

**WALLOWA COUNTY,
OREGON**

Audit Report

June 30, 2012

Wallowa County, Oregon

June 30, 2012

County Organization

County Commissioners

Chairman	Michael Hayward	83738 Airport Lane Joseph, Oregon 97846
Commissioner	Susan Roberts	601 NE First Street Enterprise, Oregon 97828
Commissioner	Paul Castilleja	P.O. Box 204 Joseph, Oregon 97846

Other Elected Officials

Assessor	Gay Fregulia	67417 Crow Creek Road Enterprise, Oregon 97828
Clerk	Dana Roberts	501 Viking Drive Enterprise, Oregon 97828
District Attorney	Mona Kay Williams	111 Barton Heights Joseph, Oregon 97846
Sheriff	Fred Steen	66998 Crow Creek Road Enterprise, Oregon 97828
Surveyor	Richard Shaver	P.O. Box 61 Wallowa, Oregon 97885
Treasurer and Tax Collector	Shonelle Dutcher	211 S. Broadmore Enterprise, Oregon 97828

Wallowa County, Oregon

June 30, 2012

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**FINANCIAL
SECTION**



Michael Hayward, Chairman
and County Commissioners
Wallowa County, Oregon
Enterprise, Oregon 97828

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wallowa County, Oregon as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We 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 misstatements. 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.

As discussed in Note 1 to the financial statements, the County prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position—modified cash basis of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wallowa County, Oregon as of June 30, 2012, and the respective changes in financial position—modified cash basis and, where applicable, the cash flows thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2012 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis and budgetary comparison information on pages 7-13 and 42-44 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures to management's discussion and analysis, which consisted principally of inquiries of management regarding the methods of measurement and presentation. However, we did not audit management's discussion and analysis and express no opinion on it. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

We performed our audit to form opinions on the financial statements that collectively comprise the County's basic financial statements. The statements and schedules listed in the "Other Supplemental Information" section of the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the County. We subjected the supplemental statements and schedules and the schedule of expenditures of federal awards to the auditing procedures applied in the audit of the basic financial statements; and in our opinion, they are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Jeff T. Edison, CPA
Edison, Perry & Company, P.C.
Certified Public Accountants
Enterprise, Oregon
December 17, 2012

Wallowa County's Management Discussion and Analysis

This section of Wallowa County's Financial Audit Report provides readers with a narrative overview of the financial activities of the County for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with the independent auditor's report, basic financial statements and notes to the financial statements to enhance their understanding of the activities and financial health of Wallowa County.

Financial Highlights

- The County's net assets are **\$17,339,906**. The net assets for the Wallowa Lake County Service District are **\$2,508,667**. Wallowa County's net assets increased by \$2,140,105 from the previous year. Wallowa Lake County Service District's decreased from the previous year by \$29,567.
- On October 3, 2008 the Congress passed and the President signed a bill containing a four year extension of the Secure Rural Schools and Community Self-Determination Act, known in the County as the Federal Forest Payments. The reduced rate four year extension, set to expire in 2011, was extended for one year with full funding. The County received \$990,851 in the fiscal year ended June 30, 2012.
- Also, included in the bill is the full funding of the Payment in Lieu of Taxes (PILT) program. The County received \$398,508 in the fiscal year ended June 30, 2012.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Wallowa County's basic financial statements. The basic financial statements contain three components: government-wide financial statements, fund financial statements and notes to the financial statements. In addition, this report contains Supplemental Information which contains additional information and schedules.

Government-wide Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to that used by most private-sector business. These financial statements present the County and its component unit. Component units are entities for which the County is considered financially accountable. In Wallowa County's case, the component unit is the Wallowa Lake County Service District (WLCSD).

Both types of government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include administration, community development, health and human services, public safety and public works. The business-type activities of the County include the Community Service Building, Justice Center, Building Codes and Solid Waste.

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

The *Statement of Activities* presents information showing how the government's net assets have 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).

Fund Financial Statements

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

Governmental funds. Governmental funds are used for functions of the County that are principally supported by taxes and intergovernmental revenues. The County maintains 33 individual government funds including the General Fund which is a major governmental fund. Information is presented separately for each of these funds in the supplemental section of this report.

Proprietary funds. Proprietary funds are used to report the functions of government that are business type activities. The County has eight (8) funds of this type: solid waste, justice center, building codes and community service building and related sinking funds, which are further classified as Enterprise funds.

Fiduciary funds. Fiduciary funds or Trust and Agency funds are used to account for resources held for the benefit of parties outside the government such as school districts, cemetery districts and other entities that receive county collected tax dollars. They 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 financial statements

The notes provide additional information that is essential to a full understanding of the financial data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 24 of this report.

General Fund Budgetary Highlights

The total General Fund budget appropriation for fiscal year 2011-2012 was \$5,602,062. Actual expenditures were \$5,118,612. The County made several revisions to the budget throughout the year to deal with unexpected changes in revenues and expenditures. Revisions are made by adopting orders and supplemental budgets detailing the changes and the need for the changes.

Unfortunately, due to some unanticipated revenues not being formally recognized and the related expenditures not being appropriated through the formal order process, the County had several budget violations, which affected several funds, including the General Fund. These violations, in most cases, were not as a result of not having the related revenues, but were the result of a failure to authorize the budget changes. These budget violations are outlined on pages 40 and 44.

Of the budget violations mentioned above, two affected the General Fund.

- Other general expenditures, or non-departmental capital outlay was overspent by \$25,094.
- Land Acquisitions capital outlay was overspent by \$761,000.

Financial Analysis of the County’s Funds

The County’s total net assets were \$17,339,906 for the fiscal year ending June 30, 2012.

	Primary Government		Component Unit - WLCSD	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
ASSETS				
Cash	\$ 7,384,022	\$ 7,487,921	\$ 617,449	\$ 548,951
Receivables	142,069	136,656	54,785	45,627
Fixed Assets	10,656,660	8,417,087	1,891,218	1,989,283
TOTAL ASSETS	<u>\$ 18,182,751</u>	<u>\$ 16,041,664</u>	<u>\$ 2,563,452</u>	<u>\$ 2,583,861</u>
LIABILITIES				
Deferred Revenue	\$ 142,069	\$ 136,656	\$ 54,785	\$ 45,627
Current Liabilities	80,095	224,657	-	-
Long Term Liabilities	620,681	480,530	-	-
Total Liabilities	842,845	841,843	54,785	45,627
NET ASSETS				
Capital Assets	9,955,884	7,711,900	1,891,218	1,989,283
Restricted	287,253	1,247,774	-	-
Unrestricted	7,096,769	6,240,147	617,449	548,951
Total Net Assets	<u>17,339,906</u>	<u>15,199,821</u>	<u>2,508,667</u>	<u>2,538,234</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 18,182,751</u>	<u>\$ 16,041,664</u>	<u>\$ 2,563,452</u>	<u>\$ 2,583,861</u>

Fund Balances

The General Fund ending balance decreased from last year's ending fund balance by \$272,942. This is a result of the increased cost to provide services. Total operating revenues increased by \$1,080,982 from prior year, while program expenditures increased by \$1,291,428.

The Public Works fund saw an increase in ending fund balance of \$935,697. The majority of the increase resulted from an unanticipated increase in highway user fees and federal forest fees and the sale of materials and asphalt.

STATEMENT OF ACTIVITIES

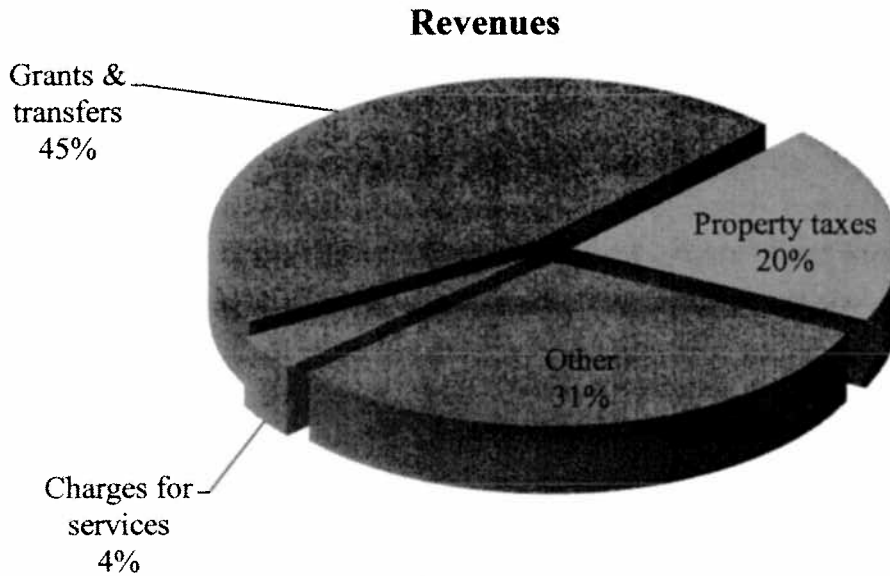
The Statement of Activities that follows shows an increase in assets for the Primary Government of \$2,140,085 and a decrease for the Component Unit net assets of a total of \$29,567. The Primary Government saw an increase in program revenues as well as an increase in taxes and other revenues.

STATEMENT OF ACTIVITIES

	<u>PRIMARY GOVERNMENT</u>			<u>WLCS D</u>
	Governmental	Business-type	Total	
	Activities	Activities		
EXPENSES				
Administration	\$ 1,187,913	\$ -	\$ 1,187,913	
Community Development	1,676,866	-	1,676,866	
Human Services	712,267	-	712,267	
Public Safety	1,835,456	-	1,835,456	
Public Works	2,509,487	-	2,509,487	
Interest & fees on long term debt	24,533	-	24,533	
Solid Waste	-	283,755	283,755	
Community Complex	-	33,816	33,816	
Justice Center	-	24,705	24,705	
Building Codes	-	190,601	190,601	
Total Expenses	7,946,522	532,877	8,479,399	\$ 296,363
PROGRAM REVENUES				
Charges for services	390,297	527,323	917,620	263,149
Operating Grants	4,822,397	2,000	4,824,397	297
Capital Grants	104,291	-	104,291	-
Total Program Revenues	5,316,985	529,323	5,846,308	263,446
GENERAL REVENUES				
Property taxes	2,141,377	1,025	2,142,402	244
Other taxes & fees	259,700	9,005	268,705	-
Other receipts & refunds	2,331,605	2,838	2,334,443	-
Interest income	37,181	1,624	38,805	3,106
Transfers	(500)	500	-	-
Gain (Loss) on asset disposal	(11,179)	-	(11,179)	-
Total General Revenues	4,758,184	14,992	4,773,176	3,350
TOTAL REVENUES	10,075,169	544,315	10,619,484	266,796
NET CHANGE IN ASSETS	\$2,128,647	\$ 11,438	\$2,140,085	\$ (29,567)

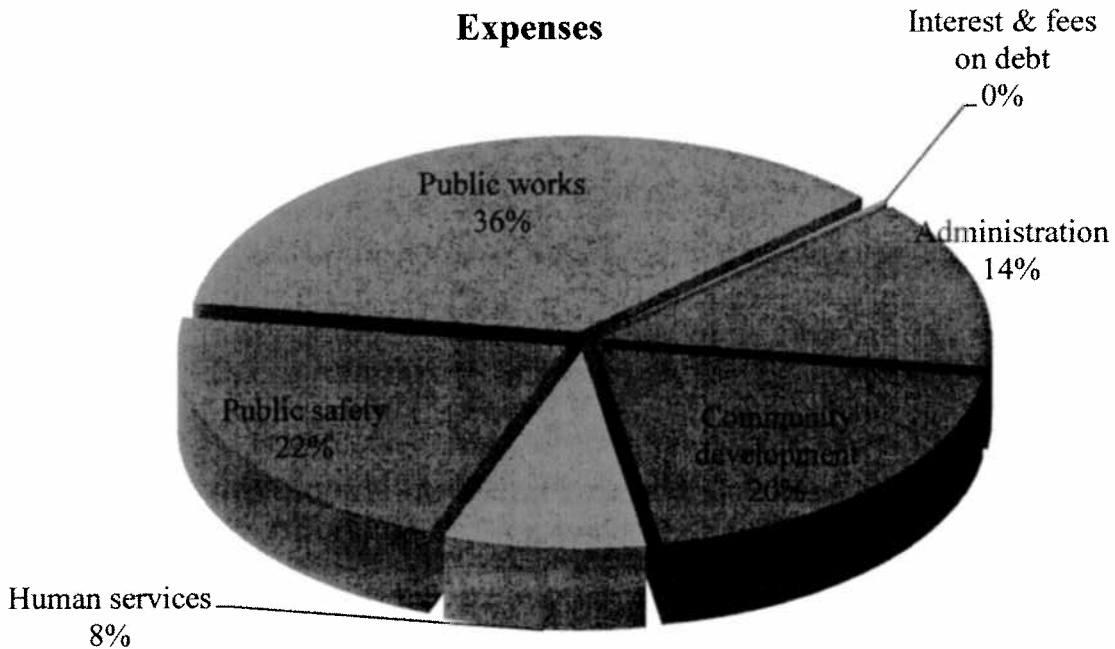
Revenues

The County is heavily dependent upon grant funds. This year nearly 45% of the almost \$12 million in revenue came from grants and inter-governmental revenue as shown below.



Expenses

Public Works (which includes Solid Waste, Parks, Road, Vegetation) Public Safety (Sheriff, 911, Youth Services, District Attorney) continue to be two of the largest areas of expenditure with 36% and 22% of total expenditures respectively.



Capital Assets

At the end of 2012, the County had invested \$10,656,660, net of depreciation, in a broad range of capital assets. The capital assets of the County include its buildings, land and equipment.

	<u>Balance</u> <u>6/30/2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Accumulated</u> <u>Depreciation</u>	<u>Balance</u> <u>6/30/2012</u>
Governmental Activities					
Land	\$ 252,403	\$ 1,261,000	\$ -	N/A	\$ 1,513,403
Buildings & Improvements	2,194,419	53,511	-	\$ (783,247)	1,464,683
Bridges	4,716,825	1,152,578	-	(308,757)	5,560,646
Furniture & Office Equipment	451,740	-	-	(408,780)	42,960
Vehicles & Equipment	5,349,759	379,879	(317,717)	(4,158,798)	1,253,123
Total Governmental	\$7,541,830	\$2,846,968	\$ (317,717)	\$(5,659,582)	\$ 9,834,815
Business-type Activities					
Land	\$ 51,255	\$ -	\$ -	N/A	\$ 51,255
Buildings & Improvements	1,070,763	7,650	-	\$ (450,059)	628,354
Furniture & Office Equipment	12,587	2,350	-	(12,940)	1,997
Vehicles & Equipment	525,650	12,000	-	(397,411)	140,239
Total Business-type	\$1,660,255	\$ 22,000	\$ -	\$(860,410)	\$ 821,845

Debt Administration

The County has no loans or bonds payable. However, it has several capital lease obligations related to the financing of various pieces of equipment. Capital lease obligations total \$700,776, with \$80,095 due during the upcoming fiscal year

The loan from the Oregon Department of Energy to retrofit the courthouse windows was paid off at June 30, 2012.

Economic Factors and Next Year's Budget

The County has long valued sustainability and has budgeted and operated with that conservative approach. However, the economic outlook of our County and the State has resulted in a steady decline in federal and state revenues, which we heavily rely on to continue to provide the services citizens have come to expect. With the continued forecast from the State of missed revenue goals and less rural funding, combined with an uncertainty from the federal government, we have had to "tighten our belts" in some areas and budget accordingly. Fortunately, there have been additional funds available to support other budget areas.

For the 2012-2013 fiscal year, we have budgeted for total appropriations of \$21,619,971, which is an increase of \$2,429,519 over the 2011-2012 fiscal year. General Fund and Public Works budgets have been increased to account for anticipated supplementation of community programs and scheduled road projects for the 2012-2013 year.

Requests for Information

This financial report is designed to provide a general overview of Wallowa County's finances for all those with an interest in the government's finances. A separate financial statement for the Wallowa Lake County Service District may be obtained at the address below. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the following:

Wallowa County
Administrative Services
101 S. River Street, Room 202
Enterprise, OR 97828

541-426-4543 ext. 134

Wallowa County, Oregon

Modified Cash Basis Statement of Net Assets

June 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 7,078,866	\$ 305,156	\$ 7,384,022	\$ 257,786
Property tax receivables	141,236	833	142,069	19
Due from general fund	500,000	-	500,000	-
Other accounts receivables	-	-	-	54,766
Total Current Assets	7,720,102	305,989	8,026,091	312,571
Restricted Assets				
Cash and cash equivalents	-	-	-	359,663
Total Restricted Assets	-	-	-	359,663
Noncurrent Assets				
Land and construction in progress	1,513,403	51,255	1,564,658	-
Depreciable capital assets, net	8,321,412	770,590	9,092,002	1,891,218
Total Noncurrent Assets	9,834,815	821,845	10,656,660	1,891,218
TOTAL ASSETS	\$ 17,554,917	\$ 1,127,834	\$ 18,682,751	\$ 2,563,452
LIABILITIES AND NET ASSETS				
Current Liabilities				
Deferred revenue	\$ 141,236	\$ 833	\$ 142,069	\$ 54,785
Due to public works fund	500,000	-	500,000	-
Current portion of long term debt:				
Capital leases payable	80,095	-	80,095	-
Total Current Liabilities	721,331	833	722,164	54,785
Noncurrent Liabilities				
Capital leases payable	620,681	-	620,681	-
Total Noncurrent Liabilities	620,681	-	620,681	-
Total Liabilities	1,342,012	833	1,342,845	54,785
Net Assets				
Investment in capital assets, net of debt	9,134,039	821,845	9,955,884	1,891,218
Restricted for capital projects	195,189	88,408	283,597	-
Restricted for debt service	-	3,656	3,656	-
Unrestricted	6,883,677	213,092	7,096,769	617,449
Total Net Assets	16,212,905	1,127,001	17,339,906	2,508,667
TOTAL LIABILITIES AND NET ASSETS	\$ 17,554,917	\$ 1,127,834	\$ 18,682,751	\$ 2,563,452

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Modified Cash Basis Statement of Activities

For the Year Ended June 30, 2012

FUNCTIONS	Program Revenues			
Primary Government	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants</u>	<u>Capital Grants</u>
Governmental Activities				
Administrative Services	\$ 1,187,913	\$ 115,495	\$ 294,340	\$ -
Community Development	1,676,866	26,654	353,812	-
Human Services	712,267	68,748	1,594,942	19,655
Public Safety	1,835,456	122,113	501,850	43,636
Public Works	2,509,487	57,287	2,077,453	41,000
Interest and fees on long-term debt	24,533	-	-	-
Total Governmental Activities	7,946,522	390,297	4,822,397	104,291
 Business-Type Activities				
Solid Waste	283,755	303,209	2,000	-
Community complex	33,816	16,146	-	-
Justice Center	24,705	30,987	-	-
Buildings code	190,601	176,981	-	-
Total Business-Type Activities	532,877	527,323	2,000	-
 Total Primary Government	 \$ 8,479,399	 \$ 917,620	 \$ 4,824,397	 \$ 104,291
Component Units				
Wallowa Lake County Service District	\$ 296,363	\$ 263,149	\$ 297	\$ -
Total Component Units	\$ 296,363	\$ 263,149	\$ 297	\$ -
 General Revenues				
Other Resources				
Total General Revenues and Other Resources				
Change in Net Assets				
Net assets—ending				

The accompanying notes are an integral part of these financial statements

Net (Expenses) Revenue and Changes in Net Assets

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	
\$ (778,078)	\$ -	\$ (778,078)	
(1,296,400)	-	(1,296,400)	
971,078	-	971,078	
(1,167,857)	-	(1,167,857)	
(333,747)	-	(333,747)	
(24,533)	-	(24,533)	
(2,629,537)	-	(2,629,537)	
-	21,454	21,454	
-	(17,670)	(17,670)	
-	6,282	6,282	
-	(13,620)	(13,620)	
-	(3,554)	(3,554)	
(2,629,537)	(3,554)	(2,633,091)	
			\$ (32,917)
			(32,917)
2,141,377	1,025	2,142,402	244
259,700	9,005	268,705	-
2,331,605	2,838	2,334,443	-
37,181	1,624	38,805	3,106
(11,179)	-	(11,179)	-
-	-	-	-
(500)	500	-	-
4,758,184	14,992	4,773,176	3,350
2,128,647	11,438	2,140,085	(29,567)
14,084,258	1,115,563	15,199,821	2,538,234
\$ 16,212,905	\$ 1,127,001	\$ 17,339,906	\$ 2,508,667

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Modified Cash Basis Balance Sheet Governmental Funds June 30, 2012

	General Fund	Public Works Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 465,985	\$ 5,664,277	\$ 948,604	\$ 7,078,866
Property tax receivables	131,448	-	9,788	141,236
Other accounts receivables	-	-	-	-
Total Current Assets	597,433	5,664,277	958,392	7,220,102
TOTAL ASSETS	\$ 597,433	\$ 5,664,277	\$ 958,392	\$ 7,220,102
LIABILITIES AND FUND BALANCES				
Current Liabilities				
Deferred revenues	\$ 131,448	\$ -	\$ 9,788	\$ 141,236
Current portion loans payable	-	-	-	-
Current portion capital leases payable	-	-	-	-
Total Current Liabilities	131,448	-	9,788	141,236
Noncurrent Liabilities				
Loans payable	-	-	-	-
Interfund Loan Payable	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-
Total Liabilities	131,448	-	9,788	141,236
Fund Balances				
Restricted	-	-	195,189	195,189
Committed	-	5,664,277	558,195	6,222,472
Assigned	-	-	195,220	195,220
Unassigned	465,985	-	-	465,985
Total Fund Balances	465,985	5,664,277	948,604	7,078,866
TOTAL LIABILITIES AND FUND BALANCES	\$ 597,433	\$ 5,664,277	\$ 958,392	\$ 7,220,102

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Reconciliation of the Modified Cash Basis Balance Sheet – Governmental Funds to the Modified Cash Basis Statement of Net Assets

June 30, 2012

Total Fund Balance \$ 7,078,866

Capital assets used in governmental activities are not financial resources and are, therefore, not reported in the governmental funds:

Cost	\$ 15,494,397	
Accumulated depreciation	<u>(5,659,582)</u>	<u>9,834,815</u>

Long-term debt used in governmental activities are not financial resources and are, therefore, not reported in the governmental funds:

Current Portion of Long-term Debt	80,095
Non-Current Portion of Long-term Debt	620,681

Net Assets of Governmental Activities \$ 16,212,905

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Modified Cash Basis Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2012

	General Fund	Public Works Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 2,021,421	\$ -	\$ 379,656	\$ 2,401,077
Intergovernmental	1,920,417	2,070,277	945,447	4,936,141
Licenses, permits, fees and fines	9,155	-	99,347	108,502
Charges for services	163,918	1,236,380	57,666	1,457,964
Interest earnings	4,049	24,931	8,201	37,181
Other	848,476	36,273	261,234	1,145,983
Gain (loss) on asset disposal and/or donation	-	-	-	-
Total Revenues	4,967,436	3,367,861	1,751,551	10,086,848
Expenditures				
<i>Current Operations</i>				
Administrative services	1,119,930	-	34,607	1,154,537
Community development	1,056,532	-	610,886	1,667,418
Human services	138,158	-	572,194	710,352
Public safety	1,511,825	-	266,202	1,778,027
Public works	-	2,044,138	147,463	2,191,601
<i>Capital Outlay</i>	1,285,443	365,126	966,682	2,617,251
<i>Debt Service</i>				
Principal	6,704	104,674	-	111,378
Interest	20	24,513	-	24,533
Total Expenditures	5,118,612	2,538,451	2,598,034	10,255,097
Revenues Over (Under) Expenditures	(151,176)	829,410	(846,483)	(168,249)
Other Financing Sources (Uses)				
Transfers in	2,765	297,782	132,691	433,238
Transfers out	(124,531)	(191,495)	(117,712)	(433,738)
Total Other Financing Sources	(121,766)	106,287	14,979	(500)
Net Change in Fund Balances	(272,942)	935,697	(831,504)	(168,749)
Beginning Fund Balances	738,927	4,728,580	1,780,108	7,247,615
Ending Fund Balances	\$ 465,985	\$ 5,664,277	\$ 948,604	\$ 7,078,866

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Reconciliation of the Modified Cash Basis Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Modified Cash Basis Statement of Activities

For the Year Ended June 30, 2012

Net Change in Fund Balance **\$ (168,749)**

Amounts reported for governmental activities in the statement of activities are different because:

Capital Outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation.

Expenditures for capital assets, net of trade in and financed assets	\$ 2,610,548	
Less current year depreciation	<u>(420,054)</u>	2,190,494

Gains and losses on the sale of fixed assets are reported in governmental funds as income or expenditures. However, in the Statement of Activities, these gains and losses are picked up as additional income or expenditures. (11,179)

Repayment of principal is an expenditure in the governmental funds but reduced the liability in the Statement of Net Assets. This amount represents debt principal repaid. 118,081

Governmental funds report interfund loans as a revenue or expenditures. However, these loans are recorded as debt on the Statement of Assets.

Revenues from interfund loans -

Net Change in Modified Cash Basis Statement of Activities **\$ 2,128,647**

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Modified Cash Basis Statement of Net Assets Proprietary Funds June 30, 2012

	Solid Waste O&M	Solid Waste Bond	Solid Waste Debt Service	Justice Center Fund
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 150,712	\$ 88,408	\$ 3,656	\$ 9,998
Property taxes receivable	-	-	833	-
Other accounts receivables	-	-	-	-
Total Current Assets	150,712	88,408	4,489	9,998
Noncurrent Assets				
Capital assets	674,570	-	-	-
Accumulated depreciation	(451,256)	-	-	-
Total Noncurrent Assets	223,314	-	-	-
TOTAL ASSETS	\$ 374,026	\$ 88,408	\$ 4,489	\$ 9,998
LIABILITIES AND NET ASSETS				
Current Liabilities				
Deferred revenue	\$ -	\$ -	\$ 833	\$ -
Current portion capital leases payable	-	-	-	-
Current portion of long term debt	-	-	-	-
Total Current Liabilities	-	-	833	-
Noncurrent Liabilities				
Capital Leases payable	-	-	-	-
General obligation bonds payable	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-
Total Liabilities	-	-	833	-
Net Assets				
Investment in capital assets, net of debt	223,314	-	-	-
Restricted for capital projects	-	88,408	-	-
Restricted for debt service	-	-	3,656	-
Unrestricted	150,712	-	-	9,998
Total Net Assets	374,026	88,408	3,656	9,998
TOTAL LIABILITIES AND NET ASSETS	\$ 374,026	\$ 88,408	\$ 4,489	\$ 9,998

The accompanying notes are an integral part of these financial statements

<u>Justice Center Sinking Fund</u>	<u>Building Codes Fund</u>	<u>Community Complex</u>	<u>Community Complex Sinking Fund</u>	<u>Total</u>
\$ 10,588	\$ 27,075	\$ 8,329	\$ 6,390	\$ 305,156
-	-	-	-	833
-	-	-	-	-
<u>10,588</u>	<u>27,075</u>	<u>8,329</u>	<u>6,390</u>	<u>305,989</u>
-	-	1,007,685	-	1,682,255
-	-	(409,154)	-	(860,410)
-	-	<u>598,531</u>	-	<u>821,845</u>
<u>\$ 10,588</u>	<u>\$ 27,075</u>	<u>\$ 606,860</u>	<u>\$ 6,390</u>	<u>\$ 1,127,834</u>
\$ -	\$ -	\$ -	\$ -	\$ 833
-	-	-	-	-
-	-	-	-	-
-	-	-	-	<u>833</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	<u>833</u>
-	-	598,531	-	821,845
-	-	-	-	88,408
-	-	-	-	3,656
10,588	27,075	8,329	6,390	213,092
<u>10,588</u>	<u>27,075</u>	<u>606,860</u>	<u>6,390</u>	<u>1,127,001</u>
<u>\$ 10,588</u>	<u>\$ 27,075</u>	<u>\$ 606,860</u>	<u>\$ 6,390</u>	<u>\$ 1,127,834</u>

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Modified Cash Basis Statement of Revenues, Expenses and Changes in Net Assets Proprietary Funds For the Year Ended June 30, 2012

	Solid Waste O&M	Solid Waste Bond	Solid Waste Debt Service	Justice Center Fund
Operating Revenues				
Fees, fines and charges for services	\$ 191,479	\$ -	\$ -	\$ 30,987
Intergovernmental service contracts	2,000	-	-	-
Maintenance revenue	-	-	-	-
Salvage revenue	111,730	-	-	-
Other operating revenues	2,838	-	-	-
Total Operating Revenues	308,047	-	-	30,987
Operating Expenses				
Personal services	172,185	-	-	-
Materials and services	62,899	-	-	24,705
Contingency	-	-	-	-
Capital outlay	-	-	-	-
Depreciation	48,671	-	-	-
Total Operating Expenses	283,755	-	-	24,705
Operating Income (Loss)	24,292	-	-	6,282
Nonoperating Revenues (Expenses)				
Property tax revenues	-	-	1,025	-
Interest earnings	792	451	17	50
Motel tax revenues	9,005	-	-	-
Bond ADM fee	-	-	-	-
Interest expense	-	-	-	-
Total Nonoperating Revenues (Expenses)	9,797	451	1,042	50
Income (Loss) Before Transfers and Adjustments	34,089	451	1,042	6,332
Transfers and Adjustments				
Fixed assets transferred	-	-	-	-
Transfers in	500	-	-	-
Transfers out	-	-	-	(1,500)
Bonded debt principal reductions	-	-	-	-
Total Transfers and Adjustments	500	-	-	(1,500)
Change in Net Assets	34,589	451	1,042	4,832
Beginning Net Assets	339,437	87,957	2,614	5,166
Ending Net Assets	\$ 374,026	\$ 88,408	\$ 3,656	\$ 9,998

The accompanying notes are an integral part of these financial statements

<u>Justice Center Sinking Fund</u>	<u>Building Codes Fund</u>	<u>Community Complex</u>	<u>Community Complex Sinking Fund</u>	<u>Total</u>
\$ -	\$ 176,981	\$ -	\$ -	\$ 399,447
-	-	-	-	2,000
-	-	16,146	-	16,146
-	-	-	-	111,730
-	-	-	-	2,838
-	176,981	16,146	-	532,161
-	79,122	-	-	251,307
-	111,479	4,250	-	203,333
-	-	-	-	-
-	-	-	2,825	2,825
-	-	26,741	-	75,412
-	190,601	30,991	2,825	532,877
-	(13,620)	(14,845)	(2,825)	(716)
-	-	-	-	1,025
46	171	60	37	1,624
-	-	-	-	9,005
-	-	-	-	-
-	-	-	-	-
46	171	60	37	11,654
46	(13,449)	(14,785)	(2,788)	10,938
-	-	10,000	(10,000)	-
-	-	-	10,000	10,500
1,500	-	(10,000)	-	(10,000)
-	-	-	-	-
1,500	-	-	-	500
1,546	(13,449)	(14,785)	(2,788)	11,438
9,042	40,524	621,645	9,178	1,115,563
\$ 10,588	\$ 27,075	\$ 606,860	\$ 6,390	\$ 1,127,001

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2012

	Solid Waste O&M	Solid Waste Bond	Solid Waste Debt Service
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 308,047	\$ -	\$ -
Payments to employees	(172,185)	-	-
Payments to suppliers	(62,899)	-	-
Net cash provided (used) by operating activities	72,963	-	-
Cash Flows from Noncapital Financing Activities			
Transfers (to) from other funds	500	-	-
Net cash provided (used) by noncapital financing activities	500	-	-
Cash Flows from Capital and Related Financing Activities			
Purchase of capital assets	(12,000)	-	-
Principal paid on capital debt	-	-	-
Interest and fees paid on capital debt	-	-	-
Proceeds from sales of capital assets	-	-	-
Property taxes and motel taxes	9,005	-	1,025
Net cash provided (used) by capital and related financing activities	(2,995)	-	1,025
Cash Flows from Investing Activities			
Interest income	792	451	17
Net cash provided (used) by investing activities	792	451	17
Net increase (decrease) in cash and cash equivalents	71,260	451	1,042
Cash and cash equivalents—beginning of year	79,452	87,957	2,614
Cash and cash equivalents—end of year	\$ 150,712	\$ 88,408	\$ 3,656
<hr/>			
Reconciliation of operating income to net cash provided (used) by operating activities			
Operating income (loss)	\$ 24,292	\$ -	\$ -
<i>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities</i>			
Depreciation	48,671	-	-
Net cash provided (used) by operating activities	\$ 72,963	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Justice Center Fund	Justice Center Sinking Fund	Building Codes Fund	Community Complex	Community Complex Sinking Fund	Total
\$ 30,987	\$ -	\$ 176,981	\$ 16,146	\$ -	\$ 532,161
-	-	(79,122)	-	-	(251,307)
(24,705)	-	(111,479)	(4,250)	(2,825)	(206,158)
6,282	-	(13,620)	11,896	(2,825)	74,696
(1,500)	1,500	-	(10,000)	10,000	500
4,782	1,500	(13,620)	(10,000)	10,000	500
-	-	-	-	-	(12,000)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(10,000)	(10,000)
-	-	-	-	-	10,030
-	-	-	-	(10,000)	(11,970)
50	46	171	60	37	1,624
50	46	171	60	37	1,624
4,832	1,546	(13,449)	1,956	(2,788)	64,850
5,166	9,042	40,524	6,373	9,178	240,306
\$ 9,998	\$ 10,588	\$ 27,075	\$ 8,329	\$ 6,390	\$ 305,156
\$ 6,282	\$ -	\$ (13,620)	\$ (14,845)	\$ (2,825)	\$ (716)
-	-	-	26,741	-	75,412
\$ 6,282	\$ -	\$ (13,620)	\$ 11,896	\$ (2,825)	\$ 74,696

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

Modified Cash Basis Statement of Fiduciary Net Assets

Agency Funds

June 30, 2012

	Agency Funds	Deferred Comp 457 Plan	Total
ASSETS			
Cash and cash equivalents	\$ 12,271,992	\$ -	\$ 12,271,992
Taxes receivable	540,236	-	540,236
Investment in 457 plan	-	484,810	484,810
Total Assets	\$ 12,812,228	\$ 484,810	\$ 13,297,038
LIABILITIES			
Custodial funds	\$ 12,271,992	\$ 484,810	\$ 12,756,802
Deferred revenue	540,236	-	540,236
Total Liabilities	12,812,228	484,810	13,297,038
NET ASSETS	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 12,812,228	\$ 484,810	\$ 13,297,038

The accompanying notes are an integral part of these financial statements

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 1 — Summary of Significant Accounting Policies

Reporting Entity:

Wallowa County was organized February 11, 1887, under statutory provisions of Oregon law. County administration is vested in three county commissioners, each elected to a four-year term. As required by generally accepted accounting principles, these financial statements present the County and its component units. Component units are entities for which the County is considered to be financially accountable as defined by GASB 61. The County itself is not a component unit of any other governmental entity.

Discretely Presented Component Unit

Wallowa Lake County Service District was created under the provisions of ORS Chapter 451 as a county service district to provide water and sewer utility services to the unincorporated Wallowa Lake area. Under the statute, the governing body of the District is the Wallowa County Board of Commissioners. The District is a component unit of Wallowa County. The District's separate complete financial statements may be obtained from the County's administrative offices at 101 South River Street, Enterprise, Oregon 97828.

The accounting policies of Wallowa County conform to generally accepted accounting principles as applicable to governments, except for those identified in the independent auditors' report.

Government-wide and Fund Financial Statements:

The County's financial statements include both government-wide (reporting the County as a whole) and fund financial statements. The government-wide Statement of Net Assets and Statement of Activities include all funds and component units of the reporting entity except for fiduciary funds and distinguish between governmental activities, business-type activities, and component units. Governmental activities are primarily supported by taxes, intergovernmental receipts and other non-exchange receipts. Business-type activities are financed in whole or in part by user fees charged to external parties for services.

The government-wide statements are prepared using the economic resources measurement focus. All of the County's activities are accounted for using the modified cash basis of accounting. The County records capital fixed assets, depreciation expense, and bonds and notes payable in its proprietary fund financial statements and in the government-wide statements, but not in its governmental fund financial statements. Therefore, the governmental fund financial statements include a column for adjustments to reconcile these statements to the government-wide statements. The primary effects of internal activity have been eliminated from the government-wide financial statements.

Fund Accounting:

The accounts of the County are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise the fund's assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 1 — Summary of Significant Accounting Policies, *Continued* . . .

Fund financial statements report detailed information about the County. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Governmental Funds

General Fund — The general fund is the primary operating fund of the County. It is used to account for all financial resources except those required or designated to be accounted for in other funds.

Public Works Fund — The public works fund accounts for the majority of revenues and expenditures related to maintenance of the County road system.

Proprietary Funds

All proprietary funds are also accounted for using the modified cash basis of accounting, and they include fixed assets and debt. These funds account for operations that are primarily financed by user charges. Revenues are recognized when received, and expenses are recognized when paid. The County applies all relevant Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict pronouncements of the Governmental Accounting Standards Board (GASB).

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements. The major proprietary funds are:

Solid Waste Operation and Maintenance Fund — The solid waste operation and maintenance fund accounts for the operation of the refuse disposal, recycling, and landfill system throughout Wallowa County.

Solid Waste Bond Fund — The solid waste bond fund accounts for the resources designated for proper closure of the landfill system throughout Wallowa County.

Solid Waste Debt Service Fund — The solid waste debt service fund accounts for resources accumulated and payments made for principal and interest on long-term debt related to the County landfill system.

Justice Center Fund — The Justice Center Fund accounts for rental income and related expenses at the Justice Center.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 1 — Summary of Significant Accounting Policies, Continued . . .

Justice Center Sinking Fund — The Justice Center Sinking Fund accounts for funds set aside by the Justice Center for maintenance and repair of the Justice Center.

Building Codes Fund — Accounts for funds related to the inspections on building permits issued by Wallowa County.

Community Complex Fund — The community complex fund accounts for the operation of the Wallowa County Community Center.

Community Complex Sinking Fund (Sinking Fund 2003) — The community complex sinking fund accounts for funds set aside by the Community Complex fund for maintenance and repair of the Wallowa County Community Center.

Fiduciary Funds (Not included in government-wide statements)

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. Agency funds are custodial in nature (assets and liabilities) and do not involve measurement of results of operations.

Basis of Accounting:

The district-wide financial statements are prepared using the economic resources measurement focus and the modified cash basis of accounting. In this approach, the District records capital assets and related debt, if any, and most other assets associated with the operation of the government in the statement of net assets. The fund equity is segregated into amounts invested in capital assets net of related debt, restricted net assets and unrestricted net assets. This differs from the manner in which the governmental fund financial statements are prepared. Therefore, a separate schedule is provided to reconcile the governmental fund financial statements to the government-wide statements.

All governmental funds are accounted for using the modified cash basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they are received. Expenditures are recognized in the accounting period in which the fund liability is paid. Depreciation is not recognized in the governmental funds financial statements but is in the district-wide financial statements.

Interfund Activity:

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's component units and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 1 — Summary of Significant Accounting Policies, Continued . . .

Budgets and Budgetary Accounting:

The County is required by state law to budget all funds. A budget is prepared for each fund, except for fiduciary/trust and agency funds, in accordance with legal requirements set forth in Oregon Local Budget Law. The resolution authorizing appropriations for each fund sets the level of appropriation which expenditures cannot legally exceed. Appropriations are made by department in the general fund and by classifications for all funds. The classifications are personal services, materials and services, capital outlay, debt service, and other requirements. These departments and classifications are the level of expenditure control for each fund and are established by the resolution adopting the budget. Appropriation authority lapses at the end of each fiscal year. The County amended its budget during the year via resolutions to move appropriations within individual funds.

Program Revenues:

Program revenues include charges paid by the recipients of the goods or services offered by the programs and 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.

Cash, Cash Equivalents and Investments:

For the purpose of the Statement of Net Assets and the Balance Sheets, the County's cash and cash equivalents include all cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. All short-term cash surpluses are maintained in savings accounts and the Local Government Investment Pool.

Investments are reported at fair value. Changes in the fair value of investments are recorded as investment earnings. The Local Government Investment Pool (LGIP) is stated at cost which approximates fair value. Fair value of the LGIP approximated the County's value in the pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

Property Taxes Receivable:

Property taxes are levied on property as of July 1 each year and are payable on November 15, February 15, and May 15. Property taxes attach as an enforceable lien on property and are, therefore, substantially collectible. Property taxes receivable have been recorded as assets by the funds which levy the taxes and are completely offset as deferred revenues under liabilities. A schedule of property tax transactions for the year ended June 30, 2012 is included in this report.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 1 — Summary of Significant Accounting Policies, Continued . . .

Inventories:

The County charges inventories to expenditures when purchased. The items in inventory remain at a relatively constant level, and the amount is not material to the financial statements. The County did not take a physical inventory during the year.

Accumulated Deferred Compensation:

The County provides its full-time employees paid sick leave, vacation and compensatory time. The County does not record the liability for accumulated compensated absences in the individual funds or on the Statement of Net Assets.

Capital Assets and Depreciation:

Capital assets, which include land, buildings, equipment, and intangible, are reported in the government wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500. Capital assets are recorded at historical cost or estimated historical cost. Currently the County does not own any intangible assets, as defined by GASB statement no. 51. Donated capital assets are recorded at their estimated fair market value on the date donated. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Expenditures for fixed assets in governmental activities are recorded as expenditures in the governmental funds and capitalized in the government-wide statements of net assets and activities. Fixed assets purchased for business-type activities are capitalized in the proprietary funds.

Depreciation of capital assets is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 40 years; land improvements, 15 to 20 years; heavy equipment, 10 years; furniture and fixtures, 7 years; and light equipment, 5 years. The County does not depreciate land.

Net Assets and Fund Balance:

Government-wide Financial Statements — When the County incurs an expense for which it may use either restricted or unrestricted net assets, it uses restricted net assets first and then unrestricted net assets when restricted assets are not available. Net assets on the statement of net assets include the following:

Investment in fixed assets, net of related debt — The component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

Restricted — The component of net assets with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 1 - Summary of Significant Accounting Policies, Continued . . .

Unrestricted — The difference between the assets and liabilities that is not reported invested in fixed assets or as restricted net assets.

Fund Financial Statements — The County has implemented GASB Statement No. 54 which clarified the presentation of Fund Balance. The implementation of GASB Statement No. 54 and its effect on the County's classification are further described below:

- *Non-spendable* — Includes items not immediately converted to cash, such as prepaid items and inventory.
- *Restricted* — Includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.
- *Committed* — Includes items committed by the Board of Commissioners, by formal board action, to a specific use or purpose.
- *Assigned* — Includes items assigned for specific uses, authorized by the Board of Commissioners.
- *Unassigned* — This is the residual classification used for those balances not assigned to another category.

Estimates:

The preparation of financial statements in conformity with a comprehensive basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 2 — Cash and Investments

Deposits:

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. The total bank balance per bank statements was \$2,959,700. These deposits were covered by federal depository insurance. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. This collateralization program is described in Note 4.

Investments:

All funds invested are with the State of Oregon Short term investment pool. The State Treasurer's investment policies are governed by Oregon Revised Statutes and the Oregon Short-Term Fund Board (OSTFB).

There were no known violations of legal or contractual provisions for deposits.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 2 — Cash and Investments, Continued . . .

As of June 30, 2012, the County held cash and investments as follows:

Cash	Government	Component Units	Agency Funds
Cash in Depository Accounts	\$ 2,831,784	\$ -	\$ -
Local Government Investment Pool	5,301,238	617,449	12,271,992
	\$ 8,133,022	\$ 617,449	\$ 12,271,992
Investments			
	Fair Value	Maturity - Less than 3 Months	
State Treasurer's Investment Pool	\$ 18,190,679	\$ 18,190,679	

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.

Credit Risk:

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from U.S. Government Agencies. Investments in U.S. Government Agencies were rated AAA by Standard & Poor's and AAA by Moody's Investor Service. The State Pool is unrated.

Oregon revised Statutes require bankers' acceptances to be guaranteed by and carried on the books of a qualified financial institution, eligible for discount by Federal Reserve System, and issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one of more nationally recognized statistical rating organizations. To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the 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, all percentage restrictions were complied with.

Oregon Revised Statutes require no more than 25% of the moneys of local governments to be invested in bankers' acceptances of any qualified financial institution. 100% of the investments at June 30, 2012 were held in the State Local Government Investment Pool, which is not required by law to be collateralized.

As noted above, the District's cash was held in bank accounts covered by federal depository insurance at all times during the year. Further, the District participates in the Oregon State Treasurer's Public Funds Collateralization Program (PFCP). ORS 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the PFCP.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 2 — Cash and Investments, Continued . . .

Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. ORS 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable.

The Local Government Investment Pool (LGIP) is included in the Oregon Short Term Fund (OSTF), which was established by the State Treasurer. OSTF is not subject to SEC regulation. OSTF is subject to requirements established in Oregon Revised Statutes, investment policies adopted by the Oregon Investment Council, and portfolio guidelines established by the Oregon Short Term Fund Board. The Governor appoints the members of the Oregon Investment Council and the Oregon Short Term Fund. The Treasurer of the State of Oregon advises that there is no material difference in the carrying amount and the market value of the investment in the LGIP as of June 30, 2012. The Local Government Investment Pool is currently not rated.

Deposit and investment laws and regulations limit investments of the County to those listed below. The County has no investment policy that would further limit its investment choices.

- Depository accounts as defined in Oregon Revised Statutes Chapter 294.005.
- General obligations of the United States of America.
- Debt obligations of the agencies and instrumentalities of the State of Oregon and its political subdivisions that have a long-term rating of A or an equivalent rating or better.
- Debt obligations of the States of California, Idaho, and Washington and political subdivisions of those states if the obligations have a long-term rating of AA or an equivalent rating or better.
- Time deposit open accounts, certificates of deposit and savings accounts in insured institutions or credit unions if the institution or credit union maintains a head or branch office in the State of Oregon.
- Under certain circumstances defined by law, fixed or variable life insurance or annuity contracts, banker's acceptances, corporate indebtedness subject to a valid registration statement, securities of an open-end or closed-end management company or investment trust, and repurchase agreements

NOTE 3 — Retirement Forfeitures Account

The defined contribution retirement plan maintained by the County accumulates the forfeited unvested balance of former employees in an account which is available to the County for restricted use. Although the account balance may not be returned to the employer, the County is allowed to pay plan administration fees and to fund employer contributions from these funds. During the year ended June 30, 2012, the forfeiture account experienced a net decrease in the amount of \$34,412, and the balance of the forfeiture account available for limited use as of June 30, 2012, is \$180,204.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 4 — Regulatory Compliance and Custodial Credit Risk

The County participates in the Oregon State Treasurer's Public Funds Collateralization Program (PFCP). ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the PFCP. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. ORS 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. The County's banking relationships are with Community Bank and Bank of Eastern Oregon which are qualified depositories for public funds under the PFCP.

NOTE 5 — Insurance and Risk Coverage

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; worker compensation claims; and natural disasters for which the County carries commercial insurance. For health insurance coverage for all employee bargaining groups, the County is a member in the City/County Insurance Services Trust, a public entity risk pool that provides insurance services for Oregon cities and counties.

NOTE 6 — Deferred Compensation Plan

The County offers employees a deferred compensation plan (the Plan) administered by Lincoln National Life Insurance Company. The Plan is a defined contribution plan created in accordance with Internal Revenue Code Section 457. The Plan is available to all qualified employees and permits them to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death or financial hardship. All amounts of compensation deferred under the plan, all rights purchased with those amounts and all income attributable to those amounts remain held in trust for the exclusive benefit of participants and their beneficiaries by Lincoln National Life Insurance Company. The employer is required to exercise fiduciary responsibility with respect to the plans' assets. As of June 30, 2012, the value of all plan assets and the corresponding liability to employees was \$484,810.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 7 — Capital Assets and Depreciation

A summary of changes in capital assets for the year ended June 30, 2012, is as follows:

	<u>Balance</u> <u>6/30/2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/2012</u>
<u>Governmental Activities</u>				
<i>Not Depreciated</i>				
Land	\$ 252,403	\$ 1,261,000	\$ -	\$ 1,513,403
<i>Other Capital Assets</i>				
Buildings & Improvements	2,194,419	53,511	-	2,247,930
Bridges	4,716,825	1,152,578	-	5,869,403
Furniture & Office Equipment	451,740	-	-	451,740
Vehicles & Equipment	5,349,759	379,879	(317,717)	5,411,921
	<u>12,965,146</u>	<u>2,846,968</u>	<u>(317,717)</u>	<u>15,494,397</u>
<i>Accumulated Depreciation</i>				
Buildings & Improvements	(716,109)	(67,138)	-	(783,247)
Bridges	(242,312)	(66,445)	-	(308,757)
Furniture & Office Equipment	(386,336)	(22,444)	-	(408,780)
Vehicles & Equipment	(4,078,559)	(264,027)	183,788	(4,158,798)
	<u>(5,423,316)</u>	<u>(420,054)</u>	<u>183,788</u>	<u>(5,659,582)</u>
Net Capital Assets - governmental	<u><u>\$7,541,830</u></u>	<u><u>\$2,426,914</u></u>	<u><u>\$ (133,929)</u></u>	<u><u>\$ 9,834,815</u></u>
<u>Business-type Activities</u>				
<i>Not Depreciated</i>				
Land	\$ 51,255	\$ -	\$ -	\$ 51,255
<i>Other Capital Assets</i>				
Buildings & Improvements	1,070,763	7,650	-	1,078,413
Furniture & Office Equipment	12,587	2,350	-	14,937
Vehicles & Equipment	525,650	12,000	-	537,650
	<u>1,660,255</u>	<u>22,000</u>	<u>-</u>	<u>1,682,255</u>
<i>Accumulated Depreciation</i>				
Buildings & Improvements	(420,283)	(29,776)	-	(450,059)
Furniture & Office Equipment	(12,587)	(353)	-	(12,940)
Vehicles & Equipment	(352,128)	(45,283)	-	(397,411)
	<u>(784,998)</u>	<u>(75,412)</u>	<u>-</u>	<u>(860,410)</u>
Net Capital Assets - business-type	<u><u>\$ 875,257</u></u>	<u><u>\$ (53,412)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 821,845</u></u>

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 7 — Capital Assets and Depreciation, Continued . . .

Total depreciation of \$495,466 was charged to functions as follows:

<u>Governmental Activities</u>		<u>Business-type Activities</u>	
Administrative Services	\$ 33,376	Community Complex	\$ 26,741
Community Development	9,448	Solid Waste	48,671
Health and Human Services	1,915		
Public Safety and Justice	57,429		
Public Works	317,886		
	<u>\$ 420,054</u>		<u>\$ 75,412</u>

NOTE 8 — Interfund Transactions

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Paying Fund</u>	<u>Amount</u>
Provide funds to supplement museum activities	Museum	General	\$ 3,000
Provide funds to supplement GIS activities	GIS	General	36,567
Provide funds to supplement land use planning activities	Land Use Planning	General	38,839
Set aside funds for unemployment reserve	Unemployment Sinking	General	15,000
Provide funds to supplement public health activities	Public Health	General	1,000
Provide funds to supplement fair board activities	County Fair	General	12,000
Provide funds to supplement courthouse repairs	Courthouse Repair	General	10,000
Return funds to general fund	General	Library Grant	50
Return funds to general fund	General	Liquor Law Enforcement	2,715
Provide funds to supplement Solid Waste	Solid Waste O&M	County Parks	500
Provide funds for vehicle purchase	Vehicle Sinking	General	5,000
Provide funds for land acquisition	General	Public Works	3,125
Provide funds for equipment purchase	Road Equipment	Public Works	5,000
Set aside funds to supplement capital reserve	Justice Center Sinking	Justice Center O&M	1,500
Provide funds for weed control	Public Works	Weed Control	118,162
Provide funds for equipment purchase	Road Equipment Community Complex	Public Works Community	10,000
Set aside funds to supplement capital reserve	Sinking	Complex O&M	10,000

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 9 — Capital Leases

Governmental Activities:

The County leased a 2006 Caterpillar 160H Grader with snow equipment from Wells Fargo Equipment Financing in December 2006. The lease provided for interest of 5.50%. Lease payments of \$36,012 were due annually beginning in December 2006 with one final payment of \$129,500 in December 2011. In lieu of making the final payment, the County returned the equipment to the lessor in November 2011.

The County leased a 2008 Caterpillar 160M Grader with snow equipment from Wells Fargo Equipment Financing in October 2008. The lease provides for interest of 4.65% and included an exchange of a 2006 Caterpillar 160H Grader. Lease payments of \$31,221 are due annually beginning in October 2009 with one final payment of \$155,000 in October 2014.

The County leased a second 2008 Caterpillar 160M Grader with snow equipment from Wells Fargo Equipment Financing in October 2008. The lease provides for interest of 4.65% and included an exchange of two 140 Graders. Lease payments of \$22,832 are due annually beginning in October 2008 with one final payment of \$40,000 in October 2014.

The County leased a 2011 John Deere 870GP Grader with snow equipment from John Deere Credit in June 2011. The lease provides for interest of 2.95% and included an exchange of a Caterpillar 160H Grader. Lease payments of \$30,530 are due annually beginning in June 2011 with one final payment of \$185,000 in June 2016.

The County leased a 2011 John Deere 870GP Grader from John Deere Financial in November 2011. The lease provides for interest of 2.95%. Lease payments of \$19,925 are due annually beginning November 2011 with one final payment of \$165,000 in November 2016.

The County Health Department leased a Sharp copy/fax/printer in November 2006. The lease provided for interest of 13.48%. Lease payments of \$132 were due monthly beginning in December 2006 with a final payment in October 2011.

Business-type Activities:

The County had no business-type leases as of June 30, 2012.

The leases may be canceled by the County's non-appropriation of sufficient funds for the lease payments, and the County has determined that all of these leases are capital leases. Assets being acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities
Vehicles and equipment	\$ 1,073,388	\$ -
Accumulated Depreciation	(242,114)	-
	\$ 831,274	\$ -

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 9 — Capital Leases, *Continued* . . .

As of June 30, 2012, future obligations under the primary terms of these capital leases are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 80,095	\$ 24,413	\$ -	\$ -
2014	224,156	21,299	-	-
2015	38,951	11,504	-	-
2016	194,985	9,940	-	-
2017	162,589	2,412	-	-
	<u>\$ 700,776</u>	<u>\$ 69,568</u>	<u>\$ -</u>	<u>\$ -</u>
Retired during the year	<u>\$ 234,127</u>	<u>\$ 24,513</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 10 — Long-term Debt

Governmental Activities:

On March 5, 1998, Wallowa County entered into a state energy loan program with the Oregon Department of Energy. The loan provided funds to retrofit the County courthouse windows. Loan payments of \$585 are due monthly, including interest at a rate of 5.395% over a period not to exceed 15 years. As of June 30, 2012, the County repaid this loan.

Business-type Activities:

As of June 30, 2012, the County had no business-type debt.

A summary of changes in long-term debt during the year ended June 30, 2012 is as follows:

<u>Description</u>	<u>Balance</u>	<u>Current Year</u>		<u>Balance</u>
	<u>6/30/11</u>	<u>Issued</u>	<u>Reductions</u>	<u>6/30/12</u>
<u>Governmental Activities</u>				
Oregon Dept. of Energy Loan	\$ 6,704	\$ -	\$ (6,704)	\$ -
Total Debt	6,704	\$ -	\$ (6,704)	-
Less: Amounts due within one year	(6,704)			-
Long-term Portion	\$ -			\$ -

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 11 — Liability for Compensated Absences

The County, in accordance with Oregon wage and hour laws, compensates a majority of its employees with compensatory time off rather than overtime pay. Labor contracts specify when compensated time is paid in cash or in compensatory time off. Balances remaining at termination will be paid if the employee is in good standing. As of June 30, 2012, the liability to all County employees for such compensatory time was \$13,993.

Qualified permanent County employees are covered by a vacation plan under which vacation pay credited to an employee becomes an obligation of the County until paid. Balances remaining at termination will be paid if the employee is in good standing. As of June 30, 2012, the liability to all County employees for vacation pay was \$153,076 (labor contracts stipulate the maximum vacation accrued).

Qualified permanent County employees are also covered by a sick leave plan which provides for wage continuation to employees during absences caused by sickness. Additionally, the policy provides terminating employees with the right to receive one-half of unused accrued sick leave earned up to 240 hours as compensation at the current pay rate upon termination. As of June 30, 2012, the liability to all County employees for sick leave pay and termination pay under the sick leave plan was \$117,467.

All permanent Sheriff's Department employees are covered by a holiday plan under which holiday pay credited to an employee becomes an obligation of the County until paid. As of June 30, 2012, the liability to all County employees for holiday pay was \$46,894.

In accordance with the County's accounting policies, the liabilities for compensatory time, vacation pay, holiday pay, and compensable sick pay are not recorded as expenditures until paid.

NOTE 12 — Pension and Retirement Plans

Wallowa County provides all its full-time employees retirement benefits through one of two retirement plans. A defined contribution money-purchase pension plan is maintained for all County employees except for public safety officers. Under the plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate in the plan the subsequent January 1 or July 1 after completing six months of continuous employment. The plan requires mandatory employee contributions of 6% of compensation. The plan also allows employees to contribute certain additional amounts to the plan on a voluntary basis. Additionally, the employer contributes a percentage of eligible employee compensation to the plan: 10% for elected officials and 8% for all other eligible employees. Employee mandatory and voluntary contributions are fully vested at all times, and employer contributions become vested over a period of years beginning with the third year of service and are fully vested after seven years. For the year ended June 30, 2012, the County's employer contributions to the plan were based upon eligible payroll of \$1,953,094. Total employer contributions were \$157,310. Total mandatory and voluntary employee contributions to the plan during the year were \$114,258.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 12 — Pension and Retirement Plans, Continued . . .

On behalf of its public safety officers, the County also is a participating employer in the Oregon Public Employees Retirement System (PERS), an agent multiple-employer public employee retirement system established under Oregon Revised Statutes 238.600 that acts as a common investment and administrative agent for public employers in the State of Oregon. PERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute.

In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for PERS. The Oregon Public Service Retirement Plan (OPSRP) is effective for all new employees hired on or after August 29, 2003, and applies to any inactive PERS members who return to employment following a six month or greater break in service. The new plan consists of a defined benefit program (the Pension Program) and a defined contribution portion (the Individual Account Program or “IAP”). The Pension Program portion of OPSRP provides a life pension funded by employer contributions. 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 and a factor that varies based on type of service (general versus police or fire).

Beginning January 1, 2004, all PERS member contributions go into the IAP portion of OPSRP. 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. Those employees who had established a PERS membership prior to creation of OPSRP will be members of both the PERS and OPSRP system as long as they remain in covered employment.

Both PERS and OPSRP are administered by the Oregon Public Employees Retirement Board (OPERB). The comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (888) 320-7377, or by accessing the PERS web site at www.pers.state.or.us.

Annual Pension Cost

All participating employers are required by law to submit the contributions as adopted by OPERB. For the years ended June 30, 2012, 2011, and 2010, the County’s actual annual pension cost was \$34,702, \$35,699, and \$40,435, respectively, and was equal to the annual required contributions. The required contribution was determined as part of the actuarial valuation at December 31, 2007 using the projected unit credit cost method. Significant economic assumptions used in this valuation include (a) an 8.0% rate of return, (b) projected salary increases of 3.75% per year, (c) consumer price inflation of 2.75% per year, and (d) healthcare cost increases of 9.0% per year, grading down by 0.5% per year to 5.0% in 2013. The asset valuation method was changed from a smoothing method which recognized investment gains and losses over a 4-year period to market value.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 12 — Pension and Retirement Plans, Continued . . .

Funding Policy

Employer contributions are required by state statute and made at actuarially determined rates as adopted by the OPERB. Covered employees are required by state statute to contribute 6.0% of their annual salary to the system. For the fiscal year ended June 30, 2012, the County’s annual required contribution rate was 8.79% and 7.34% of covered payroll to PERS for Tier 1/Tier 2 and OPSRP Police and Fire, respectively.

Actuarial Accrued Liability

The actuarial accrued liability represents the value of benefits attributed to prior years of service by the actuarial cost method. If all actuarial assumptions are met, the actuarial accrued liability represents that amount that would need to be set aside to provide for the benefits already earned to date. In prior valuations, the entry age normal cost method was used to attribute liabilities to prior years of service. This method was effective for Full Formula benefits. However, for Money Match benefits, the method created a liability lower than the value of benefits earned to date. With this valuation, the method has been changed to the projected unit credit method, which produces an actuarial accrued liability equal to or greater than the value of benefits earned to date.

The unfunded actuarial liability (“UAL”) created by this method is currently amortized as a level percentage of combined valuation payroll over a period commencing on the valuation date and ending on December 31, 2027 using closed amortization. As of December 31, 2007, the amortization period is 20 years, and the period for the existing UAL will continue to decline until it is paid off and new gains and losses recognized in each odd-year valuation will be amortized over a period of 20 years from that valuation.

The following supplementary information represents a schedule of funding progress, and is the most current information available from PERS as of the date of this report.

Actuarial Valuation Date	AVA	AAL	UAAL	Funded Percent	Covered Payroll	UAAL / Payroll
12/31/2006	1,160,164	858,044	-302,120	135%	315,811	-96%
12/31/2007	1,284,259	949,805	-334,454	135%	295,218	-113%
12/31/2008	956,442	1,052,688	96,246	91%	301,113	32%
12/31/2009	1,085,009	1,054,205	-30,804	103%	280,934	-11%
12/31/2010	1,148,797	1,222,151	73,354	94%	299,382	25%
12/31/2011	1,158,734	1,294,432	135,698	90%	283,239	48%

AVA: Actuarial Value of Assets
AAL: Actuarial Accrued Liability
UAAL: Unfunded Actuarial Accrued Liability

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 13 — Contingencies

Federal and State Grants:

In the normal course of operations, the County receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursements which may arise as a result of any program review is considered to be immaterial to the financial statements.

Solid Waste:

The County operates a solid waste landfill which has an estimated additional life of thirty-two years. Based on a 1997 study and an update in 2005, the anticipated closure cost is \$303,865 plus \$59,518 in post closure costs. The County is required to report to the Oregon Department of Environmental Quality annually that they continue to assure payment of all costs associated with closure and post-closure care. The County has set aside a reserve to cover these costs. At June 30, 2012, the reserve had a balance of \$88,174. The County has no plans to revise these estimates in the foreseeable future.

Litigation:

From time to time, the County is named as a party to various legal actions as a normal course of business. At June 30, 2012, the County was involved in several lawsuits and legal claims mostly of which the County considers immaterial to the financial statements.

The County is named defendant in an ongoing lawsuit for which the plaintiffs are asserting damages in excess of \$10 million. The County has retained legal counsel, who is vigorously defending the County in this action.

NOTE 14 — Budget Compliance

The 2011-2012 budget was amended by resolution of the governing body on various occasions. Such resolutions resulted from the County receiving unanticipated funds or from the decision to transfer appropriations. Changes to the budget for general purpose expenditures can be made only after adoption of a supplemental budget.

Oregon Budget law provides for changes to the budget from the amounts approved by the budget committee and those adopted by the Board of Commissioners. However, the changes cannot increase fund expenditures by more than 10% of the total expenditures approved by the budget committee or \$5,000, whichever is greater. During the adoption of the 2012-2013 budget, the County increased expenditures in excess of these limits for the Land Use Planning Fund, the Commission on Children Fund, and the County Parks Fund.

Wallowa County, Oregon

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2012

NOTE 14 — Budget Compliance, Continued...

The County had budget violations in which they overspent classification budget appropriations and total fund budgets. The violations are as follows:

- The General Fund Non-departmental expenditures overspent capital outlay budget appropriations by \$25,094
- The General Fund Land Acquisitions expenditures overspent capital outlay budget appropriations by \$761,000; this transaction is related to the recognition of donated property.
- The Library Grant fund overspent budget appropriations in transfers by \$50

NOTE 15 – Interfund Loans

On January 30, 2012, the Public Works Asphalt Department entered into a loan with the General Fund. The loan provided funds to purchase the Old Wallowa Mill property. For the first calendar year, beginning February 2012, the loan will accrue interest at the rate of 1.5% and have minimum monthly payments due of \$625. After the first year through January 2027, this note will accrue interest at the rate of 1% in excess of the rate of return on the local government investment pool and shall be recalculated each year. The General Fund will make monthly payments of accrued interest on the unpaid balance of the loan with each month's payment being one-twelfth of the annual interest on the loan.

NOTE 16 — Subsequent Events

The County's management has evaluated events and transactions occurring after June 30, 2012 through December 17, 2012, the date the financial statements were available for issuance, for recognition or disclosure in the financial statements. There were no events or transactions that required recognition and disclosure in the financial statements.

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

General Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes				
Property taxes	\$ 1,549,328	\$ 1,549,328	\$ 1,603,382	\$ 54,054
Other taxes	15,550	15,550	17,517	1,967
Payments in lieu of taxes	380,000	380,000	399,505	19,505
Fish and wildlife	1,000	1,000	1,017	17
Intergovernmental				
Federal	421,942	421,942	434,293	12,351
State	847,400	1,606,483	1,304,881	(301,602)
Local	189,171	189,171	181,243	(7,928)
Licenses and permits	6,140	6,140	9,155	3,015
Charges for services	139,453	139,453	163,918	24,465
Interest earnings	5,000	5,000	4,049	(951)
Other				
Miscellaneous	50,377	50,377	85,789	35,412
Donations	3,700	3,700	762,687	758,987
Total Revenues	3,609,061	4,368,144	4,967,436	599,292
Expenditures				
<i>Current Operations</i>				
Sheriff	1,097,411	1,097,411	1,071,916	(25,495)
Assessor	278,485	278,485	248,398	(30,087)
Treasurer	142,182	142,182	131,908	(10,274)
Clerk	188,629	188,629	124,489	(64,140)
Veteran's service	47,476	47,476	47,025	(451)
District attorney	177,511	177,511	169,920	(7,591)
Library	94,836	94,836	91,133	(3,703)
Courthouse	104,848	104,848	102,932	(1,916)
County commission	353,827	353,827	298,169	(55,658)
Administrative services	80,659	88,187	88,157	(30)
Youth services	236,622	236,622	212,352	(24,270)
County surveyor	19,471	19,471	15,901	(3,570)
Emergency services	61,498	61,498	57,637	(3,861)
Grants	611,033	1,370,116	1,040,631	(329,485)
Non-departmental	181,963	191,233	157,044	(34,189)
Land Acquisitions	-	1,000,000	1,261,000	261,000
Total Expenditures	3,676,451	5,452,332	5,118,612	(333,720)
Revenues Over (Under) Expenditures	(67,390)	(1,084,188)	(151,176)	933,012
Other Financing Sources (Uses)				
Transfers in	50	50	2,765	(2,715)
Transfers out	(166,530)	(149,730)	(124,531)	25,199
Total Other Financing Sources	(166,480)	(149,680)	(121,766)	22,484
Net Change in Fund Balances	(233,870)	(1,233,868)	(272,942)	910,528
Beginning Fund Balance	733,870	733,870	738,927	5,057
Ending Fund Balance	\$ 500,000	\$ (499,998)	\$ 465,985	\$ 915,585

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Public Works Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental				
Federal forest receipts	\$ 996,561	\$ 996,561	\$ 997,850	\$ 1,289
Fish and wildlife	-	-	-	-
Oregon Department of Transportation	552,960	552,960	254,411	(298,549)
State STP	196,105	196,105	196,106	1
State weed grants	20,000	20,000	-	(20,000)
OTC State funds	-	-	-	-
Miscellaneous small grants	-	-	-	-
Forest service fees	-	-	-	-
Highway user fees	675,599	675,599	621,910	(53,689)
Sales				
Materials, supplies and rentals	25,000	25,000	720,941	695,941
Used equipment	-	-	-	-
Asphalt	750,000	750,000	515,439	(234,561)
Interest earnings	25,000	25,000	24,931	(69)
Other				
Hay exchange and certification	4,000	4,000	3,460	(540)
Non-governmental services	-	-	208	208
Miscellaneous	29,500	29,500	32,605	3,105
Total Revenues	3,274,725	3,274,725	3,367,861	93,136
Expenditures				
<i>Current operations</i>				
Personal services	1,138,231	1,138,231	770,111	(368,120)
Materials and services	2,111,634	2,107,134	1,269,524	(837,610)
Contingency	2,369,584	1,869,584	-	(1,869,584)
<i>Capital outlay</i>				
	511,506	516,006	498,816	(17,190)
Total Expenditures	6,130,955	5,630,955	2,538,451	(3,092,504)
Revenues Over (Under) Expenditures	(2,856,230)	(2,356,230)	829,410	3,185,640
Other Financing Sources (Uses)				
Transfers in	294,657	294,657	297,782	3,125
Transfers out	(191,495)	(191,495)	(191,495)	-
Total Other Financing Sources (Uses)	103,162	103,162	106,287	3,125
Net Change in Fund Balances	(2,753,068)	(2,253,068)	935,697	3,188,765
Beginning Fund Balance	4,734,092	4,734,092	4,728,580	(5,512)
Ending Fund Balance	\$ 1,981,024	\$ 2,481,024	\$ 5,664,277	\$ 3,183,253

Wallowa County, Oregon

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

June 30, 2012

NOTE 1 — Budget to Actual Reconciliation

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

NOTE 2 — Budget Compliance

Oregon Budget law provides for changes to the budget from the amounts approved by the budget committee and those adopted by the Board of Commissioners. However, the changes cannot increase fund expenditures by more than 10% of the total expenditures approved by the budget committee or \$5,000, whichever is greater. During the adoption of the 2012-2013 budget, the County increased expenditures in excess of these limits for the Land Use Planning Fund, the Commission on Children Fund, and the County Parks Fund.

The County was also found to have two violations in regards to overspending budget appropriations for the major funds:

- In the General Fund, Non-departmental expenditures overspent budget appropriations by \$25,094.
- In the General Fund, Land Acquisitions expenditures overspent budget appropriations by \$761,000; this transaction is related to the recognition of donated property.

**OTHER SUPPLEMENTAL
INFORMATION**

Wallowa County, Oregon

Combining Modified Cash Basis Balance Sheet Nonmajor Governmental Funds June 30, 2012

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ 653,700	\$ 294,904	\$ 948,604
Taxes receivable	9,788	-	9,788
TOTAL ASSETS	\$ 663,488	\$ 294,904	\$ 958,392
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Deferred revenue	9,788	-	9,788
Total Liabilities	9,788	-	9,788
Fund Balances			
Restricted	76,456	118,733	195,189
Committed	382,024	176,171	558,195
Assigned	195,220	-	195,220
Total Fund Balances	653,700	294,904	948,604
TOTAL LIABILITIES AND FUND BALANCES	\$ 663,488	\$ 294,904	\$ 958,392

Wallowa County, Oregon

Combining Modified Cash Basis Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended June 30, 2012

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$ 379,656	\$ -	\$ 379,656
Intergovernmental			
Federal and state grants	914,806	-	914,806
Federal, state and local contracts	30,641	-	30,641
Licenses, fines and fees	99,347	-	99,347
Charges for services and supplies	57,666	-	57,666
Interest earnings	3,507	4,694	8,201
Proceeds from sale of assets	-	-	-
Other			
Rentals	12,632	-	12,632
Miscellaneous	248,602	-	248,602
Total Revenues	1,746,857	4,694	1,751,551
Expenditures			
<i>Current Operations</i>			
Personal services	642,596	41,284	683,880
Materials and services	957,077	-	957,077
Contingency	-	-	-
<i>Capital outlay</i>	4,108	952,969	957,077
<i>Debt Service</i>	-	-	-
Total Expenditures	1,603,781	994,253	2,598,034
<i>Revenues Over (Under) Expenditures</i>	143,076	(989,559)	(846,483)
Other Financing Sources (Uses)			
Transfers in	102,691	30,000	132,691
Transfers out	(117,712)	-	(117,712)
Total Other Financing Sources (Uses)	(15,021)	30,000	14,979
<i>Net Change in Fund Balances</i>	128,055	(959,559)	(831,504)
Beginning Fund Balances	525,645	1,254,463	1,780,108
Ending Fund Balances	\$ 653,700	\$ 294,904	\$ 948,604

Wallowa County, Oregon

Combining Modified Cash Basis Balance Sheet Nonmajor Special Revenue Funds June 30, 2012

	Unitary Assessment Fund	Rural DV Grant Fund	Land Use Planning Fund	Animal Control Fund	Public Transit Fund
ASSETS					
Cash and investments	\$ 4,634	\$ -	\$ -	\$ 10,995	\$ 4,782
Taxes receivable	-	-	-	-	-
TOTAL ASSETS	\$ 4,634	\$ -	\$ -	\$ 10,995	\$ 4,782
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Fund Balances					
Restricted	-	-	-	-	-
Committed	-	-	-	-	4,782
Assigned	4,634	-	-	10,995	-
Total Fund Balances	4,634	-	-	10,995	4,782
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,634	\$ -	\$ -	\$ 10,995	\$ 4,782

	Weed Control Fund	Remonu- mentation Fund	Liquor Law Enforcement Fund	Industrial Park Fund	Vacation and Sick Leave Fund
ASSETS					
Cash and investments	\$ 6,160	\$ 22,540	\$ -	\$ -	\$ 70,993
Taxes receivable	9,788	-	-	-	-
TOTAL ASSETS	\$ 15,948	\$ 22,540	\$ -	\$ -	\$ 70,993
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	9,788	-	-	-	-
Total Liabilities	9,788	-	-	-	-
Fund Balances					
Restricted	-	-	-	-	-
Committed	6,160	-	-	-	70,993
Assigned	-	22,540	-	-	-
Total Fund Balances	6,160	22,540	-	-	70,993
TOTAL LIABILITIES AND FUND BALANCES	\$ 15,948	\$ 22,540	\$ -	\$ -	\$ 70,993

Commission on Children and Families Fund	Law Library Fund	Victim Impact Panel Fund	Alcohol and Drug Fund	County Parks Fund	Library Grant Fund	State Court Security Fund	9-1-1 Fund	County Fair Fund
\$ 81,254	\$ 25,178	\$ 2,568	\$ 16,993	\$ 50,689	\$ 9,204	\$ 4,472	\$ 16,617	\$ 31,368
-	-	-	-	-	-	-	-	-
\$ 81,254	\$ 25,178	\$ 2,568	\$ 16,993	\$ 50,689	\$ 9,204	\$ 4,472	\$ 16,617	\$ 31,368

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	16,993	-	9,204	-	16,617	-
-	-	-	-	50,689	-	-	-	31,368
81,254	25,178	2,568	-	-	-	4,472	-	-
81,254	25,178	2,568	16,993	50,689	9,204	4,472	16,617	31,368
\$ 81,254	\$ 25,178	\$ 2,568	\$ 16,993	\$ 50,689	\$ 9,204	\$ 4,472	\$ 16,617	\$ 31,368

Unemployment Sinking Fund	GIS Fund	Safe Havens Fund	Calf/Comm Alliance	County Road Vacation and Sick Leave Fund	Public Health Fund	Museum Fund	Total
\$ 64,185	\$ -	\$ (2)	\$ 25,044	\$ 153,847	\$ 33,644	\$ 18,535	\$ 653,700
-	-	-	-	-	-	-	9,788
\$ 64,185	\$ -	\$ (2)	\$ 25,044	\$ 153,847	\$ 33,644	\$ 18,535	\$ 663,488
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	9,788
-	-	-	-	-	-	-	9,788
-	-	(2)	-	-	33,644	-	76,456
64,185	-	-	-	153,847	-	-	382,024
-	-	-	25,044	-	-	18,535	195,220
64,185	-	(2)	25,044	153,847	33,644	18,535	653,700
\$ 64,185	\$ -	\$ (2)	\$ 25,044	\$ 153,847	\$ 33,644	\$ 18,535	\$ 663,488

Wallowa County, Oregon

Combining Modified Cash Basis Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Year Ended June 30, 2012

	Unitary Assessment Fund	Rural DV Grant Fund	Land Use Planning Fund	Animal Control Fund	Public Transit Fund
Revenues					
Taxes					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
Intergovernmental					
Federal and state operating grants	-	-	3,500	-	62,500
Federal and state capital grants	-	-	-	-	-
Other federal, state and local revenues	11,023	-	-	-	-
Licenses, fines and fees	-	-	24,915	478	-
Charges for services and supplies	-	-	379	-	-
Interest earnings	27	-	39	58	74
Other					
Rentals	-	-	-	-	-
Miscellaneous	-	-	75	-	-
Total Revenues	11,050	-	28,908	536	62,574
Expenditures					
<i>Current Operations</i>					
Personal services	-	-	59,526	-	-
Materials and services	10,563	-	8,221	906	62,700
Contingency	-	-	-	-	-
<i>Capital outlay</i>					
-	-	-	-	-	-
<i>Debt service</i>					
-	-	-	-	-	-
Total Expenditures	10,563	-	67,747	906	62,700
Revenues Over (Under) Expenditures	487	-	(38,839)	(370)	(126)
Other Financing Sources (Uses)					
Transfers in	-	-	38,839	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	38,839	-	-
Net Change in Fund Balances	487	-	-	(370)	(126)
Beginning Fund Balances	4,147	-	-	11,365	4,908
Ending Fund Balances	\$ 4,634	\$ -	\$ -	\$ 10,995	\$ 4,782

Commission on Children and Families Fund	Law Library Fund	Victims Impact Panel Fund	Alcohol and Drug Fund	County Parks Fund	Library Grant Fund	State Court Security Fund	9-1-1 Fund	County Fair Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	3,001	-	-	256,699	-
357,283	-	-	6,052	4,700	15,844	-	-	50,002
-	-	-	-	41,000	19,655	-	-	-
-	-	301	-	2,400	-	-	-	-
-	5,354	-	-	-	-	4,598	-	360
-	-	-	-	57,287	-	-	-	-
277	121	12	69	174	127	10	236	98
-	-	-	-	-	-	-	-	12,632
-	-	-	-	-	-	-	-	196,577
357,560	5,475	313	6,121	108,562	35,626	4,608	256,935	259,669
80,633	-	-	-	9,059	-	1,105	229,502	16,061
205,931	2,197	206	10	90,475	40,165	5	32,134	223,364
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	4,108
-	-	-	-	-	-	-	-	-
286,564	2,197	206	10	99,534	40,165	1,110	261,636	243,533
70,996	3,278	107	6,111	9,028	(4,539)	3,498	(4,701)	16,136
-	-	-	-	-	-	-	-	12,000
-	-	-	-	(500)	(50)	-	-	-
-	-	-	-	(500)	(50)	-	-	12,000
70,996	3,278	107	6,111	8,528	(4,589)	3,498	(4,701)	28,136
10,258	21,900	2,461	10,882	42,161	13,793	974	21,318	3,232
\$ 81,254	\$ 25,178	\$ 2,568	\$ 16,993	\$ 50,689	\$ 9,204	\$ 4,472	\$ 16,617	\$ 31,368

Wallowa County, Oregon

Combining Modified Cash Basis Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Year Ended June 30, 2012

	Weed Control Fund	Remonu- mentation Fund	Liquor Law Enforcement Fund	Industrial Park Fund	Vacation and Sick Leave Fund
Revenues					
Taxes					
Property	\$ 119,956	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
Intergovernmental					
Federal and state operating grants	-	-	-	-	-
Federal and state capital grants	-	-	-	-	-
Other federal, state and local revenues	76	4,710	-	-	-
Licenses, fines and fees	-	-	2,724	-	-
Charges for services and supplies	-	-	-	-	-
Interest earnings	215	121	7	-	362
Other					
Rentals	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	120,247	4,831	2,731	-	362
Expenditures					
<i>Current Operations</i>					
Personal services	-	-	-	-	-
Materials and services	250	9,973	2,334	-	-
Contingency	-	-	-	-	-
<i>Capital outlay</i>	-	-	-	-	-
<i>Debt service</i>	-	-	-	-	-
Total Expenditures	250	9,973	2,334	-	-
Revenues Over (Under) Expenditures	119,997	(5,142)	397	-	362
Other Financing Sources (Uses)					
Transfers in	-	-	(2,715)	-	-
Transfers out	(118,162)	-	-	-	-
Total Other Financing Sources (Uses)	(118,162)	-	(2,715)	-	-
Net Change in Fund Balances	1,835	(5,142)	(2,318)	-	362
Beginning Fund Balances	4,325	27,682	2,318	-	70,631
Ending Fund Balances	\$ 6,160	\$ 22,540	\$ -	\$ -	\$ 70,993

Unemployment Sinking Fund	GIS Fund	Safe Havens Fund	Calf/Comm Alliance	County Road Vacation and Sick Leave Fund	Public Health Fund	Museum Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,956
-	-	-	-	-	-	-	259,700
-	21,466	133,137	-	-	199,667	-	854,151
-	-	-	-	-	-	-	60,655
-	12,131	-	-	-	-	-	30,641
-	-	-	-	-	60,918	-	99,347
-	-	-	-	-	-	-	57,666
312	32	2	13	784	248	89	3,507
-	-	-	-	-	-	-	12,632
-	-	-	38,750	-	2,162	11,038	248,602
312	33,629	133,139	38,763	784	262,995	11,127	1,746,857
21,847	43,743	12,835	-	-	159,574	8,711	642,596
-	26,453	120,304	13,819	-	101,891	5,176	957,077
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	4,108
-	-	-	-	-	-	-	-
21,847	70,196	133,139	13,819	-	261,465	13,887	1,603,781
(21,535)	(36,567)	-	24,944	784	1,530	(2,760)	143,076
15,000	36,567	-	-	-	-	3,000	102,691
-	-	-	-	-	1,000	-	(117,712)
15,000	36,567	-	-	-	1,000	3,000	(15,021)
(6,535)	-	-	24,944	784	2,530	240	128,055
70,720	-	(2)	100	153,063	31,114	18,295	525,645
\$ 64,185	\$ -	\$ (2)	\$ 25,044	\$ 153,847	\$ 33,644	\$ 18,535	\$ 653,700

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Unitary Assessment Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earnings	\$ 65	\$ 65	\$ 27	\$ (38)
Unitary assessment fees	13,138	13,138	11,023	(2,115)
Total Revenues	13,203	13,203	11,050	(2,153)
Expenditures				
<i>Materials and Services</i>				
Unitary assessment expense	17,314	17,314	10,533	(6,781)
Audit	35	35	30	(5)
Total Materials and Services	17,349	17,349	10,563	(6,786)
Total Expenditures	17,349	17,349	10,563	(6,786)
Receipts Over (Under) Expenditures	(4,146)	(4,146)	487	4,633
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(4,146)	(4,146)	487	4,633
Beginning Fund Balance	4,146	4,146	4,147	1
Ending Fund Balance	\$ -	\$ -	\$ 4,634	\$ 4,634

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Rural DV Grant Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earnings	\$ -	\$ -	\$ -	\$ -
Rural domestic violence grants	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	-	-	-	-
Employee benefits	-	-	-	-
Total Personal Services	-	-	-	-
<i>Materials and Services</i>				
Rural DV supplies	-	-	-	-
Total Materials and Services	-	-	-	-
Total Expenditures	-	-	-	-
<i>Receipts Over (Under) Expenditures</i>	-	-	-	-
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<i>Net Change in Fund Balance</i>	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Land Use Planning Fund

For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Revenues				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants	-	-	3,500	3,500
Local revenues	-	-	-	-
Publication, copy and blueprint sales	400	400	379	(21)
Fees and permits	29,500	29,500	24,915	(4,585)
Interest earnings	70	70	39	(31)
Miscellaneous	600	600	75	(525)
Total Revenues	30,570	30,570	28,908	(1,662)
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	46,248	46,248	46,334	86
Employee benefits	25,477	25,477	13,192	(12,285)
Total Personal Services	71,725	71,725	59,526	(12,199)
<i>Materials and Services</i>				
Office supplies	600	600	254	(346)
Mapping	125	125	-	(125)
Legal printing - advertising	1,900	1,900	1,342	(558)
Blueprint supplies	-	-	-	-
Rural address supplies/fuel	400	400	634	234
Travel and training	1,400	1,400	1,111	(289)
Insurance	-	-	149	149
Plan/ordinance update	-	-	-	-
Equipment service contract	1,900	1,900	2,183	283
Dues and publications	300	300	137	(163)
Software licenses and agreements	700	700	700	-
Telephone	1,000	1,000	1,083	83
Postage	500	500	450	(50)
Audit	150	150	130	(20)
Computer services	300	300	48	(252)
LUBA decisions and misc. grants	-	-	-	-
Refunds	300	300	-	(300)
Total Materials and Services	9,575	9,575	8,221	(1,354)
<i>Capital Outlay</i>				
	-	-	-	-
Total Expenditures	81,300	81,300	67,747	(13,553)
Receipts Over (Under) Expenditures	(50,730)	(50,730)	(38,839)	11,891

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Land Use Planning Fund

For the Year Ended June 30, 2012

Other Financing Sources (Uses)				
Transfers in	50,730	50,730	38,839	(11,891)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>50,730</u>	<u>50,730</u>	<u>38,839</u>	<u>(11,891)</u>
<i>Net Change in Fund Balance</i>	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Animal Control Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Licenses, fees and penalties	\$ 100	\$ 100	\$ 350	\$ 250
Interest earnings	60	60	58	(2)
Impoundment and board	-	-	-	-
City dog control contracts	-	-	-	-
Court fees	-	-	128	128
Donations	-	-	-	-
Total Revenues	160	160	536	376
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	-	-	-	-
Employee benefits	-	-	-	-
Total Personal Services	-	-	-	-
<i>Materials and Services</i>				
Supplies	100	100	2	(98)
Vehicle expenses	100	100	-	(100)
Pound upkeep	100	100	-	(100)
Telephone	100	100	-	(100)
Insurance	200	200	39	(161)
Audit	100	100	50	(50)
Electricity/fuel/oil/utilities	800	800	815	15
Board and disposal	100	100	-	(100)
Total Materials and Services	1,600	1,600	906	(694)
<i>Contingency</i>	9,925	9,925	-	(9,925)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	11,525	11,525	906	(10,619)
Receipts Over (Under) Expenditures	(11,365)	(11,365)	(370)	10,995
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(11,365)	(11,365)	(370)	10,995
Beginning Fund Balance	11,365	11,365	11,365	-
Ending Fund Balance	\$ -	\$ -	\$ 10,995	\$ 10,995

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Public Transit Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Mass transit—public transportation	\$ -	\$ 11,250	\$ 11,250	\$ -
Mass transit—staff senior services	40,000	40,000	40,000	-
STO operating grant	-	11,250	11,250	-
Grant revenues	-	-	-	-
Interest earned	100	100	74	(26)
Total Revenues	40,100	62,600	62,574	(26)
Expenditures				
<i>Materials and Services</i>				
Wallowa Union link	-	-	-	-
Community connection—senior transport	21,000	21,160	40,000	18,840
Community connection—special transport	17,000	17,000	-	(17,000)
STO grant administration	-	11,250	11,250	-
STO grant - community connection	-	11,250	11,250	-
Audit	250	250	200	(50)
Administration	1,600	1,600	-	(1,600)
Travel/training/meals	200	200	-	(200)
Total Materials and Services	40,050	62,710	62,700	(10)
<i>Contingency</i>	5,082	4,922	-	(4,922)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	45,132	67,632	62,700	(4,932)
<i>Receipts Over (Under) Expenditures</i>	(5,032)	(5,032)	(126)	4,906
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(5,032)	(5,032)	(126)	4,906
Beginning Fund Balance	5,032	5,032	4,908	(124)
Ending Fund Balance	\$ -	\$ -	\$ 4,782	\$ 4,782

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Commission on Children and Families Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental - Federal				
Child care block grant	\$ -	\$ -	\$ -	\$ -
Youth investment	13,100	13,100	12,500	(600)
Healthy start Medicaid	75,000	85,000	60,494	(24,506)
Family preservation and support	52,650	134,316	134,167	(149)
Intergovernmental - State	-	-		
Basic capacity grant	100,150	108,830	108,830	-
Healthy start administrative grants	15,000	25,000	7,253	(17,747)
CASA grant	13,000	13,000	11,863	(1,137)
Great start grant	11,000	11,088	11,088	-
CYF flexible	11,000	11,088	11,088	-
Interest earned	500	500	277	(223)
Miscellaneous revenue	-	-	-	-
Total Revenues	291,400	401,922	357,560	(44,362)
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	68,271	68,271	55,804	(12,467)
Employee benefits	32,029	32,029	24,829	(7,200)
Total Personal Services	100,300	100,300	80,633	(19,667)
<i>Materials and Services</i>				
Supplies	1,500	2,530	1,450	(1,080)
Travel	1,000	2,530	680	(1,850)
Telephone	1,100	1,100	783	(317)
Postage	100	100	-	(100)
Dues/publications	-	-	-	-
Audit	600	600	500	(100)
Insurance	200	200	190	(10)
Coordination/training	500	2,000	1,375	(625)
CASA grant	13,000	13,000	11,863	(1,137)
Child care grant	-	-	-	-
Great start grant	11,000	11,000	11,088	88
CYF flexible	11,000	11,000	11,088	88
Youth investment	12,500	12,500	12,500	-

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Commission on Children and Families Fund For the Year Ended June 30, 2012

Family preservation grant	52,500	71,666	86,667	15,001
Healthy start	60,000	60,000	53,240	(6,760)
Healthy start Medicaid	30,000	30,000	14,507	(15,493)
Ward donation	-	-	-	-
Total Materials and Services	195,000	218,226	205,931	(12,295)
<i>Contingency</i>	<i>9,600</i>	<i>10,758</i>	<i>-</i>	<i>(10,758)</i>
<i>Capital Outlay</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Expenditures	304,900	329,284	286,564	(42,720)
<i>Receipts Over (Under) Expenditures</i>	<i>(13,500)</i>	<i>72,638</i>	<i>70,996</i>	<i>(1,642)</i>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<i>Net Change in Fund Balance</i>	<i>(13,500)</i>	<i>72,638</i>	<i>70,996</i>	<i>(1,642)</i>
Beginning Fund Balance	13,500	13,500	10,258	(3,242)
Ending Fund Balance	\$ -	\$ 86,138	\$ 81,254	\$ (4,884)

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Law Library Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Court fees	\$ 5,000	\$ 5,000	\$ 5,354	\$ 354
Interest earned	100	100	121	21
Total Revenues	5,100	5,100	5,475	375
Expenditures				
<i>Materials and Services</i>				
Law library materials	25,789	25,789	970	(24,819)
Audit	30	30	20	(10)
Insurance	-	-	7	7
Contract labor	1,200	1,200	1,200	-
Total Materials and Services	27,019	27,019	2,197	(24,822)
Contingency	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	27,019	27,019	2,197	(24,822)
Receipts Over (Under) Expenditures	(21,919)	(21,919)	3,278	25,197
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(21,919)	(21,919)	3,278	25,197
Beginning Fund Balance	21,919	21,919	21,900	(19)
Ending Fund Balance	\$ -	\$ -	\$ 25,178	\$ 25,178

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Victims Impact Panel Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 25	\$ 25	\$ 12	\$ (13)
Impact panel revenue	300	300	301	1
Total Revenues	325	325	313	(12)
Expenditures				
<i>Materials and Services</i>				
Impact panel supplies	2,779	2,779	198	(2,581)
Insurance	-	-	3	3
Audit	10	10	5	(5)
Total Materials and Services	2,789	2,789	206	(2,583)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	2,789	2,789	206	(2,583)
Receipts Over (Under) Expenditures	(2,464)	(2,464)	107	2,571
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(2,464)	(2,464)	107	2,571
Beginning Fund Balance	2,464	2,464	2,461	(3)
Ending Fund Balance	\$ -	\$ -	\$ 2,568	\$ 2,568

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Alcohol and Drug Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
State grants	\$ 4,200	\$ 4,200	\$ 6,052	\$ 1,852
Interest earned	100	100	69	(31)
Total Revenues	4,300	4,300	6,121	1,821
Expenditures				
<i>Materials and Services</i>				
Alcohol and drug payment	11,000	11,000	-	(11,000)
Audit	20	20	10	(10)
Total Materials and Services	11,020	11,020	10	(11,010)
<i>Contingency</i>	4,178	4,178	-	(4,178)
Total Expenditures	15,198	15,198	10	(15,188)
Receipts Over (Under) Expenditures	(10,898)	(10,898)	6,111	17,009
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(10,898)	(10,898)	6,111	17,009
Beginning Fund Balance	10,898	10,898	10,882	(16)
Ending Fund Balance	\$ -	\$ -	\$ 16,993	\$ 16,993

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

County Parks Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental—State				
Marine Board grant	\$ -	\$ 41,000	\$ 41,000	\$ -
Marine Board maintenance grant	4,700	4,700	4,700	-
Ski Float grant	-	-	-	-
National Park Service	2,400	2,400	2,400	-
Recreational vehicle receipts	60,000	60,000	57,287	(2,713)
Motel tax	2,500	2,500	3,001	501
Interest earned	200	200	174	(26)
Total Revenues	69,800	110,800	108,562	(2,238)
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	7,630	7,630	6,415	(1,215)
Employee benefits	3,670	3,670	2,644	(1,026)
Total Personal Services	11,300	11,300	9,059	(2,241)
<i>Materials and Services</i>				
Supplies	2,500	2,500	264	(2,236)
Insurance	1,000	1,000	68	(932)
Audit	200	200	160	(40)
Wallowa Lake restroom care	2,500	2,500	2,491	(9)
Wallowa Lake garbage service	2,500	2,500	2,017	(483)
Dock and park maintenance	19,000	60,000	36,313	(23,687)
Contracts	48,000	48,000	48,757	757
Vehicle maintenance	1,500	1,500	405	(1,095)
Total Materials and Services	77,200	118,200	90,475	(27,725)
<i>Contingency</i>	23,124	23,124	-	(23,124)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	111,624	152,624	99,534	(53,090)
Receipts Over (Under) Expenditures	(41,824)	(41,824)	9,028	50,852
Other Financing Sources (Uses)				
Transfers out	(500)	(500)	(500)	-
Total Other Financing Sources (Uses)	(500)	(500)	(500)	-
Net Change in Fund Balance	(42,324)	(42,324)	8,528	50,852
Beginning Fund Balance	42,324	42,324	42,161	(163)
Ending Fund Balance	\$ -	\$ -	\$ 50,689	\$ 50,689

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Library Grant Fund

For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Revenues				
Federal CCF grant	\$ 8,000	\$ 8,000	\$ 7,176	\$ (824)
State grant	5,000	5,000	4,426	(574)
Trust management grant	20,750	20,750	19,655	(1,095)
Miscellaneous library grants	5,000	5,000	4,242	(758)
Interest earned	500	500	127	(373)
Total Revenues	39,250	39,250	35,626	(3,624)
Expenditures				
<i>Personal Services</i>	-	-	-	-
Total Personal Services	-	-	-	-
<i>Materials and Services</i>				
Supplies and books	11,204	11,204	3,993	(7,211)
Audit	150	150	100	(50)
CCF grant	8,000	8,000	7,176	(824)
Trust management grant expense	16,750	16,750	15,750	(1,000)
OCF Gray grant expense	9,500	9,500	9,405	(95)
Miscellaneous library grants	7,500	7,500	3,741	(3,759)
Total Materials and Services	53,104	53,104	40,165	(12,939)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	53,104	53,104	40,165	(12,939)
Receipts Over (Under) Expenditures	(13,854)	(13,854)	(4,539)	9,315
Other Financing Sources (Uses)				
Transfers out	(50)	(50)	(50)	-
Total Other Financing Sources (Uses)	(50)	(50)	(50)	-
Net Change in Fund Balance	(13,904)	(13,904)	(4,589)	9,315
Beginning Fund Balance	13,904	13,904	13,793	(111)
Ending Fund Balance	\$ -	\$ -	\$ 9,204	\$ 9,204

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions State Court Security Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Circuit and District court fees	\$ 2,000	\$ 2,000	\$ 4,598	\$ 2,598
Interest earned	20	20	10	(10)
Total Revenues	2,020	2,020	4,608	2,588
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	2,462	2,462	975	(1,487)
Employee benefits	520	520	130	(390)
Total Personal Services	2,982	2,982	1,105	(1,877)
<i>Materials and Services</i>				
Supplies	-	-	-	-
Audit	20	20	5	(15)
Total Materials and Services	20	20	5	(15)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	3,002	3,002	1,110	(1,892)
Receipts Over (Under) Expenditures	(982)	(982)	3,498	4,480
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(982)	(982)	3,498	4,480
Beginning Fund Balance	982	982	974	(8)
Ending Fund Balance	\$ -	\$ -	\$ 4,472	\$ 4,472

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

9-1-1 Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
9-1-1 telephone tax apportionment	\$ 270,000	\$ 270,000	\$ 256,699	\$ (13,301)
Interest earned	500	500	236	(264)
Miscellaneous revenue	-	-	-	-
Total Revenues	270,500	270,500	256,935	(13,565)
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	145,393	145,393	166,320	20,927
Employee benefits	95,694	95,694	63,182	(32,512)
Total Personal Services	241,087	241,087	229,502	(11,585)
<i>Materials and Services</i>				
Supplies	5,000	5,000	1,249	(3,751)
Travel and training	3,000	3,000	3,383	383
Repairs and maintenance	5,000	5,000	5,146	146
Rent/building expense	8,056	8,056	8,056	-
Radio and phone leases	1,000	1,000	-	(1,000)
Administrative fee	13,600	13,600	13,600	-
Audit	1,000	1,000	700	(300)
Total Materials and Services	36,656	36,656	32,134	(4,522)
<i>Contingency</i>	13,151	13,151	-	(13,151)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	290,894	290,894	261,636	(29,258)
Receipts Over (Under) Expenditures	(20,394)	(20,394)	(4,701)	15,693
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(20,394)	(20,394)	(4,701)	15,693
Beginning Fund Balance	20,394	20,394	21,318	924
Ending Fund Balance	\$ -	\$ -	\$ 16,617	\$ 16,617

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions County Fair Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Grant revenues	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
State fair funding	49,000	49,000	50,002	1,002
Gate receipts	300	300	-	(300)
Fair booth fees	300	300	310	10
Trophies and awards	-	-	50	50
Interest earned	150	150	98	(52)
Rental revenues	11,600	11,600	12,632	1,032
Motel tax	15,000	15,000	9,236	(5,764)
Livestock sale of 4-H/FFA	135,000	165,797	165,797	-
Pledge support	16,000	16,312	16,312	-
Fundraising	5,000	5,000	5,232	232
Auction commission	5,300	5,300	-	(5,300)
Donations and other receipts	25,000	25,000	-	(25,000)
Total Revenues	272,650	303,759	259,669	(44,090)
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	12,480	12,480	15,086	2,606
Employee benefits	1,305	1,305	975	(330)
Total Personal Services	13,785	13,785	16,061	2,276
<i>Materials and Services</i>				
Materials and supplies	4,200	4,200	3,548	(652)
Fundraising	2,000	2,000	605	(1,395)
Fuel	2,000	2,000	677	(1,323)
Travel	1,000	1,000	-	(1,000)
Building maintenance	12,000	12,000	6,226	(5,774)
Telephone	500	500	471	(29)
Refunds	100	100	1,370	1,270
Insurance	5,000	5,000	4,464	(536)
Audit and legal	600	600	500	(100)
Premium books	-	-	-	-
Utilities	16,500	16,500	17,451	951
Judging expenses	4,500	4,500	3,822	(678)
FFA and 4-H awards	3,000	3,000	2,051	(949)

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions County Fair Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
<i>Materials and Services, continued</i>				
Open class awards	1,000	1,000	800	(200)
Fair expense	-	-	-	-
Entertainment	500	500	-	(500)
Dues and contributions	700	700	1,075	375
Awards	100	100	22	(78)
Advertising and publications	1,000	1,000	653	(347)
Livestock sale	6,750	6,750	4,014	(2,736)
Pledge support/ FS sale	145,250	176,359	175,615	(744)
Total Materials and Services	206,700	237,809	223,364	(14,445)
<i>Contingency</i>	37,982	37,982	-	(37,982)
<i>Capital Outlay</i>	30,000	30,000	4,108	(25,892)
Total Expenditures	288,467	319,576	243,533	(76,043)
 <i>Receipts Over (Under) Expenditures</i>	 (15,817)	 (15,817)	 16,136	 31,953
Other Financing Sources (Uses)				
Transfers in	12,000	12,000	12,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	12,000	12,000	12,000	-
 <i>Net Change in Fund Balance</i>	 (3,817)	 (3,817)	 28,136	 31,953
Beginning Fund Balance	3,817	3,817	3,232	(585)
Ending Fund Balance	\$ -	\$ -	\$ 31,368	\$ 31,368

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Weed Control Fund For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Revenues				
Property taxes—current year	\$ 110,000	\$ 110,000	\$ 114,854	\$ 4,854
Property taxes—prior year	3,500	3,500	5,102	1,602
Fish and wildlife	75	75	76	1
Interest earned	300	300	215	(85)
Sale of tax foreclosed property	-	-	-	-
Total Revenues	113,875	113,875	120,247	6,372
Expenditures				
<i>Materials and Services</i>	300	300	250	(50)
Total Materials and Services	300	300	250	(50)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	300	300	250	(50)
Receipts Over (Under) Expenditures	113,575	113,575	119,997	6,422
Other Financing Sources (Uses)				
Transfers out	(118,162)	(118,162)	(118,162)	-
Total Other Financing Sources (Uses)	(118,162)	(118,162)	(118,162)	-
Net Change in Fund Balance	(4,587)	(4,587)	1,835	6,422
Beginning Fund Balance	4,587	4,587	4,325	(262)
Ending Fund Balance	\$ -	\$ -	\$ 6,160	\$ 6,160

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Remonumentation Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 125	\$ 125	\$ 121	\$ (4)
Remonumentation fees	3,500	3,500	4,710	1,210
Total Revenues	3,625	3,625	4,831	1,206
Expenditures				
<i>Materials and Services</i>				
Remonumentation expense	31,282	31,282	9,951	(21,331)
Insurance	20	20	12	(8)
Audit	20	20	10	(10)
Total Materials and Services	31,322	31,322	9,973	(21,349)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	31,322	31,322	9,973	(21,349)
Receipts Over (Under) Expenditures	(27,697)	(27,697)	(5,142)	22,555
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(27,697)	(27,697)	(5,142)	22,555
Beginning Fund Balance	27,697	27,697	27,682	(15)
Ending Fund Balance	\$ -	\$ -	\$ 22,540	\$ 22,540

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Liquor Law Enforcement Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 10	\$ 10	\$ 7	\$ (3)
Court fees	2,500	2,500	2,724	224
Total Revenues	2,510	2,510	2,731	221
Expenditures				
<i>Materials and Services</i>				
Supplies and equipment	4,827	4,827	2,327	(2,500)
Investigations and contract services	-	-	-	-
Insurance	-	-	2	2
Audit	10	10	5	(5)
Total Materials and Services	4,837	4,837	2,334	(2,503)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	4,837	4,837	2,334	(2,503)
Receipts Over (Under) Expenditures	(2,327)	(2,327)	397	2,724
Other Financing Sources (Uses)				
Transfers	-	(2,714)	(2,715)	(1)
Total Other Financing Sources (Uses)	-	(2,714)	(2,715)	(1)
Net Change in Fund Balance	(2,327)	(5,041)	(2,318)	2,723
Beginning Fund Balance	2,327	2,327	2,318	(9)
Ending Fund Balance	\$ -	\$ (2,714)	\$ -	\$ 2,714

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Industrial Park Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ -	\$ -	\$ -	\$ -
Rental income	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
<i>Materials and Services</i>				
Property taxes	-	-	-	-
Insurance	-	-	-	-
Audit	-	-	-	-
Repair and maintenance	-	-	-	-
Utilities	-	-	-	-
Total Materials and Services	-	-	-	-
<i>Contingency</i>	-	-	-	-
Total Expenditures	-	-	-	-
Receipts Over (Under) Expenditures	-	-	-	-
Other Financing Sources (Uses)				
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Vacation and Sick Leave Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 200	\$ 200	\$ 362	\$ 162
Revenue from Pilt	3,000	3,000	-	(3,000)
Total Revenues	3,200	3,200	362	(2,838)
Expenditures				
<i>Personal Services</i>				
Payroll taxes and benefits	-	-	-	-
Vacation and sick leave	85,920	85,920	-	(85,920)
Total Personal Services	85,920	85,920	-	(85,920)
Total Expenditures	85,920	85,920	-	(85,920)
 <i>Receipts Over (Under) Expenditures</i>	 (82,720)	 (82,720)	 362	 83,082
 Other Financing Sources (Uses)				
Transfers in	12,000	12,000	-	(12,000)
Total Other Financing Sources (Uses)	12,000	12,000	-	(12,000)
 <i>Net Change in Fund Balance</i>	 (70,720)	 (70,720)	 362	 71,082
Beginning Fund Balance	70,720	70,720	70,631	(89)
Ending Fund Balance	\$ -	\$ -	\$ 70,993	\$ 70,993

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Unemployment Sinking Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 250	\$ 250	\$ 312	\$ 62
Revenue from Pilt	3,000	3,000	-	(3,000)
Total Revenues	3,250	3,250	312	(2,938)
Expenditures				
<i>Personal Services</i>				
Unemployment expense paid	81,250	81,250	21,847	(59,403)
Total Personal Services	81,250	81,250	21,847	(59,403)
Total Expenditures	81,250	81,250	21,847	(59,403)
<i>Receipts Over (Under) Expenditures</i>	(78,000)	(78,000)	(21,535)	56,465
Other Financing Sources (Uses)				
Transfers in	12,000	12,000	15,000	3,000
Total Other Financing Sources (Uses)	12,000	12,000	15,000	3,000
<i>Net Change in Fund Balance</i>	(66,000)	(66,000)	(6,535)	59,465
Beginning Fund Balance	66,000	66,000	70,720	4,720
Ending Fund Balance	\$ -	\$ -	\$ 64,185	\$ 64,185

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

GIS Fund

For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Revenues				
Interest earned	\$ -	\$ -	\$ 32	\$ 32
Federal grants	-	-	-	-
State grants	20,000	20,000	21,466	1,466
Local grants	2,500	2,500	2,500	-
GIS partners, sales and projects	16,000	16,000	9,631	(6,369)
Miscellaneous	-	-	-	-
Total Revenues	38,500	38,500	33,629	(4,871)
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	32,891	32,891	32,025	(866)
Employee benefits	12,298	12,298	11,718	(580)
Total Personal Services	45,189	45,189	43,743	(1,446)
<i>Materials and Services</i>				
Materials and supplies	1,000	1,000	737	(263)
Training	-	-	-	-
Software license	3,000	3,000	3,000	-
Audit	150	150	90	(60)
Telephone	450	450	386	(64)
Postage	75	75	10	(65)
Computer services	3,436	3,436	3,767	331
Contract labor	20,000	20,000	18,463	(1,537)
Total Materials and Services	28,111	28,111	26,453	(1,658)
<i>Contingency</i>				
	-	-	-	-
Total Expenditures	73,300	73,300	70,196	(3,104)
Receipts Over (Under) Expenditures	(34,800)	(34,800)	(36,567)	(1,767)
Other Financing Sources (Uses)				
Transfers in	34,800	34,800	36,567	1,767
Total Other Financing Sources (Uses)	34,800	34,800	36,567	1,767
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Safe Havens Grant Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earnings	\$ -	\$ -	\$ 2	\$ 2
Safe Haven funds	216,126	216,126	133,137	(82,989)
Total Revenues	216,126	216,126	133,139	(82,987)
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	9,078	9,078	9,137	59
Employee benefits	3,824	3,824	3,698	(126)
Total Personal Services	12,902	12,902	12,835	(67)
<i>Materials and Services</i>				
Supplies and services	203,224	203,224	120,304	(82,920)
Total Materials and Services	203,224	203,224	120,304	(82,920)
<i>Capital Outlay</i>				
Total Expenditures	216,126	216,126	133,139	(82,987)
<i>Receipts Over (Under) Expenditures</i>	-	-	-	-
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<i>Net Change in Fund Balance</i>	-	-	-	-
Beginning Fund Balance	-	-	(2)	(2)
Ending Fund Balance	\$ -	\$ -	\$ (2)	\$ (2)

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Calf/Community Alliance For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earnings	\$ -	\$ -	\$ 13	\$ 13
Donations	-	38,725	38,750	25
Total Revenues	-	38,725	38,763	38
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	-	-	-	-
Employee benefits	-	-	-	-
Total personal Services	-	-	-	-
<i>Materials and Services</i>				
Supplies and services	100	38,825	13,819	(25,006)
Total Materials and Services	100	38,825	13,819	(25,006)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	100	38,825	13,819	(25,006)
Receipts Over (Under) Expenditures	(100)	(100)	24,944	25,044
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(100)	(100)	24,944	25,044
Beginning Fund Balance	100	100	100	-
Ending Fund Balance	\$ -	\$ -	\$ 25,044	\$ 25,044

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions County Road Vacation and Sick Leave Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 840	\$ 840	\$ 784	\$ (56)
Total Revenues	840	840	784	(56)
Expenditures				
<i>Personal Services</i>				
Payroll taxes and benefits	-	-	-	-
Paid vacation and sick leave	153,902	153,902	-	(153,902)
Total Personal Services	153,902	153,902	-	(153,902)
Total Expenditures	153,902	153,902	-	(153,902)
<i>Receipts Over (Under) Expenditures</i>	(153,062)	(153,062)	784	153,846
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<i>Net Change in Fund Balance</i>	(153,062)	(153,062)	784	153,846
Beginning Fund Balance	153,062	153,062	153,063	1
Ending Fund Balance	\$ -	\$ -	\$ 153,847	\$ 153,847

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Public Health Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Federal grants	\$ 130,316	\$ 130,316	\$ 166,213	\$ 35,897
State grants	49,757	49,757	33,454	(16,303)
Local and other grants	16,000	16,000	-	(16,000)
Fees	51,030	51,030	60,918	9,888
Interest earnings	100	100	248	148
Miscellaneous	200	200	2,162	1,962
Total Revenues	247,403	247,403	262,995	15,592
Expenditures				
<i>Personal services</i>	153,649	153,649	159,574	5,925
<i>Materials and services</i>	94,754	94,754	101,891	7,137
<i>Contingency</i>	29,961	29,961	-	(29,961)
<i>Capital Outlay</i>	-	-	-	-
Total Expenditures	278,364	278,364	261,465	(16,899)
Receipts Over (Under) Expenditures	(30,961)	(30,961)	1,530	32,491
Other Financing Sources (Uses)				
Transfers	1,000	1,000	1,000	-
Total Other Financing Sources (Uses)	1,000	1,000	1,000	-
Net Change in Fund Balance	(29,961)	(29,961)	2,530	32,491
Beginning Fund Balance	29,961	29,961	31,114	1,153
Ending Fund Balance	\$ -	\$ -	\$ 33,644	\$ 33,644

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Museum Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
State Heritage grant	\$ -	\$ -	\$ -	\$ -
Other grants	-	-	-	-
Interest earned	75	75	89	14
Sale of copies and books	-	-	-	-
Donations	15,000	15,000	11,038	(3,962)
Total Revenues	15,075	15,075	11,127	(3,948)
Expenditures				
<i>Personal Services</i>				
Salaries and payroll taxes	12,770	12,770	8,711	(4,059)
Custodian	500	500	-	(500)
Total Personal Services	13,270	13,270	8,711	(4,559)
<i>Materials and Services</i>				
Supplies	100	100	75	(25)
Grant expenses	-	-	-	-
Copying and cataloging	200	200	-	(200)
Audit	50	50	20	(30)
Dues and publications	250	250	200	(50)
Maintenance	2,000	2,000	1,340	(660)
Insurance - liability	1,000	1,000	967	(33)
Telephone	600	600	482	(118)
Utilities	2,505	2,505	2,092	(413)
Total Materials and Services	6,705	6,705	5,176	(1,529)
<i>Contingency</i>	1,424	1,424	-	(1,424)
<i>Capital Outlay</i>	15,000	15,000	-	(15,000)
Total Expenditures	36,399	36,399	13,887	(22,512)
Receipts Over (Under) Expenditures	(21,324)	(21,324)	(2,760)	18,564
Other Financing Sources (Uses)				
Transfers	3,000	3,000	3,000	-
Total Other Financing Sources (Uses)	3,000	3,000	3,000	-
Net Change in Fund Balance	(18,324)	(18,324)	240	18,564
Beginning Fund Balance	18,324	18,324	18,295	(29)
Ending Fund Balance	\$ -	\$ -	\$ 18,535	\$ 18,535

Wallowa County, Oregon

Combining Modified Cash Basis Balance Sheet Nonmajor Capital Projects Funds *June 30, 2012*

	Courthouse Repair Fund	Computer Reserve Fund	Vehicle Replacement Fund
ASSETS			
Cash and investments	\$ 23,185	\$ 30,466	\$ 63,208
Taxes receivable	-	-	-
	\$ 23,185	\$ 30,466	\$ 63,208
TOTAL ASSETS	\$ 23,185	\$ 30,466	\$ 63,208
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Total Liabilities	-	-	-
Fund Balances			
Restricted	-	-	-
Committed	23,185	30,466	63,208
Assigned	-	-	-
Total Fund Balances	23,185	30,466	63,208
TOTAL LIABILITIES AND FUND BALANCES	\$ 23,185	\$ 30,466	\$ 63,208

County Road Equipment Fund	Bridge Grant Fund	Total
\$ 59,312	\$ 118,733	\$ 294,904
-	-	-
<u>\$ 59,312</u>	<u>\$ 118,733</u>	<u>\$ 294,904</u>
\$ -	\$ -	\$ -
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	118,733	118,733
59,312	-	176,171
-	-	-
<u>59,312</u>	<u>118,733</u>	<u>294,904</u>
<u>\$ 59,312</u>	<u>\$ 118,733</u>	<u>\$ 294,904</u>

Wallowa County, Oregon

Combining Modified Cash Basis Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Projects Funds June 30, 2012

	Courthouse Repair Fund	Computer Reserve Fund	Vehicle Replacement Fund
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Proceeds from sale of assets	-	-	-
Interest earnings	143	155	302
Miscellaneous	-	-	-
Total Revenues	143	155	302
Expenditures			
<i>Current Operations</i>			
Personal services	-	-	-
Materials and services	-	-	-
<i>Capital outlay</i>	31,335	-	-
<i>Debt service</i>	-	-	-
Total Expenditures	31,335	-	-
Revenues Over (Under) Expenditures	(31,192)	155	302
Other Financing Sources (Uses)			
Transfers in	10,000	-	5,000
Transfers out	-	-	-
Total Other Financing Sources (Uses)	10,000	-	5,000
Net Change in Fund Balances	(21,192)	155	5,302
Beginning Fund Balances	44,377	30,311	57,906
Ending Fund Balances	\$ 23,185	\$ 30,466	\$ 63,208

County Road Equipment Fund	Bridge Grant Fund	Total
\$ -	\$ -	\$ -
-	-	-
-	-	-
223	3,871	4,694
-	-	-
223	3,871	4,694
-	41,284	41,284
-	-	-
-	921,634	952,969
-	-	-
-	962,918	994,253
223	(959,047)	(989,559)
15,000	-	30,000
-	-	-
15,000	-	30,000
15,223	(959,047)	(959,559)
44,089	1,077,780	1,254,463
\$ 59,312	\$ 118,733	\$ 294,904

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Courthouse Repair Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 150	\$ 150	\$ 143	\$ (7)
SHPO grant	-	-	-	-
Total Revenues	150	150	143	(7)
Expenditures				
Capital outlay	54,527	54,527	31,335	(23,192)
Total Expenditures	54,527	54,527	31,335	(23,192)
			-	
<i>Receipts Over (Under) Expenditures</i>	(54,377)	(54,377)	(31,192)	23,185
Other Financing Sources (Uses)			-	
Transfers in	10,000	10,000	10,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	10,000	10,000	10,000	-
<i>Net Change in Fund Balance</i>	(44,377)	(44,377)	(21,192)	23,185
Beginning Fund Balance	44,377	44,377	44,377	-
Ending Fund Balance	\$ -	\$ -	\$ 23,185	\$ 23,185

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Computer Reserve Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 100	\$ 100	\$ 155	\$ 55
Miscellaneous	-	-	-	-
Total Revenues	100	100	155	55
Expenditures				
<i>Capital outlay</i>	40,411	40,411	-	(40,411)
Total Expenditures	40,411	40,411	-	(40,411)
				-
<i>Receipts Over (Under) Expenditures</i>	(40,311)	(40,311)	155	40,466
Other Financing Sources (Uses)				
Transfers in	10,000	10,000	-	(10,000)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	10,000	10,000	-	(10,000)
<i>Net Change in Fund Balance</i>	(30,311)	(30,311)	155	30,466
Beginning Fund Balance	30,311	30,311	30,311	-
Ending Fund Balance	\$ -	\$ -	\$ 30,466	\$ 30,466

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Vehicle Replacement Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 100	\$ 100	\$ 302	\$ 202
Vehicle sale proceeds	-	-	-	-
Total Revenues	100	100	302	202
Expenditures				
Capital outlay	73,006	73,006	-	(73,006)
Total Expenditures	73,006	73,006	-	(73,006)
			-	-
<i>Receipts Over (Under) Expenditures</i>	(72,906)	(72,906)	302	73,208
Other Financing Sources (Uses)				
Transfers in	15,000	15,000	5,000	(10,000)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	15,000	15,000	5,000	(10,000)
<i>Net Change in Fund Balance</i>	(57,906)	(57,906)	5,302	63,208
Beginning Fund Balance	57,906	57,906	57,906	-
Ending Fund Balance	\$ -	\$ -	\$ 63,208	\$ 63,208

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions County Road Equipment Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 100	\$ 100	\$ 223	\$ 123
Total Revenues	100	100	223	123
Expenditures				
Contingency	54,120	54,120	-	(54,120)
Capital Outlay	-	-	-	-
Total Expenditures	54,120	54,120	-	(54,120)
<i>Receipts Over (Under) Expenditures</i>	(54,020)	(54,020)	223	54,243
Other Financing Sources (Uses)				
Transfers in	15,000	15,000	15,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	15,000	15,000	15,000	-
<i>Net Change in Fund Balance</i>	(39,020)	(39,020)	15,223	54,243
Beginning Fund Balance	39,020	39,020	44,089	5,069
Ending Fund Balance	\$ -	\$ -	\$ 59,312	\$ 59,312

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Bridge Grant Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental				
OTIA	\$ -	\$ 749,000	\$ 749,000	\$ -
Interest earnings	4,206	4,206	3,871	(335)
Miscellaneous revenue	-	-	-	-
Total Revenues	4,206	753,206	752,871	(335)
Expenditures				
Personal services	32,937	41,289	41,284	(5)
Materials and services	-	-	-	-
Contingency	604,422	868,061	-	(868,061)
Capital outlay	200,000	921,633	921,634	1
Total Expenditures	837,359	1,830,983	962,918	(868,065)
Revenues Over (Under) Expenditures	(833,153)	(1,077,777)	(210,047)	867,730
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(833,153)	(1,077,777)	(210,047)	867,730
Beginning Fund Balance	833,153	1,077,779	1,077,780	1
Ending Fund Balance	\$ -	\$ 2	\$ 867,733	\$ 867,731

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Solid Waste Operations and Maintenance Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Landfill and transfer site fees	\$ 186,000	\$ 186,000	\$ 191,479	\$ 5,479
City of Enterprise	1,400	1,400	1,400	-
City of Wallowa	600	600	600	-
City of Lostine	300	300	-	(300)
City of Joseph	900	900	-	(900)
Interest earnings	500	500	792	292
Salvage	57,916	57,916	111,730	53,814
Motel tax	10,000	10,000	9,005	(995)
DEQ Recycle grant	-	-	-	-
Household hazardous waste	8,000	8,000	2,838	(5,162)
Miscellaneous	-	-	-	-
Total Revenues	265,616	265,616	317,844	52,228
Expenses				
<i>Personal Services</i>				
Salaries and payroll taxes	125,593	125,593	117,499	(8,094)
Employee benefits	60,833	60,833	54,686	(6,147)
Total Personal Services	186,426	186,426	172,185	(14,241)
<i>Materials and Services</i>				
Supplies	4,000	4,000	5,616	1,616
Travel	2,000	2,000	1,146	(854)
Equipment maintenance	10,000	10,000	4,921	(5,079)
Vegetation vehicle	500	500	-	(500)
Vegetation chemicals	500	500	-	(500)
Fuel and oil	14,000	14,000	21,096	7,096
Monitoring and engineering	2,500	2,500	700	(1,800)
Contracts	2,500	2,500	2,937	437
Insurance	4,000	4,000	2,587	(1,413)
Household hazardous waste	8,000	8,000	10,515	2,515
Audit	1,000	1,000	900	(100)
Fire contract - Enterprise	200	200	200	-
Recycling program	12,000	12,000	4,450	(7,550)
Transfer site payments	20	20	-	(20)
DEQ permit fees	8,000	8,000	4,136	(3,864)
Contract labor and consulting	1,000	1,000	-	(1,000)
Tires	2,000	2,000	3,080	1,080
Materials	4,000	4,000	615	(3,385)
Total Materials and Services	76,220	76,220	62,899	(13,321)

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Solid Waste Operations and Maintenance Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
<i>Capital Outlay</i>	-	12,000	12,000	-
<i>Bond ADM fee</i>	-	-	-	-
<i>Contingency</i>	87,480	75,480	-	(75,480)
Total Expenses	350,126	350,126	247,084	(103,042)
 <i>Receipts Over (Under) Expenses</i>	 (84,510)	 (84,510)	 70,760	 155,270
 Other Financing Sources (Uses)				
Transfers in	4,134	4,134	500	(3,634)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	4,134	4,134	500	(3,634)
 <i>Change in Net Assets</i>	 (80,376)	 (80,376)	 71,260	 151,636
Beginning cash and unrestricted net assets	80,376	80,376	79,452	(924)
Ending cash and unrestricted net assets	\$ -	\$ -	150,712	\$ 150,712
 Capital assets (net of related debt)			223,314	
Ending Net Assets			\$ 374,026	

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Solid Waste Bond Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earnings	\$ 500	\$ 500	\$ 451	\$ (49)
Total Revenues	500	500	451	(49)
Expenses				
Capital outlay	88,457	88,457	-	(88,457)
Total Expenses	88,457	88,457	-	(88,457)
				-
Receipts Over (Under) Expenses	(87,957)	(87,957)	451	88,408
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Change in Net Assets	(87,957)	(87,957)	451	88,408
Beginning Cash and Net Assets	87,957	87,957	87,957	-
Ending Cash and Net Assets	\$ -	\$ -	\$ 88,408	\$ 88,408

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions

Solid Waste Debt Service Fund

For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Property taxes—current year	\$ -	\$ -	\$ -	\$ -
Property taxes—prior years	1,000	1,000	1,025	25
Fish and wildlife	-	-	-	-
Interest earnings	20	20	17	(3)
Sale of foreclosed property	-	-	-	-
Total Revenues	1,020	1,020	1,042	22
Expenses				
<i>Debt Service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenses	-	-	-	-
Receipts Over (Under) Expenses	1,020	1,020	1,042	22
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(3,634)	(3,634)	-	3,634
Total Other Financing Sources (Uses)	(3,634)	(3,634)	-	3,634
Change in Net Assets	(2,614)	(2,614)	1,042	3,656
Beginning Cash and Net Assets	2,614	2,614	2,614	-
Ending Cash and Net Assets	\$ -	\$ -	\$ 3,656	\$ 3,656

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Justice Center Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Rents	\$ 30,987	\$ 30,987	\$ 30,987	\$ -
Interest earned	50	50	50	-
Total Revenues	31,037	31,037	31,037	-
Expenses				
<i>Materials and Services</i>				
Supplies	2,000	2,000	2,129	129
Insurance	2,550	2,550	1,510	(1,040)
Audit	70	70	60	(10)
Utilities	17,375	17,375	15,685	(1,690)
Repairs	3,000	3,000	963	(2,037)
Refuse	720	720	776	56
Janitorial service	4,000	4,000	3,582	(418)
Total Materials and Services	29,715	29,715	24,705	(5,010)
<i>Contingency</i>	5,053	5,053	-	(5,053)
<i>Capital Outlay</i>	-	-	-	-
Total Expenses	34,768	34,768	24,705	(10,063)
Receipts Over (Under) Expenses	(3,731)	(3,731)	6,332	10,063
Other Financing Sources (Uses)				
Transfers	(1,500)	(1,500)	(1,500)	-
Total Other Financing Sources (Uses)	(1,500)	(1,500)	(1,500)	-
Change in Net Assets	(5,231)	(5,231)	4,832	10,063
Beginning Cash and Net Assets	5,231	5,231	5,166	(65)
Ending Cash and Net Assets	\$ -	\$ -	\$ 9,998	\$ 9,998

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Justice Center Sinking Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 48	\$ 48	\$ 46	\$ (2)
Miscellaneous revenue	-	-	-	-
Total Revenues	48	48	46	(2)
Expenditures				
<i>Materials and Services</i>				
Audit	-	-	-	-
Consultant	-	-	-	-
Total Materials and Services	-	-	-	-
<i>Capital outlay</i>	10,590	10,590	-	(10,590)
Total Expenditures	10,590	10,590	-	(10,590)
Receipts Over (Under) Expenditures	(10,542)	(10,542)	46	10,588
Other Financing Sources (Uses)				
Transfers	1,500	1,500	1,500	-
Total Other Financing Sources (Uses)	1,500	1,500	1,500	-
Change in Net Assets	(9,042)	(9,042)	1,546	10,588
Beginning Cash and Net Assets	9,042	9,042	9,042	-
Ending Cash and Net Assets	\$ -	\$ -	\$ 10,588	\$ 10,588

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Building Codes Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 250	\$ 250	\$ 171	\$ (79)
Fees and Permits	159,800	159,800	176,981	17,181
Total Revenues	160,050	160,050	177,152	17,102
Expenses				
<i>Personal Services</i>				
Salaries and payroll taxes	36,250	52,635	53,406	771
Employee Benefits	24,119	26,492	25,716	(776)
Total Personal Services	60,369	79,127	79,122	(5)
<i>Materials and Services</i>				-
Office supplies	3,000	3,000	1,047	(1,953)
Travel and training	1,500	1,500	824	(676)
Dues and publications	200	200	129	(71)
Insurance	75	75	72	(3)
Inspections	97,700	92,395	94,540	2,145
Telephone	800	800	392	(408)
Postage	200	200	167	(33)
Audit	200	200	125	(75)
Computer services	1,500	1,350	369	(981)
Copies and printing	300	300	102	(198)
State Building Surcharge	13,500	13,500	13,368	(132)
Refunds	400	400	344	(56)
Total Materials and Services	119,375	113,920	111,479	(2,441)
<i>Contingency</i>	20,955	7,649	-	(7,649)
Total Expenses	200,699	200,696	190,601	(10,095)
Receipts Over (Under) Expenses	(40,649)	(40,646)	(13,449)	27,197
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Change in Net Assets	(40,649)	(40,646)	(13,449)	27,197
Beginning Cash and Net Assets	40,649	40,649	40,524	(125)
Ending Cash and Net Assets	\$ -	\$ 3	\$ 27,075	\$ 27,072

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Community Complex Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earned	\$ 75	\$ 75	\$ 60	\$ (15)
Maintenance revenue	20,821	20,821	16,146	(4,675)
Total Revenues	20,896	20,896	16,206	(4,690)
Expenses				
<i>Materials and Services</i>				
Insurance	3,000	3,000	1,307	(1,693)
Audit	75	75	60	(15)
Repairs and maintenance	10,000	10,000	2,883	(7,117)
Total Materials and Services	13,075	13,075	4,250	(8,825)
<i>Capital Outlay</i>	-	-	-	-
<i>Contingency</i>	4,223	4,223	-	(4,223)
Total Expenses	17,298	17,298	4,250	(13,048)
Receipts Over (Under) Expenses	3,598	3,598	11,956	8,358
Other Financing Sources (Uses)				
Transfers	(10,000)	(10,000)	(10,000)	-
Total Other Financing Sources (Uses)	(10,000)	(10,000)	(10,000)	-
Change in Net Assets	(6,402)	(6,402)	1,956	8,358
Beginning cash and unrestricted net assets	6,402	6,402	6,373	(29)
Ending cash and unrestricted net assets	\$ -	\$ -	8,329	\$ 8,329
Capital assets (net of related debt)			598,531	
Ending Net Assets			\$ 606,860	

Wallowa County, Oregon

Schedule of Budget and Actual Cash Transactions Community Complex Sinking Fund For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest earnings	\$ 75	\$ 75	\$ 37	\$ (38)
Total Revenues	<u>75</u>	<u>75</u>	<u>37</u>	<u>(38)</u>
Expenses				
Capital outlay	19,252	19,252	12,825	(6,427)
Total Expenses	<u>19,252</u>	<u>19,252</u>	<u>12,825</u>	<u>(6,427)</u>
			-	
Receipts Over (Under) Expenses	(19,177)	(19,177)	(12,788)	6,389
Other Financing Sources (Uses)				
Transfers in	10,000	10,000	10,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Change in Net Assets	(9,177)	(9,177)	(2,788)	6,389
Beginning Cash and Net Assets	9,177	9,177	9,178	1
Ending Cash and Net Assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,390</u></u>	<u><u>\$ 6,390</u></u>

Wallowa County, Oregon

Modified Cash Basis Statement of Net Assets

Component Unit

June 30, 2012

	<u>Wallowa Lake County Service District</u>
ASSETS	
Current Assets	
Cash with County Treasurer	\$ 257,786
Property taxes receivable	19
Utility accounts receivable	54,766
Other current assets	-
Total Current Assets	<u>312,571</u>
Designated or Restricted Assets	
Cash with County Treasurer designated for capital outlay	359,663
Total Designated or Restricted Assets	<u>359,663</u>
Fixed Assets	
Water system	1,587,321
Sewer system	2,287,312
Less accumulated depreciation	(1,983,415)
Total Fixed Assets	<u>1,891,218</u>
TOTAL ASSETS	<u><u>\$ 2,563,452</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable	\$ -
Deferred revenue	54,785
Total Current Liabilities	<u>54,785</u>
Net Assets	
Invested in capital assets, net of related debt	1,891,218
Restricted	-
Unrestricted	617,449
Total Net Assets	<u>2,508,667</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,563,452</u></u>

Wallowa County, Oregon

Modified Cash Basis Statement of Revenues, Expenses and Changes in Net Assets Component Unit For the Year Ended June 30, 2012

	Wallowa Lake County Service District
Operating Revenue	
Water and sewer fees	\$ 263,149
Systems development charges	-
Permit fees and other	-
Total Operating Revenues	263,149
Operating Expenses	
Water and sewer operations	198,298
Depreciation	98,065
Total Operating Expenses	296,363
Operating Income (Loss)	(33,214)
Nonoperating Revenues and Expenses	
Interest income	3,106
Property and other tax revenues	244
Grant and other revenues	297
Total Nonoperating Revenues and Expenses	3,647
Change in Net Assets	(29,567)
Beginning Net Assets	2,538,234
Ending Net Assets	\$ 2,508,667

Wallowa County, Oregon

Statement of Cash Flows Business-type Component Unit For the Year Ended June 30, 2012

	<u>Wallowa Lake County Service District</u>
Cash Flows from Operating Activities	
Receipts from customers	\$ 263,149
Payments to employees	(49,104)
Payments to suppliers	(149,194)
Net Cash Provided by Operating Activities	<u>64,851</u>
Cash Flows from Noncapital Financing Activities	
Property and other tax revenues	-
Grant revenues	297
Net Cash Provided by Noncapital Financing Activities	<u>297</u>
Cash Flows from Capital and Related Financing Activities	
Property and other tax revenues	244
Purchase of capital assets	-
Bond interest expense	-
Bond administrative fee and contingency	-
Net Cash Used by Capital and Related Financing Activities	<u>244</u>
Cash Flows from Investing Activities	
Interest income	3,106
Net Cash Provided by Investing Activities	<u>3,106</u>
<i>Net increase in cash and cash equivalents</i>	68,498
Beginning Cash Balance	548,951
Ending Cash Balance	<u><u>\$ 617,449</u></u>
<hr/>	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating income (loss)	\$ (33,214)
<i>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</i>	
Depreciation expense	98,065
Net cash provide (used) by operating activities	<u><u>\$ 64,851</u></u>
Summary of Ending Cash	
Unrestricted cash	\$ 257,786
Cash designated for capital projects	359,663
Cash restricted for debt service	-
	<u><u>\$ 617,449</u></u>

Wallowa County, Oregon

Schedule of Property Tax Transactions All Funds

For the Year Ended June 30, 2012

Tax Year	Beginning Taxes Receivable	Taxes Levied	Adjustments	Discounts Allowed	Interest	Collections	Ending Taxes Receivable
2011-2012		\$8,559,974	\$ (35,832)	\$(210,625)	\$ 6,990	\$ 7,959,179	\$ 361,328
2010-2011	365,200	-	(15,949)	-	14,155	198,832	164,574
2009-2010	158,300	-	(2,343)	-	8,790	52,496	112,251
2008-2009	85,076	-	(2,448)	-	14,589	60,339	36,878
2007-2008	31,777	-	(2,268)	-	10,211	34,646	2,074
2006-2007	2,235	-	(2,194)	-	84	(262)	387
2005-2006	2,214	-	(1,818)	-	95	242	249
2004-2005	1,712	-	(797)	-	21	49	887
2003-2004	2,725	-	(1,257)	-	33	77	1,424
2002-2003	4,433	-	(2,054)	-	54	126	2,307
TOTAL	\$ 653,672	\$ 8,559,974	\$ (66,960)	\$(210,625)	\$ 55,022	\$ 8,305,724	\$ 682,359

Schedule of Property Taxes Receivable

	Ending Receivable
General Fund	\$ 131,448
Special Revenue Fund	
Weed Control Fund	9,788
Proprietary Fund	
Solid Waste Debt Service Fund	833
Fiduciary Funds	
Wallowa County Health Care District	89,374
Wallowa County 4-H Ext Service District	8,401
ESD and school districts	305,852
Cities	73,580
Cemetery districts	6,007
Fire districts and fire patrol	54,033
Animal control	2,931
Other districts	58
Component Unit	
Wallowa Lake County Service District	54
	\$ 682,359

Wallowa County, Oregon

Summary Schedule of Cash Transactions

All Funds

For the Year Ended June 30, 2012

	Balance 6/30/2011	Cash Receipts	Disbursements and Turnovers	Balance 6/30/2012
General Fund	\$ 738,927	\$ 4,970,201	\$ 5,243,143	\$ 465,985
Special Revenue Funds				
Public Works	4,728,580	3,665,643	2,729,946	5,664,277
Unitary Assessment	4,147	11,050	10,563	4,634
Rural DV Grant	-	-	-	-
Land Use Planning	-	67,747	67,747	-
Animal Control	11,365	536	906	10,995
Public Transit	4,908	62,574	62,700	4,782
Commission on Children & Families	10,258	357,560	286,564	81,254
Law Library	21,900	5,475	2,197	25,178
Victims Impact Panel	2,461	313	206	2,568
Alcohol and Drug	10,882	6,121	10	16,993
County Parks	42,161	108,562	100,034	50,689
Library Grant	13,793	35,626	40,215	9,204
State Court Security	974	4,608	1,110	4,472
9-1-1	21,318	256,935	261,636	16,617
County Fair	3,232	271,669	243,533	31,368
Weed Control	4,325	120,247	118,412	6,160
Remonumentation	27,682	4,831	9,973	22,540
Liquor Law Enforcement	2,318	16	2,334	-
Industrial Park	-	-	-	-
Vacation and Sick Leave	70,631	362	-	70,993
Unemployment Sinking	70,720	15,312	21,847	64,185
GIS	-	70,196	70,196	-
Safe Havens Grant	(2)	133,139	133,139	(2)
Calf/Comm Alliance	100	38,763	13,819	25,044
County Road Vacation & Sick Leave	153,063	784	-	153,847
Public Health	31,114	263,995	261,465	33,644
Museum	18,295	14,127	13,887	18,535
Total Special Revenue	5,254,225	5,516,191	4,452,439	6,317,977
Capital Projects Funds				
Courthouse Repair	44,377	10,143	31,335	23,185
Computer Reserve	30,311	155	-	30,466
Vehicle Replacement	57,906	5,302	-	63,208
County Road Equipment	44,089	15,223	-	59,312
Bridge Grant	1,077,780	752,871	962,918	867,733
Total Capital Projects	1,254,463	783,694	994,253	1,043,904

Wallowa County, Oregon

Summary Schedule of Cash Transactions

All Funds

For the Year Ended June 30, 2012

	Balance 6/30/2011	Cash Receipts	Disbursements and Turnovers	Balance 6/30/2012
Proprietary Funds				
Solid Waste Operations & Maint.	\$ 79,452	\$ 318,344	\$ 247,084	\$ 150,712
Solid Waste Bond	87,957	451	-	88,408
Solid Waste Debt Service	2,614	1,042	-	3,656
Justice Center	5,166	31,037	26,205	9,998
Justice Center Sinking	9,042	1,546	-	10,588
Building Codes	40,524	177,152	190,601	27,075
Community Complex	6,373	16,206	14,250	8,329
Community Complex Sinking Fund	9,178	10,037	12,825	6,390
Total Proprietary Funds	240,306	555,815	490,965	305,156
TOTAL PRIMARY GOVERNMENT	\$ 7,487,921	\$ 11,825,901	\$ 11,180,800	\$ 8,133,022
Component Units				
Wallowa Lake County Service Dist.	548,951	266,796	198,298	617,449
TOTAL COMPONENT UNITS	\$ 548,951	\$ 266,796	\$ 198,298	\$ 617,449
FIDUCIARY FUNDS	\$ 11,538,602	\$ 14,286,428	\$ 13,553,038	\$ 12,271,992

Wallowa County, Oregon

Schedule of Cash Transactions
Assessor
For the Year Ended June 30, 2012

	<u>Actual</u>
Beginning Balance	\$ -
Receipts	
State forestry contract	-
Sales of maps, printouts and copies	2,132
Total Receipts	<u>2,132</u>
Cash Disbursements and Turnovers	
Turnovers to County Treasurer	2,132
Office expense	-
Total Disbursements and Turnovers	<u>2,132</u>
<i>Receipts over (under) disbursements and turnovers</i>	-
Ending Balance	<u><u>\$ -</u></u>

Wallowa County, Oregon

Schedule of Cash Transactions Clerk For the Year Ended June 30, 2012

	<u>Actual</u>
Beginning Balance	\$ -
Receipts	
Recording fees	36,691
Other	18,204
Total Receipts	<u>54,895</u>
Cash Disbursements and Turnovers	
Turnovers to County Treasurer	54,895
United States Government - passports	-
State of Oregon - marriage licenses	-
Other	-
Total Disbursements and Turnovers	<u>54,895</u>
<i>Receipts over (under) disbursements and turnovers</i>	-
Ending Balance	<u><u>\$ -</u></u>

Wallowa County, Oregon

Schedule of Cash Transactions District Attorney For the Year Ended June 30, 2012

	<u>Actual</u>
Beginning Balance	\$ -
Receipts	
Child support enforcement	39,357
Victim advocates grant	13,017
VOCA grant	20,510
Other sources	17,886
Total Receipts	<u>90,770</u>
Cash Disbursements and Turnovers	
Turnovers to County Treasurer	90,770
Total Disbursements and Turnovers	<u>90,770</u>
<i>Receipts over (under) disbursements and turnovers</i>	-
Ending Balance	<u><u>\$ -</u></u>

Wallowa County, Oregon

**Schedule of Cash Transactions
Sheriff**

For the Year Ended June 30, 2012

	<u>Actual</u>
Beginning Balance	\$ -
Receipts	
Sheriff fees	13,310
Gun permits	9,035
Police contracts	122,506
Grants	18,189
Other	-
Transfer from other funds	-
Total Receipts	<u>163,040</u>
Cash Disbursements and Turnovers	
Turnovers to County Treasurer	163,040
Total Disbursements and Turnovers	<u>163,040</u>
<i>Receipts over (under) disbursements and turnovers</i>	-
Ending Balance	<u><u>\$ -</u></u>

Wallowa County, Oregon

Schedule of Cash Transactions Treasurer For the Year Ended June 30, 2012

	<u>Actual</u>
Beginning Balance	\$ 19,575,474
Receipts	
General Fund	4,970,201
Special Revenue Funds	5,516,191
Capital Project Funds	783,694
Proprietary Funds	555,815
Component Unit	266,796
Fiduciary Funds	14,286,428
Total Receipts	26,379,125
Cash Disbursements and Turnovers	24,931,686
Total Disbursements and Turnovers	24,931,686
<i>Receipts over (under) disbursements and turnovers</i>	1,447,439
Ending Balance	<u><u>\$ 21,022,913</u></u>
Cash Summary	
Cash on hand	\$ 450
General checking account	378,508
Payroll checking account	22,030
Time certificate of deposits	-
Other checking	2,431,246
Local government investment pool	18,190,679
	<u><u>\$ 21,022,913</u></u>

Wallowa County, Oregon

Schedule of Cash Transactions Tax Collector For the Year Ended June 30, 2012

	<u>Actual</u>
Beginning Balance	\$ -
Receipts	
Tax collections	8,305,724
Other sources	<u>-</u>
Total Receipts	8,305,724
Cash Disbursements and Turnovers	
Turnovers to County Treasurer	<u>8,305,724</u>
Total Disbursements and Turnovers	8,305,724
<i>Receipts over (under) disbursements and turnovers</i>	-
Ending Balance	<u><u>\$ -</u></u>

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
SHERIFF				
Sheriff Receipts				
Intergovernmental — Federal				
Forest Service contract	\$ 7,500	\$ 7,500	\$ 6,120	\$ (1,380)
Forest Service dispatch	2,400	2,400	4,800	2,400
DUII grant	5,000	5,000	12,285	7,285
Domestic Violence Grant	-	-	18,189	18,189
Merit Grant	73,000	73,000	57,509	(15,491)
USDA Video Grant	-	-	-	-
3 Flags Grant	2,500	2,500	3,004	504
Intergovernmental — State				
State police teletype	-	-	-	-
Marine patrol	46,667	46,667	37,868	(8,799)
1145 funds	70,000	70,000	74,114	4,114
Intergovernmental — Local				
Joseph police contract	115,870	115,870	106,256	(9,614)
Enterprise radio contract	16,301	16,301	16,250	(51)
Gun permits	6,000	6,000	9,035	3,035
Court and district court fees	2,500	2,500	1,125	(1,375)
Jail fees and fines	5,000	5,000	3,441	(1,559)
Book in fees	-	-	-	-
Impoundment fees	500	500	100	(400)
Monitoring fees	500	500	-	(500)
Sheriff fees	8,000	8,000	13,210	5,210
Reserves	3,000	3,000	3,650	650
Snowmobile patrol	4,000	4,000	-	(4,000)
Parole Probation	37,500	37,500	54,434	16,934
Miscellaneous	1,000	1,000	4,417	3,417
Animal Welfare	-	-	-	-
Restricted Halloween donation	500	500	-	(500)
Total Sheriff Receipts	407,738	407,738	425,807	18,069
Sheriff Expenditures				
<i>Personal Services</i>				
Sheriff's salary	55,630	55,630	55,630	-
Undersheriff's salary	49,884	49,884	49,884	-
Deputy salaries	220,183	220,183	224,335	4,152
Forest service labor contract	8,250	8,250	-	(8,250)

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Marine Board labor contract	24,000	24,000	14,472	(9,528)
Reserves	28,280	28,280	15,324	(12,956)
Dispatcher salaries	76,250	76,250	79,512	3,262
Supervisor	33,928	33,928	35,791	1,863
Transport wages	7,000	7,000	7,518	518
Carpe Diem Ranch	-	-	444	444
DUII overtime	2,500	2,500	10,507	8,007
Drug task force grant	-	-	-	-
Parole probation	25,000	25,000	35,466	10,466
3 Flags grant overtime	2,000	2,000	1,156	(844)
Overtime	15,000	15,000	29,182	14,182
Work crew	-	-	-	-
Social security	38,014	38,014	41,749	3,735
Health insurance and HRA/VEBA	129,355	129,355	115,373	(13,982)
Retirement - Lincoln National	7,017	7,017	13,215	6,198
Retirement - PERS	33,775	33,775	34,589	814
HSA Contribution	20,800	20,800	16,676	(4,124)
Worker's compensation	10,651	10,651	12,916	2,265
Insurance - life/life flight	1,254	1,254	2,492	1,238
Total Personal Services	788,771	788,771	796,231	7,460
<i>Materials and Services</i>				
Office supplies	4,000	4,000	4,276	276
Domestic violence contract and supplies	-	-	-	-
Uniforms	2,000	2,000	1,403	(597)
Police supplies and equipment	7,000	7,000	6,264	(736)
Community policing	700	700	100	(600)
Fuel	38,000	38,000	47,420	9,420
Mileage, travel, training	8,500	8,500	8,001	(499)
Reserve program	500	500	-	(500)
Impound refunds	100	100	-	(100)
Monitoring expense	500	500	980	480
Snowmobile patrol expense	1,000	1,000	(2,161)	(3,161)
Radio equipment maintenance	5,000	5,000	13,738	8,738
Restricted Halloween donations	500	500	-	(500)
Telephone	7,400	7,400	7,620	220
Postage	1,000	1,000	869	(131)
Insurance	14,000	14,000	8,796	(5,204)
Marine patrol contract	-	-	8,087	8,087

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Rental and contracts	8,000	8,000	6,064	(1,936)
Investigations	5,000	5,000	439	(4,561)
Prisoner medical and meals	1,500	1,500	1,114	(386)
Prisoner boarding	151,840	151,840	112,055	(39,785)
Parole & Probation	12,500	12,500	26,106	13,606
Work crew supplies	-	-	-	-
Computer services	2,500	2,500	2,711	211
Search and rescue supplies	500	500	1,258	758
Auto expenses	20,000	20,000	12,488	(7,512)
Writ of execution	-	-	-	-
Building expense/rent	8,100	8,100	8,057	(43)
Total Materials and Services	300,140	300,140	275,685	(24,455)
<i>Capital Outlay</i>				
Vehicles	8,500	8,500	-	(8,500)
Equipment	-	-	-	-
Total Capital Outlay	8,500	8,500	-	(8,500)
Total Sheriff Expenditures	\$ 1,097,411	\$ 1,097,411	\$ 1,071,916	\$ (25,495)

ASSESSOR

Assessor Receipts

Assessment and taxation	\$ -	\$ -	\$ -	\$ -
State forestry contract	1,300	1,300	-	(1,300)
A&T grant	62,100	62,100	58,507	(3,593)
Sale of maps and fees	1,000	1,000	2,132	1,132
Total Assessor Receipts	64,400	64,400	60,639	(3,761)

Assessor Expenditures

Personal Services

Assessor's salary	49,244	49,244	49,244	-
Appraiser	-	-	-	-
Appraiser II	65,798	65,798	65,793	(5)
Deputy assessor	-	-	-	-
Department secretary	39,907	39,907	26,773	(13,134)
Social security	11,853	11,853	9,622	(2,231)
Health insurance	44,847	44,847	42,140	(2,707)
Retirement	12,496	12,496	12,330	(166)
Worker's compensation	1,115	1,115	1,138	23
Insurance - life/life flight	525	525	733	208

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

HSA Contribution	8,500	8,500	6,015	(2,485)
Total Personal Services	234,285	234,285	213,788	(20,497)
<i>Materials and Services</i>				
Office supplies	3,600	3,600	2,633	(967)
Map maintenance	10,500	10,500	10,659	159
GIS services	1,600	1,600	1,817	217
Travel	5,500	5,500	5,378	(122)
Telephone	2,200	2,200	2,242	42
Postage	750	750	275	(475)
Vehicle insurance	700	700	258	(442)
Appraisal	1,800	1,800	1,731	(69)
Computer services	1,200	1,200	1,247	47
Maintenance contract and scanner lease	14,850	14,850	7,982	(6,868)
Auto maintenance	1,500	1,500	388	(1,112)
Total Materials and Services	44,200	44,200	34,610	(9,590)
<i>Capital Outlay</i>				
Equipment	-	-	-	-
Total Capital Outlay	-	-	-	-
Total Assessor Expenditures	\$ 278,485	\$ 278,485	\$ 248,398	\$ (30,087)

TREASURER

Treasurer Receipts

Motel tax	\$ 11,000	\$ 11,000	\$ 12,638	\$ 1,638
Assessment and taxation	-	-	-	-
Road administrative fee	7,500	7,500	7,500	-
WLCSA administrative fee	5,000	5,000	5,000	-
Warrants and advertising	400	400	197	(203)
A&T grant	35,645	35,645	33,672	(1,973)
Miscellaneous	600	600	826	226
Total Treasurer Receipts	60,145	60,145	59,833	(312)

Treasurer Expenditures

Personal Services

Treasurer's salary	49,244	49,244	49,244	-
Treasurer's assistant	-	-	-	-
Deputy treasurer	28,282	28,282	24,080	(4,202)
Social security	6,152	6,152	5,093	(1,059)
Health insurance	27,511	27,511	27,952	441

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Retirement	7,385	7,385	5,886	(1,499)
Worker's compensation	125	125	186	61
Insurance - life/life flight	264	264	369	105
HSA Contribution	5,000	5,000	5,015	15
Total Personal Services	123,963	123,963	117,825	(6,138)
<i>Materials and Services</i>				
Supplies	3,000	3,000	1,955	(1,045)
Travel	1,100	1,100	963	(137)
Bond	100	100	100	-
Telephone	1,100	1,100	1,073	(27)
Postage	3,500	3,500	2,000	(1,500)
Computer services	843	843	68	(775)
Maintenance contract	8,576	8,576	7,924	(652)
Total Materials and Services	18,219	18,219	14,083	(4,136)
<i>Capital Outlay</i>				
Equipment	-	-	-	-
Total Capital Outlay	-	-	-	-
Total Treasurer Expenditures	\$ 142,182	\$ 142,182	\$ 131,908	\$ (10,274)

CLERK

Clerk Receipts

Intergovernmental — Federal

A&T grant	\$ 420	\$ 420	\$ 454	\$ 34
Recording fees	30,000	30,000	36,691	6,691
Other clerk fees	17,500	17,500	15,633	(1,867)
Assessment and taxation	-	-	-	-
Clerk's records archive	2,500	2,500	2,571	71
Total Clerk Receipts	50,420	50,420	55,349	4,929

Clerk Expenditures

Personal Services

Clerk's salary	49,244	49,244	49,244	-
Clerk dept specialists	25,131	25,131	9,121	(16,010)
Elections board	4,000	4,000	1,260	(2,740)
Social security	5,633	5,633	3,999	(1,634)
Health insurance	27,511	27,511	13,875	(13,636)
Retirement	6,867	6,867	5,660	(1,207)
Worker's compensation	255	255	153	(102)

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Insurance - life/life flight	253	253	85	(168)
HSA Contribution	5,000	5,000	2,508	(2,492)
Total Personal Services	123,894	123,894	85,905	(37,989)
<i>Materials and Services</i>				
Office supplies	4,000	4,000	3,589	(411)
Travel	1,500	1,500	1,457	(43)
Equalization board	600	600	36	(564)
Microfilm and records maintenance	30,935	30,935	14,825	(16,110)
Telephone	1,250	1,250	1,111	(139)
Postage	3,000	3,000	1,734	(1,266)
Printing	12,000	12,000	6,225	(5,775)
Election mileage	500	500	147	(353)
Computer services	1,200	1,200	409	(791)
Marriage licenses	1,250	1,250	1,150	(100)
Maintenance contract	8,500	8,500	7,901	(599)
Total Materials and Services	64,735	64,735	38,584	(26,151)
<i>Capital Outlay</i>	-	-	-	-
Total Clerk Expenditures	\$ 188,629	\$ 188,629	\$ 124,489	\$ (64,140)
VETERANS' SERVICE				
Veterans' Receipts				
Veterans service	\$ 10,440	\$ 10,440	\$ 7,830	\$ (2,610)
SB1100 veterans funds	11,051	11,051	18,757	7,706
Program donations	50	50	-	(50)
Total Veterans' Receipts	21,541	21,541	26,587	5,046
Veterans' Expenditures				
<i>Personal Services</i>				
Service officer	31,315	31,315	31,726	411
Social security	2,396	2,396	2,209	(187)
Health insurance	5,802	5,802	5,723	(79)
Retirement	2,481	2,481	2,538	57
Worker's compensation	50	50	83	33
Lifeflight/life insurance	132	132	183	51
HSA Contribution	1,000	1,000	1,008	8
Total Personal Services	43,176	43,176	43,470	294
<i>Materials and Services</i>				
Office supplies	1,400	1,400	997	(403)

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Postage	600	600	295	(305)
Stationary and printing	150	150	168	18
Travel	2,000	2,000	2,095	95
Telephone	-	-	-	-
Rent/utilities	-	-	-	-
Contracted services	50	50	-	(50)
Bookkeeping/audit	100	100	-	(100)
Equipment maintenance	-	-	-	-
Total Materials and Services	4,300	4,300	3,555	(745)
Total Veterans' Expenditures	\$ 47,476	\$ 47,476	\$ 47,025	\$ (451)

DISTRICT ATTORNEY

District Attorney Receipts

Intergovernmental — federal				
Victims advocate grant	\$ 11,841	\$ 11,841	\$ 13,017	\$ 1,176
VOCA grant	18,945	18,945	20,510	1,565
Child support	37,855	37,855	39,357	1,502
Intergovernmental — state				
City assessment alcohol & drug prog.	300	300	-	(300)
Drug court grant	-	-	-	-
Prosecutorial assistance	-	-	-	-
Unitary assessment support	8,683	8,683	9,712	1,029
Wildlife processing fee	500	500	705	205
Diversion fees	100	100	150	50
Discovery fee	1,500	1,500	2,836	1,336
Drug court funds	1,500	1,500	1,823	323
Decoy and equipment fund	700	700	2,660	1,960
Total District Attorney Receipts	81,924	81,924	90,770	8,846

District Attorney Expenditures

Personal Services

Support enforcement	31,433	31,433	29,360	(2,073)
District attorney assistant	45,289	45,289	44,256	(1,033)
Victims advocate	29,858	29,858	29,923	65
Social security	8,154	8,154	7,165	(989)
Health insurance	27,581	27,581	31,325	3,744
Retirement	8,090	8,090	6,718	(1,372)
Worker's compensation	88	88	252	164

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Insurance - life/life flight	394	394	550	156
HSA Contribution	4,500	4,500	3,515	(985)
Total Personal Services	155,387	155,387	153,064	(2,323)
<i>Materials and Services</i>				
Office supplies	3,400	3,400	2,776	(624)
Victims advocate supplies	300	300	137	(163)
Multi-agency supplies	-	-	-	-
Decoy and equipment fund	2,000	2,000	915	(1,085)
Drug court funds and grant expense	-	-	1,343	1,343
Wildlife processing expense	-	-	-	-
Prosecutorial assistance	1,424	1,424	-	(1,424)
Travel and training	3,400	3,400	2,940	(460)
Copying costs	2,000	2,000	2,152	152
Professional dues	2,100	2,100	2,132	32
Legal texts and periodicals	1,300	1,300	1,099	(201)
Telephone	2,000	2,000	1,692	(308)
Postage	1,500	1,500	877	(623)
Investigation	700	700	66	(634)
Witness fees	1,000	1,000	348	(652)
Computer services	1,000	1,000	379	(621)
Total Materials and Services	22,124	22,124	16,856	(5,268)
<i>Capital Outlay</i>	-	-	-	-
Total District Attorney Expenditures	\$ 177,511	\$ 177,511	\$ 169,920	\$ (7,591)

LIBRARY

Library Receipts

Donations	\$ 3,150	\$ 3,150	\$ 1,687	\$ (1,463)
Miscellaneous revenue	-	-	-	-
Total Library Receipts	3,150	3,150	1,687	(1,463)

Library Expenditures

Personal Services

Librarian's salary	45,642	45,642	45,684	42
Station attendant salaries	9,281	9,281	9,279	(2)
Social security	4,202	4,202	3,953	(249)
Health insurance	11,534	11,534	10,793	(741)
Retirement	3,615	3,615	3,655	40
Worker's compensation	126	126	142	16

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Insurance - life/life flight	131	131	183	52
HSA Contribution	2,500	2,500	2,508	8
Total Personal Services	77,031	77,031	76,197	(834)
<i>Materials and Services</i>				
Supplies	650	650	1,183	533
Equipment maintenance	200	200	351	151
Building maintenance	1,800	1,800	1,992	192
Workshop and training	50	50	-	(50)
Telephone	2,100	2,100	897	(1,203)
Postage	200	200	183	(17)
Insurance	1,000	1,000	760	(240)
Joseph library	300	300	300	-
Wallowa library	300	300	300	-
Enterprise library	300	300	300	-
Books	3,115	3,115	3,935	820
Periodicals	-	-	-	-
Utilities	2,040	2,040	1,580	(460)
Travel and meals	350	350	114	(236)
Training wheels	1,400	1,400	-	(1,400)
L.R.M.S library expense	1,000	1,000	-	(1,000)
Elderly program	3,000	3,000	3,041	41
Total Materials and Services	17,805	17,805	14,936	(2,869)
<i>Capital Outlay</i>	-	-	-	-
Total Library Expenditures	\$ 94,836	\$ 94,836	\$ 91,133	\$ (3,703)
CUSTODIAL				
Custodial Receipts				
Grant revenues	\$ -	\$ -	\$ -	\$ -
Total Courthouse Receipts	-	-	-	-
Courthouse Expenditures				
<i>Personal Services</i>				
Senior custodian salary	32,479	32,479	32,510	31
Part-time custodian salary	9,084	9,084	8,234	(850)
Social security	3,179	3,179	2,849	(330)
Health insurance	11,534	11,534	10,794	(740)
Retirement	2,573	2,573	2,601	28
Worker's compensation	998	998	1,184	186

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Insurance - life/life flight	131	131	183	52
Total Personal Services	59,978	59,978	58,355	(1,623)
<i>Materials and Services</i>				
Supplies	3,500	3,500	2,615	(885)
Telephone	850	850	849	(1)
Electricity	8,500	8,500	10,084	1,584
Water and sewer	5,500	5,500	3,879	(1,621)
Fuel	8,500	8,500	10,081	1,581
Garbage	1,000	1,000	930	(70)
Building repairs	7,000	7,000	6,557	(443)
Boiler maintenance	3,000	3,000	2,562	(438)
Total Materials and Services	37,850	37,850	37,557	(293)
<i>Capital Outlay</i>				
Building repair	-	-	-	-
Building grounds and equipment	-	-	-	-
Total Capital Outlay	-	-	-	-
<i>Debt Service</i>	7,020	7,020	7,020	-
Total Courthouse Expenditures	\$ 104,848	\$ 104,848	\$ 102,932	\$ (1,916)
 COUNTY COMMISSION				
County Commission Receipts				
Video lottery—economic development	\$ 64,000	\$ 64,000	\$ 64,506	\$ 506
Road administrative fee	21,250	21,250	21,250	-
WLCSA administrative fee	2,000	2,000	2,000	-
Mental health administrative fee	3,000	3,000	4,666	1,666
Title III administration fee	-	-	-	-
Public transport administration fee	2,653	2,653	2,000	(653)
Liquor license renewal fee	140	140	120	(20)
Total County Commission Receipts	93,043	93,043	94,542	1,499
 County Commission Expenditures				
<i>Personal Services</i>				
Chairman's salary	51,243	51,243	51,243	-
Commissioner salaries	65,690	65,690	65,690	-
Executive assistant	34,962	34,962	35,110	148
Social security	11,620	11,620	10,810	(810)
Health insurance	39,115	39,115	37,070	(2,045)
Retirement	15,039	15,039	12,860	(2,179)
Worker's compensation	332	332	368	36

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Insurance - life/life flight	526	526	733	207
HSA Contribution	7,000	7,000	7,015	15
Total Personal Services	225,527	225,527	220,899	(4,628)
<i>Materials and Services</i>				
Supplies and maintenance	2,000	2,000	1,965	(35)
Printing	1,000	1,000	846	(154)
Title III expense	-	-	-	-
Mileage, travel and meals	7,000	7,000	2,848	(4,152)
AOC and NACO dues	10,000	10,000	9,361	(639)
Telephone	2,000	2,000	1,860	(140)
Postage	300	300	150	(150)
Rentals and contracts	1,750	1,750	2,037	287
Computer services	250	250	25	(225)
Video lottery - economic development	104,000	104,000	58,178	(45,822)
Computer service administration	-	-	-	-
Total Materials and Services	128,300	128,300	77,270	(51,030)
<i>Capital Outlay</i>	-	-	-	-
Total County Comm. Expenditures	\$ 353,827	\$ 353,827	\$ 298,169	\$ (55,658)

ADMINISTRATIVE SERVICES

Administrative Receipts

Road administrative fee	\$ 11,250	\$ 11,250	\$ 11,250	\$ -
WLCSD administrative fee	2,000	2,000	2,000	-
Health department administrative fee	2,500	2,500	2,500	-
Veterans service administrative fee	-	-	-	-
CCF administrative fees	-	-	-	-
Miscellaneous revenues	-	-	2	2
Total Administrative Receipts	15,750	15,750	15,752	2

Administrative Expenditures

Personal Services

Director salary	44,228	50,824	51,115	291
Social security	3,097	3,097	3,635	538
Health insurance	15,977	15,977	14,892	(1,085)
Retirement	1,751	1,751	11	(1,740)
Worker's compensation	75	75	128	53
Insurance - life/life flight	131	131	183	52

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

HSA Contribution	2,500	2,500	4,383	1,883
Total Personal Services	67,759	74,355	74,347	(8)
<i>Materials and Services</i>				
Supplies and maintenance	2,800	2,800	3,612	812
Budget expenses	3,400	3,400	2,678	(722)
Mileage, travel, meals and lodging	800	1,732	1,959	227
Telephone and internet	400	400	400	-
Postage	1,000	1,000	1,194	194
Hardware maintenance	500	500	-	(500)
Software maintenance	4,000	4,000	3,967	(33)
Total Materials and Services	12,900	13,832	13,810	(22)
<i>Capital Outlay</i>				
Total Administrative Expenditures	\$ 80,659	\$ 88,187	\$ 88,157	\$ (30)
YOUTH SERVICES				
Youth Services Receipts				
Intergovernmental — federal				
CCF grant	\$ -	\$ -	\$ -	\$ -
Crime prevention grant	29,143	29,143	25,477	(3,666)
Accountability grant	7,000	7,000	7,000	-
Intergovernmental — state				
Safe havens grant	-	-	-	-
CASA grant	13,250	13,250	11,863	(1,387)
Girls circle grant	1,000	1,000	500	(500)
Restitution program grant	-	-	-	-
Diversion fees	1,200	1,200	1,228	28
Drug and alcohol/MIP classes	1,200	1,200	962	(238)
Miscellaneous revenue	200	200	3,043	2,843
Total Youth Services Receipts	52,993	52,993	50,073	(2,920)
Youth Services Expenditures				
<i>Personal Services</i>				
Director salary	36,514	36,514	36,547	33
Assistant director and counselor salary	32,891	32,891	32,896	5
Dept specialist	22,098	22,098	22,128	30
Diversion specialist	5,892	5,892	5,901	9
CASA coordinator and administrative	12,725	12,725	9,921	(2,804)
Youth employment	4,000	4,000	689	(3,311)
Social security	8,733	8,733	7,230	(1,503)
Health insurance	39,045	39,045	36,496	(2,549)

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Retirement	7,831	7,831	7,888	57
Worker's compensation	280	280	439	159
Insurance - life/life flight	393	393	544	151
HSA Contribution	7,500	7,500	7,522	22
Total Personal Services	177,902	177,902	168,201	(9,701)
<i>Materials and Services</i>				
Supplies and maintenance	3,500	3,500	2,575	(925)
Mileage, travel, meals and lodging	4,200	4,200	3,889	(311)
Vehicle maintenance	1,800	1,800	231	(1,569)
Rent	7,127	7,127	7,127	-
Dues	700	700	686	(14)
Telephone	2,600	2,600	2,466	(134)
Postage	150	150	115	(35)
Crime prevention grant	29,143	29,143	23,893	(5,250)
Restitution program grant	-	-	-	-
Accountability grant	-	-	-	-
CASA grant	-	-	453	453
Girls circle grant	1,000	1,000	27	(973)
Detention	7,500	7,500	2,018	(5,482)
Drug and alcohol/MIP classes	1,000	1,000	671	(329)
Total Materials and Services	58,720	58,720	44,151	(14,569)
Total Youth Services Expenditures	\$ 236,622	\$ 236,622	\$ 212,352	\$ (24,270)

COUNTY SURVEYOR

County Surveyor Receipts

Road dept fee	\$ -	\$ -	\$ -	\$ -
Platt approval	3,000	3,000	1,000	(2,000)
Total County Surveyor Receipts	3,000	3,000	1,000	(2,000)

County Surveyor Expenditures

Personal Services

Surveyor salary	13,490	13,490	13,490	-
Social security	1,058	1,058	1,032	(26)
Worker's compensation	23	23	33	10
Total Personal Services	14,571	14,571	14,555	(16)

Materials and Services

Supplies/telephone	100	100	-	(100)
Mileage and travel	1,500	1,500	-	(1,500)

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Telephone	300	300	351	51
Platt approval	3,000	3,000	995	(2,005)
Total Materials and Services	4,900	4,900	1,346	(3,554)
Total County Surveyor Expenditures	\$ 19,471	\$ 19,471	\$ 15,901	\$ (3,570)

EMERGENCY SERVICES

Emergency Services Receipts

Intergovernmental — federal				
EMPG grant	\$ 30,749	\$ 30,749	\$ 28,623	\$ (2,126)
Miscellaneous grants/cost shares	-	-	-	-
Total Emergency Services Receipts	30,749	30,749	28,623	(2,126)

Emergency Services Expenditures

Personal Services

Emergency manager	40,769	40,769	40,697	(72)
FICA and Medicare	3,119	3,119	2,857	(262)
Health insurance	5,802	5,802	5,724	(78)
Worker's compensation	120	120	100	(20)
Insurance - life/life flight	138	138	180	42
Retirement	3,250	3,250	3,256	6
HSA Contribution	1,000	1,000	1,008	8
Total Personal Services	54,198	54,198	53,822	(376)

Materials and Services

Supplies and other	4,500	4,500	2,939	(1,561)
Mileage, meals, lodging and travel	1,500	1,500	208	(1,292)
Insurance	400	400	179	(221)
Telephone	900	900	384	(516)
Miscellaneous grants/cost shares	-	-	105	105
Total Materials and Services	7,300	7,300	3,815	(3,485)
Total Emergency Svcs. Expenditures	\$ 61,498	\$ 61,498	\$ 57,637	\$ (3,861)

GRANT

Grant Receipts

Intergovernmental — federal				
USDA community assistance	\$ -	\$ -	\$ -	\$ -
HAVA/Help America vote grant	93,453	93,453	94,053	600
Homeland security grants	45,000	45,000	43,636	(1,364)
Intergovernmental — state				
State mental health grant	550,000	1,309,083	1,003,391	(305,692)

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Nez Perce/BPA grant	-	-	-	-
OR state parks moraines grant	-	-	5,910	5,910
NEO housing alliance	-	-	-	-
Total Grant Receipts	688,453	1,447,536	1,146,990	(300,546)
Grant Expenditures				
<i>Personal Services</i>				
Grants administrator	14,847	14,847	18,335	3,488
Social security	1,136	1,136	1,403	267
Health insurance	-	-	-	-
Retirement	-	-	-	-
Worker's compensation	50	50	47	(3)
Insurance - life/life flight	-	-	-	-
Total Personal Services	16,033	16,033	19,785	3,752
<i>Materials and Services</i>				
State mental health grant	550,000	1,309,083	964,658	(344,425)
HAVA/Help America Vote Act	-	-	2,213	2,213
Grant administration	-	-	489	489
USDA rural business	-	-	-	-
Homeland security grants	45,000	45,000	43,636	(1,364)
OR state parks moraines grant	-	-	9,850	9,850
Total Materials and Services	595,000	1,354,083	1,020,846	(333,237)
<i>Capital Outlay</i>				
Total Grant Expenditures	\$ 611,033	\$ 1,370,116	\$ 1,040,631	\$ (329,485)

NON-DEPARTMENTAL

Non-departmental Receipts

Taxes

Property—current year	\$ 1,499,328	\$ 1,499,328	\$ 1,534,944	\$ 35,616
Property—prior years	50,000	50,000	68,438	18,438
Severance	50	50	120	70
Amusement	1,500	1,500	1,634	134
Gross earnings	3,000	3,000	3,125	125
<i>Intergovernmental — federal</i>				
Fish and wildlife	1,000	1,000	1,017	17
Payments in lieu of taxes	380,000	380,000	399,505	19,505
<i>Intergovernmental — state</i>				
Taylor grazing act	600	600	570	(30)
State liquor tax apportionment	25,000	25,000	30,214	5,214
State cigarette tax apportionment	4,500	4,500	7,726	3,226

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

Measure 37	-	-	-	-
911 Administration fee	13,600	13,600	13,600	-
Lincoln forfeiture fund	47,677	47,677	47,715	38
Mediation	4,000	4,000	6,538	2,538
Interest earnings	5,000	5,000	4,049	(951)
Miscellaneous	500	500	26,464	25,964
Total Non-departmental Receipts	2,035,755	2,035,755	2,145,659	109,904
Non-departmental Expenditures				
<i>Personal Services</i>				
County counsel	-	-	-	-
FICA and Medicare	-	-	-	-
Worker's compensation	-	-	-	-
Total Personal Services	-	-	-	-
<i>Materials and Services</i>				
Telephone repair and equipment	1,000	1,000	493	(507)
Computer system admin	12,000	12,000	8,510	(3,490)
Travel management plan consulting	3,500	3,500	-	(3,500)
Audit	12,000	12,000	11,270	(730)
Labor/Econ development consulting	7,500	7,500	11,345	3,845
County counsel	15,000	15,000	15,224	224
Wolf issue expenses	5,000	5,000	6,391	1,391
Wallowa forest expenses	-	16,800	47,047	30,247
Employee wellness expense	-	-	-	-
Auto repair and maintenance	1,000	1,000	1,140	140
Postage machine rentals	4,200	4,200	4,781	581
Official bonds and insurance	10,000	10,000	14,638	4,638
Miscellaneous and NSF checks	100	100	10	(90)
Mediation	14,000	14,000	5,680	(8,320)
Medical examiner	6,000	6,000	9,750	3,750
Worker's compensation	1,750	1,750	(19,517)	(21,267)
Local government investment pool fees	100	100	139	39
Risk management training	5,000	5,000	-	(5,000)
Web site maintenance	2,000	2,000	-	(2,000)
Pilt reauthorization	15,000	15,000	15,000	-
Total Materials and Services	115,150	131,950	131,901	(49)
<i>Capital Outlay</i>	-	-	25,143	25,143
<i>Contingency</i>	66,813	59,283	-	(59,283)
Total Non-departmental Expenditures	\$ 181,963	\$ 191,233	\$ 157,044	\$ (34,189)

Wallowa County, Oregon

Expanded Schedule of Budget and Actual Cash Transactions by Department

General Fund

For the Year Ended June 30, 2012

LAND ACQUISITIONS

Land Acquisition receipts

Land Acquisitons	-	500,000	1,261,000	761,000
Lease Payments	-	-	3,125	3,125
Total Land Acquisition Receipts	-	500,000	1,264,125	3,125

Land Aquisition Expenditures

<i>Capital Outlay</i>	-	500,000	1,261,000	761,000
Total Land Aquisition Expenditures	\$ -	\$ 500,000	\$ 1,261,000	\$ 761,000

Wallowa County, Oregon

Combining Schedule of Cash Receipts and Expenditures By Department

Public Works Fund

For the Year Ended June 30, 2012

	County Road	Asphalt Plant	STP Grants	Vegetation	Total
Receipts					
Intergovernmental					
Federal forest receipts	\$ 990,851	\$ -	\$ -	\$ 6,999	\$ 997,850
ODOT	-	-	-	254,411	254,411
State STP	-	-	196,106	-	196,106
State weed grants	-	-	-	-	-
OTC state funds	-	-	-	-	-
Forest service fees	-	-	-	-	-
Other grants	-	-	-	-	-
Highway user fees	621,910	-	-	-	621,910
Sales					
Materials, supplies and rentals	720,941	-	-	-	720,941
Used equipment	-	-	-	-	-
Asphalt	-	515,439	-	-	515,439
Interest earnings	24,931	-	-	-	24,931
Other					
Hay exchange and certification	-	-	-	3,460	3,460
Non-governmental services	-	-	-	208	208
Miscellaneous	2,666	28,000	-	1,939	32,605
Total Receipts	2,361,299	543,439	196,106	267,017	3,367,861
Expenditures					
<i>Personal Services</i>					
Vegetation supervisor	-	-	-	42,287	42,287
Public works director and assistant	41,690	5,525	7,918	7,771	62,904
Drivers and mechanics	376,224	11,722	-	-	387,946
Extra help and overtime	15,868	-	-	98	15,966
Social security	29,405	1,170	510	3,434	34,519
Health insurance	133,931	5,922	2,498	14,453	156,804
Retirement	33,039	1,373	633	4,012	39,057
Worker's compensation	27,077	652	21	508	28,258
Life insurance/life flight	2,097	12	5	256	2,370
Unemployment	-	-	-	-	-
Total Personal Services	659,331	26,376	11,585	72,819	770,111
<i>Materials and Services</i>					
Office expense	740	2,223	-	544	3,507
Travel and mileage	2,098	-	-	3,321	5,419
Equipment maintenance	75,026	19,193	-	-	94,219
Sign materials	622	-	-	624	1,246

Wallowa County, Oregon

Combining Schedule of Cash Receipts and Expenditures By Department

Public Works Fund

For the Year Ended June 30, 2012

Road maintenance and supplies	5,931	-	-	1,321	7,252
Tires and tubes	12,244	-	-	-	12,244
Bridge and culvert materials	-	-	-	-	-
Gasoline, diesel, oil and propane	151,171	42,534	-	1,965	195,670
Fencing	-	-	-	-	-
Building and grounds maintenance	-	-	-	-	-
Asphalt supplies	40,572	221,010	-	-	261,582
Vegetation vehicle and chemicals	34,544	-	-	1,029	35,573
Physicals, drug tests and licenses	1,654	-	-	-	1,654
Telephone	5,376	-	-	2,022	7,398
Insurance—liability	35,358	-	-	-	35,358
Rock crushing	-	60,975	-	254,000	314,975
Rentals and contracts	5,964	-	-	-	5,964
Audit and legal	5,800	-	-	-	5,800
STP road expense	155,174	-	278	-	155,452
Computer services	538	-	-	398	936
Tri-County weed management	-	-	-	6,200	6,200
Dues	2,150	-	-	-	2,150
Contract labor and consulting	5,602	3,555	-	26,951	36,108
General fund administrative fee	40,000	-	-	-	40,000
Dust abatement	2,814	-	-	-	2,814
Utilities	12,097	6,091	-	-	18,188
Miscellaneous shop expense	12,838	-	-	-	12,838
Hay exchange	-	-	-	5,458	5,458
Hay certification	-	-	-	1,519	1,519
Other grants	-	-	-	-	-
Total Materials and Services	608,313	355,581	278	305,352	1,269,524
<i>Capital Outlay</i>	498,816	-	-	-	498,816
<i>Contingency</i>	-	-	-	-	-
Total Expenditures	1,766,460	381,957	11,863	378,171	2,538,451
Revenues Over (Under) Expenditures	594,839	161,482	184,243	(111,154)	829,410
Other Financing Sources (Uses)					
Transfers in	176,495	3,125	-	118,162	297,782
Transfers out	(10,000)	(500,000)	(176,495)	(5,000)	(691,495)
Total Other Financing Sources (Uses)	166,495	(496,875)	(176,495)	113,162	(393,713)
Net Change in Fund Balances	\$ 761,334	\$ (335,393)	\$ 7,748	\$ 2,008	435,697
Beginning Fund Balance					4,728,580
Ending Fund Balance					\$ 5,164,277

Wallowa County, Oregon

Combining Schedule of Cash Receipts and Expenditures By Department

Public Health Fund

For the Year Ended June 30, 2012

	Non-dept Health	Maternal Child	Babies First	Cocoon	Prenatal	SSPH	WIC
Receipts							
Federal grants	\$ -	\$ 14,949	\$ -	\$ -	\$ -	\$ -	\$ 29,059
State grants	-	3,303	6,940	-	2,374	8,068	-
Fees	8,858	-	-	-	-	-	-
Interest earnings	248	-	-	-	-	-	-
Miscellaneous	(297)	-	-	-	-	-	-
Total Receipts	8,809	18,252	6,940	-	2,374	8,068	29,059
Expenditures							
<i>Personal Services</i>							
Nurses	3,914	926	120	-	612	4,342	-
Clerk	-	-	-	-	-	-	-
Nutritionist	-	-	-	-	-	-	-
Administration	-	9,945	2,291	-	317	2,316	14,403
Social security	168	593	278	-	71	444	947
Health insurance	883	4,131	2,097	-	502	2,903	7,140
Retirement	204	716	337	-	84	523	1,152
Worker's compensation	10	36	17	-	7	28	59
Life insurance/life flight	467	7	3	-	1	6	12
Unemployment	-	-	-	-	-	-	-
Total Personal Services	5,646	16,354	5,143	-	1,594	10,562	23,713
<i>Materials and Services</i>							
Services and supplies	124	88	49	-	25	59	478
Refunds	-	-	-	-	-	-	-
Medical supplies	89	-	-	-	-	-	-
Vaccines	2,761	-	-	-	-	-	-
Laboratory fees	100	-	-	-	-	-	-
Travel and meals	-	-	-	-	-	-	-
Vehicle maintenance	-	-	-	-	-	-	-
Contract labor	-	-	-	-	-	-	-
Fees to State	-	-	-	-	-	-	-
Administration fees	25	200	125	-	-	150	325
Training	-	-	-	-	-	-	-
Educational supplies	-	-	-	-	-	-	-
Telephone	(1,483)	145	59	-	1	41	165
Postage	-	-	-	-	-	14	-
Audit	500	-	-	-	-	-	-
Utilities	-	726	414	-	20	497	1,048
Insurance	827	-	-	-	-	-	-
Biohazard disposal	-	-	-	-	-	-	-
Building maintenance payment	-	-	-	-	-	-	-
Health Officer	-	515	300	-	-	360	780
Total Materials and Services	2,943	1,674	947	-	46	1,121	2,796
<i>Capital Outlay</i>	-	-	-	-	-	-	-
<i>Contingency</i>	-	-	-	-	-	-	-
Total Expenditures	8,589	18,028	6,090	-	1,640	11,683	26,509
Other Financing Sources (Uses)							
Transfers	-	-	1,000	-	-	-	-
Total Other Financing Sources (Uses)	-	-	1,000	-	-	-	-
Net Change in Fund Balances	\$ 220	\$ 224	\$ 1,850	\$ -	\$ 734	\$ (3,615)	\$ 2,550

Beginning Fund Balance

Ending Fund Balance

Family Planning	Oregon Mothers Care	Immunization Plan Grant	Tobacco Grant	Preparedness Grant	Sanitary License	Healthy Communities	Child Protective seat	Total
\$ 25,308	\$ -	\$ 6,896	\$ 38,802	\$ 51,199	\$ -	\$ -	\$ -	\$ 166,213
-	623	12,146	-	-	-	-	-	33,454
5,330	-	8,496	-	-	36,985	-	1,249	60,918
-	-	-	-	-	-	-	-	248
-	-	-	-	-	-	-	2,459	2,162
30,638	623	27,538	38,802	51,199	36,985	-	3,708	262,995
4,918	-	2,487	-	15,866	520	-	-	33,705
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
3,927	-	1,702	19,054	7,525	2,265	760	-	64,505
604	-	371	1,253	1,596	182	50	-	6,557
4,555	-	3,014	9,260	10,034	1,231	225	-	45,975
718	-	444	1,524	1,871	223	61	-	7,857
39	-	20	104	93	10	2	-	425
9	-	5	16	20	3	1	-	550
-	-	-	-	-	-	-	-	-
14,770	-	8,043	31,211	37,005	4,434	1,099	-	159,574
812	-	68	431	17,575	80	-	3,483	23,272
-	-	357	-	-	-	-	-	357
8,962	-	4,082	-	-	-	-	-	13,133
-	-	12,146	-	-	-	-	-	14,907
1,328	-	-	-	-	-	-	-	1,428
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,710	-	-	-	-	25,818	-	-	27,528
-	-	-	-	-	3,204	-	-	3,204
450	-	175	450	550	50	-	-	2,500
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
428	-	151	32	212	21	-	-	(228)
9	-	23	-	-	94	-	-	140
-	-	-	-	-	-	-	-	500
1,520	-	580	1,491	1,822	166	-	-	8,284
-	-	-	-	-	-	-	-	827
32	-	32	-	-	-	-	-	64
-	-	-	-	-	-	-	-	-
1,080	-	420	1,080	1,320	120	-	-	5,975
16,331	-	18,034	3,484	21,479	29,553	-	3,483	101,891
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
31,101	-	26,077	34,695	58,484	33,987	1,099	3,483	261,465
-	-	-	-	-	-	-	-	1,000
-	-	-	-	-	-	-	-	1,000
\$ (463)	\$ 623	\$ 1,461	\$ 4,107	\$ (7,285)	\$ 2,998	\$ (1,099)	\$ 225	\$ 2,530

**REQUIRED STATEMENTS
AND REPORTS**

Wallowa County, Oregon

Required Disclosures and Independent Auditors' Comments

June 30, 2012

In connection with our audit, we reviewed the County's accounting records and system of internal control. As of June 30, 2012, the cash receipts and disbursements basis accounting records were adequate, considering the size and complexity of the County's financial activities, to account for the current operations of the County. Our discussion of the County's system of internal control is included in the report beginning on page 131 of this audit report. We noted certain matters related to the County's system of internal control which we communicated in a separate letter to management dated December 17, 2012.

We also tested the County's compliance with the legal requirements pertaining to:

- The amount and adequacy of collateral pledged by depositories to secure the deposit of public funds;
- Short-term and long-term debt, including limitations on the amount of debt which may be incurred, liquidation of debt within the prescribed period of time, and compliance with provisions of bond indentures or other agreements, including any restrictions on the use of moneys available to retire indebtedness;
- The preparation, adoption, and execution of the annual budget for the year being audited, and the preparation and adoption of the budget for the next succeeding year (ORS 294.305 to 294.565);
- Insurance and fidelity bond coverage (our competencies do not extend to determining whether the insurance coverage in force at June 30, 2012 is adequate);
- Programs funded wholly or partially by other governmental agencies;
- The use of revenue from taxes on motor vehicle use fuel and the use of road funds (ORS 294, 368, 373);
- The investment of public funds;
- The awarding of public contracts; and the construction of public improvements (ORS 279);

Our tests of compliance brought nothing to our attention that caused us to believe the County was not in compliance with the legal requirements enumerated above except as follows:

The County exceeded budget appropriations in the following:

- The General Fund Non-departmental expenditures overspent capital outlay budget appropriations by \$25,094.
- The General Fund Land Acquisitions expenditures overspent capital outlay budget appropriations by \$761,000; this transaction is related to the recognition of donated property.
- The Library Grant fund overspent budget appropriations in transfers by \$50.

The County did not adequately document cost research for two tested projects as required by ORS 279.

Wallowa County, Oregon

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	County Fund or Department	Expenditures
<u>US Department of Agriculture</u>			
Special Supplemental Nutrition Program	10.557	Health	\$ 24,882
Child and Adult Food Program	10.558	Library	1,876
		Public Works/Trust	
Schools and Roads - Grants to Counties	10.665	and Agency/Safety Net	990,851
Total US Department of Agriculture			1,017,609
<u>US Department of the Interior</u>			
Payments in Lieu of Taxes	15.226	General	398,508
Revenue Sharing, Public Lands & Resources	15.227	General	570
National Park Services	15.919	Parks	2,400
Total US Department of the Interior			401,478
<u>US Department of Justice</u>			
Juvenile Accountability Services	16.523		20,875
Office on Violence Against Women	16.527	Youth Services	133,139
Crime Victim Advocates Assistance	16.575	District Attorney	22,114
Violence Against Women	16.588	District Attorney	13,665
Rural Law Enforcement Assistance	16.810	Sheriff	39,575
Total US Department of Justice			229,368
<u>US Department of Transportation</u>			
National Highway Transportation Safety Assoc	20.600	Sheriff	4,767
National Highway Traffic Safety Administration	20.601	Sheriff	11,970
Occupant Protection Incentive Grants	20.602	Sheriff	2,829
Total US Department of Transportation			19,566
<u>US Department of Health and Human Services</u>			
Safe and Drug Free Schools	84.186	CCF	27,500
Bioterrorism Preparedness and Response	93.069	Health	54,454
Family Planning Services	93.217	Health	10,159
Help America Vote Act	93.617	General	2,213
Promoting Safe and Stable Families	93.556	CCF	2,500
Temporary Assistance for Needy Families	93.558	General	9,507
Child Support Enforcement	93.563	District Attorney	37,517
Social Services Block Grant	93.667	CCF	12,500
Mental Health Services Community Block Grant	93.958	General	14,281
Substance Abuse Prevention and Treatment	93.959	General	83,951
Preventive Health Block Grant	93.991	Health	-
Maternal and Child Health Services Block Grant	93.994	Health	15,649
Total US Department of Health and Human Services			270,231

Wallowa County, Oregon

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2012

<u>US Department of Homeland Security</u>			
Emergency Performance Grants	97.042	Emergency Services	28,623
State Homeland Security Program	97.073	Emergency Services	-
Total US Department of Homeland Security			28,623
Total Federal Assistance			\$ 1,966,875

Wallowa County, Oregon

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2012

NOTE 1 — Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Wallowa County, Oregon and is presented on the cash 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 Nonprofit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.



**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***

County Commissioners
Wallowa County, Oregon
Enterprise, Oregon 97828

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Wallowa County, Oregon (the County) as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 17, 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. As reported in the auditors' opinion on the financial statements, the County prepares its financial statements on the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting 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 financial reporting that we consider to be material weaknesses, as defined above. However, as described in the accompanying schedule of findings and questioned costs, items 2012-01 and 2012-02, we identified certain deficiencies in internal control over financial reporting, that we consider to be significant deficiencies in internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's

financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

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

We did note certain matters that we reported to the management of Wallowa County, Oregon in a separate letter dated December 17, 2012.

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the County 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.



Jeff T. Edison, CPA
Edison, Perry & Company, P.C.
Certified Public Accountants
Enterprise, Oregon
December 17, 2012



**Report on Compliance with Requirements
Applicable to Each Major Program and on Internal Control
Over Compliance in Accordance with OMB Circular A-133**

County Commissioners
Wallowa County, Oregon
Enterprise, Oregon 97828

Compliance

We have audited the compliance of Wallowa County, Oregon 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. Wallowa County's major federal programs are identified in the summary of auditors' 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 Wallowa County's management. Our responsibility is to express an opinion on Wallowa County's 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 Nonprofit 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 Wallowa County's compliance with those requirements and performing 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 on Wallowa County's compliance with those requirements.

In our opinion, Wallowa County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

The management of Wallowa County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Wallowa County's internal control over compliance with 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 expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily disclose 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 County 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.



Jeff T. Edison, CPA
Edison, Perry & Company, P.C.
Certified Public Accountants
Enterprise, Oregon
December 17, 2012

Wallowa County, Oregon
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the County.
2. The auditors' report on internal control over financial reporting and on compliance and other matters references significant deficiencies in internal control and over compliance reported in this schedule as 2012-01 and 2012-02.
3. No instances of noncompliance material to the financial statements of the County were disclosed during the audit.
4. No control deficiencies in internal control over major federal award programs were disclosed during the audit.
5. The auditors' report on compliance for major federal award programs expresses an unqualified opinion on all major federal award programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. The programs tested as major programs included: U.S. Department of Agriculture Schools and Roads — Grants to Counties, CFDA #10.665; U.S. Department of the Interior Payments in Lieu of Taxes, CFDA #15.226; U.S. Department of Justice Office on Violence Against Women/Safe Havens, CFDA #16.527; U.S. Department of Human Services Substance Abuse Prevention and Treatment Block Grants, CFDA #93.959; and U.S. Department of Homeland Security Emergency Performance Grants, CFDA #97.042.
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. The County was not determined to be a low-risk auditee.

FINDINGS — FINANCIAL STATEMENTS AUDIT

2012-01 Non-Compliance with ORS 279 on River Woods Bridge Project

Statement of Condition: Research for the River Woods Bridge was not adequately documented per ORS 279 requirements.

Criteria: The County is required by State law to adequately research the lowest costs available for capital improvements and to maintain records of such research.

Cause: Management was not adequately monitoring that the record of the research for the project was maintained.

Wallowa County, Oregon

Schedule of Findings and Questioned Costs

Year Ended June 30, 2012

Effect: Because of management's failure to ensure a record of research for the project was maintained, the County was not in compliance with ORS 279.

Recommendation: Procedures should be implemented requiring Management to review the research for lowest cost for each bridge project prior to the project beginning and to maintain a file with copies of cost research.

Views of Responsible Officials: Management agrees with this finding and is willing to implement auditor recommendations.

2012-02 Non-Compliance with ORS 279 on Senior Center Parking Lot Addition

Statement of Condition: Research for the Senior Center parking lot addition was not adequately documented per ORS 279 requirements.

Criteria: The County is required by State law to adequately research the lowest costs available for capital improvements and to maintain records of such research.

Cause: Management was not adequately monitoring that a record of research for the project was maintained.

Effect: Because of management's failure to ensure a record of research for the project was maintained, the County was not in compliance with ORS 279.

Recommendation: Procedures should be implemented requiring Management to maintain a file with copies of cost research.

Views of Responsible Officials: Management agrees with this finding and is willing to implement auditor recommendations.

FINDINGS — MAJOR FEDERAL AWARDS PROGRAMS AUDIT

There were no findings or questioned costs related to the audit of the major federal awards.

Wallowa County, Oregon
Summary Schedule of Prior Year Findings
Year Ended June 30, 2012

PRIOR YEAR FINDINGS — FINANCIAL STATEMENT AUDIT

2011-01 INADEQUATE LABOR COST MANAGEMENT

Statement of Condition: Overspending of payroll budget due to inadequate monitoring of overtime.

Criteria: Internal controls should be in place to provide reasonable assurance that overtime is not being misused or abused.

Cause: Management was not adequately monitoring the overtime budget nor were they scrutinizing timecards for potential misuse of the overtime pay scale.

Effect: Because of management's failure to adequately monitor deputy work schedules, the Sheriff's department overtime budget was overspent by \$13,022.

Recommendation: Procedures should be implemented requiring management to review, on a monthly basis, the overtime budget.

Views of Responsible Officials: Management agrees with this finding and is willing to implement auditor recommendations.

2011-02 Rural Law Enforcement Grant — CFDA #16.810; Grant Period ended June 30, 2011.

Statement of Condition: The County Sheriff's department did not file reimbursement requests in a timely manner.

Criteria: The County is a subrecipient of this grant from Union County and receives funds on a reimbursement basis.

Cause: There are no procedures in place to insure the timely issuance of reimbursement requests.

Effect: Because of the failure to timely issue reimbursement requests to Union County, actual expenses are not matched with corresponding revenues which skews financial reports.

Recommendation: Procedures should be implemented that designate a specific individual within the Sheriff's department to complete the reimbursement request and submit it to management for approval within 30 days of the period end.

Views of Responsible Officials: Management agrees with the finding and will institute procedures to insure that reports are filed on a timely basis.

Wallowa County, Oregon

Summary Schedule of Prior Year Findings

Year Ended June 30, 2012

PRIOR YEAR FINDINGS AND QUESTIONED COSTS — MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no findings and questioned Costs on Major Federal Award Programs for the Fiscal year ending June 30, 2011.

Wallowa County, Oregon
Corrective Action Plan
For the Year Ended June 30, 2012

December 17, 2012

U.S. Department of Agriculture:

Wallowa County, Oregon respectfully submits the following corrective action plan for the year ended June 30, 2012.

Name and address of independent public accounting firm:

Edison, Perry & Company, P.C.
P.O. Box 478
Enterprise, Oregon 97828

Audit Period:

Year ended June 30, 2012

The findings from the June 30, 2012 financial statement audit are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS — FINANCIAL STATEMENT AUDIT

2012-01 Non-Compliance with ORS 279 on River Woods Bridge Project

Recommendation: Procedures should be implemented requiring Management to maintain a file with copies of cost research.

Action Taken: We concur with the recommendation. We have already taken steps to ensure that all future projects are in compliance with ORS 279 regulations.

2012-02 Non-Compliance with ORS 279 on Senior Center Parking Lot Addition

Recommendation: Procedures should be implemented requiring Management to maintain a file with copies of cost research.

Action Taken: We concur with the recommendation. We have already taken steps to ensure that all future projects are in compliance with ORS 279 regulations.

Wallowa County, Oregon

Corrective Action Plan
For the Year Ended June 30, 2012

FINDINGS — FEDERAL AWARD PROGRAMS AUDIT

NONE

If you have any questions regarding this plan, please call Brenda Micka at (541) 426-4543 ext 134.

Sincerely yours,

Michael Hayward, Chairman
Board of Commissioners