>	<u>\$ 339,839</u>	<u>\$ 29,874</u>

Capital Lease – Caterpillar D6T Track Type Tractor

The county entered into a capital lease agreement as lessee for financing of a caterpillar D6T track type tractor in the amount of \$381,609 with an interest rate of 3.95%. Payments are made out of the Road Department Fund in annual payments in the amount of \$43,298. The depreciation for the D6T is included in the depreciation shown in Note 8. Future minimum payments are as follows:

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2018

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 29,874	\$ 13,424	\$ 43,298
2020	31,054	12,244	43,298
2021	32,281	11,017	43,298
2022	33,556	9,742	43,298
2023	213,074	6,926	220,000
Total	<u>\$ 339,839</u>	<u>\$ 53,353</u>	<u>\$ 393,192</u>

Note 12. Other Post Employment Benefits (OPEB)

Change in Accounting Principle

In implementing GASB Statement No. 75, the county has restated beginning net position in order to recognize the correct total OPEB Liability for the county's Implicit Rate Subsidy plan and to recognize the county's proportionate share of the net OPEB asset of the Oregon Public Employees Retirement Systems (OPERS). The restatement also recognizes a deferred outflow of resources related to OPEB for contributions from each plan made after the June 30, 2017 measurement date. See note 9 for the restatement effects.

Post Employment Benefits Other than Pensions

The other postemployment benefits (OPEB) for the county combines two separate plans. The county provides an implicit rate subsidy for retiree health insurance premiums, and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined health insurance benefit plan (RHIA).

Financial Statement Presentation

The county's two OPEB plans are presented in the aggregate on the Statement of Net Position. The amounts on the financial statements relate to the plans as follows:

	<u>Implicit Rate Subsidy Plan</u>	<u>PERS RHIA Plan</u>	<u>Total OPEB on Financials</u>
Net OPEB asset	\$ -	\$ 16,176	\$ 16,176
Deferred outflows of resources			
Contributions after the measurement date	26,343	20,020	46,363
Total OPEB liability	(236,021)	-	(236,021)
Deferred inflows of resources			
Change in proportionate share	-	(783)	(783)
Change in assumptions	(8,849)	-	(8,849)
Difference in earnings	-	(7,493)	(7,493)
OPEB expense (Included in program expenses on statement of activities)	24,704	(27,920)	(3,216)

Implicit Rate Subsidy

Plan Description

The county's single-employer defined benefit postemployment healthcare plan is administered by Benefit & Risk Management Services, Inc. (BRMS). Benefit provisions are established through negotiations between the county and representatives of collective bargaining units or through resolutions passed by county commissioners. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The county's postemployment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for BRMS. This report may be obtained by writing to the BRMS Main Office, 80 Iron Point Circle, Suite 200, Folsom, CA 95630.

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2018

Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the valuation date of July 1, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	5
Active employees	<u>80</u>
	<u><u>85</u></u>

Related to OPEB

The county's total OPEB liability of \$236,021 was measured as of June 30, 2017, and was determined by an actuarial valuation as of July 1, 2016.

For the fiscal year ended June 30, 2018, the county recognized OPEB expense from this plan of \$24,704. At June 30, 2017, the county reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 8,849
Total (prior to post-MD contributions)	-	8,849
Contributions made subsequent to measurement date	26,343	-
Total	\$ 26,343	\$ 8,849

Deferred outflows of resources related to OPEB of \$26,343 resulting from the county's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2019	\$ (1,639)
2020	(1,639)
2021	(1,639)
2022	(1,639)
2023	(1,639)
Thereafter	(654)
Total	\$ (8,849)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2016 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2018

Actuarial cost method	Entry age normal
Inflation	2.5 percent
Salary increases	3.5 percent
Healthy mortality	RP-2000 healthy white collar male and female mortality tables, se back one year for males. Mortality is projected on a generational basis using Scale BB for males and females.
Discount rate	3.58 percent (change from 2.85 percent in previous measurement period)
Healthcare cost trend rate	Medical and vision: 7.50 percent per year, decreasing to 5.0 percent. Dental: 4.50 percent per year

The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance as of June 30, 2017	\$ 243,822
Changes for the year:	
Service cost	20,776
Interest on total OPEB liability	7,206
Effect of assumptions changes or inputs	(12,127)
Benefit payments	<u>(23,656)</u>
Balance as of June 30, 2018	<u>\$ 236,021</u>

Changes in assumptions is the result of the change in the discount rate from 2.85 to 3.58.

Sensitivity of the Total OPEB Liability

The following presents the county's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
Total OPEB Liability	\$ 252,035	\$ 236,021	\$ 221,323

Healthcare cost trend:

	1% Decrease (6.5% decreasing to 4.0%)	Current Trend Rate (7.5% decreasing to 5.0%)	1% Increase (8.5 decreasing to 6.0%)
Total OPEB Liability	\$ 216,143	\$ 236,021	\$ 259,658

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2018

PERS Retirement Health Insurance Account

Plan Description

The county contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants hired after August 29, 2003. PERS issues publicly available financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, or online at http://Oregon.gov/PERS/section/financial_reports/financials.shtml.

Benefits Provided

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

Contributions

PERS funding policy provides for 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. Employer contribution rates for the period were based on the December 31, 2015 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2017. The county's contribution rates for the period were 0.50% for Tier One/Tier Two members, and 0.43% for OPSRP members. The county's total contributions for the year ended June 30, 2018 contributions was \$20,020.

OPEB Assets, Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the county reported an asset of \$16,176 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2017, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2015 rolled forward to June 30, 2017. The county's proportion of the net OPEB asset was based on the county's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2017, the county's proportionate share was 0.03875966 percent, which is a decrease from its proportion of 0.04271265 percent as of June 30, 2016.

For the year ended June 30, 2018, the county recognized OPEB income from this plan of \$27,920. At June 30, 2018, the county reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2018

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings	\$ -	\$ 7,493
Changes in proportionate share	-	783
Total (prior to post-MD contributions)	-	8,276
Contributions subsequent to the measurement date	20,020	-
Total	<u>\$ 20,020</u>	<u>\$ 8,276</u>

Deferred outflows of resources related to OPEB of \$20,020 resulting from the county's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	
2019	\$ (2,163)
2020	(2,163)
2021	(2,076)
2022	<u>(1,874)</u>
Total	<u>\$ (8,276)</u>

Actuarial Methods and Assumptions

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

Actuarial Cost Method	Entry Age Normal
Amortization Method	Amortized as a level percentage of payroll as layered bases over a closed 10 year period
Asset Valuation Method	Market value of assets
Inflation Rate	2.5 percent
Investment Rate of Return	7.5 percent
Salary Increases	3.5 percent
Mortality	<p>Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>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.</p>
Healthcare Cost Trend Rate	Ranging from 6.3% in 2016 to 4.4% in 2094

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

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2018

Investment 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 was 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 model.

<u>Asset Class</u>	<u>Target</u>	<u>Compound Annual Return (Geometric)</u>
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/Mid Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.31%	6.99%
Micro Cap US Equities	1.31%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Market 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	<u>1.88%</u>	4.58%
Total	<u>100%</u>	
Assumed Inflation – Mean		2.50%

Discount Rate

The discount rate used to measure the total OPEB liability was 7.50% for the RHIA Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA 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 RHIA Plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the County's proportionate share of the net OPEB liability (asset) to changes in the discount rate

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

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Net OPEB Liability (Asset)	\$ 2,255	\$ (16,176)	\$ (31,853)

OPEB Plan Fiduciary Net Position

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

Changes in Plan Provisions Subsequent to Measurement Date

The PERS Board lowered the Assumed Rate of Return from 7.50% to 7.20% on July 28, 2017. This change is effective January 1, 2018, and will decrease the net OPEB asset or increase the net OPEB liability in future periods.

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
 June 30, 2018

Note 13. Fund Balance Classifications

Below is a schedule of ending fund balances, based on GASB Statement No. 54 requirements:

Fund Balances	Combined General Fund	Road Department Fund	Road Operating Reserve Fund	Road Equipment Reserve Fund	Road Pavement Restoration Fund	Nonmajor Funds	Total
<u>Nonspendable</u>							
Interfund Receivables	\$ 4,280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,280
Inventory	14,036	-	-	-	-	-	14,036
	<u>18,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,316</u>
<u>Restricted</u>							
Landfill closure	-	-	-	-	-	39,655	39,655
Road costs	-	1,967,915	7,527,800	2,344,756	3,915,796	-	15,756,267
Special programs	-	-	-	-	-	1,792,789	1,792,789
	<u>-</u>	<u>1,967,915</u>	<u>7,527,800</u>	<u>2,344,756</u>	<u>3,915,796</u>	<u>1,832,444</u>	<u>17,588,711</u>
<u>Committed to:</u>							
Landfill	19,469	-	-	-	-	-	19,469
Harney County Fair	2,265	-	-	-	-	-	2,265
Mental health services	286,093	-	-	-	-	-	286,093
Nuisance abatement	25,975	-	-	-	-	-	25,975
Library needs	17,475	-	-	-	-	-	17,475
Hospice memorials	144,383	-	-	-	-	-	144,383
PERS future costs	48,303	-	-	-	-	-	48,303
Voting equipment	-	-	-	-	-	37,690	37,690
Wolf compensation	-	-	-	-	-	2,829	2,829
Fairgrounds	-	-	-	-	-	49,514	49,514
General fund projects	-	-	-	-	-	102,450	102,450
Information systems	-	-	-	-	-	194,987	194,987
Building capital projects	-	-	-	-	-	96,828	96,828
	<u>543,963</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>484,298</u>	<u>1,028,261</u>
<u>Unassigned</u>	<u>231,787</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,787</u>
Total fund balances	<u>\$ 794,066</u>	<u>\$ 1,967,915</u>	<u>\$ 7,527,800</u>	<u>\$ 2,344,756</u>	<u>\$ 3,915,796</u>	<u>\$ 2,316,742</u>	<u>\$ 18,867,075</u>

GASB 54 requires county court approved action to authorize commitments of fund balances. These commitments, outlined in the table above, were approved by the county court in fiscal year 2018. Commitments of fund balances must be made prior to the end of the fiscal year.

Note 14. New Accounting Pronouncements and Accounting Standards

The GASB has issued several statements which have not yet been implemented by the county. The statements which may have a future impact on the county are as follows:

GASB Statement No. 90, *Majority Equity Interests*, an amendment of GASB Statements No. 14 and No. 61, is effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* is effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* is effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 87, *Leases* is effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 84, *Fiduciary Activities* is effective for reporting periods beginning after December 15, 2018.

HARNEY COUNTY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2018

GASB Statement No. 83, *Certain Asset Retirement Obligations* is effective for reporting periods beginning after June 15, 2018.

The county has not fully determined the effect that the implementation of these GASB statements will have on the county's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION



HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
GENERAL FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Current year tax collections	\$ 2,026,760	\$ 2,026,760	\$ 2,214,612	\$ 187,852
Prior year tax collections	150,000	150,000	133,912	(16,088)
Total tax revenues	<u>2,176,760</u>	<u>2,176,760</u>	<u>2,348,524</u>	<u>171,764</u>
Other resources				
Sheriff's department	166,700	166,700	148,795	(17,905)
County court	9,200	29,200	132,891	103,691
Assessor's department	2,000	2,000	2,598	598
Clerk's department	73,600	73,600	66,266	(7,334)
Tax collector	7,500	7,500	4,149	(3,351)
District attorney	33,150	33,150	51,023	17,873
Juvenile department	32,126	32,126	42,397	10,271
Justice court	124,350	124,350	217,532	93,182
Veterans service officer	70,440	70,440	64,836	(5,604)
County-city jail	17,500	17,500	2,043	(15,457)
Emergency/disaster	76,575	122,846	130,582	7,736
Health department	258,800	258,800	455,001	196,201
Home health agency	470,000	470,000	367,367	(102,633)
Non-departmental - reimbursements	452,805	452,805	412,007	(40,798)
Weed control	411,531	411,531	304,263	(107,268)
Harney County public library	112,400	112,400	108,573	(3,827)
Planning department	9,000	9,000	11,353	2,353
GIS department	62,307	62,307	51,877	(10,430)
Non-departmental - resources	898,700	898,700	1,382,548	483,848
Total other revenues	<u>3,288,684</u>	<u>3,354,955</u>	<u>3,956,101</u>	<u>601,146</u>
Total revenues	<u>5,465,444</u>	<u>5,531,715</u>	<u>6,304,625</u>	<u>772,910</u>
EXPENDITURES				
Sheriff's department	729,178	729,178	772,431	(43,253)
County court	412,524	432,524	422,355	10,169
Assessor's department	573,931	573,931	558,585	15,346
Clerk's department	221,423	221,423	193,727	27,696
Tax collector	90,707	90,707	90,527	180
District attorney	290,176	290,176	273,129	17,047
Juvenile department	\$ 170,937	\$ 170,937	\$ 153,026	\$ 17,911

Combined with other funds for reporting purposes.

(Continued on next page)

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
GENERAL FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
EXPENDITURES (Continued)				
Justice court	\$ 187,584	\$ 187,584	\$ 164,392	\$ 23,192
Veterans service officer	98,135	98,135	92,431	5,704
Watermaster department	10,538	10,538	10,029	509
County-city jail	597,923	597,923	546,976	50,947
Emergency/disaster	115,575	161,846	173,392	(11,546)
Health department	557,349	557,349	753,254	(195,905)
Home health agency	656,055	656,055	614,907	41,148
Non-departmental - expenses	476,940	476,940	481,480	(4,540)
Cooperative extension service	179,770	179,770	129,677	50,093
Weed control	546,171	546,171	405,925	140,246
Harney County senior citizens	110,916	110,916	114,765	(3,849)
Harney County public library	374,407	374,407	332,753	41,654
Planning department	119,198	119,198	87,259	31,939
GIS department	81,406	81,406	73,240	8,166
Promotion	123,000	123,000	104,943	18,057
Courthouse maintenance	159,097	159,097	180,611	(21,514)
Treasurer	109,657	109,657	89,964	19,693
Predatory animal control	50,000	50,000	34,649	15,351
Human resources/finance	126,896	126,896	138,811	(11,915)
Total expenditures	<u>7,169,493</u>	<u>7,235,764</u>	<u>6,993,238</u>	<u>242,526</u>
Excess of revenues over (under) expenditures	(1,704,049)	(1,704,049)	(688,613)	1,015,436
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(438,911)	(438,911)	(324,004)	114,907
Transfers in from other funds	138,500	138,500	280,039	141,539
Total other sources (uses)	<u>(300,411)</u>	<u>(300,411)</u>	<u>(43,965)</u>	<u>256,446</u>
Net change in fund balance	(2,004,460)	(2,004,460)	(732,578)	1,271,882
Fund balance, July 1, before restatement	2,004,460	2,004,460	806,013	(1,198,447)
Restatement, see note 9	-	-	(11,370)	(11,370)
Fund balance, July 1, after restatement	<u>2,004,460</u>	<u>2,004,460</u>	<u>794,643</u>	<u>(1,209,817)</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,065</u>	<u>\$ 62,065</u>

Combined with other funds for reporting purposes.

HARNEY COUNTY, OREGON
BUDGETARY COMBINATION SCHEDULE - BUDGET TO GAAP RECONCILIATION
GENERAL FUND FOR GAAP PRESENTATION

For the Year Ended
June 30, 2018

	Cash Basis				Total General Fund for reporting purposes June 30, 2018	Modified Accrual Adjustments	Total General Fund for reporting purposes June 30, 2018
	General Fund	Budget Basis Funds Combined with General Fund	Total General Fund for reporting purposes June 30, 2018	Total General Fund for reporting purposes June 30, 2018			
Revenues							
Property and other taxes	\$ 2,348,524	\$ -	\$ 2,348,524	\$ 12,029	\$ 2,360,553		
Intergovernmental revenues	2,523,232	119,995	2,643,227	114,626	2,757,853		
Licenses and permits	342,013	-	342,013	17,909	359,922		
Charges for services	382,280	492,646	874,926	(50,252)	824,674		
Fines and forfeits	16,669	-	16,669	-	16,669		
Interest earned	2,875	9,494	12,369	-	12,369		
Miscellaneous revenues	497,441	30,592	528,033	78,010	606,043		
Administration	191,591	-	191,591	-	191,591		
Total revenues	<u>6,304,625</u>	<u>652,727</u>	<u>6,957,352</u>	<u>172,322</u>	<u>7,129,674</u>		
Expenditures							
Public safety and legal services	2,083,742	-	2,083,742	24,204	2,107,946		
Physical health and social services	1,395,648	234,874	1,630,522	7,550	1,638,072		
Mental health services	6,974	-	6,974	-	6,974		
County environment and education	585,569	-	585,569	10,499	596,068		
Governmental services to residents	1,629,822	476,294	2,106,116	7,875	2,113,991		
Administration	873,034	-	873,034	1,927	874,961		
General government	348,042	-	348,042	16,328	364,370		
Capital projects	70,407	-	70,407	8,000	78,407		
Total expenditures	<u>6,993,238</u>	<u>711,168</u>	<u>7,704,406</u>	<u>76,383</u>	<u>7,780,789</u>		
Excess of revenues over (under) expenditures	(688,613)	(58,441)	(747,054)	95,939	(651,115)		
Other financing sources (uses)							
Transfers in	280,039	127,500	407,539	-	407,539		
Transfers out	(324,004)	(2,500)	(326,504)	-	(326,504)		
Total other financing sources (uses)	<u>(43,965)</u>	<u>125,000</u>	<u>81,035</u>	<u>-</u>	<u>81,035</u>		
Net change in fund balances	(732,578)	66,559	(666,019)	95,939	(570,080)		
Fund balances, July 1, before restatement	806,013	455,076	1,261,089	103,057	1,364,146		
Restatement, see note 9	(11,370)	11,370	-	-	-		
Fund balances, July 1, after restatement	<u>794,643</u>	<u>466,446</u>	<u>1,261,089</u>	<u>103,057</u>	<u>1,364,146</u>		
Fund balances, June 30	<u>\$ 62,065</u>	<u>\$ 533,005</u>	<u>\$ 595,070</u>	<u>\$ 198,996</u>	<u>\$ 794,066</u>		

Adjustments for property taxes receivable	\$ 12,029
Adjustments for accounts payable	(72,506)
Current year inventory adjustment	(3,877)
Adjustments for accounts receivable	<u>160,293</u>
Total	<u>\$ 95,939</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 ROAD DEPARTMENT FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Federal aid secondary	\$ 250,000	\$ 250,000	\$ 239,985	\$ (10,015)
Forest receipts	58,000	58,000	1,065,396	1,007,396
Malheur National Wildlife Refuge	25,000	25,000	25,393	393
Federal stimulus funds	-	-	375,000	375,000
Public land sales	-	-	109	109
State highway allocation	650,000	650,000	697,744	47,744
Special appropriation highway	235,000	235,000	227,761	(7,239)
Investment earnings	12,000	12,000	13,981	1,981
Other grant funds	2,710,000	2,710,000	1,128,149	(1,581,851)
Miscellaneous	-	-	4,457	4,457
Total revenues	<u>3,940,000</u>	<u>3,940,000</u>	<u>3,777,975</u>	<u>(162,025)</u>
EXPENDITURES				
Personal services				
Road supervisor	66,938	66,938	66,900	38
Foremen	178,502	178,502	191,294	(12,792)
Heavy equipment operators	348,950	348,950	342,701	6,249
Mechanics	40,930	40,930	44,538	(3,608)
Office manager	37,713	37,713	37,683	30
Extra help	23,000	23,000	8,939	14,061
Overtime pay	75,000	75,000	26,565	48,435
Payroll taxes and employee benefits	344,440	344,440	332,642	11,798
Total personal services	<u>1,115,473</u>	<u>1,115,473</u>	<u>1,051,262</u>	<u>64,211</u>
Materials and services				
Stationery and office supplies	1,300	1,300	815	485
Computer costs	9,588	9,588	5,771	3,817
Fuel	192,000	192,000	176,380	15,620
Operating supplies and parts	247,000	247,000	202,246	44,754
Permits and other	\$ 3,000	\$ 3,000	\$ 2,768	\$ 232

(Continued on next page)

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 ROAD DEPARTMENT FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
Materials and services (continued)				
Road materials	\$ 1,077,000	\$ 1,077,000	\$ 864,153	\$ 212,847
Engineering and surveying	20,000	20,000	10,009	9,991
Postage, printing and telephone	8,000	8,000	3,124	4,876
Registration and dues	7,000	7,000	14,924	(7,924)
Travel expense and meals	7,500	7,500	3,723	3,777
Lease of radio site	5,000	5,000	2,366	2,634
Accounting and auditing	10,000	10,000	10,888	(888)
Insurance	150,000	150,000	125,710	24,290
Utilities	22,500	22,500	18,159	4,341
Repairs and maintenance	76,200	76,200	17,906	58,294
Other expense-medical	2,000	2,000	336	1,664
Snow fence	5,000	5,000	-	5,000
Equipment rental	30,000	30,000	4,434	25,566
Administrative services	65,000	65,000	65,000	-
Total materials and services	<u>1,938,088</u>	<u>1,938,088</u>	<u>1,528,712</u>	<u>409,376</u>
Capital outlay				
Equipment heavy duty	250,000	250,000	43,470	206,530
Equipment transportation	75,000	75,000	13,600	61,400
Bridges	2,700,000	2,700,000	1,658,164	1,041,836
Total capital outlay	<u>3,025,000</u>	<u>3,025,000</u>	<u>1,715,234</u>	<u>1,309,766</u>
Total expenditures	<u>6,078,561</u>	<u>6,078,561</u>	<u>4,295,208</u>	<u>1,783,353</u>
Excess of revenues over (under) expenditures	(2,138,561)	(2,138,561)	(517,233)	1,621,328
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
Total transfers	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
Net change in fund balance	(2,198,561)	(2,198,561)	(577,233)	1,621,328
Fund balance, July 1	<u>2,198,561</u>	<u>2,198,561</u>	<u>2,612,570</u>	<u>414,009</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,035,337</u>	<u>\$ 2,035,337</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
ROAD OPERATING RESERVE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Positive (Negative) Variance to Budget
REVENUES				
Investment earnings	\$ 48,000	\$ 48,000	\$ 128,582	\$ 80,582
Total revenues	<u>48,000</u>	<u>48,000</u>	<u>128,582</u>	<u>80,582</u>
EXPENDITURES				
Materials and services	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	48,000	48,000	128,582	80,582
Fund balance, July 1	<u>7,367,699</u>	<u>7,367,699</u>	<u>7,399,218</u>	<u>31,519</u>
Fund balance, June 30	<u>\$ 7,415,699</u>	<u>\$ 7,415,699</u>	<u>\$ 7,527,800</u>	<u>\$ 112,101</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
ROAD EQUIPMENT RESERVE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 15,000	\$ 15,000	\$ 34,696	\$ 19,696
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>34,696</u>	<u>19,696</u>
EXPENDITURES				
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	15,000	15,000	34,696	19,696
Fund balance, July 1	2,300,220	2,300,220	2,310,060	9,840
Fund balance, June 30	<u>\$ 2,315,220</u>	<u>\$ 2,315,220</u>	<u>\$ 2,344,756</u>	<u>\$ 29,536</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
ROAD PAVEMENT RESTORATION FUND

(Cash Basis)
For the Year Ended
June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 23,750	\$ 23,750	\$ 66,921	\$ 43,171
Total revenues	<u>23,750</u>	<u>23,750</u>	<u>66,921</u>	<u>43,171</u>
EXPENDITURES				
Asphalt liquid	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	23,750	23,750	66,921	43,171
Fund balance, July 1	<u>3,832,484</u>	<u>3,832,484</u>	<u>3,848,875</u>	<u>16,391</u>
Fund balance, June 30	<u>\$ 3,856,234</u>	<u>\$ 3,856,234</u>	<u>\$ 3,915,796</u>	<u>\$ 59,562</u>

HARNEY COUNTY, OREGON
BUDGETARY COMPARISON SCHEDULE - BUDGET TO GAAP RECONCILIATION
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016

	CASH BASIS			
	Combined General	Road Department	Road Operating Reserve	Road Equipment Reserve
Revenues				
Property and other taxes	\$ 2,348,524	\$ -	\$ -	\$ -
Intergovernmental revenues	2,643,227	2,631,388	-	-
Licenses and permits	342,013	-	-	-
Charges for services	874,926	-	-	-
Fines and forfeits	16,669	-	-	-
Interest earnings	12,369	13,981	128,582	34,696
Miscellaneous revenues	528,033	1,132,606	-	-
Administration	191,591	-	-	-
Total revenues	<u>6,957,352</u>	<u>3,777,975</u>	<u>128,582</u>	<u>34,696</u>
Expenditures				
Current				
Public safety and legal services	2,083,742	-	-	-
Physical health and social services	1,630,522	-	-	-
Harney Behavioral Health	6,974	-	-	-
County environment and education	585,569	-	-	-
Roads and transportation	-	4,242,162	-	-
Governmental services to residents	2,106,116	-	-	-
Administration	873,034	-	-	-
Non-program	348,042	-	-	-
Capital outlay	70,407	53,046	-	-
Debt service	-	43,298	-	-
Total expenditures	<u>7,704,406</u>	<u>4,295,208</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	(747,054)	(517,233)	128,582	34,696
Other financing sources (uses)				
Transfers in	407,539	-	-	-
Transfers out	(326,504)	(60,000)	-	-
Total other financing sources (uses)	<u>81,035</u>	<u>(60,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(666,019)	(577,233)	128,582	34,696
Fund balances, July 1	1,261,089	2,612,570	7,399,218	2,310,060
Fund balances, June 30	<u>\$ 595,070</u>	<u>\$ 2,035,337</u>	<u>\$ 7,527,800</u>	<u>\$ 2,344,756</u>
Reverse prior year's accounts payable	\$ 41,925	\$ 112,072	\$ -	\$ -
Record current year's accounts payable	(114,431)	(256,251)	-	-
Reverse prior year's property taxes	(45,082)	-	-	-
Record current year's property taxes	57,111	-	-	-
Reverse prior year's accounts receivable	(78,266)	(55,290)	-	-
Record current year's accounts receivable	238,559	188,829	-	-
Reverse prior year's inventory	(17,913)	-	-	-
Record current year's inventory	14,036	-	-	-
Net accrual adjustments from prior year	103,057	(56,782)	-	-
Modified accrual fund balances	<u>\$ 794,066</u>	<u>\$ 1,967,915</u>	<u>\$ 7,527,800</u>	<u>\$ 2,344,756</u>

See accompanying independent auditor's report.

CASH BASIS				
Road Pavement Restoration	Nonmajor Funds	June 30, 2018	Accrual Adjustments	Modified Accrual Basis
\$ -	\$ 47,728	\$ 2,396,252	\$ 12,029	\$ 2,408,281
-	2,238,088	7,512,703	1,098,133	8,610,836
-	14,700	356,713	17,844	374,557
-	258,962	1,133,888	495,900	1,629,788
-	27,334	44,003	625	44,628
66,921	33,967	290,516	-	290,516
-	15,777	1,676,416	(1,047,828)	628,588
-	-	191,591	-	191,591
<u>66,921</u>	<u>2,636,556</u>	<u>13,602,082</u>	<u>576,703</u>	<u>14,178,785</u>
-	984,116	3,067,858	17,143	3,085,001
-	-	1,630,522	7,550	1,638,072
-	-	6,974	-	6,974
-	588,365	1,173,934	10,499	1,184,433
-	-	4,242,162	55,928	4,298,090
-	944,295	3,050,411	31,809	3,082,220
-	-	873,034	26,585	899,619
-	-	348,042	16,328	364,370
-	262,407	385,860	(155,847)	230,013
-	-	43,298	-	43,298
<u>-</u>	<u>2,779,183</u>	<u>14,778,797</u>	<u>9,995</u>	<u>14,832,090</u>
66,921	(142,627)	(1,176,715)	566,708	(653,305)
-	424,016	831,555 #	-	831,555
<u>-</u>	<u>(445,051)</u>	<u>(831,555)</u>	<u>-</u>	<u>(831,555)</u>
<u>-</u>	<u>(21,035)</u>	<u>-</u>	<u>-</u>	<u>-</u>
66,921	(163,662)	(1,176,715)	566,708	(653,305)
3,848,875	2,188,438	19,620,250	(99,870)	19,520,380
<u>\$ 3,915,796</u>	<u>\$ 2,024,776</u>	<u>\$ 18,443,535</u>	<u>\$ 466,838</u>	<u>\$ 18,867,075</u>
\$ -	\$ 249,267	\$ 403,264		
-	(449,184)	(819,866)		
-	-	(45,082)		
-	-	57,111		
-	(126,043)	(259,599)		
-	364,237	791,625		
-	-	(17,913)		
-	-	14,036		
-	253,689	299,964		
<u>\$ 3,915,796</u>	<u>\$ 2,316,742</u>	<u>\$ 18,867,075</u>		

HARNEY COUNTY, OREGON
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Fiscal Years*

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) County's proportion of the net pension liability (asset)	(b) County's proportionate share of the net pension liability (asset)	(c) County's covered payroll	(b/c) County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2018	0.04646551%	\$ 6,263,568	\$ 4,457,699	140.51%	81.30%
2017	0.04752353%	7,134,385	4,431,535	160.99%	80.50%
2016	0.04837080%	2,777,191	4,116,079	67.47%	91.90%
2015	0.04562247%	(1,034,131)	3,804,271	-27.18%	103.60%
2014	0.04837080%	388,654	3,496,802	11.11%	91.97%

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) County's covered payroll	(b/c) Contributions as a percent of covered payroll
2018	\$ 610,813	\$ 610,813	\$ -	\$ 4,622,091	13.22%
2017	437,309	437,309	-	4,457,699	9.81%
2016	460,891	460,891	-	4,195,375	10.99%
2015	397,785	397,785	-	4,116,079	9.66%
2014	437,896	437,896	-	3,804,271	11.51%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is

HARNEY COUNTY, OREGON
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFITS
 Last 10 Fiscal Years*

IMPLICIT LIABILITY HEALTH INSURANCE

Changes for the year:	<u>2018</u>	
Service cost	\$	<u>20,776</u>
Interest		7,206
Changes in benefit terms		-
Difference between expected and actual experience		-
Changes of assumptions or other inputs		(12,127)
Benefits payments		<u>(23,656)</u>
Net changes for the year		(7,801)
Total OPEB liability at beginning of year		<u>243,822</u>
Total OPEB liability at end of year	\$	<u>236,021</u>
Covered payroll	\$	<u>4,457,699</u>
Total OPEB liability as a percentage of covered payroll		5%

SCHEDULE OF CITY'S CONTRIBUTIONS

	(a)	(b)	(a-b)	(c)	(b/c)
Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percent of covered payroll
2018	\$ 24,704	\$ 24,704	\$ -	\$ 4,622,091	0.53%
2017	23,656	23,656	-	4,457,699	0.53%

*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required

HARNEY COUNTY, OREGON
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
 Last 10 Fiscal Years*

PERS RETIREE HEALTH INSURANCE ACCOUNT

SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

Year Ended June 30,	(a)	(b)	(c)	(b/c)	Plan fiduciary net position as a percentage of the total OPEB liability
	County's proportion of the net collective OPEB liability (asset)	County's proportionate share of the net OPEB liability (asset)	County's covered payroll	County's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	
2018	0.03875966%	\$ (16,176)	\$ 4,457,699	-0.36%	34.30%
2017	0.04271265%	11,599	4,431,535	0.26%	21.90%

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	(a)	(b)	(a-b)	(c)	(b/c)
	Actuarially required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percent of covered payroll
2018	\$ 20,020	\$ 20,020	\$ -	\$ 4,622,091	0.43%
2017	19,297	19,297	-	4,457,699	0.43%

*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is

HARNEY COUNTY, OREGON
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 For the Year Ended
 June 30, 2018

1. Budgetary Reporting

A budget is prepared for each county fund in accordance with the cash basis of accounting and legal requirements set forth in the Oregon local budget law. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personal services, materials and services, capital outlay and other expenditures by department are the levels of control. The detail budget document, however, is required to contain more specific, detailed information for the above mentioned expenditure categories. The budget appropriations lapse at June 30 of each fiscal year.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations resolution. A supplemental budget requires hearings before the public, publications in newspapers and approval by the county court. Original and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require approval by the county court. Harney County did not have a supplemental budget during the year.

The budgets for the General Fund and special revenue funds include capital outlay expenditures in each program for capital outlay applicable to that program. The budget was prepared in accordance with ORS 294, local budget law.

For the year ended June 30, 2018, the major special revenue funds did not have any budget overexpenditures. The General Fund had the following budget overexpenditures:

General Fund	Personal services	\$96,999
General Fund	Capital outlay	407

2. Oregon Public Retirement System Information

Changes in Benefit Terms

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

Changes of Assumptions

The Board reviews the discount rate in odd-numbered years as part of the Board's adoption of actuarial methods and assumptions. That rate is then adopted in an administrative rule at the time the Board sets the new rate. On July 28, 2017, the PERS Board adopted a 7.2% assumed rate which will be effective January 1, 2018.

HARNEY COUNTY, OREGON
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended
June 30, 2018

3. Other Post-Employment Benefits

Changes of Benefit Terms

There were no changes of benefit terms.

Changes of Assumptions

The PERS board reviews the discount rate in odd-numbered years as part of the PERS board's adoption of actuarial methods and assumptions. That rate is then adopted in an administrative rule at the time the PERS board sets the new rate. On July 28, 2017, the PERS Board adopted a 7.2% assumed rate which will be effective January 1, 2018.

OTHER SUPPLEMENTARY INFORMATION



MODIFIED ACCRUAL BASIS



HARNEY COUNTY, OREGON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 (Modified Accrual Basis)
 June 30, 2018

	Law Library	Liquor Control	Taylor Grazing Act	Corner Preservation	Harney County Treatment Court
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets					
Cash and investments	\$ 8,478	\$ 10,301	\$ 64,741	\$ 47,798	\$ 3,528
Accounts receivable	-	-	-	-	31,459
Total assets	<u>8,478</u>	<u>10,301</u>	<u>64,741</u>	<u>47,798</u>	<u>34,987</u>
Deferred outflows of resources					
Total assets and deferred outflows	<u>\$ 8,478</u>	<u>\$ 10,301</u>	<u>\$ 64,741</u>	<u>\$ 47,798</u>	<u>\$ 34,987</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 138	\$ 25	-	-	\$ 13,813
Interfund payable	-	-	-	-	-
Payroll liabilities	-	-	-	-	-
Total liabilities	<u>138</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>13,813</u>
Deferred inflows of resources					
Deferred loan revenues	-	-	-	-	-
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances					
Restricted	8,340	10,276	64,741	47,798	21,174
Committed	-	-	-	-	-
Total fund balances	<u>8,340</u>	<u>10,276</u>	<u>64,741</u>	<u>47,798</u>	<u>21,174</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,478</u>	<u>\$ 10,301</u>	<u>\$ 64,741</u>	<u>\$ 47,798</u>	<u>\$ 34,987</u>

See accompanying independent auditor's report.

County Clerk Records	9-1-1 Emergency Assistance	Title III Reserve
\$ 46,228	\$ 61,004	\$ -
-	72,475	-
<u>46,228</u>	<u>133,479</u>	<u>-</u>
-	-	-
<u>\$ 46,228</u>	<u>\$ 133,479</u>	<u>\$ -</u>

\$ -	\$ 877	\$ -
-	-	-
-	2	-
<u>-</u>	<u>879</u>	<u>-</u>

-	-	-
<u>-</u>	<u>-</u>	<u>-</u>

46,228	132,600	-
-	-	-
<u>46,228</u>	<u>132,600</u>	<u>-</u>
<u>\$ 46,228</u>	<u>\$ 133,479</u>	<u>\$ -</u>

<u>Community Corrections</u>	<u>ELC Hub</u>	<u>Park Reserve</u>
\$ 131,241	\$ 11,289	\$ 504,290
109,718	34,863	2,413
<u>240,959</u>	<u>46,152</u>	<u>506,703</u>
-	-	-
<u>\$ 240,959</u>	<u>\$ 46,152</u>	<u>\$ 506,703</u>
\$ 1,368	\$ 1,500	\$ -
-	-	-
28	-	-
<u>1,396</u>	<u>1,500</u>	<u>-</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
239,563	44,652	506,703
-	-	-
<u>239,563</u>	<u>44,652</u>	<u>506,703</u>
<u>\$ 240,959</u>	<u>\$ 46,152</u>	<u>\$ 506,703</u>

<u>Commission on Children and Families</u>	<u>Forfeitures</u>	<u>Economic Development Loan</u>
\$ 123,238	\$ 21,462	\$ 25,713
-	-	-
<u>123,238</u>	<u>21,462</u>	<u>25,713</u>
-	-	-
<u>\$ 123,238</u>	<u>\$ 21,462</u>	<u>\$ 25,713</u>

\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-

-	-	-
-	-	-

123,238	21,462	25,713
-	-	-
<u>123,238</u>	<u>21,462</u>	<u>25,713</u>
<u>\$ 123,238</u>	<u>\$ 21,462</u>	<u>\$ 25,713</u>

Oregon Opportunity Grant	Victims of Crime Act	CAMI
\$ 13,648	\$ -	\$ 9,194
20,045	9,378	-
<u>33,693</u>	<u>9,378</u>	<u>9,194</u>
-	-	-
<u>\$ 33,693</u>	<u>\$ 9,378</u>	<u>\$ 9,194</u>
\$ -	\$ -	\$ -
-	4,280	-
-	-	-
-	4,280	-
19,012	-	-
<u>19,012</u>	<u>-</u>	<u>-</u>
14,681	5,098	9,194
-	-	-
<u>14,681</u>	<u>5,098</u>	<u>9,194</u>
<u>\$ 33,693</u>	<u>\$ 9,378</u>	<u>\$ 9,194</u>

Small Cities and Rural Areas Grant	Victims/ Witness Programs	State Court Security
\$ -	\$ 9,301	\$ 174,847
65,484	-	750
<u>65,484</u>	<u>9,301</u>	<u>175,597</u>
-	-	-
<u>\$ 65,484</u>	<u>\$ 9,301</u>	<u>\$ 175,597</u>

\$ -	\$ -	\$ -
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>

-	-	-
<u>-</u>	<u>-</u>	<u>-</u>

65,484	9,301	175,597
-	-	-
<u>65,484</u>	<u>9,301</u>	<u>175,597</u>
<u>\$ 65,484</u>	<u>\$ 9,301</u>	<u>\$ 175,597</u>

<u>County School</u>	<u>State Court Mediation</u>	<u>Building Program</u>
\$ -	\$ 1,944	\$ 98,533
50,561	-	168
<u>50,561</u>	<u>1,944</u>	<u>98,701</u>
-	-	-
<u>\$ 50,561</u>	<u>\$ 1,944</u>	<u>\$ 98,701</u>

\$ -	\$ -	\$ 68,402
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>68,402</u>

-	-	-
<u>-</u>	<u>-</u>	<u>-</u>

50,561	1,944	30,299
-	-	-
<u>50,561</u>	<u>1,944</u>	<u>30,299</u>
<u>\$ 50,561</u>	<u>\$ 1,944</u>	<u>\$ 98,701</u>

Industrial Building / Economic Development	Voting Equipment Reserve	Landfill Financial Assurance	Seniors Title III	Environmental Health Reserve	DEQ Onsite Reserve	Wolf Compensation	Lottery Economic Development	June 30, 2018
\$ 96,167	\$ 37,690	\$ 39,655	\$ 15,852	\$ -	\$ 10,565	\$ 2,829	\$ 15,771	\$ 1,585,307
-	-	-	-	-	-	-	-	397,314
<u>96,167</u>	<u>37,690</u>	<u>39,655</u>	<u>15,852</u>	<u>-</u>	<u>10,565</u>	<u>2,829</u>	<u>15,771</u>	<u>1,982,621</u>
-	-	-	-	-	-	-	-	-
<u>\$ 96,167</u>	<u>\$ 37,690</u>	<u>\$ 39,655</u>	<u>\$ 15,852</u>	<u>\$ -</u>	<u>\$ 10,565</u>	<u>\$ 2,829</u>	<u>\$ 15,771</u>	<u>\$ 1,982,621</u>
\$ 213	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86,336
-	-	-	-	-	-	-	-	4,280
-	-	-	-	-	-	-	-	30
<u>213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,646</u>
-	-	-	-	-	-	-	-	19,012
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,012</u>
95,954	-	39,655	15,852	-	10,565	-	15,771	1,832,444
-	37,690	-	-	-	-	2,829	-	40,519
<u>95,954</u>	<u>37,690</u>	<u>39,655</u>	<u>15,852</u>	<u>-</u>	<u>10,565</u>	<u>2,829</u>	<u>15,771</u>	<u>1,872,963</u>
<u>\$ 96,167</u>	<u>\$ 37,690</u>	<u>\$ 39,655</u>	<u>\$ 15,852</u>	<u>\$ -</u>	<u>\$ 10,565</u>	<u>\$ 2,829</u>	<u>\$ 15,771</u>	<u>\$ 1,982,621</u>

HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
 (Modified Accrual Basis)
 For the Year Ended
 June 30, 2018

	Law Library	Liquor Control	Taylor Grazing Act	Corner Preservation	Harney County Treatment Court
REVENUES					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	5	47,133	-	101,507
Licenses and permits	3,222	-	-	-	-
Charges for services	-	1,450	-	7,102	-
Fines and forfeits	-	-	-	-	-
Interest earned	161	167	411	759	-
Miscellaneous revenues	-	-	-	-	-
Total revenues	<u>3,383</u>	<u>1,622</u>	<u>47,544</u>	<u>7,861</u>	<u>101,507</u>
EXPENDITURES					
Current					
Public safety and legal services	5,514	405	-	-	-
County environment and education	-	-	-	1,675	-
Governmental services to residents	-	-	40,977	-	96,434
Administrative services	-	-	-	-	-
Total current	<u>5,514</u>	<u>405</u>	<u>40,977</u>	<u>1,675</u>	<u>96,434</u>
Capital outlay					
Total expenditures	<u>5,514</u>	<u>405</u>	<u>40,977</u>	<u>1,675</u>	<u>96,434</u>
Excess of revenues over (under) expenditures	(2,131)	1,217	6,567	6,186	5,073
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,131)	1,217	6,567	6,186	5,073
Fund balances, July 1	<u>10,471</u>	<u>9,059</u>	<u>58,174</u>	<u>41,612</u>	<u>16,101</u>
Fund balances, June 30	<u>\$ 8,340</u>	<u>\$ 10,276</u>	<u>\$ 64,741</u>	<u>\$ 47,798</u>	<u>\$ 21,174</u>

See accompanying independent auditor's report.

County Clerk Records	9-1-1 Emergency Assistance	Title III Reserve
\$ -	\$ -	\$ -
1,571	399,432	-
-	-	-
-	-	-
822	1,395	2
-	4,401	-
<u>2,393</u>	<u>405,228</u>	<u>2</u>
1,249	409,059	-
-	-	-
-	-	-
-	8,500	-
<u>1,249</u>	<u>417,559</u>	<u>-</u>
<u>8,083</u>	<u>2,030</u>	<u>-</u>
<u>9,332</u>	<u>419,589</u>	<u>-</u>
(6,939)	(14,361)	2
-	40,000	-
-	-	(12)
-	40,000	(12)
(6,939)	25,639	(10)
<u>53,167</u>	<u>106,961</u>	<u>10</u>
<u>\$ 46,228</u>	<u>\$ 132,600</u>	<u>\$ -</u>

Community Corrections	ELC Hub	Park Reserve
\$ -	\$ -	\$ -
134,228	264,396	-
-	-	11,413
550,229	-	-
-	-	-
2,030	-	8,196
-	-	-
<u>686,487</u>	<u>264,396</u>	<u>19,609</u>
462,462	-	-
-	-	-
-	231,033	834
-	-	-
<u>462,462</u>	<u>231,033</u>	<u>834</u>
-	-	1,523
<u>462,462</u>	<u>231,033</u>	<u>2,357</u>
224,025	33,363	17,252
-	-	-
(245,000)	-	-
<u>(245,000)</u>	<u>-</u>	<u>-</u>
(20,975)	33,363	17,252
260,538	11,289	489,451
<u>\$ 239,563</u>	<u>\$ 44,652</u>	<u>\$ 506,703</u>

Commission on Children and Families	Forfeitures	Economic Development Loan
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
2,445	396	428
-	-	1,782
<u>2,445</u>	<u>396</u>	<u>2,210</u>
-	3,907	-
32,500	-	-
-	-	-
-	-	-
<u>32,500</u>	<u>3,907</u>	<u>-</u>
-	-	-
<u>32,500</u>	<u>3,907</u>	<u>-</u>
(30,055)	(3,511)	2,210
-	-	-
-	-	-
-	-	-
(30,055)	(3,511)	2,210
<u>153,293</u>	<u>24,973</u>	<u>23,503</u>
<u>\$ 123,238</u>	<u>\$ 21,462</u>	<u>\$ 25,713</u>

Oregon Opportunity Grant	Victims of Crime Act Fund	CAMI
\$ -	\$ -	\$ -
-	47,306	22,704
-	-	-
-	-	-
257	-	109
8,115	-	-
<u>8,372</u>	<u>47,306</u>	<u>22,813</u>
-	39,070	21,442
-	-	-
19,650	-	-
-	-	-
<u>19,650</u>	<u>39,070</u>	<u>21,442</u>
-	-	-
<u>19,650</u>	<u>39,070</u>	<u>21,442</u>
(11,278)	8,236	1,371
-	-	-
-	-	-
(11,278)	8,236	1,371
25,959	(3,138)	7,823
<u>\$ 14,681</u>	<u>\$ 5,098</u>	<u>\$ 9,194</u>

Small Cities and Rural Areas Grant	Victims/ Witness Programs	State Court Security
\$ -	\$ -	\$ -
395,043	-	-
-	-	-
-	12,279	-
-	-	27,959
30	136	2,846
-	-	-
<u>395,073</u>	<u>12,415</u>	<u>30,805</u>
-	13,411	10,747
-	-	-
316,821	-	-
16,158	-	-
<u>332,979</u>	<u>13,411</u>	<u>10,747</u>
-	-	-
<u>332,979</u>	<u>13,411</u>	<u>10,747</u>
62,094	(996)	20,058
-	-	-
-	-	-
-	-	-
62,094	(996)	20,058
3,390	10,297	155,539
<u>\$ 65,484</u>	<u>\$ 9,301</u>	<u>\$ 175,597</u>

County School	State Court Mediation	Building Program
\$ 47,728	\$ -	\$ -
456,478	-	-
-	-	-
-	4,188	226,015
191	105	509
-	-	-
<u>504,397</u>	<u>4,293</u>	<u>226,524</u>
-	9,789	-
453,881	-	-
-	-	253,765
-	-	-
<u>453,881</u>	<u>9,789</u>	<u>253,765</u>
-	-	-
<u>453,881</u>	<u>9,789</u>	<u>253,765</u>
50,516	(5,496)	(27,241)
-	-	27,779
-	-	-
-	-	<u>27,779</u>
50,516	(5,496)	538
45	7,440	29,761
<u>\$ 50,561</u>	<u>\$ 1,944</u>	<u>\$ 30,299</u>

Industrial Building/ Economic Development	Voting Equipment Reserve	Landfill Financial Assurance	Senior's Title III	Environmental Health Reserve	DEQ Onsite Reserve	Wolf Compensation	Lottery Economic Development	June 30, 2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,728
-	-	-	-	-	-	-	82,974	1,952,777
-	-	-	-	-	-	-	-	14,635
3,600	-	-	-	-	251	-	-	805,114
-	-	-	-	-	-	-	-	27,959
1,621	667	648	272	21	180	49	466	25,319
3,581	-	-	-	-	-	-	-	17,879
<u>8,802</u>	<u>667</u>	<u>648</u>	<u>272</u>	<u>21</u>	<u>431</u>	<u>49</u>	<u>83,440</u>	<u>2,891,411</u>
-	-	-	-	-	-	-	-	977,055
-	-	-	-	-	-	-	100,309	588,365
8,567	-	-	148	-	-	-	-	968,229
-	-	-	-	-	-	-	-	24,658
<u>8,567</u>	<u>-</u>	<u>-</u>	<u>148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,309</u>	<u>2,558,307</u>
-	-	-	-	-	-	-	-	11,636
<u>8,567</u>	<u>-</u>	<u>-</u>	<u>148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,569,943</u>
235	667	648	124	21	431	49	(16,869)	321,468
-	-	2,500	12	-	-	-	25,000	95,291
-	-	-	-	(39)	-	-	-	(245,051)
<u>-</u>	<u>-</u>	<u>2,500</u>	<u>12</u>	<u>(39)</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>(149,760)</u>
235	667	3,148	136	(18)	431	49	8,131	171,708
95,719	37,023	36,507	15,716	18	10,134	2,780	7,640	1,701,255
<u>\$ 95,954</u>	<u>\$ 37,690</u>	<u>\$ 39,655</u>	<u>\$ 15,852</u>	<u>\$ -</u>	<u>\$ 10,565</u>	<u>\$ 2,829</u>	<u>\$ 15,771</u>	<u>\$ 1,872,963</u>

HARNEY COUNTY, OREGON
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
 (Modified Accrual Basis)
 June 30, 2018

	General Fund Operating Reserve	Fairgrounds Reserve	Information Systems Reserve	Harney County Building Fund	Archive Building	June 30, 2018
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets						
Cash and cash items	\$ 102,450	\$ 49,514	\$ 194,987	\$ 86,747	\$ 10,081	\$ 443,779
Total assets	<u>102,450</u>	<u>49,514</u>	<u>194,987</u>	<u>86,747</u>	<u>\$ 10,081</u>	<u>443,779</u>
Deferred outflows of resources						
Total assets and deferred outflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>102,450</u>	<u>\$ 49,514</u>	<u>\$ 194,987</u>	<u>\$ 86,747</u>	<u>\$ 10,081</u>	<u>\$ 443,779</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources						
Unavailable loan revenues	-	-	-	-	-	-
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances						
Committed	102,450	49,514	194,987	86,747	10,081	443,779
Total fund balances	<u>102,450</u>	<u>49,514</u>	<u>194,987</u>	<u>86,747</u>	<u>10,081</u>	<u>443,779</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 102,450</u>	<u>\$ 49,514</u>	<u>\$ 194,987</u>	<u>\$ 86,747</u>	<u>\$ 10,081</u>	<u>\$ 443,779</u>

HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
 (Modified Accrual Basis)
 For the Year Ended
 June 30, 2018

	General Fund Operating Reserve	Fairgrounds Reserve	Information Systems Reserve	Harney County Building Fund	Archive Building	June 30, 2018
REVENUES						
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ 7,200	\$ 39	\$ 7,239
Interest earned	3,902	848	3,435	463	-	8,648
Miscellaneous revenues	-	100	-	-	-	100
Total revenues	<u>3,902</u>	<u>948</u>	<u>3,435</u>	<u>7,663</u>	<u>39</u>	<u>15,987</u>
EXPENDITURES						
Capital outlay	-	-	31,609	10,362	-	41,971
Total expenditures	<u>-</u>	<u>-</u>	<u>31,609</u>	<u>10,362</u>	<u>-</u>	<u>41,971</u>
Excess of revenues over (under) expenditures	3,902	948	(28,174)	(2,699)	39	(25,984)
OTHER FINANCING SOURCES (USES)						
Transfers in	58,725	-	20,000	250,000	-	328,725
Transfers out	(200,000)	-	-	-	-	(200,000)
Total other financing sources (uses)	<u>(141,275)</u>	<u>-</u>	<u>20,000</u>	<u>250,000</u>	<u>-</u>	<u>128,725</u>
Net change in fund balances	(137,373)	948	(8,174)	247,301	39	102,741
Fund balances, July 1	239,823	48,566	203,161	(160,554)	10,042	341,038
Fund balances, June 30	<u>\$ 102,450</u>	<u>\$ 49,514</u>	<u>\$ 194,987</u>	<u>\$ 86,747</u>	<u>\$ 10,081</u>	<u>\$ 443,779</u>

CASH BASIS



HARNEY COUNTY, OREGON
COMBINING BALANCE SHEET
NONMAJOR FUNDS
(Cash Basis)
June 30, 2018

		Special Revenue Funds				
		Law Library	Liquor Control	Taylor Grazing Act	Corner Preservation	Harney County Treatment Court
ASSETS						
Cash and investments		\$ 8,478	\$ 10,301	\$ 64,741	\$ 47,798	\$ 3,528
Total assets		\$ 8,478	\$ 10,301	\$ 64,741	\$ 47,798	\$ 3,528
 LIABILITIES AND FUND BALANCES						
Liabilities						
Interfund payable		\$ -	\$ -	\$ -	\$ -	\$ -
Payroll liabilities		-	-	-	-	-
Total liabilities		-	-	-	-	-
Fund balances						
Restricted		8,478	10,301	64,741	47,798	3,528
Committed		-	-	-	-	-
Unassigned		-	-	-	-	-
Total fund balances		8,478	10,301	64,741	47,798	3,528
Total liabilities and fund balances		\$ 8,478	\$ 10,301	\$ 64,741	\$ 47,798	\$ 3,528

See accompanying independent auditor's report.

Special Revenue Funds

County Clerk Records	9-1-1 Emergency Assistance	Title III Reserve
\$ 46,228	\$ 61,004	\$ -
<u>\$ 46,228</u>	<u>\$ 61,004</u>	<u>\$ -</u>
\$ -	\$ -	\$ -
<u>-</u>	<u>2</u>	<u>-</u>
-	2	-
46,228	61,002	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
46,228	61,002	-
<u>\$ 46,228</u>	<u>\$ 61,004</u>	<u>\$ -</u>

Special Revenue Funds

Community Corrections	ELC Hub	Park Reserve
\$ 131,241	\$ 11,289	\$ 504,290
<u>\$ 131,241</u>	<u>\$ 11,289</u>	<u>\$ 504,290</u>
\$ -	\$ -	\$ -
28	-	-
<u>28</u>	<u>-</u>	<u>-</u>
131,213	11,289	504,290
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
131,213	11,289	504,290
<u>\$ 131,241</u>	<u>\$ 11,289</u>	<u>\$ 504,290</u>

Special Revenue Funds

<u>Commission on Children and Families</u>	<u>Forfeitures</u>	<u>Economic Development Loan</u>
\$ 123,238	\$ 21,462	\$ 25,713
<u>\$ 123,238</u>	<u>\$ 21,462</u>	<u>\$ 25,713</u>

\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>

123,238	21,462	25,713
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>123,238</u>	<u>21,462</u>	<u>25,713</u>
<u>\$ 123,238</u>	<u>\$ 21,462</u>	<u>\$ 25,713</u>

Special Revenue Funds

Oregon Opportunity Grant	Victims of Crime Act	CAMI
\$ 13,648	\$ -	\$ 9,194
<u>\$ 13,648</u>	<u>\$ -</u>	<u>\$ 9,194</u>
\$ -	4,280	\$ -
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>4,280</u>	<u>-</u>
13,648	-	9,194
-	-	-
<u>-</u>	<u>(4,280)</u>	<u>-</u>
<u>13,648</u>	<u>(4,280)</u>	<u>9,194</u>
<u>\$ 13,648</u>	<u>\$ -</u>	<u>\$ 9,194</u>

Special Revenue Funds

<u>Small Cities and Rural Areas Grant</u>	<u>Victims/ Witness Program</u>	<u>State Court Security</u>
\$ -	\$ 9,301	\$ 174,847
<u>\$ -</u>	<u>\$ 9,301</u>	<u>\$ 174,847</u>

\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
-	9,301	174,847
-	-	-
-	-	-
<u>-</u>	<u>9,301</u>	<u>174,847</u>
<u>\$ -</u>	<u>\$ 9,301</u>	<u>\$ 174,847</u>

Special Revenue Funds

County School	State Court Mediation	Building Program
\$ -	\$ 1,944	\$ 98,533
<u>\$ -</u>	<u>\$ 1,944</u>	<u>\$ 98,533</u>
\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
-	1,944	98,533
-	-	-
<u>-</u>	<u>1,944</u>	<u>98,533</u>
<u>\$ -</u>	<u>\$ 1,944</u>	<u>\$ 98,533</u>

Special Revenue Funds

Industrial Building / Economic Development	Voting Equipment Reserve	Landfill Financial Assurance
\$ 96,167	\$ 37,690	\$ 39,655
<u>\$ 96,167</u>	<u>\$ 37,690</u>	<u>\$ 39,655</u>

\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-

96,167	-	39,655
-	37,690	-
<u>-</u>	<u>-</u>	<u>-</u>
96,167	37,690	39,655
<u>\$ 96,167</u>	<u>\$ 37,690</u>	<u>\$ 39,655</u>

Special Revenue Funds

Seniors Title III	Environmental Health Reserve	DEQ Onsite Reserve
\$ 15,852	\$ -	\$ 10,565
<u>\$ 15,852</u>	<u>\$ -</u>	<u>\$ 10,565</u>
\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
15,852	-	10,565
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
15,852	-	10,565
<u>\$ 15,852</u>	<u>\$ -</u>	<u>\$ 10,565</u>

Special Revenue Funds		Capital Project Funds					
Wolf Compensation	Lottery Economic Development	General Fund Operating Reserve	Fairgrounds Reserve	Information Systems Reserve	Harney County Building Reserve	Archive Building	June 30, 2018
\$ 2,829	\$ 15,771	\$ 102,450	\$ 49,514	\$ 194,987	\$ 86,747	\$ 10,081	\$ 2,029,086
<u>\$ 2,829</u>	<u>\$ 15,771</u>	<u>\$ 102,450</u>	<u>\$ 49,514</u>	<u>\$ 194,987</u>	<u>\$ 86,747</u>	<u>\$ 10,081</u>	<u>\$ 2,029,086</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,280
-	-	-	-	-	-	-	30
-	-	-	-	-	-	-	4,310
-	15,771	-	-	-	-	-	1,544,758
2,829	-	102,450	49,514	194,987	86,747	10,081	484,298
-	-	-	-	-	-	-	(4,280)
<u>2,829</u>	<u>15,771</u>	<u>102,450</u>	<u>49,514</u>	<u>194,987</u>	<u>86,747</u>	<u>10,081</u>	<u>2,024,776</u>
<u>\$ 2,829</u>	<u>\$ 15,771</u>	<u>\$ 102,450</u>	<u>\$ 49,514</u>	<u>\$ 194,987</u>	<u>\$ 86,747</u>	<u>\$ 10,081</u>	<u>\$ 2,029,086</u>

HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS
(Cash Basis)
For the Year Ended
June 30, 2018

	Special Revenue Funds				
	Law Library	Liquor Control	Taylor Grazing Act	Corner Preservation	Harney County Treatment Court
REVENUES					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	5	47,133	-	102,003
Licenses and permits	3,222	-	-	-	-
Charges for services	-	1,450	-	7,102	-
Fines and forfeits	-	-	-	-	-
Interest earned	161	167	411	759	-
Miscellaneous revenues	-	-	-	-	-
Total revenues	<u>3,383</u>	<u>1,622</u>	<u>47,544</u>	<u>7,861</u>	<u>102,003</u>
EXPENDITURES					
Current					
Public safety and legal services	5,505	430	-	-	-
County environment and education	-	-	-	1,675	-
Governmental services to residents	-	-	40,977	-	82,623
Total current	<u>5,505</u>	<u>430</u>	<u>40,977</u>	<u>1,675</u>	<u>82,623</u>
Capital outlay					
Total expenditures	<u>5,505</u>	<u>430</u>	<u>40,977</u>	<u>1,675</u>	<u>82,623</u>
Excess of revenues over (under) expenditures	(2,122)	1,192	6,567	6,186	19,380
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,122)	1,192	6,567	6,186	19,380
Fund balances, July 1	<u>10,600</u>	<u>9,109</u>	<u>58,174</u>	<u>41,612</u>	<u>(15,852)</u>
Fund balances, June 30	<u>\$ 8,478</u>	<u>\$ 10,301</u>	<u>\$ 64,741</u>	<u>\$ 47,798</u>	<u>\$ 3,528</u>

See accompanying independent auditor's report.

Special Revenue Funds

County Clerk Records	9-1-1 Emergency Assistance	Title III Reserve
\$ -	\$ -	\$ -
1,571	397,072	-
-	-	-
-	-	-
822	1,395	2
-	4,401	-
<u>2,393</u>	<u>402,868</u>	<u>2</u>
-	416,923	-
-	-	-
-	-	-
-	<u>416,923</u>	-
<u>9,332</u>	<u>2,030</u>	-
<u>9,332</u>	<u>418,953</u>	-
(6,939)	(16,085)	2
-	40,000	-
-	-	(12)
-	<u>40,000</u>	<u>(12)</u>
(6,939)	23,915	(10)
<u>53,167</u>	<u>37,087</u>	<u>10</u>
<u>\$ 46,228</u>	<u>\$ 61,002</u>	<u>\$ -</u>

Special Revenue Funds

Community Corrections	ELC Hub	Park Reserve
\$ -	\$ -	\$ -
574,450	229,533	-
-	-	11,478
-	-	-
2,030	-	8,196
289	-	-
<u>576,769</u>	<u>229,533</u>	<u>19,674</u>
462,892	-	-
-	-	-
-	239,753	834
<u>462,892</u>	<u>239,753</u>	<u>834</u>
-	-	1,523
<u>462,892</u>	<u>239,753</u>	<u>2,357</u>
113,877	(10,220)	17,317
-	-	-
(245,000)	-	-
<u>(245,000)</u>	<u>-</u>	<u>-</u>
(131,123)	(10,220)	17,317
262,336	21,509	486,973
<u>\$ 131,213</u>	<u>\$ 11,289</u>	<u>\$ 504,290</u>

Special Revenue Funds

Commission on Children and Families	Forfeitures	Economic Development Loan
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
2,445	396	428
-	-	2,973
<u>2,445</u>	<u>396</u>	<u>3,401</u>
-	3,907	-
32,500	-	-
-	-	-
<u>32,500</u>	<u>3,907</u>	<u>-</u>
-	-	-
<u>32,500</u>	<u>3,907</u>	<u>-</u>
(30,055)	(3,511)	3,401
-	-	-
-	-	-
-	-	-
(30,055)	(3,511)	3,401
153,293	24,973	22,312
<u>\$ 123,238</u>	<u>\$ 21,462</u>	<u>\$ 25,713</u>

Special Revenue Funds

Oregon Opportunity Grant	Victims of Crime Act	CAMI
\$ -	\$ -	\$ -
-	37,928	22,704
-	-	-
-	-	-
257	-	109
4,433	-	-
<u>4,690</u>	<u>37,928</u>	<u>22,813</u>
-	39,070	21,442
-	-	-
19,650	-	-
<u>19,650</u>	<u>39,070</u>	<u>21,442</u>
-	-	-
<u>19,650</u>	<u>39,070</u>	<u>21,442</u>
(14,960)	(1,142)	1,371
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
(14,960)	(1,142)	1,371
28,608	(3,138)	7,823
<u>\$ 13,648</u>	<u>\$ (4,280)</u>	<u>\$ 9,194</u>

Special Revenue Funds

Small Cities and Rural Areas Grant	Victims/ Witness Programs	State Court Security
\$ -	\$ -	\$ -
329,559	-	-
-	-	-
-	12,279	-
-	-	27,334
30	136	2,846
-	-	-
<u>329,589</u>	<u>12,415</u>	<u>30,180</u>
-	13,411	10,747
-	-	-
<u>332,979</u>	<u>-</u>	<u>-</u>
<u>332,979</u>	<u>13,411</u>	<u>10,747</u>
-	-	-
<u>332,979</u>	<u>13,411</u>	<u>10,747</u>
(3,390)	(996)	19,433
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
(3,390)	(996)	19,433
<u>3,390</u>	<u>10,297</u>	<u>155,414</u>
<u>\$ -</u>	<u>\$ 9,301</u>	<u>\$ 174,847</u>

Special Revenue Funds

County School	State Court Mediation	Building Program
\$ 47,728	\$ -	\$ -
405,917	-	-
-	-	-
-	4,188	230,092
-	-	-
191	105	509
-	-	-
<u>453,836</u>	<u>4,293</u>	<u>230,601</u>
-	9,789	-
453,881	-	-
-	-	218,977
<u>453,881</u>	<u>9,789</u>	<u>218,977</u>
-	-	-
<u>453,881</u>	<u>9,789</u>	<u>218,977</u>
(45)	(5,496)	11,624
-	-	27,779
-	-	-
-	-	<u>27,779</u>
(45)	(5,496)	39,403
45	7,440	59,130
<u>\$ -</u>	<u>\$ 1,944</u>	<u>\$ 98,533</u>

Special Revenue Funds

Industrial Building / Economic Development	Voting Equipment Reserve	Landfill Financial Assurance
\$ -	\$ -	\$ -
-	-	-
-	-	-
3,600	-	-
-	-	-
1,621	667	648
<u>3,581</u>	<u>-</u>	<u>-</u>
<u>8,802</u>	<u>667</u>	<u>648</u>
-	-	-
-	-	-
8,354	-	-
<u>8,354</u>	<u>-</u>	<u>-</u>
-	-	-
<u>8,354</u>	<u>-</u>	<u>-</u>
448	667	648
-	-	2,500
-	-	-
-	-	<u>2,500</u>
448	667	3,148
<u>95,719</u>	<u>37,023</u>	<u>36,507</u>
<u>\$ 96,167</u>	<u>\$ 37,690</u>	<u>\$ 39,655</u>

Special Revenue Funds

Seniors Title III	Environmental Health Reserve	DEQ Onsite Reserve
\$ -	\$ -	\$ -
-	-	-
-	-	251
-	-	-
272	21	180
-	-	-
<u>272</u>	<u>21</u>	<u>431</u>
-	-	-
-	-	-
148	-	-
<u>148</u>	<u>-</u>	<u>-</u>
-	-	-
<u>148</u>	<u>-</u>	<u>-</u>
124	21	431
12	-	-
-	(39)	-
<u>12</u>	<u>(39)</u>	<u>-</u>
136	(18)	431
15,716	18	10,134
<u>\$ 15,852</u>	<u>\$ -</u>	<u>\$ 10,565</u>

Special Revenue Funds		Capital Project Funds						
Wolf Compensation	Lottery Economic Development	General Fund Operating Reserve	Fairgrounds Reserve	Information Systems Reserve	Harney County Building Reserve	Archive Building	June 30, 2018	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,728	
-	82,974	-	-	-	7,200	39	2,238,088	
-	-	-	-	-	-	-	14,700	
-	-	-	-	-	-	-	258,962	
-	-	-	-	-	-	-	27,334	
49	466	3,902	848	3,435	463	-	33,967	
-	-	-	100	-	-	-	15,777	
<u>49</u>	<u>83,440</u>	<u>3,902</u>	<u>948</u>	<u>3,435</u>	<u>7,663</u>	<u>39</u>	<u>2,636,556</u>	
-	-	-	-	-	-	-	984,116	
-	100,309	-	-	-	-	-	588,365	
-	-	-	-	-	-	-	944,295	
-	<u>100,309</u>	-	-	-	-	-	<u>2,516,776</u>	
-	-	-	-	31,609	217,913	-	262,407	
-	-	-	-	<u>31,609</u>	<u>217,913</u>	-	<u>2,779,183</u>	
49	(16,869)	3,902	948	(28,174)	(210,250)	39	(142,627)	
-	25,000	58,725	-	20,000	250,000	-	424,016	
-	-	(200,000)	-	-	-	-	(445,051)	
-	<u>25,000</u>	<u>(141,275)</u>	-	<u>20,000</u>	<u>250,000</u>	-	<u>(21,035)</u>	
49	8,131	(137,373)	948	(8,174)	39,750	39	(163,662)	
<u>2,780</u>	<u>7,640</u>	<u>239,823</u>	<u>48,566</u>	<u>203,161</u>	<u>46,997</u>	<u>10,042</u>	<u>2,188,438</u>	
<u>\$ 2,829</u>	<u>\$ 15,771</u>	<u>\$ 102,450</u>	<u>\$ 49,514</u>	<u>\$ 194,987</u>	<u>\$ 86,747</u>	<u>\$ 10,081</u>	<u>\$ 2,024,776</u>	

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
LAW LIBRARY
(Cash Basis)
For the Year Ended
June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Circuit court fees	\$ 5,000	\$ 5,000	\$ 3,222	\$ (1,778)
Investment earnings	66	66	161	95
Total revenues	<u>5,066</u>	<u>5,066</u>	<u>3,383</u>	<u>(1,683)</u>
EXPENDITURES				
Materials and services				
Books and periodicals	15,517	15,517	5,064	10,453
Equipment maintenance	750	750	441	(309)
Total materials and services	<u>16,267</u>	<u>16,267</u>	<u>5,505</u>	<u>10,144</u>
Total expenditures	<u>16,267</u>	<u>16,267</u>	<u>5,505</u>	<u>10,144</u>
Net change in fund balance	(11,201)	(11,201)	(2,122)	9,079
Fund balance, July 1	<u>11,201</u>	<u>11,201</u>	<u>10,600</u>	<u>(601)</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,478</u>	<u>\$ 8,478</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
LIQUOR CONTROL
(Cash Basis)
For the Year Ended
June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 60	\$ 60	\$ 167	\$ 107
Victim impact panel fees	1,200	1,200	1,450	250
Circuit court fines	100	100	-	(100)
Justice court fines	-	-	5	5
Total revenues	<u>1,360</u>	<u>1,360</u>	<u>1,622</u>	<u>262</u>
EXPENDITURES				
Materials and services	<u>10,235</u>	<u>10,235</u>	<u>430</u>	<u>9,805</u>
Total materials and services	<u>10,235</u>	<u>10,235</u>	<u>430</u>	<u>9,805</u>
Total expenditures	<u>10,235</u>	<u>10,235</u>	<u>430</u>	<u>9,805</u>
Net change in fund balance	(8,875)	(8,875)	1,192	10,067
Fund balance, July 1	<u>8,875</u>	<u>8,875</u>	<u>9,109</u>	<u>234</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,301</u>	<u>\$ 10,301</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
TAYLOR GRAZING ACT
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Grazing fees	\$ 39,500	\$ 39,500	\$ 47,133	\$ 7,633
Interest	585	585	411	(174)
Total revenues	<u>40,085</u>	<u>40,085</u>	<u>47,544</u>	<u>7,459</u>
EXPENDITURES				
Materials and services				
County advisory board - travel	500	500	-	500
Total materials and services	<u>500</u>	<u>500</u>	<u>-</u>	<u>500</u>
Capital outlay				
Range improvement	97,708	97,708	40,977	56,731
Total capital outlay	<u>97,708</u>	<u>97,708</u>	<u>40,977</u>	<u>56,731</u>
Total expenditures	<u>98,208</u>	<u>98,208</u>	<u>40,977</u>	<u>57,231</u>
Net change in fund balance	(58,123)	(58,123)	6,567	64,690
Fund balance, July 1	58,123	58,123	58,174	51
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,741</u>	<u>\$ 64,741</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 CORNER PRESERVATION FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest on investments	\$ 177	\$ 177	\$ 759	\$ 582
Corner preservation fees	<u>10,000</u>	<u>10,000</u>	<u>7,102</u>	<u>(2,898)</u>
Total revenues	<u>10,177</u>	<u>10,177</u>	<u>7,861</u>	<u>(2,316)</u>
EXPENDITURES				
Materials and services				
Engineering and surveying	<u>49,199</u>	<u>49,199</u>	<u>1,675</u>	<u>47,524</u>
Total materials and services	<u>49,199</u>	<u>49,199</u>	<u>1,675</u>	<u>47,524</u>
Total expenditures	<u>49,199</u>	<u>49,199</u>	<u>1,675</u>	<u>47,524</u>
Net change in fund balance	(39,022)	(39,022)	6,186	45,208
Fund balance, July 1	<u>39,022</u>	<u>39,022</u>	<u>41,612</u>	<u>2,590</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,798</u>	<u>\$ 47,798</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 HARNEY COUNTY TREATMENT COURT FUND**

(Cash Basis)
 For the Year Ended
 June 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Variance to Budget</u>
REVENUES				
Other grant revenues	\$ 109,749	\$ 109,749	\$ 102,003	\$ (7,746)
Total revenues	<u>109,749</u>	<u>109,749</u>	<u>102,003</u>	<u>(7,746)</u>
EXPENDITURES				
Materials and services				
Supplies	-	-	581	(581)
Professional services	104,074	104,074	78,116	25,958
Participant services	2,200	2,200	1,956	244
Administrative services	<u>3,475</u>	<u>3,475</u>	<u>1,970</u>	<u>1,505</u>
Total materials and services	<u>109,749</u>	<u>109,749</u>	<u>82,623</u>	<u>27,126</u>
Total expenditures	<u>109,749</u>	<u>109,749</u>	<u>82,623</u>	<u>27,126</u>
Net change in fund balance	-	-	19,380	19,380
Fund balance, July 1	-	-	(15,852)	(15,852)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,528</u>	<u>\$ 3,528</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 COUNTY CLERK RECORDS FUND**

(Cash Basis)

For the Year Ended

June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Investment earnings	\$ 250	\$ 250	\$ 822	\$ 572
Fees HB 3581 5%	1,500	1,500	1,571	71
Total revenues	<u>1,750</u>	<u>1,750</u>	<u>2,393</u>	<u>643</u>
EXPENDITURES				
Capital outlay	39,968	39,968	9,332	30,636
Total expenditures	<u>39,968</u>	<u>39,968</u>	<u>9,332</u>	<u>30,636</u>
Excess of revenues over (under) expenditures	(38,218)	(38,218)	(6,939)	31,279
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	5,000	5,000	-	(5,000)
Total other financing sources (uses)	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Net change in fund balance	(33,218)	(33,218)	(6,939)	26,279
Fund balance, July 1	33,218	33,218	53,167	19,949
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,228</u>	<u>\$ 46,228</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
9-1-1 EMERGENCY ASSISTANCE FUND

(Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest earned on investments	\$ -	\$ -	\$ 1,395	\$ 1,395
911 Emergency tax	275,000	275,000	282,479	7,479
Intergovernmental revenues	110,499	110,499	114,593	4,094
Miscellaneous income	-	-	4,401	4,401
Total revenues	<u>385,499</u>	<u>385,499</u>	<u>402,868</u>	<u>17,369</u>
EXPENDITURES				
Personal services	404,626	404,626	370,152	34,474
Materials and services	46,800	46,800	38,271	8,529
Capital outlay	10,000	10,000	2,030	7,970
Administrative services	-	-	8,500	8,500
Total expenditures	<u>461,426</u>	<u>461,426</u>	<u>418,953</u>	<u>59,473</u>
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	25,000	25,000	25,000	-
Transfer from other funds	40,927	40,927	15,000	(25,927)
Total other financing sources (uses)	<u>65,927</u>	<u>65,927</u>	<u>40,000</u>	<u>(25,927)</u>
Net change in fund balance	(10,000)	(10,000)	23,915	33,915
Fund balance, July 1	10,000	10,000	37,087	27,087
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,002</u>	<u>\$ 61,002</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
TITLE III RESERVE FUND
(Cash Basis)
For the Year Ended
June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest earned on investments	\$ -	\$ -	\$ 2	\$ 2
Total revenues	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
EXPENDITURES				
Materials and services	<u>7</u>	<u>7</u>	<u>-</u>	<u>7</u>
Total expenditures	<u>7</u>	<u>7</u>	<u>-</u>	<u>7</u>
Excess of revenues over (under) expenditures	(7)	(7)	2	9
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>(12)</u>	<u>(12)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(12)</u>	<u>(12)</u>
Net change in fund balance	(7)	(7)	(10)	(3)
Fund balance, July 1	<u>7</u>	<u>7</u>	<u>10</u>	<u>3</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**

COMMUNITY CORRECTIONS FUND

(Cash Basis)

For the Year Ended

June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Refunds	\$ 150	\$ 150	\$ 289	\$ 139
Fees and monitoring	23,500	23,500	48,714	25,214
Impact funds	511,530	511,530	525,736	14,206
Interest earnings	400	400	2,030	1,630
Total revenues	<u>535,580</u>	<u>535,580</u>	<u>576,769</u>	<u>41,189</u>
EXPENDITURES				
Personal services				
Director/probation officers	164,431	164,431	164,798	(367)
Intervention coordinator	31,921	31,921	32,356	(435)
Clerical	31,024	31,024	31,419	(395)
Overtime	8,000	8,000	1,993	6,007
Work crew supervisor	18,450	18,450	14,411	4,039
Payroll taxes and employee benefits	<u>115,031</u>	<u>115,031</u>	<u>122,209</u>	<u>(7,178)</u>
Total personal services	<u>368,857</u>	<u>368,857</u>	<u>367,186</u>	<u>1,671</u>
Materials and services				
GPS Tracking	3,500	3,500	1,459	2,041
Supplies	6,000	6,000	1,776	4,224
Client monitor/testing	15,000	15,000	4,414	10,586
Sex offender treatment	7,000	7,000	5,650	1,350
Justice expenses	40,000	40,000	19,695	20,305
M57 expenses	25,000	25,000	6,191	18,809
Other expense	3,000	3,000	1,436	1,564
Work crew expense	5,000	5,000	2,038	2,962
Telephone	6,500	6,500	2,110	4,390
Travel/training	12,000	12,000	3,938	8,062
Vehicle expense	7,000	7,000	2,983	4,017
Technology support	2,204	2,204	732	1,472
Janitor expense	1,000	1,000	205	795
Uniform expense	3,500	3,500	1,477	2,023
Inmate alcohol & drug treatment	2,500	2,500	-	2,500
Utilities	6,500	6,500	3,472	3,028
Repair and replace office furniture	13,000	13,000	11,677	1,323
Housing subsidy	10,000	10,000	6,814	3,186
Rent	13,800	13,800	317	13,483
Training	2,500	2,500	1,822	678
Administrative services	<u>17,500</u>	<u>17,500</u>	<u>17,500</u>	<u>-</u>
Total materials and services	<u>202,504</u>	<u>202,504</u>	<u>95,706</u>	<u>106,798</u>
Total expenditures	<u>571,361</u>	<u>571,361</u>	<u>462,892</u>	<u>108,469</u>
Excess of revenues over (under) expenditures	(35,781)	(35,781)	113,877	149,658
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(255,000)</u>	<u>(255,000)</u>	<u>(245,000)</u>	<u>10,000</u>
Total other financing sources (uses)	<u>(255,000)</u>	<u>(255,000)</u>	<u>(245,000)</u>	<u>10,000</u>
Net change in fund balance	(290,781)	(290,781)	(131,123)	159,658
Fund balance, July 1	290,781	290,781	262,336	(28,445)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,213</u>	<u>\$ 131,213</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
ELC HUB FUND
(Cash Basis)
For the Year Ended
June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Grant proceeds	\$ 211,750	\$ 211,750	\$ 229,533	\$ 17,783
Total revenues	<u>211,750</u>	<u>211,750</u>	<u>229,533</u>	<u>17,783</u>
EXPENDITURES				
Materials and services				
Family support	500	500	-	500
Children, youth and families	131,250	131,250	239,753	(108,503)
Healthy families	80,000	80,000	-	80,000
Total materials and services	<u>211,750</u>	<u>211,750</u>	<u>239,753</u>	<u>(28,003)</u>
Total expenditures	<u>211,750</u>	<u>211,750</u>	<u>239,753</u>	<u>(28,003)</u>
Net change in fund balance	-	-	(10,220)	(10,220)
Fund balance, July 1	<u>-</u>	<u>-</u>	<u>21,509</u>	<u>21,509</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,289</u>	<u>\$ 11,289</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 PARK RESERVE**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 2,500	\$ 2,500	\$ 8,196	\$ 5,696
R.V. licenses	6,000	6,000	11,478	5,478
State marine board	4,000	4,000	-	(4,000)
Total revenues	<u>12,500</u>	<u>12,500</u>	<u>19,674</u>	<u>7,174</u>
EXPENDITURES				
Materials and services				
BLM proffers	5,000	5,000	834	4,166
Total materials and services	<u>5,000</u>	<u>5,000</u>	<u>834</u>	<u>4,166</u>
Capital outlay				
Recreational development	44,700	44,700	1,523	43,177
Total capital outlay	<u>44,700</u>	<u>44,700</u>	<u>1,523</u>	<u>43,177</u>
Total expenditures	<u>49,700</u>	<u>49,700</u>	<u>2,357</u>	<u>47,343</u>
Net change in fund balance	(37,200)	(37,200)	17,317	54,517
Fund balance, July 1	477,200	477,200	486,973	9,773
Fund balance, June 30	<u>\$ 440,000</u>	<u>\$ 440,000</u>	<u>\$ 504,290</u>	<u>\$ 64,290</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 COMMISSION ON CHILDREN AND FAMILIES FUND**

(Cash Basis)

For the Year Ended

June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Investment earnings	\$ 1,065	\$ 1,065	\$ 2,445	\$ 1,380
Total revenues	<u>1,065</u>	<u>1,065</u>	<u>2,445</u>	<u>1,380</u>
EXPENDITURES				
Materials and services				
Other operating supplies	153,705	153,705	32,500	121,205
Total materials and services	<u>153,705</u>	<u>153,705</u>	<u>32,500</u>	<u>121,205</u>
Total expenditures	<u>153,705</u>	<u>153,705</u>	<u>32,500</u>	<u>121,205</u>
Net change in fund balance	(152,640)	(152,640)	(30,055)	122,585
Fund balance, July 1	<u>152,640</u>	<u>152,640</u>	<u>153,293</u>	<u>653</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 123,238</u>	<u>\$ 123,238</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FORFEITURES FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Investment earnings	\$ 175	\$ 175	\$ 396	\$ 221
Total revenues	175	175	396	221
EXPENDITURES				
Materials and services	24,459	24,459	3,907	20,552
Total materials and services	24,459	24,459	3,907	20,552
Total expenditures	24,459	24,459	3,907	20,552
Net change in fund balance	(24,284)	(24,284)	(3,511)	20,773
Fund balance, July 1	24,284	24,284	24,973	689
Fund balance, June 30	\$ -	\$ -	\$ 21,462	\$ 21,462

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 75	\$ 75	\$ 428	\$ 353
Loan payments received	4,000	4,000	2,973	(1,027)
Total revenues	<u>4,075</u>	<u>4,075</u>	<u>3,401</u>	<u>(674)</u>
EXPENDITURES				
Materials and services	25,107	25,107	-	25,107
Total expenditures	<u>25,107</u>	<u>25,107</u>	<u>-</u>	<u>25,107</u>
Net change in fund balance	(21,032)	(21,032)	3,401	24,433
Fund balance, July 1	21,032	21,032	22,312	1,280
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,713</u>	<u>\$ 25,713</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
OREGON OPPORTUNITY GRANT FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 175	\$ 175	\$ 257	\$ 82
Loan payments received	1,175	1,175	4,433	3,258
Total revenues	<u>1,350</u>	<u>1,350</u>	<u>4,690</u>	<u>3,340</u>
EXPENDITURES				
Capital outlay				
Capital outlay	30,112	30,112	19,650	10,462
Total capital outlay	<u>30,112</u>	<u>30,112</u>	<u>19,650</u>	<u>10,462</u>
Total expenditures	<u>30,112</u>	<u>30,112</u>	<u>19,650</u>	<u>10,462</u>
Net change in fund balance	(28,762)	(28,762)	(14,960)	13,802
Fund balance, July 1	28,762	28,762	28,608	(154)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,648</u>	<u>\$ 13,648</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
VICTIMS OF CRIME ACT FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Victims of crime act grant	\$ 41,026	\$ 41,026	\$ 37,928	\$ (3,098)
Total revenues	41,026	41,026	37,928	(3,098)
EXPENDITURES				
Personal services				
Payroll	29,000	29,000	27,404	1,596
Payroll taxes and benefits	11,026	11,026	11,666	(640)
Total personal services	40,026	40,026	39,070	956
Materials and services				
Office supplies	1,000	1,000	-	1,000
Total materials and services	1,000	1,000	-	1,000
Total expenditures	41,026	41,026	39,070	1,956
Net change in fund balance	-	-	(1,142)	(1,142)
Fund balance, July 1	-	-	(3,138)	(3,138)
Fund balance, June 30	\$ -	\$ -	\$ (4,280)	\$ (4,280)

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
CHILD ABUSE MULTIDISCIPLINARY INTERVENTION (CAMI) FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
CAMI funds	\$ 20,000	\$ 20,000	\$ 22,704	\$ 2,704
Interest	-	-	109	109
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>22,813</u>	<u>2,813</u>
EXPENDITURES				
Personal services				
Payroll	9,000	9,000	6,448	2,552
Payroll taxes and benefits	3,953	3,953	2,735	1,218
Total personal services	<u>12,953</u>	<u>12,953</u>	<u>9,183</u>	<u>3,770</u>
Materials and services				
Training	8,000	8,000	2,859	5,141
Kid center	8,000	8,000	9,400	(1,400)
Total materials and services	<u>16,600</u>	<u>16,600</u>	<u>12,259</u>	<u>4,341</u>
Total expenditures	<u>29,553</u>	<u>29,553</u>	<u>21,442</u>	<u>8,111</u>
Net change in fund balance	(9,553)	(9,553)	1,371	10,924
Fund balance, July 1	9,553	9,553	7,823	(1,730)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,194</u>	<u>\$ 9,194</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 SMALL CITIES AND RURAL AREAS GRANT FUND**

(Cash Basis)

For the Year Ended

June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Mobility federal grant	\$ 185,082	\$ 185,082	\$ 60,083	\$ (124,999)
Rural formula federal grant	135,261	135,261	152,851	17,590
Medical assistance federal grant	17,000	17,000	12,549	(4,451)
Investment earnings	-	-	30	30
Other grants	422,150	422,150	104,076	(318,074)
Total revenues	<u>759,493</u>	<u>759,493</u>	<u>329,589</u>	<u>(429,904)</u>
EXPENDITURES				
Materials and services				
Public transportation expenses	232,149	232,149	118,045	114,104
Harney County Senior Center	195,343	195,343	212,934	(17,591)
Administrative expenses	2,000	2,000	2,000	-
Total materials and services	<u>429,492</u>	<u>429,492</u>	<u>332,979</u>	<u>96,513</u>
Capital outlay				
Equipment - transportation	330,001	330,001	-	330,001
Total capital outlay	<u>330,001</u>	<u>330,001</u>	<u>-</u>	<u>330,001</u>
Total expenditures	<u>759,493</u>	<u>759,493</u>	<u>332,979</u>	<u>426,514</u>
Net change in fund balance	-	-	(3,390)	(3,390)
Fund balance, July 1	-	-	3,390	3,390
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
VICTIMS/WITNESS PROGRAMS FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Investment earnings	\$ -	\$ -	\$ 136	\$ 136
Unitary assessments	20,000	20,000	12,279	(7,721)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>12,415</u>	<u>(7,585)</u>
EXPENDITURES				
Personal services				
Coordinator	10,000	10,000	6,447	3,553
Payroll taxes and benefits	<u>3,327</u>	<u>3,327</u>	<u>2,866</u>	<u>461</u>
Total personal services	<u>13,327</u>	<u>13,327</u>	<u>9,313</u>	<u>4,014</u>
Materials and services				
Office supplies	5,269	5,269	1,873	3,396
Printing and copying	700	700	368	332
Emergency grant expense	5,700	5,700	825	4,875
Postage	800	800	600	200
Telephone	<u>1,200</u>	<u>1,200</u>	<u>432</u>	<u>768</u>
Total materials and services	<u>13,669</u>	<u>13,669</u>	<u>4,098</u>	<u>9,571</u>
Total expenditures	<u>26,996</u>	<u>26,996</u>	<u>13,411</u>	<u>13,585</u>
Net change in fund balance	(6,996)	(6,996)	(996)	6,000
Fund balance, July 1	<u>6,996</u>	<u>6,996</u>	<u>10,297</u>	<u>3,301</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,301</u>	<u>\$ 9,301</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
STATE COURT SECURITY FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 854	\$ 854	\$ 2,846	\$ 1,992
Court assessments	1,000	1,000	27,334	26,334
Total revenues	<u>1,854</u>	<u>1,854</u>	<u>30,180</u>	<u>28,326</u>
EXPENDITURES				
Materials and services				
Court security expenses	144,702	144,702	9,380	135,322
Administration	2,000	2,000	1,367	633
Total materials and services	<u>146,702</u>	<u>146,702</u>	<u>10,747</u>	<u>135,955</u>
Total expenditures	<u>146,702</u>	<u>146,702</u>	<u>10,747</u>	<u>135,955</u>
Net change in fund balance	(144,848)	(144,848)	19,433	164,281
Fund balance, July 1	<u>144,848</u>	<u>144,848</u>	<u>155,414</u>	<u>10,566</u>
Fund balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 174,847</u></u>	<u><u>\$ 174,847</u></u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 COUNTY SCHOOL FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Positive (Negative) Variance to Budget
REVENUES				
Other revenues				
Federal forest receipts	\$ 50,000	\$ 50,000	\$ 355,132	\$ 305,132
Interest on investments	-	-	191	191
Fines	2,000	2,000	-	(2,000)
REA in-lieu-of-tax	50,000	50,000	47,728	(2,272)
Malheur National Wildlife Refuge	70,000	70,000	50,785	(19,215)
Total other revenues	<u>172,000</u>	<u>172,000</u>	<u>453,836</u>	<u>281,836</u>
Total revenues	<u>172,000</u>	<u>172,000</u>	<u>453,836</u>	<u>281,836</u>
EXPENDITURES				
Materials and services				
Reimbursed items	<u>172,043</u>	<u>172,043</u>	<u>453,881</u>	<u>(281,838)</u>
Total expenditures	<u>172,043</u>	<u>172,043</u>	<u>453,881</u>	<u>(281,838)</u>
Net change in fund balance	(43)	(43)	(45)	(2)
Fund balance, July 1	<u>43</u>	<u>43</u>	<u>45</u>	<u>2</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
STATE COURT MEDIATION FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest earnings	\$ 75	\$ 75	\$ 105	\$ 30
Circuit court fees	4,000	4,000	4,188	188
Total revenues	<u>4,075</u>	<u>4,075</u>	<u>4,293</u>	<u>218</u>
EXPENDITURES				
Materials and services				
Contracts	13,766	13,766	9,789	3,977
Total expenditures	<u>13,766</u>	<u>13,766</u>	<u>9,789</u>	<u>3,977</u>
Net change in fund balance	(9,691)	(9,691)	(5,496)	4,195
Fund balance, July 1	9,691	9,691	7,440	(2,251)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,944</u>	<u>\$ 1,944</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 BUILDING PROGRAM FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ -	\$ -	\$ 509	\$ 509
Charges for services	158,050	158,050	230,092	72,042
Total revenues	<u>158,050</u>	<u>158,050</u>	<u>230,601</u>	<u>72,551</u>
EXPENDITURES				
Personal services				
Payroll	75,843	75,843	78,213	(2,370)
Payroll taxes and benefits	25,372	25,372	36,233	(10,861)
Total personal services	<u>101,215</u>	<u>101,215</u>	<u>114,446</u>	<u>(13,231)</u>
Materials and services				
Office supplies	850	850	942	(92)
Other operating supplies	14,800	14,800	22,849	(8,049)
Travel and training	6,950	6,950	6,314	636
Contract services	67,572	67,572	68,575	(1,003)
Advertising and publications	900	900	143	757
Telephone and internet	750	750	708	42
Refunds	1,000	1,000	-	1,000
Administration	5,000	5,000	5,000	-
Total materials and services	<u>97,822</u>	<u>97,822</u>	<u>104,531</u>	<u>(7,709)</u>
Total expenditures	<u>199,037</u>	<u>199,037</u>	<u>218,977</u>	<u>(20,940)</u>
Excess of revenues over (under) expenditures	(40,987)	(40,987)	11,624	52,611
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	40,779	40,779	27,779	(13,000)
Total other financing sources(uses)	<u>40,779</u>	<u>40,779</u>	<u>27,779</u>	<u>(13,000)</u>
Net change in fund balance	(208)	(208)	39,403	39,611
Fund balance, July 1	208	208	59,130	58,922
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,533</u>	<u>\$ 98,533</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 INDUSTRIAL BUILDING/ECONOMIC DEVELOPMENT FUND**

(Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Rent	\$ 3,600	\$ 3,600	\$ 3,600	\$ -
Interest earnings	750	750	1,621	871
Miscellaneous revenue	-	-	3,581	3,581
Total revenues	<u>4,350</u>	<u>4,350</u>	<u>8,802</u>	<u>4,452</u>
EXPENDITURES				
Materials and services				
Utilities	3,563	3,563	2,334	1,229
Repairs and maintenance	15,300	15,300	6,020	9,280
Property taxes	5,000	5,000	-	5,000
Total materials and services	<u>23,863</u>	<u>23,863</u>	<u>8,354</u>	<u>15,509</u>
Capital outlay				
Building construction	75,600	75,600	-	75,600
Total capital outlay	<u>75,600</u>	<u>75,600</u>	<u>-</u>	<u>75,600</u>
Total expenditures	<u>99,463</u>	<u>99,463</u>	<u>8,354</u>	<u>91,109</u>
Net change in fund balance	(95,113)	(95,113)	448	95,561
Fund balance, July 1	95,113	95,113	95,719	606
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,167</u>	<u>\$ 96,167</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 VOTING EQUIPMENT RESERVE FUND**

(Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Investment earnings	\$ -	\$ -	\$ 667	\$ 667
Total revenues	-	-	667	667
EXPENDITURES				
Materials and supplies	500	500	-	500
Capital outlay	36,387	36,387	-	36,387
Total expenditures	36,887	36,887	-	36,887
Excess of revenues over (under) expenditures	(36,887)	(36,887)	667	37,554
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	5,000	5,000	-	(5,000)
Total other financing sources (uses)	5,000	5,000	-	(5,000)
Net change in fund balance	(31,887)	(31,887)	667	32,554
Fund balance, July 1	31,887	31,887	37,023	5,136
Fund balance, June 30	\$ -	\$ -	\$ 37,690	\$ 37,690

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 LANDFILL FINANCIAL ASSURANCE FUND**

(Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 190	\$ 190	\$ 648	\$ 458
Total revenues	<u>190</u>	<u>190</u>	<u>648</u>	<u>458</u>
EXPENDITURES				
Materials and services	<u>36,552</u>	<u>36,552</u>	<u>-</u>	<u>36,552</u>
Total material and services	<u>36,552</u>	<u>36,552</u>	<u>-</u>	<u>36,552</u>
Total expenditures	<u>36,552</u>	<u>36,552</u>	<u>-</u>	<u>36,552</u>
Excess of revenues over (under) expenditures	(36,362)	(36,362)	648	37,010
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
Total other financing sources (uses)	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
Net change in fund balance	(33,862)	(33,862)	3,148	37,010
Fund balance, July 1	<u>33,862</u>	<u>33,862</u>	<u>36,507</u>	<u>2,645</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,655</u>	<u>\$ 39,655</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 SENIORS TITLE III FUND**

(Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 117	\$ 117	\$ 272	\$ 155
Total revenues	<u>117</u>	<u>117</u>	<u>272</u>	<u>155</u>
EXPENDITURES				
Materials and services	15,767	15,767	148	15,619
Total material and services	<u>15,767</u>	<u>15,767</u>	<u>148</u>	<u>15,619</u>
Total expenditures	<u>15,767</u>	<u>15,767</u>	<u>148</u>	<u>15,619</u>
Excess of revenues over (under) expenditures	(15,650)	(15,650)	124	15,774
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	-	-	12	12
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>12</u>	<u>12</u>
Net change in fund balance	(15,650)	(15,650)	136	15,786
Fund balance, July 1	15,650	15,650	15,716	66
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,852</u>	<u>\$ 15,852</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 ENVIRONMENTAL HEALTH RESERVE FUND**

(Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 55	\$ 55	\$ 21	\$ (34)
Total revenues	55	55	21	(34)
EXPENDITURES				
Materials and services	8,328	8,328	-	8,328
Total materials and services	8,328	8,328	-	8,328
Total expenditures	8,328	8,328	-	8,328
Excess of revenues over (under) expenditures	(8,273)	(8,273)	21	8,294
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	-	-	(39)	(39)
Total other financing sources (uses)	-	-	(39)	(39)
Net change in fund balance	(8,273)	(8,273)	(18)	8,255
Fund balance, July 1	8,273	8,273	18	(8,255)
Fund balance, June 30	\$ -	\$ -	\$ -	\$ -

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
DEQ ONSITE RESERVE FUND
(Cash Basis)
For the Year Ended
June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 60	\$ 60	\$ 180	\$ 120
Charges for services	500	500	251	(249)
Total revenues	<u>560</u>	<u>560</u>	<u>431</u>	<u>(129)</u>
EXPENDITURES				
Materials and supplies	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	560	560	431	(129)
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	<u>(14,050)</u>	<u>(14,050)</u>	-	14,050
Total transfers	<u>(14,050)</u>	<u>(14,050)</u>	-	14,050
Net change in fund balance	(13,490)	(13,490)	431	13,921
Fund balance, July 1	<u>13,490</u>	<u>13,490</u>	<u>10,134</u>	<u>(3,356)</u>
Fund balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 10,565</u></u>	<u><u>\$ 10,565</u></u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
WOLF COMPENSATION FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 13	\$ 13	\$ 49	\$ 36
Total revenues	<u>13</u>	<u>13</u>	<u>49</u>	<u>36</u>
EXPENDITURES				
Materials and services	<u>2,781</u>	<u>2,781</u>	<u>-</u>	<u>2,781</u>
Total expenditures	<u>2,781</u>	<u>2,781</u>	<u>-</u>	<u>2,781</u>
Net change in fund balance	(2,768)	(2,768)	49	2,817
Fund balance, July 1	<u>2,768</u>	<u>2,768</u>	<u>2,780</u>	<u>12</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,829</u>	<u>\$ 2,829</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 LOTTERY ECONOMIC DEVELOPMENT FUND**

(Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ -	\$ -	\$ 466	\$ 466
Intergovernmental revenues	105,000	105,000	82,974	(22,026)
Total revenues	<u>105,000</u>	<u>105,000</u>	<u>83,440</u>	<u>(21,560)</u>
EXPENDITURES				
Materials and services	116,067	116,067	100,309	15,758
Total material and services	<u>116,067</u>	<u>116,067</u>	<u>100,309</u>	<u>15,758</u>
Total expenditures	<u>116,067</u>	<u>116,067</u>	<u>100,309</u>	<u>15,758</u>
Excess of revenues over (under) expenditures	(11,067)	(11,067)	(16,869)	(5,802)
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	-	-	25,000	25,000
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Net change in fund balance	(11,067)	(11,067)	8,131	19,198
Fund balance, July 1	11,067	11,067	7,640	(3,427)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,771</u>	<u>\$ 15,771</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**

GENERAL FUND OPERATING RESERVE FUND

(Cash Basis)

For the Year Ended

June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 2,000	\$ 2,000	\$ 3,902	\$ 1,902
Total revenues	2,000	2,000	3,902	1,902
EXPENDITURES				
Contingency	246,178	246,178	-	246,178
Total expenditures	246,178	246,178	-	246,178
Excess of revenues over (under) expenditures	(244,178)	(244,178)	3,902	248,080
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(115,000)	(115,000)	(200,000)	(85,000)
Transfers from other funds	58,322	58,322	58,725	403
Total other financing sources(uses)	(56,678)	(56,678)	(141,275)	(84,597)
Net change in fund balance	(300,856)	(300,856)	(137,373)	163,483
Fund balance, July 1	300,856	300,856	239,823	(61,033)
Fund balance, June 30	\$ -	\$ -	\$ 102,450	\$ 102,450

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FAIRGROUNDS RESERVE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ -	\$ -	\$ 848	\$ 848
Donations	546	546	100	(446)
Total revenues	546	546	948	402
EXPENDITURES				
Capital outlay	48,804	48,804	-	48,804
Total expenditures	48,804	48,804	-	48,804
Net change in fund balance	(48,258)	(48,258)	948	49,206
Fund balance, July 1	48,258	48,258	48,566	308
Fund balance, June 30	\$ -	\$ -	\$ 49,514	\$ 49,514

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 INFORMATION SYSTEMS RESERVE FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 790	\$ 790	\$ 3,435	\$ 2,645
Miscellaneous income	1,000	1,000	-	(1,000)
Total revenues	<u>1,790</u>	<u>1,790</u>	<u>3,435</u>	<u>1,645</u>
EXPENDITURES				
Materials and services				
Computer software	208,881	208,881	31,609	177,272
Total expenditures	<u>208,881</u>	<u>208,881</u>	<u>31,609</u>	<u>177,272</u>
Excess of revenues over (under) expenditures	(207,091)	(207,091)	(28,174)	178,917
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	40,000	40,000	20,000	(20,000)
Total other financing sources (uses)	<u>40,000</u>	<u>40,000</u>	<u>20,000</u>	<u>(20,000)</u>
Net change in fund balance	(167,091)	(167,091)	(8,174)	158,917
Fund balance, July 1	167,091	167,091	203,161	36,070
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,987</u>	<u>\$ 194,987</u>

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
HARNEY COUNTY BUILDING RESERVE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 125	\$ 125	\$ 463	\$ 338
Intergovernmental revenues	-	-	7,200	7,200
Total revenues	<u>125</u>	<u>125</u>	<u>7,663</u>	<u>7,538</u>
EXPENDITURES				
Capital outlay	250,125	250,125	217,913	32,212
Total expenditures	<u>250,125</u>	<u>250,125</u>	<u>217,913</u>	<u>32,212</u>
Excess of revenues over (under) expenditures	(250,000)	(250,000)	(210,250)	39,750
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	250,000	250,000	250,000	-
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Net change in fund balance	-	-	39,750	39,750
Fund balance, July 1	-	-	46,997	46,997
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,747</u>	<u>\$ 86,747</u>

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
ARCHIVE BUILDING FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Variance to Budget</u>
REVENUES				
Rent	\$ 7,800	\$ 7,800	\$ 39	\$ (7,761)
Total revenues	<u>7,800</u>	<u>7,800</u>	<u>39</u>	<u>(7,761)</u>
EXPENDITURES				
Materials and services				
Repairs and maintenance	16,842	16,842	-	16,842
Total expenditures	<u>16,842</u>	<u>16,842</u>	<u>-</u>	<u>16,842</u>
Net change in fund balance	(9,042)	(9,042)	39	9,081
Fund balance, July 1	9,042	9,042	10,042	1,000
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,081</u>	<u>\$ 10,081</u>

FUNDS COMBINED WITH THE GENERAL FUND
FOR REPORTING PURPOSES



HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 PERS RESERVE FUND**

(Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ -	\$ -	\$ 1,891	\$ 1,891
Miscellaneous revenue	100,000	100,000	-	(100,000)
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>1,891</u>	<u>(98,109)</u>
EXPENDITURES				
Materials and services				
Payments on contracts	100,000	100,000	3,588	96,412
Total materials and services	<u>100,000</u>	<u>100,000</u>	<u>3,588</u>	<u>96,412</u>
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>3,588</u>	<u>96,412</u>
Excess of revenues over (under) expenditures	-	-	(1,697)	(1,697)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	50,000	50,000
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Net change in fund balance	-	-	48,303	48,303
Fund balance, July 1	-	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,303</u>	<u>\$ 48,303</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
NUISANCE ABATEMENT FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 150	\$ 150	\$ 445	\$ 295
Total revenues	150	150	445	295
EXPENDITURES				
Materials and services	25,571	25,571	-	25,571
Total expenditures	25,571	25,571	-	25,571
Net change in fund balance	(25,421)	(25,421)	445	25,866
Fund balance, July 1	25,421	25,421	25,530	109
Fund balance, June 30	\$ -	\$ -	\$ 25,975	\$ 25,975

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 DIAMOND DISPOSAL SITE FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Solid waste fees	\$ 3,000	\$ 3,000	\$ 3,175	\$ 175
Investment earnings	50	50	9	(41)
Total revenues	<u>3,050</u>	<u>3,050</u>	<u>3,184</u>	<u>134</u>
EXPENDITURES				
Personal services				
Site attendant	2,050	2,050	2,435	(385)
Payroll taxes and benefits	334	334	215	119
Total personal services	<u>2,384</u>	<u>2,384</u>	<u>2,650</u>	<u>(266)</u>
Materials and services				
Office supplies	50	50	-	50
Site maintenance	1,248	1,248	745	503
Total materials and services	<u>1,298</u>	<u>1,298</u>	<u>745</u>	<u>553</u>
Total expenditures	<u>3,682</u>	<u>3,682</u>	<u>3,395</u>	<u>287</u>
Excess of revenues over (under) expenditures	(632)	(632)	(211)	421
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	(500)	(500)	(500)	-
Total other financing sources(uses)	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net change in fund balance	(1,132)	(1,132)	(711)	421
Fund balance, July 1	1,132	1,132	(88)	(1,220)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (799)</u>	<u>\$ (799)</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
DREWSEY DISPOSAL SITE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Solid waste fees	\$ 6,000	\$ 6,000	\$ 4,596	\$ (1,404)
Investment earnings	100	100	207	107
Total revenues	<u>6,100</u>	<u>6,100</u>	<u>4,803</u>	<u>(1,297)</u>
EXPENDITURES				
Personal services				
Site attendant	2,460	2,460	2,199	261
Payroll taxes and benefits	559	559	196	363
Total personal services	<u>3,019</u>	<u>3,019</u>	<u>2,395</u>	<u>624</u>
Materials and services				
Office supplies	150	150	117	33
Other operating supplies	2,932	2,932	500	2,432
Site construction	8,000	8,000	-	8,000
Site maintenance	3,000	3,000	745	2,255
Total materials and services	<u>14,082</u>	<u>14,082</u>	<u>1,362</u>	<u>12,720</u>
Total expenditures	<u>17,101</u>	<u>17,101</u>	<u>3,757</u>	<u>13,344</u>
Excess of revenues over (under) expenditures	(11,001)	(11,001)	1,046	12,047
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(500)	(500)	(500)	-
Total other financing sources (uses)	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net change in fund balance	(11,501)	(11,501)	546	12,047
Fund balance, July 1	11,501	11,501	10,420	(1,081)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,966</u>	<u>\$ 10,966</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FIELDS DISPOSAL SITE FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Solid waste fees	\$ 2,500	\$ 2,500	\$ 1,810	\$ (690)
Investment earnings	20	20	35	15
Total revenues	<u>2,520</u>	<u>2,520</u>	<u>1,845</u>	<u>(675)</u>
EXPENDITURES				
Personal services				
Site attendant	2,665	2,665	1,639	1,026
Payroll taxes and benefits	714	714	146	568
Total personal services	<u>3,379</u>	<u>3,379</u>	<u>1,785</u>	<u>1,594</u>
Materials and services				
Office supplies	50	50	-	50
Site maintenance	2,815	2,815	1,045	1,770
Total materials and services	<u>2,865</u>	<u>2,865</u>	<u>1,045</u>	<u>1,820</u>
Total expenditures	<u>6,244</u>	<u>6,244</u>	<u>2,830</u>	<u>3,414</u>
Excess of revenues over (under) expenditures	(3,724)	(3,724)	(985)	2,739
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(500)	(500)	(500)	-
Total other financing sources(uses)	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net change in fund balance	(4,224)	(4,224)	(1,485)	2,739
Fund balance, July 1	4,224	4,224	2,221	(2,003)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 736</u>	<u>\$ 736</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
FRENCHGLEN DISPOSAL SITE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Solid waste fees	\$ 5,000	\$ 5,000	\$ 2,950	\$ (2,050)
Investment earnings	50	50	87	37
Total revenues	<u>5,050</u>	<u>5,050</u>	<u>3,037</u>	<u>(2,013)</u>
EXPENDITURES				
Personal services				
Site attendant	2,665	2,665	1,860	805
Payroll taxes and benefits	391	391	164	227
Total personal services	<u>3,056</u>	<u>3,056</u>	<u>2,024</u>	<u>1,032</u>
Materials and services				
Office supplies	120	120	-	120
Site maintenance	6,700	6,700	545	6,155
Total materials and services	<u>6,820</u>	<u>6,820</u>	<u>545</u>	<u>6,275</u>
Total expenditures	<u>9,876</u>	<u>9,876</u>	<u>2,569</u>	<u>7,307</u>
Excess of revenues over (under) expenditures	(4,826)	(4,826)	468	5,294
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	(500)	(500)	(500)	-
Total other financing sources(uses)	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net change in fund balance	(5,326)	(5,326)	(32)	5,294
Fund balance, July 1	5,326	5,326	4,074	(1,252)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,042</u>	<u>\$ 4,042</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
RILEY DISPOSAL SITE FUND
(Cash Basis)
For the Year Ended
June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Solid waste fees	\$ 2,500	\$ 2,500	\$ 3,415	\$ 915
Investment earnings	100	100	54	(46)
Total revenues	<u>2,600</u>	<u>2,600</u>	<u>3,469</u>	<u>869</u>
EXPENDITURES				
Personal services				
Site attendant	2,050	2,050	1,570	480
Payroll taxes and benefits	458	458	326	132
Total personal services	<u>2,508</u>	<u>2,508</u>	<u>1,896</u>	<u>612</u>
Materials and services				
Office supplies	50	50	10	40
Site maintenance	3,500	3,500	1,705	1,795
Total materials and services	<u>3,850</u>	<u>3,850</u>	<u>1,715</u>	<u>2,135</u>
Total expenditures	<u>6,358</u>	<u>6,358</u>	<u>3,611</u>	<u>2,747</u>
Excess of revenues over (under) expenditures	(3,758)	(3,758)	(142)	3,616
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	(500)	(500)	(500)	-
Total other financing sources (uses)	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net change in fund balance	(4,258)	(4,258)	(642)	3,616
Fund balance, July 1	4,258	4,258	4,357	99
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,715</u>	<u>\$ 3,715</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
HARNEY BEHAVIORAL HEALTH RESERVE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 1,500	\$ 1,500	\$ 3,325	\$ 1,825
Total revenues	<u>1,500</u>	<u>1,500</u>	<u>3,325</u>	<u>1,825</u>
EXPENDITURES				
Operations	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,500	1,500	3,325	1,825
Fund balance, July 1	<u>189,936</u>	<u>189,936</u>	<u>190,749</u>	<u>813</u>
Fund balance, June 30	<u><u>\$ 191,436</u></u>	<u><u>\$ 191,436</u></u>	<u><u>\$ 194,074</u></u>	<u><u>\$ 2,638</u></u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
LIBRARY RESERVE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Investment earnings	\$ 75	\$ 75	\$ 192	\$ 117
Total revenues	<u>75</u>	<u>75</u>	<u>192</u>	<u>117</u>
EXPENDITURES				
Materials and services				
Equipment, building and special projects	9,134	9,134	-	9,134
Total expenditures	<u>9,134</u>	<u>9,134</u>	<u>-</u>	<u>9,134</u>
Excess of revenues over (under) expenditures	(9,059)	(9,059)	192	9,251
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	2,500	2,500
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>
Net change in fund balance	(9,059)	(9,059)	2,692	11,751
Fund balance, July 1, before restatement	9,059	9,059	3,413	(5,646)
Restatement, see note 9	-	-	11,370	11,370
Fund balance, July 1, after restatement	<u>9,059</u>	<u>9,059</u>	<u>14,783</u>	<u>5,724</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,475</u>	<u>\$ 17,475</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
HOME HEALTH HOSPICE FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Investment earnings	\$ 97	\$ 97	\$ 797	\$ 700
Funds raised	10,000	10,000	20,426	10,426
Medicare payments	180,000	180,000	198,075	18,075
Miscellaneous revenue	5,000	5,000	25,544	20,544
Total revenues	<u>195,097</u>	<u>195,097</u>	<u>244,842</u>	<u>49,745</u>
EXPENDITURES				
Personal services	150,725	150,725	141,788	8,937
Material and services	89,400	89,400	91,566	(2,166)
Total expenditures	<u>240,125</u>	<u>240,125</u>	<u>233,354</u>	<u>6,771</u>
Excess of revenues over (under) expenditures	(45,028)	(45,028)	11,488	56,516
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	35,028	35,028	-	(35,028)
Total other financing sources (uses)	<u>35,028</u>	<u>35,028</u>	<u>-</u>	<u>(35,028)</u>
Net change in fund balance	(10,000)	(10,000)	11,488	21,488
Fund balance, July 1	10,000	10,000	81,228	71,228
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,716</u>	<u>\$ 92,716</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 HARNEY COUNTY FAIR FUND**

(Cash Basis)

For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Revenues for services	\$ 285,190	\$ 285,190	\$ 258,199	\$ (26,991)
State funds	109,439	109,439	119,995	10,556
Total revenues	<u>394,629</u>	<u>394,629</u>	<u>378,194</u>	<u>(16,435)</u>
EXPENDITURES				
Personal services	27,560	27,560	10,856	16,704
Materials and services	459,254	459,254	445,688	13,566
Total material and services	<u>486,814</u>	<u>486,814</u>	<u>456,544</u>	<u>30,270</u>
Total expenditures	<u>486,814</u>	<u>486,814</u>	<u>456,544</u>	<u>30,270</u>
Excess of revenues over (under) expenditures	(92,185)	(92,185)	(78,350)	13,835
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	75,000	75,000	75,000	-
Total other financing sources(uses)	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net change in fund balance	(17,185)	(17,185)	(3,350)	13,835
Fund balance, July 1	17,185	17,185	(6,605)	(23,790)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,955)</u>	<u>\$ (9,955)</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FAIR MEMORIAL FUND
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 13	\$ 13	\$ 23	\$ 10
Total revenues	<u>13</u>	<u>13</u>	<u>23</u>	<u>10</u>
EXPENDITURES				
Materials and services	<u>1,358</u>	<u>1,358</u>	<u>-</u>	<u>1,358</u>
Total material and services	<u>1,358</u>	<u>1,358</u>	<u>-</u>	<u>1,358</u>
Total expenditures	<u>1,358</u>	<u>1,358</u>	<u>-</u>	<u>1,358</u>
Net change in fund balance	(1,345)	(1,345)	23	1,368
Fund balance, July 1	<u>1,345</u>	<u>1,345</u>	<u>1,351</u>	<u>6</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,374</u>	<u>\$ 1,374</u>

For reporting purposes, this fund will be included in the general fund details.

HARNEY COUNTY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 HOSPICE MEMORIAL FUND**
 (Cash Basis)
 For the Year Ended
 June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
REVENUES				
Interest	\$ 775	\$ 775	\$ 2,429	\$ 1,654
Contributions	3,000	3,000	5,048	2,048
Total revenues	<u>3,775</u>	<u>3,775</u>	<u>7,477</u>	<u>3,702</u>
EXPENDITURES				
Materials and services	85,215	85,215	1,520	83,695
Total expenditures	<u>85,215</u>	<u>85,215</u>	<u>1,520</u>	<u>83,695</u>
Excess of revenues over (under) expenditures	(81,440)	(81,440)	5,957	87,397
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(35,028)	(35,028)	-	35,028
Total other financing sources (uses)	<u>(35,028)</u>	<u>(35,028)</u>	<u>-</u>	<u>35,028</u>
Net change in fund balance	(116,468)	(116,468)	5,957	122,425
Fund balance, July 1	116,468	116,468	138,426	21,958
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,383</u>	<u>\$ 144,383</u>

For reporting purposes, this fund will be included in the general fund details.

OTHER FINANCIAL SCHEDULES



HARNEY COUNTY, OREGON
**SUMMARY SCHEDULES OF CASH, CASH ITEMS
AND INVESTMENTS - ALL FUNDS**
June 30, 2018

Harney County Treasurer		
U.S. Bank N.A.		
Cash in checking	\$	967,157
Bank of Eastern Oregon		
Cash in checking and savings		247,541
Umpqua Bank		
Cash in savings		630,137
Oregon State Treasury Local Government Investment Pool **		
Cash invested		17,008,405
Total cash with banks		<u>18,853,240</u>
Cash on hand		120
Cash held for agency funds		<u>328,898</u>
Governmental funds cash and investments		<u>18,524,462</u>
Elected official accounts and cash		
County clerk	\$	100
District attorney		60
Justice of the peace		50,601
Sheriff		33,945
Tax office		<u>300</u>
Total trust funds in offices		<u>85,006</u>
Total cash, cash items and investments		<u><u>\$ 18,938,366</u></u>

HARNEY COUNTY, OREGON
SCHEDULE OF COLLATERAL SECURITY
 June 30, 2018

U.S. Bank N.A.			
Federal Deposit Insurance Corporation	*	\$	250,000
Total U.S. Bank N.A.		\$	250,000
Bank of Eastern Oregon			*
Federal Deposit Insurance Corporation		\$	250,000
Total Bank of Eastern Oregon		\$	250,000
Umpqua Bank			*
Federal Deposit Insurance Corporation		\$	250,000
Total Umpqua Bank		\$	250,000

* Qualified depository according to the Oregon state treasurer's office.

** The Oregon LGIP is fully collateralized by the State of Oregon.

HARNEY COUNTY, OREGON
SUMMARY SCHEDULE OF ELECTED OFFICIAL ACCOUNTS
June 30, 2018

	Beginning Balance	Receipts	Disbursements	Ending Balance
County clerk				
Cash on hand	\$ 100	\$ -	\$ -	\$ 100
Total county clerk	<u>100</u>	<u>-</u>	<u>-</u>	<u>100</u>
Tax collector				
Cash on hand	300	-	-	300
Total tax collector	<u>300</u>	<u>-</u>	<u>-</u>	<u>300</u>
Sheriff				
Cash on hand	285	-	-	285
Evidence Trust Fund	9,366	5,081	(8,985)	5,462
Commissary	8,416	21,588	(8,695)	21,309
Inmate Trust Fund	16,102	31,627	(40,840)	6,889
Total sheriff	<u>34,169</u>	<u>58,296</u>	<u>(58,520)</u>	<u>33,945</u>
Justice of the peace				
Cash on hand	100	8,107	-	8,207
Checking	48,204	483,662	(489,472)	42,394
Total justice of the peace	<u>48,304</u>	<u>491,769</u>	<u>(489,472)</u>	<u>50,601</u>
District attorney				
Cash on hand	60	-	-	60
Total district attorney	<u>60</u>	<u>-</u>	<u>-</u>	<u>60</u>
Total all elected officials	<u>\$ 82,933</u>	<u>\$ 550,065</u>	<u>\$ (547,992)</u>	<u>\$ 85,006</u>

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND REVENUES
(Cash Basis)

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
<u>SHERIFF'S DEPARTMENT</u>				
BLM patrol	\$ 123,000	\$ 123,000	\$ 71,864	\$ (51,136)
Forest service patrol	4,000	4,000	24,420	20,420
Overtime grant	15,000	15,000	9,975	(5,025)
Gun permits	7,000	7,000	9,290	2,290
Refunds	500	500	7,616	7,116
Animal abuse fines	100	100	-	(100)
Miscellaneous fees	2,000	2,000	3,131	1,131
Circuit court fees	100	100	20	(80)
Sheriff's fees	15,000	15,000	22,479	7,479
Total sheriff's department	<u>166,700</u>	<u>166,700</u>	<u>148,795</u>	<u>(17,905)</u>
<u>ASSESSOR'S DEPARTMENT</u>				
Maps/copies/fees	2,000	2,000	2,598	598
Total assessor's department	<u>2,000</u>	<u>2,000</u>	<u>2,598</u>	<u>598</u>
<u>CLERK'S DEPARTMENT</u>				
Marriage licenses	1,000	1,000	1,025	25
Passport fees	3,000	3,000	3,335	335
Election reimbursements	8,000	8,000	11,665	3,665
Recording fees	25,000	25,000	34,720	9,720
County assessment fees	800	800	846	46
Probate filing fees	6,000	6,000	6,955	955
Certification fees	100	100	98	(2)
Photocopy fees	5,000	5,000	6,848	1,848
Miscellaneous fees	500	500	489	(11)
Candidate filing fees	200	200	285	85
HAVA reimbursements	4,000	4,000	-	(4,000)
BLM mining project	20,000	20,000	-	(20,000)
Total clerk's department	<u>73,600</u>	<u>73,600</u>	<u>66,266</u>	<u>(7,334)</u>
<u>TAX COLLECTOR</u>				
Penalties and fees	2,500	2,500	1,164	(1,336)
Other fees and miscellaneous	5,000	5,000	2,985	(2,015)
Total tax collector	<u>7,500</u>	<u>7,500</u>	<u>4,149</u>	<u>(3,351)</u>
<u>DISTRICT ATTORNEY</u>				
Witness support program	150	150	-	(150)
Reimbursements - child support	27,500	27,500	37,439	9,939
Reimbursements - dependency	3,000	3,000	2,579	(421)
Miscellaneous	2,500	2,500	11,005	8,505
Total district attorney	<u>33,150</u>	<u>33,150</u>	<u>51,023</u>	<u>17,873</u>
<u>COUNTY COURT</u>				
Survey fees	1,200	1,200	-	(1,200)
Refunds	-	-	3,046	3,046
State mental health tax	8,000	8,000	6,392	(1,608)
Grants	-	20,000	123,453	103,453
Total county court	<u>9,200</u>	<u>29,200</u>	<u>132,891</u>	<u>103,691</u>
<u>JUVENILE DEPARTMENT</u>				
Jail assessments	-	-	15,449	15,449
Governor's crime prevention package	22,500	22,500	16,875	(5,625)
Oregon Youth Authority juvenile basic services	8,826	8,826	8,763	(63)
Refunds	300	300	1,275	975
Juvenile court fines	200	200	-	(200)
Probation fees	300	300	35	(265)
Total juvenile department	<u>\$ 32,126</u>	<u>\$ 32,126</u>	<u>\$ 42,397</u>	<u>\$ 10,271</u>

(Continued on next page)

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND REVENUES
(Cash Basis)

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
<u>JUSTICE COURT</u>				
Refund attorney fees	\$ 3,000	\$ 3,000	\$ 75	\$ (2,925)
Education/operation assessment	100	100	100	-
Program administrative fees	250	250	270	20
Justice court fees	6,000	6,000	10,481	4,481
Justice court fines	115,000	115,000	206,606	91,606
Total justice court	<u>124,350</u>	<u>124,350</u>	<u>217,532</u>	<u>93,182</u>
<u>VETERAN'S SERVICE OFFICER</u>				
Service officer refund	45,884	45,884	58,941	13,057
ORS 170 revenue	24,556	24,556	5,895	(18,661)
Total veterans service officer	<u>70,440</u>	<u>70,440</u>	<u>64,836</u>	<u>(5,604)</u>
<u>COUNTY-CITY JAIL</u>				
Prisoner reimbursement	15,000	15,000	1,430	(13,570)
Jail telephone revenue	2,000	2,000	45	(1,955)
Supervision revenues	500	500	50	(450)
Refunds	-	-	518	518
Total county-city jail	<u>17,500</u>	<u>17,500</u>	<u>2,043</u>	<u>(15,457)</u>
<u>HEALTH DEPARTMENT</u>				
Immunizations	7,400	7,400	6,551	(849)
Fees and donations	95,000	95,000	257,019	162,019
Ebola	-	-	53	53
Women infants and children	37,500	37,500	49,730	12,230
Family planning	8,200	8,200	9,884	1,684
Indirect fees	-	-	4,101	4,101
H2O	3,200	3,200	-	(3,200)
Care	10,000	10,000	6,452	(3,548)
Maternal child health	13,000	13,000	15,390	2,390
Babies first	2,500	2,500	3,618	1,118
Cacoon	3,000	3,000	6,036	3,036
State aid per capita grant	8,000	8,000	8,479	479
Tobacco prevention	35,500	35,500	30,249	(5,251)
BCCP	-	-	710	710
OHA program	35,500	35,500	55,494	19,994
Refunds	-	-	1,235	1,235
Total health department	<u>258,800</u>	<u>258,800</u>	<u>455,001</u>	<u>196,201</u>
<u>HOME HEALTH AGENCY</u>				
Hospice reimbursement	-	-	335	335
Fees and donations	60,000	60,000	86,920	26,920
Medicare payments	410,000	410,000	280,112	(129,888)
Total home health agency	<u>470,000</u>	<u>470,000</u>	<u>367,367</u>	<u>(102,633)</u>
<u>EMERGENCY/DISASTER</u>				
Grants	76,575	122,846	86,732	(36,114)
Emergency preparedness	-	-	43,850	43,850
Total emergency/disaster	<u>76,575</u>	<u>122,846</u>	<u>130,582</u>	<u>7,736</u>
<u>NON-DEPARTMENTAL - REIMBURSEMENTS</u>				
State assessment fund	170,000	170,000	159,743	(10,257)
Home health building	14,400	14,400	-	(14,400)
County insurance services revenue	-	-	56,311	56,311
Telephone revenue	2,500	2,500	1,230	(1,270)
Vehicle lease revenue	16,440	16,440	13,440	(3,000)
Administrative services revenues	240,768	240,768	181,283	(59,485)
ELC Hub	8,697	8,697	-	(8,697)
Total non-departmental reimbursements	<u>\$ 452,805</u>	<u>\$ 452,805</u>	<u>\$ 412,007</u>	<u>\$ (40,798)</u>

(Continued on next page)

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND REVENUES
(Cash Basis)

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance to Budget
<u>WEED CONTROL</u>				
Weed control federal	280,631	280,631	268,847	(11,784)
Oregon State Weed Board	11,800	11,800	5,892	(5,908)
Medusahead grant	60,000	60,000	9,400	(50,600)
Malheur National Wildlife Refuge project	59,100	59,100	20,124	(38,976)
Total weed control	<u>411,531</u>	<u>411,531</u>	<u>304,263</u>	<u>(107,268)</u>
<u>HARNEY COUNTY PUBLIC LIBRARY</u>				
Library fines and fees	3,000	3,000	5,662	2,662
Used book sales	4,000	4,000	4,572	572
Foundation	65,000	65,000	65,000	-
E-rate funds	400	400	696	296
State aid per capita grant	16,000	16,000	18,997	2,997
COOL grant	24,000	24,000	13,646	(10,354)
Total Harney County public library	<u>112,400</u>	<u>112,400</u>	<u>108,573</u>	<u>(3,827)</u>
<u>PLANNING DEPARTMENT</u>				
Zoning and subdivisions	4,000	4,000	5,960	1,960
LCDC grant	4,000	4,000	4,000	-
Miscellaneous fees and permits	1,000	1,000	1,393	393
Total planning department	<u>9,000</u>	<u>9,000</u>	<u>11,353</u>	<u>2,353</u>
<u>GIS DEPARTMENT</u>				
GIS services	42,000	42,000	31,570	(10,430)
Administrative services revenues	20,307	20,307	20,307	-
Total GIS department	<u>62,307</u>	<u>62,307</u>	<u>51,877</u>	<u>(10,430)</u>
<u>PROPERTY TAXES</u>				
Taxes collected in year levied	2,026,760	2,026,760	2,214,612	187,852
Previously levied taxes	150,000	150,000	133,912	(16,088)
Total property and other taxes	<u>2,176,760</u>	<u>2,176,760</u>	<u>2,348,524</u>	<u>171,764</u>
<u>NON-DEPARTMENTAL - RESOURCES</u>				
Investment interest	5,000	5,000	2,875	(2,125)
Eastern Oregon severance tax	1,200	1,200	79	(1,121)
Alcoholic beverage tax	28,000	28,000	37,576	9,576
Cigarette tax	6,500	6,500	21,347	14,847
Amusement device tax	1,000	1,000	1,648	648
Refunds	1,000	1,000	57,027	56,027
Miscellaneous fees	1,000	1,000	370	(630)
Federal in lieu of taxes	850,000	850,000	1,125,267	275,267
REA in lieu of taxes	-	-	116,577	116,577
Sale of county land	5,000	5,000	19,782	14,782
Total non-departmental - resources	<u>898,700</u>	<u>898,700</u>	<u>1,382,548</u>	<u>483,848</u>
 Total General Fund revenues	 <u>\$ 5,465,444</u>	 <u>\$ 5,531,715</u>	 <u>\$ 6,304,625</u>	 <u>\$ 772,910</u>

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<u>SHERIFF'S DEPARTMENT</u>				
Personal services				
Sheriff's salary	\$ 70,299	\$ 70,299	\$ 72,599	\$ (2,300)
Salary of deputies	260,428	260,428	287,747	(27,319)
Extra help	12,000	12,000	42,598	(30,598)
BLM patrol	36,146	36,146	32,065	4,081
Overtime pay	40,000	40,000	33,009	6,991
Grants overtime	15,000	15,000	9,918	5,082
Payroll tax expense and employee benefits	164,299	164,299	188,314	(24,015)
Total personal services	<u>598,172</u>	<u>598,172</u>	<u>666,250</u>	<u>(68,078)</u>
Materials and services				
Office supplies	6,000	6,000	1,485	4,515
Criminal investigation	3,500	3,500	1,898	1,602
Civil expenses	10,000	10,000	7,450	2,550
Vehicles - repairs and supply	50,000	50,000	54,759	(4,759)
Uniforms	9,000	9,000	4,620	4,380
Telephone	3,500	3,500	2,540	960
Travel	10,000	10,000	1,749	8,251
Association dues	5,000	5,000	1,449	3,551
BLM contract	3,000	3,000	5,263	(2,263)
Equipment	8,000	8,000	7,913	87
Physicals	5,000	5,000	413	4,587
Training	4,000	4,000	1,617	2,383
Tech support	6,506	6,506	5,234	1,272
Repair and maintenance - equipment	7,500	7,500	9,791	(2,291)
Total materials and services	<u>131,006</u>	<u>131,006</u>	<u>106,181</u>	<u>24,825</u>
Total sheriff's department	<u>729,178</u>	<u>729,178</u>	<u>772,431</u>	<u>(43,253)</u>
<u>ASSESSOR'S DEPARTMENT</u>				
Personal services				
Salary of assessor	64,409	64,409	64,409	-
Salary of appraisers	125,781	125,781	111,326	14,455
Salary of clerks	75,386	75,386	75,533	(147)
Overtime	1,500	1,500	-	1,500
Payroll tax expense and employee benefits	133,295	133,295	138,671	(5,376)
GIS staff	20,307	20,307	20,307	-
Total personal services	<u>420,678</u>	<u>420,678</u>	<u>410,246</u>	<u>10,432</u>
Materials and services				
Supplies	4,000	4,000	3,616	384
Telephone	3,230	3,230	2,688	542
Travel	5,000	5,000	5,043	(43)
Registration and dues	675	675	200	475
GIS	13,400	13,400	11,995	1,405
Support	50,000	50,000	49,153	847
Repairs and maintenance	5,000	5,000	2,882	2,118
Vehicle and building rental	65,442	65,442	65,174	268
Tech support	6,506	6,506	7,588	(1,082)
Total materials and services	<u>153,253</u>	<u>153,253</u>	<u>148,339</u>	<u>4,914</u>
Total assessor's department	<u>\$ 573,931</u>	<u>\$ 573,931</u>	<u>\$ 558,585</u>	<u>\$ 15,346</u>

(Continued on next page)

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
CLERK'S DEPARTMENT				
Personal services				
Salary of clerk and recorder	\$ 101,030	\$ 101,030	\$ 95,203	\$ 5,827
Salary of election workers	2,500	2,500	1,700	800
Mining project	5,000	5,000	12,575	(7,575)
Payroll tax expense and employee benefits	45,640	45,640	47,981	(2,341)
Total personal services	<u>154,170</u>	<u>154,170</u>	<u>157,459</u>	<u>(3,289)</u>
Materials and services				
Printing and office supplies	2,000	2,000	617	1,383
Mining project	10,000	10,000	-	10,000
Recording and photo supplies	2,000	2,000	1,393	607
Election cost	25,000	25,000	8,797	16,203
Telephone	1,675	1,675	2,080	(405)
Travel	3,500	3,500	1,370	2,130
Association dues	1,500	1,500	710	790
Computer programming	16,560	16,560	17,362	(802)
Repair and maintenance	1,000	1,000	10	990
Tech support	4,018	4,018	3,929	89
Total materials and services	<u>67,253</u>	<u>67,253</u>	<u>36,268</u>	<u>30,985</u>
Total clerk's department	<u>221,423</u>	<u>221,423</u>	<u>193,727</u>	<u>27,696</u>
TAX COLLECTOR				
Personal services				
Tax deputy salary	48,223	48,223	50,009	(1,786)
Part-time	3,500	3,500	1,672	1,828
Payroll expense and employee benefits	26,089	26,089	29,925	(3,836)
Total personal services	<u>77,812</u>	<u>77,812</u>	<u>81,606</u>	<u>(3,794)</u>
Materials and services				
Office supplies	3,500	3,500	3,459	41
Publishing	1,500	1,500	712	788
Telephone	1,820	1,820	1,430	390
Travel	1,500	1,500	1,405	95
Association dues	325	325	135	190
Ownership change fees (LOIS)	2,250	2,250	1,780	470
Repair and maintain computer systems	2,000	2,000	-	2,000
Total materials and services	<u>12,895</u>	<u>12,895</u>	<u>8,921</u>	<u>3,974</u>
Total tax collector	<u>90,707</u>	<u>90,707</u>	<u>90,527</u>	<u>180</u>
DISTRICT ATTORNEY				
Personal services				
Salary of district attorney	67,000	67,000	67,135	(135)
Secretary, manager, counsel	92,351	92,351	92,938	(587)
Medical examiner	2,000	2,000	-	2,000
Overtime, extra help	4,900	4,900	2,107	2,793
Payroll expense and employee benefits	71,772	71,772	76,603	(4,831)
Total personal services	<u>238,023</u>	<u>238,023</u>	<u>238,783</u>	<u>(760)</u>
Materials and services				
Supplies	6,000	6,000	3,815	2,185
Books and periodicals	6,300	6,300	4,088	2,212
Witness fees	4,150	4,150	2,182	1,968
Investigations	7,500	7,500	3,077	4,423
Tech support	3,903	3,903	3,717	186
Repairs and maintenance	9,300	9,300	4,036	5,264
Medical examiner fees	-	-	1,330	(1,330)
Telephone	4,000	4,000	2,578	1,422
Travel	5,500	5,500	4,110	1,390
Association dues	5,500	5,500	5,413	87
Total materials and services	<u>52,153</u>	<u>52,153</u>	<u>34,346</u>	<u>17,807</u>
Total district attorney	<u>\$ 290,176</u>	<u>\$ 290,176</u>	<u>\$ 273,129</u>	<u>\$ 17,047</u>

(Continued on next page)

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
COUNTY COURT				
Personal services				
Judge's salary	\$ 74,756	\$ 74,756	\$ 99,508	\$ (24,752)
Commissioners' salary	74,756	74,756	50,008	24,748
Extra and relief salaries	36,200	36,200	32,928	3,272
Administrative assistant	42,578	42,578	45,470	(2,892)
Payroll tax expense and employee benefits	71,833	71,833	65,518	6,315
Total personal services	<u>300,123</u>	<u>300,123</u>	<u>293,432</u>	<u>6,691</u>
Materials and services				
Office supplies	5,900	5,900	7,091	(1,191)
Legal settlements	45,000	45,000	54,344	(9,344)
State health tax	8,000	8,000	6,974	1,026
Publicity and promotions	4,500	4,500	3,661	839
Grants	-	20,000	23,453	(3,453)
Surveyor fees	9,000	9,000	-	9,000
Indigent fund	500	500	-	500
Advertising and publications	1,200	1,200	500	700
Postage and freight	100	100	-	100
Telephone	4,000	4,000	2,845	1,155
Travel	21,000	21,000	25,559	(4,559)
Reimbursed items and refunds	10,000	10,000	-	10,000
Dues	600	600	672	(72)
Tech support	2,601	2,601	3,824	(1,223)
Total materials and services	<u>112,401</u>	<u>132,401</u>	<u>128,923</u>	<u>3,478</u>
Total county court	<u>412,524</u>	<u>432,524</u>	<u>422,355</u>	<u>10,169</u>
JUVENILE DEPARTMENT				
Personal services				
Director salary	60,391	60,391	56,730	3,661
Counselors	39,644	39,644	39,917	(273)
Crisis response	4,500	4,500	4,500	-
Payroll expenses and employee benefits	45,810	45,810	41,637	4,173
Total personal services	<u>150,345</u>	<u>150,345</u>	<u>142,784</u>	<u>7,561</u>
Materials and services				
Supplies	1,000	1,000	863	137
Drug testing	600	600	389	211
JSC - runaway and homeless youth	300	300	54	246
Community service program	200	200	19	181
Administrative expense	1,000	1,000	272	728
Telephone	2,700	2,700	1,451	1,249
Travel	3,000	3,000	814	2,186
Registration and dues	1,600	1,600	1,125	475
Detention	5,000	5,000	155	4,845
Evaluations	1,000	1,000	-	1,000
Repair and replacement	1,500	1,500	2,123	(623)
Tech support	2,692	2,692	2,977	(285)
Total materials and services	<u>20,592</u>	<u>20,592</u>	<u>10,242</u>	<u>10,350</u>
Total juvenile department	<u>\$ 170,937</u>	<u>\$ 170,937</u>	<u>\$ 153,026</u>	<u>\$ 17,911</u>

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HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<u>COURTHOUSE MAINTENANCE</u>				
Personal services				
Salary of janitor	\$ 37,225	\$ 37,225	\$ 37,173	\$ 52
Salary of assistant janitors	9,077	9,077	16,002	(6,925)
Payroll expense and employees benefits	24,623	24,623	33,930	(9,307)
Total personal services	<u>70,925</u>	<u>70,925</u>	<u>87,105</u>	<u>(16,180)</u>
Materials and services				
Supplies	2,500	2,500	5,459	(2,959)
Utilities	20,000	20,000	27,851	(7,851)
Fuel oil	15,000	15,000	13,275	1,725
Repairs	35,000	35,000	42,240	(7,240)
Tech support	672	672	744	(72)
Total materials and services	<u>73,172</u>	<u>73,172</u>	<u>89,569</u>	<u>(16,397)</u>
Capital outlay				
Equipment	15,000	15,000	3,937	11,063
Total capital outlay	<u>15,000</u>	<u>15,000</u>	<u>3,937</u>	<u>11,063</u>
Total courthouse maintenance	<u>159,097</u>	<u>159,097</u>	<u>180,611</u>	<u>(21,514)</u>
<u>JUSTICE COURT</u>				
Personal services				
Justice of the peace	59,787	59,787	59,787	-
Clerical	13,200	13,200	7,734	5,466
Secretary	38,668	38,668	42,312	(3,644)
Payroll tax expense and employee benefits	53,161	53,161	41,799	11,362
Total personal services	<u>164,816</u>	<u>164,816</u>	<u>151,632</u>	<u>13,184</u>
Materials and services				
Supplies	3,000	3,000	2,074	926
Attorney fees	1,000	1,000	-	1,000
Juror's fees	500	500	-	500
Telephone	1,250	1,250	1,265	(15)
Travel expense	3,000	3,000	562	2,438
Association dues	2,000	2,000	-	2,000
Computer services	5,000	5,000	4,287	713
Repairs and maintenance	5,000	5,000	2,339	2,661
Tech support	2,018	2,018	2,233	(215)
Total materials and services	<u>22,768</u>	<u>22,768</u>	<u>12,760</u>	<u>10,008</u>
Total justice court	<u>187,584</u>	<u>187,584</u>	<u>164,392</u>	<u>23,192</u>
<u>VETERAN'S SERVICE OFFICER</u>				
Materials and services				
Contracted services	98,135	98,135	92,431	5,704
Total materials and services	<u>98,135</u>	<u>98,135</u>	<u>92,431</u>	<u>5,704</u>
Total veteran's service officer	<u>98,135</u>	<u>98,135</u>	<u>92,431</u>	<u>5,704</u>
<u>WATERMASTER</u>				
Materials and services				
Supplies	550	550	31	519
Rent	9,988	9,988	9,998	(10)
Total materials and services	<u>10,538</u>	<u>10,538</u>	<u>10,029</u>	<u>509</u>
Total watermaster	<u>\$ 10,538</u>	<u>\$ 10,538</u>	<u>\$ 10,029</u>	<u>\$ 509</u>

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HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
COUNTY-CITY JAIL				
Personal services				
Salary of jailers	\$ 207,336	\$ 207,336	\$ 218,101	\$ (10,765)
Sergeant/jail commander	49,824	49,824	32,038	17,786
Relief salaries and holidays	30,000	30,000	29,395	605
Overtime	7,500	7,500	349	7,151
Matrons	2,000	2,000	-	2,000
Payroll tax expense and employee benefits	148,111	148,111	176,007	(27,896)
Total personal services	<u>444,771</u>	<u>444,771</u>	<u>455,890</u>	<u>(11,119)</u>
Materials and services				
Jail supplies	12,000	12,000	7,770	4,230
Supervision services	600	600	861	(261)
Health service	18,000	18,000	17,144	856
Uniforms	3,500	3,500	2,559	941
Telephone	2,000	2,000	822	1,178
Training	4,000	4,000	498	3,502
Travel	2,000	2,000	-	2,000
Prisoner transport	600	600	6	594
Dietary contract	33,000	33,000	36,776	(3,776)
Utilities	18,000	18,000	7,632	10,368
Physicals	5,000	5,000	-	5,000
Repair and replacement of computers	25,000	25,000	2,324	22,676
Fees	7,500	7,500	6,938	562
Tech support	1,952	1,952	1,597	355
Total materials and services	<u>133,152</u>	<u>133,152</u>	<u>84,927</u>	<u>48,225</u>
Capital outlay				
Equipment	20,000	20,000	6,159	13,841
Total capital outlay	<u>20,000</u>	<u>20,000</u>	<u>6,159</u>	<u>13,841</u>
Total county-city jail	<u>597,923</u>	<u>597,923</u>	<u>546,976</u>	<u>50,947</u>
HEALTH DEPARTMENT				
Personal services				
Directors and managers	78,591	78,591	146,245	(67,654)
Medical assistant	-	-	14,078	(14,078)
Salary of public health nurses	94,618	94,618	88,681	5,937
Office manager	63,188	63,188	52,593	10,595
Janitorial	6,000	6,000	1,297	4,703
Clerical	66,761	66,761	79,343	(12,582)
Payroll expense and employee benefits	109,636	109,636	153,715	(44,079)
Total personal services	<u>418,794</u>	<u>418,794</u>	<u>535,952</u>	<u>(117,158)</u>
Materials and services				
Office supplies	10,000	10,000	17,588	(7,588)
Janitorial supplies	600	600	601	(1)
Laboratory supplies	2,000	2,000	-	2,000
Bio-terrorism supplies	10,000	10,000	11,186	(1,186)
Scientific supplies	25,000	25,000	63,114	(38,114)
Printing and publications	1,000	1,000	11,914	(10,914)
Vital statistics	200	200	15	185
MMIS expenses	5,000	5,000	6,382	(1,382)
Telephone	6,000	6,000	4,552	1,448
Travel	9,200	9,200	10,797	(1,597)
Association dues	1,000	1,000	22,567	(21,567)
Education supplies	1,000	1,000	-	1,000
Professional services	22,000	22,000	40,574	(18,574)
Contract services	-	-	3,865	(3,865)
Utilities	5,200	5,200	5,168	32
Administrative	25,000	25,000	265	24,735
Repairs and maintenance	9,500	9,500	10,878	(1,378)
Tech support	5,855	5,855	7,836	(1,981)
Total materials and services	<u>138,555</u>	<u>138,555</u>	<u>217,302</u>	<u>(78,747)</u>
Total health department	<u>\$ 557,349</u>	<u>\$ 557,349</u>	<u>\$ 753,254</u>	<u>\$ (195,905)</u>

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
HOME HEALTH AGENCY				
Personal services				
Secretary	\$ 60,762	\$ 60,762	\$ 63,560	\$ (2,798)
Nurse salaries	300,848	300,848	294,898	5,950
Call time/overtime	35,000	35,000	22,266	12,734
Janitorial	-	-	1,170	(1,170)
Social worker	-	-	390	(390)
Payroll expense and employee benefits	103,641	103,641	135,473	(31,832)
Total personal services	<u>500,251</u>	<u>500,251</u>	<u>517,757</u>	<u>(17,506)</u>
Materials and services				
Postage and office supplies	3,400	3,400	4,314	(914)
Janitorial supplies	500	500	109	391
Medical supplies	25,000	25,000	26,188	(1,188)
Repairs and maintenance	3,000	3,000	2,611	389
Printing	1,500	1,500	948	552
Telephone	4,700	4,700	4,681	19
Travel	2,000	2,000	760	1,240
Association dues	3,700	3,700	2,496	1,204
In-service education and travel	2,000	2,000	1,359	641
Travel-car expense	16,000	16,000	8,978	7,022
Therapist contract	25,000	25,000	13,270	11,730
Janitor services	3,000	3,000	82	2,918
Liability insurance	5,000	5,000	-	5,000
License fees	850	850	1,560	(710)
Medical records	5,000	5,000	16,542	(11,542)
Building repairs and maintenance	3,000	3,000	1,761	1,239
Administrative services	25,000	25,000	-	25,000
Utilities	4,350	4,350	2,710	1,640
Building rent	14,400	14,400	-	14,400
Reimbursed items and refunds	1,000	1,000	-	1,000
Tech support	7,404	7,404	8,781	(1,377)
Total materials and services	<u>155,804</u>	<u>155,804</u>	<u>97,150</u>	<u>58,654</u>
Total home health agency	<u>656,055</u>	<u>656,055</u>	<u>614,907</u>	<u>41,148</u>
HUMAN RESOURCES/FINANCE DEPARTMENT				
Personal services				
Assistant	5,000	5,000	5,616	(616)
HR administrator	57,446	57,446	57,408	38
Payroll expense and employee benefits	31,001	31,001	32,938	(1,937)
Total personal services	<u>93,447</u>	<u>93,447</u>	<u>95,962</u>	<u>(2,515)</u>
Materials and services				
Paper/computer supplies	1,000	1,000	77	923
Other supplies	3,000	3,000	2,292	708
Telephone	600	600	971	(371)
Travel	1,000	1,000	3,697	(2,697)
Registration and dues	500	500	925	(425)
Education	1,000	1,000	-	1,000
Computer contracts	20,000	20,000	30,157	(10,157)
Tech support	1,349	1,349	3,721	(2,372)
Total materials and services	<u>28,449</u>	<u>28,449</u>	<u>41,840</u>	<u>(13,391)</u>
Capital outlay				
Equipment	5,000	5,000	1,009	3,991
Total capital outlay	<u>5,000</u>	<u>5,000</u>	<u>1,009</u>	<u>3,991</u>
Total human resources/finance department	<u>\$ 126,896</u>	<u>\$ 126,896</u>	<u>\$ 138,811</u>	<u>\$ (11,915)</u>

(Continued on next page)

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<u>EMERGENCY/DISASTER</u>				
Personal services				
Manager	\$ 39,643	\$ 39,643	\$ 39,917	\$ (274)
Payroll expense and employee benefits	23,815	23,815	15,527	8,288
Total personal services	<u>63,458</u>	<u>63,458</u>	<u>55,444</u>	<u>8,014</u>
Materials and services				
Emergency preparedness	-	-	1,439	(1,439)
Travel expense	-	-	370	(370)
PHEP grant	5,846	5,846	13,184	(7,338)
OEM grant	46,271	46,271	54,938	(8,667)
Communication grant	-	46,271	48,017	(1,746)
Total materials and services	<u>52,117</u>	<u>98,388</u>	<u>117,948</u>	<u>(19,560)</u>
Total emergency/disaster	<u>115,575</u>	<u>161,846</u>	<u>173,392</u>	<u>(11,546)</u>
<u>EXPENSES - NON-DEPARTMENTAL</u>				
Personal services				
Insurance-C.I.S.	-	-	784	(784)
Total personal services	<u>-</u>	<u>-</u>	<u>784</u>	<u>(784)</u>
Materials and services				
Board of equalization	1,000	1,000	36,739	(35,739)
Accounting and auditing	20,000	20,000	17,607	2,393
TVCC contribution	18,000	18,000	13,416	4,584
Advertising and publications	4,500	4,500	3,692	808
Insurance	205,000	205,000	200,777	4,223
Motor pool - gas and oil	15,000	15,000	12,515	2,485
Motor pool - repairs and supplies	10,000	10,000	6,706	3,294
Lease of radio site	2,000	2,000	4,350	(2,350)
Postage, envelopes and freight	25,000	25,000	15,930	9,070
Dog control	4,000	4,000	1,380	2,620
Maintenance contract	17,500	17,500	27,488	(9,988)
Telephone	2,500	2,500	3,863	(1,363)
Wireless internet	7,500	7,500	16,211	(8,711)
Repair and maintenance - buildings	124,940	124,940	69,794	55,146
Reimbursed items	5,000	5,000	-	5,000
IT support	-	-	495	(495)
Total materials and services	<u>461,940</u>	<u>461,940</u>	<u>430,963</u>	<u>30,977</u>
Capital outlay				
Equipment	15,000	15,000	49,733	(34,733)
Total capital outlay	<u>15,000</u>	<u>15,000</u>	<u>49,733</u>	<u>(34,733)</u>
Total non-departmental	<u>476,940</u>	<u>476,940</u>	<u>481,480</u>	<u>(4,540)</u>
<u>PROMOTION FUND</u>				
Materials and services				
Kiwanis Fireworks	1,000	1,000	1,000	-
Burns butte sportsman's club	800	800	-	800
H.C. Soil and Water Conservation	11,000	11,000	11,000	-
HHOPE	2,500	2,500	2,500	-
4H camp	2,000	2,000	-	2,000
High desert partnership	10,000	10,000	10,000	-
Harney Arts and Education	2,000	2,000	2,000	-
Rimrock Recycling	\$ 10,000	\$ 10,000	\$ 10,000	\$ -

(Continued on next page)

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<u>PROMOTION FUND (continued)</u>				
Materials and services (continued)				
H.C. Historical Society contribution	\$ 4,000	\$ 4,000	\$ -	\$ 4,000
Community garden	500	500	500	-
Harney County Babe Ruth	750	750	-	750
HC Kids Club	14,000	14,000	14,000	-
H.C. Chamber of Commerce	16,000	16,000	16,000	-
American flag donation	500	500	500	-
Save-a-stray	2,500	2,500	2,500	-
City of Burns	10,000	10,000	-	10,000
City of Hines	10,000	10,000	10,000	-
Corbet Memorial Field	1,000	1,000	1,000	-
Hilander basketball camp	800	800	800	-
Harney Partners	400	400	-	400
High Desert Parks and Recreation	750	750	750	-
Association dues	22,500	22,500	22,393	107
Total materials and services	<u>123,000</u>	<u>123,000</u>	<u>104,943</u>	<u>18,057</u>
Total promotion fund	<u>123,000</u>	<u>123,000</u>	<u>104,943</u>	<u>18,057</u>
<u>TREASURER'S OFFICE</u>				
Personal services				
Treasurer's salary	60,392	60,392	60,275	117
Payroll tax expense and employee benefits	27,884	27,884	17,611	10,273
Total personal services	<u>88,276</u>	<u>88,276</u>	<u>77,886</u>	<u>10,390</u>
Materials and services				
Office supplies	2,200	2,200	2,308	(108)
Travel	1,000	1,000	2,380	(1,380)
Telephone	530	530	422	108
Association dues	1,000	1,000	751	249
Banking fees	8,000	8,000	2,725	5,275
Repair and replace office equipment	1,000	1,000	1,074	(74)
Asset management contract	7,000	7,000	1,619	5,381
Tech support	651	651	799	(148)
Total materials and services	<u>21,381</u>	<u>21,381</u>	<u>12,078</u>	<u>9,303</u>
Total treasurer's office	<u>109,657</u>	<u>109,657</u>	<u>89,964</u>	<u>19,693</u>
<u>PREDATORY ANIMAL CONTROL</u>				
Materials and services				
Predatory animal control	50,000	50,000	34,649	15,351
Total materials and services	<u>50,000</u>	<u>50,000</u>	<u>34,649</u>	<u>15,351</u>
Total predatory animal control	<u>50,000</u>	<u>50,000</u>	<u>34,649</u>	<u>15,351</u>
<u>COOPERATIVE EXTENSION SERVICE</u>				
Materials and services				
OSU extension service	129,000	129,000	129,000	-
Telephone	2,000	2,000	677	1,323
Vehicle rental	3,000	3,000	-	3,000
Building rental	45,770	45,770	-	45,770
Master gardener program	0	0	-	-
Total materials and services	<u>179,770</u>	<u>179,770</u>	<u>129,677</u>	<u>50,093</u>
Total cooperative extension service	<u>\$ 179,770</u>	<u>\$ 179,770</u>	<u>\$ 129,677</u>	<u>\$ 50,093</u>

(Continued on next page)

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<u>WEED CONTROL</u>				
Personal services				
Coordinator	\$ 44,226	\$ 44,226	\$ 49,522	\$ (5,296)
Salary, weed inspector, sprayer, overtime	175,101	175,101	144,223	30,878
Payroll expenses and employee benefits	82,392	82,392	63,028	19,364
Total personal services	<u>301,719</u>	<u>301,719</u>	<u>256,773</u>	<u>44,946</u>
Materials and services				
Office supplies	1,200	1,200	1,712	(512)
Books and periodicals	150	150	1,375	(1,225)
Chemical supplies	120,000	120,000	56,547	63,453
Other operating supplies	8,600	8,600	3,724	4,876
Tool and instruments	1,000	1,000	814	186
SWAT	53,000	53,000	40,859	12,141
Matching funds	3,000	3,000	3,000	-
Tech support	1,302	1,302	2,977	(1,675)
Telephone	1,600	1,600	635	965
Travel	12,000	12,000	5,239	6,761
Registration and dues	3,000	3,000	1,380	1,620
Insurance	3,000	3,000	2,900	100
Building rent	12,000	12,000	12,000	-
Repair and maintenance	4,600	4,600	1,149	3,451
Reimbursements to CWMA	5,000	5,000	5,272	(272)
Total materials and services	<u>229,452</u>	<u>229,452</u>	<u>139,583</u>	<u>89,869</u>
Capital outlay				
Vehicles and building	15,000	15,000	9,569	5,431
Total capital outlay	<u>15,000</u>	<u>15,000</u>	<u>9,569</u>	<u>5,431</u>
Total weed control	<u>546,171</u>	<u>546,171</u>	<u>405,925</u>	<u>140,246</u>
<u>HARNEY COUNTY SENIOR CITIZENS</u>				
Personal services				
Director	53,781	53,781	53,588	193
Payroll expenses and employee benefits	26,735	26,735	30,767	(4,032)
Total personal services	<u>80,516</u>	<u>80,516</u>	<u>84,355</u>	<u>(3,839)</u>
Materials and services				
Vehicles - repair and supplies	7,100	7,100	7,100	-
Travel	1,800	1,800	1,800	-
Utilities	10,500	10,500	10,500	-
Vehicle fuel	10,000	10,000	10,010	(10)
Repairs and maintenance	1,000	1,000	1,000	-
Total materials and services	<u>30,400</u>	<u>30,400</u>	<u>30,410</u>	<u>(10)</u>
Total Harney County senior citizens	<u>110,916</u>	<u>110,916</u>	<u>114,765</u>	<u>(3,849)</u>
<u>HARNEY COUNTY PUBLIC LIBRARY</u>				
Personal services				
Head librarian salary	52,962	52,962	52,981	(19)
Assistant librarian salary	39,168	39,168	39,026	142
Clerical	44,104	44,104	41,148	2,956
Story-time coordinator	15,877	15,877	15,345	532
Western room staff	26,261	26,261	29,037	(2,776)
Janitorial	8,364	8,364	8,160	204
COOL grant staff	24,000	24,000	7,050	16,950
Payroll expense and employee benefits	63,947	63,947	51,425	12,522
Total personal services	<u>\$ 274,683</u>	<u>\$ 274,683</u>	<u>\$ 244,172</u>	<u>\$ 30,511</u>

(Continued on next page)

HARNEY COUNTY, OREGON
SUPPLEMENTARY SCHEDULE OF GENERAL FUND EXPENDITURES
(Cash Basis)

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<u>HARNEY COUNTY PUBLIC LIBRARY (Continued)</u>				
Materials and services				
Library supplies	\$ 5,500	\$ 5,500	\$ 4,018	\$ 1,482
Books and periodicals	13,000	13,000	12,570	430
Audio/visual	8,200	8,200	8,149	51
Ready to read	7,000	7,000	7,000	-
Library programs	3,400	3,400	2,566	834
Building supplies and repairs	1,400	1,400	250	1,150
Repairs and maintenance	7,000	7,000	5,469	1,531
Postage	1,000	1,000	733	267
Telephone	6,000	6,000	5,041	959
Travel - meetings	1,000	1,000	303	697
Fees	-	-	442	(442)
Janitor services	2,500	2,500	1,523	977
Computer maintenance software	15,000	15,000	13,594	1,406
Tech support	14,924	14,924	17,562	(2,638)
Utilities	13,800	13,800	9,361	4,439
Total materials and services	<u>99,724</u>	<u>99,724</u>	<u>88,581</u>	<u>11,143</u>
Total Harney County public library	<u>374,407</u>	<u>374,407</u>	<u>332,753</u>	<u>41,654</u>
<u>PLANNING DEPARTMENT</u>				
Personal services				
County planner	54,678	54,678	56,405	(1,727)
Payroll expense and employee benefits	26,968	26,968	11,688	15,280
Total personal services	<u>81,646</u>	<u>81,646</u>	<u>68,093</u>	<u>13,553</u>
Materials and services				
Travel	3,250	3,250	1,151	2,099
Membership dues	700	700	300	400
Advertising	7,500	7,500	5,246	2,254
Office supplies	850	850	343	507
County surveyor materials	500	500	-	500
Telephone	1,000	1,000	894	106
Computer programming	1,800	1,800	1,235	565
Contracts, inspections	5,000	5,000	-	5,000
Tech support	1,952	1,952	2,233	(281)
Public lands planning	15,000	15,000	7,764	7,236
Total materials and services	<u>37,552</u>	<u>37,552</u>	<u>19,166</u>	<u>18,386</u>
Total planning department	<u>119,198</u>	<u>119,198</u>	<u>87,259</u>	<u>31,939</u>
<u>GIS DEPARTMENT</u>				
Personal services				
GIS coordinator	32,800	32,800	30,844	1,956
Part-time help	15,190	15,190	16,714	(1,524)
Payroll expense and employee benefits	20,414	20,414	18,111	2,303
Total personal services	<u>68,404</u>	<u>68,404</u>	<u>65,669</u>	<u>2,735</u>
Materials and services				
Office supplies	850	850	461	389
GIS materials	3,000	3,000	2,625	375
Rural address materials	1,500	1,500	244	1,256
Telephone	850	850	785	65
Travel	1,000	1,000	-	1,000
Computer programming	3,000	3,000	1,967	1,033
GIS contract	1,500	1,500	-	1,500
Tech support	1,302	1,302	1,489	(187)
Total materials and services	<u>13,002</u>	<u>13,002</u>	<u>7,571</u>	<u>5,431</u>
Total GIS department	<u>81,406</u>	<u>81,406</u>	<u>73,240</u>	<u>8,166</u>
Total General Fund expenditures	<u>\$ 7,169,493</u>	<u>\$ 7,235,764</u>	<u>\$ 6,993,238</u>	<u>\$ 242,526</u>

HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 (Modified Accrual Basis)
 For the Year Ended June 30, 2018

	June 30, 2017	Additions	Deductions	June 30, 2018
<u>MALHEUR NATIONAL WILDLIFE REFUGE FUND</u>				
ASSETS				
Cash	\$ -	\$ 152,020	\$ 76,178	\$ 75,842
Total assets	<u>\$ -</u>	<u>\$ 152,020</u>	<u>\$ 76,178</u>	<u>\$ 75,842</u>
LIABILITIES				
Due to other governmental units	\$ -	\$ 152,020	\$ 76,178	\$ 75,842
Total liabilities	<u>\$ -</u>	<u>\$ 152,020</u>	<u>\$ 76,178</u>	<u>\$ 75,842</u>
<u>TREASURER REVOLVING FUND</u>				
ASSETS				
Cash	\$ 11,442	\$ 215,335	\$ 218,050	\$ 8,727
Total assets	<u>\$ 11,442</u>	<u>\$ 215,335</u>	<u>\$ 218,050</u>	<u>\$ 8,727</u>
LIABILITIES				
Due to other governmental units	\$ 11,442	\$ 215,335	\$ 218,050	\$ 8,727
Total liabilities	<u>\$ 11,442</u>	<u>\$ 215,335</u>	<u>\$ 218,050</u>	<u>\$ 8,727</u>
<u>JUVENILE RESTITUTION FUND</u>				
ASSETS				
Cash	\$ -	\$ 25	\$ 25	\$ -
Total assets	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ -</u>
LIABILITIES				
Due to other governmental units	\$ -	\$ 25	\$ 25	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ -</u>
<u>HIGH DESERT PARK-OPERATING FUND</u>				
ASSETS				
Cash	\$ -	\$ 103,820	\$ 103,820	\$ -
Taxes receivable	13,261	14,257	13,261	14,257
Total assets	<u>\$ 13,261</u>	<u>\$ 118,077</u>	<u>\$ 117,081</u>	<u>\$ 14,257</u>
LIABILITIES				
Due to other taxing units	\$ 13,261	\$ 118,077	\$ 117,081	\$ 14,257
Total liabilities	<u>\$ 13,261</u>	<u>\$ 118,077</u>	<u>\$ 117,081</u>	<u>\$ 14,257</u>
<u>MEMORIAL HOME CARE</u>				
ASSETS				
Cash	\$ 16,595	370	-	\$ 16,965
Total assets	<u>\$ 16,595</u>	<u>\$ 370</u>	<u>\$ -</u>	<u>\$ 16,965</u>
LIABILITIES				
Due to other governmental units	\$ 16,595	\$ 370	\$ -	\$ 16,965
Total liabilities	<u>\$ 16,595</u>	<u>\$ 370</u>	<u>\$ -</u>	<u>\$ 16,965</u>
<u>HB3277 MOBILE HOME FUND</u>				
ASSETS				
Cash	\$ -	\$ 2,352	\$ 2,352	\$ -
Taxes receivable	245	2,394	2,352	287
Total assets	<u>\$ 245</u>	<u>\$ 4,746</u>	<u>\$ 4,704</u>	<u>\$ 287</u>
LIABILITIES				
Due to other taxing units	\$ 245	\$ 4,746	\$ 4,704	\$ 287
Total liabilities	<u>\$ 245</u>	<u>\$ 4,746</u>	<u>\$ 4,704</u>	<u>\$ 287</u>

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HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 (Modified Accrual Basis)
 For the Year Ended June 30, 2018

	June 30, 2017	Additions	Deductions	June 30, 2018
<u>SB1065 ASSESSMENT FUND</u>				
ASSETS				
Cash	\$ 71,300	\$ 21,010	\$ 56,274	\$ 36,036
Accounts receivable	610	1,155	610	1,155
Total assets	<u>\$ 71,910</u>	<u>\$ 22,165</u>	<u>\$ 56,884</u>	<u>\$ 37,191</u>
LIABILITIES				
Due to other governmental units	\$ 71,910	\$ 22,165	\$ 56,884	\$ 37,191
Total liabilities	<u>\$ 71,910</u>	<u>\$ 22,165</u>	<u>\$ 56,884</u>	<u>\$ 37,191</u>
<u>COUNTY ASSESSMENT AND TAXATION FUND</u>				
ASSETS				
Cash	\$ 23,027	\$ 90,226	\$ 85,114	\$ 28,139
Taxes receivable	300	-	300	-
Total assets	<u>\$ 23,327</u>	<u>\$ 90,226</u>	<u>\$ 85,114</u>	<u>\$ 28,139</u>
LIABILITIES				
Due to other governmental units	\$ 23,327	\$ 90,226	\$ 85,114	\$ 28,139
Total liabilities	<u>\$ 23,327</u>	<u>\$ 90,226</u>	<u>\$ 85,114</u>	<u>\$ 28,139</u>
<u>HARNEY DISTRICT HOSPITAL</u>				
ASSETS				
Cash	\$ -	\$ 1,010,744	\$ 1,010,744	\$ -
Taxes receivable	128,216	138,166	128,216	138,166
Total assets	<u>\$ 128,216</u>	<u>\$ 1,148,910</u>	<u>\$ 1,138,960</u>	<u>\$ 138,166</u>
LIABILITIES				
Due to other taxing units	\$ 128,216	\$ 1,148,910	\$ 1,138,960	\$ 138,166
Total liabilities	<u>\$ 128,216</u>	<u>\$ 1,148,910</u>	<u>\$ 1,138,960</u>	<u>\$ 138,166</u>
<u>MALHEUR COUNTY TAXES FUND</u>				
ASSETS				
Cash	\$ 130	\$ 4,425	\$ 4,555	\$ -
Total assets	<u>\$ 130</u>	<u>\$ 4,425</u>	<u>\$ 4,555</u>	<u>\$ -</u>
LIABILITIES				
Due to other taxing units	\$ 130	\$ 4,425	\$ 4,555	\$ -
Total liabilities	<u>\$ 130</u>	<u>\$ 4,425</u>	<u>\$ 4,555</u>	<u>\$ -</u>
<u>CHARTER COMMUNICATIONS FUND</u>				
ASSETS				
Cash	\$ -	31,691	-	\$ 31,691
Total assets	<u>\$ -</u>	<u>\$ 31,691</u>	<u>\$ -</u>	<u>\$ 31,691</u>
LIABILITIES				
Due to other taxing units	\$ -	\$ 31,691	-	\$ 31,691
Total liabilities	<u>\$ -</u>	<u>\$ 31,691</u>	<u>\$ -</u>	<u>\$ 31,691</u>
<u>E.S.D. OPERATING FUND</u>				
ASSETS				
Cash	\$ -	\$ 460,652	\$ 460,652	\$ -
Taxes receivable	58,321	62,816	58,321	62,816
Total assets	<u>\$ 58,321</u>	<u>\$ 523,468</u>	<u>\$ 518,973</u>	<u>\$ 62,816</u>
LIABILITIES				
Due to other taxing units	\$ 58,321	\$ 523,468	\$ 518,973	\$ 62,816
Total liabilities	<u>\$ 58,321</u>	<u>\$ 523,468</u>	<u>\$ 518,973</u>	<u>\$ 62,816</u>

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HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 (Modified Accrual Basis)
 For the Year Ended June 30, 2018

	June 30, 2017	Additions	Deductions	June 30, 2018
<u>UNSEGREGATED TAXES FUND</u>				
ASSETS				
Cash	\$ 85,978	\$ 7,690,278	\$ 7,647,414	\$ 128,842
Total assets	<u>\$ 85,978</u>	<u>\$ 7,690,278</u>	<u>\$ 7,647,414</u>	<u>\$ 128,842</u>
LIABILITIES				
Accounts payable	\$ -	\$ 21	\$ -	\$ 21
Due to other governmental units	85,978	7,690,257	7,647,414	128,821
Total liabilities	<u>\$ 85,978</u>	<u>\$ 7,690,278</u>	<u>\$ 7,647,414</u>	<u>\$ 128,842</u>
<u>ADVANCE PAYMENT-TAXES</u>				
ASSETS				
Cash	\$ 159	\$ 7,898	\$ 5,401	\$ 2,656
Total assets	<u>\$ 159</u>	<u>\$ 7,898</u>	<u>\$ 5,401</u>	<u>\$ 2,656</u>
LIABILITIES				
Due to other governmental units	\$ 159	\$ 7,898	\$ 5,401	\$ 2,656
Total liabilities	<u>\$ 159</u>	<u>\$ 7,898</u>	<u>\$ 5,401</u>	<u>\$ 2,656</u>
<u>SALE OF COUNTY LAND FUND</u>				
ASSETS				
Cash	\$ -	\$ 40,808	\$ 40,808	\$ -
Total assets	<u>\$ -</u>	<u>\$ 40,808</u>	<u>\$ 40,808</u>	<u>\$ -</u>
LIABILITIES				
Due to other governmental units	\$ -	\$ 40,808	\$ 40,808	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 40,808</u>	<u>\$ 40,808</u>	<u>\$ -</u>
<u>CITY OF BURNS</u>				
ASSETS				
Cash	\$ -	\$ 560,342	\$ 560,342	\$ -
Taxes receivable	70,696	76,434	70,696	76,434
Total assets	<u>\$ 70,696</u>	<u>\$ 636,776</u>	<u>\$ 631,038</u>	<u>\$ 76,434</u>
LIABILITIES				
Due to other taxing units	\$ 70,696	\$ 636,776	\$ 631,038	\$ 76,434
Total liabilities	<u>\$ 70,696</u>	<u>\$ 636,776</u>	<u>\$ 631,038</u>	<u>\$ 76,434</u>
<u>CITY OF HINES</u>				
ASSETS				
Cash	\$ -	\$ 338,903	\$ 338,903	\$ -
Taxes receivable	43,968	46,963	43,968	46,963
Total assets	<u>\$ 43,968</u>	<u>\$ 385,866</u>	<u>\$ 382,871</u>	<u>\$ 46,963</u>
LIABILITIES				
Due to other taxing units	\$ 43,968	\$ 385,866	\$ 382,871	\$ 46,963
Total liabilities	<u>\$ 43,968</u>	<u>\$ 385,866</u>	<u>\$ 382,871</u>	<u>\$ 46,963</u>
<u>OREGON DEPARTMENT OF FORESTRY FUND</u>				
ASSETS				
Cash	\$ -	\$ 86,219	\$ 86,219	\$ -
Taxes receivable	11,823	12,299	11,823	12,299
Total assets	<u>\$ 11,823</u>	<u>\$ 98,518</u>	<u>\$ 98,042</u>	<u>\$ 12,299</u>
LIABILITIES				
Due to other taxing units	\$ 11,823	\$ 98,518	\$ 98,042	\$ 12,299
Total liabilities	<u>\$ 11,823</u>	<u>\$ 98,518</u>	<u>\$ 98,042</u>	<u>\$ 12,299</u>

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HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 (Modified Accrual Basis)
 For the Year Ended June 30, 2018

	June 30, 2017	Additions	Deductions	June 30, 2018
<u>SCHOOL DISTRICT NO. 3 FUND</u>				
ASSETS				
Cash	\$ -	\$ 1,828,867	\$ 1,828,867	\$ -
Taxes receivable	204,346	249,765	204,346	249,765
Total assets	<u>\$ 204,346</u>	<u>\$ 2,078,632</u>	<u>\$ 2,033,213</u>	<u>\$ 249,765</u>
LIABILITIES				
Due to other taxing units	\$ 204,346	\$ 2,078,632	\$ 2,033,213	\$ 249,765
Total liabilities	<u>\$ 204,346</u>	<u>\$ 2,078,632</u>	<u>\$ 2,033,213</u>	<u>\$ 249,765</u>
<u>UNION HIGH SCHOOL DISTRICT NO. 1 FUND</u>				
ASSETS				
Cash	\$ -	\$ 451,069	\$ 451,069	\$ -
Taxes receivable	56,243	60,927	56,243	60,927
Total assets	<u>\$ 56,243</u>	<u>\$ 511,996</u>	<u>\$ 507,312</u>	<u>\$ 60,927</u>
LIABILITIES				
Due to other taxing units	\$ 56,243	\$ 511,996	\$ 507,312	\$ 60,927
Total liabilities	<u>\$ 56,243</u>	<u>\$ 511,996</u>	<u>\$ 507,312</u>	<u>\$ 60,927</u>
<u>SCHOOL DISTRICT NO. 4 FUND</u>				
ASSETS				
Cash	\$ -	\$ 200,673	\$ 200,673	\$ -
Taxes receivable	24,970	27,063	24,970	27,063
Total assets	<u>\$ 24,970</u>	<u>\$ 227,736</u>	<u>\$ 225,643</u>	<u>\$ 27,063</u>
LIABILITIES				
Due to other taxing units	\$ 24,970	\$ 227,736	\$ 225,643	\$ 27,063
Total liabilities	<u>\$ 24,970</u>	<u>\$ 227,736</u>	<u>\$ 225,643</u>	<u>\$ 27,063</u>
<u>SCHOOL DISTRICT NO. 5 FUND</u>				
ASSETS				
Cash	\$ -	\$ 23,580	\$ 23,580	\$ -
Taxes receivable	2,996	3,222	2,996	3,222
Total assets	<u>\$ 2,996</u>	<u>\$ 26,802</u>	<u>\$ 26,576</u>	<u>\$ 3,222</u>
LIABILITIES				
Due to other taxing units	\$ 2,996	\$ 26,802	\$ 26,576	\$ 3,222
Total liabilities	<u>\$ 2,996</u>	<u>\$ 26,802</u>	<u>\$ 26,576</u>	<u>\$ 3,222</u>
<u>SCHOOL DISTRICT NO. 7 FUND</u>				
ASSETS				
Cash	\$ -	\$ 32,027	\$ 32,027	\$ -
Taxes receivable	4,114	4,406	4,114	4,406
Total assets	<u>\$ 4,114</u>	<u>\$ 36,433</u>	<u>\$ 36,141</u>	<u>\$ 4,406</u>
LIABILITIES				
Due to other taxing units	\$ 4,114	\$ 36,433	\$ 36,141	\$ 4,406
Total liabilities	<u>\$ 4,114</u>	<u>\$ 36,433</u>	<u>\$ 36,141</u>	<u>\$ 4,406</u>

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HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 (Modified Accrual Basis)
 For the Year Ended June 30, 2018

	June 30, 2017	Additions	Deductions	June 30, 2018
<u>SCHOOL DISTRICT NO. 10 FUND</u>				
ASSETS				
Cash	\$ -	\$ 26,488	\$ 26,488	\$ -
Taxes receivable	3,400	3,643	3,400	3,643
Total assets	<u>\$ 3,400</u>	<u>\$ 30,131</u>	<u>\$ 29,888</u>	<u>\$ 3,643</u>
LIABILITIES				
Due to other taxing units	\$ 3,400	\$ 30,131	\$ 29,888	\$ 3,643
Total liabilities	<u>\$ 3,400</u>	<u>\$ 30,131</u>	<u>\$ 29,888</u>	<u>\$ 3,643</u>
<u>SCHOOL DISTRICT NO. 13 FUND</u>				
ASSETS				
Cash	\$ -	\$ 38,718	\$ 38,718	\$ -
Taxes receivable	4,409	4,969	4,409	4,969
Total assets	<u>\$ 4,409</u>	<u>\$ 43,687</u>	<u>\$ 43,127</u>	<u>\$ 4,969</u>
LIABILITIES				
Due to other taxing units	\$ 4,409	\$ 43,687	\$ 43,127	\$ 4,969
Total liabilities	<u>\$ 4,409</u>	<u>\$ 43,687</u>	<u>\$ 43,127</u>	<u>\$ 4,969</u>
<u>SCHOOL DISTRICT NO. 28 FUND</u>				
ASSETS				
Cash	\$ -	\$ 3,118	\$ 3,118	\$ -
Taxes receivable	447	494	447	494
Total assets	<u>\$ 447</u>	<u>\$ 3,612</u>	<u>\$ 3,565</u>	<u>\$ 494</u>
LIABILITIES				
Due to other taxing units	\$ 447	\$ 3,612	\$ 3,565	\$ 494
Total liabilities	<u>\$ 447</u>	<u>\$ 3,612</u>	<u>\$ 3,565</u>	<u>\$ 494</u>
<u>SCHOOL DISTRICT NO. 33 FUND</u>				
ASSETS				
Cash	\$ -	\$ 25,641	\$ 25,641	\$ -
Taxes receivable	3,233	3,482	3,233	3,482
Total assets	<u>\$ 3,233</u>	<u>\$ 29,123</u>	<u>\$ 28,874</u>	<u>\$ 3,482</u>
LIABILITIES				
Due to other taxing units	\$ 3,233	\$ 29,123	\$ 28,874	\$ 3,482
Total liabilities	<u>\$ 3,233</u>	<u>\$ 29,123</u>	<u>\$ 28,874</u>	<u>\$ 3,482</u>

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HARNEY COUNTY, OREGON
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 (Modified Accrual Basis)
 For the Year Ended June 30, 2018

	June 30, 2017	Additions	Deductions	June 30, 2018
<u>ELECTED OFFICIAL ACCOUNTS</u>				
ASSETS				
Cash and investments	\$ 82,933	\$ 550,065	\$ 547,992	\$ 85,006
Total assets	<u>\$ 82,933</u>	<u>\$ 550,065</u>	<u>\$ 547,992</u>	<u>\$ 85,006</u>
LIABILITIES				
Due to other governmental units	\$ 82,933	\$ 550,065	\$ 547,992	\$ 85,006
Total liabilities	<u>\$ 82,933</u>	<u>\$ 550,065</u>	<u>\$ 547,992</u>	<u>\$ 85,006</u>
<u>TOTALS-ALL AGENCY FUNDS</u>				
ASSETS				
Cash and investments	\$ 291,564	\$ 13,997,364	\$ 13,875,024	\$ 413,904
Taxes receivable	630,988	711,300	633,095	709,193
Other receivables	610	1,155	610	1,155
Total assets	<u>\$ 923,162</u>	<u>\$ 14,709,819</u>	<u>\$ 14,508,729</u>	<u>\$ 1,124,252</u>
LIABILITIES				
Due to other governmental units	\$ 923,162	\$ 14,709,798	\$ 14,508,729	\$ 1,124,231
Accounts payable	-	21	-	21
Total liabilities	<u>\$ 923,162</u>	<u>\$ 14,709,819</u>	<u>\$ 14,508,729</u>	<u>\$ 1,124,252</u>

REPORT REQUIRED BY OREGON STATE REGULATIONS





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

Honorable Judge and County Court
Harney County, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Harney County as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Harney County's basic financial statements and have issued our report thereon dated March 25, 2019.

Compliance

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

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

- Deposit of public funds with financial institutions (ORS Chapter 295)
- Indebtedness limitations, restrictions, and repayment
- Budgets legally required (ORS Chapter 294)
- Insurance and fidelity bonds in force or required by law
- Programs funded from outside sources
- Authorized investment of surplus funds (ORS Chapter 294)
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)
- Accountability for collecting or receiving money by elected officials
- Highway revenues used for public highways, roads and streets

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

The district did not comply with ORS 294.456:

1. Expenditures materially exceeded budgeted appropriations for the year ended June 30, 2018.
2. The county had procedural violations during the year ended June 30, 2018.

OAR 162-10-230 Internal Control

In planning and performing our audit of the financial statements, we considered Harney County'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of Harney County's internal control. Accordingly, we do not express an opinion on the effectiveness of Harney County'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 misstatements and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the county's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or 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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, described in the accompanying Schedules of Findings and Questioned Costs, we identified certain deficiencies in internal controls that we consider to be material weakness 2018-001.

Harney County Response to Findings

Harney County's response to findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Harney County's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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 Oregon Minimum Standards in considering the county's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Oster Professional Group, CPA's

By *Cara R. Willer*

Burns, Oregon
March 25, 2019

HARNEY COUNTY, OREGON

SINGLE AUDIT

For the Year Ended June 30, 2018

HARNEY COUNTY, OREGON
SINGLE AUDIT
June 30, 2018

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HARNEY COUNTY, OREGON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

(Cash Basis)
For the Year Ended
June 30, 2018

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Passthrough Entity Identifying Number	Receipts	Expenditures	Amounts Provided to Subrecipients
<u>U.S. Department of Agriculture</u>					
Passed through Oregon Department of Administrative Services					
<i>Forest Service Schools and Roads Cluster</i>					
Schools and Roads - Grants to States	* 10.665	N/A	\$ 1,420,527	\$ 1,420,527	\$ -
<i>Total Forest Service Schools and Roads Cluster</i>			<u>1,420,527</u>	<u>1,420,527</u>	<u>-</u>
Passed through Oregon Health Authority					
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	280559	52,861	52,861	-
<i>Total U.S. Department Of Agriculture</i>			<u>1,473,388</u>	<u>1,473,388</u>	<u>-</u>
<u>U.S. Department of Interior</u>					
Direct program					
Invasive and Noxious Plant Management	15.230	N/A	27,774	27,774	-
Passed through Oregon Administrative Services					
Distribution of Receipts to State and Local Governments	15.227	N/A	47,133	47,133	-
<i>Total U.S. Department of Interior</i>			<u>\$ 74,907</u>	<u>\$ 74,907</u>	<u>\$ -</u>
<u>U.S. Department of Justice</u>					
Passed through Oregon Department of Justice					
Crime Victim Assistance	16.575	N/A	38,460	38,460	-
<i>Total U.S. Department of Justice</i>			<u>38,460</u>	<u>38,460</u>	<u>-</u>
<u>U.S. Department of Transportation</u>					
Passed through the Oregon Department of Transportation					
Formula Grants for Rural Areas	20.509	N/A	143,748	143,748	-
<i>Transit Services Programs Cluster</i>					
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	N/A	68,117	68,117	68,117
<i>Total Transit Services Programs Cluster</i>			<u>68,117</u>	<u>68,117</u>	<u>68,117</u>
<i>Total U.S. Department of Transportation</i>			<u>211,865</u>	<u>211,865</u>	<u>68,117</u>
<u>General Services Administration</u>					
Passed through Oregon Administrative Services					
Disposal of Federal Surplus Real Property	39.002	N/A	109	109	-
<i>Total General Services Administration</i>			<u>109</u>	<u>109</u>	<u>-</u>
<u>U.S. Department of Veteran's Affairs</u>					
Passed through Oregon Department of Veteran's Affairs					
Veterans Transportation Program	64.035	N/A	43,197	43,197	-
<i>Total U.S. Department of Veteran's Affairs</i>			<u>43,197</u>	<u>43,197</u>	<u>-</u>
<u>U.S. Department of Education</u>					
Passed through Oregon Department of Education					
Focused Network	84.412	N/A	2,018	2,018	-
<i>Total U.S. Department of Education</i>			<u>2,018</u>	<u>2,018</u>	<u>-</u>
<u>U.S. Department of Health & Human Services</u>					
Passed through Oregon Department of Justice					
Child Support Enforcement	93.563	N/A	33,388	33,388	-
Passed through Oregon Health Authority					
Public Health Emergency Preparedness	93.069	280619	45,113	45,113	-
Hospital Preparedness Program	93.074	N/A	153	153	-
PPHF 2018: Office of Smoking and Health-National State-Based					
Tobacco Control Programs	93.305	N/A	81	81	-
Family Planning Services	93.217	280558	9,884	9,884	-
Children's Health Insurance Program	93.767	N/A	4,305	4,305	-
Maternal and Child Health Services Block Grant to the States	93.994	180514	13,476	13,476	-
Passed through Oregon Department of Education					
Promoting Safe and Stable Families	93.556	N/A	3,037	3,037	-
<i>CCDF Cluster</i>					
Child Care and Development Block Grant	93.575	N/A	3,219	3,219	-
<i>Total CCDF Cluster</i>			<u>3,219</u>	<u>3,219</u>	<u>-</u>
<i>Total U.S. Department of Health & Human Services</i>			<u>112,656</u>	<u>112,656</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>					
Passed through Oregon Department of Homeland Security					
Emergency Management Performance Grants	97.042	N/A	36,335	36,335	-
Homeland Security Grant Program	97.067	N/A	46,206	46,206	-
<i>Total U.S. Department of Homeland Security</i>			<u>82,541</u>	<u>82,541</u>	<u>-</u>
Total federal financial assistance			<u>\$ 2,039,141</u>	<u>\$ 2,039,141</u>	<u>\$ 68,117</u>

HARNEY COUNTY, OREGON
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended
June 30, 2018

Note A. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Harney County 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 (CFR) 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 the county, it is not intended to and does not present the net position, changes in net position, or cash flows of the county.

Note B. Summary of Significant Accounting Policies

Expenditures and receipts reported on the schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or not be allowable or may be 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. The county has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note C. Subrecipients

The county passed funds to the Harney County Senior and Community Services Center in the amount of \$68,117.

HARNEY COUNTY, OREGON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended
June 30, 2018

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

In our independent auditor's report for Harney County, Oregon, our opinion was unmodified for governmental activities, each major fund and the aggregate remaining fund information.

Internal control over financial reporting:

- Our audit of the financial statements identified a material weakness in internal control, 2018-001.
- Our audit of the financial statements did not identify any significant deficiencies considered to be material weaknesses.
- Our audit of the financial statements did not disclose any noncompliance which is material to the financial statements.

Federal Awards

We have issued an unmodified opinion on compliance with requirements applicable to each major federal program.

Internal control over major program compliance:

- Our audit of the financial statements did not identify any material weaknesses in internal control over major federal programs.
- Our audit of the financial statements did not identify any significant deficiencies considered to be material weaknesses in internal control over major federal programs.
- Our audit of the financial statements did not disclose any audit findings that are required to be reported in accordance with 2 CFR 200.516(a).

Identification of Major Programs

U.S. Department of Agriculture		
Forest Service Schools and Roads Cluster	10.665	\$1,420,527

Dollar Threshold Used to Distinguish Between Type A and Type B Programs

Type A programs are the programs with total program expended funds of \$750,000 or more.

Risk Classification of Auditee

We have determined that Harney County does qualify as a low-risk auditee.

HARNEY COUNTY, OREGON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended
June 30, 2018

FINANCIAL STATEMENT FINDINGS

Current Year Findings

Finding 2018-001

Material Weakness in Internal Control over Financial Reporting – Financial Statement Preparation

Criteria: Auditing standards require us to assess the internal control system of the county. In addition, the standards clearly state that the auditor cannot be relied upon as part of the county's internal control system. The standards require us to extend this assessment of controls over financial statement preparation. Proper controls over financial statement presentation require adequate knowledge and involvement to detect errors and omissions in the financial statements. The county relies on us as the auditor to assist them in drafting the financial statements.

Condition: At the end of the fiscal year Oster Professional Group, CPA's assisted Harney County in drafting their financial statements.

Cause: The county's size and limited staff resources have made it difficult for management to draft the financial statements.

Effect or Potential Effect: The lack of controls exposes the county to the risk of errors and omissions in the financial statements.

Recommendation: We do not recommend any changes in the preparation of the financial statements, but the court should be aware of this control deficiency and stress the importance of thorough review of the financials statement prior to approval of the audit.

Management response: As recommended, Harney County has not made any changes in the preparation of the financial statements. The county does not feel it is cost effective to hire additional staff or an independent contractor to prepare the financial statements.

Prior Year Findings

The audit for the year ended June 30, 2017 did not disclose any findings required to be reported in accordance with *Government Auditing Standards*.

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Current Year Findings

Our audit did not disclose any findings and questioned costs as defined by 2 CFR 200.516(a) for the year ended June 30, 2018.

Prior Year Findings

The audit for the year ended June 30, 2017 did not report any findings and questioned costs.



**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 *GOVERNMENT AUDITING STANDARDS***

Honorable Judge and County Court
Harney County, Oregon
Burns, Oregon

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Harney County as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Harney County's basic financial statements, and have issued our report thereon dated March 25, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Harney County'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of Harney County's internal control. Accordingly, we do not express an opinion on the effectiveness of Harney County'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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs we identified certain deficiencies in internal controls that we consider to be material weakness 2018-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Harney County's 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 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*.

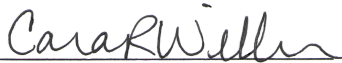
Harney County's Response to Findings

Harney County's response to findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Harney County's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

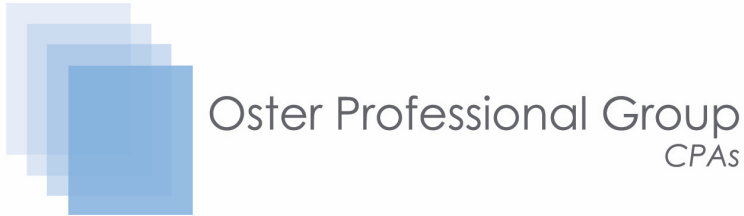
Purpose of this Report

This report is intended for the information of the board of commissioners, management and others within the district and federal and state regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

Oster Professional Group, CPA's

By 

Burns, Oregon
March 25, 2019



George W. Wilber, CPA, CFF, CGMA
Kari J. Ott, CPA
Cara R. Wilber, CPA

Arlie W. Oster, CPA (1931-1998)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAMS AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Honorable Judge and County Court
Harney County, Oregon
Burns, Oregon

We have audited the compliance of Harney County with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on its major federal programs for the year ended June 30, 2018. Harney County'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 Harney County's compliance for each of the county's major federal programs based on the types of compliance requirements referred to above. We conducted our compliance audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and 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. Those standards and the Uniform Guidance require that we plan and perform the compliance 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 Harney County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Harney County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of Harney County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our compliance audit, we considered Harney County's internal control over compliance with requirements that could have a direct and material effect on its major federal programs to determine the compliance auditing procedures for the purpose of expressing our opinion on compliance 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 Harney County'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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Restricted Use

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

Oster Professional Group, CPA's

By *Cara R. Wilkin*

Burns, Oregon
March 25, 2019