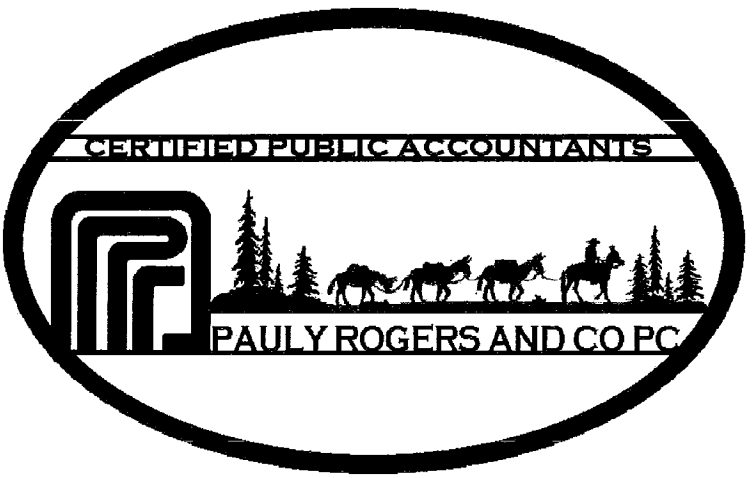
COLUMBIA COUNTY
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2012



12700 SW 72nd Ave.
Tigard, OR 97223

COLUMBIA COUNTY, OREGON

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2012

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COLUMBIA COUNTY, OREGON

Board of Commissioners

Name and Address	Term Expires
Anthony Hyde, Chair	January 2013
Henry Heimuller	January 2014
Earl Fisher	January 2013

Elected Officials

Name	Position	Term Expires
Sue Martin	County Assessor	January 2015
Betty Huser	County Clerk	January 2015
Steve Atchison	County District Attorney	January 2015
Jeff Dickerson	County Sheriff	January 2013
Ruth Baker	County Treasurer	January 2013
Wally Thompson	Justice of the Peace	January 2013

Board Members receive mail at the County address listed below:

230 Strand Street, St. Helens, Oregon 97051

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COLUMBIA COUNTY, OREGON

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PAULY, ROGERS AND CO., P.C.
® CERTIFIED PUBLIC ACCOUNTANTS

• 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
• (503) 620-2632 • FAX (503) 684-7523

December 16, 2012

County Commissioners
Columbia County
St Helens, Oregon

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County, Oregon (County), as of and for the year ended June 30, 2012, which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of management. 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 includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information and the respective budgetary comparison for the General Fund, C.C. Rider Transportation Fund, and the Unmet Needs Fund of Columbia County, Oregon, as of June 30, 2012, 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.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 16, 2012 on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of the reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and do not provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information, as listed in the table of contents, 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 the Management's Discussion and Analysis and the Schedule of Funding Progress, as listed in the table of contents, 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 Management's Discussion and Analysis and the Schedule of Funding Progress, as listed in the table of contents, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Columbia County's financial statements. The supplementary information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures and of Federal Awards and supplementary information, as listed in the table of contents, is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Columbia County's financial statements. The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financials statements, and accordingly, we do not express an opinion or provide any assurance on it

Pauly, Rogers and Co., P.C.

PAULY, ROGERS AND CO., P.C.

Columbia County, Oregon
Management's Discussion and Analysis
For the Year Ended June 30, 2012

As management of Columbia County, we offer readers of the County's financial statements this narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2012 (FY12). We encourage readers to consider the information presented here in conjunction with the financial statements.

Financial Highlights

- The assets of Columbia County exceeded its liabilities at the close of the most recent fiscal year by $43,960,078 *(net assets)*. Of this amount, $2,127,251 (*unrestricted*) may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted balance represents a decrease of 12% relative last fiscal year (FY).

- The County's total net assets decreased overall by $1,782,473. While restricted net assets increased by $60,000, three quarters of the overall net asset decline is due to depreciation of the County's capital assets and the balance represents fewer unrestricted net assets available for future periods.

- As of the close of the current fiscal year, Columbia County's governmental funds reported combined ending fund balances of $8,729,343, an increase of less than one percent from last year ($40,000). Most funds remained fairly flat relative last year with the most significant fund change being the increase of $750,000 in the Park Fund due to proceeds from timber sales meant to cover operational costs of the fund for the next several years and the decline in the General Fund of $830,000.

- At the end of the current fiscal year, fund balance for the General Fund is $4,156,782, smaller by 17% relative to last fiscal year. $2.71 million of the fund balance is categorized as unassigned, down 10% from $3.02 million in FY11. The total fund balance is equivalent to 26% of current FY12 expenses; last year the fund balance was 30% of expenses.

Overview of the Financial Statements

The discussion and analysis are intended to serve as introductions to Columbia County's basic financial statements which are comprised of three components:

1. Government-wide financial statements

2. Fund financial statements

3. Notes to the financial statements

This report contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Columbia County include general government, public safety, roads and bridges, economic development, health and welfare, and culture and recreation. The Waste Transfer Station is the only business-type activity of the County.

The government-wide financial statements include not only the County itself (known as the primary government), but also the legally separate Meadowview Lighting District; the Urban Renewal Agency, the Columbia County Development Agency (CCDA); and the 4-H & Extension Service District. Though legally separate, the CCDA, Lighting District and the 4-H Extension Service District's governing body is identical to the County's and the County is financially accountable. Because the services of these entities are exclusively for the benefit of the County, their financial data are included as blended component units. Complete financial statements for the CCDA and for the 4-H & Extension Service District may be obtained at the Office of the Finance Director, 230 Strand Street, St. Helens, Oregon 97051-0010.

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

Ending fund balance as of FY12 is expressed in the categories of nonspendable (prepaid expenditure and inventory), restricted (determined by law or contractual terms), committed (reserved by the governing body for a specific purpose), assigned (reserved by Budget Committee or Finance Director for specific purpose) and unassigned (unrestricted funds). This reporting structure presumes that proprietary and special revenue funds' ending fund balances will never have unassigned balances as their assets are all restricted for the special purpose of the respective fund.

Governmental funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resource, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

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

Columbia County maintains nineteen individual funds that combine to make up governmental activity. Information is presented separately in the governmental fund balance sheet and in the government fund statement of revenues, expenditures, and changes in fund balances for the general fund, two special revenue funds (Columbia County Rider Transportation and Unmet Needs Vernonia Flood Recovery Funds), with the data from the other sixteen governmental funds combined into a single, aggregated presentation (Other Governmental). Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided to demonstrate compliance with the budget.

Proprietary fund Since the opening of the Waste Transfer Station in 2006, the County maintains an *enterprise* fund. Enterprise funds are used to report the same functions presented as *business-type* activities in the government-wide financial statements. The County uses this fund to account for all activity related to the transfer station and solid waste services to county residents.

Fiduciary funds Fiduciary funds are used to account for resources held for the benefit of parties outside the County government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support County programs.

Notes to the Basic Financial Statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information Columbia County adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for each major fund to demonstrate compliance with this budget.

Other supplementary information The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information for major funds.

Government-wide Financial Analysis

As noted previously, these statements represent the County's financial status using the full accrual method, the manner in which businesses and non-profits present their financial statements. The current year under analysis is FY12 (July 2011 to June 2012).

Net Assets Generally, net assets serve over time as a useful indictor of a government's financial position. The County's assets exceeded liabilities by $43,960,079 at the close of the current fiscal year and $45,742,552 at the close of the prior fiscal year. More than half of the decline is attributable to the depreciation of infrastructure assets without appropriate ability to renew this infrastructure, such as the road system, due to the lack of replacement funds. Unrestricted net asset levels made up the balance of the decline.

The largest portion of Columbia County's net assets (71 percent) reflects its investment in capital assets (e.g. infrastructure, land, buildings, machinery and equipment). Columbia County uses these capital assets to provide services to citizens. These assets are *not* available for future spending.

At the end of the current fiscal year, the County is able to report a positive, though declining net asset balance for the government as a whole as well as a net asset position with a year over year increase for its separate governmental and business-type activities.

Net Assets The table below details the government-wide balance sheet of assets, liabilities and net assets:

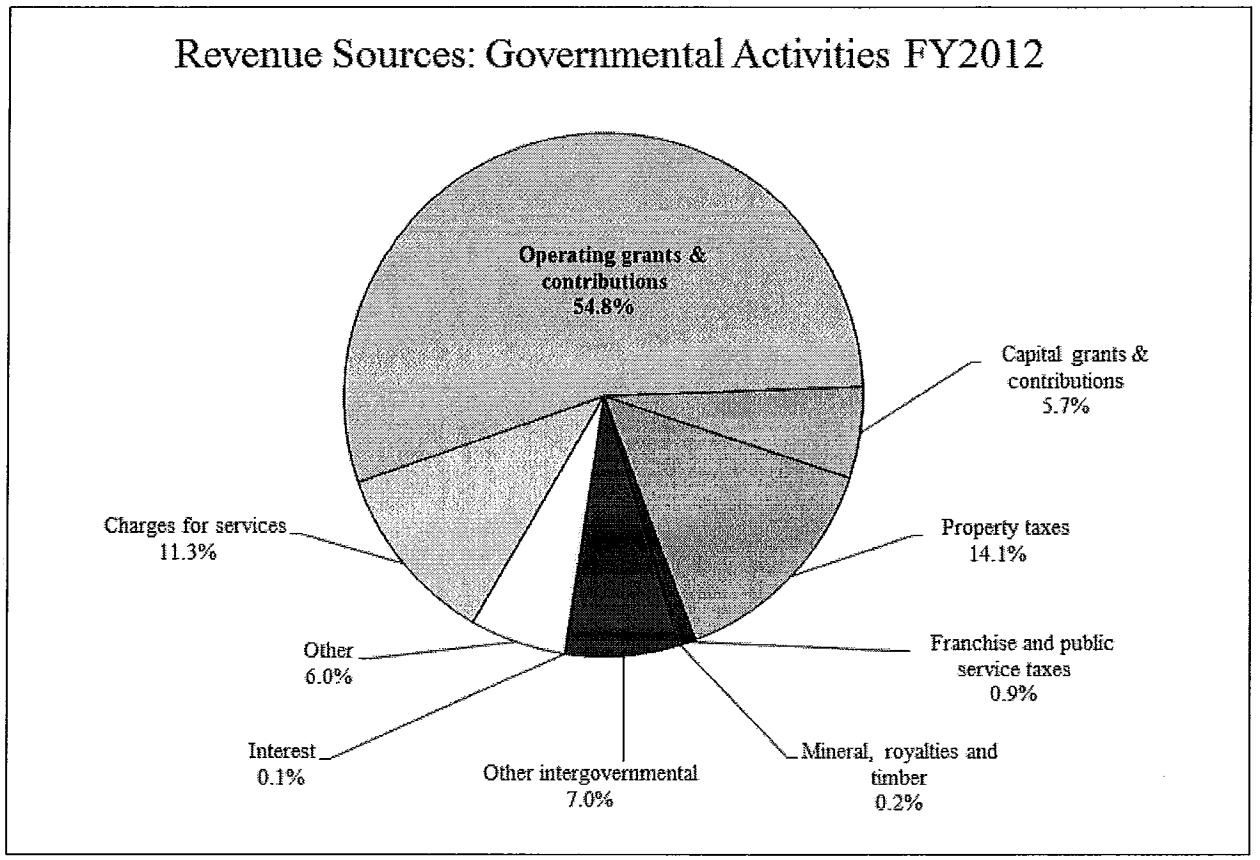
Columbia County's Net Assets	Governmental Activities 2012	Governmental Activities 2011	Business-Type Activities 2012	Business-Type Activities 2011	**Total 2012**	**Total 2011**
Current & Other Assets	10,509,393	11,095,892	377,898	352,284	10,887,291	11,448,176
Net Pension Asset & Bond Cost	5,202,218	5,542,376	-	-	5,202,218	5,542,376
Capital Assets	51,394,668	53,717,349	4,619,599	4,762,450	56,014,267	58,479,799
Total Assets	**67,106,279**	**70,355,617**	**4,997,497**	**5,114,734**	**72,103,776**	**75,470,351**
Current Liabilities	1,601,160	2,288,499	174,495	300,890	1,775,655	2,589,389
Long-term Outstanding Liabilities	22,575,182	23,216,794	3,792,861	3,921,617	26,368,043	27,138,411
Total Liabilities	**24,176,342**	**25,505,293**	**3,967,356**	**4,222,507**	**28,143,698**	**29,727,800**
Capital Asset Investment, Net of Related Debt	30,651,937	32,186,193	826,738	840,833	31,478,675	33,027,026
Restricted Net Assets	10,354,152	10,292,700			10,354,152	10,292,700
Unrestricted Net Assets	1,923,848	2,371,432	203,403	51,394	2,127,251	2,422,826
Total Net Assets	**42,929,937**	**44,850,325**	**1,030,141**	**892,227**	**43,960,078**	**45,742,552**

Statement of Activities The table below details government-wide activities in the Revenue and Expense Statement perspective:

Statement of Activities	Governmental Activities 2012	Governmental Activities 2011	Business-Type Activities 2012	Business-Type Activities 2011	**Total 2012**	**Total 2011**	Total Change Incr/(Decr)	%age Change
Revenue								
Charges for Services	5,617,127	5,465,265	2,425,241	2,323,926	8,042,368	7,789,191	253,177	3.25%
Operating Grants and Contributions	27,176,712	11,159,429			27,176,712	11,159,429	16,017,283	143.53%
Capital Grants and Contributions	2,805,314	789,698			2,805,314	789,698	2,015,616	255.24%
Property Taxes	7,010,479	7,295,383			7,010,479	7,295,383	(284,904)	-3.91%
Franchise and Public Service Taxes	436,042	402,868			436,042	402,868	33,174	8.23%
Mineral, Royalties and Timber Rev	81,378	363,532			81,378	363,532	(282,154)	-77.61%
Other Intergovernmental	3,497,531	4,448,773			3,497,531	4,448,773	(951,242)	100.00%
Unrestricted Investment Earnings	44,223	45,099	69	1,293	44,292	46,392	(2,100)	-4.53%
Other Revenue	2,973,706	1,964,901			2,973,706	1,964,901	1,008,805	51.34%
Transfers	(17,702)	(9,414)	17,702	9,414	0	-	0	
Total Revenues	**49,624,810**	**31,925,534**	**2,443,012**	**2,334,633**	**52,067,822**	**34,260,167**	**17,807,655**	**51.98%**
Expenses								
General Government	5,565,525	5,204,982			5,565,525	5,204,982	360,543	6.93%
Roads and Bridges	7,931,837	8,668,276			7,931,837	8,668,276	(736,439)	-8.50%
Public Safety	10,605,700	11,409,493			10,605,700	11,409,493	(803,793)	-7.04%
Health and Welfare	22,577,239	7,661,353			22,577,239	7,661,353	14,915,886	194.69%
Culture and Recreation	1,167,084	1,348,600			1,167,084	1,348,600	(181,516)	-13.46%
Economic Development	2,943,900	1,706,262			2,943,900	1,706,262	1,237,638	72.54%
Interest on Long-term Debt	753,912	1,278,588			753,912	1,278,588	(524,676)	-41.04%
Business-Type Activity			2,305,098	2,550,968	2,305,098	2,550,968	(245,870)	-9.64%
Total Expenses	**51,545,197**	**37,277,554**	**2,305,098**	**2,550,968**	**53,850,295**	**39,828,522**	**14,021,773**	**35.21%**
Change in Net Assets	**(1,920,387)**	**(5,352,020)**	**137,914**	**(216,335)**	**(1,782,473)**	**(5,568,355)**	**3,785,882**	**-67.99%**
Prior Period Adjustment		4,331			-	4,331	(4,331)	-100.00%
Net Assets, Beginning of Period	44,850,325	50,198,014	892,227	1,108,562	45,742,552	51,306,576	(5,564,024)	-10.84%
Net Assets, End of Period	**42,929,938**	**44,850,325**	**1,030,141**	**892,227**	**43,960,079**	**45,742,552**	**(1,782,473)**	**-3.90%**

FY12 Revenue Relative last fiscal year, revenue increased by 55%, or over $17.6 million. This increase is driven by one-time revenues of $18 million for flood recovery work. When the data is controlled to remove flood recovery revenues from this and last FY's revenues ($31.7 million in FY12 vs $28.3 million in FY11), the revenue increase is 12%. Drilling down further, one-time revenues to the Transportation Fund represented 80% of this stripped down year over year revenue increase. As is always the case, large, non-recurring projects impact government wide revenue totals and can make year over year analysis of recurring revenue levels challenging.

The pie graph shows governmental activities by revenue source while the table below it gives a comparison of revenue trends over time.



Governmental Activities Revenue Comparison

	FY2011-12		FY2010-11		FY2009-10		FY2008-09	
Charges for services	5,617,127	11.3%	5,465,265	17.1%	5,386,042	18.3%	6,543,481	19.5%
Operating grants & contributions	27,176,712	54.8%	11,159,429	34.9%	9,846,392	33.5%	8,619,550	25.7%
Capital grants & contributions	2,805,314	5.7%	789,698	2.5%	1,637,139	5.6%	6,739,839	20.1%
Property taxes	7,010,479	14.1%	7,295,383	22.8%	6,525,283	22.2%	6,665,185	19.9%
Franchise & public service taxes	436,042	0.9%	402,868	1.3%	4,295,580	14.6%	3,355,667	10.0%
Mineral, royalties & timber	81,378	0.2%	363,532	1.1%	203,337	0.7%	224,968	0.7%
Other intergovernmental	3,497,531	7.0%	4,448,773	13.9%				
Interest	44,223	0.1%	45,099	0.1%	69,805	0.2%	249,663	0.7%
Other	2,956,004	6.0%	1,964,901	6.2%	1,406,812	4.8%	1,123,943	3.4%
Total revenues	**49,624,810**	**100%**	**31,934,948**	**100%**	**29,370,390**	**100%**	**33,522,296**	**100%**

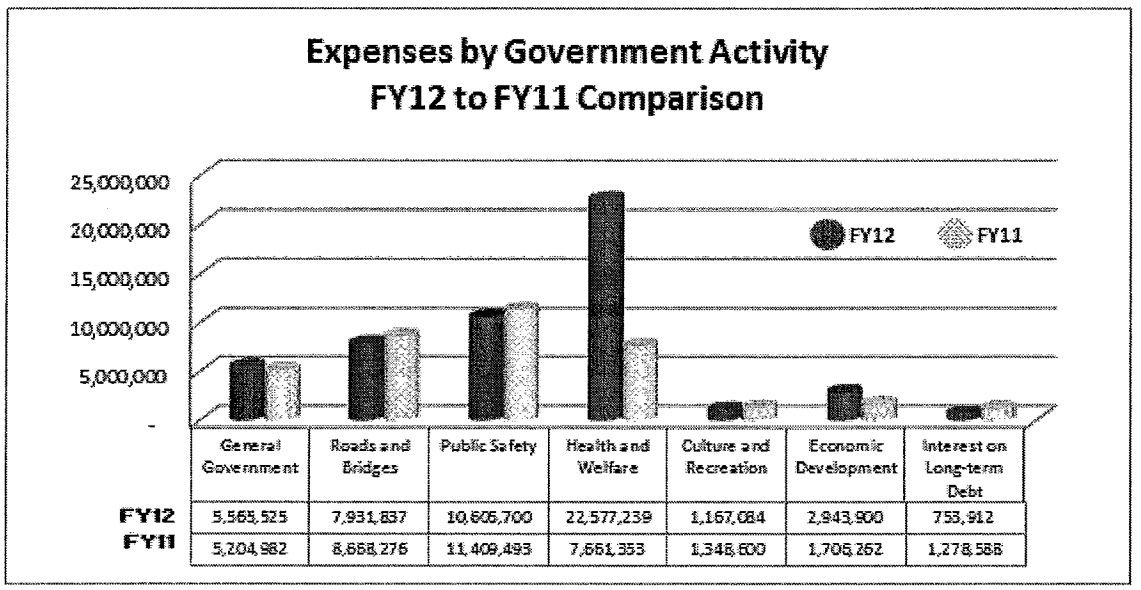
As noted previously, operating grants driven by the flood recovery grants from the federal government for beneficiaries in and around the City of Vernonia have increased dramatically. Total grant revenues are $30 million and make up over 60% of county revenues in the fiscal year. The jump in capital grants specifically is due to work on Columbia Rider's St Helens complex as well as grant funds originally unbudgeted for the fiscal year to support the environmental systems improvements in the Columbia County Courthouse building. These renovations are expected to significantly lower utility costs and reduce the carbon footprint of the primary county office building.

While property tax is typically a stable funding source for a government, Columbia County's government-wide picture includes the CCDA, the urban renewal district which conducts infrastructure development in Port Westward. Urban renewal districts are subject to annual swings in property tax receipts due to how tax increment revenue is calculated and the existence of tax payers with enterprise zone tax exemptions within them. This volatility is seen over the last year, when the CCDA declined by $340,000 in property tax revenue, offsetting the small increases in year over year property taxes for other districts on the government-wide Statement of Activities for an overall decline of $285,000 in property tax receipts this FY.

While Charges for services represent a smaller piece of this year's revenue pie, the revenue category in terms of dollars received has been relatively flat over the last three fiscal years.

The decrease in Other intergovernmental revenue is due to reclassifying Rider grant revenue in the grants category in FY12 from the intergovernmental category where it was located in FY11.

FY12 Expenses The chart below graphs the County's expenses by public services activities. Three – General Government, Health and Welfare and Economic Development – experienced increases relative last year whereas the remaining four experienced declines in expenditure levels.



	General Government	Roads and Bridges	Public Safety	Health and Welfare	Culture and Recreation	Economic Development	Interest on Long-term Debt
FY12	5,565,525	7,931,837	10,605,700	22,577,239	1,167,084	2,943,900	753,912
FY11	5,204,982	8,668,276	11,409,493	7,661,353	1,348,600	1,706,262	1,278,588

The $15 million jump in Health and Welfare is attributable to the previously mentioned flood recovery work. Economic Development costs increased by $1.2 million primarily due to the one-time spending in the Rider Transportation Fund for the St Helens transit center. It also is consistent with the County's priority of economic development programming to build a stronger economic base for county residents and as a revenue engine for taxing districts – schools, cities, county, etc. – that provide services to our citizens.

The General Government category reflects increased expenditures of 7%. The increase is due to the reclassification of land development services to general government from economic development. If this change had not been made, general government would have had fewer expenditures than it did last year (and economic development expenditures would have been even higher year over year). These efforts to match current costs of government services to current revenues have been a difficult but necessary part of the County's financial reality, translating into fewer services available to residents in some cases.

The $800,000 decline in Public Safety expenditures comes from lower fixed asset depreciation costs as well as efforts to reduce costs across the board in the public safety due to revenue streams that cannot keep pace with year over year expenditure increases.

The 13% decline in Culture and Recreation expenditures is due to the completion of a capital project in FY11 that did not carry into FY12 in the Parks Fund and the move to layoff permanent Fair staff in FY12, another example of making difficult choices in the face of scarce resources.

Roads and Bridges decline comes from efforts to reduce annual budgets as well as diminishing depreciation costs for the County's basic roads infrastructure.

Interest costs declined this year due to the first of two years of a debt payment holiday for the loans associated with Port Westward urban renewal district.

Fund Financial Statement Analysis

The Fund financial statements for FY12 show an increase in ending fund balance for the first time after three fiscal years of declines. The Statement of Revenues shows that for the first year over the same time period, current revenues exceed current expenditures. While these year over year positive numbers are very small – a fund balance increase of $39,000 and an excess net revenue increase of $32,000 – it ends a troubling negative trend.

While differences in current net revenue can often be explained by grants timing (expenses are incurred in one fiscal year and the revenue comes in a different year), we know that drawing further downwards on the ending fund balance is not a sustainable practice. Much of the work done to reverse the County's negative financial trend was on the cost-cutting side for FY12 made up of lower staffing levels, significant furloughs in much of the employee base, deferred maintenance and strict spending regimes across the board. All expenditure increases were tied to dedicated revenue streams.

Governmental Revenue and Expenditure	FY12	FY11	FY10	FY09	FY08	FY07	FY06
Revenue	49,936,984	35,032,571	32,132,707	35,353,206	37,707,970	42,327,364	34,019,957
Expenditure	49,897,485	36,439,165	33,476,958	36,028,781	35,914,541	43,378,358	32,321,561
Net Revenue	**39,499**	(1,406,594)	(1,344,251)	(675,575)	**1,793,429**	(1,050,994)	**1,698,396**
Prior Period Adjustment		4,331	(164,639)				
Beginning Fund Balance	8,689,842	10,092,105	11,600,995	12,276,570	10,483,141	11,534,135	9,835,739
Ending Fund Balance	8,729,341	8,689,842	10,092,105	11,600,995	12,276,570	10,483,141	11,534,135

Business-type Activities

As with the governmental funds, in FY12 the Transfer Station broke a three-year trend of negative net revenues (approximately $200,000 each year) to end the year in positive territory on a current year basis. This change was also largely due to significant cost-cutting measures undertaken in FY12 to reduce staffing levels and curtail some solid waste programming provided in prior years totaling a 10% cost reduction relative to FY11.

While tonnage continued on its largely flat trend line this year, a full year of rate increases that took into consideration a recent rate study and CPI increase resulted in a 4% increase in revenues to the solid waste transfer station.

Budgetary Highlights

The General Fund is the chief operating fund of the County. At the end of the current fiscal year unassigned fund balance in the General Fund was $2,711,077, an amount which exceeds by 20% the two month operating expense goal for unrestricted ending fund balance based on FY12 actual Personnel plus Materials and Services expenditures. Meeting the County's ending fund balance mark was achieved through the continuing efforts to contain costs in the face of ongoing economic difficulties and revenue uncertainty in future years.

One of the measures taken to reduce General Fund costs was a furlough program for the year. Twenty-six unpaid furlough days were agreed to by most county workers funded by General Fund dollars (up from four in FY11 and eight in FY10). Elected Officials and department managers took an equivalent salary cut. At the Sheriff's office, where the 24/7 nature of its operations make furloughs a counter productive cost cutting tool, layoffs were implemented during the course of the year.

General Fund and government-wide employment levels have been largely declining over the last five years. The total number of employees (as measured by full time equivalents "FTEs where two half time employees = 1 FTE) budgeted in FY13 for the General Fund is down by over 30 positions or 27% of the workforce. County wide the workforce has contracted by a percentage consistent with the General Fund trend, totaling a loss of over 50 positions in a five year period.

Governmental Budgeted Staffing by Fiscal Year	FY13	FY12	FY11	FY10	FY09
General Fund	96.85	109.63	119.64	112.65	132.89
Road Fund	23	25.5	25.5	25.5	26.5
Community Corrections	13.58	13.78	14.57	14.77	19.09
Building Services	3.12	4.66	7.3	6.53	9.98
Waste Transfer Station	0.91	2.95	3.7	4.95	3.8
Other Funds	10.8	10.76	10.24	10.49	9.83
Total FTEs	**148.26**	**167.28**	**180.95**	**174.89**	**202.09**
Change from prior year	**-11.4%**	**-7.6%**	**3.5%**	**-13.5%**	
Change from five years ago	**-26.6%**				

FTE = "full time equivalent."

These staffing level trends, perhaps more than even the financials themselves, reflect the impact that flat or declining revenues over time compared with increasing costs, particularly in the area of staffing, mean in terms of the reduction in services and the County organization's ability to meet all of its statutory obligations.

Amendments to the County's original budget were necessary. In the General Fund, $230,000 was transferred from contingency to cover small short falls in different departments as well as $140,000 needed in the form of inter-fund loans to other Funds to close the year. The General Fund budget appropriation also increased with added revenue that paid for unbudgeted expenses: $555,000 in unforeseen grants and $570,000 due to unforeseen occurrences.

Other significant budget appropriation additions were made to reflect $4 million in unforeseen grants for the Unmet Needs Fund and $1.4 million in unforeseen grants for the Transportation Fund.

Capital Asset and Debt Administration

Capital Assets Columbia County's investment in capital assets for its governmental activities as of June 30, 2012, amounts to $56,014,267 (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, machinery and equipment.

Net capital assets declined by 4% for the County during the year. Additions were made in the amount of 1% of the FY12 asset total. Among the additions and improvements to County infrastructure are the following:

- Completion of lighting, HVAC and boiler systems to the Courthouse
- Significant work on the remodel and building project for the St Helens Transit Center

Columbia County Capital Assets (Net of Depreciation)	Governmental Activities 2012	Governmental Activities 2011	Business-Type 2012	Business-Type 2011	**Total 2012**	**Total 2011**
Land and land improvements	6,189,899	6,189,899	637,483	637,483	6,827,382	6,827,382
Construction in progress	9,476,158	10,355,080			9,476,158	10,355,080
Buildings	15,724,641	13,491,140	3,952,232	4,074,767	19,676,873	17,565,907
Infrastructure	18,421,903	21,836,443			18,421,903	21,836,443
Furniture and equipment	1,582,067	1,844,786	29,884	50,200	1,611,951	1,894,986
	51,394,668	53,717,348	4,619,599	4,762,450	56,014,267	58,479,798

Long-term debt At the end of the current fiscal year, Columbia County had total long-term debt outstanding of $26,368,042 while in the prior year the balance was $27,138,411, a decline of 2.8%. One item on the long term debt schedule was retired in FY12 – the Knife River property.

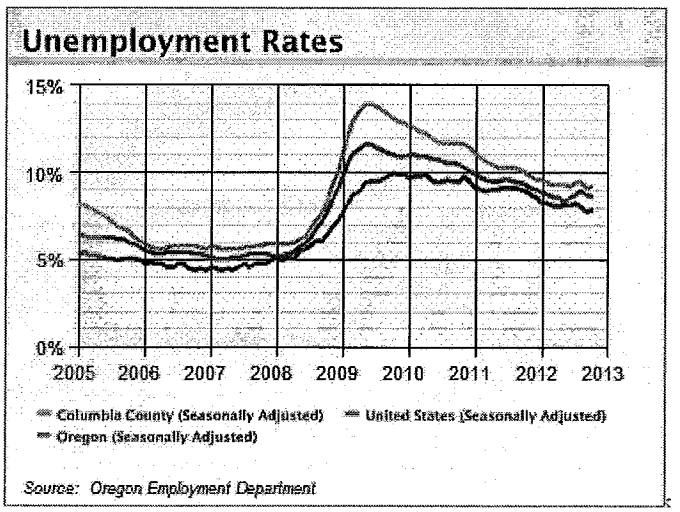
Columbia County's Outstanding Debt

	2012	**2011**	**Total Change**	**%age change**
General Obligation Bonds Refunded 2006, Prem & def charges	5,885,000	6,725,000	(840,000)	-12.49%
Limited Tax Bond - PERS UAL Bond	7,758,798	7,869,091	(110,293)	-1.40%
Road Improvement Bond - Rainier	282,430	294,887	(12,457)	-4.22%
Long Term Notes-OECDD-business type activity	3,792,861	3,921,617	(128,756)	-3.28%
Note-City of St Helens, Transitional Housing	78,165	82,403	(4,238)	-5.14%
Note - Knife River	-	50,682	(50,682)	-100.00%
Note - Energy Efficiency Courthouse	653,019	713,000	(59,981)	100.00%
Compensated Absences	1,262,911	1,185,655	77,256	6.52%
Net OPEB obligation	569,540	499,983	69,557	13.91%
Port Westward SPWF Loan	6,085,318	5,796,093	289,225	4.99%
Total	**26,368,042**	**27,138,411**	**(770,369)**	**-2.84%**

Key Economic Factors and Budget Information for the Future

Columbia County continued to confront the budget difficulties and economic softness found in FY12. Bright spots for the county organization include the commitment of County Elected Officials and staff to make the very best use of the scarce resources available as well as the trend of declining unemployment levels in the County over all.

Economic Factors Columbia County's unemployment rate continues to come down from its high during the recession that began in FY09. In October 2012 County residents faced an unemployment rate of 9.2%, higher than the national average by 1.3% for the same month. Compared to the other counties in Oregon our October 2012 rate is right in the middle of the range which varies from 6.2% to 13.6%.



Declines in residential property values continue to show up in property tax collections for Columbia County. In FY13, residential property tax values continue to erode and are moving from tax bills based on the assessed value, which increases a maximum of 3% per year, to market value, which in many cases declined during FY12. Property taxes are calculated on the lesser of the two values and prior to FY12, the lesser number for residential property was almost always the assessed value.

Budget Information Concerns about declining revenues and increased costs remain in FY13 and beyond. Near term, property tax projections remain flat as do many fee-based county revenues and inter-governmental sources from the State of Oregon.

FY12 was the final year of the current Secure Rural Schools (SRS) funding program from the federal government. This revenue stream is and has been the single most significant source of unrestricted County dollars after property tax. At the time of the FY13 budget, no replacement funding could be counted on and the County opted to continue its 10% furlough level in order to balance its budget. During the summer of 2012, news came that a one-year bridging payment at an amount slightly less than the final FY12 level to the SRS counties was included in the federal budget.

Columbia County Secure Rural Schools (O&C Counties) Funding

	FY13*	FY12	FY11	FY10	FY09	FY08
Title I (unrestricted)	619,508	652,111	1,483,931	1,646,553	1,829,504	2,028,610
Title III (restricted)	51,018	53,703	122,206	135,599	150,665	239,853
Total SRS Act	670,526	705,815	1,606,137	1,782,152	1,980,169	2,268,463
Unrestricted General Fund**	7,467,634	7,114,895	9,393,854	9,522,145	10,538,431	11,333,689
Proportion Unrestricted Contribution	8.98%	9.92%	15.80%	17.29%	17.36%	17.90%

* FY13 is revenue expectation which became known to the County after the budget appropriation process for the year.
** Reflects unrestricted revenues which excludes departmental fees collected that cover cost of services as well as all restricted revenues.
Prior years data is slightly different than that presented in FY2009-10 financials in order to reflect consistent definition over time.

With this one-year extension, and in the context of little movement in Washington DC in terms of securing a long-term solution to lost timber revenues for many Oregon counties, the Commissioners chose to spend approximately $100,000 to reduce the furlough level to 21 days in FY13 from the 26 day level originally budgeted for most employees funded by General Fund resources. The County will keep the remaining $500,000 in reserve for future payroll cost increases.

Looking beyond the FY13 budget year, a significant personnel cost driver for the FY14 and FY15 budgets is now known for PERS, the public employees' retirement system. Retirement costs in FY14 will increase by approximately 22% compared to FY13 for Columbia County. In FY13, depending on the employee's PERS category, 19 to 28 cents per gross salary dollar goes toward PERS retirement costs. In FY14, the County expects to remit 24 to 33 cents per gross salary dollar for employee retirement.

While the County was able to budget a flat cost for health insurance costs in FY13 with a combination of a positive experience factor and making plan design changes with regard to higher deductibles and co-pays, health insurance costs for the future can be expected to increase at a minimum of the pace of inflation.

Columbia County elected leaders and professional staff will continue to balance the revenue available to the service obligations to the community and make the choices necessary to balance its budget and maintain a prudent level of reserves available for future needs.

Request for information. This financial report is designed to provide a general overview of Columbia County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 230 Strand Street, St. Helens, OR 97051.

Signature: _____
Henry Heimuller

Commissioner, Columbia County

December 5, 2012

Signature: _____

Director, Finance and Taxation

COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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COLUMBIA COUNTY, OREGON

STATEMENT OF NET ASSETS
June 30, 2012

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 7,305,024	$ 46,416	$ 7,351,440
Receivables:			
Accounts receivable	180,079	329,056	509,135
Property taxes receivable	793,536	-	793,536
Due from other governments	1,916,562	-	1,916,562
Special assessments receivable	-	-	-
Due from Agency funds		-	-
Prepaids	197,310	2,426	199,736
Inventories	116,882	-	116,882
Total current assets	10,509,393	377,898	10,887,291
Noncurrent assets:			
Net pension asset	5,202,218	-	5,202,218
Capital Assets:			
Nondepreciable	15,666,057	-	15,666,057
Depreciable, net	35,728,611	4,619,599	40,348,210
Total noncurrent assets	56,596,886	4,619,599	61,216,485
Total Assets	67,106,279	4,997,497	72,103,776
LIABILITIES			
Current liabilities:			
Accounts payable and payroll liabilities	929,969	64,534	994,503
Interest payable	614,646	109,961	724,607
Unearned Revenue	-	-	-
Deposits	56,545	-	56,545
Total current liabilities	1,601,160	174,495	1,775,655
Noncurrent liabilities:			
Accrued Compensated Absences	1,262,911	-	1,262,911
Net OPEB obligation	569,540	-	569,540
Current portion of long-term obligations	1,097,124	135,155	1,232,279
Noncurrent portion of long-term obligations	19,645,607	3,657,706	23,303,313
Total noncurrent liabilities	22,575,182	3,792,861	26,368,043
Total Liabilities	24,176,342	3,967,356	28,143,698
NET ASSETS			
Invested in Capital Assets, net of related debt	30,651,937	826,738	31,478,675
Restricted for Prepaid Pension	5,202,218	-	5,202,218
Restricted for Debt Service	-	-	-
Restricted for System Development	989,519	-	989,519
Restricted for Other Purposes	4,162,415		4,162,415
Unrestricted	1,923,848	203,403	2,127,251
Total Net Assets	$ 42,929,937	$ 1,030,141	$ 43,960,078

The accompanying notes are an integral part of this statement.

COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Governmental Activities				
General government	$ 5,565,525	161,171	1,059,158	1,074,247
Roads and bridges	7,931,837	266,236	-	373,371
Public safety	10,605,700	2,902,525	2,160,218	
Health and welfare	22,577,239	1,750	21,255,907	
Culture and recreation	1,167,084	1,546,959	80,367	27,495
Economic development	2,943,900	738,486	2,621,062	1,330,201
Interest on long-term debt	753,912	-	-	-
Total governmental activities	51,545,197	5,617,127	27,176,712	2,805,314
Business- Type Activities				
Transfer station	2,305,098	2,425,241	-	-
Total Business-Type Activities	2,305,098	2,425,241	-	-
Total Primary Government	$ 53,850,295	$ 8,042,368	$ 27,176,712	$ 2,805,314

General Revenues
- Property taxes
- Franchise taxes and other taxes
- Intergovernmental
- Fines, fees
- Mineral royalties and timber
- Interest and investment earnings
- Gain (loss) on disposal of assets
- Transfers
- Miscellaneous income

Total General Revenues and Transfers

Change in Net Assets

Net Assets - beginning of year

Net Assets - end of year

The accompanying notes are an integral part of this statement.

Net Revenue (Expenses) and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
$ (3,270,949)	$ -	$ (3,270,949)
(7,292,230)	-	(7,292,230)
(5,542,957)	-	(5,542,957)
(1,319,582)	-	(1,319,582)
487,737	-	487,737
1,745,849	-	1,745,849
(753,912)	-	(753,912)
(15,946,044)	-	(15,946,044)
-	120,143	120,143
-	120,143	120,143
(15,946,044)	120,143	(15,825,901)
7,010,479	-	7,010,479
436,042	-	436,042
3,497,531	-	3,497,531
2,506,243	-	2,506,243
81,378	-	81,378
44,223	69	44,292
7,510	-	7,510
(17,702)	17,702	0
459,953	-	459,953
14,025,657	17,771	14,043,428
(1,920,387)	137,914	(1,782,473)
44,850,324	892,227	45,742,551
$ 42,929,937	$ 1,030,141	$ 43,960,078

The accompanying notes are an integral part of this statement.

COLUMBIA COUNTY, OREGON

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2012

	GENERAL FUND	CC RIDER TRANSPORATION FUND	UN MET NEEDS FUND	OTHER GOVERNMENTAL	TOTAL
ASSETS:					
Cash and cash equivalents	$ 3,619,264	$ (417,734)	$ 544,066	$ 3,559,428	$ 7,305,024
Receivables					
Accounts receivable	145,174	7,395	1,544	25,966	180,079
Property taxes receivable	617,994	-	-	175,542	793,536
Due from other governments	660,727	702,765	212,224	340,846	1,916,562
Special assessments receivable	-	-	-	-	-
Prepaids	135,365	373	-	61,572	197,310
Due from agency funds	-	-	-	-	-
Inventories	-	-	-	116,882	116,882
Total assets	$ 5,178,524	$ 292,799	$ 757,834	$ 4,280,236	$ 10,509,393
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	$ 346,872	$ 292,426	$ 41,300	$ 160,193	$ 840,791
Other Liabilities	1,506	-	47,725	39,947	89,178
Deposits and bail	55,370	-	-	1,175	56,545
Deferred revenue	617,994	-	-	175,542	793,536
Total liabilities	1,021,742	292,426	89,025	376,857	1,780,050
Fund balances:					
Nonspendable	135,365	373	-	178,454	314,192
Restricted	758,200	-	668,809	3,724,925	5,151,934
Committed	552,140	-	-	-	552,140
Assigned	-	-	-	-	-
Unassigned	2,711,077	-	-	-	2,711,077
Total fund balances	4,156,782	373	668,809	3,903,379	8,729,343
Total liabilities and fund balances	$ 5,178,524	$ 292,799	$ 757,834	$ 4,280,236	$ 10,509,393

The accompanying notes are an integral part of this statement.

COLUMBIA COUNTY, OREGON

RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS TO STATEMENT OF NET ASSETS
June 30, 2012

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

Fund Balances-Governmental Funds		$ 8,729,343
The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The statement of net assets includes those capital assets among the assets of the County as a whole.		
Governmental Capital Assets	$ 283,736,742	
Less Accumulated Depreciation	(232,342,074)	
		51,394,668
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net assets.		
Accrued Compensated Absences	$ (1,262,911)	
Interest Payable	(614,646)	
Bonds Payable	(13,643,798)	
Notes Payable	(7,098,933)	
		(22,620,288)
The net OPEB obligation is not reported as a liability in the governmental funds.		(569,540)
Deferred Revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.		793,536
The unamortized portion of prepaid pension cost, bond premiums and bond issuance costs is not available to pay for current period expenditures, and therefore is not reported in the governmental funds.		
Prepaid Pension Asset		5,202,218
Total Net Assets		$ 42,929,937

The accompanying notes are an integral part of this statement.

COLUMBIA COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS
For the Year Ended June 30, 2012

	GENERAL FUND	CC RIDER TRANSPORTATION FUND	UNMET NEEDS FUND	OTHER GOVERNMENTAL	TOTAL
REVENUES					
Property taxes	$ 5,507,139	$ -	$ -	$ 1,448,800	$ 6,955,939
Public service taxes	347,539	-	-	-	347,539
Intergovernmental	3,581,509	3,281,593	17,918,281	8,698,174	33,479,557
Charges for services	2,802,516	389,261	-	-	3,191,777
Licenses and permits	841,973	-	-	27,843	869,816
Fines, fees and forfeitures	494,978	344,164	-	2,712,683	3,551,825
Franchise fees	88,503	-	-	-	88,503
Interest on investments	26,681	(2,571)	60	20,053	44,223
Mineral royalties and timber	81,378	-	-	-	81,378
Payments in lieu of taxes	27,047	-	-	-	27,047
PERS bond reimbursement	578,021	-	-	-	578,021
Miscellaneous	117,137	285,650	1,750	309,314	713,851
Total revenues	14,494,421	4,298,097	17,920,091	13,216,867	49,929,476
EXPENDITURES					
Current:					
General government	4,741,976	-	-	522,400	5,264,376
Roads and bridges	-	-	-	4,267,460	4,267,460
Public safety	8,422,823	-	-	1,333,762	9,756,585
Health and welfare	162,807	-	17,861,982	3,692,540	21,717,329
Culture and recreation	-	-	-	1,008,772	1,008,772
Economic development	253,752	2,359,737	-	41,250	2,654,739
Capital outlay	1,495,794	1,839,837	-	53,756	3,389,387
Debt service	721,969	-	-	1,116,868	1,838,837
Total expenditures	15,799,121	4,199,574	17,861,982	12,036,808	49,897,485
Excess of Revenues Over (Under) Expenditures	(1,304,700)	98,523	58,109	1,180,059	31,991
Other Financing Sources, (Uses)					
Sale of Assets	5,610	1,900	-	-	7,510
Transfer In from Business-Type Fund	42,210	-	-	-	42,210
Transfer Out to Business-Type Fund	(59,912)				(59,912)
Transfers In	2,641,090	224,868	-	686,998	3,552,956
Transfers Out	(2,152,589)	(324,918)	-	(1,057,747)	(3,535,254)
Total Other Financing Sources, (Uses)	476,409	(98,150)	-	(370,749)	7,510
Net Change in Fund Balance	(828,291)	373	58,109	809,310	39,501
Prior Period Adjustment	-	-	-	-	-
FUND BALANCE - BEGINNING	4,985,073	-	610,700	3,094,069	8,689,842
FUND BALANCE - ENDING	$ 4,156,782	$ 373	$ 668,809	$ 3,903,379	$ 8,729,343

The accompanying notes are an integral part of this statement.

COLUMBIA COUNTY, OREGON

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS - TO STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

Excess of Revenues over Expenditures		$	39,501
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.			
Capital Asset additions	$ 2,107,654		
Gain/loss on disposal of assets	-		
Less current year depreciation	(4,430,334)		
			(2,322,680)
In the Statement of Activities, the contributions to the Post Retirement Health Benefits Program in excess of the actuarially determined contribution amount increased the net OPEB obligation. In the governmental funds, the entire contribution is recognized as an expenditure. This is the amount by which the net OPEB obligation is increased.			(69,557)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.			
Change in deferred revenue			54,540
Repayment of long-term debt is an expenditure in the governmental funds, however repayment reduces long-term liabilities in the statement of net assets.			
Change in Accrued Compensated Absences	$ (77,256)		
Change in Interest Payable	6,798		
New Debt Issuance	(289,225)		
Change in Bonds Payable	950,292		
Change in Notes Payable	127,358		
Change in Leases Payable	-		
			717,967
Payment for PERS UAL is recorded as an other financing use in the Governmental funds. The Government-wide statements record the prepaid pension asset.			(340,158)
Change in Net Assets		$	(1,920,387)

The accompanying notes are an integral part of this statement.

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2012

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS
	TRANSFER STATION FUND
ASSETS	
Cash and cash equivalents	$ 46,416
Accounts receivable, net	329,056
Prepaids	2,426
Total current assets	377,898
Capital assets, net	4,619,599
Total assets	$ 4,997,497
LIABILITIES	
Accounts payable	$ 64,534
Interest payable	109,961
Current portion of long-term obligations	135,155
Total current liabilities	309,650
Non current portion of long term liabilities	3,657,706
Total liabilities	3,967,356
Net Assets	
Invested in Capital Assets, net of related debt	826,738
Unrestricted	203,403
Total net assets	1,030,141
Total liabilities and net assets	$ 4,997,497

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended June 30, 2012

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS
	TRANSFER STATION FUND
OPERATING REVENUES	
Tipping fees	$ 2,403,760
Miscellaneous	21,481
Total operating revenues	2,425,241
OPERATING EXPENSES	
Payroll cost	189,277
Operating expenses	1,781,799
Depreciation	142,851
Total operating expenses	2,113,927
Income, (Loss) From Operations	311,314
NON-OPERATING REVENUES (EXPENSES)	
Interest income	69
Transfers Out	(42,210)
Transfers In	59,912
Interest expense	(191,171)
Total non-operating Revenues	(173,400)
Change in Net Assets	137,914
Beginning Net Assets	892,227
Ending Net Assets	$ 1,030,141

The accompanying notes are an integral part of this statement.

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended June 30, 2012

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS
	TRANSFER STATION FUND
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 2,332,897
Cash paid to suppliers and others	(1,902,664)
Cash paid to employees and others for salaries and benefits	(189,277)
Net cash provided (used) by operating activities	240,956
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES	
Intergovernmental	17,702
Net Cash Provided (Used) by Noncapital and Related Financing Activities	17,702
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	-
Loan payments	(128,756)
Interest expense	(194,904)
Net cash provided (used) by capital and related financing activities	(323,660)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	69
Net cash provided by investing activities	69
Net change in cash and cash equivalents	(64,933)
CASH AND CASH EQUIVALENTS - BEGINNING	111,349
CASH AND CASH EQUIVALENTS - ENDING	$ 46,416
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (loss)	$ 311,314
Adjustments to Reconcile Operating Income (loss) to net	
Depreciation/Amortization	142,851
(Increase), Decrease in Accounts Receivable	(92,344)
Increase, (Decrease) in Accounts Payable/Accrued Liabilities	(122,662)
(Increase), Decrease in Prepaid Expenses	1,797
Net cash provided (used) by operating activities	$ 240,956

The accompanying notes are an integral part of this statement.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Property Taxes	$ 5,544,308	$ 5,544,308	$ 5,507,139	$ (37,169)
Public Services Taxes	317,000	317,000	347,539	30,539
Grants	3,539,104	3,796,604	3,581,509	(215,095)
Charges for Services	2,441,405	2,626,405	2,802,516	176,111
Licenses and Permits	1,004,321	1,004,321	841,973	(162,348)
Fines and Forfeitures	383,800	458,800	494,978	36,178
Franchise Fees	90,000	90,000	88,503	(1,497)
Interest on Investments	26,840	26,840	26,681	(159)
Mineral Royalties & Timber Revenue	176,250	176,250	81,378	(94,872)
Payments in lieu of taxes	-	-	27,047	27,047
Administrative Allocation & PERS Bond Reimbursement	2,533,794	2,533,794	578,021	(1,955,773)
Miscellaneous	97,500	102,500	117,137	14,637
Total revenue	16,154,321	16,676,821	14,494,421	(2,182,400)
EXPENDITURES				
General government	5,713,130	5,601,130	4,741,976	859,154
Public safety	9,275,340	9,437,840	8,422,823	1,015,017
Health and welfare	162,807	162,807	162,807	-
Economic development	302,287	302,287	253,752	48,535
Reserve Additions	-	335,000	-	335,000
Capital Outlay	1,444,050	1,826,550	1,495,794	330,756
Debt Service	710,311	722,011	721,969	42
Contingency	1,075,000	843,750	-	843,750
Total Expenditures	18,682,925	19,231,375	15,799,121	3,432,254
Excess of Revenues Over (Under) Expenditures	(2,528,604)	(2,554,554)	(1,304,700)	1,249,854
Other Financing Sources (Uses)				
Sale of assets	1,000	1,000	5,610	4,610
Transfers In	353,038	508,038	2,581,178	2,073,140
Transfers Out	(298,746)	(877,796) (1)	(2,110,379)	(1,232,583)
Total Other Financing Sources (Uses)	55,292	(368,758)	476,409	845,167
Net Change in Fund Balance	(2,473,312)	(2,923,312)	(828,291)	2,095,021
FUND BALANCE - BEGINNING OF YEAR	4,273,312	4,723,312	4,985,073	261,761
FUND BALANCE - END OF YEAR	$ 1,800,000	$ 1,800,000	$ 4,156,782	$ 2,356,782

(1) Appropriation Level - Shown on page 78.

The accompanying notes are an integral part of this statement.

UNMET NEEDS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Interest on investments	$ -	$ -	$ 60	$ 60
FEMA & CDBG Grants	11,950,000	15,950,000	13,918,281	(2,031,719)
Intergovernmental	4,000,000	4,000,000	4,000,000	-
Contributions	-	-	1,750	1,750
Total revenue	15,950,000	19,950,000	17,920,091	(2,029,909)
EXPENDITURES				
Materials and Services	15,980,000	19,980,000 (1)	17,861,982	2,118,018
Contingencies	33,024	33,024 (1)	-	33,024
Total expenditures	16,013,024	20,013,024	17,861,982	2,151,042
Net Change in Fund Balance	(63,024)	(63,024)	58,109	121,133
FUND BALANCE - BEGINNING	63,024	63,024	610,700	547,676
FUND BALANCE - ENDING	$ -	$ -	$ 668,809	$ 668,809

(1) Appropriation Level

The accompanying notes are an integral part of this statement.

CC RIDER TRANSPORTATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Interest on investments	$ -	$ -	$ (2,571)	$ (2,571)
Contributions	91,900	91,900	85,750	(6,150)
Grants	5,131,760	6,531,760	3,195,843	(3,335,917)
Charges for Services	158,171	158,171	389,261	231,090
Fare Revenue	325,000	325,000	344,164	19,164
Miscellaneous	50,000	50,000	285,650	235,650
Total revenue	5,756,831	7,156,831	4,298,097	(2,858,734)
EXPENDITURES				
Personal services	226,792	55,000 (1)	52,729	2,271
Materials and Services	4,330,278	3,550,000 (1)	2,307,008	1,242,992
Capital outlay	851,907	3,093,331 (1)	1,839,837	1,253,494
Contingency	289,814	150,000 (1)	-	150,000
Total expenditures	5,698,791	6,848,331	4,199,574	2,648,757
Excess of Revenues Over (Under) Expenditures	58,040	308,500	98,523	(209,977)
Other Financing Sources (Uses)				
Sale of asset	1,500	1,500	1,900	400
Transfers Out	(89,540)	(340,000)	(324,918)	15,082
Transfers In	30,000	30,000	224,868	194,868
Total other financing sources (uses)	(58,040)	(308,500)	(98,150)	210,350
Net Change in Fund Balance	0	-	373	373
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	$ 0	$ -	$ 373	$ 373

(1) Appropriation Level

The accompanying notes are an integral part of this statement.

COLUMBIA COUNTY, OREGON
FIDUCIARY FUNDS
STATEMENT OF NET ASSETS
June 30, 2012

		AGENCY FUNDS
ASSETS		
Cash and cash equivalents	$	828,012
Property tax receivable		6,174,405
Other assets		18,599
Total assets	$	7,021,016
LIABILITIES		
Due to other governments	$	7,021,016
Total liabilities	$	7,021,016

The accompanying notes are an integral part of this statement.

COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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(1) Summary of Significant Accounting Policies

A. Description of Reporting Entity

The County was incorporated in 1854 under the name of "Columbia County." County voters elect the Management, composed of a three-member Board of Commissioners. Other elected officials providing services for the County include Sheriff, Clerk, Assessor, Treasurer, Surveyor, District Attorney, and Justice of the Peace.

Columbia County is a primary government. A primary government is a financial reporting entity, which has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As required by GAAP, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statement to emphasize it is legally separate from the government. The County has no discretely presented component units and has three blended component units described below. The blended component units are reported as special revenue funds.

Blended Component Units

Meadowview Service District - The District provides street lighting for the Meadowview District. The County Board of Commissioners is the governing board for the District.

Columbia County 4-H & Extension Service District - The District provides educational services primarily in agriculture and home economics for County residents. In addition, the District oversees the 4-H program. The County Board of Commissioners is the governing board for the District.

Columbia County Development Agency Fund - The Agency was formed to plan, direct, and manage the Port Westward Urban Renewal Agency. The County Board has been appointed governing body of the Agency.

Complete financial statements for each component unit may be obtained at the Office of the Finance Director, 230 Strand Street, St. Helens, Oregon 97051-0100.

B. Government-Wide and Fund Financial Statements

Government-Wide Statements
The statement of net assets and the statement of activities display information about the County as a whole. These statements include all the financial activities, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. The statement of activities presents a comparison between direct expenses and program revenues for each function of the governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities.

B. Government-Wide and Fund Financial Statements (continued)

Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements
These statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. Major individual governmental funds are reported as separate columns in the fund financial statements. The County reports the following major governmental funds: General Fund, CC Rider Transportation Fund, and the Unmet Needs Fund. Non-major funds are consolidated into a single column in the financial section of the basic financial statements and are detailed in the supplemental information.

GOVERNMENTAL FUNDS

General Fund
This fund accounts for the financial resources of the County that are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, grants, and state shared revenues. Primary expenditures are for public safety, corrections, judicial, economic development, and general administration.

Special Revenue Funds
These funds account for revenues derived from specific taxes or other earmarked revenue sources, including state gas tax and state revenue sharing entitlements, which are legally restricted to expenditures for specified purposes. Funds included in this fund category are:

County Unmet Needs Fund
This fund was established solely by donations from the public for the Columbia County victims of the flood of December 2007. It currently also includes all related grant funded recovery efforts as the Unmet Needs Committee makes recommendations to the Board of Commissioners regarding these activities as well. The Board of Commissioners has assumed supervisory responsibility for the actions of the board of the Unmet Needs Committee.

CC Rider Transportation Fund
The Columbia County Rider Transportation Fund was established to provide transportation for Columbia County citizens. It is funded by state and federal grants and by local public entities' support. Additional revenue is generated by rider fares and Medicaid payment for senior transportation.

Additionally, there are the following non-major funds:

Special Revenue Funds

Road Fund
This fund was established as a requirement of ORS 366.542(4). Monies received from the State of Oregon (State Highway funds, gasoline tax apportionment and grants) and Columbia County general fund are the major sources of revenue. These monies are to be used for the construction and expansion, operations and maintenance, repair and preservation of County roads, streets and bridges.

B. Government-Wide and Fund Financial Statements (continued)

Direct Pass Through Grant Fund
This fund was set up to receive, control and disburse funds that the County receives for other entities under contract with the State of Oregon. The County has an oversight and fiduciary responsibility to the State.

Fair Board Fund
This fund was established as a requirement of ORS 565-325. This fund receives monies from state lottery, rentals and concessions. Admission fees from the county fair augment these revenues. The fair board is charged with the responsibility to maintain, repair and preserve the county fair grounds and buildings and support agriculture-oriented programs such as the 4-H and hold one annual county fair.

Children and Youth Services Fund
This fund was established to account for the activities of the commission for children and families program for the County according to ORS 417.760. The fund receives its revenue from state programs and grants.

Corner Preservation Fund
The Public Land Corner Preservation Fund was established under County Ordinance No. 89-16. Revenues are derived from fees charged by the County Clerk when recording instruments under ORS 205.130(2) and ORS 203.148. These fees were established to pay expenses incurred in the establishment and maintenance of corners of government survey under ORS 209.070 (5 and 6).

Inmate Benefits Expense Fund
This fund was established to account for profits generated from products and services sold and supplied to inmates of the County jail. These revenues are to be used exclusively in a manner benefiting the population of the jail.

Courthouse Security Fund
This fund accounts for revenues received from cities and courts that are a percentage of fines paid to the cities and courts. The disbursement of the funds is determined by the courthouse security committee, which is made up of the presiding Judge, Sheriff, Jail manager, Commissioner and manager of building services.

Community Corrections Fund
This fund was established under the Senate Bill 1145 and 156 in 1995 to account for the activities of the adult parole and probation program for the County. The fund receives its revenue from state programs and from supervision fees.

Law Library Fund
This fund was established under authority of ORS 9.840 and 9.850. Revenues are received per schedule detailed in ORS 21.350 from the state court administrator. The revenue is to be used exclusively to maintain a law library at the county seat, and be available for use by litigants and attorneys without additional fees.

Footpath and Bicycle Trail Fund
This fund was established to provide for the operations and capital improvement needs of the County's bike paths. Revenue and other financing sources consist primarily of one percent of the County's state gasoline tax.

County Park Fund
This fund was created by County ordinance No 94-9 in December 1994. It was established to operate and maintain and expand the County Park system. The fund receives monies from the State Highway Fund, from grants, and logging revenue from County forests.

B. Government-Wide and Fund Financial Statements (continued)

Building Services Fund
Per ORS 455.210.3C, building fee revenue can only be used for the operations of the building department. In order to accommodate this requirement, the building services fees and expenses are tracked in a stand-alone fund.

Additionally, a budgetary comparison schedule is presented for the following blended component units, which are considered to be nonmajor governmental funds:

Meadowview Service District Fund
This fund is the general fund for this special district. Under ORS 451.490, a local option tax is assessed against the property owners in this lighting district. Revenues received from this local option tax are used to pay the utilities for the street lights and the administration of this fund. The Board of Commissioners is the governing body of this special district.

4-H Extension Service District Fund
The Columbia County 4-H & Extension Service District was formed in May of 1988 under provisions of the ORS 451 and provides agricultural education and other services to County residents. This fund serves to collect the revenue for the district and to distribute the revenue to and for the administration of the district, which is supervised by the Oregon State University agricultural division. The Board of Commissioners is the governing body of the service district.

Development Agency Fund
This fund was established to account for the revenues and expenditures of the Urban Renewal District. The fund receives its revenues from tax increments, interest, loan proceeds, and royalties.

DEBT SERVICE FUNDS
These funds are used to account for revenues and expenditures related to the servicing of general long-term debt.

Jail Bond Fund
This fund is used to accumulate tax revenue received from a special tax levy, which was approved by Columbia County's voters as ballot measure 5-49 on November 3, 1998. This bond levy is assessed to all County property owners. Monies received from this bond levy are used for the retirement of principal and interest on the Jail General Obligation Fund.

PROPRIETARY FUNDS
These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the cost of providing the services to the general public on a continuing basis be financed primarily through user charges. Funds included in this category are:

County Transfer Station Fund
This fund accounts for the operations of the County's Transfer Station facility in which the County has a long term intergovernmental agreement with its Cities to process all waste generated in the County. The fund receives its revenues primarily from tipping fees.

B. Government-Wide and Fund Financial Statements (continued)

FIDUCIARY FUNDS

Fiduciary Funds reporting focuses on net assets and changes in net assets. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Fiduciary funds are used to account for assets the County holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The County's only fiduciary funds are agency funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The agency funds of the County are:

Treasurer Fund

This fund accounts for assets held by the County Treasurer for the benefit of other districts and governments in the County.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded with the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus.

The government-wide financial statements are reported using the economic resources measurement focus and the full 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

A deferred revenue liability arises in the Governmental Funds Balance Sheet when potential revenue does not meet both the measurable and available criteria for recognition in the current period. This unavailable deferred revenue consists primarily of uncollected property taxes and assessments not deemed available to finance operations of the current period. In the government-wide Statement of Net Assets, with a full accrual basis of accounting, revenue must be recognized as soon as it is earned regardless of its availability. Thus, the liability created on Governmental Fund Balance Sheet for unavailable deferred revenue is eliminated. Note that deferred revenues also arise outside the scope of measurement focus and bases of accounting, such as when the County receives resources before it has a legal claim to them. For instance, when grant monies are received prior to the incurrence of qualifying expenditures.

C. Measurement Focus and Basis of Accounting (continued)

Similar to the way its revenues are recorded, governmental funds only record those expenditures that affect current financial resources. Principal and interest on general long-term debt are recorded as fund liabilities only when due, or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Vested compensated absences are recorded as expenditures only to the extent that they are expected to be liquidated with expendable financial resources. In the government-wide financial statements, however, with a full accrual basis of accounting, all expenditures affecting the economic resource status of the government must be recognized. Thus, the expense and related accrued liability for long term portions of debt and compensated absences must be included.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the governmental-wide presentation. This reconciliation is part of the financial statements.

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

The proprietary financial statements have incorporated all applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

D. Cash, Cash Equivalents, and Investments

The cash and investments reported on the balance sheet include petty cash, deposits with financial institutions, and the investment in the Local Government Investment Pool. Assets whose use is restricted to specific purposes by state statute are segregated on the balance sheet.

E. Receivables

Receivables are recorded on the combined balance sheet in accordance with the policies enumerated in paragraph C above. Management believes that any uncollectible accounts included in the receivable balances are not significant, and therefore no provision for uncollectible accounts has been made.

F. Supply Inventories and Prepaids

Inventories are valued at cost using first-in/first-out (FIFO) method. Since the consumption method is used, costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. Prepaid services are accounted for in the same manner.

G. Capital Assets and Depreciation

Capital assets include property, plant, equipment, and infrastructure assets (e.g. roads, quarries, etc.). Capital assets are reported in the government-wide financial statements. In the governmental funds statements, capital assets are charged to expenditures as purchased.

G. Capital Assets and Depreciation (continued)

Capital assets are recorded at historical cost, or estimated historical cost if actual cost is not available. Donated fixed assets are recorded at their estimated fair market value at the time received.

Capital assets are defined by the County as assets with an initial, individual cost of $5,000 or more, and having useful lives extending beyond a single reporting period. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis over the following estimated useful lives:

ASSET	YEARS
Buildings & Improvements	7 - 50
Infrastructure	20 - 40
Equipment	5 - 10

Monthly depreciation is taken in the year the assets are acquired or retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

H. Interfund Transactions

Amounts reported in the fund financial statements as due to/due from other funds are eliminated in the government-wide statement of net assets, except for the net residual amounts due between governmental and fiduciary funds.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

I. Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are treated as period costs in the year of issue and are shown as other financial uses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as debt service expenditures.

J. Compensated Absences

All vacation pay is accrued when incurred in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a

J. Compensated Absences (continued)

liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement.

Funds used to liquidate accrued compensated absences included the general fund, road fund, county park fund, community corrections fund, children and family services fund, corner preservation fund, 4H extension service fund, CC Rider fund, building services fund, and transfer station fund.

K. Use of Estimates

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

L. Net Assets

Net assets comprise the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net assets are classified in the following three categories:

Invested in capital assets, net of related debt – consists of all capital assets, net of accumulated depreciation and reduced by any outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. A portion of Net Assets is restricted for Debt Service and for System Development.

Unrestricted net assets – consists of all other assets that are not included in the other categories previously mentioned.

M. Use of Restricted Resources

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

(2) Stewardship, Compliance, and Accountability

A. Budget Requirements, Compliance, and Accountability

A budget is required to be prepared and legally adopted for each fund in accordance with Oregon Local Budget Law. The budget is prepared using the modified accrual basis of accounting. The budgeting process begins by appointing Budget Committee members in early fall. Budget recommendations are developed by management through spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June, and the hearing is held in June. The budget is adopted, appropriations are made and the tax levy is declared no later than June 30.

A. Budget Requirements, Compliance, and Accountability (continued)

The County budgets for all funds, except the Fiduciary Funds. Governmental Funds are budgeted on the modified accrual basis of accounting. The board order or resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total expenditures by department for the General Fund, and personal services, materials and services, capital outlay and debt service for all other funds, are the levels of control established by the board order or resolution.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of the fund's original budget may be adopted by the Board of Commissioners at a regular meeting. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels). Such transfers require approval by the Board. Budget amounts shown in the basic financial statements include the original budget amounts, plus appropriation transfers and appropriation increases. Appropriations lapse at the end of each fiscal year.

The County adopted resolutions for appropriation transfers which adjusted the fiscal year 2011-2012 original budget.

Expenditures of the various funds were within authorized appropriations, except in the following funds: General Fund Board of Commissioners exceeded appropriations by $1,180 and the General Fund Economic Development exceeded appropriations by $1,346. Because administrative allocation costs were incorrectly budgeted as part of program expense and not as a transfer, Transfer Station Fund Transfers Out exceeded appropriations by $42,210, Forest and Park Fund Transfers Out exceeded appropriations by $188,994, Community Corrections Fund Transfers Out exceeded appropriations by $74,061, Corner Preservation Fund Transfers Out exceeded appropriations by $19,963, Road Fund Transfers Out exceeded appropriations by $153,448.

There are no differences, other than those noted in the section above, between the budgetary basis and GAAP basis of accounting.

(3) Cash and Cash Equivalents

Cash management policies are governed by state statutes. A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Cash Equivalents. Cash and Investments (recorded at cost) consisted of:

Deposits with Financial Institutions:		
Cash on hand	$	2,093
Deposits with financial institutions		407,842
Cash with Oregon State University		29,474
Escrow Accounts		690,323
Investments		7,049,721
Total Cash and Investments	$	8,179,453
Government-wide Financial Statements	$	7,351,440
Fiduciary Funds Financial Statements		828,013
Total Cash and Investments	$	8,179,453

DEPOSITS - Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. Bank deposits at June 30, 2012 were $1,482,127, all of which were covered by FDIC as they are in government agency, no interest-bearing accounts; the rest were held at an approved depository as identified by Oregon State Treasury within the depository limits established.

INVESTMENTS - State statutes authorize investment primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the State Treasurer's Investment Pool, among others. Investments are valued at fair value as required by GASB 31. At June 30, 2012, fair value in the State Treasurer's Local Governmental Investment Pool approximates the value of the pool shares at June 30, 2012.

As of June 30, 2012, the following investments and maturities are reported:

		Investment Maturities (in months)		
Investment Type	Fair Value	Less than 3	3-17	18-59
State Treasurer's Investment Pool	$ 7,049,721	$ 7,049,721	$ -	$ -
Total	$ 7,049,721	$ 7,049,721	$ -	$ -

The State Treasurer's Local Government Investment Pool (LGIP), is a cash and investment pool available for use by all state funds and local governments and is maintained by the State Treasurer. The LGIP is an open-ended, no-load diversified portfolio offered to eligible participants, including any municipality, political subdivision, or public corporation of the state. Currently, there are more than 1,500 participants in the Pool. Local government pooled assets are reported as an Investment Trust Fund in Oregon's Comprehensive Annual Financial Report.

(3) Cash and Cash Equivalents (continued)

The Oregon Short-Term Fund Board, established by the Oregon Legislature, advises the Oregon Investment Council and the Oregon State Treasury in the management and investments of the LGIP. The State of Oregon LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the Pool's investment policies. The State Treasurer is the investment officer of the Pool and it is responsible for all funds in the Pool. These funds must be invested and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-Term Funds Board, which establish diversification percentages and specify the types and maturities of investments. The Oregon Audits Division of the Secretary of State's Office audits the Pool annually.

A. Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date beyond three months.

B. Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the value of the investment will not be able to be recovered by collateral securities that are in the possession of an outside party. The County has no investments subject to this risk. There is no formal investment policy for investment custodial credit risk.

C. Concentration of Credit Risk

To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the LGIP investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. At June 30, 2012, there was compliance with all percentage restrictions. Amounts in the State Treasurer's Local Government Investment Pool are not required by law to be collateralized.

(4) Property Taxes

Columbia County makes assessments of property value, and levies and collects the taxes for the County and all other taxing districts within the County. Assessments of property values are as of January 1. Taxes levied are a lien on the properties as of July 1 of each year. Taxes are due November 15 and a 3% discount is allowed for payment at this time. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through liens.

(5) Interfund Transfers

A. Interfund Transfers

Interfund transfers are used to pay administrative services provided by the general fund, provide funds for debt service, track fees for service paid and received by independent funds, pass through dollars received by one fund to another when the second fund is carrying out all/part of the programmatic work involved, make County contributions to community-supported efforts paid for by a specific fund, and contribute to the cost of capital projects. Transfers to and from other funds at June 30, 2012, are as follows:

	Transfers In	Transfers Out
General Fund	$ 2,641,090	$ 2,152,589
Proprietary Fund	42,210	59,912
CC Rider Transportation Fund	224,868	324,918
Non-major Governmental Funds	686,998	1,057,747
Total All Funds	$ 3,595,166	$ 3,595,166

(6) Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2012 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Non-depreciable:				
Land	$ 5,971,199	$ -	$ -	$ 5,971,199
4-H Land	218,700	-	-	218,700
Construction in Progress	10,355,080	-	(878,922)	9,476,158
Non-depreciable capital assets	16,544,979	-	(878,922)	15,666,057
Depreciable:				
Buildings & Improvements	21,068,737	2,726,308	-	23,795,045
4-H Buildings & Improvements	355,586	-	-	355,586
4-H Equipment	8,663	-	-	8,663
Infrastructure	235,485,153	8,727	-	235,493,880
Equipment	8,165,969	251,541	-	8,417,510
Depreciable Capital Assets	265,084,108	2,986,576	-	268,070,684
Accumulated Depreciation:				
Buildings & Improvements	(7,867,984)	(485,695)	-	(8,353,679)
4-H Buildings & Improvements	(65,199)	(7,112)	-	(72,311)
4-H Equipment	(1,733)	(1,733)	-	(3,466)
Infrastructure	(213,648,710)	(3,423,267)	-	(217,071,977)
Equipment	(6,328,114)	(512,527)	-	(6,840,641)
Total Accumulated Depreciation	(227,911,740)	(4,430,334)	-	(232,342,074)
Net Depreciable Capital Assets	37,172,369	(1,443,758)	-	35,728,611
Net Capital Assets	$ 53,717,348	$ (1,443,758)	$ (878,922)	$ 51,394,668

Depreciation expense for governmental activities is charged to functions as follows:

General Government	$ 160,872
Highway and Street	3,495,405
Public Safety	462,798
Culture and Recreation	127,214
Health and Welfare	-
Economic Development	184,045
Total Governmental Activities Depreciation	$ 4,430,334

(6) Capital Assets (continued)

Business Type

	Beginning Balance	Increases	Decreases	Ending Balance
Non-depreciable:				
Land	$ 637,483	$ -	$ -	$ 637,483
Non-depreciable capital assets	637,483	-	-	637,483
Depreciable:				
Buildings & Improvements	4,803,279	-	-	4,803,279
Equipment	160,850	-	-	160,850
Depreciable Capital Assets	4,964,129	-	-	4,964,129
Accumulated Depreciation:				
Buildings & Improvements	(728,512)	(122,535)	-	(851,047)
Equipment	(110,650)	(20,316)	-	(130,966)
Total Accumulated Depreciation	(839,162)	(142,851)	-	(982,013)
Net Depreciable Capital Assets	4,124,967	(142,851)	-	3,982,116
Net Capital Assets	$ 4,762,450	$ (142,851)	$ -	$ 4,619,599

(7) Other Assets

There is a prepaid pension asset of $5,202,218 as of June 30, 2012, associated with the Pension Bond as described in Note 8. The pension asset is being amortized over the life of the bond.

(8) Long-term Debt

Governmental Activities

A. Changes in long-term liabilities

Long-term liability activity of the governmental activities for the year ended June 30, 2012 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable	$ 14,594,091	$ -	$ (950,293)	$ 13,643,797	$ 1,012,915
Notes Payable	6,937,065	289,225	(127,359)	7,098,931	84,209
Total	21,531,156	289,225	(1,077,652)	20,742,728	1,097,124
Leases Payable	-	-	-	-	-
Accrued Compensated Absences	1,185,655	1,262,911	(1,185,655)	1,262,911	-
Net OPEB obligation	499,983	69,557	-	569,540	-
Total Debt	$ 23,216,794	$ 1,621,693	$ (2,263,307)	$ 22,575,179	$ 1,097,124

B. Advanced Refunding

On November 21, 2006, the County advance refunded a portion of the Series 1999 General Obligation Bonds by issuing $8,365,000 General Obligation Refunding Bonds. These resources were used to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt services payments of the refunded debt. As a result, the refunded portion of the obligations is considered defeased and the liability has been removed from the governmental activities column from the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by $120,000. The deferred loss is being netted and amortized over the life of the new debt, which is equal to the life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next 12 years by $383,560 and resulted in an economic gain of $312,046.

C. Notes Payable

On April 20, 2011, the County received proceeds of $713,000 loan from US Bank in order to pay for energy efficiency renovations at the County Courthouse building. The loan has an annual interest rate of 3.75% and a ten year term which may be paid off early without penalty after April 20, 2014. The project is expected to substantially reduce the electric and gas utility needs and cost in the Courthouse.	$ 653,019

C. Notes Payable (continued)

The City of St. Helens loaned $100,000 to Columbia County for a joint housing project between the Community Action Team (CAT) and Columbia County Community Corrections (CCCC). This housing project will benefit people in transition from detention. CAT and CCCC located grants and this loan to build affordable housing for these citizens. The loan will be repaid over the next twenty years from rent revenue.	$ 78,165
On April 12, 2000, the County received a loan in the amount of $410,000 from the Oregon Economic Development Special Public Works Fund (SPWF) for the West Rainier project. The loan carries a 5.25% interest rate over 25 years.	282,430
Since April 27, 2004, the County has received proceeds in the amount of $5,894,818 from the Oregon Economic Development Special Public Works Fund (SPWF) on a note for road construction to be repaid from tax increment financing. The amount due has increased because of near-term zero dollar debt payments has added capitalization of interest cost.	6,085,318
Total notes payable	$ 7,098,931

Annual debt service requirements to maturity for notes payable are as follows:

Year Ending June 30	Principal	Interest	Total Payment
2013	(219,448)	345,579	$ 126,131
2014	243,169	357,275	600,445
2015	753,702	345,918	1,099,619
2016	789,679	309,116	1,098,795
2017	627,418	270,551	897,969
2018-2022	2,246,350	958,674	3,205,024
2023-2027	2,035,181	464,549	2,499,730
2028-2032	622,879	31,082	653,961
Total	$ 7,098,931	$ 3,082,744	$ 10,181,674

D. Bonds Payable:

In March 2002, the County issued Limited Tax Pension Obligations, Series 2002A and Series 2002B totaling $4,394,484. The Series 2002 A are deferred interest obligations, while the Series 2002B are current interest obligations. The 2002A Obligations were issued as deferred interest obligations, with interest payable only at maturity, and compounded semiannually at June 1 and December 1. The 2002B obligations were issued as current interest obligations, with interest payable on December 1 of each year until maturity or earlier prepayment. The bonds carry interest rates varying from 2.0 to 7.41% with an average yield of about 7%. Interest rates are set at different levels throughout the life of the bond. On September 23, 2005, the County issued additional Limited Tax Pension Obligations in the amount of $3,860,000 with interest rates varying from 4.79 to 5%. Interest rates are set at different levels throughout the life of the bond. These series 2005 bonds were issued as current interest obligations, with interest payable on June 1 and December 1 of each year until maturity. The proceeds from these limited tax bonds were used to finance the estimated unfunded actuarial liability with the Oregon Public Employees Retirement System (PERS). 7,758,798

On November 30, 2006, Columbia County advance refunded a portion of the 1999 General Obligation Bonds. General Obligation Refunding Bonds, Series 2006 were issued in the amount of $8,365,000 with interest rate varying from 4.0 to 4.25%. Interest rates are set at different levels throughout the life of the bond. Interest is payable on June 1 and December 1 of each year until maturity. These resources were used to purchase U.S. government securities that were placed in irrevocable trust for the purpose of generating resources for all future debt services payments on the refunded debt. As a result, the refunded portion of the obligations is considered defeased and the liability has been removed from the governmental activities column from the statement of net assets. 5,885,000

Total Bonds Payable $13,643,748

Annual debt service requirements to maturity for bonds payable are as follows:

Year Ending June 30	Principal	Interest	Total Payment
2013	$ 1,012,915	$ 731,232	$ 1,744,147
2014	1,064,907	705,812	1,770,719
2015	1,122,371	682,781	1,805,152
2016	1,189,236	657,858	1,847,094
2017	1,259,058	627,204	1,886,262
2018-2022	3,055,311	2,418,515	5,473,826
2023-2027	4,415,000	1,018,932	5,433,932
2028-2032	525,000	32,178	557,178
Total	$ 13,643,798	$ 6,874,512	$ 20,518,310

E. Leases

At the end of fiscal year 2011-12, the County had no capital leases.

Business-type Activities

A. Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2012, was as follows:

Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
$ 3,921,617	$ -	$ (128,756)	$ 3,792,861	$ 135,155
$ 3,921,617	$ -	$ (128,756)	$ 3,792,861	$ 135,155

B. Note Payable

On March 17, 2004, the County received financing in the amount of $4,435,000 at 4.97% from the Oregon Economic and Community Development Department for the construction of a new solid waste transfer station. Annual principal and interest payments of $323,660 are due for the next 25 years.	3,792,861
Total note payable	$ 3,792,861

The annual debt service requirement to maturity for the note payable is as follows:

Year Ending June 30	Principal	Interest	Total Payment
2013	$ 135,155	$ 188,505	$ 323,660
2014	141,872	181,788	323,660
2015	148,923	174,737	323,660
2016	156,325	167,335	323,660
2017	164,094	159,566	323,660
2018-2022	951,216	667,084	1,618,300
2023-2027	1,212,286	406,014	1,618,300
2028-2032	882,991	89,248	972,239
Total	$ 3,792,861	$ 2,034,278	$ 5,827,139

(9) Pension Plan

A. Plan Description

The County contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the County's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program, the defined benefit portion of the plan, applies to qualifying County employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, post employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS.

PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to PERS, PO Box 23700, Tigard, OR 97281-3700 or by calling 503-598-7377.

B. Funding Policy

Members of PERS are required to contribute 6.00% of their salary covered under the plan, which is invested in the OPSRP Individual Account program; this is paid by the County. The County is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The OPERF rate for the year ended June 30, 2012, was 9.70%. The OPSRP rates in effect for the year ended June 30, 2012, were 5.71% for general employees and 8.42% for police and fire employees. The annual pension cost was $1,856,222, which includes the County's pension bond assessment of $595,309. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

Oregon General Obligation Pension Bonds were issued to fund the States' share of the Unfunded Actuarial Liability and $2 billion was delivered to PERS. Over the next 24 years the State will be obligated to make the principal and interest payments on the pension obligation bonds. All benefiting agencies are charged the same rate to pay this debt service. The County paid $595,309 in pension bond assessment during the fiscal year ending June 30, 2012.

C. Annual Pension Cost

Contribution information for the years ended June 30, 2012, 2011, and 2010 is as follows:

Fiscal Year Ended	Annual Pension Cost (ARC)	% of APC Contributed	Net Pension Obligation
6/30/2012	$ 1,856,222	100%	$ *
6/30/2011	$ 2,037,564	100%	$ 9,452,859
6/30/2010	$ 1,930,863	100%	$ 8,866,185

(10) Other Post Employment Benefits

The County implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* in fiscal year ended June 30, 2012. Other postemployment benefits, OPEB, include postemployment healthcare and other forms of postemployment benefits that are provided separately from the pension plan. This Statement establishes standards for the measurement, recognition, and display of OPEB expenditures and related liabilities, note disclosures, and if applicable, required supplementary information (RSI) in the financial reports.

Post Employment Health Insurance Subsidy

Plan Description – The County operates a single-employer retiree benefit plan that provides postemployment health, dental, and vision insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. Benefits and eligibility for members are established through the collective bargaining agreements.

The post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums, represents the implicit employer contribution. The County did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

Funding Policy – The benefits from this program are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation to fund these benefits in advance.

Annual Pension Cost and Net Pension Obligation - The annual other postemployment benefit cost is calculated based on the annual required contribution of the employer (ARC), and amount actuarially determined in accordance within the parameter of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

(10) Other Post Employment Benefits (Continued)

The following table shows the components of the net pension obligation (NPO) at the end of the year:

	2011	2012
Annual required contribution (ARC)	$ 239,859	$ 206,423
Interest on net pension obligation	17,056	19,999
Adjustment to annual required contribution	(26,754)	(33,978)
Annual pension cost	230,161	192,444
Estimated implicit benefit payments	(109,197)	(122,887)
Increase in net pension obligation (NPO)	120,964	69,557
NPO (Asset) at beginning of year	379,019	499,983
NPO (Asset) at end of year	$ 499,983	$ 569,540

The following table shows historical Annual OPEB cost and net OPEB obligation.

Fiscal Year	Annual OPEB cost	Percentage of annual OPEB cost contributed	Net OPEB Obligation
2012	$ 192,444	64.0%	$ 569,540
2011	$ 230,161	47.0%	$ 499,983
2010	$ 219,700	40.0%	$ 379,019

Actuarial Methods and Assumptions – The annual required contribution (ARC) for the current year was determined as part of the November 10, 2012 actuarial valuation using the projected unit credit cost method. The objective of this method is to fund each participant's benefits under the plans as they accrue. The unfunded accrued liability is amortized over an open period of 15 years as a percentage of payroll. The actuarial assumptions included (a) a rate of return on investment of present and future assets of 4.00% compounded annually and a payroll growth rate of 3.75%, (b) a 65% assumption of participants who elect self-pay retiree medical coverage and 35% for women and 70% for men assumption of participants who elect coverage at retirement who also elect spouse coverage until the spouse reaches age 65; (c) health care costs would increase at 8 percent inflation for the current year, 7 percent in the second year, 6.5% in the third year, 6.0% for the 4th through 14th year, 5.5% for the 15th through 29th year, and 5.0 % thereafter, which is consistent with expectations for long-term health care cost inflation. The demographic assumptions regarding retirement, mortality, and turnover are based on Oregon PERS valuation assumptions as of December 31, 2009.

(10) Other Post Employment Benefits (Continued)

Funding Status and Funding Progress – As of August 1, 2010, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was $1,358,863, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of $1,358,863. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

(11) Risk Management

The County is exposed to various risks of loss related to: torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. Except for unemployment compensation, the County purchases commercial insurance to minimize its exposure to these risks. There has been no significant reduction in commercial insurance coverage from fiscal year 2011 to 2012. Workers compensation claims are insured through incurred loss retrospective policies. Settled claims have not exceeded this commercial coverage for any of the past three years.

(12) Litigation

Management of the County believes that the total amount of liability, if any, which may arise from claims and lawsuits pending against Columbia County beyond that, which is covered by insurance, would not have a material effect of the County's financial statement.

(13) Contingencies

A number of federally assisted grant programs are participated in. These programs are subject to program compliance audits by the grantors or their representatives. Compliance with grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although such amounts are expected by management to be immaterial.

(14) Commitments

The Columbia County Development Agency has pledged tax increment revenues to repay a loan from OECDD incurred by the Port of St. Helens to build a water intake and discharge system in the plan area. The loan is a construction loan and has not been finalized. The loan has a 25 year term, 5% interest, with a maximum amount of $8,668,500. Through fiscal year 2013, payments will be interest only; subsequent years will include interest and principal payments. If the net increment revenues are insufficient to pay the full amount of accrued interest on the loan, the balance will be carried forward.

(15) Subsequent Event

In April 2012, Columbia County voters chose to dissolve the Columbia Health District (CHD) taxing district. As of July 1, 2012, the Columbia County Board of Commissioners became trustees of the taxing district and will oversee the dissolution process. The dissolution has not been completed yet. Financial reporting for the CHD is done independently and is not included in the County financial statements.

(16) Fund Balance

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

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

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

(17) Fund Balance (Continued)

The specific purposes for each of the categories of fund balance as of June 30, 2012 are as follows:

Fund Balances:	GENERAL FUND	CC RIDER TRANSPORT. FUND	UN MET NEEDS FUND	NONMAJOR FUNDS	TOTAL
Nonspendable:					
Prepaid & Inventory	$ 135,365	$ 373	$ -	$ 178,454	$ 314,192
Restricted:					
Debt Funded Projects	432,299	-	-	31,007	463,306
Grants	131,635	-	668,809	-	800,444
Roads (including SDCs)	-	-	-	411,945	411,945
Parks (including SDCs)	-	-	-	985,890	985,890
Community Corrections	-	-	-	379,677	379,677
Corner Preservation	-	-	-	324,299	324,299
Footpath Bicycle Trail	-	-	-	298,841	298,841
Law Library	-	-	-	147,585	147,585
Development Agency	-	-	-	360,375	360,375
4-H Extension Services	-	-	-	362,623	362,623
Other	194,266	-	-	422,683	616,949
	758,200	-	668,809	3,724,925	5,151,934
Committed to:					
CCSO	300,000	-	-	-	300,000
Fair Facilities	162,740	-	-	-	162,740
Technology	30,000	-	-	-	30,000
Roof Reserve	59,400	-	-	-	59,400
	552,140	-	-	-	552,140
Unassigned:	2,711,077	-	-	-	2,711,077
Total Fund Balances	$ 4,156,782	$ 373	$ 668,809	$ 3,903,379	$ 8,729,343

COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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COLUMBIA COUNTY, OREGON

POST EMPLOYMENT HEALTH INSURANCE SUBSIDY

SCHEDULE OF FUNDING PROGRESS

June 30, 2012

	(a)	(b)	(b) - (a)	(a/b)	(c)	((b-a)/c)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
8/1/2010	$ -	$ 1,358,863	$ 1,358,863	0%	$ n/a	n/a
8/1/2008	-	1,452,130	1,452,130	0%	9,090,754	16%
8/1/2006	-	2,094,851	2,094,851	0%	8,667,204	24%

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COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012

	TOTAL NON-MAJOR SPECIAL REVENUE FUNDS	JAIL BOND DEBT SERVICE FUND	TOTAL
ASSETS			
Cash and investment	$ 3,528,421	$ 31,007	$ 3,559,428
Property taxes receivable	45,836	129,706	175,542
Accounts receivable	25,966	-	25,966
Due from other Governments	340,846	-	340,846
Capital Assets, net of depreciation	-	-	-
Inventory	116,882	-	116,882
Prepaids	61,572	-	61,572
Total assets	$ 4,119,523	$ 160,713	$ 4,280,236
LIABILITIES AND FUND BALANCES:			
LIABILITIES			
Accounts payable	$ 160,193	$ -	$ 160,193
Payroll Liabilities	39,947	-	39,947
Deferred Revenue	45,836	129,706	175,542
Deposits	1,175	-	1,175
Total liabilities	247,151	129,706	376,857
FUND BALANCES			
Nonspendable	178,454	-	178,454
Restricted	3,693,918	31,007	3,724,925
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	3,872,372	31,007	3,903,379
Total liabilities and fund balances	$ 4,119,523	$ 160,713	$ 4,280,236

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COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2012

	TOTAL NON-MAJOR SPECIAL REVENUE FUNDS	JAIL BOND DEBT SERVICE FUND	TOTAL
REVENUES			
Property taxes	$ 260,164	$ 1,188,636	$ 1,448,800
Interest on investments	17,678	2,375	20,053
Miscellaneous	309,314	-	309,314
Intergovernmental	8,698,174	-	8,698,174
Licenses	27,843	-	27,843
Fines and fees	2,712,683	-	2,712,683
Total revenues	12,025,856	1,191,011	13,216,867
EXPENDITURES			
General governmental	522,400	-	522,400
Roads and bridges	4,267,460	-	4,267,460
Public safety	1,333,762	-	1,333,762
Health and welfare	3,692,540	-	3,692,540
Culture and recreation	1,008,772	-	1,008,772
Debt service	6,680	1,110,188	1,116,868
Capital outlay	53,756	-	53,756
Total expenditures	10,926,620	1,110,188	12,036,808
Excess of Revenues Over (Under) Expenditures	1,099,236	80,823	1,180,059
Other Financing Sources (Uses)			
Sale of asset	-	-	-
Transfers in	686,998	-	686,998
Transfers out	(1,057,747)	-	(1,057,747)
Total Other Financing Sources (Uses)	(370,749)	-	(370,749)
Net Change in Fund Balance	728,487	80,823	809,310
Prior Period Adjustment	-	-	-
FUND BALANCE - BEGINNING	3,143,885	(49,816)	3,094,069
FUND BALANCE - ENDING	$ 3,872,371	$ 31,007	$ 3,903,379

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
June 30, 2012

	FAIR BOARD FUND	CHILDREN & YOUTH SERVICES FUND	ROAD FUND	CORNER PRESERVATION FUND
ASSETS				
Cash and investments	$ 125,938	$ 105,215	$ 168,029	$ 324,014
Property taxes receivable	-	-	-	-
Accounts receivable and deposits	4,021	-	2,472	285
Due from other governments	-	29,853	280,401	-
Captial Assets, net of depreciation	-	-	-	-
Inventory	-	-	116,882	-
Prepaids	-	602	35,495	1,642
Total assets	$ 129,959	$ 135,670	$ 603,279	$ 325,941
LIABILITIES AND FUND BALANCES:				
LIABILITIES				
Accounts payable	$ 6,600	$ 49,291	$ 38,957	$ -
Other Liabilities	-	-	-	-
Deferred Revenue	-	-	-	-
Deposits	-	-	-	-
Total liabilities	6,600	49,291	38,957	-
FUND BALANCES				
Nonspendable	-	602	152,377	1,642
Restricted	123,359	85,777	411,945	324,299
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balance	123,359	86,379	564,322	325,941
Total liabilities and fund balances	$ 129,959	$ 135,670	$ 603,279	$ 325,941

INMATE BENEFIT EXPENSES FUND	COURTHOUSE SECURITY FUND	COMMUNITY CORRECTIONS FUND	LAW LIBRARY FUND	FOOTPATH & BICYCLE TRAIL FUND	DIRECT PASS THROUGH GRANT FUND	COUNTY PARK FUND
$ 107,516	$ 68,883	$ 385,383	$ 147,585	$ 296,031	$ 6,688	$ 967,500
-	-	-	-	-	-	-
3,524	-	8,266	-	-	-	6,143
-	-	626	-	2,810	3,715	23,441
-	-	-	-	-	-	-
-	-	-	-	-	-	-
813	-	14,527		-	-	3,256
$ 111,853	$ 68,883	$ 408,802	$ 147,585	$ 298,841	$ 10,403	$ 1,000,340
$ 4,008	$ -	$ 14,598	$ -	$ -	$ 10,403	$ 10,019
39,947	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,175
43,955	-	14,598	-	-	10,403	11,194
813	-	14,527	-	-	-	3,256
67,085	68,883	379,677	147,585	298,841	-	985,890
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
67,898	68,883	394,204	147,585	298,841	-	989,146
$ 111,853	$ 68,883	$ 408,802	$ 147,585	$ 298,841	$ 10,403	$ 1,000,340

BUILDING SERVICES FUND	MEADOWVIEW SERVICE DISTRICT FUND	COLUMBIA COUNTY DEVELOPMENT AGENCY	4-H EXTENSION SERVICE DISTRICT FUND	TOTAL
$ 82,778	$ 2,646	$ 363,265	$ 376,950	$ 3,528,421
-	-	20,726	25,110	45,836
1,255	-	-	-	25,966
-	-	-	-	340,846
-	-	-	-	-
-	-	-	-	116,882
2,801	-	-	2,436	61,572
$ 86,834	$ 2,646	$ 383,991	$ 404,496	$ 4,119,523
$ 9,033	$ 67	$ 2,890	$ 14,327	$ 160,193
-	-	-	-	39,947
-	-	20,726	25,110	45,836
-	-	-	-	1,175
9,033	67	23,616	39,437	247,151
2,801	-	-	2,436	178,454
75,000	2,579	360,375	362,623	3,693,918
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
77,801	2,579	360,375	365,059	3,872,372
$ 86,834	$ 2,646	$ 383,991	$ 404,496	$ 4,119,523

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SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Year Ended June 30, 2012

	FAIR BOARD FUND	CHILDREN & YOUTH SERVICES FUND	ROAD FUND	CORNER PRESERVATION FUND
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Interest on investments	380	771	(833)	1,893
Miscellaneous	28,483	-	174,217	-
Intergovernmental	60,798	557,880	3,724,184	-
Licenses and Permits	-	-	27,843	-
Fines and fees	292,836	-	219,896	79,084
Total revenues	382,497	558,651	4,145,307	80,977
EXPENDITURES				
General governmental	-	-	-	132,747
Roads and bridges	-	-	4,267,460	-
Public safety	-	-	-	-
Health and welfare	-	426,451	-	-
Culture and recreation	280,010	-	-	-
Economic development	-	-	-	-
Debt Service	-	-	-	-
Capital outlay	(4,035)	-	11,996	-
Total expenditures	275,975	426,451	4,279,456	132,747
Excess of Revenues Over (Under) Expenditures	106,522	132,200	(134,149)	(51,770)
Other Financing Sources (Uses):				
Sale of asset	-	-	-	-
Transfers In	20,100	-	359,517	-
Transfers Out	(5,551)	(125,163)	(153,448)	(19,963)
Total Other Financing Sources (Uses)	14,549	(125,163)	206,069	(19,963)
Net Change in Fund Balance	121,071	7,037	71,920	(71,733)
Prior Period Adjustments	-	-	-	-
FUND BALANCE - BEGINNING OF YEAR	2,288	79,342	492,402	397,674
FUND BALANCE - END OF YEAR	$ 123,359	$ 86,379	$ 564,322	$ 325,941

INMATE BENEFIT EXPENSES FUND	COURTHOUSE SECURITY FUND	COMMUNITY CORRECTIONS FUND	LAW LIBRARY FUND	FOOTPATH & BICYCLE TRAIL FUND	DIRECT PASS THROUGH GRANT FUND
$ -	$ -	$ -	$ -	$ -	$ -
416	393	2,848	797	1,466	-
-	-	75,488	-	-	-
-	-	1,164,479	-	33,116	3,045,794
-	-	-	-	-	-
203,475	46,518	175,331	45,847	-	-
203,891	46,911	1,418,146	46,644	34,582	3,045,794
-	-	-	-	-	-
-	-	-	-	-	-
181,967	4,391	1,147,404	-	-	-
-	-	-	-	-	3,266,089
-	-	-	44,307	-	-
-	-	-	-	-	-
-	-	6,680	-	-	-
-	-	-	-	-	-
181,967	4,391	1,154,084	44,307	-	3,266,089
21,924	42,520	264,062	2,337	34,582	(220,295)
-	-	-	-	-	-
-	-	13,500	-	-	-
(11,653)	(42,000)	(356,811)	-	-	-
(11,653)	(42,000)	(343,311)	-	-	-
10,271	520	(79,249)	2,337	34,582	(220,295)
-	-	-	-	-	-
57,627	68,363	473,453	145,248	264,259	220,295
$ 67,898	$ 68,883	$ 394,204	$ 147,585	$ 298,841	$ -

COUNTY PARK FUND	BUILDING SERVICES FUND	MEADOWVIEW SERVICE DISTRICT FUND	COLUMBIA COUNTY DEVELOPMENT AGENCY	4-H EXTENSION SERVICE DISTRICT FUND	TOTAL
$ -	$ -	$ 2,462	$ 34,465	$ 223,237	$ 260,164
5,345	(45)	17	2,048	2,182	17,678
24,361	-	29		6,736	309,314
111,923	-	-	-	-	8,698,174
-	-	-	-	-	27,843
1,229,673	420,023	-	-		2,712,683
1,371,302	419,978	2,508	36,513	232,155	12,025,856
-	387,959	1,694	-		522,400
-	-	-	-	-	4,267,460
-	-	-	-	-	1,333,762
-	-	-	-	-	3,692,540
455,895	-	-	-	228,560	1,008,772
-	-	-	41,250	-	41,250
-	-	-	-	-	6,680
45,795	-	-	-	-	53,756
501,690	387,959	1,694	41,250	228,560	10,926,620
869,612	32,019	814	(4,737)	3,595	1,099,236
-	-	-	-	-	-
189,685	104,196	-	-	-	686,998
(283,994)	(58,414)	(750)	-	-	(1,057,747)
(94,309)	45,782	(750)	-	-	(370,749)
775,303	77,801	64	(4,737)	3,595	728,487
-	-	-	-	-	-
213,843	-	2,515	365,112	361,464	3,143,885
$ 989,146	$ 77,801	$ 2,579	$ 360,375	$ 365,059	$ 3,872,372

ROAD FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Grants	$ 441,000	$ 441,000	$ 445,657	$ 4,657
State revenue sharing	3,670,000	3,670,000	3,278,527	(391,473)
Interest on investments	3,000	3,000	(833)	(3,833)
Licenses and permits	40,000	40,000	27,843	(12,157)
Fines and fees	250,000	250,000	219,896	(30,104)
Sale of materials	-	-	1,646	1,646
Miscellaneous	76,000	76,000	172,571	96,571
Total revenue	4,480,000	4,480,000	4,145,307	(334,693)
EXPENDITURES				
Personal services	2,295,782	2,395,782 (1)	2,370,249	25,533
Materials and services	2,402,548	2,302,548 (1)	1,897,211	405,337
Capital outlay	112,000	112,000 (1)	11,996	100,004
Contingency	528,653	528,653 (1)	-	528,653
Total expenditures	5,338,983	5,338,983	4,279,456	1,059,527
Excess of Revenues Over (Under) Expenditures	(858,983)	(858,983)	(134,149)	724,834
Other Financing Sources (Uses)				
Transfers out	-	-	(153,448)	(153,448)
Transfers in	146,109	146,109	359,517	213,408
Total Other Financing Sources (Uses)	146,109	146,109	206,069	59,960
Net Change in Fund Balance	(712,874)	(712,874)	71,920	784,794
FUND BALANCE - BEGINNING	712,874	712,874	492,402	(220,472)
FUND BALANCE - ENDING	$ -	$ -	$ 564,322	$ 564,322

(1) Appropriation Level

DIRECT PASS-THROUGH GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
State mental health	$ 3,740,000	$ 3,740,000	$ 3,045,794	$ (694,206)
Economic Development District	-	-	-	-
Total revenues	3,740,000	3,740,000	3,045,794	(694,206)
EXPENDITURES				
Personal services	-	-		-
Material and services	3,740,000	3,740,000 (1)	3,266,089	473,911
Total expenditures	3,740,000	3,740,000	3,266,089	473,911
Net Change in Fund Balance	-	-	(220,295)	(220,295)
FUND BALANCE - BEGINNING	-	-	220,295	220,295
FUND BALANCE - ENDING	$ -	$ -	$ -	$ -

(1) Appropriation Level

FAIR BOARD FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
State revenue sharing - lottery	$ 36,000	$ 36,000	$ 50,003	$ 14,003
Interest on investments	-	-	380	380
Miscellaneous	30,000	30,000	28,483	(1,517)
Grants	-	-	10,795	10,795
Fines and fees	191,700	241,700	292,836	51,136
Total revenue	257,700	307,700	382,497	74,797
EXPENDITURES				
Personal services	46,582	46,582 (1)	45,114	1,468
Materials and Services	233,415	283,415 (1)	234,896	48,519
Capital Outlay	-	- (1)	(4,035)	4,035
Contingency	1,373	1,373 (1)	-	1,373
Total expenditures	281,370	331,370	275,975	55,395
Excess of Revenues Over (Under) Expenditures	(23,670)	(23,670)	106,522	130,192
Other Financing Sources (Uses)				
Transfers out	-	-	(5,551)	5,551
Transfers in	20,000	20,000	20,100	100
Total Other Financing Sources (Uses)	20,000	20,000	14,549	(5,451)
Net Change in Fund Balance	(3,670)	(3,670)	121,071	124,741
FUND BALANCE - BEGINNING	3,670	3,670	2,288	(1,382)
FUND BALANCE - ENDING	$ -	$ -	$ 123,359	$ 123,359

(1) Appropriation Level

CHILDREN AND YOUTH SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Grants	$ 1,185,000	$ 1,185,000	$ 557,880	$ (627,120)
Interest on investments	600	600	771	171
Total revenues	1,185,600	1,185,600	558,651	(626,949)
EXPENDITURES				
Personal services	127,926	133,926 (1)	131,811	2,115
Materials and services	1,056,000	905,000 (1)	294,640	610,360
Contingency	101,316	101,316 (1)	-	101,316
Total expenditures	1,285,242	1,140,242	426,451	713,791
Excess of Revenues Over (Under) Expenditures	(99,642)	45,358	132,200	86,842
Other Financing Sources (Uses)				
Transfers Out	(16,684)	(161,684)	(125,163)	36,521
Net Change in Fund Balance	(116,326)	(116,326)	7,037	123,363
FUND BALANCE - BEGINNING	116,326	116,326	79,342	(36,984)
FUND BALANCE - ENDING	$ -	$ -	$ 86,379	$ 86,379

(1) Appropriation Level

CORNER PRESERVATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Interest on investments	$ 3,500	$ 3,500	$ 1,893	$ (1,607)
Fines and fees	100,000	100,000	79,084	(20,916)
Total revenues	103,500	103,500	80,977	(22,523)
EXPENDITURES				
Personal services	148,127	148,127 (1)	128,204	19,923
Materials and services	125,763	125,763 (1)	4,543	121,220
Contingency	211,239	211,239 (1)	-	211,239
Total expenditures	485,129	485,129	132,747	352,382
Excess of Revenues Over (Under) Expenditures	(381,629)	(381,629)	(51,770)	329,859
Other Financing Sources (Uses)				
Transfers out	-	-	(19,963)	(19,963)
Total Other Financing Sources (Uses)	-	-	(19,963)	(19,963)
Net Change in Fund Balance	(381,629)	(381,629)	(71,733)	309,896
FUND BALANCE - BEGINNING	381,629	381,629	397,674	16,045
FUND BALANCE - ENDING	$ -	$ -	$ 325,941	$ 325,941

(1) Appropriation Level

INMATE BENEFIT EXPENSE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Interest on investments	$ 100	$ 100	$ 416	$ 316
Fines and fees	168,000	198,000	203,475	5,475
Total revenues	168,100	198,100	203,891	5,791
EXPENDITURES				
Personal services	28,662	28,662 (1)	23,983	4,679
Materials and services	160,500	175,500 (1)	157,984	17,516
Contingency	3,170	3,170 (1)	-	3,170
Total expenditures	192,332	207,332	181,967	25,365
Excess of Revenues Over (Under) Expenditures	(24,232)	(9,232)	21,924	31,156
Other Financing Sources (Uses)				
Transfers Out	-	(15,000) (1)	(11,653)	3,347
Net Change in Fund Balance	(24,232)	(24,232)	10,271	34,503
FUND BALANCE - BEGINNING	24,232	24,232	57,627	33,395
FUND BALANCE - ENDING	$ -	$ -	$ 67,898	$ 67,898

(1) Appropriation Level

COURTHOUSE SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Interest on investments	$ 300	$ 300	$ 393	$ 93
Fees	24,000	28,000	46,518	18,518
Total revenues	24,300	28,300	46,911	18,611
EXPENDITURES				
Contingency	22,650	22,650 (1)	-	22,650
Materials and Services	6,300	10,300 (1)	4,391	5,909
Capital outlay	10,000	10,000 (1)	-	10,000
Total expenditures	38,950	42,950	4,391	38,559
Excess of Revenues Over (Under) Expenditures	(14,650)	(14,650)	42,520	57,170
Other Financing Sources (Uses)				
Transfers Out	(42,000)	(42,000) (1)	(42,000)	-
Net Change in Fund Balance	(56,650)	(56,650)	520	57,170
FUND BALANCE - BEGINNING	56,650	56,650	68,363	11,713
FUND BALANCE - ENDING	$ -	$ -	$ 68,883	$ 68,883

(1) Appropriation Level

COMMUNITY CORRECTIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Grant	$ 1,445,588	$ 1,445,588	$ 1,164,479	$ (281,109)
Interest on investment	3,000	3,000	2,848	(152)
Miscellaneous	63,000	63,000	75,488	12,488
Fines and fees	208,000	208,000	175,331	(32,669)
Total revenues	1,719,588	1,719,588	1,418,146	(301,442)
EXPENDITURES				
Personal services	1,139,490	1,139,490 (1)	1,011,520	127,970
Materials and services	510,665	510,665 (1)	135,884	374,781
Debt service	6,680	6,680 (1)	6,680	-
Contingency	89,116	89,116 (1)	-	89,116
Total expenditures	1,745,951	1,745,951	1,154,084	591,867
Excess of Revenues Over (Under) Expenditures	(26,363)	(26,363)	264,062	290,425
Other Financing Sources (Uses)				
Transfers out	(282,750)	(282,750) (1)	(356,811)	(74,061)
Transfers in	-	-	13,500	13,500
Total other financing sources (uses)	(282,750)	(282,750)	(343,311)	(60,561)
Net Change in Fund Balance	(309,113)	(309,113)	(79,249)	229,864
FUND BALANCE - BEGINNING	309,113	309,113	473,453	164,340
FUND BALANCE - ENDING	$ -	$ -	$ 394,204	$ 394,204

(1) Appropriation Level

LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Interest on investments	$ 500	$ 500	$ 797	$ 297
Fees, fines, and permits	50,000	50,000	45,847	(4,153)
Total revenues	50,500	50,500	46,644	(3,856)
EXPENDITURES				
Materials and services	64,768	64,768 (1)	44,307	20,461
Capital outlay	25,000	25,000 (1)	-	25,000
Contingency	38,752	38,752 (1)	-	38,752
Total expenditures	128,520	128,520	44,307	84,213
Net Change in Fund Balance	(78,020)	(78,020)	2,337	80,357
FUND BALANCE - BEGINNING	78,020	78,020	145,248	67,228
FUND BALANCE - ENDING	$ -	$ -	$ 147,585	$ 147,585

(1) Appropriation Level

FOOTPATH AND BICYCLE TRAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
State revenue sharing	$ 30,000	$ 30,000	$ 33,116	$ 3,116
Interest on investment	1,000	1,000	1,466	466
Total revenues	31,000	31,000	34,582	3,582
EXPENDITURES				
Capital outlay	293,537	293,537 (1)	-	293,537
Total expenditures	293,537	293,537	-	293,537
Excess of Revenues Over (Under) Expenditures	(262,537)	(262,537)	34,582	297,119
Other Financing Sources (Uses)				
Transfers out	-	- (1)	-	-
Net Change in Fund Balance	(262,537)	(262,537)	34,582	297,119
FUND BALANCE - BEGINNING	262,537	262,537	264,259	1,722
FUND BALANCE - ENDING	$ -	$ -	$ 298,841	$ 298,841

(1) Appropriation Level

COUNTY PARK FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Grants	$ 75,000	$ 75,000	$ 16,700	$ (58,300)
State revenue sharing	95,000	95,000	95,223	223
Interest on investments	-	-	5,345	5,345
Donations			-	-
Miscellaneous	16,000	16,000	24,361	8,361
Fines and fees	702,000	702,000	1,229,673	527,673
Total revenues	888,000	888,000	1,371,302	483,302
EXPENDITURES				
Personal services	216,527	246,527 (1)	240,289	6,238
Material and services	330,592	330,592 (1)	215,606	114,986
Capital outlay	260,000	195,000 (1)	45,795	149,205
Contingency	485,000	485,000 (1)	-	485,000
Total expenditures	1,292,119	1,257,119	501,690	755,429
Excess of Revenues Over (Under) Expenditures	(404,119)	(369,119)	869,612	1,238,731
Other Financing Sources (Uses)				
Transfers Out	-	(95,000)	(283,994)	(188,994)
Transfers in	125,000	185,000	189,685	4,685
Total other financing sources (uses)	125,000	90,000	(94,309)	(184,309)
Net Change in Fund Balance	(279,119)	(279,119)	775,303	1,054,422
FUND BALANCE - BEGINNING	374,119	374,119	213,843	(160,276)
FUND BALANCE - ENDING	$ 95,000	$ 95,000	$ 989,146	$ 894,146

(1) Appropriation Level

BUILDING SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Interest on investments	$ 120	$ 120	$ (45)	$ (165)
Fees, fines, and permits	524,000	524,000	420,023	(103,977)
Total revenues	524,120	524,120	419,978	(104,142)
EXPENDITURES				
Personal services	430,229	410,229 (1)	371,204	39,025
Materials and services	38,250	38,250 (1)	16,755	21,495
Capital outlay	-	- (1)	-	-
Contingency	78,506	78,506 (1)	-	78,506
Total expenditures	546,985	526,985	387,959	139,026
Excess of Revenues Over (Under) Expenditures	(22,865)	(2,865)	32,019	34,884
Other Financing Sources (Uses)				
Transfers out	(38,994)	(58,994)	(58,414)	580
Transfers in	-	-	104,196	104,196
Total other financing sources (uses)	(38,994)	(58,994)	45,782	104,776
Net Change in Fund Balance	(61,859)	(61,859)	77,801	139,660
FUND BALANCE - BEGINNING	136,859	136,859	-	(136,859)
FUND BALANCE - ENDING	$ 75,000	$ 75,000	$ 77,801	$ 2,801

(1) Appropriation Level

JAIL BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Property taxes	$ 1,189,588	$ 1,189,588	$ 1,188,636	$ (952)
Interest on investments	600	600	2,375	1,775
Total revenues	1,190,188	1,190,188	1,191,011	823
EXPENDITURES				
Debt service:				
Principal	840,000	840,000	840,000	-
Interest	270,188	270,188	270,188	-
Total expenditures	1,110,188	1,110,188 (1)	1,110,188	-
Net Change in Fund Balance	80,000	80,000	80,823	823
FUND BALANCE - BEGINNING	(70,000)	(70,000)	(49,816)	20,184
FUND BALANCE - ENDING	$ 10,000	$ 10,000	$ 31,007	$ 21,007

(1) Appropriation Level

COLUMBIA COUNTY DEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Property tax	$ 105,188	$ 105,188	$ 34,465	$ (70,723)
Interest	1,800	1,800	2,048	248
Forest, Land, Sales & Royalties	-	-	-	-
Total revenues	106,988	106,988	36,513	(70,475)
EXPENDITURES				
Debt Service	15,000	15,000 (1)	-	15,000
Materials and services	150,000	150,000 (1)	41,250	108,750
Contingency	60,651	60,651 (1)	-	60,651
Total expenditures	225,651	225,651	41,250	184,401
Net Change in Fund Balance	(118,663)	(118,663)	(4,737)	113,926
FUND BALANCE - BEGINNING OF YEAR	218,663	218,663	365,112	146,449
FUND BALANCE - END OF YEAR	$ 100,000	$ 100,000	$ 360,375	$ 260,375

(1) Appropriation Level

4-H EXTENSION SERVICE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Property tax	$ 210,796	$ 210,796	$ 223,237	$ 12,441
Interest	4,000	4,000	2,182	(1,818)
Miscellaneous	7,000	7,000	6,736	(264)
Total revenues	221,796	221,796	232,155	10,359
EXPENDITURES				
Personal services	165,149	165,149 (1)	121,603	43,546
Materials and services	110,000	110,000 (1)	106,957	3,043
Capital outlay	13,500	13,500 (1)	-	13,500
Contingency	145,147	145,147 (1)	-	145,147
Total expenditures	433,796	433,796	228,560	205,236
Net Change in Fund Balance	(212,000)	(212,000)	3,595	215,595
FUND BALANCE - BEGINNING OF YEAR	222,000	222,000	361,464	139,464
FUND BALANCE - END OF YEAR	$ 10,000	$ 10,000	$ 365,059	$ 355,059

(1) Appropriation Level

MEADOWVIEW SERVICE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Property tax	$ 2,505	$ 2,505	$ 2,462	$ (43)
Interest	15	15	17	2
Miscellaneous	10	10	29	19
Total revenues	2,530	2,530	2,508	(22)
EXPENDITURES				
Materials and services	2,000	2,000 (1)	1,694	306
Contingency	1,350	1,350 (1)	-	1,350
Total expenditures	3,350	3,350	1,694	1,656
Excess of Revenues Over (Under) Expenditures	(820)	(820)	814	1,634
Other Financing Sources (Uses)				
Transfers out	(750)	(750) (1)	(750)	-
Net Change in Fund Balance	(1,570)	(1,570)	64	1,634
FUND BALANCE - BEGINNING OF YEAR	2,370	2,370	2,515	145
FUND BALANCE - END OF YEAR	$ 800	$ 800	$ 2,579	$ 1,779

(1) Appropriation Level

TRANSFER STATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Tipping fees	$ 2,560,000	$ 2,560,000	$ 2,403,760	$ (156,240)
Interest	1,000	1,000	69	(931)
Miscellaneous	17,400	17,400	21,481	4,081
Total revenues	2,578,400	2,578,400	2,425,310	(153,090)
EXPENDITURES				
Personal Services	254,839	254,839 (1)	189,277	65,562
Materials and Services	1,833,188	1,833,188 (1)	1,781,261	51,927
Capital outlay	150,000	150,000 (1)	538	149,462
Debt service	323,660	323,660 (1)	319,927	3,733
Contingencies	284,613	284,613 (1)	-	284,613
Total expenditures	2,846,300	2,846,300	2,291,003	555,297
Excess of Revenues Over (Under) Expenditures	(267,900)	(267,900)	134,307	402,207
Other Financing Sources (Uses)				
Transfers out	-	-	(42,210)	(42,210)
Transfers In	-	-	59,912	59,912
Total other financing sources (uses)	-	-	17,702	17,702
Net Change in Fund Balance	(267,900)	(267,900)	152,009	419,909
FUND BALANCE - BEGINNING	467,900	467,900	51,394	(416,506)
FUND BALANCE - ENDING	$ 200,000	$ 200,000	$ 203,403	$ 3,403

(1) Appropriation Level

Reconciliation to Ending Net Assets:

Add Capital Assets	4,619,599
Deduct Long Term Debt	(3,792,861)
Deduct Interest Payable	-
Net Assets	$ 1,030,141

COLUMBIA COUNTY, OREGON
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2012

		TREASURER FUND
ASSETS		
Cash and cash equivalents	$	828,012
Property tax receivable		6,174,405
Other assets		18,599
Total assets	$	7,021,016
LIABILITIES		
Payable to inmates	$	-
Due to other governments		7,021,016
Total liabilities	$	7,021,016

COLUMBIA COUNTY, OREGON
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Year Ended June 30, 2012

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
Treasurer Fund				
Assets				
Cash	$ 2,298,451	$ 65,517,711	$ 66,988,150	$ 828,012
Property taxes receivable	5,569,512	53,205,347	52,600,454	6,174,405
Accounts Receivable	5,481	18,599	5,481	18,599
Total assets	$ 7,873,444	$ 118,741,657	$ 119,594,085	$ 7,021,016
Liabilities				
Due to other governments	7,873,444	118,741,657	119,594,085	7,021,016
Total liabilities	7,873,444	118,741,657	119,594,085	7,021,016
Total - All Agency Funds				
Assets				
Cash	$ 2,298,451	$ 65,517,711	$ 66,988,150	$ 828,012
Property taxes receivable	5,569,512	53,205,347	52,600,454	6,174,405
Accounts Receivable	5,481	18,599	5,481	18,599
Total assets	$ 7,873,444	$ 118,741,657	$ 119,594,085	$ 7,021,016
Liabilities				
Payable to inmates	$ -	$ -	$ -	$ -
Due to other governments	7,873,444	118,741,657	119,594,085	7,021,016
Total liabilities	$ 7,873,444	$ 118,741,657	$ 119,594,085	$ 7,021,016

GENERAL FUND BY DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

Expenditures	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
Board of Commissioners:				
Personal services	$ 369,885	$ 374,885	$ 368,554	$ 6,331
Materials and services	107,738	114,738	26,937	87,801
Transfer			95,312	(95,312)
Total Board of Commissioners	477,623	489,623 (1)	490,803	(1,180)
Assessor's Office:				
Personal service	1,085,054	1,106,054	1,102,584	3,470
Materials and services	200,600	200,600	33,031	167,569
Capital outlay	87,700	81,200	70,174	11,026
Transfer	11,000	1,500	157,787	(156,287)
Total Assessor's Office	1,384,354	1,389,354 (1)	1,363,576	25,778
Tax Office				
Personal services	109,589	116,589	114,643	1,946
Materials and services	82,509	79,509	32,889	46,620
Capital outlay	-	-	-	-
Transfer	1,750	-	44,793	(44,793)
Total Tax Collector	193,848	196,098 (1)	192,325	3,773
Clerk's Office:				
Personal services	172,284	172,284	161,693	10,591
Materials and services	89,053	89,053	26,176	62,877
Capital outlay	19,000	19,000	18,000	1,000
Transfer			47,954	(47,954)
Total Clerk's Office	280,337	280,337 (1)	253,823	26,514
Elections:				
Personal services	99,830	99,830	94,180	5,650
Materials and services	134,673	134,673	83,963	50,710
Capital outlay	6,750	81,750	74,170	7,580
Transfer			36,100	(36,100)
Total Elections	241,253	316,253 (1)	288,413	27,840
Sheriff's Office:				
Personal services	1,751,319	1,784,319	1,810,851	(26,532)
Materials and services	638,090	613,090	322,578	290,512
Capital outlay	-	25,000	24,970	30
Transfer	-	-	258,296	(258,296)
Total Sheriff's Office	2,389,409	2,422,409 (1)	2,416,695	5,714

GENERAL FUND BY DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
County Jail:				
Personal services	2,600,653	2,542,653	2,526,909	15,744
Materials and services	1,596,539	1,621,539	1,373,916	247,623
Capital outlay	100,000	50,000	56,782	(6,782)
Transfer	-	50,000	182,538	(132,538)
Reserve addition (contingency)	-	335,000	-	335,000
Total County Jail	4,297,192	4,599,192 (1)	4,140,145	459,047
Economic Development Office:				
Personal service	147,056	154,556	158,842	(4,286)
Materials and services	155,231	147,731	94,910	52,821
Transfer	20,000	20,000	69,881	(49,881)
Total Economic Development	322,287	322,287 (1)	323,633	(1,346)
County Surveyor:				
Personal service	71,055	71,055	45,569	25,486
Materials and services	15,309	15,309	1,750	13,559
Transfer			11,288	(11,288)
Total County Surveyor	86,364	86,364 (1)	58,607	27,757
District Attorney:				
Personal service	996,495	1,016,495	999,982	16,513
Material and services	187,010	189,510	34,045	155,465
Transfer	8,200	-	146,271	(146,271)
Total District Attorney	1,191,705	1,206,005 (1)	1,180,298	25,707
Justice Court - Clatskanie/Vernonia:				
Personal services	141,229	166,229	162,710	3,519
Materials and services	131,004	181,004	139,155	41,849
Transfer			18,085	(18,085)
Total Justice Court	272,233	347,233 (1)	319,950	27,283
Columbia County Firing Range:				
Personal services	15,736	15,736	12,315	3,421
Materials and services	78,865	78,865	63,634	15,231
Transfer			9,828	(9,828)
Debt Service	-	11,700	11,670	30
Total Firing Range:	94,601	106,301 (1)	97,447	8,854
Juvenile Department				
Personal services	504,620	529,620	521,368	8,252
Materials and services	310,857	310,857	170,250	140,607
Transfer	6,500	-	107,487	(107,487)
Total Juvenile Department	821,977	840,477 (1)	799,105	41,372

GENERAL FUND BY DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
County Counsel:				
Personal service	352,845	352,845	348,115	4,730
Materials and service	38,000	73,000	63,759	9,241
Total County Counsel	390,845	425,845 (1)	411,874	13,971
Veteran's Service Office:				
Materials and service	62,807	62,807	62,807	-
Total Veteran's Service Office	62,807	62,807 (1)	62,807	-
Emergency Services:				
Personal services	196,714	231,714	228,509	3,205
Materials and services	126,209	156,209	56,600	99,609
Capital Outlay	300,000	265,000	-	265,000
Transfer			87,972	(87,972)
Total Emergency Services	622,923	652,923 (1)	373,081	279,842
Finance Office				
Personal services	331,001	331,001	324,714	6,287
Materials and services	86,232	82,232	47,698	34,534
Capital outlay	5,000	9,000	8,032	968
Total Finance Office	422,233	422,233 (1)	380,444	41,789
Land Development Office				
Personal services	732,095	837,095	824,971	12,124
Materials and services	560,033	455,033	255,476	199,557
Capital outlay	800,000	1,250,000	1,215,929	34,071
Transfer	80,000	80,000	256,269	(176,269)
Contingency	-	-	-	-
Total Land Development Services	2,172,128	2,622,128 (1)	2,552,645	69,483
Information Services:				
Personal services	248,611	258,611	252,282	6,329
Materials and services	214,175	184,175	124,493	59,682
Capital outlay	25,600	45,600	28,626	16,974
Contingency	-	-	-	-
Total Information Services	488,386	488,386 (1)	405,401	82,985
Human Resources/Civil Services:				
Personal services	148,134	148,134	139,849	8,285
Materials and services	13,450	13,450	9,103	4,347
Total Human Resources/Civil Services	161,584	161,584 (1)	148,952	12,632

GENERAL FUND BY DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
Nondepartmental:				
Personal services	155,000	15,000 (1)	38,972	(23,972)
Materials and services	395,975	375,975 (1)	320,575	55,400
Debt service	710,311	710,311 (1)	710,299	12
Capital Outlay	100,000	-	(889)	889
Transfer	171,296	726,296 (1)	580,519	145,777
Contingency	1,075,000	843,750 (1)	-	843,750
Unappropriated Ending Balance	1,800,000	1,800,000 (1)	-	1,800,000
Total Non-departmental	4,407,582	4,471,332	1,649,476	2,821,856
Total expenditures	$ 20,781,671	$ 21,909,171	$ 17,909,500	$ 3,999,671

(1) Appropriation Level

COLUMBIA COUNTY, OREGON
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS
For the Year Ended June 30, 2012

	CFDA Number	SEFA
Dept. of Housing and Urban Development		
CDBG-CCMH/CAT	14.228	302,139
Dept. of the Interior		
* O&C Federal Timber Revenue	15.227	705,818
Dept. of Justice		
* ARRA MH Jail Grant	16.810	142,579 (1)
* State Criminal Alien Assistance Program	16.606	2,815
Juvenile Accountability Block Grants	16.523	1,725
Crime Victim Assistance-VOCA	16.575	55,195
Child Support	93.563	118,998
		321,312
Dept of Transportation		
* FTA earmark	20.500	800,000 (1)
Formula Grants for Other Than Urbanized Areas	20.509	539,211 (1)
Capital Assistance Prog for Elderly Persons and Persons with Disabilities	20.513	554,652
New Freedom Program	20.521	1,741
Formula Grants for Other Than Urbanized Areas ARRA	20.509	370,869 (1)
		2,266,473
Environmental Protection Agency		
Performance Partnership Grants	66.605	56
US Election Assistance Commission		
Help America Vote Act	93.617	67,421
Dept. of Energy		
ARRA - State Energy Program	81.041	1,013,587 (1)
* ARRA - Energy Efficiency and Conservation Block Grants	81.128	928,328 (1)
		1,941,915
Dept of Health & Human Services		
Substance Abuse and Mental Health Services_Projects of Regional and National Signif	93.243	20,000
Promoting Safe & Stable Families	93.556	13,260
Social Services Block Grant	93.667	41,943
Medical Assistance Program	93.778	13,962
CMHS Block Grant	93.958	13,074
Substance Abuse	93.959	399,019
		501,258
Dept. of Homeland Security		
** Urban Areas Security Initiative	97.008	103,983
Boating Safety Financial Assistance	97.012	66,579
Emergency Management Performance	97.042	355,705
State Homeland Security	97.073	2,742
♦ Flood Mitigation	97.029	10,956,688 (1)
♦ DR-1733 Hazard Mitigation	97.039	1,451,557 (1)
DR-1733 Hazard Mitigation	97.039	1,001,509 (1)
		13,938,763
Grand Total		20,045,155

* Federal Funds coming directly to county
** Federal Funds from non-state partner
♦ Paid to Title Company for buy out program
(1) Indicates Major Program

COLUMBIA COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For the Year Ended June 30, 2012

ALL COLUMBIA COUNTY GOVERNMENTS

TAX YEAR	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/1/11	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/12
Current:						
2011-12	$ 54,941,133	$ 1,363,329	$ (88,648)	$ 31,828	$ 50,600,154	$ 2,889,001
Prior Years:						
2010-11	2,828,325	(2,456)	(120,740)	85,504	1,016,932	1,693,109
2009-10	1,545,127	(3,995)	(138,726)	96,137	379,348	1,031,047
2008-09	837,910	(17)	(6,395)	138,611	449,506	382,026
2007-08	231,423	(13)	(5,063)	52,353	140,532	85,841
2006-07 & Prior	120,327	-	(12,964)	8,593	13,982	93,380
Total Prior	5,563,111	(6,481)	(283,888)	381,198	2,000,300	3,285,404
Total	$ 60,504,244	$ 1,356,848	$ (372,537)	$ 413,027	$ 52,600,454	$ 6,174,405

GENERAL AND DEBT SERVICE FUNDS:

TAX YEAR	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/1/11	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/12
Current:						
2011-12	$ 6,902,573	$ 170,369	$ (47,634)	$ 4,591	$ 6,331,768	$ 348,211
Prior Years:			-			
2010-11	337,852	94	22,057	11,740	145,827	202,248
2009-10	189,103	-	26,483	13,569	75,831	126,186
2008-09	106,766	-	40,148	20,437	77,799	48,678
2007-08	28,129	-	14,034	7,279	24,450	10,434
2006-07 & Prior	15,384	-	836	1,275	3,002	11,943
Total Prior	677,234	94	103,558	54,300	326,909	399,489
Total All Funds	$ 7,579,807	$ 170,463	$ 55,924	$ 58,891	$ 6,658,677	$ 747,700

Taxes Receivable classified by Fund:

General	$ 617,994
Debt Service	129,706
Subtotal	747,700
Development Agency	20,726
4-H	25,110
	$ 793,536

Total Revenue	$ 6,658,677
Total Accrued June 30, 2011	96,538
Total Accrued June 30, 2012	(95,258)
Development Agency	34,465
Meadowview Service District	2,462
4-H Extension Service District	223,237
Taxes in Lieu	35,818
Total Tax Revenue	$ 6,955,939

Property Tax Revenue Classified by Fund:

General	$ 5,507,139
Debt Service	1,188,636
Development Agency	34,465
Meadowview Service District	2,462
4-H Extension Service District	223,237
	$ 6,955,939

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COLUMBIA COUNTY, OREGON

OTHER INFORMATION

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COLUMBIA COUNTY, OREGON

SCHEDULE OF ACCOUNTABILITY FOR ELECTED OFFICIALS
For the Year Ended June 30, 2012

	ASSESSOR	COUNTY CLERK	DISTRICT ATTORNEY	SHERIFF	TREASURER	JUSTICE OF THE PEACE	TOTAL
On Hand - July 1, 2011	$ 100	$ 175	$ -	$ 29,602	$ 10,478,432	$ 2,343	$ 10,510,652
Receipts		341,126	-	711,252	112,230,364	496,339	113,779,081
Turnovers & Disbursements: To County Treasurer & Others	-	(341,126)	-	(700,807)	(114,602,265)	(495,556)	(116,139,755)
On Hand June 30, 2012	$ 100	$ 175	$ -	$ 40,047	$ 8,106,531	$ 3,126	$ 8,149,978
Consists of:							
Change, Petty Cash, and Revolving Funds	$ 100	$ 175	$ -	$ 100	$ 7,416,207	$ 3,126	$ 7,419,708
Held in Escrow for Flood Recovery Beneficiaries	-	-	-	-	690,323	-	690,323
Held in Trust for Inmates	-	-	-	39,947	-	-	39,947
On Hand June 30, 2012	$ 100	$ 175	$ -	$ 40,047	$ 8,106,531	$ 3,126	$ 8,149,978

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COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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PAULY, ROGERS AND CO., P.C.
® CERTIFIED PUBLIC ACCOUNTANTS

• 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
• (503) 620-2632 • FAX (503) 684-7523

November 16, 2012

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of Columbia County as of and for the year ended June 30, 2012, and have issued our report thereon dated December 16, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether Columbia 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 Statues 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 statements 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.**
- **Highway revenues used for public highways, roads, and streets.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Schedule of Accountability of Elected Officials**

In connection with our testing nothing came to our attention that caused us to believe Columbia 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:

1. Expenditures of the various funds were within authorized appropriations, except as noted on page 39.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not

for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of internal control over financial reporting.

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

Pauly, Rogers and Co., P.C.
PAULY, ROGERS AND CO., P.C.

COLUMBIA COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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November 16, 2012

To the County Commissioners
Columbia County, Oregon

Independent Auditors' 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*

We have audited the financial statements of Columbia County as of and for the year ended June 30, 2012, and have issued our report thereon dated November 16, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

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 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of 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.*

This report is intended solely for the information and use of management, the Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Pauly, Rogers and Co., P.C.

PAULY, ROGERS AND CO., P.C.

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November 16, 2012

To the County Commissioners
Columbia County, Oregon

Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Compliance

We have audited the compliance of Columbia County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2012 Columbia County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Columbia County's management. Our responsibility is to express an opinion on compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of compliance with those requirements.

In our opinion, Columbia County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management 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 audit, we considered internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

This report is intended solely for the information and use of management, the Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Pauly, Rogers and Co., P.C.

PAULY, ROGERS AND CO., P.C.

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued	Unqualified	
Internal control over financial reporting:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) indentified that is considered to be material weaknesses?	☐ yes	☒ none reported
Any audit findings disclosed relating to the financial statements which are required to be reported in accordance with GAGAS, A-133 S505(d)(2)	☐ yes	☒ no
Noncompliance material to financial statements noted?	☐ yes	☒ no

FEDERAL AWARDS

Internal control over major programs:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) indentified that are not considered to be material weaknesses?	☐ yes	☒ none reported
Type of auditors' report issued on compliance for major programs:	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, section 510(a)?	☐ yes	☒ no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER	NAME OF FEDERAL PROGRAM CLUSTER
20.500	Federal Transit Cluster
20.509	Nonurbanized Area Formula Program (ARRA)
97.039	Hazard Mitigation Program
97.029	Flood Mitigation Program
81.041	State Energy Program (ARRA)
81.128	Energy Efficiency and Conservation Block Grant (ARRA)
16.810	Assistance to Rural Law Enforcement to Combat Crime and Drugs (ARRA)

Dollar threshold used to distinguish between type A and type B programs:	$601,355	
Auditee qualified as low-risk auditee?	☒ yes	☐ no

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS:

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Columbia County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.