



COOS COUNTY, OREGON

**ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2018**

**COOS COUNTY, OREGON
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018**

TABLE OF CONTENTS

	<u>Page</u>
BOARD OF COMMISSIONERS	1
FINANCIAL SECTION:	
Independent Auditors' Report	2 - 4
Management's Discussion and Analysis	I- X
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	5
Statement of Activities	6
Fund Financial Statements:	
Balance Sheet – Governmental Funds	7
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	8
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	9
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	10
Statement of Net Position – Enterprise Funds	11
Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Funds	12
Statement of Cash Flows – Enterprise Funds	13
Statement of Net Position – Fiduciary Funds	14
Notes to the Basic Financial Statements	15 - 42
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios	43
Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions of Net Pension Liability	44

Major Funds:	45
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
General Fund	46 - 47
Public Works Fund	48
Coos Health and Wellness Fund	49
County Forest Fund	50

SUPPLEMENTARY INFORMATION:

Nonmajor Governmental Funds:	51 - 52
Combining Balance Sheet - Non-Major Governmental Funds	53 - 54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds	55 - 56
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Animal Control Fund	57
Public Health Fund	58
Planning Fund	59
Law Library Fund	60
LNG Fund	61
County Parks Fund	62
Community Corrections Fund	63
Crime Victim Assistance Fund	64
South Coast Interagency Narcotics Team (SCINT) Fund	65
Economic Development Fund	66
Bandon Dunes Assessment Fund	67
Administrative Grants Fund	68
County School Fund	69
Foot Paths and Bicycle Trails Fund	70
Industrial Development Fund	71
Public Health – Title XIX Fund	72
Mental Health– Title XIX Fund	73
County Family Mediation Fund	74

911/Dispatch Fund	75
County Clerk Records Fund	76
Public Land Corner Preservation Fund	77
Environmental Service Fund	78
PL 110-343 Title III Fund	79
Library Service District Fund	80
4-H & Extension Service District Fund	81
Dispatch Equipment Reserve Fund	82
Bonded Debt Fund	83
Sub-Combining Balance Sheet - 911 Dispatch Fund and Dispatch Equipment Reserve Fund	84
Sub-Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - 911 Dispatch Fund and Dispatch Equipment Reserve Fund	85
Proprietary Funds/Enterprise Funds:	86
Sub-Combining Statement of Net Position – Waste Disposal Funds	87
Sub-Combining Statement of Revenues, Expenses, and Changes in Net Position – Waste Disposal Funds	88
Sub-Combining Statement of Cash Flows – Waste Disposal Funds	89
Schedule of Revenues, Expenditures, and Changes in Fund Balance/Net Position – Budget and Actual – Major Funds:	
Waste Disposal Operations Fund	90
Waste Disposal Reserve Fund	91
Gas Pipeline Fund	92
Sub-Combining Statement of Net Position – Non-major Enterprise Funds	93
Sub-Combining Statement of Revenues, Expenses, and Changes in Net Position – Non-Major Enterprise Funds	94
Sub-Combining Statement of Cash Flows – Non-major Enterprise Funds	95
Schedule of Revenues, Expenditures, and Changes in Fund Balance/Net Position – Budget and Actual:	
County Fair Fund	96
Coos County Area Transit Service District Fund	97
Fiduciary Funds/Agency Funds:	98
Statement of Changes in Assets and Liabilities – Agency Funds	99

Schedule of Expenditures of Federal Awards	100 - 101
Notes to the Schedule of Expenditures of Federal Awards	102
Summary of Prior Audit Findings Related to Federal Awards	103

AUDITOR'S REPORTS

Report on Internal Control and on Compliance and Other Matters Government auditing Standards	104 - 105
Report of Independent Auditor's Report Required by Oregon State Regulations	106 - 107
Report on Compliance and Internal Control in Accordance with Uniform Guidance	108 - 109
Schedule of Findings and Questioned Costs	110

BOARD OF COMMISSIONERS

COOS COUNTY, OREGON
BOARD OF COMMISSIONERS
June 30, 2018

	<u>Term Expires</u>
Bob Main, Chair 250 N. Baxter Coquille, OR 97423	December 31, 2020
John Sweet, Commissioner 250 N. Baxter Coquille, OR 97423	December 31, 2022
Melissa Cribbins, Commissioner 250 N. Baxter Coquille, OR 97423	December 31, 2022

ELECTED OFFICIALS

Melissa Cribbins, County Commissioner	December 31, 2022
Mike Dado, County Surveyor	December 31, 2020
R. Paul Frasier, County District Attorney	January 3, 2021
Debbie Heller, County Clerk	December 31, 2022
Steve Jansen, County Assessor	December 31, 2020
Robert Main, County Commissioner	December 31, 2020
Megan Simms, County Treasurer	December 31, 2020
John W. Sweet, County Commissioner	December 31, 2022
Craig Zanni, County Sheriff	December 31, 2022

MAILING ADDRESS

Coos County Courthouse
250 N. Baxter
Coquille, Oregon 97423
(541) 396-3121 Ext. 7535

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

January 10, 2019

To the Board of Commissioners of Coos County:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Coos County, Oregon, (the County) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Coos County, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund and major special revenue funds, the Schedule of Changes in Total Post-Employment Benefits Liability, and the Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions of Net Pension Liability as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to management's discussion and analysis, the Schedule of Changes in Total Post-Employment Benefits Liability, and the Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions of Net Pension Liability in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on management's discussion and analysis, the Schedule of Changes in Total Post-Employment Benefits Liability, the Schedule of Proportionate Share of Net Pension Liability or the Schedule of Contributions of Net Pension Liability because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budget and actual schedules for the General Fund and major special revenue funds, as listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

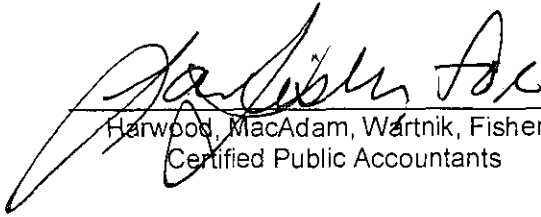
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Coos County's basic financial statements. The supplementary financial information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements. The supplementary financial information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards and Oregon Revised Statutes

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2019 on our consideration of Coos County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Coos County's internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated January 10, 2019, on our consideration of the Coos County's compliance with the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 to 162-010-0330. The purpose of that report is to describe our testing of compliance and the results of that testing and not to provide an opinion on compliance. Accordingly, we do not express such an opinion.



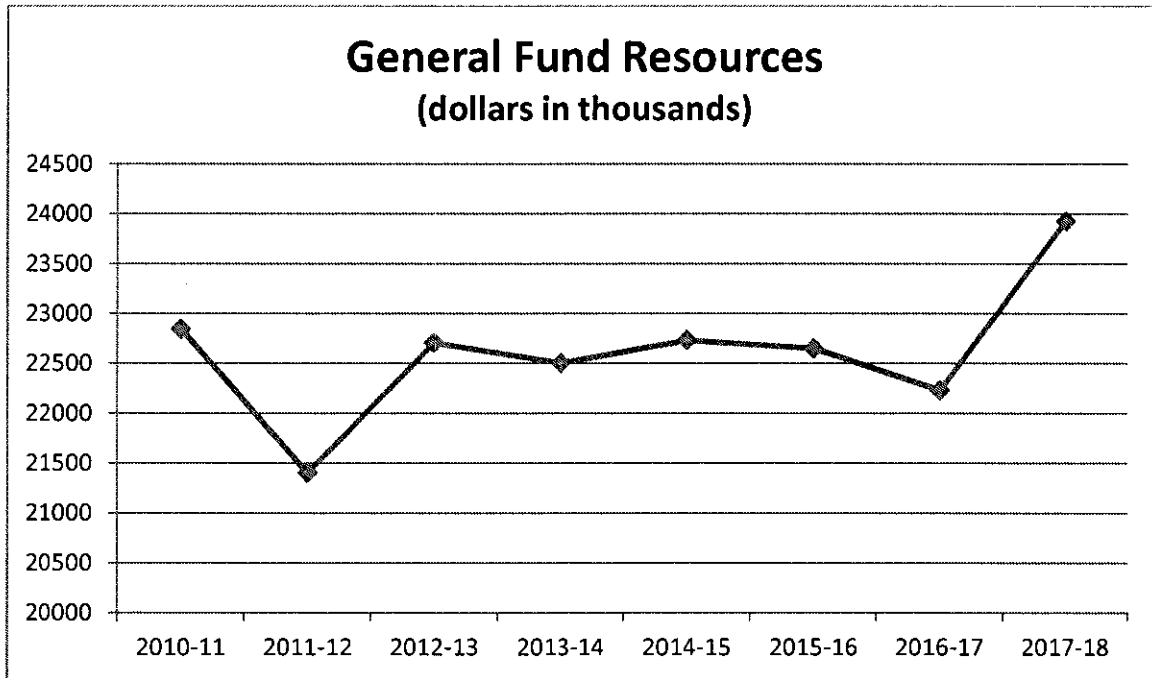
Harwood, MacAdam, Wąrtnik, Fisher & Gorman, LLC
Certified Public Accountants

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the Year Ended June 30, 2018

The management of Coos County, Oregon offers this overview and analysis of the financial activities of the County, for the fiscal year ended June 30, 2018. We encourage readers to consider the information here in conjunction with the accompanying basic financial statements.

Financial Highlights (*dollars in thousands*)

- The County's assets exceeded its liabilities at June 30, 2018 by \$147,628 (*net position*) – a decrease of \$86 or 0.06%. Of this amount, \$2,028 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's revenues increased by 14.2% in the Governmental activities, they increased by 12.6% in the Proprietary activities. Expenses for the Governmental activities increased by \$3,343 or 6.1%, and Proprietary increased by \$114 or 2.7%. Net position in Governmental funds decreased \$222 or 0.2% and Proprietary funds increased by \$137 or 0.3%.



Overview of the Financial Statements

Coos County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to private-sector business. The government-wide financial statements include not only the County itself (known as the primary government), but also three legally separate component units, Coos County Library Service District, Coos County 4-H Extension Service District, and the Coos County Area Transit Service District, for which the County is financially accountable. Although legally separate, the governing body of each component unit is identical to the County's, and because the services of the component units are exclusively for the benefit of the County, they are included as an integral part of the primary government. Complete financial statements for each may be obtained from the Coos County Treasurer's Office, 250 N. Baxter, Coquille, OR 97423.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2018

»The *statement of net position* presents information on all the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (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).

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. 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. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Governmental funds are used to account for the financial resources of the County that are not accounted for in any other fund. Principal sources of revenue are Oregon and California land grant proceeds, state and federal revenues, property taxes, licenses and permits, charges for services and interest. Ordinary expenditures are for general administration, public safety, community services, and welfare and health services.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented *for governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. There is a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 29 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, Public Works fund, Health & Wellness fund, and County Forest fund which are considered to be major funds. Data from the other 25 governmental funds are combined into a single, aggregated presentation. Individual fund data for these non-major governmental funds is provided in the supplementary statements section of this report.

The County adopts an annual budget for all of its funds except the fiduciary funds. A budgetary comparison statement has been provided for the governmental funds as part of the basic financial statements. There are also individual budgetary statements for all major and non-major funds to demonstrate compliance with this budget elsewhere in this report.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2018

Special Revenue Funds – Special Revenue funds are used to account for proceeds of specific revenue sources that are restricted to expenditures for specified purposes. Funds included in the category are: Animal Control, Public Works, Public Health, Planning, LNG, Law Library, County Parks, Community Corrections, Crime Victim Assistance, South Coast Interagency Narcotics Team (SCINT), Coos Health & Wellness, Economic Development, Bandon Dunes Assessment, PL110-343 Title III, County Forest, Administrative Grants, County School, Foot Paths and Bicycle Trails, Industrial Development, Public Health-Title XIX, Mental Health-Title XIX, County Family Mediation, 911/Dispatch, County Clerk Records, and the Public Land Corner Preservation funds.

Component Units-Special Revenue Funds – The Coos County Library Service District and the 4-H Extension Service District are reported as special revenue funds of the County.

Debt Service Fund – Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond and loan principal and interest. Funds included in this category are: Bonded Debt. The Bonded Debt Fund is for Coos County's outstanding bond issues.

On July 1, 2003, the County issued bonds for the local share of the natural gas pipeline project. Coos County voters passed a bond measure in 1999 authorizing an amount not to exceed \$27 million. Prior to the sale, Coos County received a bond rating from Moody's Investors Services of A3. The total of the general obligation bonds sold was \$17.76 million (including issuance costs). The bonds were taxable and sold for an interest cost of 4.56%.

Bonded Indebtedness
in thousands

General Obligation Debt Capacity	June 30, 2017	June 30, 2018
Taxable Real Market Value	\$ 6,468,660	\$ 7,062,173
General Obligation Bond Debt Limitation (2% of Real Market Value)	129,373	141,243
Less: Outstanding debt subject to limit	6,875	5,860
Less: Principal payments due within one year	(1,015)	(1,065)
	5,860	4,795
Remaining Legal General Obligation Debt Capacity	\$ 123,513	\$ 136,448
Percent of Capacity Issued	4.5%	3.4%

Under Oregon Revised Statute (ORS) 287A.100 the aggregate amount of general obligation bonded indebtedness of the County is limited to two percent of the real market value of all taxable property in the County, computed in accordance with ORS 308.207. Additional information on the County's bonded debt can be found in the Notes to the Financial Statements.

Proprietary Funds

Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its County Fair fund, Waste Disposal fund, Waste Disposal Reserve fund and Gas Pipeline fund, which are financed primarily by admission charges, waste disposal fees, bond sales and intergovernmental revenues.

Component Unit-Enterprise Funds – The Coos County Area Transit Service District is reported as an enterprise fund of the County.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2018

The proprietary fund financial statements provide separate information for business-type funds. Individual fund data for the funds is provided in the form of *combining statements* elsewhere in this report.

Fiduciary Funds

Trust and Agency Funds – These funds account for resources received and held by the County in a fiduciary capacity or as an agent for other governments and other funds. Fiduciary funds are *not* reflected in the government-wide statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found immediately following the basic financial statements of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information* referred to earlier in connection with non-major governmental funds and other schedules and information that are required by the State of Oregon. This information can be found in the supplementary statements section of this report.

Government-wide Financial Analysis (*dollars in thousands*)

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. The County's assets exceeded liabilities by \$147,628 at the close of the most recent fiscal year. The County's investment in capital assets (land, construction in progress, buildings, improvements, machinery and equipment, bridges and infrastructure), less any related debt to acquire those assets is approximately 84.98% of total net position. The County uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2018

Coos County's Net Position

in thousands

	Governmental		Business-type		Total		Comparison	
	Activities		Activities				Difference	
	2018	2017	2018	2017	2018	2017		
Current and other assets	\$ 41,696	\$ 41,689	\$ 5,646	\$ 5,438	\$ 47,342	\$ 47,127	\$ 215	0.46%
Capital assets	89,201	87,783	42,114	43,072	131,315	130,855	460	0.35%
Total assets	130,897	129,472	47,760	48,510	178,657	177,982	675	0.38%
Deferred outflow related to pensions	11,075	15,938	190	260	11,265	16,198	(4,933)	-30.45%
Long-term liabilities	1,412	1,277	6,334	7,426	7,746	8,703	(957)	-11.00%
Other liabilities	31,323	34,795	2,131	1,997	33,454	36,792	(3,338)	-9.07%
Total liabilities	32,735	36,072	8,465	9,423	41,200	45,495	(4,295)	-9.44%
Deferred inflow related to pensions	1,076	955	18	16	1,094	971	123	12.67%
Net position:								
Invested in capital assets	89,202	87,783	36,254	36,197	125,456	123,980	1,476	1.19%
Restricted	20,194	21,295	261	304	20,455	21,599	(1,144)	-5.30%
Unrestricted	(1,235)	(695)	2,952	2,830	1,717	2,135	(418)	-19.58%
Total net position	\$ 108,161	\$ 108,383	\$ 39,467	\$ 39,331	\$ 147,628	\$ 147,714	\$ (86)	-0.06%

Changes in Net Position

The County's *unrestricted net position* of \$2,012 may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the County is able to report positive balances in almost all categories of net position. The government as a whole as well as its separate governmental activities all reported a positive balance. In Governmental Activities, the unrestricted net position is negative due to the County's pension liability. The County reported positive balances in all other categories for the prior fiscal year.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2018

Coos County's Changes in Net Position

in thousands

	Governmental		Business-type		Total		Comparison		
	Activities		Activities				Difference		
	2018	2017	2018	2017	2018	2017			
REVENUE:									
Program revenues:									
Charges for services & contracts	\$ 10,709	\$ 9,111	\$ 3,237	\$ 2,919	\$ 13,946	\$ 12,030	\$ 1,916	15.93%	
Operating grants & contributions	29,103	26,397	932	746	30,035	27,143	2,892	10.65%	
Capital grants & contributions	3,014	645	33	70	3,047	715	2,332	326.15%	
General revenues:									
Property taxes	10,865	10,366	-	-	10,865	10,366	499	4.81%	
Grants & contributions not restricted to specific programs	2,785	2,905	-	-	2,785	2,905	(120)	-4.13%	
Interest on investments	636	432	-	-	636	432	204	47.22%	
Other revenue	593	694	-	-	593	694	(101)	-14.55%	
Total revenues	57,705	50,550	4,202	3,735	61,907	54,285	7,622	14.04%	
EXPENDITURES:									
Current:									
General Government	8,342	8,698	-	-	8,342	8,698	(356)	-4.09%	
Public Safety	15,679	14,426	-	-	15,679	14,426	1,253	8.69%	
Public Works	8,696	8,137	1,418	1,437	10,114	9,574	540	5.64%	
Health & Welfare	18,082	16,316	-	-	18,082	16,316	1,766	10.82%	
Culture & Recreation	5,560	5,380	397	383	5,957	5,763	194	3.37%	
Community Development	174	274	-	-	174	274	(100)	-36.50%	
Intergovernmental	934	851	-	-	934	851	83	9.75%	
Sanitation	-	-	1,809	1,700	1,809	1,700	109	6.41%	
Transportation	-	-	816	806	816	806	10	1.24%	
Debt Service	336	378	-	-	336	378	(42)	-11.11%	
Total expenditures	57,803	54,460	4,440	4,326	62,243	58,786	3,457	5.88%	
Change in net position before transfers	(98)	(3,910)	(238)	(591)	(336)	(4,501)	4,165	-92.53%	
Transfers	(375)	184	375	(184)	-	-	-	0.00%	
Change in net position	(473)	(3,726)	137	(775)	(336)	(4,501)	4,165	-92.53%	
Net position beginning	108,383	111,569	39,331	40,096	147,714	151,665	(3,951)	-2.61%	
Prior period adjustment	251	541	-	9	251	550	(299)	-54.36%	
Net position beginning, restated	108,634	112,110	39,331	40,105	147,965	152,215	(4,250)	-2.79%	
Net position ending	\$ 108,161	\$ 108,384	\$ 39,468	\$ 39,330	\$ 147,629	\$ 147,714	\$ 214	-0.06%	

Capital Assets and Debt Administration

The County has no capital debt except for general obligation bonds.

Bonded Debt. At the end of the current fiscal year, Coos County had total bonded debt outstanding of \$5,860. This entire amount is debt backed by the full faith and credit of the government through assessment to property owners.

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2018 amounted to \$131,315 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, improvements other than buildings, equipment, and infrastructure.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2018

COOS COUNTY'S CAPITAL ASSETS (In thousands)

	Governmental	Business-type	Total
	Activities	Activities	
Land	\$ 6,087	\$ 709	\$ 6,796
Construction in progress	2,306	333	2,639
Buildings and building improvements	26,299	2,598	28,897
Infrastructure	115,491	52,652	168,143
Machinery and equipment	18,874	1,505	20,379
Improvements other than buildings	4,837	2,457	7,294
	<u>\$ 173,894</u>	<u>\$ 60,254</u>	<u>\$ 234,148</u>

Major capital asset events during the current fiscal year by Coos County included the following:

Work continues to bring the Coos County Pipeline into compliance with the US Army Corps of Engineers Consent Decree.

There was much discussion in the budget process with regard to deferred maintenance of buildings, facilities and County owned infrastructure as well as management and timely replacement of vehicles and equipment. Planned maintenance and replacement of capital items is a necessary challenge that must be addressed to ensure the ability to provide essential county services in the future.

Coos County Health & Wellness finished construction on a new building in Coos Bay. It is located in a complex with Advanced Health and Oregon Coast Community Action (ORCCA). Each of these organizations will be able to work more efficiently as they have overlapping and/or related services. They will also be able to share some operating costs (security, landscaping, etc.).

Budgetary Highlights

The County budgets all funds (except fiduciary funds) in compliance with Oregon Budget law. Differences between the original budget and the final amended budget were relatively minor and can be briefly summarized as follows:

- ❖ Minor transfers of appropriations between line items within funds.

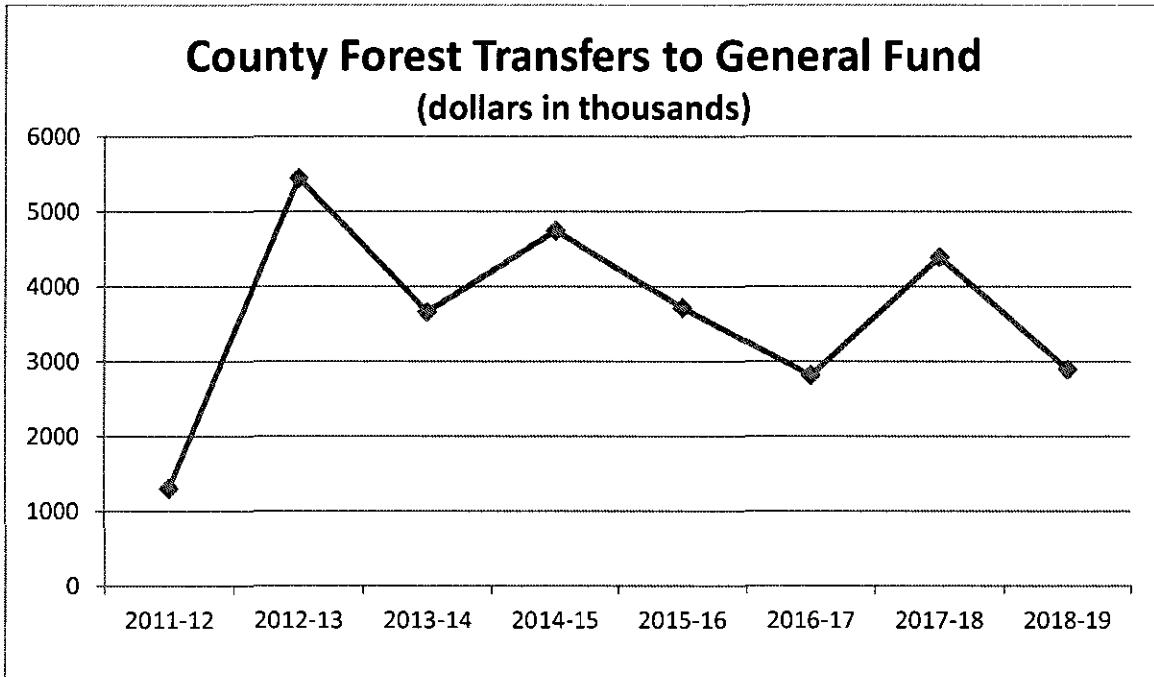
All of the budget changes were done by resolution or a supplemental budget as required by Oregon budget law.

Economic Factors and Next Year's Budgets

- ◆ The General Fund is the chief operating fund of Coos County. The County will continue to have to adjust the amount of spending available in future fiscal year budgets. Program services will have to be adjusted or eliminated to balance the budget. No taxes can be increased, other than the allowable 3 percent increase on taxable property value allowed by state law. The General Fund budgeted a beginning fund balance of \$4,771. The County placed \$2,555 in an operating contingency for 2018-2019.
- ◆ The General Fund's proposed expenditures total \$24,085, with resources other than taxes of \$18,905. The amount budgeted for current year taxes is \$5,180, based upon our full tax rate authority of \$1.0799 per thousand. The County provides property tax assessment/collection services for all taxing districts, such as schools, cities, ports, and other districts at a cost of \$1,981.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2018

- ◆ Coos County created the County Forest Fund in 1999 to serve as a revenue stabilization fund. All receipts from the sale of timber and/or forest related products are deposited into the fund each year. In previous budget cycles, a 5-year rolling average of the receipts into the fund were appropriated into the General Fund. Annual transfers were calculated as the total receipts for the previous five years, divided by five, less the current years budgeted operating expenses. The FY 2018-2019 Forestry Department operating budget is \$958. The County Forest Fund balance on June 30, 2018 was \$7,541.



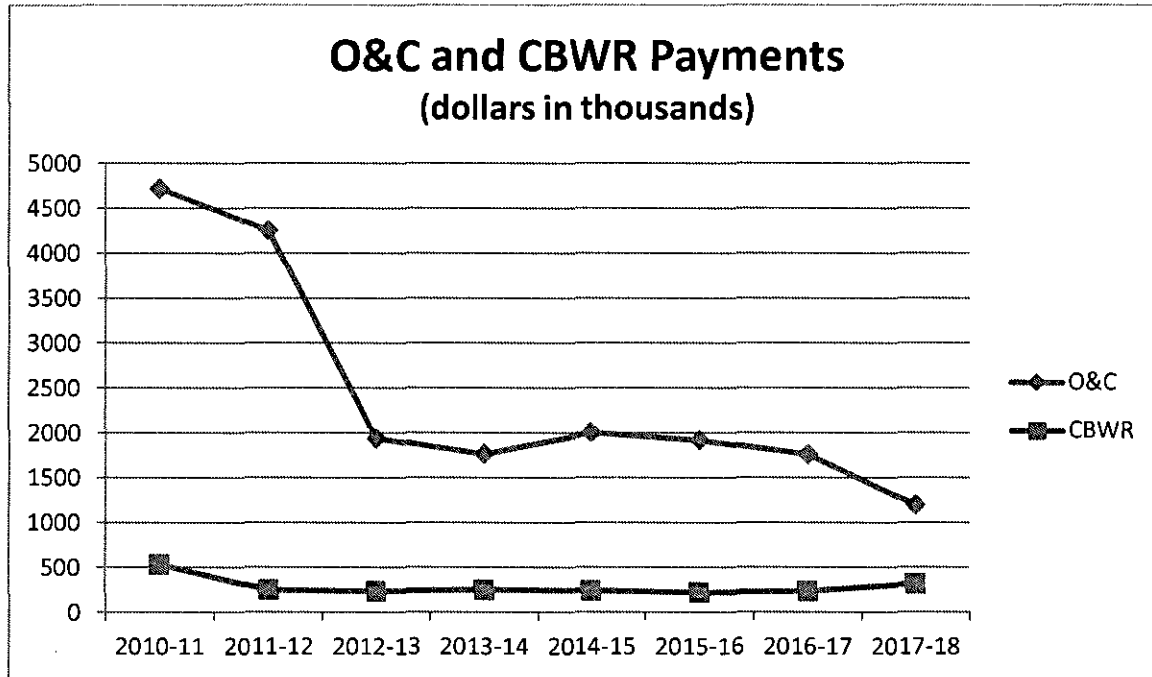
Note: In fiscal year 2017-18 excess funds of \$1.1 million from a comparison of Budget and Actual expenses since fiscal year 2001-02 were transferred in addition to the formula.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the Year Ended June 30, 2018

- ◆ Retention of federal in-lieu of timber revenue continues to be a problem.

In March 2018, Congress reauthorized the Secure Rural Schools and Community Self-Determination Program Act (SRS) for two additional years. The two year reauthorization meant that in 2018 the County was back under the Oregon and California Act (O&C) and Coos Bay Wagon Road (CBWR) statutory payment methods.

In FY 2018-2019, the SRS net payment to the General Fund (Title I), for the O&C lands, will be \$1,687. The County Road Department FY 2018-2019 SRS Title I payment, for the CBWR lands and U.S. Forest Service, is budgeted to be \$234.



- ◆ Current County services and activities are either state mandated or considered essential to public safety or health. Future across the board budget cuts are not practical in that further reductions will not allow program criteria to be met, thus the inability to function.
- ◆ The Board of Commissioners also serves as the Governing Board for the Coos County Library Service District, 4-H Extension Service District, and the Coos County Area Transit Service District, which are separate entities from Coos County. There are four funds that require the levying of taxes; the General Fund, Bonded Debt Fund, Library Service District Fund and the 4-H Extension Service District Fund.
- ◆ The Library Service District's adopted expenditures for 2018-2019 total \$3,753 with resources other than taxes of \$188. The 4-H Extension Service District's adopted expenditures for 2018-2019 total \$992, with resources other than taxes of \$558. The Library and 4-H Extension Service Districts both intend to certify their total permanent tax rates in 2018-2019. The Library rate is \$.7289 per thousand and the 4-H Extension rate is \$.0888 per thousand.
- ◆ All of these factors were considered in preparing the County's budgets for the 2018-2019 fiscal year.

COOS COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2018

Requests for Information

This financial report is designed to provide a general overview of Coos County's finances for all those with an interest in the County's finances. For more information on the component units of Coos County please refer to each component unit's separately issued financial statements. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Coos County Finance Department, 250 N Baxter, Coquille, Oregon 97423.

BASIC FINANCIAL STATEMENTS

COOS COUNTY, OREGON
STATEMENT OF NET POSITION
June 30, 2018

ASSETS	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and cash equivalents	\$ 36,722,965	\$ 5,306,621	\$ 42,029,586
Receivables	3,796,493	216,122	4,012,615
Internal balances	(86,040)	86,040	-
Prepaid expenses	47,656	18,250	65,906
Inventories	363,326	-	363,326
Noncurrent assets:			
Prepaid bond insurance	-	19,082	19,082
Temporarily restricted assets-cash	112,949	-	112,949
Equity interest in Advanced Health	738,197	-	738,197
Capital assets:			
Land	6,086,912	709,402	6,796,314
Construction in process	2,306,466	332,702	2,639,168
Other capital assets (net)	80,808,063	41,071,914	121,879,977
Total assets	<u>130,896,987</u>	<u>47,760,133</u>	<u>178,657,120</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts related to pensions	<u>11,075,179</u>	<u>190,349</u>	<u>11,265,528</u>
 LIABILITIES			
Current liabilities:			
Accounts payable	1,579,345	223,324	1,802,669
Payroll liabilities	555,007	27,733	582,740
Unearned revenue	2,339,517	196,970	2,536,487
Accrued interest payable	-	23,831	23,831
Compensated absences payable	1,658,806	79,621	1,738,427
Net pension liability	25,189,427	432,929	25,622,356
Current portion of long-term liabilities:			
Landfill closure/postclosure care costs	-	81,667	81,667
Bonds	-	1,065,000	1,065,000
 Total current liabilities	<u>31,322,102</u>	<u>2,131,075</u>	<u>33,453,177</u>
Noncurrent liabilities:			
Portions due or payable after one year:			
Bonds	-	4,795,000	4,795,000
Accrued other postemployment benefits obligation	1,412,706	24,280	1,436,986
Accrued landfill closure/postclosure care costs	-	1,514,082	1,514,082
 Total noncurrent liabilities	<u>1,412,706</u>	<u>6,333,362</u>	<u>7,746,068</u>
 Total liabilities	<u>32,734,808</u>	<u>8,464,437</u>	<u>41,199,245</u>
 DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	<u>1,075,966</u>	<u>18,493</u>	<u>1,094,459</u>
 NET POSITION			
Net Investment in capital assets	89,201,441	36,254,018	125,455,459
Restricted for:			
Roads, sidewalks, footpaths	6,804,611	-	6,804,611
Debt service	310,676	-	310,676
Capital projects	-	261,315	261,315
Health	9,359,296	-	9,359,296
Public safety	2,873,284	-	2,873,284
Other programs	846,232	-	846,232
Unrestricted	(1,234,148)	2,952,219	1,718,071
 Total net position	<u>\$ 108,161,392</u>	<u>\$ 39,467,552</u>	<u>\$ 147,628,944</u>

The notes to the basic financial statements are an integral part of this statement.

**COOS COUNTY, OREGON
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
		Charges for Services & Contracts	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental activities:							
General government	\$ 8,341,629	\$ 6,215,955	\$ 526,018	\$ 929,689	\$ (669,967)	\$ -	\$ (669,967)
Public safety	15,679,381	1,341,743	5,139,412	81,900	(9,116,326)	-	(9,116,326)
Public works	8,696,095	111,948	5,799,511	1,675,465	(1,109,171)	-	(1,109,171)
Health and welfare	18,082,293	1,912,355	15,280,573	-	(889,365)	-	(889,365)
Community development	173,516	9,378	667,532	-	503,394	-	503,394
Culture and recreation	5,560,181	1,095,277	608,656	272,150	(3,584,098)	-	(3,584,098)
Intergovernmental	934,067	3,521	1,081,318	55,021	205,793	-	205,793
Interest and fiscal charges	335,500	18,809	-	-	(316,691)	-	(316,691)
Total governmental activities	57,802,662	10,708,986	29,103,020	3,014,225	(14,976,431)	-	(14,976,431)
Business-type activities:							
Sanitation	1,808,791	2,217,438	12,725	30,000	-	451,372	451,372
Gas pipeline	1,417,870	587,057	-	-	-	(830,813)	(830,813)
County fair	397,055	330,068	53,167	-	-	(13,820)	(13,820)
Transportation	816,318	101,900	866,342	3,000	-	154,924	154,924
Total business-type activities	4,440,034	3,236,463	932,234	33,000	-	(238,337)	(238,337)
Total government	\$ 62,242,696	\$ 13,945,449	\$ 30,035,254	\$ 3,047,225	(14,976,431)	(238,337)	(15,214,768)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					5,426,841	-	5,426,841
Property taxes, levied for 4-H & Extension services					445,459	-	445,459
Property taxes, levied for library services					3,653,182	-	3,653,182
Property taxes, levied for debt service					1,339,244	-	1,339,244
Foreclosed property sales					60,517	-	60,517
Grants and contributions not restricted to specific programs					2,784,959	-	2,784,959
Earnings on investments					635,934	-	635,934
Miscellaneous					539,415	-	539,415
Gain (loss) on disposition of capital assets					(7,102)	-	(7,102)
Total General Revenues					14,878,449	-	14,878,449
Transfers					(375,395)	375,395	-
Changes in net position					(473,377)	137,058	(336,319)
Net position - beginning of year					108,383,416	39,330,494	147,713,910
Prior period adjustment					251,353	-	251,353
Net position - beginning of year, restated					108,634,769	39,330,494	147,965,263
Net position - ending					\$ 108,161,392	\$ 39,467,552	\$ 147,628,944

The notes to the basic financial statements are an integral part of this statement.

**COOS COUNTY, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018**

	General	Public Works	Health & Wellness	County Forest	Other Governmental Funds	Total
ASSETS						
Cash and cash equivalents	\$ 7,581,805	\$ 5,414,826	\$ 7,355,516	\$ 7,566,857	\$ 8,803,961	\$ 36,722,965
Restricted cash	-	-	-	-	112,949	112,949
Receivables:						
Property taxes	523,037	-	-	-	530,715	1,053,752
Accounts	391,694	1,105,866	158,672	70,200	1,005,773	2,732,205
Notes	-	-	-	-	10,536	10,536
Due from other funds	-	60,111	-	-	208,690	268,801
Prepaid expenses	-	-	-	-	47,656	47,656
Inventories	-	363,326	-	-	-	363,326
Total assets	\$ 8,496,536	\$ 6,944,129	\$ 7,514,188	\$ 7,637,057	\$ 10,720,280	\$ 41,312,190
LIABILITIES						
Accounts payable	\$ 182,432	\$ 210,840	\$ 450,550	\$ 13,208	\$ 722,315	\$ 1,579,345
Payroll liabilities	227,540	22,069	173,498	8,542	123,358	555,007
Due to other funds	20,275	-	209,198	4,968	120,400	354,841
Unearned revenue	1,691,741	18,563	-	-	629,867	2,340,171
Total liabilities	2,121,988	251,472	833,246	26,718	1,595,940	4,829,364
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue:						
Property taxes	450,791	-	-	-	455,153	905,944
Installment sale	-	-	-	-	10,536	10,536
Assessments	-	17,909	-	-	-	17,909
Total deferred inflows of resources	450,791	17,909	-	-	465,689	934,389
FUND BALANCES						
Nonspendable	-	363,326	-	-	47,656	410,982
Restricted	21,332	6,311,422	6,680,942	-	7,255,004	20,268,700
Committed	-	-	-	-	1,333,303	1,333,303
Assigned	-	-	-	7,610,339	22,688	7,633,027
Unassigned	5,902,425	-	-	-	-	5,902,425
Total fund balances	5,923,757	6,674,748	6,680,942	7,610,339	8,658,651	35,548,437
Total liabilities, deferred inflows of resources and fund balances	\$ 8,496,536	\$ 6,944,129	\$ 7,514,188	\$ 7,637,057	\$ 10,720,280	\$ 41,312,190

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2018

Total fund balances - governmental funds **\$ 35,548,437**

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

Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projected and actual earnings, and contributions subsequent to the measurement date. 9,999,213

Capital assets are not current financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value:

Land	\$ 6,086,912	
Construction in process	2,306,466	
Depreciable assets	165,500,792	
Accumulated depreciation	<u>(84,692,729)</u>	
		89,201,441

The Statement of Net Position reports receivables at their net realizable value. However, taxes and certain receivables are not available to pay for current period expenditures so they are deferred in governmental funds. 934,389

All assets and liabilities are reported in the Statement of Net Position; however, if they are not due and payable in the current period, or do not provide resources that can be used in the current period, they are not recorded in the governmental funds:

Equity interest in Western Oregon Advanced Health	738,197	
Accrued pension liability	(25,189,427)	
Accrued other postemployment benefits	(1,412,706)	
Compensated absences	<u>(1,658,806)</u>	
		<u>(27,522,742)</u>

Total net position - governmental activities **\$ 108,160,738**

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

	General	Public Works	Health & Wellness	County Forest	Other Governmental Funds	Total
Revenues:						
Property taxes	\$ 5,431,701	\$ -	\$ -	\$ -	\$ 5,453,933	\$ 10,885,634
Other taxes and assessments	318,930	-	-	-	1,298,013	1,616,943
Intergovernmental	4,788,146	7,427,964	14,078,616	260,031	6,050,979	32,605,736
Licenses, fees and permits	629,402	52,041	92,366	-	3,233,138	4,006,947
Charges for services	1,169,896	980,954	128,689	48,834	885,534	3,213,907
Timber sales	-	-	-	5,008,006	-	5,008,006
Fines and forfeitures	136,424	-	-	-	220,692	357,116
Interest on investments	153,216	94,615	125,173	89,894	173,044	635,942
Other	398,536	48,658	61,759	21	79,474	588,448
Total revenues	13,026,251	8,604,232	14,486,603	5,406,786	17,394,807	58,918,679
Expenditures:						
General government	6,225,930	-	-	676,683	1,237,933	8,140,546
Public safety	10,092,400	-	-	-	4,058,191	14,150,591
Public works	-	6,608,940	-	-	-	6,608,940
Health and welfare	544,262	-	14,928,958	-	2,220,009	17,693,229
Community development	-	-	-	-	640,612	640,612
Culture and recreation	-	-	-	-	5,354,970	5,354,970
Intergovernmental	-	-	-	-	934,068	934,068
Capital outlay	366,690	1,770,032	1,814,160	255,588	702,457	4,908,927
Debt service:						
Principal	-	-	-	-	1,015,000	1,015,000
Interest	-	-	-	-	335,500	335,500
Total expenditures	17,229,282	8,378,972	16,743,118	932,271	16,498,740	59,782,383
Excess (deficiency) of revenues over (under) expenditures	(4,203,031)	225,260	(2,256,515)	4,474,515	896,067	(863,704)
Other financing sources (uses):						
Sales of capital assets	2,475	34,743	501	6,499	14,297	58,515
Transfers in	5,976,978	-	418,000	-	956,227	7,351,205
Transfers out	(772,705)	-	-	(4,390,028)	(1,548,867)	(6,711,600)
Total other financing sources (uses)	5,206,748	34,743	418,501	(4,383,529)	(578,343)	698,120
Net change in fund balances	1,003,717	260,003	(1,838,014)	90,986	317,724	(165,584)
Fund balances at beginning of year	4,920,040	6,414,745	8,518,956	7,519,353	8,340,927	35,714,021
Fund balances at end of year	\$ 5,923,757	\$ 6,674,748	\$ 6,680,942	\$ 7,610,339	\$ 8,658,651	\$ 35,548,437

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2018

Total net change in fund balances - governmental funds \$ (165,584)

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

Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.

Property taxes	\$	(67,708)	
Equity interest in Western Oregon Advanced Health		98,575	
Assessments and notes receivable		<u>28,445</u>	
			59,312

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount expended for depreciation and capital outlay in the period and any gain or loss on disposal of capital assets.

Capital assets		5,629,753	
Gain (Loss) on disposition		(124,426)	
Depreciation		<u>(4,338,618)</u>	
			1,166,709

Long-term liabilities not payable in the current year are not reported as governmental fund liabilities, but rather is recognized as an expenditure when due. These liabilities consist of:

Change in pension liability		(1,318,087)	
Change in other postemployment benefits (OPEB) liability		(136,326)	
Changes in compensated absences payable		<u>(80,055)</u>	
			<u>(1,534,468)</u>

Change in net position of governmental activities \$ (474,031)

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
June 30, 2018

	Waste Disposal	Gas Pipeline	Other Enterprise Funds	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,024,355	\$ 1,880,986	\$ 401,280	\$ 5,306,621
Receivable				
Grants	-	-	2,896	2,896
Accounts	193,721	16,991	2,514	213,226
Due from other funds	-	-	86,040	86,040
Prepays	-	-	18,250	18,250
Noncurrent assets:				
Prepaid bond insurance	-	19,082	-	19,082
Capital assets:				
Land	9,862	551,191	148,349	709,402
Construction in process	-	332,702	-	332,702
Other capital assets (net of accumulated depreciation)	1,687,382	38,516,457	868,075	41,071,914
Total assets	4,915,320	41,317,409	1,527,404	47,760,133
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts related to pensions	149,074	-	41,275	190,349
LIABILITIES				
Current liabilities:				
Accounts payable	129,751	52,059	41,514	223,324
Accrued payroll benefits	6,381	-	21,352	27,733
Compensated absences payable	52,599	-	27,022	79,621
Unearned grant revenue	-	-	129,596	129,596
Accrued interest payable	-	23,831	-	23,831
Deposits, etc.	-	25,000	42,374	67,374
Current portion of long-term liabilities				
Bonds	-	1,065,000	-	1,065,000
Landfill closure/post-closure care cost	81,667	-	-	81,667
Noncurrent liabilities:				
Net pension liability	339,054	-	93,875	432,929
Long-term liabilities (net of current portion)				
Bonds	-	4,795,000	-	4,795,000
Accrued other postemployment benefits obligation	19,015	-	5,265	24,280
Accrued landfill closure/post-closure care cost	1,514,082	-	-	1,514,082
Total liabilities	2,142,549	5,960,890	360,998	8,464,437
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to pensions	14,483	-	4,010	18,493
NET POSITION				
Net investment in capital assets	1,697,244	33,540,350	1,016,424	36,254,018
Restricted for:				
Capital projects/debt service	-	261,315	-	261,315
Unrestricted	1,210,118	1,554,854	187,247	2,952,219
Total net position	\$ 2,907,362	\$ 35,356,519	\$ 1,203,671	\$ 39,467,552

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
ENTERPRISE FUNDS
For the Year Ended June 30, 2018

	Waste Disposal	Gas Pipeline	Other Enterprise Funds	Totals
Operating revenues:				
Waste disposal fees	\$ 2,162,546	\$ -	\$ -	\$ 2,162,546
Operational charges	-	-	338,810	338,810
Pipeline operations	-	552,627	-	552,627
Intergovernmental revenues	42,725	-	919,509	962,234
Miscellaneous	3,356	-	91,342	94,698
Total operating revenues	<u>2,208,627</u>	<u>552,627</u>	<u>1,349,661</u>	<u>4,110,915</u>
Operating expenses:				
Personnel service	371,499	-	433,253	804,752
Materials and services	1,302,151	360,084	685,140	2,347,375
Depreciation	135,141	1,057,786	94,980	1,287,907
Total operating expenses	<u>1,808,791</u>	<u>1,417,870</u>	<u>1,213,373</u>	<u>4,440,034</u>
Operating income (loss)	<u>399,836</u>	<u>(865,243)</u>	<u>136,288</u>	<u>(329,119)</u>
Other revenues (expense)				
Interest on investments	47,238	34,430	1,816	83,484
Gain (Loss) on disposition of capital assets	4,298	-	-	4,298
Donation of capital assets	-	-	3,000	3,000
Total other revenues (expenses)	<u>51,536</u>	<u>34,430</u>	<u>4,816</u>	<u>90,782</u>
Income (loss) before transfers	<u>451,372</u>	<u>(830,813)</u>	<u>141,104</u>	<u>(238,337)</u>
Transfers from other funds (net)	<u>(339,605)</u>	<u>715,000</u>	<u>-</u>	<u>375,395</u>
Change in net position	111,767	(115,813)	141,104	137,058
Net position at beginning of year	<u>2,795,595</u>	<u>35,472,332</u>	<u>1,062,567</u>	<u>39,330,494</u>
Net position at end of year	<u>\$ 2,907,362</u>	<u>\$ 35,356,519</u>	<u>\$ 1,203,671</u>	<u>\$ 39,467,552</u>

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
For the Year Ended June 30, 2018

	Waste Disposal	Gas Pipeline	Other Enterprise Funds	Totals
Cash flows from operating activities:				
Cash received from customers and users	\$ 2,176,643	\$ 559,419	\$ 483,435	\$ 3,219,497
Cash received from grantors	-	-	940,867	940,867
Cash paid to employees	(363,049)	-	(529,789)	(892,838)
Cash paid to suppliers	(1,251,852)	(415,713)	(581,631)	(2,249,196)
Net cash provided (used) by operating activities	<u>561,742</u>	<u>143,706</u>	<u>312,882</u>	<u>1,018,330</u>
Cash flows from noncapital financing activities:				
Due to/from other funds	(1,797)	-	-	(1,797)
Interfund transfers (net)	(339,605)	715,000	(1,986)	373,409
Net cash flows provided (used) by noncapital financing activities	<u>(341,402)</u>	<u>715,000</u>	<u>(1,986)</u>	<u>371,612</u>
Cash flows from capital and related financing activities:				
Principal payments on long-term debt	-	(1,015,000)	-	(1,015,000)
Proceeds from sale of capital assets	15,100	-	-	15,100
Capital expenditures	(163,324)	-	(174,419)	(337,743)
Net cash (used) by capital and related financing activities	<u>(148,224)</u>	<u>(1,015,000)</u>	<u>(174,419)</u>	<u>(1,337,643)</u>
Cash flows from investing activities:				
Interest received	47,238	30,304	1,816	79,358
Net increase (decrease) in cash and cash equivalents	119,354	(125,990)	138,293	131,657
Cash and cash equivalents at beginning of year	<u>2,905,001</u>	<u>2,006,976</u>	<u>262,987</u>	<u>5,174,964</u>
Cash and cash equivalents at end of year	<u>\$ 3,024,355</u>	<u>\$ 1,880,986</u>	<u>\$ 401,280</u>	<u>\$ 5,306,621</u>

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income (loss)	\$ 399,836	\$ (865,243)	\$ 136,288	\$ (329,119)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	135,141	1,057,786	94,980	1,287,907
Change in assets and liabilities:				
Accounts receivable	(31,984)	6,792	(50,650)	(75,842)
Prepays	-	3,817	1,845	5,662
Accounts payable	37,750	(59,446)	2,420	(19,276)
Payroll payable	(4,525)	-	-	(4,525)
Deferred inflows	2,562	-	357	2,919
Deferred outflows	49,806	-	19,661	69,467
Assets donated for operations	-	-	(863)	(863)
OPEB liability	(25,939)	-	-	(25,939)
Assets and liabilities related to pension	(21,004)	-	(16,447)	(37,451)
Compensated absences payable	7,550	-	-	7,550
Landfill closure/post-closure care cost	12,549	-	-	12,549
Unearned revenue	-	-	125,291	125,291
Net cash provided (used) by operating activities	<u>\$ 561,742</u>	<u>\$ 143,706</u>	<u>\$ 312,882</u>	<u>\$ 1,018,330</u>

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2018

ASSETS	<u>Total Agency Funds</u>
Cash and cash equivalents	\$ 2,719,307
Receivables:	
Property/Taxes	<u>5,315,249</u>
Total assets	<u>\$ 8,034,556</u>
 LIABILITIES	
Due to other agencies and taxing districts	<u>\$ 8,034,556</u>

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Coos County (the County) operates under Oregon Revised Statutes (ORS) Title 20. Control of the County is vested in its Board of Commissioners, who are elected to office by voters within the County. Other elected officials of the County whose general duties and responsibilities are covered by various ORS chapters include the Assessor, Clerk, District Attorney, Sheriff, Surveyor, and Treasurer.

The basic financial statements include all financial activities, organizations and functions for which the Board is responsible for financial accountability, based on criteria established by the Governmental Accounting Standards Board. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose its will on the component unit, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Therefore, although legally separate entities, component units are, in substance, part of the primary government's operations and data from these units are included in the financial statements of the primary government. Additionally, if the governing body of the component unit is substantially the same as that of the primary government (the County) and the management of the primary government has operational responsibility for the component unit, the component unit's financial data is to be blended with the primary government's financial data.

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. Based on application of the aforementioned criteria established by the Governmental Accounting Standards Board (GASB), the County has three component units, Coos County Library Service District, the Coos County 4-H & Extension Service District, and the Coos County Area Transit Service District.

Coos County Library Service District and the Coos County 4-H & Extension Service District - The Districts serve all citizens of the county and are governed by the County's Board of Commissioners. The Board approves the Districts' budgets, levies taxes, and approves contracts with all cities and universities receiving County support payments. The Districts are reported as special revenue funds within the County's financial statements using blended method of presentation. Financial statements for the Districts may be obtained from the Coos County Clerk.

Coos County Area Transit Service District - The District serves all citizens of the County and is governed by the County's Board of Commissioners. The Board approves the District's budget and approves contracts. The District is reported as a business-type fund within the County's financial statements using blended method of presentation. Financial statements for the District may be obtained from the Coos County Clerk.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-wide Statements: The government-wide statements are prepared using the economic resources measurement focus and are reported on the accrual basis. This is the same approach used in preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared.

Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The government-wide statements are the Statement of Net Position and the Statement of Activities. They display information about the primary government (the County) and its component units.

These statements include the financial activities of the overall government, except for fiduciary activities. Inter-fund activity such as loans and transfers are eliminated to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County.

Governmental activities – The County's general government activities are reported in this category, including general government, public safety, public works, health and welfare, conservation, community development, culture and recreation and intergovernmental. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

Business-type activities – The County's business-type activities include operating a waste disposal facility, natural gas pipeline, County fair and transportation service district. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: Fund financial statements report detailed information about the County. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The various funds of the County are grouped into the categories governmental, proprietary and fiduciary.

Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are used to account for the County's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, licenses, and interest are considered to be susceptible to accrual.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grant, categorical block grant, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grant, and then by general revenues.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

An accrual for deferred revenue arises in the Governmental Funds Balance Sheet when potential revenue does not meet the earned and available criteria for recognition in the current period. Unavailable deferred revenue consists of uncollected property taxes not deemed available to finance operation of the current period. In the government-wide Statement of Activities, with a full accrual basis of accounting, revenue is recognized as soon as it is earned regardless of its availability. Thus, the deferred inflow created on the Governmental Fund Balance Sheet for unavailable deferred revenue is eliminated. Unearned revenues arise outside the scope of measurement focus and basis of accounting, such as when the County received resources before it has a legal claim to them. An example of this would be when grant monies are received prior to the incurrence of qualifying expenses.

Proprietary funds operating revenues, such as charges for services, result from exchange transactions associated with the principal activities of the funds. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investments earnings, result from non-exchange transaction or ancillary activities.

The County reports the following major governmental funds:

General Fund – This is the County's primary operating fund. It accounts for and reports the financial resources of the County that are not accounted for and reported in any other fund. Principal sources of revenue are Oregon and California land grant proceeds, state and federal revenues, property taxes, licenses and permits, charges for services, and interest. Primary expenditures are for general administration, public safety, community services and health services.

Public Works Fund – The fund accounts for and reports the general operations of the Road Department. Primary revenue resources include federal forest fees, motor vehicle fuel taxes and interest allocation. Expenditures are for the construction and maintenance of roads and bridges.

Coos Health and Wellness Fund – This fund accounts for and reports the County's mental health and wellness operations. Primary revenue sources include State mental health grants and contracts.

County Forest Fund – This fund accounts for and reports the management of the County's forest. Primary source of revenue is from the sale of forest products. Expenditures consist of forestry management and transfers to the General Fund.

The County reports the following major enterprise funds:

Waste Disposal Fund – This fund accounts for and reports the operations, maintenance, development, and closure/post closure care of various disposal sites. The fund's primary revenue source is waste disposal fees.

Gas Pipeline Fund – This fund accounts for and reports the construction and operations of a natural gas pipeline from Roseburg to the Coos Bay-North Bend Area. Initially funded by bonds, the fund's primary revenue source is from operational fees.

The County reports the following fiduciary fund types:

Agency Funds – These funds account for and report monies held by the County in a fiduciary capacity or as an agent for other governments and other funds.

C. Assets, Liability, and Equity

1. Cash and Cash Equivalents

The cash and cash equivalents reported on the balance sheets include cash on hand, demand deposits, cash with fiscal agents and amounts in investment pools that have the general characteristics of demand deposit accounts with highly liquid debt instruments purchased with a maturity of three months or less.

The State of Oregon authorizes municipalities to invest in general obligations of the United States and its agencies, certain debt of Oregon municipalities, savings accounts, certificates of deposit, bankers' acceptances, the Oregon State Treasurer's Local Government Investment Pool (LGIP) and certain highly rated commercial paper. Investments are recorded at fair value. Fair value of the LGIP is stated at amortized cost, which approximates fair value. Fair value of the LGIP is the same as the County's value in the pool shares.

For purposes of the statement of cash flows, the proprietary fund type considers all highly liquid investments (including restricted cash) with maturity of three months or less when purchased to be cash equivalents.

2. Receivables and Payables

All receivables are reported at their gross value. There is no provision for uncollectible amounts. The management of Coos County believes all receivables are collectible with no material uncollectible amounts.

Property taxes receivable for the governmental fund types which have been collected within 60 days subsequent to year end are considered measurable and available and are recognized as revenue. All other property taxes receivable are offset by deferred revenue and, accordingly, have not been recorded as revenue on the budgetary basis. Property taxes are levied and attached as an enforceable lien on property as of July 1. Taxes are payable in three installments on November 15, February 15, and May 15. All property tax receivables are due from property owners within the County and are billed and collected by Coos County, Oregon and turned over to the taxing districts within the County.

Assessments receivable are offset by deferred revenue and, accordingly, have not been recorded as revenue in the fund financial statements.

Receivables of the proprietary fund types are recorded as revenue earned, including services earned but not billed.

Receivables for federal and state grants, and state, county, and local shared revenue are recorded as revenue in all fund types as earned. The receivables for state, county, and local shared revenue are recorded in accounts receivable.

Investment earnings (e.g., accrued interest receivable) are recorded as revenue in all fund types as interest income.

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

3. *Inventories*

Materials and supplies inventories are used for road and equipment repairs and are carried in the Public Works Fund. Except for aggregate produced by the County, which is valued at a cost, that is different from the cost that would be derived using a method that is in accordance with generally accepted accounting principles, inventories are valued at actual cost and recorded with the Purchase Method. Inventories are shown on the balance sheet as an asset and a reservation of fund balance, which indicates that they do not constitute available expendable resources although they are a component of net current assets.

4. *Restricted Assets*

Certain resources are set aside and are classified as restricted assets on the Statement of Net Position because their use is limited by outside parties. Restricted amounts may include resources set aside for specific purposes including making principal and interest payments on bonds and post-closure costs.

5. *Capital Assets*

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The County maintains a capitalization threshold of \$5,000 and an initial estimated useful life extending beyond a single reporting period. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during construction is not capitalized.

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. For governmental activities these costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. Capital assets utilized by the proprietary funds are reported in the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Capital assets are depreciated using straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Waste disposal plant	5-40
Buildings and improvements	20-60
Infrastructure	10-40
Machinery and equipment	5-15
Vehicles and other mobile equipment	2-20

6. *Compensated Absences*

The County's policy is for employees to accumulate up to twice their annual accrual rate of vacation leave. Sick leave may be accumulated without limit, but is payable upon termination at only 25 percent of the first 960 hours, up to a maximum of 240 hours paid. Compensatory time-off may be accrued in lieu of overtime pay, limited to 40 hours.

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation, compensatory and sick leave balances. All unused vacation leave and twenty-five percent of unused sick leave vests with employees and is payable upon termination of employment.

A liability for these amounts is reported in governmental funds only if they have matured, for example, as the result of employee resignations and retirements. The governmental funds typically used in prior years to liquidate the liability for compensated absences are any of the funds with payroll, which include: General Fund, Special Revenue Funds and the Enterprise Funds.

7. *Deferred Outflows/Inflows of Resources*

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two types of deferred outflows of resources, related to pension assets and to other postemployment benefits. These are reported only on the government-wide financial statements.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of deferred inflows, one of which arises only under the modified accrual basis of accounting. This item, unavailable revenue from future property taxes, assessments and notes receivable, is reported on the governmental funds balance sheet. The District's other types of deferred inflows are related to pension obligations and other postemployment benefits, that are reported only on the government-wide financial statements.

8. *Long-term Obligations*

In the government-wide financial statements and the proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts as well as issuance costs are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as issuance costs during the current period. Debt proceeds, premiums and discounts are reported as other financing sources/uses, while issuance costs are reported as debt service expenditures.

9. *Pensions*

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

10. *Interfund Transactions*

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed.

All other interfund transactions, except as described above, are reported as transfers.

11. *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

12. Fund Equity

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. As a result, in the fund financial statements, fund balances are classified as follows:

Nonspendable—Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the local, state or federal laws, or externally imposed conditions by grantors or creditors or enabling legislation.

Committed—Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

Assigned — Amounts that are constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. Intent must be expressed by the Board of Commissioners, the budget committee or the Board's authorized designee. The Board of Commissioners has authorized the County Treasurer to assign components of ending fund balance.

Unassigned—All amounts not included in other classifications.

The amounts in the various categories of fund balance are included in the governmental funds balance sheet. As discussed in Note 1 B, restricted funds are used first as appropriate. Decreases to the remaining fund balance categories first reduce committed fund balance, followed by assigned fund balance, then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

13. Net Position

Government-wide and proprietary fund net position is divided into three components:

Net investment in capital assets - consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

Restricted net position - consists of assets that are restricted by the county's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

Unrestricted – all other net position is reported in this category.

14. Newly Implemented Accounting Standards

GASB Statement No. 81 "*Irrevocable Split Interest Agreements*." This statement provides recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The statement was effective for financial statements for periods beginning after 12-15-16. Management has determined that implementing this statement has no financial impact on the County.

GASB Statement No. 86 "*Certain Debt Extinguishment Issues*." This statement improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources are placed in an irrevocable trust for the sole purpose of extinguishing debt. The statement was effective for reporting periods beginning after June 15, 2017. Management has determined that implementing this statement has no financial impact on the County.

GASB Statement No. 88 "*Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.*" This statement defines debt for purposes of disclosure in the notes to the financial statements and establishes additional note disclosure requirements related to debt obligations including direct borrowings and direct placements. This statement is effective for reporting periods beginning after June 15, 2018 (FYE June 30, 2019) however, management has opted for early adoption of the statement. Management has determined that implementing this statement has no significant financial impact on the District.

15. *New Accounting Pronouncements Upcoming*

The County's policy is to implement new GASB pronouncements in the fiscal year no later than the required effective date. Management has not yet determined the effect on the financial statements from implementing either of the following pronouncements:

GASB Statement No. 83 – "*Certain Asset Retirement Obligations.*" This statement provides guidance to help local and state governments decide on the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to Asset Retirement Obligations (AROs) other than municipal solid waste plants and pollution remedies, which have already been covered in prior statements. This statement covers other legally enforceable liabilities such as retirements of nuclear plants, sewage treatment plants, x-ray machines, MRIs, etc. The statement is effective for reporting periods beginning after June 15, 2018 (FYE June 30, 2019).

GASB Statement No. 87, "*Leases.*" This statement establishes a single approach for reporting leases in which the Lessee records an asset representing the right to use an asset for a period of time as well as a liability for lease payments. The lease asset is amortized over the shorter of the lease term or the useful life of the asset. This statement is effective for reporting periods beginning after December 15, 2019 (FYE June 30, 2021).

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The County is required by State law to budget all funds. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental funds. The annual budget for proprietary funds is adopted on a basis not consistent with accounting principles generally accepted in the United States of America to comply with Oregon Local Budget Law. Proprietary Funds are budgeted on a working capital non-GAAP basis. The County defines working capital as current assets less current liabilities excluding current portions of noncurrent liabilities. All annual appropriations lapse at fiscal year-end.

Oregon Local Budget Law establishes standard procedures relating to the preparation, adoption, and execution of the annual budget. The Board of Commissioners, on or before June 30 of each year, authorizes appropriations for each fund, which sets the level by which expenditures cannot exceed appropriations. The level of control for the General Fund, Public Works, the Health and Wellness Fund and various non-major funds is by department, while the level of control in all other Special Revenue Funds, Debt Service and Proprietary Funds is by total personnel services, materials and services, capital outlay, debt service and support of schools. The budget document contains more specific, detailed information for the aforementioned expenditure categories.

Original appropriations may be increased through resolutions by transferring amounts between appropriations categories or between funds. A supplemental budget is needed to increase appropriations when appropriations transfers are unauthorized. Unexpected resources and certain other changes may be made through use of a supplemental budget.

The County had numerous appropriation transfers between levels of control during the year ended June 30, 2018 and the budgets are reported as originally adopted or as amended by the Board of Commissioners. Management may reassign resources within functions without seeking approval of the Board.

B. Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations in the following amounts:

<u>Fund</u>	<u>Amount</u>
Bandon Dunes Assessment	
County Tourism Workgroup	\$ 17,095
Transfers out	<u>\$ 25,642</u>
Library Service District	
Materials and services	<u>\$ 46,863</u>

C. Schedule of Accountability

The County is required by State law to disclose the financial transactions of elected officials. This includes a schedule of cash receipts and turnovers for all elected officials with cash transactions.

	Assessor	Clerk	Commis- sioners	District Attorney	Sheriff	Surveyor	Treasurer	Total
Cash on hand July 1, 2017	\$ 50	\$ 100	\$ 125	\$ -	\$ 20,300	\$ 50	\$ 45,549,408	\$ 45,570,033
Receipts	47,621	974,766	578,522	327,132	3,328,903	40,512	113,326,278	118,623,734
Turnovers and disbursements:								
To County Treasurer								
and to others	(47,621)	(974,766)	(578,522)	(327,132)	(3,328,903)	(40,512)	(114,034,469)	(119,331,925)
Cash on hand June 30, 2018	<u>\$ 50</u>	<u>\$ 100</u>	<u>\$ 125</u>	<u>\$ -</u>	<u>\$ 20,300</u>	<u>\$ 50</u>	<u>\$ 44,841,217</u>	<u>\$ 44,861,842</u>
Consists of:								
Change and revolving funds	\$ 50	\$ 100	\$ 125	\$ -	\$ 20,300	\$ 50	\$ 3,278	\$ 23,903
Deposits w/County Treasurer	-	-	-	-	-	-	44,837,939	44,837,939
Total	<u>\$ 50</u>	<u>\$ 100</u>	<u>\$ 125</u>	<u>\$ -</u>	<u>\$ 20,300</u>	<u>\$ 50</u>	<u>\$ 44,841,217</u>	<u>\$ 44,861,842</u>

D. Investment Limitations

With the consent of the governing body, local governments may place in the aggregate up to \$48,333,000 of its funds in the State of Oregon Local Government Investment Pool (Pool). The limitation is adjusted annually by the Consumer Price Index for All Urban Consumers of the Portland, Oregon Standard Metropolitan Statistical Area. The County complied with the limitations as set out in Oregon Revised Statutes 294.810 during fiscal year 2017-18.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The County maintains a cash management pool for its cash and cash equivalents in which each fund participates. Interest earnings are distributed quarterly based on average daily balances.

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

For deposits in excess of federal depository insurance, Oregon Revised Statutes require the depository institution to participate in the Public Funds Collateralization Program. The Public Funds Collateralization Pool is a multiple financial institution collateral pool administered by the Oregon State Treasurer's Office.

For the fiscal year ended June 30, 2018, the carrying amounts of the County's deposits in various financial institutions were \$3,323,840 and the bank balance was \$4,692,622. All deposits are held in the name of the County. Of the bank balance, \$750,000 was insured by the Federal Depository Insurance Corporation and \$3,942,622 was covered under the Public Funds Collateralization Program.

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The County's formal deposit policy for custodial credit risk is to deposit funds with qualified institutions. A qualified institution is defined by County policy as including approved security broker/dealers maintaining minimum net capital of \$10,000,000 and having a history of at least 10 years of operation. These may include "primary" dealers or regional dealers that qualify under the Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

The Oregon State Treasurer is responsible for monitoring public funds held by bank depositories in excess of FDIC insured amounts, and for assuring that public funds on deposit are collateralized to the extent required by Oregon Revised Statutes (ORS) 295. ORS Chapter 295 requires depository banks to place and maintain on deposit with a third party custodian bank securities having a value of 10 percent, 25 percent or 110 percent of public funds on deposit depending primarily on the capitalization level of the depository bank. Deposits in the Public Funds Collateralization Pool are not 100 percent guaranteed.

Investments - The purpose of the County's investment policy is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment related activities. The County has delegated investment responsibilities to the County Treasurer, who is primarily responsible for implementing the investment policy.

At June 30, 2018, the County had invested \$41,367,639 with the Oregon Short-Term Fund (OSTF), which is a cash and investment pool available for use by all state funds and local governments and is maintained by the State Treasurer. The Local Government Investment Pool (LGIP) is an open-ended, no-load diversified portfolio offered to eligible participants, including any municipality, political subdivision, or public corporation of the state. Currently, there are more than 1,500 participants in the Pool. Local government pooled assets are reported as an Investment Trust Fund in Oregon's Comprehensive Annual Financial Report. The Oregon Short-Term Fund Board, established by the Oregon Legislature, advises the Oregon Investment Council and the Oregon State Treasury in the management and investments of the LGIP.

The State of Oregon Local Government Investment Pool (LGIP or Pool) is an unrated external investment pool and is not registered with the U.S. Securities and Exchange Commission as an investment company. Oregon Revised Statutes and the Oregon Investment Council govern the Pool's investment policies. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-Term Funds Board, which establish diversification percentages and specify the types and maturities of investments. Withdrawals in excess of \$25 million require 48 hours' notice. The Oregon Audits Division of the Secretary of State's Office audits the Pool annually. The Division's report on the Pool as of and for the year ended June 30, 2018 was unqualified.

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

Credit Risk. Credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The State of Oregon LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company.

State statutes authorize the County to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the State Treasurer's investment pool, among others. The County has no formal investment policy that further restricts its investment choices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Oregon Short-Term Fund Board manages this risk by limiting the maturity of the investments held by the fund. The County does not have a formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Concentration of Credit Risk. The County is required to provide information about the concentration of credit risk associated with its investments in one issuer that represent five percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The County had no such investments during the year ended June 30, 2018.

A reconciliation of cash and investments as shown on the Statement of Net Position and Balance Sheet is as follows:

<u>Deposits and Investments:</u>	
Carrying amount of deposits	\$ 3,323,840
Carrying amount of investments	41,367,639
Cash on hand	25,298
Deposits in transit	<u>145,065</u>
Total deposits and investments	<u>\$ 44,861,842</u>
<u>Governmental Activities:</u>	
General Fund	\$ 7,581,805
Public Works Fund	5,414,826
Coos Health and Wellness Fund	7,355,516
County Forest Fund	7,566,857
Governmental nonmajor funds in aggregate	<u>8,916,910</u>
	<u>36,835,914</u>
<u>Business-Type Activities:</u>	
Waste Disposal Fund	3,024,355
Gas Pipeline Fund	1,880,986
Business-type non-major funds in aggregate	<u>401,280</u>
	<u>5,306,621</u>
<u>Agency Fund:</u>	
Deposits and investments	<u>2,719,307</u>
Total cash and cash equivalents	<u>\$ 44,861,842</u>

B. Property Taxes Receivable

Coos County makes all assessments of property value, and collects the taxes for all taxing districts within its boundaries. The certified tax roll for all taxing districts in Coos County totaled \$68,202,027 for the fiscal year 2017-2018. For the 2017-2018 tax year, the County's permanent tax rate is \$1.0799 per \$1,000 of assessed value for all taxable property within the County's boundaries.

At June 30, 2018, property tax allocation for receivables between funds consisted of the following:

General Fund	\$ 523,037
Bond Debt Fund	137,527
Library Service District	350,494
4-H & Extension Service District	<u>42,694</u>
Subtotal	1,053,752
Trust and Agency Fund	<u>5,315,249</u>
	<u>\$ 6,369,001</u>

C. Fund Balance

Details of the classification of the components of ending fund balance in the governmental fund financial statements at June 30, 2018 are as follows:

	General Fund	Public Works Fund	Coos Health & Wellness Fund	County Forest Fund	Nonmajor Funds	Total
Nonspendable:						
Inventory	\$ -	\$ 363,326	\$ -	\$ -	\$ -	\$ 363,326
Prepaid expenses	-	-	-	-	47,656	47,656
Restricted:						
Debt service	-	-	-	-	194,385	194,385
Public safety services	21,332	-	-	-	2,873,360	2,894,692
Health services	-	-	6,680,942	-	2,678,354	9,359,296
Economic dev. services	-	-	-	-	169,484	169,484
Roads, sidewalks, footpaths	-	6,311,422	-	-	493,189	6,804,611
Other	-	-	-	-	846,232	846,232
Committed:						
Public safety	-	-	-	-	256,805	256,805
Parks	-	-	-	-	1,021,260	1,021,260
Industrial development	-	-	-	-	55,238	55,238
Assigned:						
Forest management	-	-	-	7,610,339	-	7,610,339
Planning services	-	-	-	-	22,688	22,688
Unassigned:	<u>5,902,425</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,902,425</u>
Total fund balance	<u>\$ 5,923,757</u>	<u>\$ 6,674,748</u>	<u>\$ 6,680,942</u>	<u>\$ 7,610,339</u>	<u>\$ 8,658,651</u>	<u>\$ 35,548,437</u>

E. Interfund transfers and balances due to/from other funds:

During the year, transfers were made between funds as shown below:

Fund:	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Activities:		
General Fund	\$ 5,976,978	\$ 772,705
Coos Health and Wellness Fund	418,000	-
County Forest Fund	-	4,390,028
Non-major governmental funds	<u>956,227</u>	<u>1,548,867</u>
Total Governmental Activities Transfers	<u>7,351,205</u>	<u>6,711,600</u>
Business-type Activities:		
Waste Disposal Fund	-	339,605
Gas Pipeline Fund	<u>-</u>	<u>300,000</u>
Total Business-type Activities Transfers	<u>-</u>	<u>639,605</u>
Total before non-budgetary transfers	<u>\$ 7,351,205</u>	<u>\$ 7,351,205</u>
Non-budgetary transfers		
Gas Pipeline Fund	\$ 1,015,000	\$ -
Non-major governmental funds	<u>-</u>	<u>1,015,000</u>
Total non-budgetary transfers	<u>\$ 1,015,000</u>	<u>\$ 1,015,000</u>

The transfers from the General Fund were routine transfers to support various activities of several non-major funds. The transfers into the General Fund consisted of routine transfers from several non-major funds as well as a large transfer from the County Forest Fund to offset a reduction in the Secure Rural Schools and Community Self-Determination Program Act funding.

The General Obligation Series 2003B debt is held in the Gas Pipeline Fund, a business-type activity. Debt is serviced through collection of property taxes in the Bonded Debt Fund, a non-major governmental-type activity. A non-budgetary adjustment to transfers has been made to reduce the principal outstanding in the Gas Pipeline Fund.

At year-end, certain balances were remaining payable to and from other funds. These interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The interfund balances were as follows:

Fund:	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>
Governmental Activities:		
General Fund	\$ 20,275	\$ -
Public Works Fund	-	60,111
Coos Health and Wellness Fund	209,198	-
County Forest Fund	4,968	-
Nonmajor governmental funds	<u>120,400</u>	<u>208,690</u>
Total Governmental Activities	<u>354,841</u>	<u>268,801</u>
Business-type Activities:		
Nonmajor funds	<u>-</u>	<u>86,040</u>
Total Business-type Activities	<u>-</u>	<u>86,040</u>
	<u>\$ 354,841</u>	<u>\$ 354,841</u>

G. Capital Assets

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

Governmental Activities:	Balance 6/30/2017, as Restated	Adjustments, Transfers & Additions	Adjustments, Transfers & Deletions	Balance 6/30/2018
<i>Non-depreciable capital assets:</i>				
Land	\$ 5,607,555	\$ 512,791	\$ (33,434)	\$ 6,086,912
Construction in progress	3,341,969	1,756,619	(2,792,122)	2,306,466
Total non-depreciable capital assets	<u>8,949,524</u>	<u>2,269,410</u>	<u>(2,825,556)</u>	<u>8,393,378</u>
<i>Depreciable capital assets:</i>				
Improvements	3,376,543	1,561,198	(100,541)	4,837,200
Buildings	23,059,733	4,548,265	(1,309,274)	26,298,724
Infrastructure	114,814,371	676,986	-	115,491,357
Equipment & vehicles	19,520,967	881,987	(1,529,444)	18,873,510
Total depreciable capital assets	<u>160,771,614</u>	<u>7,668,436</u>	<u>(2,939,259)</u>	<u>165,500,791</u>
<i>Less accumulated depreciation for:</i>				
Improvements	(1,272,369)	(164,390)	71,592	(1,365,167)
Buildings	(9,957,697)	(402,611)	25,877	(10,334,431)
Infrastructure	(57,906,931)	(2,827,043)	6,021	(60,727,953)
Equipment & vehicles	(12,555,430)	(944,574)	1,234,827	(12,265,177)
Total accumulated depreciation	<u>(81,692,427)</u>	<u>(4,338,618)</u>	<u>1,338,317</u>	<u>(84,692,728)</u>
Total depreciable capital assets (net)	<u>79,079,187</u>	<u>3,329,818</u>	<u>(1,600,942)</u>	<u>80,808,063</u>
Governmental Activities capital assets (net)	<u>\$88,028,711</u>	<u>\$ 5,599,228</u>	<u>\$ (4,426,498)</u>	<u>\$ 89,201,441</u>

The beginning balance was restated to include equipment purchased in a previous year. See Note IV I. Current year adjustments include minor reclassifications between asset types to correct prior year errors.

Business-type activities:	Balance 06/30/2017	Additions & Transfers	Deletions & Transfers	Balance 06/30/2018
<i>Non-depreciable capital assets:</i>				
Land	\$ 709,402	\$ -	\$ -	\$ 709,402
Construction in progress	332,702	-	-	332,702
Total Non-depreciable capital assets	<u>1,042,104</u>	<u>-</u>	<u>-</u>	<u>1,042,104</u>
<i>Depreciable capital assets:</i>				
Improvements	2,501,420	10,344	(54,739)	2,457,025
Buildings	2,525,497	77,398	(5,340)	2,597,555
Infrastructure	52,576,303	75,582	-	52,651,885
Equipment & vehicles	1,409,848	213,446	(117,752)	1,505,542
Total depreciable capital assets	<u>59,013,068</u>	<u>376,770</u>	<u>(177,831)</u>	<u>59,212,007</u>
<i>Less accumulated depreciation for:</i>				
Improvements	(1,899,401)	(75,441)	53,202	(1,921,640)
Buildings	(1,218,664)	(53,985)	5,212	(1,267,437)
Infrastructure	(12,886,611)	(1,065,768)	-	(13,952,379)
Equipment & vehicles	(978,511)	(120,095)	99,969	(998,637)
Total accumulated depreciation	<u>(16,983,187)</u>	<u>(1,315,289)</u>	<u>158,383</u>	<u>(18,140,093)</u>
Total depreciable capital assets (net)	<u>42,029,881</u>	<u>(938,519)</u>	<u>(19,448)</u>	<u>41,071,914</u>
Business-Type activities capital assets (net)	<u>\$ 43,071,985</u>	<u>\$ (938,519)</u>	<u>\$ (19,448)</u>	<u>\$ 42,114,018</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:		
General government		\$ 646,030
Public safety		375,773
Health & welfare		57,275
Public works		3,032,036
Culture and recreation		<u>227,504</u>
Total depreciation expense - governmental activities		<u>\$ 4,338,618</u>
Business-type activities:		
Sanitation		\$ 135,143
County fair		24,656
Gas pipeline		1,057,788
Transportation		<u>70,323</u>
Total depreciation expense - business-type activities		<u>\$ 1,287,910</u>

H. Bonds Payable

The full faith and credit of the County is pledged for all outstanding general obligation bonds and the bonds are secured by ad valorem taxes to be levied against all taxable property within the County.

On July 1, 2003 the County issued \$17,760,000 of Series 2003B taxable general obligation bonds. The proceeds were used to finance a portion of the costs of designing, acquiring, constructing and equipping a natural gas pipeline from Roseburg, Oregon to Coos Bay/North Bend, Oregon. The interest rate on the bonds was 4.33 percent through 2017, then increased to 4.88 percent through maturity. The Bonds are not subject to optional redemption prior to their stated maturities; however, the 2017 Term Bond and the 2023 Term Bond are subject to mandatory redemption. The payments are paid from the Bonded Debt Fund, from property taxes levied for debt service.

Future general obligation bonded debt requirements as of June 30, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018-2019	\$ 1,065,000	\$ 285,968	\$ 1,350,968
2019-2020	1,115,000	233,996	1,348,996
2020-2021	1,170,000	179,584	1,349,584
2021-2022	1,225,000	122,488	1,347,488
2022-2023	1,285,000	62,708	1,347,708
Total	\$ 5,860,000	\$ 884,744	\$ 6,744,744

Changes in long-term debt are as follows:

	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>	<u>Amounts due Within one year</u>
<u>Business-Type Funds</u>					
General obligation bonds	\$ 6,875,000	\$ -	\$ 1,015,000	\$ 5,860,000	\$ 1,065,000

Changes in other long-term liabilities:

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>	<u>Amounts due Within one year</u>
<u>Governmental Fund Types</u>					
Compensated absences	\$ 1,578,751	\$ 2,024,154	\$ 1,944,099	\$ 1,658,806	\$ 1,658,806
<u>Business-Type Funds</u>					
Compensated absences	\$ 75,201	\$ 67,392	\$ 62,972	\$ 79,621	\$ 79,621
Closure/post closure costs	1,583,200	12,549	-	1,595,749	81,667
Total proprietary fund types	\$ 1,658,401	\$ 79,941	\$ 62,972	\$ 1,675,370	\$ 161,288

IV. OTHER INFORMATION

A. Public Employee Retirement System

Plan Description

Employees of the City are provided with pensions through the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan, the Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system.

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Contribution requirements are established by ORS and may be amended by the PERS Board of Trustees

OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at: <https://sos.oregon.gov/audits>.

Plan Benefits.

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

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 55 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

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

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

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

Oregon Public Service Retirement Plan Pension Program (OPSRP) ORS Chapter 238A:

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

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

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit.

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

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

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

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

OPSRP Individual Account Program (OPSRP IAP):

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

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

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

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

Contributions:

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The County paid 25.23 percent for Tier 1 and Tier II employees, 16.67 percent for OPSRP members and 21.44 percent for OPSRP Police and Fire for the fiscal year.

Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation. The State of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced.

Employer cash payments for the year ended June 30, 2018 were \$4,337,460. This consisted of \$3,093,586 from the County and \$1,243.874 paid by the County on behalf of employees. These payments added to the County's fiduciary net position.

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

At June 30, 2018, the County reported a liability of \$25,622,356 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 rolled forward to June 30, 2017.

The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined.

At June 30, 2018, the County's proportion was 0.19007629 percent, which was a decrease of .00526617 from its proportion measured as of June 30, 2016. For the year ended June 30, 2018, the County's actuarially determined pension expense was \$5,470,298.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ 1,239,108	\$ -	
Changes in assumptions	4,670,498	-	
Net difference between projected and actual earnings on investments	263,970	-	
Changes in proportionate share	-	1,017,204	
Differences between employer contributions and employer's proportionate share of system contributions	953,723	77,255	
Subtotal amortized deferrals	7,127,299	1,094,459	\$ 6,032,840
Contributions subsequent to the MD	4,138,229	-	4,138,229
Total	<u>\$ 11,265,528</u>	<u>\$ 1,094,459</u>	<u>\$ 10,171,069</u>

The \$4,141,228 reported as deferred outflow of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Employer subsequent Fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	\$ 1,163,022
2nd Fiscal Year	3,232,721
3rd Fiscal Year	2,173,527
4th Fiscal Year	(586,904)
5th Fiscal Year	50,474
Thereafter	-
Total	<u>\$ 6,032,840</u>

Actuarial Assumptions

The employer contribution rates effective July 1, 2017, through June 30, 2019, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

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

Valuation Date	December 31, 2015
Measurement date	June 30, 2017
Experience Study	2014, published September 2015
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.50 percent
Discount rate	7.50 percent
Projected salary increases	3.50 percent
Cost of living adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25% / .15%) in accordance with <i>Moro</i> decision; blended based on service.
Mortality	<p>Healthy retirees and beneficiaries:</p> <p>RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members:</p> <p>Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees:</p> <p>Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Sex-distinct, generational per Scale BB, disabled mortality table.</p>

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

To develop an analytical basis for the selection of the long-term table asset classes expected rate of return assumption, in July 2015, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation.

The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Long-Term Expected Rate of Return:

Asset Class	Target	Compound Annual Return (Geometric)
Core Fixed Income	8.00%	4.00%
Short-Term Bonds	8.00	3.61
Bank/Leveraged Loans	3.00	5.42
High-Yield Bonds	1.00	6.20
Large/Mid Cap US Equities	15.75	6.70
Small-Cap US Equities	1.31	6.99
Micro Cap US Equities	1.31	7.01
Developed Foreign Equities	13.13	6.73
Emerging Foreign Equities	4.12	7.25
Non-US Small Cap Equities	1.88	7.22
Private Equity	17.50	7.97
Real Estate (Property)	10.00	5.84
Real Estate (REITS)	2.50	6.69
Hedge Fund of Funds - Diversified	2.50	4.64
Hedge Fund - Event-driven	0.63	6.72
Timber	1.88	5.85
Farmland	1.88	6.37
Infrastructure	3.75	7.13
Commodities	1.88	4.58
Assumed Inflation - Mean		2.50

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	Target Range
Cash	0.0 %	3.0 %	0.0 %
Debt Securities	15.0	25.0	20.0
Public Equity	32.5	42.5	37.5
Private Equity	14.0	21.0	17.5
Real Estate	9.5	15.5	12.5
Alternative Equity	0.0	12.5	12.5
Opportunity Portfolio	0.0	3.0	0.0
Total			100.0 %

Discount Rate

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

Measurement Date [MD] of the Net Pension Liability/(Asset) [NPL/(A)]	06/30/2017
Actuarial Valuation Date (liability rolled forward to MD)	12/31/2015
Discount rate	7.50%
Employer's proportionate share at prior MD	0.19534246%
Employer's proportionate share at MD	0.19007629%
Employer's proportionate share of system NPL/(A) at prior MD	\$ 29,325,439
Employer's proportionate share of system NPL/(A) at MD	\$ 25,622,356
Sensitivity: NPL/(A) using discount rate 1.00% lower	\$ 43,665,172
Sensitivity: NPL/(A) using discount rate 1.00% higher	\$ 10,535,220

Employer Pension Expense for Measurement Period

Employer's proportionate share of system Pension Expense/(Income)	\$ 5,524,028
Net amortization of deferred amounts from:	
Changes in proportionate share	(283,883)
Differences between employer contributions and employer's proportionate share of system contributions	230,153
	<hr/>
Employer's Total Pension Expense/(Income)	<u>\$ 5,470,298</u>

Changes Subsequent to the Measurement Date:

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

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

The assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated December 6, 2017.

B. Other Postemployment Benefits

Health Insurance Continuation

Plan Description

The County has a health insurance continuation option available for eligible retirees and their spouses and dependents until Medicare eligibility. The County is required by Oregon Revised Statutes 243.303 to provide retirees with group health and dental insurance from the date of retirement to age 65 at the same rate provided to current employees. Thus GASB 75 is applicable to the County due to the implicit rate subsidy. This "plan" is not a stand-alone plan and therefore does not issue its own financial statements. The plan is a single-employer defined-benefit plan administered by the County.

Funding Policy. The County pays health, dental and vision insurance premiums for those retirees at the blended rate for each family classification. The required contributions to the plan consist of the amount paid by retirees.

For fiscal year 2017-2018, the County collected and contributed \$24,993 consisting of retiree payments. The County has elected not to prefund the actuarially determined future cost amount of \$1,436,986.

In the July 1, 2016 actuarial valuation, which is the most recent actuarial valuation, the Entry Age Normal, level percent of salary, actuarial cost method was used. Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant's years of service from hire to expected retirement. The normal cost is the value of benefits expected to accrue in the current year.

Under Statement 75, the Total OPEB Liability is determined. This is equal to the present value of the portion of future expected benefit payments that is considered to have been already earned by participants. The difference between Total OPEB Liability and the actuarial value of plan assets is called the unfunded accrued actuarial liability.

The County's Total OPEB Liability was \$1,436,986 as of June 30, 2018. This amount was determined by an actuarial evaluation on July 1, 2016, using the following actuarial assumptions:

Valuation Date	July 1, 2016
Measurement date	June 30, 2018
Actuarial cost method	Entry Age Normal, level percent of salary
Actuarial assumptions:	
Inflation rate	2.50 percent
Discount rate	3.00 percent
Projected salary increases	3.00 percent
Mortality	<p><i>Male:</i></p> <p>RP 2000 male table, combined active/healthy annuitant, blended 25% blue collar, 75% white collar, set back 12 months, and projected generationally with Scale BB</p> <p><i>Female:</i></p> <p>RP 2000 female table, combined active/healthy annuitant, blended 25% blue collar, 75% white collar, and projected generationally with Scale BB</p> <p>Mortality rates for active male and female participants are 75% and 60% of the above rates, respectively</p>

Participant Statistics

Number of active participants	305
Number of inactive participants	3
Total number of participants	308

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 6/30/17:	\$ 1,327,462
Changes for the year:	
Service Cost	111,156
Interest	40,848
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	(42,480)
Net changes	109,524
Balance at 6/30/18	\$ 1,436,986
 Covered payroll	 \$15,689,994
Total OPEB Liability as a percentage of covered payroll	9.16%

The following presents the Total OPEB Liability for the County, as well as what the County's Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point higher or lower, as well as a medical trend rate that is 1 percentage point higher or lower:

	1% Decrease	Current Discount Rate	1% Increase
	2.00%	3.00%	4.00%
Total OPEB Liability	\$ 1,556,329	\$ 1,436,986	\$ 1,326,442
	1% Decrease	Current Medical Trend Rate	1% Increase
	5.50% Graded Down to 4.00%	6.50% Graded Down to 5.00%	7.50% Graded Down to 6.00%
Total OPEB Liability	\$ 1,260,755	\$ 1,436,986	\$ 1,645,877

For the year ending June 30, 2018, the County recognized OPEB expense of \$152,010.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point

The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The actuarial method used is the Entry Age Normal, level percent of salary, method.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The actuarial assumptions included a 3.0 percent discount rate for unfunded liabilities, and annual cost increase rates for medical, prescription drugs, and vision premiums of: 6.4 percent in the fiscal year 2017-18, 6.3 percent in the second year, 6.2 percent in the third year, 6.2 percent in the fourth year, then grading down from 6.2 percent to 5.0 percent over the subsequent years. Health cost trends affect both the projected health care costs as well as the projected health care premiums.

The payroll growth assumption is 3.0 percent, compounded annually for purposes of amortizing the unfunded AAL, and a general inflation increase of 2.5 percent.

C. Landfill Closure and Post-Closure Care Costs

The County has adopted Governmental Accounting Standards Board Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs*. This statement requires municipalities to record the estimated closure and post-closure care costs of landfills over the useful life of the landfill.

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

During 2012, the Beaver Hill disposal site became inactive and an interim cover was put in place on the trench. The landfill was closed during fiscal year 2014-15. The site continues to function as a transfer station for solid waste. The Joe Ney disposal site became inactive in summer 2013, received the final cover in 2014, and required repairs in late June 2015. The Bandon Landfill is closed, and has a soil cover. In 2014, DEQ approved the County’s application for termination of environmental monitoring of the Bandon site.

The following schedule shows details of landfill closure and post-closure liability:

	<u>Landfill Closure and Post-Closure Care Liability</u>	<u>% of Capacity Used</u>	<u>Cost to be Recognized at 6/30/18</u>	<u>Estimated Remaining Life (Years)</u>
Bandon disposal site	\$ 36,500	100%	\$ 36,500	-
Beaver Hill disposal site (municipal solid waste)	861,529	100%	861,529	-
Joe Ney disposal site (construction demolition)	<u>697,720</u>	<u>100%</u>	<u>697,720</u>	-
	<u>\$ 1,595,749</u>		<u>\$ 1,595,749</u>	

The above dollar amounts are based on the estimated cost to perform all closure and post-closure in 2017-2018. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

During 2017-2018, actual landfill closure and post-closure costs were \$127,914. The liability for special projects, closure and post closure costs was adjusted from \$1,583,200 to \$1,595,749, as a result of the 2018 engineering cost estimate.

The County is required by state and federal laws and regulations to meet certain financial assurance requirements for closure and post-closure care. The County demonstrates that it has met these financial assurance requirements through submission of a Local Government Financial Test to the Oregon Department of Environmental Quality in accordance with Oregon Administrative Rule 340-094-0140.

The County has established a reserve fund to account for their annual contributions to finance closure and post-closure care. As of June 30, 2018, the cash and investment balance in the reserve fund is \$601,861. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

D. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. Worker's compensation insurance is also provided through a commercial carrier. There has been no significant reduction in insurance coverage from the prior year and the County has not been required to pay any settlements in excess of insurance coverage during the past three fiscal years.

E. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

F. Jointly Governed Organizations

The following organizations have County Commissioners on their respective boards: South Coast Business Employment Corporation, Coos County Urban Renewal Agency, Southwest Advisory Committee on Transportation, Council on Forest Trust Lands, Oregon and California Counties, Bay Area Enterprise Zone, CCD Business Development Corp., Advanced Health, South Slough Commission, Energy Trust of Oregon, Coos Bay-North Bend Water Board, Oregon Land Conservation and Development Commission, South Coast Development Corporation, Association of Oregon Counties, South Coast Community Foundation, Southern Oregon Workforce Investment Board, Coos Watershed Association, Travel Southern Oregon Coast, Oregon Coastal Zone Management Association, Oregon Solutions Steering Committee, National Association of Counties, US Forest Services Advisory Council for Siskiyou National Forest, American Leadership Fellows, and the Coos Bay School Bond Oversight Committee. The organizations have various purposes, including local economic development and social services. The Commissioners do not have a voting majority on the organizations' boards, nor are the organizations fiscally dependent on the County.

In November 2013, the County became a member of Western Oregon Advanced Health, LLC, now Advanced Health, a limited liability company which was formed to operate as a coordinated care organization in Oregon and whose members consist of various Oregon health care organizations. The County's investment in Advanced Health represents an approximate 10% ownership interest. Advanced Health's most recently available financial information, as of the year ending December 31, 2017, reported the County's interest at \$738,197, an increase of \$98,575 over the prior year. Advanced Health does not prepare publicly available financial statements.

One County Commissioner serves on the governing Board of Advanced Health. Under terms of a contract with Associated Advanced Health, the County provides health care services to certain OHP patients, for whom the company has agreed with OHP to provide health care services.

G. Other

Funding change – In March 2018, Congress reauthorized another SRS extension in the 2018 Omnibus Appropriations Act. This extension resulted in the County receiving SRS payments during fiscal years 2018 and 2019. However, the FY2018 payment will only be 95% of what it was in federal fiscal year 2015 and the FY2019 payment will be 95% of the FY2018 payment. This does not, by any means, solve our problem of declining revenue from timber sources. Timber dependent counties continue to work with the Oregon delegation in Congress to secure some type of funding to keep southern Oregon counties from becoming insolvent.

H. Construction in Progress

At June 30, 2018, the County was involved in various phases of improvement projects. The significant contracts and remaining amounts are shown below:

<u>Fund</u>	<u>Description</u>	<u>Original Contract Amount</u>	<u>Outstanding Contract Amount</u>	<u>Percentage of Completion</u>
General Fund	Dispatch Seismic Retrofit	\$ 595,500	\$ 508,900	15%
Public Works Fund	East Beaver Hill Slide Repair	\$ 512,500	\$ 12,500	98%
Public Works Fund	South Coos River Slide Repair	\$ 888,600	\$ 40,000	95%

I. Prior Period Adjustment

During fiscal year 2017-18 the County Finance Director learned of a large piece of equipment that had been donated to the County in the prior year. A prior period adjustment was required to record the donated asset. The adjustment resulted in an increase in net position for the governmental activities of \$251,353. The adjustment had no impact on the balance sheet of the governmental funds.

**REQUIRED SUPPLEMENTARY
INFORMATION**

COOS COUNTY, OREGON
SCHEDULE OF CHANGES IN TOTAL OTHER POSTEMPLOYMENT BENEFITS LIABILITY
AND RELATED RATIOS
June 30, 2018

	<u>Fiscal Year Ending</u>	
	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability:		
Service cost	\$ 111,156	\$ 111,156
Interest	40,854	37,691
Benefit payments	<u>(42,480)</u>	<u>(44,341)</u>
Net change in total OPEB liability	109,530	104,506
Total OPEB liability at June 30, 2017	<u>1,327,456</u>	<u>1,222,950</u>
Total OPEB liability at June 30, 2018	<u>\$ 1,436,986</u>	<u>\$ 1,327,456</u>
Covered employee payroll	\$ 15,689,994	\$ 16,414,988
Total OPEB liability as a percentage of covered payroll	9.16%	8.09%

The above table presents the most recent actuarial valuations for the County's post-employment health insurance benefits plan and it provides information that approximates the funding progress of the plan.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the County is showing one year's progress.

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

**COOS COUNTY, OREGON
JUNE 30, 2018**

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY*

Year Ended June 30,	(a) County's proportion of the net pension liability (asset)	(b) County's proportionate share of the net pension liability (asset)	(c) County's covered payroll	(b/c) County's proportionate share of the net pension liability/asset as a percentage of its covered payroll	Plan fiduciary net position as a percentage of total pension liability
2014	0.211894%	\$ 10,813,254	\$ 12,118,688	-89.23%	92.0%
2015 ³	0.211894%	\$ (4,803,029)	\$ 12,342,285	38.92%	103.6%
2016 ⁴	0.211165%	\$ 12,123,953	\$ 13,937,930	-86.99%	91.9%
2017 ⁵	0.195342%	\$ 29,325,428	\$ 14,808,919	-198.03%	80.5%
2018	0.190076%	\$ 25,622,356	\$ 15,357,123	-166.84%	83.1%

SCHEDULE OF CONTRIBUTIONS OF NET PENSION LIABILITY

Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) County's covered payroll	(b/c) Contributions as a percent of covered payroll
2014	\$ 2,946,189	\$ (2,946,189)	\$ -	\$ 12,342,285	23.87%
2015	\$ 3,146,324	\$ (3,146,324)	\$ -	\$ 13,937,930	22.57%
2016	\$ 3,527,907	\$ (3,527,907)	\$ -	\$ 14,808,919	23.82%
2017	\$ 3,630,390	\$ (3,630,390)	\$ -	\$ 15,357,123	23.64%
2018	\$ 4,339,315	\$ (4,339,315)	\$ -	\$ 16,122,652	26.91%

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

¹ The amounts presented for each fiscal year were actuarial determined at December 31, and rolled forward to the measurement date.

² The amounts for covered payroll use the prior year's data to match the measurement date used by the pension plan for each fiscal year

³ The June 30, 2015 NPL reflects benefit changes from Senate Bills 822 and 861.

⁴ The June 30, 2016 NPL reflects benefit changes from the Oregon Supreme Court's ruling on *Moro v. State of Oregon*, which overturned portions of Senate Bills 822 and 861.

⁵ The June 30, 2017 NPL reflects assumption changes reducing inflation rate from 2.75% to 2.5%, the long-term expected rate of return from 7.75% to 7.5%, the discount rate from 7.75% to 7.50% and the projected salary increases from 3.75% to 3.5%.

The notes to the basic financial statements are an integral part of this statement.

MAJOR GOVERNMENTAL FUNDS

General Fund – The General Fund is the general operating fund of the County. It is used to account for and report all financial resources except those required to be accounted for and reported in another fund. The major revenue sources are property taxes, federal apportionments (e.g. O&C Land Grants), state apportionments (e.g. shared liquor and cigarette tax revenues, and grant funds), service fees, licenses and permits, and investment income. The general fund accounts for and reports the general operating expenditures of the County not accounted for or reported elsewhere.

Special Revenue Funds:

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt or capital projects.

Public Works Fund – The Public Works Fund accounts for and reports the general operations of the County road department. Major revenue sources are from federal forest sales, motor vehicle fees, and interest allocation. Major expenditures are for road construction and maintenance, departmental personnel costs, and interfund transfers.

Health and Wellness Fund – The Health and Wellness Fund accounts for and reports the County's Health and Wellness operations. Primary revenue sources include state mental health grants and contracts and mental health Title XIX funds.

County Forest Fund – The County Forest Fund accounts for and reports the management of the County's forest. Timber sales are the primary source of revenue in this fund. Expenditures consist of forestry management and transfers to the general fund.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 5,172,635	\$ 5,172,635	\$ 5,431,701	\$ 259,066
Other taxes and assessments	290,300	290,300	318,930	28,630
Intergovernmental	5,428,012	5,500,082	4,788,146	(711,936)
Licenses, fees, and permits	566,444	566,444	629,402	62,958
Charges for services	1,162,334	1,012,334	1,169,896	157,562
Fines and forfeiture	120,000	120,000	136,424	16,424
Interest on investments	60,000	60,000	153,216	93,216
Other	130,122	139,527	398,536	259,009
Total revenues	12,929,847	12,861,322	13,026,251	164,929
Expenditures:				
General Government:				
Assessor	1,285,442	1,285,442	1,243,297	42,145
Board of Commissioners/Admin.	390,812	410,812	409,143	1,669
Board of Commissioners/Infor. Tech.	709,630	709,630	629,195	80,435
Clerk/Records	563,312	563,312	526,429	36,883
County Counsel	681,588	681,588	509,023	172,565
District Attorney/Prosecution	1,199,041	1,204,041	1,133,578	70,463
Maintenance	705,877	705,877	659,814	46,063
Surveyor	205,341	205,341	192,926	12,415
Finance and Tax	625,648	625,648	598,991	26,657
Treasurer	68,846	68,846	58,619	10,227
Miscellaneous nondepartmental:				
Personnel services	100,000	25,000	2,543	22,457
Materials and services	773,784	690,696	382,319	308,377
Payment of advanced taxes	20,000	20,000	15,832	4,168
Capital outlay	232,000	232,000	37,854	194,146
Total General Government	\$ 7,561,321	\$ 7,428,233	\$ 6,399,563	\$ 1,028,670

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (continued)
For the Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		
Health and Welfare:				
District Attorney/Medical Examiner	\$ 226,194	\$ 221,194	\$ 205,985	\$ 15,209
District Attorney/Support Enforcement	168,408	168,408	164,727	3,681
Veterans	159,586	211,656	173,550	38,106
Total Health and Welfare	<u>554,188</u>	<u>601,258</u>	<u>544,262</u>	<u>56,996</u>
Public Safety:				
Juvenile	881,083	881,083	791,157	89,926
Sheriff/Criminal	5,066,735	5,076,140	3,707,259	1,368,881
Sheriff/Dunes	355,254	355,254	293,792	61,462
Sheriff/Jail	5,555,111	5,563,199	5,181,036	382,163
Sheriff/Marine	315,900	315,900	312,213	3,687
Total Public Safety	<u>12,174,083</u>	<u>12,191,576</u>	<u>10,285,457</u>	<u>1,906,119</u>
Contingency	<u>2,058,460</u>	<u>2,058,460</u>	<u>-</u>	<u>2,058,460</u>
Total expenditures	<u>22,348,052</u>	<u>22,279,527</u>	<u>17,229,282</u>	<u>5,050,245</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,418,205)</u>	<u>(9,418,205)</u>	<u>(4,203,031)</u>	<u>5,215,174</u>
Other financing sources (uses)				
Sale of capital assets	-	-	2,475	2,475
Transfer in	5,861,336	5,861,336	5,976,978	115,642
Transfer out	(772,705)	(772,705)	(772,705)	-
Total other financing sources	<u>5,088,631</u>	<u>5,088,631</u>	<u>5,206,748</u>	<u>118,117</u>
Net change in fund balance	<u>(4,329,574)</u>	<u>(4,329,574)</u>	<u>1,003,717</u>	<u>5,333,291</u>
Fund balance at beginning of year	<u>4,329,574</u>	<u>4,329,574</u>	<u>4,920,040</u>	<u>590,466</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,923,757</u>	<u>\$ 5,923,757</u>

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC WORKS FUND
For the Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,676,900	\$ 5,676,900	\$ 7,427,964	\$ 1,751,064
Licenses, fees, and permits	35,000	35,000	52,041	17,041
Charges for services	925,000	925,000	980,954	55,954
Interest on investments	44,000	44,000	94,615	50,615
Fines and forfeitures	15,000	15,000	-	(15,000)
Other	5,000	5,000	48,658	43,658
Total revenues	6,700,900	6,700,900	8,604,232	1,903,332
Expenditures:				
Public Works:				
Road Survey	27,403	27,403	25,630	1,773
Road Maintenance	4,543,228	4,952,228	4,866,818	85,410
Fleet Services	1,146,979	1,146,979	1,137,296	9,683
Capital Projects	2,264,601	2,669,601	2,342,243	327,358
ORC Road Maintenance	6,985	6,985	6,985	-
Contingency	4,700,000	3,886,000	-	3,886,000
Total expenditures	12,689,196	12,689,196	8,378,972	4,310,224
Excess (deficiency) of revenues over (under) expenditures	(5,988,296)	(5,988,296)	225,260	6,213,556
Other financing sources (uses):				
Sale of capital assets	-	-	34,743	34,743
Net change in fund balance	(5,988,296)	(5,988,296)	260,003	6,248,299
Fund balance at beginning of year	5,988,296	5,988,296	6,414,745	426,449
Fund balance at end of year	\$ -	\$ -	\$ 6,674,748	\$ 6,674,748

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HEALTH & WELLNESS FUND
For the Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		
Revenues:				
Intergovernmental	\$ 12,795,732	\$ 12,795,732	\$ 14,078,616	\$ 1,282,884
Licenses, fees, and permits	41,809	41,809	92,366	50,557
Interest on investments	49,000	49,000	125,173	76,173
Charges for services	120,458	120,458	128,689	8,231
Other	-	-	61,759	61,759
Total revenues	<u>13,006,999</u>	<u>13,006,999</u>	<u>14,486,603</u>	<u>1,479,604</u>
Expenditures:				
Health and Welfare:				
Local Administration	7,590,460	7,850,460	4,743,783	3,106,677
Mental Health Services	13,276,423	13,276,423	11,607,715	1,668,708
Alcohol and Drug Services	498,707	498,707	391,620	107,087
Contingency	836,287	576,287	-	576,287
Total expenditures	<u>22,201,877</u>	<u>22,201,877</u>	<u>16,743,118</u>	<u>5,458,759</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,194,878)</u>	<u>(9,194,878)</u>	<u>(2,256,515)</u>	<u>6,938,363</u>
Other financing sources (uses):				
Transfer in	418,000	418,000	418,000	-
Sale of assets	-	-	501	501
Total other financing sources (uses)	<u>418,000</u>	<u>418,000</u>	<u>418,501</u>	<u>501</u>
Net change in fund balance	<u>(8,776,878)</u>	<u>(8,776,878)</u>	<u>(1,838,014)</u>	<u>6,938,864</u>
Fund balance at beginning of year	<u>8,776,878</u>	<u>8,776,878</u>	<u>8,518,956</u>	<u>(257,922)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,680,942</u>	<u>\$ 6,680,942</u>

The notes to the basic financial statements are an integral part of this statement.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNTY FOREST FUND
For the Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 209,938	\$ 214,938	\$ 260,031	\$ 45,093
Charges for services	43,000	43,000	48,834	5,834
Timber sales	3,847,580	3,847,580	5,008,006	1,160,426
Interest on investments	52,000	52,000	89,894	37,894
Other	-	-	21	21
Total revenues	<u>4,152,518</u>	<u>4,157,518</u>	<u>5,406,786</u>	<u>1,249,268</u>
Expenditures:				
General Government:				
Personnel services	387,505	387,505	366,314	21,191
Materials and services	388,482	388,482	310,369	78,113
Capital outlay	209,938	255,910	255,588	322
Contingency	6,281,793	6,240,821	-	6,240,821
Total expenditures	<u>7,267,718</u>	<u>7,272,718</u>	<u>932,271</u>	<u>6,340,447</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,115,200)</u>	<u>(3,115,200)</u>	<u>4,474,515</u>	<u>7,589,715</u>
Other financing sources (uses):				
Sales of capital assets	-	-	6,499	6,499
Transfer out	(4,390,028)	(4,390,028)	(4,390,028)	-
Total other financing sources (uses)	<u>(4,390,028)</u>	<u>(4,390,028)</u>	<u>(4,383,529)</u>	<u>6,499</u>
Net change in fund balance	(7,505,228)	(7,505,228)	90,986	7,596,214
Fund balance at beginning of year	<u>7,505,228</u>	<u>7,505,228</u>	<u>7,519,353</u>	<u>14,125</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,610,339</u>	<u>\$ 7,610,339</u>

The notes to the basic financial statements are an integral part of this statement.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt or capital projects.

Animal Control Fund – This fund accounts for and reports revenues collected from the sale of dog licenses and transfers from the General Fund. Fund expenditures are for operation of the County Domestic Animal Control Service.

Public Health Fund – This fund accounts for and reports the County's public health operations. Primary revenue sources include state public health grants and contracts and Public Health Title XIX funds.

Planning Fund – Revenues in this fund consist primarily of licenses, fees and permits, as well as grants for regional planning. Expenditures are for department operations.

Law Library Fund – Revenues for this fund consist of court fees. Expenditures are primarily for furniture, fixtures, and books for the library.

LNG Fund – Revenues in this fund consist of payments from developers to cover the cost of additional public safety services provided by the County that are specific to the North Spit development area. Expenditures include wages, training, supplies, and equipment.

County Parks Fund – Parks and recreation accounts for and reports the County's park operations. Primary revenue sources are state grants and fees from operations. Expenditures are for park operations and capital improvements.

Community Corrections Fund – Revenues in this fund consist primarily of grants from the Oregon Department of Corrections and Community Correction Fees. Expenditures are for probation and post-confinement consulting operations.

Crime Victim Assistance Fund – Court fines and grants are the primary source of revenue for this fund. Expenditures are for crime victim assistance.

South Coast Interagency Narcotics Team (SCINT) Fund – This fund is used to account for and reports funds collected for the purpose of enforcing drug laws. Revenues include federal grants and civil forfeitures. Expenditures are to operate this program.

Economic Development Fund – This fund primarily receives revenues from gambling revenues and other state economic development programs. Expenditures are for small business loans to the public.

Bandon Dunes Assessment Fund – This fund accounts for and reports assessments received from the Bandon Dunes Golf Resort. Expenditures are for public safety and pass-through payments to the Coos County Tourism Workgroup (Travel Southern Oregon Coast).

Administrative Grants Fund – Revenues in this fund consist primarily of grants from various state and federal sources. Expenditures are for senior and handicapped transportation and other community development activities.

County School Fund – This fund accounts for and reports resources that are receipted from tax revenues, federal apportionments, and interest allocations. Expenditures are distributing to County school districts.

Footpaths and Bicycle Trails Fund – Revenues for this fund are the portions of state gas tax apportionments which are restricted for footpath and bicycle routes. Expenditures are for those purposes.

Industrial Development Fund – Revenues for this fund include proceeds from the sale or lease of County owned property located in an industrial use area. This revolving fund is for the development of industrial facilities as authorized by ORS Chapters 271 and 280.

Public Health – Title XIX Fund – Public health fees are the primary source of revenue in this fund. Expenditures consist of transfers to the public health fund.

Mental Health– Title XIX Fund – Mental Health fees are the primary source of revenue in this fund. Expenditures consist of transfers to the Mental Health fund.

County Family Mediation Fund – Family mediation fees are the only sources of revenue in this fund. Expenditures consist of contracted family mediation services.

911/Dispatch Fund – This fund accounts for 911 emergency resources funded primarily by federal telephone excise taxes. Expenditures are restricted to the purpose of providing Coos County with emergency telephone services.

Dispatch Equipment Reserve Fund – This fund is used to account and report money set aside to purchase equipment for the 911 dispatch fund. The primary resource is transfers from the 911/Dispatch Fund. This fund does not meet the criteria of a fund under GAAP, therefore it is combined with the 911/Dispatch Fund for GAAP reporting purposes.

County Clerk Records Fund – County Clerk record fees are the primary resource of revenue in this fund. Expenditures consist of operating costs related to records maintenance.

Public Land Corner Preservation Fund – County Clerk recording fee is the primary source of revenue for this fund. Expenditures are for establishing or reestablishing public land survey corners as defined under ORS Chapter 209.

Environmental Service Fund – Environmental service fees are the primary source of revenue in this fund. Expenditures consist of personnel and material costs for the provision of services.

PL 110-343 Title III Fund – Revenues from Public Law 110-343 Safety Net Payments for reinvested Oregon and California Railroad grant land and reconveyed Coos Bay Wagon Road grant lands. Expenditures are as allowed under Title III of the Act.

Library Service District Fund – This fund is used to account the operations of the Library District. This fund is financed primarily by property taxes levied within the District area which are re-distributed to libraries within the District.

4-H and Extension Service District Fund – This fund is used to account for the activities of the 4-H and Extension Service District. Primary revenue sources are property taxes, grants and interest. Primary expenditures are to provide citizens of the District with research-based knowledge and education that focus on strengthening communities and economies, sustaining natural resources, and promoting healthy families and individuals.

Debt Service Funds:

Bonded Debt Fund – This fund is used to account for and report on payment of bond principal and interest for the non-defeased portions of all County general obligation bonds issues. Revenues consist primarily of property taxes.

**COOS COUNTY, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018**

	Animal Control	Public Health	Planning	Law Library	LNG	County Parks
ASSETS						
Cash and cash equivalents	\$ 262,797	\$ 1,336,073	\$ 20,728	\$ 215,474	\$ 136,148	\$ 1,303,468
Restricted cash	112,949	-	-	-	-	-
Prepaid expenses	-	47,656	-	-	-	-
Receivables:						
Property taxes	-	-	-	-	-	-
Accounts	204	239,607	14,761	-	-	169,721
Note receivable	10,536	-	-	-	-	-
Due from other funds	-	208,690	-	-	-	-
Total assets	\$ 386,486	\$ 1,832,026	\$ 35,489	\$ 215,474	\$ 136,148	\$ 1,473,189
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 784	\$ 120,284	\$ 2,724	\$ -	\$ 2,292	\$ 56,064
Payroll payable	2,739	34,862	8,776	-	5,728	16,107
Unearned revenue	-	16,408	-	-	-	366,687
Due to other funds	2,349	-	1,301	-	829	13,071
Total liabilities	5,872	171,554	12,801	-	8,849	451,929
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-installment sale	10,536	-	-	-	-	-
Unavailable revenue-property taxes	-	-	-	-	-	-
Total deferred inflows of resources	10,536	-	-	-	-	-
Fund balances:						
Nonspendable	-	47,656	-	-	-	-
Restricted	113,273	1,612,816	-	215,474	127,299	-
Committed	256,805	-	-	-	-	1,021,260
Assigned	-	-	22,688	-	-	-
Total fund balances	370,078	1,660,472	22,688	215,474	127,299	1,021,260
Total liabilities, deferred inflows of resources and fund balances	\$ 386,486	\$ 1,832,026	\$ 35,489	\$ 215,474	\$ 136,148	\$ 1,473,189

See auditor's report.

Community Corrections	Crime Victim Assistance	SCINT	Economic Development	Bandon Dunes Assessment	Administrative Grants	County School	Footpaths and Bicycle Trails
\$ 2,352,607	\$ 26,914	\$ 137,943	\$ 175,497	\$ (202,254)	\$ 131,450	\$ 75	\$ 488,751
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
16,343	11,183	45	-	337,217	94,799	-	4,438
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 2,368,950</u>	<u>\$ 38,097</u>	<u>\$ 137,988</u>	<u>\$ 175,497</u>	<u>\$ 134,963</u>	<u>\$ 226,249</u>	<u>\$ 75</u>	<u>\$ 493,189</u>
\$ 8,502	\$ 2,968	\$ 5,646	\$ 6,013	\$ 134,887	\$ 6,833	\$ 75	\$ -
33,293	2,463	970	-	-	-	-	-
-	-	-	-	-	-	-	-
4,204	9,216	127	-	-	88,937	-	-
<u>45,999</u>	<u>14,647</u>	<u>6,743</u>	<u>6,013</u>	<u>134,887</u>	<u>95,770</u>	<u>75</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,322,951	23,450	131,245	169,484	76	130,479	-	493,189
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,322,951</u>	<u>23,450</u>	<u>131,245</u>	<u>169,484</u>	<u>76</u>	<u>130,479</u>	<u>-</u>	<u>493,189</u>
<u>\$ 2,368,950</u>	<u>\$ 38,097</u>	<u>\$ 137,988</u>	<u>\$ 175,497</u>	<u>\$ 134,963</u>	<u>\$ 226,249</u>	<u>\$ 75</u>	<u>\$ 493,189</u>

COOS COUNTY, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Industrial Development	Public Health Title XIX	Mental Health Title XIX	County Family Mediation	911 Dispatch	County Clerk Records
ASSETS						
Cash and cash equivalents	\$ 55,238	\$ 231,450	\$ 664,042	\$ 147,331	\$ 81,543	\$ 95,544
Restricted cash	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Receivables:						
Taxes receivable	-	-	-	-	-	-
Accounts receivable	-	-	24,567	-	89,843	1,797
Note receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	\$ 55,238	\$ 231,450	\$ 688,609	\$ 147,331	\$ 171,386	\$ 97,341
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 1,852	\$ 1,377	\$ 1,132
Payroll payable	-	-	-	-	12,810	-
Unearned revenue	-	-	-	-	1,767	-
Due to other funds	-	-	-	-	366	-
Total liabilities	-	-	-	1,852	16,320	1,132
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-installment sale	-	-	-	-	-	-
Unavailable revenue-property taxes	-	-	-	-	-	-
	-	-	-	-	-	-
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	231,450	688,609	145,479	155,066	96,209
Committed	55,238	-	-	-	-	-
Assigned	-	-	-	-	-	-
Total fund balances	55,238	231,450	688,609	145,479	155,066	96,209
Total liabilities, deferred inflows of resources and fund balances	\$ 55,238	\$ 231,450	\$ 688,609	\$ 147,331	\$ 171,386	\$ 97,341

See auditor's report.

Public Land Corner Preservation	PL110-343 Title III	Library District Service	4-H & Extension Service District	Bonded Debt	Totals
\$ 93,881	368,819	\$ 162,068	\$ 345,225	\$ 173,149	\$ 8,803,961
-	-	-	-	-	112,949
-	-	-	-	-	47,656
-	-	350,494	42,694	137,527	530,715
1,248	-	-	-	-	1,005,773
-	-	-	-	-	10,536
-	-	-	-	-	208,690
<u>\$ 95,129</u>	<u>\$ 368,819</u>	<u>\$ 512,562</u>	<u>\$ 387,919</u>	<u>\$ 310,676</u>	<u>\$ 10,720,280</u>
\$ 1,025	\$ 94,943	\$ 162,068	\$ 112,846	\$ -	\$ 722,315
5,610	-	-	-	-	123,358
-	245,005	-	-	-	629,867
-	-	-	-	-	120,400
<u>6,635</u>	<u>339,948</u>	<u>162,068</u>	<u>112,846</u>	<u>-</u>	<u>1,595,940</u>
-	-	-	-	-	10,536
-	-	302,072	36,790	116,291	455,153
-	-	302,072	36,790	116,291	465,689
-	-	-	-	-	47,656
88,494	28,871	48,422	238,283	194,385	7,255,004
-	-	-	-	-	1,333,303
-	-	-	-	-	22,688
<u>88,494</u>	<u>28,871</u>	<u>48,422</u>	<u>238,283</u>	<u>194,385</u>	<u>8,658,651</u>
<u>\$ 95,129</u>	<u>\$ 368,819</u>	<u>\$ 512,562</u>	<u>\$ 387,919</u>	<u>\$ 310,676</u>	<u>\$ 10,720,280</u>

COOS COUNTY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	Animal Control	Public Health	Planning	Law Library	LNG	County Parks
Revenues:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-	-	-
Intergovernmental	-	880,859	33,709	-	-	880,806
Licenses, fees, and permits	22,326	1,317,537	272,636	-	-	1,069,708
Charges for services	69,634	214,601	7,543	-	425,681	-
Fines and forfeitures	-	-	-	52,017	-	-
Interest on investments	6,270	22,330	539	3,574	3,069	19,127
Other revenue	57,852	6,162	-	25	-	2,439
Total revenues	156,082	2,441,489	314,427	55,616	428,750	1,972,080
Expenditures:						
General government	-	-	348,379	1,692	-	-
Public safety	256,320	-	-	-	370,514	-
Health and welfare	-	2,202,774	-	-	-	-
Community development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	1,234,625
Intergovernmental	-	-	-	-	-	-
Capital outlay	-	-	-	-	205,249	414,063
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	256,320	2,202,774	348,379	1,692	575,763	1,648,688
Excess (deficiency) of revenues over (under) expenditures	(100,238)	238,715	(33,952)	53,924	(147,013)	323,392
Other financing sources (uses):						
Sale of assets	-	811	-	-	-	13,206
Transfers in	147,885	176,467	7,055	-	-	-
Transfers out	-	-	(30,000)	(15,000)	-	(155,880)
Total other financing sources (uses)	147,885	177,278	(22,945)	(15,000)	-	(142,674)
Net change in fund balance	47,647	415,993	(56,897)	38,924	(147,013)	180,718
Net assets at beginning of year	322,431	1,244,479	79,585	176,550	274,312	840,542
Fund balances at end of year	\$ 370,078	\$ 1,660,472	\$ 22,688	\$ 215,474	\$ 127,299	\$ 1,021,260

See auditor's report.

<u>Community Corrections</u>	<u>Crime Victim Assistance</u>	<u>SCINT</u>	<u>Economic Development</u>	<u>Bandon Dunes Assessment</u>	<u>Administrative Grants</u>	<u>County School</u>	<u>Footpaths and Bicycle Trails</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	1,167,737	-	122,630	-
2,446,007	151,013	60,763	200,437	-	722,883	56,597	47,012
143,752	-	-	9,378	-	-	-	-
-	-	675	-	-	3,521	-	-
63,923	-	60,373	-	-	-	-	-
44,015	346	1,771	2,586	76	2,624	234	7,800
1,297	960	8,636	360	-	-	-	-
<u>2,698,994</u>	<u>152,319</u>	<u>132,218</u>	<u>212,761</u>	<u>1,167,813</u>	<u>729,028</u>	<u>179,461</u>	<u>54,812</u>
-	181,777	-	-	-	-	-	-
2,478,569	-	134,912	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	158,517	467,095	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	754,607	179,461	-
64,918	-	-	-	-	5,862	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,543,487</u>	<u>181,777</u>	<u>134,912</u>	<u>158,517</u>	<u>467,095</u>	<u>760,469</u>	<u>179,461</u>	<u>-</u>
<u>155,507</u>	<u>(29,458)</u>	<u>(2,694)</u>	<u>54,244</u>	<u>700,718</u>	<u>(31,441)</u>	<u>-</u>	<u>54,812</u>
-	-	280	-	-	-	-	-
-	21,955	-	-	-	-	-	-
(45,823)	-	-	(7,055)	(700,642)	-	-	-
<u>(45,823)</u>	<u>21,955</u>	<u>280</u>	<u>(7,055)</u>	<u>(700,642)</u>	<u>-</u>	<u>-</u>	<u>-</u>
109,684	(7,503)	(2,414)	47,189	76	(31,441)	-	54,812
<u>2,213,267</u>	<u>30,953</u>	<u>133,659</u>	<u>122,295</u>	<u>-</u>	<u>161,920</u>	<u>-</u>	<u>438,377</u>
<u>\$ 2,322,951</u>	<u>\$ 23,450</u>	<u>\$ 131,245</u>	<u>\$ 169,484</u>	<u>\$ 76</u>	<u>\$ 130,479</u>	<u>\$ -</u>	<u>\$ 493,189</u>

COOS COUNTY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
For the Year Ended June 30, 2018

	Industrial Development	Public Health Title XIX	Mental Health Title XIX	County Family Mediation	911 Dispatch	County Clerk Records
Revenues:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes and special assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	37,424	354,038	-
Licenses, fees, and permits	-	-	273,968	-	-	24,615
Charges for services	-	-	-	-	162,754	-
Fines and forfeitures	-	-	-	-	-	-
Interest on investments	1,007	3,875	15,542	2,552	1,656	1,747
Other revenue	-	-	-	-	1,743	-
Total revenues	1,007	3,875	289,510	39,976	520,191	26,362
Expenditures:						
General government	-	-	-	-	-	28,581
Public safety	-	-	-	-	1,188,390	-
Health and welfare	-	-	-	17,235	-	-
Community development	15,000	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	12,365
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	15,000	-	-	17,235	1,188,390	40,946
Excess (deficiency) of revenues over (under) expenditures	(13,993)	3,875	289,510	22,741	(668,199)	(14,584)
Other financing sources (uses):						
Sale of assets	-	-	-	-	-	-
Transfers in	-	-	-	-	602,865	-
Transfers out	-	-	(418,000)	-	-	-
Total other financing sources (uses)	-	-	(418,000)	-	602,865	-
Net change in fund balance	(13,993)	3,875	(128,490)	22,741	(65,334)	(14,584)
Fund balance at beginning of year	69,231	227,575	817,099	122,738	220,400	110,793
Fund balances at end of year	\$ 55,238	\$ 231,450	\$ 688,609	\$ 145,479	\$ 155,066	\$ 96,209

See auditor's report.

Public Land Corner Preservation	Environmental Service	PL110-343 Title III	Library Service District	4-H & Extension Service District	Bonded Debt	Totals
\$ -	\$ -	\$ -	\$ 3,655,405	\$ 445,731	\$ 1,352,797	\$ 5,453,933
-	-	-	5,136	626	1,884	1,298,013
-	-	179,431	-	-	-	6,050,979
99,218	-	-	-	-	-	3,233,138
1,124	-	-	-	-	-	885,533
-	-	-	22,791	2,779	18,809	220,692
1,771	-	6,182	5,657	6,141	12,554	173,045
-	-	-	-	-	-	79,474
<u>102,113</u>	<u>-</u>	<u>185,613</u>	<u>3,688,989</u>	<u>455,277</u>	<u>1,386,044</u>	<u>17,394,807</u>
127,723	-	179,267	-	-	-	867,419
-	-	-	-	-	-	4,428,705
-	-	-	-	-	-	2,220,009
-	-	-	-	-	-	640,612
-	-	-	3,683,831	436,514	-	5,354,970
-	-	-	-	-	-	934,068
-	-	-	-	-	-	702,457
-	-	-	-	-	1,015,000	1,015,000
-	-	-	-	-	335,500	335,500
<u>127,723</u>	<u>-</u>	<u>179,267</u>	<u>3,683,831</u>	<u>436,514</u>	<u>1,350,500</u>	<u>16,498,740</u>
(25,610)	-	6,346	5,158	18,763	35,544	896,067
-	-	-	-	-	-	14,297
-	-	-	-	-	-	956,227
-	(176,467)	-	-	-	-	(1,548,867)
-	(176,467)	-	-	-	-	(578,343)
(25,610)	(176,467)	6,346	5,158	18,763	35,544	317,724
114,104	176,467	22,525	43,264	219,520	158,841	8,340,927
<u>\$ 88,494</u>	<u>\$ -</u>	<u>\$ 28,871</u>	<u>\$ 48,422</u>	<u>\$ 238,283</u>	<u>\$ 194,385</u>	<u>\$ 8,658,651</u>

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ANIMAL CONTROL FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Licenses, fees, and permits	\$ 24,000	\$ 22,326	\$ (1,674)
Charges for services	73,000	69,634	(3,366)
Interest on investments	1,000	6,270	5,270
Other	500	57,852	57,352
	<hr/>	<hr/>	<hr/>
Total revenues	98,500	156,082	57,582
Expenditures:			
Public Safety:			
Personnel services	219,542	187,320	32,222
Materials and services	139,334	69,000	70,334
Capital outlay	25,000	-	25,000
Contingency	128,474	-	128,474
	<hr/>	<hr/>	<hr/>
Total expenditures	512,350	256,320	256,030
Excess (deficiency) of revenues over (under) expenditures	<hr/> (413,850)	<hr/> (100,238)	<hr/> 313,612
Other financing sources (uses):			
Transfer in	147,885	147,885	-
	<hr/>	<hr/>	<hr/>
Net change in fund balance	(265,965)	47,647	313,612
Fund balance at beginning of year	265,965	322,431	56,466
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 370,078</u>	<u>\$ 370,078</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC HEALTH FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 903,600	\$ 880,859	\$ (22,741)
Licenses, fees, and permits	1,022,042	1,317,537	295,495
Charges for services	17,500	214,601	197,101
Interest on investments	9,000	22,330	13,330
Other	6,800	6,162	(638)
	<u>1,958,942</u>	<u>2,441,489</u>	<u>482,547</u>
Total revenues			
Expenditures:			
Public Health:			
CCPH / Health Division	2,603,340	2,202,774	400,566
Contingency	655,602	-	655,602
	<u>3,258,942</u>	<u>2,202,774</u>	<u>1,056,168</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(1,300,000)</u>	<u>238,715</u>	<u>1,538,715</u>
Other financing sources (uses):			
Sale of capital assets	-	811	811
Transfer in	300,000	176,467	(123,533)
	<u>300,000</u>	<u>177,278</u>	<u>(122,722)</u>
Total other financing sources			
Net change in fund balance	(1,000,000)	415,993	1,415,993
Fund balance at beginning of year	<u>1,000,000</u>	<u>1,244,479</u>	<u>244,479</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 1,660,472</u>	<u>\$ 1,660,472</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PLANNING FUND
For the Year Ended June 30, 2018

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 69,988	\$ 33,709	\$ (36,279)
Licenses, fees, and permits	309,274	272,636	(36,638)
Charges for services	3,000	7,543	4,543
Fines and forfeitures	7,000	-	(7,000)
Interest on investments	-	539	539
	<u>389,262</u>	<u>314,427</u>	<u>(74,835)</u>
Total revenues			
Expenditures:			
General Government:			
Personnel services	307,967	305,199	2,768
Materials and services	105,697	43,180	62,517
Contingency	38,621	-	38,621
	<u>452,285</u>	<u>348,379</u>	<u>103,906</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(63,023)</u>	<u>(33,952)</u>	<u>29,071</u>
Other financing sources (uses):			
Transfer out	(30,000)	(30,000)	-
Transfer in	39,200	7,055	(32,145)
	<u>9,200</u>	<u>(22,945)</u>	<u>(32,145)</u>
Total other financing sources			
Net change in fund balance	(53,823)	(56,897)	(3,074)
Fund balance at beginning of year	<u>98,000</u>	<u>79,585</u>	<u>(18,415)</u>
Fund balance at end of year	<u>\$ 44,177</u>	<u>\$ 22,688</u>	<u>\$ (21,489)</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LAW LIBRARY FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Fines and forfeitures	\$ 55,000	\$ 52,017	\$ (2,983)
Interest on investments	1,000	3,574	2,574
Other	-	25	25
	<hr/>	<hr/>	<hr/>
Total revenues	56,000	55,616	(384)
Expenditures:			
General Government:			
Personnel services	2,879	632	2,247
Materials and services	170,500	1,060	169,440
Capital outlay	5,000	-	5,000
Contingency	17,301	-	17,301
	<hr/>	<hr/>	<hr/>
Total expenditures	195,680	1,692	193,988
Excess (deficiency) of revenues over (under) expenditures	(139,680)	53,924	193,604
Other financing sources (uses):			
Transfer out	(15,000)	(15,000)	-
	<hr/>	<hr/>	<hr/>
Net change in fund balance	(154,680)	38,924	193,604
Fund balance at beginning of year	154,680	176,550	21,870
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	\$ -	\$ 215,474	\$ 215,474
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LNG FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Police services	\$ 1,117,064	\$ 425,681	\$ (691,383)
Interest on investments	350	3,069	2,719
	<u>1,117,414</u>	<u>428,750</u>	<u>(688,664)</u>
Total revenues			
Expenditures:			
Public safety:			
Personnel services	412,031	266,802	145,229
Materials and services	113,764	103,712	10,052
Capital outlay	652,700	205,249	447,451
	<u>1,178,495</u>	<u>575,763</u>	<u>602,732</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	(61,081)	(147,013)	(85,932)
Fund balance at beginning of year	<u>61,081</u>	<u>274,312</u>	<u>213,231</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 127,299</u>	<u>\$ 127,299</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNTY PARKS FUND
For the Year Ended June 30, 2018

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 959,699	\$ 880,806	\$ (78,893)
Licenses, fees, and permits	950,250	1,069,708	119,458
Interest on investments	8,500	19,127	10,627
Other	900	2,439	1,539
	<u>1,919,349</u>	<u>1,972,080</u>	<u>52,731</u>
Total revenues			
Expenditures:			
Culture and Recreation:			
Personnel services	651,585	620,301	31,284
Materials and services	638,957	614,324	24,633
Capital outlay	538,804	414,063	124,741
Contingency	327,416	-	327,416
	<u>2,156,762</u>	<u>1,648,688</u>	<u>508,074</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(237,413)</u>	<u>323,392</u>	<u>560,805</u>
Other financing sources (uses):			
Sale of assets	-	13,206	13,206
Transfer out	<u>(155,880)</u>	<u>(155,880)</u>	<u>-</u>
Total other financing sources	<u>(155,880)</u>	<u>(142,674)</u>	<u>13,206</u>
Net change in fund balance	<u>(393,293)</u>	<u>180,718</u>	<u>574,011</u>
Fund balance at beginning of year	<u>678,603</u>	<u>840,542</u>	<u>161,939</u>
Fund balance at end of year	<u>\$ 285,310</u>	<u>\$ 1,021,260</u>	<u>\$ 735,950</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY CORRECTIONS FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 2,451,788	\$ 2,446,007	\$ (5,781)
Licenses, fees, and permits	145,000	143,752	(1,248)
Fines and forfeitures	65,932	63,923	(2,009)
Interest on investments	11,600	44,015	32,415
Other	-	1,297	1,297
	<u>2,674,320</u>	<u>2,698,994</u>	<u>24,674</u>
Total revenues			
Expenditures:			
Public Safety:			
Personnel services	1,918,947	1,768,483	150,464
Materials and services	816,773	710,086	106,687
Capital outlay	75,000	64,918	10,082
Contingency	1,949,647	-	1,949,647
	<u>4,760,367</u>	<u>2,543,487</u>	<u>2,216,880</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(2,086,047)</u>	<u>155,507</u>	<u>2,241,554</u>
Other financing sources (uses):			
Transfer out	<u>(45,823)</u>	<u>(45,823)</u>	<u>-</u>
Net change in fund balance	(2,131,870)	109,684	2,241,554
Fund balance at beginning of year	<u>2,131,870</u>	<u>2,213,267</u>	<u>81,397</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 2,322,951</u>	<u>\$ 2,322,951</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CRIME VICTIM ASSISTANCE FUND
For the Year Ended June 30, 2018

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 153,947	\$ 151,013	\$ (2,934)
Interest on investments	-	346	346
Other	-	960	960
	<hr/>	<hr/>	<hr/>
Total revenues	153,947	152,319	(1,628)
Expenditures:			
General Government:			
Personnel services	156,123	153,021	3,102
Materials and services	29,574	28,756	818
	<hr/>	<hr/>	<hr/>
Total expenditures	185,697	181,777	3,920
Excess (deficiency) of revenues over (under) expenditures	<hr/>	<hr/>	<hr/>
	(31,750)	(29,458)	2,292
Other financing sources (uses):			
Transfers in	21,955	21,955	-
	<hr/>	<hr/>	<hr/>
Net change in fund balance	(9,795)	(7,503)	2,292
Fund balance at beginning of year	9,795	30,953	21,158
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	\$ -	\$ 23,450	\$ 23,450
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SOUTH COAST INTERAGENCY NARCOTICS TEAM (SCINT) FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 34,010	\$ 60,763	\$ 26,753
Charges for services	-	675	675
Fines and forfeitures	25,242	60,373	35,131
Interest on investments	-	1,771	1,771
Other	20,726	8,636	(12,090)
	<u>79,978</u>	<u>132,218</u>	<u>52,240</u>
Total revenues			
Expenditures:			
Public safety:			
Personnel services	102,936	82,804	20,132
Materials and services	94,719	52,108	42,611
Capital outlay	34,010	-	34,010
	<u>231,665</u>	<u>134,912</u>	<u>96,753</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	(151,687)	(2,694)	148,993
Other financing sources (uses):			
Sale of assets	-	280	280
	<u>-</u>	<u>280</u>	<u>280</u>
Net change in fund balance	(151,687)	(2,414)	149,273
Fund balance at beginning of year	151,687	133,659	(18,028)
Fund balance at end of year	<u>\$ -</u>	<u>\$ 131,245</u>	<u>\$ 131,245</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 175,000	\$ 200,437	\$ 25,437
Licenses, fees, and permits	6,000	9,378	3,378
Interest on investments	3,500	2,586	(914)
Other	-	360	360
	<hr/>	<hr/>	<hr/>
Total revenues	184,500	212,761	28,261
	<hr/>	<hr/>	<hr/>
Expenditures:			
Community Development:			
Materials and services	252,177	158,517	93,660
Operating Contingency	41,021	-	41,021
	<hr/>	<hr/>	<hr/>
Total expenditures	293,198	158,517	134,681
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(108,698)	54,244	162,942
	<hr/>	<hr/>	<hr/>
Other financing sources (uses):			
Transfers out	(39,200)	(7,055)	32,145
	<hr/>	<hr/>	<hr/>
Net change in fund balance	(147,898)	47,189	195,087
	<hr/>	<hr/>	<hr/>
Fund balance at beginning of year	147,898	122,295	(25,603)
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 169,484</u>	<u>\$ 169,484</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BANDON DUNES ASSESSMENT FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Other	\$ 1,125,000	\$ 1,167,737	\$ 42,737
Interest on investments	-	76	76
Total revenues	<u>1,125,000</u>	<u>1,167,813</u>	<u>42,813</u>
Expenditures:			
Community Development:			
County Tourism Workgroup	<u>450,000</u>	<u>467,095</u>	<u>(17,095)</u>
Total expenditures	<u>450,000</u>	<u>467,095</u>	<u>(17,095)</u>
Excess (deficiency) of revenues over (under) expenditures	675,000	700,718	25,718
Other financing sources (uses):			
Transfers out	<u>(675,000)</u>	<u>(700,642)</u>	<u>(25,642)</u>
Net change in fund balance	-	76	76
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 76</u>	<u>\$ 76</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ADMINISTRATIVE GRANT FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 1,209,671	\$ 722,883	\$ (486,788)
Charges for services	30,000	3,521	(26,479)
Interest on investments	1,500	2,624	1,124
	<u>1,241,171</u>	<u>729,028</u>	<u>(512,143)</u>
Total revenues			
Expenditures:			
Intergovernmental:			
Materials and services	883,853	754,607	129,246
Capital outlay	508,727	5,862	502,865
	<u>1,392,580</u>	<u>760,469</u>	<u>632,111</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	(151,409)	(31,441)	119,968
Fund balance at beginning of year	<u>151,409</u>	<u>161,920</u>	<u>10,511</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 130,479</u>	<u>\$ 130,479</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNTY SCHOOL FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Taxes - other	\$ 105,250	\$ 122,630	\$ 17,380
Intergovernmental	120,000	56,597	(63,403)
Interest on investments	75	234	159
	<u>225,325</u>	<u>179,461</u>	<u>(45,864)</u>
Total revenues			
Expenditures:			
Intergovernmental:			
For support of schools	<u>225,325</u>	<u>179,461</u>	<u>45,864</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOOT PATHS AND BICYCLE TRAILS FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 43,000	\$ 47,012	\$ 4,012
Interest on investments	3,000	7,800	4,800
	<u>46,000</u>	<u>54,812</u>	<u>8,812</u>
Total revenues			
Expenditures:			
Public Works:			
Materials and services	30,000	-	30,000
Capital outlay	454,535	-	454,535
	<u>484,535</u>	<u>-</u>	<u>484,535</u>
Total expenditures			
Net change in fund balance	(438,535)	54,812	493,347
Fund balance at beginning of year	<u>438,535</u>	<u>438,377</u>	<u>(158)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 493,189</u>	<u>\$ 493,189</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
INDUSTRIAL DEVELOPMENT FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Interest on investments	\$ 500	\$ 1,007	\$ 507
Expenditures:			
Community Development:			
Materials and services	59,600	15,000	44,600
Capital outlay	10,000	-	10,000
Total expenditures	<u>69,600</u>	<u>15,000</u>	<u>54,600</u>
Net change in fund balance	(69,100)	(13,993)	55,107
Fund balance at beginning of year	<u>69,100</u>	<u>69,231</u>	<u>131</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 55,238</u>	<u>\$ 55,238</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC HEALTH - TITLE XIX FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Interest on investments	\$ 800	\$ 3,875	\$ 3,075
Expenditures:			
Health & Welfare			
Contingency	52,996	-	52,996
Excess (deficiency) of revenues over (under) expenditures	(52,196)	3,875	56,071
Other financing sources (uses):			
Transfer out	(100,000)	-	100,000
Net change in fund balance	(152,196)	3,875	156,071
Fund balance at beginning of year	152,196	227,575	75,379
Fund balance at end of year	<u>\$ -</u>	<u>\$ 231,450</u>	<u>\$ 231,450</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MENTAL HEALTH - TITLE XIX FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Licenses, fees, and permits	\$ 304,798	\$ 273,968	\$ (30,830)
Interest on investments	6,936	15,542	8,606
Total revenues	<u>311,734</u>	<u>289,510</u>	<u>(22,224)</u>
Expenditures:			
Health & Welfare:			
Contingency	<u>664,058</u>	<u>-</u>	<u>664,058</u>
Excess (deficiency) of revenues over (under) expenditures	(352,324)	289,510	641,834
Other financing sources (uses):			
Transfer out	<u>(418,000)</u>	<u>(418,000)</u>	<u>-</u>
Net change in fund balance	(770,324)	(128,490)	641,834
Fund balance at beginning of year	<u>770,324</u>	<u>817,099</u>	<u>46,775</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 688,609</u>	<u>\$ 688,609</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNTY FAMILY MEDIATION FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 20,000	\$ 37,424	\$ 17,424
Interest on investments	800	2,552	1,752
	<hr/>	<hr/>	<hr/>
Total revenues	20,800	39,976	19,176
	<hr/>	<hr/>	<hr/>
Expenditures:			
Health and Welfare:			
Materials and services	140,323	17,235	123,088
	<hr/>	<hr/>	<hr/>
Net change in fund balance	(119,523)	22,741	142,264
	<hr/>	<hr/>	<hr/>
Fund balance at beginning of year	119,523	122,738	3,215
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 145,479</u>	<u>\$ 145,479</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
911/DISPATCH FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 319,300	\$ 354,038	\$ 34,738
Licenses, fees, and permits	200	-	(200)
Charges for services	158,899	162,754	3,855
Interest on investments	1,000	1,655	655
Other	-	1,743	1,743
	<hr/>	<hr/>	<hr/>
Total revenues	479,399	520,190	40,791
Expenditures:			
Public Safety:			
Dispatch division	729,577	686,393	43,184
PSAP division	538,734	501,997	36,737
	<hr/>	<hr/>	<hr/>
Total expenditures	1,268,311	1,188,390	79,921
Excess (deficiency) of revenues over (under) expenditures	<hr/>	<hr/>	<hr/>
	(788,912)	(668,200)	120,712
Other financing sources (uses):			
Transfer in	602,865	602,865	-
Transfer out	(545)	(545)	-
	<hr/>	<hr/>	<hr/>
Total other financing sources	602,320	602,320	-
Net change in fund balance	<hr/>	<hr/>	<hr/>
	(186,592)	(65,880)	120,712
Fund balance at beginning of year	<hr/>	<hr/>	<hr/>
	186,592	220,400	33,808
Fund balance at end of year	<hr/>	<hr/>	<hr/>
	\$ -	\$ 154,520	\$ 154,520

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNTY CLERK RECORDS FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Licenses, fees, and permits	\$ 21,000	\$ 24,615	\$ 3,615
Interest on investments	500	1,747	1,247
	<hr/>	<hr/>	<hr/>
Total revenues	21,500	26,362	4,862
	<hr/>	<hr/>	<hr/>
Expenditures:			
General Government:			
Materials and services	96,322	28,581	67,741
Capital outlay	35,000	12,365	22,635
	<hr/>	<hr/>	<hr/>
Total expenditures	131,322	40,946	90,376
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(109,822)	(14,584)	95,238
Fund balance at beginning of year	109,822	110,793	971
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 96,209</u>	<u>\$ 96,209</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC LAND CORNER PRESERVATION FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Licenses, fees, and permits	\$ 90,250	\$ 99,218	\$ 8,968
Charges for services	-	1,124	1,124
Interest on investments	600	1,771	1,171
	<hr/>	<hr/>	<hr/>
Total revenues	90,850	102,113	11,263
	<hr/>	<hr/>	<hr/>
Expenditures:			
General Government:			
Personnel services	115,517	113,654	1,863
Materials and services	22,008	14,069	7,939
Contingency	58,325	-	58,325
	<hr/>	<hr/>	<hr/>
Total expenditures	195,850	127,723	68,127
	<hr/>	<hr/>	<hr/>
Net change in fund balance	(105,000)	(25,610)	79,390
	<hr/>	<hr/>	<hr/>
Fund balance at beginning of year	105,000	114,104	9,104
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	\$ -	\$ 88,494	\$ 88,494
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ENVIRONMENTAL SERVICE FUND
For the Year Ended June 30, 2018

	Final Budget	Actual	Variance
Other financing sources (uses):			
Transfers out	\$ (200,000)	\$ (176,467)	\$ 23,533
Net change in fund balance	(200,000)	(176,467)	23,533
Fund balance at beginning of year	200,000	176,467	(23,533)
Fund balance at end of year	\$ -	\$ -	\$ -

See auditor's report.

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PL 110-343 IN LIEU TITLE III FUND
For the Year Ended June 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ -	\$ 179,431	\$ 179,431
Interest on investments	3,000	6,182	3,182
Total revenues	<u>3,000</u>	<u>185,613</u>	<u>182,613</u>
Expenditures:			
General Government:			
Materials and services	<u>461,392</u>	<u>179,267</u>	<u>282,125</u>
Net change in fund balance	(458,392)	6,346	464,738
Fund balance at beginning of year	<u>458,392</u>	<u>22,525</u>	<u>(435,867)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 28,871</u>	<u>\$ 28,871</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LIBRARY SERVICE DISTRICT FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Property taxes	\$ 3,564,468	\$ 3,655,405	\$ 90,937
Taxes - other	10,000	5,136	(4,864)
Fines and forfeitures	20,000	22,791	2,791
Interest on investments	2,500	5,657	3,157
	<u>3,596,968</u>	<u>3,688,989</u>	<u>92,021</u>
Total revenues			
Expenditures:			
Culture and Recreation:			
Materials and services	3,636,968	3,683,831	(46,863)
	<u>(40,000)</u>	<u>5,158</u>	<u>45,158</u>
Net change in fund balance			
Fund balance at beginning of year	40,000	43,264	3,264
Fund balance at end of year	<u>\$ -</u>	<u>\$ 48,422</u>	<u>\$ 48,422</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
4-H & EXTENSION SERVICE DISTRICT FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Property taxes	\$ 435,849	\$ 445,731	\$ 9,882
Taxes - other	500	626	126
Fines and forfeitures	3,500	2,779	(721)
Interest on investments	3,000	6,141	3,141
	<u>442,849</u>	<u>455,277</u>	<u>12,428</u>
Total revenues			
Expenditures:			
Culture and Recreation:			
Materials and services	468,250	436,514	31,736
Operating contingency	59,916	-	59,916
	<u>528,166</u>	<u>436,514</u>	<u>91,652</u>
Total expenditures			
Net change in fund balance	(85,317)	18,763	104,080
Fund balance at beginning of year	<u>364,867</u>	<u>219,520</u>	<u>(145,347)</u>
Fund balance at end of year	<u>\$ 279,550</u>	<u>\$ 238,283</u>	<u>\$ (41,267)</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DISPATCH EQUIPMENT RESERVE FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Interest on investments	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
Expenditures:			
Public Safety:			
Capital outlay	<u>545</u>	<u>-</u>	<u>545</u>
Excess (deficiency) of revenues over (under) expenditures	(545)	1	546
Other financing sources (uses):			
Transfers in	<u>545</u>	<u>545</u>	<u>-</u>
Net change in fund balance	-	546	546
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 546</u></u>	<u><u>\$ 546</u></u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BONDED DEBT FUND
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Property taxes	\$ 1,240,500	\$ 1,352,797	\$ 112,297
Taxes - other	-	1,884	1,884
Fines and forfeitures	25,000	18,809	(6,191)
Interest on investments	5,000	12,554	7,554
	<u>1,270,500</u>	<u>1,386,044</u>	<u>115,544</u>
Total revenues			
Expenditures:			
Debt Service:			
Principal	1,015,000	1,015,000	-
Interest	335,500	335,500	-
	<u>1,350,500</u>	<u>1,350,500</u>	<u>-</u>
Total expenditures			
Net change in fund balance	(80,000)	35,544	115,544
Fund balance at beginning of year	80,000	158,841	78,841
Fund balance at end of year	<u>\$ -</u>	<u>\$ 194,385</u>	<u>\$ 194,385</u>

**COOS COUNTY, OREGON
COMBINING BALANCE SHEET
COMBINING SCHEDULE (911 DISPATCH FUND AND DISPATCH EQUIPMENT RESERVE FUND)
For GAAP Basis Presentation
June 30, 2018**

	<u>911 Dispatch</u>	<u>Dispatch Equipment Reserve Fund</u>	<u>Totals</u>
ASSETS			
Cash and cash equivalents	\$ 80,997	\$ 546	\$ 81,543
Receivables:			
Accounts	89,843	-	89,843
Total assets	<u>\$ 170,840</u>	<u>\$ 546</u>	<u>\$ 171,386</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,377	\$ -	\$ 1,377
Payroll payable	12,810	-	12,810
Unearned revenue	1,767	-	1,767
Due to other funds	366	-	366
Total liabilities	<u>16,320</u>	<u>-</u>	<u>16,320</u>
Fund balances:			
Restricted	154,520	546	155,066
Total fund balances	<u>154,520</u>	<u>546</u>	<u>155,066</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 170,840</u>	<u>\$ 546</u>	<u>\$ 171,386</u>

*The Dispatch Equipment Reserve Fund does not meet the criteria for a Special Revenue Fund under Governmental Accounting Standards Board Statement #54 as it does not have a specific, outside revenue stream. However, it is allowable under Oregon Budget Law. Therefore, for GAAP presentation purposes, the Dispatch Equipment Reserve Fund has been combined with the 911 Dispatch Fund, due to these budgetary perspective differences.

COOS COUNTY, OREGON
COMBINING SCHEDULE (911 DISPATCH FUND AND DISPATCH EQUIPMENT RESERVE FUND)
For GAAP Basis Presentation
For the Year Ended June 30, 2018

	911 Dispatch	Dispatch Equipment Reserve Fund	Total
Revenues:			
Intergovernmental	\$ 354,038	\$ -	\$ 354,038
Charges for services	162,754	-	162,754
Interest on investments	1,655	1	1,656
Other revenue	1,743	-	1,743
Total revenues	520,190	1	520,191
Expenditures:			
General government :			
Personnel services	975,554	-	975,554
Materials and services	212,836	-	212,836
Total expenditures	1,188,390	-	1,188,390
Excess (deficiency) of revenues over (under) expenditures	(668,200)	1	(668,199)
Other financing sources (uses):			
Transfers in	602,865	545	603,410
Transfers out	(545)	-	(545)
Total other financing sources (uses)	602,320	545	602,865
Net change in fund balances	(65,880)	546	(65,334)
Fund balances at beginning of year	220,400	-	220,400
Fund balances at end of year	\$ 154,520	\$ 546	\$ 155,066

*The Dispatch Equipment Reserve Fund does not meet the criteria for a Special Revenue Fund under Governmental Accounting Standards Board Statement #54 as it does not have a specific, outside revenue stream. However, it is allowable under Oregon Budget Law. Therefore, for GAAP presentation purposes, the Dispatch Equipment Reserve Fund has been combined with the 911 Dispatch Fund, due to these budgetary perspective differences.

PROPRIETARY FUNDS - ENTERPRISE FUNDS

Proprietary funds are used to account for and report activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). The County's enterprise funds are:

Waste Disposal Operations Fund – Financial activities of the County's waste disposal operations are primarily accounted for and reported in this fund. The fund's primary revenue source is waste disposal fees.

Waste Disposal Reserve Fund – This fund is used to accumulate reserves to assist in closing and post-closing costs of the landfill. The primary source of revenue is transfers and earnings on investments. For generally accepted accounting principles, this fund is combined into the Waste Disposal Operations Fund.

Gas Pipeline Fund – This fund is used to account for and report on the County's natural gas pipeline operations. Franchise fees and interest income are the current primary sources of revenue in this fund. Expenditures are for the operations of the natural gas pipeline from Roseburg to the Coos Bay – North Bend area and remedial construction expenses.

County Fair Fund – This fund accounts for and reports on the financial operations of the County fair. Major revenue sources are from state apportionments and receipts from operation of the annual fair. Expenditures are for fairgrounds maintenance and construction, fair administration, and general operating costs.

Coos County Area Transit Service District Fund – The fund was established for the purpose of providing public transportation service facilities. The District is not empowered to levy taxes, impose assessments, or incur bonded indebtedness, and is financed solely through rider fees, donations, fund raisers, sale of equipment, grants, operating subsidies, and other such non-property tax sources.

COOS COUNTY, OREGON
SUB-COMBING STATEMENT OF NET POSITION
WASTE DISPOSAL FUNDS
June 30, 2018

	Waste Disposal	Waste Reserve	Total Waste Disposal
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,422,494	\$ 601,861	\$ 3,024,355
Accounts receivable	193,721	-	193,721
Total current assets	<u>2,616,215</u>	<u>601,861</u>	<u>3,218,076</u>
Noncurrent assets:			
Capital assets:			
Land	9,862	-	9,862
Other capital assets (net of accumulated depreciation)	1,687,382	-	1,687,382
Total noncurrent assets	<u>1,697,244</u>	<u>-</u>	<u>1,697,244</u>
Total assets	<u>4,313,459</u>	<u>601,861</u>	<u>4,915,320</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts related to pensions	149,074	-	149,074
LIABILITIES			
Current liabilities:			
Accounts payable	129,751	-	129,751
Accrued payroll benefits	6,381	-	6,381
Compensated absences payable	52,599	-	52,599
Current portion of long-term liabilities:			
Landfill closure/post closure costs	81,667	-	81,667
Total current liabilities	<u>270,398</u>	<u>-</u>	<u>270,398</u>
Noncurrent liabilities:			
Long-term liabilities (net of current portion)			
Net pension liability	339,054	-	339,054
Accrued other postemployment benefits obligation	19,015	-	19,015
Accrued landfill closure/post-closure care costs	1,514,082	-	1,514,082
Total noncurrent liabilities	<u>1,872,151</u>	<u>-</u>	<u>1,872,151</u>
Total liabilities	<u>2,142,549</u>	<u>-</u>	<u>2,142,549</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	14,483	-	14,483
NET POSITION			
Net investment in capital assets	1,697,244	-	1,697,244
Unrestricted	608,257	601,861	1,210,118
Total net position	<u>\$ 2,305,501</u>	<u>\$ 601,861</u>	<u>\$ 2,907,362</u>

See auditor's report.

COOS COUNTY, OREGON
SUB-COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
WASTE DISPOSAL FUNDS
For the Year Ended June 30, 2018

	Waste Disposal	Waste Reserve	Totals
Operating revenues:			
Waste disposal fees	\$ 2,162,546	\$ -	\$ 2,162,546
Miscellaneous	3,356	-	3,356
Intergovernmental revenues	42,725	-	42,725
Total operating revenues	<u>2,208,627</u>	<u>-</u>	<u>2,208,627</u>
Operating expenses:			
Personnel services	371,499	-	371,499
Materials and services	1,302,151	-	1,302,151
Depreciation	135,141	-	135,141
Total operating expenses	<u>1,808,791</u>	<u>-</u>	<u>1,808,791</u>
Operating income (loss)	<u>399,836</u>	<u>-</u>	<u>399,836</u>
Nonoperating revenues (expense):			
Gain (Loss) on disposition of capital assets	4,298	-	4,298
Interest on investments	35,035	12,203	47,238
Change in estimated post closure costs	-	-	-
Total nonoperating revenues (expenses)	<u>39,333</u>	<u>12,203</u>	<u>51,536</u>
Income (loss) before operating transfers	<u>439,169</u>	<u>12,203</u>	<u>451,372</u>
Transfers:			
Transfer from other funds	127,070	-	127,070
Transfer to other funds	(339,605)	(127,070)	(466,675)
Total transfers	<u>(212,535)</u>	<u>(127,070)</u>	<u>(339,605)</u>
Change in net position	226,634	(114,867)	111,767
Net position (deficit) at beginning of year	<u>2,078,867</u>	<u>716,728</u>	<u>2,795,595</u>
Net positions (deficit) at end of year	<u>\$ 2,305,501</u>	<u>\$ 601,861</u>	<u>\$ 2,907,362</u>

See auditor's report.

COOS COUNTY, OREGON
SUB-COMBING STATEMENT OF CASH FLOWS
WASTE DISPOSAL FUNDS
For the Year Ended June 30, 2018

	Waste Disposal	Waste Disposal Reserve	Totals
Cash flows from operating activities:			
Cash received from customers and users	\$ 2,176,643	\$ -	\$ 2,176,643
Cash paid to employees	(363,049)	-	(363,049)
Cash paid to suppliers	(1,251,852)	-	(1,251,852)
Net cash provided (used) by operating activities	<u>561,742</u>	<u>-</u>	<u>561,742</u>
Cash flows from noncapital financing activities:			
Repayment of loans to/from other funds	(1,797)	-	(1,797)
Interfund transfers (net)	(212,535)	(127,070)	(339,605)
Net cash flows provided (used) by noncapital financing activities	<u>(214,332)</u>	<u>(127,070)</u>	<u>(341,402)</u>
Cash flows from capital and related financing activities:			
Proceeds from sale of capital assets	15,100	-	15,100
Capital expenditures	(163,324)	-	(163,324)
Net cash (used) by capital and related financing activities	<u>(148,224)</u>	<u>-</u>	<u>(148,224)</u>
Cash flows from investing activities:			
Interest received	35,035	12,203	47,238
Net increase (decrease) in cash and cash equivalents	234,221	(114,867)	119,354
Cash and cash equivalents at beginning of year	<u>2,188,273</u>	<u>716,728</u>	<u>2,905,001</u>
Cash and cash equivalents at end of year	<u>\$ 2,422,494</u>	<u>\$ 601,861</u>	<u>\$ 3,024,355</u>

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income (loss)	\$ 399,836	\$ -	\$ 399,836
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	135,141	-	135,141
Change in assets and liabilities:			
Accounts receivable	(31,984)	-	(31,984)
Accounts payable	37,750	-	37,750
Payroll payable	(4,525)	-	(4,525)
OPEB liability	(25,939)	-	(25,939)
Pension liability	(21,004)	-	(21,004)
Deferred inflows	2,562	-	2,562
Deferred outflows	49,806	-	49,806
Compensated absences payable	7,550	-	7,550
Landfill closure/post-closure cost	12,549	-	12,549
Net cash provided (used) by operating activities	<u>\$ 561,742</u>	<u>\$ -</u>	<u>\$ 561,742</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/NET POSITION
BUDGET AND ACTUAL
WASTE DISPOSAL OPERATIONS FUND
For the Year Ended June 30, 2018

	Actual	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Final Budget	Variance
Operating revenues:					
Licenses, fees, and permits	\$ 2,162,546	\$ 8,540	\$ 2,171,086	\$ 1,990,000	\$ 181,086
Intergovernmental	42,725	-	42,725	41,862	863
Other	3,356	-	3,356	2,000	1,356
Total operating revenues	2,208,627	8,540	2,217,167	2,033,862	183,305
Operating expenses:					
Sanitation:					
Disposal Operations	1,562,774	9,727	1,572,501	2,168,860	596,359
Household Hazardous Waste Division	130,609	(11,034)	119,575	521,446	401,871
Closure/Post-Closure Division	115,408	12,506	127,914	301,840	173,926
Total operating expenses	1,808,791	11,199	1,819,990	2,992,146	1,172,156
Operating income (loss)	399,836	(2,659)	397,177	(958,284)	1,355,461
Nonoperating revenues (expense):					
Gain (loss) on disposition of capital assets	4,298	10,802	15,100	-	15,100
Interest income	35,035	-	35,035	6,000	29,035
Contingency	-	-	-	(408,111)	408,111
Total nonoperating revenues (expenses)	39,333	10,802	50,135	(402,111)	452,246
Income (loss) before transfers:	439,169	8,143	447,312	(1,360,395)	1,807,707
Other revenues (expenses):					
Transfer in	127,070	-	127,070	300,000	(172,930)
Transfer out	(339,605)	-	(339,605)	(339,605)	-
Total other revenues (expenses)	(212,535)	-	(212,535)	(39,605)	(172,930)
Change in net position/fund balance	226,634	8,143	234,777	(1,400,000)	1,634,777
Net position/Fund balance at beginning of year	2,078,867	166,439	2,245,306	1,400,000	845,306
Net position/Fund balance at end of year	\$ 2,305,501	\$ 174,582	\$ 2,480,083	\$ -	\$ 2,480,083

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/NET POSITION
BUDGET AND ACTUAL
WASTE DISPOSAL RESERVE FUND
For the Year Ended June 30, 2018

	Actual	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Final Budget	Variance
Operating revenue (expenses):					
Interest income	\$ 12,203	\$ -	\$ 12,203	\$ 5,000	\$ 7,203
Contingency	-	-	-	(376,065)	376,065
Total operating revenue (expenses):	<u>12,203</u>	<u>-</u>	<u>12,203</u>	<u>(371,065)</u>	<u>383,268</u>
Other revenues (expenses):					
Transfer out	(127,070)	-	(127,070)	(300,000)	172,930
Change in net position/fund balance	(114,867)	-	(114,867)	(671,065)	556,198
Net position/Fund balance at beginning of year	<u>716,728</u>	<u>-</u>	<u>716,728</u>	<u>671,065</u>	<u>45,663</u>
Net position/Fund balance at end year	<u>\$ 601,861</u>	<u>\$ -</u>	<u>\$ 601,861</u>	<u>\$ -</u>	<u>\$ 601,861</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/NET POSITION
BUDGET AND ACTUAL
GAS PIPELINE FUND
For the Year Ended June 30, 2018

	Actual	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Final Budget	Variance
Operating revenues:					
Pipeline operations	\$ 552,627	\$ -	\$ 552,627	\$ 585,000	\$ (32,373)
Operating expenses:					
Public works:					
Materials and services	360,084	(3,817)	356,267	383,000	26,733
Depreciation	1,057,786	(1,057,786)	-	-	-
Capital outlay	-	-	-	1,779,884	1,779,884
Total operating expenses	1,417,870	(1,061,603)	356,267	2,162,884	1,806,617
Operating income (loss)	(865,243)	1,061,603	196,360	(1,577,884)	1,774,244
Other revenues (expense):					
Interest income	34,430	(4,127)	30,303	20,000	10,303
Income (loss) before operating transfers	(830,813)	1,057,476	226,663	(1,557,884)	1,784,547
Transfers to other funds	(300,000)	-	(300,000)	(300,000)	-
Transfers from other funds	1,015,000	(1,015,000)	-	-	-
Total transfers to (from) other funds	715,000	(1,015,000)	(300,000)	(300,000)	-
Change in net position/fund balance	(115,813)	42,476	(73,337)	(1,857,884)	1,784,547
Net position/Fund balance at beginning of year	35,472,332	(33,578,077)	1,894,255	1,857,884	36,371
Net position/Fund balance at end of year	\$ 35,356,519	\$ (33,535,601)	\$ 1,820,918	\$ -	\$ 1,820,918

See auditor's report.

COOS COUNTY, OREGON
SUB-COMBING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
June 30, 2018

	Fair	Coos County Area Transit Service District	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 87,996	\$ 313,284	\$ 401,280
Receivable:			
Grants	-	2,896	2,896
Accounts	-	2,514	2,514
Due from other funds	-	86,040	86,040
Prepays	-	18,250	18,250
Total current assets	87,996	422,984	510,980
Noncurrent assets:			
Capital assets:			
Land	30,606	117,743	148,349
Other capital assets (net of accumulated depreciation)	521,619	346,456	868,075
Total noncurrent assets	552,225	464,199	1,016,424
Total assets	640,221	887,183	1,527,404
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts related to pensions	41,275	-	41,275
LIABILITIES			
Current liabilities:			
Accounts payable	5,391	36,123	41,514
Accrued payroll benefits	1,798	19,554	21,352
Compensated absences payable	4,935	22,087	27,022
Prepaid exhibitor deposits	42,374	-	42,374
Unearned grant advances	-	129,596	129,596
Total current liabilities	54,498	207,360	261,858
Noncurrent liabilities:			
Long-term liabilities (net of current portion)			
Other postemployment benefits obligation	5,265	-	5,265
Net pension liability	93,875	-	93,875
Total noncurrent liabilities	99,140	-	99,140
Total liabilities	153,638	207,360	360,998
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	4,010	-	4,010
NET POSITION			
Net investment in capital assets	552,225	464,199	1,016,424
Unrestricted	(28,377)	215,624	187,247
Total net position	\$ 523,848	\$ 679,823	\$ 1,203,671

See auditor's report.

COOS COUNTY, OREGON
SUB-COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2018

	County Fair	Coos County Area Transit Service District	Totals
Operating revenues:			
Operational charges	\$ 254,410	\$ 84,400	\$ 338,810
Intergovernmental	53,167	866,342	919,509
Other	73,842	17,500	91,342
Total operating revenues	<u>381,419</u>	<u>968,242</u>	<u>1,349,661</u>
Operating expenses:			
Personnel services	112,209	321,044	433,253
Materials and services	260,189	424,951	685,140
Depreciation	24,657	70,323	94,980
Total operating expenses	<u>397,055</u>	<u>816,318</u>	<u>1,213,373</u>
Operating income (loss)	<u>(15,636)</u>	<u>151,924</u>	<u>136,288</u>
Nonoperating revenues (expense)			
Interest on investments	1,816	-	1,816
Donation of capital assets	-	3,000	3,000
Change in net position	<u>(13,820)</u>	<u>154,924</u>	<u>141,104</u>
Net position at beginning of year	<u>537,668</u>	<u>524,899</u>	<u>1,062,567</u>
Net position at end of year	<u><u>\$ 523,848</u></u>	<u><u>\$ 679,823</u></u>	<u><u>\$ 1,203,671</u></u>

See auditor's report.

COOS COUNTY, OREGON
SUB-COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2018

	Fair	Coos County Area Transit Service District	Totals
Cash flows from operating activities:			
Cash received from customers and users	\$ 377,114	\$ 106,321	\$ 483,435
Cash received from grantors	-	940,867	940,867
Cash paid to employees	(109,084)	(420,705)	(529,789)
Cash paid to suppliers	(259,973)	(321,658)	(581,631)
Net cash provided (used) by operating activities	<u>8,057</u>	<u>304,825</u>	<u>312,882</u>
Cash flows from noncapital financing activities:			
Due to/from other funds	(1,986)	-	(1,986)
Cash flows from capital and related financing activities:			
Capital expenditures	-	(174,419)	(174,419)
Cash flows from investing activities:			
Interest received	1,816	-	1,816
Net increase (decrease) in cash and cash equivalents	7,887	130,406	138,293
Cash and cash equivalents at beginning of year	80,109	182,878	262,987
Cash and cash equivalents at end of year	<u>\$ 87,996</u>	<u>\$ 313,284</u>	<u>\$ 401,280</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (15,636)	\$ 151,924	\$ 136,288
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	24,657	70,323	94,980
Change in assets and liabilities:			
Accounts receivable	-	(50,650)	(50,650)
Prepays	-	1,845	1,845
Accounts payable and accrued expenses	633	1,787	2,420
Grant advances	-	129,596	129,596
Deferred inflows	357	-	357
Deferred outflows	19,661	-	19,661
Other post employment benefits	(863)	-	(863)
Pensions	(16,447)	-	(16,447)
Deposits	(4,305)	-	(4,305)
Net cash provided (used) by operating activities	<u>\$ 8,057</u>	<u>\$ 304,825</u>	<u>\$ 312,882</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/NET POSITION
BUDGET AND ACTUAL
COUNTY FAIR FUND
For the Year Ended June 30, 2018

	Actual	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Final Budget	Variance
Operating revenues:					
Intergovernmental	\$ 53,167	\$ -	\$ 53,167	\$ 53,667	\$ (500)
Licenses, fees, and permits	9,937	-	9,937	10,000	(63)
Charges for services	244,473	300	244,773	246,500	(1,727)
Donations and sponsorships	-	-	-	55,000	(55,000)
Other	73,842	4,104	77,946	7,850	70,096
Total operating revenues	<u>381,419</u>	<u>4,404</u>	<u>385,823</u>	<u>373,017</u>	<u>12,806</u>
Operating expenses:					
Culture & Recreation:					
Personnel services	112,209	(3,355)	108,854	109,879	1,025
Materials and services	260,189	4,405	264,594	283,629	19,035
Depreciation	24,657	(24,657)	-	-	-
Capital outlay	-	-	-	15,000	15,000
Contingency	-	-	-	10,009	10,009
Total operating expenses	<u>397,055</u>	<u>(23,607)</u>	<u>373,448</u>	<u>418,517</u>	<u>45,069</u>
Operating income (loss)	(15,636)	28,011	12,375	(45,500)	57,875
Other revenues (expense):					
Interest income	1,816	-	1,816	500	1,316
Change in net position/fund balance	(13,820)	28,011	14,191	(45,000)	59,191
Net position/Fund balance at beginning of year	<u>537,668</u>	<u>(513,425)</u>	<u>24,243</u>	<u>45,000</u>	<u>(20,757)</u>
Net position/Fund balance at end of year	<u>\$ 523,848</u>	<u>\$ (485,414)</u>	<u>\$ 38,434</u>	<u>\$ -</u>	<u>\$ 38,434</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COOS COUNTY AREA TRANSIT SERVICE DISTRICT FUND
For the Year Ended June 30, 2018

	Actual	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Final Budget	Variance
Operating revenues:					
Intergovernmental	\$ 866,342	\$ -	\$ 866,342	\$ 851,652	\$ 14,690
Charges for service	84,400	-	84,400	50,000	34,400
Miscellaneous	17,500	-	17,500	57,184	(39,684)
Total operating revenues	968,242	-	968,242	958,836	9,406
Operating expenses:					
Personnel services	321,044	119,691	440,735	625,554	184,819
Materials and services	424,951	(115,914)	309,037	361,998	52,961
Capital outlay	-	174,419	174,419	280,000	105,581
Depreciation	70,323	(70,323)	-	-	-
Contingency	-	-	-	25,500	25,500
Total operating expenses	816,318	107,873	924,191	1,293,052	368,861
Operating income (loss)	151,924	(107,873)	44,051	(334,216)	378,267
Other sources (uses) of financing:					
Donation of capital asset	3,000	(3,000)	-	-	-
Change in net position/fund balance	154,924	(110,873)	44,051	(334,216)	378,267
Net position/Fund balance at beginning of year	524,899	(331,239)	193,660	334,216	(140,556)
Net position/Fund balance at end of year	\$ 679,823	\$ (442,112)	\$ 237,711	\$ -	\$ 237,711

See auditor's report.

FIDUCIARY FUNDS/AGENCY FUNDS

Fiduciary funds are used to account for and report on assets held on behalf of outside parties, including other governmental, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, whether a pension trust fund, a nonexpendable trust fund, or an expendable trust, a trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

The Agency Funds are used to account for and report assets held by Coos County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

The Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. At any given point in time, total Agency Fund assets are equally offset by related liabilities including amounts due to the parties for whom the assets are being held by the government.

The Agency Funds of the County are grouped as follows: Taxing Districts and County Trusts.

COOS COUNTY, OREGON
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended June 30, 2018

TAXING DISTRICTS				
	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
ASSETS				
Cash and investments	\$ 1,233,396	\$ 124,039,640	\$ 123,911,445	\$ 1,361,591
Receivables:				
Property taxes	5,266,972	57,024,776	56,976,499	5,315,249
Total assets	<u>\$ 6,500,368</u>	<u>\$ 181,064,416</u>	<u>\$ 180,887,944</u>	<u>\$ 6,676,840</u>
LIABILITIES				
Due to other agencies, funds and taxing districts	<u>\$ 6,500,368</u>	<u>\$ 181,064,416</u>	<u>\$ 180,887,944</u>	<u>\$ 6,676,840</u>

COUNTY TRUSTS				
	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
ASSETS				
Cash and investments	\$ 1,587,865	\$ 1,848,757	\$ 2,078,906	\$ 1,357,716
Receivables:				
Contracts	-	214,100	214,100	-
Total assets	<u>\$ 1,587,865</u>	<u>\$ 2,062,857</u>	<u>\$ 2,293,006</u>	<u>\$ 1,357,716</u>
LIABILITIES				
Due to other agencies, funds and taxing districts	<u>\$ 1,587,865</u>	<u>\$ 2,062,857</u>	<u>\$ 2,293,006</u>	<u>\$ 1,357,716</u>

See auditor's report.

COOS COUNTY, OREGON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
U.S. Department of Agriculture		
<i>Passed through Oregon Health Authority:</i>		
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	297,401
<i>Passed through State of Oregon Department of Administrative Services:</i>		
Forest Service - Schools and Roads-Grants to States	10.665	226,391
Subtotal U.S. Department of Agriculture		<u>523,792</u>
U.S. Department of Housing and Urban Development		
<i>Passed through State of Oregon Infrastructure Finance Authority:</i>		
Community Development Block Grants	14.228	5,862
U.S. Department of Interior		
Payments in Lieu of Taxes	15.226	649,640
Distribution of Receipts to State and Local Governments	15.227	1,689,736
Secure Rural Schools and Community Self-Determination	15.234	4,500
National Wildlife Refuge Fund	15.659	20,268
<i>Passed through State of Oregon Marine Board</i>		
Clean Vessel Act	15.616	14,000
Subtotal U.S. Department of Interior		<u>2,378,144</u>
U.S. Department of Justice		
<i>Passed through State of Oregon Department of Justice:</i>		
Crime Victim Assistance	16.575	103,237
Subtotal U.S. Department of Justice		<u>103,237</u>
U.S. Department of Transportation		
<i>Passed through State of Oregon Parks & Recreation Department:</i>		
Recreational Trails Program	20.219	* 205,009
<i>Passed through State of Oregon Department of Transportation:</i>		
Highway Planning and Construction	20.205	* 1,305,476
Total Highway Planning and Construction Cluster		<u>1,510,485</u>
Formula Grants for Rural Areas	20.509	201,372
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	343,405
Subtotal U.S. Department of Transportation		<u>2,055,262</u>
General Services Administration		
<i>Passed through State of Oregon Department of Administrative Services:</i>		
Disposal of Federal Surplus Real Property	39.002	1,021
Subtotal General Services Administration		<u>1,021</u>
Environmental Protection Agency		
<i>Passed through Oregon Health Authority:</i>		
State Public Water System Supervision	66.432	8,413
Capitalization Grants for Drinking Water State Revolving Funds	66.468	5,604
Subtotal Environmental Protection Agency		<u>14,017</u>

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Expenditures
U.S. Department of Health and Human Services		
<i>Passed through Oregon Health Authority:</i>		
Public Health Emergency Preparedness	93.069	79,947
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	120
Family Planning Services	93.217	20,060
National State-Based Tobacco Control Programs	93.305	208
Block Grants for Community Mental Health Services	93.958	71,950
Block Grants for Prevention and Treatment of Substance Abuse	93.959	135,969
Maternal and Child Health Services Block Grant to the States	93.994	39,020
<i>Passed through Oregon Health & Science University:</i>		
Medical Assistance Program	93.778	12,466
Maternal and Child Health Services Block Grant to the States	93.994	15,770
<i>Passed through State of Oregon Department of Justice:</i>		
Child Support Enforcement	93.563	138,332
Subtotal U.S. Department of Health and Human Services		<u>513,842</u>
U.S. Department of Homeland Security		
<i>Passed through Oregon Military Department:</i>		
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	100,494
Emergency Management Performance Grants	97.042	83,637
Homeland Security Grant Program	97.067	63,717
<i>Passed through Oregon Department of Land Conservation and Development:</i>		
Cooperating Technical Partners	97.045	4,218
Subtotal U.S. Department of Homeland Security		<u>252,066</u>
Total Federal Assistance		<u><u>5,847,243</u></u>

* Indicates a major program

**SCHEDULE OF AMOUNTS PROVIDED TO SUBRECIPIENTS
For the Year Ended June 30, 2018**

Federal Grantor/Pass-Through	Federal CFDA Number	Expenditures
U.S. Department of Agriculture		
<i>Passed through to Local School Districts:</i>		
Forest Service - Schools and Roads--Grants to States	10.665	56,597
U.S. Department of Transportation		
<i>Passed through to Coos County Area Transit Service District:</i>		
Formula Grants for Rural Areas	20.509	201,372
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	343,405
U.S. Department of Health and Human Services		
<i>Passed through to Adapt:</i>		
Block Grants for Prevention and Treatment of Substance Abuse	93.959	68,357
<i>Passed through to Bay Area First Step:</i>		
Block Grants for Prevention and Treatment of Substance Abuse	93.959	12,552

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

Note 1. Purpose of the Schedule

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Coos County, Oregon, under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

Note 2. Basis of Presentation

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as described in Note 1 to the County's basic financial statements. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 3. De Minimis Cost Rate

The County did not elect to use the 10% de minimis indirect cost rate, as allowed under Uniform Guidance, during the 2017-18 fiscal year.

Note 4. Federal Financial Assistance

Pursuant to Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, non-monetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal governments for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Note 5. Major Programs

Uniform Guidance established criteria to be used in defining major federal financial assistance programs. Major programs for the County are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in Uniform Guidance. Programs with similar requirements may be grouped into a cluster for testing purposes.

COOS COUNTY, OREGON
SUMMARY OF PRIOR AUDIT FINDINGS RELATED TO FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2018

Questioned Costs:

There were no questioned costs for the year ended June 30, 2017.

Findings:

There were no findings for the year ended June 30, 2017.

AUDITOR'S REPORTS



**Harwood, MacAdam, Wartnik,
Fisher & Gorman, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

LOREN HARWOOD, CPA JOE COLO, CPA
SHIRLEY MACADAM, CPA KRISTINA GOCHNOUR, CPA
JAYSON WARTNIK, CPA SALLY JAEGGLI, CPA
LAURA FISHER, CPA TINA JONES, CPA
BOB GORMAN, CPA

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

January 10, 2019

To the Board of Commissioners of Coos County:

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Coos County as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 10, 2019.

Internal Control Over Financial Reporting

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

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

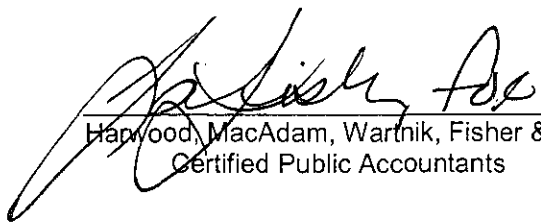
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses.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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coos County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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*.

Purpose of this Report

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



Harwood, MacAdam, Warnik, Fisher & Gorman, LLC
Certified Public Accountants



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

January 10, 2019

To the Board of Commissioners of Coos County:

We have audited the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information which comprise the basic financial statements of Coos County ("the County") as of and for the year ended June 30, 2018 and have issued our report thereon dated January 10, 2019. 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 and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Oregon Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the County's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 to 162-010-0330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

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

- Deposits of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded wholly or partially by outside sources
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).
- Use of revenue from taxes on motor vehicle fuel funds.

In connection with our testing, other than as discussed below, nothing came to our attention that caused us to believe that Coos County was not in substantial compliance with certain provisions of laws, regulations, contract and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Oregon Secretary of State.

As described in Note IIA, the results of testing indicated an instance of non-compliance related to excess expenditures over appropriations as follows:

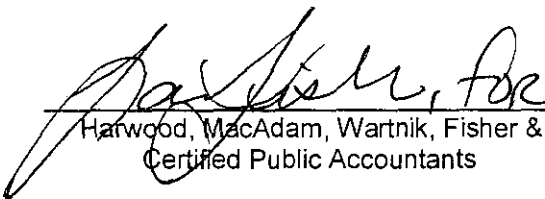
<u>Fund</u>	<u>Amount</u>
Bandon Dunes Assessment	
County Tourism Workgroup	\$ 17,095
Transfers out	\$ 25,642
Library Service District	
Materials and services	\$ 46,863

OAR 162-010-0230 Internal Control

Please see our 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*.

Purpose of This Report

This report is intended solely for the information and use of the Board of Commissioners and management of Coos County, the Oregon Secretary of State, 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.



Harwood, MacAdam, Wartnik, Fisher & Gorman, LLC
Certified Public Accountants



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

January 10, 2019

To the Board of Commissioners of Coos County:

Report on Compliance for Each Major Federal Program

We have audited Coos County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2018. Coos County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Coos County's major federal programs based on our audit of the types of compliance requirements referred to above.

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

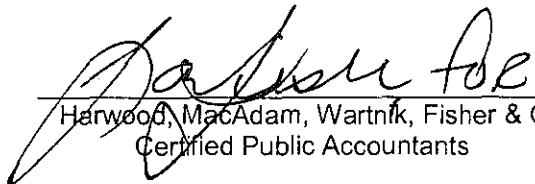
Management of Coos County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the Coos County's internal control over compliance with types of requirements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

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

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

Purpose of this Report

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



Harwood, MacAdam, Wartrick, Fisher & Gorman, LLC
Certified Public Accountants

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

SECTION I SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Type of auditor's report issued	_____	Qualified	_____	<u>X</u>	Unqualified
Internal control of financial reporting:					
Material weakness(es) identified?	_____	Yes	_____	<u>X</u>	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	_____	Yes	_____	<u>X</u>	No
Noncompliance material to financial statements noted?	_____	Yes	_____	<u>X</u>	No

Federal Awards:

Internal control over major programs:					
Any material weaknesses identified?	_____	Yes	_____	<u>X</u>	No
Any significant deficiencies identified not considered to be material weaknesses?	_____	Yes	_____	<u>X</u>	None reported
Type of auditor's report issued on compliance for major programs	_____	Qualified	_____	<u>X</u>	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the Uniform Guidance.	_____	Yes	_____	<u>X</u>	No

Identification of Major Programs:

Recreational Trails Program	CFDA#	20.219
Highway Planning and Construction Program	CFDA#	20.205
Dollar threshold used to distinguish between type A and type B programs		<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>X</u>	Yes
	_____	No

SECTION II FINDINGS - FINANCIAL STATEMENT FINDINGS

None

SECTION III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None