

COMPREHENSIVE ANNUAL FINANCIAL REPORT

LINCOLN COUNTY,
OREGON

For the year ended June 30, 2020



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COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended June 30, 2020

Prepared by:
Christina Shearer, Finance
Director

LINCOLN COUNTY, OREGON
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 For the Year Ended June 30, 2020
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INTRODUCTORY SECTION



February 26, 2021

To the Board of Commissioners and the
Citizens of Lincoln County, Oregon

The Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) of Lincoln County for the fiscal year ended June 30, 2020. This report is published to provide the Board of Commissioners, County staff, citizens and other readers with detailed information concerning the financial position and activities of the County. County management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures.

INTRODUCTION

State statutes (ORS 297.465) require that Lincoln County (the County) prepare a complete set of year-end financial statements and have them audited in accordance with generally accepted accounting standards by an independent certified public accounting firm licensed to perform municipal audits in Oregon. Pursuant to this requirement, we hereby issue the 2019-20 Comprehensive Annual Financial Report, which is presented in conformance with generally accepted accounting principles (GAAP). This report incorporates the Government-wide Financial Reporting model as prescribed by the Government Accounting Standards Board.

Responsibility for both the accuracy of the data and the completeness and fairness of the CAFR presentation, including all disclosures, rests with Lincoln County. It is believed that the data, as presented, is accurate in all material respects and is presented in a manner designed to present fairly the financial position and results of operations of Lincoln County as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of Lincoln County's financial affairs has been included.

Lincoln County's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, not absolute,

assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgment by management.

As a recipient of federal and state awards, Lincoln County is responsible for ensuring that an adequate internal control structure, reviewed annually, is in place to ensure compliance with applicable State laws (ORS 297.425), and in conformity with the provisions of the Single Audit codified at *Title 2 US Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, cost principles, and Audit requirements for Federal Awards*. As part of the County's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal award programs, as well as to determine that the County has complied with applicable laws and regulations. These reports are issued in a separate document.

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Lincoln County's MD&A can be found immediately following the report of the independent auditors in the financial section of this CAFR.

LINCOLN COUNTY PROFILE

Lincoln County was established by the Oregon Legislature in 1893. The County, an area of 992 square miles, is located on the coast of the Pacific Ocean.

Lincoln County is governed by a Board of Commissioners, consisting of three commissioners, who are elected to four-year terms. The Board of Commissioners conduct all legislative business of the County and are responsible for setting County policy, general administration of the County, and holding public hearings on certain issues required by law.

Lincoln County provides a full range of services including public safety, health and community services, public works, assessment and tax collection for all county taxing districts, juvenile services, corrections and probation, and community development. The Lincoln County Solid Waste District, Lincoln County Extension Service District, Lincoln County Transportation Service District, Lincoln County Animal Services District, and the Siletz Area Enhanced Law Enforcement District are legally separate taxing entities in the County. They are included in these financial statements as "blended component units" of the County and they essentially function as departments of the County.

The Lincoln County Extension Agency inclusion reflects voter approval of an operating tax levy in November 1998, and the Board of County Commissioners control and approval of the budget and tax levy. This agency, primarily funded

through the State of Oregon, Division of Higher Education, as part of Oregon State University, provides a wide variety of services to the residents of Lincoln County. The purpose of the Extension Service is to help people solve problems through education in the areas of home economics, 4-H, agriculture, forestry, marine and community resource development.

The Lincoln County Solid Waste District is included because the Board of County Commissioners serves as its governing body, making appointments, hiring, and approving the budget. This agency, which became operational during the 1993-94 fiscal year, is funded through intergovernmental agreements with agencies throughout the County and a State Department of Environmental Quality grant. The agency is responsible for countywide solid waste management planning, recycling education and coordination, illegal dumping cleanup and prevention, as well as enforcement coordination.

The Lincoln County Transportation District is included because the Board of County Commissioners serves as the governing body, making appointments, hiring, and approving the budget. This district, which was formed in 1996, is funded by a property tax levy, various intergovernmental revenues and grants, and transit fees. The district provides a comprehensive transportation program for Lincoln County, including a scheduled stop bus system, the "Central Coast Connection," to all cities within Lincoln County, and ancillary feeder lines available to all residents of the County. The district also provides a "dial-a-ride" service for disadvantaged, and senior and disabled citizens.

The Lincoln County Animal Services District is included because the Board of County Commissioners serves as the governing body, making appointments, hiring, and approving the budget. This agency, formed in fiscal year 2013-14, is funded by a property tax levy approved by voters in November 2012. The district provides services for animal control throughout the County and for the operations of the County's animal shelter.

The Siletz Area Enhanced Law Enforcement District, formed in fiscal year 2016-17, is included because the Board of County Commissioners serves as the governing body, making appointments, hiring, and approving the budget. The district provides law enforcement services to a defined area that includes the City of Siletz and surrounding unincorporated property. In addition to a property tax levy approved by voters in May 2016, the district receives additional revenue from the Confederated Tribes of the Siletz under a contract between the district and the tribe.

The County's budget is prepared on the modified accrual basis of accounting. In accordance with State statutes, the County budgets all funds except trust and agency funds. The annual budget embodies controls to ensure compliance with legal provisions, and is adopted and appropriated by the County's Board of Commissioners. Activities of the general fund, special revenue funds, capital

projects funds, enterprise fund, and internal service fund are included in the annual appropriated budget. The level of budgetary control, that is, the level at which expenditures cannot legally exceed the appropriated amount, is established by program within the General Fund and by expenditure category within the other individual funds. The expenditure appropriations lapse at the end of the fiscal year. Additional resources and corresponding appropriations may be added to the budget during the fiscal year through a supplemental budget process. Original and supplemental budgets may be modified during the fiscal year by the use of appropriation resolutions. The resolutions are considered by the Board of Commissioners in public meetings. During the fiscal year 2019-20, several adjustments to the budget were made by resolution. Budget to actual comparisons are provided in this report for each individual governmental fund for which a budget was appropriated and adopted.

ECONOMIC CONDITION AND OUTLOOK

The economic outlook for Lincoln County, and likewise the state, national, and global economic outlook is being driven largely by the effects of the global COVID-19 pandemic. Short term relief programs sponsored by the Federal Government have been instrumental in providing a financial safety net against the economic impacts of reduced revenue and record unemployment in the current and part of the next year. These programs have kept the county finances stable for this year. However, uncertainty remains about the continuation of those Federally funded supports and it seems likely that a significant contraction of the economy will occur at some point. Recovery is expected to be slow. We will continue to closely monitor spending, prudently add to reserves where feasible, and maintain our core county services.

LONG TERM FINANCIAL PLANNING

Conservative budgeting and financial planning continue to be the strategy for the five years. No new major initiatives are planned for the general fund-based services. Changes, such as healthcare benefits for the County's benefit-eligible employees, have been implemented to control operational cost increases. Planned expenditures in technology to increase efficiency and provide cyber security continue to be a priority. The Board of Commissioners continues to work with all employees to find ways to cut costs while maintaining and providing the highest quality public services.

MAJOR INITIATIVES

The operations of the county have been dramatically impacted by the COVID-19 pandemic. Wherever feasible county employees have shifted to remote work. This required a significant investment and deployment of IT infrastructure. County facilities have operated on a restricted basis for the latter half of the fiscal year. Most discretionary initiatives, including facilities construction has been delayed.

The county has three construction projects on the drawing board. The first is the construction of a new exhibit hall at the Lincoln County Commons (formerly the Lincoln County Fairgrounds). The new exhibit hall will provide a multi-use indoor exhibit and event space for a variety of activities year-round. This project will be funded by transient room tax revenues with potential associated infrastructure improvements by the City of Newport's urban renewal district. This project is currently delayed due to COVID-19.

The county is also committed to the development and construction of a joint Emergency Operations and Transit center. This is one of several emergency preparedness initiatives we are undertaking in order to be better prepared to respond to the needs of our citizens in times of a serious emergency or disaster event. This project is currently delayed due to COVID-19.

Finally, we were faced with an emergency closure of the Lincoln County Animal Shelter due to mold. We have established a temporary facility at the Newport Municipal airport. This is a temporary solution and we are committed to locating property and building a new animal shelter in Lincoln County. This project is currently delayed due to COVID-19.

Whereas some counties face serious financial challenges, we remain financially stable while maintaining current service levels to our county. The outlook remains cautiously optimistic for Lincoln County.

OTHER FINANCIAL INFORMATION

The County's accounting system supports an adequate internal control structure. This structure provides reasonable assurance that County assets are safeguarded against loss, theft or misuse. The concept of reasonable assurance first recognizes that the cost of a control does not exceed the benefits derived from it. The evaluation of costs and benefits requires estimates and judgment by management. The accounting system provides reliable financial records for preparing financial statements in conformity with generally accepted accounting principles.

The County is required by state law to budget all funds with the exception of trust and agency funds. The budgeting process includes citizen input through various stages of preparation, public hearings, and approval of the original budget by the Board of Commissioners. Additional resources not anticipated in the adopted budget must be added through the use of a supplemental budget process which includes publication, public hearings, and Board of Commissioners' approval. Adopted and supplemental budgets may be modified by Board of Commissioners approval of appropriation resolutions. Budgetary control is maintained through the monitoring of program categories in the County's General Fund, and by expenditure categories in all other funds. The program categories are General Government, Public Safety, and Community Services. Expenditure categories are Personnel Services, Materials and Services, Capital Outlay, and Other

Requirements. Total expenditures may not legally exceed total appropriations in each of the budgeted categories.

Temporarily idle cash is invested in various instruments including obligations of the United States Government and its agencies, bank repurchase agreements, and the State Treasurer's Local Government Investment Pool. Investments made by the County are subject to the provisions of Oregon Law. Investment risk is categorized in the notes to the General Purpose Financial Statements.

The County contracts through City/County Insurance Services, a risk management pool, to provide workers compensation coverage, auto, and property and liability insurance. The County's Insurance Reserve fund is used to provide excess liability insurance, pension related fiduciary expenditures, unemployment insurance on a reimbursement basis to the State, and other related costs.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate for Excellence in Financial Reporting to Lincoln County for its CAFR for the fiscal year ended June 30, 2019. This is the twenty-eighth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

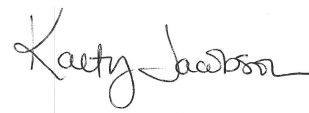
ACKNOWLEDGEMENTS

The preparation of this CAFR is possible through a collaborative effort from all departments, notably the County Treasurer, the County Assessor, and especially the Finance Department. Acknowledgement is also due to the Board of County Commissioners, whose leadership and support made the preparation of this report possible.

Respectfully submitted,



Christina Shearer
Finance Director



Kaety Jacobson
Chair, Board of Commissioners



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Lincoln County
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

LINCOLN COUNTY
PRINCIPAL OFFICIALS
June 30, 2020

BOARD OF COUNTY COMMISSIONERS

<u>Title</u>	<u>Name</u>
Commissioner, Chair	Kaety Jacobson
Commissioner	Doug Hunt
Commissioner	Claire Hall

OTHER ELECTED OFFICIALS

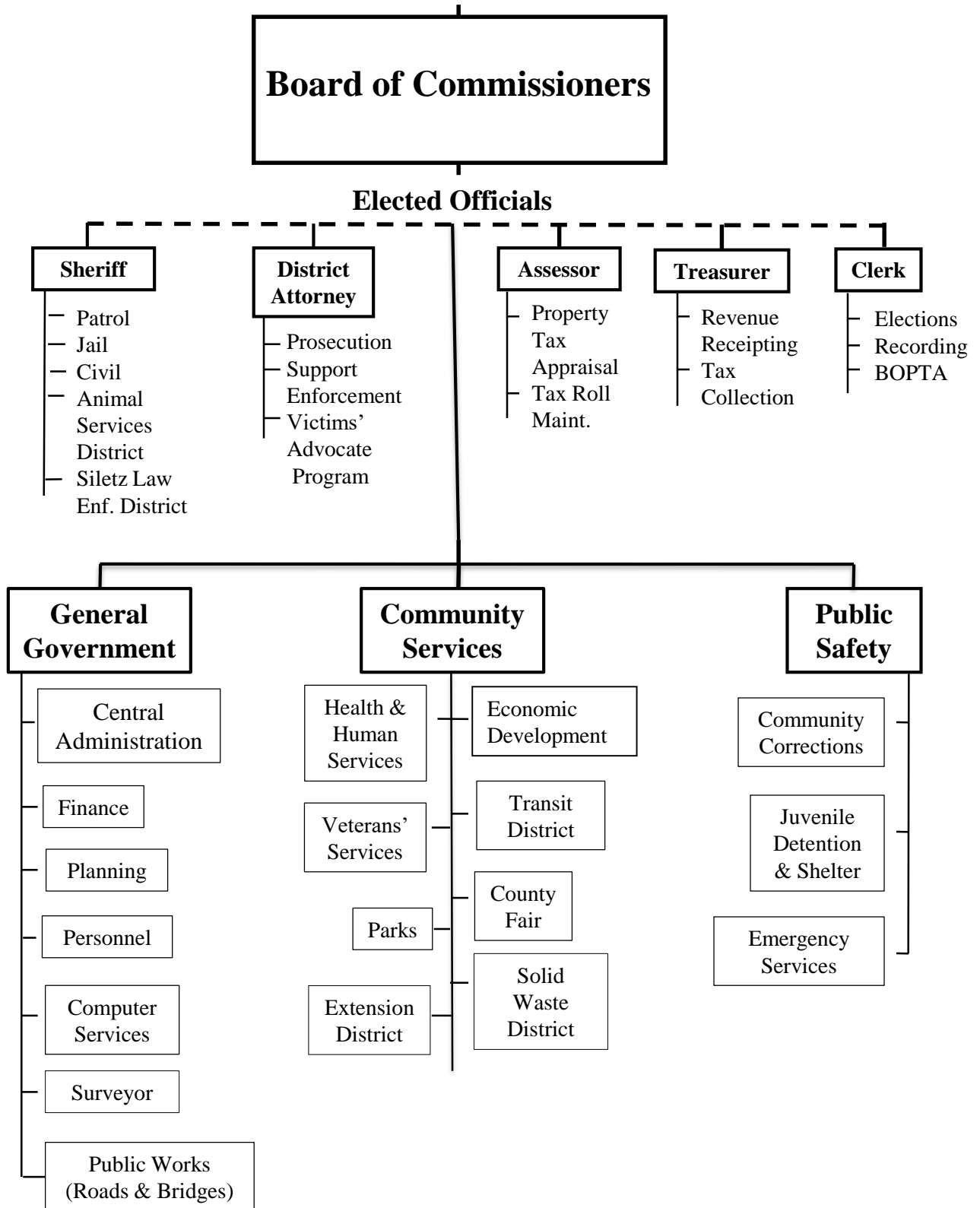
<u>Title</u>	<u>Name</u>
Assessor	Joseph Davidson
County Clerk	Dana Jenkins
District Attorney	Michelle Branam
Sheriff	Curtis Landers
Treasurer	Jayne Welch

MANAGEMENT OFFICIALS

<u>Title</u>	<u>Name</u>
County Counsel	Wayne Belmont
County Surveyor	John Waffenschmidt
Director, Community Justice	Tony Campa
Director, Finance	Christina Shearer
Co-Director, Health and Human Services	Rebecca Austen
Co-Director, Health and Human Services	Rebecca McBee-Wilson
Director, Information Technology	Todd Richmond
Director, Personnel	Michael Hereford
Director, Planning and Development	Onno Husing
Director, Public Works	Roy Kinion
Director, Transit	Cynda Bruce

Lincoln County Organization Chart

Citizens





FINANCIAL SECTION



1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Lincoln County, Oregon
Newport, Oregon

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 Lincoln County, Oregon ("County"), as of and for the year ended June 30, 2020, 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Public Works, Mental Health, and Public Health funds 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 and the required supplementary schedules of Funding Progress - Other Post Employment Benefits, the County's Proportionate Share of Net Pension Liability, and the County's Pension Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, the statistical tables section, and the schedule of receipts and disbursements for elected officials are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison schedules, the schedule of expenditures of federal awards, and the schedule of receipts and disbursements for elected officials 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. 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and the statistical tables section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated February 26, 2021 on our consideration of the County's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Isler CPA



Paul Nielson, CPA, a member of the firm

Eugene, Oregon

February 26, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

LINCOLN COUNTY, OREGON MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of Lincoln County offers readers of Lincoln County's financial statements this narrative overview and analysis of the financial activities of Lincoln County for the fiscal year ended June 30, 2020 . Readers are encouraged to consider the information presented here in conjunction with the additional information furnished in the financial statements that follow.

FINANCIAL HIGHLIGHTS

- The County's total net position decreased by \$2,659,475 or 3.29%.
- Cash and investments decreased by \$565,005 or 1.23%.
- Expenses increased by \$6,232,610 or 9.28%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Lincoln County's basic financial statements. The statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

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

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

The statement of activities presents information showing how the County'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 the 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 time). The government activities of Lincoln County include general government, community services, public safety, highways and streets, culture and recreation, health and welfare, and education.

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

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

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

The County maintains 21 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and change in fund balances for the General, Public Works, Mental Health, and Public Health funds. These funds are considered to be major funds. Data from the nonmajor governmental funds is combined into a single, aggregated presentation. Individual fund information for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Lincoln County adopts an annual appropriation budget for all governmental funds. Budgetary comparison statements are provided to demonstrate budgetary compliance.

Proprietary funds. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the costs of providing the services be financed primarily through user fees. The County maintains two types of proprietary funds - enterprise funds and internal services funds. The County's only enterprise fund, the Solid Waste District Fund, is a blended component unit, business-type fund that derives its primary revenue from charges to customers of the solid waste haulers in the County. Internal service funds are proprietary funds that are used as an accounting tool to accumulate and allocate costs internally among a government's various functions. The Self Insurance Fund is an internal service fund that Lincoln County uses to self-manage its insurance programs such as workers' compensation, and unemployment insurance. Since the Self Insurance Fund primarily benefits governmental functions, it has been included in governmental activities in the government-wide financial statements.

Fiduciary funds. Fiduciary (or agency) funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government wide financial statements because the resources are not available to support the operations of Lincoln County. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary assets and liabilities are reported in a separate Statement of Fiduciary Net Position. An example is the Property Tax funds, which the Lincoln County Treasurer collects for many different entities within Lincoln County and then distributes these funds in accordance with tax rates certified by the County Assessor.

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

Other supplementary information. The combining statements for the nonmajor governmental funds and budgetary comparison schedules for both the nonmajor and the internal service proprietary fund are presented immediately following the notes to the basic financial statements. A statistical section containing selected financial, economic, and demographic information is presented immediately following the combining statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's combined net position was \$78,233,549 at June 30, 2020, which decreased \$2,659,475 or 3.29% between fiscal years 2019 and 2020. A decrease in cash and investments, and capital assets contributed to the decrease in net position. Increases in current liabilities and net pension liability also contributed to this decrease, Table 1, below, compares the various components of the County's net position between the two years.

Cash and investments decreased by \$565,005 or 1.23% while other current assets increased 32.20% or \$1,676,886. A conscious effort by management to build reserves plus continued attention to revenue collection is driving the County's gains. Capital assets decreased \$1,944,631, or 4.42%. Overall, total assets increased by \$1,170,217 or 1.23%.

Current liabilities decreased from last year by \$1,172,804 or 21.13%. Current liabilities consist mainly of accounts payable and accrued payroll payable. The increase is mostly indicative of higher obligations in these two areas. Long-term obligations decreased \$1,036,248 due to scheduled debt payments.

With the continued implementation of GASB 68 and GASB 75 the County now reports a net pension liability of \$8,558,329 and net OPEB liability of \$1,059,353. At year end the combined pension and OPEB deferred outflow of resources and deferred inflow of resources were \$2,865,841 and \$833,237 respectively.

The County's net investment in capital assets decreased by \$2,168,883 or 5.17% with modest capital project activity in 2020. A decrease in utilization of reserves caused restricted net position to decreased \$394,177 or 1.55%.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS
SUMMARY OF NET POSITION
Table 1**

	Governmental Activities		Business-type Activities		Total Government	
	2020	2019	2020	2019	2020	2019
Assets:						
Cash and investments	\$ 45,214,041	\$ 46,002,263	\$ 568,017	\$ 344,800	\$ 45,782,058	\$ 46,347,063
Other current assets	6,833,634	5,125,228	50,758	82,278	6,884,392	5,207,506
Capital assets, net of accumulated depreciation	41,676,260	43,958,358	-	-	41,676,260	43,958,358
Total assets	93,723,935	95,085,849	618,775	427,078	94,342,710	95,512,927
Deferred outflows of resources:	2,865,841	2,907,668	-	-	2,865,841	2,907,668
Liabilities:						
Current liabilities	6,715,710	5,544,310	6,253	4,849	6,721,963	5,549,159
Long-term debt outstanding	1,802,120	2,834,907	-	3,461	1,802,120	2,838,368
Net OPEB liability	1,059,353	1,031,081	-	-	1,059,353	1,031,081
Net pension liability	8,558,329	7,274,260	-	-	8,558,329	7,274,260
Total liabilities	18,135,512	16,684,558	6,253	8,310	18,141,765	16,692,868
Deferred inflows of resources	833,237	834,703	-	-	833,237	834,703
Net position:						
Net investment in capital assets	39,764,538	41,933,421	-	-	39,764,538	41,933,421
Restricted	25,098,256	25,492,433	-	-	25,098,256	25,492,433
Unrestricted	12,758,233	13,048,402	612,522	418,768	13,370,755	13,467,170
Total net position	\$ 77,621,027	\$ 80,474,256	\$ 612,522	\$ 418,768	\$ 78,233,549	\$ 80,893,024

Governmental Activities. Revenues for the County's governmental activities increased by \$2,537,442 or 3.75% while total expenses increased \$6,161,873 or 9.21%. Refer to Table 2 for a comparison of governmental activities for the years 2020 and 2019.

The increase in revenue is do primarily to charges for services increasing \$790,092 (5.30%), operating grants increasing \$4,431,019 (19.51%), capital grants decreasing \$2,254,089 (97.90%), and property taxes increasing \$1,211,803 (5.18%.)

As stated above, overall expenses increased this year. Specifically, general government expenses increased \$1,944,631 (15.10%), public safety expenses increased \$1,955,875 (8.31%); and highways and streets expenses increased by \$1,607,643 (22.65%) . These increases were driven by personnel costs and increases for technology costs, principally in the security realm.

Business-type Activities. The County maintains an enterprise fund, the Solid Waste District, as a business type activity. The fund derives its revenue principally from charges for services and an operating grant. This fund, through prudent spending, improved its net position for the year by \$193,754 (46.3%).

**GOVERNMENT-WIDE FINANCIAL ANALYSIS
SUMMARY OF STATEMENT OF ACTIVITIES
Table 2**

	Governmental Activities		Business-type Activities		Total Government	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 15,268,281	\$ 14,564,729	\$ 439,107	\$ 352,567	\$ 15,707,388	\$ 14,917,296
Operating grants and contributions	27,112,176	22,689,444	35,287	27,000	27,147,463	22,716,444
Capital grants and contributions	48,315	2,302,404	-	-	48,315	2,302,404
General revenues:						
Property taxes	24,616,736	23,404,933	-	-	24,616,736	23,404,933
Transient room taxes	2,163,013	2,429,270	-	-	2,163,013	2,429,270
Timber and land sales	140,999	728,851	-	-	140,999	728,851
Other taxes	82,218	684,227	-	-	82,218	684,227
Unrestricted investment earnings	811,256	901,694	9,365	6,313	820,621	908,007
Total Revenues	70,242,994	67,705,552	483,759	385,880	70,726,753	68,091,432
Expenses:						
General government	14,825,926	12,881,295	-	-	14,825,926	12,881,295
Community services	5,016,993	4,866,568	290,005	219,268	5,306,998	5,085,836
Public safety	25,497,084	23,541,209	-	-	25,497,084	23,541,209
Highways and streets	8,704,242	7,096,599	-	-	8,704,242	7,096,599
Culture and recreation	308,915	338,429	-	-	308,915	338,429
Health and welfare	18,393,370	17,964,954	-	-	18,393,370	17,964,954
Education	273,550	210,962	-	-	273,550	210,962
Debt service interest	76,143	34,334	-	-	76,143	34,334
Total Expenses	73,096,223	66,934,350	290,005	219,268	73,386,228	67,153,618
Excess (deficiency) of revenues over (under) expenses	(2,853,229)	771,202	193,754	166,612	(2,659,475)	937,814
Net position at beginning of year	80,474,256	79,703,054	418,768	252,156	80,893,024	79,955,210
Net position at end of year	\$ 77,621,027	\$ 80,474,256	\$ 612,522	\$ 418,768	\$ 78,233,549	\$ 80,893,024

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

At the end of the fiscal year, the County's governmental funds reported a combined fund balance of \$44,489,397, an increase of \$2,855,294 from the previous year.

- The County's General Fund balance decreased \$1,657,947 from last year, Increases in personnel costs and strategic investment in technology security drives this decrease in fund balance.
- The Public Works Fund balance decreased \$2,402,501. This is due to a decrease in grant funding from other governments
- The Mental Health Fund showed a fund balance decrease of \$13,287. This reflected a status quo year with no major new programs.
- The Public Health Fund showed a fund balance increase of \$1,271,754. This reflected a significant increase in grant funding
- The Nonmajor Governmental fund balances increased a total of \$5,657,275 for the year, attributable to decreases in expenses for the year.

BUDGETARY HIGHLIGHTS

Minor changes were made during the fiscal year to adjust the County's originally adopted General Fund budget. The public safety increased by \$512,392, general government increased by \$30,000, and the contingency was reduced by \$244,759. These increases were driven by new operating grant related expenditures and COVID pandemic expenditures. The County anticipates anticipates that much, if not all, of the COVID expenditures will be reimbursed by Federal aid programs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. As of June 30, 2020 the County had \$210,574,794 invested in capital assets net of accumulated depreciation of \$(84,449,267). This amount represents a net decrease of \$(166,616,436) over last year. All capital assets are contained in the governmental activities. The County's business-type activity holds no capital assets.

TABLE 3
Capital Assets at Year-End
(net of depreciation)

	Governmental Activities	
	2020	2019
Land, easements and improvements	\$ 2,315,256	\$ 2,315,256
Infrastructure	74,534,068	74,534,068
Buildings and improvements	31,164,196	31,164,196
Equipment	16,866,645	16,860,748
Construction in progress	1,245,362	717,110
Less accumulated depreciation	84,449,267	(81,633,020)
Total	<u>\$ 210,574,794</u>	<u>\$ 43,958,358</u>

Table 4 shows a comparison in the changes in capital assets for the years 2020 and 2019. Additional information regarding capital assets can be found in Note 6 of the Notes to the Financial Statements.

TABLE 4
Change in Capital Assets

	Governmental Activities	
	2020	2019
Beginning Balance	\$ 43,958,358	\$ 44,396,845
Additions	1,632,880	3,589,647
Depreciation expense	(3,723,703)	(3,989,345)
Deletions, net book value	32,691	(38,789)
Ending Balance	<u>\$ 41,900,226</u>	<u>\$ 43,958,358</u>

Long-term Debt. At year end, the County had outstanding debt of \$1,845,038, including a premium net of amortization. This represented two debt issues from 2013. The first was a bond issue for the face value of \$3,100,000 that sold with a premium of \$95,264. The second was a promissory note for \$380,000. Both issues were for the purpose of capital acquisition and improvement. Additional information regarding long term debt can be found in Note 8 of the Notes to the Financial Statements.

**TABLE 5
Outstanding Debt at Year-End**

	Governmental Activities	
	2020	2019
Bonds	\$ 1,605,000	\$ 1,690,000
Notes payable	240,038	263,489
Total	<u>\$ 1,845,038</u>	<u>\$ 1,953,489</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The onset of the COVID pandemic in fiscal year 2019-20 is expected to have a continuing impact on the fiscal year 2020-21 budget. Reductions in planned capital projects, changes in operational patterns, remote staff deployments, and COVID mitigation costs and activities are expected to continue throughout the fiscal year. While federal aid in various forms is expected to at least partially offset these impacts, lack of clarity regarding timing, allowability of expenses, and the duration of the pandemic is resulting in a conservative approach to budgeting. The County is attempting to prudently budget in a way that reduces impacts to reserves while still maintaining critical County services and functions. While the County is not anticipating a significant downturn in reserve balances, improvements at the same pace as recent years are unlikely to be realized until the effects of the pandemic subside.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Lincoln County's financial condition. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Finance Director, Lincoln County, 210 SW 2nd St., Newport, OR 97365.

BASIC FINANCIAL STATEMENTS

LINCOLN COUNTY, OREGON

Statement of Net Position

June 30, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 45,214,041	\$ 568,017	\$ 45,782,058
Receivables - net	6,355,736	50,758	6,406,494
Inventories	477,898	-	477,898
Total current assets	52,047,675	618,775	52,666,450
Noncurrent assets:			
Capital assets:			
Land and construction in progress	3,560,618	-	3,560,618
Other capital assets (net of accumulated depreciation)	38,115,642	-	38,115,642
Total noncurrent assets	41,676,260	-	41,676,260
Total assets	93,723,935	618,775	94,342,710
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow of resources related to pensions	2,759,211	-	2,759,211
Deferred outflow of resources related to OPEB	106,630	-	106,630
Total deferred outflows of resources	2,865,841	-	2,865,841
Total assets and deferred outflow of resources	\$ 96,589,776	\$ 618,775	\$ 97,208,551
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 2,061,272	\$ 6,188	\$ 2,067,460
Accrued payroll and related liabilities	1,774,627	-	1,774,627
Unearned revenue	141,271	-	141,271
Accrued interest payable	29,122	-	29,122
Certificates of Participation	85,000	-	85,000
Notes payable	24,602	-	24,602
Compensated absences payable	2,599,816	65	2,599,881
Total current liabilities	6,715,710	6,253	6,721,963
Noncurrent liabilities:			
Certificates of Participation	1,586,684	-	1,586,684
Notes payable	215,436	-	215,436
Net other postemployment benefit obligation	1,059,353	-	1,059,353
Net Pension Liability	8,558,329	-	8,558,329
Total noncurrent liabilities	11,419,802	-	11,419,802
Total liabilities	18,135,512	6,253	18,141,765
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow of resources related to pensions	768,826	-	768,826
Deferred inflow of resources related to OPEB	64,411	-	64,411
Total deferred inflows of resources	833,237	-	833,237
NET POSITION			
Net investment in capital assets	39,764,538	-	39,764,538
Restricted for:			
Road maintenance	9,466,577	-	9,466,577
Transit services	2,916,956	-	2,916,956
Outpatient services	6,886,643	-	6,886,643
Title III	1,417,149	-	1,417,149
DUII administration	22,516	-	22,516
Other purposes	4,388,415	-	4,388,415
Unrestricted	12,758,233	612,522	13,370,755
Total net position	77,621,027	612,522	78,233,549
Total liabilities, deferred inflows of resources, and net position	\$ 96,589,776	\$ 618,775	\$ 97,208,551

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

LINCOLN COUNTY, OREGON

Statement of Activities

For the Year Ended June 30, 2020

Functions/Programs	Program Revenues				Net Revenue (Expense) and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities:							
General government	\$ 14,825,926	\$ 1,895,406	\$ 4,112,252	\$ -	\$ (8,818,268)	\$ -	\$ (8,818,268)
Community services	5,016,993	1,790,063	2,965,604	-	(261,326)	-	(261,326)
Public safety	25,497,084	1,139,137	5,235,269	-	(19,122,678)	-	(19,122,678)
Highway and streets	8,704,242	1,115,098	4,463,303	48,315	(3,077,526)	-	(3,077,526)
Culture and recreation	308,915	150,555	264,735	-	106,375	-	106,375
Health and welfare	18,393,370	9,126,522	10,067,425	-	800,577	-	800,577
Education	273,550	51,500	3,588	-	(218,462)	-	(218,462)
Interest on long-term debt	76,143	-	-	-	(76,143)	-	(76,143)
Total governmental activities	73,096,223	15,268,281	27,112,176	48,315	(30,667,451)	-	(30,667,451)
Business-type activities:							
Solid waste	290,005	439,107	35,287	-	-	184,389	184,389
Total primary government	\$ 73,386,228	\$ 15,707,388	\$ 27,147,463	\$ 48,315	(30,667,451)	184,389	(30,483,062)
General revenues:							
Property taxes					24,616,736	-	24,616,736
Transient room taxes					2,163,013	-	2,163,013
Timber and land sales					140,999	-	140,999
Other taxes					82,218	-	82,218
Unrestricted investment earnings					811,256	9,365	820,621
Total general revenues					27,814,222	9,365	27,823,587
Change in net position					(2,853,229)	193,754	(2,659,475)
Net position, beginning					80,474,256	418,768	80,893,024
Net position, ending					\$ 77,621,027	\$ 612,522	\$ 78,233,549

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

LINCOLN COUNTY, OREGON

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2020

	101 General Fund	201 Public Works Fund	209 Mental Health Fund	208 Public Health Fund	Nonmajor Governmental Funds	Total
ASSETS						
Cash and investments	\$ 7,832,180	\$ 10,124,409	\$ 2,757,044	\$ 1,686,390	\$ 19,783,724	\$ 42,183,747
Receivables - net	3,822,812	22,264	257,481	615,499	1,637,680	6,355,736
Inventories	-	477,898	-	-	-	477,898
Total assets	<u>\$ 11,654,992</u>	<u>\$ 10,624,571</u>	<u>\$ 3,014,525</u>	<u>\$ 2,301,889</u>	<u>\$ 21,421,404</u>	<u>\$ 49,017,381</u>
LIABILITIES						
Accounts payable	\$ 570,663	\$ 547,502	\$ 70,400	\$ 126,893	\$ 233,931	\$ 1,549,389
Accrued payroll and related expenses	1,048,427	132,594	198,435	224,582	170,589	1,774,627
Unearned revenue	-	-	140,122	1,149	-	141,271
Due to other government entities	3,291	-	-	-	-	3,291
Total liabilities	<u>1,622,381</u>	<u>680,096</u>	<u>408,957</u>	<u>352,624</u>	<u>404,520</u>	<u>3,468,578</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenues - A/R	-	-	-	-	87,426	87,426
Unavailable revenue - property taxes	1,482,027	-	-	-	144,336	1,626,363
Total deferred inflows of resources	<u>1,482,027</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,762</u>	<u>1,713,789</u>
FUND BALANCES						
Nonspendable	-	477,898	-	-	-	477,898
Restricted	1,207,093	9,466,577	2,605,568	1,949,265	9,869,753	25,098,256
Committed	-	-	-	-	11,569,752	11,569,752
Unassigned	7,343,491	-	-	-	-	7,343,491
Total fund balances	<u>8,550,584</u>	<u>9,944,475</u>	<u>2,605,568</u>	<u>1,949,265</u>	<u>21,439,505</u>	<u>44,489,397</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,654,992</u>	<u>\$ 10,624,571</u>	<u>\$ 3,014,525</u>	<u>\$ 2,301,889</u>	<u>\$ 22,075,787</u>	<u>\$ 49,671,764</u>

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

LINCOLN COUNTY, OREGON

Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position

June 30, 2020

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

Fund balances - governmental funds	\$	44,489,397
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		
Governmental capital assets, cost	\$	126,125,527
Less accumulated depreciation		<u>84,449,267</u>
		210,574,794
A portion of the County's property taxes and assessments receivable are collected after year-end, but are not available soon enough to pay for current year's operations, and therefore are not reported as revenues in the governmental funds.		
		1,626,363
A portion of the County Health Center's receivables are collected after year-end, but are not available soon enough to pay for current year's operations, and therefore are not reported as revenues in the governmental funds.		
		87,426
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the fund financial statement, but are recognized in the Statement of Net Position.		
Deferred outflow of resources pension		2,759,211
Deferred outflow of resources OPEB		<u>106,630</u>
		2,865,841
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Accrued interest payable		(29,122)
Bonds and notes payable		(1,911,722)
Compensated absences		(2,599,816)
Net pension liability		(8,558,329)
Deferred inflow of resources pension		(768,826)
Deferred inflow of resources pension		(64,411)
Net other postemployment benefit obligation		<u>(1,059,353)</u>
		(14,991,579)
An internal service fund is used by management to charge the costs of certain insurance activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.		
		<u>2,521,702</u>
Net position of governmental activities	\$	<u><u>247,173,944</u></u>

LINCOLN COUNTY, OREGON

GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2020

	101 General Fund	201 Public Works Fund	209 Mental Health Fund	208 Public Health Fund	Nonmajor Governmental Funds	Total
REVENUES:						
Taxes and land sales	\$ 23,987,818	\$ -	\$ -	\$ -	\$ 2,999,742	\$ 26,987,560
Permits and fees	1,492,396	-	-	-	237,272	1,729,668
Charges for services	1,298,241	1,041,059	3,609,346	3,679,093	2,623,008	12,250,747
Intergovernmental revenues	9,155,804	4,511,619	3,540,713	3,604,965	5,678,370	26,491,471
Fines and penalties	94,570	-	-	-	45,634	140,204
Investment earnings	233,425	156,902	60,621	5,675	284,599	741,222
Donations	-	-	-	-	72,127	72,127
Other revenue	378,850	74,039	18,090	60,216	110,784	641,979
Total revenues	<u>36,641,104</u>	<u>5,783,619</u>	<u>7,228,770</u>	<u>7,349,949</u>	<u>12,051,536</u>	<u>69,054,978</u>
EXPENDITURES:						
Current:						
General government	13,010,193	-	-	-	240,313	13,250,506
Community services	2,129,519	-	-	-	2,412,261	4,541,780
Public safety	22,159,203	-	-	-	1,590,666	23,749,869
Highway and streets	-	6,141,084	-	-	-	6,141,084
Culture and recreation	-	-	-	-	190,060	190,060
Health and Welfare	-	-	6,883,042	6,788,495	4,129,639	17,801,176
Education	-	-	-	-	273,550	273,550
Debt service:						
Principal payments	106,751	1,700	-	-	-	108,451
Interest	81,704	1,420	-	-	-	83,124
Capital Outlay	443,209	1,870,286	-	34,942	4,907	2,353,344
Total expenditures	<u>37,930,579</u>	<u>8,014,490</u>	<u>6,883,042</u>	<u>6,823,437</u>	<u>8,841,396</u>	<u>68,492,944</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,289,475)</u>	<u>(2,230,871)</u>	<u>345,728</u>	<u>526,512</u>	<u>3,210,140</u>	<u>562,034</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	215,000	-	118,557	863,799	4,393,875	5,591,231
Transfers out	(583,472)	(171,630)	(477,572)	(118,557)	(1,990,000)	(3,341,231)
Proceeds from sale of capital assets	-	-	-	-	43,260	43,260
Total other financing sources (uses)	<u>(368,472)</u>	<u>(171,630)</u>	<u>(359,015)</u>	<u>745,242</u>	<u>2,447,135</u>	<u>2,293,260</u>
Net change in fund balances	<u>(1,657,947)</u>	<u>(2,402,501)</u>	<u>(13,287)</u>	<u>1,271,754</u>	<u>5,657,275</u>	<u>2,855,294</u>
Beginning fund balance	<u>10,208,531</u>	<u>12,346,976</u>	<u>2,618,855</u>	<u>677,511</u>	<u>15,782,230</u>	<u>41,634,103</u>
Ending fund balances	<u>\$ 8,550,584</u>	<u>\$ 9,944,475</u>	<u>\$ 2,605,568</u>	<u>\$ 1,949,265</u>	<u>\$ 21,439,505</u>	<u>\$ 44,489,397</u>

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

LINCOLN COUNTY, OREGON

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

For the Year Ended June 30, 2020

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

Net change in fund balances - governmental funds	\$	2,855,294
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Governmental funds report capital outlay as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation exceeds capital outlay in the current period is:

Capital outlay	\$ 1,441,606		
Less current year depreciation	<u>(3,723,703)</u>		(2,282,097)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds

Change in deferred inflows of resources		125,173
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the net position. This amount is the net effect of those differences in the treatment of long-term debt and related items:

Change in accrued interest	2,218		
Principal payments	108,451		
Change in bond premium	<u>4,763</u>		115,432

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds

Change in compensated absences	(200,807)		
Change in net pension asset / liability	(1,284,069)		
Change in deferred outflow of resources related to pensions	(13,072)		
Change in deferred inflow of resources related to pensions	(13,901)		
Change in net OPEB liability	(28,272)		
Change in deferred outflow of resources related to OPEB	(28,755)		
Change in deferred inflow of resources related to OPEB	<u>15,367</u>		(1,553,509)

Internal service funds are used by management to charge costs of management of certain insurance activities to individual funds. The net revenue of activities of internal service funds is reported with the governmental activities

		<u>(1,459,139)</u>
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Change in net position of governmental activities

	\$	<u>(2,198,846)</u>
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LINCOLN COUNTY, OREGON

101 GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes and land sales	\$ 24,060,282	\$ 24,060,282	\$ 23,987,818	\$ (72,464)
Permits and fees	1,444,050	1,444,050	1,492,396	48,346
Intergovernmental revenues	8,228,268	8,565,901	9,155,804	589,903
Charges for services	1,374,132	1,374,132	1,298,241	(75,891)
Fines and penalties	70,000	70,000	94,570	24,570
Investment earnings	190,000	190,000	233,425	43,425
Other revenue	294,450	294,450	378,850	84,400
Total revenues	35,661,182	35,998,815	36,641,104	642,289
Expenditures:				
Personal services	28,670,998	28,852,613	27,282,641	1,569,972
Materials and services	10,683,698	11,049,475	10,016,274	1,033,201
Capital outlay	1,014,268	1,224,268	443,209	781,059
Debt service:				
Principal	106,752	106,752	106,751	1
Interest	81,704	81,704	81,704	-
Total expenditures	40,557,420	41,314,812	37,930,579	3,384,233
Excess revenues under expenditures	(4,896,238)	(5,315,997)	(1,289,475)	4,026,522
Other financing sources (uses):				
Transfers in	15,000	215,000	215,000	-
Transfers out	(1,472,560)	(1,472,560)	(583,472)	889,088
Total other financing sources (uses)	(1,457,560)	(1,257,560)	(368,472)	889,088
Net change in fund balances	(6,353,798)	(6,573,557)	(1,657,947)	4,915,610
Fund Balance:				
Beginning of year	11,441,911	11,441,911	10,208,531	(1,233,380)
End of year	\$ 5,088,113	\$ 4,868,354	\$ 8,550,584	\$ 3,682,230

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

LINCOLN COUNTY, OREGON
201 PUBLIC WORKS FUND
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 4,680,842	\$ 4,680,842	\$ 4,511,619	\$ (169,223)
Charges for services	1,025,000	1,025,000	1,041,059	16,059
Investment earnings	120,000	120,000	156,902	36,902
Other revenue	<u>378,000</u>	<u>378,000</u>	<u>74,039</u>	<u>(303,961)</u>
Total revenues	<u>6,203,842</u>	<u>6,203,842</u>	<u>5,783,619</u>	<u>(420,223)</u>
Expenditures:				
Personal services	3,931,817	3,931,817	3,322,553	609,264
Materials and services	3,153,938	3,153,938	2,818,531	335,407
Capital outlay	1,686,000	1,686,000	1,870,286	(184,286)
Debt service	3,120	3,120	3,120	-
Contingency	<u>585,000</u>	<u>585,000</u>	<u>-</u>	<u>585,000</u>
Total expenditures	<u>9,359,875</u>	<u>9,359,875</u>	<u>8,014,490</u>	<u>1,345,385</u>
Excess revenues under expenditures	<u>(3,156,033)</u>	<u>(3,156,033)</u>	<u>(2,230,871)</u>	<u>925,162</u>
Other financing sources (uses):				
Transfers out	<u>(171,630)</u>	<u>(171,630)</u>	<u>(171,630)</u>	<u>-</u>
Net change in fund balances	(3,327,663)	(3,327,663)	(2,402,501)	925,162
Fund Balance:				
Beginning of year	<u>3,622,689</u>	<u>3,622,689</u>	<u>12,346,976</u>	<u>8,724,287</u>
End of year	<u>\$ 295,026</u>	<u>\$ 295,026</u>	<u>\$ 9,944,475</u>	<u>\$ 9,649,449</u>

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

LINCOLN COUNTY, OREGON

209 MENTAL HEALTH FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 3,033,366	\$ 3,033,366	\$ 3,540,713	\$ 507,347
Charges for services	3,521,730	3,521,730	3,609,346	87,616
Investment earnings	60,000	60,000	60,621	621
Other revenue	<u>18,100</u>	<u>18,100</u>	<u>18,090</u>	<u>(10)</u>
Total revenues	<u>6,633,196</u>	<u>6,633,196</u>	<u>7,228,770</u>	<u>595,574</u>
Expenditures:				
Personal services	6,340,801	6,340,801	5,142,948	1,197,853
Materials and services	2,671,409	2,671,409	1,740,094	931,315
Contingency	<u>74,801</u>	<u>74,801</u>	<u>-</u>	<u>74,801</u>
Total expenditures	<u>9,087,011</u>	<u>9,087,011</u>	<u>6,883,042</u>	<u>2,203,969</u>
Excess revenues over (under) expenditures	<u>(2,453,815)</u>	<u>(2,453,815)</u>	<u>345,728</u>	<u>2,799,543</u>
Other financing sources (uses):				
Transfers in	118,557	118,557	118,557	-
Transfers out	<u>(477,572)</u>	<u>(477,572)</u>	<u>(477,572)</u>	<u>-</u>
Total other financing sources (uses)	<u>(359,015)</u>	<u>(359,015)</u>	<u>(359,015)</u>	<u>-</u>
Net change in fund balances	(2,812,830)	(2,812,830)	(13,287)	2,799,543
Fund Balance:				
Beginning of year	<u>2,812,830</u>	<u>2,812,830</u>	<u>2,618,855</u>	<u>(193,975)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,605,568</u>	<u>\$ 2,605,568</u>

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

LINCOLN COUNTY, OREGON

208 PUBLIC HEALTH FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 2,638,110	\$ 2,638,110	\$ 3,604,965	\$ 966,855
Charges for services	3,856,743	3,856,743	3,679,093	(177,650)
Investment earnings	-	-	5,675	5,675
Other revenue	<u>68,300</u>	<u>68,300</u>	<u>60,216</u>	<u>(8,084)</u>
Total revenues	<u>6,563,153</u>	<u>6,563,153</u>	<u>7,349,949</u>	<u>786,796</u>
Expenditures:				
Personal services	5,678,218	5,678,218	5,102,792	575,426
Materials and services	1,994,484	1,994,484	1,685,703	308,781
Capital outlay	<u>35,000</u>	<u>35,000</u>	<u>34,942</u>	<u>58</u>
Total expenditures	<u>7,707,702</u>	<u>7,707,702</u>	<u>6,823,437</u>	<u>884,265</u>
Excess revenues over (under) expenditures	<u>(1,144,549)</u>	<u>(1,144,549)</u>	<u>526,512</u>	<u>1,671,061</u>
Other financing sources (uses):				
Transfers in	880,006	880,006	863,799	(16,207)
Transfers out	<u>(118,557)</u>	<u>(118,557)</u>	<u>(118,557)</u>	<u>-</u>
Total other financing sources (uses)	<u>761,449</u>	<u>761,449</u>	<u>745,242</u>	<u>(16,207)</u>
Net change in fund balances	(383,100)	(383,100)	1,271,754	1,654,854
Fund Balance:				
Beginning of year	<u>618,519</u>	<u>618,519</u>	<u>677,511</u>	<u>58,992</u>
End of year	<u>\$ 235,419</u>	<u>\$ 235,419</u>	<u>\$ 1,949,265</u>	<u>\$ 1,713,846</u>

LINCOLN COUNTY, OREGON

PROPRIETARY FUNDS

Balance Sheet

June 30, 2020

	Business-type Activities - Nonmajor <u>Enterprise Fund</u> 210 Solid Waste District Fund	Governmental Activities - Internal Service Fund <u>215 Self Insurance Fund</u>
ASSETS		
Current assets:		
Cash and investments	\$ 568,017	\$ 3,030,294
Receivables	<u>50,758</u>	<u>-</u>
Total assets	<u><u>\$ 618,775</u></u>	<u><u>\$ 3,030,294</u></u>
LIABILITIES		
Current liabilities:		
Accounts payable and payroll liabilities	\$ 6,188	\$ 462,006
Current portion of compensated absences	65	-
Claims payable	<u>-</u>	<u>46,586</u>
Total liabilities	<u>6,253</u>	<u>508,592</u>
NET POSITION		
Unrestricted	<u>612,522</u>	<u>2,521,702</u>
Total liabilities and net position	<u><u>\$ 618,775</u></u>	<u><u>\$ 3,030,294</u></u>

LINCOLN COUNTY, OREGON

PROPRIETARY FUNDS

Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2020

	Business-type Activities - Nonmajor Enterprise Fund	Governmental Activities - Internal Service Fund
	210 Solid Waste District Fund	215 Self Insurance Fund
Operating revenues:		
Charges for services	\$ 439,107	\$ 1,090,592
Other revenue	-	23,964
Total operating revenues	439,107	1,114,556
Operating expenses:		
General and administrative costs	113,411	-
Operations and maintenance	176,594	990,623
Total operating expenses	290,005	990,623
Operating income (loss)	149,102	123,933
Nonoperating revenues:		
Operating grant	35,287	596,894
Investment earnings	9,365	70,034
Total nonoperating revenues	44,652	666,928
Income before transfers	193,754	790,861
Transfers to governmental funds	-	(2,250,000)
Change in net position	193,754	(1,459,139)
Beginning net position	418,768	3,980,841
Ending net position	\$ 612,522	\$ 2,521,702

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

LINCOLN COUNTY, OREGON
PROPRIETARY FUNDS
Statement of Cash Flows
For the Year Ended June 30, 2020

	Business-type Activities - Nonmajor Enterprise Fund 210 Solid Waste District Fund	Governmental Activities - Internal Service Fund 215 Self Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from services provided	\$ 470,627	\$ -
Cash received from interfund services provided	-	1,114,556
Cash payments to employees for services	(116,807)	-
Cash payments to other suppliers for goods and services	(175,255)	-
Cash paid for interfund services used	-	(767,587)
Net cash provided (used) by operating activities	178,565	346,969
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from operating grant	35,287	596,894
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Transfer to governmental activities for acquisition of capital assets	-	(2,250,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	9,365	70,034
Net change in cash and investments	223,217	(1,236,103)
Cash and investments:		
Beginning of year	344,800	4,266,397
End of year	\$ 568,017	\$ 3,030,294
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 149,102	\$ 123,933
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
(Increase) decrease in assets:		
Receivables	31,520	-
Increase (decrease) in liabilities:		
Accounts payable	1,340	176,450
Payroll and related accruals	(3,397)	-
Claims payable	-	46,586
Net cash provided (used) by operating activities	\$ 178,565	\$ 346,969

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

LINCOLN COUNTY, OREGON
FIDUCIARY FUNDS
Statement of Fiduciary Net Position
June 30, 2020

	<u>Agency Fund</u>
ASSETS	
Cash and investments	\$ 3,661,792
Receivables - net	<u>8,074,441</u>
Total assets	<u><u>\$ 11,736,233</u></u>
LIABILITIES	
Due to other governmental agencies	\$ 16,667
Amounts held for others	<u>11,719,566</u>
Total liabilities	<u><u>\$ 11,736,233</u></u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 1 - The Financial Reporting Entity

A. Reporting entity

Lincoln County, Oregon (the "County"), a general law county exercising the authority of a county under ORS Chapter 203.035, was established by an Act of the State Legislature on February 20, 1893, as a legal subdivision of the State of Oregon charged with governmental powers. The County's powers are exercised through a Board of Commissioners (the "Board"), which is the governing body of the County. The Board is responsible for the legislative and executive control of the County. The County provides various services on a county-wide basis including law and justice, detention, social, health, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationships with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

The basic financial statements include five blended component units. The blended component units, although legally separate entities are, in substance, part of the County's operations and data from these units is combined with data of the primary government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board. The financial statements of the individual units may be obtained by writing to Lincoln County, Finance and Accounting, 210 SW 2nd Street, Newport, OR 97365.

B. Blended component units

The five blended component units are included because the County Board of Commissioners, the governing board of the Primary Government, also serves as their respective governing bodies, and management of the County has operational responsibility for the component units as follows:

Lincoln County Transportation Service District

The District provides a comprehensive transportation program to the county. Services include a scheduled stop bus system, and a dial-a-ride service for the transit disadvantaged, senior, and disabled population.

Lincoln County Solid Waste Disposal Service District

The countywide district coordinates solid waste management planning throughout the county, implements recycling and waste reduction education programs, and coordinates illegal dumping enforcement, prevention, and clean-up activities.

Lincoln County Extension District

The district accounts for the operations of the Oregon State University – Lincoln County Extension District that provides educational programs to citizens of the county.

Lincoln County Animal Services District

The district accounts for the operations of the county animal shelter and provides animal control services countywide.

Siletz Enhanced Law Enforcement District

The district accounts for County Sheriff's patrol and law enforcement services in the City of Siletz and surrounding area that encompasses the Siletz Fire Protection District.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 2 - Summary of Significant Accounting Policies

A. Government-wide financial statements

The statement of net position and statement of activities 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. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the functions of the County, the elimination of which would distort the direct costs and program revenues reported for the various functions. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely primarily upon fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore, are clearly identifiable to a particular function. Indirect expenses are those incurred for central services and not specifically associated with a program or function. Indirect expenses are allocated to functions based on each functions estimated use of central services. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) 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

The fund financial statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, whereby each major fund is displayed discretely in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- *General* - accounts for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as general government, public safety, corrections, assessment and taxation.
- *Public Works Fund* - accounts for the operations of the County Road Department. Significant sources of revenue are federal forest fees and state motor vehicle fees. Expenditures are primarily for maintenance and construction of County roads.
- *Mental Health* - accounts for mental health services which are funded in part by the Oregon Health Plan, participation in the Inter-community Health Network (IHN) Coordinated Care Organization (CCO), State of Oregon Department of Human Services contracts for Mental Health Services, as well as private insurances and self-pay funds.
- *Public Health* - This fund accounts for public health services through a variety of programs funded from grants and other resources.

The County also includes the following other fund types:

- *Special Revenue* - accounts for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities.
- *Capital Projects Funds* - accounts for financial resources used for the acquisition and construction of major capital facilities.
- *Enterprise* - accounts for the operations services rendered to the surrounding governmental entities on a user charge basis, a predominantly self-supporting activity.
- *Internal Service* - accounts for the County's self-insurance programs. Charges to other funds and refunds from insurance policies support this activity.
- *Agency* - used for tracking various activities, including the accumulation and distribution of property taxes; resources of taxing districts, inter-governmental law enforcement activities, justice court; and various other collection and escrow agent activities.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 2 - Summary of Significant Accounting Policies, continued

B. Basis of accounting

The government-wide financial statements and proprietary fund financial statements are reported using the economic resources measurement focus and 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. Nonexchange 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. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Significant revenues, which are susceptible to accrual under the modified accrual basis of accounting, include property taxes and federal and state grants. Other revenue items are considered to be measurable and available when received by the County. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund, the Solid Waste District, and its internal service fund are charges for services. Operating expenses for the aforementioned funds are personal services and materials and services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Cash and investments

For purposes of the accompanying statement of cash flows, the proprietary funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool are considered to be cash and cash equivalents.

D. Inventories and prepaid items

Inventories purchased are stated at cost (average costing method). Inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 2 - Summary of Significant Accounting Policies, continued

E. Receivables

In general, receivables in the governmental fund types, which have been collected within sixty days following year end, are considered measurable and available and are recognized as revenues. Deviations from this collection time period arise in medical receivables, and certain grant or intergovernmental receivables. The collection period for medical receivables is based on the time required for the medical billing system to process the services provided prior to year end. Certain grant or intergovernmental receivables will be recognized as revenue in the current period if it is material, measurable, and the related expenditures have been incurred.

Property taxes receivable in the agency funds are offset by amounts held in trust and, accordingly, have not been recorded as revenue. All other property taxes receivable are offset by deferred inflows of resources if received more than sixty days following year end and accordingly, have not been recognized as revenue. Real and personal property are assessed and property taxes become a lien against the property as of July 1 each year. Property taxes are payable in three installments, following the lien date, on November 15, February 15, and May 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

For the year ended June 30, 2020, the County's tax levy did not exceed the Oregon constitutional limitation. All other districts' property taxes receivable are reported in the Agency Fund.

F. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, street lights, etc.) are reported in the governmental activities column in the governmental-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements. Capital assets are recorded at historical cost, or estimated historical cost if actual cost is not available. Infrastructure acquired prior to July 1, 1980 is not reported in capital assets. Contributed capital assets are recorded at the actual cost incurred by the property owner.

The County defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation on exhaustible assets is recorded as an allocated expense in the statement of activities with accumulated depreciation reflected in the statement of net position and is provided on the straight-line basis over the following estimated useful lives:

Infrastructure	20 to 50 years
Structures and improvements	10 to 50 years
Equipment	3 to 15 years

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

G. Compensated absences

Compensated absences and related taxes are not recorded as expenditures in the governmental funds until paid. The expenditures are recorded in the General, General Road, Mental Health, Public Health, and Nonmajor Governmental Funds. Sick leave does not vest, except in the following two cases: employees who reach the age of 55 or older; and employees who are represented by the Lincoln County Employee's Association - Roads, or the Lincoln County Employee's Association - Transit, and have been a member of the union for at least five years. In both of these circumstances, the sick leave is vested to 50 percent upon their retirement. Sick leave accumulates at the rate of 8 hours per month for the employees who qualify for vested sick leave.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 2 - Summary of Significant Accounting Policies, continued

G. Compensated absences, continued

All benefit-eligible employees (after six months of continuous service) earn vacation leave. The amount earned per pay period is determined based upon length of service and representation. Accumulation limits of vacation leave differ by length of service.

Certain employees earn paid leave for personal holidays with a maximum accumulation of 8 hours. All non-exempt benefit-eligible employees are eligible for compensatory time with a maximum accumulation of 80 hours for most employees with the exception of employees who work 24 hour operations, in which the maximum accumulation is 120 hours.

H. Deferred inflows and outflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The County has one item that qualifies for reporting in this category. It is the deferred amounts relating to pensions. This amount is deferred and recognized as an outflow of resources in the period when the County recognizes pension expense/expenditures. Deferred outflows are included in the government-wide Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. Unavailable revenue from property taxes is reported in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that amount becomes available. The County also reports deferred amounts related to pensions. This amount is deferred and recognized as an inflow of resources in the period when the County recognizes pension income. Deferred inflows are included in the government-wide Statement of Net Position.

I. 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.

J. Interfund transactions

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, and are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the noncurrent portion of interfund loans).

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

K. Fund balance / net position

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The fund balance classifications are:

Nonspendable - resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for sale.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 2 - Summary of Significant Accounting Policies, continued

K. Fund balance / net position continued

Restricted - constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grants, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - the County Commissioners pass an ordinance that places specific constraints on how the resources may be used. The County Commissioners can modify or rescind the ordinance at any time through passage of an additional ordinance.

Assigned - resources that are constrained by the County's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the County Commissioners approve which resources should be "reserved" during the adoption of the annual budget. The County had no assigned fund balance as of June 30, 2019.

Unassigned - resources that have not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

Fund balances by classification for the year ended June 30, 2020 are as follows:

	General Fund	Public Works Fund	Mental Health Fund	Public Health Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable						
Inventories	\$ -	\$ 477,898	\$ -	\$ -	\$ -	\$ 477,898
Restricted for:						
Road maintenance	-	9,466,577	-	-	-	9,466,577
Economic development	-	-	-	-	1,024,448	1,024,448
Transit services	-	-	-	-	2,916,956	2,916,956
Public safety	1,207,093	-	-	-	-	1,207,093
County Fair	-	-	-	-	277,641	277,641
Outpatient services	-	-	2,605,568	1,949,265	2,331,810	6,886,643
Veterans' services outreach	-	-	-	-	221,050	221,050
Animal control services	-	-	-	-	321,687	321,687
Title III	-	-	-	-	1,417,149	1,417,149
DUII administration	-	-	-	-	22,516	22,516
Law enforcement	-	-	-	-	83,825	83,825
Maintenance of government surveys	-	-	-	-	344,489	344,489
Public education	-	-	-	-	908,182	908,182
Total restricted	1,207,093	9,466,577	2,605,568	1,949,265	9,869,753	25,098,256
Committed to:						
Law library	-	-	-	-	126,804	126,804
County records	-	-	-	-	136,977	136,977
Post-closure obligations	-	-	-	-	695,993	695,993
Capital outlay	-	-	-	-	10,609,978	10,609,978
Total committed	-	-	-	-	11,569,752	11,569,752
Unassigned	7,343,491	-	-	-	-	7,343,491
Total fund balances	\$ 8,550,584	\$ 9,944,475	\$ 2,605,568	\$ 1,949,265	\$ 21,439,505	\$ 44,489,397

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

When an expenditure is incurred, where an unrestricted fund balance classification could be used, it is the County's policy to use committed resources first, assigned resources second, and then unassigned amounts as they are needed.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 2 - Summary of Significant Accounting Policies, continued

L. Estimates

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

M. Budget policies and budgetary control

The County begins its budgeting process by appointing a Budget Committee in January. Budget recommendations are developed by management through the month of April with the Budget Committee meeting and approving the budget document in May. Public notices for the budget hearing are published and the hearing is held in June. The Board of County Commissioners adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over-spent, except in the case of grant receipts and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted.

Noncompliance with Oregon Budget Law for the year ended June 30, 2020 is as follows:

The following funds reported expenditures over budgeted amounts for the year ended June 30, 2020.

Public Works Fund capital outlay	\$184,286
Animal Services District	\$ 173
Self Insurance Fund materials and service	\$135,011

Note 3 - Cash and Investments

The County maintains a pool of cash and investments that are available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and investments. Additionally, several funds hold separate cash and investment accounts. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investments balances.

A. The County's deposits and investments at June 30, 2020 are as follows:

Total investments	\$ 39,902,678
Deposits with financial institutions	9,541,172
Total deposits and investments	<u>\$ 49,443,850</u>

B. Cash and investments are reported as follows:

Governmental Activities/Funds	
General Fund	\$ 7,832,180
Public Works Fund	10,124,409
Mental Health Fund	2,757,044
Community Health Centers Fund	1,686,390
Nonmajor governmental funds	<u>19,783,724</u>
Total governmental funds	42,183,747
Internal Service Fund	<u>3,030,294</u>
Total Governmental Activities	45,214,041
Business-Type Activities	568,017
Fiduciary Funds	<u>3,661,792</u>
Total cash and investments	<u>\$ 49,443,850</u>

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 3 - Cash and Investments, continued

Deposits:

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. At June 30, 2020, the County's deposits with various financial institutions had a bank value of \$51,791,939. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

Investments:

As of June 30, 2020, the County held the following investments and maturities:

<u>Investment type</u>	<u>Carrying Value</u>	<u>Weighted Average Maturity in Years</u>	<u>Moody's Credit Rating</u>	<u>% of Investment Portfolio</u>
Local government investment pool	\$ 39,902,678	N/A	N/A	100.00 %

The "weighted average maturity in years" calculation assumes that all investments are held until maturity.

The Oregon Local Government Investment Pool (LGIP) is an open-ended, no-load diversified portfolio offered to any municipality, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any public funds. The Office of the State Treasurer (OST) manages the LGIP. The LGIP is commingled with other State funds in the Oregon Short-Term Fund (OSTF). The OSTF is not managed as a stable net asset value fund; therefore, the preservation of principal is not assured. The LGIP is not rated by a national rating service. Additional information about the OSTF can be obtained at www.ost.state.or.us and www.oregon.gov/treasury. The weighted-average maturity of LGIP is less than one year. The investment in LGIP is stated at the value of the County's share in the pool.

Credit risk - investments. The County adheres to State of Oregon law, which limits Corporate and Municipal investments to the following: Issuers must be rated "A-1" (commercial paper and bankers acceptance) or "AA" (bonds and debt obligations for the states of Oregon, California, Idaho, and Washington) or "AAA" (FDIC guaranteed corporate bonds) or better by Standard and Poor's, Moody's Investors Service or any other nationally recognized statistical rating organization at time of purchase. Federal instrumentality securities shall be rated in the highest rating category by a nationally recognized statistical rating organization (NRSRO) and shall be rated not less by any NRSRO that rates the debt.

Fair Value Hierarchy Investments are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 - unadjusted price quotations in active markets/exchanges for identical assets or liabilities, that each Fund has the ability to access.

Level 2 - other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs).

Level 3 - unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The categorization of a value determined for investments is based on the pricing transparency of the investments and is not necessarily an indication of the risks associated with investing in those securities. The County categorizes its

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 3 - Cash and Investments, continued

fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The County has recorded its investments at fair value, and primarily uses the Market Approach to valuing each security. The County applies fair market value updates to its securities on a daily basis. Security pricing is provided by a third-party, and is reported daily to the County by its custodian bank. Assets are categorized by asset type, which is a key component of determining hierarchy levels. Asset types allowable per the County's investment policy generally fall within hierarchy level 1 and 2.

The County has no investments measures at fair value measurement:

	Total as of June 30, 2020	Fair Value Measurement Using			Cost Measurement Not Measured at Fair Value
		Level One	Level Two	Level Three	
LGIP	39,902,678	-	-	-	39,902,678
	<u>\$ 39,902,678</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,902,678</u>

Note 4 - Receivables

Receivables at June 30, 2020 were as follows:

	Governmental Funds					Totals
	General	Public Works	Mental Health	Public Health	Nonmajor	
Property taxes	\$ 1,482,027	\$ -	\$ -	\$ -	\$ 144,336	\$ 1,626,363
Accounts	2,340,785	22,264	345,947	615,499	1,537,052	4,861,547
Less: allowance for doubtful accounts	-	-	(88,466)	-	(43,708)	(132,174)
	<u>\$ 3,822,812</u>	<u>\$ 22,264</u>	<u>\$ 257,481</u>	<u>\$ 615,499</u>	<u>\$ 1,637,680</u>	<u>\$ 6,355,736</u>

Management has determined that no allowance for doubtful accounts is necessary for accounts receivable of the Business-type Activities of the County.

Note 5 - Interfund Transactions

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenues.

The following schedule summarizes the County's transfer activity between funds within the governmental activities:

Transfer From	Transfer To	Amount
General Fund	Nonmajor Funds	\$ 197,245
General Fund	Public Health	386,227
Public Works	Nonmajor funds	171,630
Public Health	Mental Health	118,557
Mental Health	Public Health	477,572
Nonmajor Funds	General Fund	215,000
Nonmajor Funds	Nonmajor Funds	4,025,000
Total		<u>\$ 5,007,759</u>

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 6 - Capital Assets

A. Capital asset activity for the year ended June 30, 2020 was as follows:

Governmental Activities	Balances July 1, 2019,	Additions and Reclassifications	Deletions and Reclassifications	Balances June 30, 2020
<i>Capital assets, not being depreciated:</i>				
Land and easements	\$ 2,315,256	\$ -	\$ -	\$ 2,315,256
Construction in progress	717,110	607,544	(79,292)	1,245,362
Total capital assets, not being depreciated	3,032,366	607,544	(79,292)	3,560,618
<i>Capital assets being depreciated:</i>				
Infrastructure	74,534,068	-	-	74,534,068
Buildings	18,268,090	-	-	18,268,090
Improvements	12,896,106	-	-	12,896,106
Equipment	16,860,748	946,044	(940,147)	16,866,645
Total capital assets being depreciated	122,559,012	946,044	(940,147)	122,564,909
<i>Less accumulated depreciation for:</i>				
Infrastructure	(52,138,641)	(979,673)	-	(53,118,314)
Buildings	(11,119,021)	(515,454)	-	(11,634,475)
Improvements	(6,588,476)	(725,047)	-	(7,313,523)
Equipment	(11,786,882)	(1,503,529)	907,456	(12,382,955)
Total accumulated depreciation	(81,633,020)	(3,723,703)	907,456	(84,449,267)
Total capital assets being depreciated, net	40,925,992	(2,777,659)	(32,691)	38,115,642
Total capital assets, net	\$ 43,958,358	\$ (2,170,115)	\$ (111,983)	\$ 41,676,260

B. Depreciation expense was charged to governmental functions as follows:

General government	\$ 624,114
Community services	354,334
Public safety	1,206,482
Highways and streets	1,277,606
Culture and recreation	108,265
Health and welfare	152,902
Total depreciation expense - governmental activities	\$ 3,723,703

Note 7 - Construction Commitments

The government has entered into contracts for construction, as follows:

	Project Authorization	Expended to Date	Commitment
East Devils Lake Road	\$ 333,829	\$ -	\$ 333,829

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 8 - Noncurrent liabilities

General Obligation Bonds

General obligation bonds at year end are as follows:

Purpose	Amount
Local Oregon Capital Asset Program (LOCAP) certificates of participation	
The County issued certificates of participation, series 2013C, on July 30, 2013 in the amount of \$3.1 million through the Local Oregon Capital Assets Program with an average coupon rate of 4.27%. Proceeds are to be used to purchase new assessment and taxation software and hardware replacement; simulcast communications installation and Extension District Buildings improvements; the purchase and improvement of property for Courthouse parking; and additional property acquisition and improvements for County purposes if funds remain and the Board and Special Counsel approve. Principal amounts are due on August 1 and semi-annual interest payments are due on August 1 and February 1.	\$ 1,605,000

If an event of default occurs on any of the direct borrowing LOCAP an order or judgement by any court may be ordered to liquidate a substantial part of the assets of the County.

Notes payable

The County signed a 15-year promissory note on August 31, 2013 with the Trustees under the Curry Living Trust to purchase property. The original amount of the note was \$380,000 with monthly installments due of \$2,966 at 4.8% interest annum.

If an event of default occurs on any of the direct borrowing Curry Living Trust. Curry Living Trust may declare the entire unpaid balance together with all accrued interest to be immediately due and payable.

Noncurrent liability activity for the year ended June 30, 2020, was as follows:

	Outstanding July 1, 2019	Additions	Reductions	Outstanding June 30, 2020	Balances Due Within One Year
<u>Governmental activities:</u>					
Certificates of Participation					
LOCAP Series 2013C	\$ 1,690,000	\$ -	\$ (85,000)	\$ 1,605,000	\$ 85,000
Notes payable					
Curry property note	263,489	-	(23,451)	240,038	24,602
Vested compensated absences	2,399,008	2,599,816	(2,399,008)	2,599,816	2,599,816
Total governmental activities noncurrent liabilities	\$ 4,352,497	\$ 2,599,816	\$ (2,507,459)	\$ 4,444,854	\$ 2,709,418
<u>Business-type activities:</u>					
Vested compensated absences	\$ 3,461	\$ 65	\$ (3,461)	\$ 65	\$ 65

The General Fund has been used to liquidate governmental activities compensated absences in prior years.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 8 - Noncurrent liabilities, continued

Annual debt service requirements to maturity for long-term obligations are as follows:

Fiscal Year	LOCAP Series 2013C		Curry property note		Governmental Activities Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 85,000	\$ 67,588	\$ 24,602	\$ 10,985	\$ 109,602	\$ 78,573
2022	90,000	64,088	25,809	9,778	115,809	73,866
2023	95,000	60,150	27,075	8,512	122,075	68,662
2024	100,000	55,763	28,404	7,183	128,404	62,946
2025	100,000	51,450	29,798	5,789	129,798	57,239
2026-2030	575,000	189,470	104,350	8,340	679,350	197,810
2031-2035	560,000	51,976	-	-	560,000	51,976
	<u>\$ 1,605,000</u>	<u>\$ 540,485</u>	<u>\$ 240,038</u>	<u>\$ 50,587</u>	<u>\$ 1,845,038</u>	<u>\$ 591,072</u>

Certificates of participation are reported in the Statement of Net Position as follows:

LOCAP payable ending balance	\$ 1,605,000
Less: current portion	(85,000)
Add: unamortized premium	<u>66,684</u>
Bonds payable, due in more than one year	<u>\$ 1,586,684</u>

Note 9 - Operating Leases

The County leases office equipment and office facilities under operating leases expiring at various times throughout 2020 through 2023. Total cost for such leases for the year ended June 30, 2020 was \$801,367. Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of June 30, 2020 are:

Year Ended June 30,	Amount
2021	\$ 787,008
2022	783,080
2023	773,268
2024	<u>760,159</u>
Total	<u>\$ 3,103,515</u>

Note 10 - Defined Contribution Plan

The Lincoln County Retirement Plan is a defined contribution pension plan (401(k)) established by the County to provide benefits to substantially all employees, except for certain employees of the Sheriff's office. At June 30, 2020, there were 374 plan members. Required contributions are made semi-monthly at the rate of 11 percent of eligible employees' salaries. The County's contribution for each employee and interest allocated to the employee's account are fully vested after four years of membership. Under the plan, employees also have the option of participating in a deferred salary arrangement pursuant to a salary reduction agreement. The deferred salary cannot exceed the amount allowable by Internal Revenue Code Section 415.

County contributions for, and interest forfeited by, employees who leave employment before four years of service are placed in a forfeiture account. This account is used to pay current charges for administration of the plan and may be used to reduce the County's contribution requirement. The County made the required contributions of \$2,644,218 and employees contributed \$807,179 for the year ended June 30, 2020. Investments are self-directed by the employees between a fixed income account and a number of equity funds. Plan provisions and contribution requirements are established and may be amended by the Board of Commissioners.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 11 - Deferred Compensation Plan

The County's employees can contribute to the Lincoln County deferred compensation plan created in accordance with the Internal Revenue Code Section 457(g) ("457 Plan"). The 457 Plan is administered by independent plan administrators through administrative service agreements. The 457 Plan is available to substantially all employees of the County. Employees may defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or financial hardship. The 457 Plan's assets are held in a custodial account for the exclusive benefit of participants and beneficiaries, and are not subject to claims of the County's creditors, nor can they be used by the County for any purpose other than the payment of benefits to the plan participants. Accordingly, these plan assets and related liabilities are not recorded on the accompanying statement of net position. Employee contributions to the 457 Plan for the year ended June 30, 2020, were \$428,500.

Note 12- Defined Benefit Pension Plan

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

Risk Pooling:

The County has elected to participate in the State and Local Government Rate Pool (SLGRP). Pooling allows separate employers to be part of one group for the purpose of determining employer pension costs and contribution rates. Pool participants share pension assets and future pension liabilities and surpluses. Employers in the pool jointly fund the future pension costs of all of the pooled participants.

Plan Benefits:

1. Tier One/Tier Two Retirement Benefit (Chapter 238).

Benefits Provided

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2 percent) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 45 years of age before ceasing employment with a participating employer. Members may retire after reaching age 50. Benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

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

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 12 - Defined Benefit Pension Plan, continued

disability, service time is computed to age 55 when determining the monthly benefit.

Benefit Changes After Retirement

After retirement members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2%.

2. OPSRP Pension Program (OPSRP DB)

Pension Benefits.

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003.

This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age is age 60 or age 53 with 25 years of retirement credit. The individual must have been employed continuously in a PERS position for the County at least five years immediately preceding retirement.

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

Death Benefits

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

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2%.

3. OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits

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

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

Death Benefits

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

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 12 - Defined Benefit Pension Plan, continued

Contributions:

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation that became effective July 1, 2019. Employer contributions for the year ended June 30, 2020 were \$779,776 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2020 were 21.39 percent for Tier One/Tier Two members, 8.76 percent for OPSRP Pension Program members and 6 percent for OPSRP Individual Account Program. The County has elected to make the payments on behalf of it's employees for the OPSRP Individual Account Program.

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

At June 30, 2019, The County's proportionate share of the net pension liability is \$8,558,329. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of December 31, 2017 rolled forward to June 30, 2019. The County's proportion of the net pension liability was based on a projection of the County's long-term contribution effort as compared to the total projected contributions of all participating employers. At June 30, 2019, the County's proportion share was 0.04947696 percent, which was changed from its proportion measured as of June 30, 2018 of 0.04801909 percent.

For the year ended June 30, 2020, the County recognized pension expense of \$1,311,042.

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 471,967	\$ -
Change in assumptions	1,161,035	-
Net difference between projected and actual earnings on pension plan investments	-	242,620
Changes in proportion share	346,433	111,552
Changes in proportion and differences between contributions and proportionate share of contributions	-	414,654
Sub-total before post-measurement date contributions	1,979,435	768,826
Contributions subsequent to the measurement date	779,776	-
Total	<u>\$ 2,759,211</u>	<u>\$ 768,826</u>

Deferred outflows of resources related to pensions of \$779,776 resulting from the County's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ 726,882
2022	41,889
2023	249,307
2024	183,184
2025	9,347
Total	<u>\$ 1,210,609</u>

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 12 - Defined Benefit Pension Plan, continued

Actuarial Assumptions:

The employer contribution rates effective July 1, 2019, through June 30, 2021, were set using the projected unit credit actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (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 16 years.

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date:	December 31, 2017
Measurement Date:	June 30, 2019
Experience Study Report:	2016, published July 26, 2017
Asset Valuation Method	Market value of assets
Actuarial cost method	Entry Age Normal
Amortization method:	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years.
Asset valuation method:	Market value of assets
Actuarial assumptions	
Inflation Rate	2.50%
Investment Rate of return	7.20%
Projected Salary Increases	3.50%
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/15%) In accordance with Moro decision; blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

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 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 12 - Defined Benefit Pension Plan, continued

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 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. 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. For more information on the Plan’s portfolio, assumed asset allocation, and the long-term expected rate of turn for each major asset class, calculated using both arithmetic and geometric means, see PERS’ audited financial statements at <https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>.

Discount Rate

The discount rate used to measure the total pension liability was 7.2 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the County’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.2 percent, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.2 percent) or 1-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.2%)	Discount Rate (7.2%)	1% Increase (8.2%)
Proportionate share of net pension liability (asset)	\$ 13,705,405	\$ 8,558,329	\$ 4,250,936

Pension Plan Fiduciary Net Position

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

Changes in Plan Assumptions Subsequent to Measurement Date

Senate Bill 1049, signed into law in June 2019, made certain changes to the PERS system that are effective after the measurement date of June 30, 2019. Most of these changes are expected to reduce the system’s actuarial accrued liability, including a cap on final average salary of \$195,000 beginning in January 2020, charging contributions on the payroll of rehired retirees beginning in January 2020, and redirecting a portion of the 6% member contribution from the Individual Account Program to Employee Pension Stability Accounts beginning in July 2020.

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 13 - Other Postemployment Benefits (OPEB)

The County provides an implicit rate subsidy for retiree health insurance premiums. The County's single-employer defined benefit postemployment healthcare plan is administered by City County Insurance Services. Benefit provisions are established through negotiations between the County and representatives of collective bargaining units or through resolutions passed by the County. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Financial Statement Presentation

The amounts on the financial statements relate to the plans as follows:

Net OPEB assets	\$	-
Deferred outflow of resources		
Changes in assumptions		26,499
Contributions after measurement date		<u>80,131</u>
Total deferred outflow of resources		106,630
Net OPEB liability		1,059,353
Deferred inflow of resources		
Differences between expected and actual experience		32,949
Change in assumptions		<u>31,462</u>
Total deferred inflow of resources		64,411

Deferred outflows of resources related to OPEB of \$80,131 resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:		
2021	\$	(10,793)
2022		(10,793)
2023		(10,793)
2024		(8,243)
2025		(927)
Thereafter		<u>3,637</u>
Total	\$	<u><u>(37,912)</u></u>

Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the valuation date of July 1, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits		17
Active employees		<u>412</u>
Total		<u><u>429</u></u>

The County's total OPEB liability of \$1,059,353 was measured as of June 30, 2018, and was determined by an actuarial valuation as of July 1, 2018.

For the fiscal year ended June 30, 2020, the County recognized OPEB expense from this plan of \$91,723

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 13 - Other Postemployment Benefits (OPEB), continued

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2018 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age normal
Inflation	2.5 percent
Annual pay increases	3.5 percent
Mortality	RP-2014 Healthy Annuitant, sex distinct mortality tables blended 50/50 blue collar and white collar, set back one year for males. Mortality is projected on a generational basis using the Unisex Social Security Data Scale.
Discount rate	3.87 percent (change from 3.5 percent in previous measurement period)
Health Care Cost Trend	Medical and vision 5.5 percent a decrease from 7 percent, Dental 4.5 percent per year

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

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance as of June 30, 2019	\$ 1,031,081
Changes for the year	
Service cost	91,723
Interest on total OPEB liability	40,861
Effect of assumptions changes or inputs	30,925
Benefit payments	<u>(135,237)</u>
Balance as of June 30, 2020	<u>\$ 1,059,353</u>

Changes in assumptions is the result of the change in the discount rate from 3.5 percent to 3.87 percent.

Sensitivity of the Total OPEB Liability

The following presents the County's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	<u>(2.87%)</u>	<u>(3.87%)</u>	<u>(4.87%)</u>
Discount Rates:			
Total OPEB Liability	\$ 1,139,286	\$ 1,059,353	\$ 985,810
Health Cost Trends:			
Total OPEB Liability	\$ 955,346	\$ 1,059,353	\$ 1,183,820

LINCOLN COUNTY, OREGON

Notes to Financial Statements

Note 14 - Risk Management

The County is exposed to various risks of loss related to theft of, damage to, and destruction of assets; torts; errors and omissions; and natural disasters. The County purchases commercial insurance for such risks of loss. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

The County is self-insured for worker's compensation and unemployment insurance. Premiums are paid into the Self-Insurance internal service fund by County departments based on each department's actual payroll activity. The County carries a supplemental liability policy with a \$10 million limit per occurrence or wrongful act, and a \$500,000 deductible. The annual aggregate limit of the policy is \$10 million. The policy renews July 1 of each year.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

Changes in the balances of claims liabilities are as follows:

	Year Ended June 30,		
	2018	2019	2020
<u>Workers' compensation</u>			
Unpaid claims, beginning of year	\$ 19,811	\$ 39,759	\$ -
Incurred claims (including IBNR)	31,439	232,762	165,832
Claim payments	(11,491)	(272,521)	(119,246)
Unpaid claims, end of year	<u>\$ 39,759</u>	<u>\$ -</u>	<u>\$ 46,586</u>
<u>State unemployment</u>			
Unpaid claims, beginning of year	\$ 8,317	\$ -	\$ -
Incurred claims (including IBNR)	49,276	131,575	142,211
Claim payments	(57,593)	(131,575)	(142,211)
Unpaid claims, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note 15 - Contingencies

The County is a defendant in several currently pending legal actions. Although their outcome cannot be determined, it is the opinion of management that settlement of these matters will not have a material effect on the basic financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

LINCOLN COUNTY, OREGON
 Schedule of Changes in Total OPEB Liability and Related Ratios

June 30, 2020

	2020	2019	2018
Balance at beginning of year	<u>\$ 1,031,081</u>	<u>\$ 1,050,957</u>	<u>\$ 1,085,048</u>
Services cost	91,723	83,397	88,685
Interest on total OPEB liability	40,861	38,912	32,067
Effect of assumptions changes or inputs	-	(46,677)	(56,971)
Effect of assumptions changes or inputs	30,925	174	-
Benefit payments	<u>(135,237)</u>	<u>(95,682)</u>	<u>(97,872)</u>
Balance at end of year	<u>\$ 1,059,353</u>	<u>\$ 1,031,081</u>	<u>\$ 1,050,957</u>
Covered payroll	\$ 18,553,836	\$ 16,697,376	\$ 15,657,072
Total OPEB liability as a percentage of covered payroll	5.71 %	6.18 %	6.71 %

10-year trend information required by GASB Statement 75 will be presented prospectively

LINCOLN COUNTY, OREGON

Required Supplemental Information - Oregon Public Employee Retirement System
Year Ended June 30, 2020

Proportionate Share of Net Pension Liability

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.049477 %	0.048019 %	0.045001 %	0.045681 %	0.051031 %	0.039560 %
Proportionate share of the net pension liability	\$ 8,558,329	\$ 7,274,260	\$ 6,066,726	\$ 6,857,708	\$ 2,929,952	\$ 896,723
Covered payroll	\$ 4,876,786	\$ 4,837,953	\$ 4,773,548	\$ 4,519,494	\$ 4,358,196	\$ 4,183,868
Proportionate share of the pension liability as a percentage of its covered employee payroll	175.49 %	150.36 %	127.09 %	151.74 %	67.23 %	21.43 %
Plan net position as a percentage of the total pension liability	80.2 %	82.1 %	83.1 %	80.5 %	91.9 %	103.6 %

Amounts presented are for the measurement period reported during the fiscal year, which for FY 2020 is the July 1, 2018-June 30, 2019.

Schedule of the County's Pension Contributions

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,098,602	\$ 817,231	\$ 826,330	\$ 686,083	\$ 671,464	\$ 634,532
Contributions in relation to the contractually required contribution	<u>1,098,602</u>	<u>817,231</u>	<u>826,330</u>	<u>686,083</u>	<u>671,464</u>	<u>634,532</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,333,586	\$ 4,879,786	\$ 4,837,853	\$ 4,773,548	\$ 4,519,494	\$ 4,358,196
Contributions as a percentage of covered employee payroll	20.60 %	16.75 %	17.08 %	14.37 %	14.86 %	14.56 %

10-year trend information required by GASB Statement 68 will be presented prospectively

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL NONMAJOR FUNDS
STATEMENTS AND SCHEDULES

LINCOLN COUNTY, OREGON
NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

June 30, 2020

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Cash and investments	\$ 9,916,916	\$ 9,866,808	\$ 19,783,724
Receivables - net	<u>1,548,893</u>	<u>88,787</u>	<u>1,637,680</u>
Total assets	<u>\$ 11,465,809</u>	<u>\$ 9,955,595</u>	<u>\$ 21,421,404</u>
LIABILITIES			
Accounts payable	\$ 233,931	\$ -	\$ 233,931
Accrued payroll and related liabilities	<u>170,589</u>	<u>-</u>	<u>170,589</u>
Total liabilities	<u>404,520</u>	<u>-</u>	<u>404,520</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - accounts receivable	87,426	-	87,426
Unavailable revenue - property taxes	<u>144,336</u>	<u>-</u>	<u>144,336</u>
Total deferred inflows of resources	231,762	-	231,762
FUND BALANCES			
Restricted	9,869,753	-	9,869,753
Committed	<u>959,774</u>	<u>10,609,978</u>	<u>11,569,752</u>
Total fund balances	<u>10,829,527</u>	<u>10,609,978</u>	<u>21,439,505</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,465,809</u>	<u>\$ 10,609,978</u>	<u>\$ 22,075,787</u>

LINCOLN COUNTY, OREGON
NONMAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2020

	<u>Special Revenue</u>	<u>Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES:			
Taxes and land sales	\$ 2,336,877	\$ 662,865	\$ 2,999,742
Permits and fees	237,272	-	237,272
Charges for services	2,331,676	291,332	2,623,008
Intergovernmental revenues	5,678,370	-	5,678,370
Fines and penalties	45,634	-	45,634
Investment earnings	204,924	79,675	284,599
Donations	72,127	-	72,127
Other revenue	55,785	54,999	110,784
	<u>10,962,665</u>	<u>1,088,871</u>	<u>12,051,536</u>
Total revenues			
EXPENDITURES:			
Current:			
General government	166,880	73,433	240,313
Community services	2,412,261	-	2,412,261
Public safety	1,590,666	-	1,590,666
Culture and recreation	190,060	-	190,060
Health and welfare	4,129,639	-	4,129,639
Education	273,550	-	273,550
Capital Outlay	-	4,907	4,907
	<u>8,763,056</u>	<u>78,340</u>	<u>8,841,396</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>2,199,609</u>	<u>1,010,531</u>	<u>3,210,140</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	230,875	4,163,000	4,393,875
Transfers out	(1,650,000)	(340,000)	(1,990,000)
Proceeds from sale of capital assets	-	43,260	43,260
	<u>(1,419,125)</u>	<u>3,866,260</u>	<u>2,447,135</u>
Total other financing sources (uses)			
Net change in fund balances	780,484	4,876,791	5,657,275
Fund balances at beginning of year	<u>10,049,043</u>	<u>5,733,187</u>	<u>15,782,230</u>
Fund balances at end of year	<u>\$ 10,829,527</u>	<u>\$ 10,609,978</u>	<u>\$ 21,439,505</u>

Nonmajor Special Revenue Funds

Special revenue funds account for revenue derived from specific tax or other earmarked revenue sources, including federal and state grant awards, which are restricted to finance particular functions or activities.

- **Economic Development** – Revenue received from the distribution of State Lottery monies is accounted for in this fund. All revenue is earmarked for local economic development.
- **County Commons** – The operations of the Fair are accounted for in this fund. Major sources of revenue include state apportionments, annual fair proceeds, and grounds and building rentals.
- **Law Library** – This fund is used to maintain the County law library with revenues derived from court fees.
- **Clerk Records** – This fund accounts for expenditures incurred by the County Clerk to improve record storage and to acquire systems that facilitate records retrieval.
- **Transit District (a component unit)** – The district provides a comprehensive transportation program for the County. It is funded by property tax and federal and state transportation grant programs.
- **Community Health Centers** – This fund operates federally funded community health centers in various locations in the County.
- **Siletz Area Enhanced Law Enforcement District (a component unit)** – This fund accounts for the law enforcement activities for the special district established for that purpose. It is funded by a property tax levy and contributions from the Confederated Tribes of the Siletz Indians.
- **Animal Services District (a component unit)** – This district is supported by a property tax levy and the sale of dog licenses and fees charged by the County Animal Shelter to operate the shelter and provide animal control services county-wide.
- **Title III Safety Net** – Under Public Law 106-393, “The Secure Rural Schools and Community Self-Determination Act of 2000,” this fund accrues revenue to be set aside for projects authorized by the law.
- **Corner Preservation** – This fund accounts for expenditures incurred by the County Surveyor in the establishment, re-establishment, and maintenance of corners of government surveys.
- **Radio Communications Systems** – This fund accounts for the activities related to the operation and maintenance of the County-wide public safety communications system. It is funded by contributions from the various public agencies who utilize it.
- **Extension District (a component unit)** – This fund accounts for the operations of the OSU/Lincoln County Extension District which provides educational programs to county citizens. The District is funded mainly from property tax.
- **Agate Beach Disposal Site Closure** – This fund accounts for the County's share of the post-closure obligations for the closed Agate Beach Landfill.
- **DUII** – This fund is used to comply with the legal provisions concerning the collection and expenditure of funds obtained through civil forfeiture proceedings.

LINCOLN COUNTY, OREGON
NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2020

	102 Economic Development Fund	203 County Commons Fund	205 Law Library Fund	207 Clerk Records Fund	204 Transit District Fund	216 Community Health Centers Fund	230 Siletz Area Enhanced Law Enforcement District	212 Animal Services Fund
ASSETS								
Cash and investments	\$ 1,036,718	\$ 281,898	\$ 139,797	\$ 145,632	\$ 2,088,963	\$ 2,141,572	\$ 182,528	\$ 349,344
Receivables - net	25,230	-	-	-	934,106	456,981	49,871	59,006
Total assets	<u>\$ 1,061,948</u>	<u>\$ 281,898</u>	<u>\$ 139,797</u>	<u>\$ 145,632</u>	<u>\$ 3,023,069</u>	<u>\$ 2,598,553</u>	<u>\$ 232,399</u>	<u>\$ 408,350</u>
LIABILITIES								
Accounts payable	\$ 37,500	\$ 4,257	\$ 12,993	\$ 7,441	\$ 6,558	\$ 58,391	\$ -	\$ 28,437
Accrued payroll and related expenses	-	-	-	1,214	48,449	120,926	-	-
Total liabilities	<u>37,500</u>	<u>4,257</u>	<u>12,993</u>	<u>8,655</u>	<u>55,007</u>	<u>179,317</u>	<u>-</u>	<u>28,437</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - accounts receivable	-	-	-	-	-	87,426	-	-
Unavailable revenue - property taxes	-	-	-	-	51,106	-	11,349	58,226
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,106</u>	<u>87,426</u>	<u>11,349</u>	<u>58,226</u>
FUND BALANCES								
Restricted	1,024,448	277,641	-	-	2,916,956	2,331,810	221,050	321,687
Committed	-	-	126,804	136,977	-	-	-	-
Total fund balances	<u>1,024,448</u>	<u>277,641</u>	<u>126,804</u>	<u>136,977</u>	<u>2,916,956</u>	<u>2,331,810</u>	<u>221,050</u>	<u>321,687</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,061,948</u>	<u>\$ 281,898</u>	<u>\$ 139,797</u>	<u>\$ 145,632</u>	<u>\$ 3,023,069</u>	<u>\$ 2,598,553</u>	<u>\$ 232,399</u>	<u>\$ 408,350</u>

LINCOLN COUNTY, OREGON
NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2020

	213 Title III/Safety Net Fund	217 Corner Preservation Fund	291 Radio Communications Fund	859 Extension District	603 Agate Beach Disposal Site Closure Fund	601 DUII Fund	Total
ASSETS							
Cash and investments	\$ 1,424,996	\$ 344,445	\$ 132,319	\$ 923,505	\$ 702,683	\$ 22,516	\$ 9,916,916
Receivables - net	-	44	-	23,655	-	-	1,548,893
Total assets	<u>\$ 1,424,996</u>	<u>\$ 344,489</u>	<u>\$ 132,319</u>	<u>\$ 947,160</u>	<u>\$ 702,683</u>	<u>\$ 22,516</u>	<u>\$ 11,465,809</u>
LIABILITIES							
Accounts payable	\$ 7,847	\$ -	\$ 48,494	\$ 15,323	\$ 6,690	\$ -	\$ 233,931
Accrued payroll and related expenses	-	-	-	-	-	-	170,589
Total liabilities	<u>7,847</u>	<u>-</u>	<u>48,494</u>	<u>15,323</u>	<u>6,690</u>	<u>-</u>	<u>404,520</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - accounts receivable	-	-	-	-	-	-	87,426
Unavailable revenue - property taxes	-	-	-	23,655	-	-	144,336
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,655</u>	<u>-</u>	<u>-</u>	<u>231,762</u>
FUND BALANCES							
Restricted	1,417,149	344,489	83,825	908,182	-	22,516	9,869,753
Committed	-	-	-	-	695,993	-	959,774
Total fund balances	<u>1,417,149</u>	<u>344,489</u>	<u>83,825</u>	<u>908,182</u>	<u>695,993</u>	<u>22,516</u>	<u>10,829,527</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,424,996</u>	<u>\$ 344,489</u>	<u>\$ 132,319</u>	<u>\$ 947,160</u>	<u>\$ 702,683</u>	<u>\$ 22,516</u>	<u>\$ 11,465,809</u>

LINCOLN COUNTY, OREGON

NONMAJOR SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

For the Year Ended June 30, 2020

	102 Economic Development Fund	203 County Commons Fund	205 Law Library Fund	207 Clerk Records Fund	204 Transit District Fund	216 Community Health Centers Fund	230 Siletz Area Enhanced Law Enforcement District	212 Animal Services Fund
REVENUES:								
Taxes and land sales	\$ 187,055	\$ -	\$ -	\$ -	\$ 743,369	\$ -	\$ 261,476	\$ 811,756
Permits and fees	-	11,566	-	61,351	-	-	-	40,792
Charges for services	-	-	-	-	557,658	1,649,953	-	-
Intergovernmental revenues	283,651	53,167	-	-	2,232,273	2,921,180	154,087	30,424
Fines and penalties	-	-	45,634	-	-	-	-	-
Investment earnings	19,268	3,885	2,915	2,720	62,554	31,759	170	12,044
Donations	-	200	-	-	-	567	-	71,360
Other revenue	-	46,377	-	-	9,353	55	-	-
Total revenues	489,974	115,195	48,549	64,071	3,605,207	4,603,514	415,733	966,376
EXPENDITURES:								
Current:								
General government	-	-	-	57,098	-	-	-	-
Community services	268,853	-	-	-	2,085,833	-	-	-
Public safety	-	-	36,544	-	-	-	341,481	1,053,445
Culture and recreation	-	190,060	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	4,129,639	-	-
Education	-	-	-	-	-	-	-	-
Total expenditures	268,853	190,060	36,544	57,098	2,085,833	4,129,639	341,481	1,053,445
Excess (deficiency) of revenues over (under) expenditures	221,121	(74,865)	12,005	6,973	1,519,374	473,875	74,252	(87,069)
OTHER FINANCING SOURCES (USES):								
Transfers in	-	175,000	-	-	-	-	-	-
Transfers out	-	-	-	-	(1,500,000)	-	-	(150,000)
Net change in fund balance	221,121	100,135	12,005	6,973	19,374	473,875	74,252	(237,069)
Beginning fund balance	803,327	177,506	114,799	130,004	2,897,582	1,857,935	146,798	558,756
Ending fund balance	<u>\$ 1,024,448</u>	<u>\$ 277,641</u>	<u>\$ 126,804</u>	<u>\$ 136,977</u>	<u>\$ 2,916,956</u>	<u>\$ 2,331,810</u>	<u>\$ 221,050</u>	<u>\$ 321,687</u>

LINCOLN COUNTY, OREGON

NONMAJOR SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

For the Year Ended June 30, 2020

	213 Title III/Safety Net Fund	217 Corner Preservation Fund	291 Radio Communications Fund	859 Extension District	603 Agate Beach Disposal Site Closure Fund	601 DUII Fund	Total
REVENUES:							
Taxes and land sales	\$ -	\$ -	\$ -	\$ 333,221	\$ -	\$ -	\$ 2,336,877
Permits and fees	-	114,817	-	-	7,393	1,353	237,272
Charges for services	-	-	124,065	-	-	-	2,331,676
Intergovernmental revenues	-	-	-	3,588	-	-	5,678,370
Fines and penalties	-	-	-	-	-	-	45,634
Investment earnings	29,052	7,393	-	18,545	14,180	439	204,924
Donations	-	-	-	-	-	-	72,127
Other revenue	-	-	-	-	-	-	55,785
Total revenues	<u>29,052</u>	<u>122,210</u>	<u>124,065</u>	<u>355,354</u>	<u>21,573</u>	<u>1,792</u>	<u>10,962,665</u>
EXPENDITURES:							
Current:							
General government	-	109,782	-	-	-	-	166,880
Community services	33,849	-	-	-	23,726	-	2,412,261
Public safety	-	-	159,196	-	-	-	1,590,666
Culture and recreation	-	-	-	-	-	-	190,060
Health and Welfare	-	-	-	-	-	-	4,129,639
Education	-	-	-	273,550	-	-	273,550
Total expenditures	<u>33,849</u>	<u>109,782</u>	<u>159,196</u>	<u>273,550</u>	<u>23,726</u>	<u>-</u>	<u>8,763,056</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,797)</u>	<u>12,428</u>	<u>(35,131)</u>	<u>81,804</u>	<u>(2,153)</u>	<u>1,792</u>	<u>2,199,609</u>
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	55,875	-	-	-	230,875
Transfers out	-	-	-	-	-	-	(1,650,000)
Net change in fund balance	(4,797)	12,428	20,744	81,804	(2,153)	1,792	780,484
Beginning fund balance	<u>1,421,946</u>	<u>332,061</u>	<u>63,081</u>	<u>826,378</u>	<u>698,146</u>	<u>20,724</u>	<u>10,049,043</u>
Ending fund balance	<u>\$ 1,417,149</u>	<u>\$ 344,489</u>	<u>\$ 83,825</u>	<u>\$ 908,182</u>	<u>\$ 695,993</u>	<u>\$ 22,516</u>	<u>\$ 10,829,527</u>

LINCOLN COUNTY, OREGON
102 ECONOMIC DEVELOPMENT FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes and land sales	\$ 180,000	\$ 180,000	\$ 187,055	\$ 7,055
Intergovernmental revenues	240,000	240,000	283,651	43,651
Investment earnings	<u>8,000</u>	<u>8,000</u>	<u>19,268</u>	<u>11,268</u>
Total revenues	<u>428,000</u>	<u>428,000</u>	<u>489,974</u>	<u>61,974</u>
Expenditures:				
Materials and services	641,813	641,813	268,853	372,960
Contingency	<u>353,315</u>	<u>353,315</u>	-	<u>353,315</u>
Total expenditures	<u>995,128</u>	<u>995,128</u>	<u>268,853</u>	<u>726,275</u>
Net change in fund balances	(567,128)	(567,128)	221,121	788,249
Fund Balance:				
Beginning of year	<u>567,128</u>	<u>567,128</u>	<u>803,327</u>	<u>236,199</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,024,448</u>	<u>\$ 1,024,448</u>

LINCOLN COUNTY, OREGON

203 COUNTY COMMONS FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Permits and fees	\$ 40,000	\$ 40,000	\$ 11,566	\$ (28,434)
Intergovernmental revenues	53,050	53,050	53,167	117
Investment earnings	1,500	1,500	3,885	2,385
Contributions and donations	10,000	10,000	200	(9,800)
Other revenue	<u>39,000</u>	<u>39,000</u>	<u>46,377</u>	<u>7,377</u>
Total revenues	<u>143,550</u>	<u>143,550</u>	<u>115,195</u>	<u>(28,355)</u>
Expenditures:				
Materials and services	320,250	320,250	190,060	130,190
Contingency	<u>71,034</u>	<u>71,034</u>	<u>-</u>	<u>71,034</u>
Total expenditures	<u>391,284</u>	<u>391,284</u>	<u>190,060</u>	<u>201,224</u>
Excess revenues under expenditures	<u>(247,734)</u>	<u>(247,734)</u>	<u>(74,865)</u>	<u>172,869</u>
Other financing sources (uses):				
Transfers in	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>	<u>-</u>
Net change in fund balances	<u>(72,734)</u>	<u>(72,734)</u>	<u>100,135</u>	<u>172,869</u>
Fund Balance:				
Beginning of year	<u>72,734</u>	<u>72,734</u>	<u>177,506</u>	<u>104,772</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 277,641</u>	<u>\$ 277,641</u>

LINCOLN COUNTY, OREGON

205 LAW LIBRARY FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Fines and penalties	\$ 44,900	\$ 44,900	\$ 45,634	\$ 734
Investment earnings	2,600	2,600	2,915	315
Total revenues	<u>47,500</u>	<u>47,500</u>	<u>48,549</u>	<u>1,049</u>
Expenditures:				
Materials and services	58,225	58,225	36,544	21,681
Contingency	96,997	96,997	-	96,997
Total expenditures	<u>155,222</u>	<u>155,222</u>	<u>36,544</u>	<u>118,678</u>
Net change in fund balances	(107,722)	(107,722)	12,005	119,727
Fund Balance:				
Beginning of year	<u>107,722</u>	<u>107,722</u>	<u>114,799</u>	<u>7,077</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,804</u>	<u>\$ 126,804</u>

LINCOLN COUNTY, OREGON

207 CLERK RECORDS FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Permits and fees	\$ 48,000	\$ 48,000	\$ 61,351	\$ 13,351
Investment earnings	1,500	1,500	2,720	1,220
Total revenues	<u>49,500</u>	<u>49,500</u>	<u>64,071</u>	<u>14,571</u>
Expenditures:				
Personal services	55,000	55,000	23,338	31,662
Materials and services	118,212	118,212	33,760	84,452
Total expenditures	<u>173,212</u>	<u>173,212</u>	<u>57,098</u>	<u>116,114</u>
Net change in fund balances	(123,712)	(123,712)	6,973	130,685
Fund Balance:				
Beginning of year	<u>123,712</u>	<u>123,712</u>	<u>130,004</u>	<u>6,292</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,977</u>	<u>\$ 136,977</u>

LINCOLN COUNTY, OREGON

204 TRANSIT DISTRICT FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Property	\$ 710,000	\$ 710,000	\$ 743,369	\$ 33,369
Intergovernmental revenues	2,465,919	2,465,919	2,232,273	(233,646)
Charges for services	611,172	611,172	557,658	(53,514)
Investment earnings	35,000	35,000	62,554	27,554
Other revenue	<u>10,000</u>	<u>10,000</u>	<u>9,353</u>	<u>(647)</u>
Total revenues	<u>3,832,091</u>	<u>3,832,091</u>	<u>3,605,207</u>	<u>(226,884)</u>
Expenditures:				
Personal services	2,116,545	2,116,545	1,357,478	759,067
Materials and services	910,352	910,352	708,605	201,747
Capital outlay	1,164,442	1,164,442	19,750	1,144,692
Contingency	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Total expenditures	<u>4,441,339</u>	<u>4,441,339</u>	<u>2,085,833</u>	<u>2,355,506</u>
Excess revenues over (under) expenditures	<u>(609,248)</u>	<u>(609,248)</u>	<u>1,519,374</u>	<u>2,128,622</u>
Other financing sources (uses):				
Transfers out	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Net change in fund balances	(2,109,248)	(2,109,248)	19,374	2,128,622
Fund Balance:				
Beginning of year	<u>2,201,013</u>	<u>2,201,013</u>	<u>2,897,582</u>	<u>696,569</u>
End of year	<u>\$ 91,765</u>	<u>\$ 91,765</u>	<u>\$ 2,916,956</u>	<u>\$ 2,825,191</u>

LINCOLN COUNTY, OREGON
216 COMMUNITY HEALTH CENTERS FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 2,694,020	\$ 2,694,020	\$ 2,921,180	\$ 227,160
Charges for services	1,993,500	1,993,500	1,649,953	(343,547)
Investment earnings	30,000	30,000	31,759	1,759
Contributions and donations	550	550	567	17
Other revenue	<u>600</u>	<u>600</u>	<u>55</u>	<u>(545)</u>
Total revenues	<u>4,718,670</u>	<u>4,718,670</u>	<u>4,603,514</u>	<u>(115,156)</u>
Expenditures:				
Personal services	4,466,937	4,466,937	2,431,520	2,035,417
Materials and services	<u>1,943,713</u>	<u>1,943,713</u>	<u>1,698,119</u>	<u>245,594</u>
Total expenditures	<u>6,410,650</u>	<u>6,410,650</u>	<u>4,129,639</u>	<u>2,281,011</u>
Net change in fund balances	(1,691,980)	(1,691,980)	473,875	2,165,855
Fund Balance:				
Beginning of year	<u>1,691,980</u>	<u>1,691,980</u>	<u>1,857,935</u>	<u>165,955</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,331,810</u>	<u>\$ 2,331,810</u>

LINCOLN COUNTY, OREGON
230 SILETZ AREA ENHANCED LAW ENFORCEMENT DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes and land sales	\$ 202,500	\$ 202,500	\$ 261,476	\$ 58,976
Intergovernmental revenues	162,092	162,092	154,087	(8,005)
Investment earnings	<u>150</u>	<u>150</u>	<u>170</u>	<u>20</u>
Total revenues	<u>364,742</u>	<u>364,742</u>	<u>415,733</u>	<u>50,991</u>
Expenditures:				
Materials and services	341,482	341,482	341,481	1
Contingency	<u>196,447</u>	<u>196,447</u>	<u>-</u>	<u>196,447</u>
Total expenditures	<u>537,929</u>	<u>537,929</u>	<u>341,481</u>	<u>196,448</u>
Net change in fund balances	(173,187)	(173,187)	74,252	247,439
Fund Balance:				
Beginning of year	<u>173,187</u>	<u>173,187</u>	<u>146,798</u>	<u>(26,389)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,050</u>	<u>\$ 221,050</u>

LINCOLN COUNTY, OREGON

212 ANIMAL SERVICES FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes and land sales	\$ 833,178	\$ 833,178	\$ 811,756	\$ (21,422)
Permits and fees	79,000	79,000	40,792	(38,208)
Intergovernmental revenues	3,000	3,000	30,424	27,424
Fines and penalties	5,000	5,000	-	(5,000)
Investment earnings	5,000	5,000	12,044	7,044
Contributions and donations	<u>60,000</u>	<u>60,000</u>	<u>71,360</u>	<u>11,360</u>
Total revenues	<u>985,178</u>	<u>985,178</u>	<u>966,376</u>	<u>(18,802)</u>
Expenditures:				
Personal services	760,087	760,087	746,978	13,109
Materials and services	306,294	306,294	306,467	(173)
Contingency	<u>218,931</u>	<u>218,931</u>	<u>-</u>	<u>218,931</u>
Total expenditures	<u>1,285,312</u>	<u>1,285,312</u>	<u>1,053,445</u>	<u>231,867</u>
Other financing sources (uses):				
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Net change in fund balances	(450,134)	(450,134)	(237,069)	213,065
Fund Balance:				
Beginning of year	<u>481,158</u>	<u>481,158</u>	<u>558,756</u>	<u>77,598</u>
End of year	<u>\$ 31,024</u>	<u>\$ 31,024</u>	<u>\$ 321,687</u>	<u>\$ 290,663</u>

LINCOLN COUNTY, OREGON
 213 TITLE III/SAFETY NET FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Investment earnings	\$ 25,000	\$ 25,000	\$ 29,052	\$ 4,052
Expenditures:				
Materials and services	905,616	905,616	33,849	871,767
Capital outlay	<u>477,383</u>	<u>477,383</u>	<u>-</u>	<u>477,383</u>
Total expenditures	<u>1,382,999</u>	<u>1,382,999</u>	<u>33,849</u>	<u>1,349,150</u>
Net change in fund balances	(1,357,999)	(1,357,999)	(4,797)	1,353,202
Fund Balance:				
Beginning of year	<u>1,357,999</u>	<u>1,357,999</u>	<u>1,421,946</u>	<u>63,947</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,417,149</u>	<u>\$ 1,417,149</u>

LINCOLN COUNTY, OREGON
217 CORNER PRESERVATION FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Permits and fees	\$ 101,000	\$ 101,000	\$ 114,817	\$ 13,817
Investment earnings	5,000	5,000	7,393	2,393
Total revenues	<u>106,000</u>	<u>106,000</u>	<u>122,210</u>	<u>16,210</u>
Expenditures:				
Personal services	33,483	33,483	-	33,483
Materials and services	142,212	142,212	92,666	49,546
Capital outlay	78,000	78,000	17,116	60,884
Contingency	163,194	163,194	-	163,194
Total expenditures	<u>416,889</u>	<u>416,889</u>	<u>109,782</u>	<u>307,107</u>
Net change in fund balances	(310,889)	(310,889)	12,428	323,317
Fund Balance:				
Beginning of year	<u>310,889</u>	<u>310,889</u>	<u>332,061</u>	<u>21,172</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344,489</u>	<u>\$ 344,489</u>

LINCOLN COUNTY, OREGON
291 RADIO COMMUNICATIONS FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Charges for services	\$ 127,972	\$ 127,972	\$ 124,065	\$ (3,907)
Expenditures:				
Materials and services	202,333	202,333	159,196	43,137
Contingency	<u>87,438</u>	<u>87,438</u>	<u>-</u>	<u>87,438</u>
Total expenditures	<u>289,771</u>	<u>289,771</u>	<u>159,196</u>	<u>130,575</u>
Excess revenues under expenditures	<u>(161,799)</u>	<u>(161,799)</u>	<u>(35,131)</u>	<u>126,668</u>
Other financing sources (uses):				
Transfers in	<u>55,875</u>	<u>55,875</u>	<u>55,875</u>	<u>-</u>
Net change in fund balances	(105,924)	(105,924)	20,744	126,668
Fund Balance:				
Beginning of year	<u>105,924</u>	<u>105,924</u>	<u>63,081</u>	<u>(42,843)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,825</u>	<u>\$ 83,825</u>

LINCOLN COUNTY, OREGON

859 EXTENSION DISTRICT

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes and land sales	\$ 306,500	\$ 306,500	\$ 333,221	\$ 26,721
Grants and contracts	7,500	7,500	-	(7,500)
Intergovernmental revenues	1,400	1,400	3,588	2,188
Investment earnings	<u>8,000</u>	<u>8,000</u>	<u>18,545</u>	<u>10,545</u>
Total revenues	<u>323,400</u>	<u>323,400</u>	<u>355,354</u>	<u>31,954</u>
Expenditures:				
Materials and services	480,931	480,931	273,550	207,381
Contingency	<u>250,000</u>	<u>250,000</u>	-	<u>250,000</u>
Total expenditures	<u>730,931</u>	<u>730,931</u>	<u>273,550</u>	<u>457,381</u>
Net change in fund balances	(407,531)	(407,531)	81,804	489,335
Fund Balance:				
Beginning of year	<u>567,531</u>	<u>567,531</u>	<u>826,378</u>	<u>258,847</u>
End of year	<u>\$ 160,000</u>	<u>\$ 160,000</u>	<u>\$ 908,182</u>	<u>\$ 748,182</u>

LINCOLN COUNTY, OREGON
603 AGATE BEACH DISPOSAL SITE CLOSURE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Permits and fees	\$ 8,000	\$ 8,000	\$ 7,393	\$ (607)
Investment earnings	<u>15,000</u>	<u>15,000</u>	<u>14,180</u>	<u>(820)</u>
Total revenues	<u>23,000</u>	<u>23,000</u>	<u>21,573</u>	<u>(1,427)</u>
Expenditures:				
Materials and services	<u>722,614</u>	<u>722,614</u>	<u>23,726</u>	<u>698,888</u>
Net change in fund balances	(699,614)	(699,614)	(2,153)	697,461
Fund Balance:				
Beginning of year	<u>699,614</u>	<u>699,614</u>	<u>698,146</u>	<u>(1,468)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 695,993</u>	<u>\$ 695,993</u>

LINCOLN COUNTY, OREGON

601 DUII FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Permits and fees	\$ 1,500	\$ 1,500	\$ 1,353	\$ (147)
Investment earnings	500	500	439	(61)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>1,792</u>	<u>(208)</u>
Expenditures:				
Materials and services	18,000	18,000	-	18,000
Contingency	4,714	4,714	-	4,714
Total expenditures	<u>22,714</u>	<u>22,714</u>	<u>-</u>	<u>22,714</u>
Net change in fund balances	(20,714)	(20,714)	1,792	22,506
Fund Balance:				
Beginning of year	<u>20,714</u>	<u>20,714</u>	<u>20,724</u>	<u>10</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,516</u>	<u>\$ 22,516</u>

NONMAJOR CAPITAL PROJECTS FUNDS

- County Commons – This fund accounts for the upgrade and improvement to the County Fairgrounds and its buildings and infrastructure through a dedicated transient room tax.
- Capital Projects – This fund handles the expenses incurred for selected capital projects. Revenue sources include debt proceeds, grants, and transfers from other funds.
- Vehicle Replacement – This fund is responsible for the purchase of vehicles for the County's fleet. The principal revenue sources are charges to departments utilizing fleet vehicles.

LINCOLN COUNTY, OREGON

Nonmajor Capital Project Funds

Balance Sheet

June 30, 2020

	607 County Commons Facilities Fund	219 Capital Projects Fund	103 Vehicle Replacement	Total
ASSETS				
Cash and cash equivalents	\$ 3,286,579	\$ 6,112,101	\$ 468,128	\$ 9,866,808
Accounts receivable	<u>88,787</u>	<u>-</u>	<u>-</u>	<u>88,787</u>
Total assets	<u>\$ 3,375,366</u>	<u>\$ 6,112,101</u>	<u>\$ 468,128</u>	<u>\$ 9,955,595</u>
LIABILITIES AND FUND BALANCES				
Fund Balances:				
Committed	<u>3,375,366</u>	<u>6,112,101</u>	<u>468,128</u>	<u>9,955,595</u>
Total liabilities and fund balances	<u>\$ 3,375,366</u>	<u>\$ 6,112,101</u>	<u>\$ 468,128</u>	<u>\$ 9,955,595</u>

LINCOLN COUNTY, OREGON

Nonmajor Capital Project Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Year ended June 30, 2020

	607 County Commons Facilities Fund	219 Capital Projects Fund	103 Vehicle Replacement	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
REVENUES				
Taxes and land sales	\$ 662,865	\$ -	\$ -	\$ 662,865
Charges for services	-	-	291,332	291,332
Investment earnings	66,599	13,076	-	79,675
Other revenue	-	-	54,999	54,999
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>729,464</u>	<u>13,076</u>	<u>346,331</u>	<u>1,088,871</u>
EXPENDITURES				
Current				
General government	-	69,433	4,000	73,433
Community services	4,907	-	-	4,907
Capital outlay	45,885	269,499	338,999	654,383
Total expenditures	<u>50,792</u>	<u>338,932</u>	<u>342,999</u>	<u>732,723</u>
Excess (deficiency) of revenues over (under) expenditures	<u>678,672</u>	<u>(325,856)</u>	<u>3,332</u>	<u>356,148</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	43,260	43,260
Transfers in	-	4,163,000	-	4,163,000
Transfers out	(340,000)	-	-	(340,000)
Total other financing source (uses)	<u>(340,000)</u>	<u>4,163,000</u>	<u>43,260</u>	<u>3,866,260</u>
Net change in fund balances	338,672	3,837,144	46,592	4,222,408
Beginning fund balances	<u>3,036,694</u>	<u>2,274,957</u>	<u>421,536</u>	<u>5,733,187</u>
Ending fund balances	<u>\$ 3,375,366</u>	<u>\$ 6,112,101</u>	<u>\$ 468,128</u>	<u>\$ 9,955,595</u>

LINCOLN COUNTY, OREGON
607 COUNTY COMMONS FACILITIES FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes and land sales	\$ 600,000	\$ 600,000	\$ 662,865	\$ 62,865
Investment earnings	55,000	55,000	66,599	11,599
Total revenues	<u>655,000</u>	<u>655,000</u>	<u>729,464</u>	<u>74,464</u>
Expenditures:				
Materials and services	190,000	190,000	4,907	185,093
Capital outlay	2,969,058	2,969,058	45,885	2,923,173
Total expenditures	<u>3,159,058</u>	<u>3,159,058</u>	<u>50,792</u>	<u>3,108,266</u>
Excess revenues over (under) expenditures	<u>(2,504,058)</u>	<u>(2,504,058)</u>	<u>678,672</u>	<u>3,182,730</u>
Other financing sources (uses):				
Transfers out	<u>(340,000)</u>	<u>(340,000)</u>	<u>(340,000)</u>	<u>-</u>
Net change in fund balances	(2,844,058)	(2,844,058)	338,672	3,182,730
Fund Balance:				
Beginning of year	<u>2,844,058</u>	<u>2,844,058</u>	<u>3,036,694</u>	<u>192,636</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,375,366</u>	<u>\$ 3,375,366</u>

LINCOLN COUNTY, OREGON

219 CAPITAL PROJECTS FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Investment earnings	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,076</u>	<u>\$ 13,076</u>
Expenditures:				
Materials and services	896,824	896,824	69,433	827,391
Capital outlay	2,480,000	2,480,000	269,499	2,210,501
Contingency	<u>2,805,128</u>	<u>2,805,128</u>	<u>-</u>	<u>2,805,128</u>
Total expenditures	<u>6,181,952</u>	<u>6,181,952</u>	<u>338,932</u>	<u>5,843,020</u>
Other financing sources (uses):				
Transfers in	<u>4,013,000</u>	<u>4,013,000</u>	<u>4,163,000</u>	<u>150,000</u>
Net change in fund balances	(2,168,952)	(2,168,952)	3,837,144	6,006,096
Fund Balance:				
Beginning of year	<u>2,168,952</u>	<u>2,168,952</u>	<u>2,274,957</u>	<u>106,005</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,112,101</u>	<u>\$ 6,112,101</u>

LINCOLN COUNTY, OREGON

103 VEHICLE REPLACEMENT

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Charges for services	\$ 287,498	\$ 287,498	\$ 291,332	\$ 3,834
Other revenue	-	-	54,999	54,999
Total revenues	<u>287,498</u>	<u>287,498</u>	<u>346,331</u>	<u>58,833</u>
Expenditures:				
Materials and services	4,000	4,000	4,000	-
Capital outlay	339,000	339,000	338,999	1
Contingency	<u>400,676</u>	<u>400,676</u>	<u>-</u>	<u>400,676</u>
Total expenditures	<u>743,676</u>	<u>743,676</u>	<u>342,999</u>	<u>400,677</u>
Excess revenues over (under) expenditures	(456,178)	(456,178)	3,332	459,510
Other financing sources (uses):				
Sale of capital assets	<u>34,000</u>	<u>34,000</u>	<u>43,260</u>	<u>9,260</u>
Net change in fund balances	(422,178)	(422,178)	46,592	468,770
Fund Balance:				
Beginning of year	<u>422,178</u>	<u>422,178</u>	<u>421,536</u>	<u>(642)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 468,128</u>	<u>\$ 468,128</u>

NONMAJOR ENTERPRISE FUND

- **Solid Waste District** (a component unit) – This fund is responsible for county-wide solid waste management planning and enforcement. The principal revenue source are charges to waste haulers within the County for tons of waste hauled.

LINCOLN COUNTY, OREGON
210 SOLID WASTE DISTRICT FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 30,000	\$ 30,000	\$ 35,287	\$ 5,287
Charges for services	330,500	330,500	439,107	108,607
Investment earnings	<u>5,000</u>	<u>5,000</u>	<u>9,365</u>	<u>4,365</u>
Total revenues	<u>365,500</u>	<u>365,500</u>	<u>483,759</u>	<u>118,259</u>
Expenditures:				
Personal services	138,783	138,783	116,806	21,977
Materials and services	239,661	239,661	176,594	63,067
Contingency	<u>370,285</u>	<u>370,285</u>	<u>-</u>	<u>370,285</u>
Total expenditures	<u>748,729</u>	<u>748,729</u>	<u>293,400</u>	<u>455,329</u>
Net change in fund balances	(383,229)	(383,229)	190,359	573,588
Fund Balance:				
Beginning of year	<u>383,229</u>	<u>383,229</u>	<u>422,228</u>	<u>38,999</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	612,587	<u>\$ 612,587</u>
Reconciliation to GAAP Basis:				
Compensated absences			<u>(65)</u>	
GAAP Fund Balance - end of year			<u>\$ 612,522</u>	

NONMAJOR INTERNAL SERVICE FUND

- **Self Insurance Fund** - This fund accounts for costs of the County's self-insurance activities for workers' compensation and unemployment, as well as risk management projects.

LINCOLN COUNTY, OREGON

215 SELF INSURANCE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ -	\$ -	\$ 596,894	\$ 596,894
Charges for services	840,000	840,000	1,090,592	250,592
Investment earnings	75,000	75,000	70,034	(4,966)
Other revenue	<u>10,000</u>	<u>10,000</u>	<u>23,964</u>	<u>13,964</u>
Total revenues	<u>925,000</u>	<u>925,000</u>	<u>1,781,484</u>	<u>856,484</u>
Expenditures:				
Personal services	10,975	10,975	-	10,975
Materials and services	808,150	808,150	943,161	(135,011)
Capital outlay	200,000	200,000	876	199,124
Contingency	<u>1,519,966</u>	<u>1,519,966</u>	<u>-</u>	<u>1,519,966</u>
Total expenditures	<u>2,539,091</u>	<u>2,539,091</u>	<u>944,037</u>	<u>1,595,054</u>
Transfers out	<u>(2,250,000)</u>	<u>(2,250,000)</u>	<u>(2,250,000)</u>	<u>-</u>
Trust Fund Activity	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>50,000</u>
Total other financing sources (uses)	<u>(2,300,000)</u>	<u>(2,300,000)</u>	<u>(2,250,000)</u>	<u>50,000</u>
Net change in fund balances	(3,914,091)	(3,914,091)	(1,412,553)	2,501,538
Fund Balance:				
Beginning of year	<u>3,914,091</u>	<u>3,914,091</u>	<u>3,980,841</u>	<u>66,750</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	2,568,288	<u>\$ 2,568,288</u>

Reconciliation to GAAP Basis:

Claims payable	<u>(46,586)</u>
GAAP Fund Balance - end of year	<u>\$ 2,521,702</u>

FIDUCIARY FUNDS

These funds account for resources received and held by the County in a fiduciary capacity. Funds included are:

- The Agency Funds account for resources received and held by the County in a fiduciary capacity. Disbursements from these funds are made in accordance with the agency agreement or applicable legislative enactment for each particular fund.

LINCOLN COUNTY, OREGON
AGENCY FUND
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2020

	<u>Balances</u> <u>July 01, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances</u> <u>June 30, 2020</u>
ASSETS				
Cash and investments	\$ 2,696,473	\$ 97,524,860	\$ 96,559,541	\$ 3,661,792
Receivables	<u>8,562,856</u>	<u>97,036,445</u>	<u>97,524,860</u>	<u>8,074,441</u>
Total assets	<u>\$ 11,259,329</u>	<u>\$ 194,561,305</u>	<u>\$ 194,084,401</u>	<u>\$ 11,736,233</u>
LIABILITIES				
Accounts payable	\$ 1,996	\$ 10,483,073	\$ 10,468,402	\$ 16,667
Amounts held for others	<u>11,257,333</u>	<u>97,036,445</u>	<u>96,574,212</u>	<u>11,719,566</u>
Total liabilities	<u>\$ 11,259,329</u>	<u>\$ 107,519,518</u>	<u>\$ 107,042,614</u>	<u>\$ 11,736,233</u>

LINCOLN COUNTY, OREGON

Schedule of Receipts and Disbursements for Elected Officials

For the Year Ended June 30, 2020

There is no cash on hand or cash transactions for independently elected officials for fiscal year ending June 30, 2020.



STATISTICAL SECTION

STATISTICAL SECTION

- **Financial Trends** - These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time. 75 - 78
- **Revenue Capacity** - These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax. 79 - 82
- **Debt Capacity** - These schedules present information to help the reader assess the affordability of the government's current levels of debt outstanding and the government's ability to issue additional debt in the future. 83 - 86
- **Demographic and Economic Information** - These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place. 87 - 88
- **Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. 89 - 90

LINCOLN COUNTY

**NET POSITION BY COMPONENT
(Accrual Basis of Accounting)
(in thousands of dollars)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 123,439	\$ 34,807	\$ 35,744	\$ 37,757	\$ 37,806	\$ 39,642	\$ 40,693	\$ 42,040	\$ 41,933	\$ 39,765
Restricted	15,036	13,834	18,466	12,116	22,178	23,265	21,791	23,696	25,387	25,098
Unrestricted	12,485	14,978	10,043	17,861	10,345	10,425	12,709	13,967	13,158	12,758
Total Governmental Activities	\$ 150,960	\$ 63,619	\$ 64,253	\$ 67,734	\$ 70,329	\$ 73,332	\$ 75,193	\$ 79,703	\$ 80,478	\$ 77,621
Business-type Activities:										
Unrestricted	51	32	42	58	62	81	102	252	418	613
Total Net Position	\$ 151,011	\$ 63,651	\$ 64,295	\$ 67,792	\$ 70,391	\$ 73,413	\$ 75,295	\$ 79,955	\$ 80,896	\$ 78,234

LINCOLN COUNTY

**CHANGES IN NET POSITION
(Accrual Basis of Accounting)
(in thousands of dollars)**

EXPENSES	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
General Government	\$ 9,344	\$ 7,693	\$ 8,778	\$ 8,665	\$ 8,735	\$ 9,332	\$ 9,937	\$ 11,155	\$ 12,881	\$ 14,826
Community Services	3,783	3,972	4,211	4,143	3,878	3,995	4,082	4,589	4,864	5,017
Public Safety	16,972	19,373	18,409	18,878	17,916	21,900	21,170	22,685	23,541	25,497
Highways and Streets	8,366	8,191	6,102	5,656	6,659	6,119	6,103	7,662	7,097	8,704
Culture and Recreation	142	235	218	258	211	225	307	417	338	309
Health and Welfare	10,994	10,889	12,686	13,465	14,577	14,848	17,392	18,267	17,965	18,393
Education	1,236	956	920	688	689	1,371	179	243	211	273
Interest	41	26	6	77	242	121	102	90	34	78
Total Governmental Activities Expense	\$ 50,878	\$ 51,335	\$ 51,330	\$ 51,830	\$ 52,907	\$ 57,911	\$ 59,272	\$ 65,108	\$ 66,931	\$ 73,097
Business-type Activities										
Solid waste	278	257	220	217	234	231	243	235	219	290
Total Business-type Activities	\$ 278	\$ 257	\$ 220	\$ 217	\$ 234	\$ 231	\$ 243	\$ 235	\$ 219	\$ 290
Total Primary Government Expenses	\$ 51,156	\$ 51,592	\$ 51,550	\$ 52,047	\$ 53,141	\$ 58,142	\$ 59,515	\$ 65,343	\$ 67,150	\$ 73,387
PROGRAM REVENUES										
Governmental Activities										
Charges for Services										
General Government	\$ 2,365	\$ 2,558	\$ 2,576	\$ 2,296	\$ 1,787	\$ 3,493	\$ 2,968	\$ 3,344	\$ 2,058	\$ 1,895
Community Services	397	706	663	797	753	931	6,139	842	1,992	1,790
Public Safety	1,061	1,916	2,336	2,641	1,033	1,120	253	252	137	1,139
Highways and Streets	-	-	-	675	320	-	2,257	1,157	1,166	1,115
Culture and Recreation	-	-	-	-	-	-	103	102	222	151
Health and Welfare	5,430	6,630	6,217	8,481	9,611	9,466	4,890	9,384	8,925	9,127
Education	9	-	-	-	-	-	3	-	66	52
Operating Grants and Contributions	19,520	19,958	18,076	18,740	20,072	19,357	18,695	23,016	22,689	27,112
Capital Grants and Contributions	562	1,295	383	57	452	1,531	507	4,220	2,302	48
Total Governmental Activities Program Revenues	\$ 29,344	\$ 33,063	\$ 30,251	\$ 33,687	\$ 34,028	\$ 35,898	\$ 35,815	\$ 42,317	\$ 39,557	\$ 42,429
Business-type Activities - Solid waste										
Charges for Services	\$ 182	\$ 219	\$ 200	\$ 204	\$ 208	\$ 220	\$ 233	\$ 344	\$ 353	\$ 439
Operating Grants and Contributions	\$ 20	\$ 20	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 40	\$ 27	\$ 35
Total Business-type Activities	\$ 202	\$ 239	\$ 230	\$ 234	\$ 238	\$ 250	\$ 263	\$ 384	\$ 380	\$ 474
Total Primary Government Program Revenues	\$ 29,546	\$ 33,302	\$ 30,481	\$ 33,921	\$ 34,266	\$ 36,148	\$ 36,078	\$ 42,701	\$ 39,937	\$ 42,903
Net (Expense)/Revenue										
Governmental Activities	\$ (21,534)	\$ (18,272)	\$ (21,079)	\$ (18,143)	\$ (18,879)	\$ (22,013)	\$ (23,457)	\$ (22,791)	\$ (27,374)	\$ (30,668)
Business-type Activities	(76)	(18)	10	17	4	19	20	149	161	184
Total Primary Government Net Expense	\$ (21,610)	\$ (18,290)	\$ (21,069)	\$ (18,126)	\$ (18,875)	\$ (21,994)	\$ (23,437)	\$ (22,642)	\$ (27,213)	\$ (30,484)
GENERAL REVENUES AND OTHER										
Taxes										
Property Taxes	\$ 18,188	\$ 18,986	\$ 19,389	\$ 19,417	\$ 20,657	\$ 21,219	\$ 22,717	\$ 23,418	\$ 23,405	\$ 24,617
Transient Room Taxes ¹	1,666	1,502	1,800	1,775	1,856	2,134	1,867	1,964	2,429	2,163
Other Taxes	265	235	-	-	-	-	339	505	684	141
Unrestricted Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Investment Earnings	163	151	157	174	155	226	395	592	902	811
State Motor Vehicle Fees	-	-	-	-	-	-	-	-	-	-
Timber and Land Sales	161	500	365	206	457	1,123	-	-	729	82
Gain (Loss) on Sale of Capital Assets	(2)	-	-	51	37	41	-	24	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	\$ 20,441	\$ 21,374	\$ 21,711	\$ 21,623	\$ 23,162	\$ 24,743	\$ 25,318	\$ 26,503	\$ 28,149	\$ 27,814
Business-type Activities										
Investment Earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 6	\$ 9
Total Business-type Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 6	\$ 9
Total Primary Government	\$ 20,441	\$ 21,374	\$ 21,711	\$ 21,623	\$ 23,162	\$ 24,743	\$ 25,318	\$ 26,505	\$ 28,155	\$ 27,823
CHANGE IN NET POSITION										
Governmental Activities	\$ (1,093)	\$ 3,102	\$ 632	\$ 3,480	\$ 4,283	\$ 2,730	\$ 1,861	\$ 3,712	\$ 775	\$ (2,854)
Business-type Activities	(76)	(18)	10	17	4	19	20	151	167	193
Total Primary Government Change in Net Position	\$ (1,169)	\$ 3,084	\$ 642	\$ 3,497	\$ 4,287	\$ 2,749	\$ 1,881	\$ 3,863	\$ 942	\$ (2,661)

Notes

¹ Data for transient room taxes is included with "Other Taxes" category for years prior to 2011

LINCOLN COUNTY

FUND BALANCES OF GOVERNMENTAL FUNDS

(Modified Accrual Basis of Accounting)
(in thousands of dollars)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
GENERAL FUND										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	3	2	-	-	-	-	-	-	-	-
Restricted	673	309	472	811	741	607	754	1,121	1,207	1,207
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	4,464	5,264	5,724	5,475	6,000	7,285	8,232	9,127	9,001	7,344
Total General Fund	\$ 5,140	\$ 5,575	\$ 6,196	\$ 6,286	\$ 6,741	\$ 7,892	\$ 8,986	\$ 10,248	\$ 10,208	\$ 8,551
ALL OTHER GOVERNMENTAL FUNDS										
Reserved For:										
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Outpatient Services	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	330	404	436	463	502	462	453	453	464	478
Restricted	19,528	20,192	18,466	18,926	18,328	22,657	20,940	22,575	24,285	23,891
Committed	3,127	2,886	3,240	5,997	6,601	4,008	5,956	6,453	6,676	11,570
Assigned	50	-	-	67	389	-	-	-	-	-
Unassigned	(46)	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 22,989	\$ 23,482	\$ 22,142	\$ 25,453	\$ 25,820	\$ 27,127	\$ 27,349	\$ 29,481	\$ 31,425	\$ 35,939

This schedule has been modified with the implementation of GASB 54, effective FY 2011.

LINCOLN COUNTY
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
(Modified Accrual Basis of Accounting)
(in thousands of dollars)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
Taxes and Land Sales	\$ 19,915	\$ 20,673	\$ 21,228	\$ 21,280	\$ 22,637	\$ 23,221	\$ 24,584	\$ 25,693	\$ 27,444	\$ 26,988
Licenses, Fees, and Permits	1,416	1,328	1,328	1,203	1,291	1,461	1,582	1,734	1,900	1,730
Charges for Services	8,250	9,312	9,427	11,409	11,505	12,795	12,493	13,047	12,318	12,251
Intergovernmental	19,088	21,991	19,091	20,638	20,899	21,996	20,081	24,653	24,557	26,491
Fines and Penalties	133	118	91	100	90	90	107	130	140	140
Investment Earnings	162	143	150	163	139	202	395	593	902	741
Donations	-	-	-	62	79	72	72	68	74	72
Miscellaneous	772	740	580	740	382	753	1,852	597	567	642
Total Revenues	\$ 49,736	\$ 54,305	\$ 51,895	\$ 55,595	\$ 57,022	\$ 60,590	\$ 61,166	\$ 66,515	\$ 67,902	\$ 69,055
EXPENDITURES										
General Government	\$ 8,329	\$ 8,326	\$ 8,669	\$ 8,893	\$ 9,163	\$ 9,329	\$ 9,973	\$ 10,671	\$ 12,282	\$ 13,251
Community Services	3,633	3,803	4,063	3,897	3,599	3,731	3,803	4,218	4,501	4,542
Public Safety	16,443	18,789	17,611	18,044	18,275	18,491	19,402	20,708	21,363	23,750
Highways and Streets	7,177	6,426	6,149	7,592	5,444	4,995	5,097	6,344	5,775	6,141
Culture and Recreation	60	118	96	144	84	109	183	284	235	190
Health and Welfare	10,956	10,817	12,582	13,382	14,547	14,792	17,219	18,013	17,828	17,801
Education	1,236	956	920	687	693	1,376	179	243	249	273
Capital Outlay	2,748	3,571	2,053	2,969	3,988	5,203	3,623	4,527	3,382	2,353
Debt Service										
Principal	429	446	462	15	284	289	300	311	327	109
Interest	42	26	9	77	138	129	117	105	92	83
Bond Issuance Costs	-	-	-	69	-	-	-	-	-	-
Total Expenditures	\$ 51,053	\$ 53,278	\$ 52,614	\$ 55,769	\$ 56,215	\$ 58,444	\$ 59,896	\$ 65,424	\$ 66,034	\$ 68,493
Excess of Revenues Over (Under) Expenditures	\$ (1,317)	\$ 1,027	\$ (719)	\$ (174)	\$ 807	\$ 2,146	\$ 1,270	\$ 1,091	\$ 1,868	\$ 562
OTHER FINANCING SOURCES (USES)										
Proceeds from Long-Term Debt	\$ -	\$ -	\$ -	\$ 3,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributed Capital Assets	-	-	-	-	-	-	-	2,278	-	-
Transfers in	878	606	339	797	2,331	705	916	799	1,285	5,591
Transfers out	(878)	(606)	(339)	(797)	(2,331)	(705)	(916)	(799)	(1,285)	(3,341)
Proceeds from sale of fixed assets	-	-	-	-	37	41	44	24	37	43
Net Change in Fund Balances	\$ (1,317)	\$ 1,027	\$ (719)	\$ 3,401	\$ 844	\$ 2,187	\$ 1,314	\$ 3,393	\$ 1,905	\$ 2,855
Debt Service as a % of Noncapital Expenditures	1.0%	1.0%	0.9%	0.2%	0.8%	0.8%	0.7%	0.7%	0.7%	0.3%

LINCOLN COUNTY

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
(in thousands of dollars)**

Year Ended June 30,	Real Property		Personal Property		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Manufactured Structures	Other Real Property	Manufactured Structures	Business Personal Property				
2010	54,519	6,042,207	37,950	121,456	6,256,132	3.0004	10,601,034	59.0%
2011	52,030	6,223,137	38,672	117,886	6,431,725	3.0727	9,694,409	66.3%
2012	49,867	6,390,364	36,818	101,617	6,578,666	3.0727	9,001,860	73.1%
2013	47,680	6,300,488	34,204	97,171	6,479,543	3.0727	8,301,862	78.0%
2014	46,847	6,596,883	33,966	104,232	6,781,928	3.0727	7,894,421	85.9%
2015	46,411	6,743,822	33,380	104,141	6,927,754	3.0727	7,938,141	87.3%
2016	45,764	6,926,487	33,760	105,673	7,111,684	3.0727	8,115,882	87.6%
2017	47,911	7,131,128	35,898	105,326	7,320,263	3.0727	8,446,089	86.7%
2018	52,451	7,428,631	39,303	106,808	7,627,193	3.0727	9,034,781	84.4%
2019	54,095	7,727,892	41,219	108,371	7,931,577	3.0727	9,599,006	82.6%

Source: Lincoln County Assessor's Office

LINCOLN COUNTY
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Rate per \$1,000 of assessed value

Fiscal Year Ended	Lincoln County			Overlapping Rates			Total Direct and Overlapping Rates
	Operating	Debt Service	Total	Cities	Schools	Other Districts	
June 30,							
2011	3.0727	-	3.0727	4.8526	6.4401	0.3191	14.6845
2012	3.0727	-	3.0727	4.9789	6.4220	0.3141	14.7877
2013	3.0727	-	3.0727	4.9061	6.4128	0.3618	14.7534
2014	3.0727	-	3.0727	4.7727	6.2984	0.5547	14.6985
2015	3.0727	-	3.0727	4.9418	6.3248	0.5472	14.8865
2016	3.0727	-	3.0727	4.9536	6.2868	0.5869	14.9000
2017	3.0727	-	3.0727	5.2070	6.4833	0.7395	15.5025
2018	3.0727	-	3.0727	4.9283	6.3214	0.8020	15.1244
2019	3.0727	-	3.0727	4.8866	6.3662	0.7940	15.1195
2020	3.0727	-	3.0727	4.8866	6.3662	0.7940	15.1195

Note: Overlapping rates are those of other governments that apply to property owners within Lincoln County. Not all overlapping rates apply to all property owners within the County as rates for cities, schools and other districts apply only to the proportion of the County's property owners whose property is located within the geographic boundaries of those governments.

Source: Lincoln County Assessor's Office

LINCOLN COUNTY

**PRINCIPAL PROPERTY TAXPAYERS
(in thousands of dollars)
Current and Ten Years Ago**

<u>Taxpayer</u>	2019-20			2009-10		
	Assessed Value	Rank	Percentage of County Total Assessed Value	Assessed Value	Rank	Percentage of County Total Assessed Value
Georgia-Pacific Toledo LLC	\$ 215,962	1	2.6%	\$ 164,516	1	2.6%
Central Lincoln PUD	103,124	2	1.3%	64,038	2	1.0%
Northwest Natural Gas	56,140	3	0.7%	40,807	3	0.7%
Weyerhaeuser	68,096	4	0.8%			
Charter Communications	41,911	5	0.5%	14,271	10	0.2%
Devils Lake Road LLC	39,072	6	0.5%			
The Worldmark Club	42,632	7	0.5%	36,649	6	0.6%
Nestucca Forests LLC	35,715	8	0.4%	26,338	7	0.4%
Century Link	28,773	9	0.3%			
Hallmark Inns & Resorts Inc	28,773	10	0.3%			
Plum Creek Timberlands LP				51,761	4	0.8%
COROC/Lincoln City LLC				31,579	5	0.5%
Meriwether NW OR Land & Timber Co				20,465	8	0.3%
Pacificorp				16,785	9	0.3%
Total Assessed Value	\$ 8,249,799			\$ 6,256,132		

Source : Lincoln County Assessor's Office

LINCOLN COUNTY

PROPERTY TAX LEVIES AND COLLECTIONS
(in thousands of dollars)

Year Ended June 30,	Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2010	15,942	15,113	94.8%	829	15,942	100%
2011	17,234	16,315	94.7%	873	17,188	99.7%
2012	18,248	17,310	94.9%	887	18,197	99.7%
2013	18,075	17,225	95.3%	783	18,008	99.6%
2014	19,158	18,349	95.8%	683	19,031	99.3%
2015	20,025	19,304	96.4%	474	19,778	98.8%
2016	21,207	20,444	96.4%	462	20,905	98.6%
2017	22,118	21,432	96.9%	479	21,911	99.1%
2018	22,556	21,503	95.3%	363	21,866	96.9%
2019	23,428	22,348	95.4%	-	22,348	95.4%

Source: Lincoln County Treasurer's Office

LINCOLN COUNTY

RATIOS OF OUTSTANDING DEBT BY TYPE (amounts expressed in thousands except debt per capita amounts shown as actual)

Governmental Activities

Year Ended June 30	General Obligation Bonds	Notes and Capital Leases	Total	Debt Per Personal Income Per Capita
2011	-	929	929	27
2012	-	462	462	13
2013	-	-	-	-
2014	-	3,465	3,465	92
2015	-	3,182	3,182	82
2016	-	2,892	2,892	73
2017	-	2,598	2,598	63
2018	-	2,281	2,281	52
2019	-	1,953	1,953	43
2020	-	1,845	1,845	37

Note: Per Bureau of Economic Analysis (Regional Economic Accounts) (www.bea.gov). The latest personal income & per capita personal income available by BEA economic area is 2019.

*Sources: Lincoln County Finance Department
Bureau of Economic Analysis*

LINCOLN COUNTY

RATIOS OF GENERAL BONDED DEBT OUTSTANDING (amounts expressed in thousands except per capita amounts shown as actual)

Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property ^a	Outstanding Debt Per Capita ^b
2011	0	0	0	0.000%	0
2012	0	0	0	0.000%	0
2013	0	0	0	0.000%	0
2014	0	0	0	0.000%	0
2015	0	0	0	0.000%	0
2016	0	0	0	0.000%	0
2017	0	0	0	0.000%	0
2018	0	0	0	0.000%	0
2019	0	0	0	0.000%	0
2020	0	0	0	0.000%	0

(a) Property values can be found on the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

(b) Population data can be found in the Schedule of Demographic and Economic Statistics.

LINCOLN COUNTY

DIRECT AND OVERLAPPING DEBT

As of June 30, 2020

Municipality	Net General Debt Outstanding	Percent within County	Amount Applicable to County
Direct:			
Lincoln County	\$ 4,747,000	100.00%	\$ 4,747,000
Overlapping:			
City of Depoe Bay	\$ 1,820,000	100.00%	\$ 1,820,000
City of Lincoln City	3,974,264	100.00%	3,974,264
City of Newport	16,071,329	100.00%	16,071,329
City of Siletz	321,155	100.00%	321,155
City of Toledo	490,000	100.00%	490,000
City of Waldport	279,313	100.00%	279,313
City of Yachats	857,480	100.00%	857,480
Depoe Bay Rural Fire Protection District	395,108	100.00%	395,108
Kernville, Gleneden, Lincoln Beach Water District	151,162	100.00%	151,162
Lincoln County Unified School District	60,302,990	99.44%	59,965,293
Beverly Beach Water District	539,642	100.00%	539,642
North Lincoln Fire & Rescue District 1	6,061,150	98.99%	5,999,932
Oregon Coast Community College	7,625,000	100.00%	7,625,000
Pacific Communities Health District	44,400,000	100.00%	44,400,000
Port of Alsea	2,475,000	100.00%	2,475,000
Port of Newport	12,305,736	100.00%	12,305,736
Port of Toledo	915,621	100.00%	915,621
Seal Rock Water District	1,580,024	100.00%	1,580,024
Silver Sands Special Road District	10,000	100.00%	10,000
Southwest Lincoln County Water District	124,764	100.00%	124,764
Yachats Rural Fire Protection District	7,690,000	100.00%	7,690,000
Total Overlapping	\$ 168,389,738		\$ 167,990,824
Total	\$ 173,136,738		\$ 172,737,824

Includes general obligation bonds less any that are fully self-supporting.

Source: Oregon State Treasury, Debt Management Division

Overlapping debt percentage is calculated by determining the percentage of real market value the issuer shares between itself and another issuer. This data is provided to the Oregon Treasury annually by the Oregon

LINCOLN COUNTY

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)**

Calculation of Legal Debt Margin for Fiscal Year 2020

True Cash Value	10,376,366
Debt Limit:	
2% of true cash value per ORS 287.054	\$ 207,527
General Obligation Bonds	\$ -
Less: Amount set aside for repayment of G.O. debt	<u>\$ -</u>
Total Net Debt Applicable to Limit	-
Legal Debt Margin	\$ 207,527

Legal Debt Margin History

Year ended June 30	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
True Cash Value of Property	\$ 9,694,409	\$ 9,001,860	\$ 8,301,862	\$ 7,894,421	\$ 7,938,141	\$ 8,115,882	\$ 8,446,089	\$ 9,034,781	\$ 9,599,006	\$ 10,376,366
Debt Limit	\$ 193,888	\$ 180,037	\$ 166,037	\$ 157,888	\$ 158,763	\$ 162,318	\$ 168,922	\$ 180,696	\$ 191,980	\$ 207,527
Total Net Debt Applicable to Limit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Legal Debt Margin	\$ 193,888	\$ 180,037	\$ 166,037	\$ 157,888	\$ 158,763	\$ 162,318	\$ 168,922	\$ 180,696	\$ 191,980	\$ 207,527
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

LINCOLN COUNTY

DEMOGRAPHIC AND ECONOMIC STATISTICS

Year Ended June 30	Population ^a	Personal Income (\$000's) ^b	Per Capita Personal Income ^b	Unemployment Rate ^c
2011	46,135	1,572,179	34,228	10.1%
2012	46,155	1,679,689	36,377	9.5%
2013	46,560	1,718,619	37,079	8.4%
2014	46,890	1,681,133	37,462	7.6%
2015	47,225	1,832,982	38,968	6.6%
2016	47,735	1,896,224	39,665	6.2%
2017	47,960	2,027,614	41,448	4.2%
2018	48,210	2,178,950	44,119	4.1%
2019	48,260	2,294,997	45,935	4.6%
2020	48,305	NA	NA	10.4%

Sources: (a) Portland State University, College of Urban Affairs,
Population Research Center
(b) Bureau of Economic Analysis
(c) Oregon Employment Department

LINCOLN COUNTY

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FUNCTION											
General Government											
Highways and Streets	31.00	30.00	30.00	30.00	31.25	30.60	30.60	30.60	30.80	30.80	30.80
Other	71.00	72.00	72.00	72.00	74.00	75.10	76.00	77.51	79.63	81.03	81.28
Community Services											
Health and Welfare	90.00	98.00	98.00	101.00	127.00	140.21	157.87	163.05	146.80	159.04	163.02
Other	7.00	6.50	6.50	8.00	6.00	5.13	5.30	6.00	6.80	7.00	7.00
Public Safety											
Sheriff's Department	91.00	91.00	91.00	88.00	82.00	82.00	82.00	86.50	86.50	94.00	94.00
Other	61.00	59.50	59.50	57.50	61.75	61.85	64.35	64.85	70.45	74.60	76.40
Total	351.00	357.00	357.00	356.50	382.00	394.89	416.12	428.51	420.98	446.47	452.50
General Government	102.00	102.00	102.00	102.00	105.25	105.70	106.60	108.11	110.43	111.83	112.08
Community Services	97.00	104.50	104.50	109.00	133.00	145.34	163.17	169.05	153.60	166.04	170.02
Public Safety	152.00	150.50	150.50	145.50	143.75	143.85	146.35	151.35	156.95	168.60	170.40

Source : Lincoln County Finance Department

LINCOLN COUNTY

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

FUNCTION	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety											
Physical Arrests	817	708	704	958	760	842	1,113	1,037	960	732	586
Traffic Citations	687	599	555	787	754	755	927	1,553	1,362	1,249	1,297
Concealed Handgun Licensing											
Issued	N/A	N/A	N/A	675	811	717	828	803	826	741	777
Denied	N/A	N/A	N/A	7	14	4	1	0	4	7	3
Revoked	N/A	N/A	N/A	13	9	6	1	2	8	5	1
Sex Offender Registrations	N/A	N/A	N/A	204	232	238	228	219	261	N/A	N/A
Fingerprints (not for CHL, sex offender or juvenile)	N/A	N/A	N/A	765	352	843	615	501	291	624	476
Civil Papers	N/A	N/A	N/A	1,493	1,497	1,578	1,850	1,742	1,784	1,691	1,248
Criminal Subpoenas	N/A	N/A	N/A	1,258	1,491	1,637	1,750	994	1,525	2,193	1,653
Sheriff's Sales	N/A	N/A	N/A	33	115	117	88	78	50	45	15
Jail Bookings	N/A	N/A	N/A	3,108	N/A	3,141	3,341	3,657	3,390	3,225	2,531
Jail Releases	N/A	N/A	N/A	3,113	N/A	3,141	3,310	2,164	1,997	2,001	1,743
Released early (pre-trial or sentenced)	N/A	N/A	N/A	554	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Average Stay (Days)	N/A	N/A	N/A	N/A	N/A	18	23	N/A	N/A	N/A	N/A
Average Daily population	N/A	N/A	N/A	N/A	N/A	235	224	N/A	N/A	N/A	N/A
Felony charges	N/A	N/A	N/A	N/A	N/A	862	665	N/A	N/A	N/A	N/A
Misdemeanor charge	N/A	N/A	N/A	N/A	N/A	1,795	918	N/A	N/A	N/A	N/A
Other charges	N/A	N/A	N/A	N/A	N/A	4,414	1,977	N/A	N/A	N/A	N/A
Highways and Streets											
Miles of Road Pavement Overlays	20.2	10.9	3.0	4	1	2.65	3.02	2.50	2.50	2.00	13
Miles of Road Shoulder Widening	1.5	0	0	0	0	0	0	0	0	0	0
Number of Road Patches Performed	40	24	70	21	67	65	36	5	6	9	60
Sanitation											
Pounds of Waste Generated Per Capita	2,587	2,503	2,487	2,657	2,653	2,653	N/A	N/A	N/A	N/A	32
Pounds of Waste Recovered Per Capita	761	815	805	956	858	824	N/A	N/A	N/A	N/A	768
Pounds of Waste Disposed Per Capita	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,410
Total Recovery Rate Average Per Person	29.4%	34.6%	34.4%	38.0%	34.3%	32.8%	23.6%	25.5%	N/A	18.2%	0
Total Waste Disposed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	50,996	53,114	58,084
Total Recovery of Recyclables	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15,706	11,794	18,511
Transportation											
Hours of Service	23,525	26,238	28,576	30,851	31,134	31,243	30,641	31,165	31,198	30,072	28,268
Number of Passengers	125,452	141,124	139,986	147,485	141,297	125,887	127,089	127,846	128,733	126,754	115,986
Miles Traveled	366,887	407,103	479,799	553,533	563,181	547,096	529,489	534,341	504,181	519,831	501,040
Number of Trips	N/A	N/A	312,211	328,892	319,418	315,170	317,724	317,291	321,833	309,624	289,967
County Clerk											
Marriage Licenses	N/A	N/A	N/A	370	406	442	431	385	405	397	334
Voter registrations	N/A	N/A	N/A	6,774	4,934	5,502	12,546	13,591	10,085	11,675	13,501
Documents Filed	N/A	N/A	N/A	12,796	11,421	12,456	12,518	12,458	12,914	12,465	577
Passports	N/A	N/A	N/A	565	561	687	739	836	795	874	11,621

Source: Individual County Departments

LINCOLN COUNTY

CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

FUNCTION	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety											
Patrol Units	28	28	30	30	31	33	33	32	33	33	33
Administration	NA	NA	NA	NA	NA	NA	NA	NA	6	6	7
Emergency Services	NA	NA	NA	NA	NA	NA	NA	NA	1	1	1
Community Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1
Animal Services	NA	NA	NA	NA	NA	NA	NA	NA	2	3	3
Highways and Streets											
Streets (Miles)	332	332	332	332	330	330	330	335	335	335	331
Bridges	84	84	84	85	85	84	84	89	89	89	88
Culture and Recreation											
Parks	15	15	15	16	18	19	19	21	21	22	22
Transportation											
Number of Buses	19	19	19	19	19	21	20	20	16	17	17

Source : Individual County Departments



COMPLIANCE SECTION



COMMENTS AND DISCLOSURES OF INDEPENDENT AUDITOR REQUIRED BY STATE STATUTE

To the Board of Commissioners
Lincoln County, Oregon
Newport, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

We have audited the basic financial statements of Lincoln County, Oregon, ("County") as of and for the year ended June 30, 2020, and have issued our report thereon dated February 26, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

Compliance

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

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

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

In connection with our testing nothing came to our attention that caused us to believe the County was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except for expenditures exceeding appropriations, see Note 2M.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive, flowing style.

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
February 26, 2021



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

To the Board of Commissioners
Lincoln County, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

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 Lincoln County, Oregon as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Lincoln County, Oregon's basic financial statements, and have issued our report thereon dated February 26, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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

Isler CPA

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
February 26, 2021



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners
Lincoln County, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

Report on Compliance for Each Major Federal Program

We have audited the compliance of Lincoln County, Oregon with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lincoln County, Oregon's major federal programs for the year ended June 30, 2020. Lincoln County, Oregon's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Lincoln County, Oregon's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) 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 Lincoln County, Oregon's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Lincoln County, Oregon, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Lincoln County, Oregon, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Lincoln County, Oregon's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 Lincoln County, Oregon's internal control over compliance.

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

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

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

Schedule of Expenditures of Federal Awards

We have audited of the governmental activities, the business-type activities, and the aggregate remaining fund information of Lincoln County, Oregon as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise Lincoln County, Oregon's basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We issued our report thereon dated February 26, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Isler CPA



By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
February 26, 2021

LINCOLN COUNTY, OREGON
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2020

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance?	No

Identification of Major Federal Award Programs:

Name of Federal Program or Cluster	CFDA Number
Program for Women, Infants, and Children	10.557
Community Health Centers	93.224
Provider Relief	93.498
Medical Assistance Program	93.778
Coronavirus Relief Fund	21.019
Veterans Medical Care Benefits	64.009

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings
None

Section III – Federal Award Findings and Questioned Costs
None

Section IV – Summary Schedule of Prior Audit Findings
None

LINCOLN COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2020

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Pass-Through Number	Expenditures (Revenue Recognized)	Amounts Provided to subrecipients
<u>Department of Agriculture</u>				
<u>Food and Nutrition Service</u>				
Oregon Department of Human Services - Health Division				
Special Supplement Nutrition Program for Women, Infants, and Children	10.557	280559	\$ 338,079	\$ -
Child and Adult Care Food Program	10.558	2112002	4,200	-
<u>Forest Service</u>				
Cooperative Forestry Assistance	10.664	17-LE-11061200-004	64,078	-
Oregon Department of Administrative Services				
Schools and Roads - Grants to States	10.665	ORS 293.560	-	-
<i>Total Department of Agriculture</i>			<u>406,357</u>	<u>-</u>
<u>Department of Interior</u>				
Refuge Revenue Sharing Act	15.659		<u>2,599</u>	<u>-</u>
<u>Department of Justice</u>				
Oregon Department of Justice				
Bulletproof Vest Partnership Program	16.607	FY 2019	12,322	-
Oregon Commission on Children and Families				
Crime Victim Assistance	16.575	CFA-2017-LINCOLNCODAVAP-00040	106,756	-
Human Trafficking	16.575	VOCA-FL-2018-LINCOLNCOACA-00086	23,345	-
Discretionary Grant	16.585	2017-DC-BX-0025	10,513	-
Rural Domestic, Dating Violence, Sexual Assault,	16.589	2016-WR-AX-0032	93,866	-
Pretrial Justice Program	16.745	2016-WR-AX-0032	189,905	-
<i>JAG Program Cluster</i>				
Oregon Criminal Justice Division				
Edward Byrne JAG Grant				
Lincoln County Adult Drug Court	16.738	SC-21-032	114,772	-
Hope Court Measure 57	16.738	IGA 5436/5468	99,061	-
Justice Reinvestment Grant Program	16.738	JR-19-021	312,735	-
Justice Reinvestment Grant Program-TAPS	16.738	JR-19-021	26,806	-
Downward Departure	16.738	JR-19-021	88,051	-
DPSST	16.738	G-259-17-69	-	-
<i>Total JAG Program Cluster</i>			<u>641,425</u>	<u>-</u>
<i>Total Department of Justice</i>			<u>1,078,132</u>	<u>-</u>

LINCOLN COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, continued

For the Year Ended June 30, 2020

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Pass-Through Number	Expenditures (Revenue Recognized)	Amounts Provided to subrecipients
<i>Department of Transportation</i>				
Oregon Department of Transportation				
Formula Grants for Rural Areas				
Agreement with Confederated Tribes of Siletz	20.509	29274	260,672	-
5311 Operating Funds	20.509	33426	627,834	-
5311 Cares Act	20.509	34203	500,563	-
Safety Belt Enforcement	20.610	M1HVE-19-46-08	1,118	-
Hazardous Materials and Emergency Preparedness Response	20.703	2019 LINCOLN	9,991	-
Speed Enforcement	20.616	M*SE-19-35-12	3,319	-
<i>Total Department of Transportation</i>			<u>1,403,497</u>	<u>-</u>
<i>Department of Health and Human Services</i>				
<i>Health Center Program Cluster</i>				
Community Health Centers	93.224	6H80CS06639	1,205,794	-
New and Expanded Services	93.527	3H80CS06639-13-09 17H80CS06639-13-09	16,467	-
HRSA Substance Abuse and Disorder	93.224	H8DCS35810,	203,331	-
HRSA Cares COVID	93.224	H8CCS34165	608,360	-
COVID	93.224	H8CC34165-01-00	36,303	-
Integrated Behavioral Health Services	93.527	H80CS06639	51,261	-
<i>Health Center Program Cluster Total</i>			<u>2,121,516</u>	<u>-</u>
Oregon Health and Human Services				
Prescription Drug Overdose	93.136	154120	92,633	-
Family Planning Services				
Immunization Program	93.217	280540	122,748	-
Public Health Emergency Preparedness				
Bioterrorism-Preparedness and Response	93.069	280618	78,269	45,000
COVID 19 Response	93.354	159820	27,030	-
<i>Affordable Care Act Maternal, Infant, and Early Childhood Home Visits Cluster</i>				
Nurse Family Partnership	93.505	CDC 280641-11	286,237	-
Nurse Family Partnership System Development	93.870	CDC 280641-11	25,187	-
<i>Total Affordable Care Act Maternal, Infant, and Early Childhood Home Visits Cluster</i>			311,424	-
Provider Relief	93.498		934,517	-
Sustainable Relationship for Community Health	93.767		4,527	-
Colorectal/Breast Cancer Screening	93.800		2,299	-

LINCOLN COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, continued

For the Year Ended June 30, 2020

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Pass-Through Number	Expenditures (Revenue Recognized)	Amounts Provided to subrecipients
<i>Department of Health and Human Services (cont.)</i>				
Oregon Health and Human Services (cont.)				
HIV Care Formula Grants				
Oregon Mothers Care	93.940	280646	2,500	-
MCH Title V Flexible Funds and CAH	93.940	280646	35,944	-
MICHEV Reimbursement	93.870		6,136	-
Ryan White HIV/AIDS	93.917	155918	588,977	-
Block Grants for Community Mental Health Services	93.958	112001	247,456	-
Block Grants for Prevention and Treatment of Substance Abuse				
Continuum of Care-SE66	93.959	135001	157,078	-
Peer Support	93.959	135001	23,113	-
A and D Community Prevention	93.959	153129	61,316	-
Social Services Block Grant				
Community Development Disability Services.	93.778	IGA 14807	1,108,684	-
Juvenile Shelter Home	93.778	IGA 125630	181,772	-
Juvenile Crime Prevention-Basic and Diversion	93.667	13210	44,208	-
Juvenile Crime Prevention-Basic and Diversion	93.268	13210	48,866	-
Oregon Health Authority				
National Bioterrorism Hospital Preparedness Program				
PHEP Ebola	93.889	161724	6,617	-
Oregon Department of Justice-Child Support Division				
Child Support Enforcement	93.563	15431/610008	232,371	-
Oregon Commission on Children and Families				
Youth Investment Basic Capacity	93.667	FY 19	28,136	28,136
Substance Abuse and Mental Health Services				
Opioid Response -Peer Support	93.788	159171	118,869	-
Oregon Health Sciences University				
Maternal and Child Health Services Block Grant				
OHSU Cocoon	93.994	4BO4MCO6604-01-044B04MC25366	<u>23,454</u>	<u>-</u>
<i>Total Department of Health and Human Services</i>			<u>6,610,460</u>	<u>73,136</u>

LINCOLN COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, continued

For the Year Ended June 30, 2020

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Pass-Through Number	Expenditures (Revenue Recognized)	Amounts Provided to subrecipients
<u>Department of Homeland Security</u>				
Oregon Military Department-Emergency Management				
Emergency Management Performance Grants	97.042	19-521	75,492	-
Homeland Security Grant Program				
ACS Trailer	97.067	18-232	13,527	-
Oregon State Marine Board				
Boating Safety Financial Assistance	97.012	3312FAS120141	<u>262,315</u>	<u>-</u>
<i>Total Department of Homeland Security</i>			<u>351,334</u>	<u>-</u>
<u>Department of Treasury</u>				
Coronavirus Relief Fund				
Primary Care, Outpatient Services	21.019		<u>1,545,081</u>	<u>-</u>
<u>Department of Veterans Administration</u>				
Veterans Medical Care Benefits				
Primary Care, Outpatient Services	64.009	VA260-15-0-0037	717,169	-
Oregon Department of Military Affairs				
Veterans Educational Assistance				
Veteran Services	64.009	VA260-P-0781	<u>108,559</u>	<u>-</u>
<i>Total Department of Veterans Affairs</i>			<u>825,728</u>	<u>-</u>
<u>Environmental Protection Agency</u>				
Oregon Department of Human Services				
State Public Water System Supervision				
PE 49 Private Domestic Wells and Public Health	93.070	159820	4,913	-
Sanitary Survey Program	66.432	280557	<u>22,541</u>	<u>-</u>
<i>Total Environmental Protection Agency</i>			<u>27,454</u>	<u>-</u>
<u>Department of General Services Administration</u>				
Federal Surplus	39.000		<u>\$ 1,240</u>	<u>\$ -</u>
Total Expenditures of Federal Awards			<u><u>\$ 12,251,882</u></u>	<u><u>\$ 73,136</u></u>

LINCOLN COUNTY, OREGON

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2020

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Lincoln County under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Because the schedule presents only a selected portion of the operation of the County, it is not intended to and does not present the financial position, changes in financial position, or cash flow for the County.

2. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is presented on the modified accrual basis of accounting in accordance with generally accepted accounting principles. Expenditures reported on this schedule are recognized following the cost principles in Title 2 US Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

3. Indirect Cost

The County has not elected to use the 10% *de minimis* cost rate.